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HOUSE OF REPRESENTATIVES—*Tuesday, February 8, 1977*

The House met at 12 o'clock noon.

Rabbi I. Usher Kirshblum, Jewish Center of Kew Gardens Hills, Flushing, N.Y., offered the following prayer:

Heavenly Father, before we begin our deliberations, we bow our heads in prayer to Thee. We thank Thee for the opportunity and privilege to serve our country. May Thy spirit of wisdom and understanding, of counsel and might, of knowledge of and reverence for Thee rest upon us always. May we always feel the emotions, think the thoughts, and perform the deeds that are befitting to us as Americans.

Help us keep our country true to the principles upon which she was founded, to her passion for freedom and democracy, and her love for the downtrodden and forlorn.

May hate, strife, and godlessness cease to divide the family of mankind so that justice and love may reign supreme in the world. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment resolutions of the House of the following titles:

H. Con. Res. 106. Concurrent resolution providing for an adjournment of the House from February 9 to February 16, 1977, and a recess of the Senate from February 11 to February 21, 1977; and

H.J. Res. 227. Joint resolution making urgent power supplemental appropriations for the Department of the Interior, Southwestern Power Administration for the fiscal year ending September 30, 1977, and for other purposes.

RABBI I. USHER KIRSHBLUM OF QUEENS, GUEST CHAPLAIN

(Mr. ROSENTHAL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSENTHAL. Mr. Speaker, it is a great honor for me and for the people of my district that today's prayer was offered by Rabbi I. Usher Kirshblum of the Jewish Center of Kew Gardens Hills, Queens, N.Y.

Rabbi Kirshblum is serving his 31st year as spiritual leader of the Jewish Center of Kew Gardens Hills and as a leader of the Queens community. His synagogue is an active and respected focus of religious as well as secular activity.

A graduate of Brooklyn College, he was ordained by Dr. Stephen S. Wise of the Jewish Institute of Religion in 1944. He received an honorary doctor of divinity degree in 1971 from the Jewish Theological Seminary of America.

He is past president of the Queens Rabinical Assembly and of the Long Island Zionist Region. Six times he was a delegate to the World Zionist Congress in Jerusalem, in 1951, 1956, 1960, 1964, 1968, and 1972.

The Jewish National Fund has honored Rabbi Kirshblum by dedicatng a forest in his name in Israel, and in 1963 the Kew Gardens Hills chapter and lodge of B'nai B'rith named him Man of the Year.

He serves the Queens region of the National Conference of Christians and Jews as a member of its board of directors and cochairman of its religious advisory committee. He also is the current president of the Queens Interfaith Clergy Council.

In recognition of Rabbi Kirshblum's community leadership, Mayor Abraham Beame, like all New York mayors since William O'Dwyer, has reappointed him to the Queens Borough Public Library board of trustees. He is also a former president of the library.

Then Governor Rockefeller named Rabbi Kirshblum to the advisory committee of the Office for the Aging in 1971, a year after Mayor Lindsay appointed him to the American Revolutionary Bicentennial Committee. He also is a member of the Queens Committee for Juvenile Justice.

I wish to thank Rabbi Kirshblum for his prayer and for his appearance here today. Throughout his life, this dedicated man has given of himself fully and selflessly to his faith, to his congregation, and to his community. I am proud that I can call him not only my constituent but also my friend.

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to my colleague from New York.

Mr. ADDABBO. Mr. Speaker, I wish also to commend Rabbi Kirshblum, who has done so much, as the gentleman in the well has pointed out, not only in spiritual matters in our community, but also for all our people no matter what their religion might be.

With his great warmth and feelings for people, he has made our community a better place in which to live.

NOTICE OF HEARINGS ON ALASKA GAS PIPELINE

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I wish to announce upcoming oversight hearings before the Subcommittee on Indian Affairs and Public Lands of the Committee on Interior and Insular Affairs on the Alaska Natural Gas Transportation Act.

Last Congress we passed Public Law 94–586 which was to expedite a decision on the delivery of Alaskan natural gas to the U.S. markets. Under this law, the President is to recommend to Congress, this year, a route from Alaska to the lower 48 States. The purpose of this oversight hearing is for the members of the Interior Committee to be brought up to date on alternative routes so we may make an appropriate decision when called upon under the provisions of Public Law 94–586.

The hearing will be held in room 2359, Rayburn, on Thursday, February 17, at 9:45 a.m. Spokesmen for the three competing routes will be called to testify.

PERMISSION FOR COMMISSION ON ADMINISTRATIVE REVIEW TO HAVE UNTIL MIDNIGHT MONDAY, FEBRUARY 14, 1977, TO FILE A REPORT AND THAT THE SPEAKER BE AUTHORIZED TO ORDER THE REPORT PRINTED AS A HOUSE DOCUMENT

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the Commission on Administrative Review have until midnight Monday, February 14, 1977, to file with the Speaker a report on financial ethics and that the Speaker be authorized to order the report printed as a House document.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TRAGIC AND SENSELESS MASSACRE OF SEVEN ROMAN CATHOLIC MISSIONARIES IN RHODESIA

(Mr. MARTIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN. Mr. Speaker, this morning's news told of the tragic and senseless massacre of seven Roman Catholic missionaries in Rhodesia. One priest miraculously survived to be able to identify the murderers and report their apparent relationship to the nationalist movement in Rhodesia. This identity is contrary, however, to the fact that these missions have not been a factor in the racial strife in Rhodesia. The slain missionaries were not so much a logical political target, but a highly vulnerable and visible one.

Whether the timing was accidental or intended to coincide with the presence in Africa of our new United Nations Ambassador Andrew Young, it has paralyzed our Government's response. Our Ambassador may not perceive the villainy of Cuban militia in Angola but surely we can see the villainy here without waiting to see which side, if any, these murderers are on. The United States of America must not be silent, but should speak out with compassion for the victims and their families and supporters, and with firmness against the cowardly attack upon neutral and defenseless men and women of the church.

We must call upon both the Government of Rhodesia and the leaders of the nationalist movement to join together in a search for the murderers. In order that their infamy not advance their cause, whatever it be, they must be swiftly caught and brought to trial so that their true motivation can be exposed and rejected by all their neighbors. If there is one cause that should unite the people of Rhodesia, let this base crime be that uniting cause. Let white and black Rhodesians join hands and purposes, so that this senseless slaughter can have at least the virtue of unifying Rhodesians about the cause of justice.

SOCIAL SECURITY: ACTION NEEDED NOW

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, the health of the social security system is declining every day. If it does not receive immediate attention, an unpleasant choice will soon have to be made between high-risk heroic measures or acquiescence to the eventual disintegration and breakdown of the system as we have known it.

Pressure to act promptly comes from several directions. The shortfall of the disability and the old age and survivors trust funds, the even more serious long-term actuarial imbalance and the probability that either equal rights amendment ratification or Supreme Court decisions piecemeal will require more equal treatment of men and women by the social security system all add urgency to the situation.

The answers to these issues are not simple. I hope to see serious consideration of these critical issues begin in the next few weeks, followed by timely action. The new administration should give the earliest attention to making its recommendations, since the decisions to be made are tough and will require the leverage of recent mandate to accomplish. Beyond that, our Ways and Means Committee should commit itself to a quick and thoughtful response. Other issues have nowhere near the urgency of this one.

CONGRESSMAN SAWYER PROPOSES BIPARTISAN HOUSE COMMISSION TO INVESTIGATE ALLEGED SOUTH KOREAN INFLUENCE

(Mr. SAWYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAWYER. Mr. Speaker, I am today introducing legislation to establish a bipartisan, independent House Commission with public membership to investigate the South Korean influence in congressional affairs.

I believe we owe the Nation a comprehensive and swift investigation to reestablish trust and confidence in the ability of the House of Representatives to provide its own housecleaning.

My proposal will allow that self-examination, and at the same time directly confronts the past failures which have resulted from the Congress investigating its own Members.

The resolution will establish a completely bipartisan Commission with 10 Members from the House of Representatives, 5 Democrats and 5 Republicans. In addition, it will allow five public members to insure that persons in position of public trust will be fully investigated. Too often in the past, such serious allegations have been swept under the rug and out of public scrutiny. I believe the seriousness of the matter demands this unique approach.

The Commission will be directed to make a thorough and complete investigation of attempts, successful or otherwise, by the South Korean Government, or representatives to illegitimately influence present and former Members of Congress. Following its investigation the Commission shall have 1 year to report to the House including legislation proposals, recommendations for administrative actions in the House, and other actions the Commission deems appropriate.

The entire congressional process has been mocked with the allegations of the potentially deepest corruption scandal ever present in the U.S. Congress. Yet, we as a body remain a sitting target because of the inaction and orchestrated diversion which has taken place to deeply bury the key which will unlock the closed door hiding the real truth and facts concerning alleged payoffs to House Members.

The need to conduct a prompt and full inquiry can wait no longer. I urge immediate passage of this proposal.

AIR CARRIER OPERATION OF FOREIGN REGISTERED AIRCRAFT

(Mr. MILFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILFORD. Mr. Speaker, today I have introduced H.R. 3270 which will grant the Civil Aeronautics Board authority to permit through-plane interchange service conducted jointly by U.S. and foreign air carriers.

This change in our law was recommended in the U.S. International Air Transportation Policy of 1976 as a needed step to satisfy air transportation needs in the years ahead.

Most important, this bill will provide convenience and assistance to inland passengers who are traveling overseas by eliminating the necessity of changing planes—and often terminals or airports—at embarkation points.

The bill that I have introduced changes the provisions of section 1108(b) of the original Federal Aviation Act. This section was an old hanger-on from the protectionism and isolationism of the 1920's.

The proposed amendment to section 1108(b) would allow the Civil Aeronautics Board to decide whether a U.S. air carrier could operate a foreign registered aircraft to carry local domestic traffic from the inland city to the point of embarkation.

It is important to note that the foreign registered aircraft, which would be operated to an inland city, would be manned by American crews and operated totally within present CAB-granted route structures.

For example, if a domestic carrier is operating over an existing CAB-granted route from a large inland city to an embarkation point, he could apply to CAB to use a foreign registered aircraft on his domestic route—only from the inland city to the embarkation point. This would allow passengers going to foreign destinations to enjoy single plane service.

Finally, it is important to note that in any instance where a U.S. air carrier's use of foreign aircraft would be adverse to public interest, the CAB could prevent it. All cases involving U.S. air carrier operation of foreign registered aircraft would have to be approved by CAB.

Mr. Speaker, passage of this bill will greatly assist thousands of passengers moving from our large inland cities to foreign destinations, while making absolutely no negative impact on domestic air carriers.

A CALL FOR U.S. CONDEMNATION OF KILLINGS IN RHODESIA

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, I wish to state to the Members of the House that I have just checked the wire services, and to this minute, at 12:10 p.m., there has been no statement by our Government condemning the senseless slaughter of seven missionaries in Rhodesia.

I would hope that before the day is out someone in the State Department or the White House would find the words and the spirit to condemn in the most ringing terms one of the most brutal, senseless, and pointless acts of barbarism that I have ever heard of. It seems to me that the slaughter of missionaries who are taking care of the souls as well as the bodies of people of Rhodesia, people who need all the attention they can get, is something that deserves the condemnation of the civilized world.

There are many in this body who are very sensitive to infractions of human rights. I have seldom read of anything as barbarous or brutal as what happened over the weekend, and I hope that our Government, as the moral leader of the free world, will condemn this action and urge the Government of Rhodesia and the insurgents to relentlessly seek out the murderers and assassins and bring them to justice.

COMMUNICATION FROM THE SERGEANT AT ARMS OF THE HOUSE—SUBPENA DUCES TECUM IN GRAND JURY INVESTIGATION IN U.S. DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore laid before the House the following communication from the Sergeant at Arms of the House of Representatives:

WASHINGTON, D.C.,
February 8, 1977.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: On January 26, 1977, I was served with the attached subpoena duces tecum (regarding possible violations of Title 18, United States Code, Sections 201 and 1951), issued by the United States District Court for the District of Columbia, together with the attached findings of the Court concerning the materiality and relevancy of the subpoened materials.

The subpoena commands me or my authorized representative to appear before the Grand Jury of the Court on January 31, 1977 and to testify and produce the aforesaid documents. Pursuant to the attached letter dated January 27, 1977, the Department of Justice was informed that, due to the administrative burden in responding to the subpoena within the limited time specified, and because of the difficulty involved in identifying certain documents named in the subpoena, we would be unable to comply with the subpoena. Subsequently, based on representations by representatives of the Department of Justice, an extension of time to respond was agreed to, and a letter confirming such extension is forthcoming.

Accordingly, I am transmitting said subpoena and findings of the court, together with my letter of January 27, 1977, for your consideration and the matter is presented to the House for such action as the House in its wisdom deems appropriate.

Sincerely,

KENNETH R. HARDING,
Sergeant at Arms,
House of Representatives.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 10, without objection, the letter, subpena duces tecum, and the court order will be printed at this point in the RECORD.

There was no objection.

The material referred to is as follows:

JANUARY 27, 1977.

Mr. CRAIG M. BRADLEY,
Department of Justice, Washington, D.C.

DEAR MR. BRADLEY: As indicated in our telephone conversations of January 26, 1977 with a representative of the Public Integrity Section, due to the administrative burden involved in producing the named documents, we are unable to respond to the subpoena duces tecum received on January 26, 1977 commanding me to attend the grand jury on January 31, 1977 and to bring with me the aforesaid documents. Furthermore, the failure of the subpoena to describe certain records with sufficient particularity to permit reasonable identification raises a question concerning the compliance of the subpoena with the requirements of House Resolution 10.

Sincerely,

KENNETH R. HARDING,
Sergeant at Arms,
House of Representatives.

[U.S. District Court for the District of Columbia, Misc. 77-0013]

SUBPOENA DUCES TECUM

In re grand jury.

To: Honorable Kenneth R. Harding, Sergeant at Arms of the House of Representatives, Washington, D.C., or his authorized representative:

Bring with you: Certified copies of records of all unappropriated office accounts and all personal accounts maintained by you, for former Congressman Richard T. Hanna and Cornelius Gallagher for the period of January 1, 1970, to December 31, 1974, as to Hanna, and January 1, 1970, to December 31, 1972, as to Gallagher including copies of monthly statements, deposit slips and all cancelled checks in the amount of one thousand dollars ($1,000) or more.

You are hereby commanded to attend before the Grand Jury of this Court on Monday, the 31st day of January, 1977, at 10 a.m., to testify and produce the aforesaid documents on behalf of the United States, and not to depart the Grand Jury without leave of the Court or the United States Attorney.

Witness: this 14th day of January, 1977.

WILLIAM B. JONES,
Chief Judge, U.S. District Court for the District of Columbia.

[U.S. District Court for the District of Columbia, Misc. 77-0013]

FINDINGS OF COURT

In re grand jury.

Upon consideration of *in camera* disclosures made by representatives of the Public Integrity Section of the Criminal Division, Department of Justice, it is this 14 day of January, 1977,

Found, that papers, documentary evidence, and materials supoenaed under a subpoena duces tecum dated January 14, 1977, and addressed to the Honorable Kenneth R. Harding, Sergeant at Arms of the House of Representatives of the United States or his authorized representative, a facsimile of which is attached hereto, are necessary, material, and relevant to a pending Grand Jury investigation in this judicial district and in this Court for the promotion of justice.

Wherefore, the Court desires that the documentary evidence or certified copies thereof which are the subject of the subpoena duces tecum be supplied to its authorized representative and agent, Clerk of this Court James F. Davey, accompanied by Assistant United States Attorney Craig M. Bradley and/or Paul Michel of the Department of Justice as representatives of the proper party to this proceeding, to wit: the Federal Grand Jury, pursuant to said subpoena duces tecum.

WILLIAM B. JONES,
Chief Judge, U.S. District Court for the District of Columbia.

EXTENDING THE ENLISTMENT BONUS AUTHORITY

Mr. NICHOLS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 583) to amend chapter 5 of title 37, United States Code, to extend the special pay provisions for reenlistment and enlistment bonuses.

The Clerk read as follows:

H.R. 583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 5 of title 37, United States Code, is amended by striking out "June 30, 1977" at the end of sections 308 and 308a, and inserting in place thereof "September 30, 1978".

The SPEAKER pro tempore. Is a second demanded?

Mr. MITCHELL of New York. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama (Mr. NICHOLS) will be recognized for 20 minutes, and the gentleman from New York (Mr. MITCHELL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 583 is an uncomplicated bill. It simply extends the current authority in the law for enlistment and reenlistment bonuses from June 30, 1977—the current termination date—to September 30, 1978.

Action on this bill is critical at this time in order to assure that young people who are being recruited now, but who will not actually come on active duty until after June 30 of this year, can be offered a bonus. These individuals recruited for this delayed enlistment pool are a very important segment in the All-Volunteer Force since these are the young people who will graduate from high school in June, join the military, and provide the quality recruits important to the make-up of each of the services. Without the authority to offer these bonuses, the services will be unable to meet their recruitment goals.

The authority that is being extended by this bill, which applies to enlisted personnel only, permits enlistment bonuses in an amount not to exceed $3,000, and reenlistment bonuses in an amount not to exceed $15,000.

In practice, enlistment bonuses do not exceed $2,500 and are offered only in the Army and the Marine Corps to attract individuals for the combat arms primarily, and to induce a commitment of at least 4 years of service. The enlistment bonus is offered in a few cases for scarce skills other than the combat arms.

As we all know, recruiting for combat-related skills is difficult. The bonus provides very essential assistance, as well as results in longer periods of service which saves money in training and travel costs.

The reenlistment bonus is offered by all of the services on a selective basis for

critical skills. This bonus is used to retain personnel in skill areas which are critically scarce and very expensive to train. An example of such a skill might be a nuclear powerplant operator in the Navy for which training costs are extremely high and capable personnel are in short supply.

The amount programed to be paid under this authority for the enlistment bonus is $53.5 million for fiscal year 1977 and $74.5 million for fiscal year 1978. The amounts paid for the reenlistment bonus will be $112.1 million for fiscal year 1977 and $162.3 million for fiscal year 1978. All of these amounts are included in the approved fiscal year 1977 Department of Defense budget and that requested for fiscal year 1978.

The bonus authority is an important reason for the success to date of the All-Volunteer Force. With the recent upturn in the economy, plus indications that young people are less inclined to enlist in the military, recruiting for all of the services has become increasingly difficult in the past year.

It is mandatory that we extend this authority now, so as not to contribute to these current difficulties.

I would also state that some form of permanent authority for these bonuses will be considered in detail this session by the Military Compensation Subcommittee, which I chair. At that time, any necessary changes in this authority can be addressed.

Mr. Speaker, I thank the leadership of the House for scheduling prompt action on this bill, and I strongly urge the House to support it.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I am pleased to yield to my colleague, the gentleman from Mississippi (Mr. MONTGOMERY), a member of the committee.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding.

I also would like to rise and say that I support this legislation. It certainly is needed.

I would like to speak to the gentleman from Alabama (Mr. NICHOLS) briefly about the problems that are arising in the National Guard and in the Reserves as far as recruiting is concerned. I believe that I am correct in pointing out that this legislation, would not cover Reservists and the National Guard; is that correct?

Mr. NICHOLS. The gentleman is correct. The intent of this bill, of course, only covers the enlisted men who are to be recruited hopefully this spring and those who are reenlisting when their term expires.

Mr. MONTGOMERY. One of the problems, as the chairman knows is that the National Guard and Reserves are now having a problem in their recruitment and the strengths of these units are falling off. We have been very fortunate over the years that the Air National Guard, the Army National Guard, and the Marine Reserves have been able to keep their strengths up. The Navy and Army Reserve strengths are down, but all of them are falling off now.

My concern is that I think we are going to have to come up with some kind of an incentive for the National Guard and Reserves. If we do not, the strengths are going to go down.

I would like to point out, Mr. Speaker, that I have a chart here that shows the importance of the Reserves and National Guard as far as the total force concept is concerned.

In the Air Guard and Air Force Reserve, 61 percent of all tactical airlift missions are assigned to the Air Guard and Air Reserve—61 percent of the missions of the entire Air Force.

Twenty-one percent of the strategic tankers are the responsibility of the Air Guard and Air Reserve. Thirty percent of the fighters that we have today, if this country were to be attacked, are supplied by the Air Guard and Air Force Reserves.

Forty percent of forward air control aircraft are supplied by the Air Guard and Reserve.

Forty-seven percent of the reconnaissance is supplied by the Air Guard and Reserves, and 60 percent of the interceptors, should some foreign country come into this country, are supplied by the Air Guard and Reserve.

If the bell sounded tomorrow and we had to move out our Army and move it to Europe, 52 percent of that Army would be made up of combat units of the Army Guard and support units of the Army Reserve. So we really do not have much choice and we had better take a hard look at incentives, such as educational incentives and reenlistment bonuses for the National Guard and Reserves. If we do not do so, we really will have a problem on our hands.

Mr. NICHOLS. Mr. Speaker, let me commend the gentleman from Mississippi (Mr. MONTGOMERY) for the long time service that he has rendered in the interest of the reserve forces of this country.

I am well aware, as the gentleman from Mississippi has so eloquently stated, of the shortfalls that we are now experiencing in our Reserve forces. I am also aware that proposals have been made that we might cure some of these shortfalls with some type of bonus arrangement. Let me assure the gentleman from Mississippi that if such legislation does indeed come before the committee, it will certainly be given sympathetic hearings.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman.

Mr. MITCHELL of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support H.R. 583. This bill will simply extend for a period of 15 months the current authority for payment of the selective enlistment and reenlistment bonuses to enlisted men of the Armed Forces.

I urge my colleagues to support this legislation as an essential tool for the use of the military in their efforts to recruit and retain a sufficient number of persons with the qualifications needed to maintain the strength of our Armed Forces at the level required for our national defense.

Simply stated, this bill will merely authorize the Department of Defense to continue to offer, after June 30, 1977, to qualified young people, the selective enlistment and reenlistment bonuses as now authorized by law. Following the expiration of the general authority to draft young men for service in the Armed Forces in 1971, the Congress enacted a number of laws to assist the military departments to meet their manpower requirements with volunteers. Among those laws was the authority to pay, on a selective basis, enlistment and reenlistment bonuses to aid in recruiting and retaining persons for service in critical skills. I emphasize the word selective, because the payment of both the bonus and the enlistment bonus are limited to persons who enlist or reenlist for service in a critical skill—including enlistments for service in the combat arms.

Mr. Speaker, I want to emphasize that the Armed Forces face a manpower problem in securing a sufficient number of individuals with the mental and physical qualifications to assimilate the kind of training required.

In this connection, the Department of Defense reports that the best indicator of the potential of young people to successfully complete the basic and specialized training for military service is a high school diploma. And, it is in recruiting high school graduates that the services have recently begun to experience difficulties.

Unless extended, the present law will expire on June 30, 1977. Unfortunately, the effect of the expiration of that authority is already being felt by the Army and Marine Corps. The most likely candidates for enlistment in the Armed Forces are those young people who are graduating from high school. The recruiters concentrate much of their attention on those young people who are in their last year of high school. The ability to assure qualified young people of an enlistment bonus, if following graduation they enlist in the Army or Marine Corps, is a highly effective recruiting inducement. However, at the present time, the recruiters are unable to offer that inducement.

A similar problem exists with regard to persons now in service who have a critical skill and whose enlistment expires in the months after June 30, 1977. The current uncertainty as to whether the selective reenlistment bonus will be available when their current term expires undoubtedly will cause some persons in critical skills to leave military service for employment in civilian life.

Mr. Speaker, in conclusion, I again urge my colleagues to vote in favor of H.R. 583.

Mr. KINDNESS. Mr. Speaker, will the gentleman yield for a question?

Mr. MITCHELL of New York. I certainly will yield to the gentleman.

Mr. KINDNESS. I thank the gentleman for yielding.

Would the gentleman please explain to us whether this same situation occurred 2 years ago, or roughly the same situation, where, as I recall it, the armed services actually ran out of funds for the selective reenlistment bonus before it was extended? Is that essentially correct?

Mr. MITCHELL of New York. I do not

have the history of what happened 2 years ago.

Mr. KINDNESS. If the gentleman would yield further for another question, I ran into some cases where men in specialty service, such as nuclear submarine service, just approximately 2 years ago faced a situation in which they reenlisted and then did not receive the bonus. It was represented to them that that was not a contractual commitment, that the funds were not there, that they were not authorized and were not appropriated by the Congress.

Perhaps as a result of our approaching this on a 2-year basis rather than on a permanent basis—I notice that it is intended that the committee will consider putting the program on a permanent basis later this year—is there any assurance that we are not going to have the same kind of situation occurring in which these people who have reenlisted are going to be disappointed and are not going to receive the selective reenlistment bonus?

Mr. MITCHELL of New York. What we are trying to do now, as I am sure the gentleman realizes, is to solve the problem in the short term. Right now we are not offering these young people what we would like to. We cannot promise them something that does not exist, and the time is fast evaporating before graduation. We are looking at the long range bill, and this is going to require long hearings and studies. I think what we have to do is to extend what is now in existence.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL of New York. I yield to the gentleman from Alabama.

Mr. NICHOLS. I thank the gentleman for yielding.

I think the gentleman is referring to the variable reenlistment bonus that was replaced by the current law several years back. Let me state to him also that he had brought up the issue of court cases that he alludes to with reference to some naval petty officers who had filed cases.

It is my understanding that these cases are still under adjudication. One I believe has gone all the way to the Supreme Court. But let me assure the gentleman that this bill in no way will affect those court cases. The money is in the budget for it, both in this fiscal year and it is requested in fiscal year 1978.

I hope that in part replies to the gentleman's inquiries.

Mr. KINDNESS. Will the gentleman yield for a further question?

Mr. MITCHELL of New York. I yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Speaker, if I may address this question, on the time yielded, to the gentleman from Alabama, could the gentleman from Alabama tell us whether the cases other than those 30 CPO's would be affected? Is there money in the budget for them, too, depending on the outcome of the litigation? I understand there are others besides those 30, others who are not party to the litigation.

Mr. NICHOLS. I am advised that if the Government should lose these cases the money would have to come from the Treasury. There is no money appropriated for them. It would have to be appropriated I believe by separate legislation. That is my understanding.

Mr. KINDNESS. I thank the gentleman.

Mr. MITCHELL of New York. Mr. Speaker, in further response to the question, what we did a couple of years ago was cut out the variable reenlistment bonus which provides for 2-year extensions and we provided for the selective bonus for 3-year reenlistments. There was a problem in communications. Those men did not understand what was happening and so they took the case to the court. It is on its way to the Supreme Court. Before anything can be done on that, we will have to have the decision of the Supreme Court.

Mr. KINDNESS. I thank the gentleman.

Mr. MITCHELL of New York. Mr. Speaker, I have no further request for time and yield back the balance of my time.

Mr. NICHOLS. Mr. Speaker, I have no further request for time and yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama that the House suspend the rules and pass the bill H.R. 583.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

WAIVING CERTAIN REQUIREMENTS OF FISHERY CONSERVATION AND MANAGEMENT ACT OF 1976

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res 240) to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes, as amended.

The Clerk read as follows:

Whereas the Government of the United States of America and the Governments of the People's Republic of Bulgaria, the Socialist Republic of Romania, the Republic of China, the German Democratic Republic, the Union of Soviet Socialist Republics, and the Polish People's Republic have signed governing international fishery agreements for the conservation, optimum utilization, and rational management of fisheries subject to the exclusive fishery management jurisdiction of the United States under the Fishery Conservation and Management Act of 1976 (Public Law 94-265) (hereinafter referred to as the "Act"); and

Whereas the Act provides that after February 28, 1977, no foreign fishing is authorized within the fishery conservation zone, or for anadromous species or Continental Shelf fishery resources beyond the fishery conservation zone, unless fishing is authorized and conducted pursuant to a governing international fishery agreement; and

Whereas the Act also provides that no governing international fishery agreement shall become effective with respect to the United States before the close of the first 60 calendar days of continuous session of the Congress after the date on which the President transmits to the House of Representatives and to the Senate a document setting forth the text of such governing international agreement; and

Whereas the Act further provides that Congress may prohibit the entering into force and effect of any governing international fishery agreement by enactment of a joint resolution originating in either House of Congress during such 60-day period; and

Whereas, the sixty-day period will not elapse with respect to any governing international fishery agreement, referred to in the first clause of this preamble, before March 1, 1977, the date on which the fishery conservation zone of the United States takes effect; and

Whereas early congressional action on these governing international fishery agreements is necessary in order that fishing vessels of the foreign nations concerned may be permitted to fish in the fishery conservation zone after February 28, 1977, in compliance with such Act; and

Whereas these governing international fishery agreements *substantially* comply with the requirements relating to such agreements contained in section 201(c) of the Act: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Fishery Conservation Zone Transition Act".

SEC. 2. CONGRESSIONAL APPROVAL OF CERTAIN GOVERNING INTERNATIONAL FISHERY AGREEMENTS.

Notwithstanding section 203 of the Fishery Conservation and Management Act of 1976, the governing international fishery agreement between the Government of the United States of America and—

(1) the Government of the People's Republic of Bulgaria Concerning Fisheries Off the Coasts of the United States, as contained in the message to Congress from the President of the United States dated January 14, 1974;

(2) the Government of the Socialist Republic of Romania Concerning Fisheries Off the Coasts of the United States, as contained in the message to Congress from the President of the United States dated January 10, 1977;

(3) the Government of the Republic of China Concerning Fisheries Off the Coasts of the United States, as contained in the message to Congress from the President of the United States dated January 10, 1977;

(4) the Government of the German Democratic Republic Concerning Fisheries Off the Coasts of the United States, as contained in the message to Congress from the President of the United States dated January 10, 1977;

(5) the Government of the Union of Soviet Socialist Republics Concerning Fisheries Off the Coasts of the United States as contained in the message to Congress from the President of the United States dated January 10, 1977; and

(6) the Government of the Polish People's Republic Concerning Fisheries Off the Coasts of the United States, as contained in the message to Congress from the President of the United States dated September 16, 1976, is hereby approved by the Congress as a governing international fishery agreement for purposes of the Fishery Conservation and Management Act of 1976. Each such agreement shall enter into force and effect with respect to the United States on the date of the enactment of this joint resolution.

SEC. 3. AMENDMENTS TO FISHERY CONSERVATION AND MANAGEMENT ACT OF 1976.

The Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801 et seq.) is amended—

(1) by adding immediately after section 205 the following new section:

"SEC. 206. TRANSITIONAL PROVISIONS.

"(a) DEFINITION.—For purposes of this section, the term 'governing international

fishery agreement' does not include any governing international fishery agreement other than a governing international fishery agreement approved by the Congress pursuant to section 2 of the Fishery Conservation Zone Transition Act, or pursuant to any amendment to such section 2 if the effective date of such amendment is not later than February 28, 1977.

"(b) ACTION BY COUNCILS.—Section 204(b)(5) shall not apply to any application submitted by a foreign nation pursuant to a governing international fishery agreement for permits authorizing fishing during 1977 by vessels of that nation within the fishery conservation zone or for anadromous species or Continental Shelf fishery resources beyond such zone, but each appropriate. Council may prepare and submit comments to the Secretary on such application—

"(1) if the application has been received by the Council on or before the date of the enactment of this section, within 7 days after such date; or

"(2) if the application is received by the Council from the Secretary of State after such date of enactment, within 7 days after the date on which the Council receives the application.

The provisions of the Federal Advisory Committee Act shall not apply to the actions of any Council in preparing such comments.

"(c) PERMITS.—Until May 1, 1977, the requirement in section 204(a) that foreign fishing vessels have on board a valid permit issued under section 204 shall not apply in the case of any foreign fishing vessel for which a permit is issued under an application to which subsection (b) applies. The failure of any such vessel to comply with such requirement before such date shall not be deemed to be a violation of section 307(1)(A).

"(d) PERMIT FEES.—Until May 1, 1977, the requirement in section 204(b)(11), regarding the payment of applicable fees before foreign fishing permits are issued, may be waived by the Secretary with respect to permits to be issued under any application to which subsection (b) applies if the Secretary is satisfied that the foreign nation which made the application will pay the applicable fees before such date. Any permit issued under the waiver provided by this subsection shall expire on May 1, 1977, if the Secretary does not receive on or before such date the applicable fees for the permit."; and

(2) by amending the table of contents by inserting immediately after

"Sec. 205. Import prohibitions."

the following:

"Sec. 206. Transitional provisions."

SEC. 4. REPEAL OF NORTHWEST ATLANTIC FISHERIES ACT OF 1950.

The Northwest Atlantic Fisheries Act of 1950 (16 U.S.C. 981–991) is repealed as of March 1, 1977.

The SPEAKER pro tempore. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. MURPHY) will be recognized for 20 minutes and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minminutes.

The Chair recognizes the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Speaker, I rise in strong support of the legislation and urge its prompt passage.

Mr. Speaker, in April of last year when the 200-Mile Fishery Zone Act came into force and effect, we gave notice to the world that effective March 1 of this year—which is now only 6 weeks away—that we are going to extend the fishery zone of the United States from 12 to 200 miles and that no foreign fishing could take place within this zone after that date except by permit.

Mr. Speaker, there have been a number of articles appearing in the news media indicating that a number of foreign countries have beefed up their fishing activities off our coast and are trying to take as much of our fishery resources as possible before they become regulated by the United States beginning in March.

In fact, at hearings held by my committee just yesterday on this legislation, we were advised that 141 vessels of 13 foreign nations have been observed by the Coast Guard off our North Atlantic coast since the first of the year fishing in what is known as the ICNAF regulatory area.

Mr. Speaker, this is quite an increase over the number of vessels that were observed in this same area 1 year ago.

Mr. Speaker, the 200-Mile Fishery Zone Act was not passed any too soon. In fact, it should have been passed several years ago when the best interest of our fisheries are considered. Because of the excessive fishing pressures on our offshore fisheries resources by some foreign vessels during the past years, many of our fisheries resources have become depleted and some even to the point of being endangered or threatened with extinction.

Mr. Speaker, it is time we gave our valuable fisheries resources the protection to which we are entitled. In fact, that is what this legislation is all about. It will not only allow those countries to continue fishing in our waters that have negotiated in good faith and entered into an agreement with us concerning their fishing activities to be carried out this year after March 1, but it will remove some of the stumbling blocks in the act for this year only that prevent an orderly enforcement of the act after that date.

The stumbling blocks I speak of are the 60-day congressional review period over agreements before they can come into effect and the 45-day council comment period. These provisions were included in the act for our own protection, but because of the difficulties in negotiating these agreements there is just not sufficient time remaining between now and March 1 to allow us to properly get our own house in order so that we can implement this act against foreign fishing. The only alternative at this point is to pass legislation that would delay the enforcement date until May, June, or July, and this Mr. Speaker, is something that we do not want to do. To take this course of action would make us the laughing stock of the world because we have put our neck on the line by telling the world that we are going to enforce this act come March 1.

Mr. Speaker, the only reasonable course of action to take is to pass House Joint Resolution 240 and remove the stumbling blocks created by our own doings and proceed to take those steps that will give this needed protection to our fisheries resources.

Mr. Speaker, I call on my colleagues to join me in the passage of this vitally needed legislation.

Mr. Speaker, at this point I yield to the chairman of the subcommittee, the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Speaker, as I am sure the Members will recall, there was legislation passed in the last Congress that resulted in the enactment of Public Law 94–265, the Fishery Conservation and Management Act of 1976, better known as the 200-Mile Fishery Zone Act.

That act provides that no foreign fishing vessel shall be allowed to fish after March 1, 1977, within our 200-mile fishery zone unless the foreign nation concerned has signed a Governing International Fishery Agreement, GIFA, with the United States and has secured a permit for each of its fishing vessels planning to fish within our fishery zone. Because of the delay in obtaining GIFA's with foreign nations wishing to fish off our shores and because of the delay in transmitting the signed GIFA's to the Congress and applications pursuant thereto to the appropriate regional fishery management councils for comment, it now becomes necessary to pass legislation that would waive some of these requirements to the act if we intend to proceed to enforce this act with respect to foreign fishing within the zone come March 1.

House Joint Resolution 240 is designed to address this problem and at the same time it would allow those countries that have negotiated in good faith and have entered into GIFA's with the United States before the passage of this legislation to continue fishing within our waters after March 1 provided they comply with the other requirements of this act.

Mr. Speaker, briefly explained, House Joint Resolution 240 would set forth in its preamble the reasons for the passage of the legislation. In this regard, it would name the countries that have signed GIFA's with the United States. The countries named are Poland, Romania, Bulgaria, U.S.S.R., Taiwan, and East Germany. It would point out the administrative problems associated with the administration of the act such as the problem associated with the 60-day period allowed for the Congress to review such agreements before they could go into effect—which would mean that many of them could not go into effect until sometime in April or maybe even May—and the problem associated with the delay that would be caused by the 45-day comment period allowed the fishery management councils to review applications submitted pursuant to such signed GIFA's. It also would point out that in order to allow foreign fishing as of March 1 by those countries that have signed GIFA's, it will be necessary to take early congressional action to approve of such GIFA's and to remove the stumbling blocks provided by the act.

Section 2 of the legislation would give specific congressional approval to those six countries that have signed GIFA's

with the United States. I would like to make it clear to my colleagues that any country not named in the legislation today—such as Japan, Spain, and South Korea—those countries would have to comply fully with the requirements of the act and would not be able to take advantage of the shorter procedure provided by this legislation unless they are approved by subsequent acts of Congress.

Section 3 of the legislation would reduce the 45-day comment period for the regional councils and the public with respect to applications for permits submitted pursuant to such signed GIFA's and in lieu thereof it would allow such councils only 7 days, instead of 45 days, in which to make such comments.

In addition, section 3 of the legislation would extend from March 1 to May 1, the time in which such countries would have to get their permits onboard authorized vessels and it would authorize the Secretary of Commerce to allow foreign countries to extend from March 1 to May 1 the time in which such countries would be required to pay the applicable fees associated with the issuance of such permits, provided the Secretary satisfies himself such foreign country will pay such fees by that date.

Finally, Mr. Speaker, section 4 of the legislation would repeal the Northwest Atlantic Fisheries Act of 1950, the implementing legislation for the International Convention for the Northwest Atlantic Fisheries, since the United States withdrew from this convention effective December 31, 1976.

Mr. Speaker, the legislation has the strong support of the Departments of Commerce and State. In fact, Secretary of Commerce Kreps thinks it is imperative that this legislation be passed and on the desk of the President for signature tomorrow before we adjourn for a 5-day district work period. The legislation also has the strong support of the Committee on Merchant Marine and Fisheries, and we have been working closely with my colleagues on the Senate side and the Senate is ready to act on it just as soon as we can pass it and send it to them.

Mr. Speaker, I urge the prompt passage of the legislation.

Mr. FORSYTHE. Mr. Speaker, I yield myself 9 minutes.

Mr. Speaker, House Joint Resolution 240 is an extremely limited piece of legislation. This bill only attempts to insure that U.S. administrative procedures will not prevent the implementation of the Fishery Conservation and Management Act on March 1.

The bill before us today accomplishes five things: first, it expresses congressional approval of every governing international fishery agreement which has been submitted to the Congress for review; second, it reduces the time the regional fishery management councils have to comment on foreign permit applications to 7 days; third, it delays the date on which permits must be physically on board foreign fishing vessels until May 1; fourth, it delays until May 1 the requirement that foreign fishing vessels pay the required permit fee; and fifth, it repeals, effective March 1, the legislation implementing the International Convention for the Northwest Atlantic Fisheries from which the United States has now withdrawn.

Last week our committee staff was able to contact seven of the eight regional fishery management councils. Each of the councils contacted expressed their general support for legislation which would shorten, on a one-time special basis, the administrative review requirements of the Fishery Conservation and Management Act. Some of the councils expressed a desire to have a longer permit application review period than that provided for in House Joint Resolution 240. Other councils, however, indicated their willingness to accept a shorter comment period. House Joint Resolution 240, therefore, represents a reasonable compromise in this regard.

With respect to the governing international fishery agreements, each of the councils expressed their general approval of these documents and urged that they be approved. However, many of the councils expressed a concern that I and several members of the Merchant Marine and Fisheries Committee have—that is, that the method established for compensating U.S. fishermen whose vessels and gear are damaged by foreign fishing vessels is not in compliance with the spirit of the Fishery Conservation and Management Act. That act requires that each foreign nation agree to pay U.S. fishermen for damages caused by its vessels. In voting for this legislation, I envisioned that an administrative procedure to determine a foreign vessel's liability would be created. Appeals from determinations made pursuant to this administrative procedure would be to the appropriate Federal court.

Unfortunately, the governing international fishery agreements which have been transmitted to the Congress so far do not live up to my hopes and expectations. Three of these agreements provide for the establishment of a four-member claims board. Two members of the claims board will be foreign citizens and decisions of the board must be unanimous. If a fisherman is not satisfied after his complaint has been heard by the appropriate claims board, he may appeal to the courts. Two of these claims boards existed before our 200-mile act was passed and their existence is no improvement over the ineffective and cumbersome procedures of the past.

The remaining three governing international fishery agreements contain a simple statement that the foreign nation will compensate U.S. fishermen for damages caused by that nation's fishing vessels. With respect to these GIFA's, the National Marine Fisheries Service has not established any damage compensation procedures. Furthermore, the Service does not know when such procedures will be established. Therefore, an American fisherman whose gear or vessel has been damaged by foreign fishermen has no alternative but to file suit in the courts. Again, this is no change from the existing situation. It represents no improvement from the fishermen's viewpoint.

The central problem with both the claims boards and any administrative procedures, which the National Marine Fisheries Service eventually establishes, is that the U.S. fishermen must be able to prove which foreign vessel caused the damage. In the case of a lobsterman who places his pots on Monday and returns to pick them up in 5 days, such proof is impossible. In this situation no administrative procedures will help the fisherman, and too often that has been the case.

Mr. Speaker, the present situation is unacceptable. Therefore, I am investigating legislation which would establish a special fishermen's compensation fund from which fishermen could purchase no-fault damage insurance. Capital for the fund would be provided by participating fishermen, the National Marine Fisheries Service and those foreign nations fishing within the 200-mile zone. If a U.S. fisherman's gear or vessel was damaged, he would be able to collect from the fund on a no-fault basis. If the identity of the foreign vessel causing the damage could be established, that vessel would be required to reimburse the fund by the appropriate amount. It is my belief that legislation such as this will finally give effect to what the Congress intended when we enacted the Fishery Conservation and Management Act.

Notwithstanding these points, I believe it is essential that House Joint Resolution 240 be enacted. Only by approving this legislation can we insure that U.S. internal administrative procedures will not stand in the way of implementing our 200-mile act on March 1. However, I am quick to emphasize that the only purpose of this legislation is to solve the special transition problems associated with initially implementing the Fishery Conservation and Management Act.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. FORSYTHE. I yield to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. I thank the gentleman for yielding.

As I understand it, by law now we have established the 200-mile zone. This resolution here today would continue the permits of these different countries to fish within those zones; is that correct, or not?

Mr. FORSYTHE. That is not quite correct. I will tell my friend, the gentleman from Kentucky that.

The agreements we are approving today are agreements to insure that foreign fishermen abide by our conservation regulations. Permits for foreign fishing may be issued on the basis of established management plans. Foreign fishing quotas, the number of foreign boats allowed in the U.S. zone, are not contained in these agreements.

Mr. CARTER. If the gentleman will yield further, by agreement they can fish within the 200-mile zone off our coast; is that correct?

Mr. FORSYTHE. They can apply for a permit.

Mr. CARTER. Do we have the same right to apply for permits to fish off their coast?

Mr. FORSYTHE. If we had an interest in fishing, yes, this would apply.

Mr. CARTER. If the gentleman will yield further, I am particularly interested in Bulgaria, since it has a seacoast on the Black Sea. I think perhaps many of our fishermen would like to go over there and fish.

Does the gentleman think by any stretch of the imagination that our fishermen could obtain the right to fish on the Black Sea coast?

Mr. FORSYTHE. If we had fishermen who wanted to fish, and we were granting permits to Bulgaria to fish in our waters, I am sure it would be a question of quid pro quo. If they are going to fish in our waters and we want to fish in their waters, we would have a right to apply.

Mr. CARTER. We would have the right only to apply. Of course, we are going to give these permits to the different countries and we are going to continue to lose the fish that we have.

I am told by my good friend, the gentleman from Alaska, that fish have been almost exterminated in the sea between Alaska and Russia. Yet we are continuing this permit system. No doubt they will be granted, even to Bulgaria, which does not border on any ocean, to come within the 200-mile limit to fish.

Mr. FORSYTHE. The law provides that no permit may be issued to a foreign nation unless there is actually a surplus to the needs in the United States for those fish.

Mr. CARTER. As the distinguished gentleman well knows, if the gentleman will yield further, we do not have that surplus.

Mr. FORSYTHE. There are species that we do, sir.

Mr. CARTER. There might be a few. But I rather doubt that. We are told we lack the numbers and the supply has been diminished; it has almost been exhausted.

Mr. Speaker, I thank the distinguished gentleman from New Jersey (Mr. FORSYTHE) for yielding.

Mr. MURPHY of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I must say to my colleagues in the House that I am compelled to oppose this joint resolution under suspension. Truthfully, I am not personally asking the Members to follow my lead, and I say that for reasons that I will mention later.

I opposed the initial legislation because I felt that it would have a disastrous effect on my congressional district on the gulf coast of Texas as related to other nations, and unfortunately and sadly, I have been proven correct. That has already happened.

My dissatisfaction also stems—and I would like to make this very clear—not with the nations mentioned in this agreement, because I have no quarrel with the nations that will benefit from this legislation, but, rather, with our State Deparment and our administrations, both the previous one and apparently the new administration. I am not satisfied that this is the right course to take at this point in time.

For several years now we have fought, argued, and eventually slowly prevailed in having congressional oversight and congressional input in this area, and the first thing we do here is to waive that congressional oversight and to waive that congressional input as it relates to this international fishery agreement. I am not satisfied that it is at all necessary, and I am quite alarmed by the language of the joint resolution. Let me quote what it says on page 2 of the joint resolution. I will ask my colleagues to listen to this:

> Whereas early congressional action on these governing international fishery agreements is necessary in order that fishing vessels of the foreign nations concerned may be permitted to fish in the fishery conservation zone. . . .

That is why we passed the bill for the 200-mile zone, so we could begin to keep these foreign vessels from coming in and depleting our fisheries. Granted there will be some form of control. Both sides have stated that there are problems because of stumbling blocks, but the stumbling blocks were not made by the Congress. If this has not been worked out, the reason it has not been worked out relates to the administration and the negotiators, with whom I am most unhappy to say the least. They have not done their job in my most humble opinion.

So why should we at the beginning of this session, when we are beginning to exert congressional input, start out by yielding congressional oversight because some money cannot be transferred? It is unbelievable that a grown person in the administration would give us the excuse that the Soviet Union cannot get hold of a few dollars and readily transmit them to the Government of the United States.

The gentleman from New Jersey (Mr. FORSYTHE) has mentioned this, and I agree with him wholeheartedly. I mentioned this at great length in the hearings on the initial legislation. There is no way really that an injured American fisherman can get compensation from a foreign vessel, and we are just being a little wishy-washy here about this. The gentleman from New Jersey (Mr. FORSYTHE) says he is going to introduce a resolution later to correct this.

They can come in and tear a fisherman's nets, and there is no way that he can get compensation. I understand now that the Secretary of Commerce is going to prohibit them from going in where we have stationary nets. This may well be a point to be considered.

However, my concern is that as a direct result of this legislation shrimp fishermen from Texas, Louisiana, and all along the gulf coast will not in 3 years be able to fish off the coast of neighboring nations. There will be no fishing, and yet here we are being asked to grant these privileges to foreign nations, and they say, "Well, let's let the foreign people come in. Let's make it easier for them."

Therefore, if they are damaged, all right. If they cannot pay us for the license right away, all right. So, too, if we do not have the necessary procedure by which to collect, all right.

The SPEAKER pro tempore. The time of the gentleman from Texas (Mr. DE LA GARZA) has expired.

Mr. MURPHY of New York. Mr. Speaker, I yield 2 additional minutes to the gentleman from Texas.

Mr. DE LA GARZA. To continue, Mr. Speaker, we are yielding, yielding, and yielding; and here before the Members stands the one who told them that this is going to harm my people. Again, with great regret, I say that I was correct: We have already been damaged.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Kentucky.

Mr. CARTER. I thank the gentleman for yielding.

It must be our week to be good to the People's Republic of Bulgaria, to the Socialist Republic of Romania, and to the Union of Soviet Socialist Republics. I do not see why we should give in to them in any way or why we should continue to let them come within our 200-mile limit which was established by law, and about which my good friend in the well, the gentleman from Texas (Mr. DE LA GARZA), has spoken.

Mr. Speaker, this is a mistake of great magnitude, as I see it; and certainly I do not think we should pass this joint resolution today.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman from Kentucky (Mr. CARTER) for his contribution.

Mr. Speaker, I will oppose this joint resolution, but as I said in the beginning, I will not necessarily ask my colleagues to follow me because I know that those from the Northeast feel that this is some protection for them. I do not think so, but it will do me no good at this point to ask them not to support the joint resolution, because of the possibility that it may yet help some. It cannot help my people. We have been hurt, but I have an understanding with the chairman and the other members of the committee that they will assist me wherever they can in order to see whether we may bring some semblance of equity to American fishermen before we worry about waiving rules in order to help foreign fishermen.

Mr. FORSYTHE. Mr. Speaker, I have no further requests for time.

Mr. MURPHY of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I rise in support of House Joint Resolution 240, albeit somewhat reluctantly. When this Congress first enacted Public Law 94–265, we established time periods in the act sufficient to provide full public discussion at every stage of the process by which permits are issued to foreign fishing vessels. Now we find ourselves less than 1 month away from the March 1 implementation date, and the time periods in the original law stand in the way of full implementation of the law's regulations and enforcement procedures over foreign fishing. Consequently, I believe it is necessary to alter these time periods and deadlines—for this year only—in or-

der to facilitate the full and speedy implementation of the act.

Next year the full procedures of the act—including development by the regional fishery management councils of management plans specifying the extent of foreign fishing, will be followed, and all the time periods specified in the original act will be observed.

My decision to support this joint resolution was made easier by yesterday's decision by Secretary of Commerce Kreps to modify the preliminary fishery management plans to incorporate additional provisions to protect our offshore lobster and other fixed gear fisheries from damage and interference by foreign fishing vessels, and by the decision of the Merchant Marine and Fisheries Committee to adopt my amendment repealing the Northwest Atlantic Fishery Act of 1950 as of March 1. That act is the domestic legislation implementing the International Convention for the Northwest Atlantic Fisheries, an international treaty from which the United States withdrew last December 31. Because the United States is no longer a party to this treaty, I believe repeal of the implementing legislation is crucial, so that there will be no doubt in anyone's mind what laws are to govern U.S. management of fish stocks after March 1 when the provisions of Public Law 94–265 take effect.

Mr. Speaker, adoption of this joint resolution will not solve all of the problems encountered in preparation for full implementation of our 200-mile fishery conservation zone on March 1. However, its passage will facilitate the transition to the new law, and will give us time to focus on the problems of establishing a more adequate procedure for reimbursement to U.S. fishermen for damage to gear and vessels caused by foreign fishermen, insuring that foreign vessels which violate conservation practices are punished by reductions of permitted catch in future years, and insuring that enforcement of the act is vigorous and strict.

Mr. Speaker, I should like to remind my colleagues of the original intent of the Congress in passing this statute.

I speak specifically of the concern of the gentleman from Kentucky (Mr. CARTER). As the gentleman knows, I was one of the principal authors of the statute enacting a 200-mile fishery zone. In doing so, it was the intent of this Congress that the protein resources within 200 miles of our shores should be available, first of all, to American fishermen; and secondly, in those instances where our scientists tell us that the capacity or desire of the American fishermen to take a particular species is less than the optimum sustainable yield of the species, that is, in those cases where our fishermen are physically unable or economically uninterested in surplus stocks that may safely be taken and still allow the full, natural regeneration of the species, that in those instances and in those instances alone would foreign nations be licensed to fish for the surplus.

Furthermore, Mr. Speaker, let me remind the gentleman of what has happened here. The gentleman will recall that the opposition to the 200-mile legislation in the last Congress came strongly from the Departments of State and Defense. I recall Members standing in the well of this House echoing arguments of the Defense Department, with predictions of confrontation on the high seas. There were even those who talked in terms of a nuclear Armageddon in the event that we should take this step.

In fact, Mr. Speaker, what we see in the six governing international fisheries agreements which are ratified by the Congress in this joint resolution is the acknowledgement by the very countries which the gentleman named, the Soviet Union, Bulgaria, Poland, and the others, of the lawful authority of the United States to extend our jurisdiction. What we have here is a ringing affirmation of the contention of the original supporters of the bill that those who proclaimed doom and gloom and confrontation when we were considering it were not correct.

The triumph represented here is that the Department of State has succeeded, as it was mandated to do under our 200-mile statute, in negotiating agreements with these countries—agreements in which they recognize the authority of the United States to exercise this jurisdiction and in which they agree to abide fully by the rules by which this legislation would be administered, that is, because of the statute.

May I say to the gentleman that while there are some accommodations in this bill, and I do not refer to accommodations with respect to fishery agreements with other countries, I refer to the shortening of certain time periods, nonetheless it represents an ultimate vindication of the gentleman from Kentucky and of the rest of us in this House when we acted to extend our jurisdiction.

Mr. CARTER. Mr. Speaker, if the gentleman will yield further, I would say, as my good friend the gentleman from Texas (Mr. DE LA GARZA) has mentioned, that shrimp are almost nonexistent in the gulf coast, as I understand it. I understand that the oil slicks in the area of the gentleman from Massachusetts may well deplete their fishing there, and yet we are enabling our country today to give rights to Romania and Bulgaria, countries who only have coasts on the Black Sea, to come over here and fish and we know that they are not going to give us the same rights in their areas.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MURPHY of New York. Mr. Speaker, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Speaker, may I say to the gentleman from Kentucky that, would Heaven the United States had fishing vessels capable of getting to Bulgaria in the first place. Perhaps some day we will.

Mr. CARTER. I am not sure of that.

Mr. STUDDS. May I further say to the gentleman from Kentucky, we mandate, at least for our own fishermen, in the unlikely event that fishing vessels from Massachusetts, and the even less likely event that fishing vessels from Kentucky, want to fish off the area of Bulgaria and the Bulgarians say no to them, then we say no to them also.

Mr. CARTER. Kentucky is part of the United States of America.

Mr. STUDDS. I appreciate that.

Mr. CARTER. Bulgaria is not such a state. Of course, as part of the United States, we are speaking to them. It is true we do not have a seacoast in Kentucky, but we did profit from the shrimps which were provided at one time from the gulf coast. Also for the balance of the United States, fish have been depleted and almost exhausted, may I say to the gentleman, by overfishing by these very countries.

Mr. STUDDS. I appreciate that, but there will be no such fleets in domestic waters from now on. Insofar as the species that have been most raped, literally, by the foreign countries, cod, haddock, and flounder, in regard to these there will be absolutely no foreign fishing permitted because there is no surplus.

This is essential management legislation. It is our intention to guarantee a safe maximum harvest of protein for our fishermen and for all the people of the world.

Mr. CARTER. If the gentleman will yield still further, I would say the gentleman admits that we have lost cod, haddock, and flounder from the area the gentleman represents, or from the seacoasts there, and now with the 200-mile limit, for God's sakes, let us not go on and lose the rest of our fish in these areas.

Mr. STUDDS. The only reason we can say to the Russians and to the other countries, "You may not take this species," is precisely because of this legislation.

I urge adoption of the resolution.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. MURPHY of New York. Mr. Speaker, I might just conclude by saying that this basic act was signed into law by the previous administration. All we are doing in this legislation is waiving a 60-day review period and a 45-day comment period so that permits can be issued to the boats of those nations that have signed agreements with us.

Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. BRADEMAS) that the House suspend the rules and pass the joint resolution (H.J. Res. 240), as amended.

The question was taken.

Mr. CARTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 353, nays 35,

answered "present" 1, not voting 42, as follows:

[Roll No. 17]

YEAS—353

Abdnor	Evans, Ind.	McKay
Addabbo	Fary	McKinney
Akaka	Fascell	Madigan
Alexander	Fenwick	Maguire
Allen	Findley	Mahon
Ambro	Fish	Markey
Ammerman	Fisher	Marks
Anderson, Ill.	Fithian	Marriott
Annunzio	Flippo	Mathis
Archer	Flood	Mazzoli
Armstrong	Florio	Meeds
Ashbrook	Flowers	Metcalfe
Aspin	Flynt	Meyner
AuCoin	Foley	Michel
Badillo	Ford, Mich.	Mikulski
Bafalis	Ford, Tenn.	Mikva
Baldus	Forsythe	Milford
Barnard	Fountain	Miller, Calif.
Baucus	Fraser	Miller, Ohio
Bauman	Fuqua	Mineta
Beard, R.I.	Gaydos	Mitchell, Md.
Beilenson	Gephardt	Mitchell, N.Y.
Benjamin	Giaimo	Moakley
Bevill	Gilman	Mollohan
Biaggi	Glickman	Montgomery
Blanchard	Goldwater	Moore
Blouin	Goodling	Moorhead, Calif.
Boland	Gore	Moorhead, Pa.
Bolling	Gradison	Moss
Bonior	Grassley	Motti
Bonker	Guyer	Murphy, Ill.
Bowen	Hagedorn	Murphy, N.Y.
Brademas	Hamilton	Murphy, Pa.
Breaux	Hanley	Murtha
Breckinridge	Hannaford	Myers, Michael
Brinkley	Hansen	Myers, Ind.
Brodhead	Harkin	Natcher
Brooks	Harrington	Neal
Brown, Calif.	Harris	Nedzi
Broyhill	Harsha	Nichols
Buchanan	Hawkins	Nix
Burke, Calif.	Heckler	Nowak
Burke, Fla.	Hefner	Oakar
Burke, Mass.	Heftel	Oberstar
Burleson, Tex.	Hightower	O'Brien
Burlison, Mo.	Holland	Obey
Burton, John	Hollenbeck	Ottinger
Butler	Holt	Panetta
Byron	Holtzman	Patten
Caputo	Horton	Patterson
Carney	Howard	Pattison
Carr	Hubbard	Pease
Cavanaugh	Huckaby	Perkins
Cederberg	Hughes	Pettis
Chappell	Hyde	Pickle
Chisholm	Ichord	Pike
Clausen, Don H.	Ireland	Pressler
Clawson, Del	Jacobs	Preyer
Clay	Jenkins	Price
Cochran	Jenrette	Pritchard
Cohen	Johnson, Calif.	Pursell
Coleman	Johnson, Colo.	Quayle
Collins, Ill.	Jones, N.C.	Quie
Conte	Jones, Okla.	Rahall
Corcoran	Jones, Tenn.	Railsback
Cornell	Jordan	Rangel
Cornwell	Kasten	Regula
Cotter	Kastenmeier	Reuss
Coughlin	Kelly	Richmond
Crane	Kemp	Rinaldo
Daniel, Dan	Ketchum	Robinson
Daniel, R. W.	Keys	Roe
Danielson	Kildee	Rogers
Davis	Kindness	Roncalio
Delaney	Kostmayer	Rooney
Dent	Krebs	Rose
Derrick	LaFalce	Rosenthal
Devine	Lagomarsino	Rousselot
Dickinson	Latta	Roybal
Dicks	Le Fante	Runnels
Diggs	Leach	Ruppe
Dingell	Lederer	Russo
Dodd	Leggett	Ryan
Dornan	Lehman	St Germain
Downey	Lent	Santini
Drinan	Levitas	Sarasin
Duncan, Oreg.	Lloyd, Tenn.	Satterfield
Duncan, Tenn.	Long, La.	Sawyer
Eckhardt	Long, Md.	Scheuer
Edgar	Lott	Schroeder
Edwards, Ala.	Luken	Schulze
Edwards, Calif.	Lundine	Sebelius
Eilberg	McClory	Seiberling
Emery	McCloskey	Sharp
Ertel	McCormack	Shipley
Evans, Colo.	McDade	Shuster
Evans, Del.	McDonald	Sikes
Evans, Ga.	McEwen	Simon
	McHugh	
Sisk	Taylor	White
Skelton	Thompson	Whitehurst
Skubitz	Thone	Whitley
Slack	Treen	Whitten
Smith, Iowa	Trible	Wiggins
Smith, Nebr.	Tsongas	Wilson, Tex.
Snyder	Tucker	Winn
Spellman	Udall	Wirth
Spence	Ullman	Wolff
Staggers	Vander Jagt	Wright
Stanton	Vanik	Wydler
Steed	Vento	Wylie
Steers	Volkmer	Yates
Steiger	Waggonner	Yatron
Stockman	Walgren	Young, Alaska
Stokes	Walker	Young, Fla.
Stratton	Walsh	Zablocki
Studds	Weaver	Zeferetti
Stump	Weiss	
Symms	Whalen	

NAYS—35

Anderson, Calif.	English	Myers, Gary
Badham	Erlenborn	Poage
Beard, Tenn.	Frenzel	Quillen
Bennett	Gammage	Risenhoover
Broomfield	Gonzalez	Roberts
Burgener	Hall	Rudd
Carter	Hammer-schmidt	Thornton
Collins, Tex.	Kazen	Van Deerlin
Conable	Lloyd, Calif.	Watkins
D'Amours	Marlenee	Wilson, Bob
de la Garza	Martin	Young, Tex.
Edwards, Okla.	Mattox	

ANSWERED "PRESENT"—1

Bedell

NOT VOTING—42

Andrews, N.C.	Early	Pepper
Andrews, N. Dak.	Frey	Rhodes
Applegate	Gibbons	Rodino
Ashley	Ginn	Rostenkowski
Bingham	Gudger	Solarz
Boggs	Hillis	Stark
Brown, Mich.	Jeffords	Teague
Brown, Ohio	Koch	Tonry
Burton, Phillip	Krueger	Traxler
Cleveland	Lujan	Wampler
Conyers	McFall	Waxman
Corman	Mann	Wilson, C. H.
Dellums	Minish	Young, Mo.
Derwinski	Moffett	
	Nolan	

The Clerk announced the following pairs:

Mr. Teague with Mr. Andrews of North Carolina.
Mrs. Boggs with Mr. Ashley.
Mr. Bingham with Mr. Cleveland.
Mr. Moffett with Mr. Derwinski.
Mr. Pepper with Mr. Andrews of North Dakota.
Mr. Conyers with Mr. Frey.
Mr. Rodino with Mr. Corman.
Mr. Rostenkowski with Mr. Applegate.
Mr. Koch with Mr. Hillis.
Mr. McFall with Mr. Jeffords.
Mr. Minish with Mr. Brown of Michigan.
Mr. Phillip Burton with Mr. Lujan.
Mr. Ginn with Mr. Wampler.
Mr. Stark with Mr. Brown of Oklahoma.
Mr. Solarz with Mr. Young of Missouri.
Mr. Waxman with Mr. Rhodes.
Mr. Charles H. Wilson of California with Mr. Krueger.
Mr. Early with Mr. Gibbons.
Mr. Tonry with Mr. Dellums.
Mr. Mann with Mr. Gudger.
Mr. Nolan with Mr. Traxler.

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just agreed to.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT ON H.R. 694

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file a report on the bill H.R. 694.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

STATEMENT OF EXPENDITURES BY COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. FLYNT. Mr. Speaker, pursuant to the provisions of House Resolution 1260 of the 94th Congress, I submit for printing in the RECORD the following statement of expenditures by the Committee on Standards of Official Conduct from October 8, 1976, to January 3, 1977, and the total expenditures to date under provisions of that resolution:

Consultant fees:	
Investigation	$800.00
Legal	25,093.75
Members and staff travel	201.00
Miscellaneous and contingencies	374.55
Total Expenses for Period October 8, 1976 to January 3, 1977	26,469.30
Consultant fees:	
Investigation	35,600.00
Legal	41,751.52
Members and staff travel	1,649.88
Miscellaneous and contingencies	437.56
Total expenses to date	79,438.78

THE GASAHOL ALTERNATIVE FUEL RESEARCH ACT

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, today I introduce the Gasahol Alternative Fuel Research Act. It is a bill that would require the Energy Research and Development Administration—(ERDA)—to research the comprehensive and various uses of grain or grain products in the development and use of fuels.

During the recent floor debate on the Emergency Natural Gas Act of 1977, I noted that this legislation was not a panacea, that the winter and cold would be with us again, and that the Congress had the responsibility to lay the foundation for future generations to have adequate energy supplies.

My remarks concluded with the urging of Members of Congress to keep our minds open to the development and demonstration of new energy technologies and with the plea that the

necessary resources to accomplish their swift implementation be granted.

The Gasahol Alternative Fuel Research Act, while perhaps only a small step, is nonetheless significant.

The dramatic and continual rise in fossil fuel costs may well now provide the economic justification for hitherto higher priced alternatives. I believe that there exists substantial evidence that gasahol is a viable fuel alternative and that this bill offers the mandate for further and more comprehensive research.

Additionally, gasahol could be an important regional and agricultural fuel supply. Currently, the States of Illinois, Indiana, Iowa, Kansas, Kentucky, Missouri, Tennessee, and Texas are leading producers of grain alcohol.

Further, gasahol may have a positive effect on the now disastrous wheat prices—prices which hurt the American farmer, as well as the American consumer. Its production could alleviate, to some extent, this problem by more fully utilizing available resources.

The act does recognize the difficulties that lie ahead and questions that must be answered. For example, under this legislation, ERDA would be required to report an estimate of economic and environmental impact and of the extent to which human food resources and farm animal food resources would be reduced or deleted if these fuels were used in any significant manner.

Therefore, I urge that this Congress support extensive fuel research and development; support the need for new technologies and ideas; and support fuels from biomass of which this important legislation which I have introduced today is a component.

TO REQUIRE INTENT OF CONGRESS WITH RESPECT TO "PINPOINT DISASTER" PROGRAM

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, I am introducing today a bill which should not have been necessary. It should not have been necessary because the intent of Congress with respect to this matter is already clear. However, because the U.S. Office of Education has arbitrarily seen fit to disregard certain laws passed by the Congress—my legislation is very much necessary and should be immediately considered by the Education and Labor Committee and this body.

On January 2, 1968, the Elementary and Secondary Education Amendments of 1967 (Public Law 90-247) were envisions which authorized the Commissioner of Education to make loans to local elementary and secondary school educational agencies for the purpose of providing Federal "pinpoint disaster" assistance. A pinpoint disaster is one which is not so widespread over an area and of such a magnitude as to warrant a major disaster declaration by the President. The damage may occur as the result of a flood, hurricane, earthquake, storm, fire or any other catastrophe—except that it cannot have resulted from negligence or malicious action.

Not until November 17, 1976—almost 8 years after the passage of this legislation—did the Office of Education publish final regulations for the implementation of this program. Certainly it does take a reasonable amount of time to implement Federal programs. But 8 years is ridiculous.

It is interesting to note that the final implementation of this program came only after a school fire occurred at Canadian, Okla. This community is in the congressional district which was represented by former Speaker Carl Albert. Through the course of an investigation by Speaker Albert's staff of the programs available to assist the school in his community, he learned that the "pinpoint disaster" program had intentionally not been implemented by the Office of Education. It was only after the former Speaker requested a General Accounting Office investigation that the Office of Education finally began taking steps to implement the program.

Thus, on November 17, 1976—and again I repeat, almost 8 years after the act authorizing this assistance became law—the Office of Education published final regulations implementing the "pinpoint disaster" assistance program. However, the final regulations included the stipulation that only those schools where disaster had occurred on or after July 1, 1975, would be eligible for the program.

Mr. Speaker, the arbitrary selection of the July 1, 1975, implementation date is completely unjustified and can only be viewed as an usurpation of the legislative branch's powers by the Office of Education.

The arbitrary selection of the July 1, 1975, date means that the school district at Cedar Vale, Kans., a community in my congressional district that was hit by tornadoes the night of June 16, 1975, and whose high school building was severely damaged to the point of being condemned—will not be eligible for Federal assistance. Had the tornadoes struck only 15 days later, the community, according to the Office of Education's rules, would now be eligible to apply for assistance.

The community of Canadian, Okla., now represented in the House by Mr. WATKINS—and the community of Roanoke, Va., represented by Mr. BUTLER, are also denied eligibility for "pinpoint disaster" assistance because of the July 1, 1975, date. I want to thank the gentleman from Oklahoma and the gentleman from Virginia for their cosponsorship of this bill because it underscores that this matter cuts across party lines. I believe if several of my other colleagues will also check their records of damage to schools in their districts, they will find that they are similarly affected.

The bill I am introducing is a simple one. It does nothing other than provide that the "pinpoint disaster" program must be applicable to those schools which suffered such disasters between the period beginning January 2, 1968—the date of enactment of the "pinpoint disaster" assistance authorization—and before October 1, 1978—the date the program authorization expires.

Mr. Speaker, this legislation is only a restatement of what has already been enacted by the Congress, but without it—it appears the will of Congress may be thwarted. It is my hope the measure will receive the immediate attention it rightfully deserves.

STATEMENT AND RECOMMENDATIONS ADOPTED BY THE HOUSE REPUBLICAN TASK FORCE ON REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. COUGHLIN) is recognized for 30 minutes.

Mr. COUGHLIN. Mr. Speaker, I am pleased to commend to my colleagues' attention the statement and recommendations adopted by the House Republican Task Force on Reform. As chairman of that task force, I was gratified by the diligence and conscientiousness of the task force members in formulating stringent yet realistic reforms to protect the taxpayers' interests in the House of Representatives. By endorsing strong provisions to open up both Government funds and personal finances to public scrutiny, the task force has demonstrated its firm commitment to effective reform of the House and to restoring a Congress in which the public can indeed have pride.

Very special thanks and recognition are warranted for the task force members.

Serving as ex officio members of the task force are House Minority Leader JOHN J. RHODES of Arizona; Conference Chairman JOHN B. ANDERSON of Illinois; Policy Committee Chairman DEL CLAWSON of California; and Research Committee Chairman BILL FRENZEL of Minnesota.

Task force members are WILLIAM L. ARMSTRONG of Colorado; ROBERT E. BAUMAN of Maryland; CALDWELL M. BUTLER of Virginia; JAMES C. CLEVELAND of New Hampshire; THOMAS B. EVANS, Jr. of Delaware; MILLICENT FENWICK of New Jersey; LOUIS FREY, Jr. of Florida; HENRY J. HYDE of Illinois; ROBERT W. KASTEN, Jr. of Wisconsin; JAMES A. S. LEACH of Iowa; DONALD J. MITCHELL of New York; W. HENSON MOORE of Louisiana; JOEL PRITCHARD of Washington; RALPH S. REGULA of Ohio; and WILLIAM A. STEIGER of Wisconsin.

The task force believes we owe it to the American people to enact reforms immediately and not to wait for 2 years, until the next Congress, to enact the necessary changes. It enacted very strong provisions providing for full accounting and public disclosure of the financial operations of Members and of committees. It provides for the burning of unofficial office accounts. It provides for a full disclosure of all gifts valued at more than $100. It provides for a full disclosure of dollar limitations on honoraria and the setting of a ceiling on outside earned in-

come. It provides stronger financial disclosure rules. It bans lame duck travel.

The task force's recommendations have been submitted to the House Commission on Administrative Review. We commend that Commission for the work that it is doing, and many of the recommendations of the task force are very similar to those before the Commission on Administrative Review. However, in four very specific ways, the recommendations of the task force go beyond the recommendations of that Commission.

First, the task force believes that the public is as interested in how public funds are spent as it is in the disclosure of personal finances.

Nothing in the recommendations currently before the Commission on Administrative Review provides for a full accounting and for an audit of both Members' and committees' expenditures of the taxpayers' funds.

Recent revelations have indicated the great abuses in this field.

The task force believes that accounting and auditing of the funds that are available to Members and to committees are a prime requirement both for the integrity of this House and for greater public confidence in us as an institution.

Second, the task force believes that these recommendations should be made effective immediately or as soon as possible. Many of the recommendations by the Commission on Administrative Review would not become effective until the beginning of the next Congress, delaying this unnecessarily, in our judgment.

Mr. BUTLER. Mr. Speaker, will the gentleman yield on that point?

Mr. COUGHLIN. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Speaker, I wish to congratulate the gentleman from Pennsylvania (Mr. COUGHLIN) on the fine work he has done as chairman of this task force.

In reference to the recommendation and the timing of the recommendation, is there any real reason why all these reforms that are being proposed or that are about to be proposed by the Commission on Administrative Review cannot be implemented promptly?

Mr. COUGHLIN. Mr. Speaker, it would seem to me there would be no reason why they should not be promptly implemented. Certainly they should not be put off until the beginning of the next Congress.

Mr. BUTLER. Could the gentleman suggest an earlier date than the date of the beginning of the next Congress, some date that would meet the satisfaction of the Commission on Administrative Review, or does he suspect they are going to put them all off until the next Congress?

Mr. COUGHLIN. Well, it certainly smacks of the possibility of delaying real reform and putting it off until another Congress, and then perhaps they will put it off also to another Congress. However, we think this should be done immediately.

Mr. BUTLER. Mr. Speaker, I congratulate the gentleman for calling our attention to this glaring shortcoming concerning these recommendations we have heard about. I also call attention to the tremendous coverage that the press is giving this effort, and I am sure we will be reading about that tomorrow.

Mr. COUGHLIN. Mr. Speaker, I thank the gentleman from Virginia (Mr. BUTLER).

Mr. Speaker, the third area in which the task force differs from the Commission on Administrative Review is that we believe there should be no increase in Members' allowances as a result of the banning of unofficial office accounts. The recent consolidation of accounts has made available to Members substantially more funds than had been available previously. Certainly there should be adequate funds available to Members under the existing method of funding, and there should be no increase from the banning of office accounts.

Finally, the task force believes that more stringent regulations on limiting use of the frank should take place. The franking privilege is a privilege that assists incumbent Members of Congress. We believe that we should not be allowed mass mailings under the frank during a period 60 days before an election, and that the present 28-day limitation should be extended to 60 days.

We also believe that all mass mailings should be reported to the Clerk of the House, and that there should be a record of those mailings that would be open to public inspection so that the public would know how Members of Congress are using the franking privilege and whether Members in certain cases are abusing the franking privilege.

Mr. Speaker, on behalf of the task force on reform, I do want to submit our statement and our recommendations contained in that statement. The statement is as follows:

STATEMENT OF THE HOUSE REPUBLICAN TASK FORCE ON REFORM

It is no secret that the public's perception of the Congress is at an all-time low. The American people, disillusioned by the continuing accounts of scandal, question the very integrity of the legislative branch. The conflicts of interest, the misuse of public moneys, and the allegations of personal enrichment while in government service undermine the public faith.

The abuses of a few Members tar the reputations of all Members. Congress for too long has tolerated activities which skirt the boundaries of acceptable ethical behavior.

The Code of Official Conduct which governs the House of Representatives is an inadequate and deficient standard. The current financial disclosure rules conceal pertinent information. There is little accountability for public funds, much less effective auditing or enforcement provisions to ensure compliance with the law.

Congress must institute wideranging and comprehensive reforms. There can be no compromise of ethical principles in accounting for the taxpayers' money or disclosing potential conflicts of interest. There can be no justification for delay. This institution cannot ignore the public clamor, as well as the real need, for corrective measures.

Numerous reform suggestions have been offered by individual Members, party units, concerned public citizens and the press. Among the most recent are those advanced by a task force of the Commission on Administrative Review. Virtually all of these recommendations have been confined to Members' personal finances. Although the House Republican Task Force on Reform applauds the intent of these proposals, it recognizes that requiring only disclosure and limits on a Member's personal finances amounts to little more than a subterfuge. The primary concern must be the accountability of taxpayers' funds with the elimination of the widescale abuses still evident in the system of House allowances.

The House Republican Task Force on Reform has endorsed a specific agenda of reforms, including:

(1) full accounting and public disclosure of the financial and personnel operations of the House of Representatives;

(2) banning of all "unofficial" office accounts;

(3) full disclosure of all gifts valued at more than $100;

(4) full disclosure and lower dollar limits on honoraria;

(5) setting a $15,000 ceiling on outside earned income;

(6) stricter financial disclosure rules;

(7) banning lameduck travel;

(8) imposition of limitations on the use of the frank.

In adopting these recommendations, the Task Force sought a balanced and reasoned approach. To advocate restrictions and prohibitions which are unworkable serves no useful purpose.

The Task Force earnestly believes that the most effective remedy against unethical or financially questionable activities is the requirement of public disclosure. It also believes that the major thrust of public concern is accountability for public funds.

Real reform transcends the politics of party, personality and ideology. Time and again the Republicans have appealed to the Democratic Majority to join in a bi-partisan reform effort. The Democratic Majority, however, which for more than two decades has dominated the Congress, often demonstrates a lack of commitment to any fundamental change.

In 1974, the Democrats sidetracked a landmark overhaul of the committee system and endorsed a substitute plan which protected the existing power relationships. In 1975, the Democrats reinstituted the abuse of proxy voting while revoking a pledge for one-third minority staffing. In 1976, there were revelations of extensive irregularities corrupting the operation of House finances. Under the guise of reform, the Democrats established a consolidated account which is more prone to abuse than the system it replaced and voted down attempts at more comprehensive reform. At the beginning of 1977, the Democrats railroaded the adoption of the House Rules under a restricted debate, no-amendment procedure—a procedure which violated the very principles of representative democracy.

Obviously the House Majority has grown too comfortable with the prerogatives of power. Reform is now an urgent priority; it should not fall prey to the maneuverings of partisan advantage.

The House Republican Task Force urges that any consideration of reforms be conducted in the House under an open rule procedure. Full opportunity for debate and amendment is the best assurance for meaningful reform.

With the reputation of the House at stake, it is not the time to resort to closed rule procedures or the drafting of amendments behind the locked doors of party caucuses.

Authentic reform goes beyond simple alterations in the law or a rewriting of the ethics code. The Task Force therefore recommends that accompanying any new regu-

lations will be the adoption of effective enforcement mechanisms coupled with nonpartisan, systematic, and independent auditing procedures. If the Congress refuses to implement the necessary means to ensure compliance with the new standards, there will be no reform—only a futile exercise.

While the Task Force will be making further recommendations in other areas, it believes that a number of significant reforms can be considered immediately. It now specifically recommends that the following be promptly enacted by the House of Representatives:

HOUSE ALLOWANCES

Following the revelation of extensive abuses in the handling of House allowances in 1976, the Task Force offered specific recommendations to provide for greater congressional accountability and visability. Our proposals were ignored by the Democratic leadership and, in both 1976 and 1977, reform efforts were defeated under gag-rule procedures.

The end result was the development of a consolidated account which strengthens the power of incumbency and the sidetracking of any comprehensive accountability, disclosure and audit procedures to clear away allegations of impropriety and wrongdoing. The minor changes implemented in the last session of the 94th Congress were insufficient to eliminate defects inherent in the system. As a result, the Task Force restates our support for the following essential reforms:

1. Vote of the whole House each Session under an open rule on all Members' salaries and allowances. The present authority of the House Administration Committee to make cost-of-living changes in allowances at any time should be repealed.

2. Full disclosure for both Members and Committees of all personnel salaries and all expense accounts. This information would include both Committee and Member staff names, salaries, job descriptions and location of employment, as well as other expenditures by the Clerk on behalf of Committees or Members; and would be available for public inspection at the Office of the Clerk.

3. Full audit of all expense and personnel records. This audit should be conducted by an independent, outside agency under the supervision of a Select Bipartisan Committee. This Select Committee should have equal representation of Democrats and Republicans.

4. Thorough personnel system review by outside experts. Particular items for attention are the problems of committee empire-building and overstaffing.

5. Tough anti-nepotism disclosure and anti-nepotism rules. All information regarding the family relationship of Committee and personal staff to any Member would be available for public inspection at the Office of the Clerk.

UNOFFICIAL OFFICE ACCOUNTS

Some Members of Congress have created unofficial office accounts to pay for activities which are not covered by existing government allowances. These accounts finance a variety of political and office-related business—the entertainment of constituents, media tapings, subscriptions to newspapers and periodicals, Christmas card mailings, as well as augmenting the account allowances appropriated by the Congress. Such accounts are subsidized by individual and organization donations, honoraria, and personal funds; additionally, present law permits an officeholder to convert surplus campaign funds to his unofficial account.

Allegedly justified as a means to defray the necessary and legitimate expenses of holding office, these funds smack of favoritism and influence peddling and create an atmosphere which contributes to public cynicism. Guidelines for these funds are sorely lacking; no provisions exist for financial disclosure; no ceilings are imposed on the dollar amounts which can be permissibly contributed; and no restrictions are placed on the sources of income. Office accounts operate in a grey area of potential abuse—and too often appear to be transfusions of tainted money from well-heeled private contributors and special interests.

The Task Force recommends that the most proper avenue for reform is the banning of all "unofficial" accounts. No matter what controls are placed on these accounts; the potential for abuse remains; the elimination of these slush funds is a top priority and should be totally practicable in view of the expanded and consolidated allowances now in effect. Under no circumstances should House allowances be increased as a result of the elimination of these "unofficial" accounts.

If it is not possible to ban such accounts in their entirety, full disclosure is imperative. The lack of enforceable restrictions on such accounts prompted the Task Force to earlier propose that Congress do the following:

1. require full disclosure of the sources of all contributions to and the nature of all expenditures from such funds.

2. prohibit labor unions and corporations from contributing to these funds.

3. limit contributions to these funds to $1,000 per person.

To these limitations the Task Force would now add the requirement that the amount of donations as well as the sources be disclosed and that reports of account transactions be kept on file, open to public inspection, with the Clerk of the House.

HONORARIA

According to the House Rules, no Member can receive an honorarium for an appearance, speech or article which is "in excess of the usual and customary value for such services." The first monetary restrictions on honoraria were imposed by the Congress in the 1974 campaign finance law—no Member could accept an honorarium of more than $1,000 for any appearance, speech or article, nor could any Member receive more than $15,000 worth of honoraria in one year. These ceilings were raised from $1,000 to $2,000 and $15,000 to $25,000 in 1976. Currently, under House Rule 44, the sources of honoraria aggregating to $300 or more from a single source must be listed on the financial disclosure statements of House members.

Members who actively participate on the honoraria circuit of personal appearance and speaking engagements are often criticized as neglecting their official duties. Yet honoraria related activities can be an important factor in the interchange of ideas. The ability of articulate Members to present their views in a variety of forums serve to heighten the public's knowledge and improve the political debate on key issues of the moment.

The Task Force realizes that honoraria activities can serve as a beneficial method of facilitating the flow of information. However the present regulations which govern their receipt are defective and illogical. The disclosure rules afford no information as to specific amounts and only an incomplete listing of sources. The ceilings of $2,000 and $25,000 appear, to the Task Force, to be excessive.

As a remedy, the Task Force proposes:

1. The full disclosure of the sources of all honararia and the specific amounts received. This information would be made available to public inspection in the Office of the Clerk of the House.

2. A reduction in the amounts which can allowably be received—from $2,000 to $1,500 per individual appearance, speech or article; and from a yearly ceiling of $25,000 to $15,000.

3. Honoraria be included under the limitations on outside earned income recommended by the Task Force.

FINANCIAL DISCLOSURE

House Rule 44 governs the disclosure of financial interests by Members. Two reports are required—the first, which is available for public review, provides limited information concerning the sources of income and the identity of certain categories of liabilities and assets; the second, which is kept confidential, discloses the amounts of income from each source listed on the public report and the fair market value of business holdings, This second report is filed with the House Ethics Committee and can only be opened if examination of the information is deemed essential to an official investigation of the committee.

Such restricted disclosure merely reinforces public cynicsim and fosters the misperception of extensive conflicts of interests in the dispatch of legislative business. The Task Force believes that a Member's constituents have the right to be given a more honest appraisal of their representative's financial situation.

The Task Force supports the adoption of disclosure rules which would indicate:

1. the source and amount of each item of income which exceeds $100 in a calendar year.

2. the identity and category of value of each asset which has a value of over $1,000.

3. the identity of each liability owed.

4. the identity of any position as an officer, director, partner, advisor, or consultant of any business enterprise or partnership.

5. the transfer of assets from an officeholder to a spouse or dependents which have a value in excess of $1,000.

Whether an officeholder's disclosure requirements should be interpreted to include the financial activities of the spouse and dependents is a matter of serious debate. This extension is often justified as a means to prevent the improper transfer of assets, controlled by the officeholder, to the spouse and dependents, in order to avoid public disclosure. However, to require the reporting of items which are the sole property of the spouse and dependents and are in no way connected with the income of the officeholder is an invasion of privacy and may equally violate the confidentiality provisions of the Internal Revenue Code. In order to balance these conflicting concerns, the Task Force recommends that the financial disclosure requirements imposed on an officeholder not include the independent financial activities of a spouse and dependents, with the provision that any transfer of assets from an officeholder to a spouse or dependents in excess of $1,000 must be reported (proposal #5 above).

The Task Force supports the concept of requiring assets and liabilities to be reported in ranges: under $5,000; between $5,000 and $15,000; between $15,000 and $50,000; between $50,000 and $100,000; and greater than $100,000. The Task Force would additionally require a description of any contract or understanding regarding post-government employment. Finally, all disclosure reports should be filed with the Clerk of the House and be available for public inspection.

OUTSIDE INCOME

Supplementing congressional salaries with outside earned income is a common practice for many Members of the House of Representatives. However, the potential conflicts of interest and questions of impropriety which surround such income seriously concern the voting public. Although the Task Force has proposed the disclosure of the sources and amounts of each item of income which exceeds $100 in a calendar year, we believe that a specific limitation must be

placed on outside earned income to dispel the public's doubts.

The Task Force recommends that a ceiling of $15,000 be imposed on the amount of outside earned income which a Member can receive in a calendar year. This would serve as a first step in restoring confidence in this institution. Should the proposed Congressional pay raise be adopted, the Task Force would consider adjusting the outside earned income ceiling. The Task Force additionally proposes that honoraria be made subject to this limit. That is to say, a Member who receives $10,000 in honoraria in a calendar year would be allowed to earn only up to $5,000 more in outside earned income. We believe that such a restriction is fair and reasonable.

GIFTS

Investigative journalists often describe the multitude of gifts—new merchandise, free hunting and fishing excursions, dinners at expensive restaurants—which are offered to powerful Members of Congress. To the American citizen, the practice of giving gifts to elected representatives appears a corruption of the political process—an unsavory sidelight to lobbying and pressure-group tactics. Whether or not the public perception is accurate, it underscores a serious problem of public trust.

The House Rule (43, Clause 4) stipulating a Member should not accept a gift of "substantial value, directly or indirectly, from any person, organization, or corporation having a direct interest in legislation before the Congress" is ill-defined at best.

The Task Force recommends that the most acceptable course of action would be to require the full disclosure of any gifts, or aggregate of gifts from one source, valued at over $100, including the designation of source, the nature of the gift, and the amount of value. Records of gifts would be maintained in the Office of the Clerk and be available for public review.

LAMEDUCK TRAVEL

Following every general election, a procession of retiring and defeated Members travel abroad. Although the trips are justified as an extension of Congressional business, these excursions are perceived as unwarranted pleasure junkets taken at public expense. It is an abuse which infuriates hardworking, taxpaying Americans and which brings scorn and disrepute on the legislative branch.

The Task Force urges, therefore, that no lameduck travel be permitted after the general election or the adjournment sine die of Congress, whichever comes first.

FRANKING PRIVILEGE

Although justified as essential to the performance of a Member's official duties, the franking privilege is the foremost political weapon for incumbent self-promotion. The mass mailings, questionnaires, reports on legislation, and untold thousands of responses to constituent requests pour from Capitol Hill to the homes of America's voters. The cost of "free" mailing under the frank, is not inconsequential; for fiscal year 1976, the cost to the taxpayers amounted to over $38 million.

Even though the franking privilege dates back to the Continental Congress, standards regarding its usage have long been ill-defined. In 1973, Congress set forth guidelines on the types of mail Members could send under the frank while prohibiting mass mailings (of more than 500 pieces for the 28-day period preceding elections by Members who were candidates for re-election.

Last year the Task Force expressed concern over the potential for abuse of franked mass mailings and urged the adoption of reasonable limits on the privilege. Although the franking privilege was never meant to institutionalize the incumbency, it now serves this purpose.

The Task Force believes the following amendments to the franking statutes are a reasonable first step to qualify the power of the frank:

(1) require periodic reports to be filed with the Commission on Congressional Mailing Standards detailing number of mass mailings sent, times they were sent, and number of pieces in each mailing, together with copies of each mass mailing. All reports would be filed with the Clerk of the House and be available for public inspection.

(2) extend prohibition period on mass mailings sent prior to an election in which a Member is a candidate from 28 to 60 days. Subject to this provision, Members are restricted to no more than the equivalent of six mass mailings sent with a simplified form of address (postal patron) during any calendar year, and are restricted to no more than one mass mailing per household during any calendar month.

(3) require mass mailings to be sent at the most economical rate; generally that would be 3rd class, bulk rate.

(4) prohibit a Member of the House who is running for a state-wide office or office in an area larger than his Congressional District from sending mass mailings under personalized address outside of his Congressional District during the period of time that he is a candidate.

SAWYER URGES DEFEAT FOR PAY RAISE PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SAWYER) is recognized for 5 minutes.

Mr. SAWYER. Mr. Speaker, a special ad hoc subcommittee on the House Committee on Post Office and Civil Service has been created to conduct hearings on February 7, 8, and 9, on the recommendation of the Commission on Executive, Legislative, and Judicial Salaries. I am totally opposed to the Commission's recommendation and I have today submitted the following statement to the ad hoc subcommittee:

STATEMENT OF CONGRESSMAN HAROLD S. SAWYER

The 95th Congress has within its power to take a hard-line stand against wasteful government spending and bring under control eroding public confidence in elected officials who seek to increase personal wealth at taxpayers expense.

The Commission on Executive, Legislative and Judicial Salaries has recommended salary increases for certain federal government employees, including Members of Congress. I am dead against the Commission's recommendation.

The recommended salary increase is clearly unethical, overcostly, and ill-advised during a time when we are calling for all the American people to make sacrifices in restoring stability and growth to the nation's struggling economy. To provide ourselves an increase of 28.9 percent, while limiting the increases in social security benefits to 5 percent, shows a callous disregard to the genuine human needs of our constituents.

Certainly each House member was clearly aware of the present salary for a Congressman when he decided to run for election or re-election this past November. Any person who did not feel that that salary was adequate, should have exercised other options at that time.

I urge the Ad Hoc Committee to immediately report a resolution of disapproval on the pay recommendations. This will once and for all allow every Member of the House the opportunity to stand up and be counted against this travesty on the American people.

Furthermore, I hope that the Congress would very soon eliminate this backdoor method of allowing Members to increase their own salaries. I intend to propose a change in the law to require the positive approval of the House and Senate before a pay raise proposal takes effect, instead of allowing it to become effective automatically unless either House vetoes it.

The ball is in our court. We can speak up and exercise fiscal restraint and responsibility by voting NO on the pay raise, or we can allow unwarranted compensation changes to result in our personal gain.

The sunshine in Congress will never be seen unless your Committee reports a resolution which will give Members the opportunity to publicly be heard. The decision rests in your hands.

MEDICARE MEDICAL EQUIPMENT REIMBURSEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. STEERS) is recognized for 5 minutes.

Mr. STEERS. Mr. Speaker, I am today introducing a bill to make more flexible the method of reimbursing medicare recipients for durable medical equipment.

Medicare law currently reimburses a recipient for the purchase of certain types of durable medical eequipment. However, the recipient, rather than being reimbursed in one payment for the entire amount of purchase, is reimbursed in small installments equal to the monthly amounts that would have been paid had the equipment been rented.

The reason for this method of repayment is understandable. Beneficiaries with long life expectancies who purchase equipment when their need is only of short duration could conceivably sell the equipment for profit.

However, in certain cases where projected duration of use is such that purchase would be more economical than renting, recipients should receive repayment for equipment in one lump sum. For instance, one of my constituents recently wrote:

As you will see from the enclosed notice, I bought a wheelchair on 30 September 1976 from Abbey Rents, Inc., for which I paid $147.50. Medicare B has informed me that they will reimburse me for the entire cost of the wheelchair, but that the reimbursement will be on the basis of monthly installments. Social Security laws require such a reimbursement to be made in installments.

. . . my difficulty is that I had to pay Abbey Rents the entire amount, but that I shall be reimbursed in "dribbles". My total monthly income is $332.40 paid as Disability Insurance by Social Security; the wheelchair cost over one-third of my total income. It was difficult for me to pay that cost then; it will be even more difficult for me to absorb that cost if I must do it in small installments, especially now that Thanksgiving and Christmas are approaching.

The bill I am introducing today would provide that the Secretary could authorize the purchase of equipment on a lump-sum payment basis if, on the basis of medical and other evidence, if it is found

that purchase of the equipment would be less costly or more practical and would impose less financial hardship on the beneficiary.

This bill is carefully worded to keep in check potential abuses while simultaneously authorizing the Secretary flexibility in payment schedules to serve the interests of economy and certain hardship cases.

The Health Subcommittee of the Ways and Means Committee which has jurisdiction over this matter has looked into the question of durable equipment reimbursements in the past and considers it a problem which should be addressed.

I am hopeful that the bill will receive consideration by that subcommittee in the near future.

LEGISLATION TO ESTABLISH A CONGRESSIONAL COMMISSION ON LEGISLATIVE-JUDICIAL RELATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. HAGEDORN) is recognized for 5 minutes.

Mr. HAGEDORN. Mr. Speaker, the past two decades have seen an enormous expansion in the role of the Federal judicial branch in our society. While due partly to the fact that Government generally has grown so rapidly during this period, much of the court's new role has come at the expense of the other two branches of the Federal Government, as well as of State and local governments. Courts have increasingly involved themselves in policymaking and administrative matters which have traditionally been the prerogatives of the legislative and executive branches.

There is no fine line at which we can say that a matter is legitimately within the scope of the legislative authority rather than the judicial one. It is clear, nevertheless, that much of what is going on in Federal trial and appellate courts today does not involve the determination of disputes of the type which have traditionally been determined in these forums. Prof. Abram Chayes of Harvard Law School has stated that—

> Perhaps the dominating characteristic of modern Federal litigation is that lawsuits do not arise out of disputes between private parties about private rights. Instead, the object of litigation is the vindication of constitutional or statutory policies.

In going on to describe what he refers to as the "public law model," Professor Chayes notes other characteristics of the new litigation which differ from traditional litigation:

> The party structure is sprawling and amorphous, subject to change over the course of the litigation. The traditional adversary relationship is suffused and intermixed with negotiating and mediating processes at every point. The judge is the dominant figure in organizing and guiding the case, and he draws for support not only on the parties and their counsel, but on a wide variety of outsiders—masters, experts, and oversight personnel. Most important the trial judge has increasingly become the creator and manager of complex forms of ongoing relief, which have widespread effects on persons not before the court and require the judge's continuing involvement in administration and implementation. School desegregation, employment discrimination, and prisoners' or inmates rights cases come readily to mind as avatars of this new form of litigation. But it would be mistaken to suppose that it is confined to these areas. Antitrust, securities fraud, and other aspects of the conduct of corporate business, bankruptcy and reorganizations, consumer fraud, housing discrimination, electoral reapportionment, environmental management—cases in all these fields display in varying degrees the features of public law litigation.

Courts, not the legislatures, have become the final arbiters of public policy in the areas of abortion, criminal punishment, legislative apportionment, labor law, environmental law, and zoning. They have dictated higher taxes and methods of financing to State legislatures, reorganized forms of local government, they have taken over the operation of entire school systems, and they have disrupted the lives of hundreds of thousands of schoolchildren and their families in pursuit of their own notions of racial balance. More recently, they have ordered USDA to continue spending funds for food stamps, and HEW to continue spending funds for nontherapeutic abortions, both despite the considered judgment of Congress.

Congress has taken a series of strong actions in recent years to reaffirm its authorities with respect to our executive branch. It has learned that powers once assumed are not readily yielded. I believe that it is time for Congress to consider equally strong action with respect to a judicial branch that increasingly knows no bounds. Simply by incanting that their decisions rested upon some exotic constitutional principle, they have been free to act as appellate legislative bodies to which the unfavorable decisions of Congress or the State legislatures can be taken.

Concern for what is happening to the balance of powers in our Government is shared by those who are in agreement with, and in disagreement with the substantive decisions themselves. Many recognize that these trends not only threaten the legislative branch, but that they also threaten the strength and integrity of the judiciary itself. In the words of Prof. Lon Fuller:

> When lawmaking functions are given to the judiciary, the courts are parasitic in the sense that they can effectively be carried out only by drawing on the legitimacy and moral force that courts have developed through the performance of their inherent function, adjudication according to the traditional conception.

There is some point at which such lawmaking ceases to be "parasitic," and at which it begins to taint even the proper moral authority of the courts.

The concern felt by many persons about increasing judicial activism stems also from the simple fact that courts are by their very nature unable to consider the same full range of facts and interests in rendering their decisions that legislatures are. Courts are exposed to narrowly framed controversies, usually representing extreme and untypical fact-patterns, and are sharply limited in their ability to weigh all relevant information. They are thus unable to legislate on the basis of information essential to good policymaking, and are further unable to engage in the give-and-take, and compromise of the legislative process essential to minimizing and smoothing over the differences and disagreements of various social groups.

As a first step toward addressing these basic problems, I and 20 other Members of Congress have introduced legislation which would establish a Congressional Commission on Legislative-Judicial Relations. The commission would be charged with studying basic issues involved in the apportionment of constitutionally delegated powers between the Federal legislative and judicial branches, and with suggesting approaches by which Congresss might fully assert its proper powers.

In particular, the commission would be required to assess the nature of congressional authority under article III, section 2, of the Constitution to regulate and make exceptions to the appellate jurisdiction of the Supreme Court. At least in part, I believe that Congress almost total reluctance to exercise this apparently clear authority in a significant way results from confusion as to the limits and extent of that authority.

As a step toward dealing with some of these questions, and focusing deserved attention on some of the increasingly dubious activities of the judiciary, the following resolution was introduced by me and 20 of my colleagues last week:

CONCURRENT RESOLUTION

Whereas our Government is one based upon separation of powers, with each of its branches being both limited by and able to limit the powers of the other branches;

Whereas the precise relationship between the branches of Government is constantly being affected by countless factors such as new court decisions, new legislative initiatives, and changing demands upon Government;

Whereas it has become necessary in recent years for the legislative branch to reassert its authority in several areas with respect to the executive branch as a result of factors which have had the cumulative effect of changing the relationship between these two branches;

Whereas there is growing concern among many citizens that a similar change in relationship has developed between the legislative and judicial branches in that the judicial branch has usurped, or has been delegated, traditional legislative branch prerogatives in such areas as legislative reapportionment, criminal law, abortion, the administration of school systems, and local government and the provision of social services, as well as in other areas;

Whereas this concern about the changing role of the judicial branch is felt both by those who agree with and those who disagree with the decisions reached by the courts in such substantive areas of the law;

Whereas there is growing concern that because the judicial branch, consisting of individuals appointed for life to their positions, is the least responsive branch of Government to the public, it is the inappropriate agency to decide questions in such substantive areas of the law;

Whereas the Congress may regulate the jurisdiction of lower Federal courts in conjunction with its authority under article III,

section 1, of the Constitution, to "ordain and establish" such courts;

Whereas article III, section 2, of the Constitution, states that Congress is empowered to make exceptions and issue regulations with respect to the appellate jurisdiction of the Supreme Court;

Whereas article II, section 2, of the Constitution, because the Congress has only rarely exercised its authority with respect to such appellate jurisdiction, is the subject of great uncertainty with respect to its scope and application;

Whereas a fuller understanding by Congress of article III, section 2, of the Constitution, may provide Congress with a useful mechanism by which to reassert its authority with respect to the judicial branch; and

Whereas Congress, while recognizing that the judicial branch itself is the final interpreter of the meaning of article III, section 2, of the Constitution, finds that the current lack of understanding by Congress of such meaning prevents Congress from exploring the potential legislative value of the provision: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring),

ESTABLISHMENT

SECTION 1. There is established in the Congress a commission to be known as the Commission on Legislative-Judicial Relations (hereinafter in this resolution referred to as the "Commission").

DUTIES

SEC. 2. The Commission shall conduct a comprehensive study of the balance of power between the legislative and judicial branches of the Government. Such study shall include—

(1) an analysis of that provision of article III, section 2, of the Constitution of the United States relating to the authority of the Congress to limit the appellate jurisdiction of the Supreme Court, including—

(A) an examination of the original intent of the drafters of the provision,

(B) a history of the implementation by the Congress and of the interpretation by the courts of the provision,

(C) a discussion of various contemporary opinions on the importance of the provision, and

(D) recommendations with respect to the manner in which the Congress could implement the provision should the Congress consider such implementation appropriate;

(2) analysis of the authority of the Congress to limit the jurisdiction of inferior Federal courts; and

(3) a consideration of alternative approaches which the Congress may take to correct any imbalance of power existing between the legislative and judicial branches.

MEMBERSHIP OF COMMISSION

SEC. 3. (a)(1) The Commission shall be composed of eighteen members as follows:

(A) Five Members of the House of Representatives to be appointed by the Speaker, not more than three of whom may be of the same political party.

(B) Five Members of the Senate to be appointed by the President of the Senate, not more than three of whom may be of the same political party.

(C) Four individuals who are not Members of Congress to be appointed by the Speaker from among persons whose background demonstrates an understanding of constitutional law and of intragovernmental relationships.

(D) Four individuals who are not Members of Congress to be appointed by the President of the Senate from among persons whose background demonstrates an understanding of constitutional law and of intragovernmental relationships.

(2) All initial appointments of the Commission shall be made not later than the end of the sixty-day period beginning on the date of the adoption of this resolution.

(b) The Commission shall elect one of its members as the Chairman and one of its members as the Vice Chairman.

(c) A vacancy in the Commission shall not affect the Commission's authority to act and shall be filled in the manner in which the original appointment was made.

(d) A majority of the members shall constitute a quorum for the transaction of business.

(e)(1) Except as provided in paragraph (3), members of the Commission who are Members of Congress shall serve without pay.

(2) Members of the Commission who are not Members of Congress shall each receive for each day during which they are engaged in the actual performance of duties vested in the Commission compensation at rates not to exceed the daily equivalent of the minimum annual rate of basic pay for grade GS–18 of the General Schedule.

(3) While away from their homes or regular places of business in the performance of services for the Commission, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence.

STAFF OF COMMISSION

SEC. 4. (a) The Commission may appoint and fix the pay of such staff personnel as the Commission considers necessary to carry out the duties of the Commission.

(b) The Commission may procure the temporary and intermittent services of experts and consultants.

POWERS OF COMMISSION

SEC. 5. (a) For purposes of carrying out its functions under this concurrent resolution, the Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers necessary.

(b) The Commission may issue such rules with respect to its procedures as it considers necessary.

(c) The Commission shall keep a complete record of all hearings and meetings conducted by the Commission, and of all information received by the Commission.

REPORT

SEC. 6. Not later than the end of the one-year period beginning on the date on which all initial members of the Commission have been appointed, the Commission shall submit to the Congress a report containing the findings, conclusions, and recommendations of the Commission.

SEC. 7. The expenses of the Commission shall be paid from the contingent fund of the House of Representatives upon vouchers signed by the Chairman or Vice Chairman of the Commission.

TERMINATION

SEC. 8. The Commission shall cease to exist thirty days after submitting its report pursuant to section 6.

EFT COMMISSION'S REPORT A BOON OR A BOONDOGGLE TO CONSUMERS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, if the National Electronic Funds Transfer Commission's final report to Congress is not more substantial than material in previous meetings, the consumer may once again be low man on the totem pole.

While it seems some progress has been made by some of the Commission's committees, it is evident much is left up in the air.

At a recent meeting, the Supplier's Committee reported that in a year's time it has narrowed six areas of possible study down to three. Of the three areas, one deals with competition among big corporations such as IBM and A.T. & T. who might be potential suppliers of the electronic equipment. The head of the Supplier's Committee suggested a study be conducted in this area for the next 8 months—at a cost of $100,000—to determine whether small competitors would be hurt if these large corporations were allowed to supply the electronic equipment.

According to the last budget report from the Commission, $375,000 has been spent thus far. It seems to me that if studies such as the one suggested by the Supplier's Committee are continued, the Commission may end up being just an overpriced academic project with little practical value to the public.

I realize the difficult task before the Commission of making practical suggestions and predictions about such a technical and complicated area such as electronic funds transfer systems. However, not one substantial finding has emerged in a year from the Suppliers Committee. It took a year just to narrow down to three the areas of study. If this is an indication of the rate of progress, I hardly believe it can successfully conduct a conclusive study in the next 8 months.

Let me state again, I am aware of several noteworthy findings and contributions by several of the Commisison's committees. But when I hear of such last minute ploys to get frivolous studies funded at costs of $100,000, I wonder who is trying to pull the wool over whose eyes.

The original intent and purpose of the 2-year Commission was to make legislative recommendations for the benefit of industry and consumers.

It is my hope that the EFT Commission's final report to Congress next October will cover all the important issues. One issue of prime importance to me as the chairman of the Consumer Affairs Subcommittee, is the assurance of privacy to consumers. I have received countless letters lately from consumers who are deeply concerned and understandably suspicious about this electronic future in banking.

Since consumers have little control over whether they want electronic banking or not—it is apparently inevitable—my concern is that the Commission's report not leave consumer issues last in importance.

BARNARD URGES REJECTION OF FEDERAL PAY HIKE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BARNARD) is recognized for 5 minutes.

Mr. BARNARD. Mr. Speaker, the arguments against substantial pay increases for top Federal officials are formidable ones.

The economy is only beginning to show signs of a stable recovery. Another bout with double-digit inflation could be ruinous. To achieve long-range stability and

prosperity, Americans at every level must be willing to make sacrifices. Our Federal budget must be kept in check and new spending programs postponed. Labor and management must exercise wage and price restraints for to do otherwise will render increases meaningless because of the inflationary impact on the value of our currency.

But how can Congress call upon others to make sacrifices if we are unwilling to tighten our own belts as well?

I realize that big pay raises for Members of Congress, Federal judges, and top-ranked Government officials are a legacy of the Ford administration's final budget. But I think we in the present Congress should act to reject this pay package. A 29-percent increase in our salaries simply is not justified at this time.

At a minimum, these raises will cost the taxpayer more than $100 million. But more importantly, such salary increases at the top levels of Government will set off a rippling effect—first within Government and later, I fear, throughout our economy.

For these reasons, I strongly oppose the pay raise package and hope to have the opportunity to vote against this proposal on the House floor. Surely we cannot deprive our constituents the right to know where we stand on this important issue.

LIE DETECTORS: UNRELIABLE AND AN INSIDIOUS INVASION OF PRIVACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, each year more than 200,000 persons are subjected to polygraph testing in preemployment and employment situations. Increasingly, businesses are utilizing lie detectors in an attempt to find a quick, inexpensive way to counter employee theft. While their use seems not to have decreased such theft, the subjection of employees to lie detectors has caused a whole host of problems. I fear that widespread use of lie detectors by employers could lead to wholesale infringement of the employee's right to privacy. As part of my legislative efforts in the area of privacy I have introduced H.R. 434.

The polygraph is not reliable. The House Committee on Government Operations concluded in March 1965, after extensive hearings that:

> There is no "lie detector," neither machine nor human. People have been deceived by a myth that a metal box in the hands of an investigator can detect truth or falsehood.

The committee reached the same conclusion in a January 1976, report to the House.

The use of the polygraph can only be compared to a test used by the early Chinese. The suspect was required to chew rice powder while being questioned. If the rice powder was dry when spit out, the man was condemned, on the premise that the tension of guilt supposedly dried up his salivary glands.

Exceptions to a prohibition on the use of polygraphs have been urged in cases clearly involving the Nation's security and in cases in which agencies can demonstrate in compelling terms their need for use of such devices for their law enforcement purposes and that such uses would not violate the fifth amendment or any other provision of the Constitution. These exceptions should not be allowed for two reasons.

First, the Central Intelligence Agency itself testified in 1974 that:

> . . . validity—or the degree to which polygraph charts measure what they purport to measure—has been a more difficult issue to evaluate. Satisfactory independent criteria for validating real life conditions are scarce, and the differences in polygraph subject attitudes between real life and laboratory conditions have prevented much headway through laboratory experiments. The data so far available have not been disappointing, but they are limited, and we still lack an appropriate scientific base for any conclusions.

Similarly a study conducted at the Massachusetts Institute of Technology concluded:

> There exists no public body of knowledge to support the enthusiastic claims of operators. There are no publications in reputable journals, no facts, no figures, tables, or graphs. In short, there is nothing to document the claims of accuracy or effectiveness except bald assertions.

As experts have testified before the House Foreign Operations and Government Information Subcommittee, given a physiological response under the polygraph test procedure, any of three inferences could be made: Either the subject was lying; or he was telling the truth but some emotional factor, such as anger or embarrassment, caused the reaction; or the response was generated by a neurotic precondition of the subject. In addition other less frequent factors possibly affecting the machine-measured replies are skin pigment and cultural differences in attitudes about values and morality.

The polygraph does not provide an objective yes-or-no answer. Rather, interpretation by the examiner of the squiggles recorded on a piece of paper is the essence of the process, making lie detecting a highly subjective business. Judgments about the subject's attitude and personality, about the composition of questions, and regarding the meanings of the machine's recordings are all made by the examiner.

The underlying assumption is that there is a proven relationship between lying and feelings of fear and anxiety. In reality, as Dearman and Smith stated in the May 1963, American Journal of Psychiatry:

> The polygraph technique only provides measures of various autonomic responses. The stimuli that elicit these responses, the intervening variables (constitutional predisposition, past learning, conscious and unconscious motivation, etc.) and the interpretations made of the resulting graphs are highly complex and are inferences made from more or less incomplete data.

Second, the use of the polygraph is an inherently insidious invasion of privacy. This was most clearly stated in *General American Transport Corporation* v. *United Steelworkers Local 1133*, 31 Lab. Arb. 355 (1958):

> If we admit such an encroachment upon the personal immunity of an individual where in principle can we stop? Suppose medical discovery in the future evolves a technique whereby the truth may infallibly be secured from a witness by trespassing his skull and testing the functions of the brain beneath. No one could contend that the witness could be forced against his will to undergo such a major operation at the imminent risk of his life, in order to secure evidence in a suit between private parties. How then can he be forced to undergo a less dangerous operation, and at what point shall the line be drawn? To my mind, it is not the degree of risk of life, health, or happiness which is the determining factor, but the fact of the invasion of the constitutional right to privacy.

Furthermore, there are no limits to the type of questions that can be asked, which often include sensitive areas, such as the employee's family background, sex life, political views, and personal relationships. Often a subject will blurt out embarrassing personal information irrelevant to the specific question, feeling that, if she or he does not offer this information, a "guilty" verdict will register.

I readily acknowledge that employee theft is a serious problem. But an October 1974 report of the New York State Bar Association has convinced me that only an absolute prohibition on the use of polygraphs can remove the subtle pressures of employer coercion.

The most effective way to control employee theft is not through use of the inaccurate polygraph but through a well-designed crime-prevention program. Key elements of such a program are making employees conscious of efforts to reduce crime-related losses, making pre-employment checks on prospective employees within the limits of the law, and covering security in initial training—emphasizing policy regarding prosecution of employees and reemphasis in periodic briefings. The Commerce Department, through its Division of Consumer Goods and Services, is willing and able to help business in this area. It has conducted a number of seminars throughout the country to help business combat employee theft.

The proceedings of these seminars are available from the Commerce Department in its series "Crimes Against Business." The Department has also published a large pamphlet on "Crime in Retailing," as well as an excellent source book, "Federal Government Sources on Crimes Against Business."

I would like to close by saying that as Senator Sam Ervin was the author of the original legislation of this type, I believe it would be a fitting tribute to him to have this bill passed. A more extensive discussion of the issues in this bill may be found in a November 1974, study by the staff of his Subcommittee on Constitutional Rights of the Senate Judiciary Committee.

A section-by-section analysis of H.R. 434 follows:

> Section 1. This section prohibits the executive departments and agencies from either permitting, requiring, or requesting that an employee or applicant for employment take a polygraph test. Failure to take a polygraph test may not be used to deny employment to an individual, or, with respect to an em-

ployee, to discharge, discipline, or deny promotion, or threaten such actions.

Section 2. This section applies the same prohibitions as section 1 to any person engaged in interstate commerce.

Section 3. Willful violation of the Act is a misdemeanor and subjects the violator to a fine of not more than $1,000 or imprisonment for not more than one year, or both.

Section 4. Any aggrieved person may bring a civil action in her or his own behalf, or in behalf as well of others similarly situated, in U.S. district court without regard to the amount of pecuniary injury and without regard to exhaustion of administrative remedies. Any employee organization, with the written consent of any aggrieved person, may bring an action on behalf of that person.

CONGRESSIONAL REFORM LONG OVERDUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PATTERSON) is recognized for 5 minutes.

Mr. PATTERSON of California. Mr. Speaker, today I wish to present to the House of Representatives my views on a matter of vital importance to all of us, that of financial accountability of Members of Congress. On February 7, I testified before the House Commission on Administrative Review urging my support for the recommendations of Congressman LEE HAMILTON's task force on accountability. I would like to share with you my testimony.

Financial accountability is by far one of the most necessary and long overdue reform measures which many of us have been advocating for a long time. I would hope that the majority of my colleagues are now committed to these reform principles and to implementing them as soon as possible.

The statement follows:

STATEMENT BEFORE THE HOUSE COMMISSION ON ADMINISTRATIVE REVIEW

Mr. Chairman and members of the commission, I appear before you today to offer my observations on the report of the task force on financial accountability chaired by our colleague, Congressman Lee Hamilton. In general the working papers prepared by the task force embodies the kind of long overdue reforms that I and many members of the House have been advancing since we first came to Congress.

If this commission and the House will adopt the recommendations of the Hamilton task force, we will have taken a major step toward restoring public confidence in this institution. Every Member of Congress has to be disturbed by the findings of the public opinion poll taken at the request of the commission. Disturbed, but hardly surprised. Over a long period of time we have lost the confidence of the American people. We cannot hope to deal effectively with the problems facing the Nation until we have regained that confidence. We cannot expect people to respond to the call we must make for sacrifices needed to cure our sick economy and deal with the energy crisis until we have shown ourselves to be responsible and accountable in detail for our actions as public officials and guardians of the public's business.

Of all the recommendations made by the Hamilton task force, those relating to financial disclosure and outside income are, in my opinion, the most critical. As a cosponsor of H.R. 1, I was pleased with the disclosure recommendations of the task force. The existing requirements are far from adequate to assure the public access to financial information about its elected representatives.

Like many of my colleagues, I have followed the practice of voluntarily disclosing my financial condition to the press in my district and to any constituent who requests that information. I welcome the formal disclosure vehicle suggested by the task force. I suggest, however, that we go a step beyond the requirement of filing a financial disclosure with the committee on standards of official conduct and require the chairman of that committee to publish all members' disclosure reports in the CONGRESSIONAL RECORD.

I fully support the task force recommendation on outside income, but with one amendment. The $500 per appearance limit for honoraria is appropriate, but I suggest that we also impose a $500 per year limit from any single source to ensure that the purpose of this rule is not circumvented.

I commend the commission and its task forces for their diligence, objectivity, and commitment to the restoration of public confidence in Congress. I hope that every member of the House will keep foremost in their minds that when people lose confidence on Congress they are dangerously close to losing representative government.

LEGISLATION TO PROVIDE MEDICARE COVERAGE FOR BREAST CANCER DETECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, every 15 minutes an American woman dies of breast cancer. The incidence of this disease has reached staggering proportions. Breast cancer is expected to strike about 1 in every 15 American women, and half of these women will die of the disease. A number of these deaths might be prevented by early detection of the cancer.

Today I am introducing a bill to provide medicare coverage for breast cancer detection. My bill will insure that every elderly woman, regardless of financial means, will be able to help protect herself against this disease.

Medicare coverage is not now available for preventive examinations even though the risk of breast cancer increases dramatically with age. Women between the ages of 60 and 70 are 10 times more likely to develop breast cancer than women of 30 and twice as likely as women of 40.

Without medicare coverage, many elderly women may not be able to afford examinations. Sixty percent of our elderly women live below the poverty level. For them, as well as others, medicare coverage for breast cancer detection may mean the difference between life and death.

Lives can be lengthened if breast cancer is detected early enough. Mammography and xeromammography are new tests that have proved effective for elderly people in the early detection of breast cancer. Physical examination by a physician is still one of the most useful diagnostic methods.

The bill I am introducing today would provide medicare coverage for one mammography and xeromammography per year and one physician's examination every 6 months.

I urge enactment of this bill. The text follows:

H.R. 3252

A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breact cancer

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1862(a)(7) of the Social Security Act is amended by inserting "(subject to the last sentence of this subsection)" after "routine physical checkups".

(b) Section 1862(a) of such Act is further amended by adding at the end thereof (after and below paragraph (13)) the following new sentence:

"Paragraph (7) shall not be applicable to expenses incurred for (i) a mammography or xeroradiomammography (given for the purpose of detecting breast cancer) if the individual receiving it has not undergone a similar procedure on a routine basis during the preceding twelve months, or (ii) a physical examination of the breast by a physician (given for such purpose) if the individual receiving it has not had such an examination on a routine basis during the preceding six months."

SEC. 2. The amendments made by the first section of this Act shall apply with respect to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

THE WISDOM OF THE CONGRESSIONAL VETO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Moss) is recognized for 15 minutes.

Mr. MOSS. Mr. Speaker, the opinion that follows represents, in my judgment, a scholarly, a thorough, and a cogent addition to the dialog now going on in the Congress and among legal scholars as to the appropriate role of the Congress and of the Executive. It deals with the problem of blurring distinctions between two coordinate arms of the Government. I commend it to my colleagues.

It is my understanding that my colleague, the gentleman from Georgia, will be writing his response to Professor Davis in the next few days. I look forward to the opportunity of placing his comments in the CONGRESSIONAL RECORD to facilitate a balanced consideration of this important issue:

UNIVERSITY OF SAN DIEGO,
SCHOOL OF LAW,
November 24, 1976.

Hon. ELLIOTT H. LEVITAS,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN LEVITAS: Thank you for your cordial letter. I share your wish that we could have had opportunity for pursuing our discussion. If we had time, we could probably think together instead of asserting opposing conclusions.

You strongly assert in your letter that Congress "is the law-making body of our government." Of course it is. But our government could not operate if Congress were the only lawmaker. Most of the law that lawyers apply in their law offices is made by courts; main policies are made by legislative bodies; state and federal administrative agencies make a sizable share of our law.

In our brief oral exchange you denied my proposition that courts make most of our law. Several weeks ago, I spoke before the Federal Appellate Judges Conference on the

subject of judicial lawmaking. The heart of my presentation was my formulation of five limits on judicial lawmaking. The 48 judges of federal courts of appeals *assumed* that judges make law.

At the meeting where you and I had our few minutes together, I delivered the keynote address, in which I built on the foundation that nearly all administrative law is common law, that is, law made by courts in absence of controlling constitutional or statutory provision. The 300 lawyers, about two-thirds government lawyers, already knew that nearly all administrative law is judge-made law.

A few months ago a book of mine was published entitled Administrative Law of the Seventies. Its 750 pages are devoted entirely to law changes since 1970. About ninety-five percent of the law changes have come from the courts. You might look at the book and see.

As to the substantive law that is created by agencies, you might compare its quantity to the quantity of law created by Congress. The United States Code contains all statutes enacted since 1789 that are still in effect; the Code of Federal Regulations covers only three or four decades. Which is larger—the United States Code, or the Code of Federal Regulations? Do you think that the Code of Federal Regulations does not contain law?

Why does not Congress make the law embodied in the Code of Federal Regulations? I think the answer is mighty clear. Don't you?

I asked you, in our brief encounter, whether you see any more reason for congressional veto of administrative legislation than for congressional veto of judicial legislation. *I hope you will answer that question.* Your denial that we have judicial legislation is not a satisfactory answer, because that answer is contrary to the clear facts that are known to all judges and to all lawyers.

I have the greatest respect for politicians, who perform the indispensable function of translating democratic desires into statutory law. Politicians have a special kind of skill, which a democratic government has to rely upon. But I also have respect for professional and scientific people, who have an altogether different kind of skill, which is also indispensable. Successful government requires both kinds of skills. Those who have the one kind must be careful not to encroach improperly on the province of those who have the other kind. Keeping a balance between the two is both difficult and essential.

A democratic government is not one in which all law is made by a legislative body. *Our* democratic government is one in which most of the main outlines are made by the legislative body, but some of the main outlines and nearly all of the details are made by judges and by administrators.

As a Congressman, you surely know that the reason Congress does not make all our federal laws is that it can't. It lacks the capacity to do so, as I assume you are aware. You probably also know that the lack of capacity does not go merely to the great volume of detail that Congress cannot handle, but it also goes to the necessary division of functions between politicians and professional or scientific personnel.

No one who believes in democratic government and who knows American government doubts that politicians in Congress should ordinarily determine *the main* legislative policies. Yet the reality tends to be, unfortunately, that even that much is too much for Congress. Even such a large question as the question during the Nixon administration of whether and when we should have price and wage controls was too much for Congress to handle; Congress was simply helpless in the face of the problem. That is why it delegated the *whole* question of whether and when to the President, empowering the President in turn to create an agency to answer even the major questions, as well as the detail.

Some questions are better handled by professional people than by politicians. That is a main reason why Congress does not make all our federal law. And that reason is a very good reason. It is such a good reason that our government has always operated on the basis of it. It is such a good reason that every democratic government in world history has always operated on the basis of it.

Congressmen are specialists in sensing democratic desires and transforming them into legislation. I have a high appreciation for the accomplishments of Congressmen. But I would not choose a Congressman as such if I needed a surgical operation. Neither would I choose a Congressman—or all of Congress—to decide disputed questions of fact about whether X should be ordered to pay damages to Y. For the operation, I want a surgeon; for the damages case, I want a judge. For other problems I want qualified *professional* people, not elected representatives. And the plain fact is that our governmental system, largely created by Congress, does commit professional problems to professional people.

When the government has a question of nuclear physics, it does not turn the question over to architects or lawyers—or to elected representatives.

A growing proportion of problems that government must handle are even less appropriate for politicians than questions of nuclear physics. Many such problems about administrative rulemaking are so complex that one of the nation's most talented judges has recently complained in an especially astute article in the University of Pennsylvania Law Review that judges are deeply troubled by having to determine whether the administrative action is arbitrary or capricious, without having scientific advisers attached to the courts. But judges are struggling with such problems, doing the best they can, and in general I think what the judges are doing about such problems is pretty good. An inspiring example, in my opinion, is Ethyl Corp. v. Environmental Protection Agency, 241 F.2d 1 (CADC 1976), just published; the opinions fill 118 pages.

I think it would be legitimate for Congress through legislation to enact in general terms that the result of the Ethyl decision should be the opposite in the future, but I think it would be exceeding *bad government*, as well as unconstitutional, for Congress to change either the findings of fact by the EPA or the decision of the court. The Constitution explicitly forbids Congress to enact a bill of attainder, and the principle behind that prohibition has a rather broad application.

When the factual component of complex rulemaking has been worked over by appropriate professional people within an agency, and when findings have been made on the basis of a record that includes the results of the procedure of notice and written comments, I think it would be *atrocious government* if Congress, on the basis of political pressures, were to change the findings. And it would be even *worse government*, in my opinion, for a part of Congress to do so.

As we move toward the end of the twentieth century and as the tasks undertaken by government become more and more difficult to handle, because of both their quantity and their complexity, democratic government will require a continued delicate balance between the democratic or political element and the professional or scientific element. We are fortunate that these two main elements are in pretty good balance. Whether we can keep them in balance is an open question. If we fail, our government may move in the direction the government of India is now moving.

I think we may fail. One rather sure way to fail is by allowing a portion of Congress to decide questions that should be answered on the basis of an orderly record by professional and scientific personnel, with limited review by courts.

Your measure, in my opinion, is especially dangerous because it so clearly upsets the vital balance between the democratic or political element and the professional or scientific element.

Now, I do not say that Congress should have no control over administrative rulemaking. Congress can always legislate overall policies, whether or not it has to override a specialist agency. Congress also holds the purse strings. Appropriations committees know how to influence administrators with respect to their general policy directions, and agencies usually know how to protect their professional or scientific judgments from the wrong kind of interference by appropriations committees or other committees of Congress. The balance is tilted one way or the other at times on limited subjects, but on the whole a rather good balance has usually prevailed.

Administrative rules often have a factual ingredient, to which a policy judgment is added. To maintain a workable balance, Congress should seldom interfere with the factual ingredient, but it may properly substitute its views as to what the policy judgment should be. If your bill were limited to the policy judgment, and if it did not allow a part of Congress to do what the Constitution provides the whole Congress should do, I would not oppose.

I object to establishing a system under which (1) findings made by professional or scientific people may be set aside on the basis of political pressures, and (2) a part of Congress may make policy without following the constitutional process for enactment of a statute.

I understand the reasons in favor of the bill you are sponsoring, and I think those reasons are sound as they might be applied to some administrative rules. But my opinion is that those reasons are clearly unsound with respect to rules that are based on complex findings of fact that are made on an administrative record, where the findings have been worked over by appropriate professional or scientific people and where the findings are subject to judicial review.

Administrative rulemaking has become a mainstay of the American government. Maybe we have five times as much today as we had five years ago. Maybe we will have five times as much five years from now as we have today. No one knows any governmental device that might work better than administrative rulemaking for putting together the complexities of today's governmental tasks with the democratic principle. Congress must and does delegate its legislative power, because Congress knows of no other way to get the governmental tasks performed. The system based on delegation of the power of administrative rulemaking is working reasonably well, and we are gradually developing new ideas for making it work better.

The idea that a part of Congress, on the basis of political pressures, should set aside professional findings of fact based on a rulemaking record seems to me to be a threat to the American system of government, one of the most serious threats that have come to my attention during my lifetime. It seems to me especially dangerous because many in Congress may vote for it in order to gain advantage for themselves. Repealing it will be difficult for the same reason, even if the damage it does is devastating.

Although I realize that you probably have the votes, I have not given up hope. Those who agree with me still have a good many lines of defense—enough Congressmen may perceive the need to maintain the proper balance between politicians and professionals, the new President may veto and induce the country to understand the dangers to

the American system of government, the courts may quickly and firmly hold the measure unconstitutional (as I fully expect), and even if the measure becomes law a later Congress may realize the damaging effects and quickly repeal it.

Because you are acting in good faith, I hope you will give careful consideration to *the need for maintaining the delicate balance between the political element and the professional element in American government.*

Sincerely yours,

KENNETH CULP DAVIS.

THE RIGHT TO LIFE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 5 minutes.

Mr. ZABLOCKI. Mr. Speaker, it is with a deep sense of responsibility and concern that I am introducing a resolution today calling for a constitutional amendment to preserve and safeguard man's basic right to life, including the life of the unborn.

The right to life is the most basic of all human rights. It is a fundamental tenet of our society and form of government that the state protect each of our lives until natural death occurs. Our very own Declaration of Independence written and approved nearly 200 years ago affirmed every individual's basic right to life:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are Life. . . .

Yet, Mr. Speaker, on January 22, 1973, the Supreme Court in Wade and Bolton made a mockery of the right-to-life provision in the Declaration of Independence. It failed to offer the protection of the laws to this God-given and most basic human right.

Subsequently, we find ourselves in a society where abortion is becoming a common, everyday experience and where physicians and intellectuals freely discuss taking the lives of those whom they judge to be of no use to society.

Mr. Speaker, I, along with millions of our fellow Americans, am greatly distressed with this downward thrust of this interpretation of American laws protecting the sanctity of life.

Just last month over 44,000 people from all over the country marched in bitter cold in front of our Nation's Capitol to protest abortion and to demonstrate their support of man's basic right to life.

It is already clear that the Supreme Court decision of January 22, 1973, has led to excesses and abuses never intended or envisioned by proponents and supporters of the decision. Supreme Court Justice White astutely foresaw this development in his disagreement with the Supreme Court arbitrary decision on the value of life which makes the worth of a potential human being dependent upon being wanted by his or her mother. In his dissenting opinion, Justice White argued:

At the heart of this controversy are those recurring pregnancies that pose no danger whatsoever to the life or health of the mother but are nevertheless unwanted for any one or more of a variety of reasons—convenience, family planning, economic, dislike of children, the embarrassment of illegitimacy, etc. . . .

Mr. Speaker, unfortunately the most recent Supreme Court decision of July 1, 1976, overlooked this reasoning and stipulated that a husband may not veto a woman's decision to have an abortion, or a parent may not prohibit his or her child under 18 from having an abortion. Besides denying the basic right to life, this decision stripped husbands and parents of their respective rights in the determination of human life.

The fact is, human life irrespective of age, health, function or condition of dependency, guaranteed under our Constitution, must be preserved and protected. The unborn have long been held to have legal rights under the law. They have property rights. They may inherit property, family names, and in some societies, family titles. The rights to property have long been affirmed by the courts of this country. As such, they deserve to be safeguarded just as an adult is protected under existing laws governing homicides.

There is, of course, the difficult moral question which arises when the mother's life is seriously endangered by the continuation of pregnancy. In this case, it is clear that abortion may be permissible. We must remember, however, that abortion statutes are written to protect the unborn child—not to serve the whims of one or both parents, social planners, or popular faddists. Furthermore, the responsibility of saving the child should be equal to the responsibility of saving the mother in those cases where abortion is medically necessary.

This requirement is not arbitrary or vague in nature; rather, it serves a vitally clear and well-established purpose which is the protection of the civil rights of the unborn. The question most often raised by proponents of abortion is that the mother's civil rights should take precedence over the unborn child's, even to the point of killing the child. It is argued that each woman should have the final and only say with regard to her productive life. In Corkey against Edwards, the Court ruled that a great deal more was involved than the simple question of a woman's right not to bear children:

The basic distinction between a decision whether to bear children, which is made before conception and one which is made after conception, is that the first contemplates the creation of a new human organism but the latter contemplates the destruction of such an organism already created.

The right to life, especially for the unborn, must be reaffirmed and protected. In that spirit, Mr. Speaker, I offer the following resolution to restore this most basic human right and to insure that this right is recognized and safeguarded under the Constitution of the United States:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

SECTION 1. With respect to the right of life, the word "person", as used in this article and in the fifth and fourteenth articles of amendment to the Constitution of the United States, applies to all human beings, including their unborn offspring, at every stage of their biological development, irrespective of age, health, function, or condition of dependency.

SEC. 2. No unborn person shall be deprived of life by any person; provided, however, that nothing in this article shall prohibit a law permitting those medical procedures required to save the life of the mother when a reasonable medical certainty exists that continuation of pregnancy will cause the death of the mother, and requiring that person to make every reasonable effort, in keeping with good medical practice, to preserve the life of her unborn offspring.

CHANGING THE METHOD OF GRANTING CONGRESSIONAL PAY RAISES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, I have today introduced a bill to reform the process whereby Members of Congress get pay raises.

My bill would require a vote specifically approving such a raise rather than simply letting it go through unless opposed. Furthermore, such a raise would not take effect until the following Congress.

I believe that we have to take this step in order to restore the public's faith in us. The congressional sex scandals and charges of bribes and payoffs have damaged the image of this great body and I feel we must work hard to build that image back.

One of the best ways to do this is to reform the method of giving ourselves pay raises. I urge the Congress to bring this matter to a vote in the future so we can show the people that we have the courage to vote on the difficult issues, as we were elected to do.

EARTHQUAKE PREDICTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 10 minutes.

Mr. BROWN of California. Mr. Speaker, pending before the Congress is legislation that would accelerate our national effort to predict earthquakes. I have spoken about this legislation in the past and have noted the introduction in the House and the Senate of the Earthquake Hazards Reduction Act of 1977. In fact, the chairman of the Science, Research, and Technology Subcommittee of the Committee on Science and Technology, which has jurisdiction over H.R. 35, the earthquake bill, has announced his support of early action on this legislation. Mr. THORNTON and myself are now soliciting cosponsors for the Earthquake Hazards Reduction Act of 1977.

The importance of this legislation was emphasized yesterday by Dr. Robert Hamilton, Chief of the U.S. Geological Survey's Office of Earthquake Studies, in a speech here in Washington. Dr. Hamilton noted the success that the Chinese have had in earthquake prediction and the methodology used by the Chinese. The way to predict earthquakes is, ac-

cording to Dr. Hamilton, the deployment of large numbers of instruments and the observation of two or more phenomena associated with earthquakes. Obviously all of this instrumentation and observation takes money.

Since the Congress will have to address this question in the near future, I would like to recommend the speech by Dr. Hamilton to my colleagues for their background information.

PREDICTING EARTHQUAKES

(By Robert M. Hamilton, Chief, Office of Earthquake Studies, U.S. Geological Survey)

Early in the afternoon on February 4, 1975, public officials in a region of northeastern China warned the populace to move out of their houses because an earthquake was coming. That evening a magnitude 7.3 tremor struck and virtually destroyed many towns in the region. Were it not for the warning, tens-of-thousands of lives would have been lost. Instead the casualties were very light.

To keep this startling success in perspective, it should be noted that the Chinese had made predictions of earthquakes that never occurred, and that destructive earthquakes had occurred that were not predicted. Moreover, the successful prediction itself included a strong element of luck. But even after discounting the significance of the prediction, a very important, inescapable conclusion remains: many, many lives were saved by making a prediction that was based primarily on scientific data. This achievement represents an extremely significant milestone in the effort to predict earthquakes.

The passing of a milestone, however, does not mean that the journey is at an end or even that the destination is in sight. How did scientists reach the current level of understanding? Where do we go from here? What can the public expect. And where do the challenges lie? These are the questions about earthquake prediction that I will address tonight.

Before I start though let me point out exactly what I mean by "prediction." An earthquake prediction is a statement about the location, time and size of a future earthquake, together with an assessment of the uncertainty of each of those parameters.

So let's first take a look at earthquake prediction and see how it has developed.

The desire to predict natural phenomena, including natural disasters, is a basic instinct of humanity. In ancient cultures, ability to predict an eclipse of the Sun or Moon was a strong basis for power. The desire to understand, and through that understanding predict, is the challenge that motivates scientists. And the proclaimed ability to predict with secret and mystical methods is what guarantees the most blatant charlatan immediate access to the national news media for even the most vague of predictions.

Studies of earthquakes are a relatively new subject of scientific interest. In contrast with astronomy and mathematics, where important advances were made thousands of years ago, serious attempts to understand earthquakes began only in the last few hundred years. The descriptions of the great earthquake that struck Lisbon, Portugal in 1755 often are cited as a starting point. Throughout the 19th century, earthquake studies focused on accounts of earthquake effects, rather than their causes. It wasn't until the beginning of this century before the first scientific instruments for recording earthquakes were operating in any significant number.

Progress in predicting earthquakes has paralleled progress in the general study of earthquakes, i.e., seismology. Historic accounts of earthquakes include many references to strange phenomena perceived before shocks: strange animal behavior, lights in the night sky, sound of thunder or rumbling, wells overflowing, and water withdrawing from a harbor, to cite just a few. Despite skepticism of their veracity, these reports have persisted through the centuries.

By the middle of this century, scientists began to take the reports of earthquake precursors more seriously and several nations undertook research programs with earthquake prediction as a goal. Following a great earthquake in the Soviet Union in 1949, during which a village was buried by a landslide, the USSR launched a prediction program. By the early 1960s, they were able to report at an international conference in Europe some observations of startling and convincing geophysical anomalies preceding earthquakes. By 1965 Japan had started its prediction program.

The Chinese program started in 1966 through a curious combination of circumstances. In March of that year two strong earthquakes struck the Hsingtai region, which lies several hundred miles south of Peking. The casualties, although unknown to us, were certainly very heavy. The Chinese leaders were very responsive to the disaster because of the heavy death toll, and because great natural disasters are said to herald a change in leadership in China. 1966 was also the year of the beginning of the Cultural Revolution in China. Out of this situation there emerged a national commitment to learn to predict earthquakes wherein the scientists would come down from their ivory towers to "serve the people"—the motto of the cultural revolution—and the bureaucrats, soldiers and peasants would join together in a crusade against the ravages of earthquakes. Although the rhetoric surrounding the Chinese effort sounds overblown to cynical American ears, in practice the Chinese effort toward prediction was massive, well-organized, and comprehensive. I'll say more of this later.

In the U.S. before 1960 seismology was regarded by some as a curious aspect of geology involving the operation of Rube Goldberg-type instruments in cobweb-filled tunnels. The need to learn to tell the difference between earthquakes and underground nuclear explosions—a basic requirement for any test ban treaty—brought seismology into the modern world with a substantial infusion of funds. The successful solution of most aspects of this problem, however, left seismologists with a vastly increased understanding of earthquakes and of the possibilities of prediction, but with a steadily diminishing capability to pursue the ideas owing to a wind up in the nuclear explosion detection and discrimination program.

The 1964 earthquake in Alaska stimulated interest in prediction, but no funds. The 1971 earthquake in San Fernando yielded increased funding at a level that would allow prototype development of techniques for prediction. The President's Budget published last month includes provisions for a major expansion in the prediction effort. If Congress approves a major national effort toward prediction could be starting this year.

Now let's look at some of the science that provides the basis for our current ideas about earthquake prediction.

The basis for earthquake prediction lies in an understanding of the large-scale deformations that shape this planet. It has long been recognized that earthquakes are closely linked with mountain ranges, volcanoes, ocean trenches and continental margins.

The major breakthrough in understanding the reason for these associations, however, came only about a decade ago. Increased exploration of the ocean floor during the 1950's had revealed existence of oceanic mountain ranges. (Slide) It was also found that paralleling these ranges are magnetic stripes of normally and reversely magnetized rocks in the crust of the ocean floor, i.e., a magnetic compass carried away from the crest of an oceanic mountain range would alternately point down and then up.

Piecing these findings together with detailed information on the Earth's seismicity (Slide), which shows a remarkably close correlation with the mountain range crest, scientists developed a dynamic model of the Earth.

In the model (Slide), material from the hot interior of the Earth rises beneath the oceanic mountain ranges and intrudes into the oceanic crust or extrudes onto its surface, thereby generating new crust. As the new crust is formed it moves away from the ridge axis and cools. When it cools, the rocks acquire permanent magnetization with the orientation of the current magnetic field. This field reverses its direction now and then, which explains the magnetic stripes.

Since new crust is steadily being formed and is moving out as an essentially rigid plate to cover more area of the Earth, and the Earth has only a fixed amount of area, something has to give. What gives is that where plates collide one of them overrides the other. The one that is overridden sinks into the hot interior of the Earth and melts. The lighter fraction of the melt can rise to form a volcano.

The plates of the Earth are relatively few in number—about a half dozen of them cover most of the Earth (Slide). Where the plates pull apart, scrape past each other, or collide, stresses are caused in the rocks. When the stresses are too great for the strength of the rock, the rock slips. This slip can occur gradually or suddenly. If it occurs suddenly, the Earth shudders and an earthquake results.

One of the places on the Earth where plates are moving past each other is the San Andreas fault in California (Slide). That fault divides the Pacific Plate from the North American Plate. Movement across the fault is occurring at the rate of about two inches a year. (Slides)

The problem of earthquake prediction is that: As the stresses build up in the crust and the strength of the rocks is reached, is there any premonitory signal that warns of when the sudden slip is about to occur? An analogy is that of bending a stick. At first the deformation goes smoothly, but as failure is approached cracking noises begin to occur that warn that the stick will soon break.

The same type of phenomenon occurs in the laboratory when a rock is squeezed. As the rock specimen nears failure, it slides bulge and small cracks open in its interior. As failure proceeds, the cracks close and the rock disintegrates.

If one measures certain properties of the rock specimen one finds many clear anomalies prior to failure. For example, as the cracks open in the rock, the electrical resistivity drops; then as the cracks close it rises again. A similar variation is observed in the velocity of vibrations, or seismic waves, traversing the rock.

Another type of precursor is release of gas that is trapped in the crystal lattice of a rock. The cracking increases the rate of gas diffusion out of the rock.

Thus a rock exhibits a wide range of precusory phenomena as it is broken: deformation, cracking (small earthquakes), variations in electrical, magnetic and seismic properties, and gas emanation.

Having established that it is possible to predict failure of rocks in the laboratory, we must next consider whether we can do the same on a larger scale. In other words, is the rock experiment a valid analogy for a large earthquake? Or put another way, do earthquakes, which may involve large areas of the Earth's crust, exhibit precursors similar to those observed for a squeezed rock specimen.

Let's look at some of the earthquake precusors that have been reported; (Slides)

1. Land uplift at Niigata, Japan.
2. Electrical resistivity in the USSR.
3. Seismic wave velocity in the USSR.
4. Magnetic and tilt anomalies in the U.S.

These are but a few of the numerous examples of precursors that can be cited. The problem with these observations is that they are fragmentary. By that I mean that for a given earthquake we are lucky to have a single observation of one type of precursor. We have very few cases where a precursory phenomenon is observed on two or more instruments of a particular type or where two or more phenomena are observed for a single arthquake. Consequently the observational data for developing a theoretical basis for earthquake prediction are extremely weak.

The strategy of earthquake prediction, therefore, is to deploy large numbers of instruments and to conduct extensive geodetic surveys in order to "trap" an earthquake. The best place to trap an earthquake is where they occur most frequently. A related strategy, especially for trapping a great earthquake, is to concentrate studies on a so-called "seismic gap."

A seismic gap is a section of a plate boundary where a great earthquake has not occurred in a long time, but where adjacent sections of the boundary have broken more recently. Since the stresses have steadily built up on the unbroken seismic gap owing to plate movement and have not been released, it is considered likely that a great earthquake will occur there sooner than elsewhere. Several seismic gaps have been identified in the world (Slide) including the sections of the San Andreas fault that last broke in 1857 and 1906.

Let's return now to the case of the successful Chinese prediction of the earthquake on February 4, 1975, and review the sequence of events that led up to the prediction. You will see that their approach to the prediction problem follows the strategy I have outlined.

The Chinese divide the development of a prediction into four phases: long-term, middle-term, short-term, and imminent.

The long-term phase involves the identification of an area where an earthquake is considered to be likely based on an assessment of seismic history and geologic setting. Recognition of a seismic gap would, for example, constitute a long-term prediction.

The middle-term phase of a prediction would be entered when an anomoly is detected in the area, but where the anomaly does not indicate anything about the imminence of the shock. Land uplift is an example of such an anomaly.

The short-term phase is entered when several types of phenomena are exhibiting changes with time that suggest that conditions are building for a shock.

The imminent phase occurs when the variations are such that experience or theory suggests fault slip is about to occur.

The Chinese developed their long-term prediction in 1970 on the basis of a migration in the seismicity and a small seismic gap (Slide). Subsequently, a relevelling of the region was carried out tiltmeters were installed at two observatories, geomagnetic observations were started at one observatory, and geophysical personnel in the region were increased from several tens to about 300.

By 1974 it had been found that two faults in the region were active, that the Liaotung Peninsula had uplifted and tilted to the northwest, that there was a significant increase in the number of small earthquakes, and that there was a change in the magnetic field.

These observations led the scientists to predict an earthquake of magnitude 5 to 6 for 1 to 2 years hence. This would be a middle-term prediction.

At this stage the Party and Revolutionary Committees became involved in a major way. Information and preparedness campaigns were organized. Several thousand observation posts manned by non-professional people were established to monitor electric currents in the ground, water level and radon gas in wells, the magnetic field, and animal behavior.

Late in 1974, numerous anomalies in these phenomena were reported. In December there was a swarm of earthquakes that led to earthquake preparedness information being given to each family.

In early January, 1975, the trend of ground tilt was observed to reverse at one station. This anomaly and others led to a prediction of a magnitude 5.5 to 6 shock in the first 6 months of 1975. This was the short-term prediction.

The imminent prediction developed rapidly On February 1 a swarm of small earthquakes began in an area where they had not been seen before. The swarm built up through the next two days culminating in a magnitude 4.8 shock early on February 4. A calm followed, which was interpreted to be a prelude to the big earthquake.

At 2:30 pm on February 4 a general warning was issued to move outside and take other precautions. At 7:36 pm the earthquake struck.

In the U.S. we have not yet had a situation that entirely parallels the Chinese experience. A situation is developing, however, that bears some resemblance to the early stakes of the Chinese case.

I mentioned earlier that southern California is the location of a seismic gap that last broke in 1857. Within the last year it has become known that the land in the region of the gap has risen in a somewhat jerky fashion about a foot over the last 15 years. (Slide) The significance of the uplift is not clear. Such uplifts sometimes precede earthquakes, as occurred in 1964 at Niigata, Japan, for example. Associated with the uplift in southern California, however, there has been horizontal shearing of the region as revealed by geodetic surveying which would seem to confirm that the uplift is earthquake related.

Late last summer the Federal government became sufficiently concerned about the uplift that it provided about $2M to undertake monitoring of the region. New instrumentation is currently being installed there and new surveys are being undertaken. It is our expectation that the coming of any great earthquake in the region will be heralded by some of the anomalies I have discussed.

The presence of the uplift and its implications for the Los Angeles region have brought scientists and public officials face to face with several very difficult issues.

On the one hand, as demonstrated by the Chinese experience, a successful earthquake prediction can greatly reduce earthquake casualties. Estimates of deaths in the Los Angeles region from a great earthquake exceed 10,000, without including the catastrophic losses that could occur from a dam failure or major fire. With a prediction accurate to within a few days, people could stay at home, except for those housed in structures especially vulnerable to collapse, and the death toll could be reduced by a large percentage.

A successful prediction can also reduce property losses. A relatively simple action like putting straps on hot water heaters to prevent toppling could prevent a fire. Leaving glassware in boxes on shelves in stores could reduce losses of inventory from breakage, which constitutes a surprisingly large part of earthquake losses.

More costly actions include removal or strengthening of hazardous structures. An accurate prediction could focus such an undertaking in the most vulnerable area and thereby reduce the costs from a regional attack on hazardous structures.

On the other hand, there are some costs to be paid in issuing earthquake predictions and recent studies have indicated that unless government acts effectively the costs could be high.

To quote from a recently published study by J. Eugene Haas and Dennis S. Mileti at the Institute of Behavioral Sciences, University of Colorado:

"The potential socioeconomic impacts [of an earthquake prediction] may be far-reaching. If earthquake insurance is unavailable, property values, at least for certain types of buildings, could fall sharply. Mortgage availability is likely to be affected. If the previousy anticipated growth in property tax revenues fails to materialize, the public services provided by the city and county will have to be decreased. If higher unemployment and concern about the future lead to lowered retail sales, sales tax revenues will decline, thus further curtailing the provision of public services."

Haas and Mileti go on to point out, though:

"None of these potential negative trends need become reality, however, if government, business and community leaders make thoughful decisions in advance of the prediction of a damaging earthquake."

So where do the challenges in earthquake prediction lie?

For the geologists and seismologists they lie in learning how to recognize earthquake precursors, translating those observations into a prediction, and responsibly communicating that information to the public with a clear assessment of the uncertainties involved.

For the engineer: To develop techniques for identifying the vulnerable structures in an earthquake targeted area and providing a way to remedy hazardous conditions.

For the sociologist and economist: To anticipate public reaction to predictions and suggest actions that could maximize the benefits and minimize the costs.

For the political leaders and government officials: To develop adequate plans for disaster preparedness and relief and to warn the public of the appropriate actions to take based on a prediction.

And for the news media: To communicate prediction and warning information to the public in a responsible way so that a rational response to an earthquake threat is encouraged.

Those of us involved in the earthquake prediction program find these challenges to be exciting. We look forward to the next decades during which we have high hopes of solving the major problems in developing a useful earthquake prediction capability.

CONGRESSIONAL PAY RAISE

The SPEAKER pro tempore (Mr. FOLEY). Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, I have stated many times my feelings that: First, the congressional pay raise question is an entirely separate issue from the question of tighter congressional ethics; second, Members of Congress must be divorced from other Federal officials for the purpose of considering pay raises; and, third, the congressional cost-of-living adjustments scheduled to be ordered this October should be repealed and all future salary increases for Members of the House and Senate should be granted only after a recorded, public vote.

I have introduced legislation designed to achieve all those goals. Many other proposals have been introduced which also seek to alter the current system of granting pay raises to Members of Congress.

But, it now appears likely that the House will not act on these proposals,

but will—as provided under present law—permit the pay raises to take effect by default, as it were.

Yet, despite the public statements and proclamations, Congress still has not adopted a stiff code of ethics.

Everyone had been led to believe that the code of ethics would at least go hand in hand with the pay raise, and maybe even precede it.

But, now it seems the pay raise will precede the adoption of a code of ethics. This leaves the ultimate adoption of a loophole-free code in limbo because we are about to strip the sugar—of a pay raise—from the bitter will—of a stiff code of ethics. We are about to eat the carrot and put the stick back into the closet.

If, Mr. Speaker, we are determined to take a pay raise without casting a public vote on the issue, then seemliness, propriety, and decency require us, at the very least, to delay the pay increase until we place on the books a tight, tough code of ethics.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I am happy to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman for yielding.

I would like to associate myself with his remarks.

Mr. MAZZOLI. Mr. Speaker, I thank the gentlewoman from New Jersey.

We have been associated in some good causes in the past, and I think that this is another one of our good causes.

Mrs. FENWICK. So do I, Mr. Speaker, and I thank the gentleman.

SCHOOL BREAKFAST PROGRAM

(Ms. HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Ms. HOLTZMAN. Mr. Speaker, I have today introduced legislation that will prevent a State from imposing the school breakfast program on local schools, unless the State is willing to pay any additional costs incurred by schools as a result of the program.

The school breakfast program was intended to encourage States to make available breakfast programs for local schools. A school which finds that a breakfast program is needed in order to insure adequate nutrition for its children can apply for and receive Federal funding.

Schools are reimbursed for the program on a per-meal basis. Thus, schools which have large numbers of eligible children who wish to participate receive substantial funding and have an incentive to operate a breakfast program. In schools where student interest in the program is low, the per-meal reimbursement is not sufficient to cover overhead costs; that is, opening the school early, rescheduling bus timetables, paying additional staff. In other words, where the program is needed, schools receive adequate funding to operate it; where the program is unnecessary, schools are discouraged from participation because of the reimbursement formula.

This system of incentives and disincentives breaks down, however, when a State requires schools to operate the program regardless of the number of students who wish to participate. In that case those schools with small numbers of children participating will incur large overhead costs, far in excess of their reimbursement for the breakfast program. These added costs will come out of local education budgets.

This will be the situation in New York State next year. State law requires all schools in cities of 125,000 population or more to operate the breakfast program if they conduct a school lunch program. As many as 695 of New York City's elementary and junior high schools may not be able to meet the program's costs out of their reimbursement. These unreimbursed costs may exceed $1 million citywide, and will have to come out of the already crippled local education budget. The cities of Yonkers and Buffalo anticipate similar problems.

My bill will prevent local school districts from having to take funds away from their education budgets in order to pay for the school breakfast program. It provides that if a State requires a local school to operate the breakfast program, the State must meet the full cost of the program in that school.

Congress clearly intended the school breakfast program to help in the education of children, not to detract from it. My bill will assist in this worthy effort. It will not prevent a State from mandating a breakfast program in schools where it believes that such a program is needed. The bill will assure, however, that the breakfast program does not operate at the expense of the schools' ability to educate children.

STATEMENT OF THE HONORABLE CHARLES B. BENNETT UPON INTRODUCTION OF THE CONFLICT OF INTEREST BILL

(Mr. BENNETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BENNETT. Mr. Speaker, I am today introducing a bill to amend the Defense Production Act of 1950 to halt a subtle type of conflict of interest that has plagued the Federal Government for many years. My bill would prohibit any former Federal employee who participated in a contract formulation from employment with anyone who has a direct interest in the contract, for a period of 2 years. The prohibition would be extended to 5 years in a case in which the job sought by the former Federal employee was created, supported or subsidized by Federal revenues under a procurement contract in which he had participated.

This legislation is similar to a bill I first introduced in 1951, and I believe this type of conflict of interest legislaton is needed today more than ever. Mr. REUSS, Mr. MOORHEAD, and Mr. MITCHELL of Maryland have joined with me in introducing this legislation and I am hopeful that this will be a priority enactment for the 95th Congress.

The bill covers former Federal officers or employees who, during their last 3 years of employment with the Government, participated in any procurement contract. Former officers or employees who violate the employment prohibitions established in this bill would be subject to a maximum fine of $5,000 and/or a maximum prison sentence of 1 year. Anyone employing a former Federal employee in violation of this legislation would be subject to a maximum fine of $25,000 and/or a maximum prison sentence of 1 year.

The bill would also establish a three-member Conflict of Interest Review Board. The Chairman of the Civil Service Commission would serve as chairman of the Board with the Attorney General and the Comptroller General serving as members. This Board would provide a central coordinating authority in the executive branch to provide for consistent application of the law throughout the Federal Government. The Board would also issue advisory opinions to individuals who are not sure whether they fall under the prohibitions in this legislation.

In addition, the bill establishes a reporting requirement for former Federal employees accepting employment with companies having contracts with their former agency and for persons leaving private contracting agencies to come to work for the Government. This provision is identical to disclosure requirements already in effect for NASA and Defense Department personnel.

It should be stressed that this legislation does not prohibit all private employment for contracting officers and employees leaving the Government. The prohibitions apply in those particular cases where the employee wants to go to work for a company with a direct interest in a contract in which that employee participated. The employee would not be barred from taking employment with other companies.

I certainly do not believe that all Federal contracting officers fall prey to this type of conflict of interest. But these employees surely realize that contract decisions they make for the Government today could lead to lucrative employment with the contracting company tomorrow. For some, this temptation may be too great to bear. The purpose of this legislation is to remove that temptation and thereby eliminate the possibility of conflict of interest situations occurring.

The need for legislation to deal with this kind of conflict of interest has long been apparent. In 1956, a report on the inquiry into aircraft production costs and profits stated:

> The presence of retired military personnel on payrolls, fresh from the "opposite side of the desk" creates a doubtful atmosphere . . . companies whose business is so closely interwoven with the military establishment ought to lean over backward so that no suggestion of favoritism, influence or "old school tie" could be read into their conduct.

In 1962, Congress enacted a Federal conflict-of-interest law but time has shown us that stronger legislation is needed. For example, in 1970 a blue ribbon defense panel known as the Fitzhugh commission provided documented evidence that anticipation of a lucrative job can have a significant effect on a procurement official's decisions.

In 1975, the Council on Economic Priorities released a report providing evi-

dence that many former Defense Department employees have gone to work for military contracts after playing an active part in negotiating defense contracts with those same contractors. It was reported that 27 percent of the employees who left the Defense Department to take positions with military contractors were working in conflict of interest situations.

The need is clear and the time for action is now. President Carter has shown his interest in the subject by requiring pledges from his top level appointees that they will steer clear of possible conflict of interest situations in their post-Government employment.

Senator PROXMIRE, who has long been an advocate for stronger conflict of interest laws, is today introducing identical legislation in the Senate. As chairman of the Senate Banking Committee, he has promised to hold hearings on this legislation in the near future.

There has never been a better climate for this ethical reform and I am hopeful that my colleagues in the House will support this vital conflict of interest legislation.

The bill follows:

H.R. 3222

A bill to amend the Defense Production Act of 1950, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Production Act Amendments of 1977".

SEC. 2. Insert immediately after Title VII the following new title:

"TITLE VIII—CONDUCT OF GOVERNMENT PERSONNEL

"SEC. 801. (a) As used in this Act the term—

"(1) 'Contracting officer' means any employee of the United States, the independent agencies thereof, or the government of the District of Columbia who by virtue of his position or appointment in accordance with applicable agency regulations is authorized to solicit or select sources of supply, or describe requirements for, enter into, award, modify, terminate, administer, or make determinations or findings with respect to, any contract, or to otherwise exercise any part of such authority;

"(2) 'Compensation' includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $50 at prevailing market price;

"(3) 'Contractor' is any person, partnership, corporation or agency thereof other than the United States, the independent agencies thereof, or the District of Columbia, who offers, negotiates, agrees, or otherwise contracts to supply the United States, the independent agencies thereof, or the District of Columbia, with goods, services, or supplies, and any parent, subsidiary, or affiliate thereof

"(4) 'Procurement contract' is any agreement by which the United States, the independent agencies thereof or the District of Columbia purchase, lease, or otherwise engage in the acquisition of supplies, services or other materiel, to include such agreements as: orders for the procurement of services or supplies; awards, notices of awards; contracts of fixed price, incentive contracts, and cost and cost-plus-a-fixed-fee contracts; contracts providing for the issuance of job orders, task orders, or task letters thereunder; letter contracts and purchase orders; or any supplemental agreement with respect to any of the foregoing.

"(b) No contracting officer, while so employed, shall accept compensation from any contractor without prior written permission of the standards of conduct counsellor for his employing department or agency. Nothing in this subsection shall prohibit the acceptance of such compensation as is specifically authorized by departmental or agency directive or regulation.

"(c) No contracting officer who, during the last three years of his employment by the United States government, engaged, officially or unofficially, in duties of his office in regard to any procurement contract shall accept compensation from any contractor receiving funds under such contract for a period of two years following his employment with the United States, the independent agencies thereof, or the District of Columbia.

"(d) No contracting officer who, during the last three years of his employment by the United States Government, engaged, officially or unofficially, in duties of his office in regard to any procurement contract shall accept compensation from any employment which was created, supported, or subsidized by Federal revenues under such procurement contract until the expiration of five years following such contracting officer's termination of employment with the United States, the independent agencies thereof, or the District of Columbia.

"(e) No contracting officer, while so employed, who engaged, officially or unofficially, in duties of his office in regard to any procurement contract shall own, possess or control, directly or indirectly, jointly or severally, any stock, stock option, or other like financial holding, in any contractor who has been affected by such action. In any instance where such contracting officer may be called on to deal in an official capacity with a matter which would affect a contractor in which he holds such financial interest, he shall promptly dispose of such financial holding or formally disqualify himself from any dealings in such matter. Written notice of such disposal or disqualification shall be provided by such contracting officer to the Conflict of Interest Review Board.

"(f) Whoever violates this section shall be guilty of a felony, and shall be fined not more than $5,000 or imprisoned for not more than 1 year, or both.

"(g) Whoever offers, tenders, or grants any compensation to any contracting officer, the acceptance of which would result in a violation by such contractor of this section, shall be guilty of a felony and shall be fined not more than $25,000 and imprisoned for not more than 1 year, or both.

"SEC. 802. (a) There is established a Conflict of Interest Review Board, which shall review compliance by contracting officers with this Act. The Board shall consist of the Chairman of the United States Civil Service Commission, who shall act as Chairman of the Board, the Attorney General of the United States, and the Comptroller General of the United States.

"(b) The Board shall have the power to appoint, fix the compensation of, and remove an executive secretary and three additional staff members without regard to chapter 51, subchapters III and VI of chapter 53, and chapter 75 of Title 5, United States Code, and those provisions of such title relating to the appointment in the competitive service. The executive secretary and the three additional staff members may be paid compensation at rates not to exceed the rate prescribed for levels IV and V of the Federal Executive Salary Schedule, respectively.

"(c) The Board is not authorized to appoint or utilize the services of advisory committees, or to employ consultants for the fulfillment of its responsibilities. Nothing herein shall prohibit the temporary employment of clerical assistants or the solicitation or acceptance of advice from outside parties.

"(d) All departments and agencies of the government are authorized to cooperate with the Board and to furnish information, appropriate personnel with or without reimbursement, and such financial and other assistance as may be agreed to between the Board and the department or agency concerned.

"(e) (1) Any person who is offered compensation that might place him in violation of subsections (c) or (d) of Section 801 of this Act, prior to the acceptance of such compensation, may apply to the Board for advice on the applicability of this Act to such compensation. The Board is authorized, upon such application, to review such proposed compensation and to issue advisory opinions stating whether such compensation would result in a violation of the intent of this Act, provided that such action shall be accomplished after:

"(A) Appropriate notice is provided in the Federal Register not less than 10 working days before the Board is to meet to consider such application;

"(B) Interested parties are permitted, upon written request, to present testimony relating to the issuance of such advisory opinion; and

"(C) The Board shall inform Congress, and provide notice in the Federal Register, within thirty days after the issuance of any advisory opinion, describing—

"(i) The name of the applicant for such advisory opinion;

"(ii) The contractor from which such applicant intends to accept compensation;

"(iii) The duties of such applicant during the last three years of his employment as a contracting officer;

"(iv) Any official responsibilities such applicant exercised with regard to any procurement contract in which an interest is or was retained by the contractor which proposes to provide such compensation;

"(v) A description by a representative of the contractor, based upon testimony delivered to the Board, of the complete terms and conditions of the proposed compensation, including any prospective services that such applicant will perform on behalf of the contractor;

"(vi) A statement of the findings of fact and opinion which led the Board to conclude that such compensation would or would not offend the intent of this Act.

"(2) The Board is authorized to issue a statement of findings of fact and opinion along with an advisory opinion finding that the proposed compensation would not violate the intent of this Act if—

"(A) The involvement of the applicant in a procurement contract otherwise described in this Act was so remote or inconsequential that it could have had no significant effect on the procurement contract in question;

"(B) The involvement of the contractor in such procurement contract was remote or inconsequential; or

"(C) The national interest requires that, the prohibitions of this Act notwithstanding, such applicant should be allowed to accept such compensation.

"(f) There shall be available to any person as a defense in any criminal or civil case brought for violation of this Act that—

"(1) The Board was in unanimous agreement, as expressed in a properly issued advisory opinion, that such compensation would not violate the intent of this Act; and

"(2) Such person fully complied, without alteration, with the understanding of circumstances as expressed by the Board in its statement of findings of fact and advisory opinion, and with any additional guidance or suggestions proposed by the Board.

"(g) In furtherance of the duties and responsibilities described in this Act, the Board is authorized to require, by subpoena or

otherwise (to be issued under the signature of the Chairman, or, in his absence, another Board member designated by him) the attendance of such witnesses and the production of such books, papers, and documents as it may require, and to administer such oaths, and to take such testimony as it may deem necessary.

"(h) All such meetings to consider applications for an advisory opinion on the applicability of Section 801 of this Act shall be open to the public, and a verbatim transcription of all such meetings and all other deliberations of the Board shall be available for public inspection during regular working hours at the offices of the Board.

"(i) The Chairman of the Board is required to promptly report to the Attorney General, and to provide such assistance as may be required, whenever the Board shall learn of an action which appears to involve a violation of this Act or any other federal law. The Attorney General shall report to the Chairman of the Board and to the Congress on the disposition of any such case.

"(j) The Chairman shall review all agency programs to assure that all positions subject to the provisions of Section 801 of this Act are identified, and that all persons subject to these provisions are provided adequate notice of such prohibitions and restrictions.

"(k) The Board is authorized to develop and promulgate appropriate regulations to implement this Act.

"(l) The Board shall report to the Congress, on an annual basis, its activities, deliberations, and investigations, and shall recommend such legislative or regulatory actions as it deems appropriate to promote high ethical standards for government employees.

"(m) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 803. (a) As used in this section,

"(1) The term 'former Government employee' means any former employee of the United States, including consultants or part-time employees, whose salary rate at any time during the three-year period immediately preceding the termination of his last employment with the United States was equal to or greater than the minimum salary rate at such time for positions in Grade GS–13;

"(2) The term 'contracts awarded' includes the net dollar amount of modifications to, and the exercise of options under, such contracts excluding all transactions amounting to less than $10,000 each;

"(3) The term 'agency' refers to any executive department or independent agency of the United States;

"(4) The term 'Government contractor' refers to any entity receiving contract awards from a Government agency, or any subsidiary, parent company, or affiliate thereof;

"(b) Under regulations prescribed by the head of each agency:

"(1) Any former Government employee who during any fiscal year,

"(A) was employed by or served as a consultant or otherwise to a Government contractor for any period of time,

"(B) represented any Government contractor at any hearing, trial, appeal, or other action in which the United States was a party and which involved services and materials provided or to be provided to the United States by such contractor, or

"(C) represented any such contractor in any transaction with the United States involving services or materials provided or to be provided to the United States by such contractor,

shall file with the chairman of the Conflict of Interest Review Board, in such form as the Chairman may prescribe, not later than February 15 of the next succeeding fiscal year, a report containing the following information:

"(1) His name and address.

"(2) The name and address of the government contractor by whom he was employed or whom he served as a consultant or otherwise.

"(3) The title of the position held by him with the government contractor.

"(4) A description of his duties and the work performed by him for the government contractor.

"(5) His grade, level, or salary rate while employed by the United States.

"(6) A description of his duties and the work performed by him while on active duty or while employed by the United States during the three-year period immediately preceding the termination of his employment with the United States.

"(7) A description of any work performed by him in connection with any United States government contract while employed by the United States, if the government contractor by whom he is employed is providing substantial services or materials for such contract, or is negotiating or bidding to provide substantial services or materials for such contract.

"(8) The date on which his employment with the United States was terminated, and the date on which his employment, as an employee, consultant, or otherwise with the government contractor began and, if no longer employed by such government contractor, the date on which such employment with such government contractor terminated.

"(9) Such other pertinent information as the Chairman of the Conflict of Interest Review Board may require.

"(2) Any employee of the United States, including consultants or part-time employees, who was previously employed by or served as a consultant or otherwise to a government contractor in any fiscal year, and whose salary rate with the United States Government is equal to or greater than the minimum salary rate for positions in grade GS–13, shall file with the Chairman of the Conflict of Interest Review Board, in such form and manner and at such times as the Chairman may prescribe, not later than February 15 of the next succeeding fiscal year, a report containing the following information:

"(A) His name and address.

"(B) The title of his position with the United States Government.

"(C) A description of his duties with the United States.

"(D) The name and address of the government contractor by whom he was employed or whom he served as a consultant or otherwise.

"(E) The title of his position with such government contractor.

"(F) A description of his duties and the work performed by him for the government contractor.

"(G) The date on which his employment as a consultant or otherwise with such contractor terminated and the date on which his employment as a consultant or otherwise with the United States began.

"(H) Such other pertinent information as the Chairman of the Conflict of Interest Review Board may require.

"(c)(1) No former Government employee shall be required to file a report under this section for any fiscal year in which he was employed by or served as a consultant or otherwise to a Government contractor if the total amount of contracts awarded to such contractor by the agency by which he was formerly employed did not total at least $1,000,000 or 1 per centum of the total contract awards made by such agency; and no employee of the United States shall be required to file a report under this section for any year in which the contracts, awarded by the agency by which he is employed to the contractor by which he was formerly employed, did not total at least $1,000,000 or 1 per centum of the total contract awards made by such agency.

"(2) No former government employee shall be required to file a report under this section for any fiscal year on account of employment with or services performed for the United States if such employment was terminated three years or more prior to the beginning of such fiscal year; and no employee of the United States shall be required to file a report under this section on account of employment with or services performed for a government contractor if such employment was terminated or such services were performed three years or more prior to the effective date of his employment with the United States.

"(3) No former government employee shall be required to file a report under this section for any fiscal year during which he was employed by or served as a consultant or otherwise to a government contractor at a salary rate of less than $20,000 per year; and no employee of the United States, including consultants or part-time employees, shall be required to file a report under this section if, during his prior employment with a government contractor, his salary rate did not exceed $20,000 per year.

"(d)(1) The Chairman of the Conflict of Interest Review Board shall, not later than March 31 of each year, file with the President of the Senate and the Speaker of the House of Representatives a report containing a list of the names of persons who have filed reports with him for the preceding fiscal year pursuant to subsections (b)(1) and (b)(2) of this section. The Chairman shall include after each name so much information as he deems appropriate and shall list the names of such persons under the government contractor for whom they worked or for whom they performed services.

"(2) The Chairman of the Conflict of Interest Review Board shall review each report filed with him for the preceding fiscal year pursuant to subsections (b)(1) and (b)(2) of this section, and shall report not later than March 31 of each year, to the President of the Senate and the Speaker of the House of Representatives, on the disposition of any instances which appear to involve a violation of Sec. 801 of this Act or any other provisions of federal law.

"(3) The Chairman of the Conflict of Interest Review Board shall review and approve plans developed by the head of each agency to assure that procedures are developed which assure that each person subject to the reporting requirement of subsection (b)(1) and (b)(2) of this section is made aware of these requirements.

"(4) The Chairman of the Conflict of Interest Review Board shall undertake a continuous review to determine that all persons subject to the reporting requirement of subsections (b)(1) and (b)(2) of this section are in compliance with these requirements, and shall report not later than March 31 of each year to the President of the Senate and the Speaker of the House of Representatives, on his efforts to assure compliance with these reporting requirements.

"(e) Any former government employee whose employment with or services for a government contractor terminated during any fiscal year shall be required to file a report pursuant to subsection (b)(1) of this section for such year if he would otherwise be required to file under this section; and any person whose employment with or services to the United States terminated during any fiscal year shall be required to file a report pursuant to subsection (b)(2) of this section for such year if he would otherwise be required to file under this section.

"(f) The Chairman of the Conflict of Interest Review Board shall maintain a file containing the information filed with him pursuant to subsections (b)(1) and (b)(2) of this section and such file shall be open for public inspection at all times during the regular workday.

"(g) Any person who fails to comply with the filing requirements of this section shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by not more than six months in prison or a fine of not more than $1,000, or both.

"(h) No person shall be required to file a report pursuant to this section for any fiscal year prior to the fiscal year 1977."

CHEMICAL WEAPONS ARMS CONTROL

(Mr. SCHULZE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SCHULZE. Mr. Speaker, the new administration has energetically committed itself to a very noble purpose—the elimination of all nuclear weapons from the Earth. Despite the optimism of the new President, I have my own doubts about the accomplishment of this objective in the near future. While most people undoubtedly would like to see this elimination become a reality, the problem of how to do it is very complex. It is my belief that it would be better to direct any initial disarmament measures at a smaller, less crucial target—such as chemical weapons.

Last June, I was appointed by the distinguished former Speaker of the House to serve as a congressional advisor to the Conference of the Committee on Disarmament, CCD. It was an honor for me to have been selected as the only first term Member of the U.S. delegation.

Shortly after my appointment, I traveled to Geneva to attend a session of the Conference and to gain a first hand knowledge of the function of the CCD and of the problems associated with arms control. Of particular interest to me was the negotiations being conducted on the question of controlling chemical weapons.

When I returned to Washington, I decided to investigate this matter of chemical weapons and warfare further. As a result of a long and tedious examination of the problems associated with chemical weapons, I am, today, introducing a resolution which I hope will add additional stimulus to the CCD negotiations and bring a rapid conclusion of the talks with the final result being a comprehensive chemical weapons treaty.

My resolution would in effect place the world community of nations on notice that an effective and comprehensive treaty banning the development, production, and stockpiling of chemical weapons is of the highest priority in the question of arms control and disarmament. Further, my resolution would require the United States to reduce a specified amount of chemical agent stockpile over a defined period of time as a symbol of U.S. determination to see this treaty become a reality. Finally, my resolution would challenge the other major chemical weapons power to do the same.

CHEMICAL WARFARE—AN UNGLAMOROUS HISTORY

Exactly when man first decided to use chemical or biological weapons against his fellow man is not known but there are historical accounts dating back to the time of the conflicts between Sparta and Athens which indicate that this form of warfare was practiced. In this instance, Spartan soldiers would burn wood treated with sulfur and pitch to create a poisonous cloud of sulfur dioxide which was used to smoke enemy troops out of defensive positions.

Other instances of poisoned daggers, diseased animal carcasses, and poisoned water and food supplies have appeared in many military accounts.

There can be no doubt, however, that the use of chemical weapons took a dramatic turn for the worse on the fateful date of April 22, 1915, at the Belgium village of Vijfluege near Ypres when the German army introduced chemical weapons to the battlefield.

In an April 17, 1975, article in the British journal, New Scientist, Dr. Robert Jones describes the first modern use of gas warfare:

> The day was a fine one in the immediate vicinity of Ypres. At 5 pm, men in forward positions heard a light hissing noise from the direction of the German trenches. Within 15 minutes, no less than 168 tons of chlorine had been released along a front extending about four miles. A light wind of 3–4 mph bore the wall-like cloud towards trenches manned by British, Canadian, French, and Algerian troops. Distant observers spoke of a low greenish mist "such as seen over water meadows on a frosty night". The deadly gas brought horror and confusion into the ranks of the allies.

Dr. Jones also reported:

> More chlorine was discharged on an adjoining sector of the front on April 24, this time against Canadian troops. The allied position was simultaneously bombarded with shells filled with Lachrymators. Much uncertainty exists over the numbers of victims; the figures most quoted are 15,000 casualties, of whom 5,000 died during or soon after the attacks.

In a book entitled, "Chemicals in War," by A. M. Prentis, the following list of gas casualties in World War I emphasizes the results of the new weapon.

Country and Battle Casualties Due to Gas

	Nonfatal injuries	*Deaths*
Russia	419,340	56,000
France	182,000	8,000
Britain	180,697	8,109
Norway	55,373	4,627
Austria	97,000	3,000
U.S	71,345	1,462
Germany	191,000	9,000
Others	9,000	1,000
Total	1,205,655	91,198

If this total of over 1 million casualties from gas alone is not somewhat chilling, consider the effects the gas had on those it was used against.

Again, from the account of Dr. Jones on the advance of German troops through the lines of Allied trenches:

> Tenanted only by the dead garrisons, whose blackened faces, contorted figures, and lips fringed with blood and foam from their bursting lungs, showed the agonies in which they had died. Men exposed to lower doses sense a burning of the throat and feelings of suffocation, and cough repeatedly. The main effect of the gas is to cause the secretion of massive quantities of a frothy fluid into the airspaces of the lungs. As the fluid builds up, lack of oxygen induces feelings of weakness, fatigue, lassitude, and headache. Medical examination can detect bubbling noises within the chest. The body temperature begins to fall . . . The fluid coughed up became greenish and purulent; the pulse becomes weak and rapid, while respirations become shallow and fast . . . Breathing becomes intensely difficult, and death may follow in two days.

Mr. Speaker, I included this rather gruesome description of the effects of gas warfare because no method of conducting war evoke such feelings of horror and revulsion as the use of chemicals.

That horror and revulsion was recognized even by the perpetrators of the action. As one German eyewitness wrote:

> I am not pleased with the idea of poisoning men. Of course, the entire world will rage at it first and then imitate us.

Perhaps at the time, no one would have taken this author's warning seriously. However, one need only read the accounts of the Japanese tactics in China, the Italian campaigns in Ethiopia, or the Egyptian involvement in Yemen, to realize that chemicals were still considered viable weapons of war despite the outrage following World War I.

CHEMICAL AND BIOLOGICAL WEAPONS—THE ATTEMPT TO CONTROL

As war-weary veterans returned home after World War I coughing and experiencing numerous respiratory complications, their relatives and friends became outraged and began a worldwide campaign to eliminate the use of poison gas in war.

Public objections to the use of chemicals was not necessarily a result of the First World War. As early as 1899, 27 nations signed the Hague Gas Declaration agreeing to "abstain from the use of projectiles the sole purpose of which is the diffusion of asphyxiating or deleterious gases." Of course, the lack of total support for this agreement became obvious only a few years later.

Certainly, the experiences of using gas in World War I brought about the largest outcry for control. The Versailles Treaty drafted in 1919 sought to outlaw the use of chemical weapons but merely prohibited the defeated powers from manufacturing such weapons.

In 1921, the question of chemical warfare was introduced to the Washington Naval Conference. Gen. John J. Pershing, who was advising the Naval board, introduced a proposal to ban chemical warfare. Although the measure was subsequently embodied in article 5 of the Conference and agreed to by the United States and several other nations, the French refusal to sign it blocked its becoming law.

Perhaps the most notable treaty involving chemical and biological weapons was written in the form of the Geneva Protocal of 1925. However important this treaty was, it only prevented the first "use" of such weapons in war and did not provide for the total prohibition of these weapons.

Despite these noble attempts to control chemical weapons before, and especially after, World War I, the major powers did set out to develop and im-

prove upon chemical weapons. The British in the 1920's improved upon mustard gas which was introduced during the war. As World War II approached, the Germans perfected what soon become known as "nerve agents," because they brought quick death as they attacked the central nervous system. But even the Germans were too afraid of the consequences to test their new found weapon.

President Roosevelt undoubtedly hearing from his military experts that the Germans had developed the capability of using such weapons issued a statement in 1943 which summed up the feelings of many people throughout the world regarding the use of chemical weapons. He stated:

I have been loath to believe that any nation, even our present enemies, could or would be willing to loose upon mankind such terrible and inhuman weapons." ". . . use of such weapons has been outlawed by the general opinion of civilized mankind. This country has not used them, and I hope that we never will be compelled to use them.

Throughout his statement, the President continually described the use of chemical weapons in terms such as, "desperate and barbarous"; "inhumane"; and "crimes."

During the post-World War II period very little was heard about chemical and biological weapons until both the United States and the Soviet Union, in the 1962 Eighteen-Nation Disarmament Committee, submitted plans for disarmament that included the elimination of chemical and biological weapons.

In 1969, a review of U.S. policy and programs regarding chemical and biological warfare was ordered. On November 25, 1969, the President declared that the United States "unilaterally renounced first use of lethal or incapacitating chemical agents and weapons, and unconditionally renounces all methods of biological warfare."

In 1975, former President Ford signed instruments of ratification for the Biological Weapons Convention thus concluding another chapter in CB weapons control.

CHEMICAL WEAPONS TODAY

Chemical weapons today present many more problems than in the past. Modern lethal chemicals employ the nerve gases first developed by the Germans during World War II. These agents are much more deadly than the poison gases used in World War I. They kill instantly by attacking the nervous system. They can be developed and stockpiled in larger quantities than before. And, they can be filled into weapons such as; mines, artillery shells, bombs, rockets, and aircraft spray systems.

The United States and Soviet Union, today, possess the largest stockpiles of chemical weapons. Other nations which perhaps do not possess stockpiles of their own, do have experience or knowledge in the use of chemical agents. Still other nations know the details of the chemistry of chemical agent production and can obtain the capability to do so rather simply.

All of these together pose the danger of chemical weapons proliferation and the consequent potential of use as conflicts break out and escalate.

The practicality of chemical weapons in an age of nuclear weapons is very suspect. For nations like the United States and the Soviet Union, the potential use of such weapons is somewhat academic. In any European conflict, it is highly unlikely that chemicals would provide any real tactical advantage to either side. Use of these weapons against an unprotected enemy would be devastating.

However, both the United States and Soviets possess good defensive equipment and are trained in the defense against chemical use. While chemicals would force both armies into cumbersome protective clothing and rather limited defensive postures, neither side would suffer a great tactical loss. While many will argue that chemicals could be used against rear areas with relative ease and with little effort on the part of either belligerent, the combat mission of these areas would not be halted. Still another argument which implies that both nations could resort to chemical weapons as a middle step before a nuclear exchange is suspect indeed. Chemical weapons would only slow a rapid advance by one side, perhaps, long enough to give the disadvantaged side the time needed to decide whether or not to use nuclear weapons. But, a nation forced into that type of situation could not possibly hope that a mere chemical attack would stop the onslaught.

The problem of chemical weapons should also be considered beyond the capabilities of the two superpowers. In many smaller nations, chemical defenses and medical protection are inadequate to protect both the population and the armed forces. To these nations, the obtaining of such weapons may be seen as a necessary deterrent.

Chemical weapons could also be procured or produced by nonnuclear nations to provide a capability to attack neighboring urban centers to force an opponent to capitulate before the real fighting begins. This particular example highlights the problem of nonmilitary casualties. Although it may be possible in a war to protect innocent men, women, and children from conventional bombs, chemical agents have no limits nor do they discriminate between soldiers and civilians. It is impossible to calculate the amount of unnecessary suffering chemical agents would cause these innocent victims.

Finally, chemicals can be secured by international terrorist groups which could produce devastating results throughout the world.

CHEMICAL WEAPONS CONTROL—A PROPOSAL

I think it is apparent that chemical weapons present more of a menace for the world than they ever could provide a tactical military advantage for those who possess them. Because chemical weapons are easier to produce, hide, and use than any other weapon, it becomes even more critical that we establish a realistic approach to chemical weapons control.

Currently, the United States is participating in the chemical weapons negotiations being conducted by the Conference of the Committee on Disarmament—CCD. These negotiations have been going on for several years, and while several proposals have been put forth on the control and reduction of these weapons, the problem of verification of the destruction of stockpiled chemicals has resulted in only some small measure of progress being achieved.

There is a way, however, that the logjam can be broken and the path toward chemical weapons control cleared. This can only be done if the United States takes the leadership and sets an example for the world to demonstrate that we are indeed concerned over the future of chemical arms control, and are willing to take measures to show our sincerity in seeking an international ban on these weapons.

An ancient Chinese proverb states: "A thousand mile journey begins with one step." I believe that the destruction of chemical weapons may just be that one step toward a peaceful world. It is for this reason that I am introducing a resolution demanding immediate action on chemical weapons.

My resolution consists of five parts, no one of which can be effective alone in stimulating a chemical weapons treaty.

The first provision is for the United States to place a 3-year moratorium on the production and stockpiling of new chemical agents including the binary agents, and on the construction of facilities and equipment related to the production of these agents.

The United States has not, since 1969, produced any lethal chemical weapons nor do the services plan to produce any more nerve or mustard agents in the future. However, the question of binary weapons has recently become a very realistic alternative for the armed services. The binary weapons are essentially two nonlethal weapons which would be produced, stored, and shipped separately. They only become lethal weapons when they combine at some point during their flight to a target. The Army does not plan to ask for appropriations for these weapons this year. However, the fact that the binaries are environmentally safe and can solve the transportation and storage problems which plague today's lethal chemicals, would indicate that we have not heard the last of this new concept.

Despite the obvious advantages of these weapons, the banning of the production of binaries and their associated facilities will have an important diplomatic impact on the nations watching this development. If the United States decides to produce binaries, it certainly will be translated as an upgrading of our current stockpile. No nation could seriously believe that we were sincere in searching for an international treaty banning such weapons if we merely throw out obsolete weapons and replace them with new, improved ones. Also, the construction of new facilities or the modernization of existing ones to handle future binary production, would only be viewed as the preliminary step toward a new round of chemical stockpiling.

The second provision of my resolution involves a 3-year plan to destroy up to 3,000 tons of existing bulk mustard gas.

According to officials in the Defense Department and the State Department, a large portion of our mustard gas stockpile is in bulk—or liquid—form. According to these officials, in a "90-day" war in Europe, none of this bulk could be placed into munition form and delivered to the battlefield. In fact, it would take almost 2 years to place all of the existing bulk chemicals in usable form.

Mr. Speaker, I cannot imagine why the United States is spending so much money to store chemical agents which have absolutely no tactical value whatsoever.

I do not mean to say that our chemical stockpile has no value. I do believe as do the services, that the greatest deterrent to the use of chemical weapons is for a nation to possess a strong retaliatory capability. However, if a war broke out in Europe next week, or next month, in which chemicals were used, our retaliatory power would be no greater than it is today. The destruction of 3,000 tons of bulk mustard, as I am proposing, simply will not alter our capabilities to retaliate nor affect the Soviet Union's warfighting strategy.

I have been assured by the people at Defense that the destruction of 3,000 tons of mustard can be accomplished within the 3-year time period I suggested provided the problems of transport of the agent and the necessary financial matters can be resolved.

The third provision of my resolution calls for an onsite inspection of the chemical destruction process by invited guests and/or groups. This onsite inspection would not necessarily involve the actual testing of destroyed agent but could include a written explanation of the process and a tour of the destruction facility. Again, I have been informed by Defense officials that they would see no real problem with this type of inspection as far as security is concerned.

The question of who would be invited to review the destruction process and facility is an important one. Perhaps the best group to invite would be a delegation from the CCD itself. This certainly would add credibility to the U.S. program.

However, there are other groups such as the Pugwash Society which has labored long and hard for a chemical weapons treaty which should not be ignored. There are other concerned international organizations which could be invited to inspect the destruction. Perhaps the best solution would be to invite several groups in order to gain a wider range of world opinion in support of our program.

The fourth provision of my resolution would include a challenge to the other major chemical power to initiate the same type of reductions over the same period of time and under similar conditions as the one called for in the United States. This would be the least our opponents could go to indicate their sincerety in seeking an international treaty banning chemical weapons. Along with this, the United States would call on the Third World nations to refrain from seeking the introduction of chemical weapons into their arsenals.

This is an important step toward chemical arms control because it places the other smaller nations of the world on notice that they will support the U.S. program and actively seek the rapid conclusion of a treaty.

This is especially important as concerns the Soviet Union. For years, the Soviets have voiced their support for a ban on chemical weapons. They have made numerous proposals at the CCD and have made additional comments at other occasions on the importance of such an agreement. Yet, we know that Soviet chemical warfare capabilities have been on the increase. We know that they have large stockpiles of chemical agents. That they have assigned large numbers of troops to chemical units and have actively trained their forces in the uses and defenses against chemical warfare. How can these two known factors—Soviet chemical buildup and public calls for control—exist at the same time. One of these has to be of lesser concern to the Soviet. My proposal intends to find out.

The final provision of my resolution includes a plea to the world body to urge the members of the CCD to rapidly conclude an international treaty banning the manufacture and possession of lethal chemical weapons by all nations. This treaty should seek the complete prohibition of the development, production, acquisition, stockpiling or transfer of chemical warfare agents and munitions. It should also provide for the destruction of existing stocks and production facilities in a phased manner over a specified period of time. In this respect, there must be provided a process of verification of the disposal of stocks and facilities through independent, international procedures. And finally, the treaty must establish an international mechanism for investigating suspicious activities, including provisions for challenge and onsite inspections.

CONCLUSION

Mr. Speaker, today we live, and are wholly involved, in a world of independent nations, many of which have interdependent economic interests combined with intense fears, jealousies, and animosities.

Some nations seek the territory of others; some seek the destruction of political and social orders; and still others seek to control the behavior of nations through coercion and intimidation.

As long as there is a potential for conflict, the hope for global security depends on our ability to make violence futile and counterproductive as a method of resolving international disputes.

There appears, however, no way to eliminate war. It has been tried, but even with the best of intentions, success has been elusive. Arms control, therefore, seems to be the only viable alternative. This process must center on regulating the weapons and sizes of military forces. By this action, we can hope to reduce the level of violence which accompanies war, and also reduce the risk of escalation to the major conflagration level.

Arms control demands commitment to an unending task. Our efforts must be aimed at reducing both the likelihood of war and the likelihood that certain weapons might be used if wars occur.

Arms control has been a major objective of U.S. policy since the earliest days of our Nation. Whether it was the signing of the Rush-Bagot agreements in 1817, or the Antiballistic Missile System Treaty in 1972, the United States has consistently sought significant approaches to arms control and disarmament.

In fact, we in the Congress can take some pride in the role we have played in this question. It may be recalled, that in 1961, the Congress took a giant step toward advancing the American contribution to arms control when it established the Arms Control and Disarmament Agency, ACDA. Since that time, ACDA has continually pursued the many avenues of arms control.

In fact, the optimism shared by many Americans for a better and safer world is expressed in the Agency's charter which reads:

> An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which international adjustments to a changing world are achieved peacefully.

Mr. Speaker, I do not believe that any other major military power on Earth can claim such a sense of dedication to the objectives of arms control.

Although this measure which I am introducing could be taken by skeptics as being too idealistic, I believe that sometimes, arms control or disarmament measures, taken by a single nation can encourage the movement toward global arms control and disarmament.

I believe that my resolution will, in no way, jeopardize U.S. security or retaliatory capability. If, at the end of the suggested time span, no satisfactory accord or treaty has been reached and/or unilateral efforts on a worldwide basis are not progressing in a meaningful manner, the United States will cease destroying its stockpile and reevaluate its position based on conditions then prevailing.

The good of mankind cannot be served by the continuance of an uncontrollable arms race. Something must be done, however slight, to begin to turn words into action in the field of arms control and disarmament. I believe that my resolution will be seen as a positive step toward meaningful arms control.

PRINTING OF RULES OF THE COMMITTEE ON ARMED SERVICES

Mr. PRICE. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith for printing in the CONGRESSIONAL RECORD the rules of the Committee on Armed Services which were adopted by the committee in open session on Thursday, January 27, 1977:

RULES FOR THE COMMITTEE ON ARMED SERVICES FOR THE 95TH CONGRESS

1. The Committee on Armed Services will meet every Tuesday at 10:00 a.m., and at such other times as may be fixed by the Chairman or by the written request of members of the committee, pursuant to House Rule XI, Clause 2(c).

A Tuesday meeting of the committee may be dispensed with by the Chairman, but such action may be reversed by a written request of a majority of the members.

2. A member may vote by special proxy, which must be in writing, shall assert that

the member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy only for motions to recess, adjourn or procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. A proxy may be used in subcommittee or full committee. All proxies must be filed with the staff director and be available for inspection at any time.

3. A rollcall of the members may be had upon the request of five or more members present or, in the case of subcommittees, on the request of one-fifth of a majority.

4. (a) The Committee on Armed Services of the House of Representatives shall be organized to consist of the following standing subcommittees:

"The Intelligence and Military Application of Nuclear Energy Subcommittee" which shall have legislative jurisdiction over the military application of nuclear energy, including research and development related thereto; intelligence matters related to national security; and related oversight. The subcommittee also has oversight responsibilities with regard to international arms control and disarmament.

"The Seapower and Strategic and Critical Materials Subcommittee" which shall have legislative jurisdiction over procurement and construction of naval vessels; sealift; antisubmarine warfare; disposal of naval vessels; strategic and critical materials necessary for the national defense; naval petroleum reserves; and related legislative oversight.

"The Investigations Subcommittee" which shall have legislative jurisdiction over Armed Services Procurement Regulations and related procurement matters; organization of the Department of Defense, including proposed reorganizations; commissaries and exchanges, clubs and related nonappropriated funds activities of the Armed Forces; and related legislative oversight; and investigative authority in relation to the committee's general oversight responsibilities.

"The Research and Development Subcommittee" which shall have legislative jurisdiction over annual authorization for research and development; airlift; and related oversight.

"The Military Installations and Facilities Subcommittee" which shall have legislative jurisdiction over military construction; real estate acquisitions and disposals; housing and support facilities; base closures; real estate generally; Civil Defense; and related legislative oversight.

"The Military Personnel Subcommittee" which shall have legislative jurisdiction over authorized strengths; active-duty and reserve training; recruiting; Reserve Officers' Training Corps; Selective Service; military justice; enlistments and separations; awards; academies; human relations; medical care; and related legislative oversight.

"The Military Compensation Subcommittee" which shall have legislative jurisdiction over pay and allowances; promotion; retirement; and related legislative oversight.

(b) The Chairman shall refer legislation and other matters to the subcommittee of appropriate jurisdiction within two weeks unless, by a majority vote of the members of the full committee, consideration is to be by the full committee.

(c) The chairman of a standing subcommittee may designate a panel of such subcommittee to inquire into and take testimony on a specific matter within the jurisdiction of that subcommittee and to report to the subcommittee for further reference to the full committee as may be appropriate.

(d) The Chairman of the full committee, with approval of a majority of the members voting, a majority of the committee being present, shall have authority to discharge a subcommittee from consideration of any bill, resolution, or other matter referred thereto and have such measure or matter considered by the full committee.

(e) The full committee, and all subcommittees, may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any such subpena may be authorized and issued by the committee, or subcommittee, in the conduct of any investigation or a series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpenas under this rule may be delegated to the Chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpenas shall be signed by the Chairman of the committee or by any member designated by the committee.

(f) The Chairman of the committee, or any member designated by the Chairman, may administer oaths to any witness.

(g) Chairmen of standing subcommittees who sit on a second subcommittee shall rank behind other members serving on that subcommittee as their primary subcommittee assignment.

5. Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of three calendar days from the time the report is approved by the subcommittee and printed hearings thereon are available to the members, except that this rule may be waived by a majority vote of a quorum of the committee.

6. Bills shall be taken up for hearing only when called by the Chairman of the full committee or subcommittee, or by a majority vote of a quorum of the full committee or a subcommittee. A majority of the full committee or subcommittee shall constitute a quorum for reporting or tabling a measure or recommendation. A quorum for the purpose of taking testimony and receiving evidence by either the full committee or any subcommittee shall be not less than two. A quorum for taking any other action shall be not less than one-third of the members of the full committee or subcommittee, unless otherwise indicated in the committee rules.

7. Any prepared statement to be presented by a witness to the committee or a subcommittee shall be submitted to the committee at least 48 hours in advance of presentation and shall be distributed to all members of the committee or subcommittee at least 24 hours in advance of delivery. If a prepared statement contains security information bearing a classification of secret or higher, the statement shall be made available in the committee room to all members of the committee at least 24 hours in advance of delivery; however, no such statement shall be removed from the committee offices. The requirement of this rule may be waived upon a majority vote of the full committee or any subcommittee, a quorum being present.

All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee of the Committee on Armed Services shall be deemed to have been received by the committee in executive session and shall be given appropriate safekeeping.

The Chairman of the full committee shall, with the approval of the full committee, establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received by the committee classified as secret or higher. Such procedures shall, however, ensure access to this information by any member of the committee or any other member of the House of Representatives who has requested the opportunity to review such material.

8. When a witness is before the committee, members of the committee may put questions to the witness only when they have been recognized by the Chairman for that purpose.

9. Members of the committee who so desire shall have not to exceed five minutes to interrogate each witness until such time as each member has had an opportunity to interrogate such witness; thereafter, additional time for questioning witnesses by members is discretionary with the Chairman.

10. Questions put to witnesses before the committee shall be pertinent to the bill or other subject matter that may be before the committee for consideration.

11. The time any one member may address the committee on any bill, motion or other matter under consideration by the committee shall not exceed five minutes, and then only when he has been recognized by the Chairman, except that this time limit may be exceeded by unanimous consent. Any member, upon request, shall be recognized for not to exceed five minutes to address the committee on behalf of an amendment which he has offered to any pending bill or resolution.

12. No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the Congress.

(13) (a) Each committee or subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the committee or subcommittee, in open session and with a majority being present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than members of the committee and/or subcommittee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public.

(b) Each hearing conducted by the full committee or subcommittee shall be open to the public except when the full committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. No member may be excluded from nonparticipatory attendance at any hearing of the full committee or subcommittee, unless the House of Representatives shall by majority vote authorize the full committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its meetings to members by the same procedures designated in this rule for closing hearings to the public: *Provided, however,* That the full committee or the subcommittee may by the same procedure vote to close one subsequent day of hearing.

(c) The full committee and each subcommittee shall make public announcement of the date, place and subject matter of the full committee or subcommittee hearing at least one week before the commencement of the hearing. However, if the full committee or subcommittee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest.

(d) The full committee and each subcommittee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral

presentation at such appearance to a brief summary of his or her argument.

(e) No point of order shall lie with respect to any measure reported by the full committee or any subcommittee on the ground that hearings on such measure were not conducted in accordance with the provisions of the Committee Rules; except that a point of order on that ground may be made by any member of the full committee or subcommittee which reported the measure if, in the full committee or subcommittee, such point of order was (A) timely made and (B) improperly overruled or not properly considered.

14. If, at any time of approval of any measure or matter by the committee, any member of the committee gives timely notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the staff director of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter.

15. The result of each rollcall in any meeting of the committee shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. With respect to each record vote by the committee on each motion to report any bill or resolution of public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

16. The attendance records of members at committee meetings (including subcommittee meetings) shall be available for public inspection in the offices of the committee.

17. The staffing of the full committee and the standing subcommittees shall be subject to the appropriate rules of the House of Representatives, including, among other things, the provisions of Rule XI, Clause 5(d).

RULES OF PROCEDURE, COMMITTEE ON THE JUDICIARY, 95TH CONGRESS

(Mr. RODINO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RODINO. Mr. Speaker, on Thursday of last week the Judiciary Committee adopted its Rules of Procedure for the 95th Congress. Pursuant to clause 2 of rule XI, I am pleased to submit them for publication in the RECORD:

RULES OF PROCEDURE, COMMITTEE ON THE JUDICIARY, 95TH CONGRESS

(Adopted February 3, 1977)

RULE I

The Rules of the House of Representatives are the rules of the Committee on the Judiciary and its subcommittees with the following specific additions thereto.

RULE II. COMMITTEE MEETINGS

(a) The regular meeting day of the Committee on the Judiciary for the conduct of its business shall be on Tuesday of each week while the Congress is in session.

(b) Additional meetings may be called by the Chairman and a regular meeting of the Committee may be dispensed with when, in the judgment of the Chairman, there is no need therefor.

(c) At least 24 hours (excluding Saturdays, Sundays, and legal holidays) before each scheduled Committee meeting, each Member of the Committee shall be furnished a list of the bill(s) and subject(s) to be considered and/or acted upon at the meeting. Bills or subjects not listed shall be subject to a point of order unless their consideration is agreed to by a two-thirds vote of the Committee.

(d) Committee and subcommittee meetings for the transaction of business, i.e., meetings other than those held for the purpose of taking testimony, shall be open to the public except when the Committee or subcommittees, by majority vote, determine otherwise.

(e) Every motion made to the Committee and entertained by the Chairman shall be reduced to writing upon the demand of any Member, and a copy made available to each Member present.

(f) In all subcommittee proceedings where a vote on a motion to report a bill to the full Committee results in a tie, such bill shall be reported to the full Committee without recommendation.

(g) For purposes of taking any action at a meeting of the full Committee or any subcommittee thereof, a quorum shall be constituted by the presence of not less than one-third of the Members of the Committee or subcommittee, except that a full majority of the Members of the Committee or subcommittee shall constitute a quorum for purposes of reporting a measure or recommendation from the Committee or subcommittee, closing a meeting to the public, or authorizing the issuance of a subpoena.

(h) A complete transcript shall be made of any full Committee meeting, or any portion thereof, upon the request of any Member of the Committee made before the close of business of the preceding day, excluding Saturdays, Sundays, and legal holidays.

RULE III. HEARINGS

(a) The Committee or any subcommittee shall make public announcement of the date, place and subject matter of any hearing to be conducted by it on any measure or matter at least 1 week before the commencement of that hearing, unless the Committee or the subcommittee before which such hearing is scheduled, determines that there is good cause to begin such hearing at an earlier date, in which event it shall make public announcement at the earliest possible date.

(b) Committee and subcommittee hearings shall be open to the public except when the Committee or subcommittee, by majority vote, determine otherwise.

(c) For purposes of taking testimony and receiving evidence before any subcommittee, a quorum shall be constituted by the presence of two Members. For purposes of taking testimony and receiving evidence before the full Committee, a quorum shall be constituted by the presence of 10 Members.

(d) In the course of any hearing each Member shall be allowed 5 minutes for the interrogation of a witness until such time as each Member who so desires has had an opportunity to question the witness.

RULE IV. PROXY VOTING

A vote by any Member of the Committee with respect to any measure or matter being considered in the Committee or in subcommittee may be cast as proxy if the proxy authorization is in writing, asserts that the Member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motion pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time that the proxy is signed. Proxies may not be counted for a quorum.

RULE V. BROADCASTING

(a) Whenever any hearing or meeting conducted by the Committee or any subcommittee is open to the public, the Committee or subcommittee, as the case may be, may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee or subcommittee, as the case may be, shall be required against his will to be photographed at any hearing or meeting or to give evidence or testimony while the broadcasting of that hearing or meeting, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or subcommittee, as the case may be, or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the Committee or subcommittee, as the case may be, is in session.

(7) Floodlights, spotlights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee or subcommittee, as the case may be.

(10) Photographers shall not place them-

selves in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

(b) Subcommittees may authorize the broadcasting or photographing of any of their public hearings or meetings without the specific permission of the Committee.

RULE VI. STANDING SUBCOMMITTEES

There shall be the following seven standing subcommittees of the Committee on the Judiciary as follows:

(a) Subcommittee on Immigration, Citizenship, and International Law: Immigration and Naturalization, Treaties and International Agreements, Passports, Admiralty and appropriate oversight.

(b) Subcommittee on Administrative Law and Governmental Relations: Administrative Law, Claims against the United States, Public Contract Law, Relations between States and appropriate oversight.

(c) Subcommittee on Courts, Civil Liberties, and the Administration of Justice: U.S. Attorneys and U.S. Marshals, Courts, Judicial Ethics, Prisons, Paroles, Patents, Trademarks, Copyrights and appropriate oversight.

(d) Subcommittee on Civil and Constitutional Rights: Civil Rights and Liberties, Bankruptcy and appropriate oversight.

(e) Subcommittee on Monopolies and Commercial Law: Antitrust, Judgeships, Economic Regulation generally and appropriate oversight.

(f) Subcommittee on Crime: Prevention of Crime, Problems of Criminal Offenders and appropriate oversight.

(g) Subcommittee on Criminal Justice: Federal Criminal Code, Rules of Criminal Procedure, Rules of Civil Procedure and appropriate oversight.

RULE VII. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full Committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full Committee and subcommittee meetings or hearings whenever possible.

RULE VIII. NON-LEGISLATIVE REPORTS

No report of the Committee or a subcommittee which does not accompany a measure or matter for consideration by the House shall be published unless all Members of the Committee or subcommittee issuing the report shall have been apprised of such report and been given the opportunity to give notice of intention to file supplemental, additional, or dissenting views as part of the report. In no case shall the time in which to file such views be less than three calendar days (excluding Saturdays, Sundays, and legal holidays).

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CORMAN (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CORCORAN of Illinois), to revise and extend their remarks, and to include extraneous matter:)

Mr. SAWYER, for 5 minutes, today.
Mr. STEERS, for 5 minutes, today.
Mr. HAGEDORN, for 5 minutes, today.

(The following Members (at the request of Mr. VOLKMER) and to revise and extend their remarks and include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. BARNARD, for 5 minutes, today.
Mr. KOCH, for 10 minutes, today.
Mr. PATTERSON of California, for 5 minutes, today.
Ms. HOLTZMAN, for 15 minutes, today.
Mr. MOSS, for 15 minutes, today.
Mr. ZABLOCKI, for 5 minutes, today.
Mr. BEDELL, for 5 minutes, today.
Mr. BROWN of California, for 10 minutes, today.
Mr. MAZZOLI, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CORCORAN of Illinois) and to include extraneous matter:)

Mr. SAWYER.
Mr. SARASIN.
Mr. HYDE in two instances.
Mr. STEERS in two instances.
Mr. BURGENER.
Mr. SKUBITZ.
Mr. WYDLER.
Mr. WHITEHURST.
Mr. DERWINSKI in two instances.
Mr. HAGEDORN.
Mr. FINDLEY.
Mr. STEIGER.
Mr. GOLDWATER in two instances.
Mr. ABDNOR in four instances.
Mr. LAGOMARSINO in two instances.
Mr. MARTIN.

(The following Members (at the request of Mr. VOLKMER) and to include extraneous matter:)

Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. TRAXLER in two instances.
Mr. MAZZOLI.
Mrs. BURKE of California.
Mr. MOORHEAD of Pennsylvania.
Mr. DELANEY.
Mr. LONG of Maryland.
Mr. FLORIO.
Mr. JACOBS in two instances.
Mr. HAMILTON in two instances.
Mrs. COLLINS of Illinois.
Mr. BALDUS.
Mr. BOLAND.
Mr. APPLEGATE.
Mr. STUDDS.
Mr. FORD of Tennessee.
Mr. REUSS in two instances.
Mr. COTTER.
Mr. GEPHARDT.
Mr. WAXMAN.
Mr. FUQUA in five instances.
Mr. FRASER.
Mr. MURPHY of Pennsylvania.
Mr. ZABLOCKI.
Mr. MCDONALD in three instances.
Mr. ASPIN in five instances.
Mr. MOAKLEY in two instances.
Mr. DOWNEY.
Mrs. SCHROEDER.
Mr. PICKLE in five instances.
Mr. RISENHOOVER.
Mr. JONES of Oklahoma.
Miss OAKAR.
Mr. BRADEMAS.
Mr. BAUCUS.

ENROLLED JOINT RESOLUTION SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 227. Joint resolution making urgent power supplemental appropriations for the Department of the Interior, Southwestern Power Administration for the fiscal year ending September 30, 1977, and for other purposes.

ADJOURNMENT

Mr. MAZZOLI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 38 minutes p.m.), under its previous order, the House adjourned until tomorrow, February 9, 1977, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

689. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting further information to accompany the previously submitted report (Executive Communication No. 403) on the reapportionment of the appropriation to the Southwestern Power Administration for operation and maintenance for fiscal year 1977, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

690. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report that various appropriations for fiscal year 1977 have been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, in order to permit payment of pay increases granted pursuant to law, pursuant to section 3679(e(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

691. A letter from the Assistant Secretary of Defense (Comptroller), transmitting certification that during the transition quarter no use was made of funds appropriated in the Defense Appropriation Act, 1976, or the Military Construction Appropriation Act, 1976, to make payments under contracts in a foreign country except where it was determined that the use of foreign currencies was not feasible, pursuant to sections 734 and 109 of the respective acts; to the Committee on Appropriations.

692. A letter from the Assistant Secretary of the Navy (Installations and Logistics), transmitting notice of the proposed transfer

of the obsolete guided missile cruiser ex-*Little Rock* (ex CG–4) and the destroyer ex-*The Sullivans* (ex DD–537) to the City of Buffalo, N.Y., pursuant to 10 U.S.C. 7308(c); to the Committee on Armed Services.

693. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–221, to transfer the approval of taxicab insurance rates from the Council to the Superintendent of Insurance, pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

694. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–222, to correct and abate nuisances on private property; and for other purposes, pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

695. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–223, to protect the habitability of rental units subject to notices to vacate, and for other purposes, pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

696. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–224, to authorize the Mayor of the District of Columbia to operate a program of resocialization furloughs for the residents of the institutions and facilities of the District of Columbia government operated by the District of Columbia Department of Corrections, and for other purposes, pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

697. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of the corrected enrollment of Council Act No. 1–225, to amend laws of the Council affecting elections and Latino community development; and for other purposes, pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

698. A letter from the Secretary of the Interior, transmitting a report on activities carried out by the Geographical Survey during calendar yoar 1976 in areas outside the national domain, pursuant to section 2 of Public Law 87–626, as amended [43 U.S.C. 31 (c)]; to the Committee on Interior and Insular Affairs.

699. A letter from the Chairman, Indian Claims Commission, transmitting the final determination of the Commission in Docket No. 342–G, *The Seneca Nation of Indians*, v. *The United States of America, Defendant*, pursuant to section 21 of the Indian Claims Commission Act; to the Committee on Interior and Insular Affairs.

700. A letter from the Chairman, Civil Aeronautics Board, transmitting a report on laws and regulations administered by the Board which require, permit, or induce the inefficient use of energy, pursuant to section 382(a)(3) of Public Law 94–163; jointly to the Committees on Interstate and Foreign Commerce and Public Works and Transportation.

701. A letter from the Deputy Comptroller General of the United States, transmitting a draft of proposed legislation to repeal sections 3478 and 3479 of the Revised Statutes (31 U.S.C. 204 and 205), which impose a requirement upon persons prosecuting claims, either as attorney or on their own account, to take the oath of allegiance and to support the Constitution of the United States; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SISK: Committee on Rules. House Resolution 252. Resolution to authorize and direct the Committee on Standards of Official Conduct to determine whether Members of the House, their immediate families, or their associates accepted anything of value, directly or indirectly, from the Government of the Republic of Korea or representatives thereof; with amendments (Rept. No. 95–10). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 270. A resolution providing for the consideration of H.R. 692. A bill to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency, and small business set-aside programs (Rept. No. 95–11). Referred to the House Calendar.

Mr. GIAIMO: Committee on the Budget. House Concurrent Resolution 110. Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1977 (Rept. No. 95–12). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEDELL:

H.R. 3221. A bill to revise the method by which adjustments in the pay for Members of Congress are approved and to provide that any such adjustment shall take effect at the beginning of the Congress next following the Congress in which they are so approved; to the Committee on Post Office and Civil Service.

By Mr. BENNETT (for himself, Mr. REUSS, Mr. MOORHEAD of Pennsylvania, and Mr. MITCHELL of Maryland):

H.R. 3222. A bill to amend the Defense Production Act of 1950, as amended; jointly, to the Committees on Banking, Finance and Urban Affairs, and Government Operations.

By Mr. BURGENER:

H.R. 3223. A bill to amend title 38 of the United States Code so as to provide that public or private retirement, annuity, or endowment payments (including monthly social security insurance benefits) shall not be included in computing annual income for the purpose of determining eligibility for pension under chapter 15 of that title; to the Committee on Veterans' Affairs.

By Mr. COCHRAN of Mississippi (for himself and Mr. BEARD of Tennessee):

H.R. 3224. A bill appropriating funds for construction of the Natchez Trace Parkway; to the Committee on Appropriations.

By Mr. COHEN (for himself, Mr. ANDREWS of North Dakota, Mr. EILBERG, Mrs. FENWICK, Mr. FISH, Mr. GLICKMAN, Mr. HOWARD, Mr. KREBS, Mr. LEHMAN, Mr. LENT, Mr. MAZZOLI, Ms. MIKULSKI, Mr. MINETA, Mr. MOORHEAD of California, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SIMON, Mr. BRODHEAD, Mr. FRASER, Mr. CORNWELL, Mr. CORRADA, Mr. DUNCAN of Oregon, Mr. HORTON, and Mr. QUIE):

H.R. 3225. A bill to amend title 38 of the United States Code in order to provide that the fees payable to agents or attorneys who represent veterans in allowed claims under the veterans laws shall be paid by the Administrator rather than deducted from amounts awarded under the claims; to the Committee on Veterans' Affairs.

By Mr. COHEN (for himself, Mr. JENRETTE, Mr. MIKVA, Mr. MITCHELL of New York, Mr. CHARLES WILSON of Texas, Mr. WAXMAN, and Mr. BADILLO):

H.R. 3226. A bill to amend title 38 of the United States Code in order to provide that the fees payable to agents or attorneys who represent veterans in allowed claims under the veterans laws shall be paid by the Administrator rather than deducted from amounts awarded under the claims; to the Committee on Veterans' Affairs.

By Mr. COHEN (for himself, Mr. ANDREWS of North Dakota, Mr. EILBERG, Mrs. FENWICK, Mr. FISH, Mr. GLICKMAN, Mr. HOWARD, Mr. KREBS, Mr. LEHMAN, Mr. LENT, Mr. MAZZOLI, Ms. MIKULSKI, Mr. MINETA, Mr. MOORHEAD of California, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SIMON, Mr. BRODHEAD, Mr. FRASER, Mr. CORNWELL, Mr. CORRADA, Mr. DUNCAN of Oregon, Mr. HORTON, and Mr. QUIE):

H.R. 3227. A bill to amend title II of the Social Security Act to provide that attorneys' fees allowed in administrative or judicial proceedings under that title (or under title XVIII of such act), in cases where the claimants are successful, shall be paid by the Secretary of Health, Education, and Welfare rather than deducted from the amounts awarded claimants; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. JENRETTE, Mr. MIKVA, Mr. MITCHELL of New York, Mr. CHARLES WILSON of Texas, Mr. WAXMAN, and Mr. BADILLO):

H.R. 3228. A bill to amend title II of the Social Security Act to provide that attorneys' fees allowed in administrative or judicial proceedings under that title (or under title XVIII of such act), in cases where the claimants are successful, shall be paid by the Secretary of Heath, Education, and Welfare rather than deducted from the amounts awarded claimants; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. ANDERSON of California, Mr. ANDERSON of Illinois, Mr. BADILLO, Mr. BEARD of Rhode Island, Mrs. COLLINS of Illinois, Mr. CONTE, Mr. DODD, Mr. EDGAR, Mr. FUQUA, Mr. GLICKMAN, Mr. GOODLING, Mr. HARKIN, Mr. KOCH, Mr. KREBS, Mr. LEACH, Mr. LEHMAN, Mr. LENT, Mr. MAGUIRE, Mr. MCKINNEY, Ms. MIKULSKI, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOORHEAD of California, and Mr. MURPHY of Illinois):

H.R. 3229. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. COHEN (for himself, Mr. PRESSLER, Mr. RICHMOND, Mr. ROE, Mr. SCHEUER, Mr. SIMON, Mr. STOKES, Mr. STUDDS, Mr. TRIBLE, Mr. WAXMAN, Mr. WEISS, Mr. CHARLES WILSON of Texas, Mr. SARASIN, and Mr. FREY):

H.R. 3230. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. COHEN (for himself, Mr. BADILLO, Mr. BEARD of Rhode Island, Mrs. COLLINS of Illinois, Mr. FISH, Mr. KOCH, Mr. JENRETTE, Mr. LEHMAN, Mr. MCKINNEY, Mr. MOORHEAD of California, Mr. ROE, Mr. WEISS, Mr. YOUNG of Florida, Mr. BAUCUS, Mr. SARASIN, and Mr. MIKVA):

H.R. 3231. A bill to provide for quality assurance and utilization contract in home health care under the medicare, medicaid, and social services programs in accordance with a plan to be developed by a commission specifically established for that purpose; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. COHEN (for himself, Mr. BADILLO, Mr. BEARD of Rhode Island, Mrs. COLLINS of Illinois, Mrs. FENWICK, Mr. HARKINS, Mr. LEACH, Mr. LEHMAN, Mr. MCKINNEY, Mr. MOAKLEY, Mr. MOORHEAD of California, Mr. ROE, Mr. RICHMOND, Mr. STOKES, Mr. YOUNG of Florida, Mrs. MEYNER, and Mr. MIKVA):

H.R. 3232. A bill to impose conditions upon the right of certain institutions and organizations to require transfers of property or cash payments from aged individuals in return for the provision of continuing care to such individuals; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORNWELL:

H.R. 3233. A bill to amend title 38 of the United States Code to require that Veterans' Administration benefit checks be mailed in time for delivery before the regularly scheduled delivery day whenever that day falls on a Saturday, Sunday, or legal holiday; to the Committee on Veterans' Affairs.

By Mr. CORRADA (for himself, Mr. WRIGHT, Mr. KOSTMAYER, Mr. SIMON, Mr. JOHN L. BURTON, Mrs. CHISHOLM, Mr. KETCHUM, Mr. GLICKMAN, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. HAWKINS, Mr. MCKINNEY, Mr. FRASER, and Mr. BRODHEAD):

H.R. 3234. A bill to amend title XVI of the Social Security Act and related laws to extend the supplemental security income benefits program to Puerto Rico, the Virgin Islands, and Guam on the same basis as the States; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. MOORHEAD of California, Mr. MCDONALD, Mr. KEMP, Mr. LAGOMARSINO, and Mr. SNYDER):

H.R. 3235. A bill to provide that the U.S. Canal Zone shall be represented by a Delegate to the House of Representatives; to the Committee on Merchant Marine and Fisheries.

By Mr. ROBERT W. DANIEL, JR.:

H.R. 3236. A bill to terminate authorization for a portion of the Nansemond River Project, Virginia; to the Committee on Public Works and Transportation.

By Mr. DELANEY:

H.R. 3237. A bill to authorize a 2-year program of financial assistance for all elementary and secondary schoolchildren in all of the States; to the Committee on Education and Labor.

By Mr. DOWNEY:

H.R. 3238. A bill to amend the Older Americans Act of 1955 to provide relief for older Americans who own or rent their homes; to the Committee on Education and Labor.

H.R. 3239. A bill to amend section 226 of the Social Security Act to make applicable, in the case of individuals suffering from multiple sclerosis, the present requirement that an individual under age 65 must have been entitled to benefits based on disability for at least 24 consecutive months in order to qualify for medicare benefits; to the Committee on Ways and Means.

By Mr. DOWNEY (for himself, Mr. KASTENMEIER, Mr. THOMPSON, Mr. LEHMAN, Mr. DRINAN, Mrs. FENWICK, Mr. MOFFETT, Mr. MITCHELL of Maryland, Mr. LEGGETT, Mr. PRITCHARD, Mr. STARK, Mrs. BURKE of California, Mr. CONTE, Mr. EDWARDS of California, Mrs. CHISHOLM, Mr. CARR, Mr. HAWKINS, Mr. MCKINNEY, Mr. MAZZOLI, Mr. KOSTMAYER, Mr. PURSELL, Mr. MAGUIRE, Mr. RICHMOND, Mr. JENRETTE, and Mr. SEIBERLING):

H.R. 3240. A bill to amend title 10, United States Code, to provide for the regionalization and traveling of discharge review panels; to establish guidelines for review and correction of military discharges; to provide for legal counsel for discharge applicants; to provide for the recognition of exemplary postservice conduct through the issuance of an honorable discharge (limited); and to otherwise expand and enhance the effectiveness of the Armed Forces discharge review procedures; to the Committee on Armed Services.

By Mr. FISHER (for himself, Mr. BAUCUS, Mr. JOHN L. BURTON, Mr. CARNEY, Mr. CARR, Mr. CLAY, Ms. COLLINS of Illinois, Mr. CORNELL, Mr. DIGGS, Mr. EILBERG, Mr. HANNAFORD, Mr. HAWKINS, Mr. HOWARD, Mr. HUGHES, Mr. JENRETTE, Mr. KREBS, Mr. LAFALCE, Mr. LEDERER, Mr. MAZZOLI, Mr. MOAKLEY, Mr. PATTERSON of California, Mr. RAHALL, Mr. RANGEL, Mr. ROSE, and Mr. SCHEUER):

H.R. 3241. A bill to amend the Internal Revenue Code to provide renters with a credit against income tax; to the Committee on Ways and Means.

By Mr. FISHER (for himself, Mr. BAUCUS, Mr. BROWN of California, Mr. BUTLER, Mr. DAVIS, Mr. EDGAR, Mr. EILBERG, Mr. ERTEL, Mr. FASCELL, Mr. HARRIS, Mr. HEFTEL, Mr. LAFALCE, Mr. LEVITAS, Mr. LONG of Maryland, Mr. MCKINNEY, Ms. MIKULSKI, Mr. MOAKLEY, Mr. MOTTL, Mr. PREYER, Mr. QUILLEN, Mr. RAHALL, Mr. ST GERMAIN, Mr. SCHEUER, Mr. SIMON, and Mrs. SPELLMAN):

H.R. 3242. A bill to provide that individuals who retired on disability before October 1, 1976, shall be entitled to the exclusion for disability payments under section 105(d) of the Internal Revenue Code of 1954 without regard to the income limitation in such section, and for other purposes; to the Committee on Ways and Means.

By Mr. FORD of Tennessee (for himself, Mr. CONTE, Mr. ANDREWS of North Dakota, Mr. AUCOIN, Mr. BEARD of Rhode Island, Mr. BLANCHARD, Mr. BREAUX, Mr. BRODHEAD, Mr. JOHN L. BURTON, Mr. CARNEY, Mrs. CHISHOLM, Mr. CLAY, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. CORNELL, Mr. CORRADA, Mr. D'AMOURS, Mr. DAVIS, Mr. DELLUMS, Mr. DIGGS, Mr. DOWNEY, Mr. DRINAN, Mr. DUNCAN of Tennessee, Mr. EDGAR, and Mr. FISH):

H.R. 3243. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FORD of Tennessee (for himself, Mr. CONTE, Mr. FLOOD, Mr. GRASSLEY, Mr. HALL, Mr. HANLEY, Mr. HANNAFORD, Mr. HARSHA, Mr. HAWKINS, Ms. HOLTZMAN, Mr. JENRETTE, Mr. JONES of Tennessee, Mr. KASTENMEIER, Mr. KETCHUM, Mr. KINDNESS, Mr. KOCH, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEVITAS, Mrs. LLOYD of Tennessee, Mr. LOTT, Mr. LUJAN, Mr. LUNDINE, Mr. MCKINNEY, and Mr. MATHIS):

H.R. 3244. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FORD of Tennessee (for himself, Mr. CONTE, Mr. MAZZOLI, Mrs. MEYNER, Ms. MIKULSKI, Mr. MINETA, Mr. MITCHELL of New York, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOFFETT, Mr. MOORHEAD of California, Mr. MURPHY of New York, Mr. MURPHY of Illinois, Mr. NIX, Mr. NOLAN, Mr. OTTINGER, Mr. PANETTA, Mr. PATTEN, Mr. RICHMOND, Mr. RODINO, Mr. ST GERMAIN, Mr. SANTINI, Mr. SIMON, Mrs. SPELLMAN, and Mr. STARK):

H.R. 3245. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FORD of Tennessee (for himself, Mr. CONTE, Mr. STEED, Mr. STOKES, Mr. STRATTON, Mr. STUDDS, Mr. STUMP, Mr. TSONGAS, Mr. CHARLES WILSON of Texas, Mr. WINN, Mr. WOLFF, Mr. YATRON, Mr. ZEFERETTI, Mr. CHARLES H. WILSON of California, and Mr. BALDUS):

H.R. 3246. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FRASER (for himself, and Mrs. KEYS):

H.R. 3247. A bill to amend title II of the Social Security Act to create portability in social security by permitting married couples to elect to combine their earnings in any year for benefit purposes, and to make other changes designed to foster the more equitable treatment of individuals and families under the social security program; to the Committee on Ways and Means.

By Mr. GLICKMAN:

H.R. 3248. A bill to require research into the comprehensive and various uses of grain or grain products in the development and use of fuels; and for other purposes; to the Committee on Science and Technology.

By Mr. HARRIS (for himself, Mr. BAUCUS, Mr. BEDELL, Mr. CARR, Ms. FENWICK, Mr. HANNAFORD, Mr. MILLER of California, Mr. MINETA, Mr. MOFFETT, Mr. PANETTA, Ms. SPELLMAN, Mr. THONE, Mr. WALKER, and Mr. WIRTH):

H.R. 3249. A bill to provide that the rates of pay for Members of Congress shall be the rates in effect on September 30, 1976, until such time as they are fixed otherwise by law, and to provide that the pay for certain executive, legislative, and judicial offices and positions may not be increased until a comprehensive code of public conduct has been enacted; to the Committee on Post Office and Civil Service.

By Mrs. HECKLER:

H.R. 3250. A bill to amend section 204 of the Federal Water Pollution Control Act to repeal certain grant conditions; to the Committee on Public Works and Transportation.

By Ms. HOLTZMAN:

H.R. 3251. A bill to amend the Child Nutrition Act of 1966 in order to prevent States from imposing school breakfast program costs on localities; to the Committee on Education and Labor.

H.R. 3252. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for certain diagnostic tests and examinations given for the detection of breast cancer; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. HYDE:

H.R. 3253. A bill to require the payment of interest on certain funds of the United States held on deposit in commercial banks, to provide for reimbursement of commercial banks for services performed for the United States, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HYDE (for himself, Mr. FREY, Mr. MOORHEAD of California, and Mr. RUDD):

H.R. 3254. A bill to amend the Internal Revenue Code of 1954 to allow individuals to

designate $1 of their income tax liability to be used for purposes of reducing the public debt of the United States; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma:

H.R. 3255. A bill to amend the Internal Revenue Code of 1954 to exempt certain organizations from private foundation status; to the Committee on Ways and Means.

By Mr. KELLY:

H.R. 3256. A bill to amend the Walsh-Healey Act and the Fair Labor Standards Act of 1938 to provide for an exemption from the maximum hours requirements thereof in cases relating to certain holidays; jointly, to the Committees on Education and Labor, and the Judiciary.

By Mr. KEMP:

H.R. 3257. A bill to amend the Gun Control Act of 1968 to provide for separate offense and consecutive sentencing in felonies involving the use of a firearm; to the Committee on the Judiciary.

H.R. 3258. A bill to abolish the Commission on Executive, Legislative, and Judicial Salaries established by section 225 of the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3259. A bill to continue to suspend for a temporary period the import duty on certain horses; to the Committee on Ways and Means.

H.R. 3260. A bill to reorganize the executive branch; to require rules and regulations proposed by executive agencies to be acted upon by the Congress; to impose certain additional requirements upon the President and executive agencies; and to tighten the standards of official conduct by officers and employees of executive agencies; jointly, to the Committees on Government Operations, the Judiciary, Post Office and Civil Service, Rules, and Ways and Means.

H.R. 3261. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, to require disclosure of the projected cost and savings of actions proposed through bills and joint resolutions of the Congress, and for other purposes; to the Committee on Rules.

By Mr. LEVITAS (for himself, Mr. ROUSSELOT, Mr. HANSEN, Mr. LAGOMARSINO, Mr. ENGLISH, Mr. WINN, Mr. BROYHILL, Mr. STOCKMAN, Mr. JENKINS, Mr. GIBBONS, Mr. NEAL, Mr. DAVIS, Mr. YATRON, Mr. YOUNG of Florida, Mr. ABDNOR, Mr. BAUMAN, Mr. EVANS of Georgia, Mr. TREEN, Mr. GOODLING, Mr. BEVILL, Mr. RYAN, Mr. GRASSLEY, Mr. RUDD, Mr. WALKER, and Mr. MCKINNEY):

H.R. 3262. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. KREBS (for himself, Mr. SISK, Mr. BROWN of California, Mr. PANETTA, Mr. ABDNOR, and Mrs. FENWICK):

H.R. 3263. A bill to amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to make emergency loans in an area if he determines that a labor dispute in which farmers are not participants results in farmers in such area incurring losses in production or sales of agricultural products; to the Committee on Agriculture.

By Mr. LEVITAS (for himself, Mr. ROE, Mr. COCHRAN, Mr. EVANS of Georgia, and Mr. GINN):

H.R. 3264. A bill to amend section 122 of title 23, United States Code, to authorize payment of interest on bonds the proceeds of which were used for projects on the Interstate System; to the Committee on Public Works and Transportation.

By Mr. LLOYD of California (for himself, Mr. ABDNOR, Mr. AUCOIN, Mr. BEARD of Rhode Island, Mr. BURGENER, Mr. BURKE of Florida, Mrs. BURKE of California, Mr. DEVINE, Mr. EDGAR, Mrs. FENWICK, Mr. GIBBONS, Mr. HALL, Mr. HUGHES, Mr. MATHIS, Mr. PRITCHARD, Mr. RAHALL, Mrs. SPELLMAN, Mr. WINN, and Mr. WAGGONNER):

H.R. 3265. A bill to abolish certain Federal regulatory agencies and to bring about the abolition of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly, to the Committees on Government Operations, and Rules.

By Mr. MCCLOSKEY:

H.R. 3266. A bill to provide assistance to States for the preservation of natural game fish streams; to the Committee on Marine and Fisheries.

By Mr. MICHEL (for himself, Mr. STOCKMAN, and Mr. STUMP):

H.R. 3267. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

By Mr. MIKVA (for himself, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BONIOR, Mr. CLAY, Mrs. COLLINS of Illinois, Mr. CORRADA, Mr. DAN DANIEL, Mr. DAVIS, Mr. DIGGS, Mr. DOWNEY, Mr. EILBERG, Mr. FORD of Tennessee, Mr. HANNAFORD, Mr. MCKINNEY, Mr. MAZZOLI, Mr. MITCHELL of Maryland, and Mr. MOAKLEY):

H.R. 3268. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to defer a portion of his incomt tax based upon the amount of certain expenses paid or incurred by him in connection with the education or training at an institution of higher education or a vocational school of the taxpayer, his spouse, or any dependent; to the Committee on Ways and Means.

By Mr. MIKVA (for himself, Mr. MURPHY of Pennsylvania, Mr. NEDZI, Mr. PANETTA, Mr. PATTERSON of California, Mr. PRICE, Mr. PRITCHARD, Mr. RICHMOND, Mr. ROE, Mr. ROSE, Mr. SCHEUER, Mr. SEIBERLING, Mr. SIMON, Mr. SOLARZ, Mr. VENTO, Mr. WEISS, and Mr. YATRON):

H.R. 3269. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to defer a portion of his income tax based upon the amount of certain expenses paid or incurred by him in connection with the education or training at an institution of higher education or a vocational school of the taxpayer, his spouse, or any dependent; to the Committee on Ways and Means.

By Mr. MILFORD:

H.R. 3270. A bill to amend section 1108 of the Federal Aviation Act of 1958 with respect to foreign registered aircraft operated in the United States; to the Committee on Public Works and Transportation.

By Mr. MONTGOMERY (for himself, Mr. HANSEN, Mr. HAMMERSCHMIDT, Mr. GOLDWATER, Mr. JENRETTE, and Mr. MURPHY of New York):

H.R. 3271. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. PEPPER (for himself, Mr. BADILLO, Mr. BINGHAM, Mr. BONIOR, Mr. BRODHEAD, Mr. CARNEY, Mr. CLAY, Ms. COLLINS of Illinois, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. DUNCAN of Tennessee, Mr. EDGAR, Mr. EDWARDS of Oklahoma, Mr. EILBERG, Ms. FENWICK, Mr. FORD, of Michigan, Mr. HARKIN, Mr. HARRINGTON, Mr. HAWKINS, Ms. HOLTZMAN, Mr. HOWARD, Mr. KOCH, and Mr. LAGOMARSINO):

H.R. 3272. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for certain additional persons on a space-available basis; to the Committee on Public Works and Transportation.

By Mr. PEPPER (for himself, Mr. LEHMAN, Ms. MIKULSKI, Mr. MINETA, Mr. MOAKLEY, Mr. MURPHY of Pennsylvania, Mr. NEAL, Mr. NIX, Mr. NOLAN, Mr. PATTEN, Mr. RAHALL, Mr. RANGEL, Mr. RODINO, Mr. ST GERMAIN, Mr. STOKES, Mr. WAXMAN, Mr. WEISS, Mr. CHARLES H. WILSON of California, Mr. YATRON, Mr. YOUNG of Florida, and Mr. ZEFERETTI):

H.R. 3273. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for certain additional persons on a space-available basis; to the Committee on Public Works and Transportation.

By Mr. PEPPER (for himself, Mr. ROONEY, Mr. BIAGGI, Mr. BEARD of Rhode Island, Mr. BLOUIN, Mr. DOWNEY, Mr. FLORIO, Mr. FORD of Tennessee, Mr. HUGHES, Mr. DRINAN, Ms. MEYNER, Mr. WALSH, Mr. GRASSLEY, Mr. RINALDO, and Mr. MARKS):

H.R. 3274. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for certain additional persons on a space-available basis; to the Committee on Public Works and Transportation.

By Mr. PRESSLER:

H.R. 3275. A bill to amend title 38, United States Code, to provide that the "85–15" rule does not apply to courses which lead to a standard college degree; to the Committee on Veterans' Affairs.

By Mr. QUIE (for himself, and Mr. MOTTL):

H.R. 3276. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer, his spouse, or his dependent, who is disabled, and for other purposes; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 3277. A bill to provide recognition to the Women's Air Forces Service Pilots for their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. RANGEL:

H.R. 3278. A bill to amend the U.S. Housing Act of 1937 for the purpose of making improvements in the program authorized by section 8 of such Act; to the Committee on Banking, Finance and Urban Affairs.

H.R. 3279. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 3280. A bill to amend the Internal Revenue Code of 1954 to allow elderly individuals a deduction for one-half of the amounts paid or incurred by them for electricity used in their residences; to the Committee on Ways and Means.

H.R. 3281. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3282. A bill to amend title XVI of the Social Security Act to provide that support and maintenance furnished in kind shall not be counted as income in determining the eligibility of any individual for SSI benefits or the amount of such benefits, whether such

individual is living in another person's household or otherwise; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 3283. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. ROBERTS (by request):

H.R. 3284. A bill to amend title 38, United States Code, to extend beyond June 30, 1978, the grants-in-aid program to the Veterans Memorial Hospital, Philippine Islands; to the Committee on Veterans' Affairs.

By Mr. ROONEY (for himself and Mr. FLOOD):

H.R. 3285. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 3286. A bill to amend the Federal Credit Union Act in order to improve the efficiency and flexibility of the financial system of the United States by permitting Federal credit unions to operate more efficiently and to better serve the family financial needs of their members; by reorganizing the National Credit Union Administration; by establishing a central liquidity fund for Federal and State credit unions; and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SANTINI (for himself, Mr. MOAKLEY, Mr. COHEN, Mr. MATHIS, Mr. BEVILL, Mr. EDGAR, Mr. EMERY, Mr. JACOBS, Mr. ROYBAL, Mr. BURGENER, Mr. YATRON, Mr. RINALDO, Mr. DRINAN, Mr. RICHMOND, Mrs. SCHROEDER, Mr. AUCOIN, Mr. SIMON, Mr. FORD of Tennessee, Mr. ABDNOR, Mr. DUNCAN of Oregon, Mr. MOORHEAD of California, Mr. ICHORD, Mr. MURPHY of Pennsylvania, Mr. MAZZOLI, and Mr. SHARP):

H.R. 3287. A bill to limit the use of limousines, chauffeurs, and passenger motor vehicles by Government agencies; to the Committee on Government Operations.

By Mr. SANTINI (for himself, Mr. STARK, Mr. SCHEUER, Mr. NOLAN, Mr. MOTTL, Mr. PANETTA, Mr. OTTINGER, Mr. BAUCUS, Mr. GRASSLEY, Mr. WAXMAN, Mr. DAVIS, Mr. BLANCHARD, Mr. VENTO, Mr. WALKER, Mr. KOSTMAYER, Mr. GEPHARDT, Ms. MIKULSKI, Mr. COUGHLIN, Mr. BEDELL, Mr. QUAYLE, Mr. PATTISON of New York, Mr. DUNCAN of Tennessee, Mr. BONIOR, Mr. HANNAFORD, and Mr. ECKHARDT):

H.R. 3288. A bill to limit the use of limousines, chauffeurs, and passenger motor vehicles by Government agencies; to the Committee on Government Operations.

By Mr. SANTINI (for himself, Mr. BLOUIN, Mr. ZEFERETTI, Mr. GOODLING, Ms. KEYS, Mr. D'AMOURS, and Mr. MIKVA):

H.R. 3289. A bill to limit the use of limousines, chauffeurs, and passenger motor vehicles by Government agencies; to the Committee on Government Operations.

By Mr. SANTINI (for himself, Mr. MOAKLEY, Mr. RICHMOND, Mr. KETCHUM, Mr. ROYBAL, Mr. HOWARD, Mr. BADILLO, Mr. NEAL, Mr. SIMON, Mr. BINGHAM, Mr. DUNCAN of Oregon, Mr. DRINAN, Mr. WEISS, Mr. CORMAN, and Mr. SOLARZ):

H.R. 3290. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the label on certain food products to disclose the total sugar content thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. SANTINI (for himself, Mr. SCHEUER, Mr. DOWNEY, Ms. KEYS, Ms. MIKULSKI, Mr. HARRIS, Mr. KELLY, Mr. MINETA, Mr. WAXMAN, Mr. WIRTH, Mrs. SPELLMAN, Mr. HAWKINS, Mr. PATTISON of New York, Mr. CARNEY, and Mr. STOKES):

H.R. 3291. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the label on certain food products to disclose the total sugar content thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. SIKES:

H.R. 3292. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. SKUBITZ (for himself, Mr. BUTLER, and Mr. WATKINS):

H.R. 3293. A bill to require the distribution of pinpoint disaster assistance for elementary and secondary school facilities destroyed or seriously damaged between January 2, 1968, and October 1, 1978; to the Committee on Education and Labor.

By Mr. STAGGERS:

H.R. 3294. A bill to amend the Communications Act of 1934 to authorize interstate toll service connection between small telephone companies without a certificate of public convenience and necessity; to the Committee on Interstate and Foreign Commerce.

By Mr. STANTON:

H.R. 3295. A bill to modify the project for Ashtabula Harbor, Ohio, to authorize the enlargement of a turning basin; to the Committee on Public Works and Transportation.

By Mr. STEERS:

H.R. 3296. A bill to amend title XVIII of the Social Security Act with respect to payments made under such title for durable medical equipment; jointly to the committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. TAYLOR (for himself, Mr. SEBELIUS, Mr. MCFALL, and Mrs. SPELLMAN):

H.R. 3297. A bill to amend title 5, United States Code, to provide for the payment of overtime to certain personnel employed in the Animal and Plant Health Inspection Service of the Department of Agriculture; to the Committee on Post Office and Civil Service.

By Mr. VANDER JAGT:

H.R. 3298. A bill to amend title 18 of the United States Code to increase the penalty for committing certain crimes with a firearm or while unlawfully carrying a firearm; to the Committee on the Judiciary.

H.R. 3299. A bill to protect the public from traffickers in heroin and other opiates, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, the Judiciary, Banking, Finance and Urban Affairs, and Ways and Means.

By Mr. WALSH:

H.R. 3300. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3301. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for occupational thereapy services, whether furnished as a part of home health services or otherwise; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. WHALEN (for himself, Mr. BAFALIS, Mr. CONTE, Mr. DRINAN, Mr. HANNAFORD, Mr. LEHMAN, Mr. MARKEY, Mr. MARTIN, Mr. MINETA, Mr. SAWYER, Mrs. SMITH of Nebraska, Mr. TSONGAS, and Mr. WHITLEY):

H.R. 3302. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.R. 3303. A bill to require the Secretary of the Interior to make a comprehensive study of the grizzly bear for the purpose of developing adequate conservation measures; to the Committee on Merchant Marine and Fisheries.

H.R. 3304. A bill to amend the Internal Revenue Code; to the Committee on Ways and Means.

H.R. 3305. A bill to amend the Internal Revenue Code of 1954 to provide for individual supplemental retirement savings; to the Committee on Ways and Means.

H.R. 3306. A bill to amend the Social Security Act to reduce the effect of wage and price fluctuation on old-age, survivors, and disability insurance benefits; to the Committee on Ways and Means.

By Mr. HYDE (for himself and Mr. CORCORAN of Illinois):

H.J. Res. 245. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

By Mr. KEMP:

H.J. Res. 246. Joint resolution designating the week in each year during which Veterans Day is observed as "Love America Week"; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.J. Res. 247. Joint resolution calling for a wildlife preserve for humpback whales in the West Indies; to the Committee on International Relations.

By Mr. ZABLOCKI:

H.J. Res. 248. Joint resolution proposing an amendment to the Constitution of the United States to insure that due process and equal protection are afforded to an individual with respect to the right to life; to the Committee on the Judiciary.

By Mr. PRESSLER (for himself, Mr. BONIOR, Mr. GILMAN, and Mr. KREBS):

H. Con. Res. 108. Concurrent resolution to disapprove the determination of the President denying import relief under the Trade Act of 1974 to the U.S. honey industry; to the Committee on Ways and Means.

By Mr. WHITEHURST:

H. Con. Res. 109. Concurrent resolution calling for a regional conservation treaty to protect Northern Hemisphere pinnipeds; to the Committee on International Relations.

By Mr. GIAIMO:

H. Con. Res. 110. Concurrent resolution revising the Congressional Budget for the United States Government for the fiscal year 1977.

By Mr. KELLY:

H. Res. 262. Resolution expressing the sense of the House of Representatives that the Architect of the Capitol should take steps to reduce the consumption of energy resources used in the provision of heat and light to offices and other facilities of the House; to the Committee on Public Works and Transportation.

By Mr. KEMP:

H. Res. 263. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress for the fiscal year ending September 30, 1978; to the Committee on Post Office and Civil Service.

By Mr. PRESSLER (for himself, Mr. BROWN of Ohio, and Mr. MURPHY of Illinois):

H. Res. 264. Resolution disapproving the pay recommendations transmitted to the Congress by the President which relate to Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. ROGERS:

H. Res. 265. Resolution disapproving certain recommendations transmitted by the President on January 17, 1977, concerning rates of pay for Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. RYAN:

H. Res. 266. Resolution to amend the Rules of the House of Representatives to change the

name of the Committee on International Relations to the Committee on Foreign Affairs; to the Committee on Rules.

By Mr. SAWYER:

H. Res. 267. Resolution to establish a Commission on South Korean Influence in Congressional Affairs; to the Committee on Rules.

By Mr. SCHULZE:

H. Res. 268. Resolution concerning the use and possession of lethal chemicals and weapons; jointly, to the Committees on Armed Services and International Relations.

By Mr. WOLFF (for himself, and Mr. BURKE of Florida):

H. Res. 269. Resolution to provide funding for the Select Committee on Narcotics Abuse and Control; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII:

11. The SPEAKER presented a memorial of the Legislature of the State of Idaho, relative to the proposed designation of a grizzly bear critical habitat in Idaho, which was referred to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOWNEY:

H.R. 3307. A bill for the relief of Anthony Casamento; to the Committee on Armed Services.

By Mr. GOODLING:

H.R. 3308. A bill for the relief of Sigurd Thorsteinsson; to the Committee on the Judiciary.

H.R. 3309. A bill for the relief of Ulrich L. Peters; to the Committee on the Judiciary.

By Mr. HEFTEL:

H.R. 3310. A bill for the relief of Librado Perez; to the Committee on the Judiciary.

By Mr. JACOBS:

H.R. 3311. A bill for the relief of Midwest Cruises, Inc.; to the Committee on Merchant Marine and Fisheries.

By Mr. ROGERS (by request):

H.R. 3312. A bill for the relief of Lt. Col. Donald E. Weurz, U.S. Army; to the Committee on the Judiciary.

By Mr. ROUSSELOT:

H.R. 3313. A bill for the relief of Mark Charles Mieir and Liane Maria Mieir; to the Committee on the Judiciary.

By Mr. TAYLOR:

H.R. 3314. A bill for the relief of Tri-State Motor Transit Co.; to the Committee on the Judiciary.

By Mr. WEAVER:

H.R. 3315. A bill for the relief of Gunther Griffel; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

42. By the SPEAKER: Petition of Gail E. Crooks, White Plains, Md., and others, relative to the proposed congressional pay increase; to the Committee on Post Office and Civil Service.

43. Also, petition of Benjamin G. Nicasio, Bangin-Agoncillo, Batangas, Philippines, relative to his veteran's educational benefits; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

YOU CAN STILL REJECT AN OSHA INSPECTION

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 7, 1977

Mr. HANSEN. Mr. Speaker, American businessmen and farmers should continue to refuse to waive their constitutional rights and reject inspections by OSHA. A Supreme Court order of February 3 granted OSHA the authority to temporarily continue inspections in all areas of the Nation, but the judgment does not prevent each individual from rejecting an OSHA inspection based on Federal court precedent set in Federal courts in Idaho, Texas, Ohio, New Mexico, and Georgia as well as State courts in Maryland, Kentucky, Oregon, Alaska, and Utah.

The order handed down by Associate Justice William H. Rehnquist in response to an application by the U.S. Department of Labor stated:

I now grant in full the Government's request for a stay of the three-judge court order as it affects persons other than the respondent (Barlow's, Inc.).

The Court further pointed out, "The proposed stay will not affect the respondent in any way * * *"

Justice Rehnquist contends that—

In such a situation, where the decision of the District Court has invalidated a part of an Act of Congress, I think that the Act of Congress, presumptively constitutional as are all such Acts, should remain in effect pending a final decision on the merits by this Court.

This decision means that the OSHA inspector can still knock but, like Bill Barlow, the businessman and farmer can refuse to let him in on fourth amendment grounds. The fact remains that OSHA's inspection provisions have been declared unconstitutional in the District of Idaho and that fact has not been changed for anyone willing to assert his rights. Truely Mr. Speaker, only the meek shall inherit the OSHA inspection.

A copy of Justice Rehnquist's decision follows:

JUSTICE REHNQUIST'S DECISION

Mr. JUSTICE REHNQUIST, Circuit Justice.

The Solicitor General, on behalf of the Secretary of Labor, applies for a partial stay of an injunction issued by a three-judge District Court in the District of Idaho. That court held that § 8(a) of the Occupational Health and Safety Act, 29 U.S.C. § 657(a), allowing warrantless entry and inspection of work places for OSHA violations, is in conflict with the Fourth Amendment of the United States Constitution, and enjoined further searches by the Secretary's representative pursuant to that section. The Government does not seek a stay of the order insofar as it protects the respondent from future searches, but only as it protects persons not party to this suit. On January 25, 1977, I granted a stay of the order to the extent that the order restrains the applicant's conduct outside of the District of Idaho.

Upon consideration of the response subsequently filed, I now grant in full the Government's request for a stay of the three-judge court order as it affects persons other than the respondent. On the merits of the Fourth Amendment question, the District Court relied on our decisions in *Camara* v. *Municipal Court*, 387 U.S. 523 (1967), and *See* v. *Seattle*, 387 U.S. 541 (1967). The Government relies on our decisions in *Colonnade Catering Corp.* v. *United States*, 397 U.S. 72 (1970) and *United States* v. *Biswell*, 406 U.S. 311 (1972) to urge a contrary result. The proposed stay will not affect the respondent in any way, and there are no equities weighing against it which may be asserted by persons actually before the Court. In such a situation, where the decision of the District Court has invalidated a part of an Act of Congress, I think that the Act of Congress, presumptively constitutional as are all such Acts, should remain in effect pending a final decision on the merits by this Court.

The Government's application for a stay is accordingly granted pending the timely filing of a notice of appeal and jurisdictional statement, and the disposition of the same by this Court.

EMERGENCY NATURAL GAS ACT

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 7, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the events of the past week, climaxed by last Wednesday's action of the Congress resulting in passage of the Emergency Natural Gas Act, document the almost frightening state of unpreparedness for such emergencies in which we live. It should be clear to all Members of the Congress that we cannot long continue to function if our policy is no policy until an emergency or a crisis occurs. This has happened to us before, and we have been lucky enough to emerge with only slight damage to our economy. We may be lucky again and escape with only minimal bad effects and with our spirit and our hopes still in place. It is still too early to tell.

I find it distressing to learn that had this situation involved a clear threat to our national security, all of the time-tested capacity of the Defense Production Act could have been called upon by President Carter. The need to give priority treatment to priority needs could have been met. The necessary allocation of materials, including fuel, could have been made. The mechanisms for Government cooperation with business, industry, and labor capable of making our state of unpreparedness over into preparedness would have sprung into action immediately.

Mr. Speaker, such steps were not taken because we do not have a policy enabling the President or any agency of Government to meet such domestic economic production needs threatened by such emergencies as the natural gas shortage head-on. Moreover, we are not able to invoke the terms of the Defense Production Act even under such cata-

strophic conditions as are evidenced by the current energy crisis.

Consider the nature of the following:

As many as 2 to 2.5 million unemployed—an estimated 1 million in the State of Ohio alone.

The Nation now faces a $5 billion fuel bill, if not higher.

No one knows, nor is it probable that we ever will know what has actually been lost in terms of industrial production.

The President's chief economic adviser compares that item to a "tax increase," and concedes it may have blunted the front edge of the President's economic stimulus package sufficient to require revision.

Mr. Speaker, we do not have a policy to deal with this type of emergency—with this type of economic production crisis.

We do not have such a policy, but we need one very badly.

It is my intention to file legislation designed to deal with these types of economic conditions later this month.

This legislation will emphasize the need to provide essentially the same capacity to handle domestic economic crises and emergencies as can be provided for defense needs through the terms of the Defense Production Act.

It will be aimed at providing the necessary authority to act in time to protect the Nation's productive capacity to meet essential economic needs before they build up to massive industrial cutbacks and a domino-like trend toward layoffs of workers.

Just as we must always be able to protect the Nation's industrial capacity if we are to meet our defense needs so I believe we must protect our productive capacity to meet continual domestic economic needs. This legislation would intend to do just that.

If we can mobilize our resources to meet defense emergencies, so we also ought to be able to mobilize our resources to avert economic disasters brought on by such events as dominate today's news.

We need a capacity to act before the fact of crisis. Only in this way can we assure ourselves of continued economic stability.

Mr. Speaker, it would be my intention, upon introduction of this legislation, to initiate hearings on its provisions before the Subcommittee on Economic Stabilization of the House Committee on Banking, Finance and Urban Affairs.

CONGRESSIONAL OVERSIGHT OF BASE REALIGNMENTS

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 7, 1977

Mr. COHEN. Mr. Speaker, today, I am introducing legislation which establishes permanent procedures for congressional oversight of major base closures and reductions. Nearly 40 Representatives have already joined me in cosponsoring this proposal.

This legislation would require the Department of Defense to submit detailed budgetary, economic, strategic, and environmental studies to the House and Senate Armed Services Committees prior to implementing a closure or major reduction of a domestic base. The bill applies to any Defense Department proposal to close a military installation or to reduce the authorized level of civilian personnel at a base by more than 1,000 persons, or 50 percent, whichever is smaller.

Under the provisions of the legislation, the Department would be required to notify the House and Senate Armed Services Committees that a military installation is a candidate for a closure or a significant reduction. If the Department were to decide to proceed with the realignment, the Secretary would have to provide the Committee with detailed studies—including estimates of unemployment compensation benefits, manpower retraining and relocation expenses, and military construction and rehabilitation costs—60 days before the reduction or closure could be carried out.

As many of my colleagues will recall, last year Congress amended the military construction bill to require these studies for base realignments during fiscal year 1977. My bill would continue these requirements beyond the end of the fiscal year, when they presently would expire.

We need this permanent legislation to enhance congressional oversight of base realignments and to insure that the socio-economic and strategic impact of these actions is more fully assessed by the Department of Defense. The bill would also provide affected communities with more time to adjust to the economic blow of a reduction or closure.

In the past, the Defense Department has frequently failed to adequately justify base realignments, which have a significant impact on the Federal budget, our national defense, and affected communities. Far too often, base closures and reductions have ended up costing the taxpayers more than they allegedly saved. This bill simply requires the Department of Defense to prove its case and will protect affected communities against arbitrary closures and reductions.

My own experience in dealing with the Air Force on the proposed reduction of Loring Air Force Base in Limestone, Maine, has underscored congressional wisdom in demanding increased accountability for military actions. Let me review the history of the proposed reduction of Loring, which will illustrate why this legislation is needed.

Last spring, the Maine delegation was advised that Loring was a candidate for an overall 81 percent reduction in manpower. Loss of these jobs would have a severe effect on northern Maine, an agricultural area which already has an unemployment rate of over 12 percent. Even more devastating, however, would be the ripple effect this cutback would have on local businesses which have sprung up in the area during the past 30 years to meet the needs of the base.

In light of the severe economic impact which the reduction of Loring would have on the State of Maine, the Maine delegation, working with the Governor and concerned citizens, has tried to determine why Loring was selected for reduction. We have asked if other uses for Loring, either by the Air Force or by one of the other services, have been considered. To date, we have recived no satisfactory response to either question.

We have asked if there has been a change in our national defense policy which has made the manned bomber obsolete. We have asked why Loring, the closest base to the Soviet Union, is no longer vital to our national security. And we have asked the Air Force to explain how it proposes to save $23 million by deactivating the base.

In the time that has elapsed since the preliminary decision to reduce Loring was announced last March, we have tried to secure answers to these and other questions, but to no avail.

Recently, the Air Force agreed to completely redo the draft environmental impact statement on Loring required by the National Environmental Policy Act. Hearings held in November in Maine clearly demonstrated that the first DEIS was riddled with inaccuracies, distortions, and omissions and needed significant revisions. Let me cite a conspicuous example. Most of the data in the original report was calculated using all of Aroostook County as the impact area, instead of the local labor market. Using Aroostook, which covers an area larger than Connecticut and Rhode Island combined, had the effect of diluting the socio-economic impact. Only after considerable pressure from the Maine Delegation and concerned citizens in Aroostook County did the Air Force finally agree to revise the report using the proper data base.

The people of Maine ask only that they be treated fairly, and this legislation will help insure that they are. If, in fact, the proposed reduction would result in significant savings, and if, in fact, Loring is no longer necessary for our national defense, the people of Maine will accept that decision because we have no other choice. What we ask is a full explanation and justification of the proposed reduction. This legislation would provide that explanation by requiring the Air Force to justify its case before the appropriate House and Senate Committees. The studies required by my bill will answer the many questions raised by the Maine Delegation and the people of Maine. They will tell us what the true cost of deactivating Loring will be in terms of increased unemployment, manpower retraining and relocation costs, military construction and increased Federal assistance to the affected communities. This bill will help insure that national security takes precedence in deciding questions of base closures and reductions and will help protect communities against arbitrary actions by the Pentagon.

To date, the following list of 37 Members have cosponsored this legislation:

Mr. Akaka, Mr. Baucus, Mr. Bauman, Mr. Boland, Mr. Clay, Mr. Cleveland, Mr. Eilberg, Mr. Emery, Mr. Fascell, Mr. Gilman, Mr. Glickman, Mr. Hannaford, Mr. Harris.

Mr. Horton, Mr. Howard, Mr. Hughes, Mr. Ichord, Mr. Lagomarsino, Mr. Leach, Mr. LeFante, Mr. Mazzoli, Mr. McEwen, Mr. Mineta, Mr. Moakley, Mr. Murphy.

Mr. Panetta, Mr. Richmond, Mr. Roe, Mr. Roybal, Mr. Ruppe, Mr. Scheuer, Mr. Skelton, Mr. Stratton, Mr. Walker, Mr. Wilson of California, Mr. Won Pat, and Mr. Ertel.

If you wish to join us in cosponsoring this bill, please contact Susan Collins of my staff at extension 56306.

DR. THOMAS WALSH

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. MOAKLEY. Mr. Speaker, a fine man and dear neighbor, Thomas F. Walsh, D.D.S., died recently of a fatal heart attack in South Boston, after treating a patient in his office on Friday, November 12, 1976. At 73, he left behind a spotless personal reputation and commendable record of solid citizenry in my district, and I wish to take this opportunity to announce publicly my respect and admiration for this honorable man.

Dr. Walsh was born and raised in South Boston. He attended South Boston High School, and once gained wide public recognition by breaking the world's schoolboy record for the high jump in a meet in which he was representing this institution. Later, he graduated from Boston College and Tufts University predental programs and went on to take his degree in dentistry from Tufts Dental School in 1929. Dr. Walsh then began his practice which was to last 47 years, becoming in the process, a figure both respected and loved by his patients and peers. In the words of the Boston Globe, he became "well known in the community for his devotion to his patients."

During this period, life was not completely serene for Dr. Walsh. Duty called, and he traveled to the Pacific to serve as a lieutenant commander on the U.S. Navy carrier, the *Wasp*. After World War II, his readjustment to civilian life also called for a change, and Dr. Walsh made a fresh start in Milton. His wife, Jeanette (Grushey), eventually presented him with four children, three girls and a boy, so for the next 11 years, Dr. Walsh worked hard to provide his family with the kind of care he thought they deserved. Then, in 1961, he moved back to the scenes of his childhood in South Boston and again developed a practice of devoted clientele.

Dr. Walsh continued his valuable work until the day he died. At 73, he was as intelligent, dedicated, and kindhearted as he was at the beginning of his career. He and his wife had watched their offspring grow and create lives of their own, just as their children watched them become respected, valued members of the South Boston community.

This short story marks the quiet dignity of an independent businessman, responsible parent and concerned citizen, which fills my memories of Thomas Walsh will hopefully become apparent to my listeners. Dr. Walsh was a credit to South Boston and, I feel, worthy of a poignant farewell from all of us who knew him.

MINNOWS OR MILLIONS?

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mrs. LLOYD. Mr. Speaker the TVA Tellico Dam project has recently been ordered halted by the Sixth Circuit Court of Appeals for the purpose of protecting the snail darter, a tiny minnow-like fish which has been placed on the endangered species list. The decision to halt the project was made for lack of a definitive ruling on what should be the fate of the snail darter.

I would like to share with my colleagues a recent editorial by Editor Norman Bradley in the Chattanooga Times addressing this issue which demands immediate attention when energy is such a scarce and necessary commodity:

MINNOWS OR MILLIONS?

Some experts have concluded that the snail darter, a tiny minnow-like fish, would become extinct if its present sandy-bottom river habitat were covered by the reservoir to be created behind the Tellico Dam. Other experts disagree. Nonetheless, the snail darter has been officially placed on the endangered species list.

Finding no discretionary leeway in the statute safeguarding endangered species, the Sixth Circuit Court of Appeals has ordered TVA to halt the very last stages of bringing the $100 million project into the service of the valley. The dam has been completed; all that remains is to close it and create the huge storage capacity behind it.

We are in no position to argue legalities with the learned judges of the appellate court. We can point out what practicalities are involved in the decision.

In the midst of the worst energy crisis in the nation's history, the completion of a project that would add approximately 200 million kilowatt hours of electric power to the available supply has been summarily halted at the last moment.

On the verge of the flood season, which may be more severe this year than usual, essential water storage capacity has been denied TVA in its flood control program. Estimates are that the project, had it been in use at the time of the St. Patrick's Day floods here a few years ago, could have saved Chattanooga alone $23 million in high water damages.

The applicable statutes were not in existence when TVA began planning and then construction of the Tellico project more than a decade ago. The court specifically said the agency had not acted in bad faith in undertaking the program and expending $100 million on it since. Indeed, the judges praised TVA for its efforts to find the snail darter a new home in the Hiwassee River where, incidentally, the creature's reproduction cycle has been at least tentatively established.

We do not see the equity, or even the necessity, for halting a massive project of public benefit on the basis of saving the snail darter. But apparently the statute contains no means by which the public interest or investment can be weighed in the balance.

The remedy lies in appealing the decision, which is time consuming; in legislative relief through congressional exemption of the project; or in administering action removing the snail darter from the endangered species list. We hope each will be pursued and that one will prove quickly effective. Energy is needed more than the snail darter which may well be quite suited for living elsewhere.

QUEBEC: A PROBLEM FOR CANADA AND THE UNITED STATES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. LAFALCE. Mr. Speaker, the possibility of the separation of the province of Quebec from the Canadian nation poses difficult and sensitive problems, both for Canada and the United States. Just a few weeks ago, Rene Levesque, the Premier of the Canadian Province of Quebec, was in New York to speak at the Economic Club. He explained why he thinks Quebec should be an independent nation and how it could be a good investment for U.S. dollars.

I personally look with great alarm at the possibility of a separate Quebec. Canada is our most important trading partner, one of our strongest allies, a partner in the future development of North America, and we should not overlook or underestimate the consequences to the United States of what is now transpiring in Canada.

James Reston, in an article which appeared in the New York Times, Wednesday, January 26, 1977, comments eloquently on the delicate questions posed for Canadian-American relations. I would like to take this opportunity to share his thoughts with you:

QUEBEC'S CHALLENGE TO THE UNITED STATES

(By James Reston)

The Premier of the Canadian Province of Quebec, René Lévesque, was in New York yesterday explaining to the Economic Club why he thinks Quebec should be an independent nation and a good investment for U.S. money. He suggests some scary problems.

He is one of the most intelligent and eloquent visitors we've had around here for quite a while, but his political objective—a separate sovereign Quebec nation on our New England border, and his hope of raising American capital to demonstrate its economic viability and thus promote its separation from the Canadian Union—raises such difficult and delicate questions that one almost hesitates to discuss them.

Some things, however, may be said without offense. The political controversy between René Lévesque and Prime Minister Pierre Elliot Trudeau, the Prime Minister of Canada, over relations between the provinces and the central Government in Ottawa, is none of our business. And the Government in Washington is being meticulously careful, even in private conversations, to avoid even the appearance of intervention in Canadian affairs.

René Lévesque made a very good speech. He was candid that the prime objective of his party was "political sovereignty." He said: "We believe we are a nation, with all the essential requirements: a clearly defined territory, our own history, a common language and culture, a collective will to live together and maintain a national identity."

He was also very appealing and clever in his historical analogies between Quebec and the original thirteen American colonies. His ancestors, he said, were among the greatest discoverers, missionaries and fur traders, the first white men to explore North America as far as the Rockies and Louisiana.

"Independence for Quebec, therefore," he insisted, "now appears as normal, I might say almost as inevitable, as it was for the American states of two hundred years ago. . . . In my opinion, the important question . . . is not whether Quebec will become independent, nor indeed when it will happen, but how. . . . In due time, Quebecers can be expected to take full charge of their own political affairs. . . ."

There is something in Mr. Lévesque's historical analogy, but not much. The thirteen American colonies tried the separatist route of independent commonwealths, tied loosely together, as he suggests a customs union with Ottawa, but it was a spectacular failure in the American Articles of Confederation, and had to be scrapped and followed by a more perfect union centered on the Federal capital and not on the states.

No doubt Canada is different, but since Mr. Lévesque has come down to New York and raised these nostalgic, historic points and invited us to invest in the sovereignty of Quebec as an independent nation, maybe we have to remind him that we have been experimenting with the narrow concept of states' rights since Appomattox, and after a hundred years, are just beginning to go the other way and bring the American South into the Union under Jimmy Carter. His timing here was not very good.

In fact, the idea is beginning to get through to state legislatures along the St. Lawrence and the Great Lakes that they have to form regional compacts to deal with their common problems with one another and with Canada, just as the states have to deal with Mexico and its eight million illegal aliens in the United States. Even the powerful nation-state centered on Washington cannot really deal with the integrity of its money, the pollution of the atmosphere, or the security of its airways—except on a worldwide basis.

Accordingly, New York has heard this eloquent and yearning voice out of Quebec City with admiration—because he speaks so well and is so earnest—but with regret. The melody of separatism, like the longing of the Scots and the Welsh for independence, seems a little out of date and almost tragic.

The guess here is that Prime Minister Lévesque has misjudged the Economic Club of New York, the city bankers, like David Rockefeller, the multi-national corporations, and even the press, though he has been a brilliant journalist.

They are all having to deal with a different world. They all want to make money as usual, but the notion of a separate Quebec, breaking off from Ottawa, the possibility of a divided Canada, is not the sort of thing they are likely to invest in over the long run, even if they might fiddle with making profits in Quebec for the rest of the decade.

What Mr. Lévesque, bright and eloquent as he is, has apparently misunderstood is that the United States believes in Canada. It even loves its neighbor, and is startled by the thought that Canada might break down into squabbling states, even if some of them wanted to join the American Republic.

President Carter understood this point a little late. He sent Vice President Mondale to Europe and Japan, and arranged for Secretary of State Vance to go to the Middle East and Moscow in February or March. But only late in the agenda for the next couple of months did he invite Prime Minister Trudeau of Canada and the new President of Mexico, José Lopez Portillo, to come to Washington.

It is high time, for Canada, and not Europe or Japan, is our most important trading partner. And the eight million illegal aliens from Mexico present a most serious social and economic problem. Quebec, the Rio Grande, and Panama may be the most critical foreign questions for President Carter in the next four years.

PAY RAISE BREEDS CYNICISM

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. WALGREN. Mr. Speaker, there are few more important issues before the Congress than how to restore public confidence in the manner in which elected officials discharge their trust. The pending pay raise for Congress threatens public respect for the Congress, first, because it comes when times are hard for many of our people, and, second, because the method of avoiding a vote on the issue breeds cynicism.

Relatively highpaid Government officials, particularly Congressmen, must be the first to set the example of forgoing increases in their salaries because costs are rising if we expect anyone else in the country to make a similar sacrifice.

The following editorial by Mr. John Troan of the Pittsburgh Press reflects the views of many of my constituents toward this question. I want to recommend this editorial to my colleagues:

[From the Pittsburgh Press, Jan. 16, 1977]

EDITORIAL BY JOHN TROAN

The focus in Washington this week will be on the new President. For this week Jimmy Carter will be inaugurated as the 39th President of the United States.

But we should keep our eyes also on the new Congress. For less than two weeks after taking office, many members of Congress are already itching for a pay raise.

I find this incredible. But unless the voters back home start raising royal hell, it will become inevitable.

Now it is perfectly natural for anybody to want higher pay. And Congress is full of anybodies.

But nobody is forced to run for Congress. So if the folks who were elected to Congress just 79 days ago felt the pay was too low, why did they fight so hard for these jobs in the first place?

Actually, congressmen already make pretty good money. We have 535 of them—100 in the U.S. Senate and 435 in the House of Representatives—and each now draws a salary of $44,625 a year. Which comes to almost $860 a week.

On top of this they enjoy more fringe benefits than a picnic ant: Free medical care in some of the finest hospitals in America, free mailing privileges, free travel to many parts of the world, big expense allowances, long weekends, even longer vacations (the senators have already set aside 8½ weeks for themselves between now and Labor Day), and pensions fit for princes. Plus et cetera, et al and et seq.

And yet they want more. At least many of them do.

Last week, for instance, Robert C. Byrd of West Virginia, the Democrats' new Senate chief, said the pay of all congressmen should be increased to $57,500 a year. That equals more than $1,100 a week.

This figure, representing a 29 per cent raise, has been recommended by a payjacking outfit called the Quadrennial Commission. This is Washington's counterpart to Pennsylvania's Commonwealth Compensation Commission, which fulfills a similar self-serving role for our lawmakers in Harrisburg. Indeed, Congress conceived the money-grabbing monster and our legislators in Harrisburg merely adopted it.

The recommendation of the Quadrennial Commission, along with a slew of other proposed raises ranging up to 45 percent, was sent to President Ford last month. He must decide, no later than tomorrow, whether to approve all or part of these proposals. He is reported ready to recommend the congressional pay raise.

Congress then will have 30 days to vote down what Mr. Ford proposes. But if Congress decides merely to sit and wait, the raises will take effect automatically.

A number of reasons have been offered in support of a pay hike for congressmen. Most of them boil down to one argument: Their salaries have not kept pace with inflation.

That's probably true. But the congressmen themselves are responsible for much of the inflation because they keep spending more money than the federal government takes in. So why should they be rewarded for something that is their own fault?

As I see it, there's only one word to describe any congressman's desire for a raise of $12,875 a year, which is more than the total income of half of his constituents.

The word is greed.

TRAFFICKING IN CHILDREN

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. ABDNOR. Mr. Speaker, shocking headlines in Washington newspapers in recent weeks have drawn the attention of many of us to the growing scandal of "black market babies." Indeed, the buying and selling of children has become bigger and bigger business. That this problem is not confined to the metropolitan areas and along our seacoasts is indicated in this report from my home State of South Dakota where the Secretary of Social Service has stated his concern about a "grey market." The broad scope of the scandal has prompted me to join with my colleague, Hon. HENRY HYDE, in sponsoring legislation to prohibit the sale of children in interstate and foreign commerce.

South Dakota's concern is illustrated in the following article:

GREY MARKET FOUND IN STATE ADOPTIONS

"South Dakota has a grey market in adoptions and it's hurting South Dakota children and families," according to Orvall Westby, Secretary of South Dakota Social Services (DSS).

Westby says DSS has been studying the situation for several months and "It is apparent that the state needs to tighten legislation in order to safeguard the child, adoptive parents and biological parents involved in adoption."

State DSS adoption program specialist Louise Zokan believes that about 50 adoptions in South Dakota are handled independently of any established adoption agency, public or private, each year. In addition there have been 11 out-of-state independent adoptions that have been discovered and Zokan adds she doesn't know how many other illegal placements have been made out of South Dakota.

"The greatest danger in independent adoption," she says, "is that there is not legal assurance that proper procedures have been observed.

"The state law," she notes, "does not now guarantee that the privacy of the adoptive child, parents and biological parents will be protected. Adoptive parents may have no

real assurance that parental rights have been served or that biological parents will not have access to information which could help them get their child back."

Zokan also emphasizes that children adopted through the grey market process cannot be assured that when they reach adulthood they will be able to discover any information about their own lives.

"There have been cases where adopted persons have come to us in search of information they needed to apply for a job or to enroll in their tribe. We have had nothing to give them because they were adopted through the independent process and information was neither safeguarded nor preserved.

"Furthermore, we suspect third parties are making money selling babies right here in South Dakota.

"Potential adoptive parents considering grey market adoptions through such third parties—usually doctors or lawyers—should know that such adoptions carry no guarantee that the child's social and medical background will be given, or if it is given, that the history will be accurate," Zokan warns.

"Third party adoptions have a potential of hiding such serious pieces of information as the child's chances of having heredity diseases. We have known of cases where adoptive children have developed serious medical problems about which parents could have been forewarned if complete social and medical information would have been available as it is in an approved agency adoption."

According to Westby, the department is proposing a remedy to improve South Dakota adoption law. For more information, write Department of Social Services Adoption Program, State Office Building, Pierre, S.D. 57501.

CATHOLIC SCHOOL WEEK

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. AMBRO. Mr. Speaker, Sunday marked the beginning of National Catholic School Week, a period set aside each year in recognition of the tremendous contributions to the Nation of our coast-to-coast Catholic parochial education system.

I would like to bring to the attention of my colleagues the fact that there are now almost 4 million American students receiving their educations in schools that are primarily supported by thousands of Roman Catholic dioceses, as well as hundreds of private parochial schools.

The current Catholic school system, which now provides education for young men and women starting with kindergarten right through doctoral degrees, was formally established by the National Council of Bishops meeting in Baltimore in 1948. The bishops set as a matter of church policy that every parish should provide for the education of their young people.

I doubt even those visionary prelates could have foreseen an educational system on a scale as grand as the one that has grown with the Nation during the past 129 years.

In 1975, 2,576,000 students attended 8,484 Catholic elementary schools. There were 895,000 teenagers in 1,618 diocesan and private Catholic high schools and 432,000 men and women in Catholic colleges and universities.

These schools are holding exhibits, projects, seminars, and other events all week long commemorating the great achievements of this massive educational system. Supported by millions of Catholics and staffed by thousands of selfless religious and lay teachers, Catholic schools have always been recognized for the excellence of their academic standards.

The list of the millions of Americans who have benefited from this educational network is far too lengthy to single out individual people. There is not one area that has not felt the impact of these Americans. Their contributions have been made in the arts and humanities, the sciences, politics, the military, business, and the clergy.

Largely supported by private donations and other contributions the Catholic schools have earned their place in our cultural and historical heritage. They richly deserve the recognition and appreciation of a grateful nation.

CANADA HELPS OUT DURING GAS SHORTAGE

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mrs. COLLINS of Illinois. Mr. Speaker, the record-breaking cold spell that has left so much of the midwestern and eastern portions of the Nation shivering for weeks on end has brought little to cheer about. With its raging winds, freezing snows and general unpleasantness, this winter of our discontent has resulted in low temperatures, high unemployment and not enough natural gas.

With so much to be bleak about, I am happy to be able to share with my colleagues a small silver lining in this big, snowy cloud. I commend to my fellow Members the following editorial printed in the February 2 issue of the Chicago Tribune which thanks our Canadian neighbors for sharing some of their gas with us.

The article follows:

GOOD NEIGHBOR

Neighboring countries, like teenage brothers, have a way of playing up their differences and playing down the degree of harmony between them. Which probably explains the succession of mini-crises in Canadian-American relations [over such things as oil exports, meat inspection, magazine ownership, and auto parts]—together with the fact that none of them seem to affect the basic good relations between the two peoples.

So in order to keep things in perspective, it is worth noting what Canada and Canadians have done to help Americans cope with their cold winter. The Canadian National Energy Board has persuaded utilities in eastern Canada to reduce their consumption of natural gas so as to allow Trans-Canada Pipelines to pump an emergency ration of 250 million cubic feet a day into our mid-Atlantic states. The transfusion will continue until March 19.

An emergency license has also been given for the export of 50,000 barrels of fuel oil to the Detroit Edison Company, and Ontario power plants have reduced their voltage so as to send electricity into Michigan.

We note these things not because they are exceptional, but because they are so normal as to be overlooked, and they work both ways. This winter, luckily for Americans, the Canadians are showing that they know what it is like to be cold.

THE RAID ON ENTEBBE

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BINGHAM. Mr. Speaker, I read in the Jewish Weekly-American Examiner from the week of February 6–12, 1977 of the most remarkable story that lies behind the dramatic Israeli rescue mission at Entebbee this past July 4. David C. Gross has written of a heartening aspect of the Entebbe mission that has not been portrayed on either of the television specials. This tale recounts how one of the hostages was released with the non-Jews, and then bravely participated in the raid itself, barely 3 days later. This man was of invaluable assistance to the Israelis as he meticulously reconstructed the details of the area in which the hostages were held at Entebbe. I am sure readers of the RECORD will find this revealing account of one hostage's involvement with the raid on Entebbe most interesting:

ENTEBBE HOSTAGE BECAME RESCUER; LEFT PARIS AND JOINED ISRAELI MISSION

(By David C. Gross)

One of the members of the medical teams that accompanied the Israeli rescue mission to Uganda was himself a hostage in Entebbe and managed to brief Israeli military officials on the layout of the building where more than 100 Jews were being held captive by Arab and German terrorists.

Despite the production of a number of stirring films about the miracle rescue of the hostages, some details of the operation must still remain secret—as must the name of the individual involved. For reasons of security, the identification of the principal character in this true epic of our times must remain unrevealed.

He is a physician, born and reared in America, who served in the U.S. forces with distinction. About ten years ago he went on Aliyah, and lives today with his wife and two daughters in central Israel, where he practices medicine both in civilian life and, during his reserve periods, with the Israel armed forces.

He is tall, lean, handsome. When he talks of Israel, it is with deep love and dedication. Last June he drove to Lod airport to board a plane for Paris, where he was to catch a connecting flight to New York. It was a combination professional and personal trip. He had left all arrangements to his travel agent, and when he arrived at the airport he was annoyed to learn that he was scheduled to fly Air France to Paris, with a stopover in Athens. He always insisted on El Al flights, believing that the Israel Airline's security was the best. However, there was no time for a transfer, and he climbed aboard.

It was, of course, the same plane that we are now all so familiar with. He, along with all the other passengers and crew members, were hijacked, after a Libyan refueling stop, to Uganda. He says that the thoughts that raced through his mind included profound

concern for his wife and children, concern for some of the older hostages, and deep hatred for the German terrorists who held them captive. But he was, after all, a doctor, and was permitted to provide some medical help to some of the more ill passengers, with the support and medicine of the Ugandan doctor who was permitted to enter the airport building where the hostages were held.

HELD DUAL CITIZENSHIP

One other thought raced through his mind as he worked: he held dual citizenship, that of the United States and of Israel. How would the terrorists regard him? He had thrown his American passport into the bag when the hijackers demanded that the passengers surrender their papers, managing to hid his Israeli document. Althought he felt it was an act of "betrayal" to his fellow Israelis, he also sensed that it was, tactically, the wiser thing to do. He kept himself busy during those first difficut days, trying as hard as he knew how not to show his profound hatred for the German terrorists. As a former American military officer stationed in Germany, he had visited Auschwitz. The memory was a permanent scar seared into his memory.

And then, the day of "selektzia" came—when the Israelis and the Jews from other countries were separated from the non-Jews and those holding U.S. passports. The latter were allowed to leave Entebbe and fly to Paris. Tears still brim in his eyes as this courageous young doctor tells it: "It was the hardest thing I ever did in my life—to walk away from my fellow Jews, from the Israelis, and to join the Paris-bound, about-to-be-freed hostages. I forced myself to walk that short distance to the waiting plane, while my heart beat like a tom tom and my face was covered with cold sweat."

On the plane to Paris, he took paper and pencil and made notes of everything he could remember of the Entebbe set-up. He talked with other passengers, and obtained additional details. He knew intuitively that back in Israel, the military must be planning a rescue operation, and believed his notes would be invaluable.

No sooner had the plane touched down in Paris than this physican made his way to Israeli officials at the airport, speaking quickly and softly in Hebrew, and within a matter of an hour he was back on a plane, bound for Tel Aviv. Word was passed to his family that he was safe, and a request was made that he be allowed to devote at least the next 24 hours to briefing the Israeli military on everything he remembered and had taken notes on. His wife, after the first shock of relief and disbelief, readily agreed.

WANTED TO GO BACK

And for the next two days this former hostage from Entebbe told the Israeli rescue teams everything that he could—but only after he had exacted a promise from them that he was to be included in the rescue mission. Exhausted by his nightmare experience, he nevertheless knew that if he did not personally participate in the lifesaving mission, he could never live with himself again.

The information that he supplied was invaluable. He had, in addition to medical training, military experience, and he could detail aspects of the terrorists' set-up that a civilian could easily have overlooked. He was also a skilled doctor and knew that after a day's rest, he would be fit and ready to join the medical teams that would accompany the mission.

And so, on that fateful Sabbath afternoon when the squadron of Israeli planes flew in utmost secrecy out of Israel toward Africa for the purpose of *pikuach nefesh*—saving lives—one member of the medical teams was himself a victim-hostage of that terrorist hijacking, who will always be grateful that fate decreed that he would be placed in a position to help save his fellow Jews.

He says today that the experience only strengthened his conviction that in this world, in this day and age, Jews can depend only on themselves. He cannot forget his visit to Auschwitz nor the bloodthirsty threats of the German terrorists. He also speaks with great admiration for the French crew, and with utter disdain for the French Government.

Surely, on Tu B'Shvat this year, he will take his two daughters to a nearby field and plant tree saplings . . . and surely they will grow and flourish.

THE BUDGET BRIGADE: EXPENSIVE SAVINGS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. LAGOMARSINO. Mr. Speaker, in the January issue of Sea Power magazine, appeared an editorial that beckons our close attention here in Congress. "The Budget Brigade: Expensive Savings," by Dewitt James Griffin, raises fundamental questions about the approach some Members of this body are taking with regard to our military budget and the growing threat of unionization of our Armed Forces. Mr. Griffin's article follows:

[From Sea Power magazine, January 1977]

THE BUDGET BRIGADE: EXPENSIVE SAVINGS

(By Dewitt James Griffin)

"Penny-wise and pound-foolish."

There are few Americans who don't recognize this adage that was handed down from our English forefathers as descriptive of an action that might offer a short term solution to a problem but in the long run would do more harm than good. Yet there are times we wonder if those few Americans who *don't* recognize its meaning aren't for the most part assigned the responsibilities of preparing those portions of the annual defense budget that pertain to personnel and related expenditures.

During this last year in particular, quite a number of surveys by people and organizations in and out of government have established clearly the fact that the principal reasons for a disturbing trend toward unionism among younger officers and enlisted men in particular has been their concern over the steady erosion of fringe benefits for those in uniform. They see unionism as a means of halting that trend, particularly since the current administration has taken the lead in proposing certain actions that diminish certain of these benefits, and liberal members of Congress have indicated they'll lead the assault on still others. Unfortunately, the concern expressed by those younger officers and enlisted men is well justified.

To us, it would appear sensible for our budget planners, given the information cited above, to give a little extra consideration to any actions they might be planning which would hold down expenditures, but which also would impact adversely upon morale by whittling away at benefits. And to most men and women that *would* appear sensible—but not to our budget planners, apparently! For, despite the fact that last year Congress overrode a proposal by the administration to phase out appropriated-fund support for commissaries, the administration reportedly is going to come right back with the same proposal, in the next fiscal year's budget. It seemingly matters not that this proposal was overwhelmingly opposed by not only our men and women in uniform and their dependents, but also by every association and organization—including this one—which supports strong forces for the defense of our country, and was also overridden by both Houses of Congress.

An uninformed questioner might well ask: What possible connection is there between strong defense forces and a desire by the government to save us taxpayers a few bucks by reducing the expenditure of appropriated funds for something like commissaries? Perhaps the best way to begin to answer that question is to cite an example of something those sworn to protect our country and us can never attain. Just before Christmas, in a Washington paper, there appeared a story about some of the "extras" that were given to employees around the country by their parent organizations. But it also observed that the huge Boeing Company, which employs thousands of people, would shut down its operations completely 23 December and would reopen 3 January *as part of a union contract!*

What our armed services can never attain—if we want them *always* to be ready, that is—is a 10-day holiday at Christmas as part of a union contract. Nor can they aspire to time-and-a-half for overtime or double time on Sundays, or a fixed number of holidays, or bonuses at Christmas or any other time. But what they *should* be able to attain is the assurance of adequate pay, of competent medical care readily available for themselves and their families, and some compensation for the sacrifices that we routinely call upon them to make. That doesn't seem too much to ask.

Yet what they are receiving is a continued battle over pay, a challenge to their retirement system, dwindling medical care, and almost unceasing attacks on fringe benefits. And the intelligent young man or woman whom we must recruit today to maintain nuclear power plants, and operate and repair sensitive electronic equipment, and keep jet aircraft in the air is also smart enough to perceive when he isn't receiving the full support of either the administration in power or the Congress. So, by the time he's served a couple of hitches, he's perfectly capable of concluding that the skills he acquired in uniform can be used well in the civilian economy, that the union he joins might even give him more benefits than he would receive in the service, and that he could stay home, and in one place, with a happier wife and children. And out he goes!

The Navy estimates it takes $45,950 to recruit and train an adequate replacement for an electronic technician getting out at the end of a four-year tour of duty. There aren't any figures immediately available for the pro rata saving to be gained by eliminating appropriated-fund support of commissaries. But we'd be willing to wager that the cost of training replacements for those men and women who decide to leave the service because of disillusionment and dissatisfaction over lack of support far exceeds what might be gained by this ill-conceived proposal of the administration or others like it that may be placed before Congress by their elected representatives.

As taxpayers we applaud any wise action aimed at reducing government expenditures. But also as taxpayers we deplore actions whose ostensible purpose is to save us money, but which also contribute to lowered morale, reduced productivity, increased personnel turbulence, skyrocketing training costs, and, because of excessive personnel turnover, a degradation of readiness. And, in the long run, spending more money than those actions had hoped to save in the first place!

Accordingly, we heartily recommend that budgeteers take another look at their proposed actions, and in the meantime listen to those who have the responsibility for commanding our forces. For those leaders can

recognize the correlation between morale and support, and dollars and readiness. We doubt that our budgeteers do. It's high time they did!

AMENDMENT TO INTERNAL REVENUE CODE

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. JONES of Oklahoma. I introduced yesterday a bill to amend the Internal Revenue Code of 1954 to exempt fraternal charitable organizations from classification as a private foundation by clarifying their status under section 509 of the Internal Revenue Code. This bill is generally a counterpart of H.R. 5815, introduced April 9, 1975 in the 94th Congress and S. 3342, also introduced in the 94th Congress.

The private foundation provisions of the Internal Revenue Code apply generally to charitable organizations which are exempt from Federal income tax and to which contributions are deductible. Under the law, a charitable organization described in section 501(c)(3) of the Code is presumed to be a private foundation unless it falls within one or more of the specific exceptions to foundation classification and, through the ruling or judicial process, rebuts the presumption. In any case, a section 501(c)(3) organization supported entirely by its endowment is treated as a private foundation unless it could be considered a church, hospital, school, medical research organization or a so-called support organization for any one of the foregoing types of public institutions.

Additionally, an endowed charitable organization, carrying on proper charitable activities but supported only by its endowment, but which is operated, supervised or controlled by or in connection with a civic league or social welfare organization described in section 501(c)(4) of the code, or a labor, agricultural or horticultural organization described in section 501(c)(5) of the code, or a business league, chamber of commerce or board of trade described in section 501(c)(6) of the code is also excluded from private foundation classification. What reason is there to exempt a charitable organization which is supervised or controlled by social welfare organizations, labor unions or business leagues from private foundation classification? The justification is clear. As noted in pertinent tax committee reports from 1969, exemption from foundation classification for support organizations is justified by the public nature of the parent or supported organization and its relationship to the charitable organization. The public nature of the organizations in control of the charity makes them sufficiently responsive to the public interest. Thus, the control and supervision of the supporting organization by the parent means that the supporting organization is likewise responsive to the public interest.

For many years, the Internal Revenue Service recognized that fraternal organizations and societies were promoting social welfare by reason of their charitable fraternal and benevolent activities for the benefit of the community. These organizations may also qualify for exemption as a fraternal society described in section 501(c)(8) or 501(c)(10) of the code depending, for example, on the existence of an insurance plan for members and whether they are treated as domestic organizations. It is a generally recognized principle of tax law that an exempt organization, depending on the facts and circumstances, may be described in more than one subsection of section 501(c) and that these provisions are ordinarily not thought to be mutually exclusive. In 1975, the Internal Revenue Service revoked this ruling leaving the status of many fraternal charities in doubt as to their status under the private foundation rules.

Even if a fraternal society, because of its lack of community activities could not be considered a social welfare unit, it is wrong to differentiate between charities controlled by such societies and charities controlled by labor unions or trade associations. Both types of charities should not be subject to the rules of chapter 42 since the public interest does not require those taxes to be applied to them. The abuses present in the personal and private foundations are not found in these types of publicly supervised or publicly controlled charities. Fraternal charities provide direct services such as orphanages, old age homes, or scholarships.

They are not grantmaking and certainly are not family controlled foundations subject to the type of undue influence which originally led to the enactment of these foundation excise taxes. Similarly, fraternal charities are not created nor operated to perpetuate family control over wealth or the family business, or as an estate planning tool for the rich. This bill would clearly establish, without regard to Internal Revenue Service ruling policies, the right of fraternal charities to be exempt from foundation taxes. Thus, the tax laws no longer discriminate against fraternal charities in the manner it does today against those charities whose societies have not previously qualified as social welfare organizations.

The Treasury Department, in the 93d Congress, supported enactment of the provision. Oral and written testimony was received on this provision during the general tax reform hearings in 1973 by the House Committee on Ways and Means. A written statement in support of the provision was furnished the Committee on Finance in April of last year during its consideration of tax reform. This bill would be of great assistance to a number of Masonic charities organizations located throughout the United States and in particular, to the Sand Springs Home of Sand Springs, Okla. Sand Springs Home is an orphanage and widows colony created in 1908 whose original endowment continues to provide all the necessary support for its charitable activities. Its orphanage accepts appointees from the Oklahoma district courts and it files accountings with the courts on the assets or income of the children in its care during their stay at Sand Springs. The Grand Lodge of the Masons of Oklahoma, a fraternal society, controls the Sand Springs Home, and only persons selected by the Grand Lodge may sit on the board of trustees of the Sand Springs Home. A majority of the Sand Springs Home board are former grand masters of the Oklahoma Lodge and all trustees are members of the Oklahoma Grand Lodge.

I urge my colleagues in the House to give this bill favorable consideration in this Congress.

TRIBUTE TO DICK CLARK

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. GOLDWATER. Mr. Speaker, this past Friday, February 4, one of my fellow Californians celebrated the 25th anniversary of his television program, "American Bandstand."

That Californian, and former Philadelphian, is of course Dick Clark.

Dick's name has been synonymous with the music of our young people, and with the image they presented on his show: funloving, wholesome, and very American.

Those of us who have followed Dick's career over the years have been impressed with the high standards he has set for those associated with his shows, and it is refreshing to note that his kind of programing can be unhesitatingly recommended to young people for viewing. This, unfortunately, is in marked contrast to many of the programs young people watch on television today.

Dick Clark was a pioneer in the early days of television; not only did he star young people as the central attraction of his show, but he had the courage—some say audacity—to introduce rock and roll to the viewing public. Rock and roll music, which is part and parcel of the American experience today, was a controversial subject when Dick first telecast "American Bandstand." Furthermore, almost all famous popular music artists during the past 25 years made their television debut on Dick's shows; many now have their own television series and specials.

I take great pleasure in saluting Dick Clark and "American Bandstand" on this important anniversary. Here's hoping that teenagers in the year 2002—just 25 years from now—will still have an "American Bandstand" to watch and dance by.

SITE OF THE BREEDER REACTOR PLANT

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mrs. LLOYD of Tennessee. Mr. Speaker, I would like to include in the CONGRESSIONAL RECORD the remarks of the Honorable A. K. Bissell, mayor of the city of Oak Ridge, Tenn., stating the desire of Oak Ridge to remain the site of the Clinch River breeder reactor plant and offering the strong endorsement of the city for the project. I hope that the other Members will find his remarks to be of interest:

REMARKS BY A. K. BISSELL, MAYOR OF THE CITY OF OAK RIDGE

In earlier remarks I expressed the view of the city of Oak Ridge in regard to the need for fair and adequate compensation from the Federal Government for the socio-economic impact of Federal facilities in Oak Ridge and the surrounding area.

Today for the record I would like to comment on behalf of Oak Ridge and other subjects which are not matters of dollars and cents, but matters of national need and how Oak Ridge views nuclear power and the Clinch River Breeder Reactor Plant in particular.

The Oak Ridge position remains clear and straight-forward: We not only accept and endorse the breeder reactor demonstration plant, but we are enthusiastic advocates. While we are concerned about the project's impact on our city services, we are certain that the project itself will be safe and play a vital role in meeting our Nation's future energy needs.

Our distinguished Congresswoman Marilyn Lloyd expressed it very well recently. "These frigid mornings of the winter of 1977 tell us all too chillingly of the consequences of inadequate energy. We simply must develop our options wisely, and for the forseeable future the answer lies in conservation, coal, and nuclear power. Beyond 2000 only the breeder offers a safe possibility for success for being the long-term assured, safe, and reasonably economical energy resource this Nation so urgently needs."

And that is the reason for my statement today. Independent of our differences on matters which can be worked out, all of us in the city government—indeed all of the community leaders with whom I have discussed the subject—are strongly for the breeder project because we are citizens.

We in public life recognize all too well that adequate energy means jobs, and inadequate energy means chaos. The breeder offers this nation a chance to regain energy self-sufficiency not within my lifetime, gentlemen, but within those of my children and their children. There are other hopes, solar and fusion among them. And we certainly must work on all options, but my technical friends and colleagues tell me the breeder has by far the highest probability for success within this century. Clinch River must continue as rapidly as our systems permit.

I am not a scientist, engineer, or technical man. However, I have lived for more than 33 years in a community that has made history many times in developing the peaceful atom. There are problems which remain, to be sure, but those problems are far smaller than those which have been solved. And where would this nation have been during the past three months without nuclear power? Plants operated efficiently across the country while the inadequacy of other options mired our country in a frozen futility which would have been a disaster without nuclear power. TVA's Brown's Ferry nuclear facilities provided some 15% of the power in Tennessee, for example.

We in Oak Ridge cannot say strongly enough that we are for the breeder reactor and, indeed, for nuclear power in general. A major hope is that we might be the site of the proposed Exxon reprocessing plant.

This strong support is based partly on dollars and benefit to the community. I make no excuse for this. Good clean industry is a plus for any community, and the nuclear industry is among the nation's best in safety and overall contributions to a community. Our citizens in Oak Ridge who work for nuclear facilities are well-educated and public-spirited, an asset to our overall community.

But the city's support is also motivated by another important factor—knowledge. We understand nuclear power. Our technical leaders know that a successfully developed breeder reactor will save this nation billions of dollars, a saving that ultimately will benefit every man, woman, and child in this country.

Sometimes you have to see things to believe them. I have seen the uranium-238 supply which is a by-product of the uranium enriching process. If used in breeder reactors, this material could be converted into nuclear fuel which would provide the equivalent energy (at the present rate of use) of 400 years of oil or 700 years of coal. It has been calculated that at present day coal prices, this resource which is already mined and refined is worth some $20 trillion. And the total estimated cost of the overall breeder development program, including some $2 billion for Clinch River, is only $10 to $12 billion.

JOSEPH LONGO—HEROISM: ALIVE IN AMERICA

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. SARASIN. Mr. Speaker, has cynicism taken hold in America? Have we all become isolated within ourselves, either afraid to become involved or simply disinterested in the tragedies that can befall our fellow citizens?

Perhaps for some in this country, the answer is "Yes." Fortunately, though, the majority of Americans still possess the quality of courage that can manifest itself in heroism, in risking one's own life so that another might live.

Several months go, the heroic potential of one of my constituents, Mr. Joseph Longo of Waterbury, Conn., was brought to the fore. Coming upon an automobile, overturned and burning as a result of an accident, Mr. Longo cast aside all concern for himself to rush to the aid of the trapped driver. He pulled the 24-year-old man to safety and within moments watched the vehicle become engulfed in the flames that quickly destroyed it.

What motivates a man to engage in such a selfless act of human decency and concern? For Mr. Longo, "it was the screams, the awful cries that made me realize that I had to do something." Through Mr. Longo's bravery, a tragedy was averted and a young life spared. Imagine for a moment what type of life we all might have if we followed Mr. Longo's example, responding to the suffering and cries of anguish of our fellow Americans.

Mr. Longo is indeed one of Connecticut's heroes, an individual whose example is well worth emulating.

A PAY HIKE QUIZ

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mrs. SCHROEDER. Mr. Speaker, as the House adjourns for the week with the pay hikes for top Federal officials on its back burner, I want to be sure that all my colleagues have a copy of my short quiz on the pay hike. Anyone who can answer all its questions without blushing, in my opinion, is ready for the increases.

The quiz follows:

FIFTEEN QUESTIONS ON THE PETERSON COMMISSION PAY HIKE REPORT

QUESTIONS: MULTIPLE CHOICE

1. The proposed pay hike for Federal officials will cost about $130 million this year. This is about as much money as the Federal government will spend in the same time:

(a) In the State of Wyoming.

(b) In California and Massachusetts for Aid to Families with Dependent Children.

2. The lifetime salary of a Federal judge replaces the need for retirement income. If a judge had to purchase an annuity to pay for his/her retirement, this annuity would cost:

(a) $750,000 to $1,000,000.

(b) $250,000.

(c) $45,000.

3. A top official moving to D.C. receives:

(a) No relocation allowance.

(b) Up to 50% of his expenses reimbursed through the Federal tax deduction for moving expenses.

4. The Peterson Commission's estimate for the cost of the pay hike ($130 million) does not include:

(a) The costs of the government contribution to retirement on behalf of Executive and Legislative Branch personnel.

(b) The unfunded pension liability caused by the much higher pension payments with contributions paid at much lower rates by Executive and Legislative personnel who retire after the effective date of the pay raise.

(c) The additional costs which will be added into the scheduled 6.5% cost-of-living pay increase.

5. $13,000 is equivalent to:

(a) The average Peterson Commission pay hike.

(b) The average income of a family of four living in the United States.

(c) The average net worth at death of a U.S. citizen after a lifetime of work.

6. Federal civilian employees leave the Federal government at:

(a) Twice the rate that people leave the private sector work force.

(b) The same rate as they leave the private work force.

(c) Half the rate they leave the private work force.

QUESTIONS: TRUE OR FALSE

1. Since 1967, the average Social Security recipient's monthly check has skyrocketed

from $89.75 to $217.47. In the same time, salaries for Members of Congress, Federal judges, and high level bureaucrats have only gone up 50%. These top officials need a pay hike this year to keep ahead of Social Security beneficiaries.

2. A family of 4 can live comfortably in the Washington, D.C., area on $16,000 per year.

3. The Federal pay hike will each cost as much as the value of all anthracite coal produced in the U.S. in 1975.

4. If a Federal judge works 20 years and retires at full pay, never paying for his retirement, his/her salary is equivalent to 20 years employment at a salary of $80,000 per year, having purchased a retirement annuity amounting to $42,000 per year.

5. Federal law prohibits the children of top U.S. officials from working or borrowing money to help with college expenses.

6. It costs $5,000 to $6,0000 per year to educate a child in a private college and this is out of the reach of people, such as top Federal officials, who only make more than 95% of U.S. wage earners.

7. The pay hike for top executive policy makers are needed in order to assure that they will stay after President Carter leaves office.

8. The 1969 increase in supergrade salaries, which were designed to remove the "compression" of salaries in the top grades directly preceeded the largest exodus of supergraders ever to leave the government in one year.

9. Since 1969, 10% of the added civilian work force has been in the supergrade ranks.

ANSWERS

Multiple Choice

1. Each of a and b amount to about $130 million per year, the Peterson Commission estimate of the costs of its pay hike proposal.

2. (a) A $42,000 annuity with survivor benefits would cost in this range if purchased in the private sector.

3. (b) The Internal Revenue Code provides healthy deductions for moving expenses not covered by employer reimbursement.

4. All of the answers are true. The true cost may reach $200 million per year.

5. All of the answers are true.

True or False

1. False. The base on which percentages are figured must always be examined. In this case, the increase for the average Social Security recipient, although over 100% in the last ten years, still places the recipient below the national poverty line. On the other hand, the average top official continues to top out the poverty line after less than a month's work each year.

2. True. (Commerce Department figures).

3. True. (Commerce Department figures).

4. True. See multiple choice question No. 4.

5. False.

6. False.

7. False. Although the Peterson Commission argues that high level political employees will stay into the next Administration if paid more, the facts are that new administrations tend to replace top officials.

8. True. Fiscal Year 1970, which occurred right after the last pay hike, saw the exodus of 550 supergrade employees from the work force. Oddly enough, Fiscal Year 1969, which occurred before the pay hike, saw the addition of more supergraders (523) than had been added before.

9. True. The net increase in Federal white collar civilian employees since 1969 has been 5,000. Of these, over 500 have been added in the GS 16–18 ranks.

OPPOSITION TO THE PROPOSED PAY RAISE FOR MEMBERS OF CONGRESS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Ms. OAKAR. Mr. Speaker, today I am appearing before the House Ad Hoc Subcommittee on Presidential Pay Raise Recommendations to express my strong opposition to the proposal now pending before the House to raise the pay of Members of Congress.

Yesterday I returned to Washington from my district in Cleveland, Ohio. While in Cleveland I spoke with some of the 50,000 Greater Clevelanders who, until last month, were working and earning a living, but who are now jobless because of the natural gas shortage. Many of these men and women may not see another paycheck until warmer weather returns in April.

Frankly, Mr. Speaker, I cannot think of a worse time than this for Congress to raise its pay. For these workers in Cleveland and throughout the Northeast, President Carter's call last week for restraint and sacrifice is not an option to which they can respond as they please. Sacrifice has been forced upon them. For this reason it is somewhat incredible that the proposal before us today is not one that calls for sacrifice on our part, but rather is one that would grant us greater comforts. I can tell you, Mr. Speaker, that if Congress succeeds in raising its pay, we will gain the contempt of these workers, and that contempt will be richly deserved.

It is not the current economic crisis alone which argues against the proposed pay raise now before us. I direct my colleagues' attention to page 3 of last Friday's Washington Post. In the far left column is an article entitled, "House Leaders Pave Way for Big Pay Raise," and right next to it is an article about the work of the House Commission on Administrative Review entitled, "Congress Rates Ninth in Poll on Ethics." I would suggest, Mr. Speaker, that there may well be a causal relationship between the items reported in these articles. Congress cannot, in my view, gain the respect of the public until it stops playing "hidden ball" tricks such as we are now seeing on the pay raise.

I call it a hidden ball trick, because the raise might go into effect without the House even having a chance to vote on it. Much of the time remaining for the House to, under the law as it now stands, pass a resolution disapproving the raise will be taken up by the 6-day recess that begins later this week. Is not it convenient that the ball carrier for the pay raise will just about make it to the goal line when all the Congressmen are hard at work back in their districts?

Really, Mr. Speaker, this is not the way to restore public trust in Congress. If we feel we deserve a pay increase, we ought to have the courage to say so publicly, and to vote publicly on the issue. To accomplish this, the law passed last year which ties Members of Congress into the procedure which grants automatic increases to Federal workers must be repealed. Second, whether economic times are good or bad, I do not think there should be any pay increase until there is a strict code of ethics in force for both the House and the Senate, including a definite limit on outside earned income. I intend to offer legislation to achieve both of these purposes, I urge that the resolution to disapprove the pending pay raise be approved by the subcommittee, and that it be sent to the full House of Representatives for a vote.

EVALUATING COMPENSATORY EDUCATION

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BRADEMAS. Mr. Speaker, the Education Amendments of 1974 (Public Law 93–380), directed the National Institute of Education to conduct a comprehensive 3-year study of compensatory education, including compensatory programs supported under authority of title I of the Elementary and Secondary Education Act of 1965.

As you know, Mr. Speaker, title I was enacted with overwhelming support in the 89th Congress with the assistance of a great champion of education, President Lyndon B. Johnson, and it is the largest program of Federal aid to elementary and secondary education. This year over $2 billion in title I funds are being spent to improve the education of educationally disadvantaged students in school districts serving concentrations of children from low-income families.

Mr. Speaker, when in 1974 those of us who served on the Committee on Education and Labor considered extending title I, we were frustrated by the lack of reliable information to assist us in answering the problems with which we wrestled. We were unable, for example, accurately to analyze all of the effects of changing the definition of poverty employed in the formula used to allocate title I funds to school districts.

We were also distressed to find that dependable evaluations of the effectiveness of compensatory education programs were not available.

As a consequence, Congress approved section 821 of the 1974 amendments, a section which I sponsored with the support of the gentleman from Kentucky, the distinguished chairman of the Committee on Education and Labor, Mr. PERKINS, as well as of the gentleman from Minnesota (Mr. QUIE), the distinguished ranking minority member of the committee.

Specifically, Mr. Speaker, section 821 instructed NIE to conduct a study of compensatory programs which study would:

Examine the fundamental purposes and effectiveness of compensatory education programs;

Analyze the ways of identifying children in greatest need of compensatory education;

Consider alternative ways of meeting these children's needs; and

Consider the feasibility, costs, and consequences of alternative means of distributing Federal compensatory education funds.

Mr. Speaker, as the sponsor of the legislation which created the NIE in 1972 as well as of the provisions authorizing this study, I am pleased to report that a preliminary report on the study is now available from NIE.

As required by the legislation, NIE has submitted an interim report on the progress of its work which will be followed by reports this September as well as in September 1978.

The interim report includes analyses based upon a nationally representative survey of compensatory education programs as well as a complete description of other research now underway which will be reported upon in NIE's subsequent reports. The interim report promises to provide us in the 95th Congress the type of data which my colleagues in the 93d so sorely lacked.

Mr. Speaker, the studies being conducted by NIE are essential to all those concerned with the educational needs of children in our society.

Mr. Speaker, at this point in the RECORD I include a summary of the interim report of the National Institute of Education:

EVALUATING COMPENSATORY EDUCATION: SUMMARY

FIRST INTERIM REPORT OBJECTIVES

This interim report is the first of three requested by Congress. A second interim report is due in September 1977, and the final report will be presented in September 1978. This report has two objectives. The first is to provide Congress with a complete description of NIE's strategy in responding to the mandate. Therefore, the report provides a comprehensive account of what is being studied and what information will be provided in the second interim and final reports.

The second objective is to present new data from the NIE National Survey of Compensatory Education, a representative survey of Title I school districts. Because there were no available national data on the current delivery of compensatory education services when the study began, the Survey of Compensatory Education was one of the first projects commissioned by NIE. The survey was designed to provide information on the nature of compensatory services funded by Title I and State compensatory education programs and on the characteristics of students receiving these services.

RESEARCH STRATEGY

The provisions of Section 821 can be seen as including two major requests from Congress. The first requires NIE to assess the current effectiveness of compensatory education programs in meeting their fundamental purposes, and the second charges NIE with an examination of alternative methods by which the effectiveness of compensatory programs might be improved. This report describes how the Institute's research strategy combines these two requests. It also discusses (1) the fundamental purposes of compensatory education programs and (2) the manner in which the Institute is assessing the effectiveness of current programs and the consequences of possible changes.

To identify the fundamental purposes of compensatory education, NIE studied the provisions of Title I and its various amendments, accompanying House and Senate reports, and Congressional debates. Those sources indicated that Title I of the Elementary and Secondary Education Act had three fundamental purposes:

To provide financial assistance to school districts in relation to their numbers of low-income children and, within those school districts, to schools with the greatest numbers of low-income students

To fund special services for low-achieving children in the poorest schools

To contribute to the cognitive, emotional, social, or physical development of participating students

NIE's strategy for assessing compensatory education programs begins with the recognition that the program has several purposes. It differs from the early national evaluations of Title I, which considered only the third fundamental purpose—contributing to children's development—and often rendered judgments on the efficacy of the program without acounting for the diverse ways in which Local Education Agencies (LEAs) had implemented it. The research is designed to provide clear information about what Title I is accomplishing toward achievement of each fundamental purpose and to examine the feasibility and effects of alternative ways of organizing Title I.

To obtain these kinds of information the Institute is conducting research on all aspects of the program. Studies cover the processes by which Title I allocates funds, delivers services, and helps students, and also include research on the ways in which Federal, State, and local administration determines what the program will be in practice.

The overall study consists of 35 research projects, organized into the four areas of funds allocation, compensatory services, student development, and administration. The major research questions addressed in each area are summarized below.

Funds allocation

NIE's research examines the effects of current procedures for distributing compensatory funds and assesses the implications of alternative allocation methods. The research on current procedures will indicate how actual allocation patterns correspond to Title I's fundamental purpose of providing additional money to low-income districts and schools. It will also show how Title I grants affect both the overall distribution of educational expenditures among LEAs and the level of educational spending within LEAs.

The work on alternative funds allocation procedures examines two issues that were prominent in the 1974 Congressional debates: (1) possible changes in the definition of poverty to be used in the funding formula; and (2) a possible change from poverty to achievement as the eligibility criterion for allocating Title I funds. As part of the research on achievement criteria, NIE has implemented experimental projects in 13 school districts which will serve as demonstrations of the effects of changing from poverty to achievement criteria in the selection of eligible schools within districts. NIE is also examining the feasibility of allocating funds to States and districts based on achievement criteria.

Compensatory services

The National Survey of Compensatory Education, referred to earlier, is the major data collection effort through which NIE is examining Title I's achievement of its second purpose, i.e., to provide special services to selected children. The first results of the survey are summarized in Chapter III. Results are reported on (1) the scope of compensatory education; (2) the range of services provided with the Title I funds; (3) the characteristics of the students receiving compensatory services; and (4) the characteristics of compensatory instruction.

Student development

Research in this area addresses the third of Title I's fundamental purposes, i.e., to contribute to children's overall development. The research is designed to provide information on one of the most crucial questions in the area of student development, that of identifying which characteristics of compensatory instructional services are most likely to increase pupils' reading and mathematics achievement. The research also will examine the prevalence of these characteristics in current compensatoy education programs and indicate how their adoption can be promoted by the way a Federal compensatory program is designed and administered. The studies focus on four features of instruction which appear to be especially important in determining children's learning; i.e., individualized instruction, instructional setting, time spent in instruction, and teacher training. The major research examining the relationship of these variables to student achievement is the Instructional Dimensions Study which includes 12,000 1st and 3d grade students in 440 classrooms.

Administration

Research in this area will provide information on the Federal, State, and local administration of Title I. Although improving educational administration is not one of the fundamental purposes of Title I, it is clearly a major factor in determining whether the program serves the intended purposes. NIE's research has three major objectives: (1) to describe the process by which administrators transform the provisions of the Title I statute and appropriations into educational services; (2) to identify, to the extent possible, the factors that affect the way in which the Title I program has been implemented; and (3) to determine whether and in what ways Congress may be able to influence local Title I services through efforts to modify administrative practices. Specifically, research projects focus on Federal administration; State and local administration; Parental Advisory Council (PAC) involvement with LEA decisionmaking; and administration in rural schools.

FINDINGS FROM THE NIE SURVEY OF COMPENSATORY EDUCATION

A national random sample of Title I school districts, which include some grades in the range from kindergarten through 8th grade, was selected for the NIE Survey. Data were obtained from interviews conducted during the 1975–76 school year with State and district administrators, school principals, regular classroom and compensatory education teachers, and PAC chairpersons. The figures reported represent national estimates based on the data from the sampled districts. Statements made about the characteristics of "compensatory education" students, teachers, or services refer to Title I- and/or State-funded compensatory programs. Where the information represents Title I only, it is so indicated. The remainder of this summary presents some of the survey's principal findings.

The scope of compensatory education

During the 1975–76 school year, Title I represented 3 percent of total national expenditures for public elementary and secondary education; and State compensatory education programs, 1 percent. Of the Nation's school districts, 90 percent received Title I funds.

Compensatory programs involve many public school students and teachers. From the survey data, it is estimated that in Title I districts:

An average of 90 percent of the schools classified by LEAs as eligible receive Title I funds.

An average of 57 percent of the children

classified by LEAs as eligible participate in Title I programs.

Approximately 5.9 million public school students in grades K–8 receive Title I or State-funded compensatory education services. This is 19.5 percent of all public school children enrolled in those grades.

An estimated 116,218 nonpublic school students or approximately 5 percent of the total enrollment in nonpublic schools receive Title I-funded compensatory services.

Of all public elementary school teachers in 1975–76, an estimated 111,087, or 9.5 percent of the total, were involved for some portion of their time in providing compensatory education instruction.

According to data from district applications, Title I funds paid the salaries of an estimated 8 percent of the elementary school teachers in these districts.

Title I funds paid the salaries of an estimated 54 percent of all teachers' aides in Title I districts.

The range of services provided with title I funds

The services provided with Title I funds are quite diverse and vary to some extent with the economic status of the school districts that receive them. From preliminary analyses, based on Title I applications, it appears that:

The national average share of the Title I budget spent on instructional services is 76 percent. However, when districts are classified by economic status (average family income), lower income districts spend 20 percent less of their Title I budget than wealthier districts on instructional services.

The national average share of the Title I instructional budget spent on reading is 53 percent.

The national average share of the Title I instructional budget spent on mathematics is 19 percent.

The national average share of the Title I instructional budget spent on language is 10 percent.

The budgeted national average Title I expenditure per pupil participating in the program is $347. For instructional services, the budgeted national average Title I expenditure per participant is $263.[1]

Title I districts use these funds to finance a variety of instructional and support services. Some instructional services are provided by 98 percent of the districts. Some support services are offered by 59 percent, and a large percentage of Title I districts fund more than one compensatory service. From the survey, it is estimated that:

69 percent of Title I districts use Title I funds for reading.

45 percent of these districts use Title I funds for mathematics.

38 percent use Title I funds to support preschool/kindergarten readiness programs.

30 percent provide instruction in language arts.

28 percent provide resource centers, and 21 percent support libraries.

20 percent provide medical and dental services.

The characteristics of students receiving services

Students in Title I districts appear to be concentrated in grades 1–6, with similar proportions in each of these grades; very few are in junior or senior high school. There is a significantly higher concentration of minority group children among compensatory education students than in total enrollment in Title I districts. It is estimated that:

54 percent of compensatory education students are White, compared to 75 percent of total enrollment.

34 percent of compensatory education students are Black, compared to 19 percent of total enrollment.

10 percent of compensatory education students are Spanish surnamed, compared to 5 percent of total enrollment.

Not all of the compensatory education services mentioned above are delivered to all compensatory education students. It is estimated that the following proportion of compensatory education students receive compensatory instruction in the subjects listed below:

50 percent receive compensatory instruction in reading.

44 percent receive compensatory instruction in mathematics.

35 percent receive compensatory instruction in language arts.

14 percent receive compensatory instruction in social/cultural studies.

12 percent receive compensatory instruction in science.

5 percent receive compensatory instruction in special education/learning disabilities.

3 percent receive compensatory instruction in English as a second language.

The characteristics of compensatory instruction

Many compensatory education students receive instruction in more than one subject matter area; the average amount of time spent in compensatory instruction is 5½ hours per week. This is an average of 25 percent of the total time available for learning.

Remedial reading, mathematics, and language arts are the three subjects most often provided to compensatory education students. The following features characterize compensatory instruction in these subjects. Based on the survey it is estimated that:

85 percent of the compensatory education students in reading, 66 percent of those in mathematics, and 63 percent of those in language arts programs receive this instruction outside their regular classrooms.

The average size of the class in which compensatory education students receive compensatory instruction is 9 students for reading and 14 students for language arts and mathematics.

The amount of time spent in compensatory education classes is approximately 4 hours per week for reading and language arts, and 3 hours per week for mathematics.

Further analyses of the data from the survey and interpretations of the findings will be presented in the second interim report.

[1] The amount actually spent per pupil may be somewhat less. Estimates of the number of students receiving services based on teacher counts suggest that the applications may underestimate the number of students served. In further analyses, the budget data will be corrected for any underestimates in the number of participants.

FARMERS AS INNOCENT VICTIMS

HON. JOHN KREBS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. KREBS. Mr. Speaker, I am introducing today a proposal which would authorize the Secretary of Agriculture to make emergency loans in an area if he determines that a labor dispute, in which farmers are not participants, results in losses in production or sales of agricultural products.

During last summer's brief cannery strike in California, which occurred at the peak of the harvest season, agricultural producers were unable to deliver their crops to processing plants and suffered disastrous losses. The entire apricot crop was lost and over 200,000 tons of tomatoes and 75,000 tons of peaches rotted during the work stoppage. It will take years for many producers to recover their enormous losses, which presently are not covered by the emergency loan provisions of the Consolidated Farm and Rural Development Act (7 U.S.C.A. 1961). These emergency loans, administered by the Farmers Home Administration—FmHA—of the Department of Agriculture, are available only in the case of natural disasters.

The bill would allow farmers, ranchers, and aquaculture operators to obtain loans at the same terms as those available for victims of natural disasters. A 5 percent per annum rate is charged for loans covering actual losses.

It should be clearly understood that this legislation does not seek to undermine the rights of either labor or management. The bill seeks only to protect the innocent producers who are not parties to labor disputes, but who, nevertheless, suffer the consequences.

OAK RIDGE SUPPORTS CLINCH RIVER BREEDER REACTOR

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mrs. LLOYD of Tennessee. Mr. Speaker, recently there has been some discussion in the press about possible alternative sites for the Clinch River project. Although project leaders inform me that such consideration is normal for any nuclear powerplant, I wanted to state several points for the record.

First, Tennessee is pleased and happy to have the Nation's first large-scale demonstration breeder sited at Oak Ridge, Tenn. Our citizens, particularly in this area, understand nuclear technology, recognize that development of the breeder is essential to keeping our few energy options open, and are proud to have this historic project right where it is.

These frigid mornings of the winter of 1977 tell us all too chillingly of the consequences of inadequate energy. We simply must develop our options wisely, and for the foreseeable future the answer lies in conservation, coal, and nuclear power. Beyond 2000 only the breeder reactor offers a strong possibility of success for being the long-term assured, safe, and reasonably economical energy resource this Nation so urgently needs.

National needs for the breeder and Tennessee preferences aside, there are compelling reasons not to change the site of the Clinch River project. After 4 years of aggressive and nonrelenting effort, a firm partnership of Government and electric power industry have forged the team that can make the demonstration breeder a reality in the mid-1980's—in time to make the economic and other

evaluations crucial to deciding on whether the technology can and should be applied broadly in this country.

Transfer to another site with the same project goals would mean 3 to 4 years delay, a cost of hundreds of millions of dollars, and an unacceptable reduction in our odds for meeting future energy needs in a timely way.

There is no doubt the Nation needs more energy—to sustain jobs and services for our people and to provide hope for those who have not yet reaped the full benefit of America's high quality of life. The breeder is the key to developing nuclear power as part of our overall energy requirement; and only siting the breeder demonstration plant on the Clinch River site will meet the timing and utility objectives which are essential for the breeder to become a real energy option.

TACKLING THE POSTAL DILEMMA

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. ABDNOR. Mr. Speaker, like it or not, Congress is going to be forced to come up with some solutions to the continuing crisis facing the U.S. Postal Service. In the middle of March we will be receiving a report from the Commission on Postal Service which we asked for last year. What they will recommend remains to be seen, but in my testimony before them January 24, I pointed out some things I believe they should take into consideration. These are also points the entire Congress should consider as we prepare to act upon that report.

The testimony follows:

STATEMENT OF HONORABLE JAMES ABDNOR

Distinguished members of the Commission, I am pleased to have the opportunity to appear before you today on behalf of my constituents in South Dakota. I am especially pleased to testify before you because of the unique attention given by South Dakotans to the Postal Service. No other issue so touches each of my constituents as does this. To help you appreciate the perspective I bring to this testimony, allow me to sketch most briefly factors conditioning the views of South Dakotans.

While my count is only approximate because of the lack of recent data, there are some 391 post offices in South Dakota. Of that number, only 115 are what were once classified as first and second class post offices. That is, some 70 percent of South Dakota post offices are third and fourth class offices. It is not uncommon to have a post office serving less than a dozen families. This is to be expected in a state with a total population less than that within the 10 mile square enclosing Washington, D.C. South Dakota, a state some 200 miles wide and 400 miles long, has only nine people, on the average, living on each square mile.

I cite these statistics for one purpose—to establish the context within which South Dakotans view postal service. First and foremost, the postal service is a vital and needed form of communication in South Dakota, as it is for all Americans. But the small post office is more than that. Often, it is a center of community life: the symbol of that community. And, it likewise is each community's center of identification with the outside world, as well as to itself.

As we realize that the small town post office not only is considered, but frequently IS, the center of the community, it is little wonder people react quickly when there is a threat to remove the post office. For a state such as mine, I think you already know that that reaction can be very strong, for the post offices in rural America represent more than a service. They represent an institution which is a vital part of the daily lives of the people in these areas.

This is a consideration which was recognized in the Postal Reorganization Act of 1970. Public Law 91–374 stipulates in part:

"The Postal Service shall provide a maximum degree of effective and regular postal service to rural area communities and small towns where post offices are non-sustaining. No small post office shall be closed because of a deficit, it being the specific intent of the Congress that effective postal services be assured to the residents of both urban and rural communities."

This provision really explains why there was such outrage from many of my constituents when the prospect of post office closure was raised in the General Accounting Office report of 1975. The promise of equal or improved service was and is inadequate. South Dakotans and all rural Americans were faced with the prospect of losing—in all to many instances—their communities. I remind this Commission that this was a threat considered by patrons at 70 percent of the offices in South Dakota.

It would seem obvious that the above provision in the original legislation is at odds with the stipulated objective of making the Postal Service self-sufficient. And, I will join with countless others who will testify before you in saying that the Postal Service IS a public service providing a necessary structure of communication for the country. It may be, by definition and by structure, dependent upon government subsidization. And it would be easy for me, in defense of small rural post offices, which admittedly are a small factor in the larger picture of postal reform, to stop here knowing that my constituents' interests will be protected under the general banner of "service first" and economy later. Yet, I suggest we go beyond this slogan and inquire into its meaning for rural America and the future of postal service to those citizens.

I am certain my constituents share my interest in economy in government, including the postal service. The problem confronting the Postal Service, and which naturally has an impact on rural post offices, is a problem of economics. The Postal Service continues to be highly labor intensive. I know this Commission will spend a good deal of its energy on this issue and the question of mechanization. I note it here to make the point that 85 percent of postal expenses are for employees, most of whom are represented by powerful unions. Only postmasters and supervisors are not included under the national labor agreement of the Postal Service.

Included in recent contracts are "no-layoff" provisions, maintaining this relative structure of postal expense. This together with the constraints imposed on postal rates, apparently is being taken by many sources to mean that post office closings remain as one of the few avenues possible for reducing the deficit.

In fact, indication of this appeared recently in an Associated Press article in which the executive director of the Commission is quoted as saying there are only "three unpleasant alternatives" available to the Commission in its search for ways to help the Postal Service out of its financial difficulties.

Following is the thrust of the main points of the article which appeared in the January 7, 1977, issue of the Huron (S.D.) *Daily Plainsmen:*

"Those three possible recommendations were listed Thursday as more increases in postal rates, heavier subsidies of the U.S. mail by taxpayers or serious reductions in service.

" 'There is no fourth alternative,' said David Minton, executive director of the new Commission on Postal Service."

Mr. Chairman, I submit there is a fourth alternative, and that is to give careful examination to the present compensation provisions which, as I noted earlier, constitute approximately 85 percent of postal costs.

I do not subscribe to the theory that "everything must continue to go up," when it comes to wages and salaries. I believe careful examination can and ought to be given by all entities of government to the massive outlays which are being made to personnel

We have, for example, coming before Congress another wage increase proposal—this one for Members of Congress and the top echelon of Executive and Judicial branches of government.

What is wrong with saying: "Hold your horses! Let's think about stabilizing and holding the line for a while instead of always saying we've got to pay more"?

Somewhere and sometime we must say "enough is enough!" There is no way in the world to stop inflation and these spiraling increases in the costs of living we have all experienced unless we stop the great pump primer in the first place: the continually escalating increase in wages and salaries.

I am not calling for the Postal Service—or any other branch of government—to reduce wages to a previous level. What I am saying is let's hold the line. (And, I think the first place we should do it is in Congress by rejecting the Presidential Commission request for Executive and Congressional salary increases.)

I think the contract reached by the Postal Service certainly can stand review because of the built-in escalation which resulted.

One item in the National Labor Agreement which has caused administrative problems for some of our small town South Dakota postmasters is the requirement that a part-time clerk has to be paid for a minimum of two hours when called in to work. There are many times when these postmasters could use a part-time clerk for one hour in the morning and one hour in the afternoon, but it is not often they have two consecutive hours of work for a part-time clerk.

This is one example of why I believe the Commission on Postal Service should include in its consideration the National Labor Agreement with a view to recommending items which should be given attention in the negotiations between Postal Service representatives and postal employee union representatives when the next contract is under consideration.

If 85 percent of the Postal Service annual budget is for pay, with little or no possibility of reduction, and if an additional five percent or so of the annual budget is for energy, with the likelihood of increasing prices, it is obvious that the financial problem of the Postal Service cannot possibly be solved by making savings in the remaining small percentage of the budget outlays.

This is the fallacy, I believe, of the widely heralded GAO report.

GAO suggested that some $100 million could be saved annually by closing some 12,000 rural post offices. The same month a new National Labor Agreement was negotiated covering, as I noted earlier, all postal employees except postmasters and supervisors. Since then, base pay raises for each covered employee have aggregated $900 and cost-of-living adjustments have added another $624 per year. Take these increases, multiply them by the 600,000 covered employees, and you have a $914 million hike in postal expenses in a year and a half!

While $100 million a year is no small savings, its significance dwindles when you find that it amounts to only about a sixth of the increase in labor costs in a single year. And it dwindles even more when the number of people relying on their post office for more than efficient communication is considered.

There is another threat here, however. Obviously, any organization must deal with larger problems first. This Commission undoubtedly will consider more pressing problems with greater urgency. The social convenience of Americans living in rural areas may seem like a small matter when the cost involved amounts to but three or four percent of the annual deficit. The threat is that rural Americans may suffer because of the smallness of their problem from the national perspective. Where economics weighed against them under the "pay-as-you-go" mandate of the 1970 act, I fear their smallness relative to the other problems may weigh against them in any restructuring effort.

Along with my constituents, I am relying on this Commission to represent their interests among the clashing of great issues. Compared to other problems, the survival of a small post office with but several dozen patrons must seem insignificant. It is critical, however, to those citizens. This commission will be the best hope they have to ensure continued operation of their post offices, and, in some cases, survival of their communities.

A non-South Dakotan who had heard of my comments to the Commission through a radio broadcast wrote me as follows:

"I agree with you wholeheartedly that something should be done to keep the Postal Service from closing down rural post offices across the United States. I work for the Postal Serivce and it seems to me the problem lies within. Management is at fault from the top to Class 'A' offices.

"The Postal Service is painting a different picture for the public than what is to be seen. A. Why is the UPS making money just on Parcel Post and the PO can't? B. Why has the UPS done away with the Parcel Post machines and the PO is still using them? C. Why is PO claiming to be in the black all of a sudden when for years it's been in the red? Politics?

"D. Why is a postmaster of a Class A office making approximately $22,000 a year doing bargaining unit work and not doing his management work? The same goes for the assistant making about $18,000. They are sending men home for the day who have approximately $11,000 to $13,000 a year income. There is an overload of top level personnel in the Postal Service.

"E. Why doesn't the Postal Service return to Congress control or to the Civil Service Commission so the Postal Service can be controlled in manpower waste, material waste, wage control, postage rate, etc.? The public would be happier paying less postage and the other postal expense coming from tax money.

"F. Why are Special Delivery letters and packages not being given the service as was paid for?

"G. Why is service being cut and rates raised? Flexible substitutes can't even be guaranteed forty hours a week.

Mr. Adnor, I'm hoping you and your colleagues can change the Postal system back to a U.S. Postal Service and not a money-making business as it is now. It should be as the armed forces, by serving the people, being controlled by Congress or the Civil Service commission."

Mr. Speaker, in their January 27, 1977, edition the Wall Street Journal discussed the Postal Service dilemma and some of the factors compounding it. Their comments, too, merit attention:

POSTAL SERVICE FACES LOSS OF INDEPENDENCE; MOVE LIKELY THIS YEAR—COURT RULING, CARTER PLEDGE AND COMMISSION'S WORK POINT TO MAJOR CHANGES—ANOTHER PROFITABLE QUARTER

(By Walter Mossberg)

WASHINGTON.—That steady money-loser, the U.S. Postal Service, will report soon that for the second consecutive quarter its operations show a surplus.

It is the best financial news for the Postal Service in its six-year history. But all the other news for the agency is bad—so bad that the service is closer than ever to extinction as an independent agency. It appears likely, in fact, that Congress and the new President will reassert some direct control over it this year.

Lawmakers increasingly dissatisfied with the Postal Service seem ready, at the least, to restore the presidential power of appointing the Postmaster General and to reclaim some congressional authority over postal budgets and rates.

For mail users, a congressional takeover of rate-setting procedures probably would mean a slowing of the escalation of postal rates, which have approximately doubled since the Postal Service began in 1971. (It cost six cents to mail a letter back then, compared with 13 cents now. But those same mail users would still feel the burden of mounting postal costs—in the form of higher postal subsidies that Congress presumably would appropriate.

PRESERVING THE POPULAR

A congressional takeover would probably also result in preservation of some politically popular services, such as small rural post offices, which the 14-billion-dollar Postal Service wants to eliminate because they are uneconomic.

Postal officials, as well as major mail users, agree that the political environment is changing drastically, and that a legislative overhaul appears on the way.

"It's going to be a grim year for the Postal Service, says Timothy May, a postal lawyer for Reader's Digest and some other major mailers. A postal official adds: "Some of the major constituencies—the mailers, the unions and others—may be ready to throw in the towel on postal reorganization."

Events pointing toward major changes include the following:

A surprising ruling by a three-judge federal appeals court last month. The court not only ruled that the service had been using illegal methods to set postal rates; it also suggested that it soon may order a rollback of first-class rates and an increase in the rates for business mail. Responding to this ruling, worried business mailers are seeking major congressional revisions in the law under which postal rates are established.

The work of a study commission that is due to tell Congress by March 15 how the Postal Service should be reshaped. The commission is expected to raise fundamental questions about the rate-setting methods of the agency.

The campaign pledge by Jimmy Carter to try to make the Postmaster General a presidential appointee once more. During the campaign, Mr. Carter derided the Postal Service as "a Republican experiment," and since the election some of his aides have been preparing postal-policy options for his consideration.

POWERS OF THE BOARD

Under legislation passed in 1970, the service is run by a presidentially named nine-member board of governors, which has the power to hire and fire the Postmaster General. The governors may also change postal rates, subject only to review by a five-member Postal Rate Commission.

The governors and Postmaster General Benjamin Franklin Ballar want to preserve this system; they think it would have performed better if it hadn't been for the inflation of the 1970s. All they want Congress to change is the law's subsidy arrangement, which provides the service with annual federal grants until 1984, when the agency is required to break even.

Currently, the Postal Service gets a lump-sum appropriation of $1.6 billion. The agency argues that it needs much more than that each year if it is to provide several money-losing services that Congress insists on; such services include twice-a-day business deliveries and the maintenance of those rural post offices. Postal officials want Congress to list such uneconomic services in a "public service" category and simply give the agency sufficient funds to finance them.

But defenders of the current postal system aren't in good shape. For one thing, the congressional postal committees, which have been friendly to the service, are in disarray. Both committees have new chairmen this year, and the Senate panel may even be abolished as part of a Senate reorganization plan. Furthermore, Mr. Ballar is risking the enmity of the new President by passing the word that he won't resign with the changing of administrations—partly, he explains, because it is important to demonstrate the agency's independence.

SURPLUSES WON'T HELP

The new budget surpluses won't help, either. It appears that the service rolled up a profit in the last quarter of at least $50 million to add to the $15 million surplus it produced in the summer quarter. "They're going to have a hard time explaining to people that they had a surplus but still need billions in new subsidies," says John Burzio, a lawyer for the Magazine Publishers Association.

Mr. Ballar says the surpluses result from unexpected increases in mail volume and the elimination of 50,000 postal jobs in recent years. But he insists the surpluses don't alter the long-term, pessimistic view, which assumes future pay increases, an expected long-term decline in mail volume, and continuing inflation.

The service is likely to ask the rate panel for another increase before the year is out. If granted, it would push first-class postage to 16 cents or 17 cents an ounce in 1978—provided that the court's threat of a rate rollback is forestalled. If rates are rolled back, postal finances could become total chaos, thus forcing Congress to act.

A few months ago, postal officials hoped this would be the year when Congress finally agreed to provide enough of a subsidy to make the Postal Service function effectively. That hope was bolstered last year when Congress gave the agency an extra $1 billion and set up the special study commission to recommend further steps.

But now it appears that instead of returning from Capitol Hill this year with lots more money, the service will be lucky to come back in one piece. A top postal official, talking more glumly than ever, says, "We can save the system, but we've only got six months to do it."

Postal officials see some reasons for hope. It is possible that Congress, facing other pressing problems, may not want to plunge into the complexities of postal organization this year. Further, the Carter transition team recently has passed the word that Mr. Carter's campaign statements may not represent his final policies on the Postal Service.

But postal officials acknowledge that the service is in a newly precarious position, especially because of the recent federal appeals court ruling.

The court noted that the 1970 law called

for charging users of each class of mail for all costs incurred by that class, plus a proportional amount of the fixed overhead costs that couldn't reasonably be attributed to any one class. But the service, the court found, had deliberately allocated too much of the cost to those mailers—largely senders of first-class mail—who had no real alternative but to use the Postal Service.

The specific case had been brought by greeting-card makers as a challenge to the method the service had used in raising first-class rates to 10 cents from 8 cents. The court ruled that the method used had been illegal, but granted no legal remedy because the 10-cent rate being challenged isn't in effect any longer. But the decision noted that a nearly identical challenge to the current 13-cent rate is pending before the same court. The court hinted that when that case is decided it may order revisions in the rates. Such revision almost certainly would cut rates for letter mail, while providing sharp increases in rates for advertising matter, magazines, newspapers, books and many other items.

To head off that possibility, the publishers' lobbyists have begun moving to get Congress to reverse the court by revising the 1970 law's section on how rates are set. "We'd have backed a simple subsidy bill, but this court decision is catastrophic," says Mr. May, the Reader's Digest lawyer. "Now, nothing the Congress will do on subsidies means a thing unless they reverse that ruling."

One big publisher has decided to greatly expand its use of private carriers, circumventing the post offices. "The mailers have usually gone along with Ballar," says a postal expert in Congress, "but now they're going to be focusing much more on saving themselves."

The court ruling also poses a problem for postal unions—the most potent lobbying force among the postal interest groups. "The unions have always tried to keep things under control, to avoid reopening the law too much, because they're dreadfully fearful something might happen to their collective-bargaining rights," saye James LaPenta, vice president of the mail handlers' union.

But now, he adds, "we may have to do something this year, or we'll wind up with collective bargaining but no employer to bargain with." He favors bringing the service back under political control by eliminating the rate commission and making the Postmaster General a presidential appointee. The AFL–CIO, worried about postal increases on union publications, agrees.

The court ruling has affected the deliberations of the congressional study commission, too. David Minton, the commission's executive director, says, "We'll direct much more of our attention toward the problem of rate-making, now that the court has ruled. The ruling will virtually assure that Congress will reexamine the rate-making issue." He sees the possibility of "a complete reexamination of the whole 1970 law."

It long has been assumed that Congress would be unwilling to resume the old practice of setting rates by law. But since 1970 many new members have been elected to Congress who can't recall the intense and nettlesome lobbying over postal-rate bills. "There's a lot of new sentiment to get Congress back involved in running the service in some way—maybe not on a day-to-day basis, but in some way," says Mr. Burzio of the Magazine Publishers Association.

Robert Malsom, a Carter aide studying postal policy, says, "The important question is whether the service is going to continue to be locked into the schizophrenic legal language that requires it to break even and also requires it to provide a public service."

THE POLITICS OF CHROME

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BAUMAN. Mr. Speaker, about this time during the beginning of each new Congress, just as most other Americans are putting away their campaign gear, a small group of others are only now putting theirs on. The buttons they wear read, "Stop Rhodesian Chrome," and this particular pressure group makes it their cause to repeal the Byrd amendment which permits reciprocal trade with other nations.

These people who complain about the Byrd amendment seem to have always been with us, and hopefully they always will be with us, because it would be as strategically dangerous as it would be economically foolish to actually repeal the law which permits us to buy Rhodesian chrome. Sentimentalists in foreign policy look at the imperfections we see in the Smith government and hold that we should not let our dollars travel there. Yet to trade with a country, to give it something it wants for something we want even more, is hardly to vote approval of its regime, or we would stop buying beans from Colombia, spices from India or glass from Poland. Moreover, particularly so in the Rhodesian case, our trade helps to raise the general level of their economy, bringing prosperity to people regardless of race or creed.

In the past, the only alternative to purchasing chrome from Rhodesia has been to buy it instead at a higher price from the Soviet Union, hardly one of the world's more liberal regimes. While recent technology has only this year enabled a few other countries to produce chrome at Rhodesia's price levels using South Africa's low-sulfur process. Rhodesia remains our primary source of relatively inexpensive chrome.

The Sunday News American of Baltimore published an editorial in its February 6 edition which addresses these points in its characteristically lucid way and I offer it for the RECORD. I hope that my colleagues think long and hard before any effort to repeal the Byrd amendment is given any serious consideration.

[From the Baltimore Sunday News American, Feb. 6, 1977]

A STRANGE MORALITY

Hard-left activists and their dupes in Congress are mounting a new drive for repeal of the 1971 Byrd Amendment, under which this country imports chrome from Rhodesia in disregard of United Nations sanctions. Few Americans realize how serious a threat to the national security is involved, or how such a repeal would help the Soviet Union.

They certainly should—and it is high time congressional dupes quit falling for the activist argument that the United States is a disgrace for continuing to do business with a racist government in defiance of world opinion. Just about the whole world has been hypocritically and quietly ignoring the UN embargo on Rhodesian exports. Only the U.S. has been honest and candid about its actions.

The Byrd Amendment was enacted out of vital necessity. Chromite ore of metallurgical grade is a strategic material, absolutely essential in the manufacture of special steels used in a wide variety of armaments. Although Rhodesia has 67.3 per cent of the world's dwindling chrome resources, of which we have none domestically, Soviet Russia to date has been our major supplier.

In 1975, for example, the U.S. bought 17.5 per cent of its metallurgical grade chromite from Rhodesia and 49 per cent from Russia. The rest of our imports came from a variety of other countries, including 14 per cent from Turkey. What this boils down to is one all-important fact, namely that the U.S. simply could not manage its chrome problem if deprived of both Rhodesian and Russian supplies.

This is precisely what could happen if the stalemated Rhodesian talks erupt into full-scale racial war and, as in Angola, a Marxist government emerges as the result of Soviet-Cuban backing. Thereafter, U.S. chrome supplies would be almost wholly dependent on Kremlin policies.

What this would mean in the event of a direct, non-atomic military showdown with our ideological arch enemy is obvious. And it should be equally obvious that virtual control of the Rhodesian chrome mines at the very least would give the Soviets a powerful new weapon for use against us in other conflicts. In the Korean war, it should be noted, Moscow seriously hampered the U.S. by cutting off its own chrome supplies to us.

The drive for repeal of the Byrd Amendment—a drive incidentally supported by our new UN ambassador, Andrew Young—is as ironic as it is menacing to the national security. It is a strange kind of American morality that can ignore that security in condemning the U.S. for trading with Rhodesia while seeing nothing wrong with buying from the Soviet Union Communists, bosses of the most repressive long-time regime in the world today.

POLISH-AMERICAN COMMEMORATION

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. DELANEY. Mr. Speaker, February 12 has been the birthday of many great men in our Nation's history—among them none greater than Gen. Thaddeus Kosciusko of our Continental Army.

Kosciusko came to our shores from his native Poland in 1776, on his own initiative and at his own expense, to join the Revolutionary cause as a colonel of Army Engineers. He distinguished himself in the Carolinas and in the battles of New York and Yorktown and engineered the fortifications at West Point now the site of the U.S. Military Academy. As Gen. Nathaniel Greene, commander of the Southern campaign wrote:

I can liken to nothing his zeal in the public service, and in the solution of important problems; nothing could have been more helpful than his judgement, vigilance, and diligence. He was fearless of every danger. He never manifested desires or claims to himself, and never let opportunity pass of calling attention to and recommending the merits of others.

At the close of the War for Independence, Congress granted Kosciusko the rights and privileges of American citi-

zenship and commissioned him a brigadier general.

The people of my congressional district are proud to have a bridge named in memory of this Polish-American patriot, spanning the border between Brooklyn and Queens as does the friendship between the people of our country and those of his native land.

Kosciusko's struggle on behalf of the common folk of Poland after the partition of 1792 reminds us of the abiding aspirations for freedom and liberty voiced by the Polish people.

It is with deep feeling that I salute Kosciusko's "sons and daughters" in America living under the banner of liberty which he helped to unfurl and that I pray for Poland's own national liberation.

AWARDED THE PRIME MINISTER'S MEDAL OF THE STATE OF ISRAEL

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. WAXMAN. Mr. Speaker, Mr. Harry Groman, a distinguished citizen of Los Angeles, will be awarded the Prime Minister's Medal of the State of Israel at the annual Salute to the Business and Financial Communities of Los Angeles. This Tribute Dinner Dance, on behalf of State of Israel Bonds, will be held on Sunday, February 27 at the Century Plaza Hotel. I am gratified to be able to bring to the attention of the Members the many accomplishments of this exemplary American. His concerns for his fellow men are well known to leaders in finance, industry, government, education, and religious endeavors.

Until 1938, Harry Groman held positions with State and local government agencies. Since then he has been involved in a number of businesses connected with real estate and mortuaries, serving on many clubs and committees having to do with the maintenance of high standards in his fields of endeavor. However, it is Harry Groman's involvement with community service which leads us to do honor to him and his lovely wife, Peggy Jean.

Harry Groman is former president of the Sunair Home for Asthmatic Children, a trustee of the City of Hope, vice president of the Jewish National Fund, and is an active member of numerous organizations, among which are the Criterion Club, Eastern Star Ionic Chapter, Jewish Big Brothers Association, Jewish Home for the Aged, Westwood Shrine Club, and Alan Catain Leukemia Fund. Mr. Groman is also a director of the Variety International Boys' Club and Variety Club Tent 25, and participates actively in the Footprinters and Forresters, the Los Angeles Jewish Community Federation Council, the American Jewish Committee, and several Shrine Clubs. He is a charter member of Moose Lodge No. 29. A number of synagogues also claim Harry Groman's membership.

We must recognize Mr. Groman also for his philanthropy: a campsite to the Jewish Community, a bungalow to Camp Hess Kramer, a classroom to Hillel Academy in Los Angeles, a community social room at the Farband Community Center in Dimona, Israel, a room at Mt. Sinai Hospital, and athletic equipment to the Israeli Army. Together with Mr. William Tamkin, he gave land and buildings to the Sunair Home for Asthmatic Children. He has established the Groman mortuaries rabbinical loan fund at Hebrew Union College and planted 2 miles of trees in Israel near the Gaza Strip. In memory of William Tamkin, Mr. Groman has contributed laboratories to the Massachusetts Institute of Technology, Boston, Mass. He has shared so much with so many that it is impossible to enumerate all of his generous gifts and contributions. Because of the equality of his achievements in the service of his fellow men and women, I ask the Members to join me in paying tribute to this most valued citizen, Harry Groman.

TRIBUTE TO RAYMOND J. PITTS

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mrs. BURKE of California. Mr. Speaker, I direct my colleagues' attention in honor of a very distinguished Californian who is retiring after a lifetime of dedicated service in the field of education. Mr. Raymond J. Pitts, dean of academic affairs within the Office of the Chancellor of the California Community Colleges, has served the citizens of the State of California and the California State system of public education with the utmost loyalty and dedication.

Mr. Pitts initiated his career in public education as an instructor in the State Teachers and Agricultural College in Forsyth, Ga., in 1933, after graduating cum laude with a bachelor of arts degree in mathematics from Talladega College; and he received his master of arts degree in mathematics and his doctor of philosophy degree in education and mathematics from the University of Michigan, and engaged in postgraduate studies at the University of California at Los Angeles and the Claremont School of graduate studies.

Since coming to California as a mathematics instructor at Los Angeles City College in 1957, he has served in such distinguished capacities as director for the mathematics project for the Santa Barbara County Schools, and administrator with the Center for Coordinated Education at the University of California at Santa Barbara, the research and teacher education project of the California State Department of Education Office of Compensatory Education, the instructional development and services program of the San Francisco Unified School District, and the program approval branch of the Teacher Preparation and Licensing Commission of the State of California.

Because of his sensitivity to the human dimensions of educational administration and his ability to resolve human conflicts in educational settings, Mr. Pitts was very successful in developing and determining the role and the function of instructional programs in the California community colleges, the California State university colleges, and the University of California.

He has further distinguished himself as president of the National Institute of Science, treasurer of the Beta Kappa Chi Honorary Scientific Society, and member of numerous advisory committees in the State of California on mathematics education, teacher education and higher education.

In commendation for his outstanding record of dedicated and highly effective service to the people of the State of California over the past 20 years, I ask my colleagues to join me in saluting Raymond J. Pitts upon the occasion of his retirement for the excellent leadership abilities he has provided in the field of public education.

THE RAISE CONGRESS DOES NOT NEED

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. ABDNOR. Mr. Speaker, the conduct of the 95th Congress concerning the pay raise it is about to get is little short of hypocritical. How we can justify telling the folks back home how much we oppose the raise, and then not have the courage to vote on the raise, I will never know.

My thoughts on the pay raise are summarized in the weekly newscolumn I sent to newspapers in my State last week, and in the statement I am submitting before the House Office and Civil Service Subcommittee on pay raises:

[News release from Congressman JAMES ABDNOR]

BUDDIES SAVING THE PAY HIKE

The silence on Capitol Hill concerning the proposed pay raise for Congressmen and other federal workers is almost deafening! As a matter of fact, it is so quiet it almost leads one to believe that a kind of "buddy system" has been worked out to make certain the automatic raise goes into effect Feb. 18.

The only way the pay hike WON'T go into effect is if either the House or Senate specifically votes it down. I have joined in sponsoring the needed resolution to DISAPPROVE the raise, but you can't even get anyone to talk about it, much less hold a committee meeting so the resolution can get to the floor. There are, perhaps, four dozen or so of us openly on record against the raise, which is not many when you need over 200 votes in the House or 50 in the Senate—If you get a chance to vote at all. Moreover, the pay raise proposal was submitted by the outgoing Ford administration with the apparent blessing of the incoming Carter administration.

The conspiracy of silence is amazing! How these people can justify giving themselves a $13,000 pay raise, I can't figure out. Many people back home are not earning all year what the Congress may get in a raise.

Then you hear justification of a pay raise through tighter regulations—something like "pay me more and I'll behave better." This is utter nonsense! Honest Congressmen will be

honest Congressmen regardless of their pay. Those who yield to temptation are going to be no less susceptible if they are paid more.

We need two things: a vote on the resolution of disapproval which has been introduced but needs committee action, and we're having little luck getting such a meeting.

We also need reform of the way we get salary hikes, a battle I have fought since I came to Congress. My bill would require a vote on every salary proposal so all Members would be on record "for" or "against."

It's a battle we appear to be losing, thanks to the "buddy system."

STATEMENT BEFORE THE HOUSE POST OFFICE AND CIVIL SERVICE SUBCOMMITTEE ON PAY RAISES, FEBRUARY 9, 1977

Mr. Chairman: I will be brief.

The pay raise is wrong!

The way we go about giving ourselves a pay raise is wrong!

We all tell the folks back home how wrong it is!

But despite all our words, all we're going to do to correct this wrong is hold these hearings "for the record," as the invitation to testify noted.

Mr. Chairman, since it is clear the leadership intends to do nothing more, even this charade of a hearing is wrong!

VOICE OF THE 500-MILE RACE

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. JACOBS. Mr. Speaker, Indianapolis is more than just a little proud of Sid Collins, the voice of the 500-mile race, for more than just a few reasons.

I am sure that Sid Collin's friends all over the country will be happy to read of his deliverance:

LUCKY TO BE VOICE OF "500"

(By Thomas R. Keating)

Being "the Voice" of the Indianapolis '500' for the past quarter century has brought WIBC's Sid Collins fame and fortune.

And now, to his way of thinking at least, it also may have saved him from being paralyzed.

Shortly before last year's race, Collins started experiencing severe pains in his legs.

He consulted not one, but three different doctors and their diagnoses were pretty much the same—simple muscle problems that exercise would correct.

"I did what they told me, but instead of getting better, the pain got worse," Collins explained "In fact, it was almost unbearable at one point.

"At the race last year, a physician from St. Louis named Harlan Hunter saw me limping around and asked what the problem was," Collins continued.

"When I told him my symptoms and what the other doctors had prescribed, Dr. Hunter disagreed and suggested I see a neurosurgeon."

Collins took this advice and entered a hospital last June for a series of tests which quickly disclosed that a disc in his neck was pressing against his spine and had been for some time, causing the leg pains.

If left unattended, complete paralysis was all but certain in a matter of months, maybe weeks.

Surgery, in the form of a spinal disc fusion, was ordered immediately.

If this wasn't bad enough, there was more news that was really a shock.

The message was that to perform the operation, surgeons had to enter the neck from the front. This meant literally cutting open his throat, delicately avoiding the larynx and other vital organs by millimeters to reach the spine.

To anyone, this would be a frightening prospect. To a man whose career was built on being the Voice of the '500,' it was potentially the end of the world.

The operation, however, was a success, and for the last six months Collins has been working his legs back into shape.

A limp is still present, and it takes him half an hour to reach the top of the Speedway tower for his broadcast, but he says the condition is only temporary and he feels fine, although a little bewildered by some who practice medical science.

"Three doctors for five months tell me I have a slight muscle problem and then a doctor walks out of the Speedway crowd and tells me what's wrong," Collins concluded.

"If I hadn't been associated with the Speedway, I probably would have gone along and eventually been paralyzed. I'm a very lucky man."

GEPHARDT DEPLORES DIXON REMARK

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. GEPHARDT. Mr. Speaker, I rise to state my revulsion at the recent statement by Federal Trade Commissioner Paul Rand Dixon regarding consumer advocate Ralph Nader. Despite Mr. Dixon's apology to the National Association of Arab-Americans and later, with prodding, to Mr. Nader himself, Mr. Dixon has demonstrated very poor judgment and a sense of prejudice which should never be exhibited by a public official.

As one St. Louisan has written:

Mr. Dixon's use of offensive, obscene language against Ralph Nader was a disgusting exhibition. Mr. Dixon's deliberate ethnic slur against Mr. Nader was unforgivable.

The conduct of Mr. Dixon after his reprehensive tirade proved him to be a part of the arrogant elite we thought had been cleansed from the Washington scene.

I implore you to take immediate steps to remove this person from our government. In doing so, you will prove to all Americans their faith and trust in their representatives is preserved.

Commissioner Dixon may remain in office despite his unfortunate remark. President Carter does not have the authority to fire him, although he could ask Mr. Dixon to resign in the interest of the public good. My distinguished colleague from New York, Representative KOCH, has introduced an impeachment resolution, which is the method by which commissioners can be removed from office. I have not signed such a resolution, for I feel Mr. Dixon will suffer more personally having this statement on his public record than he would if he was removed from the public eye.

I agree, however, that public officials must be prevented from displaying their vile, personal, and racial biases in their official capacities. The so-called Watergate tapes recorded an ugly segment of such prejudice in our highest elected official, the President. Former Agriculture Secretary, Earl L. Butz, and General George S. Brown indicated to the American people that similar racial and religious bigotry existed in the Cabinet and in the highest levels of our military establishment. Paul Rand Dixon brings public service to an even lower level. Thus, it is my fervent hope that President Carter, with the advice and consent of the Senate and the concern of the Congress, will return a sense of morality to our public servants, be they elected, appointed, or career oriented, so that comments like Mr. Dixon's will never be heard again. Within our roots as a nation of many peoples, the decay of prejudice has existed, but within those same roots lies the possibility for a new order in which all of our people, of any race, religion, national origin, sex, or age, will be treated equally, fairly, and honorably.

HEARINGS ON PROPOSED EXTENSION OF THE LIBRARY SERVICES AND CONSTRUCTION ACT

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BRADEMAS. Mr. Speaker, on Wednesday, February 16, 1977, the Subcommittee on Select Education, which I have the honor to chair, of the Education and Labor Committee will hear testimony on proposals to extend and amend the Library Services and Construction Act, LSCA.

This measure, which was initially passed in 1964, has been very important in extending library service to special groups such as the handicapped, the aging, the hospitalized, the bilingual, and the disadvantaged, both rural and urban.

The Library Services and Construction Act also emphasizes assistance to metropolitan libraries that serve as regional resource centers.

LSCA matching grants have as well enabled communities throughout the country to build new libraries and remodel outdated ones, and the program has also promoted cooperation between cities and States in the library field.

Mr. Speaker, among the witnesses scheduled to testify before the subcommittee on February 16 will be the Honorable JACK BRINKLEY of Georgia and representatives of the following agencies and organizations:

Office of Libraries and Learning Resources, U.S. Office of Education, Department of Health, Education, and Welfare;

National Commission on Libraries and Information Science;

American Library Association;

Urban Libraries Council;

National Citizens Emergency Committee to Save Our Public Libraries;

And other public witnesses.

The hearing will take place at 9:30 a.m. in room 2261 of the Rayburn House Office Building.

VETERANS' BENEFITS PASS-THROUGH BILL

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. FORD of Tennessee. Mr. Speaker, I rise today to reintroduce H.R. 904, the Veterans' Benefits Pass-Through bill which I introduced on January 4. As I stated in the RECORD on January 4, the need for this legislation is critical—of the nearly 5,470,000 persons receiving veterans' pension benefits, about 80 percent receive social security as well. Many of these people rely on these two benefits as their sole means of support.

To help people on fixed incomes cope with inflation, social security periodically grants a cost-of-living increase. For a person also receiving veterans' pension benefits, however, this cost-of-living increase is seen as an increase in income, and the Veterans' Administration cuts that person's veterans' benefits by an amount that effectively offsets it. We thereby single out the veteran from those on fixed incomes and discriminate against him and his family. This procedure is a windfall to the Veterans' Administration which allows the Federal Government to give money with one hand but take it away with the other.

I am pleased and encouraged by the broad bipartisan support I have received for this bill. On January 11 my distinguished colleague, Mr. MOAKLEY, rose before this body to endorse the bill and urge its support. I am also delighted that Mr. CONTE has expressed his desire to work with me on the bill on the Republican side. So far I have received the cosponsorship of 83 Members—68 Democrats and 15 Republicans, including 7 members of the Veterans' Affairs Committee.

The veterans' service organizations have given the bill overwhelming support. Among those groups favoring the bill are the AMVETS, the Veterans of Foreign Wars, the Veterans of World War I of the United States of America, the Blinded Veterans' Association, the National Association of Concerned Veterans, the American Legion, the United Spanish War Veterans, the Retired Officers' Association, the Catholic War Veterans, and the National Black Veterans' Organization. Mr. Joseph J. Palaia, National Commander of the Catholic War Veterans, sent me a copy of a memorandum he sent to his membership explaining the bill and urging his members to write to their Congressmen and Senators to show their support. At their 77th National Convention from August 13 through 20, 1976, the Veterans of Foreign Wars passed resolutions 677, 604, and 660 dealing with this very problem. Similarly, the American Legion at its 1976 convention expressed concern that its members have adequate pension adjustments to cover increases in the cost of living.

Mr. Speaker, I would like to take this opportunity to go on record as supporting this bill 100 percent. If the need comes to petition the Veterans' Affairs Committee to hold hearings on this bill, I am prepared to wage this campaign. The veterans of this country have too long been treated like second-class citizens because of this procedure, which was probably never meant to be, and it is time we corrected the inequity. I once again urge my colleagues to strongly support this legislation to guarantee that increases in social security benefits will be passed through to veterans' pension recipients.

VIETNAMESE FLEE, THEN FIND NO ONE WANTS THEM

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. HAGEDORN. Mr. Speaker, it further reflects the lack of purpose of the United Nations that there has been so little controversy attending the application for admission to this body by the Socialist Republic of Vietnam. Nearly 2 years after the fall of South Vietnam, hundreds of refugees risk their lives every month in efforts to leave this country. This, of course, fails to include the tens of thousands of Vietnamese who have reportedly been massacred during that time, and the hundreds of thousands who have been forced from their homes into "reeducation" camps. Despite this, "our last best hope for peace" has enthusiastically welcomed this nation to its ranks, "world opinion" is suddenly nowhere to be seen, and our own country prepares to establish "normal" relations with this nation once they have accounted for our MIA's. As tragic is the human cost of communism in Vietnam, even more tragic in my opinion is the absence of response by the West. That nations purporting to call themselves free can ignore the agony, and refuse to assist the few who have successfully fled Vietnam is a tragedy of the greatest proportions. I would like to call to the attention of my colleagues the following article by Barry Kramer in the Wall Street Journal of November 22, 1976.

THE HOMELESS: VIETNAMESE RISK DEATH TO FLEE, AND THEN FIND NO ONE WANTS THEM—SOME WAIT ON A THAI BEACH; EXODUS REFLECTS TROUBLES OF HANOI WITH THE SOUTH—SHIPS THAT PASS AND SEE NOT

(By Barry Kramer)

SONGKHLA, THAILAND.—The 15 small wooden Vietnamese fishing boats that are lined up along the beach look too picturesque to be part of an unfolding human drama.

On the beach live more than 350 Vietnamese refugees who arrived here aboard the boats after fleeing their native land. They laze about now, listening to Thai rock music blaring from radios, waiting to learn if they will be allowed sanctuary anywhere in the world.

Some older women prepare food over charcoal braziers, while boys clad in black loincloths take pots and pans and scoop water out of large clay jugs for a morning shower. But mostly they wait, frustrated and bored, and afraid that the Thais will order them to leave or, worse, send them back to Vietnam.

The refugees were on the losing side of the Vietnam war. Most of the men were South Vietnamese businessmen, property owners, bureaucrats or military officers. Eighteen months after the fall of Saigon to the Communists, hundreds of them still risk death each month to flee Vietnam in flimsy, unseaworthy fishing craft like those lining the shore at Songkhla and other beaches on the Gulf of Thailand.

MANY ATTEMPTS FAIL

There is more working against such attempts than the unpredictable, often stormy sea. Many Vietnamese have been arrested—and some have been killed, the refugees report—while attempting escape. Perhaps one-third to two-thirds of those who try don't make it. The Hanoi radio talks glowingly of the heroism of marine police who catch would-be escapees. Communist patrol boats, refugees say, don't hesitate to shoot fleeing vessels out of the water and leave their passengers to drown.

Those Vietnamese who do escape find that the welcome mat is no longer out. Nation after Asian nation—in particular Singapore, Malaysia, Hong Kong, the Philippines and Japan—tells all but a few of the Vietnamese to go elsewhere. There are many reasons—Hong Kong says it simply doesn't have any room—but the main reason is assumed to be that no one wants to antagonize Hanoi. If any refugees are let in, it is only after the United Nations has promised to find them homes in other countries. Some escape boats have even been towed back out to sea, the refugees still aboard, still searching.

Worse yet, there are reports that some cargo ships have callously ignored sinking craft and the pleas for help of their Vietnamese passengers, although most ships still adhere to the law of the sea and assist anyone in distress. The cargo-ship captains know that if they pick up the Vietnamese, they may be unable to unload them in any of their ports of call.

A Burmese ship that rescued 90 Vietnamese wasn't allowed to dock at Hong Kong for more than a month. A Japanese ship wandered the seas for 16,000 miles and 64 days, from Singapore to Yemen to Japan, trying to get someone to accept the 31 Vietnamese it had rescued from the South China Sea. In both cases, the Vietnamese were eventually allowed to land.

FLOW REFLECTS CONFLICTS

The new flow of refugees by sea from Vietnam—between 1,500 and 2,000 so far this year—reflects the difficulties that the Communist ideologues are having with large elements of the South Vietnamese population. Observers say that earlier Communist attempts at persuasion have given way to force and terror.

"They are having a classic Marxist-Leninist revolution in South Vietnam," says one Vietnam watcher. "They are choking off the bourgeoisie harder than they ever did in the North."

Property is being confiscated. The new government has imposed a business-profits tax of 80% to 100%, aimed mainly at the South's many Chinese entrepreneurs. Most former high-level bureaucrats and military officers, hundreds of thousands of them, have been forced into camps. These are described as re-education centers by the government, as concentration camps by those who have escaped from them.

Under a Hanoi policy of reducing the population of South Vietnam's swollen cities, millions of South Vietnamese are being forced out of the cities to live in "new economic zones." Refugees say many of these

zones are uncleared jungle lacking such elementary resources as drinking water, health facilities or roads.

A MATTER OF PRIORITIES

Vietnamese who have fled the country say they became convinced that even harsher measures were in store after most foreigners including journalists and missionaries, were ordered out of the South. These Vietnamese felt that foreign "eyes and ears" had provided some insurance against harsh repression.

"You can't have a freewheeling South; it would contaminate the North," one Southeast Asian diplomat says in explaining the new Communist leaders' moves against South Vietnam's moneyed class. "Priority No. 1 is the Lao Dong (Communist) Party," he says, "and neither the economy nor the public welfare will be allowed to get in the way."

Vietnam has been completely under Communist rule since April 1975, when the U.S.-backed regime in South Vietnam collapsed. Last July the country was reunited as the Socialist Republic of Vietnam with one capital, Hanoi.

The Hanoi government tries hard to cut off the escapes, which must be embarrassing to it. According to the refugees, the possession of maps, compasses and other navigational aids has been outlawed (at least one boat made it to Songkhla using a small, inaccurate airline giveaway map); many motorized fishing boats have been confiscated; fishing licenses are hard to get; block associations have been set up to control the population, and meetings of three or more persons are reason enough for arrest.

These efforts are undermined, the refugees say, by corruption among Communist officials. Travel permits, ocean fishing licenses, even weapons, reportedly can be bought. For the right amount of gold, it is said, some Communist officials even collaborate with escapees.

While the Thais grumble a good deal about the Vietnamese who seek haven on their soil, and threaten to forbid entry, Thailand has nonetheless taken in more Indochinese refugees than any other nation except the U.S. More than 100,000 Vietnamese, Cambodians and Laotians have come to this country. Many of them walked across the borders from Cambodia and Laos in the early days of Communist control when Communist border measures were less effective. (There is no common border between Vietnam and Thailand.) At least 72,000 still remain, not counting 70,000 or so unwanted Vietnamese who have been in northeast Thailand for decades.

The U.S. has accepted 150,000 Indochina refugees, most of them Vietnamese, but the number won't go any higher unless Congress eases restrictions. "Congress thinks that if you're overseas, you must be a bum," says one American official here who would like the U.S. to provide sanctuary for more Vietnamese.

United Nations officials, saddled with the task of finding homes for the refugees, are trying to "internationalize" the problem. France has taken close to 10,000 of the refugees. Holland, Australia, Norway and other countries have taken smaller numbers.

"We're telling the Thais that we're hoping the U.S. quota will go up," one UN official says. "Meanwhile, we're using up solutions rapidly." He adds:

"One day, the Thais will realize that many of these refugees aren't going to be accepted anywhere. What will they do then? We don't know."

Before the recent military takeover in Thailand, former Foreign Minister Bhichai Rattakul was quoted as saying that if their countries didn't accept the Vietnamese, Thailand would forcibly repatriate them. Of course, he said, Vietnam would first have to "guarantee" the safety of the returnees.

To the Thais, the Vietnamese are an alien presence. Many Thais openly express hate for all Vietnamese; anti-Vietnamese riots broke out earlier this year in the northeast, Thailand's most economically depressed area. Thailand's former civilian government, like most governments in Southeast Asia, was careful not to antagonize Hanoi by accepting the refugees too eagerly and thereby encouraging more of them to flee.

THE FLIGHT OF DAO VAN KY

But still they come, against great odds. Take, for example, Dao Van Ky, a former noncommissioned officer in the South Vietnamese Navy. Mr. Ky fled from Vietnam in a 30-foot boat last June 1 along with 30 other persons, including his wife and three children. Another 30-foot boat, with 60 persons aboard, slipped out of Vung Tau that same night.

Two nights later, a larger boat, a fishing vessel, pulled alongside the two smaller ones. The fishermen asked where the two boats were headed. People on Mr. Ky's boat shouted back, "We're looking for freedom."

"We didn't know that they were actually Vietcong," Mr. Ky says, until the "fishermen" pulled out M–16 rifles and other weapons and forced everyone to board the larger vessel.

At 2 o'clock the next morning, the escapees offered one of their guards a bribe of gold in exchange for his M–16. He proved receptive. In fact, he and another guard joined the flight. In the ensuing battle, the rest of the Vietcong were either killed or thrown overboard. The 92 refugees then piloted the larger boat to Songkhla.

Another harrowing experience is related by Ba Tuyet, former chief of Vietnamese personnel at Saigon's Tan Son Nhut Airport. Miss Tuyet fled on a tiny boat jammed with 22 persons, mostly women and children. The boat was the smallest of three that left Binh Tuy Province northeast of Saigon last Aug. 1.

Miss Tuyet told interviewers she had been planning her escape since before the fall of Saigon. She said her fiance, a physician, was forced to drop out of the plot because he was being shadowed too closely by government agents and didn't want to endanger the others. The escape had to be aborted twice, once when the moon was too bright, once when the tide was too low.

PASSING A CHECKPOINT

The boats first had to pass a government checkpoint at a river exit to the sea. The women and children were hidden below in fish storage tanks, the children having been given sleeping pills before the trip began. "We were very frightened at the checkpoint," Miss Tuyet says. "At first, those in the fish compartments cried silently because they thought they had been caught."

But fishermen on deck had established a pattern of night fishing previously, and the guards waved them on without searching the boat. Sometime that night Miss Tuyet's boat lost contact with the two others. This was a particularly unhappy occurrence: The other boats had all the food and supplies. The only cargo on Miss Tuyet's boat was gold; the refugees had planned to use it to pay the operators of a larger boat that was supposed to meet all three smaller boats far at sea.

The rendezvous never took place, however, and Miss Tuyet's boat continued sailing for 32 hours into the South China Sea.

After dark on the second day at sea, the refugees saw the first of five large merchant ships that were to pass them by. In the dark, they could just make out the first letter—M—of the ship's name as the large gray vessel pulled alongside their boat. They could see people looking down on them, but the crew on the larger vessel ignored their pleas for help and the big ship moved on.

The next day, as the refugees were running low on food and on drinking water, and as their boat was taking on water in rough seas faster than they could bail it out, four more ships came close but appeared to intentionally ignore their distress signals.

They had given up hope when, on the morning of Aug. 5, a Norwegian freighter picked them up. Norway has taken full responsibility for all those aboard and is paying their Bangkok hotel bills until they can be relocated.

Other refugees also report troubled journeys. One group says it approached an oil-drilling platform in the Gulf of Thailand but workers on the platform pulled up the ladder and waved them away.

"UNDERGROUND RAILROAD"

In addition to the group escapes from Vietnam, diplomatic sources report a thriving, well-organized "underground railroad" operated by ethnic Chinese organizations in Thailand. For a fee, usually about $6,000, these organizations will smuggle out a Vietnamese of Chinese extraction. Half the fee is said to go to the Thai fishing boat that makes the trip while the rest is used to bribe officials in Vietnam—and Thai officials so that they won't make trouble for the new arrival.

But refugees who come on their own, and who are placed in camps to await resettlement, must worry whether they will be accepted anywhere, and whether the Thai government will carry out its threats to repatriate them. The new military government that took over Thailand Oct. 6 appears ready to take a less obsequious line toward Hanoi, but its attitude toward the refugees still isn't known.

Not knowing what will become of him leaves Nguyen Thanh Dung ill at ease. But he has even more than that to worry about.

Mr. Dung, a former Saigon military officer who says he worked with American intelligence, paid in gold for two boats so that he and his wife and child could escape. He escaped on one of the boats, his family on the other. The boats were supposed to rendezvous at sea, but they didn't.

"I've been here for two months and I have no idea where my family is," Mr. Dung tells a visitor at Songkhla. "I get very homesick for them. Sometimes I am like a crazy man without them."

His anguish is visible as he pleads, "Can't you help me find them?"

ENERGY PRIORITIES

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. MOAKLEY. Mr. Speaker, Congressman TOM HARKIN of Iowa did this Chamber a great service by making us aware of a disturbing fact. He presented former President Ford's proposed budget for fiscal year 1978 on energy, research, development, and demonstration.

I was shocked to see that the proposal included cuts in the percentage spending on both solar energy and energy conservation. Equally shocking was learning that the proposed increase for nuclear energy funding, which is $498 million, is greater than the combined monetary ex-

penditures planned on solar energy and energy conservation, $465 million.

It is my hope that President Carter will reverse these trends in his revised budget before we find ourselves too dependent on nuclear power. For I believe that America's best hope for a workable energy policy is the combined effort of massive energy conservation and the development of our most abundant energy resource, the Sun.

CONGRESSMEN URGE WARNKE REJECTION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. McDONALD. Mr. Speaker, a number of Members of Congress have joined with me in a letter to Senator JOHN J. SPARKMAN, chairman of the Senate Committee on Foreign Relations, urging that the Senate reject the nomination of Paul C. Warnke as Director of the Arms Control and Disarmament Agency.

Mr. Warnke has been a spokesman for the extreme proponents of U.S. disarmament and was responsible for setting in motion the chain of events which allowed Daniel Ellsberg to steal the Pentagon papers. Furthermore, Mr. Warnke regarded those documents as nothing which could endanger our national security, although the full text of top secret coded material was included.

The text of the letter setting forth the reasons we urge Mr. Warnke's rejection follows:

FEBRUARY 7, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, Dirksen Senate Office Building.

DEAR MR. CHAIRMAN: This letter is to urge you and the members of the Senate Foreign Relations Committee to reject the nomination of Paul Warnke as director of the Arms Control and Disarmament Agency.

As the United States Military Posture for Fiscal Year 1978, issued by General George Brown, Chairman of the Joint Chiefs of Staff, clearly shows, since 1971 the Soviets have been ahead of us in operational strategic offensive delivery vehicles. In addition they are ahead of us in operational strategic offensive throw-weight at this time, and will be further ahead of us by the end of Fiscal Year 1982. As General Brown's report states, "The United States is expected to off-set partially this Soviet advantage by retaining a lead in bomber payload and by deployment of our new heavier MX ICBM in 1983."

In regard to Europe, an area most vulnerable to attack, the House Armed Services Committee was told by the Department of the Army, "Our forces in Europe are outnumbered—not grossly, but significantly—by our adversaries, and the types of weapons being amassed by the Warsaw Pact seem plainly attack-oriented."

For decades, a Soviet conventional attack against the West has been deterred by our nuclear superiority. That advantage is rapidly being lost. From his own statements made in recent years Paul Warnke is clearly undisturbed by this situation. He would, in fact, further weaken our defense structure.

In *Foreign Policy* magazine, Spring, 1975, Mr. Warnke wrote: "The proposition that we must remain ahead of the Soviet Union in most, if not all, perceivable elements of military power is the second fallacy that inflates defense spending."

An October 1976 interview with Mr. Warnke states: "The former Pentagon official advocated a significant departure from previous U.S. nuclear policy in suggesting that Washington specifically announce it has no intention of launching a strategic first strike against the Soviet Union *under any circumstances.*" (emphasis added).

This interview was published in the International Bulletin (10/22/76).

For a number of years, Mr. Warnke has been a member of the Board of Advisors of the Center for Defense Information, a group that, like Warnke, has advocated unilateral cuts in defense spending. The Center for Defense Information, and its parent body the Fund for Peace have been in close contact with the World Peace Council, a Moscow directed movement which advocates the disarmament of the West as well as support for terrorist groups.

Since 1975 Mr. Warnke has been a registered agent of the Government of Algeria (Registration No. 2564—Clifford, Warnke, Glass, McIlwain & Finney). It is understood that Mr. Warnke and his firm served that government for a period of time before registering. The Government of Algeria has been a public supporter of terrorist groups including the Palestinian Liberation Organization, and the Black Liberation Army which was involved in murderous attacks in the United States.

Mr. Warnke has shown a lack of concern for the protection of highly classified government documents. He set in motion the chain of events that allowed Daniel Ellsberg to steal the Pentagon Papers.

On December 18, 1968, Paul Warnke, Morton H. Halperin and Leslie Gelb presented a set of the Pentagon Papers to the Rand Corporation for storage with the understanding that at least two of them would have to approve the use of the Papers by anyone. On March 3, 1969, Gelb and Halperin authorized the release of the Papers to Daniel Ellsberg. Ellsberg, of course, later released them in violation of the security classification.

On May 16, 1973, while testifying before the United States Senate, Ellsberg, before taking the oath, stated that Warnke, Halperin and Gelb were not involved in his theft of the Papers. No one had asked him the question, but he indicated that he felt the government believed that the three were involved with him. Later, after Senator Strom Thurmond insisted that he be put under oath, he did not discuss this matter.

The New York Times of June 24, 1971, quoted Mr. Warnke as saying that "In his view, none of the material published so far could endanger the national security." This was in reference to the Times publication of the Pentagon Papers which included full text copies of top secret cable traffic between the State Department and our embassies in Vietnam and the Philippines. A hostile foreign intelligence service monitoring our code transmissions could use these clear texts to aid them in breaking our codes.

We urge this committee to reject Mr. Warnke's nomination and that the text of this letter be included in the committee's hearing record.

Sincerely,

Larry P. McDonald, Doug Barnard, (D.-Ga); Billy L. Evans, (D-Ga.); Robert Sikes, (D.-Fla.); Richard Ichord, (D.-Missouri); Jack Brinkley, (D.-Ga.); Dawson Mathis, (D.-Ga.); G. V. Montgomery, (D.-Miss.); Dan Daniel, (D.-Va.); Bill Nichols, (D.-Ala.).

MAKE ME TAKE IT

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. SKUBITZ. Mr. Speaker, we are once more engaged in what sometimes seems to have become the great biennial debate over a pay raise. That salary increase has prompted much editorial comment about the Congress, just as it has in the past. However, I would like to draw the attention of my esteemed colleagues to one editorial which might enlighten, and lighten, the present controversy. For those who might have missed this editorial quoting TIM LEE CARTER, our friend and colleague from the State of beautiful women, fast horses, and, obviously, great yarns, I enclose the text for their edification:

[From the Wall Street Journal, Feb. 4, 1977]

MAKE ME TAKE IT

After due deliberation, the Senate refused the other day to block pay increases for members of Congress. The salary boost isn't home free yet, but unless the lawmakers decide they are not deserving of more money, the increases will take effect on Feb. 20.

We have supported pay increases for federal judges and top civil servants, who have lagged in take-home pay, and since the price of lifting these maximums is a raise for Congress we have even been tolerant of that. But the hypocrisy of the process is becoming a bit tiresome. While Congressmen obviously feel down deep in their hearts that they are entitled to more money (the pay increase will raise them to $57,500 from $44,600) they do not feel equally strongly that anyone should know their views on the subject. That's why the Senate leadership would not allow a roll call vote on Senator James Allen's resolution to disallow the pay raise. Since the Senate refusal was actually on a resolution to table the Allen amendment, rather than on the amendment itself, those who voted to table can now deny that they ever voted to increase their own salaries. The underlying notion that the public is fooled by such charades is the worst feature of the game.

It reminds us of a story told by Rep. Tim Lee Carter (R. Ky.) last summer when the pay raise issue was getting one of its periodic debates in Congress:

An old Kentuckian who thought he was crossing into the great beyond motioned his wife to his bedside. "Mary," he whispered, "you remember that old trunk in the basement? There is a quart of bourbon, fine old bourbon, in it. Go down and get it."

He told her to fill his glass with finely crushed ice, to bruise some mint, and to stir it in the glass, with just a pinch of sugar. Then he told her to pour the bourbon liberally over the concoction and to decorate it with sprigs of mint, then to set it aside until frost formed on the outside of the glass.

"And then, Mary," grasped the old man, his voice now all but extinct, "bring it up here to me and when you bring it in here, Mary, no matter what I do or say, make me take it."

In the same valiant tradition of that fighting Kentuckian, the Congress of the United States appears ready to force itself to take the bitter medicine of a pay raise of almost 30%.

BUTZ A GREAT SECRETARY OF AGRICULTURE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. FINDLEY. Mr. Speaker, a little over 5 years ago the U.S. Senate was debating the confirmation of Dr. Earl L. Butz as Secretary of Agriculture. At that time I took the floor of this House to point out that—

President Nixon could search the country wide and not find a man better qualified for the position.

Today I rise again to say a few words about the superb service Dr. Butz rendered during the years he served at the helm of USDA.

Prior to the time he retired from the Cabinet in October 1976, Mr. Butz worked tirelessly and effectively to promote American agriculture, to keep the United States the world's best fed Nation, to improve farm income, to strengthen rural America, to minimize Federal encroachment into farming, and to expand and keep open form export markets. He successfully sought to convey to farmer and consumer alike the wisdom of the market system as the most effective means of obtaining an abundance of high quality food for consumers and acceptable income for farmers.

Few Americans have contributed as much toward the achievement of these worthy objectives, in my opinion, as Earl Butz.

During the Butz years as USDA, net farm income jumped from $14.6 billion in 1971 to an annual average of $28.5 billion during the 3-year period ending in 1975; exports of farm commodities grew from $7.8 billion in 1971 to better than $22 billion during each of the last 2 years; Federal payments to farmers sank from 21.6 percent of farm net income in 1971 to only slightly over 3 percent in 1975; and the loss of farms during those years slowed to a trickle—slowed from a loss of over 100,000 farms a year in the mid-1960's to an average of less than 20,000 during each of the past 3 years.

Total U.S. production of food and fiber, meanwhile, during the Butz years as Secretary of Agriculture, increased more than 10 percent; more young people entered agriculture; and the long, costly net migration of millions of rural people to big cities in search of employment was reversed. More people are now moving to rural areas than are moving to large cities.

Earl Butz, more than any other person, helped to create and maintain this new climate. He fought hard against governmental programs aimed at cutting back production, curbing exports, controlling large carryover supplies of farm commodities, and placing price support props at a level high enough to cause farmers to produce for them rather than markets.

Secretary Butz vigorously defended management of land use and agricultural production by farmers.

Immensely popular among farmers, Butz was revered by them for many reasons. They felt he had their interests at heart. He was their most effective spokesman. "Here is a man," they said, "able and willing to tell effectively our story, a man who fights to protect our well-being and progress."

Farmers have enjoyed a new sense of self-esteem and importance as a result of Secretary Butz. They enjoyed his quick wit, his capacity to laugh at himself, and his hatred of waste, unnecessary regulation, and featherbedding. They admired his loyalty to the President and America. They respected his ideals and his sincerity. They cherished their new freedom to assume the responsibility for their own future. Most farmers agree with one newspaper's editorial sizeup of Mr. Butz when it said last year:

Pound for pound, he's the best man in the Cabinet.

Butz probably acquired his love for agriculture and his respect for USDA in early associations. He was born and raised on a Noble County, Ind., farm, attended Purdue University's agricultural college, met his wife, the former Mary Emma Powell of North Carolina, at a Washington 4–H Club conference, and spent all of his life in various facets of agricultural life. His pride in USDA ran deep. He often described the Department in terms first used by President Lincoln in 1862. Lincoln called USDA "The People's Department."

Back in 1971, Mr. Speaker, I quoted a letter written to the Honorable HERMAN TALMADGE, chairman of the Senate Committee on Agriculture and Forestry, supporting the confirmation of Mr. Butz, with this observation:

I am sure that Dr. Butz will fill the position with great honor, devotion, skill and success, advancing the interests of all Americans and especially farmers.

He was a true friend of both the farmer and the consumer.

Earl Butz' resignation brought to an end the term of the greatest Secretary of Agriculture in American history.

LACK OF U.S. GOVERNMENT OUTRAGE TO MURDERED MISSIONARIES DEPLORABLE

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. MARTIN. Mr. Speaker, I take this opportunity to extend remarks made in the well earlier this afternoon, to point out to the House that as of 1:35 p.m. today, at the time of this writing, our Government has not yet found the words to express our national condemnation for those who murdered seven Roman Catholic missionaries in Rhodesia. No public word of outrage has yet been spoken by our Ambassador to the United Nations.

It seems to me that we should not hesitate to urge all the people of Rhodesia to join together, transcending their political differences, to track down and bring to trial those who would murder defenseless men and women. Their motives, if any, need the exposure of public trials so that their cause not be served by this villainy. Surely our Government can endorse that principle without jeopardy to our emerging and fragile diplomatic relations.

A BILL TO RAISE THE MILLER ACT BONDING CEILING

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, on Monday, I introduced legislation to remedy a problem that has been growing in recent years.

I am speaking about the inability of small and minority businessmen to effectively bid for Government contracts because of outdated Federal bonding requirements.

Because of a provision in the 1935 Miller Act, small and minority businessmen—and I am talking now primarily of building contractors—must secure insurance company bonding when seeking a Federal contract of more than $2,000.

While the need for surety protection is a valid one, the $2,000 ceiling is ridiculously low and not only hurts the small businessman but it means loads of paperwork, far out of proportion to the payment received, for insurance companies.

I propose to raise the $2,000 to $50,000.

This would mean that bonds will not be required on Federal contracts of less than $50,000.

Small and minority businessmen, perfectly capable of performing quality services, oftentimes cannot get surety bonds for reasons unrelated to their professional ability. It becomes a vicious cycle. Without bonding you cannot get work. Without work you do not have the building record that will encourage an insurance company to bond you. And on and on.

What I am trying to do with my legislation is to cut through the heart of this problem, at least as far as contracts let by the Federal Government.

By raising that $2,000 limit to $50,000 I am merely bringing up to date a statute that has unintentionally barred small and minority contractors from competing for Federal contracts.

I do not for a moment think that this bill is the solution that small and minority contractors are seeking to their bonding woes, but it is a step long overdue in guaranteeing that the Federal Government does not put unnecessary obstacles in their path to growth.

THE ALL VOLUNTEER FORCE—CURRENT STATUS AND PROSPECTS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. STEIGER. Mr. Speaker, increasingly, there are signs that the Nation may be hearing a debate on the success of the All Volunteer military force and the possible need for a return to the draft, or perhaps establishment of mandatory national service.

Initial statements on these questions have shown there is much misunderstanding and misinformation on the status of the Volunteer Army. Fortunately, there is an excellent document which offers some very good insights into today's military force.

"The All Volunteer Force—Current Status and Prospects" was prepared by Defense Department officials late last year as a transition paper for the incoming Carter administration. Because of its importance, I will be placing the entire document in the CONGRESSIONAL RECORD over the next several days.

This initial segment contains several key points. These include:

Successful implementation of the All Volunteer Force by the military services reflects a major management achievements;

All services met or exceeded their recruiting goals in fiscal year 1976, while at the same time maintaining high accession quality;

The All Volunteer Force is remarkably representative of the American public as a whole; and

With committed, competent and flexible leadership, the volunteer army's success to date can be sustained in the future.

The first portion of the report follows. It includes a table of contents, executive summary and historical summary of the Volunteer Force.

THE ALL VOLUNTEER FORCE: CURRENT STATUS AND PROSPECTS

TABLE OF CONTENTS

Chapter and title

1.—Executive Summary.
2.—Historical Summary of AVF Planning.
3.—Current Status of the Active Force: Quantity, Quality, and Attrition.
4.—Representation: Income, Region, Women, and Race.
5.—Sustainment Issues: Reserves, Pay Comparability and Benefits, and Cost of the AVF.
6.—Future Prospects: Supply and Demand, and Impact of Unemployment.
7.—Sustainment Strategy.
8.—Alternatives to the AVF: The AVF, and Seven Alternatives to the AVF.

CHAPTER 1—EXECUTIVE SUMMARY

The successful implementation of the AVF by the military services reflects a major management achievement. The challenge of voluntarily enlisting over 400,000 people (the equivalent of one out of three qualified and available male youths) into the DoD on an annual basis has been successfully met.

All Services met or exceeded their recruiting goals in FY 1976. At the same time accession quality continues to remain high by historical standards.

Initial fears of creating a non-representative military force were not justified. The AVF is remarkably representative with respect to income and geographic region, women are entering the Service in greater numbers, and the black percentage of DoD enlisted accessions has decreased since FY 1974, while showing only moderate growth in the Army.

However, several problems challenge the future management of the AVF. The current shortfalls in the Reserve Components are serious and current trends indicate even greater manning problems in the future. Other key issues concern pay comparability, benefits and the management of AVF costs.

Analysis of the future prospects of the AVF reveals a declining youth population and possible improvements in civilian employment which could increase the difficulty of recruiting in the FY 1979–FY 1989 period. However, management options exist to meet this situation.

Two possible approaches to the sustainment of the AVF are the requirements approach and the market approach. The requirements approach sets specific quality standards and determines desired mixes in accession input. The market approach assumes that the Services will recruit whatever quality "the market will bear." In reality, a mixture of both approaches is being utilized today.

There are several alternatives to the AVF including mandatory national service and the draft. However, the disadvantages of these options appear to outweigh their advantages.

In conclusion, the AVF has been successful and can be sustained in the future through committed, competent and flexible leadership.

CHAPTER 2—HISTORICAL SUMMARY OF AVF PLANNING

October 1968: Presidential candidate Richard Nixon promises to move toward an ALL VOLUNTEER FORCE (AVF) when the Vietnam War is over.

March 1969: Appointment of the President's Commission on an All Volunteer Force under the chairmanship of the Honorable Thomas S. Gates, Jr.

April 1969: Appointment of the Defense Department Project Volunteer Committee to develop a program to move to an All Volunteer Force.

December 1969: Lottery draft begins.

February 1970: In its report to the President, the Commission on the All Volunteer Force recommends immediate entry level pay raises for military personnel and the end of the draft by June 1971.

March 1970: National Security Council decision to set aside $3.5 billion in FY 1973 funds to move toward a volunteer force.

April 1970: President announces the Administration's decisions to seek military pay raises and an extension of the draft beyond July 1971, and to move toward ending the draft.

August 1970: Project Volunteer Committee reports to the Secretary of Defense recommending a program to obtain an All Volunteer Force.

December 1970: Secretary Laird approves $1.5 billion Project Volunteer program for FY 1972.

January 1971: President sends to Congress legislation to increase military pay, to reform the draft, and to extend the draft until July 1973.

March 1971: Army begins paid radio/TV recruitment advertising campaign.

September 1971: Congress enacts Public Law 92–129, which extends draft for two years, ends undergraduate deferments, and provides substantial increase in entry pay for military.

May 1972: Ground Combat Enlistment Bonus initiated in Army and Marine Corps.

September 1972: Congress passes Uniform Services Health Professions Revitalization Act of 1972, authorizing medical university for the Services and increasing medical scholarships.

December 1972: Last draft call is issued.

January 1973: Vietnam peace agreement signed in Paris. Secretary Laird announces an end to draft calls, six months prior to expiration of authority.

January 1973: Medical Task Force appointed to prepare detailed plan for achieving All Volunteer Health Force.

May 1974: Congress passes Uniform Services Medical Officers Incentive Pay Act.

May 1974: Congress passes Armed Forces Personnel Bonus Revision Act of 1974, dropping limiting language on enlistment bonuses.

EQUITY IN SOCIAL SECURITY FOR INDIVIDUALS AND FAMILIES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. FRASER. Mr. Speaker, today I am introducing along with my colleague from Kansas, Congresswoman MARTHA KEYS, legislation to bring equity to the social security system. Since its beginning in 1935, the social security system has grown to become the most successful and most complex Federal program in our Nation's history. Today, millions of Americans depend on social security not only as a retirement plan, but also as their disability, health and life insurance plans.

Our proposal, The Equity in Social Security for Individuals and Families Act, is primarily a new system for social security recordkeeping that will consider the earnings of a husband and wife jointly and then credit each annually with an equal portion of earnings in covered employment. Under this system both spouses develop their own earnings records on the basis of family income. Gaps in coverage that often occur in the current system when one spouse or the other spends time out of covered employment, will no longer occur under our proposal if at least one spouse is continuously working in covered employment: his or her earnings would be credited to both accounts.

A homemaker who divorces would have an earnings record from the work history of a covered spouse to take with him or her from the marriage into a new life situation. Our proposal also benefits workers who have been penalized by discriminatory features of our labor market: they will not suffer the same penalty in retirement benefits if earnings are considered jointly in a marriage.

The bill we are introducing is identical to H.R. 14119 and H.R. 15710 introduced in the 94th Congress. However, we are examining recommendations that could improve the proposal. Whatever changes are made will preserve the intent of the bill: to provide a new recordkeeping system that will give the maximum number of adult Americans their own social security records on which to collect benefits in their own right.

Following is a series of 4 articles which recently appeared in Sylvia Porter's nationally syndicated "Your Money's

Worth" which describe both the problem of social security coverage for women in general and our proposal specifically as an approach that would resolve many of these problems. We hope that in the coming months our colleagues will join us in this effort to improve the social security system and give our ideas a good hearing.

[From the Washington Star, Jan. 31, 1977]

SOCIAL SECURITY AND WOMEN

(By Sylvia Porter)

Over the past 40 years in which our Social Security System has been repeatedly modernized into a patchwork of amendments to the original law and court decisions, not one basic change has taken into account the changing role of women in the American economy.

Not one amendment has focused on the fundamental shifts that have occurred in U.S. family relationships and lifestyles.

Not one law or court decision has challenged the stereotypes which the framers of Social Security law built into the law because those were the stereotypes in which they believed.

Of course, giving the dependents of women workers the full rights enjoyed by the dependents of male workers is desirable and long, long overdue. But much more fundamental is the need to recognize that you—the American woman of 1977—do not fit neatly into either the category of lifelong housewife or lifelong earner.

An overwhelming 90 percent of all women work outside the home for pay during at least some part of their lives. More than 45 percent—almost half—of our paid workforce today consists of women. A full 60 percent of all women working for pay are married and are half of a working couple.

Since the 1940 census (following the enactment of Social Security legislation), the proportion of women in every age group in the work force has soared. Among women 35 to 44, it has doubled; among middle-aged women 45 to 64, it has jumped 2½ times; among women 65 and over, the number working for pay has more than quadrupled.

The trend born in the 1930s became increasingly powerful after World War II, when women, who had been actively recruited to replace men called up for service and to meet defense industry requirements, wanted to continue working.

Other forces since then have added strength to the development, called "the single most outstanding phenomenon of our century," by labor market expert and Columbia University professor, Eli Ginsberg.

Among them: College attendance and women's desire for careers; the move toward later marriages; the steady decline in the birthrate since 1957; growing acceptance of childless marriages; rising divorce rates; greater longevity; the family's need or desire for two incomes, not just among the poor, but among families wanting to send their children to college or to maintain what has become known as a "middle class" lifestyle.

Yet, despite all the lip service paid to equality for women in the workforce, disproportionate numbers are still in low-paying jobs. Nearly two-thirds of full-time, year-round woman workers in 1972 earned less than $7,000 a year, while more than three-quarters of full-time, year-round male workers earned more than $7,000. And male workers generally do not have their working careers—and their Social Security records—interrupted because of family responsibilities (having children).

A woman will work after she leaves school until she drops out of the labor force to have children. She may return to work when the children are of school age, or earlier—or later. Or she may become divorced. (One of every three marriages now ends in divorce and, in 1975, the number of divorces in the United States passed the million landmark.)

A housewife's services for her family (maid, cook, laundress, child-rearer, etc.) are not considered "work" for Social Security purposes. (The Social Security Administration itself put the average economic value of a housewife at $4,705 in 1972, however.)

A woman's absences from the paid labor force means that there will be blanks in her Social Security record. The effect is to reduce the average earnings that will be the basis for figuring any retired worker benefits due her in the future.

While the average monthly Social Security benefit of male retired workers totaled $229 in June 1976, the comparable figure for retired women workers was $182—and this despite a benefit formula weighted in favor of low-income workers.

Women will continue to receive lower Social Security retirement benefits than men, a recent Social Security report says. "Only if some proposal to 'fill in' the gaps in women's earnings records is adopted will this situation change."

[From the Washington Star, Feb. 1, 1977]

SOCIAL SECURITY TREATS WOMEN INEQUITABLY

(By Sylvia Porter)

The framers of the Social Security law in the 1930s built into it the stereotypes with which they were familiar. There was the male family head—the breadwinner—and there was the housewife and, as a song of the period relates, "a boy for you, a girl for me." But even well before the law was enacted, these stereotypes were far from matching reality.

Women—and children—were employed in some of our earliest factories. The daughters of the poor were working in the mills of New England in the 1800s. Working wives and daughters were commonplace among immigrants. Women, black and white, labored on farms and plantations.

In her recent book, "Enterprising Women," Caroline Bird documents the enormous extent to which the wives of our founding fathers took over the running of their husbands' businesses and enhanced the family fortunes, while other women created products, provided services, filled a wide range of jobs outside the home to support themselves and educate their children.

During the past three decades tens of millions of women from America's middle and upper income families have poured into the work force—for a great variety of reasons, but mostly economic.

Despite an upsurge of married women in the paid labor force, however, and despite the growing emphasis on women's rights, Social Security benefits are still geared to the obsolete concept of a woman dependent on her husband, and not in any sense the economic partner she is in a full six out of every 10 marriages today.

Even those provisions of the law that make no distinctions as to sex treat women inequitably because they reflect the inequitable treatment of women in the marketplace. Their low wages, for instance . . . their relegation to less significant jobs . . . the dismissal of the work they do in the home as having no economic value . . . the lack of recognition of the many different roles women must assume during their adult lives.

The gaps are highlighted by just one comparison: The average monthly Social Security benefit of male retired workers totaled $229 in June 1976, as against $182 for retired women workers. And this gap exists even though the benefit formula is weighted in favor of low-income workers (women).

Nor will any substantial percentage of women have much in the way of private pensions to supplement their Social Security benefits. They are less likely to be in jobs covered by private pensions. And if they are in these jobs, if they do work for a company with a pension plan, the irregularity of their employment or the fact that they work part-time may mean they will never qualify.

The Social Security program cannot be held responsible for the traditionally low wages paid to women, nor for the irregularity of their employment because of their responsibilities as homemakers and mothers. That would stretch "guilt" beyond all logic.

But the system can be restructured to take those factors into account and to make it less blatantly unfair to women.

Perhaps Rep. Donald M. Fraser, D-Minn., and his wife Arvonne have come up with a concept that points the way for the restructuring. The Frasers' proposal, unlike the present law, would assume that work in the home has an economic value and also that marriage is an economic partnership.

Couples could elect to have a share of the family income credited to each of their Social Security records, just as they now have the option of filing a joint income tax return.

You, a lifelong housewife, would therefore be able to build up your own Social Security record while you, the woman in and out of the paid labor force, would have a steady record of earnings, instead of earnings "gaps." And you, a divorced woman, would have a record of earnings to take with you from a marriage that had not lasted for at least 20 years.

Not only do women workers feel the inequities in our Social Security system's treatment of them, but the husbands and widowers of women workers also often suffer from the fallout of these provisions.

[From The Washington Star, Feb. 2, 1977]

SOCIAL SECURITY'S INEQUITIES AFFECT US ALL

(By Sylvia Porter)

Millions of women who have worked long enough to qualify for benefits as retired workers have been found to be entitled to higher benefits as dependents—although a wife's benefit at age 65 is only half the amount of the retired husband's benefit (less if the wife is between 62 and 65 at the time her husband retires).

This is because a woman worker gets her own Social Security benefit, but if it is less than the amount that would be payable to her as a dependent wife, the difference is added to her benefit total.

In effect, she gets the higher of the two benefits—but no more than she would have received if she had never worked outside the home and had never paid a cent in Social Security taxes!

The injustice of this is so apparent that I would insult you if I indulged in further indignant explanation. Suffice it to say that this happens in so many cases because of (1) the low wages paid to women generally (in 1972, nearly two-thirds of full-time year-round woman workers earned less than $7,000 a year, while more than three-quarters of the full-time, year-round male workers earned more than $7,000) and (2) the irregularity of women's employment (it is commonplace for a woman to drop out of the labor force to have children, and not return for a period—absences which leave blanks in her Social Security record).

A married couple with both partners working can end up with smaller retirement benefits than a couple with the same total earnings, but when the husband was the only worker. And if one of the working couple dies, the widowed husband or wife will get much lower benefits than the surviving partner in the case of the couple in which only one was a worker for pay.

Difficult as you may find that one to believe, the Social Security Administration's files are choked with cases documenting the unfair fallout of discrimination against women workers.

Although a woman is automatically presumed to have been her husband's dependent, the aged husband or widower of a woman worker cannot qualify for benefits

based on her work record unless he can prove his dependency upon her.

In every area of the United States, you will find cases where this upside-down situation exists. A case challenging this discriminatory treatment is now before the Supreme Court.

A woman who is divorced before her 20th anniversary loses her right to any wife's or widow's benefits based on her husband's work under Social Security. But a subsequent wife may collect these benefits even if she has been married to the man for just a short time before his retirement, death or disability.

Until a young housewife has been married at least 20 years, she has no assurance that she will get a Social Security benefit in her old age. Also, the family has no protection if the homemaker becomes disabled or dies.

There are no benefits designed to pay the cost of hiring a replacement to perform the work she did without pay. Only if she had a substantial record of work before she turned full-time homemaker, is there a chance that benefits may be payable to her dependents and they will be reduced because of the time she has been out of the labor force.

A woman who is widowed before age 60 receives mother's benefits if she has in her care children under 18 or an older, disabled child. If there is no severely disabled child, her benefits will stop when the youngest child reaches 18—unless she is already 60 by that time or is 50 or over and very severely disabled.

With what seems to me almost incomprehensible lack of realism, the law assumes that a reasonably able-bodied, middle-aged woman with no work experience, can just move right out into the vast, indifferent labor market and quickly find a job that will enable her to earn enough to support herself.

These are merely a sampling of actual situations which should shock you into full realization of the inequities in the treatment of women under Social Security. And they are not limited to any one group.

In one way or another, they affect us all—homemakers, divorcees, elderly wives and widows, high-earning professionals, low-paid domestics, the wives of laborers and the wives of executives.

[From the Washington Star, Feb. 3, 1977]

BILL TO SEEK EQUITY IN SOCIAL SECURITY

(By Sylvia Porter)

While our Social Security system is without doubt the most successful social program ever undertaken in the United States, it has become an exceedingly complex law—especially complex involving women.

Women may qualify for benefits as retired workers based on their own work, or as wives, widows, or aged dependents.

There are provisions of the law that deliberately treat men differently from women. There are other clauses that result in different treatment because they tend to reflect the now-obsolete view of women in our society as financially dependent on their husbands rather than as economic partners joining in providing the family's income security.

Many women feel they will be getting no return on the Social Security taxes they have paid on their earnings because, on retirement, their benefits will be very little or no higher than the amount they would be paid as dependent wives if they had never worked.

This situation reflects the generally low pay of women and the irregularity of their work patterns because of the time they take out for family responsibilities.

A bill to be introduced into the 95th Congress next Monday by Minnesota Democrat Donald Fraser is designed to bring about basic reforms in the Social Security system.

It would do this by providing a way for considering a couple's income jointly for Social Security purposes, just as the couple does in filing a joint income tax return.

Just about every woman would eventually wind up with a Social Security earnings record of her own on which to collect Social Security benefits, and so would every man.

Under the proposal:

Married persons who elected to file joint income-tax returns would each year be given Social Security credit for the higher of the following amounts: 50 percent of the couple's combined earnings in work covered by Social Security; or 75 percent of the covered earnings of the partner with the higher earnings.

Each couple would be credited with up to the maximum taxable for Social Security. That maximum is $16,500 in 1977.

The 50–50 sharing would occur where the husband and wife earn close to the same amount. The other method would be used if only one of the couple had any earnings covered by Social Security, or where one of them had much higher earnings than the other.

The W2 Forms that couples attach to joint returns and the returns themselves would give all the information needed to apportion the earnings to their individual Social Security records.

They would pay no additional Social Security taxes on these earnings.

Couples who did not file joint income tax returns would continue to get their Social Security credits as they do now.

Homemakers would be given their own Social Security records and would be brought into the system in their own right—instead of being able to collect benefits only as dependents of their employed husbands.

A divorced homemaker would have a Social Security record to take with her into her new life instead of losing her rights to wife's or widow's benefits, as she does now if she had not been married 20 years at the time of the divorce. Men would receive advantages, too, because with Social Security records of their own, couples would both build eligibility for disability benefits and the special dependency requirements for husbands and widowers would be removed.

There would be a transition period to guard against unanticipated adverse affects, special provisions for women widowed under age 60, other clauses to protect a newly widowed middle-aged homemaker who has few marketable skills and who, as Fraser points out, "cannot be expected to join the labor market immediately."

There are many other details in this legislation devised by Fraser and his wife, Arvonne. The reform is complex and the congressman admits it is far from perfect.

For instance, the bill might not provide complete equity for women who never marry. But he has come up with a basic proposal that Congress can use as a springboard to explore the concept's feasibility and merits.

And through public debate, this idea can be developed and improved.

Surely, the time has come for equality for women under Social Security. And surely, the obsolete stereotypes of the American women built into the system cannot be condoned much longer.

UNEMPLOYMENT STATISTICS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BIAGGI. Mr. Speaker, for many years now, the Bureau of Labor Statistics has been foisting upon an unsuspecting public unemployment statistics which by the Bureau's own admission are false and inaccurate. To his credit, Julius Shiskin, the Federal Commissioner of Labor Statistics, has been telling this Congress for a number of years that his figures are faulty. Yet the Federal Government continues to rely on them to dispense millions of dollars of Federal aid to various States and localities each year.

Primarily, the problem is the discrepancy between statistics at the State and Federal levels. The Federal figures regarding unemployment provided by the Bureau of Labor Statistics are considerably lower than the combined State figures, the difference being as much as 1.3 million jobs. The difference has been attributed to seasonal adjustments, which are used by the Bureau of Labor Statistics, but not by most States. It may also be the result of an understatement by the States regarding the extent of the recent economic recovery.

More unemployment translates into more money in Federal aid for States. Therefore, for certain States, revising the data will reflect higher employment and reduce the Federal aid tied to these figures. For others, though, accurate figures will mean more Federal aid dollars.

Some action has already been taken to coordinate these statistics, specifically the mandate for establishment of a National Commission on Employment and Unemployment Statistics. It will probably be at least 2 years, however, before any significant changes are made. Additionally, many State Governors would resist any change that would report less unemployment in their States, thus lessening the amount of Federal aid available.

Before more money—which may well be misdirected—is committed to correct the problem of unemployment, I urge my colleagues in the Education and Labor Committee and its distinguished chairman, Mr. PERKINS, to investigate this problem. To assist my colleagues in obtaining a better understanding of this problem, I am inserting three articles at this point in the RECORD which delve further into this pressing issue:

A WIDE DISCREPANCY ON JOB TOTALS

(By A. H. Raskin)

Lost, strayed or stolen: 1.3 million jobs. Two sets of employment figures, both based on identical samples taken in all 50 states and calculated under rules laid down by the Federal Bureau of Labor Statistics, have been getting so far apart in recent months that the difference now accounts for more jobs than there are in the whole state of Connecticut or of Louisiana.

The disparity arises out of estimats separately prepared by each state and by the B.L.S. in Washington from payroll data submitted by employers. The growing gulf between the state and Federal estimates raises disturbing questions about the reliability of some key information on which President-elect Jimmy Carter will have to build his economic policies.

The same data now govern the allocation of huge sums in Federal grants for public service jobs and other emergency assistance to states and cities. All of the spread in the figures officially published by the B.L.S. on the number of wage and salary workers in private and public employment has developed in the last year.

In September 1975 the Bureau estimated the national job total at 77.6 million. That figure was 500,000 below the total of the 50 separate state reports. In the following

month, the spread started moving in the opposite direction with the national estimate 100,000 above the state by state total.

By December the difference had grown to 500,000 and by April to a full million, with the national figure always on the high side. By September of this year, the last month for which the state breakdown is available, the B.L.S. national estimate was up to 79.8 million, a gain of 2.2 million jobs from the recession figure of a year earlier. The climb as shown by the state figures on which the national estimate is predicated was only one-sixth that big. That left the sum of the 50 state estimates 1,342,000 below the national figure.

In issuing its figures, the B.L.S. warns that the state and Federal calculations are likely to "differ slightly" for a variety of technical reasons. However, no one in Washington from Julius Shiskin, the Commissioner of Labor Statistics, down is disposed to brush aside deviations of the current dimensions as slight.

John Tucker, chief of the B.L.S. division of industry employment statistics, explained that the bureau has been making an upward adjustment in the state figures to "correct for a known bias that is especially pronounced in the early stages of a cyclical business recovery."

That bias, according to Mr. Tucker, results from the failure of the state reports to reflect with sufficient promptness the formation of new businesses, both small and large, as the economy lifts out of recession. He said the exclusion of such corporate births from the state-by-state reports had caused them to show only half the strength of the 1975–76 recovery in terms of new jobs.

Asked why the B.L.S. felt its adjusted estimates were more valid than the sum of the 50 state reports, Mr. Tucker declared that they squared not only with experience in past recessions but also with the job trend shown in unemployment insurance applications and in the Census Bureau survey of 47,000 households on which the B.L.S. bases its independent monthly report on national unemployment.

A less acquiescent view of the trustworthiness of both sets of figures was taken by the analyst who first called the spread between the two statistical series to public attention. Nicholas Kisburg, an adjunct assistant professor at Fordham University and legislative director of New York Teamsters Joint Council 16, said the disparity made him wonder whether any of the figures were worthy of belief.

"Here are statistics which the Governors of the various states will be using to beat Jimmy Carter over the head for billions of dollars of Government economic aid," the union analyst declared. "All the figures are derived from the same source, yet, because of an adjustment that may or may not be right, the two series come out with a difference in September that could all by itself account for one-fifth of the country's jobless. The states should not be permitted to publish figures which the B.L.S. itself says are so far wrong."

The Federal agency is already taking steps to reconcile the two series by calling on the states to revise their benchmarks and methodology in line with the Federal adjustment. Mr. Tucker predicted that the present "serious understatement" in the state-by-state job estimates would be wiped out by February or March of next year.

Charles A. Pearce, director of research for the New York State Labor Department, said preliminary studies here indicated a need for changes to make both the state and Federal figures more accurate. He acknowledged that the state job totals tended to be understated in the rising phase of a business cycle and to be overstated in the declining phase.

However, other states may choose to fight in the courts rather than accept any forced change in present computing standards. That is because the flow of Federal money may depend in important degree on how high or low each state's job total is by comparison with prerecession levels.

AN OVERHAUL OF UNEMPLOYMENT STATISTICS

(By A. H. Raskin)

The unemployment statistics that determine the flow of tens of billions of dollars in Federal job aid to states and cities are about to get a total overhaul. Once of interest primarily to academics, the figures have become so sensitive a political barometer that many analysts ascribe Jimmy Carter's Presidential victory largely to the fact that the Federal unemployment rate stood at the disturbingly high level of 7.9 percent in the last pre-election report.

Yet many manpower experts, including a large number in the Bureau of Labor Statistics itself, are convinced that the present measurement standards are too inexact to answer adequately all the public policy needs the White House and Congress rely on them to fill.

Indeed, so much doubt surounds some of the adjustment factors in current use that Prof. Franco Modigliani of the Massachusetts Institute of Technology, outgoing president of the American Economics Association, has suggested that President Ford might have lost the election on the basis of "false data" indicating a rise in joblessness since last summer.

Neither Professor Modigliani nor any other critic of the job figures implies that the bureau is deliberately manipulating them for political purposes. On the contrary, most of the concern is about distortions of a highly technical nature that have had the inadvertent effect of hurting the administration in power rather than helping it.

One such distortion resulted in a collective understatement by the 50 states of 1.3 million jobs in the extent of employment recovery from the recession low. The gap stemmed from a lag in recording new businesses started during the upturn.

Other distortions have arisen from the seasonal weights used by the bureau to make its month-by-month reports comparable. These tend to get highly questionable when the business cycle moves sharply up or down. In recognition of defects in the existing formula, the bureau will incorporate a revised adjustment for seasonality in its November report on employment and unemployment, due next Friday.

However, complaints about the adequacy of the job data go far beyond methodology and other technical factors. Labor objects to the exclusion from the jobless count of workers who have stopped looking because they feel there are no jobs to find. Business contends that the idle rate is inflated by the inclusions of large numbers of young people and others with no genuine attachment to the labor market.

Among the most vociferous arguers for a comprehensive review of all the elements in the employment statistics is the man in charge of the whole program, Julius Shiskin, Commissioner of Labor Statistics. For more than three years, he has been working within the Administration for a study commission comparable to one appointed in 1961 by President John F. Kennedy. That panel, headed by Prof. Robert A. Gordon of the University of California at Berkeley, made recommendations, many of which were adopted a decade ago.

At the end of last year Mr. Shiskin's project won endorsement from President Ford's Economic Policy Board, made up of the Secretaries of Treasury, Labor and Commerce and the chairman of the Council of Economic Advisers. Names of possible appointees were sent to the White House, but the project was dropped when Congress began discussing a similar study as part of its economic recovery program.

An emergency jobs law passed by both houses and signed by the President Oct. 1 now mandates the establishment of a National Commission on Employment and Unemployment Statistics, with broad authority to assess the validity of existing techniques and to recommend changes that could fundamentally alter all current concepts. Seven members are to be designated by the President, and the expectation is that Mr. Ford will leave their selection to his successor. Cabinet members and ranking members of Congress from both parties are also to sit on the panel.

The trouble with all this, in terms of the immediate questions about the dependability of job data, is that it will be two years at a minimum and more probably three before the commission's recommendations are fully considered and adopted.

Pleased as he is over the decision to create the study group, Mr. Shiskin has no intention of waiting several years to shore up weaknesses in the existing system.

"As I have repeatedly told the Joint Economic Committee, legislative requirements for all types of data bearing on employment have taken such a quantum jump in recent years that they have moved ahead of our capacity to supply what is wanted," he said last week. "It is not a money problem so much as it is one of technical know-how."

He is already seeking to enlist the cooperation of the states in a joint effort to reconcile and improve present methods of collecting and appraising payroll information supplied by employers. New job benchmarks are to be introduced at the Federal level early in 1977 to correct national employment estimates he considers still too low, especially in construction.

But use of these benchmarks will make still wider the 1.3 million spread between the national total of 79.8 million nonfarm jobs and the smaller sum of the 50-state figures from which it is supposedly derived. "We are pressing the states like mad to adjust their estimates to conform with our new benchmark," Mr. Shiskin said. "They have fallen out of line because there is no good way to allow for corporate births without the adjustment experience has shown us is needed in a recovery period."

Many Governors are likely to resist the proposed change, especially in states that would lose Federal grants for public-service jobs and other emergency aid if they reported higher statewide employment. But criticism of such abrupt changes in computation methods also comes from experts with no direct fiscal stake in the volume of joblessness.

Thus, Professor Modigliani of M.I.T. charges that "nobody does enough to call attention to the unreliability of the seasonal adjustments and other factors in employment figures which the public takes so seriously."

Most of the wiggles in the employment rate are just noise," he said. "They ought to publish very abundant warnings of the limits of the data so people will not be led astray by disparities of the kind that have caused so much flipping and flopping."

Professor Modigliani gave assurance that the American Economics Association would cooperate in any desired way with the new study commission. The association's president-elect for 1977, Prof. Lawrence W. Klein of the University of Pennsylvania's Wharton School can be expected to take a similar view. He is President-elect Carter's chief economic adviser.

400,000 JOBS ARE "FOUND" BY REVISING DATA APPROACH

(By A. H. Raskin)

The official scorekeepers on national employment and unemployment have just "found" nearly a million jobs.

Refinements by the Bureau of Labor Statistics in analyzing payroll information from employers will increase the national

estimate of nonfarm employment for January by at least 400,000 workers without any reference to how much money Washington pumps into the economy. In purely statistical terms, this sleight-of-computer will all by itself produce half as much additional empoyment as the 800,000 new jobs President-elect Carter and the Democratic leadership in Congress hope to create in the rest of this year through an infusion of roughly $15 billion in tax cuts, public works and other economic stimuli.

In reality, of course, no new jobs are being created by the revision in the Federal agency's computing techniques. The bureau has simply become convinced that its past estimates failed to record adequately hiring by new businesses, especially in such fields as construction, food processing and the service trades.

The upward adjustment in job totals, to be reflected for the first time in the official employment report issued next month, focuses new attention on weaknesses in the official job data that determine the flow of billions of dollars in emergency aid to states and cities.

These weaknesses show up glaringly in the measurement of both employment and unemployment, despite homeric efforts by the Federal statisticians and their state counterparts to eliminate discrepancies in their separate computations of how many workers have jobs and how many are looking for work they cannot find.

The figures that emerge from these Sisyphean determinative processes are breathlessly awaited in the White House and on Capitol Hill, where monthly fluctuations of two-tenths of three-tenths of a percentage point in the jobless rate are treated as definitive evidence of a surge toward prosperity or a slide into economic despair.

Yet the various measures are so poorly linked that it is possible, with no fakery on anyone's part, for the states to add up what are theoretically the same figures under the same rules and come out with lower totals than the national agency on all three elements in the job equation—employment, unemployment and the total labor force. Not only is it possible but also, it is exactly what is happening right now, to the considerable discomfiture of everyone involved.

No one is more embarrassed at the yawning gaps that have developed between the Federal and state estimate than the official who is working hardest to eliminate them: Julius Shiskin, the Federal Commissioner of Labor Statistics. The basic problem, as he sees it, is that Congress has mandated detailed local figures that are beyond the capacity of even the most skilled professionals to produce under deadline pressure in the required volume.

"I recognize the importance of what Congress is trying to do, and the figures we are providing have been getting steadily better," Mr. Shiskin said. "But they are still kind of crummy in terms of the magnitude of what they are expected to do."

A belief that much more sophisticated analytical techniques are needed before adequate statistics will be available is expressed by Prof. Lawrence R. Klein of the University of Pennsylvania, who was Mr. Carter's principal economic adviser in the campaign. As incoming president of the American Economic Association, Professor Klein is considered a strong possibility for appointment by Mr. Carter to head a national commission authorized by Congress last fall to overhaul all the job figures.

Mr. Klein is particularly dissatisfied with the seasonal weights used to adjust employment data on a month-to-month basis. He feels they are "jiggered around too freely" and contributed to misleading the country on what was happening to the economy at the start of the recovery in the spring of 1975.

The most immediate explosion over the jobless figures is likely to come in March when the bureau hopes to standardize the practices used by the states in calculating their own unemployment with those the bureau uses in arriving at both its state and national figures. On the basis of preliminary computations for the first 10 months of 1976, Mr. Shiskin estimates that the revised formula will mean a higher percentage of unemployed for roughly half the states and a lower percentage for the other half.

In the topsy turvy world of Federal grants, more unemployment is better than less because money for emergency public works and public service jobs is triggered by levels of joblessness. When Washington altered the computation method in the interest of uniformity a year ago, a half-dozen states brought lawsuits to halt the change. New Jersey is still pressing its claim in the Federal courts.

"We know the new change is political dynamite," said Mr. Shiskin, who ordered it. "But we believe what we are proposing is right from the standpoint not only of consistency but of fairness to all the states. There can be no comparability between one state and another if they are using 50 different approaches."

One volunteer watchdog of the system in New York State makes no secret of his apprehension over the potential impact on unemployment grants to this city and state. He is Nicholas Kisburg, legislative director of the New York Teamsters Joint Council, who first spotted the inconsistencies that raised danger flags on the trustworthiness of the state and national figures. "I am writing to Governor Carey and warning him that New York State, which probably has the best employment statistics in the nation, may wind up on the short end of this shuffle," the union economist said.

On the employment side, the gulf between the Federal and state estimates has been growing for more than a year, even though all the analysts are using the same raw material. The job total derived by the states from employer reports covering 41 percent of the country's hourly paid and salaried workers is currently 1.6 million below the national figure of 80 million as compiled by the bureau.

The spread is expected to widen to more than 2 million when the Federal estimates are enlarged next month in line with the new national yardsticks.

"An awful lot of dough is riding on our ability to see that each local area gets its fair share of Federal unemployment aid," Mr. Shiskin said. "We are moving as fast as we can."

TROUBLED BY AMNESTY

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. ABDNOR. Mr. Speaker, many citizens across this Nation are as deeply troubled by the recent granting of amnesty to draft evaders by President Carter as I have been. I would like to share with my colleagues the sentiments of two weekly editors from my South Dakota congressional district:

[From the Timber Lake (S. Dak.) Topic, Jan. 27, 1977]

IT SEEMS TO ME . . .

(By Mary Byington)

Life is cheap in the hands of politicians. They make wars, call our young men to fight them, and if they get wounded or killed, say a few conciliatory words. If some of the young men don't believe in their wars, and run off, after a few years, they are granted a pardon. "That's all right, fellows. You can come home now!"

The blanket pardon President Jimmy Carter gave the Vietnam draft dodgers leaves a tight knot in one's stomach; a sickening feeling. It leaves one wondering if anyone should be loyal to one's country, and go fight the wars the politicians got us into.

Not many people believed in the Vietnam war. But a President ordered U.S. troops there, and kept them there for ten long years. We were supposedly there to keep democracy alive in Southeast Asia.

It doesn't appear that we accomplished much.

There was a draft in those days. No amount of money could have gotten many men to fight that war. There were many young men, loyal to our form of government, who did their duty, and served in that war. It was the first time in the history of our country, that patriotic young men were shunned and despised by many of their countrymen, rather than honored and respected.

And so, now the circle has been completed. Those despisers of our form of government, who fled the country, rather than serve in its armed forces, have been forgiven. The move, President Carter, and the supporters of amnesty say, is to reunite our country. To those who have served, the action is like a slap in the face—a thumb of the nose. They might just as well be called "suckers."

So be it. The President has acted. Let's hope he'll never have to call on young men to fight a war!

[From the Faulk County (S. Dak.) Record, Jan. 27, 1977]

"OVER AT GEORGE'S"

(By George Stevenson)

I can't say that I go along with the executive order, by President Carter. This order granted a full, complete and unconditional pardon to all Vietnam draft evaders who were not involved in any violent act. Deserters from the military forces were not included.

I think this act will cause major problems in our country. I don't believe that our Veterans of Foreign Wars or American Legion groups will go along. What can we expect if our country would get into another war? Will our young people again turn their back on us, the people of the United States?

The stories of the many many heroisms of our forefathers, who served in the various wars, would apparently appear as "foolish acts." The thousands of men and women who have given their lives in the service of their country, were all pointless deaths.

I know that the present day thinking is that the Viet Nam War was wrong. But that is not the issue, I don't believe. The issue is that this group of people turned their back on their country, and I just can't buy it. Sure, we've all made mistakes, and some of them of great magnitude, but to turn your back on everything the United States represents, is another thing.

The Conscientious Objectors had an opportunity to serve their country in a non-military manner, and still chose to say no.

I can't believe that American businessmen will be anxious to employ these individuals. The potential employer will more than likely have had family, or else an employee that has had family in a war. What kind of a relationship do you think a family member of someone that was lost in the war, would have with someone that went to Canada, instead of fight, if in the same employ. It could have repercussions on the business.

I can appreciate all of the mothers that say they would rather have a draft evader

than a dead son, but there has been mothers since the beginning of time that had these maternal feelings, and still gave up their sons and husbands.

I apologize to my readers if I offend you on this matter, but I believe that I live in the greatest country in the world, and I like it. It hurts me to see people that are so narrow minded that they couldn't defend it.

The Lord as my witness, I was concerned when my son was getting close to draft age, that he would be involved in the Viet Nam conflict, but I can honestly say that if he had chose the "Canada Route", I would have felt shame. Right or wrong, these are my beliefs.

The Lenten Season will soon be upon us. Perhaps we should all do a little self evaluation and try very hard to understand the reasoning behind these pardons. Along with my other beliefs, I believe that God must have a reason for allowing the pardons to come to pass, and also a reason he wants me to try to understand. I put my trust in Him, maybe we all should.

LEGISLATION TO PROVIDE UTILITY STAMPS

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. RISENHOOVER. Mr. Speaker, severe winter weather has dramatically demonstrated the need to insure that all Americans, regardless of their income, have adequate utility service for their homes.

I have introduced legislation today to provide utility stamps for all families with annual incomes less than $6,500. This bill would allow up to $25 a month for households to pay costs of fuels used in everyday heating, lighting, and cooking.

The February 3 Wall Street Journal called this program a "humane, relatively inexpensive answer to the only genuine problem that can be associated with energy decontrol." The article stated that fuel stamps are "for the indigent who truly cannot afford a sharp boost in their energy costs."

The alternative to financial relief for these citizens could be more cases of elderly and poor families losing heat in their homes with resultant suffering and death.

It is a fact of supply-and-demand economics that energy shortages and the need for decontrol of natural gas prices to spur exploration cause price increases. The days of "cheap" energy are past. But we need a suitable buffer to protect the poor and elderly during the transition.

The legislation I have introduced, authorizing a $25 monthly utility stamp for families with less than $6,500 income, deserves the cosponsorship of my colleagues and immediate consideration and passage by this Congress. Thank you.

FREEDOM IN THE WORLD

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the following column by my constituent, Gen. Henry Huglin. General Huglin is a retired Air Force brigadier general and syndicated columnist and lecturer on national security and international affairs. General Huglin describes in this column the continuing world trend away from the principles of freedom:

FREEDOM IN THE WORLD

(By Henry Huglin)

In his inaugural address, President Carter said: "Two centuries ago our nation's birth was a milestone in the long quest for freedom . . . The passion for freedom is on the rise. Tapping this new spirit, there can be no nobler nor more ambitious task for America to undertake on this day of a new beginning than to help shape a just and peaceful world that is truly humane . . . Because we are free we can never be indifferent to the fate of freedom elsewhere."

Well, the "passion for freedom" may even be intrinsic in the human race, but it is not achieving freedom in the rest of the world as have hoped for two centuries it would.

The issue of peoples' freedom is the business of Freedom House in New York City. This organization—which, since 1940, has been monitoring the cause of freedom, and vigorously promoting its understanding and spread at home and abroad—has just issued its annual unique survey "Freedom in the World." It presents many points to ponder:

"The movement away from freedom in 1976 continued a four-year trend . . .

"Not free are 1,765.9 millions (43.9 percent of the world's population) . . . Partly free: 1,474 millions (36.4 percent of the total) . . . Free: 789.9 millions (19.6 percent of the world's people) . . .

". . . the reader must be clear about our definition of freedom. First, by freedom we do not mean national sovereignty . . . a former colony may be rated less free after independence than before—for example, Uganda.

"Given this limitation, 'freedom,' as used in the Survey, refers, first of all, to the extent to which the people of a country are able to play an active and critical role in choosing their leaders, and thus ultimately in determining the laws and means of enforcement under which they will live. Such *political rights* generally imply an authentic electoral procedure. Secondly, freedom refers to the extent to which people openly express opinion without fear, and are protected against arbitrary actions by an independent judiciary. Consideration of *civil rights* of this kind also includes a wide spectrum of other personal rights, such as those to freedom of religion, voluntary organization, and freedom of movement and occupation . . .

". . . the freedoms the Survey compares are the essential human rights that political systems must guarantee . . .

". . . the freer states in the world are non-socialist, multi-party states, while the less free are one-party states . . . capitalism by itself does not assure fredom . . . but socialism by itself seems to be positively detrimental . . ."

The Freedom House Survey lists 42 nations as "free," including our country, Canada, and most of western Europe; but in South America, only Colombia and Venezuela, and in Africa, only Botswana and Gambia.

Among the 67 listed as "not free" are all the communist nations; in South America, Argentina, Chile, Paraguay, and Uruguay; and in Africa, 32 nations, the vast majority.

The rest of the nations fall in between, as "partly free."

President Carter also said: "Our nation can be strong only if it is strong at home, and we know that the best way to enhance freedom in other lands is to demonstrate here that our democratic system is worthy of emulation."

Well, we have set a worthy example for two centuries, and we certainly need to keep bright our guiding light of freedom, justice, and opportunity; but we also need to recognize that example alone is not enough.

Beyond example, our leadership and resources are much needed throughout the world—as they have been for more than 30 years. The stability which comes from our military and economic strengths, employed with skillful diplomacy, are essential for basic security to exist in this troubled and still-dangerous world. And only with the stability that comes with security, can our other unmatched capabilities—such as in financial, technological, and managerial-knowhow fields—be most effectively applied to promote the social, economic, and political progress from which human freedoms can develop.

President Carter must appreciate this. He also said: "let no one confuse our idealism with weakness" and "we do not seek to intimidate, but it is clear that a world which others can dominate with impunity would be inhospitable to decency and a threat to the well-being of all people." Further, his sending of Vice President Mondale to reaffirm our commitments abroad and consult with our allies and partners in Europe and Japan is an indication that President Carter realizes that an activist international role is the one that we must play.

So, for all the peoples of the world, freedom—as well defined by Freedom House—is a worthy long-term goal for us as a nation. But we really need to keep in mind that progress toward that goal will take much more than our fine example and moralistic posturing—in wisdom, strength, world leadership, resolve, and persistence.

ENERGY CONSERVATION

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. JACOBS. Mr. Speaker, Lisa Minter is one of the smartest and most public spirited citizens in Indianapolis.

I should like to share with other Members of Congress Lisa's excellent letter to me concerning energy conservation:

INDIANAPOLIS, IND.,
January 30, 1977.

DEAR CONGRESSMAN JACOBS: I am in the fifth grade at Saint Lawrence School. Our school is having a science fair. My project is on energy conservation.

I would like to tell about some of the things that I've learned:

1. After you take a bath leave the water in the tub until it cools off. I measured the temperature and gallons of water we used and found out by letting the heat from the water get into the house before draining it we saved about 10,000,000 BTU's a year (3.000 KWH of electricity or 105 gallons of oil, or 16,000 cubic feet of gas.)

2. We have an electric clothes dryer and my father vents this into our house in the winter. (Never do this with a gas dryer.) This adds moisture to our air and saves another 10,000,000 BTU's.

3. We are very comfortable in our home when it is from 60° to 65°; even when it is −10° outside. We usually all wear sweaters.

4. When it is very cold outside we only open drapes on windows where the sun is shining in so the sun can help heat our house. I was wondering if you have any information or posters on energy conservation I could add to my display. Thank you.

Sincerely,

LISA MINTER.

NATIONAL NOTARY ASSOCIATION

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. GOLDWATER. Mr. Speaker, I would like my colleagues to join with me in extending their heartiest congratulations upon the occasion of the 20th anniversary of the National Notary Association.

The largest notary organization in the country, with more than 20,000 members drawn from every State of the Union, the District of Columbia and U.S. territories, this California-based association has sustained its dedication to improving and strengthening the notary public office.

Since 1957, this professional, educational organization has devoted itself to instilling in its members a concept of professional ethics and public service. The National Notary Association has strived to create an obligation of self-discipline among notaries which goes above and beyond the requirements of the law and to encourage a solidarity of purpose and practice among our Nation's more than 2 million notaries.

It was the lack of information available to notaries and a need for education support that inspired Raymond C. Rothman, a leading authority on notarial customs and practices to establish an organization exclusively for notaries.

Among the accomplishments of the aassociation, and more specifically through the efforts of its founder and president, are the initiation and organization of a National Advisory Committee for a Uniform Notary Act, a model law available for State legislators updating existing notary statutes; the conception and introduction of the notarian program, a certification program for professional notaries; and the introduction of the first nationwide ethical and procedural code for notaries, the "Rules of Notarial Practice."

In the past two decades the National Notary Association has dedicated itself to encouraging both sound notarial practice, as well as the introduction and development of innovative notarial ideas. It initiated educational seminars where notaries have an opportunity to learn proper notarization practices and discuss notarial problems with experts and introduced an information service "hotline" by which notaries receive immediate answers to their notarial questions.

The National Notary Association has also been a major publisher of notary literature including the most up-to-date and comprehensive text on notaries, "Customs and Practices of Notaries Public and Digest of Notary Laws," and an innovative notary record book, the "Journal of Notarial Acts." The association offers members a bimonthly magazine, "The National Notary" which offers instructional "how-to" features and provocative articles about notary practice, and a quarterly legislative newsletter, "Notary Viewpoint" which reports legislative activity and opinion.

In the past 20 years, the NNA has been an important influence in upgrading notary standards, increasing awareness of the importance of notarization and warning against improper notarial practice.

It is indeed a pleasure to commend this fine organization on its excellent contributions to this Nation's commercial, business, and legal activities, and to wish it continued success in its efforts to develop innovative and professional procedures and practices in the office of the American notary public.

WTTR'S PAUL SMITH DOES WHAT COMES NATURALLY

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BYRON. Mr. Speaker, Paul Smith has been an outstanding member of the Carroll County, Md., community for nearly a quarter of a century. His weekend interviews over WTTR Radio have been informative and welcomed by his neighbors of the Sixth District. Recently the Carroll County Times newspaper offered an article on the contributions of Paul Smith. I would like to share with my colleagues this article by Dean Minnich:

WTTR'S PAUL SMITH DOES WHAT COMES NATURALLY

(By Dean Minnich)

Paul Smith of WTTR is as well-liked as he is well-known. In his 23 years with the station, he has become part of the personality of local radio—or vice versa.

"I've grown up with the station. We ironed out our problems together," he said, smiling.

His official title, as far as he has one, is that of advertising salesman and weekend announcer. And he is respected among businessmen for his low-key, nononsense approach to servicing their accounts and his willingness to go the extra step in their behalf.

But is that Paul Smith, or is it the way WTTR likes to work? The answer is, "Both. I'm right at home here," said Paul. The philosophies of management and the leanings of Paul Smith make for a happy marriage.

The private Paul Smith admits to being a bit of a rebel. He couldn't be happy working in an atmosphere where personalities or policies ran against his grain.

"When someone tells me I have to do something, I have a tendency to fight it. I couldn't work in a place where I had to punch a time clock. I like to work on a job until it's done, and if that means working past five, fine. I'll come in a little late the next morning or something."

He values individuality, loyalty, and integrity. WTTR gave him a chance to learn ad sales and radio from the inside, and he's grateful for that.

"I look forward to coming to work every day. I've been in a few situations where I couldn't have said that. And this is a high-class operation—it has a class reputation within the industry. Russ told me when I first came on as an ad salesman to never promise a client more than we could deliver."

One reason for his popularity is his willingness to provide the spotlight, rather than bask in it. His Sunday morning interviews with everyone from the ambassador from Canada to local Cub Scouts are people shows. They usually come into the studio to tape the segments, but if they can't, Paul goes to them with a portable tape unit. The shows are aired around 9:07 or 9:10 a.m. when many local listeners are just getting up or getting ready for church.

"The main thread of the interview has been to let people know what's going on . . . and to let people tell a story in their own words. It's not a crusading type of program. It's more like a magazine approach," he said.

He recalls that the first interview, 16 years ago, "was the medical society's concern over the King-Anderson bill. That was the first involvement of the government in medicine, the forerunner of medicare, and they were afraid of the possible effects it would have on traditional doctor-patient relationships, having the government getting involved. They thought it would turn health care into a mill. I got four nasty calls after the show—all from government employees."

Since then he has opened the show to people with all sorts of stories to tell, and he often lines up people who can give a different perspective to current events. He doesn't avoid controversial subjects, but he does have a knack for finding a way to discard the rhetoric and save the rationale.

One show, recorded on a routine Friday night patrol with a city police officer, pointed out the folly of having a single uniformed policeman responsible for controlling 2,000 spectators at a sporting event. It led to having security police and other forces being called in for that kind of duty.

The public Paul Smith is a mirror of the private man. They are one and the same, which helps explain why he's happy with his work.

He likes to know a little bit about everything. And he can discuss a wide range of subjects without a trace of smugness, which makes him an interesting conversationalist.

"I go in for varied reading. I'm not a reader of books as such; mostly journals and magazines. And newspapers, of course. I prefer editorials and columns, because I think they give a better perspective of reality than the so-called hard news," he said.

"So much journalism today, particularly in the broadcast side, has become too superficial. There's too much condensation of everything. I prefer the background type of article.

"We have created a conditioned generation. Everything is instant. There's no such thing as instant success, and that's what everyone's looking for," he said.

He is active in the Maryland chapter of a professional society of journalists, he said, because he wants to contribute to better journalism.

It is one of his few official affiliations. He is now an honorary member of the Westminster Lions Club, and a life member of the V.F.W.

"I'm not a joiner for the sake of joining. When I first got invitations to join certain organizations, I thanked them, but declined because I thought my responsibility was to help each group as they needed it."

When he wants to get away from the time demands of the radio business, Paul plays golf.

"I'm a golf nut . . . one of those guys you're likely to see on the tee in 16-degree weather," he said.

Paul and Janet Smith also like to take off in their travel trailer. They've traveled from the back woods of Canada to the Florida Keys, and seem to have an affinity for Canada.

"There's one place we've visited that really is away from it all. You hear the timber wolves howl at night, and in the morning the black bears rub themselves against your trailer. It's as if they're saying you're in Billy Bruin's back yard, so behave yourself."

His rebel's soul led him to buy a trailer in 1967.

"It was the motel rates . . . robbery . . . I told one motel operator I was just staying the night, not paying off the mortgage. The next year we bought a trailer."

At home, Paul is a packrat. He hates to throw things away. Tapes, materials, papers, "becomes resource material." They are also memories, some of the richest rewards of his radio career.

It has been a career born of an accident of circumstances; he came to Carroll County from his native Pennsylvania to teach school at Sykesville. His first contact with WTTR was in connection with a feature called, "Your Schools and You." From there he became a week-end announcer in November, 1954, and three months later, joined the staff as full-time ad salesman and week-end announcer.

Since then, he's been doing what comes naturally.

CLIMATE CHANGE AND NATIONAL SECURITY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BROWN of California. Mr. Speaker, we all now feel the urgent need to overcome the difficulties which have resulted from this winter's weather events. Preparations are already underway for potential flooding this spring in the East and for drastic water conservation in California and the Great Plains. Amid these immediate concerns, I would like to call my colleagues' attention to another level of contingency planning—longer in range and global in scope—as discussed in recent Central Intelligence Agency studies.

The CIA has examined the issues surrounding long-range prediction of weather and climate change. These need to be addressed in a more active and coordinated way in the Federal Government. We need to better understand the effects of natural climatic variations on growing season length, heating fuel needs, and precipitation patterns. The possible long-range impacts of man-induced climate fluctuation on food production, energy consumption, and human settlements, which have just begun to be explored scientifically, need explicit attention as well.

"The National Climate Program Act of 1977," H.R. 783, for which Mr. WINN of Kansas and I are now soliciting additional cosponsors, addresses these more global concerns. Two recent articles, one by James P. Sterba for the New York Times, February 2, 1977, and the second by Deborah Shapley for Science, January 28, 1977, raise the important national security and international economic questions that go beyond immediate concern with our inconstant weather.

Mr. Speaker, I ask that the articles be inserted in the RECORD. They support our need to be ready for the consequences of alternative future climatic conditions and changes.

The articles follow:

PROBLEMS FROM CLIMATE CHANGES FORESEEN IN A 1974 CIA REPORT

HOUSTON, January 31—In August 1974, researchers at the Central Intelligence Agency completed a classified 36-page working paper, entitled "A Study of Climatological Research as It Pertains to Intelligence Problems." In it they reported, "Leaders in climatology and economics are in agreement that a climatic change is taking place and that it has already caused major economic problems throughout the world."

The study was declassified last May, after a relatively mild winter and at a time when most Americans believed, despite warning, that the energy crisis was easing, if not over. It generated little attention.

Now, in the midst of major economic problems caused by a severe winter in the nation, studies on climate are receiving closer, if belated, scrutiny.

The C.I.A. study, prepared by its Office of Research and Development, raised sobering issues well beyond the economic effects of a cold winter. It said that many nations, including this one, were locked into isolated and shortsighted perspectives that were out of step with new global realities of population growth, food and energy resources, and the economic and political disruptions caused by major, and even minor, weather disruptions.

FAILURE TO PREPARE

The study said that the United States had failed to prepare for assessing these implications, especially as they related to questions on climate.

"Though the issues are important," the study said, "the United States has a limited capability in climatic forecasting. The Government expends over $150 million annually on short-range weather forecasting, but only a minimum of direct dollars on climatic forecasting. Only a few academic centers in the United States are engaged in training personnel in this field, which suggests we have a limited chance of solving the intelligence community's problem unless decisive action is taken."

The report said that intelligence analysts, as late as 1972, had "no methodologies to alert policy makers to adverse climatic change," and "no tools to assess the economic and political impact of such a change." Since then, world food and energy problems have intensified.

"With global climatic-induced agricultural failures in the early 1970's, the stability of many governments has been seriously threatened," the study said. "Many governments have gone to great lengths to hide their agricultural predicaments from other countries as well as from their own people."

WARNINGS SINCE EARLY 1970'S

Since the early 1970's, some United States authorities on energy, food and climate have steadily warned of worsening national and international predicaments in these interrelated areas, but their warnings have been disputed by others.

Students of climate, for example, contend that Americans are generally unaware of the overall effects of droughts, freezes, floods and other unusual climate patterns around the world because these problems have been perceived and reported as isolated occurrences and because they have not directly affected Americans in the way the energy crisis has affected them.

Students of weather, on the other hand, knew these occurrences as short-term aberrations and say it is too early to determine if they are part of a long-range global pattern. Meteorologists, or short-term weather forecasters, dispute the scientific credentials of climatologists, saying they are working in a new area without much base data and with no "proof" to back up their assertions.

While this dispute continues, some officials believe there is a growing consensus on one point: After several decades of relatively mild, predictable weather—during which modern agriculture developed, detailed weather records were kept, and the earth's population nearly tripled—the globe's weather appears to be entering an erratic period.

AGREEMENT ON IMPLICATIONS

Various authorities cannot agree upon why. But they do agree that the implications are enormous. Some climatologists contend that the emerging pattern is similar to one experienced in the mid-1800's, but with a major difference: The world's population in 1850 was only 1.1 billion. Today it is more than four billion.

"The new climatic era brings a promise of famine and starvation to many areas of the world," the C.I.A. study said. "The resultant unrest caused by the mass movement of peoples across borders as well as the attendant intelligence questions cannot be met with existing analytical tools."

Since then, the economic, social and political disruptions caused worldwide by energy shortages have been well documented. The drain on world oil and natural gas reserves, and the attendant price rises, have caused economic hardship around the globe. Unusual weather patterns have exacerbated those hardships.

Students of climate say the crisis this winter in the United States is but another tragic example. Their main hope—one shared by energy experts—is that the current crisis is severe enough and close enough to home to encourage the interest and planning required to deal with these long-range issues before the problems get too much worse.

SOVIET GRAIN HARVESTS: CIA STUDY PESSIMISTIC ON EFFECTS OF WEATHER

A recent Central Intelligence Agency (CIA) study of Soviet crop growing conditions has concluded that there is a good probability that the weather will continue to be unfavorable in the next 5 years and that crop production in the Soviet Union will fall short of official goals by 15 to 20 million metric tons each year. Such a shortfall would drive the Soviet Union to buy these amounts on world grain markets, principally from the United States, and therefore would have important foreign policy implications.

The CIA study is pessimistic by comparison with current statements made by the U.S. Department of Agriculture (USDA), which predicts that the Soviets will meet their projected goals. USDA has been using a period centered on the 1960's from which to extrapolate its more optimistic estimates; the CIA report, on the other hand, argues that the 1960's were abnormally favorable and should not be used as the sole basis for extrapolating future trends.

Since 1972, when the Soviets secretly bought up 14 million tons, or 20 percent of all U.S. grain exports, at bargain prices, the subject of Soviet grain production has been one of deep concern to USDA, CIA, and other government agencies. In addition, scientists' predictions of a steadily worsening global climate in the next 25 to 100 years has spurred new government studies of conditions in key world food producing areas. The Soviet Union is a crucial piece of the world food supply and demand puzzle.

The CIA study projects that weather in the grain-growing regions of the Soviet Union is getting worse and will not return to the favorable conditions of the middle and late 1960's. The middle and late 1960's, it finds, were unusually favorable for food production, not only by comparison with the period immediately before and after, but by comparison with long-term trends going back to the early part of the century. This finding has been seconded by independent work at the University of Missouri.

The study, done by CIA's Office of Economic Research, was presented by its author, CIA meteorologist Russell Ambrosiac, to a small group of government experts on 7 January at the National War College at Fort McNair in Washington, D.C., where a study of the world climate and food situation is under way. Although some of the officials who heard the presentation and who have read Ambrosiac's "official use only" paper have reservations about certain aspects, their general view seems to be that the work is sound.

The CIA study attempted to answer a question many U.S. analysts have about Soviet agriculture, namely, how much of the spectacular improvement in crop yields which the Soviets have experienced since the early 1960's has been due to the weather and how much has been due to improvements in technology, such as the widespread application of mineral fertilizer introduced by former premier Nikita Khrushchev in the 1960's. World Meteorological Organization data and data on individual crop yields for the grain-growing regions of European Russia and Kazakhstan were modeled to see what trends could be identified.

Ambrosiac concluded that small shifts in the weather could make great differences in Soviet crop yields, especially in the relatively dry region of Kazakhstan, where most of the spectacular yield improvements of the early 1960's occurred. Soviet weather was poor during the early 1960's, but improved as the decade advanced. Now, Ambrosiac found, it is getting worse again.

The climatological reason behind this shift to worse, drier weather in many grain-growing regions of the Soviet Union, according to Ambrosiac and other experts, is that the Arctic circumpolar air mass, which determines much of the Northern Hemisphere's weather and which was found to be expanding a few years ago (*Science*, 22 February 1974), is now believed to be contracting. This shift, climatologists explain, is pulling northward various dry weather belts such as the one which previously lay across the Russian deserts in southern Kazakhstan. Such belts are also shifting over Africa and northern India; both of these areas are also critical to the world balance of food demand and supply.

Whatever the cause, Ambrosiac estimated the result of this drier weather to be that the Soviets would produce, on the average, only 200 million metric tons of grain on the average each year during the next 5 years. But the official Soviet 5-year plan calls for production on the average of 215 to 220 million metric tons, and for production of 235 million metric tons in 1980. (In fact, Soviet grain production has undergone notorious, wild fluctuations. The 1975 crop was a mere 140 million metric tons, whereas 1976 saw a bumper harvest of 223 million metric tons.)

The CIA's findings about past Soviet weather trends have also been observed by Wayne Decker, a professor at the University of Missouri who is making a study for USDA of long-term weather data for the world's major food-producting regions, including the Soviet Union, Australia, Canada, and Argentina.

"By just about any standard the middle and late 1960's were a period of unusually good Soviet weather," Decker says, on the basis of data going back to the 1880's. "The latest deterioration started in the winter of 1971–72; the years which have followed have not in general been good for growing crops."

The problem is, however, that USDA now uses crop yield data from the 1960's—and not weather data—to project future, "normal" trends in Soviet agriculture. USDA claims that the Soviet Union will be able to meet their grain production goals. Explains Fletcher Pope, a Soviet specialist in the USDA Economic Research Service (ERS), in defining a "normal" Soviet grain crop year, "We take a simple average of the 11 year period from 1962 to 1972 and consider that to be the norm." Pope says this period is used because "it was the one for which data was available." If it turns out to have been an abnormally favorable period, he adds, USDA will have to revise its methodology.

David Schoonover, of ERS, who witnessed Ambrosiac's presentation, says, "Our basic conclusion over the next few years is that the Soviets are likely to meet their planned goals for grain production, assuming an equal distribution of good and bad years. He is disagreeing and saying, well, the chances are that the good years will be outnumbered by the bad." Schoonover also says that Ambrosiac's paper, although only a preliminary look at the problem, has already spurred some rethinking in his division of ERS over USDA's assumptions and forecasts.

The CIA–USDA controversy over forecasting Soviet crop production is part of a larger issue now being debated in scientific and government circles, over the future of world climate and food supplies (*Science*, 24 September 1976). The issue came to public attention last year when another study, from the Office of Research and Development of the CIA, predicted "mass migrations" and other forms of global political "instability" as a result of a long-term cooling trend in the Northern Hemisphere. The analysis—which was highly controversial at the time—predicted that U.S. food exports would be the key to resolving the political controversies caused by lack of food. In the course of the debate about this study and others which have been undertaken, a number of leading climatologists have criticized USDA's methods of forecasting crop yields because their weather assumptions, based on the unusually favorable Northern Hemisphere conditions of the last 20 years, are much too optimistic.

Soviet crop production is extremely sensitive to fluctuations in the weather. According to a recent speech by a former Soviet minister of agriculture, 66 percent of Russia's arable land already has insufficient precipitation. (By contrast, only 1 percent of the arable land in the United States has this handicap.) During the 1960's Khrushchev opened "new lands" to farming by extending Russia's major agricultural region eastward from European Russia across Kazakhistan to the Chinese border. But the new CIA prediction, if true, could mean that these "new lands," which get little rainfall as it is, could become harder and harder to cultivate in coming years. Should this happen, the Soviet Union would become even more dependent on imported food than it is already.

Decker, in his review of Soviet data, is impressed by certain correlations between Soviet weather conditions and the country's political history. Not only did Khrushchev's "new lands" policy coincide with a period of abnormally favorable weather, but the Stalinist era correlates with a period of poor weather, in the late 1930's. "I'm not qualified to relate it to the politics of the era, but boy, there must have been some hunger in Russia in the 1930's," he says. It seems obvious that, as far as CIA goes, such correlations will not go unnoticed.

GEN. THADDEUS KOSCIUSZKO—HERO OF TWO NATIONS

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. SAWYER. Mr. Speaker, I feel it is fitting that we pay tribute to an American Revolutionary War hero of Polish descent, Gen. Thaddeus Kosciuszko.

This week, February 12, marks the date of his birth and we should commemorate this patriot. All too often, the spirit of the revolution is remembered only by the more prominent names rather than the fact that the struggle was waged by many people of diverse backgrounds.

Mr. Speaker, the many Americans of Polish descent can be proud of the contribution to freedom they have made over the years and to the strength of America.

After the revolution, Congress awarded to General Kosciuszko land in Ohio, which he sold, using the proceeds to establish a school for black children in New Jersey. The example General Kosciuszko set in the struggle for U.S. independence was carried back to Poland where he led his native people and initiated a series of needed reforms until he was defeated and captured by the Russians in 1794.

We who are fortunate to live in freedom must continue the battle against oppression and follow the pattern of men like General Kosciuszko whose devotion to human rights never waivered.

SCOUTING—AN EXPERIENCE FOR A LIFETIME

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. NATCHER. Mr. Speaker, 67 years ago today the Boy Scouts of America was incorporated in Washington, D.C. On this very special day in the history of the Boy Scouts I would like to express my sincere admiration and appreciation for the outstanding contributions they have made over the years.

During the entire month of February the Boy Scouts will be celebrating their anniversary with events such as storefront and shopping center displays, the traditional blue and gold dinners for Cub Scouts and their parents, reports to mayors and Governors, their National Conference, and a National Public Speaking Contest on the theme, "The New Spirit of '76—America's Heritage."

For the Boy Scouts, February is a month of reflection on past accomplishments and of anticipation and planning for future goals and projects. This is a time when, I am sure many Scouts and leaders will reflect upon the purpose of scouting, and I firmly believe that the basic concept of this organization will continue to generate a sincere realization of one's duty to God and country as well as a keen respect for the fundamental rights of all people.

While the traditional ideals of Scouting based upon fellowship, citizenship, and personal fitness have remained the same, the focus of Scouting has continually changed to meet the needs and interests of young men today.

During the coming year Boy Scouts will be participating in ongoing programs such as project SOAR—save our American resources—an environmental action program, and the National Scout

cides not to report it, that captain will be subject—under the stiffest penalty of Liberian law—to a fine of $250. In these circumstances, the tanker industry can be a very profitable business.

In 1949 Liberia had five ships with a total tonnage of 50,000. Ten years later they had 1,085 vessels and a total tonnage of 11,940,000. Today they have well over 2,500 ships, and a tonnage of over 73,000,000. Their fleet is still the fastest growing in the world. It carries almost 40 percent of the oil coming into U.S. ports, while U.S. ships carry only about six percent.

WHO OWNS LIBERIAN SHIPS?

The Liberian fleet is owned primarily by Americans and Greeks, with each accounting for about 35 to 40 percent of the total. The major U.S. oil companies own a considerable portion of these vessels, since over 80 percent of all tankers owned by members of the American Petroleum Institute fly a foreign flag.

WHO OWNED THE "ARGO MERCHANT"?

Liberian maritime law does not require the maintenance of ownership records. We know that the nominal owner of the *Argo Merchant* was Thebes Shipping Company, and that Thebes in turn was owned by Amerships, a seven-year-old shipping firm based in New York. Amerships is currently the owner of seven other corporations, all of which, like Thebes, have been incorporated for just one ship. Each of these vessels, in turn, is at least secondhand (the *Argo Merchant* was fourth-hand), and most are from 15 to 20 years old. Several have been involved in safety or minor oil spill incidents in the past, but all are still operating.

The question remains, who owns Amerships and how many more companies like Amerships are there?

ARE LIBERIAN SHIPS SAFE?

The Liberian shipping industry is becoming, more and more, a two class entity. Some of the ships flying the Liberian Flag are the largest, most modern, and best equipped vessels in the world. This is true because those spending good money to build these new ships are also smart enough to know that the Liberian Flag is the ticket to future profits.

On the other hand, however, fly-by-night shipping operations such as Amerships also find the Liberian Flag attractive. Many of the worst rust-buckets in the world, therefore, are either Liberian or Panamanian. On the whole, the safety record of the Liberian fleet is not a good one.

The world's largest oil spill was the *Torrey Canyon* incident in 1967. That vessel was owned by the Barracuda Corporation, a front company for Union Oil, and the same company that owned the *Sansinea* which exploded in Los Angeles Harbor one month ago. The *Torrey Canyon* flew the Liberian Flag.

In the years 1969 and 1970, Liberia owned 23.42 percent of the world's tanker tonnage, but was responsible for 43.38 percent of all the oil spilled in tanker accidents. The U.S. fleet, on the other hand, consisted of 6.50 percent of the world's fleet, and was responsible for only 0.88 percent of the spills.

In 1973 Liberia owned 17.2 percent of the world's total shipping tonnage, but its ships were involved in 30.7 percent of the world's vessel casualties. The fleets of those nations which are not considered to be flag of convenience nations owned 50.9 percent of the world's tonnage in 1973, but were responsible for only 14.3 percent of the vessel casualties. For the period 1971–1975, the ratio of tonnage lost to total tonnage owned was more than three times as high for Liberian ships as it was for U.S. ships.

WHY DO WE PUT UP WITH IT?

The widespread use of flag of convenience shipping has some serious costs for the United States and for the world. Accident rates and pollution costs are substantially higher with these vessels than with others. U.S. shipping does not generate as many employment opportunities as it otherwise would. A great deal of U.S. capital is spent overseas and a great deal of money is spent subsidizing U.S. shipping operations so that they can at least try to compete with the foreign boats.

Who benefits? The world oil and tanker industries, to the extent that there is a difference, benefit tremendously from the flag of convenience operations, and they lobby heavily in governments throughout the world to maintain it. The U.S. Government has consistently supported flag of convenience operations, and has backed the right of Liberia and Panama to take a major role in international maritime lawmaking, despite the fact that Liberian expertise in maritime affairs is not exactly home-grown.

It has been argued that, as Liberian ships replace new U.S. ships, the U.S. treasury saves on payments of subsidies to U.S. shipbuilders. The cost-cutting involved in using Chinese, Greek, or Filipino crews on third rate tankers coming into U.S. harbors, it is said, helps to reduce transport prices and therefore oil prices.

It is also important to remember that if foreign flag ships are going to be the rule rather than the exception, the Defense Department may have something to say about which foreign flag would be best. The understanding is that if war breaks out, U.S. owned Liberian Flag ships will be subject to immediate requisitioning by the U.S. Government. As one industry official put it "Liberia we look upon as the godson of the United States. The flag is the nearest thing to the U.S. Flag, and Uncle Sam certainly would have control over Liberian ships." Since the U.S. effective control concept is not founded on treaties, conventions, or intergovernmental agreements of any kind, it depends purely on private arrangements between the U.S. Government and shipowners.

TWO OTHER POINTS

1. The Free Port of Monrovia (named, incidentally, for President James Monroe) is not a particularly good port, since it only has a depth of 35 feet. It is, however, Liberia's only significant port, and it is located in Liberia's largest city. This port is managed by the Monrovia Port Authority, Ltd. The headquarters of this firm are, naturally enough, located in New York City, although the company was incorporated in Delaware. Seven companies form the Port Authority—Delta Steamship Line, Farrell Lines, Firestone Plantations, Mining Company, Ltd., Mobil Oil Corporation, Texaco, Inc., and the Liberia Company.

2. The Liberian delegation to the 1973 Convention of the Intergovernmental Maritime Consultative Organization (IMCO) contained at least as many American citizens, including Mr. Fred Lininger, as it contained Liberians. This is the convention which ratified several treaties dealing with oil pollution liability and with tanker safety standards that have since been presented to the Congress for ratification. Liberia was the first nation in the world to ratify these conventions which, I believe, constitute lowest common denominator standards for the world's oil and tanker industries.

CONCLUSION

Liberia, as a ship owning nation is primarily a corporate, not a sovereign, popular entity, and it should be treated as such. U.S. citizens wrote the Liberian shipping laws, U.S. companies own a major portion of Liberian Flag tankers, the Liberian shipping industry is based entirely in New York and Washington, the U.S. Government has consistently backed up the flag of convenience concept for what it deems to be security reasons, the Free Port of Monrovia is run by U.S. companies, and U.S. citizens sit on Liberian delegations to international negotiating bodies, continually backing lowest common denominator standards for world shipping.

Congress must ask itself, this year, whether lowest common denominator standards are good enough. We have been asked for years to go along with the international approach to tanker safety and oil spill liability. I intend, this year, to question the validity of that approach. I have become less and less sure that the "international approach" is truly that, or whether it is in fact, a bit of a hoax played on the American people and on our environment. Perhaps we should stop believing that we are negotiating with other countries, when we are, in fact, often talking to ourselves.

ON BRINGING PAY RAISE DISAPPROVAL RESOLUTIONS

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. MURPHY of Pennsylvania. Mr. Speaker, a matter of immediate and special concern to many Members of this body is the pending congressional pay raise recommendations of the Commission on Executive Legislative, and Judicial Salaries.

A number of my colleagues have voiced opposition to congressional pay increases at this time, and have translated their concern into a number of varying disapproval resolutions. I recently introduced House Resolution 197, along with Congressmen EDGAR and WALGREN, providing for disapproval of the recommended congressional raises.

We have been however, frustrated in our attempts to insure that House Resolution 197 or similar measures reach the floor for a vote by the February 19 deadline.

I would like to take this opportunity to share with my colleagues my views on this urgent issue, as given in my testimony before the Ad Hoc Subcommittee on Presidential Pay Recommendations of the Post Office and Civil Service Committee yesterday:

REMARKS OF HONORABLE AUSTIN J. MURPHY

Mr. Chairman: I have been somewhat frustrated in my attempts to have the recent Federal Pay and Compensation Commission report voted upon by the membership of this entire body. After having introduced and co-sponsored resolutions to reject the Commission report in toto and in part and not having said resolutions as yet reported to the floor for a vote, I have been in touch with the legislative counsel to prepare the proper motions to have the matter brought out of committee.

I have prepared a discharge petition and just prior to submitting it to the journal clerk learned that before such a petition may be presented a resolution bill or measure must have been referred to and considered by the committee for more than 30 days. This is where the frustrations began. I found that President Ford submitted with his approval the commission report in January 19, 1977, and that it would become effective on February 18, 1977 or 30 days hence. There was absolutely no conceivable way to submit a discharge petition until following the final enactment of the compensation report.

The only other manner in which the matter can be brought before the membership is by the suspension of the rules with the unanimous consent of the entire House. I have been advised by several of my colleagues that a mere hand wave when the speaker calls for an objection will suffice to prevent

unanimous consent. Suspension of the rules, I have also learned, can only be considered on a Monday or a Tuesday of a legislative week and by prior arrangement there will be no Congressional session held on Monday and Tuesday the 14th and 15th immediately preceding the effective date of the commission report. It has therefore become procedurally impossible for me or any member to insist that this body be allowed to vote on such an important measure.

I would urge this Committee to act favorably upon my resolution this week and further urge the majority and minority leadership to call the House of Representatives back into session on February 14 or 15 where a suspension of the rules may be considered. I would also respectfully request that the Rules Committee consider the manner in which pending legislation may be brought forth from committee. In the Pennsylvania legislature where I had the privilege of serving for 18 years, a mere discharge resolution submitted by any member would provide sufficient cause for a measure to appear on the next official days calendar of the session and that upon motion of five members the matter could then be voted upon during any subsequent day's consideration of the calendar.

I have prepared my motion to suspend the rules and if given the opportunity next Monday or Tuesday will submit it to this body. I thank the members for their time and for the parliamentary lessons I have been experiencing.

POSSIBLE SALE OF AIRCRAFT TO PAKISTAN AND INDIA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. HAMILTON. Mr. Speaker, over the last several months there has been increasing concern expressed here about aspects of the nuclear policies of and nuclear agreements desired by Pakistan and India.

At the same time, both States have expressed interest in the purchase of American aircraft.

The question has arisen concerning positive or negative correlations between the resolution of nuclear policy disagreements and the availability of aircraft.

Over the next few months, the United States will have to try to resolve its nuclear policy disagreements with these two States. It is hoped that these discussions can take place independent of any commitment on the availability of aircraft. However, I believe that a negative relationship exists whereby if nuclear policy differences remain unresolved, no plane purchases can proceed.

I would like to bring to the attention of my colleagues some correspondence I have had with the State Department regarding these matters.

The correspondence follows:

SEPTEMBER 3, 1976.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: It is my understanding that the United States plans on selling A–7 fighter aircraft to Pakistan. This would represent the first sale of major combat aircraft to the subcontinent since the arms embargo was lifted.

I would like to know what assurances, if any, we received from the Government of Pakistan regarding its nuclear program and intentions to acquire reprocessing facilities prior to agreement to the sale of these aircraft and what form these assurances took.

I would appreciate your prompt consideration of this matter.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Special Subcommittee on Investigations.

DEPARTMENT OF STATE,
Washington, D.C., September 22, 1976.

Hon. LEE H. HAMILTON,
Chairman, Special Subcommittee on Investigations, House of Representatives.

DEAR MR. LEE: In reply to your letter to Secretary Kissinger of September 3, I would like to inform you that no decision has been made on the sale of A–7 aircraft to Pakistan.

We are discussing with the Government of Pakistan the problems associated with the possible acquisition of a nuclear fuel reprocessing plant. No understandings have yet been reached on this matter.

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

JANUARY 10, 1977.

Hon. HENRY KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: Recent press reports have indicated that Pakistan is interested in purchasing A–7 aircraft from the United States and that India may be interested in A–4 aircraft for its aircraft carrier.

I would urge the Department of State not to approve either request until there is positive and public resolution of present nuclear policy disagreements we have with both Pakistan and India. To approve either sale, without progress on other important bilateral issues, could have a serious negative impact on the nuclear, political and strategic situation in that part of the world.

I appreciate your consideration of this request.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Special Subcommittee on Investigations.

DEPARTMENT OF STATE,
Washington, D.C., January 27, 1977.

Hon. LEE H. HAMILTON,
Chairman, Special Subcommittee on Investigations.

DEAR LEE: I am replying to your letter of January 10, 1977, addressed to former Secretary Kissinger concerning reports in the press of interest by India and Pakistan in purchasing aircraft from the United States.

The reported interest of India in the A–4 aircraft has been much exaggerated. There has been no request from the Government of India to purchase such an aircraft from the United States and none is expected. A U.S. manufacturer (McDonnell-Douglas) has been authorized to make a presentation to the Indians concerning their A–4 aircraft, as they have to the Pakistanis. However, we have stated explicitly to McDonnell-Douglas and other companies interested in selling aircraft to South Asia that our approval of an unclassified briefing does not imply, directly or indirectly, any decision to approve a subsequent sale. Our recent public statement on the A–4 reiterated this position.

The Government of Pakistan's request for the A–7 has been under consideration for some time. No decision has been reached. Further consideration of this request will of course continue to take place in the context of other important policy issues. A sale of the nature and scale envisioned in the Pakistani request for the A–7 would require Congressional review pursuant to Section 36(b) of the Arms Export Control Act.

I hope that you will find the above useful. Thank you for yours views.

Sincerely,

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

MAJORITY RULE: BLUEPRINT FOR A RED SOUTH AFRICA?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. McDONALD. Mr. Speaker, in recent days the press has reported what appears to be a confrontation between the Catholic Church in South Africa and the South African Government over school attendance. There is little doubt that the churches of the world, including the Vatican, have fallen victim to the siren song of "majority rule" for South Africa. Yet anyone who objectively examines the situation in South Africa recognizes that the theme of "majority rule" applied to South Africa could result in minority rule by Communist elements who would destroy and enslave whites and blacks alike.

The critics of South Africa are constantly placing the issue of South Africa in terms of black and white, when what these critics' efforts could lead to is a Red South Africa. These critics are always strangely silent about the two independent Bantu Kingdoms geographically within South Africa, Swaziland, and Lesotho. The recent fate of Laos and Cambodia, where traditional societies have been destroyed in a bloodbath of Communist slaughter, indicates what would happen to these two African members of the United Nations as well as to the Kingdom of the Zulus within South Africa should communism take over there.

The Afrikaners, a truly African nation forged from Dutch settlers who arrived at the Cape of Good Hope, then without a Bantu population, at the same time as our ancestors settled on the east coast of America, are a brave and religious people. The World Council of Churches, always playing the "Charlie McCarthy" to the Kremlin's "Edgar Bergen," along with the some times "Mortimer Snerd" policies of the Vatican, confuse many people. Recalling the large numbers of Indians in South Africa, men of good will should listen to such voices as that of Raja Mrigendra Singh, the eminent Sikh clergymen, as they appeared in the monthly publication ZAPP, an investment newsletter, for December 1976:

STATEMENT OF RAJA MRIGENDRA SINGH

As there is a significant Indian community in South Africa, ZAPP has asked a noted Indian religious leader, Raja Mrigendra Singh, minister of the Sikh temples in New York and Washington, D.C., for a brief comment on the South African situation. Raja Singh is a Prince of Patiala and the brother of the late Maharajah of that important Sikh principality in India. His family is esteemed by all Sikhs in the world because of a special blessing bestowed upon it by Guru Gobind

tion. I wish to share Ms. Beck's thoughts with my colleagues:

[From the Chicago Tribune, Jan. 31, 1977]

THE DOUBTS AND TORMENT LEFT IN WAKE OF ABORTIONS

(By Joan Beck)

"Maybe I didn't think about the abortion long enough. Sometimes I feel like it is murder"—Single woman.

More than 5 million abortions have been done in the United States since Jan. 22 four years ago when the Supreme Court ruled the procedure to be legal. But rarely has such a decision remained so contested, so passionately defended and yet so grievously deplored.

Every year increases the number of those with a vested interest in believing that abortion is not only legally permissible but morally all right as well—including not only the millions of women who have had abortions, but also the men responsible for the pregnancies, parents and other family members involved, and the physicians and nursing staff who make abortion a business.

Yet even among some of these, doubts about abortion are growing, not diminishing. A kind of collective uneasiness seems to be increasing in this country, not so much among those who have always opposed abortion as among some who welcomed it and still support it.

"I don't like abortions over five months, basically. This is, of course, a compromise, a copout. Because it doesn't make any difference. One is as much a fetus as the other. It's not rational; it's just an arbitrary point to allow some sort of moral outlet, guilt outlet. . . . It's termination of life, however you look at it".—Physician in abortion clinic.

Some of the growing uneasiness about abortion is reflected in two disturbing new books, both by women who advocated and still support free choice abortion.

"Letter to a Child Never Born," is Italian journalist Oriana Fallaci's ambivalent apologia to a child whose mother debates endlessly aborting because of inconvenience to her career. She has decided against abortion when miscarriage threatens. Then, about to lose a cherished writing assignment because the doctor has ordered her to bed, she signs herself out of a hospital and suffers the predicted loss of the infant.

Although her book is billed as a novel, Fallaci writes in first person about the agonies of choice between the unborn baby's claim to life and the mother's reluctance to sacrifice her own desires to make that life possible.

"In Necessity and Sorrow" exposes even more raw nerves. Its author, Magda Denes, clinical psychologist and psychiatrist, married, mother of two, describes herself as a "proabortionist with a bad secular conscience." She researched and wrote the book after having an abortion herself.

Denes spent months in an abortion clinic, talking to the doctors, nurses, staffers, patients, and families and finding enormous layers of guilt, despair, and dismay surrounding what were on the surface routine medical proceedings. [Quotes here are from the Denes book.]

"When under one roof, the number of dead fetuses mounts into the thousands, the simple fact of death gradually overshadows the significance of individual histories. It seems that none who work here can witness the extinction of a segment of the future generation without guilt and fear."—Denes.

Denes sees doctors endangering patients by using injections of hazardous anesthetic because it saves time and physicians who hate abortions, doing them because they make so much money. She hears a thousand heartbreaking stories about pregnant 12- and 13-year-olds, pregnant abandoned wives and mistresses, pregnancy causing more trouble in troubled marriages. She looks at bloody, awful surgical procedures and watches guilt-suppressing staff members take out their feelings in meannness to helpless, guilt-ridden patients.

Yet she still supports abortion, knowing full well it means that some human beings must die to make life better for other human beings. "A given fetus lives or dies as the mother's needs dictate," she says. "And so it should be." Abortions, says Denes, "are heartrending, ambivalent events of absolute necessity."

But Denes' "necessity" is one an increasing number of us will never, can never, ever accept, even in sorrow.

STUART LONG, TEXAS' LEADING NEWSMAN

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. PICKLE. Mr. Speaker, Stuart M. Long, a Texas newsman for more than 40 years, died February 3 in Austin. At the time of his death, he operated the Long News Service which served 21 Texas daily newspapers, the New York Times, and Newsweek.

In addition to his journalistic endeavors, Long was heavily involved in civic and political activities. For more than 30 years he was a Democratic precinct chairman in Austin and was a member of the Texas Democratic Executive Committee.

Long was active in Lyndon B. Johnson's 1948 campaign for the Senate and during LBJ's Presidency served on the President's Water Pollution Control Advisory Board. For the last few years, he was a member of the State school land board.

Along with his wife, Emma, who served many years on the Austin City Council, Long was a strong advocate of civil rights, while it was still very unpopular.

Despite his hectic work schedule, Long would always make time to meet with and speak to groups of aspiring young journalists. And his news service was both a training ground for novice reporters and a place where retirees could continue to ply their trade.

Stuart Long and I both came from the same far corner of west Texas where the sands of Texas and New Mexico blend, and where water is a most precious commodity.

Since our days together at the University of Texas in the 1930's, we have been close friends. After World War II, when I was privileged to be among the founders of KVET radio station in Austin, we selected Stuart Long to be our news director. Our brand spanking new station was advancing new ideas and advocating new programs and we certainly had chosen the right man in Stuart. At that time, some businessmen were upset because Stuart did not shy away from reporting controversy. But as time passed, the business community learned to respect and admire Long for his forthright stands and his unquestioned integrity.

Through various political battles, national elections, interparty squabbles on the local and State level, and in my own quest for this office, Stuart Long was a close ally.

I think that it is fair to state that Stuart Long was the best in-depth, and fairest reporter who ever covered the State capitol scene.

Because of his reputation for knowledge of Texas, his frequent dispatches to national newspapers and magazines were considered the "last word."

The New York Times Martin Waldron who delivered the eulogy for Stuart praised him as a man who always spoke the truth and fought for the rights for all to express their views. Though Stuart championed the rights of the poor and minorities group to be heard and to have full protection of this society's laws, Waldron noted, Long also said that the bigots, whose views he detested, must be given those same rights. "Earth receive your honored guest, Stuart Long is laid to rest," Waldron concluded.

Mr. Speaker, I ask for permission for a flag to be flown over the Capitol in memory of Stuart Long, a journalist of national renown and one who reported the news as it was. As the editor of the Austin Citizen, Wray Weddell said:

He wrote like he saw it, and almost always that's the way it was.

I offer my sincerest condolences to Emma and the family.

I also insert the following editorial from the Austin American Statesman from February 4, 1977:

"S LONG"

If there were a museum for the memorabilia of Stuart Long, who died Thursday, it would have to include what must have been hundreds of the bright bow ties made by his wife over the years.

It would surely include the single box of paper clips the thrifty newspaperman was said to have recycled for 30 years, and the battered typewriter reputed to be the oldest electric still in operation.

But some things couldn't go into a glass case, such as the soft, slow drawl that J. Frank Dobie called "the world's only true Texas accent."

And you couldn't display the crusading spirit that kept Long faithful to the truth even, sometimes, at the peril of his life. You couldn't touch the passion for justice that made him a liberal Democrat even through the years when that was a rare and courageous breed.

And no museum could hold the faith Long had in the young.

His funeral Saturday will be packed with journalists who got their first breaks, their first encouragement, from the lanky newspaperman who signed himself, "s long."

STATEMENT ON THE NEW JERSEY PINE BARRENS AND ON A "SECOND SYSTEM" OF NATIONAL GREENLINE PARKS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. FLORIO. Mr. Speaker, as this new Congress begins, and as a new administration begins with it, many of us are looking forward to an era of creative government—an era when many critical hu-

hours—no night work, no Saturdays. I don't enjoy it all anymore. I've lost all the zeal I had."

Even the prestige and status of the gavel and the black robe provide Cassibry with little consolation. "Honor and dignity," he said, "won't get you a loan."

Nevertheless, he sighs, "I guess all of this sounds ridiculous to many poor Americans."

U.S. District Court Judge Herbert Stern feels no need to apologize, perhaps in part because unlike many federal judges, he did not come to the bench from the plush offices of a highly paid private practice but rose through the ranks of the Justice Department to become U.S. Attorney for New Jersey before being appointed a judge.

"I suppose it can fairly be said that we don't have a right to complain because nobody's drafted" to be a judge, Stern said. But, he contended, what the judges are asking for cannot truly be considered a raise since their salaries have decreased due to inflation while nearly every federal employee's salary has kept pace through cost of living increases. "No one forces them to be judges," Stern said, "but they shouldn't be forced out by the erosion of the dollar. We didn't get trained all that we did to be reduced to the lowest common denominator."

Like many federal judges, Stern sees the relatively low salaries as having long-term effects on the federal judiciary. "This is supposed to be a career position," he said. "No one's going to take it if they're going to be punished for it."

Many judges feel that it takes about five years before a judge is fully experienced. With a continuation of low salary levels, Stern contends, the judiciary faces the prospect of a plethora of persons taking the position to "stay a year or two in order to be called your honor the rest of your life."

While the judges realize they are not the only ones who salaries have remained static for the last seven years, many of them have something less than comradely sympathy for the plight of the top ranking federal executives who receive presidential appointments. One judge, who asked not to be quoted, referred to them as "playboys. They leave their cushy jobs, take a pay cut and work for the government for a couple of years and get a few more credentials on their resume. Then they go back to the private sector where they're now worth twice as much as they were before."

Nevertheless, many presidential appointees feel that they, too, make their sacrifices in order to serve their country and that current salaries make anything longer than a two-year hitch financially untenable. Former deputy Transportation Secretary John W. Barnum, whose job ended with Jimmy Carter's inauguration said that his $44,600 annual salary was approximately one-fourth to one-fifth what he was making with the New York law firm of Cravath, Swaine, and Moore.

The move to Washington in 1970, he said, put an end to his pastime of collecting modern art and meant borrowing money to keep his children in their private schools, an alternative he considered preferable to placinc them in the District's private schools or moving out to the suburbs.

A salary increase, he said, "is imperative. It's just not possible to attract qualified people now.' He feels that even the impending pay raise to $57,000 is not sufficient. "They ought to give a 50 per cent increase," he said.

"One of the tragedies," Barnum said, "is that people only come to work for two or three years" and it often takes a year to thoroughly understand the job. People can only afford to stay that long, he said, before the financial drain begins to cut precipitiously into savings.

For George Dixon, former deputy secretary of the Treasury, the call came in December of 1975, leaving the question of a long-term career as a presidential appointee problematic at best. "Pay," he said, was not high on the list of deciding to come or not to come." Like Barnum, however, Dixon's nights were untroubled by fears of a lengthy time on the unemployment rolls once the new administration came in. "It's certainly a plus to have had Washington experience, he said. "Most businessmen are shamefully ignorant of how the government operates."

Dixon's own re-entry into the private sector has been a smooth one. He has exchanged his $44,600 salary for one of approximately $175,000-a-year, and his title of Dep. Director of the Treasury (annual budget: $3 billion) for that of President of First Bank System Inc., a multiple bank holding company (estimated resources: $7.5 billion).

There are those, however, who feel that the problem in attracting and keeping qualified people in the upper reaches of the federal bureaucracy is not the salaries but the tendency to stock these positions from the golden seas of the corporate executive suite or the silk stocking law office.

"I'm not troubled by moderate government salaries," said Ralph Nader associate Mark Green, who is director of the Corporate Responsibility Research Group. "They help filter out the monied conservatives who find they can't live on anything less than $70,000 a year. Current salaries are ample for public interest lawyers who are entering the government with increasing frequency."

While it is the attractive retirement benefits and not pay comparability with the private sector that is draining the GS supergrades, according to the Commission, low salaries have played a part in the vacancies that occur in a number of jobs traditionally filled not from the ranks of the Civil Service but from the outside Haeworth Robertson is one such outsider.

Robertson, who is chief Actuary for the Social Security Administration and a GS–18, will see his salary increase from $39,600 to $47,500. Nevertheless, he said, he will be surprised if he is still chief actuary six months from now. Haeworth Robertson has just about had it.

Robertson has held the job since April of 1975. It was first offered to him in 1973. At that time, he said he was on his way to Geneva to work for the United Nation's International Labor Office. Robertson asked his family what they would think of exchanging a $60,000 a year income, a 30 minute drive to the Swiss ski slopes for what was then a $30,000 a year job in Baltimore. They didn't think much.

Two years later, the job was still open. No one would take what amounted to an at least 50 per cent pay cut from what actuaries earn in the outside world. This time, Robertson accepted.

"I asked my good friends about it to see how the job was perceived by my colleagues," Robertson recalled. "They all said it was an important job." Now, he said, when he goes to actuarial meetings, his colleagues "tell me what a great job I'm doing. Sometimes I say to them, 'how would you like to switch salaries?' So far everyone's said they couldn't afford it."

Robertson's not sure now that he can either. For awhile, he said, the "psychic income" derived from an interesting job well done was enough, but the long hours that have deprived him of any social life, the lack of talent he can hire at the low salaries and the depletions of money saved from the insurance company he once owned have made it doubtful, he said, that he can remain in the job even with the pay raise.

Robertson acknowledges that there are a lot of working people in the country to whom his salary sounds like a great deal of money. He said, "I don't know what that has to do with it. I'm not a cabdriver, I'm not a janitor. I'm well educated, I've spent a lot of years at this. I've worked hard to get the money to do the things I've wanted to do. If I were independently wealthy, it would be different."

LIGHT CAPITAL TECHNOLOGY IN FOREIGN AID

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. LONG of Maryland. Mr. Speaker, if the American foreign aid program is ever to fulfill its stated goal of helping the world's poor, it must be redirected toward creating a self-generating process of capital formation in the poor nations. This "do-it-yourself" development can be made possible through the development and dissemination of light capital or appropriate technologies to poor countries. These tools and techniques can then be used to utilize idle labor time, the greatest resource of the developing world. I should like to submit for the RECORD my statement on light capital technology which I delivered before the AID Administrator's development seminar in November 1976.

The statement follows:

LIGHT CAPITAL TECHNOLOGY IN FOREIGN AID

(By Hon. CLARENCE D. LONG)

I realize I'm talking in a very complicated field and I'm sure that many of the things I say today will seem to be simplistic. But whenever one tries to do anything, one has to oversimplify, because action itself is a simplification. So at the risk of being regarded as the John Wayne of the foreign aid field, I am going to share with you some of my thoughts on light capital technology and foreign aid.

I realize, of course, that many of you have thought about this and perhaps thought about it more deeply than I have, but maybe some of you haven't. One often has to say things that everybody knows in order to get over the feeling that he appreciates and understands certain things that his audience already appreciates itself.

The United States has spent a quarter of a trillion dollars on foreign aid, most of it misdirected from the standpoint of improving the lot of the world's poor through economic development.

REASONS FOR AID'S FAILURE

A first reason for AID's failure is that much of the aid has not even gone for economic development but for luxury consumption and for competitive arms buildups in poor countries. In the ten years from 1965–1974, while the U.S. and multilateral development banks were giving India about $8 billion in foreign aid, India was spending over $16 billion on its military establishment.

Bad policy has been compounded by bad politics and by bad economics. Influential people have benefited from aid. In this country corporations and their co-conspirators among unions sell their products subsized by foreign aid at the expense of U.S. taxpayers. In developing nations elites siphon profits from port developments, dams, airport highways, or simply by stealing.

Even where aid has gone to economic development, it has been perverted, partly because of economists' lack of understanding of the development process. I am a professional economist as you know. As I think back over the role of professional economists in foreign aid, as an economist, I simply have to blush. Economists were ignoring the prin-

ciples of economics that they taught in their own class rooms, namely that the factors of production should be combined in proportions appropriate to their relative abundance and scarcity.

Books by Rostow and others made development look like a simple matter of increasing the amount of capital; little matter what kind, as long as the addition was enough to get a take-off, a term which in itself was one of the worst oversimplifications in the whole realm of economics.

A favorite thesis of early development literature was that the poor have little income left over after consumption to provide the savings needed for capital development and that this capital must therefore come from the outside. Further, because the poor were so desperate for consumer goods, most of the increase in production from progress would be soaked up by consumption rather than by allowing further saving and capital formation. There was—and still is—a failure to perceive that the poor nations have a large source of capital that doesn't need to come from prior savings but can come from unutilized or underutilized labor time.

Karl Marx called capital congealed labor time. I was brought up to ridicule that oversimplification, but it's become more evident at least in the development area what a profound truth this involves. However, all is in knowing how to congeal labor.

The bad economics comes from the failure to perceive that sophisticated capital is not appropriate to poor countries with vast underutilized labor since it can have the effect of disemploying large numbers of rural laborers or of failing to absorb growing labor forces.

THE TIME IS RIPE FOR A NEW VIEW OF AID

Why is a new view of foreign aid and light capital development in order? Why are we swinging away from the "trickle-down" view of development? I think there are various reasons.

First, the world is in the midst of an egalitarian upheaval. In all societies, everywhere, including western societies, people are demanding what they regard as a better distribution, a more even distribution of income, regardless of the impact on political, social, and economic institutions. If the poor can't be made richer, the rich are to be made poorer.

Second, "trickle-down" development has failed, or more accurately, it costs too much capital for the amount of benefit that trickles down. For example, an FY 77 AID loan for small farmers in El Salvador is estimated to have a foreign capital cost of $1,000 per family. The host government will also pay approximately $1,000 per family in local costs.

This is supposed to be a marvelous case of getting development on the cheap, but any calculation on the back of an envelope will tell you that there are about 300 million poor families in the non-Communist developing world, and this kind of AID loan would require $300 billion to help poor families—over 100 times what would be realistically forthcoming annually from the U.S. in both bilateral and multilateral economic aid. To help all the world's poor at this cost even considering other aid donors would require many years, during which time of course the number of poor would be rapidly growing because of population growth—outgrowing, in most, if not all, of the development. If we continue with policies that imply large capital inputs per person, we will not even be able to keep up with, much less catch up with, rural and urban poverty in poor countries.

Anyone who looks at the sidewalks of Bombay or at the countryside outside the cities in any poor country can see that heavy capital development strategies have, if anything, created extreme concentrations of wealth in poor nations while at the same time disemploying or failing to employ thousands and millions. Our foreign aid, originally thought of as a way of heading off communism, may well have been a boost to communism by increasing the already glaring disparities between the rich and the poor.

Third, growing numbers, both in Congress and in the development field, have had a chance to get out there in the field and see what works in development and what doesn't work. The realization has now dawned that light capital technology is how development occurred in now-developed nations during their early years when capital was scarce and expensive and labor, abundant and cheap. One reason why light capital technology hasn't been followed in recent development programs is that foreign aid has made it appear to poor countries that capital did not need to be economized on, because it would be given to them or loaned at concessionary, gift rates of interest.

Fourth, the time is ripe for a new look at foreign aid because the light capital view of development fits the political facts of life in aid-giving countries. The blue collar worker in any Congressman's audience, and I talk to him by the thousands, knows that there is a shortage of capital in the United States. He knows this from the high interest rates he must pay when he borrows, if he can borrow at all. He knows this from our huge unmet needs for:

Slum rehabilitation and middle class housing;

Mass transit;

Energy development;

Comprehensive health care;

Education for everyone—including special education for handicapped and the gifted;

Reducing pollution of air and water;

Flood control (I've seen estimates that it would cost ¼ of a trillion dollars to handle our flood control problem in this country alone, just one item) and;

Easing the plight of the aged.

Now if you add those programs together, you would come to trillions of dollars of unmet capital needs here in the U.S.

In view of our own unmet needs and the hundreds of billions of dollars it would require to apply sophisticated capital development to benefit all of the world's desperately poor, we have three choices:

(1) Giving up on aid. I don't think that anybody here wants to do that, but there are plenty of people who would like to.

(2) Settling for a permanent condition of token aid to poor lands, and that is basically what we are doing.

(3) Trying to make aid effective enough to cover the great masses of the world's poor with less capital per person aided.

The latter I want to develop a little further.

OUTLINES OF A PROGRAM IN LIGHT CAPITAL TECHNOLOGY

The greatest contribution of the U.S. and other aid donors to light capital technology can be in the area of knowledge and ideas instead of in massive capital transfers. I should hate to see light capital technology corrupted by huge sums of money before it has had a chance to prove its own self-generating capability. I think that would be a disservice to it.

We need not displace sophisticated capital technologies either immediately, or possibly ever. Light capital technologies can be developed and inserted into the interstices of the economies of poor countries simultaneously with infrastructural development, roads, irrigation, schools, etc. As light capital technologies prove themselves, the idea can spread from its not unimpressive present beginnings, and hopefully generate its own future capital, through what can be called capillary action.

I took a course in Physics before many people in this room were born, and I don't remember very much of it. But I do remember the example of holding a lump of sugar over a cup of coffee or any other liquid, just touching the tip of the sugar to the water and then watching, the rise of the liquid through capillary action, against the law of gravity, soaking the lump of sugar. That is what I mean by capillary action and I submit that this is the way we must move in development instead of with a "trickle down" approach in which we have been operating so far. Another "John Wayne-ism" perhaps, but I like it.

According to the A.I.D. report, "Proposal for a Program in Appropriate Technology," and other accounts, there are six national appropriate technology organizations in Africa, appropriate technology units in the central ministries of Pakistan, India, and Bangladesh, a new national appropriate technology organization in Honduras which A.I.D. plans to support, I understand, and many other organizations involved in some way with light capital technology.

Other aid organizations and international institutions—such as the Peace Corps, the World Bank, the Inter-American Development Bank, the International Labor Organization and other UN bodies, the Canadian aid agency—all are giving increasing attention to light capital activities. Numerous books and articles—of which Schumacher's *Small is Beautiful*, and Nicholas Jequier's *Appropriate Technology; Problems and Promises*—are appearing and you know a flood of books on the subject is on the way.

Politicians are not leaders, no matter what they claim. We are too busy, and besides that, one must have a following before he can get anywhere. Nothing is more disconcerting than to say "come on" and then look around and see nobody there. So usually, politicians have to take other peoples' ideas and follow them. But I think the Congress can lay a rather rare claim to leadership in the movement towards appropriate technology both in developing countries and in the U.S. itself.

The House under Clem Zablocki originated and, with my strong support, authorized a program for AID to spend $20 million through FY 1978 on light capital activities. The organization to implement that program, the Appropriate Technology Fund, is now being established.

I was able to insert language in the last two foreign aid appropriations committee reports directing the U.S. representatives to the World Bank, the Asian Development Bank, and the Inter-American Development Bank to take leadership "to bring these multilateral institutions to emphasize light capital technologies in their development projects." The *Long Amendment* to the Inter-American Development Bank Authorization Act has sparked increasing activity on appropriate technology within that Bank.

The FY 1977 ERDA (Energy Research and Development Administration) authorization bill—which died in the 94th Congress but which I feel with the new President can quickly be enacted in the 95th Congress included a $7.5 million program in appropriate energy technologies. The lessons we learn from this may be transferred, with plenty of modifications of course, to the poor countries.

The Community Services Administration, the successor to the Office of Economic Opportunity or OEO, has allocated $3 million for the creation of the National Center of Appropriate Technology in Butte, Montana. Sen. Mansfield had some interest in this project.

The Congress, through its power of the purse, can edge future programs in the direction of light capital technology. This, as a member of the Foreign Aid Appropriations Subcommittee, I hope to do. It can be done in various ways. We can simply say to countries, "If you're not interested in doing anything for your poor, then we'll have to take

our very limited aid funds and put them in other parts of the world where there is more will and sincerity for doing what we consider to be the main object of foreign aid." Now this depends, of course, on how much we really want to do this. There is no question in my mind that it can be done. This may cause some friction but after all the bad feelings and seeds of social strife that we have sown through past aid programs, it seems to me that the friction we might cause with certain elites in trying to do something right for a change might be more than compensated by our actually improving the lives of the poor in certain countries. For if Congress continues to pass out billions of dollars

For selling American weaponry;

To enable big corporations to sell their sophisticated products, at the American taxpayers' expense;

To pay rent for military bases;

All without encouraging light capital technology and economic development;

then our aid program will have continued to be a half-hearted program for achieving poorly thought through foreign policy objectives or for carrying out a crude mercantilism, rather than for achieving what foreign aid was originally conceived to do—help the poor of the world to a better life and possibly calm the bitter struggle now being waged with communism for the hearts and minds of mankind.

SAGINAW, MICH., HONORS CALVIN O'NEAL

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. TRAXLER. Mr. Speaker, on Wednesday, January 26, 1977, the city of Saginaw, Mich., paid extraordinary tribute to one of its alltime finest gentlemen athletes, Mr. Calvin O'Neal, middle linebacker for the University of Michigan Wolverines. As my colleagues, especially those from Ohio, know, Calvin O'Neal has been a kingpin in the Wolverines' defensive unit and a major reason for Michigan's domination of the Big Ten collegiate football conference in recent years. I know that all of my colleagues will join me, and the people of Saginaw, in wishing Mr. O'Neal the very best as he begins what is certain to be an outstanding professional football career.

Mr. Ken Tobacsko of the Saginaw News has written an excellent account of the warm reception and testimonal accorded to Calvin O'Neal in Saginaw; at this point I would like to insert that article in the RECORD:

FOUR HUNDRED STRONG HONOR CALVIN O'NEAL

(By Ken Tabacsko)

Saginaw came out in force Wednesday evening to honor its own All-American, the University of Michigan's Calvin O'Neal.

Despite poor road conditions due to blowing and drifting snow, 410 people filled the Civic Center's Unity Hall to honor O'Neal, a life-long Saginaw resident and former standout at Saginaw High.

U-M coach Bo Schembechler and some of O'Neal's teammates were victims of the storm and couldn't make the proceedings. Schembechler, leaving from Ann Arbor Wednesday afternoon, was forced to turn back for home at Brighton as the conditions became dangerous.

O'Neal, of course, starred as a Wolverine linebacker for the past two seasons. In this his senior year he was named as a UPI first team All-American, the first major college All-American from Saginaw since Jim Ellis made it at Michigan State in 1951 and 1952.

The many speakers and friends of O'Neal spoke highly of his football talents—he undoubtedly has a professional career to look forward to. But they also emphasized his value to the community as a model for all young athletes to follow.

Robert Brown, a manager at Michigan and a close friend of O'Neal's, perhaps said it best.

"Everyone he's always been around, on and off the field, he's helped improve," said Brown. "He set high standards for himself and for everyone else. I'm proud to be his friend."

Raymond M. Tortora, mayor of Saginaw, tried to point out what it means to a community to have a man like O'Neal represent it.

"Anytime you have young men like Calvin O'Neal represent the city, the city has to be proud," he said "And Saginaw is certainly proud of Calvin O'Neal."

Numerous groups and organizations presented the Michigan linebacker plaques, trophies and special awards. He'll probably need a special trunk to cart all his loots when he returns back to Ann Arbor today.

Steve Mason, a gridder at Northern Colorado and a teammate of O'Neal's at Saginaw High was present at the banquet, which was sponsored by The Saginaw News. "Calvin is just a beautiful person, he's always been like a brother to me," said Mason, who also should be selected for a tryout with the pros. "We started out at Arthur Eddy Junior High and we did everything together. We've been close ever since. I didn't care where this banquet was. If it was in Alaska I'd be there.

"Cal respects individuals and he's willing to help all people. He's certainly an All-American player but in my book he's an All-American person too."

O'Neal was noticeably touched by the program.

"It's a great thing to be honored by your home town," he said quietly. "I'd just like to thank everyone for having this day for me, it meant a lot.

"It's great to see the entire community come together. Athletics have been fantastic for me. I just hope I can come to a banquet much like this in a few years, honoring someone else."

O'Neal now has to finish the school year and then it's on to the pros. He leaves the college ranks knowing that Saginaw is behind him.

THE BLUE ANGELS

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BURGENER. Mr. Speaker, today I would like to pay special tribute to the demonstration pilots of the Navy Flight Demonstration Squardron, better known as the "Blue Angels."

Like most of us, they have a curtailed budget but continue to bring the Navy to the people and aid in recruiting for the all-volunteer military service. At present they are operating economical A-4 jets which save 70 percent more fuel as compared to the former F-4 jet, but still present an outstanding airshow to the public.

In 1977 the Blue Angeles will present an average of 80 airshows under the capable leadership of Cmdr. Casey Jones, and it should be noted that during the 3 preceding years there was not a single aircraft mishap during their training or public demonstrations.

This outstanding record of air safety achievement is possible by the quality and efficiency of their personnel and the most rigid of safety standards. For this great record of safety each squadron member is being presented with a letter of commendation from the Chief of Naval Air Training, Rear Adm. Burton Shepperd, U.S. Navy.

Those Members of Congress who have not had the opportunity to witness the Blue Angels' thrilling demonstration may be interested to know that the 1977 schedule as approved by the Department of Defense includes three public airshows in the Washington, D.C., area; May 1, at NAS Norfolk, Va.; June 6 at the Naval Academy, Annapolis, Md., with staging out of Andrews Air Force Base; and September 11, at NAS Patuxtent River, Md.

Since April 28, 1946, the Blue Angels have thrilled approximately 123 millior spectators throughout the United States, Canada, Mexico, South America, Central America, the Bahamas, the Philippines, Europe, Africa, and Asia. To this end the supervisors of the county of Imperial have declared February 20, 1977, as Blue Angel Appreciation Day, during which each member of the flight squadron will be publicly honored at a dinner sponsored by the county of Imperial and the chamber of commerce of the various cities within the county.

On this occasion, I would like to share with my colleagues a poem I recently received from the editor and publisher of the Imperial Valley Weekly, conveying the appreciation and pride of the citizenry of the county of Imperial.

TO THE BLUE ANGELS

(By Nettie Brown)

Angel pilots in Navy Blue
Flying their planes so true
Highest standards in the air;
Finest examples anywhere
Of America's power on high
As they flash across the sky,
In close formation, daring, true
Demonstrations of what pilots can do.

Blue Angels, perfection in truth,
Who demonstrate to America's youth
That life is still adventure thrilling
To those who prove that they are willing
To study and practice and learn,
Until they too their wings earn;
Then believe and dare and work to
Emulate the Navy's Angels Blue.

Valleyites watch in pride and wonder
As overhead the blue jets thunder
Above Imperial Valley desert land
Known as the hollow of God's hand—
"La palma de la mano de Dios"
We are glad that you are with us.
Blue Angels you're proud to be called,
Your shows leave the people enthralled.

Your mission is demonstration
Of precision Naval Aviation.
As you practice in our clear air
Blue Angels, we breathe a prayer
That you are safe, and happy, too.
That Imperial Valley's skies so blue
You call home; and here you'll return,
Because we love you, every one.

For all of these reasons, we point with pride and acknowledge the Blue Angels

for their devotion and service and wholeheartily join in Appreciation Day as set forth by the county of Imperial.

CRACKDOWN ON CRIME WORKS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. MAZZOLI. Mr. Speaker, the following article from the National Observer of February 5, outlines some of the steps that have been effective in reducing crime in our cities.

The so-called career criminals programs, the speedy trial act, and community involvement have all contributed to this reduction. These programs are programs which I have supported and will continue to support.

Further, I encourage my colleagues to join me in working for stiffer and uniform sentences, reduction in crimes committed on bail by stronger bail laws, and heavy sentences for those convicted of using a gun in a crime.

With these additional steps, I believe that we can continues to reduce crime in our cities.

The article follows:

DROP IN VIOLENT CRIME—BIG-CITY RATES FALL SHARPLY; ANTICRIME PROGRAMS CITED

(By Richard Egan)

In Baltimore, after police bought 15,000 guns from citizens in 1974, handgun murders fell 123.6 per cent in 1975 and 34.6 per cent last year. In Detroit, after passage of a new rape law and establishment of a rape-crisis center, rapes declined by 8.6 per cent last year. In Indianapolis, after initiation of a program aimed at convicting and jailing hardened hoodlums, robberies dropped by 23.4 per cent last year.

Across the country, police and prosecutors are testing new ways to cut down on violent crime. Judges are handing down stiffer jail sentences. Citizens are joining the crime fight.

It all seems to be working. Violent crime—murder, rape, robbery, and aggravated assault—declined 5 per cent nationwide in the first nine months of 1976 compared with the like period in 1975, according to the latest FBI figures. The declines were even more dramatic in many of the nation's biggest cities. And the decreases appear to be continuing.

An Observer survey of the nation's 12 largest cities turned up violent-crime decreases two, three, and even four times the national average. Latest available figures show that violent crime was off 22.6 per cent in San Antonio, 18 per cent in Washington, D.C., 17.6 per cent in Philadelphia, 16.1 per cent in Chicago, 12 per cent in Houston, 11.8 per cent in Baltimore, and 11 per cent in Indianapolis. Eight of the 12 cities showed declines steeper than the national average. New York City had a 3 per cent drop; San Diego showed no change. Only Los Angeles (3.7 per cent) and Detroit (0.9 per cent) had increases.

Most specialists on crime can pinpoint no broad reasons for the drop. Nor are they willing to speculate about whether it will continue. "I don't have any idea about why it's happening," says William A. Hamilton, president of the Institute for Law and Social Research, a nonprofit organization based in Washington, D.C. "It is very hard to determine why this has happened," agrees Dr. David Abrahamsen, a New York City phychiatrist and psycholanalyst. "Possibly for the time being the number of violent crimes has reached a certain plateau, from which it could go up or down."

But police and prosecutors in most big cities believe that specific programs and approaches are slicing into violent-crime rates, particularly for rape and robbery. Many cities are focusing on repeat offenders. "You know, it's been said that if we got the right 50 men off the streets, we'd have 80 per cent of the rapists," says James D. Bannon, executive deputy police chief in Detroit.

Of the four violent-crime categories, the FBI statistics show declines of 10 per cent for murder and robbery and no change for rape and aggravated assault. Most police officials are puzzled by the decline in murders. "Police can do nothing about social conduct or economic conditions leading to homicide because the overwhelming majority are committed by the victim's relatives, friends, or companions of the moment," explains Detroit's Bannon.

Baltimore's 1974 gun-purchase program may indicate a way to reduce murder rates. Murders in Baltimore have fallen sharply for two years in a row since the program began. Last year the drop in all murders, including those by handguns, was 23 per cent, steepest among the 12 largest cities. Donald D. Pomerleau, Baltimore's police commissioner, says he's "not sure" that the program affected the murder rate. But he challenges anyone to prove otherwise.

Rapes in the 12 largest cities were down 5.6 per cent in the first nine months of 1976, below the national average. But police and prosecutors believe the actual decline may be even more sharp. They say more rapes are reported now than in previous years, when victims, out of fear or embarrassment, shied away from informing police.

Some of the sharpest declines in the 12 biggest cities have occurred in robbery rates; 8 cities bettered the national average. Robbery is by far the most frequently committed of the four violent crimes. It's also the crime for which most are arrested.

"REPEATER" PROGRAM WORKS

Some 21 cities and the state of Rhode Island operate programs specially geared to identifying, convicting, and jailing repeaters. The Federal Law Enforcement Assistance Administration (LEAA) helps finance such programs in Rhode Island and 18 cities. Though the first of these LEAA career-criminal programs began only in May 1975, the idea already seems to be bearing fruit.

In the first nine months of 1976, robbery declined 15.6 per cent in 9 of the first 11 jurisdictions participating in the LEAA program, according to the figures compiled by the nonprofit National Legal Data Center in Thousand Oaks, Calif. Over the same period the decline for all cities was 9 per cent. The center says that of 3,014 career-criminal cases disposed of so far, 2,833—94 per cent—resulted in convictions. And 93 per cent of those convicted went to jail. Plea bargaining is infrequent in the programs, and the average sentence has been 19 years. Those convicted had averaged five previous convictions.

Houston's career-criminal program, which began in July 1975, is typical. Authorities have set criteria to identify and weed out repeaters after their arrest. Depending on the offense, usually one or two prior convictions are required for career-criminal status. Then, instead of the case being handled in the usual way, an assistant district attorney and police move in immediately to review what steps need to be taken quickly to help obtain a conviction—more interviews, an identification lineup, a diagram, photos at the crime scene. Prosecutors try to develop the strongest possible case before going to trial, and they try to obtain convictions on the highest possible charge.

In 1975, the first year of Houston's career-criminal program, robberies were down 11 per cent. Last year they fell 14 per cent, to 4,977 from 5,859. That means "900 less people had a gun stuck in their face," points out Vic Pecorino, an assistant district attorney who heads the project's prosecuting team.

Besides Houston, 5 other cities in the top 12 have repeat-offender programs—Dallas, Detroit, Indianapolis, San Diego, and Washington, D.C. Last year the six cities showed an average decrease of 12.7 per cent in robbery.

The career-criminal program is fast spreading, with San Francisco, Seattle, and Akron, Ohio, beginning programs soon. But authorities in big cities cite several other factors as well for the drop in violent crime.

"The attention the court has been able to give in meting out some pretty stiff sentences has acted as a deterrent," says Police Chief Emil Peters of San Antonio, where violent crime last year went down at a rate 4½ times the national average. Peters adds, "People are taking rape more seriously, and possibly the message has gotten to potential victims to be more careful."

"I'd have to say that the general public, the judges included, are fed up with this robbery business," comments Bill White, chief of the felony section for the district attorney's office in Bexar County, Texas, which includes San Antonio. White also believes that heavy publicity given to the rape and murder of a San Antonio hospital nurse and to the subsequent conviction and death sentence handed her killer has helped to reduce rapes.

SPEEDY PROSECUTION PAYS

Eight years ago Washington, D.C., had the worst crime rate among the nation's 20 biggest cities. But since then, says Police Chief Maurice Cullinane, "we have enjoyed the nation's most enviable reduction in crime." Washington now ranks 17th, and its over-all crime rate has dropped 21 consecutive months.

Cullinane attributes the decline to three factors: "an active and concerned community whose degree of participation and interest in crime prevention grows each year; the effectiveness of increased foot patrols, bringing officers into regular contact with our residents," and the city's repeat-offender program.

F. Emmet Fitzpatrick, Philadelphia's district attorney, credits speedier prosecution and tougher sentencing for Philadelphia's reduction in violent crime last year. "We're seeing a seriousness in the prosecution of violent criminals," he explains. "More cases are coming to trial earlier than before. We've made the speedy prosecution of criminal cases a prime effort. Our courts are becoming more efficient. . . . And our sentencing has become more severe." He says judges have been giving convicted rapists sentences of as much as 45 to 90 years.

Ian H. Lennox, executive vice president of the private Citizens Crime Commission of Philadelphia, says other factors contributing to the decline are a tough firearms ordinance, a decrease in juvenile-gang activity, special police antimugger units, and active neighborhood anticrime groups. He notes, too, that in 1976, "There was a lot of community spirit, community pride. There was also, because of the Bicentennial, a great deal of police overtime and police presence in the streets."

Chicago police recovered 18,330 firearms in 1976, of which 85 per cent were handguns. "And when you recover that many handguns, you're going to cut down crime," says Joseph Di Leonardi, the city's homicide commander. He also says a "beat rep" program started last April has helped reduce crime. Under the program, police train citizens to help patrol their own neighborhoods.

Indianapolis also has a neighborhood crime-watch program, in which residents report crimes or suspicious activity to police. Mayor William H. Hudnut says the crime watchers, along with a low unemployment

rate of (3.7 per cent in November) and improved police morale and efficiency have helped curtail crime there.

James F. Kelley, prosecutor in Marion County, Indiana, which includes Indianapolis, says the city's career-criminal program has been effective in reducing crime. He cites a study by the Institute for Law and Social Research showing that 7 per cent of the criminals commit 40 per cent of the crimes. "If you assume that is correct—and we've had a hunch for years that it was—then what we're doing is getting the repeater off the street."

"Our hard-nosed attitude on prosecution" is the main reason offered by William A. Swisher, Maryland's state's attorney, for Baltimore's reduction in violent crime last year. "We've been pushing them in jail a lot quicker," he says. "And maybe the fact we are pushing might have deterred some. Maybe we've just got most of them locked up. Rehabilitation doesn't work. Probation doesn't work. We have to rely on punishment—keeping them off the streets."

Violent crime declined by 5.4 per cent in Dallas last year, and says Police Chief Don Byrd: "I don't think it was any one thing we did that contributed to the decline. I'm still saying that people make things happen, not structures or programs." But he does concede that a new police fixed-watch concept, under which more officers are deployed during peak crime hours, "may well have had some effect."

CAUTION AGAINST COMPLACENCY

District Attorney Henry Wade of Dallas attributes the crime reduction to "speedier trials, heavier penalties, better co-operation from the ordinary citizen, and better education and jobs among minorities." He also notes that several city businessmen have joined to offer cash rewards for information leading to indictment for certain crimes. Because of the reward program, "We have solved 15 robbery-murders that likely wouldn't have been solved otherwise," says Wade.

In the first 11 months of 1976, violent crime in New York City was down 3 per cent compared with the first 11 months of 1975. Rapes declined 11.2 per cent even though police believe there has been a steady increase in reporting of rapes. "We have been using women to investigate [rapes], and that has caused more women to report crimes," says Sgt. Peter Sweeney of the New York Police Information Bureau. "There is more of a feeling of understanding, and women have been willing to report the crime."

The plunging violent-crime rates are, of course, good news. But, cautions Alvin J. T. Zumbrun of the Maryland Crime Investigating Commission, "inasmuch as there has been such a drastic increase in violent crime over the past 10 or 15 years, even though there was a reported reduction last year, we have to be careful not to be complacent and not feel that somehow we have found the answers."

PERCENTAGE OF CHANGE IN VIOLENT CRIME IN 12 CITIES DURING THE 1ST 9 MOS OF 1976 COMPARED WITH THE LIKE PERIOD IN 1975

	Murder and manslaughter	Rape	Robbery	Aggravated assault	Total
Baltimore	−23.5	−5.8	−18.3	−9.2	−14.3
Chicago	+2.9	−30.0	−21.7	−9.6	−17.3
Dallas	−2.1	+4.5	−12.7	−6.4	−8.2
Detroit	+13.4	−12.8	+6.4	−3.1	+3.3
Houston	−8.6	+23.8	−16.5	−6.0	−11.8
Indianapolis	−1.7	+4.6	−23.9	+38.1	−6.7
Los Angeles	−8.0	+16.2	−3.9	+10.6	+3.7
New York City	−4.0	−11.8	+7.0	+1.7	+4.5
Philadelphia	−12.5	+9.7	−24.9	−6.3	−17.6
San Antonio	−8.7	−13.6	−23.6	−24.2	−22.7
San Diego	−15.2	−.1	−6.6	+10.1	0
Washington, D.C.	−18.9	+2.6	−22.2	−5.2	−17.3

SHEEDY AWARD ADDRESS BY PROF. ERNEST SANDEEN, UNIVERSITY OF NOTRE DAME

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BRADEMAS. Mr. Speaker, the Sheedy Award is given annually at the University of Notre Dame to a professor in recognition of outstanding teaching.

I insert at this point in the RECORD the text of an address delivered by the recipient of the Sheedy Award last year, Prof. Ernest Sandeen, "Learning With the Left Hand."

The text of the address, delivered on October 15, 1976, follows:

LEARNING WITH THE LEFT HAND

(By Prof. Ernest Sandeen)

The disenchantment with higher education, on the part of both students and the public, which began with the turmoil of the 1960s, has been deepened in the 1970s by escalating educational costs and by diminishing job opportunities for graduates, especially those with liberal arts degrees. This situation has stimulated vigorous discussion across the country, in journals, seminars, and symposia, on how to revitalize the humanities. Much that is said is merely the mouthing of old cliches—with a certain gusto of course. For instance, we are told for the millionth time that the unique job of the humanities is to teach human values. What these values are and how they are to be taught are not very clearly indicated. There are, however, certain areas of development that seem to me promising.

One of these areas concerns the educational possibilities that lie in the student's interior life of sensation and feeling. At present I believe the education we offer, even in the humanities, is too exclusively intellectualized, too lopsidedly cerebral. Perhaps in our jealous concern to prove that our humanistic disciplines are as intellectually respectable as the sciences we have come to regard the student's emotional life as his own affair; our specified task, after all, is to educate his intellect. His personal feelings, like those of his teachers, are not only irrelevant, they actually confuse the issues and get in the way of our proper goal, a detached cultivation of the life of the mind.

EMOTIONS AND INTELLECT RELATED

But it now appears doubtful that any intellectual endeavor can be wholly disinterested. In even the most objective thinking, the thinker is still "in the act" with all his psychic dispositions deeply involved. Besides, we begin to suspect that emotion and feeling do not oppose our intellectual enterprise but complement and support it. The psychologist Joseph Church in his book, Language and the Discovery of Reality, puts it succinctly:

" . . . our human capacities for thought are no greater than our human capacities for feeling. It may well be that capacity for feeling . . . is the essential variable in intellectual differences. It is only those with strong feelings who can resist the second-hand formulations of experience handed down from their progenitors and can work to thematize them afresh for themselves. Certainly it is possible to be retentive without great feeling, but learning without the understanding that emotion gives is barren and perhaps even dangerous." (pp. 202–203)

What is suggested is not that we get the student to analyze his emotion life—that is simply another intellectual activity which can best be pursued in the study of psychology—but rather that we encourage him to become aware of his feelings, experience them, and cultivate them.

It is not a matter of releasing the student's emotions in a kind of wild revel but just the opposite. That is, we are beginning to understand that the student's feelings need to be educated as well as his intellect. We speak with justifiable pride of our dedicated attempt to teach our students to think and to think clearly. As we look out on this contemporary scene surely we must concede that for all of us it is also important to feel clearly.

Here is a short poem by Coventry Patmore:

MAGNA EST VERITAS

Here in this little Bay,
Full of tumultuous life and great repose,
Where, twice a day,
The purposeless, glad ocean comes and goes,
Under high cliffs, and far from the huge town,
I sit me down.

For want of me the world's course will not fail;
When all its work is done, the lie shall rot;
The truth is great, and shall prevail,
When none cares whether it prevail or not.

In my youth I greatly admired this poem for being brisk and brave and tough. But I see now that it has a soft spot at the center and that it derives its force from a state of mind not altogether admirable though one that I can still sympathize with. Reading between the lines we can imagine that the speaker has tried to instruct someone—a single person, a group, or a crowd—in what he regards as a high truth. But he has not been listened to, has maybe been laughed at. So he has abandoned the "huge town" for the sea-shore where he can be alone and lick the wounds of his rejection, a kind of intellectual Achilles sulking in his tent. He is deeply troubled but also he obviously enjoys feeling sorry for himself. He is clearly more concerned with his own feelings than with the "truth," or he could never say that truth is sure to prevail even "when none cares whether it prevail or not."

The student who comes to understand what is really going on in this poem, elementary as it is, will have to think clearly, to be sure, but he will also have to feel, that is, find his way among his own emotional responses and responsibilities. We can hope that with repeated experiences of this sort he will learn to discriminate, in Emily Dickinson's words, that "internal difference/Where the meanings are." In the process, I believe, he is being educated.

CREATIVE INTUITION

Next door to our feelings and emotions or maybe living in the same house with them is that mysterious mental capacity which Maritain called "creative intuition." Because it is an amorphous, ill-defined psychic force, we have given it scant space in our liberal arts teaching. Our attitude has been that thankfully there is always the fine arts department to relieve us of the responsibility of this ungainly, potentially dangerous monster. (Plato set the precedent for us by casting the poets out of his ideal Republic into the outer darkness of the non-rational.) But evidence is accumulating to show that our intuitive powers play an important role in intellectual as well as in artistic processes. Here it is the scientists and mathematicians who have led the way as their own disciplines have become more hypothetical and creative and have drawn closer to the arts. For example, the French mathematician and physicist, Henri Poincaré, testifies to his suddenly coming into full possession of solutions to mathematical problems which he was not thinking about at the moment but which he had previously been working on for several days without success. He attributes these epiphanic breakthroughs to the "emotional sensibility" of the

unconscious mind in association with its aesthetic sense for mathematical "elegance." Again, Albert Einstein says of his creative work. "The important thing is intuition." And those of you who have read James Watson's The Double Helix: A Personal Account of the Discovery of the DNA do not need to be persuaded of the significance in scientific research of educated guesses and lucky hunches.

THE RATIONAL AND THE INTUITIVE

The research being done on the two hemispheres of the brain by a group of medical doctors, psychiatrists, and psychologists at the University of California in San Francisco promises to clarify the relation between the rational and intuitive ways of the mind. They have conducted a long series of highly sophisticated experiments with animals, with normal human subjects, and with split-brain patients, mostly epileptics who have had the nerve fibers connecting the two halves of the brain surgically severed in an attempt to effect a cure. The conclusions so far derived from these experiments are conveniently summarized by a member of the team, Robert E. Ornstein, in his book, The Psychology of Consciousness. "The left hemisphere of the brain" he says, "(connected to the right side of the body) is predominantly involved with analytic, logical thinking, especially in verbal and mathematical functions. Its mode of operation is linear." It "seems to process information sequentially." ". . . The right hemisphere (. . . connected to the left side of the body) seems specialized for holistic mentation," such as thinking in wholes, gestalt thinking. "Its language ability is quite limited," maybe to a dozen words. It is "primarily responsible for our orientation in space, artistic endeavor, crafts, body image, recognition of faces." (pp. 67, 68)

Ornstein suggests that the right hemisphere may be the seat of Freud's "unconscious" mind, the left that of the "conscious" mind. In a "tentative dichotomy" between the two modes of consciousness he describes the one mode corresponding to the left hemisphere of the brain as intellectual and masculine; the other, corresponding to the right hemisphere, he describes as feminine, sensuous, and intuitive.

What is new in this research, says Ornstein, is "a recognition that these modes operate physiologically as well as mentally and culturally." (p. 85) He is at some pains to show that the distinction itself between the two modes is nothing new but has been recognized throughout human history.

I am reasonably sure of is that this obscure, validity of the research Ornstein reports on, and no one seems to know how the dark, dreamy creative region in our psyche can be educated, or if it can be educated at all. What I am reasonably sure of its that this obscure, intuitive capacity will be increasingly acknowleged and will be allowed room to work in, not only in the fine and performing arts, but in the liberal arts, in science, engineering, law, medicine, business. And not only in colleges and universities but in the schools.

COORDINATING THE ANALYTICAL AND THE CREATIVE

The objective, of course, is not to supplant the intellectual and analytical with the intuitive and creative but to find ways to coordinate the two modes for the most fruitful results. Nor is the aim primarily to produce great creative thinkers in every field though we can always do with more than we have. Our ambition will probably be more modest, namely, to make sure we engage all of the student's native resources—sensory, emotional and intuitive as well as intellectual—in the teaching and learning process.

And now I call my last witness to the stand, J. Bronowski, whom you may know from his TV series, The Ascent of Man. In his little book, Science and Human Values, he writes:

"The discoveries of science, the works of art are explorations—more, are explosions, of a hidden likeness. The discoverer or the artist presents in them two aspects of nature and fuses them into one. This is the act of creation . . . and it is the same act in original science and original art. But it is not therefore the monopoly of the man who wrote the poem or who made the discovery. . . The poem or the discovery exists in two moments of vision: the moment of appreciation as much as that of creation. . . . In the moment of appreciation we live again the moment when the creator saw and held the hidden likeness. When a simile takes us aback and persuades us together, when we find a juxtaposition in a picture both odd and intriguing, when a theory is at once fresh and convincing, we do not merely nod over someone else's work. We re-enact the creative act, and we ourselves make the discovery again. At bottom, there is no unifying likeness there until we too have seized it, we too have made it for ourselves."

I could not define in an abstract statement what education is but if a student can be brought to this pitch of perception, at once analytical and creative, then I believe you can say he is being educated.

PUBLIC WORKS APPLICATION PROCEDURE NEEDS TO BE SIMPLIFIED

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. COTTER. Mr. Speaker, in the RECORD of February 7, page 3810, I entered many criticisms from town officials in my district concerning last year's Public Works Employment Act. I would like to take this opportunity to add one additional letter, from the mayor of West Hartford, Conn., and to expand my comments on the program.

A concern expressed repeatedly by town officials was the complexity of the application process. Many of these towns are relatively small communities who could not afford the legal assistance needed to wade through the Economic Development Administration's application forms. Therefore, when Congress drafts new public works legislation, we ought to stress to EDA that application procedures need to be simplified.

Other town officials recommended that each municipality or agency be limited in the number of applications it could submit to EDA. Many communities applied for several projects, often because EDA's selection process was never made clear to them. Unable to understand EDA's hopelessly complex criteria, they were forced to cover their bets by applying for as many different projects as possible.

The result often was that a low priority project was selected in a community for Federal funding, while more important projects were passed over.

If a maximum were established on the number of applications each community could file, we could guarantee that only high-priority projects would be submitted for Federal assistance.

The letter follows:

WEST HARTFORD, CONN.,
February 3, 1977.

Hon. WILLIAM R. COTTER,
Member of Congress, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN COTTER: This is in request for suggestions about Title I of the Public Works and Economic Development Act.

As you know, West Hartford appears to have fared well on the basis of a preliminary announcement to the effect that the Town will be receiving $1,823,120 for sidewalk reconstruction. It also is true that sidewalk reconstruction is not the highest priority among the six projects for which the Town had applied for a total of $5,839,878 in Title I funds.

One problem with Title I is that many local officials failed to understand not only that the application process precluded local prioritizing among projects but also that thirty percent of the funding was reserved for project areas where unemployment is below the national rate but at least 6.5%.

I question the efficacy and equitability of a procedure under which a local government knows virtually nothing about the project mix built into the Federal rating system and therefore must file as many applications as possible so as to maximize its funding potential and maintain its credibility. As a result, we hear that the Economic Development Administration has been deluged with thousands of applications which never can be funded.

Nor has the application process been as simple as had been promised. In fact, it has been incredibly complex. Many localities have allocated to this effort time and resources which, as a result of the very recessionary pressures the Act is intended to combat, they cannot afford.

At a regional meeting convened by Congressman Moffet to explain Title I, West Hartford representatives heard, from New Jersey Congressman Roe, one of the authors of the Act, that the Title I application had been designed, in part, to provide the Federal government with data as to the totality of needs nationwide and on a long-term basis, so that future Title I funding needs could be demonstrated and projected. While this objective is admirable, I fail to understand why its fulfillment would require applications of the length and complexity with which we have been confronted, especially in view of the requirement that essential unemployment and project area data be obtained from within and certified by the Federal system.

In theory, I favored the reservaton of some Title I funds for project areas where unemployment is significant but below the national average. An unemployed construction worker, after all, is an unemployed construction worker, regardless of residence.

While this provision also became a factor in West Hartford's receipt of Title I funds the practical limitations of this type of funding reservation must also be recognized. Under the Title I regulations, a recipient of a grant under either funding category must endeavor to achieve a minimum ten percent employment factor from within the designated project area. Conceivably, the remainder of the work force could be drawn from outside not only the project area but also the Labor Market Area.

An additional problem with this provision is that the Economic Development Administration failed to spell out the rationale in either the Title I regulations or grant award announcements through Congressional offices and the press.

Modifications in any further Title I or similar funding could include:

First, a regional allocation system, on a

Labor Market Area basis and with the Labor Market Area to be the designated project area for each grant, thus eliminating the present system of reserving funds for both high and moderate unemployment project areas. The regional allocation system should be based upon unemployment data generated directly through the Federal system, and a locality should have no choice as to project area.

Second, prior publication by the Economic Development Administration of its Labor Market Area project priority system, which should be revised to give as much weight to long-term economic impact as to labor intensity in construction.

Third, a simple, brief and straightforward preapplication system under which jurisdictions outline their substantive priorities and seek to relate these to EDA's unemployment-based priority system, with EDA then having responsibility for the identification of projects for which final grant applications should be prepared.

Fourth, much greater technical assistance to localities by EDA in the final application process, including site visits in which much of the documentation now required in the application is replaced by EDA staff inspection and certification.

And fifth, maintenance by EDA of a priority backup system under which projects which survive the preapplication stage but fail at any point in the final application sequence are quickly replaced in the latter.

I believe that these steps would improve equitability and efficiency and also would further the acceleration objective of Title I.

Yours truly,

ANNE P. STREETER,
Mayor.

HOUSE OF REPRESENTATIVES—*Wednesday, February 9, 1977*

The House met at 11 o'clock a.m.

The Reverend James P. Archibald, pastor, Capitol Hill United Methodist Church, offered the following prayer:

O God, we pause at this moment when we are to begin our day's work to ask for Your direction. The tasks that confront this body are so awesome that we dare not do otherwise.

We realize the burden of responsibility that each Member bears and the feelings of loneliness that often accompany courageous leadership. We ask that You speak to the individual needs of each of these who have been elected both to lead and to represent the people of the Nation.

Make them always sensitive to the subtle way in which You make your will known, and enable them to implement the moral, ethical, and spiritual qualities that have long been the goals of a good society.

Bless their families with understanding attitudes, and protect their homes as havens of peace. Help us all to see the sacredness of each individual person, regardless of his or her station in life. Enable us all to work for the fulfillment of Your dreams for our world.

In the name of all that is good and holy. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Is there objection to the approval of the Journal?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. WRIGHT. Mr. Speaker, I move the approval of the Journal.

The SPEAKER. The question is on the motion offered by the gentleman from Texas, Mr. WRIGHT.

The question was taken; and the Speaker announced that the ayes appear to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 364, nays 3, answered "present" 1, not voting 63, as follows:

[Roll No. 18]

YEAS—364

Abdnor	Davis	Hyde
Addabbo	de la Garza	Ichord
Akaka	Delaney	Ireland
Allen	Dellums	Jeffords
Ambro	Dent	Jenkins
Ammerman	Derrick	Jenrette
Anderson, Calif.	Devine	Johnson, Calif.
	Dickinson	Johnson, Colo.
Anderson, Ill.	Dicks	Jones, N.C.
Annunzio	Dodd	Jones, Okla.
Applegate	Downey	Jones, Tenn.
Archer	Drinan	Jordan
Armstrong	Duncan, Oreg.	Kasten
Ashbrook	Duncan, Tenn.	Kastenmeier
Ashley	Early	Kazen
AuCoin	Eckhardt	Kelly
Badham	Edgar	Kemp
Badillo	Edwards, Ala.	Ketchum
Bafalis	Edwards, Calif.	Kildee
Baldus	Edwards, Okla.	Kindness
Barnard	Eilberg	Koch
Baucus	Emery	Kostmayer
Bauman	English	Krebs
Beard, R.I.	Erlenborn	LaFalce
Beard, Tenn.	Ertel	Lagomarsino
Bedell	Evans, Del.	Latta
Beilenson	Evans, Ga.	LeFante
Benjamin	Evans, Ind.	Leach
Bennett	Fary	Lent
Bevill	Fascell	Levitas
Biaggi	Fenwick	Lloyd, Calif.
Blanchard	Findley	Lloyd, Tenn.
Blouin	Fish	Long, La.
Boggs	Fisher	Long, Md.
Boland	Fithian	Lott
Bonior	Flippo	Luken
Bonker	Flood	Lundine
Bowen	Florio	McClory
Brademas	Flowers	McCloskey
Breaux	Flynt	McCormack
Brinkley	Foley	McDade
Brodhead	Ford, Tenn.	McDonald
Brooks	Fountain	McEwen
Broomfield	Frenzel	McHugh
Brown, Calif.	Fuqua	McKay
Broyhill	Gammage	McKinney
Buchanan	Gaydos	Madigan
Burgener	Gephardt	Maguire
Burke, Calif.	Giaimo	Mahon
Burke, Fla.	Gilman	Mann
Burke, Mass.	Ginn	Markey
Burleson, Tex.	Glickman	Marks
Burlison, Mo.	Gonzalez	Marlenee
Butler	Goodling	Marriott
Byron	Gore	Martin
Caputo	Gradison	Mathis
Carney	Grassley	Mattox
Carr	Guyer	Mazzoli
Carter	Hagedorn	Meeds
Cederberg	Hall	Metcalfe
Chappell	Hamilton	Meyner
Clausen, Don H.	Hammer-schmidt	Michel
		Mikulski
Cochran	Hanley	Mikva
Cohen	Hannaford	Milford
Coleman	Hansen	Miller, Calif.
Collins, Ill.	Harrington	Miller, Ohio
Collins, Tex.	Harris	Mineta
Conable	Harsha	Minish
Conte	Hawkins	Mitchell, Md.
Corcoran	Hefner	Mitchell, N.Y.
Cornell	Hightower	Moakley
Cornwell	Holland	Moffett
Cotter	Hollenbeck	Mollohan
Coughlin	Holt	Montgomery
D'Amours	Holtzman	Moore
Daniel, Dan	Howard	Moorhead, Calif.
Daniel, R. W.	Hubbard	
Danielson	Huckaby	Moorhead, Pa.
Moss	Roe	Taylor
Mottl	Rogers	Thompson
Murphy, Ill.	Roncalio	Thornton
Murphy, N.Y.	Rooney	Tonry
Murtha	Rose	Traxler
Myers, Gary	Rosenthal	Treen
Myers, Ind.	Rostenkowski	Trible
Natcher	Rousselot	Tsongas
Neal	Roybal	Tucker
Nedzi	Rudd	Udall
Nolan	Runnels	Ullman
Nowak	Ruppe	Van Deerlin
Oberstar	Russo	Vanik
Obey	Ryan	Vento
O'Brien	St Germain	Volkmer
Ottinger	Santini	Waggonner
Panetta	Sarasin	Walgren
Patten	Scheuer	Walker
Patterson,	Schroeder	Walsh
Pattison, N.Y.	Schulze	Wampler
Pease	Sebelius	Watkins
Perkins	Seiberling	Weaver
Pettis	Sharp	Weiss
Pickle	Shuster	Whalen
Pike	Sikes	White
Poage	Sisk	Whitehurst
Pressler	Skelton	Whitley
Preyer	Skubitz	Whitten
Price	Slack	Wiggins
Pritchard	Smith, Iowa	Wilson, Tex.
Pursell	Smith, Nebr.	Wirth
Quayle	Snyder	Wolff
Quie	Solarz	Wright
Quillen	Spellman	Wydler
Rahall	Spence	Wylie
Railsback	Staggers	Yates
Rangel	Stanton	Yatron
Regula	Steers	Young, Alaska
Richmond	Stockman	Young, Fla.
Rinaldo	Stokes	Young, Mo.
Risenhoover	Stratton	Young, Tex.
Roberts	Studds	Zablocki
Robinson	Stump	Zeferetti
Rodino	Symms	

NAYS—3

Aspin	Burton, John	Steiger

ANSWERED "PRESENT"—1

Breckinridge

NOT VOTING—63

Alexander	Ford, Mich.	Myers, Michael
Andrews, N.C.	Forsythe	Nichols
Andrews, N. Dak.	Fraser	Nix
	Frey	Oakar
Bingham	Gibbons	Pepper
Bolling	Goldwater	Reuss
Brown, Mich.	Gudger	Rhodes
Brown, Ohio	Harkin	Satterfield
Burton, Phillip	Heckler	Sawyer
Cavanaugh	Heftel	Shipley
Chisholm	Hillis	Simon
Clawson, Del	Horton	Stark
Clay	Hughes	Steed
Cleveland	Jacobs	Teague
Conyers	Keys	Thone
Corman	Krueger	Vander Jagt
Crane	Lederer	Waxman
Derwinski	Leggett	Wilson, Bob
Diggs	Lehman	Wilson, C. H.
Dingell	Lujan	Winn
Dornan	McFall	
Evans, Colo.	Murphy, Pa.	

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT TO ACCOMPANY HOUSE RESOLUTION 261, PROVIDING FOR EXPENSES FOR COMMITTEE ON HOUSE ADMINISTRATION

Mr. THOMPSON, from the Committee on House Administration, submitted a privileged report (Rept. No. 95–13) to accompany House Resolution 261, a resolution providing for expenses of investigations and studies to be conducted by the Committee on House Administration, which was referred to the House Calendar and ordered printed.

APPOINTMENT AS MEMBERS OF CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. FOLEY. Mr. Speaker, as chairman of the Democratic Caucus and by direction of the Democratic Caucus, I offer a privileged resolution (H. Res. 271) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 271

Resolved, That the following-named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on the District of Columbia: CARDISS COLLINS, Illinois.

Committee on Post Office and Civil Service: LEO RYAN, California.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENDING TIME IN WHICH AMERICAN INDIAN POLICY REVIEW COMMISSION MUST SUBMIT FINAL REPORT AND INCREASING AUTHORIZATION OF APPROPRIATIONS

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from the further consideration of the Senate joint resolution (S.J. Res. 10) to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such Commission, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 10

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution entitled "Joint resolution to provide for the establishment of the American Indian Policy Review Commission", agreed to January 2, 1975 (88 Stat. 1910), is amended—

(1) by striking out "six" in the second sentence of section 5(a) and inserting in lieu thereof "nine";

(2) by striking out "six" in the third sentence of section 5(a) and inserting in lieu thereof "three"; and

(3) by striking out "$2,500,000" in section 7 and inserting in lieu thereof "$2,600,000".

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTRASTATE GAS PROFITS SHOULD BE REBATED TO CUSTOMERS

(Mr. PICKLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, last week when the House passed the conference committee's version of the Emergency Natural Gas Act, there was very little discussion of the profits that the pipeline companies will make during this temporary program.

I believe that most of my colleagues did not realize how much gas prices would or could rise.

In my district in central Texas, the LoVaca Gathering Co., an intrastate pipeline, may realize a profit of $1.5 million for transporting interstate gas for 60 days. I strongly feel that those extra profits should be rebated to the company's customers in Texas.

I also think that this same principle should apply to interstate pipelines and I have written to Chairman Dunham urging him to examine the profits of interstate lines during this period.

I hope that my colleagues will agree that we must take every opportunity to reduce the utility bills of consumers during this emergency. No individual or company should be allowed to take advantage of this crisis while so many Americans are suffering.

INTRODUCTION OF FREEDOM-OF-CHOICE AMENDMENTS TO SOCIAL SECURITY ACT

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, I am today introducing legislation to which I would like to call the attention of my colleagues. This legislation consists of the freedom-of-choice amendments to the Social Security Act, and they would permit a social security recipient to work beyond the age of 65 without suffering a penalty in benefits.

The second bill would provide that a person could have the privilege of receiving outside income—beyond social security payments—in an amount equivalent to the difference between an individual's benefits and the maximum permissible to a worker receiving full social security retirement benefits, plus the $3,000 limitation. This would permit a great many of our elderly citizens who are at low income levels to bring themselves up to a higher level, and it could take them off food stamps, supplemental security benefits, and other supplemental programs and thus enable them to survive and face up to the escalating cost of living.

PROPOSED AMENDMENTS TO THE FEDERAL RULES OF CRIMINAL PROCEDURE

(Mr. MANN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANN. Mr. Speaker, last April the Supreme Court promulgated several proposed amendments to the Federal Rules of Criminal Procedure. Those amendments, pursuant to statutes known as the Rules Enabling Acts, were to have taken effect last August 1. Because several of the proposed amendments raised questions that required closer congressional study than the time available permitted, we enacted legislation postponing the effective date until August 1 of this year (Public Law 94–349).

The Subcommittee on Criminal Justice will begin hearings on the proposed amendments on Wednesday, February 23, 1977. Additional hearings are set for Thursday, February 24 and, if necessary, Wednesday, March 2.

Persons wishing further information about the proposed amendments or wishing to testify on them are invited to contact the subcommittee office in room 2137, Rayburn House Office Building, telephone number 202/225–0406.

UPDATED INFORMATION ON ENERGY SHORTAGE TO BE MADE AVAILABLE

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, our country has sufficient coal to meet our energy needs for thousands of years to come. If we would only open up this tremendous source of power, we could break the stranglehold which the oil-rich nations largely in the Middle East have on us. For we are their biggest and best customer and they know it:

The trouble is that in our efforts to get rid of the undesirable features of using coal, we caused much of American industry to install equipment for the use of oil or gas. Since they cannot change back to coal overnight, they are faced with ever increasing fuel costs to keep their plants going, and the American public is being faced with increased prices of the things they must purchase.

Our people are not only cold, but quite a number have frozen to death. Federally built houses are vacant because their purchasers cannot meet their payments and pay their electricity and fuel bills.

In 1974, I obtained an investigation by the Appropriations Committee investigators.

The report made in 1975 confirmed my statements here and was so in demand that copies are not now available.

Mr. Speaker, I have officially asked that this investigation be brought up to date.

I wish also to say, Mr. Speaker that, I am introducing today, a bill which if passed by the Congress, would enable us to meet this problem. This I will discuss later when copies are available.

We have spent more than $5 million on research and development of exotic fuels. We need to do further research on the use of coal, but while we are doing that, we have at our doorstep enough coal to supply us for thousands of years. We must use it while we improve the methods of its mining and its use.

AN EXPLANATION OF A "NO" VOTE ON APPROVAL OF THE JOURNAL

(Mr. STEIGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEIGER. Mr. Speaker, in response to a multitude of inquiries as to why I am voting "no" on the approval of the Journal, I wish to take this time to simply indicate that until such time as the CONGRESSIONAL RECORD can be made an accurate reflection of the proceedings of this House I intend to use this one vehicle as a protest against what I consider to be a substantial abuse by this body of the CONGRESSIONAL RECORD.

I will be circulating a letter in the next week to all my colleagues in an effort similar to one we made 2 years ago, 4 years ago, 6 years ago, and 8 years ago, an effort to try to clean up the RECORD, and I hope all the Members will join with me so that at some point I can vote "aye" on the approval of the Journal.

Mr. Speaker, until that happens I intend to vote "no" on this question.

A CALL FOR A VOTE ON MEMBERS' SALARY INCREASE

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, while the House is out of session in the coming 6-day "district work period," the clock will be ticking on the congressional salary increase. When we return here on February 16, we will have only 2 or 3 working days to vote on that proposal before it automatically becomes effective.

It is becoming increasingly apparent that there will be no such vote. Yet, I can think of no other action by the House that will more adversely affect our credibility or confidence rating than our refusal to have a recorded vote on the increase. I believe we have the obligation to be recorded on this issue.

We may not be the best agency to set our salaries, but as long as we have that duty, we also have the duty to vote on it, rather than to allow an increase to become effective by our default.

We also ought not to vote ourselves raises, or allow them to become effective, which occur in the current term of Congress. All increases should be effective only in the session following the vote which authorized them.

I believe we have this double obligation to people who sent us here and I regret we are apparently not going to fulfill it.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have taken this time for the purpose of inquiring of the distinguished majority leader the program for next week.

Mr. WRIGHT. Mr. Speaker, if the gentleman from Illinois will yield, following the consideration of the resolution which presently is before the House today, we will consider amendments to the Small Business Act and the Small Business Investment Act of 1958. Upon conclusion of that legislation, the House will leave for its winter district work period at the close of business today and will resume here on Wednesday, February 16, 1977, at 12 o'clock noon.

On that date the House will consider House Resolution 261, House Administration Committee funding resolution.

On Thursday and the balance of that week the House will meet at 11 o'clock a.m. and will receive President Portillo of Mexico on Thursday.

It is anticipated that on the following week, the week of February 21, we will have two very important pieces of legislation before the House. One will be the third concurrent resolution on the budget, and the other will be a $4 billion authorization out of the Committee on Public Works and Transportation for extension of the Capital Development and Investment Act. This is the public works jobs program, an important component of the economic stimulus package.

Mr. MICHEL. Mr. Speaker, on what days does the distinguished majority leader anticipate that the budget resolution and the $4 billion bill will be up for consideration that following week? Would the gentleman believe that they would be scheduled for the middle of the week or would we start on Monday?

Mr. WRIGHT. If the gentleman will yield further, quite probably this would take place in the middle of the week on Tuesday and Wednesday. That is the present plan. We will have to refine that plan and give notice concerning its specific details during the week of February 14.

Mr. MICHEL. So that all of the Members should be put on notice that there will be important pieces of legislation the following week.

Mr. WRIGHT. That is correct. During the week of February 21, the House will be considering very important legislation.

Mr. BAUMAN. Mr. Speaker, if the gentleman would yield, let me say that I notice on the program announced for next week that we will only be in session on Wednesday and Thursday. Those are the only days that the House could possibly act in any way concerning legislation dealing with the congressional pay raise. I notice that the majority leader did not announce anything concerning that and many of us are very much in favor of bringing this matter to the floor so that we can vote against it.

It seems to me that there might be a possibility of at least making a record of those who would be here on Wednesday and Thursday ready to act on the pay raise if the leadership would be ready to bring this matter before us. Is there any plan to bring this before the House next week?

Mr. WRIGHT. The gentleman knows the rules of the House, I assume, probably as well as I do. That matter, like all the other matters we have been discussing, is before one of the standing committees of the House. If legislation concerning that question should be reported by the standing committee and application made for a rule, I am sure it would be scheduled and considered.

Mr. BAUMAN. If the gentleman would yield further, I will just say that the gentleman from Maryland does know the rules of the House. I think he also knows who rules the House, and if there were a real desire to bring the pay raise out for a vote, it would be brought out.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM THE SENATE AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DULY PASSED AND TRULY ENROLLED NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, February 16, 1977, the clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS AND COMMITTEES AUTHORIZED BY LAW OR BY THE HOUSE NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until February 16, 1977, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday of next week be dispensed with.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI): Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT INVESTIGATION OF IMPROPER SOUTH KOREAN INFLUENCE

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 252, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 252

Whereas article I, section 9, clause 8 of the United States Constitution prohibits any person holding Federal office, including Members of Congress, from accepting any present, emolument, office, or title from any foreign government without the consent of Congress; and

Whereas Congress has forbidden the receipt of political contributions from a foreign national, including a foreign government (2 U.S.C. 441e); and

Whereas the Federal Criminal Code prohibits the receipt of anything of value by any Member of Congress to influence his performance of his official duties or to reward or compensate him, other than as provided for by law, for the performance of those duties (18 U.S.C. 201, 203); and

Whereas rule XLIII of the Rules of the House of Representatives sets forth the Code of Official Conduct for Members, officers and employees of the House of Representatives and, among other things, prohibits the acceptance of any gift of substantial value, directly or indirectly, from any person, organization, or corporation having a direct interest in legislation before the Congress; and

Whereas information has come to the attention of the House of Representatives alleging that Members of the House of Representatives have been the object of efforts by certain foreign governments or persons and organizations acting on behalf of foreign governments (including the Government of the Republic of Korea) to influence the Members' official conduct by conferring things of value on them or on members of their immediate families or their business or political associates; and

Whereas clause 4(e)(1) of rule X of the Rules of the House of Representatives entrusts the Committee on Standards of Official Conduct with particular responsibility—

(A) to recommend to the House of Representatives from time to time such administrative actions as it may deem appropriate to establish or enforce standards of official conduct for Members, officers, and employees of the House of Representatives;

(B) to investigate any alleged violation, by a Member, officer, or employee of the House of Representatives, of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities, and after notice and hearing, to recommend to the House of Representatives, by resolution or otherwise, such action as the committee may deem appropriate in the circumstances; and

(C) to report to the appropriate Federal or State authorities, with the approval of the House of Representatives, any substantial evidence of a violation, by a Member, officer, or employee of the House of Representatives, of any law applicable to the performance of his duties or the discharge of his responsibilities, which may have been disclosed in a committee investigation: Now, therefore be it

Resolved, That the Committee on Standards of Official Conduct be and it is hereby authorized and directed to conduct a full and complete inquiry and investigation to determine whether Members of the House of Representatives, their immediate families, or their associates accepted anything of value, directly or indirectly, from the Government of the Republic of Korea or representatives thereof. The scope of the inquiry and investigation shall be determined by the committee in its discretion and may extend to any matters relevant to discharging its responsibilities pursuant to this resolution.

SEC. 2. The committee shall report to the House of Representatives any findings, conclusions, and recommendations it deems proper with respect to the adequacy of the present Code of Official Conduct or the Federal laws, rules, regulations, and other standards of conduct applicable to the conduct of Members of the House of Representatives in the performance of their duties and the discharge of their responsibilities (1) to protect the House of Representatives against the exertion of improper influence by or on behalf of foreign governments and (2) to prohibit Members of the House of Representatives from receiving things of value under circumstances that conflict, or appear to conflict, with their obligations to perform their constitutional duties without regard to private gain or benefit.

SEC. 3. The committee, after appropriate notice and hearing, shall report to the House of Representatives its recommendations as to such action, if any, that the committee deems appropriate by the House of Representatives as a result of any alleged violation of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities.

SEC. 4. (a) For the purpose of conducting any inquiry or investigation pursuant to this resolution, the committee is authorized to require—

(1) by subpena or otherwise—

(A) the attendance and testimony of any person at a hearing or at the taking of a deposition by any member of the committee; and

(B) the production of such things; and

(2) by interrogatory, the furnishing under oath of such information as it deems necessary to such inquiry or investigation.

(b) The authority conferred by subsection (a) of this section may be exercised—

(1) by the chairman and the ranking minority member acting jointly, or, if either declines to act, by the other acting alone, except that in the event either so declines, either shall have the right to refer to the committee for decision the question whether such authority shall be so exercised and the committee shall be convened promptly to render that decision; or

(2) by the committee acting as a whole.

(c) Subpenas and interrogatories authorized under this section may be issued over the signature of the chairman, or ranking minority member, or any member designated by either of them. A subpena may be served by any person designated by the chairman, or ranking minority member, or any member designated by either of them and may be served either within or without the United States on any national or resident of the United States or any other person subject to the jurisdiction of the United States.

(d) In connection with any inquiry or investigation pursuant to this resolution, the committee may request the Secretary of State to transmit a letter rogatory or request to a foreign tribunal, officer, or agency.

(e) Subpenas for the taking of depositions or the production of things may be returnable at specified offices of the committee or at a scheduled hearing, as the committee may direct.

(f) The chairman, or ranking minority member, or any member designated by either of them (or, with respect to any deposition, answer to interrogatory, or affidavit, any person authorized by law to administer oaths) may administer oaths to any witness.

(g) For the purposes of this section, "things" includes books, records, correspondence, logs, journals, memorandums, papers, documents, writings, drawings, graphs, charts, photographs, reproductions, recordings, tapes, transcripts, printout, data compilations from which information can be obtained (translated, if necessary, into reasonably usable form), tangible objects, and other things of any kind.

SEC. 5. For the purpose of conducting any inquiry or investigation pursuant to this resolution, the committee is authorized to sit and act, without regard to clause 2(m) of rule XI of the Rules of the House of Representatives, during the present Congress at such times and places within or without the United States, whether the House is meeting, has recessed, or has adjourned, and to hold such hearings, as it deems necessary.

SEC. 6. The committee is authorized to seek to participate and to participate, by special counsel appointed by the committee, on behalf of the committee and the House of Representatives in any judicial proceeding concerning or relating in any way to the inquiry or investigations conducted pursuant to this resolution.

SEC. 7. The authority conferred by this resolution is in addition to, and not in lieu of, the authority conferred upon the committee by the Rules of the House of Representatives. In conducting any inquiry or investigation pursuant to this resolution, the committee is authorized to adopt special rules of procedures as may be appropriate.

SEC. 8. Any funds made available to the committee after the adoption of this resolution may be expended for the purpose of carrying out the inquiry and investigation authorized and directed by this resolution.

COMMITTEE AMENDMENTS

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: On page 3, line 3, after the word "inquiry" insert the words "and investigation".

On page 3, line 7, after the word "inquiry" insert the words "and investigation".

The committee amendments were agreed to.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California (Mr. SISK) for 1 hour.

Mr. SISK. Mr. Speaker, in connection with yielding on this particular matter I will be yielding for the purposes of debate only, and, at this time, I will yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

GENERAL LEAVE

Mr. SISK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this resolution, House Resolution 252.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SISK. Mr. Speaker, I call up House Resolution 252 to authorize and direct the Committee on Standards of Official Conduct to determine whether Members of the House, their immediate families, or their associates accepted anything of value, directly or indirectly from the Government of the Republic of Korea or representatives thereof.

This resolution is a matter of original jurisdiction for the Committee on Rules which held hearings on it yesterday. The committee voted to report the matter favorably as a privileged resolution and to recommend that two amendments be adopted.

Under this procedure, the resolution may be debated for 1 hour. Amendments are in order only by direction of the Committee on Rules and the only two amendments authorized by the committee are included in its report—House Report 95–10—on the resolution.

Mr. Speaker, House Resolution 252 basically directs the Committee on Standards of Official Conduct to investigate allegations of South Korean attempts to influence Members of the

House. Under clause 4(e)(1) of rule X, the Committee on Standards has the jurisdiction to pursue such an investigation. The purpose of this resolution is to augment that authority as well as to more clearly define the intent of the investigation and to establish special procedures which may be used in the conduct of the investigation.

The resolution provides the Committee on Standards with discretion in determining the scope of the inquiry and investigation. The committee will be allowed to pursue the investigation overseas if necessary. The committee is required to report any findings or recommendations it deems appropriate concerning the adequacy of the present Code of Official Conduct or Federal restrictions protecting the House against improper influence by foreign governments and prohibiting Members from receiving gifts in conflict with the Constitution. The committee also is to report any recommendations it might have pursuant to violations by Members, officers, or employees of the Official Code of Conduct.

The resolution specifies the procedure for authorizing and issuing subpenas and interrogatories, including requests to the Secretary of State for the transmittal of letters rogatory to foreign agencies. Depositions may only be taken by members of the committee.

Pursuant to other investigations of this matter, the committee is authorized to participate by special counsel on behalf of the committee and the House in any judicial proceedings related to any inquiry or investigation conducted under the authority of House Resolution 252.

Mr. Speaker, I voted in the Committee on Rules to report House Resolution 252 favorably. I believe this investigation is needed to clarify the many allegations of wrongdoing that have been bandied about of recent months. I am sure the Committee on Standards of Official Conduct will do an excellent job in conducting the investigation and I urge my colleagues to vote to adopt House Resolution 252.

Mr. QUILLEN. Mr. Speaker, I yield myself so much time as I may use.

Mr. Speaker, the able gentleman from California (Mr. SISK) has explained the provisions of the resolution. I am here today not only as a member of the Committee on Rules but also as a member of the Committee on Standards of Official Conduct. Although some might say this resolution is not needed, the committee already has the authority, but the resolution proposes some guidelines and some specifications.

Mr. Speaker, I urge the adoption of the resolution.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I take this brief time only to call the attention of the membership to the italicized language which appears on lines 3 and 8 of House Resolution 252 at page 3. Those words were added by way of amendment, an amendment which I offered and which was accepted in the Committee on Rules as an amendment to the original resolution before us which had been presented, of course, by the House Committee on Standards of Official Conduct. I offered that amendatory language because I wanted to draw attention to something that now appears in the Standing Rules of the House which were adopted on the first day of this session, of this 1st session of the 95th Congress.

In that regard I would like to draw the attention of the Members particularly to rule X, paragraph 4(a)(A):

> No resolution, report, recommendation, or advisory opinion relating to the official conduct of a Member, officer, or employee of the House shall be made by the Committee on Standards of Official Conduct, and no investigation of such conduct shall be undertaken by such committee, unless approved by the affirmative vote of a majority of the members of the committee.

Of course in this instance the House Committee on Standards of Official Conduct unanimously voted to adopt this resolution, but it occurs to me that there could be instances where that committee might refuse to act, where we might fail to get an affirmative vote within the committee and yet a majority of the Members of this body would think it was a proper subject for inquiry and investigation by the House Ethics Committee. So therefore, shortly after the beginning of this session, I did introduce a resolution proposing a change in the rules of the House that would provide that in any instance where the committee did not act, where we did not have a majority of the Members of the committee voting to take affirmative action to undertake an investigation or inquiry, we could have a vote in this body and a majority of the membership could mandate the committee to act. I think it is important that we make that change in the rules.

I further introduced a proposed change that would require the committee in each instance that it undertakes an inquiry or investigation to make a full and complete report to the House.

Those matters of course were referred to the Committee on Rules which has original jurisdiction over any proposed changes in the rules and I would hope that the distinguished chairman of that committee, on which I am privileged to serve, would promptly call or schedule hearings so that we could consider what I believe are important and necessary changes in the present rules of the House.

Mr. SISK. Mr. Chairman, I yield to the gentleman from Georgia, the chairman of the Committee on Standards of Official Conduct, 2 minutes.

Mr. FLYNT. Mr. Speaker, House Resolution 252 would authorize and direct the Committee on Standards of Official Conduct to conduct a full and complete inquiry and investigation to determine whether Members of the House of Representatives or their families and associates, have accepted money and other emoluments from the Government of the Republic of Korea or its representatives. Our committee fully supports this resolution.

The purpose of this resolution is clear. Information has come to the attention of the House of Representatives alleging that certain Members have been the object of efforts by the Government of the Republic of Korea and its representatives to improperly influence Members' official conduct by conferring things of value on them. The receipt of such gifts or other payments may violate the Constitution and certain laws of the United States, as well as rule XLIII of the Rules of the House of Representatives, which prohibits the acceptance of any gift of substantial value from any person or organization having a direct interest in pending legislation. These standards are set forth in the first five "whereas" clauses of the resolution.

The investigation authorized by this resolution, as set out in section 2 of the resolution, would call upon the committee to report to the House of Representatives its findings and recommendations with respect to the adequacy of the present Code of Official Conduct and Federal laws: First, to protect the House of Representatives against the exertion of improper influence by foreign governments and second, to prevent Members from receiving things of value under circumstances that may present a conflict of interest.

In addition, pursuant to section 3 of the resolution, the committee would conduct hearings into alleged violations of the Code of Official Conduct or other applicable laws or standards of conduct by individual Members and report to the House of Representatives its recommendations as may be appropriate to discipline. These hearings would be conducted in accordance with the rules of the committee, which set forth in detail procedures to be followed.

The recently publicized allegations have ranged from selective charges against only a few Members to unconfirmed reports that as many as 90 persons may be implicated. These vague and conflicting reports have raised serious questions in the public's mind about the integrity of the House of Representatives and about its ability and desire to uphold high standards of ethics that befit the peoples' representatives. The pressing issue at hand is our willingness to exercise, with both determination and fairness, our exclusive constitutional responsibility under article I, section 5 to prescribe rules of conduct for our Members and to take appropriate disciplinary measures in response to any violations.

Thus, it is essential that the House of Representatives undertake the proposed investigation to determine the true facts and circumstances that surround the as yet unsubstantiated allegations. If there has been no organized or widespread effort to exert improper influence on our legislative processes, then that should be established openly and publicly, so that we may restore full confidence in our membership.

If, on the other hand, there have been attempts on behalf of foreign governments to subvert the legislative process for their own purposes and designs, we must act quickly and decisively to take action against those Members who have violated their official responsibilities and reconfirm that such breaches will not be tolerated. Whatever the outcome, the investigation our committee proposes to undertake will enable both the House of Representatives and the American people to determine the true facts. It will also enable us to take such measures as

will secure continued adherence to the ideals and principles that must govern our deliberations and actions if we are to preserve the integrity of the House of Representatives.

The Rules of the House of Representatives, of course, give the Committee on Standards of Official Conduct standing authority to conduct investigations relating to the standards of official conduct and to recommend appropriate administrative or disciplinary actions. For several months our committee has been gathering relevant information about questionable contacts between Members of the House of Representatives and representatives of the Korean Government. Our committee is prepared to proceed vigorously with an investigation under our current authority.

Nevertheless, both I and the members of my committee believe that it is particularly important under the current circumstances that the full House of Representatives demonstrate at the outset its commitment to a full and fair investigation. It is for this reason that Mr. SPENCE, the ranking minority member, and I are seeking this special resolution.

In addition, the resolution deals with procedural matters that would supplement the Rules of the House of Representatives. These additional procedures are necessary in an investigation of the type under consideration, not only to facilitate a thorough investigation, but also to insure the fairness of the investigation. It is our intention to conduct as complete an investigation as possible before proceeding with general hearings and before instituting any proceedings with respect to specific individuals.

Our goal is to be able to pursue all relevant evidence wherever it may be. The thoroughness and effectiveness of our investigation will depend to a large extent on the ability of the committee to require answers to interrogatories and to secure depositions of witnesses prior to formal hearings. These procedures are provided for in section 4 of the resolution, which deals generally with the committee's subpena power. These provisions are patterned after the provisions in House Resolution 803 of the 93d Congress, the authorizing resolution for the Judiciary Committee's impeachment inquiry.

However, House Resolution 252 differs in that a Member must be present at all depositions, and, I assure you, that no subpena shall be issued, or deposition or interrogatory taken, unless authorized by a majority of the committee members voting, a majority being present. Section 5, also like House Resolution 803, would permit the committee to meet at any time and any place, including outside the United States. In this investigation, where witnesses may be located overseas and may be unwilling to journey to the United States, it is important that the committee be able to obtain testimony wherever the witness may be found.

Section 6 would make it clear that the committee has the right to appear in court through special counsel, on behalf of both the committee and the House, in any proceeding relating to the investigation. I should note that the committee already has retained the law firm of Hughes, Hubbard, & Reed to assist the committee in its investigation. The efforts of that firm will be under the direction of Mr. Philip A. Lacovara, who previously was counsel to the Special Prosecutor under both Messrs. Cox and Jaworski.

Finally, section 7 states that the authority conferred by this resolution is in addition to the authority conferred upon the committee by the Rules of the House of Representatives. The funding for the investigation will come from the general funds made available to the committee unless additional funding is subsequently approved.

Mr. Speaker, I urge the adoption of House Resolution 252.

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. YOUNG), after which I yield 2 minutes to the distinguished ranking member of the House Committee on Standards of Official Conduct, the gentleman from South Carolina (Mr. SPENCE).

Mr. YOUNG of Florida. Mr. Speaker, ever since headlines flashed across our Nation's newspapers in December and January, relating in alarming detail the activities of Tongsun Park and his associates in allegedly buying the political influence of some 50 or 60 U.S. Congressmen, the American people have waited for some positive action by this House to clearly investigate those charges. House Resolution 252 is the first significant step in that direction, and I am happy to support it. It is not the only necessary step, but it is an important one.

The faith of the American people in its elected officials is at a very low ebb, and no wonder. The very word "Congressman" draws pictures in the minds of many of Watergate, sex, and drinking scandals, and now sadly the buying of political favors by a foreign government. Our distinguished Speaker has been quoted in the New York Times as admitting that—

> We have to face the fact that the public is cynical about its officials in general, and about Congress in particular.

And he is right.

The Committee on Standards of Official Conduct has a difficult task before it. Not only are the mechanics of the investigation important, the thorough and fair probing of the activities of all those Members in question, but the sincerity of its motivation is in question. We have all been told by the American people and the American press that they question that Congress is capable of "cleaning its own house," "investigating its own kind," "doing its own laundry."

In effect, the investigation by this committee and its success or failure not only concerns the reputations and credibility of those Members being investigated, but in fact the reputations of all Members of the House of Representatives. Proof of guilt or innocence must be absolutely certain. It must be established beyond the shadow of a doubt, and if the alleged offenders are found guilty, they must be effectively dealt with by this body. Our country cannot support and Congress cannot risk any kind of whitewashing of this matter.

This investigation by this committee should not only encompass the efforts of its own members, but it should seek information from the other Government bodies that are also investigating this matter. No piece of information that would prove the guilt or innocence of the alleged offenders should be overlooked or discounted. Other committees, including those involved with funding this investigation, should cooperate in every way to bring this distasteful problem to a just conclusion as rapidly as possible.

It is my sincere hope, that once authorized by House Resolution 252, the Committee on Standards of Official Conduct will rise to the enormous responsibility assigned to it, and do the very necessary job before it with efficiency, dedication, and expediency.

Mr. SPENCE. Mr. Speaker, one additional reason for this resolution is to give the membership of this body the opportunity to express themselves to the American people and to reassure the American people that this body intends to deal with the allegations concerning Korean involvement with Members of Congress.

Mr. Speaker, I think our committee is uniquely qualified to undertake this inquiry and investigation because the Committee on Standards of Official Conduct is the only politically balanced committee that we have in the House. I can assure the Members of this body that from my discussions with our membership and, incidentally, 5 of our 12 members are new members this year, and our staff counsel, that we intend to show no favoritism, to tolerate no coverup of the dealings of any person, regardless of position or political affiliation.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank my friend, the gentleman from South Carolina, for yielding.

I asked the gentleman to yield for the purpose of asking a question which perhaps the gentleman might not be able to answer, deferring to the chairman of the Committee on Ethics. The first "whereas" in the resolution prohibits Members of Congress from accepting any present, emolument, office, or title from any foreign government without the consent of Congress.

Now, while the primary purpose, obviously, is the investigation of alleged discrepancies dealing with South Korea, is the committee going to devote any time at all to inquiring as to trips taken to the People's Republic of China and to Cuba, as an example, where I read in the Congressional Quarterly that those trips were paid in part by those countries and by this Government.

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

Mr. QUILLEN. Mr. Speaker, I yield 2 additional minutes to the gentleman from South Carolina.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield further?

Mr. SPENCE. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, when those are partly paid by the Government of the United States and partly by the People's Republics of China and Cuba, I am most interested if the committee will delve into that and justify those expenditures?

Mr. SPENCE. Mr. Speaker, my understanding is that this resolution deals with the Republic of Korea. We have a full enough job investigating the allegations made with regard to Korea, but I am convinced that if anyone brings any charges dealing with other nations, we will look into that.

Mr. KETCHUM. Mr. Speaker, if the gentleman will yield further, this gentleman is not making a charge. I am only making a statement which is in the Congressional Quarterly that trips to the People's Republic of China were funded partly by this country and partly by the People's Republic of China. If that is not legal, the committee should examine it and tell us if it is legal or not.

Mr. SPENCE. Mr. Speaker, I think the same would apply to any nation. This resolution has to do with Korea.

Mr. KETCHUM. Mr. Speaker, if the gentleman will yield further, it goes much further than that.

Mr. QUILLEN. Mr. Speaker, I know some Members have read the resolution and have found in some instances the language is very narrow. I am sure that the Committee on Standards of Official Conduct of the House will provide some guidelines on which to operate.

I know that this will be the case.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I will be happy to yield to the gentleman from New Jersey.

Mr. THOMPSON. I thank the gentleman for yielding to me.

Mr. Speaker, I am constrained to disagree that the language is narrow. On page 6, section (g) it reads:

(g) For the purposes of this section, "things" includes books, records, correspondence, logs, journals, memorandums, papers, documents, writings, drawings, graphs, charts, photographs, reproductions, recordings, tapes, transcripts, printout, data compilations from which information can be obtained (translated, if necessary, into reasonably usable form), tangible objects, and other things of any kind.

It does everything but give everybody a .38 caliber pistol.

Mr. QUILLEN. I think if the gentleman will go to page 3, lines 4, 5, and 6, he will read that—

Members of the House of Representatives, their immediate families, or their associates accepted anything of value, directly or indirectly. . . .

Yet, the United States Code is less strict when it says that one cannot accept anything of value to influence a vote. This House and this committee is after corruption within those borders, within the framework of the Federal Government. Corruption is the thing we are after. I think the committee has done its best in this respect.

Mr. THOMPSON. I applaud the objective, but I do take exception to the gentleman's characterization of its being narrow.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield for a question?

Mr. QUILLEN. I will be happy to yield.

Mr. GONZALEZ. Has any discussion been held with respect to the techniques? Does this visualize the use of listening or electronic devices and the like?

Mr. QUILLEN. I made this statement as a member of the Rules Committee, and as a member of the Committee on Standards of Official Conduct, that there will be no use whatsoever of any kind of such device, either in the open or under the table. This member of this Committee on Standards of Official Conduct will not sit idly by and let anything like that happen.

I will yield at this time to the chairman of the committee for a reply.

Mr. FLYNT. Mr. Speaker, the committee certainly does not intend to use electronic devices, and will not tolerate the use of electronic penetration or listening or sound-gathering devices.

Mr. GONZALEZ. I thank the gentleman.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. BUTLER).

Mr. BUTLER. I thank the gentleman for yielding to me.

Mr. Speaker, I had not anticipated participating in this debate, but I am concerned about some of the things I have heard this morning. If I could have the attention of the chairman of the committee, I would like to say to the chairman that we have been led to believe from a comment from the gentleman and from the ranking minority member today, that the committee is in a unique position to reassure the American people with reference to the ethics of the Congress.

Of course, the conduct of the committee in the past has not been that reassuring, so I would like to pursue with the gentleman a moment some questions which arise in my mind.

Specifically, let us assume that charges are made to the committee with reference to the conduct of an individual Member of this House, and the gentleman's committee, during the course of its investigation, concludes that the charges are groundless, that the conduct of the Member is not reprehensible and should not be subject to comment.

Now, where will we find that information? Will we be in the position, as Members of this House, and will the American people be in a position somewhere to go to a public record or a public report and decide whether they agree with the conclusion or not?

Mr. FLYNT. I will respond to the gentleman from Virginia by saying that under the circumstances which he outlines in the preface to his question, that if ever there is a complaint filed with this committee by a Member of the House in accordance with the rules of the House, that it will be fully and completely handled and reported to the House in accordance with the rules.

Mr. BUTLER. Will the gentleman respond further? Does that mean that we will know the committee's reaction to what comes to its attention, and the basis for that reaction?

Mr. FLYNT. Let me say to the gentleman from Virginia that he or any other Member of the House can receive any information along that line he requests.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. QUILLEN. Mr. Speaker, I yield 2 additional minutes to the gentleman from Virginia (Mr. BUTLER).

Mr. BUTLER. Will it be included in the gentleman's report? That is the concern I have.

Mr. FLYNT. Insofar as it is relevant to the complaint, the answer is yes.

Mr. BUTLER. Let me ask the gentleman further: The gentleman is asking for the authority to take interrogatories and depositions and to proceed in this fashion. Are these interrogatories and depositions available to the membership as soon as they are printed, or do they have to be entered into committee records to be available to us?

Mr. FLYNT. I would say, in response to the question of the gentleman from Virginia, that we are subject to certain rules of the House regarding executive sessions and the confidentiality of committee records and committee files.

The gentleman from Virginia may well be aware that our committee frequently receives totally frivolous complaints. We have not in the past, nor do we now see any necessity or even any justification for printing in the CONGRESSIONAL RECORD, or otherwise, frivolous complaints which have absolutely no foundation whatsoever.

The mere fact, I would say to the gentleman from Virginia, that a Member is investigated by the Committee on Standards of Official Conduct could be used, and would be used, in derogation of the individual Member or the employee of the House involved, even though he may or may not have done anything illegal or improper.

Mr. BUTLER. I thank the gentleman.

The SPEAKER. The time of the gentleman from Virginia has again expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Virginia (Mr. BUTLER).

Mr. FLYNT. Mr. Speaker, if the gentleman is asking are we going to publish frivolous complaints, the answer is "No." If the gentleman is asking if we are going to make public records and reports of cases in which seven members of the committee vote to proceed and conduct the investigation, the answer would be "Yes."

Mr. BUTLER. I think the gentleman does not quite understand my problem. I have a feeling that the committee in the past has considered complaints of frivolity to be frivolous complaints and withheld their report from us, and I do not want that to happen again.

Mr. FLYNT. If the gentleman wants those frivolous reports made public, I think he has an adequate remedy in seeking an amendment under the Rules of the House.

Mr. BUTLER. If the complaints of misconduct deal with a Member who has left this House or who has resigned, would the gentleman consider it his responsibility under this resolution to report to us the finding with reference to that person?

Mr. FLYNT. Under the provision of the Constitution which gives the House disciplinary powers over Members and Members only, I would say "No."

Mr. SISK. Mr. Speaker, I yield 4 minutes to the gentleman from Connecticut (Mr. DODD).

Mr. DODD. Mr. Speaker, I would like to engage the chairman of the committee, the gentleman from Georgia (Mr. FLYNT), in a colloquy, if I might, for the purposes of establishing some legislative history in response to some questions I have regarding House Resolution 252.

First of all, Mr. Speaker, let me just say that I support strongly this resolution. I hope it is overwhelmingly adopted by this Congress as a testimony of our deep concern to improve the impression of this institution and furthermore our willingness to deal with the ethics of this House.

Mr. Speaker, if I may, I would like to refer the gentleman from Georgia to the "resolved" clause on page 3, beginning with line 1 and proceeding to lines 3 and 4, where we call for a full and complete inquiry to determine whether Members of the House of Representatives, their immediate families, or their associates accepted anything of value, directly or indirectly, from the Government of the Republic of Korea or representatives thereof.

Earlier in the "whereas" clause, Mr. Speaker, we talk about not only Members of the House but officers or employees as well.

Is it the gentleman's intention and the intention of the committee to include not only Members of the House but also officers of the House and employees as well as part of your investigation?

Mr. FLYNT. The gentleman is correct.

Mr. DODD. I would also like to inquire as to this. When we speak of the word "associates," I find the word "associates" to be a rather vague and broad term.

It is my assumption and, I would hope, the intention of the committee that this term would mean political and business associates and those representing a fiduciary relationship and would not encompass some nebulous, broad concept of who an "associate" might be?

Mr. FLYNT. The gentleman is correct. Mr. Speaker, let me say further to the gentleman from Connecticut (Mr. DODD), in reply to his question, that this choice of words was made in order to give authority to the committee to inquire into the indirect relationships covered by this resolution as well as the direct relationship.

Mr. DODD. Mr. Speaker, I thank the chairman of the committee.

My last point is this: Continuing along in that line 5 of the "resolved" clause, it says, "accepted anything of value, directly or indirectly . . ."

What is the committee's intention with regard to that language? In the past we have talked of substantial value. "Anything of value" appears to be far too broad language.

What is the intention of the committee on that point?

Mr. FLYNT. It is the intention of the committee to interpret that language as substantial value.

Mr. DODD. Mr. Speaker, my last question of the gentleman has to do with section 4 on page 5 as it relates to subpena power. My question is whether or not the chairman of the committee intends to proceed in issuing subpenas by having a vote of the committee, or, as the resolution now reads, will there merely be a decision made by the committee chairman or the ranking minority member?

Mr. FLYNT. Mr. Speaker, actually I believe that the language to which the gentleman from Connecticut (Mr. DODD) refers applies to the mechanical aspects of the issuance of a subpena.

It is the intention of the ranking minority member of the committee, the gentleman from South Carolina (Mr. SPENCE), and me not to sign any subpena which has not been authorized by a majority of the committee members voting, a majority being present.

I made that same statement before the Committee on Rules, which statement was concurred in by the gentleman from South Carolina (Mr. SPENCE). We agreed at that time that neither he nor I will sign or issue any subpena unless the subpena in question has been properly authorized by the committee.

Let me make this clear: The Rules of the House of Representatives require that a subpena be authorized only by a majority of the members voting, a majority being present. I assure you that although there have been some changes in the House rules as to certain other committees and a provision has been made that for certain purposes a quorum can consist of less than a majority, there will be no subpenas issued by our committee unless such subpena has been authorized by a majority of the committee members voting, a majority being present.

Mr. DODD. Mr. Speaker, I do not want the chairman of the committee to think that anything in these questions is designed or intended to attempt to limit the committee's authority, but I think these could be important points in terms of maintaining the integrity of the committee and defining its function.

Mr. SISK. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. Mr. Speaker, at this time I would also like to engage the chairman of the committee in a colloquy in regard to establishing perhaps some history in regard to this legislation.

I would first like to say that I, too, support the legislation, but there are some matters about which I would like to inquire.

First, I would like to ask the gentleman this: I notice in the resolution the language pertains only to present Members of Congress; is that correct?

Mr. FLYNT. Mr. Speaker, if the gentleman will yield, I think the language actually refers to "Members," and that would be interpreted by the Member now speaking as present Members.

Mr. VOLKMER. It does not extend to former Members of Congress as far as taking any type of action is concerned; is that correct or not correct?

Mr. FLYNT. Except, I would say to the distinguished gentleman from Missouri, that where the investigation requires investigation into facts and circumstances in which persons not Members of the House are involved. We will not let our investigations run into a stone wall because of that language.

As far as any disciplinary power is concerned, I would say that the disciplinary power of this committee and of the House is limited to Members, officers, and employees presently serving.

Mr. VOLKMER. The gentleman anticipates, then, that the committee's investigative power would include former Members and that, if necessary to obtain the information, et cetera, the committee would pursue that phase of it also; is that correct?

Mr. FLYNT. If the gentleman will yield further, the answer is yes.

Mr. VOLKMER. I would also like to inquire into this matter: At the present time there is an ongoing investigation by the Justice Department into the same area; is that correct?

Mr. FLYNT. We understand that there may be at least two parallel investigations going on in the same area.

Mr. VOLKMER. Has the chairman been in contact at all with the Justice Department?

Mr. FLYNT. Yes, we have.

Mr. VOLKMER. And the committee does not intend, by this investigation, to usurp or replace the Justice Department's investigation, or does it?

Mr. FLYNT. Not only do we not intend to, we could not if we did desire to. As far as I know, the investigations will be carried on in a parallel fashion.

The SPEAKER pro tempore. The time of the gentleman from Missouri (Mr. VOLKMER) has expired.

Mr. SISK. Mr. Speaker, I yield 1 additional minute to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, I would like to pursue this just briefly.

In other words, the committee plans to work together as much as possible with the Justice Department on this matter; is that correct?

Mr. FLYNT. If the gentleman will yield further, we have so requested, yes. We have asked for their cooperation and have assured the Justice Department of ours.

Mr. VOLKMER. Mr. Speaker, I thank the gentleman.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, I strongly support this resolution; however, I feel that the rules of the House should be

made sufficiently broad to give this Committee on Standards of Official Conduct sufficient power to investigate such matters whenever and wherever they may arise, and to do so forthrightly and vigorously, without coming to the House for special authority. I think in the future we should consider going in this direction so that this committee has such authority.

Mr. Speaker, I now ask the chairman of the committee whether he will kindly answer just a couple of questions about this resolution.

I am a little bit disturbed that on page 3 we limit the inquiry to the investigation to the activities of the Government of the Republic of Korea, whereas on page 2 of the resolution, in the "Whereas" clause, it says:

> Whereas information has come to the attention of the House of Representatives alleging that Members of the House of Representatives have been the object of efforts by certain foreign governments . . .

It says "governments," plural. Page 3 language limits it to the Republic of Korea.

In answer to a question raised by the gentleman from California (Mr. KETCHUM), I understood the chairman to say that the committee was going to direct its investigation only to the Government of the Republic of Korea. Why is it that the resolution refers to "governments" and the investigation is to be limited to the Republic of Korea?

Mr. FLYNT. If the gentleman will yield, Mr. Speaker, I think the record will show that the gentleman from California (Mr. KETCHUM) addressed his questions to the gentleman from South Carolina. Therefore, I would ask the gentleman from South Carolina to answer them.

Insofar as this Member recalls, there were no questions asked of him.

Mr. LATTA. Would the gentleman care to answer my question?

Mr. FLYNT. I give the same answer that the gentleman from South Carolina gave, that the present investigation is restricted to the Republic of Korea.

Mr. LATTA. Then if it came to the committee's attention in the course of its investigation, that other foreign governments were improperly lobbying Members of Congress—perhaps on a foreign aid bill, where they want to increase the aid to their countries or they improperly lobbied a Member on a trade bill or a sugar bill, things of that nature—would the Committee on Standards of Official Conduct choose to investigate these matters?

Mr. FLYNT. We would certainly not overlook it. However, the scope of this inquiry and investigation is going to be broad enough as it is.

At this point the committee has no information along that line. If the gentleman has any information, we would be glad to receive it; but at this time the scope of this inquiry and investigation does not go beyond the language of this resolution.

Mr. LATTA. Mr. Speaker, the gentleman apparently did not hear what I asked. The question was, If—and I repeat the word if—it came to the committee's attention during the course of its investigation that other countries had been improperly lobbying Members, would the committee choose to go into these matters?

The SPEAKER pro tempore. The time of the gentleman from Ohio (Mr. LATTA) has expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio.

Mr. LATTA. To continue, I think this is very important, Mr. Speaker, because I do not think that we ought to single out one particular country and limit the inquiry as to the wrongdoing of this country when other countries may have been doing something similar, but not getting the same publicity.

If such matters to which I have referred come to the committee's attention, Mr. Speaker, I think they should be brought to the attention of this House and to the attention of the American people.

Mr. Speaker, I, for one, sense an insidious movement going on in this country to cut this little friendly country loose from any ties with the United States of America and to let it float by itself. Should this happen, I am confident it will eventually end up in the Communist camp. I do not want to see this happen. So, if it comes to the attention of the gentleman from Georgia that other countries have been improperly lobbying Members of Congress, I hope he will bring these facts to the attention of the House.

Mr. FLYNT. Mr. Speaker, let me say to the gentleman from Ohio that our inquiry is going to be conducted strictly pursuant to the terms of this resolution and strictly pursuant to the terms of a committee resolution, which the committee adopted yesterday contingent on the adoption of this resolution by the House. We are going to fully and totally explore, inquire into, and investigate every lead that comes to our attention.

Mr. LATTA. Mr. Speaker, I thank the gentleman from Georgia.

So, at least if it came to the attention of the gentleman from Georgia that country X had been doing something improper to influence Members of the Congress in their official duties that the gentleman would choose to reveal its activities as well as those of the Republic of Korea?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. QUILLEN. I yield 2 additional minutes to the gentleman from Ohio.

Mr. FLYNT. Mr. Speaker, if the gentleman will yield, let me say that we are going to do a thorough and complete investigation pursuant to the terms of this resolution and the committee resolution which was adopted yesterday.

Mr. LATTA. Mr. Speaker, I thank the gentleman from Georgia for the comments he has made.

Mr. QUILLEN. Mr. Speaker, let me say to the gentleman from California (Mr. SISK) that I have three additional requests for time which will total about 5 minutes. Would the gentleman prefer that I continue to yield time?

Mr. SISK. Yes, Mr. Speaker, I would prefer that the gentleman from Tennessee yield time.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I thank the gentleman from Tennessee for yielding me this time. I would like to ask several questions of the gentleman from Georgia (Mr. FLYNT).

My first question is in regard to the language on page 3. First, let me state that in the rules of the House the Committee on Standards of Official Conduct is authorized, among other things, to investigate Members, officers, and employees of the House, and makes no mention of others. The language in the present resolution goes beyond the Members of the House of Representatives and refers "to their immediate families, or their associates."

Has the committee given any thought to the possibility of grounds for quashing a subpena based on the premise that the scope of the investigation outlined in this resolution goes beyond the jurisdiction and special oversight functions of the Committee on Standards of Official Conduct granted it under the rules of the House? Is there any danger of this happening?

Mr. FLYNT. Mr. Speaker, if the gentleman from Illinois will yield, we did go into that. This was included at the suggestion and at the request of the committee's counsel. He asked that this language be included in the form in which it now appears in the resolution because counsel expressed the opinion that there might be occasions or circumstances in which it is necessary to so inquire in order to conduct a completely thorough investigation.

Mr. MICHEL. I thank the gentleman from Georgia for his explanation. I might add that I am not quarreling with that, particularly in view of some of the things that have been publicly disclosed previously by the news media.

Now, if I might call the attention of the gentleman from Georgia to section 8 of the resolution before us now, which says:

> Any funds made available to the committee after the adoption of this resolution may be expended for the purpose of carrying out the inquiry and investigation authorized and directed by this resolution.

Further, the chairman, the gentleman from Georgia (Mr. FLYNT) is the author of House Resolution 233, referred to the Committee on House Administration, calling for a funding for your committee of $530,000 to carry out its functions and duties under the rules of the House. There is also a follow-up resolution, House Resolution 234 which was introduced and coauthored, I suppose by all the members of the Ethics Committee.

Mr. FLYNT. The gentleman is correct.

The SPEAKER. The time of the gentleman has again expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Illinois.

Mr. MICHEL. House Resolution 234 states that the expenses of the committee "shall be paid out of the contingent fund of the House by vouchers authorized by such committee, and signed by the ranking majority member on such committee."

One route, House Resolution 233, authored by the chairman, would go through the Committee on House Administration and the other, House Resolution 234, I would assume, would allow the committee to draw their moneys directly from the contingent fund and bypass the Committee on House Administration. Am I correct in this?

Mr. FLYNT. Both resolutions have been referred to the House Committee on House Administration. Let me say that during the 94th Congress the House saw fit to give this committee the authority to draw on the contingent fund of the House. Let me say to the gentleman from Illinois—and I am glad that the gentleman from New Jersey (Mr. THOMPSON) is on his feet because I want him to understand this also—House Resolution 234, I believe, is the one which would provide for automatic funding.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. QUILLEN. Mr. Speaker, I have two other requests for time, but I would be happy to yield 1 additional minute to the gentleman from Illinois (Mr. MICHEL). I might ask my friend, the gentleman from California (Mr. SISK) if he would yield some time, and we will work it out.

Mr. SISK. Mr. Speaker, I yield 2 additional minutes.

Mr. MICHEL. Mr. Speaker, I will take the additional minute I have here to say that I think we ought to clarify the questions I have raised about the funding of this committee. I think we ought to know specifically if it is possible that the committee would use the entire $530,000 that is embodied in House Resolution 233 for this South Korean investigation.

Mr. FLYNT. If the gentleman would yield, the gentleman is absolutely correct. If I may—and I hope the gentleman can get additional time, if necessary for me to fully respond to the gentleman's question—this committee is the most difficult committee in the world for which to prepare a budget. No matter what this committee asks for, it is either too much or too little. I do not think that anybody at any time at any place in this body has ever been satisfied with the budget that this committee requested. Our budget has probably been cut more than any budget requested by any committee in the Congress of the United States.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. QUILLEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Illinois (Mr. MICHEL).

Mr. SISK. Mr. Speaker, I yield 2 additional minutes to the gentleman.

Mr. MICHEL. I thank both gentlemen.

Mr. FLYNT. If the gentleman from Illinois (Mr. MICHEL) would yield further, the staff, the ranking minority member of the committee and I worked diligently on the preparation of the budget which we asked the committee to authorize us to submit to the Committee on House Administration. We discussed several figures. Every figure that we discussed in the preliminary planning of our budget was in excess of the amount which the gentleman from South Carolina (Mr. SPENCE) and I recommended to the committee. As a matter of fact, Mr. SPENCE and I recommended the amount of $483,000. We went to that lower figure because this committee, among other things, has been subjected to a substantial amount of criticism because of the size of a previous budget that we requested. We recommended that figure. Immediately one of the members of the committee asked unanimous consent that it be increased from $483,000 to $530,000. Unanimous consent was granted. The amended figure was amended by unanimous consent again. A member of the committee offered an amendment to increase it from $530 to $875,000.

I voted for the increased amount because I have no idea what this investigation is going to take. The vote on the amendment to increase the amount to $875,000 resulted in a 4 to 4 tie. Under the custom of our committee whenever we have a tie vote we suspend for up to a maximum of 15 minutes to give any members who had been present during that session, but left, an opportunity to come back and vote if he or she so desires. A member was called and within 15 minutes he came back and he voted against the increased figure.

During the discussion of the budget proposal every member of the committee raised the question: Could we ever anticipate the exact amount that we would need or a reasonably approximate amount? The answer was given by every member of the committee who had prior service on this committee, that is before the 95th Congress, there is no way on earth to anticipate how much we will need.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. SISK. I yield the gentleman from Illinois 1 additional minute.

Mr. MICHEL. Mr. Speaker, I want to make clear for those of us who are very mindful of what we are spending on ourselves around here, whether it is this investigation or another, that I do not want to have anyone believe that I intend in any way to inhibit the scope of this investigation by putting a hard-and-fast cap on the funding. Far be it from me to do that, but by the same token this House has an obligation to get some idea how much money the committee expects to spend on this investigation and by what method the committee will be funded.

Mr. FLYNT. Mr. Speaker, if the gentleman will yield further, may I say this: I think we can do it for $530,000. I am not sure of that, but I think we can.

Mr. MICHEL. I can only hope we will start this investigation and see later just exactly where we are, and then I think the House would be amenable, based on the information it would have at that time, to any possible increase in funding.

Mr. FLYNT. I hope the gentleman's assumption is correct.

Mr. SISK. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON. Mr. Speaker, to further the colloquy between the two gentlemen, I would like to make two things clear with respect to the Committee on House Administration and funding.

First, if this Member has anything to say about it, authority will not be given to the committee chaired by my distinguished friend, the gentleman from Georgia, to go to the contingent fund of the House. Rather the resolutions will and should, as they do now, go to the Committee on House Administration. I recognize fully the chairman's difficulties in arriving at a specific sum of money. It is extremely difficult. As soon as is possible the distinguished gentleman from Pennsylvania (Mr. DENT), the chairman of the Subcommittee on Accounts, will have referred to his subcommittee the money resolution requested jointly by the gentleman from South Carolina (Mr. SPENCE) and the gentleman from Georgia (Mr. FLYNT).

There will be testimony taken and there will be justification required.

We do not want, as the gentleman from Illinois indicated, in any way to inhibit a full and fair needed investigation. On the other hand we must see, as responsible Members of this body, justification for the amount. It would seem to me from the knowledge which I already have accumulated on this subject that the figure stated by the gentleman from Georgia (Mr. FLYNT), approximately $530,000, would seem reasonable and that he and the gentleman from South Carolina (Mr. SPENCE) would be able to justify that before the committee.

Further, all the Members of this body by going through the House Administration route will be protected and will have in each and every instance, if further moneys are required, the opportunity to debate and to vote on that money. That is the responsible way in which it should be done and it is my intention that it should be done in that way.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. Mr. Speaker, I intend to vote for House Resolution 252, but I say that reluctantly. I question whether this resolution is adequate for the job that must be done.

On January 27, I introduced House Resolution 202 calling for the creation of a select committee to investigate the so-called South Korean scandal. My resolution would grant broad powers to the select committee. This type of special investigation, with clearly defined jurisdiction, is what the American public deserves.

Because I felt a select committee investigation was the best possible course of action, I informed President Carter of my resolution and asked for his opinion. In my letter to President Carter I said:

I have introduced legislation to create a Select Committee to investigate these allegations. The only way that this case can be closed forever is to include anyone, present and former members of the legislative and Executive alike, who could have been involved in these most serious allegations of misconduct. In light of your remarks last Wednesday, I'm sure you also want to see a full public disclosure, and I would like to know your position on the matter of creating a Select Committee.

In President Carter's reply, which I received just this week, he said:

I believe your suggestion of an investigation is a good one.

Obviously, President Carter agrees that only the most complete, the most thorough, the most comprehensive investigation will suffice. I hope this resolution will accomplish that goal.

Mr. QUILLEN. Mr. Speaker, I am happy to yield the last 2 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker I thank the gentleman for yielding.

Mr. Speaker, I direct my questions, and that is the purpose for taking this time, to the distinguished chairman of the committee, the gentleman from Georgia (Mr. FLYNT).

Mr. Speaker, I think where the confusion is arising is that this resolution is very poorly drafted. In the "whereas" column it talks about foreign governments and in the "resolved" column it talks about only one government. If we refer to page 2 it says, "by certain foreign governments or persons and organizations acting on behalf of foreign governments including the Government of the Republic of Korea."

Then in the "resolved" clause it says just Korea.

Mr. Speaker, the question keeps arising about the People's Republic of China and the Government of Cuba. The questions. I have asked have not been asked and they have not been answered. Is it the chairman's position that if I have a questions, I am not making any allegations, but if I have a question concerning the propriety of accepting those emoluments from foreign countries, that I must then make a formal complaint to the committee?

Mr. FLYNT. Mr. Speaker, if the gentleman will yield, if the gentleman is addressing that question to me, there are three ways to do it. The gentleman could do it by filing a complaint with the committee, by asking the committee for an opinion, or by introducing an appropriate resolution.

Mr. KETCHUM. Mr. Speaker, I appreciate the gentleman's answer. So which method was used here? We are only talking about one. Did someone in the House make an allegation?

I have all the papers, as does everybody else, but did someone make an allegation?

Mr. FLYNT. Mr. Speaker, if the gentleman will yield further, there was no specific allegation made. There have been a number of letters, which fall short of the formal requirements for a complaint. However, under the circumstances which existed at the time, the committee did not stand on formality and undertook during the 94th Congress and continued in the 95th Congress to proceed with this investigation.

Mr. SISK. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. BAUMAN) for the purpose of asking a question.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to direct a question to the gentleman from Georgia (Mr. FLYNT). There has been a great deal of speculation in the public press and in the media as to the numbers of Members involved in this Korean investigation. While I fully understand that the gentleman may not be able to give a precise answer, I have heard figures as wild as 200 Members' names referred to the Justice Department and the minority leader of the other body said 30, 40 or 50 Members of the House are involved.

Can the gentleman from Georgia give us any estimate of the number of Members involved?

Mr. FLYNT. Mr. Speaker, if the gentleman will yield, at this point the gentleman from Georgia cannot give any numerical number.

Mr. BAUMAN. Can the gentleman say whether it is a few or a great number?

Mr. FLYNT. Mr. Speaker, if the gentleman will yield further, to be honest, we do not know at this point.

Mr. SISK. Mr. Speaker, I expect, unless my colleague desires to yield further, to move the previous question in a few moments.

Let me say that the question just raised by my colleague from Maryland was a question which was discussed in the Committee on Rules because of some of the rumors and comments that have been made. Of course, I think again we have seen or observed a demonstration of how sometimes our friends in the media like to stretch matters in order to make them look as bad as they possibly can for Members of Congress. Actually, under questioning, the members of the committee testifying, including the chairman, indicated that there was in fact no substance to assurances that there might have been 40 or 60 or 105 or any other number actually involved.

I appreciate the interest of my colleague from Maryland, because I do think sometimes—and it is rather deplorable—we see these numbers tossed around, and once we see them they proceed to paint the darkest possible picture with the highest possible number. That seems to be one of those things we experience.

Let me say in conclusion that I support this resolution. I hope the committee is able to come up with adequate and ready answers and that, in fact, it will tend to do those things which will restore greater confidence in the Congress of the United States by the American public.

Mr. HANNAFORD. Mr. Speaker, I would like to add my voice to that of many of my colleagues in support of a strong, thorough investigation of the charges that Members of Congress have accepted bribes from representatives of the Government of South Korea.

In recent years, the Congress has been repeatedly attacked as corrupt and unethical. The immoral activities of a relatively few Members have reflected adversely on the honesty and integrity of us all.

The news reports of the activities of alleged South Korean intelligence agents in this country imply that a large number of former and present Members of Congress could be involved in related illegal activities.

I believe that these reports can only result in a continued lowering of respect for Congress by the American people. The correct, and only, course of action for the House to follow is to authorize and fully support a complete and objective investigation of these charges by the Ethics Committee.

We should make it clear to the committee and its staff and to the American people that we are not seeking and will not be satisfied with anything less than the complete truth about the illegal lobbying techniques of South Korean agents, that we intend to pursue the evidence wherever it might lead and whomever it might involved. If we expect the American people to have any repect for us or confidence in us in the future, we can do no less.

Mr. HAMILTON. Mr. Speaker, like most people I am disturbed by recent allegations that Members of Congress have accepted money and gifts from representatives of the Republic of Korea. These allegations, many of which appear to be well documented, give me reason to believe that Members of Congress may be in violation of provisions of the U.S. Constitution, the Federal Criminal Code, and the Rules of the House of Representatives. A full and complete investigation of the substance of these allegations must be undertaken without delay.

Therefore, I wish to express my support for House Resolution 252, a resolution directing the Committee on Standards of Official Conduct to conduct an appropriate inquiry.

Mr. Speaker, I am aware that wrongdoing and the appearance of wrongdoing on the part of elected officials seriously erode the confidence that many Americans have in their Government. It is no exaggeration to say that this erosion of confidence is one of the gravest problems facing our Nation today. Confidence will not be restored until allegations of abuse of office have been thoroughly and fairly examined.

As a member of the Committee on Standards of Official Conduct, I urge prompt action on the measure before us.

Mr. THONE. Mr. Speaker, just a few rotten apples can make the whole barrel smell badly. The revelations that some Members of the House of Representatives have accepted large sums from agents of foreign nations reflects badly on all of us. The only means we have of restoring the reputation of this body as a whole and all those individual Members who have not been involved in such misdeeds is to make public all the facts.

Therefore, I enthusiastically support House Resolution 252. We must give the Committee on Standards of Official Conduct all the tools they need to undertake a thorough investigation. Further we

must give them wholehearted backing in pursuing this matter.

Since some of the Members of this body—including some in positions of leadership—have admitted taking large amounts of cash from South Korean emissaries, there ought to be an outside investigation of the matter. Twelve of us in the House have written President Carter, asking that he appoint a special prosecutor to pursue this scandal.

The President has replied as follows:

Thank you for sharing with me your concern about alleged payoffs to Congressional members by the Korean government. I, too, am concerned by the implied involvement of the Korean government and its emissaries, and I believe your suggestion of an investigation is a good one.

I would like for Griffin Bell to be aware of your suggestion of a Justice Department effort to get to the bottom of the matter, so I have asked him to review your letter.

Hopefully, the Attorney General's review at the request of the President will result in thorough pursuit of this scandal. But we must also take steps to clean our own House. We must not only ferret out all those who have recently been involved in accepting contributions from representatives of foreign governments but also take steps to guard against repetition of such wrongdoing in the future.

Mr. Speaker, I urge passage of House Resolution 252.

Mr. MAZZOLI. Mr. Speaker, I rise in support of House Resolution 235, directing the House Committee on Standards of Official Conduct to conduct an inquiry to determine whether Members of the House, their immediate families, or their associates have accepted anything of value from the South Korean Government or its representatives.

Charges of congressional wrongdoing have flown fast and furious in recent months. My constituents are concerned. The general public is concerned. I am concerned.

Mr. Speaker, I cannot judge the truth or the falsity of reports alleging misconduct on the part of House Members in accepting gifts from the Korean Government.

But, in view of the many questions which have been raised, it is imperative that the Standards Committee conduct an exhaustive and unflinching investigation of the so-called Korean Connection and to bring all wrongdoing and all wrongdoers to an accounting.

To do less would be a serious disservice to the Congress and to our citizenry.

The bottom line here is: The House must press to the very heart of the "Korean Connection" letting the chips fall where they may.

Mr. WEISS. Mr. Speaker, I support this resolution as a continuation of my commitment to work for a high standard of conduct by Members of Congress.

This resolution authorizes and directs the Committee on Standards of Official Conduct to conduct a full and complete inquiry and investigation to determine whether Members of the House, their immediate families, or their associates accepted anything of value, directly or indirectly, from the Government of the Republic of Korea or its representatives. The committee will determine to what extent, if any, Members of Congress have violated our own Code of Ethics and will recommend appropriate action to the House.

We have the obligation and opportunity to put our House in order. The American people expect us to fulfill that obligation.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken.

Mr. SISK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 388, nays 0, answered "present" 1, not voting 42, as follows:

[Roll No. 19]

YEAS—388

Abdnor	Chisholm	Ford, Mich.
Addabbo	Clausen,	Ford, Tenn.
Akaka	Don H.	Fountain
Alexander	Clay	Fraser
Allen	Cochran	Frenzel
Ambro	Cohen	Fuqua
Anderson,	Coleman	Gammage
Calif.	Collins, Ill.	Gaydos
Anderson, Ill.	Collins, Tex.	Gephardt
Andrews, N.C.	Conable	Gilman
Annunzio	Conte	Ginn
Applegate	Conyers	Glickman
Archer	Corcoran	Goldwater
Armstrong	Cornell	Goodling
Ashbrook	Cornwell	Gore
Ashley	Cotter	Gradison
Aspin	Coughlin	Grassley
AuCoin	Crane	Guyer
Badham	D'Amours	Hagedorn
Badillo	Daniel, Dan	Hall
Bafalis	Daniel, R. W.	Hamilton
Baldus	Danielson	Hammer-
Barnard	Davis	schmidt
Bauman	de la Garza	Hanley
Beard, Tenn.	Delaney	Hannaford
Bedell	Dellums	Hansen
Beilenson	Dent	Harkin
Benjamin	Derrick	Harrington
Bennett	Devine	Harris
Bevill	Dickinson	Harsha
Biaggi	Dicks	Hawkins
Blanchard	Diggs	Heckler
Blouin	Dodd	Hefner
Boggs	Downey	Hightower
Boland	Drinan	Holland
Bolling	Duncan, Oreg.	Hollenbeck
Bonior	Duncan, Tenn.	Holt
Bonker	Early	Holtzman
Bowen	Eckhardt	Howard
Brademas	Edgar	Hubbard
Breaux	Edwards, Ala.	Huckaby
Breckinridge	Edwards, Calif.	Hughes
Brinkley	Edwards, Okla.	Hyde
Brodhead	Eilberg	Ichord
Brooks	Emery	Ireland
Broomfield	English	Jeffords
Brown, Calif.	Erlenborn	Jenrette
Broyhill	Ertel	Johnson, Calif.
Buchanan	Evans, Colo.	Johnson, Colo.
Burgener	Evans, Del.	Jones, N.C.
Burke, Calif.	Evans, Ga.	Jones, Okla.
Burke, Fla.	Evans, Ind.	Jones, Tenn.
Burke, Mass.	Fary	Jordan
Burleson, Tex.	Fascell	Kasten
Burlison, Mo.	Fenwick	Kastenmeier
Burton, John	Findley	Kazen
Butler	Fish	Kelly
Byron	Fisher	Kemp
Caputo	Fithian	Ketchum
Carney	Flippo	Kildee
Carr	Flood	Kindness
Carter	Florio	Koch
Cavanaugh	Flowers	Kostmayer
Cederberg	Flynt	Krebs
Chappell	Foley	LaFalce
Lagomarsino	Myers, Ind.	Sikes
Latta	Natcher	Simon
Leach	Neal	Sisk
Lederer	Nedzi	Skelton
Le Fante	Nix	Skubitz
Leggett	Nolan	Slack
Lehman	Nowak	Smith, Iowa
Lent	Oakar	Smith, Nebr.
Levitas	Oberstar	Snyder
Lloyd, Calif.	Obey	Solarz
Lloyd, Tenn.	O'Brien	Spellman
Long, La.	Ottinger	Spence
Long, Md.	Panetta	Staggers
Lott	Patten	Stanton
Luken	Patterson,	Steed
Lundine	Pattison, N.Y.	Steers
McClory	Pease	Steiger
McCloskey	Perkins	Stockman
McCormack	Pettis	Stokes
McDade	Pickle	Stratton
McDonald	Pike	Studds
McEwen	Poage	Stump
McHugh	Pressler	Taylor
McKay	Preyer	Thompson
McKinney	Price	Thone
Madigan	Pritchard	Thornton
Maguire	Pursell	Tonry
Mahon	Quayle	Traxler
Mann	Quie	Treen
Markey	Quillen	Trible
Marks	Rahall	Tsongas
Marlenee	Railsback	Tucker
Marriott	Rangel	Udall
Martin	Regula	Van Deerlin
Mathis	Reuss	Vander Jagt
Mattox	Richmond	Vanik
Mazzoli	Rinaldo	Vento
Meeds	Risenhoover	Volkmer
Metcalfe	Roberts	Waggonner
Meyner	Robinson	Walgren
Michel	Rodino	Walker
Mikulski	Roe	Walsh
Mikva	Rogers	Wampler
Milford	Roncalio	Watkins
Miller, Calif.	Rooney	Weaver
Miller, Ohio	Rose	Weiss
Mineta	Rosenthal	Whalen
Minish	Rostenkowski	White
Mitchell, Md.	Rousselot	Whitehurst
Mitchell, N.Y.	Roybal	Whitley
Moakley	Rudd	Whitten
Moffett	Runnels	Wiggins
Mollohan	Ruppe	Wilson, Tex.
Montgomery	Russo	Wirth
Moore	Ryan	Wolff
Moorhead,	St Germain	Wright
Calif.	Santini	Wydler
Moorhead, Pa.	Sarasin	Wylie
Moss	Satterfield	Yatron
Mottl	Scheuer	Young, Alaska
Murphy, Ill.	Schroeder	Young, Fla.
Murphy, N.Y.	Schulze	Young, Mo.
Murphy, Pa.	Sebelius	Young, Tex.
Murtha	Seiberling	Zablocki
Myers, Gary	Sharp	Zeferetti
Myers, Michael	Shuster	

NAYS—0

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—42

Ammerman	Forsythe	Pepper
Andrews,	Frey	Rhodes
N. Dak.	Giaimo	Sawyer
Baucus	Gibbons	Shipley
Beard, R.I.	Gudger	Stark
Bingham	Heftel	Symms
Brown, Mich.	Hillis	Teague
Brown, Ohio	Horton	Ullman
Burton, Phillip	Jacobs	Waxman
Clawson, Del	Jenkins	Wilson, Bob
Cleveland	Keys	Wilson, C. H.
Corman	Krueger	Winn
Derwinski	Lujan	Yates
Dingell	McFall	
Dornan	Nichols	

The Clerk announced the following pairs:

Mr. McFall with Mr. Rhodes.
Mr. Baucus with Mr. Derwinski.
Mr. Bingham with Mr. Bob Wilson.
Mr. Shipley with Mr. Symms.
Mr. Ullman with Mr. Lujan.
Mr. Waxman with Mr. Hillis.
Mr. Yates with Mr. Frey.
Mr. Dingell with Mr. Forsythe.
Mr. Beard of Rhode Island with Mr. Cleveland.
Mr. Nichols with Mr. Del Clawson.

Mr. Giaimo with Mr. Brown of Ohio.
Mr. Phillip Burton with Mr. Andrews of North Dakota.
Mr. Corman with Mr. Winn.
Mr. Teague with Mr. Horton.
Mr. Charles H. Wilson of California with Mr. Brown of Michigan.
Mr. Sawyer with Mr. Dornan.
Mr. Pepper with Mr. Ammerman.
Mr. Stark with Mr. Jenkins.
Mr. Gibbons with Mr. Gudger.
Mr. Krueger with Mr. Jacobs.
Mrs. Keys with Mr. Heftel.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BEARD of Rhode Island. Mr. Speaker, due to a malfunction of the notification device in my office, I missed the vote on the House resolution to investigate alleged improper South Korean influence on Members of Congress. I have registered a complaint to the manager of the Democratic cloakroom on the nature of this incident.

Had I been present, I would have voted for the resolution, which did pass by an overwhelming margin.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO HAVE UNTIL MIDNIGHT, FRIDAY, FEBRUARY 11, 1977, TO FILE REPORTS ON CERTAIN BILLS

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight, Friday, February 11, 1977, to file reports on the following bills:

H. R. 26, to provide improved notice to the public of changes in air carrier fares;

H. R. 27, to authorize reduced fare transportation for elderly and handicapped persons;

H. R. 735, relating to eligibility for aircraft registration;

H. R. 736, relating to emergency locator transmitters; and

H. R. 284, to amend the John F. Kennedy Center Act to authorize funds for certain repairs and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDING THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT ACT OF 1958

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 270 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 270

Resolved, That upon the adoption of this resolution it shall be in order to move, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 692) to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency and Small Business set-aside programs. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Small Business, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Louisiana (Mr. LONG) is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority, the distinguished gentleman from Mississippi (Mr. LOTT) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 270 provides for the consideration of H.R. 692, a bill which amends the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency, and small business setaside programs.

H.R. 692 is divided into 6 titles as follows:

Title I—increases SBA's authorizations and limitations for fiscal year 1977 as needed and establishes operating levels for all of SBA's programs for fiscal years 1978 and 1979.

Title II—makes miscellaneous conforming and technical amendments to the Small Business Act and the Small Business Investment Act of 1958.

Title III—authorizes SBA to provide financial assistance to small homebuilders; enlarges the eligibility for SBA compliance loans; and authorizes up to a 5 year moratorium on repayment of SBA loans.

Title IV—authorizes SBA to make displaced business loans to a small concern which has been displaced by a project of a State or local government. It also authorizes SBA to make economic injury loans to small business concerns in an area affected by a natural disaster upon the request of the Governor of the State involved.

Title V—expands SBA's certificate of competency program by giving to SBA the final determination of all elements of responsibility and eligibility of a small business for purposes of bidding on Government contracts.

Title VI—directs Federal agencies, to the extent feasible, to divide small business setaside contracts into amounts of less than $1 million each.

Mr. Speaker, this bill is an omnibus bill that makes those changes in the law which have been agreed to overwhelmingly by the Small Business Committee. The vote in committee was 23 to 0.

Under the bill as presently written there is a need to waive points of order as to section 402 of the Budget Act of 1974 because section 101 of H.R. 692 contains an authorization for fiscal year 1977. It should be noted, however, that the section in violation will be deleted from the bill, by the Committee on Small Business through amendment immediately after the adoption of this rule. The section is no longer necessary because the identical authorizations were passed on February 1, 1977, in H.R. 2467. The Committee on Rules, however, felt that the waiver was still necessary in order to avoid a point of order from being lodged prior to the amendment to delete being offered.

As the Committee on Small Business stated in its report on the bill:

The provisions of this encompassing bill are needed by the Nation's small businessmen if a climate is to be provided in which they may prosper.

Mr. Speaker, I urge the adoption of House Resolution 270 so that we may debate and vote on H.R. 692.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as indicated by the gentleman from Louisiana, House Resolution 270 is a 1-hour, open rule providing for consideration of H.R. 692, the Small Business Act and the Small Business Investment Act Amendments of 1977. The resolution waives section 402(a) of the Congressional Budget Act because section 101 of the bill contains a 1977 fiscal year authorization. Since the Budget Act requires legislation authorizing new budget authority for a fiscal year to be reported on or before May 15 preceding the beginning of that fiscal year, a waiver of the provision of the Act is necessary in order even to consider the measure.

In any event, because H.R. 2647, which passed the House on February 1, is identical to section 101 of the bill before us, it is my understanding that an amendment will be offered to strike this section from the legislation.

Very briefly, H.R. 692 proposes:

First, to increase SBA's loan authorization and surety bond guarantee authority;

Second, to improve SBA disaster assistance and set-aside programs;

Third, to provide SBA financial assistance to small homebuilders;

Fourth, to make displaced business loans to small concerns which have been displaced by State or local projects; and

Fifth, to expand SBA's certificate of competency program.

Costs during the current and next 5 fiscal years are estimated at less than $185 million.

All of these modifications in the Small Business and Small Business Investment Acts are justified. I support them and am pleased especially that the bill includes small homebuilder assistance and displaced business loans to small firms which have been inconvenienced by State or local government projects.

Mr. Speaker, I intend to vote for this rule which allows the bill to be read by titles instead of by sections. Upon its adoption, I also intend to support the passage of the legislation.

Mr. LONG of Louisiana. Mr. Speaker, I yield to the gentleman from Florida (Mr. SIKES) such time as he may consume.

Mr. SIKES. Mr. Speaker, I support the rule and the legislation now before the House. At a time when we hear a great deal about the need for eliminating useless or duplicative Federal agencies and programs, it is worth noting one of the agencies in Government which positively and effectively meets its responsibilities. I refer to the Small Business Administration. The work of this Agency provides a pleasing contrast to some which seem to be more intent upon injecting themselves and their regulations into the day-to-day business of commerce and industry and into the lives of private individuals.

In the SBA we find dedicated men and women who are in business to promote business for others rather than for themselves; to help businessmen and industrialists to expand or to function more efficiently. One need only to travel across the Nation or to almost any city or town to see evidence that the Federal program to support and encourage small business is a success. True, there have been troubled areas as there are with almost any effort undertaken to assist people in helping themselves. But I am certain the good outweighs the bad many times over and I am proud to be among those who stand behind the work this worthwhile Agency of Government is doing.

If one were to study only the legalisms of SBA, it would seem it is charged primarily with helping supply the capital needed by small businesses for the purchase of equipment and supplies, for the expansion or construction of facilities, and to give a helping hand when working capital is needed. That may be the nuts and bolts of SBA, but it translates into better lives for thousands of families in our land who now own their own businesses or who work for a small business which would not exist were it not for the help afforded by SBA.

The SBA does a lot more than boost business. It creates independence for small business owners. It helps them compete with larger, richer, more powerful competitors. It opens the way to financial assistance at limited cost, helps the disadvantaged to a useful, productive life, it paves the way for the handicapped to become self-sufficient and hire others with similar handicaps to improve their lot in life by means of work instead of welfare.

The Small Business Administration programs provide disaster loans when needed and where needed, at rates within the reach of those hard hit by adversity. It provides the means for State and local development companies to encourage the creation of small business through seed money and other programs.

In short, Mr. Speaker, the programs of the SBA are the kind America needs. No responsibility of Government is more solemn than that of meeting the needs of those whose desire is to better themselves through work.

During this past year, small businesses have been especially hard hit by the weather, energy shortages, ever-rising production and marketing costs, and by consumer uncertainty. Many have been forced to close their doors and that is regrettable. But far more have managed to hang on through rough times with the help of SBA and to continue to contribute to the stream of commerce in our country.

Small business has played an important role throughout the history of our Nation. The giants of industry have made and poured wealth into our cities and industrial centers. But there still are the millions of small businessmen who go about their daily work of making the countless items and providing the multiple services without which the economy would falter. These small businessmen together provide as many or more jobs than do the giants and it is invaluable to them to know that if help be needed, the Small Business Administration is ready to help if money is made available by the Congress.

I repeat, Mr. Speaker, many, many programs have been created by the Congress. Too many of these are of little value. Some are best known for their nuisance effect. The Small Business Administration is not one of these. It is vital to our Nation and those who work for a better America. The addition in authorization and function provided in the pending bill are fully justified.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SMITH of Iowa. Mr. Speaker, I call up the bill H.R. 692 to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency and small business setaside programs, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AUTHORIZATIONS AND LIMITATIONS

PART A

SURETY BOND GUARANTEES

SEC. 101. Section 412 of the Small Business Investment Act of 1958 is amended by striking out "$56,500,000" and by inserting in lieu thereof "$71,000,000".

BUSINESS LOAN AND INVESTMENT FUND

SEC. 102. Section 4(c) of the Small Business Act is amended by striking out "$6,000,000,000," and by inserting in lieu thereof "$8,000,000,000".

ECONOMIC OPPORTUNITY LOANS

SEC. 103. Section 4(c)(4) of the Small Business Act is amended by striking out "$450,000,000" and by inserting in lieu thereof "$525,000,000".

SMALL BUSINESS INVESTMENT COMPANIES

SEC. 104. Section 4(c)(4) of the Small Business Act is amended by striking out "$725,000,000" and by inserting in lieu thereof "$1,100,000,000".

PART B

LINE ITEM PROGRAM AUTHORIZATIONS

SEC. 105. Section 4(c) of the Small Business Act is amended by striking out paragraph (4) and by inserting in lieu thereof the following:

'(4) The following program levels are authorized:

"(A) For fiscal year 1978:

"(i) For the programs authorized by section 7(a) of this Act the Administration is authorized to make $400,000,000 in direct loans, $15,000,000 in immediate participation loans, and $2,500,000,000 in deferred participation loans.

"(ii) For the programs authorized by section 7(h) of this Act the Administration is authorized to make $20,000,000 in direct and immediate participation loans and $20,000,000 in guaranteed loans.

"(iii) For the programs authorized by section 7(i) of this Act the Administration is authorized to make $60,000,000 in direct and immediate participation loans and $81,000,000 in guaranteed loans.

"(iv) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958 the Administration is authorized to make $40,000,000 in direct and immediate participation loans and $20,000,000 in guaranteed loans.

"(v) For the programs authorized by title III of the Small Business Investment Act of 1958 the Administration is authorized to make $20,000,000 in direct purchase of debentures and preferred securities and to make $180,000,000 in guarantees of debentures.

"(v) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958 the Administration is authorized to enter guarantees not to exceed $915,000,000.

"(vii) For the programs authorized by sections 7(b)(3), 7(b)(4), 7(b)(5), 7(b)(6), 7(b)(7), 7(b)(8), and 7(g) of this Act the Administration is authorized to enter loans, guarantees, and other obligations or commitments not to exceed $300,000,000.

"(B) for fiscal year 1979:

"(i) For the programs authorized by section 7(a) of this Act the Administration is authorized to make $440,000,000 in direct loans, $17,000,000 in immediate participation loans, and $2,800,000,000 in deferred participation loans.

"(ii) For the programs authorized by section 7(h) of this Act the Administration is authorized to make $22,000,000 in direct and immediate participation loans and $22,000,000 in guaranteed loans.

"(iii) For the programs authorized by section 7(i) of this Act the Administration is authorized to make $66,000,000 in direct and immediate participation loans and $89,000,000 in guaranteed loans.

"(iv) For the programs authorized by sections 501 and 502 of the Small Business Investment Act of 1958 the Administration is authorized to make $44,000,000 in direct and immediate participation loans and $22,000,000 in guaranteed loans.

"(v) For the programs authorized by title III of the Small Business Investment Act of 1958 the Administration is authorized to make $22,000,000 in direct purchase of debentures and preferred securities and to make $198,000,000 in guarantees of debentures.

"(iv) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958 the Administration is authorized to enter guarantees not to exceed $1,010,000,000.

"(vii) For the programs authorized by sections 7(b)(3), 7(b)(4), 7(b)(5), 7(b)6), 7(b)(7), 7(b)(8), and 7(g) of this Act the Administration is authorized to enter loans, guarantees, and other obligations or commitments not to exceed $300,000,000.

SEC. 106. Section 403 of the Small Business Investment Act of 1958 is amended by striking out "from time to time such amounts not to exceed $10,000,000 to provide capital for the fund" and by inserting in lieu thereof ", as capital thereof, such amounts as may be necessary to carry out the functions of the Administration, which appropriations shall remain available until expended".

SEC. 107. Section 412 of the Small Business Investment Act of 1958 is amended by striking out "from time to time such amounts not to exceed $56,500,000 to provide capital for the fund" and by inserting in lieu thereof ", as capital thereof, such amounts as may be necessary to carry out the functions of the Administration, which appropriations shall remain available until expended".

SEC. 108. Part B of this title shall become effective on October 1, 1977.

TITLE II

MISCELLANEOUS CONFORMING AND TECHNICAL AMENDMENTS

SEC. 201. Section 4(c)(2) of the Small Business Act is amended by striking out "and 7(c)(2)" and by inserting in lieu thereof "7(c)(2), and 7(g)".

SEC. 202. Section 4(c)(5) of the Small Business Act is amended by striking out "Committees on Banking and Currency of the Senate and House of Representatives" and by inserting in lieu thereof "Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Small Business of the House of Representatives".

SEC. 203. Section 10(b) of the Small Business Act is amended by striking out "House Select Committee to Conduct a Study and Investigation of the Problems of Small Business" and by inserting in lieu thereof "Committee on Small Business of the House of Representatives".

SEC. 204. Section 10(e) of the Small Business Act is amended by striking out "House Select Committee To Conduct a Study and Investigation of the Problems of Small Business" and by inserting in lieu thereof "Committee on Small Business of the House of Representatives".

SEC. 205. Section 10(g) of the Small Business Act is amended by striking out "Banking and Currency" and by inserting in lieu thereof "Small Business".

SEC. 206. Section 5316 of title 5, United States Code, is amended by striking from paragraph (11) the figure "(3)" and by inserting the figure "(4)".

REPORTS TO THE PRESIDENT AND THE CONGRESS

SEC. 207. Section 10(a) of the Small Business Act (15 U.S.C. 639(a)) is amended by adding at the end thereof the following new sentence: "With respect to minority small business concerns, the report shall include the proportion of loans and other assistance under this Act provided to such concerns, the goals of the Administration for the next fiscal year with respect to such concerns, and recommendations for improving assistance to minority small business concerns under this Act.".

TITLE III—AMENDMENTS TO SMALL BUSINESS ADMINISTRATION LOAN AUTHORITY

HOMEBUILDERS

SEC. 301. Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by inserting the following after the semicolon at the end of the first clause "or to finance residential or commercial construction or rehabilitation for sale: *Provided, however,* That such loans shall not be used primarily for the acquisition of land;".

COMPLIANCE LOANS

SEC. 302. Section 7(b)(5) of the Small Business Act is amended by inserting immediately after "any Federal law" the words "heretofore or hereafter enacted".

MORATORIUMS

SEC. 303. Section 5 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(f)(1) Subject to the requirements and conditions contained in this subsection, upon application by a small business concern which is the recipient of a loan made under this Act, the Administration shall assume the small business concern's obligation to make the required payments under such loan or shall suspend such obligation if the loan was a direct loan made by the Administration. While such payments are being made by the Administration pursuant to the assumption of such obligation or while such obligation is suspended, no such payment with respect to the loan shall be required by the small business concern.

"(2) The Administration shall assume or suspend for a period of not to exceed five years any small business concern's obligation under this subsection only if—

"(A) without the assumption or suspension of the obligation, the small business concern would, in the opinion of the Administration, become insolvent or remain insolvent;

"(B) with the assumption or suspension of the obligation, the small business concern would, in the opinion of the Administration, become or remain a viable small business entity; and

"(C) the small business concern executes a satisfactory agreement in writing as provided by paragraph (3).

"(3) Notwithstanding the provisions of sections 7(a)(4)(C) and 7(i)(1) of this Act, the Administration may extend the maturity of any loan on which the Administration assumes or suspends the obligation pursuant to this subsection for a corresponding period of time.

"(4)(A) Prior to the assumption or suspension by the Administration of any small business concern's obligation under this subsection, the Administration, consistent with the purposes sought to be achieved herein, shall require the small business concern to agree in writing to repay to it the aggregate amount of the payments which were required under the loan during the period for which such obligation was assumed or suspended, either—

"(i) by periodic payments not less in amount or less frequently falling due than those which were due under the loan during such period, or

"(ii) pursuant to a repayment schedule agreed upon by the Administration and the small business concern, or

"(iii) by a combination of the payments described in clause (i) and clause (ii).

"(B) In addition to requiring the small business concern to execute the agreement described in subparagraph (A), the Administration shall, prior to the assumption or suspension of the obligation, take such action, and require the small business concern to take such action, including the provision of such security as the Administration deems appropriate in the circumstances, as may be necessary or appropriate to insure that the rights and interests of the lender will be safeguarded adequately during and after the period in which such obligation is so assumed or suspended.

"(5) The term 'required payments' with respect to any loan means payments of principal and interest under the loan.".

SEC. 304. Section 4(c) of the Small Business Act is amended by inserting in clauses (1)(A) and (2)(A) thereof "5(f)", after the word "sections".

TITLE IV—AMENDMENTS TO SMALL BUSINESS ADMINISTRATION DISASTER LOAN AUTHORITY

DISPLACED BUSINESS LOANS

SEC. 401. Section 4(c) of the Small Business Act is amended as follows:

(1) by inserting in paragraph (1)(A) after the figure "7(b)(2)," the figure "7(b)(3),," and by striking from paragraph (1)(B) thereof the figure "7(b)(3),";

(2) by inserting in paragraph (2)(A) after the figure "7(b)(2)," the figure "7(b)(3)," and by striking from paragraph (2)(B) thereof the figure "7(b)(3),"; and

(3) by striking from paragraph (4) thereof the figure "7(b)(3),".

SEC. 402. Section 7 of the Small Business Act is amended by striking "federally aided urban renewal program or a highway project or any other construction constructed by or with funds provided in whole or in part by the Federal Government" and by inserting in lieu thereof "program or project constructed by or with funds provided in whole or in part by the Federal Government or by a program or project by a State or local government or public service entity, providing such government or public service entity has the authority to exercise the right of eminent domain on such program or project".

ECONOMIC INJURY LOANS

SEC. 403. Section 7(b)(2) of the Small Business Act is amended by adding "or" after the semicolon at the end of section 7(b)(2)(B) and by adding the following:

"(C) a disaster as determined by the Administrator of the Small Business Administration pursuant to the Disaster Relief Act of 1970; and

"(D) if no disaster declaration has been issued pursuant to (A), (B), or (C) herein, the Governor of a State in which a disaster has occurred may certify to the Small Business Administration that small business concerns (1) have suffered economic injury as a result of such disaster, and (2) are in need of financial assistance which is not available on reasonable terms in the disaster stricken area. Upon receipt of such certification, the Administration may then make such loans as would have been available under this paragraph if a disaster declaration had been issued;".

TITLE V—CERTIFICATE OF COMPETENCY

SEC. 501. Section 8(b) of the Small Business Act is amended by striking paragraph (7) and by inserting in lieu thereof the following:

"(7)(A) To certify to Government procurement officers, and officers engaged in the sale and disposal of Federal property, with respect to all elements of responsibility, including, but not limited to, capability, competency, capacity, credit, integrity, perseverance, and tenacity, of any small business concern or group of such concerns to receive and perform a specific Government contract. A Government procurement officer or an officer engaged in the sale and disposal of Federal property may not, for any reason specified in the preceding sentence, preclude any small business concern or group of such concerns from being awarded such contract without referring the matter for a final disposition to the Administration.

"(B) If a Government procurement officer finds that an otherwise qualified small business concern may be ineligible due to the provisions of section 35(a) of title 41, United States Code, of the Walsh-Healey Act, he shall notify the Administration in writing of such finding. The Administration shall review such finding and shall either dismiss it and certify the small business concern to

be an eligible Government contractor for a specific Goverment contract or if it concurs in the finding, forward the matter to the Secretary of Labor for final disposition, in which case the Administration may certify the small business concern only if the Secretary of Labor finds the small business concern not to be in violation.

"(C) In any case in which a small business concern or group of such concerns has been certified by the Administration pursuant to (A) or (B) to be a responsible or eligible Government contractor as to a specific Government contract, the officers of the Government having procurement or property disposal powers are directed to accept such certification as conclusive, and shall let such Government contract to such concern or group of concerns without requiring it to meet any other requirement of responsibility or eligibility.".

TITLE VI—SMALL BUSINESS SET-ASIDES

SEC. 601. Section 15 of the Small Business Act is amended by adding the following at the end thereof: "With respect to any work to be performed the amount of which would exceed the maximum amount of any contract for which a surety may be guaranteed against loss under section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694(b)), the contracting procurement agency shall, to the extent feasible, place contracts so as to allow more than one small business concern to perform such work.".

GENERAL LEAVE

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I rise in strong support of H.R. 692 and urge the immediate passage of this legislation.

The purpose of this bill is to increase the Small Business Administration's authorizations and limitations on its loan programs; and to increase the scope of eligibility for SBA assistance and the terms thereof.

The purpose of this bill is to—

Increase SBA's authorizations and limitations for fiscal year 1977 and establish operating levels for all of SBA's programs for fiscal years 1978 and 1979;

Make miscellaneous conforming and technical amendments to the Small Business Act and the Small Business Investment Act;

Authorize SBA to provide financial assistance to small home builders; enlarge the eligibility for SBA compliance loans; and authorize up to a 5-year moratorium on repayment of SBA loans;

Authorize SBA to make displaced business loans to a small concern which has been displaced by a project by a State or local government; and authorize SBA to make economic injury loans to small business concerns in an area affected by a natural disaster upon the request of the Governor of the State involved;

Expand SBA's certificate of competency program by including the final determination of all elements of responsibility and specific aspects of eligibility of a small business for purposes of bidding on Government contracts; and

Direct Federal agencies, to the extent feasible, to divide small business setaside contracts into amounts of less than $1,000,000 each.

During the 94th Congress, the committee held extensive hearings on numerous bills and those which received favorable consideration were incorporated in a clean bill (H.R. 13567) which was favorably reported by a vote of 33 to 0. This omnibus bill passed the House on June 7, 1976, under Suspension of the Rules by a vote of 341–2. The Senate, however, failed to act upon the bill.

This bill was reintroduced in the 95th Congress as H.R. 692 and was favorably reported by a unanimous vote of 23 to 0. Since SBA has almost exhausted its loan authority and in order to avoid immediate curtailment of SBA loan programs, a separate bill providing enough authority for the balance of fiscal year 1977 was also reported (H.R. 2647) and passed by the House on February 1, 1977, under suspension of the rules. This bill, H.R. 692, provides the needed authority for fiscal year 1978 and fiscal year 1979. The Committee will offer a floor amendment to H.R. 692 to take into consideration the passage of H.R. 2647.

In the committee's report, there is a summary of SBA's current major financial programs and I would commend that portion of the report to Members who may have questions about what SBA is and what it does.

Since this is an omnibus bill, a detailed discussion of it would consume a considerable amount of the House's time. I am, therefore, only going to hit the highlights.

TITLE I

In order to continue the operation of SBA programs through fiscal year 1977, it is necessary to increase the limitation on the amount of financial assistance which may be outstanding under the business loan and investment fund from $6 billion to $8 billion; to increase the sublimitation on the amount of economic opportunity loans which may be outstanding from $450,000 to $525,000; and to increase the sublimitation on the amount of financial assistance which may be outstanding to small business investment companies from $725,000,000 to $1,100,000,000. These are the amounts which were requested by President Ford.

Although the above increases will carry SBA through fiscal year 1977, it would be better planning and facilitate greater performance to specify the program levels at which SBA might operate for several years in advance. This would also provide for more congressional control over SBA and would more clearly give SBA and the small business community an indication of the amount of assistance which it might anticipate to be forthcoming from SBA during the next several years and would also eliminate the necessity for Congress to deal with SBA's program levels each year.

TITLE II

SMALL BUSINESS COMMITTEE

At the commencement of the 94th Congress, legislative responsibility for providing assistance to and protection of small business, including financial aid, and participation of small business enterprises in Federal procurement and Government contracts, was given to the House Small Business Committee. This jurisdiction was formerly with the House Committee on Banking, Currency and Housing, and the Small Business Committee was a select committee.

The Small Business Act specifically provides for the submission of certain reports and information to the House Select Committee on Small Business and to the House Committee on Banking and Currency. In order to carry out the change in legislative jurisdiction, these reports and information should now be provided to the House Committee on Small Business and the Small Business Act as amended.

ASSOCIATE ADMINISTRATOR FOR MINORITY SMALL BUSINESS

Prior to 1974, SBA had three Associate Administrators. In that year, a new position of Associate Administrator for Minority Small Business was established and one has been appointed. Although SBA's three other Associate Administrators are established at executive level V, no executive level was established for the new Associate Administrator and he should be similarly established at the same executive level.

SBA'S ANNUAL REPORT

SBA submits an annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. The report includes a description of the state of small business, a description of the operations of SBA and recommendations for strengthening or improving SBA's programs. Although SBA is statutorily directed to provide specific assistance to socially and economically disadvantaged individuals, it does not, in its annual report, specifically report on minority small business concerns.

A breakdown of the assistance provided to minorities, the goals of the Administration for the next fiscal year with respect to such concerns, and recommendations for improving assistance to them would be helpful.

TITLE III

HOMEBUILDERS

Until late last year, a homebuilder, regardless of size, and although over 80 percent of all homebuilders are small businesses, was precluded by SBA from receiving financial assistance.

Subsequent to the House action last year in overwhelmingly passing the predecessor of this bill, SBA did amend its rules to permit homebuilders to obtain limited financial assistance in a very few situations, however, we do not believe that SBA's new rule is sufficient.

SBA bases this preclusion on their policy that homebuilders as a class are speculators, unless the homebuilder is a custom builder; that is, he is performing the construction under a contract with a specific purchaser.

This equipment of an "assured customer" is not applied to other industries. A manufacturer does not have assured customers for his products nor does a

wholesaler or retailer have assured customers for their line of business and yet all of these are eligible for SBA assistance and are given SBA assistance.

Many small homebuilders are unable to obtain loans from banks because of the modest size of their operation. This credit problem affects the small builder no less than it affects other small businessmen in their attempt to obtain bank financing. Like other small businessmen, the homebuilder needs help from time to time from some other source to make the financial arrangements necessary for the firm's economic well-being.

No other agency or department of the Federal Government, including the Department of Housing and Urban Development, currently provides the same kind of direct financial assistance to homebuilders as does the SBA to other small businessmen.

A number of Members have introduced legislation to correct this inequity, including Congressmen LAFALCE, WHALEN, LEHMAN, HAMILTON, FISH, LEVITAS, and Mrs. BOGGS. I intend to subsequently recognize such of these Members as may desire to be heard on this provision.

COMPLIANCE LOANS

Under section 7(b)(5) of the Small Business Act, SBA makes loans to small business concerns in order to assist them in effecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed upon the business pursuant to any Federal or State law or regulation issued in conformity with the Federal law.

Unless, however, the Federal law was enacted subsequent to enactment of this provision in January of 1974 or unless SBA had a specific loan program established prior thereto, SBA refuses to make these compliance loans to meet statutory requirements.

This prospective interpretation of the compliance loan authority denies assistance to small concerns which are required to meet federally imposed or authorized standards established by earlier law.

The requirements of any Federal or State law impose just as much of a financial burden upon small business concerns who must meet these standards, regardless of the date when the requirement was imposed. Thus they should be eligible to receive the same type of assistance.

This lack of SBA assistance has caused considerable problems for small nursing homes which have been required by the Department of Health, Education, and Welfare to comply with the provisions of the Life Safety Code of the National Fire Protection Association.

Legislation to correct this injustice was introduced by Congressman LOTT and I will subsequently recognize him if he is desirous of making a statement.

MORATORIUMS

As a prerequisite to making any loan, SBA must first determine that there is a reasonable assurance of repayment. The statute also imposes a maximum maturity date or a maximum term for the loan and many SBA loans are made for a maximum statutory term.

Subsequent to the making of a loan, some small business concerns experience financial difficulties, oftentimes due to causes beyond their control; for example, the recent economic recession. Some of these concerns would be able to survive and prosper if there was specific authority in SBA to defer the payments due either to SBA or to a bank which had made a guaranteed loan.

Under the existing law, SBA may defer such payments only in order to provide for an orderly liquidation of the loan. It would be to the benefit of all concerned to give SBA specific statutory authority to grant deferments in other situations providing that without it the borrower would become insolvent or remain insolvent and further providing that with the assumption or suspension of the obligation the borrower would become or remain a viable small business entity.

Legislation to specifically authorize a temporary moratorium on the repayment of SBA loans was introduced by Mr. PARREN MITCHELL and I will also subsequently recognize him.

TITLE IV

DISPLACED BUSINESS LOANS

The Small Business Administration is specifically authorized under section 7(b)(3) to make loans to small business concerns to assist them in continuing in business or in establishing a new business if the concern has been harmed by a project or program constructed by or with Federal funds.

These loans are funded under SBA's business loan and investment fund, whereas all of SBA's other nonphysical disaster loans are funded under its disaster fund.

Small businesses sustain just as much financial injury when they are displaced by a project or program by a State or local government or public service entity and need Federal loan assistance to assist in their recovery.

Loan assistance, which would carry interest at a rate above the cost of interest to the Federal Government, should be provided to cover this situation, and all displaced business loans should be funded through SBA's disaster loan revolving fund as are all other nonphysical disaster loans.

ECONOMIC INJURY LOANS

SBA is authorized to make loans to small businesses which are located in an area affected by a natural disaster if they suffer substantial economic injury as a result of the disaster, but only if the disaster was declared by the President, the Secretary of Agriculture, or the Administrator of SBA.

There are many small businesses which suffer the requisite economic injury but are unable to obtain this type of loan because of the local nature of the disaster.

Those concerns affected by a natural disaster should be eligible for economic injury type loans even if the disaster was not of such proportion as to necessitate a disaster declaration.

For example, a fire destroyed a telephone company office and disrupted service to thousands of small business concerns. This disruption imposed severe financial loss upon many of these concerns which were dependent upon telephone service to solicit customers. Because the fire did not qualify for a disaster declaration, those small businesses which were harmed could not receive this type of SBA loan assistance.

Severe localized damages from storms, floods, fire, and droughts oftentimes cause severe financial loss to small businessmen in the impacted area. For example, in Alpine County, Calif., the entire community of Bear Valley has filed bankruptcy due to lost business revenue because ski lodges could not operate because of a lack of snow. If some type of Federal loan assistance had been available, many of these financially injured small concerns could have ultimately recovered.

Congressmen JOHN MCFALL and DICK OTTINGER have introduced legislation to rectify this situation and I will, subsequently, recognize them.

TITLE V

Section 8(b)(7) of the Small Business Act authorizes the Small Business Administration to issue a certificate of competency (COC). This document "certifies to a Federal procuring activity that a small business concern is competent as to capacity and credit to perform a specific Government contract." Whenever any question arises as to the capacity and credit of such small business concern, the Government procurement officer refers the matter to the Small Business Administration, and its subsequent decision on the matter is conclusive.

There is, at present, no statutory requirement mandating that once a certificate of competency is issued the contract must be let to the small business, nor does the statute include other elements aside from a small business capacity or credit. This has resulted in severe problems for the small business community.

Small business can and has been denied Government contracts because the procuring activity has determined that the small business lacked the requisite "tenacity, perseverance or integrity" to perform a specific Government contract. Such a finding results in the small firm being branded as nonresponsible. Resort to the COC procedure in such cases is not available since capacity and credit are, purportedly, not involved.

Although SBA normally has the right to appeal such determinations to a higher authority within the procuring activity, such action is of questionable value as there is an inherent difficulty in asking a bureaucracy to overrule itself. Also, the procurement need not be held in abeyance pending the appeal if the contracting officer subjectively determines that the items called for by the contract are urgently needed.

There is yet another instance when procurement officers need not refer a matter to SBA for a COC determination, which is working an inequity on small business.

A bidder on a Government contract must also show that he is a manufacturer of or a regular dealer in the materials, supplies, articles, or equipment to be manufactured or used in the performance of the contract. Rules and regulations of the Department of Labor require that a procurement officer must reject bids from a bidder who is not a manufacturer or dealer within the meaning of the statute. If a small business is deemed ineligible due to this provision of the Walsh-Healey Act, there is no recourse to the certificate of competency procedure.

The small business does have the right to appeal the determination to the Department of Labor. However, the committee is not aware of any case in which the Department of Labor has reversed a finding of ineligibility made pursuant to this act.

The application of the Department of Labor rulings varies widely in different areas of the country. Bidders who would be eligible in one area are declared ineligible in another. For example, a bidder was declared ineligible because he did not manufacture the pencils to be included in a kit which was to be supplied to the Government.

The literal implementation of this requirement would exclude such corporate giants as General Motors or Rockwell International from receiving Government contracts. Very few firms produce every integral part that goes into the finished product. But this test is being applied most harshly to small business. The Defense Contract Administration Services has used this test on numerous occasions when conducting its preaware surveys on potential Government contractors. When low bidders are declared ineligible because of an inequitable application of a good law, the Government pays more for its products, and small business is unjustly denied an opportunity to perform on Federal contracts.

Legislation dealing with this subject was introduced by our colleague, JOSEPH P. ADDABBO, and I will subsequently recognize him.

TITLE VIII

The Small Business Act and numerous other statutes recognize the role which small business should play in our economy, particularly in providing goods and services to the Federal Government. This recognition is indicated by statutory language requiring that small business receive a fair portion of the total purchases and contracts for property and services for the Government.

All Federal agencies set aside some of the contracts exclusively for bidding by small business. The Miller Act requires that a successful bidder provide a surety bond to insure the performance of any Federal contract for more than $2,000. The Small Business Administration operates a surety bond guarantee program under which SBA will reimburse the surety for loss sustained on a surety bond issued on behalf of the small business, providing the size of the contract does not exceed $1 million.

Some Federal contracts, however, which are set aside for small business are for more than $1 million. Most small businesses cannot obtain the necessary surety bond in excess of this amount and thus are effectively precluded from bidding on small business set-asides which exceed $1 million.

It would be beneficial to all concerned to direct the Federal agency which is letting a contract as a small business set-aside to divide large contracts into smaller ones, to the extent feasible, so as to keep set-aside contracts to less than $1 million.

CONCLUSION

This legislation which is before the House this afternoon was written by the committee after conducting extensive hearings upon numerous bills which were introduced to rectify problems facing the small businessman.

Again, I want to stress that the cosponsors of this bill were jointly responsible for the development of this bill. This bill originated in the legislative branch and combines the ideas of the cosponsors. It is a bipartisan or nonpartisan bill. The ranking minority member of the committee, Mr. CONTE, worked hard and constructively to develop this measure which was unanimously reported by the committee. It should receive the bipartisan support of the entire membership of the House and I urge its immediate passage.

RECOGNITION OF MEMBERS

Mr. Speaker, as chairman of the Small Business Committee, I want to commend all of the members of the committee who devoted their time to attendance and participation in the numerous days of hearings which culminated in the drafting of this legislation.

Also, on behalf of the committee, I want to commend the Members of the House who brought the problems of small business to our attention and who also proposed legislative solutions to these problems. These Members, although many of them do not serve on the Small Business Committee, have a keen interest in the viability of small businessmen throughout the Nation and provided us with the information and assistance so that we can carry out our responsibility of providing assistance to and protection of small business. Thus, I want to single out for special recognition because of the input they provided us: Mr. MCFALL, Mrs. BOGGS, and Messrs. ADDABBO, DOWNEY, FISH, LEHMAN, LEVITAS, LOTT, MITCHELL of Maryland, OTTINGER, and WHALEN.

AMENDMENT OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Iowa: Amend page 1 by striking lines 5 through 8 and renumbering the remaining sections.

Amend page 3, line 22, by striking "$915,000,000" and by inserting $2,000,000,000".

Amend page 5, line 7, by striking "$1,010,000,000" and by inserting "$2,000,000,000".

Mr. SMITH of Iowa. Mr. Speaker, this amendment deals with title I. First it strikes section 101 which puts this bill in compliance with the Budget and Control Act.

The other amendments put this bill in conformity with the bill we passed here last week, H.R. 2467, relative to the authorizations for fiscal years 1978 and 1979. We are making the multiple-year authorizations so that we will not be doing as so many committees have done in the past, run 6 months behind in authorizations. We are trying to set them in advance so everyone will know in advance what authorizations are permitted, and also, so the department will have good guidelines on which to base their programing.

I ask for adoption of the amendment.

Mr. CONTE. Mr. Speaker, we have no objection to the amendment. It is merely making conforming changes to match the bill that passed last Tuesday.

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

The SPEAKER. Does the gentleman from Iowa have further amendments?

Mr. SMITH of Iowa. Mr. Speaker, I have an amendment to title III but the bill is to be read by titles.

The SPEAKER. The bill is open to amendment at any point so the amendment is in order.

AMENDMENT OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Iowa: Amend page 9, line 11, by striking "(3)" and by inserting "(4)".

Mr. SMITH of Iowa. Mr. Speaker, this is a very noncontroversial amendment and I do not believe there is any question about it. I ask that it be adopted.

Mr. CONTE. Mr. Speaker, we have no objection.

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HARRIS

Mr. HARRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: On page 7, delete all of Section 206, beginning on line 6 and ending on line 8.

Mr. HARRIS. Mr. Speaker, this provision in the bill creates an additional Associate Administrator for the Small Business Administration. I think it pretty much exemplifies what we have been doing in other legislation which some of us have been trying to stop from doing. If we have had a boom in the number of generals and admirals in the Armed Forces, we have also had a boom in the supergrades as far as the civil service is concerned. We are going to continue to have that boom as long as an individual legislation such as this we continue to create additional supergrade posts, as this bill does. It creates an additional executive level 5 for the Small Business Administration, without having referred the legislation to the Civil Service Committee and without having

any sort of coordination with other agencies. The bill simply says that another executive level 5 post is established for the Small Business Administration.

It may be they need another executive level 5 there, but if they do we ought to have some means of coordinating the matter, it ought to go to the Civil Service Committee for its review and recommendation as to the creation of another supergrade post.

It seems to me at this particular time we ought at least to take into consideration the fact that we are having reorganization proposals being made by the Carter administration and we should consider this whole matter in an orderly way, instead of continuing the practice of having an individual piece of legislation creating these new posts.

Mr. Speaker, I think it would not be destructive in any way to the bill to create the right type of procedure if we remove just this section from the bill, so as to give the Civil Service Committee and the new administration the opportunity to make its recommendations clear on Assistant Secretaries and Associate Administrators of this type and not to continue the precedent of having individual pieces of legislation creating these special supergrade posts.

Mr. Speaker, I would hope that my colleagues on this bill would agree to this principle, so that we can remove this section, section 206, from the bill and not perpetuate the practice of creating these supergrade posts.

Mr. SMITH of Iowa. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the gentleman from Virginia asks us to agree with the principle. I do not disagree with the principle, but I think there is an exception here.

The rationale for this provision is that this person is doing the job and he has been doing the job. He is the only person doing the job as an Associate Administrator who does not also have an executive level 5 title.

Actually, as a GS–18 and because of the ceiling, he is paid the same amount of money he would have been paid as an executive level 5. If the ceiling is lifted it would make a difference; however, our colleague, the gentleman from Maryland (Mr. MITCHELL) who brought this to the attention of the committee, felt, and I thought made a very good case, that in this instance this provision ought to be an exception to general principle that was stated by the gentleman from Virginia. On that basis the committee opposes the amendment.

Mr. CONTE. Mr. Speaker, I move to strike the last word. I rise in opposition to the amendment.

Mr. Speaker, I find it hard to believe that anyone would object to a level 5 Associate Administrator for minority enterprises. If every agency of the Government had been as attentive to minorities as the SBA has been, a good portion of our national shame would have been erased by now. Certainly the SBA has had some failings in this area; but with the strong support of this House, SBA has led the way. It has a record it can be proud of and one we can all be proud of in this country.

Mr. Speaker, I want the SBA to continue to lead the way and set an example. For that reason, I believe it was wrong for this body to refuse to recognize the Administrator of the Minority Enterprises as an executive level position. In the name of commonsense and decency, I urge defeat of this amendment.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Virginia.

Mr. HARRIS. Mr. Speaker, I am sure my colleague, the gentleman from Massachusetts, understands that I could not agree more. We should consider the creation of another supergrade post in the Small Business Administration and certainly minority enterprises is something we should consider an administrator for; but I am sure my colleague would agree that if we continue to have legislation by agency creating more executive levels and administrators without having anybody coordinate this kind of creation, we are going to continue to have this upsurge and inflation of supergrades.

Mr. Speaker, I am sure my colleague will agree with me not to do it by way of individual pieces of legislation like this, but to have the Civil Service Commission make recommendations as to executive levels and how many Assistant Secretaries and Associate Administrators we have in a given agency. I am sure my colleague would agree with that.

Mr. CONTE. Mr. Speaker, I sort of agree with the gentleman in a sense; but I feel that this committee, even before it became a legislative committee, when it was a select committee, it had many hearings on minority enterprises. We came out with a strong unanimous feeling that there should be this level 5 Administrator for Minority Enterprises. It is that important. It is a very important function in the SBA and they have done such an excellent job that they should be pulled out of the flock, so to say, and brought to the forefront in a level 5 position.

Mr. Speaker, I hope the amendment will be defeated.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I rise in support of H.R. 692, amendments to Small Business Act and Small Business Investment Act. This bill is the result of thoroughly nonpartisan effort of the Small Business Committee. It is sponsored by the distinguished committee chairman, NEAL SMITH of Iowa, and cosponsored by numerous other members of the committee from both parties. It was approved by the committee unanimously.

This bill is identical to H.R. 13567 which was passed by the House June 7, 1976, by a vote of 341 to 2, but was not acted on by the Senate.

The bill is designed to meet needs not met under the present Small Business Act of 1958. First, this bill will provide help under the Small Business Act for homebuilders, who are not presently covered. Second, it will increase the limit on the amount which may be outstanding at any one time in three different categories of loans. Business loans and investment will increase from $6 billion to $8 billion, economic opportunity loans from $450,000 to $525,000, and financial assistance to small business investment companies from $725,000 to $1.1 million.

These increases are considered necessary for SBA programs to operate through fiscal year 1977 at the full level of funding provided by law. Third, this legislation will authorize SBA to determine "responsibility" of a small business concern, and then allow the maximum statutory term on loans to be suspended for up to 5 years under certain circumstances. Fourth, it authorizes SBA to dispense disaster loan funds to small businesses upon request from the Governor of that State without a Presidential declaration. Fifth, it authorizes loans made to businesses displaced by Federal projects out of the disaster loan funds. Sixth, it changes the authorizations for the lease and surety bond guarantee programs from specific dollar amounts to open-ended amounts.

Mr. Speaker, I think it is highly significant that the Small Business Committee is sending this bill to the floor for the second year in a row by unanimous vote. It is my belief that passage of this bill is necessary for small businesses to maintain their part of our Nation's economic recovery, as well as the continued vitality of the small business program. I urge passage of this bill.

Mr. MITCHELL of Maryland. Mr. Speaker, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Speaker, let me just make clear to my colleagues a little bit about the history of this amendment. When I first addressed the issue as to the status of the Administrator for Minority Small Business, that was under the Nixon administration. At that point, there were discussions with the Civil Service Commission and with the administration. The Nixon administration agreed that the position should be elevated to what is proposed in this piece of legislation.

We went through the same effort in terms of the Ford administration. The Civil Service Commission raised no objections at that time, and the Ford administration agreed to raising the level of this position to what is proposed in this bill.

Now, it seems to me that the argument about waiting to reorganize the Government, waiting for the President's proposal to reorganize the Government, may have some merit, but on the other hand, you know and I know that such a reorganization is at least 8 months down the road before it begins to fall in place, if it ever falls in place. Meanwhile, we have got the pressing problem of minority businesses trying to exert sufficient strength through an administrator so

that they can become a part of the economic mainstream of this country.

I would like to make one more point on this to my colleagues. I serve on the Budget Committee, and one of the problems of the Budget Committee is the matter of uncontrollables—how much money we have committed to uncontrollable items. I respectfully suggest to the Members that to the extent and degree we are able to achieve some form of parity for minority businessmen; to the extent and degree that we are able to do that, that is to the extent and degree we are going to be able to begin to reduce some of the uncontrollables in the budget. Therefore, I urge defeat of the amendment.

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL of Maryland. I yield to the chairman.

Mr. ADDABBO. Mr. Speaker, as the gentleman will recall, we held extensive hearings, and I chaired the subcommittee on small business. In many cases, all administrations have given lip service to the minorities. They have shown dollar figures and numbers, but never any real intention to help the minority go with the mainstream.

In our hearings, we looked at the question of an administrator for minority small businesses. He was lost. He had to report through three other people before he could get through to the administrator. If we are truly going to help the minority small businessman, he must have an administrator; he must have someone up front to be able to speak for him in this program. I would ask defeat of this amendment and passage of the bill.

Mr. MITCHELL of Maryland. I wholeheartedly concur with the gentleman's statement and comments. Again, I urge the overwhelming defeat of this amendment, which is well-intentioned but which could have a disastrous impact as we try to open up the doors for minority businesses in this country.

The SPEAKER. The question is on the amendment offered by the gentleman from Virginia (Mr. HARRIS).

The question was taken; and on a division (demanded by Mr. DE LA GARZA) there were—ayes 3; noes 26.

So the amendment was rejected.

Mr. DE LA GARZA. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, today I introduced a bill which amends the original Small Business Administration Act, which could very well fit into this legislation in title IV of the bill. The problem arose, though, after this legislation was originally discussed and passed the first time through the Congress, and rather than amending or attempting to amend at this time, I would just like to advise the chairman of the committee and the members of the committee of the problem and of the bill which I have introduced.

When the Republic of Mexico devalued the peso, it caused tremendous stress and economic impact on the American side of the border.

For many reasons we found, to our distress at the time, that the original jurisdiction of the Small Business Administration did not cover that type of economic disaster. So what I am attempting to do by my legislation is this: In this bill we refer to any economic impact due to a relocation or any adverse economic impact caused by a project of a local government or a State government. That is title IV of this act.

I have introduced my bill that would amend, ostensibly, that section, saying that if there is any economic impact due to an economic policy of a contiguous nation, Mexico or Canada, then we would be eligible for the Small Business Administration, under the rules and regulations already existing.

I am not going to offer an amendment, but, rather, I am informing the chairman that I would hope we might have his cooperation.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Speaker, the gentleman did present this amendment to me about an hour ago and he explained it to me. Frankly, I did not hear of the problem before that. I suppose that by reading the paper I should have heard of it. But the gentleman first brought it to my attention.

Mr. Speaker, I do think the gentleman's suggestion has considerable merit, and I will make sure one of the subcommittees promptly considers this matter and will keep in touch with the gentleman so that he can make his argument at the appropriate time.

Mr. DE LA GARZA. Mr. Speaker, I appreciate the pledge of cooperation of the chairman.

Mr. CONTE. Mr. Speaker, I move to strike the requisite number of words, and I rise in support of the legislation.

Mr. Speaker, I rise to express my wholehearted support for this bill, H.R. 692.

It is a good bill—an omnibus bill which includes those provisions which your Small Business Committee has identified as being in immediate need of enactment.

Mr. Speaker, I would like to emphasize that, although this bill was the first to be reported in this Congress, it was not hastily thrown together without proper consideration.

The provisions of this bill, with only a couple of minor exceptions, were included during the last Congress in H.R. 13567, which was passed in this body by a resounding vote of 341 to 2.

These provisions enjoy the unanimous bipartisan support of your Small Business Committee, as is reflected in the fact that the committee voted the bill reported favorably, on January 27, by a vote of 23 to 0.

During the second session of the last Congress, the Small Business Committee held extensive hearings and worked hard to reach a unanimous, bipartisan consensus on what should be done immediately with regard to the Small Business Act and the Small Business Investment Act. We reached that consensus and the House endorsed it last June 7.

Unfortunately, Mr. Speaker, the other body did not take advantage of the opportunity to respond to the immediate needs we had so carefully identified. While more than 13 million American small businessmen waited, our bill died in the other body with the final adjournment of the 94th Congress.

Those 13 million small businessmen, the people who provide almost half our GNP and a livelihood for half of our citizens, are still waiting. I believe we owe it to those men and women to act forcefully today to give the other body another opportunity—an early opportunity—to end the wait.

Mr. Speaker, I will not repeat all of the arguments which justify enactment of this bill. The most able chairman of our committee, my distinguished friend and colleague, NEAL SMITH, has already done that. I do, however, want to mention a couple of items which, to me, deserve to be highlighted.

First, title I of the bill provides the vitally needed new ceilings for the SBA programs. Part A of the title gives the Agency the room it needs to operate through this fiscal year. Part B provides a new approach for the following 2 fiscal years. It sets forth annual program levels of operation for each of the SBA activities.

This is an approach I have long advocated. It is an approach strongly favored by the National Federation of Independent Business and other small business groups and their friends. This "line item" approach tells our committee, the Appropriations Committee, the Congress, and the SBA exactly what SBA is expected to do in each area; and, of equal or more importance, it tells the small business community just what it can expect from its Agency.

I also want to mention title V, which expands and improves the SBA certificate of competency program. The C of C program saves the Government money, because the applicant is always the low bidder. It also gives the small firm effective protection against arbitrary decisions by procurement officers. It gives him his only protection short of an expensive lawsuit.

Unfortunately, over the years, procuring agencies have found ways to get around the certificate of competency appeal. Instead of using terms such as "capacity" and "credit" in disqualifying small firms, they use terms like "tenacity" and "perseverance" or they say the small firm is not a regular manufacturer or dealer. They are allowing form to triumph over substance. This new language will end all of that. It will permit an appeal to SBA whenever a small bidder is disqualified for any factors that really involve capacity or credit regardless of what they are called.

In conclusion, Mr. Speaker, I would like to express my deep appreciation and gratitude to the new chairman of the Small Business Committee, NEAL SMITH of Iowa. It is obvious, from the prompt and responsive action our committee has

already taken this Congress, that the Small Business Committee of this House and the small business community of this Nation is in good and capable hands.

When I last took this floor to advocate passage of a small business bill, it was my privilege to pay tribute to past chairman of the Small Business Committee—Joe Evins of Tennessee. At that time, with more than ample justification, I referred to Joe Evins as the "champion of the small businessmen of this country."

Mr. MITCHELL of Maryland. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of passage of H.R. 692, amending the Small Business Act and the Small Business Investment Act of 1958.

This legislation contains numerous provisions which are key to strengthening the role of small business in our economy, in general, and several provisions which are crucial to the survival of minority business, in particular. I am pleased, therefore, to urge my colleagues to overwhelmingly adopt this measure as was done by the House during the 94th Congress.

Because of continuing high rates of unemployment which unrelentingly and inordinately plague the minority sector of our populace, viable, strong minority enterprise is a must. I know that minority entrepreneurs are eager and willing to make the necessary sacrifices to enter and remain in the American economic mainstream. Yet, usually due to a paucity of resources and an abundance of insensitivity on the part of the larger community—an insensitivity which in many cases has become institutionalized in both the private and public sectors—a large number of minority businesses exist only from day to day. With far too many minority businesses, economic stability is often elusive and economic parity is frequently nonexistent.

Business failures are never a plus, not for the business, not for the community, not for the State, and certainly not for the Nation. Every time a business, regardless how small, has to reduce its output or close its doors, we all lose—unemployment is increased and human resource programs at every level of government are greater strained.

It is excellent, therefore, that H.R. 692 contains provisions aimed at providing certain businesses with a final chance for survival, after all else has failed. This bill allows the Small Business Administration to suspend loan repayments for a period of up to 5 years, providing, most importantly, that without the moratorium the small business concern would become or remain insolvent and that with the moratorium the small business would become or remain a viable business entity. This SBA authority is designed only for those businesses in the most desperate of circumstances. However, my colleagues should note that this single provision takes on a new added importance in the face of problems already beginning to arise out of this year's unexpectedly severe winter.

Other provisions of this legislation which, for example, lock in an associate administrator for minority small business at a level equivalent to other SBA associate administrators and direct SBA to shed to more light on the specific problems of minority business enterprise are overdue.

H.R. 692 is a step in the right direction as far as small and minority business is concerned. This bill sets the stage for even stronger minority business legislation which is vitally needed if economic parity is ever to be achieved by certain segments of our citizenry.

Believe me, so-called strong signs of economic recovery which we at the national level hear about from time to time have not yet, and may well never, "trickel down" to some segments of our economic community. Until such time as those alleged trickels become a continuing stream, this Congress has the obligation to fend off the destruction that comes with an economic drought, or a naturally crippling winter, which is very real to many small businesses.

H.R. 692 should be passed.

Mr. DRINAN. Mr. Speaker, I rise in enthusiastic support of the pending amendments to the Small Business Act (H.R. 692). This bill has been unanimously reported by the House Small Business Committee in answer to the need for additional financial assistance by the small business community.

It is not surprising that additional assistance is required, Mr. Speaker, in view of the fact that economic recovery has slowed somewhat in recent months. The economy is recovering, as shown by the fact that consumer confidence at the end of 1976 had improved substantially. Yet in its first major 1977 economic report, the Congressional Budget Office forecast that the recovery would take longer than initially expected. Most disappointingly, the unemployment rate is projected to drop to no lower than 6.5 percent from the present rate of 7.8 percent.

These economic figures are especially revealing due to the fact that small business is always most directly affected by changes in the economy. Small business is in effect the barometer of economic activity. When business improves, local shops and manufacturing concerns are generally the first to feel its effect. And when economic prospects worsen, small business is similarly first to feel the crunch.

Mr. Speaker, as a result of this great vulnerability which local entrepreneurs face in our economy, it is necessary for the Congress to be especially mindful of their problems. It is for this reason that H.R. 692 must be enacted so that we can protect the interest of those individuals who have toiled for years to build their own businesses. The road is not easy for these individuals, and since they comprise such an important part of the U.S. gross national product, we must not fail to carefully consider the difficulties which they face.

The amendments which we are considering today increase the limits for the Small Business Administration for loans and obligations which may be outstanding at any time. The current limit is $6 billion, but unless this overall limit is raised, many businesses will have to be turned down when they seek financial assistance. Therefore, in order to continue the operations of these programs the bill increases the limit to $8 billion. The legislation also authorizes the appropriation of $71 million for the SBA surety bond guarantee fund. This fund is necessary so that small business can post performance bonds in order to meet the requirements of any specific contracts which they may be eligible for. A number of other limits are also increased in order to foster economic growth among small businesses.

Mr. Speaker, H.R. 692 includes additional provisions which will be important to the small business community. One important change is that the SBA is now authorized to make regular business loans to small homebuilders for construction or rehabilitation of buildings. Up until this time, a homebuilder, regardless of size, was precluded from receiving financial assistance from the Small Business Administration. It was felt that homebuilders as a class are speculators, and under this misleading categorization many promising businessmen and businesswomen were precluded from small business financial assistance. This was surely an unfortunate characterization of the average small homebuilder, especially in view of the fact that small construction firms account for 77 percent of the construction industry.

Mr. Speaker, in order to key in on other important provisions in this legislation I would like to briefly review several of the inclusions. The bill—

Authorizes SBA to make business loans to small concerns displaced by State or local government projects;

Gives SBA the authority to make economic injury loans at a Governor's request to small business in an area affected by a natural disaster;

Expands SBA's certificate of competency program by authorizing SBA to make all determinations regarding the responsibility of a small business to perform a specific Government contract;

Directs Federal agencies, wherever possible, to divide small business set-aside contracts into amounts of less than $1 million each;

Enlarges the eligibility for SBA compliance loans in order that small business will be able to meet the requirements of a Federal law, a State law, or regulation issued in conformity with a Federal law; and

Authorizes up to a 5-year moratorium on repayment of SBA loans provided that without the moratorium the business would become insolvent.

It can be seen, Mr. Speaker, that H.R. 692 provides a number of sweeping new protections for the small business owner. No legislation which could be passed would ever genuinely assist the individual entrepreneur in meeting all of his or her individual problems. However, by focusing in on a number of the largest problems, I hope that we may be able to as-

not only provide a source of income, but provide a valuable community service. Without these enterprising people, our country's economic system would be less stable and less productive, and our unemployment rate would be even higher than the high levels it is today.

Unfortunately, these entrepreneurs are handicapped in their efforts to build new businesses. Nonavailability of investment funds, natural disasters, relocation due to displacement by a Government program or project, and the imposition of strong compliance requirements all serve to inhibit the growth of a new or struggling firm. The Small Business Administration was established for the purpose of assisting these small businesses to get started and cushioning their financial burdens during periods of unexpected financial crisis. All too often though, the SBA fails to actively promote the programs for which they were established to administer.

Today the House overwhelmingly passed H.R. 692, a bill which amends the Small Business Act and the Small Business Investment Act of 1958. It provides that many homebuilders can now obtain more extensive loans. The Committee on Small Business found that most of these homebuilders are really small businesspersons who are not speculators, but people who provide an invaluable service for buyers in an overinflated housing market. H.R. 692 also softens the impact of stringent compliance requirements on small businesses by allowing them to obtain compliance loans.

In a depressed economic environment, just meeting the monthly bills is quite difficult. By giving the SBA the authority to defer payments to either SBA or to a bank which had made a guaranteed loan, small businesses will be better able to weather hard financial times and, in the long run, to survive. This bill would also extend loans to small businesses who suffer economic injury due to displacement by a project or program of the State or local government.

The intent of the legislation is clear. The Committee on Small Business and the House have served notice that they want to extend protection and financial assistance to small business. I hope that the Small Business Administration will liberally effectuate it.

Mr. SMITH of Iowa. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 381, nays 0, not voting 50, as follows:

[Roll No. 20]

YEAS—381

Abdnor	Downey	Le Fante
Addabbo	Drinan	Leach
Akaka	Duncan, Oreg.	Lederer
Alexander	Duncan, Tenn.	Leggett
Allen	Early	Lehman
Ambro	Eckhardt	Lent
Anderson, Calif.	Edgar	Levitas
Anderson, Ill.	Edwards, Ala.	Lloyd, Calif.
Andrews, N.C.	Edwards, Calif.	Lloyd, Tenn.
Annunzio	Edwards, Okla.	Long, La.
Applegate	Eilberg	Long, Md.
Archer	Emery	Lott
Armstrong	English	Luken
Ashbrook	Erlenborn	Lundine
Ashley	Ertel	McClory
Aspin	Evans, Colo.	McCloskey
AuCoin	Evans, Del.	McCormack
Badham	Evans, Ga.	McDade
Badillo	Evans, Ind.	McHugh
Bafalis	Fary	McKay
Baldus	Fascell	McKinney
Barnard	Fenwick	Madigan
Bauman	Findley	Maguire
Beard, R.I.	Fish	Mahon
Beard, Tenn.	Fisher	Mann
Bedell	Fithian	Markey
Beilenson	Flippo	Marks
Benjamin	Flood	Marlenee
Bennett	Florio	Marriott
Bevill	Flowers	Mathis
Biaggi	Flynt	Mattox
Blanchard	Foley	Mazzoli
Blouin	Ford, Mich.	Meeds
Boggs	Ford, Tenn.	Metcalfe
Boland	Fountain	Meyner
Bolling	Fraser	Michel
Bonior	Frenzel	Mikulski
Bonker	Fuqua	Mikva
Bowen	Gammage	Milford
Brademas	Gaydos	Miller, Calif.
Breaux	Gephardt	Miller, Ohio
Breckinridge	Gilman	Mineta
Brinkley	Ginn	Minish
Brodhead	Glickman	Mitchell, Md.
Brooks	Goldwater	Mitchell, N.Y.
Broomfield	Gonzalez	Moakley
Brown, Calif.	Goodling	Moffett
Broyhill	Gore	Mollohan
Buchanan	Gradison	Montgomery
Burgener	Grassley	Moore
Burke, Calif.	Guyer	Moorhead, Calif.
Burke, Fla.	Hagedorn	Moorhead, Pa.
Burke, Mass.	Hall	Moss
Burleson, Tex.	Hamilton	Mottl
Burlison, Mo.	Hammer-schmidt	Murphy, Ill.
Burton, John	Hanley	Murphy, N.Y.
Butler	Hannaford	Murphy, Pa.
Byron	Hansen	Murtha
Caputo	Harkin	Myers, Gary
Carney	Harrington	Myers, Michael
Carr	Harris	Myers, Ind.
Carter	Harsha	Natcher
Cavanaugh	Hawkins	Neal
Cederberg	Heckler	Nedzi
Chappell	Hefner	Nix
Chisholm	Hightower	Nolan
Clausen, Don H.	Holland	Nowak
Clay	Hollenbeck	Oakar
Cochran	Holt	Oberstar
Cohen	Holtzman	Obey
Coleman	Hubbard	O'Brien
Collins, Ill.	Huckaby	Ottinger
Collins, Tex.	Hughes	Panetta
Conable	Hyde	Patten
Conte	Ichord	Patterson
Conyers	Ireland	Pattison, N.Y.
Corcoran	Jeffords	Pease
Cornell	Jenkins	Perkins
Cornwell	Jenrette	Pettis
Cotter	Johnson, Calif.	Pickle
Coughlin	Jones, N.C.	Pike
Crane	Jones, Okla.	Pressler
Daniel, Dan	Jones, Tenn.	Preyer
Daniel, R. W.	Jordan	Price
Danielson	Kasten	Pritchard
Davis	Kastenmeier	Pursell
de la Garza	Kazen	Quayle
Delaney	Kelly	Quie
Dellums	Kemp	Quillen
Dent	Ketchum	Railsback
Derrick	Kildee	Rangel
Devine	Kindness	Regula
Dickinson	Koch	Reuss
Dicks	Kostmayer	Richmond
Diggs	Krebs	Rinaldo
Dingell	LaFalce	Risenhoover
Dodd	Lagomarsino	Roberts
	Latta	Robinson
Rodino	Smith, Nebr.	Waggonner
Roe	Snyder	Walgren
Rogers	Solarz	Walker
Roncalio	Spellman	Walsh
Rooney	Spence	Wampler
Rose	Staggers	Watkins
Rostenkowski	Stanton	Weaver
Rousselot	Steed	Weiss
Roybal	Steers	Whalen
Rudd	Steiger	White
Runnels	Stockman	Whitehurst
Ruppe	Stokes	Whitley
Russo	Stratton	Whitten
Ryan	Studds	Wiggins
Santini	Stump	Wilson, Tex.
Sarasin	Taylor	Wirth
Satterfield	Thompson	Wolff
Scheuer	Thone	Wright
Schroeder	Thornton	Wydler
Schulze	Tonry	Wylie
Sebelius	Traxler	Yates
Seiberling	Treen	Yatron
Sharp	Trible	Young, Alaska
Shuster	Tsongas	Young, Fla.
Sikes	Tucker	Young, Mo.
Simon	Udall	Young, Tex.
Skelton	Vander Jagt	Zablocki
Skubitz	Vanik	Zeferetti
Slack	Vento	
Smith, Iowa	Volkmer	

NAYS—0

NOT VOTING—50

Ammerman	Gibbons	Poage
Andrews, N. Dak.	Gudger	Rahall
Baucus	Heftel	Rhodes
Bingham	Hillis	Rosenthal
Brown, Mich.	Horton	St Germain
Brown, Ohio	Howard	Sawyer
Burton, Phillip	Jacobs	Shipley
Clawson, Del	Johnson, Colo.	Sisk
Cleveland	Keys	Stark
Corman	Krueger	Symms
D'Amours	Lujan	Teague
Derwinski	McDonald	Ullman
Dornan	McEwen	Van Deerlin
Forsythe	McFall	Waxman
Frey	Martin	Wilson, Bob
Giaimo	Nichols	Wilson, C. H.
	Pepper	Winn

The Clerk announced the following pairs:

Mr. Howard with Mr. Rhodes.
Mr. Stark with Mr. McEwen.
Mr. Shipley with Mr. Hillis.
Mr. Rosenthal with Mr. Johnson of Colorado.
Mr. McFall with Mr. Derwinski.
Mr. Krueger with Mr. Forsythe.
Mr. Jacobs with Mr. Symms.
Mr. Gibbons with Mr. Bob Wilson.
Mr. Ullman with Mr. Winn.
Mr. Van Deerlin with Mr. Martin.
Mr. Sisk with Mr. Horton.
Mr. Charles H. Wilson of California with Mr. Lujan.
Mrs. Keys with Mr. Frey.
Mr. Baucus with Mr. Cleveland.
Mr. Bingham with Mr. Brown of Michigan.
Mr. Giaimo with Mr. Andrews of North Dakota.
Mr. Waxman with Mr. Del Clawson.
Mr. Pepper with Mr. Dornan.
Mr. Phillip Burton with Mr. Corman.
Mr. Ammerman with Mr. Brown of Ohio.
Mr. D'Amours with Mr. Heftel.
Mr. Gudger with Mr. Nichols.
Mr. McDonald with Mr. Rahall.
Mr. St Germain with Mr. Teague.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUMMARY OF THE NATURAL GAS REFORM BILL TO BE INTRODUCED IN THE HOUSE FEBRUARY 9, 1977, BY REPRESENTATIVE CLIFFORD ALLEN

(Mr. ALLEN asked and was given permission to address the House for 1 min-

ute, to revise and extend his remarks and include extraneous matter.)

Mr. ALLEN. Mr. Speaker, I am today introducing in the House a bill to reform the Natural Gas Act to encourage the exploration and drilling for natural gas, by vesting certain extraordinary and other powers in the President, to encourage the conservation and nonwasteful use of natural gas, and to protect the public from being ripped off by unreasonably high rates by the natural gas industry through proper regulation and control of all natural gas by the Federal Power Commission, State regulatory commissions, and other agencies established for that purpose by the several States and U.S. territories.

The first thing that this bill would do is to recognize that natural gas is not a manmade commodity, but is a natural resource created and placed in the Earth by our Maker for the benefit of all mankind.

In our present economy, we must surely recognize that all natural gas is a vitally needed and essential national resource, and this bill so states.

We must surely recognize also that there is a great and urgent need to speed up and greatly expand the exploration and drilling for more natural gas to meet the present and future demands for this essential fuel in all 50 States.

To encourage and provide substantial incentives to natural gas companies and other persons to increase their exploration and drilling for more natural gas, this bill would confer certain extraordinary powers in the Office of the President.

The lack of such financial incentives to increase their exploration and drilling for more natural gas has been emphasized, time and time again, by spokesmen of the natural gas industry as the reason more exploration and drilling has not taken place over the past several years. In this connection it is claimed that the exploration and drilling for natural gas, even in the most promising sites, often results in dry holes, where no gas, oil, or other valuable minerals are found, resulting in total losses for those who hazard their money for such exploration and research.

To meet this situation, this bill would grant discretionary power and authority to the President, on behalf of the Government, to share in the risk of such exploration and drilling, through certain agreements he would be empowered to make with those who are willing to venture their capital in such exploration and drilling. Under such agreements, the Federal Government would pay and reimburse such parties up to, but not to exceed, 50 percent of the cost and losses suffered by such producers in all cases where such exploration or drilling results in a dry hole.

This is a unique and never-before-tried incentive to help increase the supply of natural gas that would be available for the market, and would help to hold down the prices to consumers in view of the fact that the Government would be sharing in these losses and costs of drilling dry holes, which have heretofore been added to the rates and prices charged for this essential fuel.

To promote the conservation and to end the wasteful uses of natural gas to fire boilers and for other low-priority uses, for which other types of efficient fuels are in more plentiful supply, and to insure adequate supplies of natural gas at reasonable prices to residential users, small businesses, and other higher priority users, the bill requires the Federal Power Commission to establish as a matter of law the priorities for the various uses of natural gas, with the highest priority going to residential users, small businesses, and other such users as may be determined by the Commission, with the approval of the President. The Commission is then directed that natural gas supplies be committed first to these high-priority users. No user may be charged a rate less than that charged to residential consumers and the highest priority users.

To further discourage the wasteful practice of furnishing cheaper gas to lower-priority users, the Commission and other regulatory agencies may establish differential rate schedules to provide that the lower the priority use the higher the rate.

Then, for the first time, all natural gas, and the rates to be charged by all natural gas companies, would be properly regulated for the protection of the consumers in all 50 States, without the present unfair discrimination.

To accomplish this, the bill revamps the coverage language of the Natural Gas Act. The Federal Power Commission was originally charged with regulation only of transporting and selling natural gas, and of only that part of transportation and sales which took place across State lines. The original law specifically exempted from coverage any intrastate transportation and sale. The reform bill expands the regulatory jurisdiction of the Federal Power Commission to the production, supplying and distribution, as well as the transportation and sale, of natural gas, wherever located and whether or not it crosses State lines. The only exclusion from the Commission's jurisdiction is where sales by local distributors to ultimate consumers are already being regulated by State commissions or other appropriate agencies of State or territorial governments. The bill also applies to all natural gas companies, which are defined as persons engaged in the production, distribution, supplying, transportation or sale of natural gas.

This bill also expands the statutory definition of interstate commerce to specifically include any commerce affecting interstate commerce and to specifically include the exploration, drilling, production, distribution, supplying, transportation or sale of natural gas, regardless of location, except that regulated by proper State or territorial government.

Further teeth are added by the addition of definitions of "local distributor" and "ultimate consumer," spelling out exactly which sales are still outside the purview of the Commission.

In light of the difficulty of obtaining an accurate picture of the true extent of the natural gas supply crisis, the bill requires every natural gas company to file monthly reports with the Commission and the President reflecting its current inventory and supply and demand for natural gas, including 6- and 12-month projections of its supply and demand, with an appropriate penalty for failure to comply.

The President is accorded power to seize supplies of natural gas in two situations: First, where he shall determine that gas is being arbitrarily withheld from the market by any person, in which event he can redistribute the seized gas, provided that prices are pegged at those established by the Commission; and two, where there is true scarcity, in which event the seizure procedures shall comply with those in the President's Emergency Natural Gas Act. Here again, the President has the power to reallocate available supplies.

The President, the Commission, and any citizen adversely affected by the activities of a natural gas company, each has been given further right of enforcement by mandatory court order, injunctive or any other appropriate relief through the courts.

I believe it was Abraham Lincoln who said this Nation could not continue to exist half free and half slave. The same is true of our use of natural gas. We cannot permit this vital natural resource to remain half regulated and half unregulated.

This bill recognizes this principle in undertaking to provide essential natural gas to consumers, without the present unfair discrimination of sufficient and even overabundant, supplies being made available in some unregulated States at various and different prices, while other States and parts of the Nation are having their gas supplies seriously curtailed below their minimum needs, with no semblance at all of any uniform policy or sensible rationale in the rates and prices charged the consumers, but only the rankest kind of invidious discrimination.

The American people know that we are all in this together. This reform bill will let all of us carry our own fair share for the welfare of the Nation.

TANKER SAFETY LEGISLATION

(Mr. DICKS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. DICKS. Mr. Speaker, as the 95th Congress began, we were all inundated with news reports of oil tanker accidents and widescale marine pollution. It is my strong hope that before we end the 95th Congress, we will have placed on the statute books strong and comprehensive tanker safety legislation.

It is clear that we will need the close cooperation and leadership of the executive branch if we are to succeed in this endeavor. And with Brock Adams as the new Secretary of Transportation, I believe we have just the man who can provide us with such help. I think it is sig-

nificant to note that one of Secretary Adams' first actions in his new position was to put into effect new regulations on tanker safety. I applaud the Secretary on this action, and look forward to working with him in building on this record.

I believe the case for a comprehensive tanker safety bill is overwhelming—I only wish we did not need catastrophic oil spills to help build public support for such action. Actually, tanker mishaps cause only a fraction of the total oil pollution problem. Various studies estimate that between 6 and 9 million tons of oil soil our marine environment every year; most experts place pollution due to oil transport at approximately 1½ to 2 million tons annually. Within this 1½ to 2 million ton figure, the weight of evidence seems to indicate that only 1 out of 7 gallons stems from accidents; the remainder comes from routine tanker operations. This indicates to me that effective tanker safety legislation will need to take a more encompassing approach than narrow accident prevention, if we are to be successful. A 1975 study by the National Academy of Sciences has compiled the best statistics I have seen on this matter, which I will place in the RECORD at this point:

Summary of oil pollution inputs in the world's oceans caused by tankers

[1973 Estimated annual input—in tons]

Cause:	
Tanker operational spillage caused by tank washing and ballast water discharge: 75 percent by tankers without a load-on-top system and 25 percent by tankers with L.O.T.	1,080,000
Tanker accidents	200,000
Tanker drydocking	250,000
Tanker terminal operations	3,000
Tanker bilges and bunkering	50,000
Total[1]	1,583,000

[1] This total is equivalent to nearly ½ billion gallons of oil each year.

Source: "Petroleum in the Marine Environment," National Academy of Sciences, January 1975.

ESTIMATE OF OIL POLLUTION INPUT TO THE WORLD'S OCEANS FROM ALL SOURCES

Budget of petroleum hydrocarbon introduced into the oceans

Source	Input rate (millions of tons per year) Best estimate	Probable range	Reference
Natural seeps	0.6	0.2–1.0	Wilson et al. (1973).
Offshore production	.08	.08–.15	Do.
Transportation:			
LOT tankers	.31	.15–.4	Results of workshop panel deliberations.
Non-LOT tankers	.77	.65–1.0	
Drydocking	.25	.2–.3	
Terminal operations.	.003	.0015–.005	
Bilges bunkering	.5	.4–.7	
Tanker accidents	.2	.12–.25	
Nontanker accidents.	.1	.02–.15	
Coastal refineries	.2	.2–.3	Brummage (1973a).
Atmosphere	.6	.4–.8	Feuerstein (1973).
Coastal municipal wastes.	.3		Storrs (1973).
Coastal, nonrefining, industrial wastes.	.3		Do.
Urban runoff	.3	.1–.5	Storrs (1973), Hallhgen (1973).
River runoff	1.6		Do.
Total	6.113		

The NAS study estimated that between 6 to 9 million tons of oil stay continually in our oceans. What bothers me most is that we simply have no way of knowing what the long-term effects of such chronic oil pollution really are. And we all know the situation will get worse before it gets better. This is because every study made on the subject concludes that the amount of oil pollution in our waters is directly related to the amount of oil transported at sea.

The figures I have seen show that in 1985, between 3½ to 4 billion tons of oil will be transported by sea. A Smithsonian Institution study extrapolated from current oil pollution rates and estimated that by 1985, 4 to 5 million tons of oil will be added to the marine environment from tanker operations alone.

So far, this country has been lucky. Exact figures are difficult to come by, but the Coast Guard estimates that we suffer a polluting accident once in every 5,500 harbor transits. I do not believe we can take too much comfort in our past good fortune, however. With the projected increase of oil transported at sea, and the aging of the world's supertanker fleet, we must take actions to lengthen the odds against a catastrophic oil spill off our coasts. All it takes is one major accident: When the supertanker *Metula* ran aground off the coast of Chile, it created an oil slick the size of which could have completely covered Puget Sound.

It is my hope, therefore, that the Congress will enact comprehensive tanker safety legislation. On other occasions, I would like to share with my colleagues some thoughts on different component parts of a reasonable and comprehensive tanker safety legislative package.

FORMER MEMBER SAMUEL WEISS DIES

(Mr. MOORHEAD of Pennsylvania asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, it is with great sadness that I report to the Chamber the death in Pittsburgh of Samuel A. Weiss, a former Member from Pennsylvania who served in the Congress from 1941 to 1946.

Sammy Weiss, as he was known to multitudes in western Pennsylvania, was a man who mixed politics and his love of athletics in a lifetime career. Before serving in the State house and being elected to Congress, Weiss played baseball and football at Duquesne University and was a referee in the old National Professional Football League, the predecessor of today's National Football League.

After leaving the Congress, Weiss was elected to the court of common pleas and served more than 20 years before he retired in 1967.

Sammy Weiss was a man who long will be remembered in my State as a dedicated public official, a fine athlete, a judge with a strong sense of justice and a man who mixed little mercy with his judicial decisions.

I would like to include in the RECORD at this time an article from the Pittsburgh Post-Gazette noting the death of Samuel A. Weiss:

SAMUEL A. WEISS, RETIRED JUDGE, 74

Retired Judge Samuel A. Weiss, who for almost half a century was a one-man political and sports spectacular, died yesterday at Negley House, a Shadyside nursing home, after a lengthy illness.

Judge Weiss, 74, had retired from Common Pleas Court in 1967 while in his third successive 10-year term. He had been a member of Congress and a member of the state House of Representatives before assuming the judgeship in 1946.

But the judge's greatest popularity was on the sports banquet circuit where he frequently was a speaker. He had been captain of the Duquesne Unversity football team in 1923 and captain of Duquesne's baseball team in 1924.

Judge Weiss received his law degree from Duquesne in 1927 and continued his interest in football by becoming a referee in the old National Professional Football League, the predecessor of the present National Football Conference of the National Football League.

That helped him eat in his early years as a lawyer as did the banquet circuit. As his wife Jeannette, once said of Judge Weiss, "he's just not the pipe and slippers kind."

As a beginning lawyer, Judge Weiss won his first defense case with the help of the prosecuting attorney, the late M. Barney Cohen. Later on the bench Judge Weiss was generally regarded as a jurist unlikely to temper mercy with justice.

In 1952, Judge Weiss carried a .25-caliber Spanish pistol. He said that after he had ruled against Communist members of the Serbian Progressive Club of Wilmerding he had received threats and had surprised intruders in his home on two successive nights.

Judge Weiss was born in Poland and was brought to the United States as an infant. In his later judicial years he lived in the University Square Apartments in Shadyside but he still called Glassport his home.

He had been honored by the major veterans organizations, the Salvation Army and Duquesne University. He was a past regional chairman of the United Jewish Appeal and the National Jewish Hospital at Denver and past president of Rosalia Foundling and Maternity Hospital.

B'nai B'rith named a lodge after him, and he also was a member of the Fraternity Lodge, F&AM. He was active in the National Conference of Christians and Jews, and in bar associations.

Judge Weiss is survived by his wife, Jeannette E.; a son, James Edgar Weiss; a daughter, Mrs. Robert (Joy Arlene) Cohen of Washington, D.C., four sisters, Mrs. Etta Alderman and Pearl Weiss, both of Pittsburgh; Mrs. Molly Broudy and Mrs. Bessie Lebowitz, both of White Oak; and five grandchildren.

Services will be at Blank Brothers Inc. funeral home at noon today, with visitations beginning at 10:30 a.m. Interment will be in B'nai Israel Cemetery.

GENERAL LEAVE

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the life, character, and public service of the late Honorable Samuel A. Weiss.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

RECENT EFFORT TO REPEAL THE ROBINSON-PATMAN ACT

(Mr. BRECKINRIDGE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRECKINRIDGE. Mr. Speaker, but a few days before the resignation of the Ford administration's Attorney General and the inauguration of the incoming Carter administration, a small group of attorneys in the Antitrust Division of the U.S. Department of Justice released a document entitled "U.S. Department of Justice Report on the Robinson-Patman Act." That document constitutes an attack upon a section of our Federal antitrust laws which prohibits unjust and damaging price discriminations in the sale of goods in interstate commerce.

The document to which I refer is little more than a compendium of the assertions and arguments heretofore made without empirical or factual evidence. When the House Small Business Committee held hearings on related matters, one of the principals from this group in the Antitrust Division testified to the effect that he had publicly acknowledged that his arguments against the Robinson-Patman Act are largely based upon anecdotal information and philosophic bias. Nevertheless, this small group in the Department of Justice proceeded to compile this so-called U.S. Department of Justice Report on the Robinson-Patman Act, and to have it published in the waning days of the last administration. It is not signed. Neither does it show who the authors of this document were within this small group of attorneys to which I have reference.

As a Member of the House of Representatives, and as chairman of a subcommittee charged with the responsibility of reporting on matters such as this, which not only affects but is vital to the small business community, I wish to advise that this matter will be fully investigated, further hearings held, and a report made to the House of Representatives concerning it.

Mr. Speaker, I ask consent to revise and extend my remarks at this point in the RECORD:

Previously the same small group of attorneys in the Antitrust Division of the Department of Justice had made a similar attack on that section of our antitrust laws, which is known as the Robinson-Patman Act. On September 30, 1976, the Committee on Small Business of the House of Representatives submitted, and there was printed, House Report No. 94–1738 of the 94th Congress regarding that attack. The House report is entitled, "Recent Efforts To Amend Or Repeal The Robinson-Patman Act." On page 60 of that report, as published by the House of Representatives, is the following statement:

> Within the Antitrust Division of the Department of Justice, there is a coterie of lawyers who have expressed animosity to the Clayton Antitrust Law as amended by the Robinson-Patman Act. They formed the nucleus of a group called the "Regulatory Reform Unit" under the aegis of Assistant Attorney General Kauper, to study the various administrative agencies and commissions.
>
> Moreover, without explanation, is the fact that as a part of its regulatory reform program, this so-called "Regulatory Reform Unit" in the Antitrust Division of the Department of Justice surfaced with draft proposals for the repeal of the Robinson-Patman Act which is an amendment to the Clayton Antitrust Act. Why this small group of attorneys in that Unit considers a provision of the antitrust laws as a regulation of business is left unexplained. The Robinson-Patman Act is part of the antitrust law and it is not an act to "regulate" business; it is an act to prohibit unfair acts and practices through discrimination in price, service or facilities. Nevertheless, that "Regulatory Reform Unit" during July 1975 caused to be circulated to the Office of Management and Budget (OMB) drafts of bills which would amend or repeal the Robinson-Patman Act for the obvious purpose of having copies of such proposals recirculated to the other Federal departments and agencies.

Moreover, this same small group of attorneys in the Antitrust Division have claimed, in effect, that Congress did not know what it was doing when it passed the Robinson-Patman Act in 1935–36, and that there had not been adequate hearings held for consideration of the matter at that time or since (see pgs. 88–89, House Rep. No. 94–1738, 94th Congress and Cong. Rec., Dec. 18, 1975, pgs. 41809 and 41810).

Mr. Speaker, the trouble and fault with this small group of attorneys in the Antitrust Division is that they appear to be without communication with the practical everyday operations of business and confine their thinking to the views expressed by each other. For example, the document which they have just released as a report on the Robinson-Patman Act appears to be based in some part upon the views and arguments heretofore expressed publicly by members of this same the Department of Justice. In a number of places in that document they have quoted each other and cited public remarks made by members of the group. They simply do not seem to understand the hard facts of business life, and of competition, and of the problems faced by small business in this country.

When the Ad Hoc Subcommittee on Antitrust, the Robinson-Patman Act, and related matters of the House Small Business Committee held hearings in the fall of 1975, on other suggestions made by this same group of repeal of the Robinson-Patman Act, a petition was presented to the committee and to Congress by more than 60 small business associations representing approximately 3½ million small business firms. The petition read as follows:

> We join in this statement as a Petition to Congress to preserve in all respects the Robinson-Patman Act in its present form, without weakening amendments.
>
> We also urge the Congress to take appropriate action to improve the enforcement of this basic statute in all respects so that violations of the Robinson-Patman Act may be swiftly discovered and prosecuted.

These small business associations believe, without reservation, that repeal or weakening of Robinson-Patman would severely jeopardize our system of private enterprise and accelerate the trend toward giantism in the distribution of commodities. The greatest bulwark against monopoly is a strong small business community. It is in the public interest to prohibit predatory practices that would destroy both competition and competitors. The life of competition is in numbers of competitors. To insure that small business remains strong in numbers and in economic health, it needs fair rules of competition as typified by Robinson-Patman.

These associations further believe that small business would be so disadvantaged if Robinson-Patman were repealed—or weakened by amendments—that their major but losing battle for survival would be launched. There is no question but that thousands of businesses would be driven from the marketplace, resulting in a disastrous impact on our economy, tax revenues, and jobs. (See H. Rep. No. 94–1738, pages 3, 4, and 103.)

I include the following:

[From the Washington Post, February 7, 1977]

ANTITRUST CHIEF AND BIG BUSINESS

(By Jack Anderson and Les Whitten)

Donald G. Baker is a decent sort, a lawyer of excellent reputation, with an upright air and a scholarly demeanor. As the Justice Department's antitrust chief, he is supposed to police the cut-throat corporate world. But the business tycoons who inhabit this world make Baker look like Snow White among the seven dwarfs.

He discourses upon the evils of economic concentration, he espouses the theory of antitrust enforcement. But when it comes down to protecting the public from rigged prices and corporate monopolies, Baker has not exactly been a bold champion of vigorous action.

His latest tilt with the barons of Big Business is described in a confidential memo, which was never intended to be circulated outside the Justice Department. It reveals how he settled a price-fixing case with the two electrical giants, General Electric and Westinghouse, without demanding concessions that might have brought down energy prices.

The pursuit of lower energy prices is one of the top objectives of the federal government. Yet Baker could have broken the price squeeze in return for dropping antitrust allegations against General Electric and Westinghouse, the memo suggests.

Between them, GE and Westinghouse, sell about 90 per cent of the giant turbine generators, that produce electricity in America's power plants. Each generator costs millions which, in turn, has an impact on the price that the public eventually must pay for electricity.

The story is worth telling from the beginning. The Justice Department charged that for the past 12 years GE and Westinghouse had "deliberately" eliminated price competition in the giant turbine industry. The two companies allegedly accomplished this through an elaborate pricing scheme, which resulted in very similar prices for both GE and Westinghouse turbines.

Baker got an agreement from the two companies to stop "stabilizing" prices through this complex method. Yet GE and Westinghouse had promised the Justice Department years ago not to fix the prices of turbine generators. In other words, the companies merely promised again not to do something which they had already sworn never to do.

The agreement was opposed by two senior antitrust officials, Bernard Hollander and Richard Stern. The determined Stern put his objections in a confidential memo, which he submitted to Baker shortly before the settlement was approved.

Stern reminded Baker that Westinghouse was "extremely anxious" to settle the price-fixing case. This gave the Justice Department an opportunity to gain some important concessions from Westinghouse in a separate but related antitrust case, Stern pleaded.

In the latter case, Westinghouse allegedly used its contracts with the Mitsubishi Company to prevent the Japanese firm from shipping giant turbine generators to the United States.

The entry of Mitsubishi into the American market, Stern contends, would cause a "sharp price drop." He, therefore, "strongly urged" Baker as part of the settlement to insist "that Westinghouse agree to permit Mitsubishi to ship turbine generators to the U.S."

Footnote: In a telephone interview with our reporters Gary Cohn and Richard Dokolow, Baker said he approved the settlement because the government got all the relief it was seeking. He acknowledged that both Stern and Hollander had opposed the agreement but said Stern's memo called for "an inappropriate use of prosecutorial discretion." Both Stern and Hollander refused to comment.

ANOTHER FIX?

Another price-fixing case, involving the giant Atlantic Richfield oil combine, will be presented to a California grand jury this week.

The investigation has been kept hush-hush. But we have learned from insiders that the state's case will probably be similar to a lawsuit, which has been brought against Atlantic Richfield (ARCO) by franchised dealers in southern California.

In affidavits prepared for the civil suit, former ARCO sales representatives and dealers will describe attempts to control their prices by coercion. Many of these people are expected to be called before the grand jury.

An ARCO spokesman "categorically denied" the accusations brought against the company in the lawsuit. "We are confident our practices are legal and that we haven't been coercing our dealers," he said. He had no comment on the grand jury investigation.

GRAIN RESEAL AND FARM STORAGE ACT

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEBELIUS. Mr. Speaker, unfortunately, depressed wheat and feed grain prices are once again forcing farmers to place their grain under nonrecourse Commodity Credit Corporation loans. These loans are administered according to the Agriculture Act of 1949 that authorizes the Secretary of Agriculture to determine the length of the loan, loan price, rate of interest, and storage payments. In addition, it is stipulated that grain taken into ownership by the CCC cannot be sold on the market unless the cash price is at least 115 percent of the loan rate.

However, as the program exists today, the USDA could release the grain at the expense of the farmer. In fact, in the 1960's the Commodity Credit Corporation continually sold grain as soon as the price reached 115 percent of the loan rate. The result was a wheat market continually depressed by the Government. This is the underlying reason why farmers today are so adamantly opposed to Government ownership of grain.

Mr. Speaker, grain producers are currently in the midst of a farm price and credit crisis. Wheat farmers face a very erratic marketing situation. The combination of a large carryover and spotty production throughout our Nation's Wheat Belt means the farmer will continue to face an unpredictable market. More to the point, the grain producer's financial situation is such he must be able to plan for the future with some consistency.

During this uncertain period in American agriculture, it is my strong belief that farmers and growers should have maximum control over when and where their grain is marketed. What is at stake is our Nation's grain producing capability. The man whose job it is to feed our Nation and a troubled and hungry world must at least have some control over decisions that affect his ability to stay in business.

With CCC nonrecourse loans on the 1976 crop approaching their 11-month termination date, there will undoubtedly be a Government takeover unless prices improve. Once again, we face the possibility that the CCC could unload this wheat when the need arises. We should take a lesson from past Government interference in the farmer's market and make sure this does not happen again.

I am introducing a bill that would safeguard the farmer's economic well-being through changes in the administration of the nonrecourse loan program. My bill would amend the Agriculture Act of 1949 so that producers of wheat, corn, barley, oats, rye, and grain sorghum would have the option of resealing grain under loan at the initial period for repayment of the loan, for an additional 12 months with storage payments and no interest. The farmer would also have the privilege of resealing for a third year with the same conditions if the market price were below 75 percent of parity. If the price were above 75 percent of parity, the loan extension would require the Secretary of Agriculture's consent.

This legislation also contains an antidumping provision so that if the CCC were to own grain, it would not be able to sell for less than 150 percent of the current loan level except under conditions when the grain is in danger of deterioration or spoilage or when natural disasters create a need for emergency livestock feed.

OPPOSITION TO AN AUTOMATIC CONGRESSIONAL PAY RAISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LUNDINE) is recognized for 5 minutes.

Mr. LUNDINE. Mr. Speaker, I rise to urge the congressional leadership to schedule a prompt vote on disapproving the proposed congressional pay increase.

I am proud to be among the cosponsors of the Pay Raise Deferral Act, H.R. 1365, which stipulates that Congress cannot vote itself an increase in salary while it is in office. Under this legislation no increase in congressional pay would take effect until a new Congress has been elected, following the one in which such an increase was approved. I feel it is extremely important that no elected official should be allowed to raise his or her own salary during the current term of office, no matter how much justification is offered for that step. I urge the House to take prompt action on the Pay Raise Deferral Act.

As elected officials, we are obligated to stand up and face this issue directly. We cannot afford to duck the question and allow the pay increases to go into effect automatically. Public confidence in this institution is already perilously low, and avoiding a vote on the pay raise would only further erode that confidence.

Congress must also adopt a strict code of ethics prior to any pay raise, not as an afterthought. Any increase in pay must be accompanied by a prohibition on earned outside income to avoid any possible conflict of interest. Constituent service accounts must be eliminated or strictly controlled. Moreover, full financial disclosure is absolutely necessary to restore public confidence and integrity in this institution.

Mr. Speaker, I shall include in the RECORD my testimony before the Post Office and Civil Service Committee concerning these issues.

We must begin now, Mr. Speaker, to act decisively to regain the public trust in this institution. But we cannot do it if we are not afforded the opportunity to vote in pay raises and if we continue to defer consideration of related ethics issues. I earnestly hope that the leadership schedules a vote on this important matter directly after the Lincoln Day recess.

The testimony follows:

TESTIMONY OF REPRESENTATIVE STANLEY N. LUNDINE

Mr. Chairman, members of the Committee, thank you for the opportunity to testify on the pay raises recommended by former President Ford.

I have two areas of concern on this issue. The first is procedural. We have got to find new ways to implement present and future pay raises for members of Congress. One excellent proposal put forth by my colleague, Mr. Whalen, is H.R. 1365, the Pay Raise Deferral Act. I cosponsored this bill with the hope that it would not only be implemented, but implemented before the pay raise took effect automatically.

This legislation would prevent any increase in congressional pay during the tenure of the Congress which had voted for such an increase. Approved pay raises would take effect only after a new Congress had been elected. I feel it is very important that no elected official should be allowed to raise his or her own salary during the current term of office, no matter how much justification is offered for that step. I urge this committee to take prompt action and report out H.R. 1365 immediately after the Lincoln Day recess.

Another concern that I have involves public trust in this institution. As elected officials, we are obligated to deal directly with the proposed pay raise. We cannot afford to avoid the question and allow pay increases to go into effect automatically. Public confidence in the Congress is already perilously low, and dodging a vote on the pay raise would only further erode that confidence. No Congress or any legislature should be able to vote raises to its own salary.

No pay increases should ever become effective without an intervening election so that the public is aware of the proposal in advance and can act accordingly.

Furthermore, any increase in pay of members of Congress must be linked to a strict

code of ethic or the public will grow increasigly skeptical of our integrity. Outside income of elected officials should be strictly limited and all possible conflicts of interest eliminated. All benefits, including salaries and office expenses, should be open and available for public inspection at any time. And the level of compensation for public officials should be sufficient so that holding office is not reserved exclusively for the wealthy.

I strongly urge this committee to report out a resolution requiring a vote on the pay raise before the deadline, so that we may have an opportunity to deal with this important issue directly and responsibly.

Thank you very much.

LONGER TERMS FOR REPRESENTATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. GLICKMAN) is recognized for 10 minutes.

Mr. GLICKMAN. Mr. Speaker, today I am introducing, along with Mr. STOCKMAN, my colleague from Michigan, a joint resolution, the purpose of which is to amend the Constitution of the United States in order to provide for staggered 4-year terms for Members of the House of Representatives, and to limit the number of terms a person may serve in the House of Representatives and the Senate to three and two respectively, or for a total of 12 years in either body.

Although I have not been a Member of Congress for very long—and if this resolution passes, will not remain in this body for nearly as long as some of my esteemed colleagues—I am proud today to be introducing what I have been told with gentle humor is a "freshman bill."

I would like to point out that the demand for the 4-year term has been long standing. Ever since the Constitutional Convention of 1787, it has been argued that the 2-year term for Representatives is too short a time for Members to acquaint themselves with their duties. In the almost 200 years since the Convention, proposals similar to the one I am introducing have proliferated.

Both Presidents Johnson and Truman called for longer terms, with President Truman, in addition, advocating a 12-year service limitation. From 1963 to 1972 alone, 44 proposals were introduced calling for a 4-year House term. In the more recent 94th Congress, 19 proposals to lengthen and/or limit the number of years Congressmen or Senators might serve were introduced.

Although Congress has not yet legislated with regard to these innovations, the time when our constituents will press for action is rapidly approaching. If my esteemed colleagues were to poll their districts today, their constituents would, I believe—wisely—mirror the sentiments of the people of Kansas' Fourth District and support the provisions of this resolution.

Our constituents, I believe, understand that facility with the ever-increasing complexity of issues is not only a legislator's prerogative, but his or her responsibility as well. The technical and legislative intricacies of our time must be fully understood in order to insure against laws that may be frivolous, inadequately researched, or superficial in origin. The current 2-year House term, almost by nature deems these goals difficult to achieve.

Depth of knowledge and excellence resulting from experience is acknowledged to be crucial to the practice of medicine, law, and the other professions. Yet "instant knowledge" on a myriad of issues is expected from legislators whose varied backgrounds run the gamut from farmer to physician. The inconsistency appears self-evident, even without the added variable of campaigning. By instituting 4-year terms for House Members, the Congress and more importantly, the American people, could anticipate and demand improved quality in legislation and representation.

Preventive legislation, rather than bills drafted in a crisis-to-crisis oriented legislature, could indeed become reality. In addition, the sophistication of the American mass media and transportation system allows all Representatives to maintain as close a relationship with their electorate as desired. Through these channels, the "will of the people" remains obvious to the concerned legislator.

This is a reform measure—one to which I am personally committed. I deeply believe that concurrent with the legislative advantage of the 4-year term, limitation of terms in both Houses is the only way to achieve true reform. I have promised my own constituents of Kansas' Fourth District that no matter what the fate of this particular measure, I personally—if fortunate enough to have the option—will not remain a Member of the House of Representatives for more than 12 years. It is because of my deep belief in the ultimate moral advantage of this inseparable portion of the resolution that I made, and intend to keep that promise.

The only way to protect against abuse of power or, if you will, an "Imperial Congress" is through the limitation of terms. The 22d amendment to the Constitution which, as we all know, limits the number of terms a President can serve was a step in the right direction—but only a step.

It is time for the Congress of the United States to stop taking small steps and begin to walk. By placing the Congress on a similar footing with the President we would, I believe, meet the current challenges to our society.

Because of the 8 year Executive term limitation, we see Presidents pouring every effort into the implementation of plans. We also see that by holding Presidential elections every 4 years, there is a constant source of competing ideas placed before the public. It is through this process that both the public and the candidate are educated; first on the people's desires and second on the candidate's solutions.

In the case of the Congress, the 12-year limitation imposed by this resolution on both Houses was not an arbitrarily determined one.

The 12-year limitation will be imposed equally because of the equal legislative power of the two branches. It seems to me that this particular length of time would legislatively, politically, and morally provide the framework for positive reform.

It will allow Members of both Houses adequate time in which to learn the workings of Congress itself and develop an expertise in the areas where his or her Committees have jurisdiction. It encourages a Member to take initiative in areas of interest to his or her district or State, as well as to his or her self and the Nation. In short, 12 years is a sufficiently lengthy period of time for a Member to make his or her mark, as it were, without participating voluntarily, or perhaps sadly inevitably, in the empire building process which has unfortunately come to our attention over the last several years. And, an important corollary to this idea, it will serve to end the all too frequently found situation that occurs when a Member's interest becomes too entwined with that of special interest groups.

I do want to mention at this point, all personal considerations aside, that the resolution I am about to place before you in no way prohibits an interested legislator from serving in the House of Representatives for the aforementioned time and then going on to serve in the Senate or vice versa. The system, in addition, would become operational only upon passage of this resolution, and therefore current Members of either legislative body would have the option of continuing to run for office for three more terms in the House or two more in the Senate.

Pushed by recent scandals, both Houses of Congress have had committees and commissions struggling to develop procedural changes. The solutions, as we all realize, will be difficult, but I do feel that the resolution represents the type of creative reform the American people have a right to expect from us, their elected Representatives.

Mr. Speaker, at this point I insert the body of the following resolution:

H.J. RES. —

Joint resolution proposing an amendment to the Constitution of the United States providing for staggered four-year terms for Representatives, for a limitation on the number of terms a person may serve in the House of Representatives or the Senate, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years of the date of final passage of this joint resolution:

"ARTICLE —

"SECTION 1. The House of Representatives shall be composed of Members elected for four-year terms by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State

legislature. Immediately after they shall be assembled in consequence of the first election after the ratification of this article, the Representatives shall be divided as equally as may be into two classes. The seats of the Representatives of the first class shall be vacated at the expiration of the second year, and of the second class at the expiration of the fourth year, so that one-half may be chosen every second year.

"SEC. 2. No person shall be elected to the House of Representatives more than three times, except that any person who is elected to a vacant seat and serves for less than two years in such seat, or to a two-year term as a member of the first class under section 1 of this article, may be elected to the House of Representatives three more times. Only elections beginning with the first election after the ratification of this article shall be counted in determining the eligibility of any person to be elected to the House of Representatives under this section.

"SEC. 3. No person shall be elected to the Senate more than twice, except that any person who is elected to or chosen for a vacant seat and serves for less than three years in such seat, may be elected to the Senate twice more. Only elections beginning with the first election after the ratification of this article shall be counted in determining the eligibility of any person to be elected to the Senate under this section.

"SEC. 4. The first clause of section 2 of Article I of the Constitution of the United States is hereby repealed."

NUCLEAR EXPLOSIVES TESTING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. PRICE) is recognized for 10 minutes.

Mr. PRICE. Mr. Speaker, I am pleased by President Carter's strong desire to reduce all armaments and I commend particularly his wish to proceed rapidly with SALT. However, with regard to nuclear explosives testing, I would hope that there not be any precipitous unilateral action. A hasty decision could significantly affect our current and future nuclear forces without imposing comparable restraints on other potential signatories to a comprehensive nuclear test ban treaty.

I am well aware of accounts on the disputes between the United States and U.S.S.R. on the yield of explosives detonated in the early period of the so-called threshold test ban treaty starting in March 1976. The Senate has not approved this treaty, but the United States and U.S.S.R. are supposed to observe its provisions about not testing explosives above 150 kilotons yield.

Such disputes, I fear, are only the tip of an iceberg of problems that would be generated by a comprehensive test ban treaty without ironclad verification procedures.

In 1971 I presided at the last hearing held by a committee of the U.S. Congress on the status of U.S. seismological techniques which could be used for differentiating between natural and manmade underground seismic events. Testimony by expert witnesses concluded that by 1971 the U.S. capability to detect seismic events had improved to the state whereby a determined evader might be able to conduct 5 to 10 kiloton tests underground with little chance of detection.

It must be clearly understood that detection of a seismic event is only one part of the total picture. The identification of the origin of the seismic event as natural or manmade requires as a minimum:

Detection by a number of seismic stations;

Accurate geographic coordinates;

Accurate determination of magnitude—or yield;

Accurate interpretation of recorded seismic waves;

Photographic — satellite — evidence; and

Onsite inspection.

It was expressly stated as a conclusion of my 1971 hearings that a good deal of nuclear weapons technology can be developed by tests at 5 kilotons and lower without too much chance of being shown to have violated a comprehensive test ban treaty.

We know that the Soviet Union is determined to conduct a strong, comprehensive program using peaceful nuclear explosives for a number of projects:

Oil and gas well stimulation;

Above ground water reservoirs;

Below ground gas and oil storage cavities; and

River course alteration.

We must fully comprehend how well the current U.S. technology would permit us to differentiate between a peaceful nuclear explosive and a weapons test, while recognizing the fact that a peaceful nuclear explosive could have yields up to megatons.

I consider it imperative that the Congress be brought up to date on several highly important matters related to a comprehensive nuclear test ban:

The current state of U.S. technology to detect, locate and identify the origin of seismic events.

The relative importance today of the four safeguards appended to the limited test ban treaty of 1963.

The role of peaceful nuclear explosives in a comprehensive nuclear test ban.

I plan to convene hearings on this matter which I consider extremely vital to our national security. I would hope that no precipitous action be taken until we are fully and currently informed on our capability to monitor and enforce a comprehensive test ban treaty.

THE NEED TO PROTECT THE CONFIDENTIALITY OF MEDICAL RECORDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 30 minutes.

Mr. CRANE. Mr. Speaker, in the last 4 months there have been a number of reports on television and in the newspapers concerning the confidentiality of patients' medical records. These reports revealed that individual privacy has been invaded by persons who are able to gain access to confidential medical, tax, and other records by both illegal and legal means, often with the cooperation of Government employees.

According to John Fialka in the Washington Star, December 9, 1976, investigators from the FBI and IRS were probing the operations of a Chicago investigative service that apparently gained unauthorized access to medical records and sold the information to many of the country's largest insurance companies. Many of these confidential records were obtained from a variety of Federal agencies, including the FBI, IRS, Veterans' Administration, Social Security Administration, and the Department of Defense. Sensitive material such as psychiatric histories were included in the purloined records.

On January 12, 1977, the National Bureau of Standards released a 2-year study on privacy and medical records by Alan F. Westin, "Computers, Health Records and Citizens Rights," which called for action to protect the privacy of health records. Speaking at a news conference, Westin said:

> The issue of privacy in health records touches the life of each of us. Everytime we visit a hospital or fill out health insurance forms, a record is generated and information from these medical records now flows regularly out of the primary health care setting in ways that give us very little control over how this information is used.

Contrary to the time-honored tradition that one's medical condition and treatment was a private matter between doctor and patient, the study revealed that a variety of individuals and institutions had access to these confidential records. Westin found that—

> An individual's medical and health data now circulates from doctor's offices, clinics, and hospitals to the files of insurance companies, health care review committees, employers, educational institutions, the military, the police, credit bureaus, government licensing agencies, research studies and surveys and a host of other users.

The study cites examples of leaks and misuse of health data about psychiatric patients, homosexuals, abortion patients, and those undergoing drug or alcohol rehabilitation and wished to keep their problems and treatment confidential.

While I believe that violations of the right to privacy are serious matters and should be prosecuted, whether the offenders be private investigators or their collaborators in Government agencies, I have been especially concerned over the greatest threat to our privacy—the Federal Government itself. Illegal Government activities such as surveillance of individuals and misuse of IRS records have received a great deal of attention by the media, but it is less well known that the Government has legal access to a great variety of records. In fact, Congress has enacted legislation which actually requires the Government agencies to obtain these records in order to conduct evaluation studies, authorize payments, perform oversight functions, and carry out other aspects of these laws.

The passage of the Privacy Act of 1974 emphasized congressional concern for the confidentiality of various types of personal records by providing safeguards for individuals against invasions of personal privacy and penalties up to $5,000 for violations of this act. However, thanks to loopholes in the Privacy Act,

some Government agencies still have authority to inspect and collect records in order to carry out their functions. Section 2(b)(1) of that act states:

The purpose of this Act is to provide certain safeguards against an invasion of personal privacy by requiring Federal agencies, *except as otherwise provided by law*, to permit an individual to determine what records pertaining to him are collected, maintained, used, or disseminated by such agencies. (Emphasis added.)

Section 3(a)(7) then provides that—

Each agency that maintains a system of records shall—maintain in its record only such information about an individual *as is relevant and necessary to accomplish a purpose of the agency required to be accomplished by statute or by Executive order of the President.* (Emphasis added.)

Thus, Government agencies are permitted not only to collect and maintain records for the purposes of criminal investigations but to carry out their everyday activities.

Because of the loophole in the Privacy Act which allows for the invasion of privacy by Government agencies if "otherwise provided by law," our personal medical records are not even safe from the prying eyes of Federal bureaucrats, let alone anyone else who may obtain them from Government agencies through burglary or bribery. For example, in the Social Security Amendments of 1972, Congress established professional standards review organizations—PSRO's—the purpose of which is to "apply professionally developed norms of care, diagnosis, and treatment based upon typical patterns of practice in its regions—including typical lengths-of-stay for institutional care by age and diagnosis—as principal points of evaluation and review."

Though the ostensible purpose of PSRO's is to hold down medicare and medicaid costs by setting guidelines for health care, such as minimum requirements for hospital admission and average lengths of stay for the various types of cases, their authority may be interpreted to permit access to the records of private patients as well, section 1155(f)(1)(B) of the Social Security Act, as amended, provides that a PSRO will—

Collect such data relevant to its function and such information and keep and maintain such records in such form as the Secretary may require to carry out the purposes of this part and to permit access to and use of any such records as the Secretary may require for such purposes.

Moreover, section 1155(b)(3) authorizes PSRO's to—

Examine the pertinent records of any practitioner or provider of health care services providing services with respect to which such organization has a responsibility for review . . .

Thus, in order to determine standards and norms, PSRO's have the authority to inspect the records of private patients as well as those receiving Federal assistance for the payment of their health care.

In its zeal to check rising medicare and medicaid costs, the Congress has created organizations—PSRO's—with the potential to destroy the confidentiality of the traditional doctor-patient relationship by making available to the Federal bureaucracy the medical and psychiatric histories of everyone subject to PSRO's, which will soon include the entire United States. Such confidentiality had already been violated by the IRS for many years as it demanded and received physicians' office records as part of income-tax audits.

Through the PSRO law and other legislation increasing Federal involvement in the health care system, the Government has become the greatest potential threat to the individual's right to medical privacy. Theoretically, an "Ellsberg break-in" would no longer be necessary if an official of the IRS or HEW wanted to examine sensitive psychiatric records for authorized reasons. These records would be available through laws and regulations permitting access to files in hospitals and doctors' offices. The only check on these abuses, unless a greater degree of confidentiality is extended to private medical records, will be the good will of the bureaucrats.

After its examination of the problems involved in maintaining health record systems while providing a degree of confidentiality, the Westin report presented 12 major principles that should be followed to preserve individuals' privacy. Several of these principles involved guaranteeing people the right to know how the information in their health records will be used and their right to specify when, what, to whom, and for how long that information is to be released.

In stressing the seriousness of the medical privacy problem, Westin said:

No single action can hope to deal with the tremendously varied and complex issues of citizen rights in health record-keeping. It will take a mosaic of policy actions over time to do what is needed. But we must begin to take these actions now. We cannot afford to wait until national health insurance is enacted or the reorganization of the American health care system is completed.

I most heartedly concur with Mr. Westin's conclusion as to the need to begin immediately to alleviate the confidentiality problem. Today I am reintroducing legislation, first proposed in December 1975, to provide for the confidentiality of medical and/or dental records of patients not receiving assistance from the Federal Government. While it can be argued that the Government needs to examine the records of medicaid and medicare patients to prevent or detect fraud and abuse, the Government should have no right to violate the privacy of those under private medical care.

Although passage of such legislation is not the total answer to the problem of medical records confidentiality, it is a necessary first step. Moreover, it is totally consistent with the objectives of the Privacy Act of 1974. We must act now to insure that individuals retain their rights of privacy when seeking medical treatment. Further Government involvement in the health-care field can only lead to the destruction of the last remnants of that privacy unless safeguards are enacted now.

Whether or not they share my views regarding proposals for national health insurance and other Government health programs, I urge my colleagues to consider the effects they would have on medical privacy and, therefore, join me in sponsoring this legislation. I include the text of my bill at the conclusion of my remarks:

A bill to provide for the confidentiality of medical and/or dental records of patients not receiving assistance from the Federal Government, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no officer, employee, or agent of the United States, or any agency, or department thereof, may inspect, acquire, or otherwise require for any reason whatever, any part of medical and/or dental records of patients whose medical and/or dental care was not, or will not be, provided directly by the Federal Government, or was not, or will not be, paid for (in whole or in part) under a Federal program or any other programs receiving Federal financial assistance, unless such patient has authorized such disclosure in accordance with section 2.

SEC. 2. A patient may authorize disclosure under section 1 if he furnishes a signed and dated statement in which he—

(1) authorizes such disclosure for a specific period of time;

(2) identifies the patient records which are authorized to be disclosed; and

(3) specifies the purposes for which, and the agencies to which, such records may be disclosed.

SEC. 3. Any person who violates section 1, upon conviction, shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

SEC. 4. In addition to any other remedy contained in this chapter or otherwise available, injunctive relief shall be available to any person aggrieved by a violation or threatened violation of this title.

SEC. 5. Should any other law of the United States grant, or appear to grant, power or authority to any person to violate section 1 of this Act, the provisions thereof shall supersede and pro tanto override and annul such law, except those statutes hereinafter enacted which specifically refer to this title.

SEC. 6. The provisions of this title shall become effective upon the expiration of ninety days following the date of enactment.

JACK KEMP SUPPORTS LEGISLATION TO REORGANIZE AND REFORM THE OPERATIONS OF THE EXECUTIVE AGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, I have taken this time today for two purposes.

First, to associate myself with the remarks of the gentleman from Texas (Mr. BROOKS), the chairman of our Committee on Government Operations. Those remarks concern the approach reflected in the President's Government reorganization message of last week.

Second, to announce my introduction of two very important pieces of legislation dealing with Government organization and operations.

Let me return to the first point for a moment. I think all of us agree there is a need for a reorganization of certain executive agencies along functional lines.

The President has recommended one way to do that. The chairman has recommended another. And while I have introduced a third measure, I am also joining the chairman in the introduction of his reorganization bill. During last year's campaign, Mr. Carter said repeatedly that he would insist on Government reorganization, and he struck a responsive chord with the public. I know when I dealt with this issue, I did also. The issue here is not one of purpose. It is one of mechanics. And I am pleased we are all on the same side of the issue as to that purpose.

As to the second point, I introduced H.R. 3260, the Executive Agencies Reorganization and Operations Reform Act, and H.R. 3261, the Federal Programs and Spending Control Act, yesterday. The first bill is completely new, one designed to bring substantial improvement in efficiencies and accountability to the people in the conduct of executive agencies. The second bill is a revised zero-base budget, sunset bill, a Federal-level one patterned after the law sought by, and passed during the term of, Mr. Carter when he was Governor of Georgia.

RETHINKING THE FUNCTIONS OF GOVERNMENT

The problem with Government today is not its organizational structure alone, although that is a major part of the problem. It is also the isolation of Government decisionmaking from the people; a lack of accountability to the people directly or through their elected representatives; the anonymity of those who conceive and author the agency rules and regulations which govern our lives as much as any law ever passed openly by Congress; and an arrogance which arises, perhaps quite naturally, from those who think they know what the people need and want better than the people themselves.

The reorganization and reforms which would be launched by the enactment of the two bills I introduced yesterday stand in marked contrast to the way Government functions usually, today. There can be little doubt but that the Federal Government is virtually out of control.

It continues to accumulate power over our lives—and to exercise it.

It spends more money in every year that goes by, and it persists in mortgaging our future by deficit financing much of that spending.

It continues to grow out of proportion to the rest of society.

It willingly—forcefully, if need be—assumes responsibilities which previously rested with the people.

Its rules and regulations have grown so cumbersome as to tie down almost any decisionmaking into a bundle of redtape.

And, if all of these things are not bad enough, consider the fact that neither the Congress nor the past or present administration have really dealt effectively with the problems.

The fault rests in both places.

In many instances the Congress has become too close to the agency officers and employees who advocate a continuation or expansion of their own programs, budgets, and agencies, and too close to the interests which threaten retaliation at the voting booths in the next election, unless their projects are kept going or new ones started, no matter what the effects on the common good.

Similarly, in many instances the elected heads of the executive branch—the President and Vice President—and the heads of the agencies have become little more than spokesmen for the bureaucracy below them, responding more to what the bureaucrats think should be the administration's programs than to what these leaders really know should be the program thrusts. This is how new administrations, such as the one just taking office, gradually lose sight of the commitments made to the people during campaigns. The Carter administration must be on the lookout for this phenomenon. The effects are obvious.

Inefficiency in Government has become the norm; so has delay.

Confused as to both purpose and means, Government now alternates erratically between doing too much and doing too little.

It all adds up to Government increasingly acting in its own interests and not in the interests of the people whose purpose it ought to be to serve.

When Government reaches the point that it is more to be tolerated than to be supported, something is wrong with the relationship between the people and Government as to which is the master and which is the servant. This is one of the responsive chords the President hit upon during the campaign. He brought this point out, when few others would, and I think almost everyone, whether they voted for him or not, agreed with him on the point.

There has been an erosion of individual freedom of choice. That erosion has been sufficiently gradual to permit an unconscious adaption by the people. A gradual erosion is freedom's most effective enemy, for freedom is not generally lost by the forces of violent attack. Those specific incidents when revolution and upheaval did quickly destroy freedom were preceded by an intellectual evolution which made those acts possible. These less immediately obvious threats must, therefore, be a cause of great concern among all who cherish freedom.

It is almost impossible to itemize the areas of conduct now subject to Federal regulation because there are so many, but a cursory examination of any Government organizational chart shows us the areas of our lives now subject to that regulation: Health, education, welfare, labor, commerce, housing, transportation, finance, agriculture, environment, communications, wages and prices, energy, labor-management relations, trade, alcohol, tobacco, firearms, savings, community relations, civil affairs, land use, natural resource use, recreation, commodities, securities, insurance, marketing, consumer affairs, productivity, nutrition, travel, economic development, shipping, vocational and career opportunities, employment standards, occupational safety, child development, retirement, rehabilitation, interest rates, credit availability, land sales, aviation, railroads, highways, safety, institutionalized voluntarism, arts and humanities, equal employment opportunity, export-import terms, trucking, small business, veterans, postal service, ad infinitum.

The point is this: As Government assumed each of the many components within each of these subject areas, it removed decisionmaking from the people, a process inherently antithetical to the exercise of free choice. Some of these are, indeed, necessary and are clearly in the interest of the people, the general welfare. But, taken all together, government as a cure-all is diminishing freedom.

WHY THE BUREAUCRACY GROWS AND GROWS

Why has there been such an inordinate growth in government in recent years?

There is a reason for the growth of government which relates specifically to our discussion today. It is the inherent characteristic of government to grow. And the best way to look at this reason is to contrast motivations in the private and public sectors.

The free enterprise economy—the economy of the private sector—dictates that waste and duplication be guarded against. In such an economy it is in a person's self-interest to serve the interests of others. In order to gain access to material goods and thus satisfy his own wants and needs, a person must first earn income by supplying in a market something which is valued by other people. This individual must of necessity consider the wants and needs of others. This is the way to assure the greatest growth in the common good too, for the best way to promote the welfare of all the people is to allow people the maximum amount of personal liberty, individual action, and freedom of enterprise.

These self-interests do not stop in a person when he assumes a position in government. The market restraints which channeled that self-interest to the benefit of society do stop. Without these market restraints, the pursuit of self-interest can become identified too readily with those of government, or one of its departments or agencies, or one's own position within it. For example, a problem resolved is one less from which to justify increases in statutory or regulatory power and agency authority, and one less from which to justify more funds and staff slots in the budget and management process. In a government of fiercely vying interests among departments and agencies for percentages of overall employee slots and funds, the greater the likelihood of getting them if you have more and more to do—year after year. The best way to assure this, of course, is to constantly add to the workload. And the best way to do that is to finish less and less. Delay is the best way to do it. This observation is not to cast a blanket aspersion on government employees' conduct, for this is often an unconscious process. But the consequences are the same.

This lack of incentives produces the kind of stagnation and frustration of purpose which reorganization can help overcome. There is nothing like the "shakeup" resulting from agency reorganization to put some better defined purposes and renewed spirit in motion. This is not the main purpose of reorganization, but it is not a bad byproduct.

EXECUTIVE AGENCIES REORGANIZATION AND OPERATIONS REFORM ACT OF 1977

The Executive Agencies Reorganization and Operations Reform Act is designed to—

Reorganize certain executive agencies according to four functional categories, title I;

Require the rules and regulations proposed by executive agencies to be acted upon by the Congress, title II;

Impose certain additional requirements upon the President and executive agencies, title III; and

Tighten the standards of official conduct governing officers and employees of executive agencies, title IV.

Let me comment on each of these more thoroughly.

REORGANIZATION OF CERTAIN EXECUTIVE AGENCIES

Government intervention in, and regulation of, the economy has become a heavy burden on consumers and producers. Regulatory agencies have worsened the effects of inflation by approving fare, price, and rate increases not always commensurate with the public interest, often without due consideration of the relative costs and benefits arising from such approvals.

Regulatory agencies have also impeded competition in certain industries, contributing to monopolistic and oligopolistic market patterns contrary to the public interest, bringing harm to both producers and consumers. To the producers by denying smaller businesses opportunities to compete for a fairer share of the market. And, to the consumers by depriving them of the lower prices and diversity of services and goods which greater competition would foster.

Regulatory agencies have often misapplied their limited resources by focusing on trivial aspects of regulations, neglecting critical economic issues. They have failed to set clear priorities and to articulate cogent policies, permitting patterns of bureaucratic stagnation and consequent public frustration and confusion to arise. In addition, the case-by-case adjudicatory approach of most regulatory agencies has created unreasonable delay in responding to changed public interest. This has impaired the effectiveness of consumer interest organizations and burdened producers with excessive paperwork. It has also impeded their abilities to adapt to changing market conditions and new technology.

And it is mostly the regulatory agencies which have grown less accountable to the public in whose interest they have been created to act. They have gradually amassed those powers granted by Congress and delegated by the President, the exercise of which, without full accountability to the public, is contrary to the democratic principles upon which our system of laws is based. This accountability cannot be assured adequately without constant and thorough oversight of such agencies and their activities by the elected Representatives of the people in Congress.

The purpose of title I, therefore, is to require the President to submit at least one plan in each year of the next 4 years to reorganize certain executive agencies and the Congress to act in a timely manner upon each plan.

Not later than the last day of March in each of the next 4 years, the President would submit a specific plan of reorganization. The schedule for those plans are as follows:

A plan concerning regulation of energy and environmental matters, to be submitted in 1978, covering the Environmental Protection Administration, the Federal Energy Administration, the Federal Power Commission, the Energy Research and Demonstration Administration, the Nuclear Regulatory Commission, and the relevant regulatory functions of the agencies within the Department of the Interior and of the Interstate Commerce Commission;

A plan concerning regulation of commerce, transportation, and communications, to be submitted in 1979, covering the Civil Aeronautics Board, the Interstate Commerce Commission, the relevant regulatory functions of the Department of Transportation, and the Federal Communications Commission;

A plan concerning food health, and safety, and unfair or deceptive trade practices, to be submitted in 1980, covering the Consumer Product Safety Commission, the Federal Aviation Administration, the Federal Trade Commission, the Food and Drug Administration, the National Transportation Safety Board, the Occupational Safety and Health Administration, the relevant regulatory functions of the Department of Agriculture, and the National Highway Traffic Safety Administration; and,

A plan concerning labor, housing, and Government procurement, to be submitted in 1981, covering the National Labor Relations Board, the Federal Mediation and Conciliation Service, the Equal Employment Opportunity Commission, the Federal Housing Administration, and the General Services Administration.

The bill provides for a procedure to include additional agencies, the policy parameters for reorganization, a course of action in case the President does not transmit a plan, and the means for congressional review of the plans.

REFORM OF REGULATORY PRACTICES

Title II is particularly important. It goes to the heart of this matter—the growth of a virtually independent lawmaking body within the executive branch—the regulatory agencies themselves.

Congress must now face this question of what to do about the mechanics and growth of Federal administrative rulemaking. It is within our power to do so.

Article I, section 8, clause 18 of the Constitution sets forth our basic power:

> The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

Congress, thus, has the power to make laws, including those laws which give to the administrative agencies the authority to issue rules. For example, Congress has the power to issue licenses for the operation of television stations, but it has expressly delegated that power to the Federal Communications Commission. Congress has, in short, given its powers to an administrative agency.

Inherent in this process is the continuing, constitutional power of Congress to make further laws, through which some or all of that power is returned to the Congress. The basic theory of the Constitution would be violated by restrictions on Congress retrieving its own powers. There are clear precedents for Congress exercising such authority, ranging from the constitutional argument successfully advanced by Chief Justice Marshall in *McCulloch* v. *Maryland*, 4 Wheat (17 U.S.) 316 (1819) to Congress exercise of that authority in recent decades.

In McCulloch against Maryland Chief Justice Marshall asserted that all that was required to establish the validity of an action under clause 18 was as follows:

> All means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consistent with the letter and spirit of the Constitution, are constitutional.

The Congressional Research Service of the Library of Congress reported early last year that in the last 43 years, 183 separate provisions in 126 acts of Congress contain some type of congressional review or consent for proposed administrative agency implementations of law. Others have since been enacted. Some require specific action. Others simply provide a procedure which Congress can use at its discretion.

We have done, therefore, on a selected basis in the past that which is proposed to be done on a uniform, consistent basis through title II of this bill.

We must establish this system at the congressional level. The courts cannot routinely monitor the consistency of administrative rules with congressional intent. It would be piecemeal and potentially inconsistent. And it would produce unimaginable frustrations in carrying out the laws.

There are two routes Congress can follow in overseeing rules and regulations—a tough one and an easy one. We can require the proposed rule be laid before the Congress and if no action is taken within a specified period of time to prohibit the rule from becoming operational, it would go into effect automatically. That is the easy route. Or, we can require an action by both Houses before the rule becomes operational. That is the tougher route. We should

prefer that tougher stance, not because it is tougher, but rather because it is far too easy for something like this to become lost in the maze of legislative process.

ECONOMIC IMPACT STATEMENTS

The legislation, section 202, would make every agency demonstrate that the economic benefits of a proposed rule or regulation exceed its anticipated costs to the public. No one in Government knows exactly how much regulation costs our economy, either in terms of tax dollars spent to maintain the regulators or in terms of higher prices for goods and services we purchase. Most agree the direct tax cost to the people is at least $2.2 billion this year, but it is the indirect cost of higher prices which is most severe. The General Accounting Office has put the yearly costs of Federal regulation at $60 billion. A Federal Trade Commission report found $80 billion in economic waste attributable to regulatory overkill.

We ought to think about those figures for a moment. Even if you take the lowest figure—$60 billion—it means we are paying prices for goods and services about 6-percent higher than we would otherwise in our trillion dollar private economy. That means, for example, that you would be able to buy a $4,000 car for $240 less, a $500 refrigerator for $30 less, $50 of groceries for $3 less. If you use some of the higher estimates, it is even more revealing. That $4,000 car could be purchased for $520 less, the $500 refrigerator for $65 less, the $50 bags of groceries for $6.50 less—reductions of about 13 percent. The point is no matter which figures you use, the cost to the consumer would be substantially less. Not all of these costs could be eliminated; I think most would concede Government has certain regulatory responsibilities, for example, with respect to health and safety. But these costs could be reduced substantially, and I would think the American consumer would be grateful for those cost reductions. For once, the consumer would see more money in his pocket as a result of Government instead of the usual less.

CONFLICT BETWEEN RULES AND REGULATIONS

This bill section 203, would also relieve persons from liability for noncompliance with agency standards where they can show their violation was necessitated by compliance with other rules and regulations promulgated by the same or another agency. I heard recently of the meat processor who was instructed by one Federal agency to tear out his ceramic wall tiles and to replace them with stainless steel—for improved sanitary purposes—only to be fined several weeks later by another Federal agency for having removed the noise absorbing ceramic tiles and replacing them with noise reflecting stainless steel. The examples are endless, and they show the Catch-22 character of regulation today: If you do not make a change, one agency will fine you, and if you do, another will. And the courts have been very reluctant to set aside these fines, because the rules and regulations were promulgated pursuant to statute and in conformity with agency rulemaking procedures. The legislation before us would correct this.

ASSESSMENT OF PENALTIES

Section 205 of the bill would remove another inequity. Under most present regulations, if there is a violation, no matter what its cause, the company must bear the penalty. There are many circumstances where the employer has not been responsible for a condition giving rise to a violation of a rule. Acts of commission and omission by employees are now solely the liability of the employer. The effects of this should be obvious. It destroys any incentive on the part of the employee to take care that no violations exist. Only when an incentive not to violate regulations is reinstilled at the level where a great number of violations can occur will we see a further decline in violations. The legislation addresses itself to this problem by making employers and/or employees responsible.

Taken cumulatively, the provisions of this legislation would reduce the excessive paperwork burden. This is an area that hits smaller business very hard. The larger businesses can afford to pay their lawyers and accountants to handle these reports, this paperwork, but the smaller businessman or woman often has to do this work themselves to keep down the costs of doing business. The more forms there are to be filled out, the less time there is to make the small business more productive, more successful, a larger employer in the community. Congress has made some strides in this area in recent years, but it is obvious that we have not gone far enough. This bill takes us some more steps down that road.

REQUIREMENT FOR MAKING FINAL DETERMINATIONS AND FINDINGS

The bill, section 206, would do away with the delay by requiring an agency to make its final determination within 6 months. If the agency fails to reach a decision by that time, the Government can continue the matter, but it would have to reimburse the applicant and other aggrieved parties for costs attributable to the agency's inability to take timely action. There is no incentive for Government to act promptly in most matters, and it is this lack of incentive which produces most delay in dealing with Government. The bill proposes restoring an incentive through attaching dollar liability costs to the agency for its failure to act in a timely fashion. This too is needed.

DISCLOSURE OF INITIATOR AND AUTHOR OF RULES

Section 207 of the bill would require all rules and regulations prepared by executive agencies to list their initiators and authors. This was the proposal specifically put forward by the President in last week's "fireside chat." I wholeheartedly endorse it.

PUBLIC SHOULD SUPPORT ENACTMENT OF THIS LEGISLATION

It is only natural that the administrative agencies will oppose the enactment of this measure. The reasons should be obvious. This bill would begin the shift back from the agencies and to the Congress of the legislative powers which we have delegated to those agencies. It would make those agencies more accountable to the Congress and through the Congress to the producing and consuming public. The requirement that economic impacts be prepared and transmitted to the Congress would circumscribe the often arrogant, elitist, "we administrative agencies know better for the people than they know for themselves or even their Representatives know for them" attitude which permeates some agencies and some decisions. The requirement that they make final determinations within 6 months would require greater employee productivity and improved efficiency—both of which would tend to reduce their needs for more funds and more personnel slots. As I said at the outset, the principle of accountability must govern in a free society. To allow it to be second place to bureaucratic interest is blatantly antidemocratic.

REFORM OF EXECUTIVE AGENCY OPERATIONS

Title III contains six provisions.

Section 301 requires the transmittal to Congress of Presidential proclamations and Executive orders, for these frequently carry the impact of rules.

Section 302 requires the preparation of a consolidated financial statement for the Federal Government, including what are now off-budget or deferred-payment items. By doing this, we will see exactly how much of the people's present and future income Congress is committing itself to take from them. You can rest assured that figure is far greater than what our budget figures reflect each year.

Section 303 requires budgets to include an analysis of the regional impacts of the decisions reflected in these budgets.

Section 304 both restates the existing congressional policy with respect to the acquisition of commercial or industrial products and services for use by the Federal Government and legislatively ratifies certain personnel figures for the calculation of relative cost comparisons.

Section 305 requires the payment of interest on overdue contract payments.

Section 306 assures equal access to the courts in lawsuits involving executive agencies.

TIGHTENING OF THE STANDARDS OF OFFICIAL CONDUCT FOR FEDERAL OFFICERS AND EMPLOYEES

I would not ask an officer or employee of the executive branch to do something, or refrain from doing something, that we in the legislative branch would then turn around and either refrain from or do. I think that is hypocritical. Everything I have written into title IV of this bill is something that I have already insisted upon with respect to Congress, principally through my Congressional Reform Act, H.R. 1831, and my Congressional Reform Resolution, House Resolution 107.

Title IV would enact six provisions with respect to the conduct of Federal officers and employees.

Section 401 would prohibit political referrals for positions in the competitive service.

Section 402 would require a former officer or employee to go for 1 year before taking a position with an organization or industry with which his work had been directly associated prior to leaving the Federal service. I do not think that is unreasonable.

Section 403 would prohibit payment of travel and related expenses of officers or employees by foreign governments or organizations controlled or funded by them.

Section 404 would prohibit reimbursement for first-class air fare for officers and employees. They could take a first-class flight if they wanted to, but the taxpayers would only pay the coach rate, the officer or employee paying the difference.

Section 405 sets forth mandatory disclosure requirements for honorariums, gifts, and honors received by officers and employees.

Section 406 requires a mandatory audit of tax returns made by most all the White House personnel, by persons appointed directly by a President whether subject to confirmation or not, and by the higher-paid officers and employees of the agencies.

Title V sets forth the general provisions covering definitions and the date of enactment.

FEDERAL PROGRAMS AND SPENDING CONTROL ACT

The second bill I introduced yesterday is the Federal Programs and Spending Control Act. That bill would do several very important things:

First. Provide for the elimination of inactive and overlapping Federal programs;

Second. Require authorizations of new budget authority for Government programs and activities at least every 4 years;

Third. Establish a procedure for zero-based review and evaluation of Government programs and activities every 4 years, including off-budget items;

Fourth, require disclosure of the projected costs and savings of actions proposed through bills and joint resolutions of the Congress.

In short, this particular bill is a Federal "sunset law".

Sunset laws have already been enacted by some of the States, and several measures have been introduced in Congress with respect to the Federal Government. The bill which I introduced today, for example, is patterned after but builds upon a measure introduced by Senator EDMUND MUSKIE of Maine, the last Congress chairman of the Senate Committee on the Budget, S. 2.

These measures are called sunset laws because of the procedure they set forth. A program, an activity, an agency put in place to administer a program or activity, and a bureaucracy to sustain it—the Sun sets, so to speak, upon each of these unless they are rejustified and reauthorized in a specific time frame. Instead of a program or activity being continued and funded year after year—for no apparent reason other than the fact that it existed during the prior year—these sunset laws establish a mechanism to force a reexamination of the value of the program of activity.

A sunset law gives us an opportunity, therefore, to eliminate or reform programs and activities, to reduce costs to the taxpayers, to reduce the number of Government workers, to enhance efficiency and reduce redtape by combining otherwise duplicating functions, and even to more carefully examine programs before they become law in the first place.

Sunset laws alone will not do all that is necessary to bring Government under more effective control of the legislative branch, and the Constitution is very clear on this point that it is the legislative branch which has this responsibility. Government will not be brought back into its rightful—that of servant to the people instead of their master—until a change in attitude about the role of Government in relation to society as a whole takes effect and is felt in the legislative chambers. But the sunset laws are, beyond question, very important steps in the right direction.

GROWING AWARENESS OF PROBLEM WILL MAKE ITS RESOLUTION MORE POSSIBLE

I am encouraged by a rapidly growing awareness of the problem of government grown too big. A better understanding of the problem will lead, inevitably, to attempts to deal with it.

What is most encouraging of all, however, is the way in which efforts to deal with the problem cut across—as they should and must—the traditional separations of political party and philosophy.

Both Republicans and Democrats are at the forefront of this issue, as are liberals, moderates, and conservatives.

It cannot be overlooked either that Senator MUSKIE's bill was cosponsored by Senator HUMPHREY, the Democratic Party's nominee for President in 1968 and an acknowledged spokesman for liberal forces in our country, by Senator BARRY GOLDWATER of Arizona, the Republican Party's candidate for President in 1964 and an acknowledged spokesman for conservative causes in our country, and 40 others in the Senate.

Because I am offering an amended text of Senator MUSKIE's bill, I would like to take a moment to quote from the Senator's remarks at the time he introduced his measure last year:

> Solutions to these problems elude us not because we have not tried. But in too many cases we in Congress have satisfied ourselves with the rhetoric of legislation, leaving the hard work of implementation—from rulemaking to evaluation—to the executive branch. To put it another way, we in Congress have not paid enough attention to how well the programs we adopted were working—at least not beyond a cursory review every few years.
>
> And now these years of inattention to performance are taking their toll, as we reap a bumper crop of public disenchantment with Government so unresponsive that it cannot even perform the simple day-to-day tasks that need to be done.
>
> I offer this not as a suggestion that we abandon our commitment to solving the Nation's problems.
>
> On the contrary, I offer this legislation in recognition of the fact that until we bring what programs we now have under control, we simply may not have the reserves we need—either in the budget or the public's trust—to pursue new legislative solutions to pressing national problems.

Senator MUSKIE's observations are widely shared, and perhaps in the coming months they will become the majority opinion in both Houses sufficient to assure the passage of a Federal sunset law.

I hope that the consideration of—and hopefully the adoption of—these sunset law proposals will facilitate a movement within the Congress to restore a more rational balance between the role of Government and the role of the private sector. Whether one's viewpoint is that we should undertake these reforms to cut back drastically on the size of Government or whether one's viewpoint is that it is the only way to assure more effective Government exercise of its responsibilities, a Federal sunset law should be adopted and as soon as possible.

A CALL FOR CONGRESSIONAL ACTION NOW

Mr. Speaker, the legislation I introduced yesterday would give Congress a new handle in shaping the agencies and programs of the Federal Government. Those bills would work in tandem. The enactment of both, at essentially the same time, is important if we are to answer the questions being raised by the people and return accountability to those people and to the Congress to the operation of the Government.

CONGRESSIONAL REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. STOCKMAN) is recognized for 10 minutes.

Mr. STOCKMAN. Mr. Speaker, I am happy to join my distinguished colleague from Kansas (Mr. GLICKMAN) in sponsoring a joint resolution to amend the Constitution of the United States to provide for staggered 4-year terms for Representatives and for a limitation on the number of terms a person may serve in the House of Representatives and in the Senate.

The purpose of this resolution is twofold: In limiting the total number of terms which a legislator may serve, a Senator or Representative is less likely to forget the people to whom he will return.

In increasing the length of a term for a Member of the House, Representatives would be permitted a greater period of time in which they would be free of campaigning and, therefore, better able to devote their attention to legislative work. This same feature would reduce the influence and pressures of special interest groups, leaving the legislator better able to react to his own best judgment.

When I was campaigning last year for the congressional seat which I now hold, I became acutely aware that the vast majority of voters believe that by imposing a limitation on terms the system would not be as vulnerable to the excesses which the present seniority system too often demonstrates. By reducing the power of incumbency, we would open the possibilities for far more citizens to run for office. That occurrence might not set well with many of us here, but we have talked a great deal lately about ethics and integrity. The question is, "Do we have the integrity to do what is right for the country, regardless of personal aggrandizement?"

Twelve years in each House is adequate time in which to press for those pieces of legislation near and dear to the Congressman and his constituents, but not usually enough time to become a professional politician whose main goal is reelection and maintaining a residence in Washington, D.C. This guaranteed turnover would bring a constant influx of new opinions and insights to this body, thus insuring that it remain responsive to the people. The combination of longer terms and limited reelection would provide the optimal conditions for stability, efficiency, responsiveness, and statemanship.

With offices being vacated in an orderly, reliable fashion, many more people would have the opportunity which the Founding Fathers envisioned: to trade private life for public service and yet never be so far from private life that common woes and aspirations are forgotten.

Another part of this resolution deals with the length of a single term in the House. The present 2-year system is a misnomer. Members are actually in office only 1 year. The second year is often spent on the road, campaigning.

The present system is anachronistic. During the first Congress, only 142 bills were introduced; but even then James Madison argued that only a 3-year term woud give a Member sufficient time to digest intelligently all 142 bills before him and vote responsibly. In the 94th Congress, 19,371 bills and resolutions were introduced. The legislative itch of which John Randolph spoke has become a rash on the body politic.

Biennial elections shortchange all concerned. Of necessity, voters receive less responsible and informed voting from their Representatives, and Members are frustrated in trying to do the job they were elected to do.

Mr. Speaker, as I stated, the implementation of this amendment would involve some discomfiture on the part of many Congressmen and Senators and would require time to be assimilated by the public prior to its ultimate ratification. I believe, however, that these changes are in the best interest of the Nation. Our legislative bodies will be opened to service by people who might otherwise not have had the chance. There will be greater diversity of opinion heard in debate and in the formulation of the country's laws. With a citizen legislature, the power of government would not be concentrated in Washington but returned to the States and local units of government.

Mr. Speaker, I urge my colleagues to support this resolution. They will find, as I have, a great deal of support for this type measure. The American people want an active role in their Government, but too often they find it a closed system which requires too much time and effort to break into. If they could rely on key offices coming open at specific times, we would find a much greater interest in government and would see a manifestation of the citizen-statesman model of the Founding Fathers.

COSPONSORS OF THE CONGRESSIONAL PAY RAISE DEFERRAL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, yesterday I reintroduced the Congressional Pay Raise Deferral Act with additional cosponsors. This brings to 80 the number of Representatives who have joined me in support of this legislation.

On Monday, February 7, I appeared before the ad hoc subcommittee that is considering the matter of congressional salaries. I testified in support of changes in the procedures by which we consider the matter of congressional salaries, and I urged the Post Office and Civil Service Committee to give favorable attention to the Congressional Pay Raise Deferral Act.

Along with my testimony, I presented to the committee several supplementary materials. One of those items was a list of cosponsors of my bill. In the brief time since my appearance Monday afternoon, seven additional cosponsors have signed up, thus outdating the list I had provided the panel.

To update the record, then, I wish to insert here the current list of Representatives who are cosponsors of the proposed Congressional Pay Raise Deferral Act.

Also, Mr. Speaker, I wish to note that the name of our colleague from Texas, JIM COLLINS, has replaced that of the gentlewoman from Illinois, CARDISS COLLINS, on the list. This corrects a clerical error that occurred in earlier listings of cosponsors:

SPONSORS OF CONGRESSIONAL PAY RAISE DEFERRAL ACT AS OF FEBRUARY 8, 1977

Author Charles W. Whalen, Jr., Ohio.
Skip Bafalis, Florida.
Berkley Bedell, Iowa.
Mike Blouin, Iowa.
John Breaux, Louisiana.
Clarence Brown, Ohio.
Clair W. Burgener, California.
Bob Carr, Michigan.
John Cavanaugh, Nebraska.
Jim Cleveland, New Hampshire.
William Cohen, Maine.
James Collins, Texas.
Barber Conable, New York.
Silvio Conte, Massachusetts.
Norman D'Amours, New Hampshire.
Robert Dornan, California.
Robert Drinan, Massachusetts.
John Duncan, Tennessee.
Robert Duncan, Oregon.
Bob Edgar, Pennsylvania.
David Emery, Maine.
Millicent Fenwick, New Jersey.
Hamilton Fish, Jr., New York.
Joseph Fisher, Virginia.
Don Fraser, Minnesota.
Bill Frenzel, Minnesota.
Dan Glickman, Kansas.
Bill Goodling, Pennsylvania.
Willis Gradison, Ohio.
Tennyson Guyer, Ohio.
Mark Hannaford, California.
Tom Harkin, Iowa.
Marjorie Holt, Maryland.
Bill Hughes, New Jersey.
James Jeffords, Vermont.
John Jenrette, South Carolina.
Robert Kastenmeier, Wisconsin.
Richard Kelly, Florida.
William Ketchum, California.
Martha Keys, Kansas.
Thomas Kindness, Ohio.
Robert Lagomarsino, California.
William Lehman, Florida.
Elliott Levitas, Georgia.
Stan Lundine, New York.
Robert McClory, Illinois.
Robert McEwen, Pennsylvania.
Andrew Maguire, New Jersey.
Edward Markey, Massachusetts.
James Martin, Nebraska.
Dawson Mathis, Georgia.
Helen Meyner, New Jersey.
Clarence Miller, Ohio.
Toby Moffett, Connecticut.
Norman Mineta, California.
G. V. Montgomery, Mississippi.
Ronald Mottl, Ohio.
Steve Neal, North Carolina.
Richard Ottinger, New York.
Don Pease, Ohio.
Ned Pattison, New York.
Al Quie, Minnesota.
Ralph Regula, Ohio.
Henry Reuss, Wisconsin.
Fred Richmond, New York.
Robert Roe, New Jersey.
Teno Roncalio, Wyoming.
Jim Santini, Nevada.
Harold Sawyer, Michigan.
James Scheuer, New York.
Phil Sharp, Indiana.
Virginia Smith, Nebraska.
J. William Stanton, Ohio.
Newton Steers, Maryland.
Charles Thone, Nebraska.
Paul Tsongas, Massachusetts.
Robert Walker, Pennsylvania.
Charles Whitley, North Carolina.
Tim Wirth, Colorado.
Antonio Won Pat, Guam.
Bill Young, Florida.

REINTRODUCING ENERGY DISASTER ASSISTANCE BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MCDADE) is recognized for 5 minutes.

Mr. MCDADE. Mr. Speaker, I am today reintroducing my energy disaster assistance bill. Although we have given our assent to emergency natural gas legislation, improving the allocation of supplies during this shortage period, we have not addressed the severe economic consequences which result from any energy disaster.

My bill, which was first introduced in 1975, is designed to assure that the vic-

a mystical visionary of human rights scarcely second to Abraham Lincoln.

One would think that the life of a man who was the master military mind of the American Revolution would have received the closest attention of historians. Actually, his papers have not yet been fully collected, much less an authoritative biography been written.

Thaddeus Kosciuszko did not come by these talents accidentally. His life confirms the maxim that genius is the talent for infinite pains. He was a prodigious toiler all of his life. He burned the midnight oil; then sentries awakened him so that he might study before dawn.

He was born in the Polesi district of Poland, of the landed gentry. He was descended of a famous line of valiant Polish officers. However, they were not of the Polish grand nobility, as was Count Casimir Pulaski, youthful Chief of Cavalry of the Continental Army. The father of Thaddeus Kosciuszko owned a small village in this district. As a boy, Kosciuszko had as playmates the sons of the peasants of the village. There, he developed a love for the common people, as deep as that of Abraham Lincoln.

Technically, belonging to neither the titled aristocracy nor the peasantry, he proved to be the common denominator in uniting them in the cause of Poland. His immortality in Poland is roughly comparable to a montage of General George Washington and Abraham Lincoln in the United States. In Poland the name of Kosciuszko is an abbreviation for the soul of Poland and the determination that it will never die.

His brilliant career in the American Revolution was followed by an even more spectacular one as the single world figure embodying the exalted spiritual qualities of both the American and French Revolutions. The roots were in his childhood. His mother had given him Plutarch's *Lives* to read. The lad's imagination was fired by the heroic battle against tyrants by Timoleon of Corinth. It proved to be his life model.

His essential military talent which brought victory to the American Cause was his magnificent insight into the use of terrain as a natural defense. His decisive service to the American Revolution was in defeating the key British strategy of severing New England from the rest of the Colonies by control of the Hudson Valley. Colonel Kosciuszko prevented this at the Battle of Saratoga in the north and by his impregnable fortifications of West Point in the south.

The Battle of Saratoga, fought in October of 1777, is unanimously called one of the ten most important battles in recorded history. The reason is that when British General "Gentleman Johnny" Burogyne surrendered, both France and Spain were convinced that the Continental Army could win, and thereupon entered into the war as allies of the Colonies.

The campaign of "Gentleman Johnny" was brilliantly conceived. It was a three-pronged offensive, Colonel Barry St. Leger was to come down the Mohawk Valley from Lake Ontario, in a flanking movement; General Burgoyne was to hammer down Lake Champlain and Lake George to Albany; and General Clinton was to come up the Hudson from New York City, to provide the anvil for "Gentleman Johnny's" descending hammer on the Continental Army. Obviously enough, the hammer and anvil had to be prevented from meeting. Only twenty miles north of Albany, Colonel Thaddeus Kosciuszko selected a natural fortress in the terrain, and he made it both an invulnerable fort and a trap by his brilliant engineering.

In briefest terms, Colonel Kosciuszko found a little mount which controlled the narrow road between it and the river and he crowned it with artillery. He had carefully selected the mount; it was just below Mill Creek, flowing into the Hudson. His selection provided a water barrier which prohibited the famed bayonet charge of the Redcoats on the American right flank. Moreover, Mill Creek's tributaries had formed four deep ravines running from northeast to southwest, natural breastworks which made infantry attack on the American center impossible. Thereafter, to crown the masterpiece, General Kosciuszko placed the heaviest concentration of American artillery on the higher Bemis Heights, commanding both the river and the ravines.

"Gentleman Johnny" had no alternative but to attack the American left flank. This movement had been foreseen by Kosciuszko and the Continental sharpshooters were waiting. Brigadier Frazer, the soul of the British forces, was shot, and when that noble soldier pitched from his saddle, the British Crown in the Colonies fell with him.

General Horatio Gates, Commanding General of the American forces, attested that the genius of Thaddeus Kosciuszko was the decisive factor in these words: "Let us be honest. In war as in medicine, natural causes not under our control do much. The great tacticians of the campaign were hills and forests, which Colonel Kosciuszko was skilful enough to select for my encampments."

His masterpiece of strategy was at Saratoga; but his greatest work of military art was the creation of West Point. As at Saratoga, it was in the selection of the site. In all of the vast Hudson Valley Colonel Kosciuszko selected the one point where the river bends around a high promontory controlling both angles of the stream. On a grand scale, he chained the river, then placed his controlling batteries on the high plateau. Thus, the all-powerful British Navy was blocked from the south; never again could the British pincer off New England. Colonel Kosciuszko's intellectual triumph at West Point was greater than at Saratoga. This, because the fortress was too formidable to attack.

The British were forced to revise their grand strategy. They abandoned the North and the Hudson Valley to open operations in the South. Thus, Colonel Kosciuszko's greatest victory was at West Point, the battle his Majesty's forces dared not fight.

Incidents during his tour of duty at West Point afford some insight into his heart. In personal habits, he was abstemious to the point of asceticism. But, when even beyond this he began to appear emaciated, his concerned brother officers discovered that he was giving his rations to sick British prisoners of war. Again, his quarters were so spare that his brother officers astounded him one day by insisting that he accept a manservant—a slave named Agrippa. Colonel Kosciuszko protested that he had no idea of what to do with a slave. Told that he might do as he wished, he turned to Agrippa and told him he was a free man.

Asked by General Washington why he was drawing no pay, he answered simply that the unpaid enlisted men needed money more than he. He refused offered promotions to Brigadier General. He was so self-effacing that General Washington remarked at West Point, "You are too modest." Perhaps the best insight into his spirit is his remote rock garden down from the main battlements. It was on a broad ledge jutting out from the living rock of the granite cliff. At the north end of it he diverted a sparkling brook to form a splashing fountain. This retreat suggests that, beneath his military genius, lay the brooding stoicism of Marcus Aurelius and the compassion of St. Francis of Assisi.

When the British switched their offensive to the Carolinas, Colonel Kosciuszko was made Engineer of the South. His commanding generals, Gates and Greene, relied on him completely in the selection of campsites, transport and fortifications. The Continental Army waged the same Kosciuszko guerilla-engineering tactics that it did aganist "Gentleman Johnny" on his march to Saratoga. Again, the joining of the British forces was prevented. They retired to Yorktown, to await reinforcements by sea.

The expected relief by the British Navy of General Cornwallis was thwarted by the victory of the French West Indies Fleet in the Battle of the Chesapeake Capes. The French Fleet and the Continental Army closed in on the surrounded British. Cornwallis surrendered. After the surrender but before news reached the southern theater, Colonel Kosciuszko led the action against James Island at Charleston, in which bloody foray the last shot of the Revolution was fired.

Thaddeus Kosciuszko was not just another lucky General. His professional military qualifications stood out like a lighthouse as he arrived with letters from Prince Czartoryski to General Washington's second-in-command, General Henry Lee. As a youth, he was first in his college. He was first King's Cadet at Poland's West Point and he was first at the advanced Ecole Militaire in Paris. General Washington's staff, like the generals of Mr. Lincoln's Army, were to receive their training in battle.

He had scarcely unpacked his bags before the anxious authorities begged his assistance in devising a defense for the city. In doing so, Colonel Kosciuszko planned and effected a defense against amphibious warfare for a young nation which had no navy at all.

A sea-land pincer was closing on the Continental Army. General Washington, badly beaten in the Battle of New York and driven north to White Plains, was falling back across New Jersey to Philadelphia. Lord Cornwallis relentlessly pursued. Out at sea, off the Delaware Capes, His Majesty's Fleet, under command of Admiral Howe, made ready to sail up the Delaware River to attack Philadelphia by sea. Washington retreated across the Delaware. Cornwallis gloated that he had trapped the fox at last. But down at the narrow turn of the Delaware, Colonel Kosciuszko designed and built, by Herculean effort, throughout that autumn, forts on Billingsport Island, which controlled both banks of the Delaware. The river was corked. The British sea-land pincers couldn't close.

General Washington, falling back across the Delaware just above Trenton, was not fully apprised of this. With his back to the wall, he sent orders to Philadelphia to build fortifications in preparation for a last-ditch siege. It must have been with enormous relief that he learned that Colonel Kosciuszko had protected the rear of the Continental Army. The rest is dramatic history, how on Christmas Night Washington recrossed the Delaware to smite the Hessians at Trenton and followed it up with the blow at Princeton which sent Cornwallis reeling back to New Brunswick. Down in the Delaware Bay, Admiral Howe, after evaluating the cost of reducing the Kosciuszko forts, stood out to sea. Colonel Kosciuszko had held Philadelphia by making its river approaches too formidable to attack.

Colonel Kosciuszko was rushed north. The strategic key to the Hudson Valley was between Lake Champlain and Lake George, at Fort Ticonderoga. Colonel Kosciuszko at once outlined full defenses, but the Kosciuszko plans were shelved. "Gentleman Johnny" Burgoyne seized the very heights Colonel Kosciuszko had regarded as controlling. So controlling that the Americans were forced to evacuate without offering battle. Had

Colonel Kosciuszko's advice been taken, the Burgoyne invasion would have been stopped then; the Battle of Saratoga would not have had to be fought.

The American Revolution had illuminated the military art of General Kosciuszko. The ensuing years were to reveal the magnitude of his soul. When Kosciuszko set sail for his native land, it was with heavy heart. These United States were free, but heavier claims were being hammered on Poland.

He was made Major General of the Crown Army. He trained a Polish militia, the equivalent of the American Continental Army. He was no Hamlet. He took arms against Poland's sea of troubles when Catherine the Great started the infamous second partitioning of Poland, nor did he falter when Prussia and Austria entered the lists against him. Poland's peasant army went down fighting, and General Kosciuszko went down with it, leading the last desperate charge. Sabered at the back of the head and lanced repeatedly as he lay unconscious, he lay at death's door in the prison of Peter and Paul. He was by that time too powerful a spiritual force to kill physically, so Catherine the Great left him to die. In an epic battle of wills, he beat both death and Catherine. When she died, Czar Paul rushed to offer him his freedom. The paralyzed man refused it unless the 12,000 Polish survivors were also freed. The Czar struck a bargain; they could go home to Poland, but he must accept life in exile. Paradoxically, to free his people, he gave up his homeland.

Stockholm and London received him with tumultous welcomes as an indomitable Spartacus in defeat. He returned to America and subsequently returned again to Europe on secret mission for Thomas Jefferson to settle the sea war of the French and Americans. He spurned Napoleon as a dictator.

When Napoleon met his Waterloo, Czar Alexander I all but begged Kosciuszko to become viceroy of the Kingdom of Poland. Iron-willed Kosciuszko refused: it was Poland absolutely free or nothing. Then the czar offered to champion Poland's cause at the Congress of Vienna. Kosciuszko went there expecting that his objective had been reached at last.

But under pressure of his allies the czar gave way; Poland remained partitioned. Kosciuszko's spirit was not broken, but his body was. He refused to step on Polish soil while another flag flew over it. The untold riches he was offered he could have used. He was a poor man when he went to the little village of Soleure, Switzerland to die. But it is still a legend that he shared his meager sustenance with the poorest in the village.

A sigh of relief swept through the royal palaces of Europe when on October 15, 1817, he died, for they felt and believed that the spirit of Poland died with him.

But it appeared that neither his spirit nor the spirit of Poland had died. To the field outside of Krakow where his little army had battled Russian heavy artillery with scythes, came a few very poor Polish peasants. With no means for a monument, they simply deposited a few handfuls of earth from their little villages. Like wildfire, the word spread through Poland. Hundreds, then thousands, then tens of thousands of the poorest peasants came with little containers of Polish soil. They who could not raise their flag could raise a monument. A hand-made mountain was raised of great base and well over 200 feet high.

To their everlasting glory the Founding Fathers repaid part of the Republic's debt before Kosciuszko died. When he returned to Philadelphia on August 18, 1797, the American people inundated him with affection. As the ship *Adrianna* swept by Fort Mifflin which he had built, its guns thundered a thirteen-gun salute. All Philadelphia crowded to the wharf. It cheered deliriously as he was carried from her deck, believing for an awkward moment that he was being hoisted in triumph. A wave of pity swept through the crowd when it was perceived the man could not walk. But the reaction was instant and spectacular for that staid city: the horses from his carriage were unharnessed, and the city fathers themselves pulled the vehicle through cheering thousands to his dwelling.

President Adams sent a courier. Wrote the second President: "I hope you will find all the consolation, tranquility and satisfaction you desire after the glorious record you have made in a greater theater, On my arrival in Philadelphia, I hope to have the pleasure to receive you." But it was with Thomas Jefferson, then Vice-President, that General Kosciuszko formed his deepest friendship.

Philadelphia continued to lavish its affection upon him. Love has curative powers. Within months he could walk. To the little house at 301 Pine Street came a string of distinguished visitors: the Duke of Orleans, future King of France, cabinet members, senators, governors and diplomats from abroad; but its most distinguished visitor was Vice-President Thomas Jefferson. Thomas Jefferson became the executor of his will—a will in which General Kosciuszko directed that his American assets be used to purchase the freedom of slaves and furnish them with both land and education.

These distinguished gentlemen exchanged several interesting documents, among them false passports forged by Vice-President Jefferson for General Kosciuszko. The purpose was to get the general to Paris to end the undeclared naval war between the United States and France. Smuggled out at dead of night by Thomas Jefferson himself, General Kosciuszko sailed for Paris via Lisbon. General Kosciuszko apparently accomplished his mission: hostilities ceased after he arrived in Paris.

Thomas Jefferson wrote of General Kosciuszko: "He is as pure a son of liberty as I have ever known, and of that liberty which is to go to all, and not to the few and rich alone."

The most significant tribute to General Kosciuszko came from the Commander-in-Chief, General George Washington himself. General Washington's letters reveal the growth of his respect. "There is one in Philadelphia who I am told is clever, but him I have never seen," General Washington wrote after his Trenton victory, alluding to Colonel Kosciuszko's decisive fortifications at Fort Mifflin. After the Battle of Saratoga, General Washington wrote the Congress, "I would take the liberty to mention that I have been informed that the Engineer of the Northern Army (Cosieski, I think his name is) is a gentleman of science and merit. From the character I have had of him, he is deserving of notice." When General Washington congratulated him on his West Point masterpiece, Colonel Kosciuszko answered that it was God who created the promontory and the river, and added that the site was ideal for a military academy. General Washington replied, "Colonel Kosci—do you mind if I call you Colonel Kosci—you are too modest."

When Kosciuszko arrived in Philadelphia in 1797, General Washington, well aware of the worldwide acclaim bestowed on him, wrote:

I beg you to be assured that no one has a higher respect and veneration for your character than I have; and no one more seriously wished, during your arduous struggle in the cause of liberty and your country, that it might be crowned with success.

But the ways of providence are inscrutable and mortals must submit. I pray you to believe that at all times and under any circumstances, it would make me happy to see you at my last retreat from which I never expect to be more than twenty miles again.

At his historic Farewell to his Officers, surrounded by the resplendent panoply of a magnificent staff, the Commander-in-Chief singled out General Thaddeus Kosciuszko. General Washington then presented General Kosciuszko with his pistols and his sword.

General Washington, a man of forbidding dignity and icy reserve, followed this with one of the most dramatic accolades in American history. The officers of the Continental Army had formed the Order of the Cincinnati. General Washington himself nominated General Kosciuszko for membership. The Officers of the Order then presented General Washington the highest symbol of their regard, the cameo ring of the Order.

Signifying the highest respect, affection, and indeed reverence for their Commander-in-Chief, it must have been among the most prized of his possessions. Thus, when General Washington took from his finger the ring of the Cincinnati, bowed, and presented it to General Kosciuszko, he was bestowing upon the brilliant Polish military genius the highest accolade of the Continental Army.

It is a fair interpretation that General Washington was amplifying by deed what General Gates had declared at Saratoga: "Let us be honest; the military skill of General Kosciuszko is as responsible for the victory of the Revolutionary War as it was the Battle of Saratoga."

PROGRESS OF SELECT COMMITTEE ON ASSASSINATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, when the House Select Committee on Assassinations was established by this body for the 95th Congress a week ago, I promised to keep Members of the House advised of the progress I have made in the establishment of a responsible committee.

I have held two preliminary, informal meetings to discuss some serious reorganizational matters, and have called the first, formal meeting of the committee for next Wednesday, February 16, at 9 a.m. in 1302 Longworth for the purpose of discussing financial, organizational, and personnel matters. I have sent each member of the committee a proposed set of rules to govern the committee.

I would also bring to my colleagues' attention the text of my letter to the editor of the New York Times in response to the article about George McMillan entitled: "Qualms About the House's Assassination Investigation" which appeared in the February 5, 1977, edition of the Times.

The material follows:

WASHINGTON, D.C., *February 6, 1977.*

EDITOR,
New York Times,
New York, N.Y.

DEAR EDITOR: I would be giving tacit approval to the misstatement of fact contained in the article by George McMillan, an assassinologist, entitled, "Qualms About the House's Assassination Investigation," if I did not respond.

McMillan states, "It is not surprising that

the day after the House Committee's appropriation, its chairman, Representative Henry B. Gonzalez, announced what a headline called, "New Evidence in JFK Killing," only to admit when challenged that his evidence was "uncorroborated." I did not "admit" the evidence was uncorroborated—I clearly stated it and not when challenged as McMillan suggests.

McMillan seems to know far more about how the Committee is going to proceed, than even the Members of the Committee; that is, "going to the small army of sectarian scholars, the assassinologists." We are proceeding to gather evidence, not simply theories or opinions as McMillan suggests.

Next, he states that none of the Warren Commission conclusions have ever been impeached. It would inure to the benefit of McMillan if he were to read the conclusion of the report of the United States Senate Select Committee to Study Governmental Operations, which states, among other things:

"The Committee emphasizes that it has not uncovered any evidence sufficient to justify a conclusion that there was a conspiracy to assassinate President Kennedy. The Committee has, however, developed evidence which impeaches the process by which the intelligence agencies arrived at their own conclusions about the assassination, and by which they provided information to the Warren Commission. *This evidence indicates that the investigation of the assassination was deficient and that facts which might have substantially affected the course of the investigation were not provided the Warren Commission or those individuals within the FBI and CIA, as well as other agencies of Government who were charged with investigating the assassination.*" (emphasis supplied).

As to the assassination of Dr. Martin Luther King, Jr., he correctly states that there were stipulated facts; what he does not state is that in the course of the plea proceedings Ray stood up and denied statements that there was no conspiracy. Of course this does not mean there was a conspiracy—but in fact Ray stated in open court that he did not agree that there was not a conspiracy.

Mr. McMillan apparently has an "in" with the Justice Department as to their just completed 148 page report with an "exhaustive review of 203,000 documents in the King assassination file"—because not even Members of Congress who are on the Appropriations Subcommittee for the Department of Justice have been allowed to see the report.

Similarly, he has reached a conclusion that the investigation will be "callous." Indeed, it is not our task to lay to rest the questions or conclusions raised by assassinologists like Mr. McMillan, or the critics of the Warren Commission Report. When the last evidence has been assembled and the final report written even then there will still be the cries of the critics—for they have inexhaustable voices. But this committee will have an opportunity to seek and find the truth whatever it may be and wherever it may lead.

[From the New York Times, Feb. 5, 1977]

QUALMS ABOUT THE HOUSE'S ASSASSINATION INVESTIGATION

(By George McMillan)

CAMBRIDGE, MASS.—That new House investigation into assassinations was almost certain to fail, even if the re-established Select Committee on Assassinations had been given the $13 million and the two-year life span it had sought. But this week, a skeptical Congress gave it only until March 31 and $84,000 a month with which to prove that it had a reason to exist.

A Congressional investigation is by its very nature not the ideal environment for clearing up factual confusion. The temptation to seek headlines is too great. But now the assassination committee must find "new" facts, produce sensations within two months, or die. The trouble with the committee is not that it will fail to clear up the confusion about political assassinations but that it will make more confusion and leave us at the end of two months with a new bag of dishearteningly bewildering set of spooks and conspiracies.

It is not surprising that the day after the House committee's appropriation, its chairman, Representative Henry B. Gonzalez, announced what a headline called "New Evidence in J. F. K. Killing," only to admit when challenged that his evidence was "uncorroborated."

This demand for quick new assassination "facts" is almost certain to cause the committee to turn to that small army of sectarian scholars, the assassinologists who have for more than a decade been raising questions about the events in Dallas in November 1963, and Memphis faster than the old ones could be answered.

Indeed, these assassinologists have now produced rumors that they bitterly dispute among themselves. The common characteristic of these questions is that they are negative. Many can never be answered.

But standing stubbornly above this controversy are two facts:

1. There is an overwhelmingly persuasive hard core of positive, interlocked evidence that Lee Harvey Oswald killed John F. Kennedy and that James Earl Ray killed Dr. King.

2. There is not a scintilla of positive hard evidence that either Ray or Oswald was acting for, or with, a conspiracy.

None of the conclusions in the Warren Commission report (whose 26 volumes make it the best-documented crime in the history of mankind) has ever been impeached, and they show convincingly that Oswald killed two men and tried to kill a third, not only Kennedy but also Dallas patrolman J. D. Tippit, after having already tried to kill Maj. Gen. Edwin Walker in April 1963.

The Justice Department has just completed a 148-page report that is an exhaustive review of the 203,000 documents in the King assassination file. The conclusion reached is that Ray killed Dr. King and did it alone. Ray's movements as he enacted his brutal murder are traced step by step in the 8,000-word narrative of "stipulated facts" to which Ray pleaded guilty in Memphis.

Ray no sooner had pleaded guilty than he claimed he had been coerced, and asked for a new trial.

After studying this carefully, a three-judge Sixth Circuit Court of Appeals ruled unanimously against Ray on every one of his allegations. On Dec. 14, 1976, the United States Supreme Court refused to review the lower-court decision.

If Ray had not pleaded guilty, and if Jack Ruby had not killed Lee Harvey Oswald, the two assassins would have been tried in court, with rules of evidence that excluded the irrelevant rumor, the peripheral fact; cross-examination of the witnesses would have blown open a thousand speculations, and everything would have been witnessed and reported upon by the press and judged by a jury of ordinary men and women. Sirhan Sirhan, who killed Robert F. Kennedy, and Arthur Bremer, who shot George C. Wallace, were tried and found guilty, and there have been very few rumors about their crimes.

Now that it's too late to try Oswald or Ray, it is almost impossible to think of any other format of review where the rumors that have festered for more than a decade could be put to rest.

But it is hard to see what good can come from a callous investigation of the profound and tragic events. Some day we must learn to accept the intrinsic irony and absurdity of them, that Oswald and Ray, indistinct killers with amorphous ideologies, did in fact alone change our history.

H.R. 1985: PROTECTION OF PRIVATE RECORDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, Representative GOLDWATER and I have joined together to work on various aspects of privacy. Today he has taken a special order to explain H.R. 1984, the Comprehensive Right to Privacy Act. I would like at this time to discuss another bill of which we are prime cosponsors.

The essence of H.R. 1985 is to restore to the individual the protection and the privacy that our Founding Fathers provided for in the fourth amendment to the U.S. Constitution. The fourth amendment states:

> The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

The U.S. Supreme Court and the private sector have failed to respect the fourth amendment during the recent information technology revolution. I refer specifically to the distressing decision this past spring of the U.S. Supreme Court in United States against Miller on bank records and the equally shocking testimony at the same time before the Privacy Protection Study Commission of the failure of credit card companies and American Telephone & Telegraph to protect the privacy of their customers.

BANK RECORDS

The U.S. Supreme Court held in *United States* v. *Miller*, 44 U.S.L.W. 4528 (April 21, 1976), that an individual has no expectation of privacy with respect to his bank records, that there is no need for judicial review prior to the requisitioning of his records, and that the individual has no standing to challenge the requisitioning of his records.

To its credit the Supreme Court of Representative GOLDWATER's home State, California, has a better understanding of the fourth amendment. In the unanimous decision of *Burrows* v. *Superior Court*, 13 Cal. 3d 238, 529 P. 2d 590 (1974) the court stated:

> It cannot be gainsaid that the customer of a bank expects that the documents, such as checks, which he transmits to the bank in the course of his business operations, will remain private, and that such an expectation is reasonable.
>
> For all practical purposes, the disclosure by individuals or business firms of their financial affairs to a bank is not entirely volitional, since it is impossible to participate in the economic life of contemporary society without maintaining a bank account.

In the course of such dealings, a depositor reveals many aspects of his personal affairs, opinions, habits and associations. Indeed, the totality of bank records provides a virtual current biography. . . . To permit a police officer access to these records merely upon his request, without any judicial control as to relevancy or other traditional requirements of legal process, and to allow the evidence to be used in any subsequent criminal prosecution . . ., opens the door to a vast and unlimited range of very real abuses of police power.

The decision in United States against Miller followed logically from the U.S. Supreme Court decision in *California Bankers Association* v. *Shultz*, 416 U.S. 21 (1974). There the Court held that maintenance of bank customers' records, as required by the Bank Secrecy Act of 1970, 12 U.S.C. 1829b(d), was not a seizure within the meaning of the fourth amendment and was not unlawful in the absence of a warrant and probable cause. Mr. Justice Marshall warned in that case:

It is ironic that although the majority deems the bank customers' Fourth Amendment claims premature, it also intimates that once the bank has made the copies of a customer's checks, the customer no longer has standing to invoke his Fourth Amendment right when demand is made on the bank by the Government for the records.

In United States against Miller the Court found the defendant's claims to be made too late. As Marshall remarked in dissent:

Since the Court in *California Bankers Assn.* held that a bank, in complying with the requirement that it keep copies of the checks written by its customers, "neither searches nor seizes records in which depositor has a Fourth Amendment right," 416 U.S., at 54, there is nothing new in today's holding that respondent has no protected Fourth Amendment interest in such records. A fortiori, he does not have standing to contest the Government's subpoena to the bank.

TELEPHONE AND CREDIT RECORDS

Representative GOLDWATER and I are both members of the Privacy Protection Study Commission. This Commission was set up by the Privacy Act of 1974, Public Law 93-579, and its final report is due by June 10, 1977. The Commission's mandate is to study the standards now in force for the protection of personal information and to recommend those privacy principles, now followed by the Federal Government under the Privacy Act of 1974, that should be followed as well by State and local governments and the private sector.

The Commission has held hearings on the recordkeeping practices of a number of organizations, including mailing-list compilers and direct-mail marketers, credit-card issuers, depository and lending institutions, reservation services, insurance underwriters, primary health care providers and third-party payers, statistical agencies and research organizations, consumer reporting agencies, educational institutions, Internal Revenue Service and related State local tax authorities, public assistance and social service agencies, and employers, labor unions, and employment and personnel services.

I was astounded to learn at the February 11 and 12, 1976, hearings of the total disregard that A.T. & T. and the major credit card companies have for their customers' privacy. In particular, American Express testified that no notice is given to an individual whose records are subpenaed. As many of you may be aware, in many States the attorney issues his own subpenas, without prior judicial review.

American Airlines testified that most Government requests for information were received by telephone and that most responses to such requests were made by telephone. There was no notation of the disclosure on the customer's record and no notification of the customer either before or after. The decision to disclose was made not after an independent judicial review for probable cause, but by the company, which basically wished to stay on the good side of the Government.

American Express to its credit expressed a willingness at the hearings to reconsider its policy, and it now notifies its customers promptly, unless the Government has secured a court order directing it not to do so. The company will wait the full length of time allowed by the subpena before providing the information in order to allow cardmembers the opportunity to exercise their rights.

On the other hand A.T. & T.—where in the past at least 75 to 90 percent of the customers whose records have been subpenaed have not been notified either before or after—stated that it would not of its own volition improve its practices with respect to the privacy of its customers' records. Rather A.T. & T. suggested that Congress resolve the question of requiring prior notice to customers.

H.R. 1985

For this reason I and Representative GOLDWATER have introduced H.R. 1985. It complements H.R. 214, which the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice reported to the full committee in the last session; the committee subsequently recommitted the bill to subcommittee for consideration of additional amendments. Title I of H.R. 214 places controls on access by the Federal Government to bank records, telephone toll records, and credit records.

Our legislation places limits on State and local governments' access to bank records, telephone toll records, and credit records, as well as limiting access by persons in the private sector. When somebody wishes access to these records of an individual, our bill requires either: First, the individual's written consent to allow dissemination of his or her records; or second, an administrative subpena that the individual could challenge; or third, a judicial subpena with notice to the individual except in cases where a criminal or civil investigation would be jeopardized, or fourth, a court authorized search warrant with notification to the individual. A listing would have to be kept of all record disclosures. Individuals can under the bill sue for actual and punitive damages. Violators are subject to imprisonment for not more than 1 year and a fine of not more than $1,000 or both.

In addition, to deal with the problem of eavesdropping on conversations, the legislation provides for limits on so-called supervisory monitoring of customer conversations with employees of governmental and private organizations incident to the rendering of services. Written notice, valid for only a 30-day period, must be given to an employee that he or she might be monitored for the purpose of training and evaluation of performance.

The monitoring by Federal Government agencies of telephone calls between their employees and citizens calling on business, without the knowledge of the employees and citizens, was brought to my attention by a constituent. Frankly, I do not like the idea of the telephone monitoring at all. I agree with the statement made by Chief Justice Oliver Wendell Holmes characterizing electronic surveillance "as such dirty business." There are those who take the position that it is simply a method by which it can be ascertained whether employees are carrying out their duties in a responsible way when so much of their job is conducted on the telephone. If that is the case then there must be safeguards, and this bill imposes a reasonable restraint by requiring the consent of the employee and by prohibiting the employer from requiring such consent as a condition of employment.

A more detailed section-by-section analysis of H.R. 1985 follows:

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title. Currently the bill is known as the "Right to Private Records Act." This ambiguous title will be changed, as to some it may imply governments' right to an individual's private records.

Section 2. Definitions. H.R. 214 governs access to credit records only if maintained by credit card issuers or consumer reporting agencies, thus excluding records of such creditors as installment sellers (*e.g.*, furniture or automobile dealers) and those extending open-ended credit without issuing credit cards (*e.g.* mail order sellers). H.R. 1985 contains no such restriction and applies to "any person who regularly extends, or arranges for the extension of, credit."

Section 3. Confidentiality of Financial, Toll, and Credit Records. This section states the general rule that (a) (1) no state or local government shall obtain information from a person's financial, toll, or credit records unless such disclosure is made pursuant to a sec. 4 authorization, or a sec. 5 administrative subpena or summons, or a sec. 6 search warrant, or a sec. 7 judicial subpena; that (b) (1) no person shall obtain information from a person's financial, toll, or credit records unless such disclosure is made pursuant to a sec. 4 authorization or a sec. 7 judicial subpena. There are exceptions for the internal use of the companies or for use by the companies in legal action relating to the records.

Section 4. Authorization of Disclosure. A person may give either a general authorization (b) or a specific authorization (c). The general authorization allows use of the information for purposes similar to those allowed for consumer reports in 15 U.S.C. § 1681(b) (Fair Credit Reporting Act). The general authorization, a written statement, must (1)

describe the type of information authorized to be disclosed, (2) specify for which of the permissible uses disclosure is granted, (3) state that the person understands that revocation, in writing, may be made at any time, (4) state that the person may obtain a statement of disclosures made, upon written request and payment of a reasonable fee, (5) be signed and dated.

The specific authorization, a written statement, authorizes disclosure of particular information, from particular records, to particular persons, with the safeguards described in 3, 4, and 5 above. The specific authorization is effective for no longer than one year.

Neither a general nor a specific authorization may be required as a condition of doing business with the company. The company must maintain for five years a statement of disclosures that contains the date, the purpose, and the person to whom each disclosure was made under this section.

Section 5. Administrative Subpenas and Summonses. The State or local government upon issuance of an administrative subpena or summons must notify the company in writing of the company's obligations under the Act and attempt to notify the person whose records are being requested with a notice prescribed by the Act (b). The person may direct the company, in writing, to comply with the subpena or summons, or within eighteen days either the person or the company must object, in writing, to the agency issuing the subpena or summons. The company must comply with a court order that issues after notice to the person and an opportunity by the person to challenge the subpena or summons. No initial notice to the person whose records are being requested is necessary for State tax authorities (1) that are attempting with the subpena or summons to determine assets available to meet a tax assessment of judgment or (2) that have determined that notice would impede collection of a tax assessment or judgment.

Section 6. Search Warrants. Information is obtainable with a properly authorized search warrant, where the search warrant identifies the information and the record involved with reasonable particularity and both the company and the person are served with the search warrant before the information is obtained.

Section 7. Judicial Subpenas. Upon issuance of a judicial subpena the person or state or local government desiring the information must notify the company in writing of the company's obligations under the Act and attempt to notify the person whose records are being subpenaed with a notice prescribed by the Act (a)(2). The person whose records are being subpenaed may direct the company, in writing, to comply with the subpena, or within eighteen days the person or company must challenge the subpena by an appropriate motion in court. The company must comply with the court decision that is issued after notice to the person whose records are being subpenaed and an opportunity by the person to challenge the subpena.

A State or local government may request a court to authorize delay of initial notice to the person whose records are being subpenaed where on the basis of affidavit or sworn testimony it has been affirmatively demonstrated that notification of the person would seriously jeopardize a continuing investigation of the offenses listed in Sec. 7(b)(3). Such a period of delay may not exceed 90 days.

Additional such periods of dely may be obtained, but notification may not be delayed for more than one year after the date of the issuance of the subpena. Except, upon a showing of probable cause, further delays of up to 180 days each may be obtained. Upon the expiration of a period of delay of notification the court must attempt to notify the person whose records have been subpenaed with a notice prescribed by the Act. Sec. 7(b)(2). A report must be filed with the Director of the Administrative Office of the United States Courts within 30 days after an application for delayed notification is made, with the Director providing an annual report to Congress.

Section 8. Challenge to Subpena by Person to Whom Record Relates. This section specifically grants a person whose records have been subpenaed standing to challenge the subpena.

Section 9. Limitation on Use of Information. Any information obtained under this Act may be used only for the purpose for which it was obtained.

Section 10. Exceptions. The Act does not apply to information that is disclosed in such a manner that the information is not identifiable with, or as having come from the records of, a particular person.

Except for Section 9 the Act does not apply to disclosures required (1) by supervisory agencies carrying out their supervisory duties or (2) in returns or reports to State or local tax authorities.

Section 11. Civil Remedies. Any person, company, or State or local official, who knowingly violates the Act, is liable for actual damages in an amount not less than (a) $100 times the number of days on which disclosure was made or (b) $1,000, whichever amount is greater; punitive damages, if the violation was willful; costs and reasonable attorney's fees. Injunctive relief may be requested. An action will lie in any appropriate U.S. district court, regardless of the amount in controversy, or in any other court of competent jurisdiction. The three year stature of limitations runs from the later of (a) the date on which the violation occurred or (b) the date on which the person bringing the action discovered the violation.

Section 12. Criminal Penalties. Any person, company, or State or local official, who willfully violates the Act, may be fined not more than $1,000 or imprisoned not more than one year, or both.

Section 13. Interception of Oral and Wire Communications. This section would amend 18 U.S.C. § 2511(2)(a)(1) to allow employer monitoring of communications between employees and citizens or customers under certain conditions only. The monitoring must be for the purpose of training or evaluating the performance of an employee. The employee must be notified, in writing, prior to the monitoring, of the period when such monitoring will occur and the specific communication facilities that will be monitored. The employee must consent in writing to the monitoring and such consent may not be required as a condition of employment. Each employer notice and employee consent is valid for no more than 30 days. The substance, purport, of meaning of any monitored communication may not be recorded.

18 U.S.C. § 2510(4) is amended by striking the word "aural", so that § 2510(4) reads: "intercept" means the acquisition of the contents of any wire or oral communication through the use of any electronic, mechanical, or other device.

Section 14. Effective Date. The provisions of the Act will become effective 180 days after the date of the Act's enactment.

For further background information I would refer those interested in the subject to (1) the CONGRESSIONAL RECORD of February 25, 1976, pp. 4292–4300, which sets forth the sworn testimony of AT&T, American Express, American Airlines, and Atlantic Ritchfield officials before the Privacy Protection Study Commission; (2) The CONGRESSIONAL RECORD of September 21, 1976, pp. 31696–31697, which sets forth the Koch-IRS-FCC correspondence on monitoring of telephone conversations between employees and citizens; (3) the ACLU *Privacy Report* of October, 1976, which describes the legal history with respect to privacy of bank records and state court and legislative action on the matter.

PAY RAISES SHOULD GO THROUGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PATTERSON) is recognized for 5 minutes.

Mr. PATTERSON of California. Mr. Speaker, I rise today in support of the recommendations made by the President's Commission on Executive, Legislative, and Judicial Salaries.

I wish to start off by saying that it is difficult for a Member of Congress to have to decide on his or her own salary, however as provided for under law, unless the Congress specifically disapproves the quadrennial recommendations of the President's Commission on Exectutive, Legislative, and Judicial Salaries, they become law. Therefore, when this comes to the floor of the House in the form of a resolution of disapproval, we must face the issue squarely, however politically distasteful it may be.

The President's Commission, with the approval of both President Ford and President Carter, has recommended an overall 28 percent salary increase for top level officials in the executive and judicial branches as well as for Members of Congress. The Commission's proposals would affect the salaries of 2,496 persons. Congressional salaries would increase from $44,600 per year to $57,500 per year.

I support the Commission's recommendations for salary increases as well as its recommendations for a strict code of ethics for public officials, both elected and administrative.

With the exception of a 5 percent cost-of-living increase 2 years ago, there has been a freeze on these top level Federal salaries since 1969. Since that time the cost-of-living index has increased 61 percent. Executive salaries in the private sector have increased 53 percent since 1969. Meanwhile, the salaries of all other Federal employees and those in private industry have kept pace with rising inflation. This is not to say that congressional salaries should be equal to those of the private sector executives, but that they should be adequate enough to attract and retain the very best people. The Commission made its recommendations based on what it felt was the minimum salary that could be paid to attract and keep people of high quality in public office and in high Government positions.

If we keep these salaries frozen, we must face up to the serious consequences of a Congress that is made up of only the very rich, of those willing to abuse their position and compromise themselves politically, or of those who regard the job of a Representative as a part-time one. We must not only provide adequate monetary incentives to prevent

this from happening but we must act immediately to prevent further abuse of the public trust by adopting a strict code of ethics. Above all, it is the abuse of public office as well as the pinch of inflation and high taxes which have created the public's hostility to pay increases. Therefore, we must act immediately to implement a strict code of ethics which includes strict requirements for full public disclosure of income, debts and other financial transactions; severe restrictions, if not outright elimination, of outside earned income; full accounting of all expense funds; and precise standards on conflict of interest.

We must also address the issues of inflation and taxes in an intelligent, fair minded and full-time manner without conflict of interest. Bribery and political wheeling and dealing should not be what the public must expect from their elected representatives. Rather political excellence, fairness, and responsibility should be the standard. The people should expect, even demand, intelligent, fair and full-time attention to the public's business. No government official can be tolerated who abuses his or her public office or gives only part-time attention to the job.

I am confident that the American people who elect us are not as concerned about the amount of our public salary, but they are concerned about what we do here, how we spend our time, whether or not we receive "other income" and from what sources, and whether or not we deserve to be here. For these reasons, and more, we must be concerned with restoring public confidence in the integrity of their representative government—from elected representatives to appointed judges to appointed executive managers of government business.

REGARDING FREEDOM OF CHOICE SOCIAL SECURITY AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, today I am introducing my freedom of choice amendments to social security beneficiaries. I feel that this legislation is an ideal solution to the problem of providing the many retired citizens receiving social security benefits with adequate relief, while at the same time preventing an enormous drain on the social security trust fund.

For some time, millions of retired citizens receiving social security benefits but still able to work, have sought the elimination of the earnings limitation. Under present law, the maximum earned income allowable to a social security recipient is fixed at $3,000, effective January 1, 1977, regardless of the size of the individual's social security check, which today can range from a minimum of $107.90 per month for an individual retiring in 1976 at age 65, to a maximum of $387.30 for an individual retiring in 1976 at age 65. Once an individual earns more than $3,000, his social security benefits are reduced $1 for every $2 of earnings above $3,000. In essence, this is a 50-percent tax on top of other income and withholding taxes. In addition, the limitation on work earnings has been considered unfair, because there is no limit on how much an individual can receive from interest and investments. Thus an extremely wealthy retiree can receive tens of thousands in investment income plus his full social security benefit, while a low income person who earns over $3,000 sees his social security benefits reduced.

The elimination of the earned income limit would provide more freedom of choice for those on social security who could both work and enjoy their full retirement benefits. Every change in social security has vast budgetary impact. The total elimination of the earned income limit would result in an annual cost to the social security trust funds of approximately $8 billion.

Millions of retired Americans struggle with the inflationary impact on food, rent, and utilities. They struggle for their very existence if they are on the minimum or lower range of social security benefits. This large group of citizens must depend on additional public support for survival—either through State and local relief supplements, the Federal SSI program, or the Federal food stamp program.

In 1977, when the earned income limit rises to $3,000, a retired worker receiving the maximum social security payment of $4,647—an amount which is continually being adjusted to account for the cost of living—could earn $3,000 without loss of social security benefits, for a total income of $7,647.60. A retired person receiving the social security minimum of $1,294.80 could earn $3,000 for a total income of $4,294.80—only $1,713.80 above the poverty level for an individual over 65 years of age.

Retired citizens in the lower levels of social security benefits require public subsidy or assistance to survive. Approximately 50 percent of the 4.6 million Americans on supplemental security income also receive some social security. The total State and Federal cost of supplemental security income for these elderly who also receive social security benefits is over $3.5 billion.

In addition, 3.5 million citizens on social security also receive food stamps as essential living supplements. This costs the Federal Government nearly $1.2 billion per year.

I am proposing that the allowable earned income for social security recipients be increased to the difference between an individual's benefits and the maximum benefit plus the $3,000 allowance provided under current law. For example, the maximum annual social security benefit today totals $4,647.60. The recipient is permitted to earn an additional $3,000 for a total $7,647.60. For a recipient of maximum social security benefits, my amendment would have no effect. However, it would permit a recipient of minimum social security benefits of $1,294.80 to earn up to $6,352.80 for a total income of $7,647.60 without losing any social security benefits. Those receiving social security benefits between maximum and minimum levels would be proportionately affected. The schedule would be as follows:

Maximum social security benefit annually	$4,647.60
Earned income limit	3,000.00
Total disposable income	7,647.60
Minimum benefit annually	1,294.80
Earned income limit under Vanik amendment	6,352.80
Total disposable income	7,647.60
Increase in allowed earnings over present law	3,352.80

The adoption of my amendment would cost the social security trust fund approximately $1.5 billion compared to an $8 billion cost in completely eliminating the earned income limitation. Since it would permit a social security beneficiary to earn the difference between his social security benefits and his living needs, it would provide the social security recipient with a freedom of choice to earn the differential between benefit payment and need instead of seeking a welfare supplement either through the SSI program or food stamps.

If 50 percent of the social security beneficiaries also receiving SSI and food stamps develop further earned income, approximately $1,787,000,000 could be saved in the SSI program while approximately $600,000,000 could be saved annually in food stamp disbursements to the elderly. While the amendment which I propose would cost $1.5 billion, it would be more than offset by the transfer of individuals from the welfare rolls and give those on social security an option to work for essential needs.

I propose a second amendment to social security which would give a citizen over 65 an option to continue work with significantly increased benefits upon retirement. At present, a person who continues to work, pays social security taxes and defers social security benefits receives a ridiculous 1 percent per year increase in the level of benefits he will ultimately receive. My amendment would increase benefits upon retirement to a proper actuarial level. A senior citizen should have the freedom of choice to continue employment without penalty.

To achieve this "proper actuarial level," it will be necessary to change the annual increase for those who defer social security benefits to 7 percent per year. The actuaries at social security estimate that this will cost roughly $800 million in calendar 1978. This figure would then increase for several years before leveling off.

TAX DEDUCTIONS FOR FAMILY DAY CARE PROVIDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentle

man from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, today my colleague from Minnesota, Mr. VENTO, and I are introducing legislation to allow families who provide day-care services in their homes to continue to take tax deductions for business expenses they incur.

The Tax Reform Act of 1976 restricted deductions for expenses attributable to business use of homes. In most cases the provisions are good ones which will minimize abuses by requiring that the amount of deductions be limited to the amount of income generated by that business and that the portion of the home used for the business be used on an exclusive and regular basis.

Because of the unique nature of the family day care business, the "exclusive" use test can rarely be met. In fact, one of the most attractive features of family day care is that the children are cared for in a home. Rarely are they cared for in a room used so exclusively for day care that the providers could qualify for the business expense deduction. In order to meet the exclusive use test, the area in which day care is provided would have to be off-limits to the family during nonbusiness hours. That is a pretty stiff test to meet.

The bill we are introducing would remove the exclusive use test for providers of family day care services. Deductions would be limited to the expenses allocable to the portion of the house used for day care/and limited to offsetting the income earned from day care.

If there is not some relief from the very strict exclusive use provision, I am afraid day care providers will be driven out of business. They incur many additional expenses in taking care of children, including additional utility costs and obvious depreciation of the house and its furnishings. It is only fair that the provider be allowed to deduct these real business expenses.

I would like to share with my colleagues a letter I received from one of my constituents, Jean Wald of Columbia Heights, Minn. Ms. Wald is a family day care provider, and she writes with firsthand knowledge of the need to continue to allow the deduction of business expenses for this home business.

Ms. Wald writes:

Re: Tax Reform Act of 1976.

Representative FRASER: Please read the . . . article from the Sun Newspaper, Jan. 12, 1977: "Family day care mothers provide home away from home." Notice the pictures of cheerful, emotionally-secure children and attentive FDC Providers. We FDC Providers work approximately 50 hours per week at direct child care. I and many others also spend countless hours per week arranging for support services. For this, we receive poverty-level incomes.

When I entered the Family Day Care Field; only me, my husband and my (then) 9-yr.-old daughter occupied our home. My household instantly increased by 7 pre-schoolers (50 hrs. per wk. each) to 10. Over a period of 2½ years, there were noticeable utility increases and physical deterioration/damages; due mainly to the Family Day Care service. In 2½ years, the cost of summer-winter heating (gas) doubled. While there was a rate increase; we attribute the doubling mainly to increased opening of outside doors during extreme weather, by day care children and their families. "Family Use" of utilities remained constant "Business Use" explains the increase. Partial gas and electricity costs are legitimate Family Day Care Business Expenses.

The type of deterioration of our home during the past 2½ years; also indicates that the pre-school day care children are "persons responsible." Floor coverings in kitchen and bathroom "wore out"—needed to be replaced with more durable types. Living room drapes which had been continually "tugged-at" needed to be replaced with more durable venetian blinds, that could be raised out-of-reach, if necessary. Damage to walls from floor-level to 4-ft.-level (child height) are apparent. The damages are caused by children who have respect for property; but spend much of their day "exploring." The damages aren't extraordinary or unusual. But they are legitimate Family Day Care Business Expenses.

Family Day Care, by definition, can only be located within a home. I am fortunately able to use two rooms for Business Use (Children's Activities) only. But "Family Living" is a very important part of any Family Day Care Program. And for that we need to use our entire homes. To keep us FDC Providers, providing this valuable Child Care service, at the low incomes we receive; I request that you vote to amend the 1976 Tax Reform Act retroactive to 1976 taxes, so that Family Day Care is exempt from the exclusive use and able to claim deductions for depreciation, rent, and utilities. These are legitimate deductions for us.

Thank you!

Sincerely,

JEAN WALD,
Group Family Day Care Providers,
Anoka County, Minn.

AMENDING FEDERAL COURT RULES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, today I am introducing a bill to amend the rulemaking procedures for the Federal courts. By amending the Rules Enabling Act, this bill seeks to insure that Federal court rules, which critically affect the rights of our citizens, will receive careful consideration and public participation.

Under present law, Federal court rules are supposedly promulgated by the Supreme Court. Such rules then go into effect automatically unless Congress, by statute, changes them. In fact, the Supreme Court does not fashion the rules. Instead, they are promulgated by the advisory committees of the Judicial Conference, a group composed of Federal judges. The Supreme Court does little more than rubberstamp the rules proposed by the Conference.

Justice Douglas said of the process in his dissent to the Federal Rules of Evidence:

[T]his Court does not write the Rules, nor supervise their writing nor appraise them on their merits, weighing the pros and cons. . . . Those who write the Rules are members of a Committee named by the Judicial Conference. The members are eminent; but they are the sole judges of the merits of the proposed Rules, our approval being merely perfunctory. In other words, we are merely the conduit to Congress. Yet the public assumes that our imprimatur is on the Rules, as of course it is.

Another problem occurs under the present system. Even though the Supreme Court does not deliberate on the rules, the fact that it approves them means that the Court is then placed in the awkward positions of deciding on their validity when the rules are challenged in a particular case.

Furthermore, the rules which come to the Supreme Court for approval have often not been as good as they could be. One reason is that the Judicial Conference drafts rules without the benefit of widespread comment by the bar and interested public. The advisory committees to the Judicial Conference, which do the actual drafting, are often made up of law professors and appellate judges. They do not include enough experienced trial lawyers or represent an adequate cross-section of interests.

The Judicial Conference generally adopts rules behind closed doors. It does not have published procedures. Until recently, no public hearings were held and the record of advisory committee votes on particular rules and dissenting views were never made public.

The best evidence of the inadequacy of the rule-making procedure is that four times in the last 4 years the Congress has had to step in and revise the proposed rules.

Under the present system, however it is difficult for Congress to block the rules. Unless it passes a statute within 90 days, the rules go into effect automatically. This means that bad rules can go into effect by default if both Houses cannot agree, one House fails to act or the President refuses to sign the bill. The burden should not be on Congress to stop bad rules but on the proposers to show the rules are good.

My bill would reform the present rulemaking procedures. First, it would take the rulemaking power away from the Supreme Court which does not exercise that power anyway. Second, it would give the responsibility for proposing rules to the Judicial Conference which does exercise that power now.

In addition, my bill would open up the process by which the Judicial Conference adopts rules so that the rules promulgated will have the benefit of widespread comment from the bar and the public. Specifically, the bill would require that the Judicial Conference establish regular procedures—through publication in the Federal Register—for promulgating rules. It would further require that when the Judicial Conference decides to consider rules changes that it publish, 90 days before their formal consideration, a list of the changes under consideration and the issues raised by such changes in the Federal Register and Federal Rules Decisions.

The Judicial Conference would be required to seek affirmatively wide ranging comment from the public and the bar, receive written comments, and hold public hearings on rule changes. It would then be required to publish a record of the votes taken within the Conference on particular rules and publish any dissenting views.

Finally, the bill provides that rules promulgated by the Judicial Conference would not go into effect until approved by the Congress.

The bill, in my judgment will substantially improve the quality of the rules promulgated for Federal courts and relieve Congress of its present burden of preventing the damage that ill-considered rules could cause.

The text of my bill follows:

H.R. 3413

A bill to amend the provisions of titles 18 and 28 that are commonly called the Rules Enabling Acts to provide a uniform method for the proposal and adoption of certain rules of court by the Judicial Conference, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Rules Enabling Act Amendments Act of 1977".

CRIMINAL CASES

SEC. 2. Chapter 237 of title 18 of the United States Code is amended to read as follows:

"CHAPTER 237—RULES OF CRIMINAL PROCEDURE

"Sec.
"3771. Power of Judicial Conference.
"3772. Effect of laws and prior rules.
"3773. Manner of prescribing rules.
"3774. Effect of rules.

"§ 3771. Power of Judicial Conference

"(a) The Judicial Conference of the United States shall have the power to prescribe from time to time, rules of pleading, practice, and procedure with respect to any or all proceedings, before or after verdict or otherwise, in criminal cases and proceedings to punish for criminal contempt in the United States district courts, in the district courts for the Districts of the Canal Zone and the Virgin Islands, in the Supreme Court of Puerto Rico, in proceedings before United States magistrates, in the United States courts of appeals.

"(b) This section does not give the Judicial Conference the power to abridge the right of the accused to apply for withdrawal of a plea of guilty, if such application is made not later than the tenth day after the date of entry of such plea, and before sentence is imposed.

"(c) Rules prescribed under subsection (a) of this section shall not abridge, enlarge, or modify any substantive rights and shall preserve the right to trial by jury as at common law and as declared by the Constitution of the United States.

"§ 3772. Effect of laws and prior rules

"(a) The right of appeal shall continue in those cases in which appeals are authorized by law, but the rules made under this chapter may prescribe the times for and the manner of taking appeals, preparing records and bills of exceptions, and the conditions on which supersedes or bail may be allowed.

"(b) Nothing in this title in any way limits, supersedes, or repeals any such rules prescribed by the Supreme Court of the United States before the date this subsection takes effect.

"§ 3773. Manner of prescribing rules

"Rules prescribed under this chapter shall be prescribed in the same manner as rules prescribed under chapter 131 of title 28.

"§ 3774. Effect of rules

"The Judicial Conference may fix the extent to which rules prescribed under this chapter shall apply to proceedings pending on the date such rules take effect."

CASES OTHER THAN CRIMINAL CASES

SEC. 3. Chapter 131 of title 28 of the United States Code is amended—

(1) in section 2071, by striking out "Supreme Court." and inserting in lieu thereof the following: "Judicial Conference of the United States under an Act of Congress.";

(2) by striking out section 2072 and all that follows through section 2076 and inserting in lieu thereof the following:

"§ 2072. Power of Judicial Conference

"(a) The Judicial Conference of the United States (hereinafter in this chapter referred to as the 'Judicial Conference') shall have the power to prescribe from time to time, by general rules—

"(1) the pleading, practice, and procedure of the district courts and courts of appeals of the United States in civil actions, including admiralty and wartime cases, and appeals in such cases;

"(2) the pleading, practice, and procedure in proceedings for the review by the courts of appeals of decisions of the Tax Court of the United States;

"(3) the pleading, practice, and procedure for the judicial review of or enforcement of orders of administrative agencies, boards, commissions, and officers;

"(4) the practice and procedure under the Bankruptcy Act; and

"(5) rules of evidence, in the form of amendments to the Federal Rules of Evidence.

"(b) Rules prescribed under subsection (a) of this section shall not abridge, enlarge, or modify any substantive rights and shall preserve the right of trial by jury as at common law and as declared by the Seventh Amendment to the Constitution.

"§ 2073. Effect of prior rules

"Nothing in this title in any way limits, supersedes, or repeals any such rules prescribed by the Supreme Court of the United States before the date this section takes effect.

"§ 2074. Manner of prescribing rules

"(a) The Judicial Conference shall publish from time to time in the Federal Register a description of the procedures the Judicial Conference adopts with respect to the functions of prescribing rules under this chapter. Such procedures shall be in conformity with this section. The Judicial Conference shall also submit such description to any appropriate private publishers of regularly issued materials published for the legal community for inclusion in such materials.

"(b) The Judicial Conference shall publish in the Federal Register, and submit to private publishers as described in subsection (a) of this section, not later than 90 days before the date on which formal consideration is to be given to a proposed rule under this chapter, a notice of such proposal, including a list of issues that the proposal raises and any copy of the proposal, if such copy is then available. No rule that concerns an issue required to be listed under this subsection shall be adopted by the Judicial Conference until after such issue is listed in such list and such list has been published in accordance with this subsection and furnished in accordance with subsection (c) of this section.

"(c) The Judicial Conference shall seek comment on the proposal from a wide variety of persons and organizations that may be affected by the adoption of the proposal. The Judicial Conference shall in addition furnish to the extent practicable the notice, list, and copy required by subsection (b) of this section to organizations representing those segments of the legal community that are concerned or have in the past indicated a concern with matters the proposal affects, and to an appropriate committee of each House of Congress.

"(d) The Judicial Conference shall accept and consider timely written comments on such proposals. The Judicial Conference shall hold hearings (and maintain available to the public a transcript of such hearings) on matters before it for consideration under this chapter.

"(e) The number of votes in favor of and opposing the adoption of a rule that is adopted by the Judicial Conference shall be recorded and published in the Federal Register and submitted to private publishers as described under subsection (a) of this section together with the adopted rule, any dissenting views submitted in a timely fashion, and an explanation of why such rule was adopted and why any changes were made if such changes were made to the rule as proposed by an advisory committee.

"(f) Rules adopted under this chapter shall not take effect until they have been approved by Act of Congress.

"§ 2075. Effect of rules

"The Judicial Conference may fix the extent to which rules prescribed under this chapter shall apply to proceedings pending on the date such rules take effect."; and

(3) so that the table of sections reads as follows:

"Sec.
"2071. Rulemaking power generally.
"2072. Powers of Judicial Conference.
"2073. Effect of prior rules.
"2074. Manner of prescribing rules.
"2075. Effect of rules."

AVOIDING INEQUITABLE DUPLICATE EXACTION OF EMPLOYMENT TAXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 10 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today, I am introducing the solution to a persistent, recurring, and increasingly important problem which arises among related employers of the same employee, namely, the inequitable duplicate exaction of the same employment taxes. The taxes involved are payroll taxes for social security and Federal unemployment—sometimes referred to as "FICA" and "FUTA" taxes.

The Federal Insurance Contributions Act and the Federal Unemployment Tax Act each impose a tax on employers which is a percentage of wages paid to employees. The FICA tax is limited to the first $16,500 of wages paid by the employing corporation and the FUTA tax is limited to the first $4,200 of such wages. The reason for these limitations is that benefits paid out of funds provided by taxes are based upon the amount of wages earned by an employee up to the specific statutory limit. If an employee remains employed by a single employer during the entire year, both the employee and employer pay a FICA tax limited to wages of $16,500 while the employer alone pays a FUTA tax limited to wages of $4,200.

If, however, an employee earns more than $16,500 by performing services concurrently for more than one employer, the FICA tax will not be limited to wages of $16,500 and the FUTA tax will not be limited to wages of $4,200—even if the employers are part of a single enterprise under common ownership or management. Indeed, the two payroll

taxes will not infrequently be doubled despite the fact that the employee enjoys no increase in his benefits.

This illogical result—which is clearly contrary to the reason underlying the wage limitations—obtains because, under present law, each employer is considered to have paid as wages the amount attributable to the services performed by the employee for that employer. When two or more employers employ an individual concurrently, each must pay the applicable payroll tax with respect to the first $16,500—$4,200 in the case of FUTA—of services rendered to it by the employee.

This means, for example, that if an individual is concurrently employed by two related corporations which each pays that individual $16,500, both must pay the maximum amount of payroll taxes that may be imposed on an employer with respect to any one employee. Thus, the tax is imposed, not on the first $16,500 of wages, but on the first $33,000 of wages—double the amount paid in ordinary situations. If the employee performs services concurrently for three or four corporate employers—which is often the case in some industries—the tax can be tripled or quadrupled.

This duplication of payroll taxes is a particularly serious problem for industries which are structured in such a manner that a great many employees work for more than one corporation. Further, this burden of excess tax is becoming increasingly heavy. The maximum FICA tax has, for example, increased approximately thirtyfold since 1949. For the first 13 years, 1937–49, the FICA tax rate was only 1 percent, applied to the first $3,000 of earnings—a maximum of $30. By 1960 the rate had climbed to 3 percent, and the wage base was $4,800. By 1970 the rate was 4.8 percent and the base was $7,800. In the past 4 years, accelerations in the rate and wage base have been even more rapid. Today, in 1977, the rate is now a sizable 5.85 percent, the base is $16,500, having more than doubled in 6 years, and further increases are scheduled in the future. When the tax was small, duplication of tax could perhaps be overlooked as a minor imperfection in the system. But at present levels it creates major inequities and can no longer be quietly condoned.

Prior proposals to deal with the problem of duplication of FICA and FUTA taxes have included proposals for the elimination of double taxation among members of the same affiliated group of corporations, defining the "affiliated group" by means of the 80-percent stock ownership test used for determining eligibility to file consolidated returns. That approach, however, failed to recognize that employers of the same employee may be under common control by management, financial interests other than stock ownership, or by other means, and that the discriminatory multiple tax upon employers may be just as severe in these cases even though there is not the requisite stock ownership to file a consolidated return.

Another prior proposal would allow two or more employers of the same employee, upon notice to the Internal Revenue Service, to enter into an agreement under which each of the FICA and FUTA taxes would be imposed only once, with the employers allocating liability for it among themselves. This proposal was incorporated in H.R. 6176 which I introduced in the last Congress. However, there has been concern that it might create significant administrative problems. For example, it would obviously require some type of auditing of the agreements made between the employers with respect to an employee.

I have, therefore, refined my prior proposal into one which would provide comparable relief against duplicate imposition of the same tax while eliminating the objections described above. As written, H.R. 3363 amends relevant provisions of the Internal Revenue Code which relate to the imposition of the FICA and FUTA taxes to provide that, where two or more corporations concurrently employ the same individual and compensate such individual through a common paymaster, each corporation will be considered to have paid as remuneration to such individual only the amount actually disbursed by it to such individual.

If enacted, H.R. 3363 would enable related corporate employers to avoid the duplication of payroll taxes in the following manner. One of the related corporations would become the common paymaster. Since it would be the only entity disbursing wages for an employee concurrently employed by it and other related corporations, it would be the only entity liable for payment of FICA or FUTA taxes.

In effect, it would be treated as if it were the only employer of this one employee. The revenues are fully protected, because all wages paid are accounted for once, but only once. Collection problems are simplified for the Treasury because one corporation is liable for the entire tax and potential difficulties in determining which portion of the tax is attributable to which corporation are eliminated. In short, my proposal solves the duplicate payroll tax problem faced by related employers who concurrently employ an employee without the difficulties inherent in prior proposals.

It is also timely in view of the present consideration by the Carter administration of proposals to increase employment through a mechanism of social security tax wage credits. Obviously, it would be highly desirable to eliminate this duplicate payroll tax problem from employers in order to remove the adverse impact it may have on hiring additional employees. My bill does so.

I am pleased to be joined once again in this effort by my colleagues on the Committee on Ways and Means, Messrs. ARCHER, BURLESON of Texas, CONABLE, and WAGGONNER.

Hopefully, the committee will be able to give prompt consideration to this proposal.

RESPONSE TO SENATOR NUNN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, I commend Senator SAM NUNN for his reply to my speech on "A Surprise Attack on NATO: Refocusing the Debate," which appeared in Monday's RECORD. I welcome this opportunity to debate one of the major issues in defense spending that Congress will examine this year.

In my address, I pointed out that a new threat was being postulated for Europe: that of a massive surprise attack by the Warsaw Pact.

I mentioned that Soviet forces—just like NATO's forces—have improved in recent years. However, I also stated that significant obstacles remain before the pact would be able to launch such an assault.

For example, I noted that half of the 54 divisions that would supposedly participate in the short notice attack belonged to the Soviets' allies. These divisions have serious readiness problems, as illustrated by their low manning levels, have much lower quality equipment, and are of dubious reliability.

I also pointed out that the 27 Soviet divisions deployed in the three East European countries could not participate en masse in a surprise attack because of maldeployment problems and logistics deficiencies, and because some would have to remain in Poland and Czechoslovakia in an occupation role to assure allied cooperation.

Overcoming these difficulties would give NATO adequate warning. Moreover, there are several other activities—naval and strategic force activities were mentioned in my speech—that would assure early indications of an attack under preparation.

Senator NUNN did not address the majority of these points. He did, however, say that Soviet category I divisions are manned at greater than 75 percent of their authorized strength. I never claimed Soviet divisions were undermanned. I did state in my report that—

> The 27 "Category I," that is "top-rated," divisions maintained by Russia's three allies in the Center Region are no more than three-quarters manned.

I also did not "misconstrue" the Institute for Strategic Studies. "The Military Balance 1976–77," on page 12, clearly states that the Czech, Polish and East German Category I divisions are defined differently from Soviet category I divisions; they "are up to three-quarters of establishment strength."

The Senator also says that I ignored my own warning that the rapid introduction of 100,000 replacement Soviet troops could be used to flush out the understrength Russian divisions. First, they could not flush out the understrength Eastern European divisions. Second, my point was that we ought to try the political route to get the Russians to change their rotation program rather than spend billions to match it without having tried the political route.

Senator NUNN also objects to my claim that "the Soviets are still faced with a deficient logistics structure." He says this claim was based primarily on Soviet performance in the 1968 invasion of Czecho-

slovakia. This is not the case. My assessment was based on current Soviet abilities and on recent studies. Indeed, I noted that there had been changes in recent years in Soviet logistics abilities. But despite these changes there remain many problems that existed in 1968, such as a dependence on rail-based support.

Senator NUNN disparages my reliance on Leo Heiman's Military Review article about the Czech invasion. Because it was written 7 years ago, the article was brought to my attention by Jeff Record who quoted from it in his study, "Sizing Up the Soviet Army" on page 46. Mr. Record is a very able analyst who now assists Senator NUNN on defense matters and who accompanied the Senator on his recent inspection of our European forces. If Mr. Record thought the article was valid enough to use in a book published in late 1975, I do not see why he and Senator NUNN object to my citing the same article in early 1977.

Thus, Mr. Speaker, I remain convinced that a massive no-notice attack is, as I said Monday, "pretty unlikely." But Senator NUNN wonders why I favor using the MBFR talks to increase warning time when I argue that a large surprise attack is such a low probability. There are several reasons why these stands are not inconsistent, but let me mention just a few.

First, just because I do not think a large surprise attack is a credible threat today, that does not mean it could not over a number of years become a more likely contingency. I thus favor a negotiated approach to preclude the development of a credible pack ability to launch a massive no-notice attack.

Second, I agreed with Senators NUNN and BARTLETT that a lack of political will to respond to pact preparations could be a problem. Thus, even though there would most likely be early and sufficient indications of an impending assault, there is still a need to assure that those indicators lead to NATO action. NATO action is more likely if pact activities are seen to be a violation of an MBFR agreement.

Finally, there is obviously no wide consensus about the nature of the threat. Reasonable men can reach different assessments, and given the uncertainties there will be pressures to hedge our bets with added forces. As a result, I favor the MBFR approach if only to stave off the tremendously expensive and potentially destablilizing military solution that seems to be gaining some acceptance. As noted in my speech, the prescriptions of General Hollingsworth and Senators NUNN and BARTLETT call for the wholesale restructuring of our European forces. This would involve massive budget allotments on the order of tens of billions of dollars. In the end, depending on the pact response, both sides could end up with forces on a dangerous, "hair trigger" status.

Mr. NUNN has one other criticism. In his speech he states:

> He (Mr. Aspin) implies that Senator Bartlett and I have chosen to ignore MBFR as a preferable means of countering the new Soviet threat.

Although Senator NUNN may so infer, I neither stated nor implied that the Senators had ignored the use of the MBFR talks. But since Senator NUNN has raised the issue, I am happy to address it.

In the first place, while not ignoring the diplomatic approach, Senators NUNN and BARTLETT have given it short shrift. They do state that they will address the issue in a later report, which I look forward to with great interest. But thus far, only two paragraphs of their 20-page report and of all their previous statements on this issue have been addressed in any way to MBFR talks or a negotiated solution. The rest have focused primarily on military issues and solutions, including 14 paragraphs of specific recommendations for our military force structure in the latest study. And despite their mention of MBFR, the Senators found it "imperative that NATO alter its own conventional force posture;" I do not.

In their one-sentence prescription for a negotiated approach, they stated:

> In our opinion the main objectives should be to reduce Soviet firepower in the Guidelines Area, to provide the necessary verification means to ensure it is not reintroduced, and to take steps which would improve early warning of impending attacks.

Only the last part is consonant with my proposals. The first two are focused on reducing Soviet firepower. But an emphasis on firepower leads directly to a focus on tanks and troops which has plagued our existing MBFR approach. The 1975 proposal by the United States to get 1,700 Soviet tanks out of Eastern Europe was nothing if not an attempt to reduce Pact firepower; it did not prove to be very fruitful.

In summary, Mr. Speaker, the obstacles to a successful and massive surprise attack by the Warsaw Pact remain formidable despite some improvements in Soviet forces in Eastern Europe. To counter militarily the exaggerated threat of a large no-notice attack would not only cost billions but could actually increase the risk of war in Europe. A safer and inordinately cheaper way to preclude the possibility of such an assault is a diplomatic approach, which can also address the problem of political will. I thank Senator NUNN for his comments, which have provided an opportunity to reaffirm these conclusions.

A BILL TO ESTABLISH A SYSTEM OF REGIONAL PRIMARIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 15 minutes.)

Mr. HAMILTON. Mr. Speaker, the Presidential primaries of 1976 are now behind us, and in their aftermath we may very well question whether we choose our Presidential candidates in an efficient way.

I do not mean to imply that the present system of primaries has not served us reasonably well over the years. Indeed, for a people who presume to elect their President democratically it has many indispensable features. Among other things, it gives national exposure to the contenders, tests them on the issues, challenges their physical and mental stamina, tries their organizational ability, displays their proficiency in promoting their points of view and winnows out those who are less committed to seeking high office. Furthermore, it allows the candidates to get acquainted with the voters and, perhaps most importantly, provides the voters with the information necessary for an informed choice. In short, the present system of primaries brings the candidates and issues into sharper focus and gives the people an opportunity to express their initial preferences.

For all its obvious benefits, however, the system is seriously flawed. Its haphazard development down through the years has made it too long, too costly, too confusing and too disjointed. A brief look at the facts will convince us that it is in desperate need of reform.

During the 15-week period last year, from February 24 to June 8, voters in 29 States and the District of Columbia voiced their preferences for the candidates and selected slates of delegates to the national conventions. The entire process cost Presidential hopefuls and the taxpayers an estimated $65 million. Worse still, each primary took place according to different and constantly changing rules, and in two States the voters did not know which slates of delegates were pledged to whom.

The duration, cost and confusion of any election are surely matters of concern to all of us, but perhaps what troubles us most about the present system of primaries is its disjointedness. The 30 primaries of 1976, scheduled in the absence of any common plan, had candidates shuttling from one State to another at a furious pace. The chaos reached its height in the final weeks of the primary season: on June 8 primaries were held in California, New Jersey, and Ohio, and during the preceding week four other primaries had taken place in other regions of the country.

The disjointed character of the present system of primaries has several undesirable consequences. Perhaps most important among these is the debilitating effect on Presidential contenders. How can a candidate adequately convey his points of view when he spends most of his time criss-crossing the country? A premium is placed on the candidate's physical and mental endurance, to the exclusion of his intelligence, his familiarity with the issues, his commonsense and his capacity to lead.

Another undesirable consequence is the incentive for demagoguery. A candidate who does not have the endurance to enter all the primaries may be tempted to seize on emotional issues in order to grab headlines. Yet another undesirable consequence is the disproportionate influence of those few States whose primaries come first. An early victory in a small State may not truly reflect any national trend, but the benefits of publicity that attach to such a victory may be enormous.

No one will deny that the duration, cost, confusion, and disjointedness of the

present system of primaries detract from the purpose of the primary process—the choosing of the most qualified candidates for the highest office in the land. But if the purpose of this process is not fulfilled in an efficient way, the best interest of the Nation is not served. In order to make the process more efficient I am introducing today a bill to establish a new system of regional primaries.

Under the provisions of my bill the 50 States, the District of Columbia, Guam, Puerto Rico, the Canal Zone, and the Virgin Islands would be divided into six geographical regions, each with common interests, approximately the same number of electoral votes and approximately the same number of Presidential primaries. A region would hold its primary on one of the six Tuesdays beginning in the last week of March and ending in the second week of June. Specific dates would be randomly assigned to regions by the Federal Election Commission on the last Tuesday in October of the year preceding a Presidential election year. The States would retain the right to determine whether they would hold a primary.

However, if a primary were held in a State it would have to be held on the date assigned to that States region. Individual primaries would continue to be conducted in accordance with the laws of the States, except that cross-over voting would be prohibited and the ballots for selection of slates of delegates would indicate the candidate to whom delegates would be pledged. The bill would also require that a candidate enter at least one primary in each of the regions.

The advantages of a system of regional primaries are many. It would save money, some of which comes from the taxpayer's pocket. It would spare the candidates' time and effort, most of which would be better spent in dialog with the voters. It would reduce the temptation of demagoguery and diminish the value of minor victories. Lastly, it would emphasize regional issues and stimulate the discussion of regional problems. Voter participation would very likely increase.

Mr. Speaker, the present system of primaries is in disarray. It is incumbent upon us to reform it and bring order to the process through which we choose Presidential candidates. The bill that I offer will accomplish this. I urge its careful consideration.

UNITED STATES AND MEXICO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, I wish to take special note of two acts by the administration which augur well for its relations with Latin America. I refer to the Secretary of State's announcement that negotiations for a new Panama Canal Treaty will recommence on February 10. He indicated that every effort will be made to conclude a treaty and was optimistic that it would be completed by this summer. As I indicated in the CONGRESSIONAL RECORD on January 26, I believe a new treaty is vital to all concerned.

The second matter to which I wish to call attention is the visit of Mexico's President Jose Lopez Portillo. It is significant that the first head of state to visit the United States in the Carter administration comes from our next door neighbor to the South. The visit demonstrates both the bond of friendship between our two countries and the desire of our two Presidents to insure that there is an understanding of the policies and aspirations of each.

President Lopez Portillo came to his office from a distinguished academic and government service background. He is a man of letters, having authored books, and most recently served his country as Secretary of Treasury.

As President Carter has been confronted with the energy crisis in the early days of his administration, President Lopez Portillo likewise met with a crisis upon taking over the reins of his government. Mexico's crisis stemmed from economic and financial pressures. Both Presidents have quickly demonstrated their capacity for effective actions and have inspired renewed confidence among their countrymen.

During this period of preparation for President Lopez Portillo's visit, I would like to share with the House some of my personal perceptions concerning United States-Mexican relations.

First and foremost is the blunt historical fact that for all too many years our two nations were not friendly neighbors. There was mutual suspicion and hostility that led to a major war in the 1840's. Beginning in the 1930's, however, our relations began to improve and in 1938 took an important step forward with the peaceful resolution of the dispute sparked by Mexico's expropriation of U.S. private oil investments. From that settlement both nations learned that more was to be gained by negotiations than by hostile confrontation.

Another important factor in our relation is the great strength and dynamic quality of Mexican culture and the Mexican people who have successfully resisted all attempts at domination since independence. Today the United States recognizes and respects the independent course the Mexican people have chosen and the revolutionary principles upon which rest their search for greater economic justice for all peoples. Moreover, the strength and value of Mexico's history increasingly is recognized throughout the world as Mexico assumes a leadership role she has earned and deserves.

One can sum up the present attitude of the United States by saying that we have faith in Mexico, in its people and in its capacity to resolve its own problems. But there are also many mutual problems to be solved and opportunities for mutual advantage to be seized. These will require joint planning and joint decisions and require that both our countries not tolerate any attitude that might obscure the imperative of a positive, constructive, friendly relationship. This is why I am so pleased and encouraged that our two Presidents are meeting. We can and should be examples of good neighborliness, acting together in international forums and organizations to promote peace and justice. In the area of bilateral relations, we must proceed with respect for each other, showing that we have confidence that solutions and progress are ours to be had. We do not have difficult issues which are outstanding—the Chamizal settlement is behind us, as is the problem of salinity from the Colorado River—but we do have a full agenda before us.

High on the agenda for discussion must be the welfare of the citizens of each country who are visiting or residing in the other country. Of particular concern are those who encounter legal difficulties. It is never pleasant when laws are violated; this is particularly true in any country when a noncitizen is involved. With Mexico and the United States, laws have similar basic intent but there are different procedures. In the international community it is customary for these procedural differences to be adjusted through consular conventions to insure that a nation's citizens are accorded treatment compatible with international standards and norms. A vital aspect of our consular convention with Mexico is prompt notification of the detention of a citizen and the right of the proper consular official to see the detainee. Perhaps, the time has come for Mexico and the United States to update its consular convention so that there is no misunderstanding and so that neither one's rightful interests are being jeopardized. These are important understandings and have been particularly germane recently with the large number of U.S. citizens running afoul of Mexico's narcotics laws. I am pleased to note that one aspect of this overall problem is on its way to resolution. Our two nations have signed a treaty which would permit convicted U.S. citizens in Mexican jails and Mexicans in U.S. jails to be returned to their respective countries for parole or completion of their sentences. This treaty is further evidence of two friendly nations facing issues and finding solutions. There is need, however, for speedy ratification and implementation of the treaty. The President will surely want to discuss ways and means to overcome obstacles to fulfilling this agreement.

The problems in Mexico encountered by hundreds of our citizens are only one aspect of a larger issue between our two countries as a result of the U.S. market for illicit and dangerous drugs. This insidious traffic is almost impossible to eradicate from any source. It is particularly difficult to combat in Mexico, because of its geographical location, because some undesirable drugs flourish there—and as elsewhere, it is a fantastically profitable business. We are not home free—perhaps, we never will be—in fighting the Mexican connection. Nevertheless, Mexico's attitude and cooperation has contributed immeasurably in trying to control the problem.

Another set of issues confronting our two nations are economic. Included are matters relating to trade and commerce,

U.S. private investment in Mexico, and the transfer of technology. These are areas which require constant attention to changing conditions and needs—they are sensitive, complicated areas which will profit from Presidential review to insure clear policies for equitable, mutual gain.

Another important area of concern is immigration—a policy issue characterized by mounting concern within the United States. We are constantly being made aware of the large number of illegal residents in our country. We are by no means at peace with ourselves on this subject, but at the same time we recognize that this issue is the most potentially dangerous problem between our two countries. Mexico's population growth rate is a primary factor. It will require a superhuman effort by Mexico to adequately provide for its citizenry. This is not a criticism. It is a fact. Another fact is that so long as inequitable opportunity exists between the two countries there will be efforts to take advantage of it. Short of unacceptable measures the northward flow apparently cannot be stopped; however, joint consideration should be given at the highest level for programs which are humane, acceptable, and feasible for containing the problem over the long run. Options should be considered but first such fundamentals must be studied as the size of a manageable population for Mexico and how it can be attained. For our part we should seek to identify the areas of our experience that complement the desires and aspirations of Mexico for creating conditions in Mexico which would tend to keep its citizens from leaving in large numbers. I do not believe Mexico's best minds and ours have turned their attention together in this direction.

We should do so, for our two countries stand to suffer more by doing nothing than by facing up to the need for taking immediate steps for an action program.

There are two other matters which I would like to mention. One is the border area. On each side of the border we have excellent examples of each nation's efforts for self-improvement. Also, there are fine examples of bilateral cooperation, particularly with water control, but the border lacks the careful attention it should have from two countries working together. The border population is growing rapidly in the "sister cities." Relations are friendly and cooperative on civic and social affairs but increasingly are in competition for the sparse natural resources each must have for its welfare. Attention should be given the area now before competition becomes confrontation.

Finally, I commend to Presidential attention a study of the expendable natural resources of each country which are important to the welfare of each. I am thinking of water, energy materials, and certain metals. How can the two countries work together to meet their respective needs in the future of these items become scarce? Neither can be selfish about this. We should be looking for viable ways in the future for providing each other materials which may be in short supply with one but in adequate supply in the other. If it were to be done successfully, it would insure a brighter prospect for each country and contribute to new and innovative diplomatic methods.

In closing I would like to welcome President Lopez Portillo and to express my hope that his talks with President Carter will be mutually productive for both Mexico and the United States.

PROHIBITING CONVERSION OF CAMPAIGN CONTRIBUTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, I am today reintroducing a bill which I introduced in the last session which would make it illegal for a political candidate to convert political contributions for personal use.

The Congress has gone a long way recently in establishing rules and laws which can help to restore the confidence of the people in their elected officials. This bill will be another step in that direction. People who contribute toward a political campaign mean to contribute to help elect a candidate in whom they believe. They expect their contribution to be used for that purpose, and not to increase a person's personal wealth. My bill would require that political contributions to an individual be used in that person's current campaign or in the next campaign for the same or higher office, by the same individual; returned to the contributors; or contributed to the Presidential Election Campaign Fund.

Although this legislation was not considered in the last Congress, the objective was nearly accomplished by an amendment added to a bill in the Senate. Unfortunately, the amendment was dropped in conference, because of the objection of one of our Members. With the need to restore the public's confidence in our political system, I urge the House to consider this matter at the earliest possible moment.

AUTOMOTIVE TRANSPORT RESEARCH AND DEVELOPMENT ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 10 minutes.

Mr. BROWN of California. Mr. Speaker, the Automotive Transport Research and Development Act of 1977, H.R. 784, and others, which was passed by the House, but not the Senate over former President Ford's veto late last year, will be reintroduced again shortly after we return from the recess which begins today. As I have said in earlier statements, this bill is quite important, and deserves our urgent attention. The chairman of the subcommittee which has jurisdiction over this bill, Mr. MCCORMACK, has been one of its strongest advocates, and has pledged early action on the bill in this Congress.

I do not wish to repeat the reasons why this bill is important here today, but would urge any interested Members to contact the Committee on Science and Technology, or my office, if they have any questions. Suffice it to say that this bill is a major energy conservation measure which is intimately involved with our effort to develop a national energy policy and program. In addition, the Automotive Transport Research and Development Act of 1977 is supportive and complementary to our national environmental programs.

At this time I wish to list the current cosponsors of this legislation:

LIST OF COSPONSORS FOR AUTOMOTIVE TRANSPORT RESEARCH AND DEVELOPMENT ACT OF 1977

Congressman George E. Brown, Jr. of California.
Congressman Mike McCormack of Washington.
Congressman Olin E. Teague of Texas.
Congressman Don Fuqua of Florida.
Congressman Dale Milford of Texas.
Congressman Ray Thornton of Arkansas.
Congresswoman Marilyn Lloyd of Tennessee.
Congressman David Emery of Maine.
Congressman Charles H. Wilson of California.
Congressman Joe Moakley of Massachusetts.
Congressman John J. Duncan of Tennessee.
Congressman Robert F. Drinan of Massachusetts.
Congressman Charles J. Carney of Ohio.
Congressman Romano L. Mazzoli of Kentucky.
Congressman William J. Hughes of New Jersey.
Congresswoman Helen S. Meyner of New Jersey.
Congressman Paul N. McCloskey, Jr. of California.
Congressman Gerry E. Studds of Massachusetts.
Congressman Austin Murphy of Pennsylvania.
Congressman Bob Edgar of Pennsylvania.
Congressman Harold C. Hollenbeck of New Jersey.
Congressman John M. Murphy of New York.
Congressman John Conyers, Jr. of Michigan.
Congressman Richard L. Ottinger of New York.
Congressman Daniel J. Flood of Pennsylvania.
Congressman James M. Jeffords of Vermont.
Congressman James J. Howard of New Jersey.
Congressman William Lehman of Florida.
Congressman John Breckinridge of Kentucky.
Congressman Christopher J. Dodd of Connecticut.
Congressman Jerome A. Ambro of New York.
Congressman Tom Harkin of Iowa.
Congressman Frederick Richmond of New York.
Congressman Henry Waxman of California.
Congressman Timothy Wirth of Colorado.
Congressman Gary Myers of Pennsylvania.
Congressman Paul Simon of Illinois.
Congressman Claude Pepper of Florida.
Congressman James Scheuer of New York.
Congressman Carlos Moorhead of California.
Congressman Herb Harris, of Virginia.
Congressman Lester L. Wolff of New York.
Congressman Abner J. Mikva of Illinois.

Congressman Robert Duncan of Oregon.
Congressman Don Edwards of California.
Congressman Cecil (Cec) Heftel of Hawaii.
Congressman Leon E. Panetta of California.
Congressman Max Baucus of Montana.
Congressman Glenn M. Anderson of California.
Congressman Manuel Lujan, Jr. of New Mexico.
Congressman Silvio O. Conte of Massachusetts.
Congressman Millicent Fenwick of New Jersey.
Congressman William R. Cotter of Connecticut.
Congressman Thomas J. Downey of New York.
Congressman Edward R. Roybal of California.
Congressman Norman D. Dicks of Washington.
Congressman Ronnie G. Flippo of Alabama.
Congressman Joshua Eilberg of Pennsylvania.
Congressman Samuel S. Stratton of New York.
Congressman Jonathan B. Bingham of New York.
Congressman Robert J. Cornell of Wisconsin.
Congressman George E. Danielson of California.
Congressman Charles Wilson of Texas.
Congressman James C. Corman of California.
Congressman Jerry M. Patterson of California.
Congressman Berkley Bedell of Iowa.

LEGISLATION TO PERMIT AWARD OF REASONABLE COSTS FOR PUBLIC PARTICIPATION IN PROCEEDINGS BEFORE FEDERAL AGENCIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, the gentleman from New York (Mr. KOCH) and I, together with 36 other Members, have today introduced legislation that would permit the awarding of reasonable costs for public participation in proceedings before Federal agencies and for some types of litigation concerning agency decisions.

This measure would provide funds to accomplish what has already been envisioned by the Congress through statutes intended to open to public view and participation the proceedings of Federal regulatory and administrative agencies such as the Federal Trade Commission, the Securities and Exchange Commission, the Food and Drug Administration, and many others.

For years consumer and public interest groups, small businesses, and private citizens have protested that they are denied equal participation in the decision-making process of Federal agencies. These groups and individuals have argued, persuasively, that their inability to pay for representation before the agencies effectively keeps their voice from being heard.

Big businesses, major trade associations, and special-interest groups have suffered no such restriction, however. Their treasuries are large enough to pay the costs of representation.

A number of laws have been enacted guaranteeing those affected by agency decisions to be heard. But this assurance does no good until the necessary funds are there.

This bill would provide those funds. The total costs are expected to be less than $2 million a year—a reasonable sum when one considers the good that should come from the opening of Commission proceedings to all those with a valid interest.

Under this legislation, the payment of reasonable costs would be authorized by the agency involved only when a significant contribution was made by those appearing. In legal actions contesting regulatory agency decisions, attorneys' fees, and other costs would be provided only when the plaintiffs substantially prevailed.

These procedures could, conceivably, result in an overall cost reduction for the Government. By insuring adequate public participation before regulatory agencies and commissions, we can reasonably expect better decisions and fewer challenges that consume both time and money.

Mr. Speaker, we believe this is needed legislation to complete a process of public participation that already has begun.

INTRODUCTION OF NATIONAL COMMUNITY HEALTH WEEK JOINT RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. BURKE) is recognized for 5 minutes.

Mrs. BURKE of California. Mr. Speaker, today I wish to introduce a joint resolution designating March 13 to 19, 1977, as National Community Health Week.

A growing number of communities are already observing National Community Health Week under the sponsorship of the Community Health Association, Inc. This organization is headed by my good friend, Dr. Ruth Temple of Los Angeles, who has devoted an inordinate amount of time and energy to the establishment of community health centers.

Community health centers have been established under the auspices of Federal, State, and local governments to insure that no individual or community is denied health services, because of unavailability, inadequate financial resources, or other such barriers. Yet, today, many Americans still suffer needlessly, because they are unaware of the resources available to them through such community health centers.

Designation of a National Community Health Week would provide an opportunity for a united effort in health education by the participation of business, labor, religious, and civic groups as well as individual citizens. This would encourage swift identification, diagnosis, and treatment of persons having health problems by increasing community awareness of the services available through community health centers.

I urge my colleagues to join me in this endeavor.

CREATING JOBS—GET BACK TO BASICS

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, unemployment is a very real and urgent problem in our economy today. It is a legitimate concern of people of all political opinions, but the crucial question remains of how to create jobs for the unemployed. Here is where the solutions differ.

I would like to commend to our colleagues an editorial that appeared recently in the Enterprise, published in Mansfield, La. With a few words, Editor John Blanchard has given readers the most eloquent description of how the free enterprise system works—or is hampered from working, as the case may be. As he so correctly points out, jobs in the private sector are created by investment which comes from savings. Since the Government has no savings, thanks to ever-increasing budget deficits and over spending, the only way the Government can create new jobs is by increasing taxes or borrowing the money necessary to put people to work. Borrowing by Government removes revenues available for private enterprise from the money market. Here is where the difference lies. He comments:

> In the process of creating government jobs, the government reduces the ability of the private sector to create jobs. Worse yet, the jobs created in the private sector are those for which there is a genuine demand, whereas the jobs created by government are to "cure" unemployment (and) are likely to be more of a drag on the economy than a stimulus.
>
> A healthy private sector, then, is the best source of new jobs. To get that, we need a few less government programs, not a few more.

Unfortunately, too many economists seem to have forgotten this truism of basic American economics. We would all do well to get back to basics and remember some valuable lessons we may have forgotten. We are blessed with the greatest and most productive economic system ever devised by man. It will continue to work, if we allow it to. John Blanchard may be a country newspaper editor, but he is endowed with intelligence and a great deal of commonsense.

I include the full text of Mr. Blanchard's editorial following my remarks:

[From the Enterprise, Jan. 18, 1977]

CREATING JOBS

"Creating jobs" is a topic much in the news these days. Various special-interest groups are pressuring the President to launch a massive federal employment program of some sort.

High levels of unemployment are not in anybody's best interest. But the way the problem is tackled is of critical importance.

Before you can create a job, you have to know how jobs are created. That sounds obvious enough. Nevertheless, it's positively amazing how many otherwise intelligent proponents of federal jobs programs seem to have overlooked the acquisition of this rather basic knowledge.

Jobs are created by investment. If you

want to open a store, for example, you need a lot of start-up money; money for such things as rent, stock, advertising, and pay for your staff until the cash starts coming in. The same principle applies to heavy industry, only more so. Big industrial processes require big, expensive machines. On the average, it takes $40,000 today to create one blue-collar job.

Where does this investment money come from? Ultimately, from savings. Yours, if your store is small and your bank account large. On a somewhat larger scale, the money may be borrowed from a bank. Then, the savings of many of the bank's depositors will be involved. Or, savings may be borrowed directly from individuals through the sale to them of stocks or bonds. And finally, a going concern may pay for diversification or expansion with its own savings, usually called "retained earnings."

Why should people risk their savings in this job-creating process? To earn a profit on their investment, of course. Which means that the product or service offered must be sufficiently attractive to the consumer.

That, in a peanutshell, is the story of our economy. From it, you can deduce that job creation requires both consumer demand and adequate savings to finance the means of meeting that demand.

Now, let's take a look at that mythical federal product: "Instant Jobs" (just add money and stir).

The first thing we can tell about such jobs is that they will be producing something for which there is little individual consumer demand—otherwise, the private economy would already have created them.

The next thing we can tell about the "Instant Jobs" is that they will—like all jobs—require investment. But where will the money come from? The government doesn't have any savings (except on those increasingly rare occasions when there is a budget surplus).

There are only two ways for the government to get the money: Higher taxes or borrowing.

Now consider the effect of those two alternatives on private job-creation. Higher taxes discourage savings. And government borrowing reduces the amount of savings available for private borrowing. Therefore, in the process of creating government jobs, the government reduces the ability of the private sector to create private jobs. Worse yet, the jobs created in the private sector are those for which there is a genuine demand, whereas the jobs created by government are to "cure" unemployment [and] are likely to be more of a drag on the economy than a stimulus.

A healthy private sector, then, is the best source of new jobs. To get that, we need a few less government programs, not a few more.

It's a fascinating subject, and an important one.

FTC COMMISSIONER PAUL RAND DIXON SHOULD BE IMPEACHED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, along with 10 Members of the House, I am today introducing a resolution of impeachment against Federal Trade Commissioner Paul Rand Dixon for his having called Ralph Nader "a son of a bitch" and "a dirty Arab." I do not have the right nor can I control Commissioner Dixon's personal prejudices, but when he gives vent to them as a public official, then I believe that Congress must not only seek to control him, but also to seek his removal. Assume for a moment that he had referred to some other individual as a "dirty Christian" or "dirty Jew," would not there have been a storm of outrage from this Chamber?

I do not take this resolution of impeachment lightly. Commissioner Dixon has publicly insulted an exceptionally able and dedicated individual, Ralph Nader, by derogating his ethnic heritage. The greatness of our country rests upon a toleration of differences. Paul Rand Dixon has shown a venomous and intemperate nature which has no place in our Government, especially in a quasijudicial regulatory position that demands judicial temperament and restrained disposition.

Public officials have a duty to set a proper tone for public discussion. No person is free of prejudice, but we must expect that when an individual assumes a public office, he or she will to the extent possible set aside those prejudices in the performance of official duty. Paul Rand Dixon has clearly shown that he cannot do so. We must, therefore, take action. For citizens who are alarmed by the word impeachment," because of the Nixon connotation, they should know that impeachment is the constitutional method required to remove a regulatory commissioner.

I should also note that I have received a letter from Mr. Dixon in response to the letter I signed along with 15 other Members of the House. I am appending that letter in the CONGRESSIONAL RECORD so as to allow Mr. Dixon to speak for himself. In all candor I must say that his letter does not satisfy my concerns, and certainly does not excuse his actions:

FEBRUARY 4, 1977.

HON. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: I am writing in response to the letter of February 1 signed by you and fifteen other members of the House of Representatives, calling upon me to resign as Commissioner of the Federal Trade Commission. I respectfully decline to do so.

I have spent my entire working life at the Federal Trade Commission, with the exception of military service and four years as a congressional committee staff member. As a Commissioner I have tried to perform my duties with concern for the interests of consumers and others whom our laws are designed to protect, and with concern for the rights of all who must obey those laws. I believe that I have performed my duties capably and efficiently, and that any review of my record as a Commissioner will bear this out.

Recently in answering a question before a small audience I spoke wrongly and with poor judgment in referring derogatorily to the ethnic background of Ralph Nader. I deeply regret any harm my remark has caused, and I have apologized for having made it.

I do not believe, however, that as the result of this unfortunate and regrettable remark I have become unqualified or unable to continue my service as a Commissioner. I have always tried to resolve issues on the basis of the law and the public interest as I have seen it and my record over the past several years can leave no doubt that in dealing with issues before the FTC, whether raised by Mr. Nader or anyone else, I have lived up to that standard.

I deeply believe in the mission of the Federal Trade Commission and in the purposes of the laws it was created to enforce. I remain eager and able to assist in fulfilling those purposes and for these reasons I plan to continue my service as Commissioner.

Sincerely,

PAUL RAND DIXON,
Commissioner.

ON INVESTIGATING NAZI WAR CRIMINALS IN THE UNITED STATES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, over the years there have been reports that former Nazis and Fascists have emigrated to the United States and received sanctuary here, even though they would have been tried as war criminals, if they had been apprehended in their own country. There have also been allegations that sanctuary in the United States has been made available to a number of individuals as the result of an "Odessa" operation having infiltrated agencies such as the Immigration and Naturalization Service and the Department of Justice.

These agencies are responsible for screening those who apply for permanent status in the United States, and in an important new book by Howard Blum it is alleged that they have been derelict in excluding former Nazis and have even been supportive of those former Nazis discovered in the United States. Howard Blum alleges that of 59 suspected Nazi war criminals known to be in the United States 5 years ago, only one has been brought to trial. Blum documents cases against four alleged Nazis who have not been brought to trial, alleging that investigations and prosecutions of those individuals have been continuously blocked by INS and the Department of Justice.

I personally do not know whether the allegations made by Blum's book are true, but it is clear that they must be thoroughly investigated. After reading Blum's book, I sent a letter to former Attorney General Edward Levi and then to his successor Attorney General Griffin B. Bell urging an investigation of the charges made by Blum of official complicity in the failure to investigate and prosecute these former Nazis.

I am appending my correspondence with Attorney General Griffin Bell. Attorney General Bell stated that he is continuing a review of the previous Department of Justice investigations into these allegations "to determine whether further investigation by the Department would be appropriate." In view of the serious charges raised by Howard Blum's book, I hope the Department of Justice does a very thorough review of its past investigations and investigates any substantial new charges raised.

I also urge my colleagues to support needed changes in the Immigration and Naturalization Act to make it clear that the United States can deport and exclude Nazi war criminals or others who

have engaged or assisted in the prosecution of others because of race, religion, or national origin.

I am a cosponsor of legislation introduced by Congresswoman ELIZABETH HOLTZMAN to effect this change, and I urge my colleagues support for it.

The correspondence follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 21, 1977.

GRIFFIN BELL,
Attorney General Designate, Department of Justice, Washington, D.C.

DEAR MR. BELL: Upon taking office, I want to bring to your attention the book "Wanted" authored by Howard Blum. It concerns itself with individuals who allegedly participated in Nazi atrocities, and notwithstanding this, they entered the United States and received sanctuary here.

If the allegations in the book concerning complicity and coverup on the part of the United States Department of Justice and Immigration and Naturalization Service officials are true, then surely something must be done to root out such corruption. I believe it incumbent upon your taking office to investigate the matter.

I urge you to read the book and if you do, I am convinced that you will direct that such an investigation be initiated.

Sincerely,

EDWARD I. KOCH.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., January 31, 1977.

Hon. EDWARD I. KOCH,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Thank you for sending me a copy of the book "Wanted" by Howard Blum about people now living in the United States who allegedly participated in Nazi atrocities during World War II.

It is my understanding that the Department was previously made aware of allegations that persons in the Immigration and Naturalization Service obstructed investigations of Nazi war criminals living in the United States. It is also my understanding that Attorney General Levi instructed the Department's Counsel on Professional Responsibility to review previous Departmental investigations into these allegations to determine whether further investigation by the Department would be appropriate. That review has been started and you have my assurance that it will continue.

Again, thank you for bringing Mr. Blum's book to my attention.

Sincerely,

GRIFFIN B. BELL,
Attorney General.

PARAGUAY: THE REPRESSION CONTINUES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in some respects Paraguay represents the saddest case of government which consistently terrorizes its own people. Alfredo Stroessner, the dictator of that country, presides over a primitive but brutally effective system of repression and has, for the most part, intimidated the populace into passive submission.

A particularly horrible example of officially sponsored government repression has come to light in the torture and death of Joelito Filartiga, a 17-year-old boy.

However, this is also a story of tremendous courage by the father of this boy. Dr. Joel Filartiga has spoken out against this crime, refusing to be intimidated by the thugs who run Paraguay.

For the interest of my colleagues I am appending an article from America by Alberto Cabral, in which the complete case of Joelito Filartiga is described.

I do not understand why the United States continues to provide military and economic aid to the Stroessner regime in the face of overwhelming evidence of a "consistent pattern of gross violations of internationally recognized human rights."

As a member of the Foreign Operations Subcommittee of the Appropriations Committee, I intend to scrutinize any requests that are made in the fiscal year 1978 budget for Paraguay, and all other countries which show no regard for the human rights of their people.

The America article, "Political Murder in Paraguay," is appended:

POLITICAL MURDER IN PARAGUAY

Shortly before midnight on March 29, 1976, seventeen year old Joelito Filártiga was quietly kidnapped from his home in Asunción, Paraguay. Four hours later two uniformed officers from a nearby police station awoke his sister and escorted her to the neighboring house of a police inspector, where she found the whipped, slashed and electric shocked corpse of her brother.

As gruesome as this incident may appear, today it is literally an everyday occurrence throughout Latin America, especially in the right wing military dictatorships of Brazil, Chile, Argentina, Uruguay, Bolivia and Paraguay. In their attempt to eliminate actual or potential opposition, and to generally terrorize the people into submission, the use of Torture as State Policy has come to characterize these totalitarian regimes.

Because of fears of further reprisals, the families of the victims rarely mount any protest. On the contrary, most often they do all that they can to discretely bury their dead without revealing the true causes. This reaction of a terrorized people is brilliantly revealed in the classic novel One Hundred Years of Solitude: in the passage after the soldiers had shot hundreds of workers at the banana plantation, Garcia Marquéz depicts their frightened neighbors refusing to acknowledge that the killings had taken place, even as the bodies were being carried away in the railroad cars. After the 1968 slaughter at the Plaza of Tlateloco in Mexico City and the 1972 massacre at Trelew, Argentina, I tried in vain to interview the families of the victims, who most often denied that they had recovered the bodies of their loved ones even to distant relatives and friends.

Although difficult for outsiders to believe, and nearly impossible for them to understand, daily kidnappings, torture and murder by the secret police or semi-official Death Squads are commonplace throughout Latin America. Likewise, the "cover-up" of these atrocities is so widespread that it has now become an identifiable part of these cultures.

The kidnapping, torture and murder of Joelito Filártiga is not in the least uncommon; what is unusual is that his father, Dr. Joel Filártiga, a noted medical philanthropist and artist of international reputation, did not quietly bury his son in the conventional manner. Instead, he has used every means available to publicize the fact and to dig out the truth of the matter. Dr. Filártiga laid the naked body in state so that the hundreds of people that passed through his home to offer their condolences would see the torture wounds. He also distributed photographs of his son's multilated cadaver to the newspapers, exhumed the body so that three prominent physicians could conduct an honest autopsy, spoke to everyone who would listen, and filed a homicide suit against the police inspector and three other members of the Death Squad.

As the months passed the official police version that the murder was nothing more than just another "crime of passion"—the Paraguayan authorities contend that Joelito was caught in bed with a neighbor's wife and killed on the spot by the irate husband—became so completely discredited that when in early September the alleged cuckolded husband, Hugo Duarte, finally "confessed" to the crime, the Asunción newspaper Aquí ran the following headline: Durate said "I killed Filártiga" (But Nobdy Believes Him) *

Even the United States Embassy evidently has been moved to break with its long established policy of ignoring the constant violations of human rights that have characterized the twenty-two year long rule of General Alfredo Stroessner. In a clear display of their disapproval of this particularly clumsy job by the dictator's secret police, in late September it sponsored a widely published exhibition of Dr. Filártiga's art work at the USIS Paraguayan American Cultural Center. If the photograph of Ambassador George Landu shaking hands with Dr. Filártiga that was carried in the newspapers the morning after opening night did not get the message across to Stroessner, the fact that the exhibition's brochure dedicated the event to Joelito left little doubt as to the Embassay's displeasure.

Together with such efforts in Paraguay, the Filártiga case has recently gained international recognition through the publication of several articles in the United States and Europe, and an Amnesty International report. Such pressure, which includes petitions and letters expressing solidarity, has had the effect of preventing further violence against the Filártiga family.

In recent months numerous people, encouraged by the Filártiga's ability to oppose the police state apparatus, and repulsed by the sadistic murder of his son, have come forward to confidentially provide much valuable information. Thus, it is only now, nine months after Joelito's death that it is possible to reconstruct the complex political and personal intrigue that has grown to become Paraguay's major scandal.

On March 27, 1976, Paraguayan police killed several guerillas shortly after they had crossed the Argentine border and entered Paraguay. The next week, on April 3, several other members of the newly formed guerilla group, the Political Military Organization (OPM) ** died in an Asunción shootout; and three days later police raided the Catholic Cristo Rey High School, which they claim was the center of guerilla operations. In the following months security forces carried out the most brutal and massive wave of repression in recent Paraguayan history. Using the opportunity to eliminate all opposition, they directed their attacks against Church, peasant and student organizations. Killing scores of people and arresting several thousand more, the police routinely torture virtually everyone in their custody. Not uncommonly, the mutilated bodies of people who have been arrested, such as the peasant leader Arturo Bernal and the opposition newspaper vender Mario Arzamenda, are later returned to their families without any official explanation.

But in mid-March, when the police first began receiving reports about the OPM, they were still attempting to gather information

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* For the Spanish translation: the actual headline is Lo Dijo Duarte "Yo Mate a Filártiga" (Pero Nadie Le Cree).

** For Spanish translation: Organización Político Militar.

and identify their targets. Because of Dr. Filártiga's notoriety as an outspoken critic of the regime, he and his family immediately came under suspicion.

For the past sixteen years Dr. Filártiga has offered free medical services to the impoverished inhabitants of the Ybycuí Valley in South Eastern Paraguay, thereby becoming a widely respected leader of many of the region's 40,000 peasants. Moreover, his art work, which has been exhibited throughout the hemisphere and Europe, powerfully depicts the oppression and suffering of his people: his message-carrying art has not only won him international recognition, but also the enmity of the dictatorship which has imprisoned him on three separate occasions.

Adding to the authority's suspicions was Filártiga's exhibition and lecture tour through California and Mexico in February 1976, during which his art work and speeches drew attention to the repression and poverty of the continent's poorest nation. Furthermore, the family's frequent trips to visit Mrs. Filártiga's mother in Posadas, Argentina, from where guerilla reinforcements reportedly were infiltrating, contributed in making the Filártiga's prime suspects.

Along with these political elements, a number of personal reasons also entered into the picture. Shortly after Filartiga returned from the North American tour, Americo Peña, the police inspector who several weeks later organized the kidnapping and torture of Joelito, unsuccessfully pressured Dr. Filártiga for a U.S. $1,500 "loan", Peña is a neighbor, living only two houses away from the Filártiga resident in Asunción with his concubine Juana Villalba, and her eight children. Even though she is a mother and married to Hugo Duarte (who also lived in the same house), one of the Villalbo children, seventeen year old Rosario, was the object of Peña's sexual ambitions: in fact, he had attempted to rape her in January. Being high school classmates and friends, Rosario confided in Joelito who sided with her in the ensuing family squabble. Thus, not only were the Filártiga's politically suspect, they were also a source of personal frustration to the ambitious police inspector Americo Peña.

According to recent information provided by various informants, it was this combination of political and personal factors that led Peña to seek permission for the kidnapping from his superiors, namely the Chief of the Secret Police, Pastor Coronel, and the Minister of the Interior, Sabino Agosto Montanaro. It was decided that because of Dr. Filártiga's international reputation it would be too risky to kidnap him, especially since he suffers from an acute heart condition that might not have withstood the torture. Therefore, Joelito, young and without the political experience of his father (who had steadfastly remained mute while being tortured during his last arrest in 1966) emerged as the logical victim. Indeed, Peña was so confident that Joelito would confirm his suspicions that his father and possibly even the boy himself, was involved with the guerillas, that a tape recording was made of the one-and-one-half-hour long torture session. With such evidence, Dr. Filártiga and Joelito would have been convicted of sedition, Peña would have eliminated a personal enemy, gaining great prestige, most likely even a promotion, for his initiative in uncovering the subversives.

But the plan failed miserably because Joelito had nothing to confess. According to two people who actually have heard the recording, Joelito could only repeat over and over again to the torturers "I do not know anything. Why are you doing this to me?" Infuriated by his refusal to "confess", Peña and the three other torturers intensified the beatings and application of the electric shocks to Joelito's finger tips and through a wire inserted into his penis. So strong were the electric shocks, that, unexpectedly, Joelito suddenly died of a cardiac arrest.

Unprepared for this eventuality, Peña and the others now found themselves in the potentially explosive situation of having murdered Joelito without extracting any incriminating evidence. In a state of near panic, they decided to pass the murder off as a crime of passion. After severing the major arteries with a bayonet so that the body could not be embalmed, they brought the bloody corpse back to Peña's house and threw it into Rosario's bedroom. At the same time they called her husband, who worked as a night clerk in the downtown Hotel Guarani to tell him that there was an emergency and to return home immediately. Upon arriving, Hugo Duarte agreed to cooperate—after being given a beating and promises that he would be out of jail in a week. In fact it was reasonable assumption. Paraguayan law is filled with such precedents involving the murder of an adultress and/or her lover. With the expected silence of the Filártiga family, it seemed that all would shortly be forgotten; especially since the coroner, Dr. Hernán Molines, had been summoned to the house where he made out a false medical report, and the Judge that would try the case, Diogénes Martínez, was also present to legalize the falsified death certificate.

Hugo Duarte was arrested on the spot and his wife, Rosario, was detained as a material witness. But on April 7, Judge Martínez released Rosario. Five days later, after sending a note to the Filártiga's saying that she wanted to talk with them, she disappeared and has not been heard from since. Yet due to the enormous public interest and sympathy for the Filártigas, not even the elimination of the principal witness, nor the unabashed collaboration of the corrupt judge—(finally in mid-September, Martínez was forced to remove himself from the case as he was so clearly involved in the cover-up)—has been sufficient to gain Duarte's release. Likewise, two motions to have the case dismissed, the first in late June and the other in mid-December, were denied by the Appellate Court.

Even the strong arm tactics of Americo Peña and his cohorts have been thwarted. On September 30, Filártiga's lawyer, Horacio Galeano Perrone, an apolitical attorney with high level governmental influence, was arrested and shackled to the wall of what he describes as a cage in the Central Police Headquarters. Although Galeano Perrone's connections secured his release within eight hours, it was not before Peña had the opportunity to pay him a visit in his cell. At that time, Peña threatened to kill him, Dr. Filártiga and his thirteen year old daughter, and anyone else involved, if they continued to push the case. They are continuing to push the case.

Presently the confrontation is a standoff. The new judge, Rojas Via, seems to be stalling the case in the courts, evidently awaiting further developments. Peña's Death Squad is being restrained by General Strossner, who has come under increasing national and international criticism for the massive wave of arrests, kidnappings, torture and executions which began last April. At this time Strossner is particularly vulnerable to world opinion because he has lost even the veneer of democracy that has so thinly disguished his dictatorship for the past fifteen years: all four legal opposition parties have voted to boycott the mid-February charade of a Constitutional Convention which will duly pass an amendment permitting Strossner to be "re-elected" as President for another five year term. Morever, given the current attitude of the United States Congress, further criticism of human rights violations in Paraguay could very well mean the end of military and economic aid, as well as hinder foreign loans and investments. In fact, there are strong indications that the international pressure may already be affecting "el jefe's" attitude toward the case; persistent rumors here began in mid-December that Strossner is anxious to see the Filártiga case resolved.

Indeed, it now seems clear that only political pressure will resolve this political murder. Certainly Strossner is reluctant to take punitive action against any part of the powerful police apparatus because its loyalty is essential for him to remain in power. Yet, if the damage to his international reputation proves to be sufficient, there is no doubt that the shark will sacrifice a few sardines. In essence, it is a question of which course of action will result in the least damage to his power base.

Every mention of the Filártiga case in the foreign press is another stain on Paraguay's bloody record of human rights violations. Every petition sent to Strossner demanding justice in the Filártiga case is another reminder that the world is watching. Every letter or telegram expressing solidarity with Dr. Filártiga's struggle sent to Ybycuí, Paraguay, is another weight placed on the scale in his favor.

Even if the balance has not yet tipped, every indictation shows that the international pressure that is now building up will be the deciding factor in who will survive the Peña-Filártiga confrontation.

THE PUBLIC PARTICIPATION IN FEDERAL AGENCY PROCEEDINGS ACT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am pleased again to be the prime House sponsor, along with Judiciary Chairman PETER RODINO, of the Public Participation in Federal Agency Proceedings Act. I was pleased to work on this important legislation in the 94th Congress when the bill had over 70 House cosponsors, and I am hopeful that the legislation will be enacted in this Congress.

The legislation was reported favorably by the full Senate Judiciary Committee in the last Congress and has been introduced in the Senate this session as S. 270 by Senator KENNEDY and 14 other Senators.

Mr. Speaker, so much attention has been focused on improving our Federal agencies but few of the pending proposals would more than provide for additional studies and commissions. The Public Participation in Federal Agency Proceedings Act is based on the premise that existing agencies can be improved now by providing them with the benefit of a larger range of views when making policy decisions.

The Public Participation in Federal Agency Proceedings Act would permit the award of attorneys' fees and other costs to those parties whose participation in agency proceedings would "substantially contribute to a fair determination of the issues" and whose economic interest in the case is small or whose resources are so small that without an award they could not participate. The bill applies to all rule making, licensing and rate making cases and to such other agency proceedings which involve issues relating to health, safety, civil rights, en-

vironment and consumer pocketbook issues.

A similar program has already been implemented at the Federal Trade Commission where the Commission has a budget of $500,000 to distribute to groups who qualify by representing a significant viewpoint that would not otherwise be represented. This program enabled a national senior citizens' group to participate in the FTC proceedings concerning guidelines for the manufacturing of hearing aids. Obviously, the senior citizens of this country have a profound interest in the quality of hearing aids and it was generally agreed that their participation in the proceeding was most valuable to the FTC.

Other agencies including the National Highway Traffic Safety Administration, the Food and Drug Administration, the Civil Aeronautics Board, and the Environmental Protection Agency are at various stages of considering regulations for "public participation" programs. These developments are to be applauded, and are strong evidence that such programs are viewed by many agencies as needed and helpful reforms. Our legislation would insure, however, that public participation would not only be permitted before agencies that took their own initiative to create such programs, but permitted in all Federal regulatory agencies.

In addition to the fact that several agencies are developing public participation programs, an important development is that members of the business community have joined consumer, environmental and public interest groups in support of the bill, as reflected by the J. C. Penney Co.'s endorsement of the legislation.

Mr. Speaker, the Public Participation in Federal Agency Proceedings Act is an important first step toward broader citizen participation in our agency process. It comes at a time when the American people are no longer convinced that Government is working in the public's best interests, nor do the majority of the American people have the resources to effectively represent their position against a well-funded and powerful bureaucracy.

I believe that the American people are entitled to short-term relief to improve their access to Federal agencies. I believe the Public Participation in Federal Agency Proceedings Act will not only provide this relief but also will aid Federal agencies by presenting the point of view of underrepresented consumers, small businessmen, and others who normally cannot afford to participate in drawn out and costly proceedings. It will also increase the ability of Federal agencies to arrive at fair decisions and assist them in avoiding court challenges which have been based on a lack of consideration of the public's perspective.

I am hopeful that the bill will progress quickly in both Houses of the Congress, and that we can enact legislation which will both aid our Federal agencies and at the same time restore public confidence in them.

The initial cosponsors are: MAX BAUCUS of Montana; YVONNE BRATHWAITE BURKE of California; JOHN L. BURTON of California; PHILLIP BURTON of California; RONALD V. DELLUMS of California; CHRISTOPHER J. DODD of Connecticut; THOMAS J. DOWNEY of New York; ROBERT F. DRINAN of Massachusetts; DON EDWARDS of California; HAMILTON FISH, Jr. of New York; DANIEL FLOOD of Pennsylvania; HAROLD E. FORD of Tennessee; DONALD M. FRASER of Minnesota; ELIZABETH HOLTZMAN of New York; BARBARA JORDAN of Texas; JOHN J. LAFALCE of New York; WILLIAM LEHMAN of Florida; ANDREW MAGUIRE of New Jersey; ABNER J. MIKVA of Illinois; PARREN J. MITCHELL of Maryland; JOE MOAKLEY of Massachusetts; ANTHONY TOBY MOFFETT of Connecticut; JAMES L. OBERSTAR of Minnesota; RICHARD L. OTTINGER of New York; FERNAND J. ST GERMAIN of Rhode Island; FREDERICK W. RICHMOND of New York; BENJAMIN S. ROSENTHAL of New York; JAMES H. SCHEUER of New York; JOHN F. SEIBERLING of Ohio; STEPHEN J. SOLARZ of New York; GLADYS NOON SPELLMAN of Maryland; FORTNEY H. STARK of California; LOUIS STOKES of Ohio; MORRIS K. UDALL of Arizona; HENRY A. WAXMAN of California; and LESTER L. WOLFF of New York.

A brief summary of the bill and of the significant revisions which have been made in the new version follow:

A BRIEF DESCRIPTION OF THE PUBLIC PARTICIPATION IN FEDERAL AGENCY PROCEEDINGS ACT OF 1977

I. AGENCY DECISIONS

Each agency is authorized to award reasonable attorney fees, expert witness fees, and other costs of participation when public participation can reasonably be expected to promote a full and fair determination of the issues involved in the proceeding.

To be eligible a person or class of persons must be reasonably expected to substantially contribute to a fair determination of the proceeding, *and* where either the person or classes' economic interest in the case is small or their resources are so small that they couldn't participate without an award.

The act applies to all licensing, ratemaking, rulemaking proceedings and such other agency proceedings which involve issues relating to health, safety, civil rights, environment and consumer pocketbook issues.

Each agency makes the determination of eligibility under this section prior to the commencement of any proceeding, unless that is impractical.

A person or organization who receives funds shall be liable for repayment if there is a finding that the person or class has not provided the contemplated representation or has acted in an obdurate, dilatory, or mendacious fashion or for oppressive reasons.

There are provisions to bring a civil action to review an agency action which has denied or insufficiently awarded or reimbursed attorney fees. Agencies are required to adopt regulations to take effect within six months after enactment.

There are reporting requirements for each agency head to make an annual report to Congress on the nature and disposition of all proceedings in which fees and costs were sought under this Act.

The bill provides for a three-year authorization for the program.

II. APPEALS FROM AGENCY DECISIONS

Furthermore, any party or intervenor in a civil action for judicial review of agency action shall be entitled to collect reasonable attorney's fees where the court accords the relief sought, and the court determines that an important public purpose was served; and the economic interest in the case is small or their resources are so low that without an award under this section they could not have participated. Promulgation of rules and a reporting system are also established under this section of the Act.

RECENT SUBSTANTIVE CHANGES IN THE PUBLIC PARTICIPATION IN FEDERAL AGENCY PROCEEDINGS ACT

Clarification of the type of agency activities to which the provisions of the Act are to be applied.

Express statement that the bill does not authorize funds for merely attending, as opposed to participating in, agency proceedings, nor for proceedings where costs are minimal.

Elimination of provisions for funding of class actions in agency proceedings.

Emphasizes, that bill does not alter present agency rules governing standing.

Amendment to eligibility test to preclude funding of groups which seek to represent interests which are already adequately represented by a participant other than the agency itself.

Express authorization that agencies require consolidation of duplicative presentations, and to select one or more effective representations, offer compensation only for certain categories of expenses, or compensate jointly persons representing identical or closely-related viewpoints.

OIL COMPANY DIVESTITURE

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, today Congressman MORRIS K. UDALL and I, along with 29 other Members are introducing the Energy Industry Divestiture Act, which is intended to restore competition to the energy industries. The American consumer needs adequate supplies of energy at reasonable prices. In the long run, that goal can be accomplished only through a free marketplace and vigorous competition.

The Seiberling-Udall bill contains these principal elements:

First. It would require horizontal divestiture in the major energy industries; that is, it would prohibit any company from controlling mineral deposits in more than one major energy class—coal, uranium, and oil/natural gas.

Second. It would require vertical divestiture in the oil and gas industry; that is, prohibit any company from engaging in more than one stage of the oil and gas process—control and production of mineral deposits, refining, transportation, and retail sales.

Third. It would prohibit joint ventures between any of the 11 major oil companies which produce, refine, transport, or sell more than 1.6 million barrels of oil daily. The bill would permit two or more such companies to participate on a joint venture if the Attorney General approved it and if it was operated in compliance with regulations he would promulgate to insure competition.

The Energy Industry Divestiture Act is not an immediate solution to the current natural gas crisis. That must be the subject of separate legislation. However, if enacted, it would help America move from an excessive dependence on oil and gas toward greater use of lower cost coal and, if its safety problems are resolved,

nuclear power. We must make that shift within the next two decades. However, we cannot be sure that this kind of shift will succeed as it is hoped, so long as the oil companies continue to control vast reserves of coal and uranium.

The 94th Congress took several positive steps toward insuring that the executive branch land leasing policies promote rather than hinder competition. The Naval Petroleum Reserves Production Act (Public Law 94–258) and the Federal coal leasing amendments (Public Law 94–377) contain a number of pro-competition provisions, including requirements that: First, the Attorney General participate in formulating regulations concerning the production and sale of Elk Hills petroleum and concerning coal leasing; and second, the Attorney General be given the opportunity to review Elk Hills contracts and proposed coal leases and to challenge any he believes to be anticompetitive. Similar provisions were contained in the Outer Continental Shelf Lands Act amendments, which died in the final hours of the 94th Congress when the House ordered that bill recommitted to conference. It is abundantly clear that Congress is demanding that the energy industry be competitive rather than monopolistic.

Mr. Speaker, the text of Congressman UDALL's and my published remarks on the Energy Industry Divestiture Act are inserted immediately following:

STATEMENT OF CONGRESSMEN SEIBERLING AND UDALL

In our private enterprise system, we must rely primarily on competition to keep prices low. A main purpose of our antitrust laws is to ensure competition and to prevent collusion. Unfortunately, for many years now, the power of the huge oil companies has succeeded in thwarting effective enforcement of the antitrust laws in the oil industry. The result has been the development of an oil industry structure that seriously impairs competition.

The oil industry today is dominated by "vertically integrated" companies, which means those companies which perform every step from exploration through production to retail sales at the gas pump. Government inability to stop this growing dominance has hindered the ability of the independent oil companies to provide effective competition to the majors. Government regulation cannot replace the marketplace and, as is dramatically illustrated by the current natural gas crisis, the large petroleum companies end up getting the price they demand.

Vertical integration also means that each major oil company owns its own oil reserves. Every time OPEC raises oil prices, the value of every oil company's petroleum reserves takes a huge upward jump. In these circumstances, the vertically-integrated companies have little or no financial incentive to bargain for lower OPEC prices, since high OPEC prices keep the value of the oil companies' holdings high. High oil company profits are also ensured by high OPEC prices.

In addition, the government's inability to take effective antitrust action against the oil companies has encouraged them to collaborate with each other rather than compete. Over half of the oil produced by U.S. oil companies is through joint ventures, containing from 2 to 8 companies as partners. About 85% of Mobil's woldwide crude oil production is through joint ventures. These oil company joint ventures involve the sharing of risks, capital, data and profits in a manner unlike any other American industry. This intricate web of joint venture arrangements and relationships reflects the "soft" nature of competition in the oil industry, and it makes the industry far more monopolistic than the large number of oil companies might otherwise imply.

Equally disturbing is the trend toward oil company control of the coal and uranium industries. Currently, the oil companies own or control 5 of the 7 largest coal companies, over 35% of the nation's privately-held coal reserves, and well over 50% of the nation's privately-held uranium reserves. The result is that the oil companies are increasingly able to make fundamental decisions about the prices and production levels of the energy resources which are the primary competitors with oil. This dangerous trend must be halted.

The current natural gas crisis is only the latest warning that we must decrease our dependence upon oil and gas. The necessary shift to environmentally-sound coal use and safe nuclear power could be obstructed by the oil industry if it owns the coal and uranium industries. If the oil companies gain further control over the coal industry, for example, they might well conclude that their overall profits would be maximized by keeping oil prices high and by restricting the production of coal. America's energy needs require that Congress prevent the oil companies from taking over the coal and uranium industries. Only divestiture can ensure that the oil, coal, and uranium industries will become independent and that energy policy will be set by the Congress and the President instead of by the giant energy conglomerates.

We are asking the Secretary of the Interior to consult with the Attorney General to develop regulations under which competition will be promoted rather than hindered by the Government's leasing of oil, coal, and uranium lands. The Government should do nothing to further fuel the lack of competition within the energy industries. We hope that President Carter will continue the support for horizontal divestiture which he voiced during his campaign.

TAX CREDIT SPECIFICALLY FOR MODERNIZING OLDER MANUFACTURING PLANTS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, today I am introducing a bill to increase the present 10-percent investment tax credit to 20 percent to modernize older manufacturing plants over 25 years old—or build new ones in nearby locations—within 10 miles of an existing plant.

Joining me in introducing the bill are 28 of our colleagues whose names are printed at the conclusion of my statement.

The purpose of the bill is to provide incentives to encourage manufacturing industries to remain in their established communities rather than relocate. The economic decline of many parts of the Middle West and Northeast is due in part to the fact that these areas are built around industrial plants that are obsolescent to the point that they are no longer competitive with newer plants in other parts of the country or in foreign countries.

Yet many of these newer plants have been financed partly through special tax incentives. This bill, along with other steps I hope this Congress will take, can help to make these older industrial areas competitive with the rest of the country again. Certainly it is in the national interest to forestall the economic decline and possible economic collapse of these areas.

There are, unfortunately, too many tragic examples in the Northeast and Middle West of what happens to a city when jobs are lost permanently as a result of industrial plant relocations. Although such problems may seem to be "local" in nature, the costs of decaying cities are borne by all taxpayers in the form of increased welfare payments, unemployment compensation, rising crime, increased medical costs, and the costs of retraining workers and relocating families. Although it is difficult to estimate how much this bill would cost in lost revenues, I think it is reasonable to assume that the costs would be more than offset by savings in the areas mentioned above.

Certainly this bill will not solve the problems of industrial plant relocation and general economic decline in the Northeast and Middle West. It is offered only as a partial solution. However, while other Federal and local efforts are needed, I believe this bill can have important results for the older manufacturing centers of our country. Our colleague from Massachusetts (Mr. HARRINGTON), as chairman of the Northeast-Midwest Economic Coalition, is leading a major effort to help in formulating proposals which will aid in the economic recovery of that part of the country, and I believe this bill dovetails with that effort.

Finally, I want to emphasize, Mr. Speaker, that Federal aid alone will not do the job. State and local governments as well as business, organized labor, and the financial community, must redouble their efforts to make the older urban areas as attractive and as competitive as other parts of the country.

I include the cosponsors and the text of the bill in the RECORD at this point:

COSPONSORS

Rep. Henry Reuss.
Rep. Frank Thompson.
Rep. Michael Harrington.
Rep. Jonathan Bingham.
Rep. James Blanchard.
Rep. Charles Carney.
Rep. Charles Diggs.
Rep. Robert Edgar.
Rep. Joshua Eilberg.
Rep. William Ford of Michigan.
Rep. Benjamin Gilman.
Rep. William Hughes.
Rep. Peter Kostmayer.
Rep. John LaFalce.
Rep. Donald Mitchell of New York.
Rep. Parren Mitchell of Maryland.
Rep. John Murphy of New York.
Rep. William Moorhead of Pennsylvania.
Rep. Ron Mottl.
Rep. Donald Pease.
Rep. Carl Pursell.
Rep. Leo Ryan.
Rep. Ralph Regula.
Rep. Ronald Sarasin.
Rep. J. William Stanton.
Rep. William Walsh.
Rep. Thomas F. Ashley.
Rep. Tom Luken.

H.R. 3372

A bill to amend the Internal Revenue Code of 1954 to encourage the modernization of manufacturing plants by providing an additional investment credit for machinery placed in service in existing manufacturing plants or in nearby plants

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That this Act may be cited as the "Investment Tax Credit Act of 1977".

SEC. 2. (a) Subsection (c) of section 46 of the Internal Revenue Code of 1954 (relating to qualified investment) is amended by adding at the end thereof the following new paragraph:

"(6) Machinery and equipment placed in service in existing manufacturing plants or in nearby plants.—

"(A) In the case of section 38 property which is qualified machinery and equipment, the amount of the qualified investment shall be 200 percent of the amount determined under paragraph (1).

"(B) For purposes of this paragraph, the term 'qualified machinery and equipment' means any machinery or equipment which is placed in service by the taxpayer on or in connection with a qualified manufacturing facility.

"(C) For purposes of this paragraph, the term 'qualified manufacturing facility' means any plant or facility which is used by the taxpayer in a trade or business of manufacturing or producing goods—

"(i) if—

"(I) such plant or facility is, on the date of the enactment of the Investment Tax Credit Act of 1977, owned by the taxpayer and used by him in such a trade or business,

"(II) such plant or facility has been so owned and used by the taxpayer for 25 or more calendar years, and

"(III) without new machinery and equipment, such plant or facility will have sufficiently higher production costs so that it will be unable to compete effectively with other plants or facilities producing such goods; or

"(ii) if such plant or facility is located within 10 miles of a plant or facility described in clause (i).

Such term does not include any plant or facility used predominantly in a trade or business described in paragraph (3)(B).

"(D) For purposes of this paragraph—

"(i) members of the same affiliated group of corporations (as defined in section 1504 (a)) which file a consolidated return for the first taxable year ending after the date of the enactment of the Investment Tax Credit Act of 1977 and for each taxable year thereafter shall be treated as one taxpayer, and

"(ii) assets acquired by the taxpayer after the date of the enactment of the Investment Tax Credit Act of 1977 in a transaction to which section 381(a) applies shall be treated as not owned by the taxpayer on such data.".

(b)(1) Subsection (a) of section 47 of such Code (relating to certain dispositions, etc., of section 38 property) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) PROPERTY CEASES TO BE QUALIFIED MACHINERY AND EQUIPMENT.—If during any taxable year any section 38 property taken into account as qualified machinery and equipment (as defined in section 46(c)(6)(B)) in determining qualified investment ceases to be used on or in connection with a qualified manufacturing facility (as defined in section 46(c)(6)(C)), then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from not treating such property, for purposes of determining qualified investment, as qualified machinery and equipment (after giving due regard to the period before such change in use). If the application of this paragraph to any property is followed by the application of paragraph (1) to such property, proper adjustment shall be made in applying paragraph (1).".

(2) Paragraph (5) of such subsection (a) (as redesignated by paragraph (1)) is amended by striking out "paragraph (1) or (3)" and inserting in lieu thereof "paragraph (1), (3), or (4)".

(3) Paragraph (6)(B) of such subsection (a) is amended by striking out "paragraph (4)" and inserting in lieu thereof "paragraph (5)".

SEC. (a) The amendments made by section 2(a) of this Act shall apply to property—

(1) which is acquired by the taxpayer on or after the date of the enactment of this Act; or

(2) the construction, reconstruction, or erection of which is completed by the taxpayer, on or after such date, except that there shall be taken into account only the portion of the basis which is properly attributable to construction, reconstruction, or erection on or after such date.

(b) The amendments made by section 2(b) of this Act shall apply to taxable years ending after the date of the enactment of this Act.

CONGRESSMAN STRATTON'S TESTIMONY BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE OPPOSING THE NOMINATION OF PAUL WARNKE AS CHIEF SALT NEGOTIATOR

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, yesterday afternoon I testified before the Senate Foreign Relations Committee in opposition to the nomination of Paul Warnke as Director of the Arms Control and Disarmament Agency and chief SALT negotiator.

Because the Paul Warnke who emerged yesterday in Mr. Warnke's own testimony before the committee was so diametrically different from the Paul Warnke who has been speaking and writing extensively on defense and arms limitation matters in the Washington area these past 8 years, I believe that Members may find my testimony of interest.

The testimony follows:

TESTIMONY OF REPRESENTATIVE SAMUEL S. STRATTON, FEBRUARY 8, 1977

Mr. Chairman, I appear here, as one who has spent 18 years as a member of the House Armed Services Committee concentrating on national security and foreign policy questions, to oppose most emphatically the nomination of Mr. Paul Warnke as Director of the Arms Control and Disarmament Agency and chief negotiator in the forthcoming SALT II negotiations.

My opposition is based on Mr. Warnke's published views on national security issues, on the nature of the Soviet threat, and on the handling of SALT negotiations. Mr. Warnke as chief SALT negotiator would in my judgment be the wrong man in the wrong job at the wrong time.

Of course the power to confirm executive nominations resides exclusively in the Senate. But in today's strategic environment the selection of a chief SALT negotiator must be a matter of grave concern as much to every member of the House as to every member of the Senate. Indeed, if previous practices are adhered to, any agreement resulting from these negotiations must be approved by both the House and the Senate. Since the outlook of the chief negotiator will obviously have a major impact on the shape of whatever agreement emerges from these negotiations, all of us in the Congress must exercise extreme caution in the person whom we approve to exercise that responsibility.

To appreciate the disturbing implications of the Warnke nomination, let me review briefly the strategic situation between ourselves and the Soviets as it has been developing over the past few years. With the end of the Viet Nam war a strong anti-military bias set in here in the Congress, as a result of which substantial cuts were made in the defense budget over a period of four or five years, culminating with a whopping $9 billion cut in FY 1976. In the process America's defense capabilities, ships at sea, men under arms, and vital research and development effort all went into a steady decline.

Meanwhile the Soviet Union was continuing its policy of rapid military development on every front, fielding during that same period a number of advanced design weapons—planes, tanks, missiles, and nuclear missile submarines. Many military experts concluded that with American power steadily declining and Soviet military power steadily increasing, the Soviets had either already achieved military superiority over us or were on the verge of attaining such superiority.

And then last year, for reasons that are still not entirely clear, the Congress unexpectedly made a 180 degree turn and approved a defense budget for fiscal 1977 almost as substantial as the one submitted to us by the Ford Administration.

That action was a legislative landmark, because after six or seven years of steady decline America's military strength had finally begun to move upwards again. Congress had been warned that if we had any interest in trying to keep up with the feverish pace of Soviet military advance, defense spending would have to increase between 2 to 4 percent each year, discounting inflation. Even at that we would not be moving towards superiority, only towards maintaining what Secretary Rumsfeld had called "rough equivalence" with the Soviets.

So the question before Congress and the country in February 1977 is, Where do we go from here? Do we continue the trend set in motion last year? Or do we go back to the old habit of hacking away at defense in the belief that it's already too big, and the money in it would be better spent on social and welfare programs?

At the very time when America has repudiated its earlier policy of repeated defense cuts and made the conscious decision not to let the Soviets get ahead of us, it makes no sense at all for us to name as our principal representative in the most sensitive and far-reaching negotiations of all, a man who, regardless of what hard-lined views he may now be giving to this committee, has at each step of the way over the last 8 years repeatedly and consistently opposed every new weapon or improved military capability we have undertaken.

In 1972, as the head of the McGovern Panel on National Security and a top defense adviser to Presidential candidate McGovern, Paul Warnke joined in opposing the MIRVing of our ballistic missiles, opposing Minuteman III, favoring dismantling of all Titan ICBM's, favoring a stop to the conversion of Polaris submarines to Poseidons, opposing the B-1, opposing the safeguard ABM, and favoring a 50 percent cut in the Army's air defense missiles. A later report of the same McGovern Panel on National Security also opposed improvements in missile accuracy, opposed development of a hard-target capability, opposed the cruise missile, opposed the ABM, opposed bomber defense, opposed the AWACs, opposed MIRVing our Polaris/Poseidon missiles, and opposed development of the Trident submarine.

In fact, as has already been pointed out by Senator Nunn and others, over the years—whatever he may be saying now as he moves

from one Senate office to another—Mr. Warnke has opposed development of virtually all the current components of our nuclear deterrent, which will be the key issue in the forthcoming SALT negotiations—weapons whose destructive power, ironically, have been primarily responsible for bringing the Soviets to the negotiating table in the first place.

Two years later, in 1974, Mr. Warnke was still on the same track. In testimony before the Senate Appropriations Committee he opposed the B–1, opposed the F–14, opposed the Navy's base at Diego Garcia, favored a 200,000 man cut in our military personnel, favored a cut in our NATO troops, opposed the Trident submarine, opposed improving the accuracy and yield of our nuclear missiles, favored a slow down in the development of nuclear attack submarines, and opposed the SAM–D missile.

Last year, in 1976, it was once again the same consistent story of negativism on defense. Testifying before the Senate Budget Committee, Mr. Warnke opposed the B–1 bomber, and opposed the Trident submarine. two of the very few efforts we have made over the past decade in upgrading and modernizing our nuclear deterrent force to offset all of the myriad improvements which the Soviets made over the same period.

One of the organizations on which Mr. Warnke has been active—he was its chairman—was the Advisory Commitee of the *Project on Budget Priorities*. In 1974 that group issued a pamphlet entitled "A Report to Congress: Military Policies and Budget Priorities, FY 1975." The letter transmitting this report was signed by Mr. Warnke, and the pamphlet lists him as "convenor" of the reporting committee. The report states the following:

"The effort to gain Congressional control of the defense budget in FY 1975 should, first of all, accept the view supported in this report that the world situation will not require, for the foreseeable future, constant dollar increases . . .

"Congress however should go beyond merely holding the budget constant and should begin to require the Pentagon to squeeze the fat out . . . This efficiency program could be implemented by a 3 percent reduction in appropriations, in constant dollars, for each of the next 5 years."

In other words, while the nation's top defense officials were telling us we must increase the defense budget by at least 2 percent a year in constant dollars if we are to maintain even "rough equivalence" with an expanding Soviet military posture, Mr. Warnke was proposing to decrease that budget by 3 percent a year over a 5-year period. If that particular Warnke plan had been adopted in 1974—fortunately it wasn't—our defense budget today would be $28.8 billion below the one submitted by the Ford Administration. A cut of $28.8 billion, in other words, contrasted with a cut of only $2.8 billion now being considered by the Carter Administration.

Mr. Chairman, on the basis of these consistent and repeatedly espoused views, the nominee reveals himself to be clearly outside the mainstream of current American defense thinking, both in the Congress and in the country. Last December Opinion Research reported that 71 percent of the American people believed our defense budget was adequate or should be increased. Only 16 percent favored reducing it. A Gallup Poll taken about the same time showed 63 precent either in favor of the present budget or wanting a larger one, compared to only 27 percent favoring defense cuts.

The sweeping cuts which Mr. Warnke has been espousing, year after year, regardless of what was taking place in other areas of the world, prove him manifestly unqualified for the special responsibility for which he has been nominated. This kind of cut-defense thinking was highly fashionable four or five years ago. Today it is dangerously obsolete. Oh, of course, Mr. Warnke will be assuring you that he espouses an "adequate defense." But how odd that over the years, whenever the chips were down, he has always managed to come down, year after year, in opposition to virtually every new military development and improvement this country has put forward.

How could such a person possibly defend, with a straight face, across the table from all those tough, unsmiling, hard-nosed, implacable Soviet negotiators that always surface at every disarmament negotiation, the maintenance of all these weapons which he has so consistently opposed, and which today, despite his persistent opposition over the years, comprise the real strength of our nuclear arsenal which in virtually every other category is numerically inferior to the Soviets?

He just couldn't do it. The Russians would quote his own words right back to him—and the American position, at least as far as our own point man was concerned, would be devastated.

Mr. Chairman, all of us recognize the importance of the upcoming SALT II negotiations, and all of us are hopeful they will succeed. Obviously there is no real point in escalating the level of nuclear deterrent so long as we can be sure of maintaining a genuine balance in our capabilities, and so long, as I have said, the agreement that spells out that balance is unambiguous, verifiable, and self-enforcing.

We made a start in achieving such a mutual balance in the SALT I agreement, a document widely hailed at the time. But in subsequent years we have come to realize that there were so many ambiguities in SALT I that we can no longer be certain it actually represents a real balance today. One of the first requirements of a SALT II agreement is that it ends those ambiguities and loopholes in SALT I. The only way to provide such certainty is with a very precise document, carefully spelled out, with all the t's crossed and all the i's dotted.

But here again, the record shows that Paul Warnke is emphatically in no position to preside over the kind of negotiations that lead to a precise written agreement.

He gave us a very revealing insight into his view on this particular question an an article in the Spring 1975 issue of Foreign Policy, entitled, "Two Apes on a Treadmill." Here are Mr. Warnke's precise proposals for conducting nuclear negotiations, and I suggest they be taken seriously, since Mr. Warnke has just reprinted them this morning on the Op-Ed page of The New York Times:

"In trying to end this irrational arms competition, total reliance is now placed on negotiations looking toward formal agreement . . . But the ongoing process seems to aggravate the problem . . . Rather than creating a climate in which restraint can be practiced, the existence of the negotiations themselves has been an occasion for acceleration of strategic arms development . . .

"The question inescapably arises whether, under our current defense policies, we can afford to negotiate about arms control . . . If we must accept the insistence that the momentum of our strategic weapons programs must be maintained in order to bargain effectively, the talks have become too expensive a luxury . . . Insofar as formal agreements are concerned, we may have gone as far as we can now go . . .

"As a start, we might inform the Soviet Union both privately and publicly that we have placed a moratorium on further MIRVing of our land- and sea-based missiles. We should also announce that a hold has been placed on development of the Trident submarine and the B–1 strategic bomber. We should advise the Soviet Union that this pause will be reviewed in six months in the light of what action the Soviet Union takes during that period . . .

"If the Soviet Union responds by some significant slowing of its own strategic arms build-up, we can at the end of the first six months announce additional moves . . . If reciprocal action is taken by the Soviet Union, such as the elimination of some of its older missile-carrying submarines and a freeze on the development of the new family ICBMs, other low-risk initiatives are available to us. We can and should, for example, substantially reduce the number of tactical nuclear weapons now deployed in Europe. The number—over 7,000—is many times in excess of that useful in any remotely conceivably contingency.

"The chances are good, moreover, that highly advertised restraint on our part will be reciprocated . . . The steps we can take in trying to start a process of reciprocal restraint are not drastic. They would create no risk in our national security."

These may be noble sentiments for an essay in a learned journal, Mr. Chairman, but I submit to you that they cannot possibly be taken as serious proposals for the conduct of our upcoming SALT negotiations. This is not a prescription for a treaty. This is a choreography for a minuet. A delightful and erudite fantasy, perhaps, but certainly not a formula for responsible statesmanship in a still dangerous world. How, for instance, under this plan do we eliminate the ambiguities that plagued us in SALT I? If matching restraint is the only guideline, what happens to the weapons totals already agreed to at Vladivostok? And how do we get any verification at all? Under the Warnke plan it would be impossible to know whether the agreement had ever been violated.

Not only that but, you realize, Mr. Chairman, Mr. Warnke is seriously proposing that we unilaterally halt all further progress on two vital nuclear deterrent improvements, the B–1 and the Trident submarine, for a period of six months—with nothing in writing, no commitment from the Soviets, no quid pro quo at all.

Who says that such an action would create no risk to our national security? Have the Joint Chiefs of Staff agreed this would entail no risk? Mr. Chairman, how can we entrust our vital SALT negotiations to someone who would deal so flippantly and cavalierly with our national security, particularly at a time when the precise degree of our relative nuclear balance with the Soviets is such a burning issue! Certainly there was no mandate in the last election for such Alice-in-Wonderland treatment of our vital nuclear deterrent.

Mr. Chairman, I can appreciate the desire for a fresh new approach in a new Administration. There have been many defense critics around Washington—going all the way back to Henry Wallace—who have felt that all our national security problems stem from the fact that we Americans have been too beastly to the Russians. Mr. Warnke is only one of the more recent, and certainly one of the more poetic, of that breed. But though we have a new Congress and a new Administration in Washington, the world itself has not really changed.

Mr. Warnke is not the first to think that all that is needed to achieve peace and security is a pure heart and infinite restraint. Harry Truman went to Potsdam talking about "good old Joe" Stalin, and ended up with the Truman Doctrine and Korea. John Kennedy wanted a test ban treaty, but after he met Krushchev personally in Vienna he came home and predicted it would be "a long, cold winter"—as indeed it proved to be, both in Cuba and Viet Nam. Lyndon Johnson tried the same thing at Glassboro, with sweet reasonableness and the persuasiveness of Bob McNamara. But the Russians refused to

budge for an ABM treaty until we finally started building an ABM of our own. We've already tried that approach. It doesn't work.

The history of the last 32 years has amply demonstrated that in dealing with the Soviets the path to peace and stability lies only through firmness and strength. Negotiator after negotiator has come back with the same story. Ask Paul Nitze.

In my judgment the most important thing that Congress could do today to insure world peace and stability would be to give the Soviets and the rest of the world a clear and unmistakable signal that we intend to continue to do whatever is necessary to maintain our rough military balance with them; and that any agreements entered into with them either for limiting or reducing that strength must be mutual, unambiguous, verifiable, and self-enforcing.

The confirmation of Paul Warnke as chief nuclear arms limitation negotiator would send out the wrong signal and could well set our progress towards a stable nuclear balance back several years.

George Santayana once wrote that "those who refuse to learn from history are condemned to repeat it." Mr. Chairman, by rejecting this nominee the committee will spare us the prospect of having to repeat all the many bitter lessons of the past 32 years.

I urge the committee to reject Mr. Warnke's nomination, and urge the Senate to do likewise.

HAS CONGRESS REALLY LOST ITS POWER?

(Mr. OBEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OBEY. Mr. Speaker, it has almost become an article of faith among Washington observers that Congress has gradually lost much of its influence and power to the executive branch. But Alan P. Balutis of the State University of New York at Buffalo has marshalled some pretty convincing arguments that the contention is more myth than fact. His study lists a number of specific measurements to disprove that myth. I think this is must reading for both Members and observers of Congress:

CONGRESS: REPORTS OF ITS DEMISE HAVE BEEN GREATLY EXAGGERATED

(By Alan P. Balutis)

THE DECLINE OF CONGRESS: MYTH OR REALITY

With but few exceptions, there appears to be general agreement today that Congress has declined in power vis-a-vis the President. Our national legislature, according to an increasing number of journalists, academicians, and responsible senators and representatives, has grown unresponsive to national needs and abdicated or otherwise lost critically important powers to the Presidency. As Warren Weaver, veteran *New York Times* reporter, puts it:

"[If] Washington is the hub of government, Congress is no longer the hub of Washington. History has left it at the center of the great original plan for citizen self-rule, but power and prestige have moved elsewhere. The Capital is a hall of illusions, peopled by the myths that the legislative branch remains proudly coequal, that Congress continues to serve the nation well, that the old ways are sufficient to the tasks of the new day." [1]

And Neil MacNeil, chief Congressional correspondent for Time, has questioned whether Congress can continue to survive as a truly viable, independent institution and noted "signs that the President and his branch of the Government may become so all-powerful in the immediate decade ahead that Congress consequently may become merely superfluous." [2] Russell Baker has argued that Congress:

". . . has soaked so long in the juices of its own mediocrity that its confidence has withered. It is fearful of Presidents and therefore, deferential to a fault. It knows how to vote its powers away to Presidents, and how to complain when they use them, but it has been a long time since it seriously considered itself in the imperial weight class with Presidents." [3]

The fear that Congress may be incapable of coping with the nation's problems and needs has even penetrated the mind of Congress itself. Senator Charles Mathias, Republican of Maryland, has termed Congress impotent and antiquated. Senator Abraham Ribicoff, Democrat of Connecticut, contends that Congress has surrendered its rightful leadership role in the legislative process and thus "Pennsylvania Avenue has become a one-way street." Frustration reached a high point in 1974 when a record 46 senators and representatives simply opted not to seek reelection. Even the initial optimism that greeted the opening of the 94th Congress has waned appreciably. It is hard to remember now that ten months ago the phrases were "landslide election," "veto-proof Congress," "a new day in Congress," and "congressional government." Today we find anger and disillusionment among members of Congress and the press. Mary McGrory charged that the 94th Congress was well on the way to compiling a record of "impotence, incompetence, and avarice." "When I first came down here," said freshman congressman Toby Moffett of Connecticut, "I thought we could change a lot. But then when Congress came into session, I had to administrate a large staff and attend four sub-committees. Now I feel that I don't even have time to think." [4] And Representative Barber Conable wrote about the anomaly of finding that "an unelected President, alleged by his congressional critics to be disorganized and not very bright, his initiatives and motives rejected out of hand by the scornful victors of last autumn's elections, seems to have won almost every confrontation with Congress." [5]

Many academic observers also seem to feel that Congress has become subordinated to the executive branch, and that it is incapable of functioning as an equal partner to the President. Professor Samuel Huntington has written that, "Since 1933 . . . the initiative in formulating legislation, in assigning legislative prioritiies, in arousng support for legislation, and in determining the final content of legislation has clearly shifted to the executive branch." [6] Americans living in the twentieth century have, according to Dennis Palumbo," seen wars and internal crises give new dimensions to the President's power—under circumstances that have narrowed the legislative scope of Congress in ways undreamed of by the men who wrote the Constitution." [7]

Several years ago Thomas Cronin noted the manner in which recent textbook versions of the presidency had presented inflated and unrealistic interpretations of presidential competence and beneficience and exaggerated past presidential performance.[8] If we have been misled by the image of an omnipotent, omnicompetent, benevolent "textbook presidency", then it seems equally obvious that we have presented a "textbook Congress" characterized by paralysis, impotence, incompetence, and obtuseness. The following are illustrative:

Congress legislates less than it ratifies, formulates less than it adopts, and leads less than it responds. Legitimate community policies require that congressional majorities be mobilized behind them, but the policies usually are initiated elsewhere.[9]

For a variety of reasons Congress during the twentieth century has lost or surrendered much of its power and influence to the President.[10]

Congress . . . has not been a match for the power of the President. It is the first pressure point of the big interest groups—and their efforts are well rewarded. It has systemic troubles which seem to defy rapid reform. It refuses to establish an ethical code of conduct for its members and conflicts of interest are legion among its members. It is guilty of the practice of "boodle," or pork barrel . . . Congress is slow to meet the needs of minorities, but rushes with the majorities—at times unwisely.[11]

Congress looks increasingly to the President for policy leadership, for fiscal guidance, for party direction and cohesion, and for seeing to it that his programs win congressional and popular support. Congress also increasingly limits itself to defining policy in broad terms, with the expectation that the President will supply the many, and often critical, details.[12]

Thus Congress is criticized from the left:

Looking specifically at the United States Congress, one is struck by how effectively the diffusion of power has operated for undemocratic purposes.[13]

And from the right:

. . . the decline of Congress has been among the most dolorous of political development in the twentieth century. Although denied on occasion by such as Lippman and Fulbright, this enfeeblement is generally acknowledged by our political scientists. Some think it is a bad thing, others think it rather good, but nearly all are agreed that it has happened . . .[14]

The image of Congress is that of "the broken branch," "the sapless branch," or "a broken twig." Probably a majority of political scientists concede that the scales of power have tipped drastically and probably permanently toward the White House and away from Capitol Hill.

Such assessments have been repeated so often that their tentative nature is in danger of being forgotten. As Gary Orfield has noted, "The assumptions about the sorry state of Congress have often been so pervasive that observers don't even bother to look at the evidence." [15] The problem remains then of providing empirical verification of this thesis on the "decline" of Congress. A number of years ago, K. C. Wheare suggested that any meaningful evaluation of the "decline" of legislatures ought to first establish what form the alleged decline has taken, and the standard against which it is measured. Is it a decline in power? Or is it a decline in efficiency? Is it a decline in public esteem that is alleged? Or is it a decline in public interest? Or, finally, is it a decline in manners, in standards of behavior which is being asserted? Once the form of the "decline" has been established, it is necessary to clarify the standard by which the alleged decline is being measured? Is it being alleged that legislatures have declined in relation to their own former position (i.e., from some previously unspecified "golden age") or in relation to other political or social institutions? [16] It is to a discussion of several of these issues that we now turn.

INFLUENCE AND POWER

The term "influence" and its close ally "power" are among the classic concepts of political science. Although used frequently by political scientists, they rarely are specifically defined. In the absence of specific definitions one might assume that standard dictionary usage is being followed. Dictionary definitions, however, often raise more questions than they answer. Rather than open the Pandora's box of definitional debate,

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then, I will move from a discussion of the "power" of Congress (a discussion which, in all likelihood, is beyond the scope of this paper in any case) to an examination of the role of Congress in initiating legislation.[17] As was implied above, there appears to be general agreement that the "decline" in the "power" of Congress is most visible in that body's "decline" as an initiator of legislation and an innovator of public policy. In his discussion of the declining role of Congress, for example, Huntington has gone so far as to say that "the President now determines the legislative agenda of Congress almost as thoroughly as the British Cabinet set the legislative agenda of Parliament."[18] To my knowledge, however, this viewpoint has been put to only two empirical tests, both of which indicate not that Congress has declined, but that it is underrated as an innovator in our political system.

In his extensive study of ninety major pieces of legislation enacted during a fifty-year period preceding World War II, Lawrence Henry Chamberlain sought to identify the persons who exercised greatest influence upon their form and substance. On the basis of the detailed study of the ninety laws selected they were allocated to four categories: laws in which the influence of the president was dominant; laws in which the influence of Congress was dominant; laws in which the influence of both the President and the Congress was sufficiently great that they must be given joint credit; and laws in which the influence of outside groups transcended that of either the President or the Congress. Chamberlain found that the President could be given credit for approximately twenty percent of the laws; roughly forty percent were chiefly the product of Congress; about thirty percent fell into the joint presidential-congressional category; and slightly less than ten percent were identified as primarily the handiwork of external pressure groups. The legislative imprint was especially marked in tariff and immigration measures. The President proved consistently strong in the field of national defense legislation. Chamberlain noted the difficulty in identifying the real "initiator" of a policy alternative in complex society interwoven with communications of all kinds. In fact, one of the points brought out most clearly by the case studies was the depth of the roots of most important statutes. Yet it is interesting to note that 77 of the 90 laws originated, in one fashion or another, in the legislature. In addition, while presidential influence had been dominant in the case of nineteen laws, twelve of these had been originally initiated by Congress and had been the subject of extensive hearings. Chamberlain notes the joint character of the American legislative process, but concludes:

"These figures do not support the thesis that Congress is unimportant in the formulation of major legislation. Rather, they indicate, not that the president is less important than generally supposed, but that Congress is more important."[19]

Unfortunately, Chamberlain's findings usually have been ignored or cited as evidence of the state from which Congress had fallen. Huntington, for example, utilizes the study to conclude that "Congress has conceded not only the initiative in originating legislation" but also has "lost the dominant influence it once had in shaping the final content of legislation."[20] James A. Robinson finds from his review of Chamberlain's study a decline of Congress, an increase of the Presidency in the initiation of legislation, and an increase in joint participation of Congress and the Presidency. And he goes on to assert that, "An extension of Chamberlain's study from 1945 to 1960 would be expected to show that joint collaboration has given way to virtually exclusive initiation by the executive."[21] Roger Davidson concurs: "Unquestionably a similar examination of post-war lawmaking would yield rather different conclusions."[22]

Recently, Ronald C. Moe and Steven C. Teel replicated (to some degree) Chamberlain's study for the period 1940 to 1967 to provide another, updated, test of the "decline of Congress" theme. Using a large number of case studies of legislation that had appeared since the publication of Chamberlain's study, Moe and Teel attempted to test whether his results held true:

"We would like to ask, therefore, whether in the years since Chamberlain's work appeared, Congress has maintained its influence over the substance of the legislation it handles, or whether the "legislative roots of most important statutes" have, indeed, been entirely displaced by the resources of executive innovation."[23]

In spite of the admitted shortcomings of the approach, the authors concluded that the existing literature was "sufficiently complete to allow us to draw some conclusions about the state of Congress as a policy-maker and the relative strength of Congress and the president in policy formulation."[24] Their major conclusion is that there is a sound empirical basis for challenging the conventional wisdom that the president has come to play an increasingly predominant role in national policy-making. "The evidence," they say, "does not lend support to Huntington and his thesis that Congress ought to recognize its declining state and forego what remains of its legislative function. Quite the contrary, the evidence suggests that Congress continues to be an active innovator and very much in the legislative business."[25] The findings presented, then, tend to confirm those of the Chamberlain study 25 years earlier.

While these studies do not "prove" anything, they do suggest a questioning of our standard assumptions about the legislative-executive relationship, particularly because they stand alone as attempts to question empirically the conventional wisdom of American political scientists. In a number of other recent works, various political scientists have called into question the sweeping generalizations about Congressional weakness and presidential-executive strength. David E. Price, for example, in his study of three committees and thirteen bills in the 89th Congress (1965–66) demonstrates "the past and continuing potential of the United States Congress as an arena for political action, a center for the examination and publicizing of pressing national needs and for the development of creative legislative responses."[26] Orfield has argued that Congress possesses a substantial capacity to initiate new national policies and that those policies may well be more "progressive" or "responsive" than positions taken by a President.[27] And John R. Johannes has written extensively on legislative initiation, arguing that Congress does indeed initiate—probably more often and on more important matters than is commonly realized.[28] Despite these works and a large number of case studies that delineate the role of Congress as an initiator of legislation and innovator of public policy,[29] many political scientists (especially those who author introductory American government texts) seem content with the "President proposes and Congress disposes" mode of legislative-executive relations. The frustration one can experience with this simple model of legislative-executive relations is detailed by one young Senate staff man seeking to complete an undergraduate thesis.

The thesis concerned certain aspects of the Senate and how it functions, and I based my argument primarily on my own observations. To pass academic inspection, however, the thesis needed to demonstrate what scholars call "a familiarity with the literature" on the Senate, and as my deadline drew near, I spent many nights in the Congressional Reading Room of the Library of Congress. The disconcerting result of this last-minute research was that the books I read seemed to describe a wholly different institution from the one I worked in and had come to know, if only imperfectly, a block away.[30]

Redman found two major misconceptions in the literature: a view of power as a "zero-sum game" in which the President had been continually gaining and Congress had been continually losing; and a failure to take into consideration the extensive staff system of Congress. The notion that the President had eclipsed the Congress in the performance of the legislative function proved particularly confusing:

"One professor I had respected in college expressed this view most starkly when he wrote that Congress had become merely a place to "amend and delay." The Executive Branch, he went on, had become the "aggressive spirit" in the American legislative process, and Congress was now little more than a vestigial legislative body, capable of "asserting its powers or passing laws—but not both." Such pronouncements were surprising to say the least, when I read them in early 1970. Congress was then bursting with legislative initiative; if anything, the President and his subalterns lived by the creed of "amend and delay." It seemed the scholars had been a bit hasty in driving the last nails into Congress' coffin: Congress was not yet dead as a legislative force, and seemed in fact to be enjoying a hearty rejuvenation, despite the post-New Deal growth of Presidential power that evidently dazzled the scholars so."

EFFICIENCY

According to a familiar set of charges, Congress is slow, inefficient, archaic, and "out of touch with the twentieth century." The cumbersome legislative process is one of the reasons, given for the contemporary decline of the powers of Congress.[32] James MacGregor Burns has contended that the system is "designed for deadlock and inaction."[33] Congress is "ill-organized to meet many of the most insistent challenges of today"[34]—an institution "overwhelmed by its great responsibilities, operating under its ancient ritual."[35] Many of the critics are disingenuous in their pleas for reform. The reforms they propose are designed to enable Congress to more "efficiently" further the reformers' short-range political values and objectives.

Yet the accuracy of the description of Congress as "inefficient" seems obvious.[36] The Founding Fathers never listed speed and efficiency among the virtues of a legislative assembly. And what could be more inefficient than entrusting the business of passing laws to two separate houses, engaging in the long hours of committee referrals, hearings, studies, floor debates, amendments, joint conference committees, and so on. James Burnham, however, has warned that when anything seems all that obvious we ought to suspect that some factor may have been dropped:

"A whale would look slow on the Santa Anita racetrack, but in his ocean he can beat any horse in the stable. An octopus would be clumsy at a computer console, but he does well enough on his rocks. It is necessary to check both the meaning and relevance of the terms we use. Congress is 'slow' and 'inefficient.' Compared to what? And if so, why not?"[37]

While the results of its activities, what it does, is the final arbiter of worth, the sheer business of Congress is at least statistically impressive.[38] Four hundred and thirty-five men and women sit in the House of Representatives and one hundred in the Senate. The Senate of the 93rd Congress was in ses-

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sion for 2,152 hours and 22 minutes on 352 days between January of 1973 and December, 1974. It passed 1,564 measures, an average of one every 1.4 session-hours. The House met on 334 days for 1,603 hours and 22 minutes and passed 1,524 measures. In all, 649 public laws and 123 private laws were passed.

The measures passed by the Senate included 526 that were Senate bills and 469 that had originated in the House. There were 73 joint resolutions of the Senate, and 47 of the House. Fifty-six Senate and 78 House concurrent resolutions were passed. The Senate governed itself and expressed itself alone in 257 simple resolutions. A similar record would describe the House's work. Thirty-nine bills were vetoed by the President. The Senate confirmed 131,254 appointments to federal government posts.

In spite of the Watergate scandals, major legislation occurred in a number of areas. Congress signaled its determination to recapture its constitutional power when it overrode then-President Nixon's veto to enact a bill restricting the president's power to make war. In 1974 it went on to pass a budget reform bill that gave it a mechanism to regain its historic control over the public's pursestrings. It took the initiative in passing a campaign finance reform bill, setting limits on political contributions and spending and mandating the first use of public money to finance presidential election campaign costs. New laws included the first major housing bill since 1968, the first minimum wage increase since 1967, federal standards for private pension plans, and an independent government corporation to provide legal services for the poor. Congress also approved a six-year, $11.9-billion program of aid to mass transit systems and a major trade reform act. Before it adjourned, Congress also had overridden four of Ford's twelve vetoes of public bills; not since 1948 had any president suffered as many defeats in a single year.[39]

Behind this record of legislative achievement stood the 26,222 measures that were introduced—each representing at least some minor effort and some of them resulting from weeks or months of work and energy. A congressman's work is not confined solely to the introduction and passage of legislation. There are millions of calls, letters, and visits from constituents; hundreds of thousands of contacts with the executive branch on behalf of constituents. In 1970, members of Congress mailed more than 190 million letters and packages.

During the second session alone the congressmen added 42,937 pages of proceedings, speeches, and extensions of remarks to the Congressional Record. Hundreds of committee and subcommittee meetings were held, resulting in reports and recommendations which (added to those emanating from executive agencies, interest groups, and the White House) had to be read or reviewed. In both 1968 and 1969, slightly more than 52 percent of the members made at least one trip abroad learning about international conditions, and all traveled widely and frequently in the United States—campaigning for reelection, inspecting government facilities, attending conferences and so on. The point should be clear.

Efficiency, as the term is used in administration, is an internal measure of the relationship of output to input (e.g., miles per gallon). Cost per unit of work done is one measure of efficiency. The congressional budget is a relatively modest one; the appropriation for operations of the legislative branch for fiscal 1975 was $708,275,650—as Burnham notes, a fraction of one percent of the executive budget, and much less than the expenses of hundreds of private corporations. Members of Congress are paid $44,625 per year, less than Cabinet members, Supreme Court justices, or the executives of a large corporation.

Is Congress slower and less efficient than the bureaucracy? Comparison is difficult. Yet Alfred de Grazia presents ten criteria of coordination, integration, and efficiency in the form of questions comparing Congress and the Executive Office.

1. Which body's members know more about what their co-members are doing?
2. Whose members know more about what the other body is doing?
3. Whose members know more about what the bureaucracy is doing?
4. Whose members know more about what is going on in the country?
5. In what body does an idea have the greatest chance of being born, and once born, or achieving some consideration?
6. In which body does an idea that is to be ultimately adopted pursue a path that a group of outside scientists and experts on logic, intelligence operations, and administrative procedure would say bring to bear the more powerful interests and instruments of intelligence?
7. In which group does an order by the top leadership obtain the quickest response throughout the group?
8. Which group's ordinances obtain the quickest response in the country and in the executive establishment at large?
9. In which group is a policy originated and processed into final form most quickly?
10. Which group can give the most ready and thorough response to problems arising out of the operations of the executive establishment? [40]

To every one of these ten questions, de Grazia argues, the general answer might very well be: "Congress." And if a case can be made for this answer, then a serious indictment can be read to the numerous analysts who over the years have condemned Congress as slow, inefficient, and archaic. Moreover, one could make the argument that the fact that Congress makes up its mind in public has much to do with the appearance of inefficiency.[41] Or one could contend that the public interest may be served by a Congress that does not move hastily and instantly.[42] In any case, indictments of Congress as having declined in "efficiency" require additional specification, qualification, and verification.

PUBLIC ESTEEM

Where argued that public esteem and public interest do not necessarily go together.

"The activities of a legislature may provide a great deal of news: legislators may often be in the public eye; their proceedings may be notorious. But they may stand low in public esteem." [43]

Adopting this view, let us examine *opinions of Congress* before turning to a discussion of the amount of *news about Congress*. Public confidence in and information about Congress (and government institutions in general) is currently quite low. In a recent survey by Louis Harris for Senator Edmund Muskie's Subcommittee on Intergovernmental Relations, 6 percent of the total public expressed the view that Congress was made up only of the House of Representatives; 4 percent thought that Congress was just the Senate; and a rather high 20 percent thought Congress consisted of the House, the Senate, and the U.S. Supreme Court. Only 59 percent of the American people could correctly state the name of at least one U.S. Senator from their state; only 39 percent could name the second Senator from their own state correctly. Congressmen did not fare much better. No more than 46 percent could accurately identify the congressman from their district. The amount of confidence Americans place in the U.S. Senate declined from 42 percent in 1966 to 21 percent in 1972, although rising slightly to 30 percent in 1973. The House of Representatives went from 42 percent in 1966 to 21 percent in 1972, before rising to 29 percent in 1973.[44]

It is extremely difficult to analyze cyclical changes in the American public's view of Congress. Survey data is available only from 1943 and is sporadic and difficult to compare.[45] Certain correlates of Congressional popularity have been suggested, however. First, public approval is usually highest when domestic political controversy is muted. When partisan controversy grows or when Congress appears slow in resolving legislation, public disaffection increases. Second, the public expects Congress to pass rather than hold up legislation. Randall Ripley, for example, has noted that popular estimates of Congress tend to vary as the productivity of Congress varies.[46] Specialized sub-publics tend to evaluate Congress in terms of their own policy concerns. Finally, a distinct parallel exists in the public's assessment of Congress and their evaluation of the President. It seems that the public's views of Congress are vague and contradictory. * * *

"Congress apparently presents an ambiguous image to most of the general public. As a primary institution in the governmental system, it benefits from the general esteem which Americans hold for their public institutions. Beyond this, the patterns of public attitudes are complex and contradictory.

"The public's ignorance of Congress results in assessments of congressional performance that vary considerably over time and are probably a function of party identification, interest-group identification, or identification with the Presidency." [47]

Thus, it seems that it would be extremely difficult, utilizing public opinion data, to determine any change in public esteem for Congress. It may be possible to do so, however, by examining the views of a group that has a generalized, long-term interest in congressional performance—media representatives. As a profession, this group is uncommonly close to the legislative process. By nature as well as by profession, they are very willing to state their assessments of these processes. And they have regular access to rather wide and often important audiences.[48]

An examination of past newspaper stories, magazine articles, and so on indicates the verity of Lord Bryce's nineteenth century observation that "Americans are especially fond of running down their Congressmen." Belittling Congress is part of the American political folklore. It would be easy to print citations from the press in every decade of our history bewailing the decay of the legislative branch of our government. A few examples should suffice:

"The United States is facing a constitutional crisis. That branch of Government that most closely represents the people is not yet broken, but it is bent and in danger of snapping." [49]

"About the only people who like the way Congress is run are the people who run Congress—and even some of these are unhappy. There is a growing belief, said a Washington observer last summer, that Congress just won't do." [50]

"What the American people have to deal with now is a situation that admits of no national complacency; the legislative machinery, which is the heart of democracy, is breaking down. The American Congress is foundering." [51]

"They are saying, in this year of war and elections, that the Congress of the United States is a worn-out institution that is log-rolling itself into its grave. They are saying it is losing the war or doing nothing to win it; that it talks too much or not enough; that it should be composed of statesmen and, instead, is made up of political hacks." [52]

"The President is right in saying that what

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we need is democracy—and more democracy. But when we look about for the agencies of government through which the majority will is to express itself, we find—Congress. And if the past session of Congress were the test of democratic government, the friends of democracy might well tremble for its future.[53]

"It is perhaps true . . . that Congress 'has long been the most incompetent, the most shiftless, and the most irresponsible branch of the Federal Government.' " [54]

"Another cause, and not the least of the causes of the popular contempt for Congress, is its inability to perform one of the primary duties of a modern government, namely, to regulate the finances and protect the credit of the country." [55]

One could go on and on but the basic point is simply that year in and year out for over 180 years, American journalists (and citizens) have criticized and abused their Congress. Moreover, it has long been a popular pastime to poke fun at Congress. Political wit in the United States, from Petroleum V. Nasby to Herblock, has always singled out Congress for special attention. As Davidson and his colleagues have noted:

"The other two branches of our government have nothing quite comparable to the public image of Senator Snort, the florid and incompetent windbag. Mark Twain, Will Rogers, Finley Peter Dunne, H. L. Mencken, Al Capp, and George Lichty all have contributed to the colorful literature of congressional denigration, presumably to the great amusement of their readers." [56]

Members of Congress themselves seem to enjoy criticizing and joking about their organization. A standard way for a congressman to begin a speech is to recount how the chaplain of the House invariably opens the session by looking out at the members and then praying for the safety of the country. Moreover, as Richard Fenno has noted, many Congressmen portray themselves as the gallant fighters against the manifest evils of Congress; they "run *for* Congress by running *against* Congress." [57]

That Congress is unpopular, that it always has been unpopular, and that it always will be unpopular seems assured. If Congress passes a large number of laws, it is denounced as being a "busy-body" and "meddlesome." If it fails to pass legislation, it is denounced as being "incompetent" or a "do-nothing Congress." [58]

If Congress follows the President, passes his legislation, and heeds his vetoes, then it is called a "rubber stamp" or a "machine," composed of a "flock of sheep." If Congress defies the President and overrides his vetoes, it is called "obstructionist" or "disloyal," a group of "demagogues." It is criticized for being unorganized and unrepresentative and for being a "steamroller" catering to "special interests." The Congress is thus "damned if it does and damned if it don't." An examination of the nature and causes for this tradition of criticism is beyond the scope of this paper. What seems clear though is that the first Congress that met was subject to all the external criticisms that haunt the 94th Congress. David B. Truman summarized the situation well: "Criticism of the Congress is a hardy perennial of American life." [59]

PUBLIC INTEREST

A variety of powers, formal and informal, are available to the legislative and executive branches in their struggles for political hegemony—Senate confirmation of presidential appointments, congressional investigation, presidential veto, formulation of the budget, and so on. One of the most potent weapons, however, may be the standing of the President with the American people and his position as a focal point of the mass media. According to Dorothy Buckton James, "No individual in public or private life receives the media coverage that is given to the President." Through it, he is greatly advantaged "in being able to define the issues and initiate consideration of appropriate alternatives from his point of view." [60] The President, according to another observer, has "achieved an omnipresence in the general flow of news and in the awareness of the average citizen which in itself has vast implications for the shaping both of national opinion and of public policy." [61] In *The Fourth Branch of Government*, Douglass Cater argued, "Nothing affects more the balance of power between Congress and the President than whether the one or the other is the principal source of news and explanation and opinion." The argument was put most starkly by the Congressional Research Service:

"A significant parallel exists between the growth of the executive power and the greater use of the techniques of mass communication by the Executive. If, as many persons now believe, a dangerous imbalance exists between the effective governing power of the Executive and Legislative branches, the Executive's greater and more effective use of mass communications media, and techniques must be considered as a factor in causing this imbalance." [62]

The problem remains, however, of providing empirical verification of this thesis on the "decline" of Congress and the expanding Presidential image. Unfortunately, once again, there is very little research on this matter. One of the few attempts to examine the matter empirically was made by Elmer Cornwell, who analyzed the news content of the mass media from 1885 to 1957 to determine whether the expansion of the Presidential image had really gone on to the extent suggested.[63] Cornwell contended that if the process of the expansion of the Presidential image had gone on to the extent suggested—as focus of the public's attention and expected source of initiative—an analysis of the news content of the mass media relating to the President should reveal the fact. One could infer that a content analysis of this kind, showing a rising curve of prominent Presidential news, "reflected a rising tendency for the public to focus primary attention on the President at the expense of the other parts of the national government." [64]

The ideal research strategy would have entailed a review of a representative sample of all the important media. Practical considerations, however, dictated the use of only one—the newspaper. Availability and usefulness for sampling purposes led to the choice of two newspapers for Cornwell's research, the *New York Times*—the nearest thing the United States has to a "national" newspaper in news orientation—and the *Providence Journal*—a medium-sized daily with a normal preoccupation with state and local news. Cornwell examined every eighth year, that is the year following every second Presidential election year, for the *New York Times* sample, beginning with 1885 and ending with 1957, or a total of ten years. Within each year, the first full week (starting with Sunday) in the months of January, March, May, July, September, and November was used. For the *Journal* sample, one year was selected from the term in office of each of the twelve individuals who occupied the White House from 1889 to 1957. In each of the years chosen the same months were sampled as for the *Times* but a different week in each—the last full week in the month.

Examination of the papers was limited to the front pages of each newspaper on the assumption that "front pages tend to attract more reader attention that the average inside page and that the front page was reserved in the two newspapers for the most important news during the period under examination." [65] Headlines were examined for the word "President," "Presidency," "White House," or the name of the incumbent President; and for the words "Congress," "Senate," "House," and the names of specific Congressional committees. Headlines containing "Congressman" or "Senator" were not tabulated if none of the other words appeared since usually the articles involved related only to one individual and not to Congress as an organizational entity. If one or more of the above words appeared in any of the levels of headlines before the dateline of the article the story was included and its column inches on the front page recorded.[66] When headlines contained both a Presidential word and a Congressional one, the article was put into a separate "both" category. When the headline did not contain one of the words being tabulated—even when the article obviously contained some news of Congress or the President—the article was not included in the sample. This was done because the purpose of the study was to attempt to measure the impact of the Presidency (and Congress) on the consciousness of the reader. Thus, the sample was limited to those articles that would *immediately* suggest either of the institutions even if little more than the headlines were read. Finally, column inches occupied by pictures of the President also were included on the theory that "such pictures had at least as much impact as a comparable number of inches of headlines and text." [67]

The data obtained from the two samples are found in Table 1 and are arranged on bar graphs in Table 2.

[Table 2 not printed in RECORD.]

TABLE 1

	Times sample			Journal sample		
	Presidency	Both	Congress	Presidency	Both	Congress
1885	169.0	149.0	129.5			
1890				90.0	0	947.5
1893	191.5	197.5	75.5			
1894				136.0	36.0	80.5
1899				160.0	0	51.5
1901	320.5	16.0	30.5			
1906				300.0	0	129.5
1909	223.5	192.0	92.5			
1910				462.5	69.0	187.5
1914				210.0	9.0	82.0
1917	804.5	413.0	428.5			
1922				513.0	58.5	233.0
1925	588.0	257.5	290.0			
1926				285.0	53.0	264.0
1930				253.0	70.5	309.0
1933	1,369.0	332.0	213.0			
1934				571.5	185.5	202.0
1941	762.0	255.0	444.5			
1949	437.0	278.0	536.5	378.0	175.5	368.0
1954				313.5	111.5	304.0
1957	889.0	270.0	317.0			

Source: Elmer E. Cornwell, Jr., "Presidential News: The Expanding Public Image" Journalism Quarterly, vol. 36 (summer, 1959), p. 278.

The Times portion of Table 2 shows the pattern graphically: the very marked upward trend of Presidential news in contrast with the limited increase of Congressional news and less consistent upward trend of the latter. The study shows clearly that Presidential news increased more rapidly than either national government news as a whole or Congressional news. The pattern is one of short term fluctuations but a long term upward trend in overall Presidential news, both in absolute terms and relative to Congress. Cornwell concludes that—

"The data presented indicate that Presidential news, and by inference the public's image of the Presidency and its relative governmental importance, has increased markedly and more or less steadily in this century, particularly since World War II." [68]

Much has happened since Cornwell's research was conducted. During the period 1958–1975, there have been five Presidents, three Republicans and two Democrats. There have been several recessions, a war, a strong

Footnotes at end of article.

third party movement, "landslide" and very narrow presidential elections, "active" and "passive" Presidents, and divided and unified governments. A President has been assassinated, another chose not to seek re-election, and a third was driven from office under threat of impeachment. The current Chief Executive bears only the most indirect mandate from the people. Congress, meanwhile, has moved to reform its internal organization, reassert its independence, and regain its power over fiscal affairs and foreign policy. How has this been reflected in media coverage? What difference, if any, has it made in the relative attention given to Congress and the President?

An update of Cornwell's research, using the Buffalo Evening News instead of the Providence paper and sampling every year from 1958 to 1974, is revealing.[69] These data are found in Table 3 and are arranged on bar graphs in Tables 4 and 5.

[Tables 4 and 5 not printed in RECORD.]

TABLE 3

	Times sample			News sample		
	Presidency	Both	Congress	Presidency	Both	Congress
1958	864	54	524	278	18	102
1959	710	120	610	224	20	70
1960	653	45	313	478	42	68
1961	1,014	29	319	860	107	106
1962	787	59	348	384	71	286
1963	642	74	377	602	64	380
1964	1,028	0	185	493	13	163
1965	490	121	217	336	49	91
1966	421	109	250	572	29	112
1967	311	19	193	403	26	72
1968	440	43	121	316	18	64
1969	752	89	222	714	0	141
1970	744	153	253	428	0	108
1971	576	148	275	249	13	51
1972	1,047	7	51	621	0	98
1973	789	107	132	687	18	126
974	748	72	241	700	126	212

The pattern discerned by Cornwell in 1959 remains—as is seen most clearly in the New York Times data. There continues a marked dominance of Presidential news in contrast to a noticeable decline of Congressional news. In all but one of the years sampled, straight Presidential news represented more column inches than the other two categories combined. The decline in news about Congress is even more striking when compared with the lengthening of the legislative session. During the period surveyed by Cornwell, Congress was in session an average of about six and a half months each year. During 1958–1974, Congress moved toward remaining in session (and presumably making news) almost the entire year—yet the amount of news about our national legislature declined.

As was noted above in our brief review of opinions about Congress, criticism of that body is a hardy perennial of American life. It may be, however, that the content of the media messages is not so important as the mere extent of media coverage. Paul Lazarsfeld and Robert Merton, for example, have noted the "status conferral function"[70] of the media. Carl Hovland has also remarked upon this "halo" effect of media prestige and called for further research on its processes and components.[71] Miller and Stokes' conclusion concerning voters' awareness of congressional candidates may also hold true for Congress as an institution: "In the main, recognition carries a positive valence; to be perceived at all is to be perceived favorably."[72] If this is true, then the media face a major challenge in achieving some balance in coverage between Congress and the Presidency.

STANDARDS OF BEHAVIOR

It seems clear that Congress has been tarnished by scandal, and by the questionable activities and ethics of some of its members. In 1967, Senator Thomas Dodd of Connecticut was censured because he had retained for his personal use $116,000 of the $450,000 received from political fund-raising dinners. Congressmen are criticized for "junkets" abroad, for having relatives on their office payroll, for accepting speaking fees from lobbyists.[73] Michael Parenti states the case against Congress:

"From 1968 to 1972 eight Congressmen or their aides were convicted of bribery, influence-peddling or perjury. In this century, twenty-four Senators and Representatives have been indicted for crimes; sixteen were convicted and one case is pending. And these are only the few clumsy enough to get caught."[74]

Perhaps it is a decline in manners, in standards of behavior, in the quality of the individual members of Congress that is being asserted. As George Galloway has argued:

"To the frequent query: "What's wrong with Congress?" a favorite retort is: "Congress itself!," meaning the members themselves. Some critics of representative government allege that its basic fault is to be found not in its antiquated machinery or archaic methods or excessive work-load, but in the personnel of the legislature."[75]

Thus critics of Congress often refer to the great men of the past—to men like Daniel Webster, John C. Calhoun, Henry Clay, and others—and assert that, in comparison, members of Congress today are of small caliber. Is that proof of a decline of Congress? Several points may be raised in this regard.

First, it is worth remembering that the nineteenth-century "legislative giants"—Henry Clay, John C. Calhoun, Daniel Webster, Stephen A. Douglas, and others—were "giants" with respect to only a handful of issues. As Charles A. Beard, a close student of American history noted, "It is pertinent to note that, in spite of their oratory, these mighty men of old could not resolve the sectional issue of their time and let the nation drift into a civil war."[76] In contrast, today's congressmen must consider a wide variety of domestic issues as well as world-encompassing issues.

Moreover, in addition to a change in the scope of the legislative agenda, there has been a tremendous increase in the volume and complexity of legislative business.[77] The following comparison of the 1st and the 93rd Congress is instructive:

	1st Congress	93d Congress
Number of Bills Introduced	268	21,950
House of Representatives	142	17,690
Senate	126	4,260
Number of Laws Enacted	118	772
Public bills	108	649
Private bills	10	123
Number of Members	91	535
Representatives	65	435
Senators	26	100
Number of Days in Session	519	352
Nominations Confirmed	211	131,254

The sheer bulk of bills introduced has increased over eighty-fold, while the number of members available to meet the added work load multiplied only about six times. The early Congresses usually met for only nine or ten months out of the biennium, taking long summer recesses[78] (See Table 6).

TABLE 6.—*Selected sessions of congress*

Congress:	Length in days
1st	519
2d	316
3d	311
4th	266
5th	394
6th	271
88th	626
89th	579
90th	614
91st	704
92d	606
93d	688

Third, one could certainly argue that man for man, recent Congresses have been no worse than dozens of their predecessors, and better than many. Critics often overlook a Paul Douglas or a William Fulbright, who would have graced any Congress in our history. They ignore able Senators like Birch Bayh, Frank Church, Philip Hart, Hubert Humphrey, Mike Mansfield, and many others; they overlook such capable Representatives as John Anderson, Richard Bolling, Phillip Burton, Barber Conable, Ken Hechler, John Moss, Peter Rodino, and numerous others. In contrast to this distinguished group, there occasionally are crackpots, crooks, and misfits. These are a veritable godsend to the cynics and critics of Congress. Yet, in comparing congressmen of today and those who loom large in our history we often select a few great names and forget the abundant mediocrity. One thing is certain. That is that any observer can find in the personnel who are serving and have served in the Congress of the United States the very thing that he is looking for.

Finally, there is a tendency, when dealing with public men of the past, to cast a halo over their heads and, by either perverting or ignoring the facts, to regard them as demigods. Previous warnings prove interesting to those who would argue that Congress has declined in manners, standards of behavior, or quality:

". . . but let them beware of the luster which departing years shed upon the alleged giants of other days, and let them not turn to contemporary letters like that of John Hay to Joseph H. Choate in which, after denouncing the "howling lunatics" of the Senate, he bemoaned the fact that Senator "W" has been divorcing his wife . . . last week, "X" had delirium tremens, Bacon broke his ribs, Pettigrew had the grippe, and Hale ran off to New York on 'private business,' and the whole Senate stopped work until they got around again."[79]

"Talk of the degeneracy of the Senate to men who remember the time when a Vice President was inaugurated in a state of maudlin intoxication; or the earlier days when Foote uttered in debate his threat to Hale, that he should be hung on the highest tree in the forest if he should come to Mississippi; when the same man drew his pistol on Benton in the Senate Chamber; when Butler poured out his loose expectoration, and Mason gave exhibitions of his arrogant plantation manners; . . ."[80]

Those who complain that the Congress no longer contains such giants as Clay, Calhoun and Webster are referred to the similar complaint of Alexis de Tocqueville. When these great men still spoke in the land, the astute French observer sadly lamented that "the race of American statesmen has evidently dwindled most remarkably in the course of the last fifty years."[81] That would seem to imply that if we have been going downhill, the decline began in 1789. For surely we could "expect to find unalloyed patriotism, the recognition of merit, the victory of virtue, among the demigods who created the nation."[82]

Fisher Ames may speak for the House of Representatives. In a letter to a friend on March 23, 1790, he wrote of—

". . . the violence, personality, low wit, violation of order, and rambling from the point, which have lowered the House extremely in the debate on the Quaker memorial. The Quakers have been abused, the eastern States inveighed against, the chairman rudely charged with partiality. Language low, indecent, and profane has been used; wit equally stale and wretched has been attempted; in short, we have sunk below the General Court in the disorderly moment of the bawling nomination of a committee, or even of country (rather Boston) town-meeting."[83]

These were the words of a patrician—a Massachusetts aristocrat. Perhaps Ames'

Footnotes at end of article.

opinion was overly critical of those less privileged than himself. For a different perspective, let us examine the journal of an individual more democratic in his views, William MacClay of Pennsylvania. Writing of the first American Senate on August 29, 1789, MacClay said:

"With the Senate I certainly am disgusted. I came here expecting every man to act the part of a god; that the most delicate honor, the most exalted wisdom, the most refined generosity, was to govern every act and be seen in every deed. What must my feeling be on finding rough and rude manners, glaring folly, and the basest selfishness in almost every public transaction! They are not always successful, it is true; but is it not dreadful to find them in such a place?" [84]

In conclusion, it appears clear that the golden age—which is always at least a generation behind—was not so golden as we often seem to think. And the dross that characterizes our current state is not so unrelieved by better qualities as we are tempted to imagine.

THE STANDARDS OF DECLINE

As was noted a number of years ago, and has been intimated above, much of the discussion of the so-called "decline" of Congress is based on the assumption that decline was possible. It is based, in part, on the idea that there once existed a "golden age" of legislatures—a time when "wisdom and oratory and gentlemanly behavior and public spirit all seemed somehow to flourish and to flourish together." [85] Normally, however, evidence for the existence of this golden age is not presented. Moreover, it often seems, on more careful inspection, that it is merely time which has thrown a romantic aura around the past and made contemporary institutions seem drab by comparison.

Again, it is often contended that Congress has declined in certain important respects and particularly in power in relation to the Presidency. It may be, however, that the question of who is more powerful, Congress or the President, is an improper one. The actual pattern of power in Washington, as we have sought to indicate, is both complicated and kaleidoscopic. Viewing the situation as a zero-sum game in which the President has steadily been gaining power and Congress steadily losing it is simplistic, as Chamberlain noted years ago:

"The legislative process is not like a seesaw where as one end goes down the other must automatically go up. It is, rather like a gasoline engine which operates most efficiently when all of its cylinders are functioning. When the president becomes unusually active, there is a tendency to assume that the congressional cylinder has ceased to function. Such is not necessarily the case." [86]

CONCLUDING OBSERVATIONS

No one any longer questions the fact, but only the degree and the merits of the decline of Congress and the aggrandizement of the Presidency. So the textbooks of American government would have us believe.' It has been suggested here that while the "decline" of Congress may be an interesting question to discuss in very general terms, it becomes exceedingly complicated when one tries to establish what form the alleged decline has taken, and the standard against which that decline is being measured. We have sought to examine the "decline" of Congress in terms of a decline in power (initiation), efficiency, public esteem, public interest, and manners or standards of behavior. We have found that only in terms of public interest (as indicated by a decline in newspaper coverage) can we discern any evidence for a congressional decline.

The fact of the decline of Congress needs to be demonstrated, not assumed, and this paper suggests that statements about this so-called decline should be examined with care. It may, of course, be the case that Congress has declined in influence, efficiency, or whatever, but this remains a thesis in need of empirical verification. And I would suggest that, like reports about the death of Mark Twain, reports about the imminent demise of Congress are greatly exaggerated.

FOOTNOTES

[1] Warren Weaver, Jr., *Both Your Houses: The Truth About Congress* (New York: Praeger, 1972), p. 3.

[2] Neil MacNeil, "To Redress the Balance," unpublished paper presented at Time Inc. editors' planning session, The Role of Congress Study, September 15, 1972.

[3] Russell Baker, "Moods of Washington," *New York Times Magazine*, March 24, 1974, p. 71.

[4] See "The First Six Months of the 94th," National Committee for an Effective Congress, *Congressional Report*, June, 1975, pp. 1–3.

[5] As quoted in David S. Broder, "Congress Conceding the Leadership Issue?'," *Buffalo Evening News*, June 17, 1975.

[6] Samuel P. Huntington, "Congressional Responses to the Twentieth Century," in David B. Truman, ed., *The Congress and America's Future* (Englewood Cliffs, N.J.: Prentice-Hall, 1973), p. 28.

[7] Dennis B. Palumbo, *American Politics* (New York: Appleton-Century-Crofts, 1973), p. 187.

[8] Thomas Cronin, "The Textbook Presidency and Political Science," in Stanley Bach and George T. Sulzner, eds., *Perspectives on the Presidency* (Lexington, Mass.: D.C. Heath Co., 1974), pp. 54–74.

[9] Dan Nimmo and Thomas D. Ungs, *American Political Patterns* (Boston: Little, Brown, and Co., 1973), p. 453.

[10] Max J. Skidmore and Marshall Carter Wanke, *American Government* (New York: St. Martin's Press, 1974), p. 56.

[11] J. Keith Melville, *The American Democratic System* (New York: Dodd Mead & Co., 1974), pp. 219–20.

[12] John J. Ferguson and Dean E. McHenry, *The American System of Government* (New York: McGraw-Hill, 1971), p. 313.

[13] Michael Parenti, *Democracy for the Few* (New York: St. Martin's Press, 1974), p. 193.

[14] M. Stanton Evans, *Clear and Present Dangers* (New York: Harcourt Brace Jovanovich, 1975), p. 73.

[15] Gary Orfield, *Congressional Power: Congress and Social Change* (New York: Harcourt Brace Jovanovich, 1975), p. 3.

[16] K. C. Wheare, *Legislatures* (London: Oxford University Press, 1963), p. 219–21.

[17] Even this discussion is fraught with definitional and methodological problems. See, for example, David A. Baldwin, "Congressional Initiative in Foreign Policy," *Journal of Politics*, Vol. 28 (November, 1966), p. 754–73.

[18] Huntington, "Congressional Responses," p. 28.

[19] Lawrence Henry Chamberlain, *The President, Congress and Legislation* (New York: Columbia University Press, 1946), esp. ch. 12. The passage quoted is from p. 454.

[20] Huntington, "Congressional Responses," p. 29.

[21] James A. Robinson, *Congress and Foreign Policy-Making* (Homewood, Illinois: Dorsey Press, 1967), p. 9.

[22] Roger Davidson, "Congress in the American Political Tradition" in Allan Kornberg and Lloyd D. Musolf, eds., *Legislatures in Developmental Perspective* (Durham, North Carolina: Duke University Press, 1970), pp. 139–140.

[23] Ronald C. Moe and Steven C. Teel, "Congress as Policy-Maker: A Necessary Reappraisal," *Political Science Quarterly*, Vol. 85 (September, 1970), p. 447.

[24] *Ibid.*, p. 467.

[25] *Ibid.*, pp. 467–8.

[26] David Price, *Who Makes the Laws?* (Cambridge, Mass.: Schenkman Publishing Co., 1972), p. 331.

[27] Orfield, *Congressional Power*.

[28] See John R. Johannes, "Congress and the Initiation of Legislation," *Public Policy*, Vol. 20 (Spring, 1972), pp. 281–309; *Policy Innovation in Congress* (Morristown, N.J.: General Learning Press, 1972); "Where Does the Buck Stop?—Congress, President, and the Responsibility for Legislative Initiation," *Western Political Quarterly*, Vol. 25 (September, 1972), pp. 396–415; and "The President Proposes and Congress Disposes—But Not Always: Legislative Initiation on Capitol Hill," *The Review of Politics*, Vol. 36 (July, 1974), pp. 356–70.

[29] For a partial list see Johannes, "Congress and the Initiation of Legislation," p. 282, note 7 and "The President Proposes and Congress Disposes," p. 358, note 14.

[30] Eric Redman, *The Dance of Legislation* (New York: Simon and Schuster, 1973), pp. 15–6.

[31] *Ibid.*, pp. 16–7.

[32] Palumbo, *American Politics*, p. 188.

[33] James MacGregor Burns, *The Deadlock of Democracy* (Englewood Cliffs, N.J.: Prentice-Hall, 1963), p. 6.

[34] Ferguson and McHenry, *The American System of Government*, p. 349.

[35] George B. Galloway, *The Legislative Process in Congress* (New York: Thomas Y. Crowell, 1953), p. 8.

[36] See James A. Burnham, *Congress and the American Tradition* (Chicago: Henry Regnery Co., 1959), esp. pp. 262–78. It is from this work that much of this section is drawn.

[37] *Ibid.*

[38] See Alfred de Grazia, *Republic in Crisis* (New York: Federal Legal Publications, 1965), esp. ch. 1. It is from this work that the outline of this section is drawn.

[39] For a more complete review of the record of the 93rd Congress, see Congressional Quarterly *Almanac*, Vol. 30 (Washington, D.C.: Congressional Quarterly, 1975), esp. pp. 3–29.

[40] de Grazia, *Republic in Crisis*, pp. 86–7.

[41] See, for example, Burnham, *Congress and the American Tradition* and Ernest S. Griffith, *Congress, Its Contemporary Role* (New York: New York University Press, 1956), pp. 190–1.

[42] See, for example, Burnham, *Congress and the American Tradition* and David Broder, "Why Congress' Slowness May Really be a Positive Attribute," as reprinted in the *Congressional Record*, July 17, 1975, p. 23479.

[43] Wheare, *Legislatures*, p. 220.

[44] See U.S. Senate Committee on Government Operations, Subcommittee on Intergovernmental Relations, *Confidence and Concern: Citizens View American Government* (Washington, D.C.: U.S. Government Printing Office, 1973), esp. chs. 1 and 2.

[45] See Roger Davidson, David Kovenock, and Michael O'Leary, *Congress in Crisis: Politics and Congressional Reform* (Belmont, California: Wadsworth Publishing Co., 1966), pp. 47–63 and Randall B. Ripley, *Congress* (New York: W.W. Norton & Co., 1975), pp. 288–90.

[46] *Ibid.*, p. 288.

[47] Davidson, Kovenock, and O'Leary, *Congress in Crisis*, p. 63.

[48] For an interesting discussion of the views of another important group, scholars of politics, see Roger Davidson and David Kovenock, "The Catfish and the Fisherman: Congress and Prescriptive Political Science" *American Behavioral Scientist*, Vol. (Jine, 1967), pp. 23–7.

[49] "The Crack in the Constitution," *Time*, Vol. 101 (January 15, 1973), p. 12.

[50] "Is Congress doing its Job?," *Business Week*, January 5, 1963, p. 48.

[51] "Has Congress Broken Down?," *Fortune*, Vol. 45 (February 1952), p. 80.

[52] Roger Butterfield, "Is It True What They Say About Congress?," *Life*, August 17, 1942, p. 76.

[53] "Congress: An Inquest," *Nation*, August 28, 1937, p. 213.

[54] "Our Outworn Congress in Session," *Nation*, December 15, 1920, p. 680.

[55] "The Decline of Congress," *Nation*, January 28, 1897, p. 63.

[56] Davidson, Kovenock, and O'Leary, *Congress in Crisis*, p. 38.

[57] Richard F. Fenno, Jr., "If, as Ralph Nader Says, Congress is 'The Broken Branch,' How Come we Love Our Congressmen So Much," in Norman J. Ornstein, ed., *Congress in Change* (New York: Praeger, 1975), p. 280.

[58] It is interesting to note that this phrase, borrowed by President Ford from President Truman in his recent attacks on the 94th Congress, was borrowed by Truman from his fellow Missourian Champ Clark, who applied it to the 54th Congress in the 1890's.

[59] Truman, *The Congress and America's Future*, p. 1.

[60] Dorothy Buckton James, *The Contemporary Presidency* (New York: Pegasus, 1973), p. 64.

[61] Elmer E. Cornwell, Jr., *Presidential Leadership of Public Opinion* (Bloomington, Indiana: Indiana University Press, 1965), p. 4.

[62] Congressional Research Service, Library of Congress, "Congress and Mass Communications: An Institutional Perspective" (Washington, D.C.: U.S. Government Printing Office, 1974), p. 13.

[63] Elmer E. Cornwell, Jr., "Presidential News: The Expanding Public Image," *Journalism Quarterly*, Vol. 36 (Summer, 1959), pp. 275–83.

[64] *Ibid.*, pp. 275–6. For a general discussion of this kind of inference drawn from the results of content analyses, see Bernard Berelson, *Content Analysis in Communications Research* (Glencoe: Illinois: The Free Press, 1952), pp. 90–108.

[65] *Ibid.*, p. 277.

[66] The use of measured column inches can be justified as a means of assessing the relative impact of the story and its subject matter on the consciousness of the reader. *Ibid.*, p. 278.

[67] *Ibid.*, p. 278.

[68] *Ibid.*, p. 283.

[69] We adopted the basic premise and essential methodology utilized by Cornwell.

[70–83] Copy omitted.

[84] *Ibid.*, p. 303.

[85] Wheare, *Legislatures*, p. 232.

[86] Chamberlain, *President, Congress and Legislation*, p. 14.

DECEMBER OMB PROPOSAL A STACKED DECK FOR BIG BUSINESS

(Mr. OBEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OBEY. Mr. Speaker, I would like to bring to my colleagues' attention one of the most incredible proposals put forward by a group of bureaucrats during my 8 years in Washington. On page 53724 of the Federal Register, volume 41, No. 237 of Wednesday, December 8, 1976, the following Office of Management and Budget circular appeared:

ATTACHMENT A

CIRCULAR NO. A-------

To: The Heads of Executive Departments and Establishments

Subject: Interaction with Commercial Standards-Setting Bodies

1. *Purpose.* This Circular establishes policy to be followed by executive branch agencies in working with commercial standards-setting bodies to develop, improve, and use standards for materials, products, systems, and services.

2. *Background.* The Federal Government purchases many products and services and regulates many activities which affect health, safety, and the national economy. To insure that such products possess appropriate quality characteristics, the Federal Government must depend upon reliable standards for product specification, quality control analysis, and performance testing. For example, the widely accepted standard for Portland cement (Federal Document SSC–1960–3) is used to guarantee consistent quality in this important construction material. Over the years, an effective system of voluntary consensus standards activities has developed under the leadership of the American Society for Testing and Materials, American Society of Mechanical Engineers, American National Standards Institute, and many others. In this voluntary system, a wide range of interests meld their expertise and compromise their differences, with the result that the standards produced are solidly based and widely accepted. Federal reliance on such standards, whenever practicable, will reduce the cost of developing standards and minimize confusion among those who deal with them.

3. *Coverage.* This Circular applies to all executive agency involvement in commercial standardization activities, both domestic and international.

4. *Objectives.* The objectives are to insure maximum practicable use of commercial standards by the Federal Government and active participation of the Federal Government in development of such standards.

5. *Definitions.* As used in this Circular:

a. *Executive agency* (hereinafter referred to as agency) means an executive department, a military department, and an independent establishment within the meaning of sections 101, 102 and 104(1) of Title 5, United States Code, and also a wholly owned Government corporation within the meaning of section 101 of the Government Corporation Control Act (31 U.S.C. 846).

b. *Commercial standards-setting bodies* are domestic and international standardization bodies, including nonprofit organizations, operating outside of the Federal Government or its agencies. They do not include the development and adoption of professional standards of conduct and standards of private companies; nor the United States' participation in international standardization activities pursuant to treaties.

c. *Commercial standard* means a prescribed set of rules, conditions, or requirements established by commercial standards-setting bodies, as defined in 5b, concerning definition of terms; classification of components; specification of materials, performance, or operations; delineation of procedures; or measurement of quantity and quality in describing materials, products, systems, services, or practices.

d. *Standardization and standards-setting activities* mean the process of developing the rules, conditions, and requirements defined in 5c above.

e. *Cooperative testing* means testing by interested parties to establish such things as precision, accuracy, and reliability of standards.

6. *Policy.* It is the policy of the Federal Government to rely on commercial standards, both domestic and international, whenever feasible. The policy embodied in the five elements below is consistent with and in furtherance of the Federal Government's general policy of using commercial products whenever feasible and relying on the private enterprise system to supply Government needs for products and services, as enunciated in OMB Circular No. A–76. Agencies will: a. Participate in commercial standards-setting activities when such participation is in the public interest and is compatible with the agency's missions and authorities. Participation by agency personnel shall have the approval of appropriate officials and shall be consistent with the agency's regulations issued pursuant to paragraph 7a of this Circular, but of itself does not connote agency agreement with or endorsement of decisions reached. Such participation, where the agency's budget permits, may include:

(1) Direct financial support, e.g., grants, sustaining memberships, and contracts;

(2) Indirect or administrative support, e.g., travel cost, and document preparation; and

(3) Technical support, e.g., cooperative testing for standards evaluation.

b. Encourage commercial standards-setting bodies with which they interact to observe rules and procedures that ensure prompt and full consideration of the views and interests of all who might be materially affected by their actions, and evaluate participation in these bodies in light of their adherence to such rules and procedures.

c. Use commercial standards in lieu of in-house standards when they will serve the agency's purpose and are consistent with applicable laws and regulations, and give such commercial standards preference in procurement actions unless use of such standards would result in higher cost to the Government.

d. Cite applicable commercial standards in FEDERAL REGISTER publications, regulatory orders, or related in-house documents.

e. Plan jointly with the commercial sector to ensure a coordinated effort in resolving priority standardization problems.

7. *Responsibilities:* a. Each agency will, within six months of the date of this Circular, implement the policy principles in paragraph 6 to the extent compatible with its mission responsibilities. In taking this action, the agency should recognize the positive contribution of standardization and related activities, such as product and compliance testing and certification. It must, however, be recognized that these activities, if improperly conducted, could suppress free and fair competition; impede innovation and technical progress; exclude safer and less expensive products; or otherwise adversely affect trade, commerce, health, or safety. Full account shall be taken of applicable Federal laws, policies, and national objectives including, for example, laws and regulations relating to antitrust, national security, product safety, and conflict of interest.

b. The Department of Commerce shall be responsible for coordinating the implementation of said policy principles through an Interagency Committee on Standards Policy established to foster cooperative participation by the Federal Government and U.S. industry and other private organizations in standards activities, including the related activities of product testing, compliance, and certification programs. The Department of Commerce shall, through said interagency committee, periodically advise OMB concerning implementation of the policy principles set forth in this Circular.

8. *Inquiries.* For information concerning this Circular, contact the Office of Management and Budget, Office of Federal Procurement Policy, telephone number (202) 395–3336.

Director.

ATTACHMENT B

INTERAGENCY COMMITTEE ON STANDARDS POLICY AS OF JULY 21, 1976

Members

Department of Agriculture.
Department of Commerce.
Consumer Product Safety Commission.
Department of Defense.
Energy Research and Development Administration.
Environmental Protection Agency.

Federal Communications Commission.
General Services Administration.
Department of Health, Education, and Welfare.
Department of Housing and Urban Development.
Department of the Interior.
Department of Justice.
Department of Labor.
National Aeronautics and Space Administration.
Nuclear Regulatory Commission.
Office of the Special Representative for Trade Neogtiations.
U.S. Postal Service.
Small Business Administration.
Department of State.
Department of Transportation.
Federal Trade Commission.
Department of the Treasury.

Observer

Office of Management and Budget.

[FR Doc.76-36013 Filed 12-7-76;8:45 am]

In essence, this circular states that Federal regulations to protect workers and consumers and to determine Government purchasing practices should be based on the work and recommendations of industry-paid scientists rather than scientists employed by the Federal Government. Instead of conducting independent research and reaching independent decisions, OMB says that Federal agencies should be dependent on standards set by the very industries that will be affected by those decisions.

The circular argues that "Federal reliance" on the recommendations of commercial standard-setting bodies "will reduce the cost of developing standards and minimize confusion among those who deal with them."

There is no question that in rare instances—such as technical assessments and performance specifications of certain products used as well as produced by major corporations—a sufficient diversity of interests may exist on commercial standard-setting bodies to make reliance on their recommendations practical. However, in the vast majority of regulatory situations it is the worker or the general public who will suffer as a result of weak or inadequate standards and the corporations whose scientists dominate these commercial standard-setting boards that will profit.

The implications this proposal holds for worker health are truly ominous. Three years ago when it was learned that vinyl chloride was causing cancer in workers, industry representatives gave their solemn assurances that it was economically and technically unfeasible to reduce workplace exposure levels to below 25 parts of vinyl chloride per million parts of air. They warned that further reductions would be highly inflationary and would perhaps even shut the industry down. Fortunately, Government scientists and regulators ignored that advice and imposed a standard of one part per million. Not only was industry able to meet the standard but the commercial price of vinyl chloride actually has gone down and the health of thousands of workers and the general public is being better protected.

Consumers could also be placed in a precarious situation as a result of this policy. I, for one, would not want Government regulators to rely on industry advice in determining the safety of the car I drive, the toys my children play with, or the groceries my family buys. It would be unconscionable to delegate such responsibility to groups dominated by those whose economic self-interest would obviously be at stake.

This policy proposal has grave implications as well for small businessmen. They would have no guarantee that their interests would be protected in the deliberations of standard-setting bodies. There is no question that a small manufacturer with 40 or 50 employees may have as big a stake proportionately in the establishment of Federal regulations as a huge corporation, but there is simply no way that he could afford to maintain his own scientific staff to represent him on standard-setting groups. It is conceivable, for instance, that a commercial standard-setting body dominated by major corporations could recommend guidelines for the Federal purchase of a product which were constructed in such a way as to cut small, independent manufacturers completely out of the running for a particular Government contract.

In addition, this policy could well make a travesty of the open process by which the Federal Government is supposed to arrive at such decisions. It offers absolutely no assurances that commercial standard-setting bodies will abide by any of the "sunshine" provisions which are required of Federal advisory committees.

Finally, we should not forget that safety standards established by private consensus organizations which were adopted as Federal standards at the insistence of industry when the Occupational Safety and Health Act was passed are the very standards that industry complains about so bitterly today.

In short, this proposal is a disaster and I have written to the new director of the Office of Management and Budget, Thomas B. Lance, to ask that he take whatever steps are necessary to insure that it is not implemented. The following is a list of the members of the Interagency Committee on Standards Policy which drafted the proposal and the agencies which they represent:

Eddie F. Kimbrell, Department of Agriculture.
Vincent Travaglini, Department of Commerce.
L. James Sharman, Consumer Product Safety Commission.
Lester Fox, Department of Defense.
Martin B. Biles, Energy Research and Development Administration.
Walter Barber, Environmental Protection Agency.
Julian T. Dixon, Federal Communication Commission.
Robert J. Lewis, Federal Trade Commission.
Roger D. Daniero, General Service Administration.
William F. Randolph, Department of HEW.
William J. Werner, Department of Interior.
Neil E. Roberts, Department of Justice.
Silvio C. Patti, Department of Labor.
Walter Williams, National Aeronautics and Space Administration.
Robert B. Minogue, Nuclear Regulatory Commission.
Martin E. Sorte, U.S. Postal Service.
William A. Black, Small Business Administration.
William B. Kelly, Jr., Office of the Special Representative for Trade Negotiations.
William W. Geimer, State Department.
Herbert H. Kaiser, Jr., Department of Transportation.
James B. Clawson, Department of the Treasury.

SUBCOMMITTEE ON PARTICIPATION ON OUTSIDE STANDARDS DEVELOPMENT ACTIVITIES

Robert O. Gliden, Department of Agriculture.
William E. Andrus, Jr., Department of Commerce.
Phyllis J. Williams, Department of Commerce.
L. James Sharman, Consumer Product Safety Commission.
Edward J. Vallario, ERDA.
Sidney S. Verner, Environmental Protection Agency.
John T. Fischback, Federal Trade Commission.
Roger D. Daniero, General Services Administration.
William F. Randolph, Department of HEW.
Frank E. Clarke, Department of Interior.
Daniel J. Pearlman, Department of Justice.
Carl Johnson, Nuclear Regulatory Commission.
William A. Black, Small Business Administration.
Hiram T. Lawrence, Office of the Special Representative for Trade Negotiations.
Donald R. Mitchell, State Department.
Herbert H. Kaiser, Jr., Department of Transportation.

GRAIN ALCOHOL RESEARCH UTILIZATION ACT

(Mr. SEBELIUS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, energy experts tell us today that we are witnessing the end of the fossil fuel era and embarking upon what may be a rocky road to a new energy era. Without question we should be in the business of exploring, testing, and utilizing all forms of basic technology that will provide us the energy systems of the future.

The bill I am introducing today would amend the Energy Reorganization Act of 1974 to provide research and development into the possible industrial use of grain alcohol and its use as an alternate fuel that could reduce our dependence upon foreign oil and benefit our agriculture economy. The source of fuel that I believe deserves consideration is ethyl alcohol—ethanol—derived from grain for use as a reactive component or extender in synthetic plastics and as an extender in gasoline.

Probably the greatest nationwide potential for grain alcohol lies in its industrial use. Currently about 22 billion pounds of plastics and about 5 billion pounds of synthetics are produced annually in the United States from petrochemicals. Ethanol could replace the costly imported oil that is currently being used in plastics production.

However, use of alcohol in automotive fuel can also be successful on a limited basis and where economically feasible. When petroleum supplies were interrupted during World Wars I and II, automobiles in Europe operated on mixtures of alcohol and gasoline. Both Brazil and Cuba are reported to use alcohol

from sugarcane to power their vehicles to reduce their need for imported oil.

The obvious benefit regarding this concept is that grains such as wheat, corn, and grain sorghum are a renewable resource while fossil fuels are not. Within the past 2 years, the United States has produced the two largest wheat, corn, and grain sorghum crops on record. Carryover stocks are ample in each crop and in fact, by June 1, we are expected to have a burdensome wheat surplus of more than 1 billion.

Significantly, it seems as if the use of "gasohol" becomes a serious and timely topic only when American agriculture enters into a period of surplus along with all of the problems connected with rising production costs and lower prices. In my opinion, I believe the seasonal political resurrection of this proposal during times of surplus has damaged serious consideration of the use of grain as a fuel substitute and extender in its own right. Our energy problems today are such that we should proceed with this research in a consistent and practical manner instead of talking about this concept during times of grain surplus and dismissing it when supply comes more in line with demand.

In 1971 I introduced legislation that would have encouraged the production and use of ethanol or "gasohol" as a substitute for lead as an extender in gasoline. That legislation would have amended the Internal Revenue Code of 1954 to authorize the Secretary of Treasury to refund gasoline dealers 2 cents a gallon for the tax they collect when selling gasoline containing grain alcohol. The bill also stipulated that the tax reduction must be passed on to the consumer. I again introduced this legislation January 26 of this year and believe such an amendment to the Internal Revenue Code can help determine the feasibility of this concept.

Let me point out the State of Nebraska has already taken the lead in regard to economic encouragement of this concept. Legislation was passed by the State of Nebraska that provides a 3-cent-per-gallon reduction in the State gasoline tax on any such fuel sold to make it competitive with that of unleaded gasoline.

In fact, a feasibility study by the University of Nebraska Department of Chemical Engineering on November 3, 1976, discovered that the pump price of gasohol—with the 3 cents tax reduction per gallon—was competitive with the median price of no-lead gasoline in Lincoln, Nebr.

Gasohol is a blend of 10 percent anhydrous ethanol made from such grain as wheat, corn, and sorghum and 90 percent lead free gasoline. It has been extensively road tested by the Nebraska Agricultural Products Industrial Utilization Committee in cooperation with the Cooperative Refiners Association in Phillipsburg, Kans.

Results have been encouraging. Fuel consumption of gasohol appears to be at least as good for unleaded gasoline. No unusual engine wear or carbon buildup has been found and the drivers report no problems of starting, vapor lock, or drivability.

Mr. Speaker, despite the fact that gasohol has been technologically feasible for some time, it has not been economically feasible. Research by the North Dakota Agricultural Experiment Station has found that there is no way to produce more than 2.5 to 2.7 gallons of alcohol from a bushel of wheat, corn, or sorghum and that when the energy expended in the production and transportation of these grains is added to the energy needed for the distillery operation—heat, electricity, steam for drying byproducts—the sum of energy input is two to three times that recovered by burning alcohol as a fuel. Energy savings are not realized until the straw, stalks, et cetera are collected, burned, and utilized.

However, a pilot project is underway in a community within my district, Pratt, Kans., that would utilize the wheat straw from the surrounding farmland to supply that community's source of energy. If projects of this type were to become widespread and the principal byproducts—distillers dried grains and distillers dried solubles—were to be utilized as livestock feed the economic cost-benefit ratio could make this entire concept feasible. At present, utilization of these byproducts as a livestock feed in rations at the 10-percent to 25-percent level, are roughly equivalent to good alfalfa hay. Anhydrous ethyl alcohol distilleries could be constructed in the major grain producing areas and as an additional plant to sugar beet and sugar cane mills.

However, the greatest potential of this concept lies in producing gasohol within a wheat fractionation plant, a new process developed by Far-Mar-Co at Hutchinson, Kans. This process separates vital gluten, starch, bran, and germ from whole kernel wheat with minimum damage to the functional, chemical, or biological values of these components. The process is technically sound and economically feasible. It is being tested at Far-Mar-Co's pilot plant in Hutchinson. Starch from the kernel could be distilled into ethanol and the remaining parts, vital gluten, bran, and germ, could be processed into highly marketable foods and industrial products.

Experimentation and production by Midwest Solvents Co., Inc., at Atchison, Kans., has found that wheat starch is a fine industrial product accepted by users as superior in many respects and applications to corn or milo starch. This is contrary to the historical assumption that wheat starch is a low quality product produced only during times of market stress.

Nationwide use of a gasohol blend of 10 percent ethanol and 90 percent gasoline would annually require over 10 billion gallons of anhydrous ethyl alcohol. Such consumption would replace approximately 181.8 million barrels of imported oil at a savings to our Nation of more than $2 billion. However, this requirement would no doubt consume too much of our grain stocks at a time when our food production capability needs to be flexible to meet domestic and worldwide needs. The important point is that this utilization offers practical possibilities on a State and regional basis and for vehicles that could be confined to areas using gasohol.

Mr. Speaker, the future of using grain alcohol in a gasoline blend will be determined by the price of gasoline, the price of grain and the value of the byproducts from the fractionation and alcohol manufacturing process. But, with continued escalation of petroleum costs and the need for energy conservation, we should be prepared to implement this fuel alternative. Such use would provide our Nation with an additional energy source and provide stimulus to our farm economy as well.

I am today again introducing legislation to amend section 103 of the Energy Reorganization Act of 1974 to direct the Administrator of Energy, Research and Development Administration to insure that research and development into the industrial use of grain alcohol and its use as an alternate fuel with particular consideration of its economic and environmental effects. Such study shall also include the potential uses of byproducts resulting from the manufacture of grain alcohol.

I am hopeful that we can see action on this legislation in 1977. Had we embarked upon this research in 1971, when I first introduced this legislation, perhaps we would be less dependent upon foreign oil and we would have a stabling influence within our agriculture economy with a consistent marketable use for grain and its byproducts.

SPECIAL GRAZING AND HAY PROGRAM FOR WHEAT ACREAGE ACT

(Mr. SEBELIUS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, farmers in the Great Plains face a paradox of enormous irony. Winter wheat production on the Great Plains, which accounts for nearly three-fourths of our Nation's wheat crop, is in poor to fair condition because of persistent dry weather. Soil moisture is perilously low. Unfavorable weather last fall prevented normal top growth and root development.

Most of this vast acreage was not lush enough to be grazed by beef cattle. The extremely cold temperatures have undoubtedly caused kill and many parts of the High Plains have insufficient snow cover to protect topsoil from wind erosion. We are already beginning to experience severe blowing problems and if these dry conditions persist we may soon see headlines proclaiming a return to the "dust bowl" days.

Yet, on the other hand, worldwide we have just harvested a record wheat crop. World stocks are at record highs and the latest USDA supply demand estimates indicate that the wheat carryover in the United States will exceed 1 billion bushels by June 1 and could soar to 1.7 billion bushels by the end of the 1977–78 crop year. This mountain of grain has already served as a severe market depressant keeping prices below production costs.

In addition, hay and forage supplies for livestock feed in the Great Plains are

in short supply and expensive. Some cattlemen may be forced to sell if additional forage is not obtained. This cattle liquidation would ultimately be reflected in higher meat price and consumer costs.

Given these conditions, I am introducing a bill to provide for a wheat graze out and hay program which will benefit producers immediately and which will be helpful to both consumers and taxpayers over the long run. It would encourage beef production, stimulate demand for feeder calves and conserve energy by permitting cattle to harvest wheat fields that may not be productive enough to make combine harvesting economically feasible.

This legislation is similar to S. 650, introduced by the Honorable HENRY BELLMON, Senator from Oklahoma. It would authorize the farmer to select up to 40 percent of his allotted acres for use as livestock pasture or for hay production. As an incentive to encourage farmers to take advantage of this provision, the bill provides authorization for the Secretary of Agriculture to pay farmers $1 per bushel based upon established average yield. This information is currently maintained by the county offices of the USDA Agricultural Stabilization and Conservation Service.

Mr. Speaker, when Senator BELLMON introduced this legislation he said:

> The purpose of this program is to aid in the prevention of additional surplus accumulations and the associated costs to consumers, taxpayers, and grain producers. Based upon past experiences, the immediate cost to the Treasury will be nominal and the long-range savings will be considerable.

Mr. Speaker, in order for this bill to be most effective, it must receive immediate attention. Normally, the winter wheat crop comes out of dormacy sometime after mid-February in the Southern Plains. Waiting to consider this legislation as part of the 1977 farm bill deliberation will be too late.

COMMEMORATING 100th BIRTHDAY OF VIRGINIA DEPARTMENT OF AGRICULTURE AND COMMERCE

(Mr. WAMPLER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, on Tuesday, March 29, 1977, the Virginia Department of Agriculture and Commerce will be 100 years old. This agency deals with most phases of economic life in Virginia, and touches the lives of all citizens of the Commonwealth. Since its inception in 1877, this department has been a vital agency of the Virginia State government, and since 1972 has been headed by Commissioner S. Mason Carbaugh.

I would like to recognize this State agency for its many contributions that have made Virginia a better place in which to live.

Virginia hams, apples, peanuts, and tobacco are known around the world; and the industry of agriculture remains the biggest industry in the State because of the services that have been available from the department during this 100 years of progress.

The list of accomplishments is long, varied, and certainly most noteworthy as Virginia has been a leader among State departments of agriculture in many phases of agricultural development and regulatory work.

The industry of agriculture is the Commonwealth's leading industry, as it has been since the establishment of the Colony at Jamestown in 1607. It continues to have significant improvements in total output per farm, monetary values of farm production, and the ability of farm production to generate off-farm related employment.

FARM PRODUCTION

Farm production has continued to increase as evidenced by the fact that cash receipts from farm marketings have increased 100 percent over the past 10 years and reached over $1 billion in both 1975 and 1976. However, increases in cash receipts alone are not a true measure of farmers' well-being in view of reduced purchasing power caused by inflation. Current cash receipts—in terms of 1966 dollars—indicate a 22-percent gain in real cash income from marketings of Virginia agricultural products. Most of this increase is due to increased farm productivity, although some commodity prices were higher in 1976. We should remember that our farm industry is one of the few remaining industries that continues to approximate the market conditions of pure competition.

Gross production and production efficiency of principal crops and livestock continue to increase in Virginia. Although total land in farms has declined, harvested acreage of principal crops has increased 12 percent over the past few years. This increase is very significant, and occurred primarily as a result of the Federal Government moving from a policy with strict supply controls to a policy oriented toward full production. This has resulted in the farmer being the decionmaker in 1976, whereas the Federal Government was the principal decisionmaker in the past.

In 1976, there were 72,000 farms with a total full-time equivalent farm labor force of approximately 89,000. Total land on farms approximates 43 percent of the 25,459,520 acres of land in Virginia.

Virginia has a very favorable climate for agriculture, and possesses variations in terrain and soil types which are very conducive for a mix of agricultural and horticultural crops, horses, sheep, beef, swine, dairy and poultry operations across the Commonwealth. The State's agricultural economy and its general economy are mixed; therefore, the effect of major economic changes are less severe than in many other sections of the Nation.

The State continues to rank high nationally in the production of tobacco, peanuts, sweet potatoes, apples, vegetables, broilers, and turkeys. Based on recent trends, Virginia is expected to continue its high production ranking in these commodities, and will have significant opportunities for grain, beef, dairy, and hog production. Virginia's close proximity to 50 percent of the U.S. population and rapid improvements in the transportation and marketing of grains and livestock will provide the potential for significant improvements in these areas.

Farm and forest production are basic to Virginia's economy. Manufacturing industries; that is, food and fiber and forest products as raw materials, account for more than one-half of the State's total manufacturing plantworkers. Wholesalers and retailers of agriculturally related products employ nearly one-fourth of the total wholesale and retail workers. Transportation, communications and other service industries also have an important stake in Virginia's agricultural products.

I would like to call attention to a number of significant programs the Virginia Department of Agriculture and Commerce has developed over the years. These programs are effective because of exemplary leadership and management in the Virginia Department of Agriculture and Commerce and because of full cooperation and support from our Federal agencies.

INNOVATIVE PROGRAMS

In 1966 an International Trade Office was established in the Department and the first full-time overseas agricultural representatives from a State was sent to Brussels, Belgium.

Since its creation, the International Trade Office has made significant accomplishments by promoting Virginia agricultural products, participating in trade shows, and bringing foreign buyers to Virginia. Agriculture exports from Virginia ports are continuing to increase and their value exceeded $600 million in 1975. Approximately one-third of these products were produced on Virginia farms.

Virginia's delivery of more than 25 different agricultural products to over 100 nations around the world is making a vital contribution to the balance of trade for imports of petroleum and other raw products that are so valuable to the national economy.

Department personnel provided leadership for the development and establishment of a livestock export facility at Richmond's Deepwater Terminal. This terminal is the only U.S. Department of Agriculture-approved export facility on the east coast.

Virginia took the leadership in organizing international marketing associations among other States. The most recent such association is the Southern United States Trade Association, whose membership is made up of the 15 Southeastern State departments of agriculture. The objective of this association is to pool the resources of the various States, as well as to reduce the duplication of individual efforts.

To exemplify the department's efforts in this area, Commissioner S. Mason Carbaugh received the President's "E" Award in 1976 on behalf of the department's successes of its International Trade Office for outstanding contributions in exporting Virginia products. Only one other State has received similar

recognition from the U.S. Department of Commerce.

The Virginia Department of Agriculture and Commerce was the first to develop the Tel-O-Auction in which various livestock are sold by telephone, sight unseen by the buyer. Grades, conditions, health, and weights of livestock sold through the system are certified by the department. This system effectively brings together the supply and demand for livestock. The department received a distinguished service award from the U.S. Department of Agriculture for this innovative effort, and many other States have subsequently adopted the Tel-O-Auction system in marketing various commodities.

Virginia was one of the first States to have their State plan for the certification of commercial and private applicators of restricted use pesticides given full approval as submitted. The plan they developed has been used as the basis for other States in developing their own programs.

Since 1967, the department has been working under agreements with the Federal Food and Drug Administration to cooperatively inspect various segments of the food industry of Virginia, and to eliminate duplicate inspections.

Virginia was the first State to enact a paint law; and the first State to create a sod law.

Virginia is hog cholera and brucellosis free.

Virginia was the fifth State to create a division of markets.

Virginia was the first State to have a full-time retail market news reporter.

Virginia was one of the first States to have a full-time consumer affairs officer. The General Assembly of Virginia created an office of consumer affairs in 1970 and this office was assigned to the department.

The department's work in grading, inspection, and weighing of agricultural commodities has greatly expanded. This work is supported by voluntary fees and reached approximately 13 million tons in 1976. These activities have been essential to the total marketing efforts of farmers, agribusiness firms, and exporters. Accurate grades, weights, and inspection activities are a necessary prerequisite to the flow of agricultural commodities in the channels of trade—both domestic and foreign.

A system of allocating sales opportunity to flue-cured tobacco warehouses was developed which has enabled flue-cured tobacco growers in all production areas to sell their tobacco when it is ready for sale at the warehouse of their choice at a rate in line with producers in other production areas. This system significantly reduces growers' marketing costs, and enables buyers to more accurately appraise production in all areas. It also rewards warehousemen who provide services desired by growers.

The Virginia Department of Agriculture and Commerce has been instrumental in developing and supporting a good number of farmer action programs. These are programs of various commodities which tax themselves to raise moneys for research, education, planning, and promotion. The apple, peanut, pork, poultry, seed potato, soybean, sweet potato, bright flue-cured tobacco and dark-fired tobacco industries have all created such commissions. In addition, the Virginia Agricultural Foundation was established along these same lines but with the overall goal of supporting all phases of agriculture in Virginia.

From its earliest inception, the Virginia Department of Agriculture and Commerce has been a forerunner in product and commodity regulation through programs to insure quality, truthful labeling and purity of foods, fertilizers, pesticides, feed and seed. These programs contributed to the growth and prosperity of Virginia agribusinesses, while affording its citizens consumer protection. Virginia is known for having one of the strongest weights and measures programs in the country, and many States have adapted their programs after Virginia's.

AGRICULTURAL AND RURAL RESOURCE DEVELOPMENT

This year as the Virginia Department of Agriculture and Commerce celebrates a century of progress, they are continuing to develop programs that benefit all citizens of the State.

With the leadership of Commissioner S. Mason Carbaugh, the Virginia Department of Agriculture and Commerce was one of the first southern departments of agriculture to establish a planning and development unit. The establishment of this unit allows the department to become more long-run oriented and interdisciplinary in its planning process and development of programs and services. Commissioner Carbaugh brought in Dr. Berkwood M. Farmer, the first full time economist, with advanced degrees in agricultural economics to direct this unit.

The newest program deals in the area of planning and development. This past August the department obtained a $118,000 grant from the National Science Foundation to study the "Capacity Building Needs of Rural Areas in Virginia." This study is unique and the only one of its kind in the country. This study will give Virginia the potential of taking the leadership role in demonstrating how a state can serve as a catalyst to integrate research and technological resources into the governing activities of local communities and to improve the effectiveness of areawide levels of government. It is anticipated that the results of this study can be used in other rural areas throughout the country.

The board of agriculture and commerce and the department is continuing to make adjustments in the organization and services provided the industry of agriculture, to others in commerce, and to consumers. Department services are becoming increasingly interdisciplinary in efforts to promote the industry of agriculture, conserve resources, improve the environment, and meet the needs of the general public. For the future, the welfare of the Commonwealth is expected to become increasingly dependent upon further growth and efficiency in the production, assembly, processing, and distribution of renewable resources such as food, fiber, and forest products. Further adjustment in the department's services will be necessary to catalyze and guide the development of these vital industries.

The Virginia Department of Agriculture and Commerce is an example of all State agencies that are full partners in the Federal/State system of government which is so essential to a strong and progressive future.

With an industry of agriculture that is growing in importance and value, with the development of programs that can benefit not only agriculture but all segments of the State's economy, it seems fitting to salute the Virginia Department of Agriculure and Commerce on its 100th birthday.

RULES FOR THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE OF THE HOUSE OF REPRESENTATIVES, 95TH CONGRESS

(Mr. STAGGERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STAGGERS. Mr. Speaker, pursuant to rule XI, clause 2(a), of the Rules of the House of Representatives, the rules of procedure of the Committee on Interstate and Foreign Commerce are submitted for publication in the CONGRESSIONAL RECORD:

RULES FOR THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE OF THE HOUSE OF REPRESENTATIVES, 95TH CONGRESS

Rule 1. *Rules of the House.* The Rules of the House are the rules of its committees and its subcommittees so far as is applicable, except that a motion to recess from day to day is a motion of high privilege in committee and subcommittees. Written rules adopted by the committee, not inconsistent with the Rules of the House, shall be binding on each subcommittee of the committee. Each subcommittee of the committee is part of the committee and is subject to the authority and direction of the committee. Rule XI of the Rules of the House which pertains entirely to committee procedure, is incorporated and made a part of the rules of this committee, which are supplementary to Rules of the House.

Rule 2. *Time, Place of Meetings.* (a) The committee shall meet on the fourth Tuesday of each month and at such other times as determined by the chairman, or pursuant to subparagraph (b), in Room 2123 of the Rayburn House Office Building, at 9:45 a.m. for the consideration of bills, resolutions, and other business, if the House is in session on that day. If the House is not in session on that day and the committee has not met during such month, the committee shall meet at such time and place on the first day thereafter when the House is in session.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purposes pursuant to that call of the chairman.

(c) If at least three members of the committee or subcommittee (whichever is applicable) desire that a special meeting of the committee or subcommittee (whichever is applicable) be called by the chairman or subcommittee chairman, those members may file in the offices of the committee their written request to the chairman or subcommittee chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee

shall notify the chairman or subcommittee chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman or subcommittee chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee or subcommittee (whichever is applicable) may file in the offices of the committee their written notice that a special meeting of the committee or subcommittee (whichever is applicable) will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee or subcommittee (whichever is applicable) shall meet on that date and hour. Immediately upon the filing of the notice, the clerk or the committee shall notify all members of the committee or subcommittee (whichever is applicable) that such meeting will be held and inform them of its date and hour and the measure or matter to be considered and only the measure or matter specified in that notice may be considered at that specified meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee, the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) Each meeting of the committee or any of its subcommittees for the transaction of business, including hearings and the mark-up of legislation shall be open to the public except when the committee or subcommittee in open session and with a quorum present determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. This paragraph does not apply to those special cases provided in the Rules of the House where closed sessions are otherwise provided.

Rule 3. *Agenda.* The agenda for each committee or subcommittee meeting (other than a hearing), setting out all items of business to be considered, shall be provided to each member of the committee by delivery to his office at least 36 hours in advance of such meeting.

Rule 4. *Procedure.* (a) The date, time, place, and subject matter of any meeting of the committee or any of its subcommittees shall be announced—

(1) in the case of a hearing, at least 1 week in advance of the commencement of such hearing, unless the committee or subcommittee determines in accordance with such procedure as it may prescribe, that there is good cause to begin the hearing sooner;

(2) in the case of a meeting (other than a hearing) scheduled on a Tuesday, Wednesday, or Thursday when the House will be in session, at least 36 hours in advance of the commencement of such meeting, and

(3) in any other case, at least 72 hours in advance of the commencement of such meeting.

(b) Each witness who is to appear before the committee or subcommittee shall file with the clerk of the committee, at least two working days in advance of his appearance, fifty (50) copies of a written statement of his proposed testimony and shall limit his oral presentation at his appearance to a brief summary of his argument, unless this requirement, or any part thereof, is waived by the committee or subcommittee chairman presiding.

(c) The right to interrogate the witnesses before the committee or any of its subcommittees shall alternate between majority and minority members. Each member shall be limited to 5 minutes in the interrogation of witnesses until such time as each member who so desires has had an opportunity to question witnesses. No member shall be recognized for a second period of 5 minutes to interrogate a witness until each member of the committee present has been recognized once for that purpose. While the committee is operating under the 5-minute rule for the interrogation of witnesses, the chairman shall recognize in the order of appearance members who were not present when the meeting was called to order after all members who were present when the meeting was called to order have been recognized in the order of seniority.

(d) No bill, recommendation, or other matter reported by a subcommittee shall be considered by the full committee unless the text of the matter reported, together with an explanation, has been available to members of the committee for at least 36 hours. Such explanation shall include a summary of the major provisions of the legislation, an explanation of the relationship of the matter to present law, and a summary of the need for the legislation. All subcommittee actions shall be reported promptly by the clerk of the committee to all members of the committee.

Rule 5. *Waiver of Notice, Agenda, and Lay-over Requirements.*

Requirements of Rule 3, 4(a) (2) and (3), and 4(d) may be waived by a majority of those present and voting (a majority being present) of the committee or subcommittee, as the case may be.

Rule 6. *Quorum.* Testimony may be taken and evidence received at any hearing at which there are present not fewer than two members of the committee or subcommittee in question. In the case of a meeting other than a hearing, the number of members constituting a quorum shall be one-third of the members of the committee or subcommittee, except that a matter may not be reported by the committee or a subcommittee unless a majority of the members thereof is actually present.

Rule 7. *Proxies.* No vote by any member of the committee or any of its subcommittees with respect to any measure or matter may be cast by proxy unless a proxy authorization is given in writing by the member desiring to cast a proxy, which authorization shall assert that the member is absent on official business or is absent due to personal illness and is thus unable to be present at the meeting of the committee or subcommittee and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. Each proxy to be effective shall be signed by the member assigning his/her vote and shall contain the date and time of the day that the proxy is signed. No proxy shall be voted on a motion to adjourn or shall be counted to make a quorum or be voted unless a quorum is present.

Rule 8. *Journal, Rollcalls.* The proceedings of the committee shall be recorded in a journal which shall, among other things, show those present at each meeting, and include a record of the votes on any question on which a record vote is demanded and a description of the amendment, motion, order or other proposition voted. A copy of the journal shall be furnished to the ranking minority member. A record vote may be demanded by one-fifth of the members present or in the apparent absence of a quorum by any one member. No demand for a rollcall shall be made or obtained except for the purpose of procuring a record vote or in the apparent absence of a quorum. The result of each rollcall vote in any meeting of the committee shall be made available in the committee office for inspection by the public, as provided in Rule XI, clause 2(e) of the Rules of House.

Rule 9. *Filing of Committee Reports.* If, at the time of approval of any measure or matter by this committee, any member or members of the committee give notice of an intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three (3) calendar days (exclusive of Saturdays, Sundays, and legal holidays) in which to file such views in writing and signed by that member or members with the committee. All such views so filed shall be included within and shall be a part of the report filed by the committee with respect to that measure or matter.

Rule 10. *Subcommittees.* There shall be such standing subcommittees with such jurisdiction and size as determined by the majority party caucus of the committee and, in addition, a Subcommittee on Oversight and Investigations. Such committees shall, to the maximum extent practicable, be of equal size. The Subcommittee on Oversight and Investigations shall coordinate its work with the work of the other standing subcommittees and shall maintain regular communication with the standing subcommittees and the Chairman of the full committee in order to obtain advice on subjects for investigation. The standing subcommittee shall maintain regular communication with the Subcommittee on Oversight and Investigations to advise the Subcommittee on Oversight and Investigations of subjects for investigation.

Rule 11. *Powers and Duties of Subcommittees.* Each subcommittee is authorized to meet, hold hearings, receive testimony, mark-up legislation, and report to the committee on all matters referred to it. Subcommittee Chairmen shall set hearing and meeting dates only after consultation with the chairman of the full committee with a view toward assuring availability of meeting rooms and avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

Rule 12. *Reference of Legislation and Other Matters.* All legislation and other matters referred to the committee shall be referred to the subcommittee of appropriate jurisdiction immediately unless, by majority vote of the members of the full committee within five (5) legislative days, consideration is to be by the full committee. In the case of legislation or other matter within the jurisdiction of more than one subcommittee, the chairman of the committee shall have the same authority to refer such legislation or other matter to one or more subcommittees as the Speaker has under clause 5(c) of Rule X of the House of Representatives to refer a matter to one or more committees of the House. Such authority shall include the authority to refer such legislation or matter to an ad hoc subcommittee appointed by the chairman, with the approval of the committee, from the members of the subcommittees having legislative or oversight jurisdiction.

Rule 13. *Ratio of Subcommittees.* The majority caucus of the committee shall determine an appropriate ratio of majority to minority party members for each subcommittee and the chairman shall negotiate that ratio with the minority party, provided that the ratio of majority party members on each subcommittee shall be no less favorable to the majority than that of the full committee, nor shall such ratio provide for a majority of less than two majority members.

Rule 14. *Subcommittee Membership.* (a) Subject to the requirements of the Manual of the Democratic Caucus of the House of Representatives, each majority member other than the chairman of the full committee or the chairman of a subcommittee shall in order of committee seniority be entitled to membership on two subcommittees of said member's choice. A member (other than an ex officio member) may serve on more than two subcommittees only if such service is necessary in order to comply with Rule 13. Proceeding in order of seniority on the committee, each majority member, other than the chairman of the full committee and the chairmen of the several subcommittees, shall be entitled to select one subcommittee position each. The subcommittee selection process shall then continue in sequence of

committee seniority, including the chairmen of the several subcommittees, for succeeding rounds of selection until all subcommittee positions are filled. The subcommittee selection process shall be conducted at a meeting of the majority party caucus of the committee held prior to any organizational meeting of the full committee. Subcommittee selections of each member shall be recorded by the clerk as made and shall be available for examination by the members.

(b) Minority subcommittee membership shall be selected as determined by the minority.

(c) The chairman and ranking minority member of the committee shall be ex officio members with voting privileges, of each subcommittee of the committee of which they are not assigned members.

Rule 15. *Subcommittee Chairman.* (a) Majority members of the committee shall have the right, in order of full committee seniority to bid for subcommittee chairmanships. Any such request shall be subject to approval by a majority of those present and voting, by secret ballot, in the majority party caucus of the committee. If the caucus rejects a subcommittee chairmanship bid, the next senior majority member may bid for the position as in the first instance. The subcommittee chairmen shall be elected by the full committee from nominations submitted by the majority party caucus of the committee.

(b) Subcommittee chairmen shall manage legislation reported from their subcommittees on the House floor.

Rule 16. *Committee Professional and Clerical Staff Appointments.*

(a) Whenever the chairman of the committee determines that any professional staff member appointed pursuant to the provisions of clause 6 of rule XI of the House of Representatives, who is assigned to such chairman and not to the ranking minority members, by reason of such professional staff member's expertise or qualifications will be of assistance to one or more subcommittees in carrying out their assigned responsibilities, he may delegate such member to such subcommittees for such purpose. A delegation of a member of the professional staff pursuant to this subsection shall be made after consultation with the subcommittee chairmen and with the approval of the subcommittee chairman or chairmen involved.

(b) Professional staff members appointed pursuant to clause 6 of rule XI of the House of Representatives, who are assigned to the ranking minority party member of the committee and not to the chairman of the committee, shall be assigned to such committee business as the minority party members of the committee consider advisable.

(c) In addition to the professional staff appointed pursuant to clause 6 of rule XI of the House of Representatives, the chairman of the committee shall be entitled, subject to the approval of the majority party members of the committee, to make such appointments to the professional and clerical staff of the committee as may be provided within the budget approved for such purposes by the committee. Such appointees shall be assigned to such business of the full committee as the chairman of the committee considers advisable.

(d) Subcommittee chairmen, subject to the approval of the majority party members of the committee, shall be entitled to make such appointments to the professional and clerical staff of the committee as may be provided in the budgets approved for such purposes by the subcommittees and incorporated into the committee budget as provided for in rule 18 of these rules. Such professional and clerical appointees shall be delegated to the appropriate subcommittee for the purposes of assisting such subcommittee in the discharge of its assigned legislative responsibilities and may be removed and their compensation fixed by the subcommittee chairman subject to the approval of the majority members of the committee.

(e) The chairman of the Subcommittee on Oversight and Investigations subject to the approval of the majority party members of the committee, shall be entitled to make such appointments to the professional and clerical staff of the subcommittee as may be provided in the budget approved for such purpose in accordance with rule 18 of these rules. Such professional and clerical appointees may be removed and their compensation fixed by the chairman of such subcommittee subject to the approval of the majority members of the subcommittee.

(f) In addition to appointments made pursuant to other subsections of this rule, (1) the subcommittee chairman of each of the committee's subcommittees is authorized to appoint, in accordance with such rules as the majority party caucus may prescribe, one staff person who shall serve at the pleasure of such subcommittee chairman, and (2) the ranking minority member of each such subcommittee is authorized to appoint, in accordance with such rules as the minority party caucus may prescribe, one staff person who shall serve at the pleasure of such ranking minority member. Remuneration of any staff person appointed under this subsection shall be governed by paragraph (d) of clause 5 of rule XI of the House of Representatives.

(g) Any contract for the temporary services or intermittent services of individual consultants or organizations to make studies or advise the committee or its subcommittees with respect to any matter within their jurisdiction shall be deemed to have been approved by a majority of the members of the committee if approved by the chairman and ranking minority member of the committee and, if funded by a subcommittee, by the chairman and ranking minority member of that subcommittee. Such approval shall not be deemed to have been given if at least one-third of the members of the committee request in writing that the committee formally act on such a contract, if such request is made within 10 days after the latest date on which such chairman or chairmen, and such ranking minority member or members approve such contract.

Rule 17. *Supervision, Duties of Staff.* (a) The professional and clerical staff of the committee delegated to subcommittees of the committee pursuant to rule 16 shall be subject to the supervision and direction of the chairman of the subcommittee to which they are assigned with respect to matters before the subcommittee, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate. The professional and clerical staff assigned to the minority shall be under the supervision and direction of the minority members of the committee who may delegate such authority as they determine appropriate. Subject to subsection (b), the professional and clerical staff of the committee not delegated to a subcommittee pursuant to rule 16(d) or to the minority shall be under the supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(b) The professional staff member who is assigned principal responsibility by a subcommittee chairman with respect to a matter before such subcommittee chairman's subcommittee shall continue to assume principal staff responsibility during any consideration before the full committee, the Rules Committee, the House, and Conference Committees of any matter which is reported by such subcommittee.

Rule 18. *Committee and Subcommittee Budgets.* (a) The chairman of the committee after consultation with the ranking minority member of the committee, shall for each session of the Congress prepare a preliminary budget for the committee. Such budget shall include necessary amounts for professional and clerical staff, travel, investigation, and miscellaneous expenses under his direction and supervision. The chairman of each standing subcommittee, after consultation with the members of the subcommittee, shall prepare a preliminary budget which shall include funds for professional and clerical staff, travel, investigation, and miscellaneous expenses and which shall be adequate to fully discharge its responsibilities for legislation and oversight. Thereafter, the chairman of the full committee shall combine such proposals into a committee budget, which shall state separately the budgeted amounts for the full committee and for each of the subcommittees. Such budget shall be presented to the majority party caucus of the committee and thereafter to the full committee for its approval.

(b) The chairman shall take whatever action is necessary to have the budget as finally approved by the committee duly authorized by the House. No proposed committee budget may be submitted to the House Administration Committee unless it has been presented to and approved by the majority party caucus and thereafter by the full committee. The chairman of the full committee or the chairmen of the standing subcommittees may authorize all necessary expenses in accordance with these rules and within the limits of their portion of the budget as approved by the House.

(c) Committee members shall be furnished a copy of each monthly report, prepared by the chairman for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year by committee and subcommittees, anticipated expenditures for the projected committee program, and detailed information on travel.

Rule 19. *Broadcasting of Committee Hearings.* Any meeting or hearing that is open to the public may be covered in whole or in part by radio or television or still photography, subject to the requirements of rule XI, clause 3 of the Rules of the House of Representatives. At all such meetings or proceedings, coverage by radio, television or still photography will be allowed unless specifically forbidden by a record vote of the committee or subcommittee. The coverage of any hearing or other proceeding of the committee or any subcommittee thereof by television, radio, or still photography shall be under the direct supervision of the chairman of the committee, the subcommittee chairman, or other member of the committee presiding at such hearing or other proceeding and, for good cause, may be terminated by him.

Rule 20. *Comptroller General Audits.* The chairman of the committee is authorized to request verification examinations by the Comptroller General of the United States pursuant to Title V, Part A of the Energy Policy and Conservation Act (Public Law 94–163), after consultation with the members of the committee.

Rule 21. *Subpenas.* The full committee, or any subcommittee, may authorize and issue a subpena under clause 2(m)(2)(A) of Rule XI of the House of Representatives, if authorized by a majority of the members voting of the committee or subcommittee (as the case may be), a quorum being present. In addition, the chairman of the full committee may authorize and issue subpenas under such clause during any period for which the House has adjourned for a period in excess of three days. Subpenas may be issued over the signature of the chairman of the full committee, or any member of the committee authorized by such chairman and

may be served by any person designated by such chairman or member.

RULES OF COMMITTEE CN BANKING, FINANCE AND URBAN AFFAIRS

(Mr. REUSS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. REUSS. Mr. Speaker, as chairman of the Committee on Banking, Finance and Urban Affairs, I submit herewith for printing in the CONGRESSIONAL RECORD the rules of the Committee on Banking, Finance and Urban Affairs, which were adopted on January 27, 1977, in accordance with clause 2(a)(3) of House rule XI:

RULES FOR THE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

RULE NO. I—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committee and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under rule X of House Rules and (subject to the adoption of expense resolutions as required by rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection herewith.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under rules X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO. II—REGULAR AND SPECIAL MEETINGS: OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first and third Tuesday of each month while the Congress is in session. When the chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances make practicable, a written notice to that effect and no committee meeting shall be held on that day.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the 5-minute rule.

(f)(1) Each meting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day be closed to the public: Provided, however, That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(3) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE NO. III—RECORDS AND ROLLCALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a rollcall is demanded. The result of each such rollcall vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. A record vote may be demanded by any three of the members present or, in the apparent absence of a quorum, by any one member. With respect to each record vote by the committee to report any bill or resolution, the name of each member voting for and voting against the motion to report, and whether by proxy or in person, and the names of those members present but not voting, and the names of those members absent, shall be included in the committee report.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

RULE NO. IV—PROXIES

(a) No vote by any member of the committee or any of its subcommittees with respect to any measure or matter may be cast by proxy unless a proxy authorization is given in writing by the member desiring to cast a proxy, which authorization shall assert that the member is absent on official business or is absent due to personal illness and is thus unable to be present at the meeting of the committee or subcommittee and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. Each proxy to be effective shall be signed by the member assigning his/her vote and shall contain the date and time of the day that the proxy is signed. No proxy shall be voted on a motion to adjourn or shall be counted to make a quorum or be voted unless a quorum is present.

(b) Proxies shall be in the following form:

Hon. _____,
House of Representatives,
Washington, D.C.

DEAR _____: I will be absent on official business/ due to personal illness and thus unable to be present at the meeting of the committee or subcommittee. I hereby authorize you to vote in my place and stead in the consideration of _____ _____ and any amendments or motions pertaining thereto. The official business that necessitates my absence is _____.

_____,
Member of Congress.

Executed this the ____ day of _____, 19____, at the time of _____ p.m./a.m.

RULE NO. V—POWER TO SIT AND ACT; SUBPENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI the committee, or any subcommittee thereof, is authorized (subject to subparagraph (b)(1) of this paragraph)—

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

(b)(1) A subpena may be authorized and issued by the committee or subcommittee under subparagraph (a)(2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpenas under subparagraph (a)(2) may be delegated to the chairman of the committee pursuant to such limitations as the committee may prescribe. Authorized subpenas shall be signed by the chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpena issued

by the committee or subcommittee under subparagraph (a)(2) may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpenaed, upon the completion of his testimony before the committee or any subcommittee, may report to the office of counsel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. If hearings are held in cities other than Washington, D.C., the witness may contact the counsel of the committee, or his representatives, prior to leaving the hearing room.

RULE NO. VI—QUORUMS

A majority of the members of the full committee or subcommittees shall constitute a quorum of the full committee or subcommittees for the reporting of a measure or recommendation: Provided, that the number of members constituting a quorum for the taking of any action other than the reporting of a measure or recommendation shall be one-third of the members of the committee or subcommittee, and any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. VII—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify all members of the committee and the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, 100 copies of his proposed testimony and may be required to limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other material) under consideration which shall be made available immediately to all members of the committee. In addition, upon announcement of a hearing and subsequently as they are received, the chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) All other members of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority. The chairman may accomplish this by recognizing two majority members to each minority member recognized.

(g) The following additional rules shall apply to investigative hearings:

(1) The chairman at any investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may review and photostat a copy of his or her testimony given at a public session or, if given at an executive session, when authorized by the committee.

RULE NO. VIII—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a)(1) It shall be the duty of the chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

(b)(1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each record vote by the committee to report any bill or resolution, the name of each member voting for and voting against the motion to report, and whether by proxy or in person, and the names of those members present but not voting, and the names of those members absent, shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include—

(1) the oversight findings and recommendations required pursuant to the last sentence of clause 2(b)(1) of rule X of the House separately set out and clearly identified;

(2) the statement required by section 308 (a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) of rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure, matter or any report or submission to be made to the House or to the Committee on the Budget under subclauses (g), (h), and (i) of clause 4 of Rule X of the Rules of the House of Representatives by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (3) and (4) of subparagraphs (c)) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, authority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any such measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

RULE NO. IX—OVERSIGHT SUBCOMMITTEE

(a) In order to assist the House in:

(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, of (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall be established in conformity with rule XV an Oversight Subcommittee.

(b) The Oversight Subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities which have responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Oversight Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the committee. The Oversight Subcommittee shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Oversight Subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

RULE NO. X.—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII of the House Rules.

(b) The committee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(c) The committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amount of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenever the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget in accordance with the Congressional Budget Act of 1974.

RULE NO. XI.—BROADCASTING OF COMMITTEE HEARINGS

Any meeting or hearing that is open to the public may be covered in whole or in part by radio or television or still photography, subject to the requirements of Rule XI, clause 3 of the Rules of the House of Representatives. At all such meetings or proceedings, coverage by radio, television or still photography will be allowed unless specifically forbidden by a record vote of the committee or subcommittee. The coverage of any hearing or other proceeding of the committee or any subcommittee thereof by television, radio, or still photography shall be under the direct supervision of other member of the committee presiding at such hearing or other proceeding and, for good cause, may be terminated by him/her.

RULE NO. XII—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The chairman, in consultation with the majority members of the committee shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary accounts for staff personnel, for necessary travel, investigation, and other expenses of the full committee, and after consultation with the minority membership, the chairman shall include amounts budgeted to the minority members for staff personnel to be under the direction and supervision of the minority, travel expenses of minority members and staff, and minority office expenses. All travel expenses of minority members and staff shall be paid for out of the amounts so set aside and budgeted.

(b) (1) The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a budget to include funds for staff, travel, investigations, and miscellaneous expenses as may be required for the work of the subcommittee.

(2) The chairman of each subcommittee shall control the funds provided for in the subcommittee budget.

(c) The chairman shall combine the proposals of each subcommittee with the preliminary budget of the full committee into a consolidated committee budget, and shall present the same to the committee for its approval. The chairman shall then take all action necessary to bring about its approval by the Committee on House Administration and by the House.

(d) Authorization for the payment of additional or unforeseen committee and subcommittees' expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) The chairman or any chairman of a subcommittee may initiate necessary travel requests as provided in Rule XIV within the limits of their portion of the consolidated budget as approved by the House and the chairman may execute necessary vouchers thereof.

(f) Once monthly, at the regularly scheduled meetings, the chairman shall submit to the committee, in writing, for its approval, or other action, a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the full committee. Such report shall show the amount and purpose of each expenditure and the budget to which such expenditure is attributed.

RULE NO. XIII—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes by the committee; provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed, and may be removed, and their remuneration determined by the chairman in consultation with and with the approval of the majority members of the committee within the budget approved for such purposes by the committee.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the minority members of the committee who may delegate such authority as they determine appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff be available to all members of the committee.

(f) (1) The chairman of such standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause G of the House Rule XI; provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1) and (2) and (3) shall apply to six subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to sub-

paragraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of a majority of the majority members of the full committee, within the budget approved for the subcommittee.

(7) The professional and clerical staff of a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. XIV—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolution as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee of any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the chairman. Such prior authorization shall be given by the chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with Rule VII of the committee.

(c)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the chairman or, in the case of a subcommittee from the subcommittee chairman and the chairman. Before such authorization is given, there shall be submitted to the chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each county for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the chairman or the chairman of a subcommittee (except that individuals may submit a request to the chairman for the purpose of attending a conference or meeting).

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (members and staff attending meetings or conferences) shall submit a written report to the chairman covering the activities and other pertinent observations or information gained as a result of such travel.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and the Committee on House Administration pertaining to such travel.

RULE NO. XV.—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be ten standing subcommittees as follows: Subcommittee on Domestic Monetary Policy; Subcommittee on Housing and Community Development; Subcommittee on Economic Stabilization; Subcommittee on Consumer Affairs; Subcommittee on International Development Institutions and Finance; Subcommittee on Financial Institutions Supervision, Regulation and Insurance; Subcommittee on International Trade, Investment and Monetary Policy; Subcommittee on General Oversight and Renegotiation; Subcommittee on Historic Preservation and Coinage; and Subcommittee on the City. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees names below shall be referred to such subcommittees respectively.

Subcommittee on Domestic Monetary Policy

The jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all matters relating to monetary policy and agencies which directly or indirectly affect monetary policy, including the effect of such policy and other financial actions on interest rates, allocation of credit, and the structure and functioning of domestic and foreign financial institutions.

Further, the jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all private foundations and charitable trusts.

Subcommittee on Housing and Community Development

The jurisdiction of the Subcommittee on Housing and Community Development extends to all matters relating to housing and mortgage credit (except programs administered by the Veterans' Administration), including mortgage and loan insurance pursuant to the National Housing Act; FHA mortgage interest rates; rural housing; housing assistance programs; secondary mortgage market programs and all other activities of FNMA, GNMA, and FHLMC; private mortgage insurance; housing construction and design standards; housing-related energy conservation; housing research and demonstration programs; financial and technical assistance for nonprofit housing sponsors; counseling and technical assistance; regulation of the housing industry (including landlord-tenant relations); real estate lending powers of financial institutions (including regulation of settlement costs); and interest charges for members of the Federal Home Loan Bank System.

The jurisdiction of the subcommittee further extends to matters relating to community development and community planning, training and research, including community development block grants; urban renewal; model cities; rehabilitation loans and grants; neighborhood facilities grants; open space land and urban beautification grants; water and sewer facilities grants; public facilities loans; national, urban or community development banks; advance acquisition of land programs; new communities assistance programs; national urban growth policies; comprehensive planning (including land use and areawide programs); community development training and fellowships; and urban research and technologies.

Further, jurisdiction of the subcommittee extends to flood insurance and related land use controls, urban property protection and reinsurance, crime insurance, and regulation of interstate land sales.

Subcommittee on Economic Stabilization

The jurisdiction of the Subcommittee on Economic Stabilization shall extend to all matters relating to financial aid to all sectors and elements within the economy, all matters relating to economic stabilization, and all defense production matters as contained in the Defense Production Act of 1959, as amended, and all related matters thereto.

Subcommittee on Consumer Affairs

The jurisdiction of the Subcommittee on Consumer Affairs shall include all matters relating to consumer credit, including those matters in the Consumer Credit Protection Act dealing with truth-in-lending, extortionate credit transactions, restrictions on garnishments, reports of the National Commission on Consumer Finance, and fair credit reporting. The jurisdiction shall further include collection practices, discrimination in the extension of consumer credit, creditor remedies and debtor defenses, Federal aspects of the Uniform Consumer Credit Code, and credit cards.

The jurisdiction of the subcommittee shall further extend to matters relating to the price consumer goods, services, and commodities; the rationing of consumer products; and hoarding.

Subcommittee on International Deveolpment Institutions and Finance

The jurisdiction of the Subcommittee on International Development Institutions and Finance extends to all matters relating to all multilateral development lending institutions, including activities of the National Advisory Council on International Monetary and Financial Policies as related thereto; and monetary and financial developments as they relate to the activities and objectives of such institutions.

Subcommittee on Financial Institutions Supervision, Regulation and Insurance

The jurisdiction of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance extends to all agencies which directly or indirectly exercise supervisory or regulatory authority in connection with, or provide deposit or other insurance for financial or other institutions, the establishment of interest rate ceilings on deposits, and all auxiliary matters affecting or arising in connection with the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Share Insurance Fund, the Federal Home Loan Bank Board, the Federal Reserve Board and System, the National

Credit Union Administration, and the Comptroller of the Currency, together with those activities and operations of any other agency or department which relate to both domestic or foreign financial institutions.

Further, jurisdiction extends to and includes, with respect to financial institutions and the department and agencies which regulate or supervise them, all activities relating to and arising in connection with the matters of chartering, branching, mergers and acquisitions, consolidations, and conversions.

Subcommittee on International Trade, Investment and Monetary Policy

The Subcommittee on International Trade, Investment and Monetary Policy shall have jurisdiction over all matters within the jurisdiction of the committee relating to international trade, including but not limited to the activities of the Export-Import Bank.

Further, the jurisdiction of the subcommittee shall extend to international investment policies, both as they relate to U.S. investments for trade purposes by citizens of the United States and investments made by all foreign entities in the United States.

Further, the subcommittee shall have jurisdiction over the International Monetary Fund, its permanent and temporary agencies, and all matters related thereto.

Subcommittee on General Oversight and Renegotiation

The Subcommittee on General Oversight and Renegotiation shall assist the House Committee on Banking, Finance and Urban Affairs in appraising the administration of the laws and regulations under the jurisdiction of the committee and present such recommendations as deemed necessary to the appropriate subcommittee(s) of the committee.

Further, the subcommittee shall exercise continuing oversight of the execution by the administrative agencies concerning any of the laws the subject matter of which reside within the jurisdiction of the committee and shall study all pertinent reports, documents and data pertinent to the jurisdiction of the committee and make the necessary recommendations or reports thereon to the appropriate subcommittee(s) of the committee.

Further, the subcommittee shall have full jurisdiction over the Renegotiation Act of 1951, as amended.

Subcommittee on Historic Preservation and Coinage

The jurisdiction of the Subcommittee on Historic Preservation and Coinage includes FHA property improvement loans under title I of the National Housing Act which can be used to finance the preservation of historic structures; community development block grant funds authorized under title I of the 1974 Housing Act which can be used to finance the acquisition and preservation of historic properties; and section 701 comprehensive planning grants to public bodies which can be used to finance surveys of historic sites and structures.

Further, the subcommittee's jurisdiction extends to all matters relating to coins, coinage, currency and medals, including commemorative coins, commemorative medals, proof and mint sets and other special coins, Coinage Act of 1965, gold and silver, including coinage thereof (but not the par value of gold), gold medals, counterfeiting, and currency denominations and designs.

Subcommittee on the City

The Subcommittee on the City shall be a non-legislative subcommittee to study, investigate, report on and make recommendations concerning the problems of the cities.

(b) The committee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the committee.

(c) A member serving as chairman of any subcommittee on this committee shall not also serve as the chairman of a subcommittee on any other standing committee; Provided, however, that this provision shall not apply to members serving as subcommittee chairman on the Budget Committee; House Administration Committee; Joint Committees; or on the Small Business Committee who served as a Subcommittee chairman on the Select Committee on Small Business as of October 8, 1974.

RULE NO. XVI—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen and with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) No bill or joint resolution approved by a subcommittee shall be considered by the committee unless such measure, as approved, has been made available to all members at least two calendar days prior to the meeting, accompanied by a section-by-section analysis of such measure. The provisions of this paragraph may be suspended by the committee by a two-thirds vote.

(d) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report.

"This report has not been officially adopted by the Committee on Banking, Finance and Urban Affairs (or pertinent subcommittee thereof) and my not therefore necessarily reflect the views of its members."

(e) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed on the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the committee shall by majority vote otherwise direct: Provided, that no bill reported by a subcommittee shall be considered by the full committee unless each member has been provided with reasonable time prior to the meeting to analyze such bill, together with a comparison with present law and a section-by-section analysis of the proposed change, and a section-by-section justification.

RULE NO. XVII—REFERRAL OF LEGISLATION TO SUBCOMMITTEE

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule XV referred to or initiated by the full committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until 3 days shall have elapsed after written notification of such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

(c) Committee reports shall be filed at such times as the committee shall determine with reasonable time allowed for members to file supplemental, individual, dissenting or other views.

(d) In carrying out Rule XVII with respect to any matter, the chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule XV, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter pursuant to Rule X to a special ad hoc committee appointed by the chairman (from the members of the subcommittee having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. XIII—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments: Provided, however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and provided further, that the majority party members may limit the number of subcommittee assignments of the chairman and the subcommittee chairmen and the minority party members may limit the number of subcommittee assignments of ranking minority party members in order to equalize committee workloads.

(b) On each subcommittee there shall be a ratio of at least two majority party members for each minority party member, plus one majority party member. In calculating the ratio of majority party members to minority party members, there shall be included all ex-officio voting members of the subcommittees.

(c) Following shall be the sizes and majority/minority ratios for subcommittees:

(1) Subcommittee on Domestic Monetary Policy: Total—10. Majority—7. Minority—3.

(2) Subcommittee on Housing and Com-

munity Development: Total—25. Majority—17. Minority—8.

(3) Subcommittee on Economic Stabilization: Total—16. Majority—11. Minority—5.

(4) Subcommittee on Consumer Affairs: Total—10. Majority—7. Minority—3.

(5) Subcommittee on International Development Institutions and Finance: Total—13. Majority 9. Minority—4.

(6) Subcommittee on Financial Institutions Supervision, Regulation and Insurance: Total—19. Majority—13. Minority—6.

(7) Subcommittee on International Trade, Investment and Monetary Policy: Total—19. Majority—13. Minority—6.

(8) Subcommittee on General Oversight and Renegotiation: Total—10. Majority—7. Minority—3.

(9) Subcommittee on Historic Preservation and Coinage: Total—7. Majority—5. Minority—2.

(10) Subcommittee on the City: Total—10. Majority—7. Minority—3.

(d) The full committee chairman, or a member designated by a majority of the majority members on the committee, shall recommend to the Speaker as conferees the names of those members (1) selected by the majority party members of the committee in a manner determined by them, and (2) selected by the minority party members of the committee in a manner determined by them. Provided, however, that recommendations of conferees to the Speaker shall provide a ratio of at least two majority party members for each minority party member, plus one majority party member.

LEAVE OF ABSENCE

(By unanimous consent, leave of absence was granted to:)

Mr. CORMAN (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PRICE (at the request of Mr. STRATTON), for 10 minutes today.

(The following Members (at the request of Mr. CORCORAN of Illinois), to revise and extend their remarks, and to include extraneous matter:)

Mr. CRANE, for 30 minutes, today.

Mr. KEMP, for 60 minutes, today.

Mr. GOLDWATER, for 60 minutes, today.

Mr. STOCKMAN, for 10 minutes, today.

Mr. WHALEN, for 5 minutes, today.

Mr. TREEN, for 5 minutes, today.

Mr. BAUMAN, for 60 minutes, on February 16.

Mr. BAUMAN, for 60 minutes, on February 17.

Mr. MCDADE, for 5 minutes, today.

Mr. EDWARDS of Oklahoma, for 10 minutes, today.

(The following Members (at the request of Mr. PEASE), to revise and extend their remarks, and to include extraneous matter:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. KOCH, for 5 minutes, today.

Mr. PATTERSON of California, for 5 minutes, today.

Mr. ASPIN, for 5 minutes, today.

Mr. AUCOIN, for 10 minutes, today.

Mr. FRASER, for 10 minutes, today.

Ms. HOLTZMAN, for 15 minutes, today.

Mr. ROSTENKOWSKI, for 10 minutes, today.

Mr. ASPIN, for 5 minutes, today.

Mr. HAMILTON, for 15 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

Mr. BROWN of California, for 10 minutes, today.

Mr. DODD, for 5 minutes, today.

Mr. RODINO, for 5 minutes today.

Mrs. BURKE of California, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. OBEY, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,931.

(The following Members (at the request of Mr. CORCORAN of Illinois), and to include extraneous matter:)

Mr. ROUSSELOT in two instances.

Mr. ROBINSON in two instances.

Mr. DERWINSKI in two instances.

Mr. GRADISON.

Mr. MARTIN.

Mr. HAGEDORN.

Mr. KASTEN.

Mr. ANDERSON of Illinois.

Mr. KETCHUM.

Mr. STEIGER.

Mr. GILMAN.

Mr. WHALEN.

Mr. CARTER in three instances.

Mr. TAYLOR.

Mr. FINDLEY.

Mr. FRENZEL in three instances.

Mr. VANDER JAGT.

Mr. SYMMS in three instances.

Mr. CRANE.

Mr. CONABLE.

Mr. TREEN in two instances.

Mr. LOTT in two instances.

Mr. QUAYLE.

Mr. SCHULZE.

Mr. STOCKMAN in two instances.

Mr. GRASSLEY.

Mr. PRESSLER.

Mr. HYDE in two instances.

Mr. BURKE of Florida.

(The following Members (at the request of Mr. PEASE) and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mrs. SPELLMAN.

Mr. LEHMAN in four instances.

Mr. HEFTEL.

Mr. HAMILTON in three instances.

Mr. REUSS in two instances.

Mr. APPLEGATE.

Mr. RUSSO.

Mr. BALDUS.

Mr. BAUCUS.

Mr. PATTERSON of California.

Mr. KOCH in three instances.

Mr. RODINO.

Mr. VOLKMER.

Mr. MCDONALD in three instances.

Mrs. COLLINS of Illinois.

Mr. GIAIMO in 10 instances.

Mr. OBERSTAR in two instances.

Mr. CHARLES H. WILSON of California.

Mr. NATCHER.

Mrs. BOGGS.

Mr. EVANS of Indiana.

Mr. GEPHARDT in two instances.

Mrs. KEYS.

Mr. BEDELL.

Mr. WEISS.

Mr. PERKINS.

Mr. RANGEL.

Mr. VAN DEERLIN.

Mr. MURPHY of Pennsylvania.

Mr. WALGREN.

Mr. MURTHA.

Mr. WOLFF in two instances.

Mr. SANTINI in two instances.

Mr. BROWN of California in three instances.

Ms. OAKAR.

Mr. CARR.

Mr. ICHORD.

Mr. CHAPPELL in two instances.

Mr. MURPHY of New York.

Mr. ROSENTHAL.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following title:

S. 649. An act to authorize payment of salaries of certain members of Senate committee staffs at the rates paid to them on January 4, 1977, and

S.J. Res. 10. Joint resolution to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such Commission.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on February 8, 1977, present to the President, for his approval a joint resolution of the House of the following title:

H.J. Res. 227. Joint resolution making urgent power supplemental appropriations for the Department of the Interior, Southwestern Power Administration for the fiscal year ending September 30, 1977, and for other purposes.

ADJOURNMENT TO WEDNESDAY, FEBRUARY 16, 1977

Mr. PEASE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with House Concurrent Resolution 106, the Chair declares the House adjourned until 12 o'clock noon on Wednesday, February 16, 1977.

Thereupon (at 1 o'clock and 53 minutes p.m.), pursuant to House Concurrent Resolution 106, the House adjourned until Wednesday, February 16, 1977, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

January 14, 1977.

To the Clerk of the House:

The Committee on Agriculture pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1977, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $890,921.00
3. Amount expended during this period 649,270.28

THOMAS S. FOLEY, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Thomas E. Adams, Jr	Staff consultant (P)	$11,903.43
James N. Ashmore	Staff assistant (P)	13,039.16
Margaret L. Bauer	Staff assistant (C)	5,376.78
Susan Bell	Staff assistant (P)	9,226.62
Robert M. Bor	Counsel (P)	19,350.00
Anita R. Brown	Staff assistant (P)	10,880.87
Alison B. Cerri	Staff assistant (C)	11,188.31
Carol A. Dubard	Staff assistant (C) through Nov. 30, 1976.	6,020.35
Louis T. Easley	Press assistant (P)	16,472.61
John E. Hogan	Associate counsel (P)	19,218.75
William A. Imhof	do	18,900.00
Mary Claiborne Jarratt	Staff assistant (P)	10,157.76
Diane M. Keyser	Staff assistant (C)	6,656.97
Julia W. Kogut	do	11,188.31
Angelina Roumel Koliopoulos.	do	8,432.69
John M. Lindley III	Staff assistant (P)	17,153.40
Teresa D. McLaughlin	Receptionist (C)	8,295.45
Eugene Moos	Staff analyst (P)	19,350.00
Hyde H. Murray	Counsel (P)	19,350.00
Loretta A. Owens	Staff assistant (C)	9,819.61
Peggy L. Pecore	Staff assistant (P)	12,558.84
Jean C. Ringer	Staff assistant (C)	13,764.84
Mary L. Ross	Printing editor (P)	11,985.62
Marv P. Shaw	Staff assistant (C)	9,260.24
James E. Springfield	Food programs specialist and budget officer (P).	19,350.00
Glenda Louise Temple	Staff assistant (C)	11,188.31
Fowler C. West	Staff director (P)	19,350.00
Wanda Marie Worsham	Staff assistant (C)	9,242.00
Howard Yourman	Staff assistant (P)	9,819.61
Paul A. Theis	Staff consultant (P) (from Dec. 30, 1976).	110.00
Total		368,810.53

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Christine D. Abram	Staff assistant	$8,649.30
Sharon Ann Armann	do	8,337.95
John Baize	Subcommittee staff consultant.	10,977.50
Weldon Barton	do	14,177.97
Steven K. Berry	Staff assistant (through Aug. 26, 1976).	1,120.00
Roxana D. Burris	Subcommittee staff consultant.	9,678.21
Jane Cleveland	Staff assistant (through Aug. 8, 1976).	1,319.45
Ann Cole	Staff assistant: (through July 31, 1976 and from Aug. 5, 1976).	61895.71 6,895.71
Constance A. Corbett	Staff assistant (through Aug. 25, 1976).	1,833.33
James A Culver	Subcommittee staff consultant (through July 31, 1976 and staff assistant from Aug. 1, 1976).	15,456.50
George M. Dunsmore	Subcommittee staff consultant.	12,433.75
Charolotte Holmes Farwell.	do	10,215.90
Mary Ann Fronce	Staff assistant	7,504.14
L. Leon Geyer	Subcommittee staff consultant.	13,877.49
Alan M. Gray	Subcommittee staff consultant (through Sept. 30, 1976).	4,462.50
Esther S. Hickey	Staff assistant	7,362.72

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Celia Parry Hicks	Subcommittee staff consultant (through Aug. 31, 1976).	1,400.00
Jacqueline Lane Jennings.	Staff assistant	8,095.35
Gerald R. Jorgensen	Subcommittee staff consultant.	14,666.88
Laurence M. Kamer	Staff assistant (through Aug. 25, 1976).	916.67
John R. Kramer	Special counsel	9,675.00
Leighton W. Lang	Subcommittee staff consultant.	13,037.22
Scott D. McAdoo	Staff assistant	3,584.52
Tara E. Potter	Staff assistant (through Aug. 20, 1976).	833.33
Wendell E. Primus	Staff assistant	7,630.00
Ford C. Runge	Staff assistant (through Sept. 3, 1976).	1,224.99
Jeffrey Sovern	Staff assistant from July 19, 1976 through Aug. 27, 1976.	800.00
Lydia Vacin	Staff assistant	1,311.7
David L. Wright	do	15,827.9
Robert A. Cashdollar	Subcommittee staff consultant (from Nov. 1, 1976).	5,052.9
Elmer Lee Musil	Subcommittee staff consultant—(from Dec. 1, 1976).	1,833.33
Dolores C. Meadows	Staff assistant—(from Dec. 1, 1976).	1,306.33
Carol A. Dubard	Subcommittee staff consultant—(from Dec. 1 1976).	1,321.58
Total		222,820.23

COMMITTEE ON APPROPRIATIONS

January 14, 1977.

To the Clerk of the House:

The Committee on Appropriations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6 Month period from July 1 to December 31, 1976 inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $1,397,006.12
3. Amount expended during this period 1,397,006.12

GEORGE MAHON, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Tota. gross salary during 6-mo per od
Keith F. Mainland	Clerk and staff director	$19,350.00
G. Homer Skarin	Staff assistant	12,066.67
Samuel R. Preston	do	19,350.00
Hunter L. Spillan	do	19,350.00
Henry A. Neil	do	19,350.00
Aubrey A. Gunnels	do	19,350.00
Earl C. Silsby	do	19,350.00
Peter J. Murphy	do	19,350.00
Frederick G. Mohrman	do	19,350.00
Edward E. Lombard	do	19,350.00
Nicholas G. Cavarocchi	do	19,350.00
Derek J. Vander Schaaf	do	19,350.00
Frederick F. Pfluger	do	19,350.00
John M. Garrity	do	18,728.40
Robert B. Foster	do	19,017.03
Thomas J. Kingfield	do	17,508.09
Donald E. Richbourg	do	18,504.75
Robert C. Nicholas	do	16,071.99
George A. Urian	do	14,825.73
Dempsey B. Mizelle	do	18,479.22
Charles W. Snodgrass	do	16,708.86
John G. Plashal	do	11,845.86
Byron S. Nielson	do	12,940.11
J. David Willson	do	16,597.83
Americo S. Miconi	do	14,790.66
Richard N. Malow	do	16,878.27
Robert L. Knisely	do	11,816.10
John G. Osthaus	do	14,922.51
Paul E. Thomson	do	11,668.02
Charles G. Hardin	do	11,783.97
Edwin F. Powers	do	16,303.95
Gordon E. Casey	do	15,304.53
C. William Smith	do	15,496.17
Michael S. Weinberger	do	14,666.88
William A. Marinelli	do	16,373.70
Donald P. Smith	do	14,123.67
David R. Olson	do	9,140.55
Donald L. Denton	do	9,114.93
Michael A. Stephens	Staff assistant (from Aug. 15).	9,394.57

SCHEDULE A—STANDING COMMITTEE PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Lawrence C. Miller	Editor	18,131.70
Paul V. Farmer	Assistant editor	14,146.80
Gerard J. Chouinard	Administrative assistant.	12,541.20
Austin G. Smith	Clerical assistant	10,876.23
Dale M. Shulaw	do	9,589.38
Gemma M. Weiblinger	Clerical assistant (to Oct. 23).	4,659.53
Marcia L. Matts	Clerical assistant	7,654.47
Sandra A. Gilbert	do	8,590.74
Patricia A. Kemp	do	7,262.19
Betty Lou Taylor	do	7,375.65
Christine Stockman	do	7,398.24
Toni M. Perla	do	6,452.16
Anna L. Manning	do	6,989.82
Robin A. Harrold	do	6,452.16
Ellen C. Zacofsky	do	5,760.84
Kitty L. Ray	do	6,144.90
Jeni L. Leasor	Clerical assistant (from Dec. 6).	868.06
Randolph Thomas	Office assistant	8,109.81
F. Michael Hugo	Minority clerk	19,087.50
B. Enid Morrison	Minority staff assistant	17,424.99
Beverly B. Thierwechter	Minority staff assistant (to Sept. 12).	4,000.01
Henry W. Moore, Jr	Minority staff assistant	14,500.02
Donna M. Brother	do	9,249.99
Margaret J. Hansen	do	6,000.00
Susan A. Weaver	Minority clerical assistant.	6,662.49
Valrie Lake	do	5,775.00
Margaret K. Harding	Associate staff member (majority).	13,500.00
Samuel A. Mabry	do	14,666.88
Douglas E. Bobbitt	do	8,084.40
George F. Allen	do	11,362.38
Diane Rihely	do	7,041.68
Lawrence E. Siegel	do	12,138.92
Daniel P. Beard	do	14,666.88
Richard Altman	do	14,666.88
Charles Cannon	do	12,161.47
Edward N. Stout	do	13,971.05
Scott Lilly	do	13,387.16
Gary R: Bachula	do	11,825.42
Kathleen Smiley	do	13,616.88
Eugene T. Austin	do	14,666.88
Daniel Oran	do	14,666.88
Quentil L. Burgess	do	10,123.20
Michael J. O'Neil	do	14,666.88
Dorothy L. Thomas	do	13,037.22
Leo P. Gaten	do	10,441.67
Carmen Scialabba	do	13,968.45
Grant W. Anderson	do	11,333.35
Daniel C. Maldonado	do	13,968.45
Robert F. Dobek	do	10,215.90
Sean McCarthy	do	12,500.01
Henry S. Barbour	do	11,078.97
Freda J. Sheppard	Associate staff member (majority).	14,666.88
Pleasant L. Murphy	do	13,208.35
William L. Killgore	do	14,666.88
Karen J. Lieberman	do	8,193.18
Edd Nolen	Associate staff member (majority) (from Oct. 1).	6,951.09
Maxey H. Irwin	Associate staff member (majority) (to Aug. 31).	4,025.00
William Little	Associate staff member (majority) (to Sep. 30).	3,750.00
Patricia Amedeo	Associate staff member (majority) (to Aug. 31).	3,500.00
Fisher Muldrow	Associate staff member (majority) (to Oct. 31).	7,107.10
Charles H. Murphy	Associate staff member (minority).	12,203.43
Karen S. Vagley	do	12,173.97
William R. Sessoms	do	10,000.02
David D. Clement	do	13,698.48
Jim R. Fairchild	do	14,666.88
Jack Ford	do	9,816.51
Marcia G. Madsen	do	12,173.97
David K. Kehl	do	13,625.00
Betsy Ann Dixon	do	8,500.02
Robert Potts	do	10,999.98
Donald G. Jacob	do	12,549.48
Jeffrey W. Jacobs	do	6,666.68
Matthew Scocozza	Associate staff member (minority) (to July 31).	2,143.75
Eugene G. Kirueshkin	Associate staff member (minority) (to Aug. 7).	1,747.23
Charlotte Casey	Assoc iate staff member (minority) (to Aug. 31).	2,166.6
Paul C. Roberts	Associate staff member (minority) (to Oct. 4).	7,070.82

COMMITTEE ON APPROPRIATIONS
(SURVEYS AND INVESTIGATIONS STAFF)

January 14, 1977.

To the Clerk of the House:

The Committee on Appropriations (Surveys and Investigations Staff) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-Month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B)
2. Total funds available during this period (July 1, 1976, to Sept. 30, 1977) $3,179,000.00
3. Amount expended during this period (July 1 to Dec. 31, 1976) 1,096,797.30

GEORGE MAHON, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Cornelius R. Anderson	Chief	$19,350.00
David A. Schmidt	Director	19,350.00
Marion S. Ramey	Assistant director	19,350.00
James B. Hyland	do	19,350.00
Genevieve A. Mealy	Administrative assistant.	8,654.07
Frances May	Secretary	8,714.64
Ann M. Stull	do	6,298.53
Lottie A. Konen	Secretary (from Aug. 7).	4,079.55
Contract employees:		
Carl L. Bennett	Investigator	13,650.00
Charles Bolz	do	15,600.00
Earl C. Bowersox, Jr	do	10,400.00
W. Dana Carson	do	10,400.00
Dorland Davis, Jr	do	7,500.00
Charles G. Haynes	do	11,050.00
Maurice A. Herron	do	13,000.00
Henry H. Jones	do	13,000.00
Richard F. McEliece	do	15,600.00
Joseph E. Michalski	do	13,000.00
William M. Mooney	do	9,600.00
Bernard C. Rachner	do	12,075.00
Carl A. Sandahl	do	8,400.00
Mary Alice Sauer	Secretary	2,800.00
Leon F. Schwartz	Investigator	9,200.00
Andrew J. Shannon	do	10,400.00
William B. Soyars, Jr	do	10,400.00
Edward F. Tennant	do	10,000.00
Leonard M. Walters	do	10,400.00
Eugene B. Wilhelm	do	12,500.00
H. Branch Wood	do	13,000.00
General Services Administration:		
Williston B. Cofer, Jr	do	2,657.41
Francis J. King, Jr	do	5,641.56
Department of Health, Education, and Welfare:		
Michael O. Glynn	do	19,477.52
Michael Stephens	Clerical Assistant	2,438.85
nterstate Commerce Commission:		
Ronald C. Allen, Jr	Investigator	13,879.45
U.S. Nuclear Regulatory Agency:		
Anthony J. DiPalo	do	5,380.97
Federal Communications Commission:		
Sebastian A. Lasher	do	9,469.73
Federal Bureau of Investigation:		
Dan L. Anderson	do	15,066.24
Stuart W. Angevine	do	17,062.08
George C. Baird	do	12,346.56
Donald A. Brummitt	do	16,661.76
Ronald B. Carpenter	do	17,062.08
Gerard C. Carroll	do	17,062.08
Bernard E. Currigan	do	14,092.64
James B. Denney	do	15,066.24
Margaret M. Dohler	Secretary	643.68
Louis E. Eisenwine	Investigator	15,466.56
Donald J. Fitzgerald	do	15,866.88
David R. Gallagher	do	17,062.08
John G. Goedtel	do	17,249.28
Eugene C. Gies	do	16,661.76
Don L. Hubbard	do	8,178.24
Dennis P. Hyten	do	8,283.84
David W. Johnson, Jr	do	12,784.32
Russell N. Kamin	do	13,875.84
Edwin J. Kelly	do	16,267.20
Daniel J. Knight	do	7,606.56
John L. Layton	do	11,206.08
Raymond P. Leffler	do	13,344.00
James P. Mansfield	do	17,062.08
John J. McBreen	do	9,288.00
Earle J. Morris	do	16,661.76
John J. Radican	do	16,661.76
Robert J. Reitwiesner	do	12,021.28
Thomas C. Renaghan	do	14,828.48
Barbara L. Rufener	Secretary	4,616.64
Charles E. Szoka	Investigator	17,062.08
Raymond E. Talley	do	16,172.48
Robert E. Torrence	do	17,462.40
Robert H. Twigg	do	12,346.56
R. W. Vandergrift, Jr	do	13,010.72
James S. Van Wagenen	do	12,678.72
Health benefits (FBI)		9,520.63
Life insurance (FBI)		2,395.60
Retirement (FBI)		35,559.86
FICA (FBI)		307.77
Travel expenses		155,998.63
Miscellaneous expenses		18,148.57

COMMITTEE ON ARMED SERVICES

January 13, 1977

To the Clerk of the House:

The Committee on Armed Services pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, 1976 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $959,859.68
3. Amount expended during this period 411,125.04

MELVIN PRICE, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Rita D. Argenta	Secretary	$6,808.29
Anthony R. Battista	Professional staff member.	18,394.64
Rose C. Beck	Secretary	9,033.06
Joyce C. Bova	do	6,865.59
Emma M. Brown	do	8,065.17
James A. Deakins	Clerical staff assistant	9,099.00
L. Louise Ellis	Secretary	12,033.12
John J. Ford	Professional staff member.	19,279.62
Thomas S. Hahn	do	13,826.04
Issiah Hardy	Clerical staff assistant	7,322.67
William H. Hogan, Jr	Counsel	16,130.37
Nancy S. Jones	Secretary	7,516.56
Berniece Kalinowski	Secretary (through Oct. 15).	6,901.10
Ilene B. Katz	Secretary	6,452.16
Adam J. Klein	Counsel	13,056.99
Louis Kriser	Professional staff member.	12,904.29
John F. Lally	Counsel	18,946.77
Ralph Marshall	Professional staff member.	18,946.77
Alma B. Moore	Secretary (from Dec. 25).	300.00
George Norris	Counsel	18,281.07
William D. Price	Professional staff member.	13,394.70
Peter C. Scrivner	Professional staff member (from Dec. 1).	3,080.17
William B. Short, Jr	Clerical staff assistant	9,890.22
James F. Shumate, Jr	Counsel	18,946.77
Frank M. Slatinshek	Chief counsel	4,494.00
Paul L. Tsompanas	Professional staff member.	18,946.77
Michael A. West	Executive secretary	9,140.55
Ann R. Willett	Secretary	7,516.56
G. Kim Wincup	Counsel	12,909.58
Total		328,482.60

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
S. Janice Coil	Secretary (through July 9).	$315.00
Thomas E. Cooper	Professional staff member (from Dec. 15).	1,333.33
Maurita L. Crowell	Secretary	6,044.91
Marcia L. Fromm	do	6,144.90
Gary A. Holcomb	Professional staff member.	10,508.98
Julie A. Illsley	Secretary (from Dec. 6).	833.33
Marcia A. Lawrence	Secretary	6,144.90
Craig O'Brien	Clerical staff assistant (through July 16).	266.67
Georgia C. Osterman	Secretary	6,019.89
Alice M. Sledge	do	6,452.16
LeRoy J. Spence	Professional staff member.	7,440.00
Beatrice R. Vasvary	Secretary (through Dec. 15).	5,409.97
Justus P. White, Jr	Professional staff member.	12,801.87
Marion H. Wills	Secretary	6,144.90
Total		75,860.81

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

January 15, 1977.

To the Clerk of the House:

The House Committee on Banking, Currency and Housing pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $2,433,405.00
3. Amount expended during this period 1,327,666.87

HENRY S. RUESS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Deborah A. Alt	Secretary	$8,295.63
Richard F. America	Professional staff member.	6,300.00
Sallie Anne Bobo	Secretary	7,271.46
Jeffrey A. Booth	Professional staff member.	11,336.58
L. Marie Chaillet	Minority secretary	10,821.30
Carla F. Cohen	Investigator/researcher.	5,306.01
Grasty Crews II	Counsel	19,350.00
Jane W. D'Arista	Professional staff member.	12,337.14
William P. Dixon	General counsel	14,401.66
Theodore A. Doremus, Jr.	Minority counsel	17,683.18
Orman S. Fink	Minority staff director	1,860.00
Michael P. Flaherty	Counsel	17,465.28
James K. Galbraith	Economist	4,666.66
Thomas K. Goines	Professional staff member.	5,969.25
Mary Ann Graves	Staff economist	6,300.00
Monroe W. Karmin	Staff assistant, urban affairs.	18,556.86
Richard M. Kay	Assistant clerk	6,669.78
Mary L. Kelly	Staff assistant	8,705.28
Mary W. Layton	Secretary to minority	6,615.15
Joseph C. Lewis	Professional staff member.	19,350.00
Clark R. Mollenhoff, Jr	Investigator/researcher.	10,306.02
Paul Nelson	Clerk and staff director	19,350.00
Graham T. Northup	Minority deputy staff director.	19,350.00
Eliza M. Paul	Research assistant	5,670.00
Curtis A. Prins	Subcommittee staff director.	19,350.00
Margaret L. Rayhawk	Research associate	12,444.51
David W. Secrest	Director, public affairs	19,350.00
Donald G. Vaughn	Administrative assistant.	12,608.79
Stephen J. Verdier	Assistant counsel	4,324.23
Ruth M. Wallick	Legal assistant	12,609.10
Kathy L. Rohrig Walsh	Staff assistant	9,678.21
Total		354,292.08

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Robert D. Auerbach	Economist	$5,222.58
Joann Azarkhish	Subcommittee clerk	3,162.46
Lawrence W. Batson	Professional staff member.	833.33
Mary A. Bettis	Secretary	1,150.00
Carolyn E. Blaydes	Special assistant	5,799.51
Garvill L. Booker	Staff member	2,500.00
Stefanie J. Boss	Secretary	6,720.99
Annette M. Bouchard	do	7,681.14
Virginia S. Brown	Assistant clerk	6,400.95
James P. Caldwell, Jr	Professional staff member.	14,413.08

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Frances C. Clements	Secretary	$6,298.53
Lyra M. Cobb	do	6,298.53
Carla F. Cohen	Investigator/researcher.	1,666.67
Davis O'C. Couch	Investigative counsel	13,766.49
Diane L. Coutu	Special assistant	1,583.33
Bridget A. Cox	Assistant clerk	750.00
Ben W. Crain	Staff economist	6,810.36
Jamee A. Decio	Researcher	5,376.58
Martha M. Doty	Secretary	8,363.70
Robert S. Feinberg	Staff assistant, minority.	13,037.22
Lawrence I. Feldman	do	13,037.22
Ralph D. Fertig	Professional staff member.	7,500.00
Mark A. Fiorentino	Staff assistant	1,000.00
Stewart H. Gamage	do	3,113.52
Louis C. Gasper	Minority staff economist.	14,666.88
Janice H. Gilmore	Professional staff member.	4,616.08
Thomas K. Goines	do	5,625.00
Charles M. Haar	Special counsel	6,300.00
Janet R. Hangin	Secretary	5,901.80
Cynthia G. Hare	Staff assistant	860.00
Helen Hitz	Administrative assistant.	15,594.00
Lorraine G. Inman	Secretary	8,961.30
Joseph J. Jasinski	Professional staff member.	19,329.84
Norman H. Jones, Jr.	Senior economist	19,149.99
Georgia A. Joyner	Secretary	991.67
Mary E. Kirk	Assistant clerk	8,244.42
James A. Kutcher	Subcommittee counsel	11,259.30
Sally A. LaHue	Minority secretary	5,632.83
Jackson O. Lamb	Professional staff member.	14,926.29
Ellen M. Larkin	Asst. subcommittee staff director.	9,994.23
Robert E. Loftus	Subcommittee staff director.	14,200.56
Linda Lea Lord	Research assistant	8,891.13
Patricia A. Lord	Secretary	7,732.32
Margaret F. McCarthy	do	7,527.51
Margaret E. McCloskey	do	4,974.81
James B. McMahon	Staff assistant, minority.	13,968.45
William F. McQuillen	Professional staff member.	9,134.25
Janet N. Maus	Staff assistant, minority.	13,037.22
Kelsay R. Meek	Professional staff member.	19,317.66
Barbara R. Miller	Clerk	1,444.45
Carl A. Mintz, Jr.	Research statistician	12,168.72
Susan Ness	Assistant counsel	9,473.40
Kendall McC. Norton	Secretary	173.61
Kathleen O'Malley	do	1,300.00
James C. Orr	Professional staff member.	11,753.43
Jeffrey K. Perry	Assistant clerk	860.00
Mary Ann Freer Price	Secretary	6,761.79
Miriam W. Rakow	do	10,189.02
Michael A. Rattigan	Professional staff member.	2,860.43
William J. Roche, Jr.	Research assistant	6,197.35
William W. Roche	Assistant clerk	2,856.08
James C. Rogers, Jr.	Professional staff member.	8,961.30
Judith M. Shellenberger	Subcommittee office manager.	5,313.50
Ethan H. Siegal	Research assistant	6,050.00
James C. Sivon	Minority staff assistant	9,889.34
Katherine D. Slatter	Special assistant	5,888.85
Beatriz R. Stephens	Secretary	1,571.67
Richard L. Still	Subcommittee staff director.	19,350.00
Donald J. Stratton	Special assistant	4,352.64
Stephen J. Verdier	Assistant counsel	4,125.00
Constance A. Vettel	Minority secretary	5,120.73
Noreen O. Victor	Secretary	3,444.90
Edwin W. Webber	Subcommittee staff director.	19,350.00
David I. Weil	Professional staff member.	12,502.50
Robert E. Weintraub	Subcommittee staff director.	19,350.00
John P. Wynn	Staff assistant, minority.	7,181.85
Judith A. Young	Research assistant	5,082.83
Jack Zackin	Assistant counsel	9,127.02
Frank T. DeStefano	Professional staff assistant.	13,441.67
Marilyn Donahue	Minority secretary	7,796.34
Diane E. Lohman Dorius	Legal intern	3,604.11
Debra A. Geis	Assistant clerk	722.22
David Glick	Counsel	6,300.00
Emily M. Hightower	Executive secretary	12,624.87
Mercer L. Jackson, Jr.	Minority staff member	19,350.00
Raymond K. James	Counsel	19,350.00
Sylvan J. Kamm	Professional staff member.	14,227.14
Bonnie V. Lockett	Secretary	5,147.74
Benjamin B. McKeever	Counsel	19,350.00
Gerald R. McMurray	Staff director (Housing Subcom.)	19,350.00
Miriam Meyer	Assistant clerk	1,003.33
Hugh Mields, Jr.	Professional staff assistant.	4,644.90
Wanda Jean Raupach	Secretary	11,078.97
Ann L. Roll	do	6,656.97
Catherine M. Smith	Minority secretary	7,796.34
Arthur P. Solomon	Economic consultant	9,000.00
Mary E. Sullivan	Assistant clerk	5,147.74
Regina A. Sullivan	do	1,333.34
Anthony Valanzano	Minority counsel	19,350.00
Total		813,299.82

COMMITTEE ON THE BUDGET

January 1, 1977.

To the Clerk of the House:

The Committee on the Budget pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $1,202,215.00
3. Amount expended during this period — 853,844.28

BROCK ADAMS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
George Gross	Executive director	$19,350.00
Shirley Ruhe	Special assistant	10,201.68
Susan Walter	Admin. Asst. to Exec. Dir.	7,999.62
Linda Kamm	General counsel	19,350.00
Wendell Belew	Attorney	10,572.48
Nancy Teeters	Asst. director, economic analysis.	19,350.00
James Lyday	Economist	19,350.00
Harry Boissevain	do	18,102.03
Nancy Wilson	do	11,404.23
Wendy Rayack	do	4,815.31
M. Bruce Meredith	Asst. director, budget priorities.	19,350.00
Dennis Kedzior	Senior analyst	13,373.52
Kathleen Naill	Special assistant	8,733.45
Benson Simon	Senior analyst	19,350.00
John Cove	do	19,350.00
Alair Townsend Harris	do	19,350.00
Charles Wiecking	do	19,350.00
Charles Thomas	do	17,775.24
William Cleary	Analyst	19,350.00
Russell Hale	do	15,774.39
Peter Storm	do	19,350.00
Carlene Crumpton-Bawden.	do	16,690.20
Joseph Manes	do	19,350.00
James Rotherham	do	19,231.86
David Garrison	do	15,774.39
Mortimer Downey	do	19,231.86
Allen Grommet	do	12,201.09
Michael Telson	do	14,010.81
Robert Leonard	do	6,989.82
Eleanor Senf	Research assistant	7,608.93
David Jewell	Public information officer.	18,193.02
John King	Administrator	14,309.91
Jane Parker	Office manager	8,728.62
Paul Nelson	Clerk/messenger	6,341.10
Vergie Colby	Secretary	7,980.57
Carolyn Culbreath	do	7,193.07
Bertha Datcher	do	7,297.89
Laura Elder	do	7,506.51
Martha Grundmann	Research assistant	7,897.65
Camille Pecorak	do	5,400.59
Cathy Phillips	do	6,117.96
Lois Ross	do	7,400.31
Grace Royal	do	6,049.95
Nancy Stiner	do	8,000.07
Patricia Tusaie	do	5,467.59
Beatrice Wood	do	7,794.81
Nicholas Masters	Majority professional consultant.	15,774.39
Linda Smith	do	14,773.29
Edward Starr	do	14,529.03
Timothy Glidden	do	15,774.39
David Allen	do	15,774.39
Josephine McAllister	Research secretary	7,608.93
Diane Crandall	do	7,601.78
Alda Douglas	do	7,476.69
Melvin Miller	Minority staff director	19,350.00

SCHEDULE A—STANDING COMMITTEE PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Philip Lyons	Minority staff consultant.	$11,233.56
P. Craig Roberts	do	8,249.89
Elizabeth Botts	Research secretary	6,925.08
Minnie Duckett	Secretary	5,069.55
Brenda Walker	Receptionist	3,927.64
Sylvia DeBaun	Librarian	6,672.03
Barbara Rodriguez	Secretary	5,068.09
Diane Behar	do	2,108.90
Helen Burnett	Writer/editor (term. Aug. 31, 1976).	2,500.00
Grace Aldridge	Secretary (term. July 13, 1976).	529.35
Susan Kuykendall	Secretary (term. Nov. 11, 1976).	4,807.07
Deborah Sheehan	Secretary (term. Oct. 1, 1976).	3,705.46
Joanne Brasco	Economist (term. Sept. 25, 1976).	3,805.50
Raphael Thelwell	Senior analyst (term. Aug. 14, 1976).	4,620.00
James Voytko	Intern (term. Sept. 30, 1976).	2,460.00
Total		784,715.64

COMMITTEE ON THE DISTRICT OF COLUMBIA

January 31, 1977.

To the Clerk of the House:

The Committee on the District of Columbia pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $224,200.69
3. Amount expended during this period — 188,566.49

Balance — 35,634.20

CHARLES C. DIGGS, Jr., Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Edward C. Sylvester, Jr.	Staff director	$19,350.00
Ruby G. Martin	General counsel	19,345.02
James T. Clark	Legislative counsel	19,332.48
Dale MacIver	Staff counsel	17,673.18
Daniel M. Freeman	Staff counsel	15,054.90
Jacqueline E. Wells	Staff assistant	14,434.08
Dietra L. Gerald	do	14,020.17
Edward L. Cleveland	Staff assistant (July 1–Nov. 30, 1976).	10,308.84
Nelson F. Rimensnyder	Staff assistant	13,451.10
Maria L. Otero	Office administrator	11,671.56
Wilbur G. Hughes	Staff assistant (July 1–Nov. 30, 1976)	8,239.51
Dorothy M. Anderson	Staff assistant July 1–Nov. 30, 1976	9,934.26
Gwendolyn Kimbrough	Staff assistant	12,500.00
Donovan Gay	Staff assistant (July 1–Sept. 30, 1976).	5,850.00
LaVonne Manley	Secretary to staff director.	8,949.23
Joan T. Willoughby	Staff assistant	8,596.30
Randall Robinson	Staff assistant (from Aug. 5, 1976).	9,832.77
Martha M. Marble	Subcommittee staff assistant (July 1–Nov. 30, 1976).	12,140.42
Christopher Nolde	Subcommittee staff counsel.	14,666.88
Robert B. Brauer	Subcommittee staff assistant.	14,666.88
Lawrence C. Smith	Subcommittee staff counsel.	12,444.51
Hugh B. Calkin	Subcommittee staff assistant.	11,336.58
Michael Nevens	do	11,903.43
Mark Mathis	Minority counsel	19,144.98
James M. Christian	Minority deputy consel (July 1–Sept. 17, 1976).	7,486.12
J. Dent Farr III	Minority legislative staff assistant.	8,602.86
Carol B. Thompson	do	8,449.23
William J. Chandler	do	13,942.56
Alfred S. Frank, Jr.	do	14,666.88
Barbara Norris-Chaves	do	10,550.76
Total		387,545.49

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Kerry G. Holman	Staff assistant	$8,065.17
Margi Mosbaek	do	8,065.17
Inez B. Rountree	do	6,656.97
Leslie Yates	Staff assistant (July 1–Sept. 30, 1976).	3,937.50
Barbara R. Jackson	Staff assistant	4,608.69
Lorraine McDaniels	Executive secretary	10,081.47
Dolores C. Floyd	Senior secretary	7,271.46
Grace DeMaio	Secretary	7,220.25
Marguerite E. Gras	do	6,831.09
Marcia A. Mills	do	6,432.60
Beverly E. Nickens	do	6,170.52
Joyce A. Miles	do	5,958.15
Catherine B. Floyd	Secretary (July 1–Nov. 31, 1976).	4,682.51
Patricia Sue Dotson	Secretary (from July 27, 1976).	4,696.93
Barbara C. Jackson	Secretary (July 1–Nov. 31, 1976).	1,783.82
Alice C. Sutton	Secretary (July 1–15, 1976).	481.25
Theodore Richardson	Bill clerk	7,169.07
Louise H. Winston	Information assistant/receptionist.	7,069.40
Charles D. Brown	Staff assistant (July 1–Aug. 13, 1976).	1,433.33
David Brinston	File clerk (July 1–31, 1976).	525.00
Michael Alexander	Intern (July 1–Aug. 31, 1976).	800.00
Jack C. Barthwell III	Staff Counsel (from Aug. 16, 1976).	6,517.77
Joyce A. Thorpe	File clerk (Nov. 1–31, 1976).	786.17
Donnie M. Harley	Secretary (from Dec. 1, 1976).	963.13
Junetta D. Banks	do	366.91
Edward L. Cleveland	Staff assistant, from (Dec. 1, 1976).	2,135.67
Wilbur G. Hughes	do	1,694.75
Gwendolyn Kimbrough	do	2,500.00
Randall Robinson	do	2,450.83
Martha Marble	Subcommittee staff assistant (from Dec. 1, 1976).	2,526.46
David C. Patch	Minority legislative staff assistant.	6,720.99
Susan J. McCormack	Minority secretary	6,055.29
Stuart K. Jones	Minority staff counsel	8,879.33
Libbey Chase	Minority intern (July 1–Sept. 15, 1976.)	833.37
Marilou E. Colonga	Minority secretary	5,376.78
Total		157,747.80

COMMITTEE ON EDUCATION AND LABOR (STANDING COMMITTEE)

January 15, 1977.

To the Clerk of the House:

The Committee on Education and Labor (Full Committee, Standing, Majority and Minority) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $370,908.06
3. Amount expended during this period — 370,908.06

CARL D. PERKINS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
Frank Askin	Special counsel (Sept. 1–Dec. 31, 1976).	$12,814.50
Donald M. Baker	Chief clerk and associate counsel (July 1–Dec. 31, 1976).	19,350.00
Donald F. Berens	Senior staff assistant (July 1–Dec. 31, 1976).	18,193.02
Patricia R. Bowley	Administrative assistant (July 1–Dec. 31, 1976).	10,275.03
Katherine Kennedy Clark.	Research assistant (July 1–Dec. 31, 1976).	12,657.09
Elizabeth A. Cornett	Administrative assistant (July 1–Dec. 31, 1976).	13,555.56
Lelia T. Cornwell	do	12,655.56
Louise Maxienne Dargans.	Research director (July 1–Dec. 31, 1976).	19,350.00
William F. Gaul	Associate general counsel (July 1–Dec. 31, 1976).	19,350.00
Hamish L. Murray	Budget specialist (July 1–Dec. 31, 1976).	$19,050.00
Daniel H. Pollitt	Special counsel (July 1–Aug. 31, 1976).	6,300.00
Hartwell D. Reed, Jr.	General counsel (July 1–Dec. 31, 1976).	19,350.00
Benjamin F. Reeves	Assistant to chairman (July 1–Dec 31, 1976).	19,350.00
Mary L. Shuler	Secretary (July 1–Dec. 31, 1976).	9,374.64
Austin P Sullivan, Jr.	Legislative director (July 1–Aug 31, 1976)	6,300.00
Jeanne E. Thomson	Legislative assistant (July 1–Dec. 31, 1976).	13,046.70
Louise M. Wright	Administrative assistant (July 1–Dec. 31, 1976).	18,202.83
Marian R. Wyman	Special assistant to chairman (July 1–Dec. 31, 1976).	19,350.00
Minority:		
Robert C. Andringa	Minority staff director (July 1–Dec. 31, 1976).	19,350.00
Edith Carter Baum	Minority counsel for labor (July 1–Dec. 31, 1976).	19,350.00
Christopher T. Cross	Minority legislative associate (July 1–Dec. 31, 1976).	19,350.00
Charles W. Radcliffe	Minority counsel (July 1–Dec. 31, 1976).	19,350.00
Silvia J. Rodriguez	Minority secretary (July 1–Dec. 31, 1976).	7,484.40
Dorothy L. Strunk	Minority legislative clerk (July 1–Dec. 31, 1976).	9,849.99
Patricia Ann Sullivan	Minority secretary (July 1–Dec 31, 1976).	7,648.74
Total		370,908.06

COMMITTEE ON EDUCATION AND LABOR (FULL COMMITTEE)

January 15, 1977.

To the Clerk of the House:

The Committee on Education and Labor (Full Committee Investigating Staff (Majority and Minority) (H. Res. 975) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusvie:

1. Names, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $923,846.91
3. Amount expended during this period — 270,335.48

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
Vance J. Anderson	Counsel (Dec. 1–Dec. 31, 1976).	$3,300.00
Carole J. Ansheles	Secretary and Computer Operator (July 1–Dec. 31, 1976).	8,321.67
Goldie A. Baldwin	Legislative Assistant (July 1–Dec. 31, 1976).	8,040.99
Portia Battle	Assistant Clerk (temporary) (July 1–Dec. 31, 1976).	2,296.01
Mary Fran Breathitt	Research Assistant (July 1–Dec. 31, 1976).	5,700.00
Layne M. Carlough	Assistant Clerk (tem porary) (summer)-(July 1–Aug. 31, 1976).	1,30.00
Jeff T. Chanin	Assistant Clerk (temporary) (summer) (July 1–Aug. 20, 1976).	941.67
Jeffrey C. Crigler	Assistant Clerk (temporary) (summer) (July 1–Sept. 10, 1976).	1,318.33
Vincent DeMarco	Assistant Clerk (temporary) (summer) (July 1–Aug. 31, 1976).	$1,054.67
Stephen C. Fotis	Assistant Clerk (temporary) (summer) (July 1–Aug. 31, 1976).	1,130.00
Mark N. Griffith	Assistant Clerk (temporary) (summer) (July 1–July 31, 1976).	565.00
Marilyn S. Hall	Secretary (July 1–Dec. 31, 1976).	6,559.39
Susan G. Jordan	Assistant Clerk (temporary) (summer) (July 1–Aug. 31, 1976).	1,130.00
Nancy L. Kober	Staff Assistant (July 1–Oct. 31, 1976).	4,048.30
Alan R. Lovesee	Counsel (July 1–Dec. 31, 1976).	12,767.09
S. Jefferson McFarland.	Research Assistant (July 1–Dec. 31, 1976).	5,376.78
Barbara E. Morrison	Secretary (July 1–Dec. 31, 1976).	9,217.35
Michael Lee Moye	Assistant Clerk (July 1–Dec. 31, 1976).	2,433.98
David E. Pinkard	Assistant Clerk (July 1–Dec. 31, 1976).	2,121.26
David S. Putnam	Staff Assistant (July 1–Dec. 31, 1976).	6,404.91
Peter Schott	Staff Assistant (July 1–Dec. 31, 1976).	6,900.00
Anthony D. Shapiro	Assistant Clerk (temporary) (summer) (July 1–Aug. 20, 1976).	941.67
George S. Skinner	Associate Counsel (temporary) (Sept. 10–Oct. 31, 1976).	824.90
Thomas A. Stevenson	Assistant Clerk (temporary) (summer) (July 1–Aug. 31, 1976).	1,130.00
Austin P. Sullivan, Jr.	Legislative Director (Sept. 1–Oct. 15, 1976).	4,800.00
Mildred L. Watson	Assistant to Budget Specialist (July 1–Dec. 31, 1976).	7,988.37
Mark J. Woods	Assistant Clerk (temporary) (summer) (Aug. 1–Sept. 3, 1976).	621.50
Minority:		
Mary A. Anders	Secretary (July 1 to Dec. 31, 1976).	6,565.84
Susan C. DeMarr	do	6,906.24
Patricia A. Gleason	Secretary (Dec. 20 to Dec. 31, 1976).	421.67
Susan C. Koller	Secretary (July 1 to Oct. 31, 1976).	3,583.32
Martin L. LaVor	Senior legislative associate (July 1 to Dec. 31, 1976).	18,950.01
Richard H. Mosse	Assistant counsel (July 1 to Dec. 31, 1976).	16,534.38
Nathaniel M. Semple	Legislative associate (July 1 to Dec. 31, 1976).	14,962.50
J. Charles Sheerin	Counsel for labor (July 1 to Dec. 31, 1976).	19,350.00
Yvonne Franklin Smith.	Staff investigator (July 1 to Dec. 31, 1976).	11,894.01
Suzanne G. Treacy	Secretary (July 1 to Dec. 31, 1976).	6,924.99
Jennifer D. Wysong	Research assistant (July 1 to Dec. 31, 1976).	6,124.98
Total		270,335.48

SUBCOMMITTEES OF THE COMMITTEE ON EDUCATION AND LABOR

January 15, 1977.

To the Clerk of the House:

The Committee on Education and Labor (8 Standing Subcommittees—Investigating Staff) (H. Res. 975) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B)
2. Total funds available during this period — $706,817.72
3. Amount expended during this period — 531,258.25

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

(Representative Carl D. Perkins, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Beatrice R. Clay	Secretary (July 1–Dec. 31, 1976).	$7,425.09
John F. Jennings	Counsel (July 1–Dec. 31, 1976).	19,350.00
Nancy L. Kober	Staff Assistant (Nov. 1–Dec. 31, 1976).	2,533.40
Shirley R. Mills	Secretary (July 1–Dec. 31, 1976).	10,554.39
Patrick J. Murphy	Assistant clerk (July 1–Sept. 30, 1976).	1,950.00
Toni E. Painter	Secretary (July 1–Dec. 31, 1976).	8,321.67
Dean V. Shahinian	Assistant clerk (July 1–Aug. 31, 1976).	1,300.00
Ivan Swift	Legislative assistant (July 1–Dec. 31, 1976).	6,746.73
Total		58,181.28

SUBCOMMITTEE ON LABOR-MANAGEMENT RELATIONS

(Representative Frank Thompson, Jr., Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Jeunesse M. Beaumont	Clerk (July 1–Dec. 31, 1976).	$11,594.25
Ted Irvin Coulter	Research assistant (July 1–July 31, 1976).	750.00
David Dickson	Research assistant (July 1–Aug. 31, 1976).	1,450.00
Dale Leonard DiDonato	Assistant clerk (July 1–Dec. 31, 1976).	5,470.16
Wallace Edward Edwards, Jr.	Research assistant (July 1–July 31, 1976).	750.00
Kevin Fitzpatrick	do	750.00
Tracy Ann Grooms	Research assistant (Sept. 15–Dec. 31, 1976).	919.57
Rose M. Hamlin	Secretary (July 1–Dec. 31, 1976).	5,844.90
Donald J. Kaniewski	Research assistant (July 1–Dec. 31, 1976).	8,478.23
David James Kishner	Research assistant (July 1–July 31, 1976).	750.00
Richard Shaffer	Research assistant (July 1–Aug. 31, 1976).	1,600.00
Thomas Wolanin	Staff director (July 1–Dec. 31, 1976).	17,673.18
Total		56,030.29

SUBCOMMITTEE ON LABOR STANDARDS

(Representative John H. Dent, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Julie Domenick	Research assistant (July 1 to Dec. 31, 1976).	$10,473.42
Adrienne Fields	Clerk and administrative assistant (July 1 to Dec. 31, 1976).	12,985.50
Cynthia L. Fox	Secretary (July 1 to to Dec. 31, 1976).	5,632.83
David L. Mallino	Research assistant (July 1 to Dec. 31, 1976).	7,681.14
Annette Mollick	Assistant clerk (July 1 to July 31, 1976).	500.00
Marilla Lane Ross	Assistant clerk (July 21 to Sept. 15, 1976).	916.67
Robert E. Vagley	Director (July 1 to Dec. 31, 1976).	19,350.00
Total		57,539.62

SUBCOMMITTEE ON MANPOWER, COMPENSATION, AND HEALTH AND SAFETY

(Representative Dominck V. Daniels, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
David P. Cybuliski	Assistant clerk (July 1–July 31, 1976.)	$500.00
Susan F. Drogin	Assistant clerk (July 1–July 31, 1976.).	500.00
Hugh G. Duffy	Counsel (July 1–Dec. 31, 1976).	18,399.99
Scott L. Gordon	Assistant clerk (Sept. 15–Dec. 31, 1976).	1,839.12
Daniel H. Krivit	Counsel (July 1–July 21, 1976.).	2,205.00
Mary Beth Lawler	Staff assistant (July 1–Dec. 31, 1976.)	7,169.07
Jeffrey Marvel	Assistant counsel (Aug. 2–Dec. 31, 1976).	8,583.79
Denniese L. Medlin	Clerk (July 1–Dec. 31, 1976).	8,193.18
Marcia Sue Nelson	Legislative associate (July 1–July 10, 1976).	666.67
Saralee Schwartz	Research assistant (July 1–Dec. 31, 1976).	6,400.95
Total		54,457.77

SUBCOMMITTEE ON SELECT EDUCATION

(Representative John Brademas, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Moya D. Benoit	Secretary (Sept. 7–Sept. 17, 1976).	$244.44
Thomas L. Birch	Legislative assistant (July 1–Dec. 31, 1976).	9,312.51
Ronald J. Caridi	Legislative assistant (July 1–Dec. 31, 1976).	10,999.98
Michael G. Cohan	Research assistant (July 1–Dec. 31, 1976).	6,250.02
Jack G. Duncan	Counsel (July 1–Dec. 31, 1976).	19,350.00
Joan M. Godley	Executive secretary (July 1–Dec. 31, 1976).	6,999.99
Karen D. Kostreba	Secretary (Nov. 1–Dec. 31, 1976).	2,083.34
Patricia A. Watts	Executive secretary (July 1–Aug. 20, 1976).	1,862.50
Total		57,102.78

SUBCOMMITTEE ON POSTSECONDARY EDUCATION

(Representative James G. O'Hara, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Webster Buell	Counsel (July 1–Dec. 31, 1976).	$14,164.58
Matthew S. Gamser	Assistant clerk (July 1–Aug. 20, 1976).	833.33
James B. Harrison	Staff director (July 1–Dec. 31, 1976).	18,757.95
Ronald G. Jolly	Staff assistant (Nov. 1–Dec. 31, 1976).	1,200.00
Jeffrey W. Kampelman	Assistant clerk (July 1–24, 1976).	400.00
Faye Marie Martin	Assistant clerk (July 1–Oct. 10, 1976).	1,456.73
William G. Phillips	Legislative associate (Dec. 1–31, 1976).	3,300.00
Karen Lee Prince	Assistant clerk (July 1–Dec. 31, 1976).	5,866.66
Peter O. Shinevar	Research assistant (July 1–10 and Aug. 4–27, 1976).	822.90
George S. Skinner	Associate counsel (July 1–Sept. 9, 1976).	$913.10
Elnora H. Teets	Clerk (July 1–Dec. 31, 1976).	10,431.50
Amy L. Ulrich	Assistant clerk (July 6–Aug. 6, 1976).	516.67
Eugene M. Zack	Legislative associate (July 1–Dec. 31, 1976).	19,238.43
Total		77,901.85

SUBCOMMITTEE ON EQUAL OPPORTUNITIES

(Representative Augustus F. Hawkins, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Vicki-Ann E. Assevero	Legislative assistant (Aug. 9 to Dec. 31, 1976).	$7,317.35
Susan Durkee Grayson	Staff director (July 1 to Dec. 31, 1976).	15,594.00
Bertram M. Gross	Staff assistant (July 1 to Aug. 31, 1976).	600.00
Frances A. Hardin	Staff assistant (July 1 to Sept. 21, 1976).	3,599.99
William L. Higgs	Special assistant (July 1 to Dec. 31, 1976).	12,650.61
Leon H. Keyserling	Staff assistant (July 1 to Dec. 31, 1976).	3,072.45
Amy Libenson	Research assistant (July 1 to Aug. 31, 1976).	800.00
Mark J. Molli	Staff assistant (Dec. 1 to Dec. 31, 1976).	500.00
David C. Ruffin III	Legislative assistant (July 1 to Dec. 31, 1976).	5,798.21
Carole M. Schanzer	Clerk (July 1 to Dec. 31, 1976).	9,114.93
Mary L. Whitsett	Assistant clerk (July 1 to Dec. 31, 1976).	6,704.19
Total		65,751.73

SUBCOMMITTEE ON AGRICULTURAL LABOR

(Representative William D. Ford, Chairman)

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
David R. DiGiacomo	Research assistant (Sept. 1–Dec. 3, 1976).	$2,321.14
Mark C. Furse	Research assistant (July 1–Sept. 3, 1976).	1,680.00
Nancy M. Gillen	Typist (July 1–Dec.10, 1976).	2,723.02
Gary L. Hanlin	Research coordinator (Oct. 1–Dec. 31, 1976).	5,000.01
Thomas R. Jolly	Counsel (July 1–Dec. 31, 1976).	19,350.00
Thomas M. Lopez	Research aide (July 1–Aug. 6, 1976).	1,020.00
Patricia R. Morse	Clerk (July 1–Dec. 31, 1976).	12,653.64
Nancy Nelson	Research assistant (Sept. 1–Sept. 30, 1976).	740.00
Peter E. Neubould	Research assistant (Oct. 1–Dec. 31, 1976).	2,499.99
Mary R. Paul	Secretary (July 1–Dec. 31, 1976).	7,132.83
Frank H. Rathbun III	Assistant clerk (Dec. 10–Dec. 31, 1976).	525.00
Scott W. Spaulding	Research assistant (July 1–Dec. 31, 1976).	2,367.48
Dianh F. Verby	Staff assistant (July 1–Aug. 12, 1976).	1,120.00
Total		59,133.11

COMMITTEE ON EDUCATION AND LABOR
(TASK FORCE ON WELFARE AND PENSION PLAN)

January 15, 1977.

To the Clerk of the House:

The Committee on Education and Labor (Task Force on Welfare and Pension Plan—Investigating Staff) (H. Res. 257) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $103,284.69
3. Amount expended during this period 72,934.10

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON LABOR STANDARDS
(TASK FORCE ON WELFARE AND PENSION PLAN)

Representative John H. Dent, Chairman

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo. period
Majority:		
Vance J. Anderson	Counsel (July 1 – Nov. 30, 1976).	$16,050.00
Kathleen Berish	Stenographer (July 1–Dec. 31, 1976).	5,827.64
Michelle E. Coster	Assistant clerk (July 1–Aug. 13, 1976).	716.67
John E. Dean	Staff assistant (July 17–Sept. 10, 1976).	1,724.99
Holly Hasley	Assistant clerk (July 1–July 31, 1976).	500.00
Suzanne Hays	Staff assistant (July 1–Dec. 31, 1976).	6,774.75
S. Howard Kline	Assistant clerk (July 1–Nov. 30) and counsel (Dec. 1–31, 1976).	7,870.76
Ralph Lattanzio	Assistant clerk (July 1–31, 1976).	500.00
Robin Reid	Secretary (July 1–Dec. 31, 1976).	7,258.65
Minority:		
Russell J. Mueller	Actuary and minority legislative associate (July 1–Dec. 31, 1976).	19,350.00
Total		66,573.46

COMMITTEE ON GOVERNMENT OPERATIONS

January 10, 1977.

To the Clerk of the House:

The Committee on Government Operations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during th s period $1,174,570.18
3. Amount expended during this period 868,943.93

JACK BROOKS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
William M. Jones	General counsel	$19,350.00
John E. Moore	Staff administrator	19,350.00
Elmer W. Henderson	Counsel	19,350.00
William H. Copenhaver	Associate counsel	19,087.50
John W. Beckler	Professional staff member.	13,709.76
C. Don Stephens	do	14,666.88
Lynne Higginbotham	Staff member	10,929.51
Ralph Doty	do	6,855.52
Marilyn F. Jarvis	do	10,104.54
Liliam M. Phillips	do	9,288.12
John Philip Carlson	Minority counsel	19,350.00
Richard L. Thompson	Minority professional staff member.	13,677.34
Stephen M. Daniels	do	14,666.88
James L. McInerhey	do	13,192.44
Clara Katherine Armstrong.	Minority research assistant.	11,292.30
Susan M. Cohen	Minority secretary	6,016.89
Catherine S. Cash	Staff member (through Aug. 31, 1976).	3,535.00
Total		224,422.68

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Standing Committee, Hon. Jack Brooks, chairman:		
Expenses		$8,674.26
Special investigative staff, Hon. Jack Brooks, chairman:		
Thomas J. Payne	Professional staff member.	11,076.00
Emory H. Smith	do	11,362.38
Joy S. Chambers	do	11,336.58
Lawrence A. Russell	do	7,085.73
Bethanna Bunn	Accounting clerk (from July 22, 1976).	4,991.16
Cheryl Ann Badey	Clerical staff (from Aug. 16, 1976).	3,483.69
Judge N. Williams	Clerical staff	4,462.74
C. Diane Williams	Clerical staff (from Oct. 5, 1976).	1,911.12
Muftiah M. Koach	Clerical staff (from Aug. 9 through 12, 1976).	111.11
Diane M. Nuckolls	Staff member (until Aug. 13, 1976).	1,098.89
Elizabeth H. Hanthorn	do	1,075.00
Brenda D. Williams	Clerk-typist (from July 1 through Aug. 26, 1976).	1,322.22
Thomas K. Sullivan	Minority professional staff member.	13,451.10
Richard M. Tempero	do	14,666.88
Jordan Clark	do	12,498.60
John M. Duncan	do	13,192.44
Henry S. Ruempler	do	13,192.44
Judie G. Chestnut	Minority secretary (from Sept. 13, 1976).	3,245.59
Barbara Jean Kerns	Minority secretary (until July 31, 1976).	791.67
Total		130,355.34
Legislation and National Security Subcommittee, Hon. Jack Brooks, chairman:		
Richard C. Barnes	Professional staff member.	13,797.45
David E. Holt	do	13,037.22
Guadalupe R. Flores	do	6,585.73
Craig J. Gehring	Professional staff member (from Aug. 9, 1976).	5,284.75
Dorothy A. McGee	Secretary	6,292.61
Patricia M. Joyce	Secretary (until Aug. 31, 1976).	1,9 8.34
Expenses		582.12
	Total	47,538.22
Intergovernmental Relations and Human Resources Subcommittee, Hon. L. H. Fountain, chairman:		
James R. Naughton	Counsel	19,350.00
Delphis C. Goldberg	Professional staff member.	19,350.00
Gilbert S. Goldhammer.	Consultant	11,436.00
William S. McLeod	Professional staff member.	8,602.86
Pamela H. Welch	Clerk-stenographer	7,169.07
Margaret M. Goldhammer.	Secretary	5,534.34
Expenses		3,758.61
	Total	75,200.88
Government Activities and Transportation Subcommittee, Hon. Wm. J. Randall, chairman:		
Beth Wasserman	Special assistant to subcommittee chairman (from Oct. 1, 1976).	4,500.00
Miles Q. Romney	Subcommittee counsel	5,292.00
Bruce R. Butterworth	Research assistant	6,525.00
Marjorie A. Eagle	Secretary (until Dec. 20, 1976).	6,484.85
Mathilde Bosley	Secretary (from Oct. 1 through Nov. 30, 1976).	2,000.00
William G. Lawrence	Subcommittee staff director (until Sept. 6, 1976).	5,133.33
John F. Tischler	Special assistant to the subcommittee chairman (until Sept. 30, 1976).	6,249.99

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Susan E. Rollman	Secretary (until Sept. Sept. 30, 1976).	$3,263.40
Expenses		4,611.52
Total		44,060.09
Commerce, Consumer, and Monetary Affairs Subcommittee, Hon. Benjamin S. Rosenthal, chairman:		
Peter S. Barash	Subcommittee staff director.	19,350.00
Herschel F. Clesner	Subcommittee counsel	18,999.99
Ronald A. Klempner	Professional staff member.	14,485.80
Robert H. Dugger	do	13,968.45
Jean S. Perwin	do	8,295.63
D. Faye Taylor	Clerk	7,219.89
Eleanor M. Vanyo	Secretary	6,851.94
Expenses		4,787.16
Total		93,958.86
Manpower and Housing Subcommittee, Hon. Floyd V. Hicks, chairman:		
Joseph C. Luman	Subcommittee staff director.	19,350.00
James L. Gyory	Investigator	11,903.43
Richard E. Grawey	Associate counsel	10,816.68
Peter H. Hanley	Professional staff member.	8,602.86
Louise Chubb	Clerk	6,638.10
Lynn E. Miller	Clerical staff member (from Sept. 1).	4,144.90
Geraldine A. Fitzgerald.	Clerk (until July 31, 1976).	1,050.00
Expenses		3,349.51
Total		65,855.48
Government Information and Individual Rights Subcommittee, Hon. Bella S. Abzug, chairman:		
Timothy H. Ingram	Subcommittee staff director.	19,087.50
Eric L. Hirschhorn	Subcommittee counsel	17,153.40
Theodore J. Jacobs	Professional staff member.	15,594.00
Robert S. Fink	do	13,580.43
Marilyn G. Haft	Professional staff member (from July 19).	11,683.75
Anita W. Wiesman	Clerk	7,681.14
Maura J. Flaherty	Secretary	6,400.95
Expenses		3,778.52
Total		94,959.69
Conservation, Energy, and Natural Resources Subcommittee, Hon. Leo J. Ryan, chairman:		
Norman G. Cornish	Subcommittee staff director.	19,350.00
David A. Schuenke	Counsel	18,556.86
Robert K. Lane	Assistant for envoronment.	14,123.67
Ronald J. Tipton	Assistant counsel	9,678.21
Eileen W. Theim	Clerk	7,812.18
Geraldine A. Fitzgerald.	Secretary (from Aug. 1, 1976).	5,402.16
Expenses		8,995.35
Total		83,918.43

COMMITTEE ON HOUSE ADMINISTRATION

January 15, 1977.

To the Clerk of the House:

The Committee on House Administration, pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $660,000.00
3. Amount expended during this period 233,106.07

FRANK THOMPSON, Jr., Chairman

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Noreen Aden	Ass't clerk (minority)	$6,452.16
William Baranowski	Ass't clerk	8,295.45
William Cable	Staff director and assoc. counsel.	19,350.00
Carol Clawson	Staff ass't (off July 23, 1976).	1,844.79
Thomas Cooper	Ass't minority counsel	10,306.02
Cynthia Cortese	Ass't clerk	7,353.68
Nansy Crookston	Secretary to general counsel.	7,931.22
Martha Ford	Ass't clerk (transferred to inves. staff) (off July 31, 1976).	1,102.51
E. Douglas Frost	Staff ass't (off July 23, 1976).	2,108.33
Chellis O. Gregory, Jr.	Clerk (Computer Subc.).	16,373.70
Heyward Hane, Jr.	Clerk (Oversight Subc.).	13,037.22
Gurney Jaynes	Ass't clerk	11,942.95
Sharon Kite	do	8,337.12
Johanna Lucas	Restaurant coordinator	12,367.20
Alice Mayer	Secretary to chief counsel.	8,193.18
John McGarry	Special counsel	19,350.00
Robert McGuire	Auditor	14,698.86
Robert Moss	General counsel	19,350.00
Ray Murdock	Clerk (Paper Conserv. Subc.).	13,580.43
Linda Nave	Ass't clerk (minority)	9,928.80
Kathleen O'Hara	Office manager	11,479.50
Brenda O'Lenick	Ass't clerk	9,512.50
Frank Ryan	Director of infor. syst.	19,350.00
Edward Strinko	Ass't to staff director (off Sept. 3, 1976).	4,200.00
Elsie Taylor	Ass't clerk (Elec. and Mech. Subc.).	7,681.14
Sebastian Tom	Clerk (Elec. and Mech. Subc.).	7,681.14
Joseph Ventura	Clerk (Personnel and Police Subc.).	14,615.16
Evelyn Wilson	Staff ass't (off July 23, 1976).	1,341.67
Paul Wohl	do	2,415.17
William Canfield	Clerk (Libr. and Mem. Subc.) (transfer from inv. st. on Aug. 1, 1976) (off Oct. 24, 1976).	4,913.07
William Causey	Ass't clerk (Contracts Subc.—Minority) (transferred from Inv. St. on Aug. 1, 1976).	8,146.09
Edward Davey, Jr.	Clerk (Printing Subc.) (transferred from Inv. St. on Aug. 1, 1976) (off Oct. 15, 1976) (on Nov 8, 1976).	7,603.78
Carol Forbes	Ass't clerk (Computer Subc.) (transferred from Inv. St. on Aug. 1, 1976).	13,072.16
Charles Howell	Counsel (Accounts Subc.) (transferred from Inv. St. on Aug. 1, 1976).	11,812.30
Paul	Counsel (Contracts Subc.) (transferred from Inv. St. on Aug. 1, 1976).	11,392.93
Richard Oleszewski	Clerk (Election Subs.) (transferred from Inv. St. on Sept. 4, 1976) (transferred to Inv. St. off Dec. 18, 1976).	5,060.70
Faye Padgett	Spec. ass't to staff director (on Nov. 1, 1976).	4,229.17
Boyd Alexander	Chairman's ass't for infor. syst. (on Dec. 19, 1976).	1,320.00
Total		357,730.10

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Paul Browning	Ass't clerk	$3,686.94
Kelly A. Burke	Ass't clerk (off Oct. 15, 1976).	2,114.49
William Canfield	Clerk (Library and Memorials Subc.) (transferred to Stan. Com. St., off July 31, 1976).	1,614.58

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
William Causey	Ass't Clerk—Minority (Contracts Subc.) (transferred to Stan. Com. St., off July 31, 1976).	$1,583.33
Omega Clay	Ass't clerk (off Dec. 31, 1976).	4,199.01
Grace Cohilas	Ass't clerk (Personnel and Police Subc.).	6,642.63
Craig Colley	Ass't clerk (off Aug. 26, 1976).	1,120.00
Betsy Colombo	Ass't clerk	3,268.34
Peter Congleton	Ass't clerk (off Aug. 13, 1976).	860.00
Geoffrey Cooper	Ass't clerk (off Aug. 20, 1976).	1,000.00
Edward Davey, Jr.	Counsel (Printing Subc.) (transferred to Stan. Com. St., off July 31, 1976).	1,666.67
John Dean	Ass't clerk (off July 16, 1976).	466.67
Mary Ann Denning	Ass't clerk (off Aug. 31, 1976).	860.00
Paul Dwyer	Counsel (Contracts Subc.) (transferred to Stan. Com. St., off July 31, 1976).	2,187.50
Carol Forbes	Ass't clerk (Computer Subc.) (transferred to Stan. Com. St., off July 31, 1976).	2,500.00
Ollievia Frasier	Ass't clerk (off July 9, 1976).	354.38
Barbara Giaimo	Ass't clerk (Elections and Elec. and Mech. Subcs.).	11,207.79
Vivienne Hannum	Clerk (Parking Subc.)	7,471.05
James Hart	Ass't clerk	6,517.30
Charles Howell	Counsel (Accounts Subc.) (transferred to Stan. Com. St., off July 31, 1976).	2,250.00
Alice Jackson	Ass't clerk (Printing Subc.).	8,100.00
Phyllis Jones	Ass't clerk (Contracts Subc.).	3,150.00
Kylene Koch	Ass't clerk (Elections Subc.) (off Aug. 20, 1976).	833.33
Jana Lincoln	Ass't clerk (Oversight Subc.) (off July 31, 1976).	333.33
Bernard Mandella	Staff ass't (Contracts Subc.).	4,839.12
David Mica	Intern (Printing Subc.) (on July 1, 1976, off Aug. 31, 1976).	866.66
J. Stephen Mikita	Ass't clerk (off Aug. 12, 1976).	840.00
Debra Munjas	Ass't clerk (off Aug. 10, 1976).	800.00
Caroline Oakes	Ass't clerk (off Aug. 12, 1976).	840.00
Richard Oleszewski	Clerk (Elections Subc.) (transf. to Stan. Com. St., off Sept. 3 1976; transf. from Stan. Com. St. on Dec. 19, 1976).	3,516.54
Patricia Perry	Ass't clerk (Parking Subc) (off Aug. 31, 1976).	2,364.00
Barbara Pogue	Ass't clerk (Contracts Subc).	5,426.79
Patricia Rones	Ass't clerk (Oversight Subs) (off July 31, 1976).	1,000.00
Judith Simmons	Ass't clerk (Accounts Subc.).	6,291.72
David Spence	Ass't clerk (off Aug. 25, 1976).	1,100.00
Dixie Spencer	Clerk (Restaurants Subc.).	9,217.35
Margaret Steele	Ass't Clerk (Paper Conser. Subc.).	5,161.71
Sandra White	Ass't clerk (off Aug. 13, 1976).	860.00
Candis Whitley	Ass't clerk (off Oct. 31, 1976).	3,266.68
Robert Zeller	Ass't clerk	4,029.95
Mary Stolle	Ass't clerk (on July 7 26, 1976).	3,179.14
Frank Szelag	Ass't clerk (on Aug. 16, 1976).	2,866.29
Martha Ford	Ass't clerk (transferred from Stan. Com. St. on Aug. 1, 1976).	3,646.44
James Abernathy	Ass't clerk (Parking Subc.) (on Sept. 1, 1976).	6,044.64

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Patricia Comarell	Ass't clerk (on June 14, 1976, off June 21, 1976; June paid in September).	$355.56
Richard Millner	Ass't clerk (on Oct. 1, 1976).	500.01
Robert Royer	Clerk (Library and Memor. Subc) (on Oct. 25, 1976).	3,116.67
P. Suzanne Russell	Ass't clerk (on Oct. 1, 1976).	2,499.99
Paul Harkins	Ass't clerk (on Nov. 1, 1976, off Dec. 31, 1976).	1,202.50
Ruby Hopkins	Ass't clerk (on Nov. 1, 1976).	1,791.66
Barbara Alexander	Ass't clerk (on Dec. 21, 1976).	180.56
Sharon Beavers	Ass't clerk (Restaurant Subc.) (on Dec. 1, 1976).	1,000.00
Thomas Brandt	Summary of debate clerk (on Dec. 1, 1976).	1,572.50
Demetrios Gadonas	Summary of debate clerk (on Dec. 1, 1976).	1,397.75
Hugh Hart, Jr	do	1,768.67
Dianne Oshetski	Ass't clerk (on Dec. 1, 1976).	1,208.33
Wilhelm Pickens	Summary of Debate Clerk (on Dec. 1, 1976).	1,397.75
Stanton Sechler	do	833.33
Cynthia Sharp	do	833.33
David Solomon	do	1,397.75
Robert C. Ward	do	1,659.83
Clara V. White	do	833.33
Total		163,693.89

COMMITTEE ON HOUSE ADMINISTRATION (HOUSE INFORMATION SYSTEMS)

January 15, 1977.

To the Clerk of the House:

The Committee on House Administration (House Information Systems) pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $6,728,500.00
3. Amount expended during this period — 3,117,541.61

FRANK THOMPSON Jr., Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Grace T. Aldridge	Executive secretary (SD July 6, 1976, TD Aug. 31, 1976) (TD Nov. 11, 1976).	$1,991.61
Rosa Allen	Jr. supply control clk. (TD Nov. 11, 1976).	3,140.87
Luis J. Amigo	Sr. prog. analyst	9,927.09
Neil R. Armann	Ass't dir. for planning	15,978.30
Denise L. Asparagus	Jr. adm. control coord	5,093.10
Belva R. Atchison	Text processing specialist.	6,258.57
Ronald A. Aufiero	Jr. programmer	5,656.38
Joel I. Babchak	Section manager	13,849.89
Michael J. Ball	Jr. computer syst. analy. (SD July 12, 1976).	7,827.09
Robert W. Barber	Syst. factors spec	7,632.74
Jack B. Belcher	do	7,019.71
Alexander Ben	Sr. prod. control spec.	5,099.99
Linda K. Berdine	Jr. secretary	4,570.26
Phillip E. Bescher	Sr. computer syst. analy.	11,324.44
Linda Birk	Technical aide (SD July 9, 1976, TD Aug. 31, 1976).	909.43
Geoffrey B. Blood	Programer analy	9,156.39
Delci Blair	Sr. production control spec.	5,485.86
Gerald L. Boho	Syst. programer (SD July 6, 1976).	10,692.08
David L. Brazeal	Section manager	12,463.51
Mark D. Brickman	Comm. term. opr	4,241.29
Cynthia Y. Brown	Syst. typist	4,722.87
Thomas C. Brown, Jr.	Jr. sect. mgr	11,803.44
Franklin A. Bueno	Sr. production control Spec.	4,912.86
Barbara A. Burda	Prod. control coord	5,943.15

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Earl W. Burdette	Sect. mgr	$13,896.54
Sandra R. Burke	Tech. writer	7,674.49
Katherine J. Bye	Tech. spec	7,590.99
Frank W. Byrd	Data processing coord	8,432.34
Benjamin R. Chandler	Sr. programer analy	10,601.53
Richard M. Carfagno	Ecting jr. programer	5,093.10
Jonathan P Carter	Courier (TD Aug. 18, 1976).	1,010.13
Wayne Carter	Computer Opr	5,367.24
John T. Cavanaugh	Sr. Programer Analy	10,655.37
Elliot C. Chabot	Tech. Aide (SD July 9, 1976, TD Aug. 20, 1976).	828.57
Henry F. Collins, Jr	Section Manager	14,747.98
Fauntly E. Comer	Jr. Programer Analy	7,367.51
Teddy R. Compton	Sr. Systems Programer	13,036.17
Brian M. Connolly	do	10,852.42
Janet Louise Conrad	Sr. Comm. Term. Opr	5,032.85
James C. Daley	Sr. Computer Syst. Analy.	11,803.44
Stephen H. Daniels	Data Analyst (SD July 9, 1976, TD Aug. 27, 1976).	966.66
George E. Delcastillo	Sr. Syst. Programer (TD Aug. 27, 1976).	3,989.68
William R. Delmore	Section Manager	12,929.45
Darlene Devin	Jr. Adm. Spec	6,903.81
Joel A. Dibona	Info. Syst. Spec	9,927.09
Michael S. Dougherty	Sr. Info. Syst. Spec	13,896.54
Patricia R. Dowling	Programer Analy	9,584.80
Jojean L. Earley	Sr Computer Syst. Analy.	12,590.61
Michele Eastridge	Sr. Secretary	5,184.48
Dorothy Ellis	Sr. Data Prep. Spec	5,475.12
Marilyn Epstein	Programer Analy	8,511.01
Richard H. Fields	Manager	16,274.40
Bruce W. Fink	Syst. Factors Analy	10,268.67
Sarah A. Fisher	Programer	6,700.81
Marian M. Flohr	Sr. Typist	4,722.87
Lea Fowlie	Comm. Control Coord	5,564.71
K. Michael Frazier	Programer Analy	9,156.39
William E. Freeman	Section Manager	13,896.54
Marie A. Frontera	Sr. Secretary (SD July 6, 1976).	5,502.96
Robert W. Garrett	Group Manager	15,978.32
David T. Gaydos	Sr. inform. syst. spec	12,197.16
Deloris Gilliam	Comp. opr	5,656.38
Jackie J. Gilliand	Programer	6,497.81
Jeffery A. Goldberg	Technical spec. (SD July 6, 1976).	7,877.33
Gary Grasmick	Prod. cont. coord	5,475.12
Aaron Greenberg	Sr. syst. fact. analy	12,197.16
Gertrude P. Grieb	Comp. syst. spec	10,790.67
Gail A. Grieder	Comm. term. opr	4,570.26
Sheldon Grosberg	Ass't. dir. for administration.	16,583.16
Richard W. Guenot	Programer	6,903.81
Catherine M. Gvozd	Comm. term. opr	4,722.87
James B. Haga	Sr. infor. syst. spec	12,197.16
Walter E. Haggerty	Sect. mgr	14,982.52
Linda A. Hall	Secretary (TD July 26, 1976).	718.32
Thomas S. Harman	Data analy. (SD July 9, 1976, TD Sept. 3, 1976).	961.90
Thomas J. Hawk	Data proc. coord	7,687.64
Delores Herald	Jr. data prep. spec	3,879.48
William R. Hill	Sect. mgr	13,896.54
Amos Hilton, Jr	Prod. cont. spec	5,475.12
Ralph W. Hofmann	Sr. prog	7,590.99
Suzanne L. Holton	Sr. clerk	5,059.26
James P. Howell	Text proc. spec. (TD Aug. 13, 1976).	1,508.47
William L. Huddleston	Jr. comm. term. opr	4,084.32
William H. Hunter	Prog. analy	8,323.77
Margaret Mary Hyland	Jr. prog	6,467.01
Curtis E. James	Programer	6,939.96
Patricia Jarrell	Jr. text proc. Spec. (SD July 19, 1976, acting).	4,595.80
C. Wesley Jenkins	Sr. comp. syst. spec	12,658.24
Louis E. Johannes	Jr. programer (TD Aug. 31, 1976).	2,037.00
C. Frederick Johnson	Systems programer (SD July 6, 1976).	9,657.84
Robert Katsuda	Computer system spec.	9,993.81
Susay M. Kenny	Jr. comm. term opr	4,084.32
Jean E. Keppler	Sr. comm. term. opr	5,008.02
Janet Key	Sr. data prep. spec	4,570.26
Robert S. Kidwell	Section manager (TD Dec. 7, 1976).	12,463.20
Peter C. Kim	Acting jr. programer	4,938.91
J. Gregory Knott	Text processing spec	6,365.63
Marilyn J. Knox	Sr. typist	4,570.26
Gary Kollin	Technical aide (SD July 9, 1976; TD July 31, 1976).	434.01
John F. Kurpiel	Sr. comm. term. opr	5,263.11
R. A. Kurzberg	Program	5,866.17
Vicki G. Lafer	Jr. comm. term. ope. (SD July 12, 1976).	3,840.61
Claire L. Lagakis	Text proc. spec	6,062.57
Thomas C. Leonardo	Sr. comp. syst. spec	12,197.16

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Stephen F. Levitas	Sr. prog. analy	$9,439.13
Paula W. Macomber	Sr. secretary	5,844.84
Roma Malkani	Sr. comp. syst. anly	12,197.16
John Mang, Jr	Sr. prog. anly	11,320.71
Michael B. Marcus	Prog. anly	8,323.77
Kenneth M. Marx	Sr. inform. syst. spec	11,803.44
Richard G. Maynard	do	14,221.95
Charles R. McCall, Jr	Prod. control spec	4,149.57
H. Gerald McGuire	Group mgr	16,274.40
Curtis L. Merrick	do	16,052.90
Edmond S. Mesko	Sr. comp. syst. spec. (TD Dec. 18, 1976).	12,137.95
Susan B. Miller	Sr. syst. factors analy. (TD Aug. 18, 1976).	3,257.87
Ronald V. Moretti	Programer	8,096.94
Donald C. Morris	Manager	16,274.40
Gerald C. Morrone	Comp. syst. analy	11,213.37
Helmut J. Mueller	Prog. analy	8,601.33
Sushma Mukerji	Sr. prog. analy	10,655.37
Roberts J. Mumma	Data proc. coord	7,590.99
Gerald M. Murphy	Sect. mgr	14,359.56
Mildred A. Neigh	Jr. comm. term. opr. (SD July 6, 1976).	3,973.54
Steven B. Newman	Sr. comm. cont. coord	6,258.57
Joseph A. O'Brien	Sr. inform. syst. spec	14,359.56
Thomas A. Odt	Jr. programer	6,258.57
Robert B. Ogden	Prog. analy	8,323.77
Eamon O'Reilly	Sr. prog. analy. (SD July 6, 1976).	11,015.99
John H. Patterson	Prog. analy	8,323.77
Merritt S. Phillips	Jr. comp. opr	5,141.36
Thomas E. Pickenpaugh	Comp. opr	6,080.37
JoAnn Pometto	Sr. secretary	5,275.86
Flora A. Posey	Data prep. spec	4,084.32
Hettie K. Prater	Admin. spec	8,602.86
Carol A. Preshlock	Syst. fact. spec	7,287.09
Linda M. Preshlock	Jr. prog	5,093.10
Heather C. Pritchard	Sr. prog. analy	10,988.25
Martha H. Prout	Jr. prog	5,656.38
Alfred C. Quenneville	Comp. syst. spec	9,927.09
Robert J. Reardon	Sr. syst. prog	13,035.60
John T. Reed	Sr. comp. syst. analy	13,966.99
Julie C. Reynolds	Comm. term. opr. (TD Aug. 6, 1976).	892.50
Carole E. Roberts	Sr. syst. fact. spec	9,482.67
Janice K. Robertson	Comp. syst. analy	11,321.13
Elizabeth A. Robinette	Comp. opr	5,275.86
Samuel M. Rogers	Data proc. coord	8,160.42
Yara N. Romani	Syst. fact. spec	7,019.71
Doris R. Ross	Secretary	5,603.13
Linda Russel	Sr. data prep. spec	4,912.86
Massimo Salino	Jr. prog. analy	7,135.61
Shirley M. Samuels	Sr. comm. term. opr	5,093.10
Karin T. Sandifer	Sr. inform. syst. spec. SD July 6, 1976).	11,868.41
Paul R. Savercool	Prod. cont. spec	4,220.52
Carl F. Schmidt	Syst. prog	10,655.19
Janet P. Schultz	Jr. prog. librarian (TD Dec. 6, 1976).	4,398.00
Memory F. Sherard	Prod. cont. coord	5,475.12
James B. Short	Sr. prog. analy	9,927.09
Mark L. Shriver	Comp. opr	6,370.74
Cheryl T. Smith	Sr. syst. fact. spec	8,184.38
Emma E. Smith	Sr. comp. opr	7,400.01
Steven M. Smith	Jr. syst. fact. analy	8,323.77
Warren G. Sproul	Prog. analy	8,323.77
Stephen J. Stofko, Jr	Group mgr	16,817.07
Candace E. Stubbs	Jr. syst. fact. spec	6,903.81
Hillel H. Sukenik	Sr. comp. syst. analy	11,563.94
Barbara E. Swart	Programer	6,976.47
Marco Terango	Jr. comm. term. opr. (TD Dec. 26, 1976) (SD July 12, 1976).	3,769.88
Debora J. Tippett	Sr. Typist	4,491.16
Laura Tovar	Administrative clerk	4,570.26
Robert M. Towers	Syst. prog	8,890.75
Jackson Tsai	Sr. comm. cont. coord.	6,675.39
Meridel E. Turch	Sr. typist	4,591.67
W. Brenda Turrentine	Comm. term. opr. (TD Dec. 10, 1976).	4,050.48
Howard G. Ulep	Asst. dir. for configuration.	16,730.07
Patricia A. Ulep	Syst. fact. spec	7,479.25
David P. Underwood	Sr. comp. syst. spec	13,804.77
Thomas A. Vann	Jr. comp. opr	5,202.91
Jasper T. Wagliardo	Section mgr	13,430.52
Michael G. Walker	Sr. comp. syst. spec	12,590.61
Sylestene T. Walker	do	5,032.85
Charles T. Walsh	Syst. fact. analy	10,655.37
Vernon J. Walters	Comp. syst. analy	10,322.49
Laurice Walton	Sr. prog. analy	9,756.48
Berthine Washington	Data prep. spec	4,683.45
Gloria J. Washington	Sr. data prep. spec	4,912.86
Elmer M. Whiting	Sr. comp. opr	7,400.01
Anne W. Wightman	Comp. syst. analy	9,585.87
Susan E. Willett	Administrative clerk (TD Aug. 6, 1976).	981.90
Linda C. Williams	Jr. typist (TD Dec. 17, 1976).	3,367.90
Marie V. V. Williams	Sr. inform. syst. spec	12,590.85
Scott R. Williams	Jr. comm. term. opr. (TD Aug. 27, 1976).	1,262.87
Norman E. Wilson	Sect. mgr	12,527.18

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Gary A. Winters	Programer	$6,903.81
Douglas K. Wright	Comp. opr	5,676.07
Anne A. Huddleston	Technical aide (SD July 9, 1976, TD Sept. 30, 1976).	1,434.10
Grace A. Beadle	Technical aide (SD Aug. 9, 1976).	4,789.62
Jane Cleveland	Text proc. spec. (SD Aug. 9, 1976).	5,133.94
Donald F. Delorme	Jr. prog. (SD Aug. 9, 1976).	4,968.47
S. E. Garriss	Prog. analy. (SD Aug. 17, 1976).	6,246.75
Patricia Houston	Typist (SD Aug. 2, 1976).	3,397.49
Benton T. Peters	Jr. comp. opr. (SD Aug. 2, 1976).	4,652.63
John C. Shackelford	Programer (SD Aug. 2, 1976).	6,125.35
Patrick C. Smythe	Courier (SD Aug. 9, 1976).	3,079.80
Robert E. Studley	Sr. comp. syst. spec. (SD Aug. 9, 1976).	10,011.70
James R. Tolson	Jr. comm. term. opr. (SD Aug. 17, 1976).	3,065.16
Hugh B. Ward, Jr	Jr. comm. term. opr. (SD Aug. 2, 1976).	3,397.49
Sandra A. Jolley	Programer (SD Sept. 13, 1976).	4,767.88
Kieth E. Keller	Prog. Analy. (SD Sept. 13, 1976).	5,918.50
Susan J. Neill	Hr. Comm. Term. Opr. (SD Sept. 13, 1976).	2,489.11
William W. Skaar	Jr. Sect. Mgr. (SD Sept. 13, 1976).	7,704.04
Marianna O'Brien	Jr. Syst. Fact. Spec. (SD Sept. 7, 1976).	4,432.11
Sally W. Pate	Sr. Comp. Syst. Analy. (SD Sept. 1, 1976).	9,104.45
Patrice L. Moore	Secretary (SD Sept. 27, 1976).	2,898.50
Michael Botos	Jr. Syst. Fact. Spec. (SD Oct. 12, 1976).	3,093.51
Bobbie J. Broce	Typist (SD Oct. 18, 1976).	1,742.46
Alfred R. Crawford	Programmer (SD Oct. 26, 1976).	2,545.29
Denis Fellenz	Sr. Prog. Analy. (SD Oct. 1, 1976).	5,110.50
Edward E. Loughman	Sr. Inform. Syst. Spec. (SD Oct. 1, 1976).	7,089.51
Harry Sanders	Comp. Syst. Spec. (SD Oct. 12, 1976).	4,934.21
William H. Schwab	Jr. Comm. Term. Opr. (SD Oct. 18, 1976).	1,686.30
William Welch	Programmer (SD Oct. 1, 1976).	3,994.26
William Adams	Sr. Comp. Syst. Spec. (SD Nov. 1, 1976).	4,051.34
August Schulties	Comp. Syst. Spec. (SD Nov. 8, 1976).	3,310.29
Donald D. Wood	Prod. Cont. Spec. (SD Nov. 8, 1976).	1,265.08
Saul Zavala	Jr. Prog. (SD Nov. 15, 1976).	1,630.82
Michael B. Bowman	Jr. Syst. Fact. Spec. (SD Dec. 13, 1976).	728.35
Evan H. Galen	Sr. Prog. (SD Dec. 13, 1976).	776.20
Tom H. Russell	Comp. Syst. Spec. (SD Dec. 6, 1976).	1,419.58
Total		1,692,274.05

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

January 3, 1977.

To the Clerk of the House:

The Committee on Interior and Insular Affairs pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $1,082,788.47
3. Amount expended during this period 664,922.09

M. K. UDALL, Acting Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Charles Conklin	Staff director	$19,350.00
Lee McElvain	General counsel	19,350.00
William Shafer	Consultant on mines, minerals, and public lands.	19,350.00

SCHEDULE A—STANDING COMMITTEE PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Adrian Winkel	Consultant on territorial and insular affairs.	$19,350.00
Henry Myers	Special consultant on nuclear energy matters.	16,912.50
Roy Jones, Jr	Assistant counsel on oversight matters.	13,437.51
William Anderson III	Budget analyst	13,437.51
Eni Hunkin, Jr	Assistant counsel	13,437.51
Patricia Murray	Full committee clerk	14,174.76
Miriam Waddell	Secretary-clerk	9,791.94
Sandra Metcalf	do	9,475.74
James Henson, Jr	Finance clerk	7,891.65
Joseph Gnoffo	Printing clerk (from inv. Sept. 1, 1976).	8,563.51
Michael Marden	Minority counsel	17,673.18
Janet Niebel	Administrative assistant (minority).	7,687.50
Harold Hatfield	Legislative assistant (minority).	11,336.58
Thomas Dunmire	Minority consultant on territorial and insular affairs.	12,038.79
Clay Peters	Minority consultant on national parks and recreation.	13,451.10
Jack Daum	Minority consultant on water and power resources.	14,227.14
Robert Terrell	Minority consultant on public lands.	13,451.10
Michael Jackson	Minority consultant on Indian affairs.	10,821.30
Michael Metz	Minority consultant on energy and the environment.	11,594.25
Dale Nicholls	Minority consultant on mines and mining.	11,336.58
Cleveland Pinnix	Consultant, Subcommittee on National Parks and Recreation.	15,874.98
Betty Nevitt	Clerk, Subcommittee on National Parks and Recreation.	8,974.98
Carla Kish	Consultant, Subcommittee on Energy and the Environment.	8,974.98
Maurice Shean	Consultant, Subcommittee on Territorial and Insular Affairs (to inv. Sept. 1).	6,223.40
C. Stanley Sloss	Counsel, Subcommittee on Mines and Mining.	11,787.51
Franklin Ducheneaux	Counsel, Subcommittee on Indian Affairs.	15,968.64
Roy Folsom	Staff assistant, Subcommittee on Indian Affairs (term. Aug. 31, 1976).	3,062.50
Thomas Cavanaugh	Special counsel on public lands.	17,762.49
Total		396,769.63

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Bertha Drotos	Calendar clerk	$9,475.74
Kathy Loeffler	Receptionist	7,268.76
Joseph Gnoffo	Printing clerk (to Sept. 1, 1976).	4,127.00
Edward Gaddis	Staff assistant	7,649.99
John Peterson	do	4,675.85
Christine Allwine	Secretary to minority consultants.	5,893.74
Gail Kelly	do	6,150.00
Frances Diehl	Secretary to minority consultants.	6,662.49
Steve Steinbach	Staff assistant (intern) minority, terminated Sept. 21, 1976.	1,350.00
Cynthia Engquist	Stafl assistant (intern) minority, terminated Aug. 31, 1976.	1,000.00
Evelyn Bertorello	Clerk, Subcommittee on National Parks and Recreation.	8,974.98
Dumont Clarke, IV	Staff assistant (intern) Subcommittee on National Parks and Recreation, terminated Aug. 20.	833.33

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Jim Casey	Consultant, Subcommittee on Water and Power Resources.	$19,350.00
Mary Lee Gennari	Clerk, Subcommittee on Water and Power Resources.	7,946.61
Stanley Scoville	Counsel, Subcommittee on Energy and the Environment.	13,850.01
Dale Pontius	Counsel, Subcommittee on Energy and the Environment, terminated July 31.	2,117.85
David Nix	Staff assistant, Subcommittee on Energy and the Environment.	10,500.00
Janet Sue Fore	Clerk, Subcommittee on Energy and the Environment.	6,154.18
Holly Saunders	Secretary, Subcommittee on Energy and the Environment, terminated July 31.	750.00
Colin Mathews	Counsel, Subcommittee on Energy and the Environment, from July 1 to Sept. 26.	7,166.67
Elizabeth McMillan	Secretary, Subcommittee on Energy and the Environment, as of Sept. 7.	2,975.01
Francis Sheehan, Jr	Staff assistant, Subcommittee on Energy and the Environment, as of Dec. 1.	291.67
Maurice Shean	Consultant, Subcommittee on Territorial and Insular Aflairs, from Stand. Sept. 1.	13,011.70
Nancy Drake	Clerk, Subcommittee on Territorial and Insular Aflairs.	10,821.30
Andrew Wiessner	Staff assistant, Subcommittee on Mines and Mining.	6,768.75
Karen Lau	Clerk, Subcommittee on Mines and Mining.	6,150.00
Jan Taniguchi	Staff assistant (intern) Subcommittee on Mines and Mining, terminated July 31.	500.00
Rebecca Shapiro	Clerk, Subcommittee on Indian Affairs.	7,674.99
Gunilla Foster	Staff assistant, Subcommittee on Indian Affairs.	2,650.01
Phebe Morgan	Clerk, Subcommittee on Indian Affairs.	6,150.00
Andrew Ball	Staff Assistant, Subcommittee on Indian Affairs, as of September 1.	4,150.00
Harry Crandell	Consultant, Subcommittee on Public Lands.	16,149.99
Sharon CocKayne	Clerk, Subcommittee on Public Lands.	8,042.82
Theresa Cottrill	Secretary, Subcommittee on Public Lands, as of July 21.	3,655.56
Irving Senzel	Consultant under contract.	1,800.00
Total		222,689.00

COMMITTEE ON INTERNATIONAL RELATIONS

January 7, 1977.

To the Clerk of the House:

The Committee on International Relations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B)
2. Total funds available during this period $1,397,275.26
3. Amount expended during this period 682,245.96

CLEMENT J. ZA BLOCKI, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Peter A. Abbruzzese	Staff consultant (appointed Oct. 1, 1976).	$8,620.77
Gerald Emile Pitchford	Subcommittee staff consultant.	13,037.22

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
George R. Berdes	Subcommittee staff consultant (terminated Nov. 14, 1976).	$12,293.44
Robert Michael Finley	Subcommittee staff consultant.	16,722.09
Herschelle Challenor	do	18,011.07
Thomas R. Kennedy	do	16,701.54
Robert B. Boettcher	do	16,732.38
Michael H. Van Dusen	do	16,732.38
Andrew Donald Duskie	do	12,173.97
Ralph Roger Majak	do	16,373.70
Paula L. Peak	do	15,594.00
Clifford P. Hackett	Special consultant	16,732.38
John P. Salzberg	do	13,093.71
Fred A. Frameli	do	7,681.14
Paul Vance Hyndman	Research assistant (terminated Nov. 30, 1976).	6,370.76
Gregory E. McGowan	Research assistant (appointed July 20, 20, 1976).	5,511.57
Richard Mauzy	Research assistant	7,169.07
Ronald L. Soriano	do	6,311.57
Joyce L. Shub	do	8,710.41
Victor C. Johnson	do	6,781.97
Nancy M. Carman	Staff assistant (terminated Sept. 30, 1976).	3,023.16
Shelly Shelton Livingston.	do	3,133.68
Joyce Raupe	do	3,137.49
Mary H. Clifton	Staff assistant	4,202.04
Elizabeth Mary Daoust	Staff assistant (terminated Sept. 30, 1976).	3,875.01
Mary Roxanne Perugino	do	2,874.99
Emily Claire Howie	Staff assistant (appointed Aug. 25, 1976).	2,534.53
Carol Ann Barry	Staff Assistant	6,623.10
Karen Patterson Brennan.	Staff assistant (appointed Dec. 1, 1976).	1,166.67
Sandra P. Reinhardt	Staff assistant	6,964.20
Donna Gail Wynn	Staff assistant (appointed Oct. 1, 1976).	3,680.85
Josephine Weber	Staff assistant (appointed Aug. 1, 1976).	5,682.85
Melinda Ann Murphy	Staff assistant (terminated Nov. 1, 1976).	4,268.05
Rosalie S. Decker	Staff assistant (appointed Sept. 7, 1976).	3,454.08
Arlene M. Atwater	Staff assistant (appointed Oct. 1, 1976).	4,037.46
Susan Gustafson	Staff assistant	6,099.72
La Verne Still	Staff assistant (appointed Dec. 21, 1976).	371.11
Constance B. Stewart	Staff assistant (appointed Dec. 31, 1976).	30.56
Constance Lee Yesh	do	41.67
Robert A. Stoner	Publications assistant (terminated Sept. 30, 1976).	3,309.12
Andrew B. Vanyo	Clerical assistant	6,329.76
Andrew G. Bury, Jr	Research assistant	5,530.41
Nancy Lynn Shuba	Staff assistant (terminated Sept. 30, 1976).	2,218.74
Mary-Ellen Candage	Staff assistant (terminated Sept. 14, 1976).	2,106.95
Theana Y. Kastens	Staff assistant (terminated Aug. 31, 1976).	1,600.00
Alicia M. P. McFall	Staff assistant (terminated Sept. 13, 1976).	1,875.69
Elizabeth Marie Meade	Staff assistant (terminated Aug. 31, 1976).	1,437.50
Rory Wilcox	do	1,654.16
Leslie Ann Yates	Research assistant (terminated Sept. 15, 1976).	1,531.25
Lawrence A. Ceisler	Clerical assistant (terminated Aug. 31, 1976).	1,200.00
John G. Kerr	Clerical assistant (terminated Aug. 6, 1976).	800.00
Total		336,139.94

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Marian A. Czarnecki	Chief of staff (terminated Oct. 31, 1976).	$12,750.00
John J. Brady, Jr.	Chief of staff	18,808.89
John H. Sullivan	Senior staff consultant	18,808.89
John Chapman Chester	Staff consultant	18,082.20
Robert Kent Boyer	do	16,576.87
Peter A. Abbruzzese	Staff consultant (terminated Sept. 30, 1976).	7,988.10
Lewis Gulick	Staff consultant	17,413.20
Charles Paolillo	do	18,985.26
George M. Ingram IV	do	14,891.40
James T. Schollaert	do	15,983.34
George R. Berdes	Staff consultant (appointed Nov. 15, 1976).	4,438.94
Paul Vance Hyndman	Staff consultant (appointed Dec. 1, 1976).	1,833.33
Ray Sparks	Editor	14,718.09
Everett E. Bierman	Minority staff director	19,014.51
Stephen E. Ward	Minority staff consultant.	15,210.09
Donald Robert Fortier	Minority subcommittee staff consultant.	13,451.10
James Edward Fox	do	9,729.42
Thomas R. Smeeton	do	13,885.12
Alison L. Brenner	do	9,729.42
Jon D. Holstine	do	13,451.10
Thomas E. Popovich	do	9,729.42
Arlene M. Atwater	Staff assistant (terminated Sept. 30, 1966.)	3,851.43
Donna Gail Wynn	do	3,323.73
Jeanne M. Salvia	Staff assistant	7,524.54
Diane Lyn Stoner	do	6,255.02
Nancy M. Carman	Staff assistant (appointed Oct. 1, 1976).	3,431.10
Martha H. Crouse	Staff assistant	7,656.81
Shelly Shelton Livingston	Staff assistant (appointed Oct. 1, 1976).	3,546.93
Joyce Raupe	do	3,586.75
Elizabeth Mary Daoust	do	4,062.15
Mary Roxanne Perugino	Staff assistant (appointed Oct. 1, 1976).	3,013.86
Robert A. Stoner	Publications assistant (appointed Oct. 1, 1976).	3,599.85
Lillian L. Smith	Minority staff assistant	8,449.23
Nancy Lynn Shuba	do	2,325.93
Total		346,106.02

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

January 3, 1977.

To the Clerk of the House:

The Committee on Interstate and Foreign Commerce pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $2,521,169.47
3. Amount expended during this period — 1,468,661.19

HARLEY O. STAGGERS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
W. E. Williamson	Chief clerk	$9,036.00
Kenneth J. Painter	1st assistant clerk	19,350.00
Frank W. Mahon	Printing editor	13,727.13
Eleanor A. Dinkins	Assistant clerk	12,039.99
Joanne E. Bell	Clerical-stenographic	7,860.36
Jean McLean	Clerical assistant	7,770.72
Edwin Earl Thomas	Staff assistant	9,742.74
Sharon E. Davis	Clerical assistant (from Sept. 1, 1976).	4,466.68
Charles B. Curtis	Professional staff member.	19,350.00
Lee Sanford Hyde	do	19,350.00
Elizabeth Harrison	do	19,350.00
Jeffrey H. Schwartz	do	19,350.00
Robert R. Nordhaus	do	19,350.00
Karen Nelson	do	18,011.07
William P. Adams	do	19,350.00
Brian R. Moir	do	15,594.00
Margaret Dinneen	do	9,905.79
Ross David Ain	Professional staff member (from Nov. 26, 1976).	3,752.78
Christopher E. Dunne	Professional staff member (from Dec. 1, 1976).	1,916.67

SCHEDULE A—STANDING COMMITTEE PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
William Michael Kitzmiller.	Professional staff member (from Dec. 20, 1976).	$1,008.33
Ronald D. Coleman	Professional staff (minority)	17,431.52
Robert H. Lamb	Assistant minority counsel (from Aug. 16, 1976).	11,844.00
Barbara L. Bullard	Administrative assistant (minority).	10,808.43
Mollie M. Brown	Clerical assistant (minority).	7,501.89
Darlene Gale McMullen	Legislative assistant (minority).	8,858.91
J. Paul Molloy	Associate minority counsel.	17,673.18
Lewis E. Berry, Jr.	Professional staff (minority).	7,092.00
Jan Benes Vlcek	do	19,350.00
H. Thomas Greene	do	19,350.00
Joseph T. Kelley	Clerical assistant (minority).	6,452.16
Total		376,644.35

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Full committee, Interstate and Foreign Commerce Committee:		
Susan Tomasky	Clerical assistant (to Aug. 31, 1976).	$1,627.50
Sharon Davis	Clerical assistant (to Aug. 31, 1976).	2,012.50
Selene M. Byrd	Clerical assistant	6,228.27
Veronica Amick	Clerical assistant	6,400.95
Sara Elizabeth Gettys	Clerical assistant (accounting) (from Sept. 1, 1976).	4,593.94
Russell D. Mosher	Documents clerk	6,908.46
Charlotte E. Carr	Clerical assistant	6,813.09
Rose M. Balitis	do	6,400.95
Barboura C. Flues	Clerical-stenographic	8,833.29
James R. Connor	Staff assistant (to July 31, 1976).	2,803.82
Anne P. Jordan	Clerical-stenographic (from July 29, 1976).	5,401.56
Jan Higgins	Clerical assistant (minority).	5,376.78
June L. Cassidy	do	6,144.90
Subcommittee on Oversight and Investigations:		
Michael R. Lemov	Chief counsel	19,350.00
James Thomas Greene	Counsel to the chairman.	14,666.68
Bernard J. Wunder, Jr.	Minority counsel	14,666.68
Elizabeth A. Eastman	Office manager	9,091.66
Esther H. Higginbotham.	Staff assistant	7,032.67
Lowell Dodge	Special counsel	14,910.21
Stephen F. Sims	Special assistant	12,453.13
Mark L. Rosenberg	Counsel	9,865.02
John Galloway	Special assistant	17,126.19
Elliot A. Segal	do	18,142.76
Lisa C. Wiles	Secretary to the chief counsel.	7,833.54
Lester Brown	Research assistant	7,067.01
Kirk Callan Smith	Special assistant	9,038.29
Richard A. Heller	Counsel	6,937.98
John M. Atkisson	Special counsel	14,573.86
Katherine C. Meyers	Research assistant	5,460.10
Tony Waters	Research assistant (from Aug. 1, 1976 to Sept. 30, 1976).	1,000.00
Marcus Rosenblum	Special assistant (from Aug. 16, 1976 to Oct. 11, 1976).	3,472.87
Marlene Banks	Clerical assistant (from Oct. 1, 1976).	2,375.01
Rita A. Nickens	Clerical assistant (to Sept. 30, 1976).	1,500.00
Oscar Strongin	Special consultant	18,874.98
Benjamin M. Smethurst.	Special assistant	18,696.42
Janice Ellen Daniels	Staff assistant	5,804.70
William D. Braun	Counsel	14,924.61
Robert Clarke Brown	Counsel (to Sept. 30, 1976).	4,356.25
Matthew L. Larrabee	Research assistant (from Sept. 1 to Sept. 30, 1976).	500.00
Eric V. Slud	Research assistant (from Aug. 23, 1976 to Aug. 24, 1976).	150.00

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continue

Name of employee	Profession	Total gross salary during 6-mo period
Laurie E. Londoner	Research assistant (to Aug. 15, 1976).	$750.00
Mary E. Foley	Research assistant (to Aug. 31, 1976).	1,000.00
James L. Nelligan	Operations director	19,331.08
Carol Forti	Special assistant (to Aug. 15, 1976).	3,187.50
Darcy E. Bradbury	Research assistant (to Aug. 13, 1976).	716.67
Ann Elizabeth Linden	Research assistant (to July 31, 1976).	400.00
Frederick Leon Klein	do	500.00
Patrick Mayes McLain	Counsel	8,590.69
Pamela R. Morrissette	Staff assistant	6,400.95
Carolyn Ann Emigh	Special assistant	13,480.59
Frances L. White	Deputy chief counsel	18,193.02
Ellen A. Foley	Staff assistant	5,248.77
Yvonne P. Knight	do	5,670.84
Subcommittee on Energy and Power:		
Frank M. Potter	Counsel	19,350.00
Peter S. Hunt	Research analyst	17,589.85
Michael F. Barrett, Jr.	Counsel	18,193.02
Carolyn A. Chubb	Staff assistant	7,425.09
Peter D. H. Stockton	Research analyst	14,231.99
Walter W. Schroeder, III.	do	15,863.80
Carolyn G. Speir	Staff assistant	5,466.15
Barbara H. Witmeyer	do	6,234.27
William F. Demarest, Jr.	Counsel	15,468.99
Randall E. Davis	Minority staff assistant	8,580.27
Bruce R. Henke	Staff assistant	8,580.27
James G. Phillips	Research analyst	15,536.45
David B. Finnegan	Counsel (from Oct. 30, 1976).	6,405.00
Joan Rudd Herring	Staff assistant (from Dec. 1, 1976).	1,000.00
Robert M. Howard	Research assistant	14,666.88
Patricia C. Leahy	Staff assistant	7,597.81
Valerie P. Duval	Administartive assistant.	10,995.63
David Schooler	Legal assistant	5,444.90
Danielle M. Beauchamp.	Research assistant	8,217.05
Julie Rogers	Clerical assistant (from July 15, to Sept. 10, 1976.	1,026.66
Clifford C. Grupke	Research assistant (from July 12, to July 31, 1976).	950.00
Richard Geider	Clerical assistant (to July 16, 1976).	346.67
Thomas C. McConnell.	Clerical assistant (to Sept. 10, 1976).	1,883.33
Maryann Belardo	Clerical assistant (to Aug. 31, 1976).	1,320.00
Catherine M. Vaughan.	Clerk (to Aug. 31, 1976).	1,300.00
Kenneth M. Elder	Clerical assistant (minority) (to Aug. 15, 1976).	750.00
Subcommittee on Health and the Environment:		
Robert W. Maher	Director of Research and Planning (from Dec. 1, 1976).	3,300.00
Frances Lee dePeyster.	Staff associate (minority).	10,821.30
Stephen E. Lawton	Chief counsel	19,350.00
Rosalyn Davidson	Staff assistant	5,632.83
Stephen J. Connolly	Senior staff associate	14,227.14
Deborah M. Prout	Staff assistant	5,460.11
Rebecca B. Walker	Administrative assistant.	7,508.42
Subcommittee on Health and the Environment:		
Peter D. Hecht	Clerical assistant (to Aug. 12, 1976).	700.00
Linda M. Anzalone	Secretary (to Aug. 31, 1976).	1,750.00
Michelle Darcey	Clerical assistant (to Aug. 31, 1976).	1,000.00
Paul W. Rankin	Clerical assistant (to Sept. 3, 1976).	1,050.00
Donald W. Dalrymple	Assistant counsel	11,942.87
JoAnne Glisson	Senior staff associate	11,942.87
Susan H. Strok	Staff assistant (from Aug. 23, 1976).	4,095.79
Subcommittee on Communications:		
Harry M. Shooshan III	Staff director/counsel	19,350.00
George Harold Harder III.	Associate minority counsel.	13,451.10
Andrew J. Margeson	Economist	13,749.99
Karen B. Possner	Staff assistant	13,500.00
Mary Jane Dox	Secretary	6,956.73
Teresa L. Enfield	do	6,999.99
Alan Pearce	Economist	17,875.02
Karen Anne Allen	Office manager/secretary.	7,680.00

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Frank W. Luxem, Jr.	Staff assistant (from Oct. 1, 1976).	$1,200.00
Barry G. Cole	Staff assistant (from Oct. 1, 1976, to Oct. 31, 1976).	3,000.00
Cynthia A. Sheppard	Staff assistant (to Sept. 15, 1976).	1,770.83
William John Wilson	Staff assistant (to Aug. 31, 1976).	1,416.66
Subcommittee on Transportation and Commerce:		
William Kovacs	Counsel	19,350.00
William T. Druhan	Staff director	19,350.00
LeRoy Charles Corcoran.	Counsel	19,350.00
Harry L. Shoemaker III.	do	11,750.01
Ernest A. Trakas	Law clerk	4,352.64
Joseph J. Martyak	Legislative assistant	9,140.55
John F. Klucsik	Staff assistant	7,527.51
Wendy J. Gell	Executive assistant	8,334.03
Barbara C. Jarvis	Secretary	5,126.78
Mark Schultz	Legislative assistant (from Sept. 7, 1976).	6,639.34
Mary E. Prendergast	Clerical assistant (to Aug. 31, 1976).	1,200.00
Cheryl Eileen Sparks	Secretary	5,581.62
Charles P. Singstad	Clerical assistant (from July 20, 1976, to Aug. 31, 1976).	398.61
Kirk D. Weinert	Clerical assistant (to Aug. 31, 1976).	1,000.00
Marcie Weintraub	do	1,000.00
Subcommittee on Consumer Protection and Finance:		
Siegmund W. Smith	Staff administrator	19,350.00
Raymond C. Cole, Jr.	Chief investigator	9,831.69
Peter Kinzler	Counsel	17,413.32
Janie A. Kinney	do	17,413.32
Dale C. Bechtel	Secretary	7,501.89
Marion S. Reid	Clerical assistant	7,501.89
Nancy Ann Nord	Minority counsel	14,666.88
Judith A. Quinn	Secretary	7,501.89
Mary T. Foldes	Counsel	13,968.45
John P. McLaughlin	Staff assistant	2,662.77
Franz F. Opper	Counsel	15,594.00
Chrstopher Schwartz	Research assistant	5,376.78
Total		1,092,016.84

COMMITTEE ON THE JUDICIARY

January 14, 1977.

To the Clerk of the House:

The Committee on the Judiciary pursuant to section 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $1,575,122.74
3. Amount expended during this period — 843,583.96

PETER W. RODINO, Jr. Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Earl C. Dudley, Jr.	General Counsel	$19,350.00
Garner J. Cline	Staff Director	19,350.00
Herbert Fuchs	Counsel	19,350.00
William P. Shattuck	do	19,350.00
Franklin G. Polk	Associate counsel	19,350.00
Alan A. Parker	Counsel	19,350.00
Thomas E. Mooney	Associate counsel	15,165.08
Alexander B. Cook	do	16,100.82
Thomas W. Hutchison	Counsel	15,594.00
Arthur P. Endres, Jr.	do	15,481.71
Frances Christy	Legislative analyst	14,666.88
Maurice Barboza	Counsel	14,666.88
Alan Coffey, Jr.	Associate counsel	13,580.43
Kenneth Klee	Associate counsel (from July 18, 1976).	10,321.13
Raymond Smietanka	Associate counsel	10,306.02
Constantine J. Gekas	Associate counsel (to July 17, 1976).	1,239.58
James F. Falco	Counsel (from Aug. 22 to Sept. 30, 1976).	3,500.00
Pearl L. Chellman	Clerk	9,140.55
Alma B. Haardt	do	9,140.55
Florence T. McGrady	do	9,140.55
Alice Smith	do	8,602.86
Annelie Weber	do	6,989.82
Marguerite Klein	do	6,183.30
Mary G. Sourwine	Clerk (off July 31, 1976).	$2,187.50
Sara Shafer	Clerk (off July 7, 1976).	247.76
Total		298,355.42

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Toni Lawson	Assistant counsel	$9,217.35
Bruce Lehman	Counsel	13,968.45
Robert Lembo	Assistant counsel	9,217.35
Catherine LeRoy	do	9,985.47
Richard B. Levin	do	9,473.40
Bernadette Maguire	Clerk	6,720.99
Audrey Marcus	do	6,938.64
Janet McNair	Assistant counsel	11,903.43
Michael Murphy	Clerk (off July 30, 1976—on Aug. 5, 1976).	4,258.20
Rosaline A. Oleson	Clerk (off Sept. 7, 1976).	1,581.94
Alan A. Ransom	Counsel	14,123.67
Sally A. Regal	Clerk (off Aug. 11, 1976).	1,025.00
Peter Regis	Legislative assistant (on Aug. 1, 1976).	11,848.67
Cheri Robinson	Clerk (off Aug 20—on Sept. 1—off Sept. 10, 1976).	1,575.00
Tom S. Runge	Counsel	11,078.97
Kathleen L. Ryan	Clerk (off Aug. 31, 1976).	1,583.34
Sandra J. Salopek	Clerk (on Dec. 29, 1976).	62.50
Jo Lynne Sedmak	Clerk (on Sept. 1, 1976).	3,799.49
Leonard Shambon	Counsel	12,173.97
Judith M. Shellenberger	Clerk (off Aug. 22, 1976).	1,971.67
Sandra Sincavitz	Clerk	8,334.03
William L. Sippel	Assistant counsel	9,985.47
Roscoe B. Starek	Associate counsel	10,547.04
Kenneth G. Starling	Associate counsel (to Aug. 19, 1976).	3,117.87
Pamela Stevens	Clerk (on Nov 22, 1976).	910.00
Joyce M. Straube	Clerk	6,452.16
Gail Sullivan	Clerk (off Dec. 17, 1976).	6,722.06
Lawrence Taylor	Editor	10,993.05
Jay T. Turnipseed	Counsel	11,362.38
Louis S. Vance	Messenger	6,586.59
Lynn Alcock	Calendar clerk	8,764.17
Lorraine Ambrose	Clerk	5,914.47
Marilyn Apriletti	Clerk (from July 6, 1976).	5,978.23
Rita L. Bartlett	Clerk	6,720.99
Robert S. Bates	Publications clerk	4,516.50
Martin H. Belsky	Counsel	15,210.09
Timothy A. Boggs	Legislative assistant	6,938.71
Thomas Boyd	Associate counsel (from July 20, 1976).	11,614.31
Sharon A. Brandes	Clerk	5,376.78
Thomas P. Breen	Counsel	14,938.47
Martha K. Brown	Clerk	5,914.47
Julia Busalacchi	Clerk (to July 5, 1976).	166.67
Anne B. Butler	Clerk	6,452.16
Dinah Clare	do	5,120.73
Daniel L. Cohen	Counsel	14,395.26
Lizzie M. Daniels	Clerk	6,021.99
Eva J. Denev	do	9,729.42
Maureen Doherty	do	6,989.82
James B. Farr	do	7,681.14
Leslie Freed	Counsel	11,336.58
Theresa M. Gallo	Clerk	7,796.34
Eugene W. Gleason	Research assistant	13,037.22
Leo M. Gordon	Clerk (to Aug. 31, 1976).	1,200.00
Joan Gregory	Clerk	8,334.03
Mildred Harllee	Clerk (from July 12, 1976).	5,778.23
Timothy J. Hart	Assistant clerk	10,486.35
Bruce Henderson	Clerk-messenger (to Aug. 15, 1976).	600.00
Gail P. Higgins	Counsel	13,037.22
Kenneth Klee	Associate counsel (off July 17, 1976).	1,041.25
Judy Knott	Clerk	5,461.99
Barry Vann	Economist	8,468.46
Patricia Villareal	Staff analyst	9,409.38
Dorothy Wadley	Clerk	7,796.34
Elaine Weatherly	Clerk (on Aug. 5, 1976).	3,591.62
Gary Weaver	Clerk (off Aug. 31, 1976).	1,583.34

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Marice C. Werth	Clerk (off Sept. 16, 1976).	$2,216.67
Elizabeth P. Windsor	Clerk	4,096.62
Janice A. Zarro	Assistant counsel	10,215.90
Total		491,450.07
Former Committee on Internal Security—H.R. 5:		
Daniel Butler	Documents clerk	6,901.56
Anniel Cunningham	Clerk	10,560.00
Florence B. Doyle	do	6,314.19
Mildred V. James	do	5,102.61
Alfred M. Nittle	Counsel	19,350.00
Alma T. Pfaff	Research analyst	8,510.37
Barbara C. Sweeny	Clerk	6,954.66
Mary Myers Valente	do	12,121.11
Total		75,814.50

COMMITTEE ON MERCHANT MARINE AND FISHERIES

December 31, 1976.

To the Clerk of the House:

The Committee on Merchant Marine and Fisheries pursuant to section 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — [1] $648,473.56
3. Amount expended during this period — [2] 416,383.33

LEONOR K. SULLIVAN, Chairman.

[1] See below:

Authorization pursuant to H. Res. 1016, 94th Cong	$353,000.00
Salaries Standing Committee Staff, July 1–Dec. 31, 1976	295,473.56
Total funds available during period	648,473.56

[2] See below:

Expenditures pursuant to H. Res. 1016, July 1–Dec. 31, 1976	$120,909.77
Salaries Standing Committee Staff, July 1–Dec. 31, 1976	295,473.56
Total expenditures during period	416,383.33

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
Ernest J. Corrado	Chief counsel	$19,440.00
Ned P. Everett	Counsel	19,440.00
Leonard L. Sutter	do	17,743.41
Francis D. Heyward	do	14,517.33
Mary C. McDonnell	do	14,517.33
James W. Spensley	do	14,978.19
Carl L. Perian	Professional staff member.	16,476.42
Terrence W. Modglin	do	10,432.65
Donald A. Watt	Editor	12,503.94
Frances P. Still	Chief clerk	6,452.16
W. Bernard Winfield	Clerk	15,371.70
Ruth I. Hoffman	Assistant clerk	8,749.65
Jacquelyn M. Westcott.	Professional staff member.	9,921.45
Vera A. Barker	Secretary	12,366.60
Eleanor P. Mohler	do	8,193.18
Mabel Duran	do	7,838.94
Marvadell C. Zeeb	do	7,668.33
Minority:		
William Patrick Morris	Chief minority counsel	19,100.01
Charles A. Bedell	Deputy minority counsel.	12,750.72
Jack A. Sands	do	12,366.60
John H. Bruce	Professional staff assistant.	12,150.51
Gwendolyn H. Lockhart.	Minority clerk	9,895.86
Barbara Ann Wyman	Assistant minority clerk.	7,425.09
Phyllis Ann Kline	Minority secretary-clerk (terminated July 31, 1976).	916.67
Mary Jane Bott	Minority secretary-clerk (appointed Aug. 16, 1976).	4,257.82
Total		295,473.56

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
Julia P. Perian	Professional staff member.	$10,500.00
Michael S. Sawyer	Clerk	7,012.50
Carolyn W. Robinson	Stenographer	6,682.59
Judy A. Townsend	Professional staff assistant.	10,241.52
Cornelia H. Dayton	Summer intern (term Aug. 14, 1976).	733.33
Minority:		
George J. Mannina, Jr.	Professional staff assistant.	13,902.84
Austin P. Olney	do	13,266.68
Grant Wayne Smith	do	13,850.00
Ronald K. Losch	do	11,041.67
Nicholas T. Nonnenmacher.	do	10,241.52
Total		97,472.65

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

January 12, 1977.

To the Clerk of the House:

The Committee on Post Office and Civil Service, pursuant to section 6(j) of Rule XI, Rules of the House of Representatives submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $531,196.29
3. Amount expended during this period — 251,034.22

ROBERT N. C. NIX, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Majority:		
Richard Barton	Subcommittee staff director.	$16,646.61
John Gabusi	Staff assistant	13,658.04
George Gould	Subcommittee staff director.	16,646.61
Alton Howard	Printing editor	13,417.47
Edward Hugler	Investigator	17,192.40
Lloyd Johnson	Subcommittee staff director.	16,646.61
Charles Knull	do	3,375.00
Robert Lockhart	Counsel (as of Nov. 16, 1976).	19,113.75
John H. Martiny	Chief counsel	2,976.00
Ronald McCluskey	Subcommittee staff director.	12,367.20
David Minton	Associate counsel	19,113.75
J. Pierce Myers	Assistant counsel	15,787.50
Margaret Napier	Document clerk	8,654.07
Paul Newton	Subcommittee staff director.	16,646.61
Maria Pendleton	Administrative clerk	11,439.66
Dorothy Peters	Executive secretary	10,718.22
Victor C. Smiroldo	Staff director and counsel.	19,350.00
J. Archer Smith	Staff assistant (as of Aug. 1, 1976).	8,639.35
Donald Terry	Subcommittee staff director (through Oct. 15, 1976).	8,266.51
Total		250,655.36
Minority:		
Margaret Barry	Secretary	7,796.34
Ray Coultrap	Staff assistant	9,409.38
Nancy Ewing	Secretary	5,175.00
Joseph Fisher	Senior staff assistant	17,985.06
J. Warren Geurin	Investigator	11,124.99
Jean Gilligan	Staff assistant	2,932.02
Theodore Kazy	Associate staff director.	19,350.00
William Manoogian	Assistant counsel	10,306.02
Anthony Raymond	Staff assistant	15,237.27
Kathryn Reynolds	Secretary (through Oct. 15, 1976).	4,471.27
Total		103,787.35

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Investigative staff—Majority:		
JoAnn Ciaravella	Staff assistant	$8,065.17
Nancy Desrochers	Secretary	5,888.85
Gordon Freedman	Asst. staff investigator	9,294.15
Marian Goodman	Secretary	5,325.60
Janet Higgins	Staff assistant (through July 31, 1976).	969.42
Kandy Kovaleski	Secretary	5,991.27
Molly Lyons	Asst. document clerk	6,021.99
Patricia Perdue	Secretary	6,016.89
Robert Hertzberg	Intern (through July 31, 1976).	500.00
Mark Colley	Clerk (Aug. 1–Aug. 31, 1976).	631.33
Frank Zappola	Intern (though July 31, 1976).	500.00
Edward Coyle	Staff assistant (as of Oct. 1, 1976).	5,000.01
Roberta Harold	Staff assistant (as of Aug. 1, 1976).	5,359.28
Total		59,563.96
Manpower and Civil Service Subcommittee:		
Evelena Carroll	Secretary	5,507.37
George Pierce III	Staff assistant	12,715.02
Patricia Pankonin	Secretary (through Oct. 3, 1976).	3,463.84
Mary Boney	Intern (through July 31, 1976).	500.00
Andrea Reeves	do	500.00
Total		22,686.23
Postal Service Subcommittee:		
Rosemary Storey	Staff assistant	8,065.17
Lydia Fox	Secretary	6,585.30
Victor Bieganowski	Intern (through July 31, 1976).	500.00
Stephen Christakos	do	500.00
Total		15,650.47
Postal facilities, mail, and labor management:		
Michael Cavanagh	Staff assistant	8,730.87
Paula Hemphill	Secretary (through Oct. 3, 1976).	3,319.47
Stacy Jones	Clerk-typist (through Sept. 5, 1976).	477.75
Sara McFall	Intern (through Aug. 31, 1976).	1,000.00
Victoria Van Deerlin	Intern (through Aug. 13, 1976).	716.67
Annette Maglione	Clerk-typist (as of Sept. 10, 1976).	1,537.96
Ellen Beth Fleisher	Secretary (as of Oct. 4, 1976).	3,171.88
Total		18,954.60
Retirement and employee benefits:		
Bettie La Motte	Secretary	6,989.82
Stephen Camp	Staff assistant	6,381.64
Kittura Grice	Intern (through Aug. 31, 1976).	1,000.00
Maria Valdes	do	500.00
Total		14,871.46
Employee political rights and intergovernmental programs:		
Gail Weiss	Staff assistant	10,215.90
Janet Wilkov	Secretary (through Nov. 15, 1976).	3,886.59
Raphael Sampson	Intern (through Aug. 14, 1976).	733.33
Karla Williams	Intern (through Aug. 31, 1976).	1,000.00
Roy Jelks	Intern (Sept. 27–Dec. 3, 1976).	1,167.39
Brenda Bright	Secretary (Nov. 22–Dec. 2, 1976).	336.11
Beverly Roderick	Secretary (as of Dec. 6, 1976).	833.33
Total		18,172.65
Census and Population Subcommittee:		
Donald F. Terry	Assistant counsel (Oct. 15–Dec. 31).	3,061.10

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Carol Lumb	Staff assistant (through Aug. 31, 1976).	2,625.00
Bertha Ramlow	Secretary	5,376.78
Nancy Greenebaum	Intern (through Aug. 13, 1976).	716.67
Linda Ittner	Staff assistant (as of Dec. 27, 1976).	161.11
Total		11,940.66
Investigative staff—Minority:		
Bob Bartelsmeyer	Intern (through Aug. 6, 1976).	600.00
Murray Barr	Intern (through Aug. 31, 1976).	500.00
Cynthia Harms	do	1,000.00
Robert Branand	Staff assistant	10,306.02
John Breitenberg	do	9,729.42
E. Jane Dodds	do	10,306.02
Total		32,441.46
Grand total		194,281.49

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

January 3, 1977.

To the Clerk of the House:

The Committee on Public Works and Transportation, pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $1,831,530.36
3. Amount expended during this period — 1,262,742.75

ROBERT E. JONES, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Robert K. Dawson	Administrator	$18,959.10
Richard J. Sullivan	Chief counsel	19,350.02
Lloyd A. Rivard	Chief engineer	19,350.00
Lester Edelman	Counsel	19,350.00
Clifton W. Enfield	Minority counsel	7,848.00
Larry Reida	Associate minority counsel	19,350.00
Errol L. Tyler	Associate counsel	18,647.04
Dorothy A. Beam	Executive staff assistant.	15,132.57
Sterlyn B. Carroll	Staff assistant	12,646.29
Ruth Costello	do	12,130.98
Erla S. Youmans	Minority executive staff assistant.	13,350.21
Robert F. Loftus	Staff assistant	17,556.75
Douglas M. Copley	Minority professional staff member, aviation.	19,179.39
David A. Heymsfeld	Assistant counsel, aviation.	19,218.75
David L. Mahan	do	19,008.75
John F. Fryer	Assistant counsel, surface transportation regulations.	18,879.30
Marie M. Lynch	Clerk, Subcomm. on Water Resources (transf. to Inv. Comm. Nov. 1, 1976).	6,553.19
Joseph A. Italiano	Editor	14,490.53
Clyde E. Woodle, Jr.	Transportation engineer.	14,468.16
Marvin R. Evans	Staff assistant	11,336.58
Elizabeth F. Loughlin	Minority librarian	9,678.21
Catherine A. Evans	Calendar clerk (transf. to Inv. Comm., Nov. 1, 1976).	5,650.74
James E. Scott, Jr.	Professional staff member, budget.	19,305.00
Carl H. Schwartz, Jr.	Professional staff member (transfer to Inv. Comm., Nov. 1, 1976).	1,558.00
Sheldon S. Gilbert	Assistant minority counsel (transf. from Inv. Comm. July 1, 1976).	19,350.00
Shirley G. McKnight	Staff assistant (app't. Dec. 1, 1976).	1,083.33
Total		373,475.89

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Cyrus T. Anderson, Jr.	Staff assistant	$8,615.91
Christina A. Bacus	Staff assistant (term. Sept. 1, 1976).	1,400.01
Barbara Bannister	Minority staff assistant.	8,193.18
Bonnie E. Barnett	Staff assistant	5,888.85
Richard C. Barnett	Minority staff assistant	11,695.75
Patricia Bethune	Staff assistant	8,577.24
Holly Cannon	Staff assistant (term. Aug. 6, 1976).	800.00
Ann Clineberg	Staff assistant, Subcommittee on Economic Development.	7,419.96
Cynthia M. Collin	Staff assistant (term. Aug. 13, 1976).	955.56
Mary T. Coman	Staff assistant (term. Aug. 24, 1976).	2,661.66
William M. Corcoran	Professional staff member.	12,367.20
M. Linda Cox	Staff assistant	5,376.78
Salvatore J. D'Amico	Counsel	19,350.00
Patricia R. Donovan	Staff assistant (term. Aug. 20, 1976).	1,111.11
Marjorie M. Dowling	Staff assistant	6,641.61
Edythe Mae Edwards	Minority staff assistant, Subcommittee on Economic Development.	9,860.47
Susan Lane Edwards	Staff assistant (term. Aug. 13, 1976).	955.56
Charles Ehrlich	Staff assistant (term. July 31, 1976).	600.00
Ronald K. Ence	Minority professional staff member, Subcomm. on Surf. Transp.	12,312.22
Deborah J. Folk	Staff assistant (term. Aug. 14, 1976).	759.00
Carol D. Granville	Staff assistant	9,510.75
John F. Hannaway	Staff assistant (term. Oct. 11, 1976).	2,256.26
Alice C. Hill	Staff assistant (term. Sept. 17, 1976).	1,711.12
Janet Lee Hoobler	Staff assistant	5,632.83
Anne L. Howard	Staff assistant, Subcomm. on Economic Development.	7,976.52
Machele M. Irby	Staff assistant	7,340.58
Joan M. Kovalic	do	13,179.58
Sharon M. Krevor	Staff assistant (term. Aug. 13, 1976).	955.56
Karen D. Larison	Minority staff assistant.	7,681.14
Carl J. Lorenz, Jr.	Counsel, Subcomm. on Economic Development.	19,350.00
Herbert C. Madison	Professional staff member, aviation.	16,113.78
Walter L. Mazan	Staff assistant	17,210.04
Robert C. McKay	Professional staff member.	8,026.52
Cheryl A. Meyers	Minority staff assistant.	7,192.60
Clara S. Milstead	Staff assistant	10,306.02
Darrell L. Netherton	do	7,175.09
Jeffrey S. O'Neill	Minority staff assistant.	16,633.62
Robert M. Paul	Professional staff member, environment and economic development.	19,350.00
Alise P. Peyton	Minority staff assistant.	7,204.89
Henry S. Pflanz	Minority professional staff member, aviation.	14,499.99
Annadele Raszick	Minority staff assistant.	6,415.31
Pamela J. Richards	do	11,078.97
Nicholas E. Scholz	Staff assistant	6,490.31
Robert F. Spence	do	11,617.87
Nicholas E. Scholz	Staff assistant	6,656.97
Patricia H. Stone	Minority staff assistant.	10,902.48
Michael J. Toohey	Minority prof. staff assistant, Subcomm. on Water Resources	10,843.08
Mary K. Trich	Staff assistant, Subcomm. on Economic Development.	4,822.56
Susan Denise Valentine	Staff assistant	6,179.94
Nancy Vitali	Clerk, Subcomm. on Public Buildings and Grounds.	10,821.30
Gordon E. Wood	Assistant minority counsel.	19,350.00

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo peri
Olga Wynnyk	Staff assistant	$3,387.39
Charles C. Ziegler	Minority professional staff assistant.	11,336.58
Patricia A. Hill	Staff assistant	9,608.79
Demetra D. Burton	Staff assistant (app't Aug. 2, 1976).	4,472.61
Tim C. Ford	Professional staff member, (app't Sept. 20, 1976).	9,611.39
Colleen E. Rainey	Minority staff assistant, (app't Sept. 13, 1976).	3,214.37
Sylvia Corbin	Staff assistant (app't Sept. 11, 1976).	3,811.57
James B. Shea, Jr.	Professional staff member, (app't Sept. 20, 1976).	8,289.72
Thomas J. Campbell	Staff assistant, (app't Oct. 1, 1976; term. Oct. 31, 1976).	2,083.33
Roger P. Furey	Clerk (appointed Oct. 1, 1976).	1,979.73
Ira N. Forman	Staff assistant, (appointed Nov. 12, 1976).	2,072.29
Catherine A. Evans	Calendar clerk (transf. from stdg. comm., Nov. 1, 1976).	2,926.50
Marie M. Lynch	Clerk, Subcomm. on Water Resources, (transf. from stdg. comm. Nov. 1, 1976).	3,393.88
Carl H. Schwartz, Jr.	Professional staff member, (transf. from stdg. comm., Nov. 1, 1976).	1,004.00

SUBCOMMITTEE ON INVESTIGATIONS AND REVIEW

Name of employee	Profession	Total gross salary during 6-mo period
Martha E. Downie	Minority clerk	$10,821.30
Agnes M. GaNun	Staff assistant	8,536.98
Edwin L. Hall	Professional staff member.	12,933.75
George P. Karseboom	do	18,070.95
Kathryn M. Keeney	Chief clerk	12,578.22
George M. Kopecky	Chief investigator	7,962.00
Charles A. Krouse	Professional staff member.	18,070.95
Robert G. Lawrence	Associate counsel (termination July 31, 1976).	819.00
Susan M. Lucey	Minority staff assistant.	7,681.14
Walter R. May	Chief counsel	5,976.00
Virginia Middledorf	Staff assistant	8,510.37
William O. Nolen	Investigator	15,476.49
Shirley Novotny	Staff assistant	8,241.84
John P. O'Hara	Associate counsel	19,350.00
Charles W. Prisk	Staff engineer	3,984.00
Robert S. Prolman	Professional staff member.	12,933.75
Craig Raupe	do	18,041.34
Jack L. Schenendorf	Minority professional staff member.	12,109.53
Marvin B. Simpson III	Professional staff member.	12,933.75
John N. Stratton	Minority investigator	8,886.86
Betty Hay Wright	Administrative assistant.	11,949.30
Paul R. S. Yates	Minority counsel	19,350.00
Total		255,217.52

COMMITTEE ON RULES

January 19, 1977.

To the Clerk of the House:

The Committee on Rules pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $320,675.10
3. Amount expended during this period 291,817.89

JAMES J. DELANEY, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Dorothy Ballenger	Staff assistant	$10,821.30
Richard M. Bates	do	9,893.28
Cynthia Leigh Battle	do	1,675.00
Margaret E. Broadaway	Research assistant	9,217.35
William D. Crosby, Jr.	Minority counsel	17,277.54
Jonna Lynne Cullen	Assistant minority counsel.	13,363.14
Trevia A. Dean	Research assistant	11,903.43
John J. Dooling	do	11,518.58
Edward Thomas Dunn, Jr.	do	9,422.16
Shryl Anne Epps	Staff assistant	7,264.48
Patricia S. Fleming	Research assistant	12,173.97
Donna Siss Gleason	do	10,215.90
Elma C. Henderson	do	7,892.43
Michael H. Hynes	Minority staff assistant.	11,594.25
Helen Jernigan	Staff assistant	8,193.18
Amelia T. Lasser	Research assistant	11,078.97
Berlon Michael Mauldin	do	10,306.02
Claudia G. Moore	Staff assistant	12,367.20
Donald Gregory Nicosia	Chief counsel	19,350.00
Helen Carol Ortega	Minority staff assistant	8,334.03
Robert Scott Pastrick	Staff assistant	950.00
Alan H. Richardson	Majority counsel	15,094.00
Larry D. Rosenstein	Legislative assistant	7,479.94
Michael H. Wainwright	Research assistant	10,596.30
Winifred L. Watts	Staff director	18,193.02
Linda L. Weaver	Minority staff assistant	8,334.03
Donald Wolfensberger	Research assistant	12,676.38
Total		287,185.88

COMMITTEE ON SCIENCE AND TECHNOLOGY

January 2, 1977.

To the Clerk of the House:

The Committee on Science and Technology pursuant to section 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
3. Total funds available during this period $669,608.40
. Amount expended during this period 652,153.88

OLIN E. TEAGUE, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Mary S. Bly	Secretary (C)	$8,172.92
Radford Byerly, Jr.	Science consultant (P)	17,660.01
William G. Carter	Publications clerk (C)	7,079.67
Regina A. Davis	Chief clerk (C)	9,095.84
John V. Dugan, Jr.	Science consultant (P)	17,877.10
David B. Finnegan	Counsel (P), to Oct. 29	12,045.00
Helen Lee Fletcher	Secretary (C)	9,202.43
Sarah C. Gay	Secretary (C), from Aug. 2.	5,804.16
Suzanne M. Gibson	Secretary (C)	6,604.15
Harold A. Gould	Deputy director (P)	19,200.00
Frank R. Hammill, Jr.	Counsel (P)	19,050.00
John D. Holmfeld	Science consultant (P)	16,968.75
Robert C. Ketcham	Counsel (P)	19,050.00
Rebecca W. Martin	Asst. chief clerk (C), to Nov. 7.	5,545.78
J. Thomas Ratchford	Science consultant (P)	13,550.00
Ralph N. Read	Technical consultant (P).	19,050.00
Carol F. Rodgers	Secretary (C)	9,540.66
Patricia S. Schwartz	do	7,883.34
Willis D. Smith	Science consultant (P)	14,367.10
Donna Lee Sokolowski	Secretary (C), to Aug. 21.	1,482.54
Michael A. Superata	Minority counsel (P)	13,899.99
John L. Swigert, Jr.	Executive director (P)	19,350.00
Thomas N. Tate	Counsel (P)	16,934.25
Charles A. Trabandt	Minority counsel (P)	13,850.01
Lillian McBee Trippett	Legislative clerk (C)	5,333.32
Barbara Weinblatt	Secretary (C)	5,808.33
William G. Wells, Jr.	Technical consultant (P).	18,924.99
Patricia F. White	Minority secretary (C), from Dec. 15.	626.67
Peggy Anne Wiesemann	Secretary (C), from July 12.	6,788.90
James E. Wilson, Jr.	Technical consultant (P).	19,050.00
Philip B. Yeager	Counsel (P)	19,050.00

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Applegate, April V	Secretary	$5,674.59
Bogle, Sara B	Receptionist	4,699.98
Boswell, Terese M	Secretary	4,908.35
Bracken, Darcia D	Science consultant	10,514.58
Bradley, Melinda A	Secretary (from July 19).	4,683.32
Branscome, Darrell R	Technical consultant	12,300.00
Cannon, Lisa Wade	Secretary	5,483.32
Cassidy, Daniel E	Counsel (from August 2).	13,644.45
Dillaway, Robert B	Science consultant	18,999.99
Eaton, Charles H. S	Technical consultant (from July 12).	5,355.57
Fisher, George W	Special assistant to the chairman.	5,196.00
Fisher, Geraldine L	Secretary	5,088.32
Gallagher, James L	Technical consultant	13,462.50
Garfinkel, Patricia G	Writer/editor	6,816.66
Hackes, Carole A	Research clerk (to September 10).	1,606.10
Hinton, Lloyd V	Technical consultant	12,825.00
Hodges, Laurent	Technical consultant (from July 2 to September 30).	2,420.80
Hogue, Ruth G	Secretary (from July 19).	5,424.98
Hoskins, Alexis J	Technical consultant (from July 1).	5,166.66
Howard, Mary Beverly	Finance clerk	6,216.68
Kramer, Thomas R	Science consultant	12,900.00
Loflin, Leslie	Secretary	4,608.35
Maxfield, Martha W	Secretary (to July 15)	391.67
Pesyna, Gail M	Science consultant	9,541.66
Pollack, Catherine Jean	Research clerk (from July 1 to August 15).	937.50
Pompliano, Carol J	Secretary (from July 1).	5,999.98
Pretorius, Thomas H	Technical consultant (from August 22).	13,350.00
Rinehart, Michael L	Research clerk (from July 12 to August 31).	1,088.89
Roodzant, Sherman E	Technical consultant	12,825.00
Simler, George B., Jr	Clerk (from November 1).	1,333.34
H. Gerald Staub	Counsel	9,841.67
Thomas H. Tackaberry	Technical consultant	6,270.83
Anthony C. Taylor	do	12,493.74
Paula M. Teeples	Receptionist	4,974.99
A. Lee Wallace III	Minority counsel	10,687.50
R. E. Williams	Technical consultant	14,675.00
Patricia Jeanne Wohl	Research clerk (from July 1 to Aug. 15).	900.00

COMMITTEE ON SMALL BUSINESS

January 5, 1977.

To the Clerk of the House:

The Committee on Small Business pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).	
2. Total funds available during this period	$459,324.77
3. Amount expended during this period	329,834.57

TOM STEED, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo. period
Elizabeth W. Cingel	Secretary	$3,080.00
Lesley Ann Dawson	Staff assistant (minority).	4,612.50
Anthony J. DiStefano	Subcommittee staff member.	13,965.63
Susan Duncan	Secretary	444.44
Douglas L. Francisco	Minority staff member	13,453.14
Lucille C. Hicks	Secretary	8,135.41
Mary Eileen Hohman	Clerk typist	5,637.51
Jerrold S. Jensen	Subcommittee counsel (minority).	9,225.00
Stephen P. Lynch	Professional staff member.	9,654.16
Miles Everette MacIntyre.	Assistant counsel	7,200.00
Maryjean Mariani	Minority clerk	7,175.01
Jennifer M. Miles	Secretary	2,027.77
George E. Moll	Subcommittee staff member.	12,037.50
Janet Mary Olchowski	Minority secretary	2,835.00

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Linda Parker	Secretary	$5,124.99
Emilia E. Parrish	do	7,662.50
Thomas G. Powers	Subcommittee counsel	14,512.50
Patricia J. Shannon	Secretary	6,025.00
Elmira R. Stewart	Minority secretary	5,893.74
Marvin W. Topping	Minority staff member	10,224.39
Thomas A. Trimboli	Subcommittee counsel	14,512.50
Michael James Ward	do	11,983.34
Raymond S. Wittig	Subcommittee counsel (minority).	11,838.75
Total		187,260.78

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Eileen A. Buffalini	Secretary	$6,066.67
Kenneth H. Davidson	Staff assistant	5,906.25
Myrtle Ruth Foutch	Clerk	19,158.33
Justinus Gould	General counsel	19,350.00
Paul E. Kritzer	Assistant minority counsel.	14,260.32
Bernard Layne	Staff director	19,158.33
Irene Lois Liberty	Printing editor	11,191.66
George E. Moll	Financial analyst	2,475.00
James R. Phalen	Minority counsel	18,450.00
Willa C. Rawls	Minority secretary	6,995.64
Donna M. Watson	Secretary	8,306.25
Total		131,318.45

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

January 6, 1977.

To the Clerk of the House:

The Committee on Standards of Official Conduct pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedule A).	
2. Total funds available during this period	[1] $332,038.88
3. Amount expended during this period	285,598.11

JOHN J. FLYNT, Jr., Chairman

	Original funding	Spent Jan. 1 to June 30, 1976	Available July 1 to Dec. 31, 1976
H. Res. 1011	$35,000.00	$2,948.11	$32,051.89
H. Res. 1060 and 1500	200,000.00	82,697.91	117,302.09
H. Res. 1260	(Open)		(Open)
	235,000.00	85,646.02	149,353.98
Plus salaries from Schedule A			105,190.22
Plus actual expenses from H. Res. 1260			77,494.68
Total funds available during this period			332,038.88

[1] Footnote table follows:

	Available July 1 to Dec. 31, 1976	Spent July 1 to Dec. 31, 1976	Balance
H. Res. 1011	$32,051.89	$3,587.77	$28,464.12
H. Res. 1060 and 1500	117,302.09	99,325.44	17,976.65
H. Res. 1260	77,494.68	77,494.68	
	226,848.66	180,407.89	46,440.77
Plus salaries from Schedule A		105,190.22	
Amount expended during this period		285,598.11	

[2] Footnote table follows:

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
John M. Swanner	Staff director	$19,350.00
William F. Arbogast	Assistant staff director	17,277.54
Jay M. Jaffe	Assistant to staff director.	14,227.14
Peggy Murphy	Secretary	7,681.14
Nancy W. Otis	Assistant clerk	4,703.04
Sandra D. Hanbury	Secretary	9,729.42
Jan Loughry	do	9,895.40
Andrew J. Whalen III	Professional staff member.	9,644.90
Wm. J. Schewe, Jr	Clerk (term. Aug. 31, 1976).	1,250.00
Lynne A. Penrith	Secretary (term. Aug. 14, 1976).	1,466.67
Betty W. Devine	Stenographer (term. Oct. 15, 1976).	3,524.15
Carolyn Cusin	Stenographer (term. July 31, 1976).	1,000.00
Irene Butcher	Research and records analyst (term. Sept. 30, 1976).	3,750.00
Margaret S. Blackston	Stenographer (appt. Sept. 1, 1976; term. Oct. 15, 1976).	1,524.15
Christopher L. Vail	Professional staff member (appt. Dec. 29, 1976).	166.67

COMMITTEE ON VETERANS' AFFAIRS

December 30, 1976.

To the Clerk of the House:

The Committee on Veterans' Affairs pursuant to section 6(j) of rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each employed (see attached schedules A and B).	
2. Total funds available during this period	$354,762.72
3. Amount expended during this period	57,962.68

RAY ROBERTS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Helen Biondi	Chief clerk (terminated July 31).	$1,317.00
Audrey Arlene Burnett	Administrative assistant.	8,911.07
Barbara Price Daniel	Chief clerk	8,678.92
Hal C. DeCell III	Staff assistant	4,892.08
Patricia Donohue	Clerk-stenographer	7,862.20
Mack G. Fleming	Counsel	19,800.00
Alberta Sue Forrest	Clerk-stenographer	7,705.00
Arthur M. Gottschalk	Professional aide	16,887.40
Candis Lee Graves	Clerk-stenographer	7,390.51
John R. Holden	Minority staff director	19,800.00
Marjorie J. Kidd	Clerk-stenographer	9,702.01
Billy E. Kirby	Professional aide	19,800.00
Helen W. Kirkman	Clerical aide	14,035.84
Deborah R. Knorr	Clerk-stenographer	5,241.50
Oliver E. Meadows	Staff director	19,800.00
Rhonda K. Miles	Clerk-stenographer	3,338.36
William A. Moon	Professional aide	8,903.40
Karen Rittinger	Assistant minority counsel.	13,367.00
Gloria L. Royce	Clerk-stenographer	6,844.14
Jill T. Ruth	Assistant clerk	7,343.34
Robert R. Siegrist	Professional aide	16,997.40
Francis Stover	Assistant counsel	19,800.00
Louis A. Townsend	Professional aide	4,662.00
Margaret D. Waite	Clerk-stenographer	2,000.00
A. M. Willis, Jr	Professional staff member.	19,629.00
Total		274,708.17

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Barbara A. Carraway	Clerk-stenographer	$500.00
Josef Dine	Professional aide	5,836.59
Vance L. Gilliam	Records clerk	6,447.03
Rebecca J. Kite	Clerk-stenographer	6,897.03
Elizabeth D. Lunsford	Counsel, Subcommittee on Housing.	18,635.74

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Alice V. Matthews	Clerk-stenographer	$4,947.72
Sadka, David J.	do	500.00
Michael Sample	Minority-counsel—Cemeteries Subcommittee (terminated Aug. 6, 1976).	1,200.00
Ronald E. Smith	Minority counsel—Cemeteries Subcommittee.	4,717.00
Richard J. Stone	File clerk	5,767.65
Gary Thies	Staff assistant	2,515.92
Total		57,962.68

COMMITTEE ON WAYS AND MEANS

January 12, 1977.

To the Clerk of the House:

The Committee on Ways and Means pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $1,995,767.47
3. Amount expended during this period — 1,019,853.45

AL ULLMAN, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
John M. Martin, Jr	Chief counsel	$19,350.00
John K. Meagher	Minority counsel	19,350.00
John Patrick Baker	Assistant cheif counsel	19,068.75
Frederick B. Arner	Professional assistant	19,068.75
Thelma Askey	Staff assistant	7,612.39
Paul M. Auster	Professional assistant	19,068.75
M. Kenneth Bowler	do	17,153.40
Florence Burkett	Staff assistant	12,394.83
Cynthia Carpenter	do	6,695.37
Louise Chrissos	do	9,290.55
Loren C. Cox	Professional assistant	17,985.06
Barbara Fry	Staff assistant	7,315.09
Hughlon Greene	do	13,756.89
Robert Hill	Professional assistant	17,853.45
Allen C. Jensen	do	17,153.40
Grace Kagan	Staff assistant	14,330.07
James W. Kelley	Professional assistant	19,068.75
Walter Laessig	Assistant minority counsel.	19,068.75
Harold T. Lamar	Professional assistant	19,068.75
Robert Leonard	do	16,203.40
Walter B. Little	Staff assistant	13,756.89
Eugene J. Malone	Assistant minority counsel.	18,174.64
Carole McGettrick	Staff assistant	9,701.82
Harvey Pies	do	15,762.25
Jean Ratliff	do	8,855.66
Paul Rettig	Professional assistant	19,068.75
Gloria Shaver	Staff assistant	13,333.68
John Sherman	Professional assistant	18,924.99
A. L. Singleton	Deputy minority counsel.	19,068.75
Total		447,503.83

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Jeanne Archibald	Staff assistant	$3,071.97
Mable Collier Baker	do	9,021.69
Elizabeth Bargielski	do	6,977.04
Ann Baxter	do	6,989.82
Kenneth H. Bernstein	Professional assistant	10,927.59
Suzanne Blouin	do	10,123.41
Gloria Bloyer	Staff assistant	6,550.95
Mildred Blumel	do	5,888.85
Margaretta Brede	Staff assistant (from Dec. 1).	875.00
Emily Brisendine	Staff assistant	5,270.73
Madeline Bryan	Staff assistant (to Sept. 15).	3,333.33
Michael Calhoun	Professional assistant (from July 12).	13,800,63
Connie Colmer	Staff assistant	6,870.99

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Joy Copeland	Staff assistant (Aug. 30–Oct. 1).	$979.26
Paula Cottrell Hermelin	Staff assistant	5,526.78
Catherine Davis	Staff assistant (to Sept. 15).	2,083.33
Joan Eisner	Staff assistant	5,120.73
Donald Farness	Professional assistant (to Aug. 31).	5,000.00
Virginia Fletcher	Staff assistant	14,123.67
Linda Grey Freeman	do	8,602.86
Margaret Gifford	Staff assistant (to July 14).	210.00
Marcia Gomlak	Staff assistant (from Aug. 15).	5,031.19
Alice Gordon	Staff assistant	5,174.07
Julian Granger	Professional assistant	16,100.82
Joseph Hall	Staff assistant	9,985.47
Julie Hamos	Staff assistant (to Aug. 31).	2,600.00
Gloria Harrison	Staff assistant (to Aug. 20).	1,388.89
Charles Hawkins	Professional assistant	10,728.75
Jonathan Hawley	do	19,068.75
James Healey	do	14,666.88
Thomas Hendershot	Professional assistant (to Oct. 1).	7,171.72
Do	Professional assistant (from Nov. 1).	5,052.92
Sharon Hughes	Staff assistant	7,408.65
Erwin Hytner	Professional assistant	19,068.75
Clydis Kreutter	Staff assistant (from Aug. 15).	4,873.17
Harriett Lawler	Staff assistant	6,426.54
Mary Nell Lehnhard	Professional assistant	10,821.30
Mary Pat Lennon	Staff assistant	5,120.73
Suzann Matthews	Staff assistant (to July 31).	1,000.00
Robin Mayo	Staff assistant (from Oct. 1).	2,958.34
Janice Mays	Professional assistant	9,473.40
Myra Jo McQuinn	do	9,217.35
Norah Moseley	Staff assistant	6,531.97
Mary O'Connor	do	4,443.42
Archie Parnell, Jr	Professional assistant (from Nov. 15).	3,041.11
Martha Phillips	Staff assistant (from Dec. 1).	3,000.00
Marsha Powell	Staff assistant	6,748.48
Florence Prioleau	do	7,423.03
Robert Reese	Professional assistant (to Nov. 30).	7,687.37
Robert Rich	Staff assistant (to Aug. 31).	1,000.00
David B. Rohr	Professional assistant	18,890.67
Susan Romatowski	Staff assistant (to Aug. 13).	1,404.67
Lawrence Ross	Professional assistant	19,068.75
Alan Rothenberg	do	19,069.75
Lou Ann Rowe	Staff assistant	7,681.14
John J. Salmon	Professional assistant	16,502.01
Janet Stanzione	Staff assistant	5,888.85
Arthur Stein, III	Professional assistant	9,402.87
O. P. Stufflebeam	do	8,312.32
Anne Sullivan	do	8,657.17
Daniel Summers	Staff assistant (to August 31).	1,000.00
William K. Vaughan, Jr	Professional assistant	19,068.75
Robert Voniek, Jr	Staff assistant (to July 10).	233.33
Stuart Wegener	Staff assistant	4,096.62
Mary Jane Wignot	Professional assistant	17,543.25
B. Hughel Wilkins	Professional assistant (to July 15).	1,400.00
Do	Professional assistant (Nov. 29–Dec. 13).	1,400.00
Mark Wincek	Staff assistant (from Sept. 1).	4,352.16
Maureen Wright	Staff assistant	8,065.17
Total		516,598.18

SELECT COMMITTEE ON AGING

January 10, 1977.

To the Clerk of the House:

The Select Committee on Aging pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period July 1–Dec. 31, 1976 — $366,367.29
3. Amount expended during this period July 1–Dec. 31, 1976 — 225,697.16

CLAUDE PEPPER, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Robert S. Weiner	Staff director	$15,076.00
Robert M. Horner	Staff director (to Dec. Dec. 31, 1976—annuitant).	3,198.00
Edward F. Howard	General counsel	10,767.44
Lyle McClain	Counsel	16,373.70
David L. Holton	Chief investigator (from Dec. 13, 1976).	1,150.00
Albert H. Solomon, Jr	Professional staff assistant (to Sept. 15, 1976) (annuitant).	2,175.00
Martha Jane Maloney	do	10,306.02
Yosef J. Riemer	Professional staff assistant (from Dec. 23, 1976).	333.33
John F. Tischler	Professional Staff assistant (from Dec. 1, 1976).	2,500.00
Kathleen T. Gardner	Professional staff assistant (from Dec. 30, 1976).	33.33
Michael W. Murray	do	13,145.41
V. Bernice King	Financial manager	12,952.89
Marie H. Cunningham	Executive assistant (from Dec. 30, 1976).	55.56
Susan Rollman	Research assistant (from Oct. 1, 1976 to Dec. 31, 1976).	3,564.99
Annemarie Blaney	Research assistant (to July 24, 1976).	320.00
Martha Fletcher	Research assistant (from Aug. 16, 1976 to Sept. 25, 1976).	533.33
Rebecca Wishner	Research assistant (from July 1, 1976 to July 31, 1976).	400.00
Audrey L. Rollins	Secretary	8,065.17
Lorren W. Roth	Clerk-typist	6,183.30
Nancy E. Hobbs	Minority staff director	9,217.35
Robert F. Thompson	Clerk-typist (to July 31, 1976).	875.00
Rita A. Sheffey	Intern (from June 14 1976 to July 31, 1976).	480.00
Christine Murphy	Intern (from Aug. 6, 1976 to Aug. 21, 1976).	266.67
Maple Anderson	Intern (from Aug. 17, 1976 to Aug. 31, 1976).	186.66
Elliot J. Stern	Minority staff director	14,666.88
Hazel K. Edwards	Secretary	6,011.57
Mary E. Holman	do	5,944.90
Chris Stergiou	Intern (from June 1, 1976 to Aug. 15, 1976).	600.00
Marc Moskowitz	Intern (from June 21, 1976 to Sept. 5, 1976).	866.67
Jose S. Garza	Staff director	13,192.44
Patricia Lawrence	Minority staff director	8,193.18
Melissa Pollak	Research assistant	5,120.73
Jose I. Sandoval	Intern (from June 21 to Sept. 5, 1976).	866.67
Eldon Pence III	Intern (from July 19 to Sept. 5, 1976).	626.67
Robetta Ann Bretsch	Minority staff director	14,666.88
Karen Y. Lauglaug	Staff director (to Dec. 31, 1976).	6,415.92
Fumiko Kuwayama	Secretary (from Dec. 13 to 31, 1976).	650.00
Rita Stewart	Secretary	6,144.90
Earl J. Cantos	Intern (from June 1 to Aug. 15, 1976).	600.00
Linda Goto	Intern (from June 14 to Aug. 28, 1976).	773.33
Total		203,499.30

SELECT COMMITTEE ON ASSASSINATIONS

January 14, 1977.

To the Clerk of the House:

The Select Committee on Assassinations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period — $150,000.00
3. Amount expended during this period — 102,817.50

THOMAS DOWNEY, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Mordana, Sari	Law assistant/legal unit.	$1,583.33
Boland, Colleen T.	Researcher	144.44
Hess, Jacqueline	Deputy cheif researcher/JFK.	3,888.90
Walsh, Kevin	Researcher/JFK	1,291.67
Wolf, Elizabeth A.	Document/researcher	83.33
Hamilton, Gerald P.	Deputy chief researcher/MLK.	1,666.67
Locke, Ralph C.	Researchar/MLK	1,661.11
Risinger, Marlin	Document clerk/MLK	111.11
Orr, Phoebe C.	Document/researcher	458.33
Brown, Claire L.	Researcher	83.33
Gay, Donovan L.	Chief researcher	6,166.66
Price, Patricia L.	Clerk/researcher	270.83
Smith, Johanna L.	Document clerk	1,111.11
Morrison Robert C.	Security/investigator/JFK.	700.00
Kilker, Elizabeth A.	Secretary/MLK	1,244.45
Larson, Billie Gay	Secretary	2,936.11
Doyle, Kevin S.	Clerical assistant	425.00
Godfrey, Jane E.	Secretary	38.89
McCray, Denise L.	do	600.00
Strickland, Ann L.	do	116.67
Amato, Carolyn H.	Secretary (terminated Dec. 15, 1976).	2,844.44
Bonifer, Sheryl L.	Secretary	700.00
Jenkins, Nancy S.	do	186.67
Morton Rita L.	do	155.56
Edyth Baish	Task force office manager/JFK.	1,600.00
Burton A. Chardak	Public information officer.	3,022.22
Linda M. Connor	Editor/historian	888.89
Richard J. Feeney	Assistant director	5,666.66
Thomas Howarth	Budget officer	2,500.00
Rebecca W. Martin	Chief clerk	2,944.45
Vivian L. McPherson	Executive assistant	3,500.01
Patricia M. Orr	Special assistant to the chief counsel and director.	2,183.33
Joan T. Thornell	Special assistant	3,680.55
Dorothy "Sue" Tinajero	Task force office manager/MLK.	1,900.00
Antoinette "Ty" Roberts	Secretary	350.00
S. Jonathan Blackmer	Staff counsel	2,458.33
Belford V. Lawson III	do	1,666.67
Donald A. Purdy, Jr.	do	1,250.00
Robert K. Tanenbaum	Deputy chief counsel/JFK.	2,500.00
Jeremy Ray Akers	Staff counsel	4,000.01
Thomas M. Gannon	do	1,000.00
Roberat . Lehner	Deputy chief counsel/MLK.	2,500.00
Robert C. Ozer	Staff counsel (terminated Dec. 7, 1976).	4,353.3
Joseph Kiel	Staff counsel (terminated Nov. 15, 1976).	1,666.67
Kenneth E. Brooten, Jr.	Special counsel	6,894.44
Stephen J. Fallis	Deputy chief counsel	2,400.00
Alvin B. Lewis, Jr.	Special counsel	2,361.11
Richard A. Sprague	Chief counsel and director.	9,240.00
Clifford A. Fenton, Jr.	Chief investigator/JFK	1,300.00
John J. Moriarty, Jr.	Staff investigator/JFK	266.67
Edward M. Evans	Chief investigator/MLK	1,300.00
Jeffrey Facter	Staff counsel/Legal Unit.	69.44
James L. Wolf	do	886.11

SELECT COMMITTEE ON MISSING PERSONS IN SOUTHEAST ASIA

December 31, 1976.

To the Clerk of the House:

The Select Committee on Missing Persons in Southeast Asia pursuant to section 6(j) of rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $252,012.56
3. Amount expended during this period 77,158.74

GILLESPIE V. MONTGOMERY, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
J. Angus MacDonald[1]	Staff director	$15,594.00
Henry J. Kenny[1]	Deputy staff director	15,594.00
Job L. Dittberner[1]	Professional staff assistant.	12,470.28
John D. Burke[1]	do	5,750.01
Jeanne Shirkey[1]	Administrative assistant (to Oct. 31).	$5,566.41
Shirley Fulp[1]	Administrative assistant.	7,125.00
Charlene S. Dunlap[1]	Staff assistant (to July 16).	648.89
Carol Shumate[1]	Summer intern (to Aug. 13).	1,075.00
Scott Palmer[1]	Summer intern (to Aug. 20).	333.00
Kathleen A. Kane[1]	Clerk-typist (from Nov. 1).	1,000.00
Total		65,156.59

[1] Pursuant to H. Res. 744, 94th Cong.

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

January 12, 1977.

To the Clerk of the House:

The Select Committee on Narcotics Abuse and Control pursuant to section 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from June 30 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $111,667.00
3. Amount expended during this period 76,093.45

LESTER L. WOLFF, Chairman.

SCHEDULE B—INVESTIGATIVE STAFF PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Donna Maria Alvarado	Secretary	$388.06
Samuel J. Baptista	Research assistant	2,166.66
Elaine Davis	Secretary	3,704.16
Judith E. Harris	do	917.22
William G. Lawrence	Chief of staff	11,083.34
Carol Jean Moyer	Research assistant	3,916.67
Alan M. Murray[1]	Investigator	2,400.00
Joseph Nellis	Chief counsel	11,340.00
Joseph A. Phillips	Executive assistant to the chairman.	9,870.00
David Pickens	Project officer	5,950.00
Jeanne Robinson	Staff counsel	4,041.66
Anne Starks	Research assistant	500.00
Thomas Herbert Vogel	Staff assistant	7,500.00
Shirley J. Wright	Secretary	3,809.99
Total		67,587.76

[1] Mr. Murray will be returning $73.41 to the committee because of overpayment during October 1976.

AD HOC SELECT COMMITTEE ON OUTER CONTINENTAL SHELF

January 10, 1977.

To the Clerk of the House:

The Ad Hoc Select Committee on Outer Continental Shelf pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $121,045.72
3. Amount expended during this period 106,891.40

JOHN M. MURPHY, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Kim Ablondi	Clerk (effective Dec. 1, 1976).	$708.33
Terri Allen	Secretary	5,888.85
Julie Angus	Research asst. (effective Dec. 1, 1976).	1,091.00
Clementine Anthony	Secretary	5,684.04
Susan Baffa	Chief clerk	5,811.56
Charles Bedell	Minority counsel	3,149.25
Martin Belsky	Majority counsel	3,539.91
Tina Bowen	Secretary (through Nov. 7, 1976).	3,864.02
David Cahn	Minority staff	$12,367.20
Edward Curry	Clerk (through Aug. 15, 1976).	2,500.00
Randolph Deitz	Clerk (eff. July 1, through Aug. 31, 1976).	1,000.00
Michael Dickinson	Research assistant	5,991.27
Lauren Diehl	Clerk (eff. Aug. 1 through 31, 1976).	1,000.00
Mary Fusco	Secretary	6,433.97
Mark Greenspan	Research assistant	5,376.78
Elizabeth Heyward	Secretary (effective Dec. 1, 1976).	750.00
Thomas Kitsos	Legislative assistant (eff. Sept. 1, 1976).	10,594.00
Arden Kostaka	Staff	9,972.68
Lawrence O'Brien	Prof. staff (effective Dec. 1, 1976).	2,500.00
Karen O'Keefe	Clerk	4,554.07
Carl Perian	Staff director	2,762.34
Julia Perian	Administrative assistant.	4,729.14
Donald Watt	Editor	2,909.10

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

January 14, 1977.

To the Clerk of the House:

The Joint Committee on Congressional Operations pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1, to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $858,440.82
3. Amount expended during this period 297,293.96

JACK BROOKS, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Wilson R. Abney	Staff assistant	$9,574.48
Ellen L. Jones	Office manager	9,405.79
Francis J. Keenan	Director of projects	19,109.55
Eugene F. Peters	Executive director	19,350.00
Bryce H. Pettey	Staff assistant	7,893.72
Earl Francis Rieger	Staff counsel	13,417.48
Linda Jo Shelton	Staff assistant	6,802.31
Cynthia K. Watkins	Staff administrator	13,039.06
James Joseph Abrams	Staff assistant	6,656.97
English Bradshaw	do	3,150.00
Fred A. Caccavale	do	5,549.49
Carol J. Capalbi	Clerk	1,900.00
Michael A. Coppola	Placement assistant	5,120.73
Peter B. Crouch	do	212.50
Mary C. Dwyer	do	4,450.88
Mark A. Eller	Staff assistant	13,061.25
Gayle D. Fralin	Placement assistant	6,802.31
Carolyn P. Gibson	Receptionist/typist	4,608.69
Karen Anne Glenn	Placement assistant	6,298.30
Robert J. Kelley	Director	14,661.92
James F. McAllister	Administrative officer	16,919.49
Gerald P. McCartin	Temporary clerk	1,000.00
John Terrence McCartin	do	1,263.88
Brian McMenamin	do	311.11
Samuel Merrick	Staff assistant	8,521.86
John W. Molloy	Placement assistant	6,400.95
Janet E. Moore	do	1,638.89
Michael A. Norris	do	5,794.29
Sandra H. Padilla	Administrative officer	9,217.35
Donald H. Radler	Research assistant	15,594.00
William F. Raines III	Temporary clerk	1,011.11
Susan L. Sadtler	Placement assistant	5,120.73
Grace Seckler	Placement clerk	5,632.83
Michael L. Silk	Temporary clerk	1,147.22
David Robert Solomon	Placement assistant	1,916.66
Christopher S. Taylor	Temporary clerk	875.00
Dawn L. Thomas	Placement assistant	4,752.50
Anne Paul Wilander	do	5,120.73
Robert D. Peloquin, Jr.	Messenger	441.86
John C. Ahlers	Staff assistant	5,665.80
Joe B. Montgomery	do	2,397.88
Burnhart Muller	do	4,583.34
Philomena Uribe	Placement clerk	1,500.00
Larry Dale Ursich	Staff assistant	2,500.00
C. Braxton Valentine, Jr.	do	6,416.66
Marcella A. Juarez	do	2,016.66
Total		288,826.23

JOINT COMMITTEE ON DEFENSE PRODUCTION

January 15, 1977.

To the Clerk of the House:

The Joint Committee on Defense Production pursuant to section 6 (j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $214,974.00
3. Amount expended during this period 85,087.68

WILLIAM PROXMIRE, Vice-Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
William H. Kincade	Staff director	$17,673.18
Rhett B. Dawson	Minority counsel	15,853.91
Leon Reed	Professional staff member.	10,306.02
Robert Terzian	Counsel	10,306.02
Martha Braddock	Chief clerk-editor	8,500.44
W. Robert Gray	Professional staff member.	8,961.30
Lory Trapp	Secretary	4,386.05
Sharon Carter	do	2,124.99
Georgia Crump	Staff assistant (to Aug. 20).	1,166.67
Richard Cudahy	Intern (to Aug. 27)	570.00
Total		79,848.58

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

February 9, 1977.

To the Clerk of the House:

The Joint Committee on Internal Revenue Taxation pursuant to section 6(j) of Rule XI, Rules of the House of Representatives, submits the following report for the 6-month period from July 1 to December 31, 1976, inclusive:

1. Name, profession, and total salary of each person employed (see attached schedules A and B).
2. Total funds available during this period $2,074,754.48
3. Amount expended during this period 824,969.69

RUSSELL B. LONG, Chairman.

SCHEDULE A—STANDING COMMITTEE PAYROLL

Name of employee	Profession	Total gross salary during 6-mo period
Frances V. Abelitis	Secretary	$7,303.59
Richard L. Bacon	Legislation attorney	19,149.99
Carl E. Bates	do	16,113.78
Marcus Berliant	Computer programer (to Aug. 20, 1976).	1,333.33
James L. Billinger	Legislation attorney	16,633.62
Michael D. Bird	Economist	19,350.00
David H. Brockway	Legislation attorney	15,594.00
Lawrence R. Brown	do	12,933.75
Albert Buckberg	Economist	19,350.00
Janice Campbell Ayala	Secretary	5,427.99
Herbert L. Chabot	Assistant chief of staff	19,350.00
Michael W. Cook	Chief clerk	7,757.94
Elizabeth A. Dale	Secretary	7,436.74
Peter J. Davis	Econometrician	12,367.20
Jamie L. Daley	Secretary	9,050.59
Amelia Del Carmen	do	8,081.95
Stacy S. Dick	Economic assistant (to Aug. 31, 1976).	1,200.00
Joyce A. Edelson	Secretary	6,228.24
Arthur S. Fefferman	Chief economist (to July 31, 1976).	1,298.00
Joseph E. Fink	Statistical clerk	8,688.00
Sharon L. Frazier	Secretary	6,458.67
Alexa B. Gage	do	8,404.56
Jacqueline S. George	do	8,942.25
John J. Germanis	Statistical analyst	19,350.00
Alvin J. Geske	Legislation attorney	16,633.62
Thomas P. Hart	Econometrician	9,358.17
Janet Ann Jerz	Secretary	6,433.05
Norma E. Kershner	do	7,815.66
Leon W. Klud	Economist	17,153.40
John A. Lepley	Statistical clerk	7,681.14
William M. Lieber	Legislation attorney	19,350.00
June M. Matthews	Secretary	8,071.71
Harrison B. McCawley	Refund counsel	19,350.00
Mark L. McConaghy	Legislation attorney	19,350.00
Joanne B. McDermott	Executive assistant	12,727.89
Blanche F. Nagro	Secretary	8,910.12
Michael Oberst	Legislation attorney	19,149.99
Paul W. Oosterhuis	do	15,261.81
Mary J. Page	Secretary	7,098.78
Don L. Ricketts	Legislation attorney	17,985.06
Allan S. Rosenbaum	Accountant	17,985.06

SCHEDULE A—STANDING COMMITTEE PAYROLL—Continued

Name of employee	Profession	Total gross salary during 6-mo period
Marcia B. Rowzie	Administrative assistant.	$9,833.05
Linda R. Savage	Secretary	9,966.37
Michelle P. Scott	Legislation attorney	14,020.17
Bernard M. Shapiro	Assistant chief of staff	19,350.00
Howard J. Silverstone	International tax counsel.	19,350.00
Linden C. Smith	Econometrician	12,933.75
Joseph P. Spellman	Refund attorney	15,957.84
Robert P. Strauss	Economist	18,193.02
James H. Symons	Statistical analyst	19,350.00
Melvin C. Thomas, Jr	Legislation attorney	15,594.00
Dewitt Fooks Truitt	Refund attorney	13,580.43
Thomas Vasquez	Economist (to Oct. 21, 1976).	2,290.05
Robert A. Warden	Assistant legislation counsel.	19,350.00
Maxine A. Weinstein	Computer programer (to Sept. 30, 1976).	4,250.01
James W. Wetzler	Economist	17,933.10
Laurence N. Woodworth	Chief of staff	21,500.01
Nguyen Van Xe	Clerk	4,608.69
Robert A. Blum	Legislation attorney (Oct. 1, 1976 to Nov. 2, 1976).	3,200.00
Lincoln Arnold	Legislation attorney (from Nov. 1, 1976).	3,322.00
Dianne Bennett	Legislation attorney (from Aug. 9, 1976).	7,375.50
Total		740,127.64

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV executive communications were taken from the Speaker's table and referred as follows:

702. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to amend chapter 639 of title 10, United States Code, to enable the Secretary of the Navy to change the name of a publication of the Naval Observatory providing data for navigators and astronomers; to the Committee on Armed Services.

703. A letter from the Acting Assistant Secretary of the Treasury (Administration), transmitting notice of a proposed new system of records for the U.S. Customs Service, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

704. A letter from the Acting Assistant Secretary of the Interior (Administration and Management), transmitting notice of proposed new records system for the Department, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

705. A letter from the Acting Director, U.S. Information Agency, transmitting the Agency's 44th annual report, covering fiscal year 1976, pursuant to section 1008 of the U.S. Information and Educational Exchange Act of 1948; to the Committee on International Relations.

706. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a)(28)(I)(ii)(b) of the Immigration and Nationality Act, as amended (66 Stat. 182); to the Committee on the Judiciary.

707. A letter from the president, Jewish War Veterans, U.S.A., National Memorial, Inc., transmitting the annual financial report of the organization for the year ended March 31, 1976, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

708. A letter from the Acting Director, National Science Foundation, transmitting a draft of proposed legislation to authorize appropriations for activities of the National Science Foundation, and for other purposes; to the Committee on Science and Technology.

709. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmititng a report on Department of Defense procurement from small and other business firms, covering the period July-September 1976, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENT: Committee on House Administration. House Resolution 261. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on House Administration (Rept. No. 95-13). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA (for himself and Mr. HEFTEL):

H.R. 3316. A bill to amend title 5 of the United States Code to prohibit the consideration of certain matters in the determination of cost-of-living allowances for employees stationed outside the continental United States; to the Committee on Post Office and Civil Service.

By Mr. ALLEN:

H.R. 3317. A bill to amend title 15, United States Code, secs. 717 et seq., the Natural Gas Act, so as to extend the regulatory authority of the Federal Power Commission, to vest certain extraordinary and other powers in the President, to encourage the exploration and drilling for natural gas, to encourage the conservation of natural gas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Mr. ANDERSON of Illinois:

H.R. 3318. A bill to amend the act of August 25, 1958, as amended (72 Stat. 838; 3 U.S.C. 102, note) by amending provisions relating to the staffs of former Presidents of the United States; to the Committee on Post Office and Civil Service.

By Mr. BALDUS:

H.R. 3319. A bill to provide for monitoring of soil moisture in drought-prone areas, to provide information thereon and accelerate financial and technical assistance to lessen impact of drought on farming and ranching operations; to the Committee on Agriculture.

By Mr. BEDELL:

H.R. 3320. A bill to amend the Federal Election Campaign Act of 1971 to require candidates for Federal office in certain circumstances to return excess campaign contributions to the persons making such contributions or to deposit such contributions in the Presidential Election Campaign Fund, and for other purposes; to the Committee on House Administration.

By Mrs. BOGGS:

H.R. 3321. A bill to provide recognition to the Women's Air Forces Service Pilots for their service to their country during World War II by deeming such service to have been active duty in the Armed Forces of the United States for purposes of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. CARTER:

H.R. 3322. A bill to establish the Department of Health; to the Committee on Government Operations.

By Mr. CHAPPELL:

H.R. 3323. A bill relating to the withholding on the proceeds of certain wagers with respect to horse races, dog races and jai alai; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 3324. A bill to amend the Immigration and Nationality Act to permit adoption of more than two children; to the Committee on the Judiciary.

H.R. 3325. A bill to provide that rates of pay for Members of Congress shall not be subject to adjustment under the Federal Salary Act of 1967 or subject to any other automatic adjustment; to the Committee on Post Office and Civil Service.

By Mr. COHEN (for himself, Mr. LEACH, Mr. MURTHA, Mr. O'BRIEN, Mr. COLLINS of Texas, Mr. PURSELL, Mr. PRITCHARD, Mr. MARTIN, Mr. RANGEL, Mr. BUCHANAN, Mr. LENT, Mr. BOLAND, Mr. FORSYTHE, Mr. HILLIS, Mr. JENRETTE, Mr. ANDERSON of Illinois, Mr. MOTTL, Mr. LUNDINE, Mr. ABDNOR, Mrs. PETTIS, Mrs. SPELLMAN, and Mr. BADILLO):

H.R. 3326. A bill to amend the Internal Revenue Code of 1954 to encourage greater conservation of energy in home heating and cooling by allowing individuals a credit of 25 percent of amounts paid or incurred for the installation of more effective insulation and heating equipment in existing residential structures; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 3327. A bill to amend title 28 of the United States Code to permit the resignation with the right to continue receiving pay to certain Federal judges at age 65 who have completed 15 years judicial service; to the Committee on the Judiciary.

By Mr. CRANE (for himself, Mr. BADHAM, Mr. BEARD of Rhode Island, Mr. BURGENER, Mr. COHEN, Ms. COLLINS of Illinois, Mr. COLLINS of Texas, Mr. DERWINSKI, Mr. DORNAN, Mr. EDWARDS of Oklahoma, Mr. FAUNTROY, Mr. GILMAN, Mr. GOLDWATER, Mr. GRASSLEY, Mr. HANSEN, Mr. JENRETTE, Mr. KEMP, Mr. KETCHUM, Mr. LAGOMARSINO, Mr. LOTT, Mr. MARTIN, Mr. MINETA, Mr. MCDONALD, Mr MOORHEAD of California, and Mr. MURTHA):

H.R. 3328. A bill to provide for the confidentiality of medical and/or dental records of patients not receiving assistance from the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. DAVIS, Mr. DERWINSKI, Mr. DORNAN, Mr. KETCHUM, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. MCDONALD, Mr. SYMMS, Mr. TREEN, Mr. WHITEHURST, and Mr. CHARLES WILSON of Texas):

H.R. 3329. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; jointly to the Committee on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. BADHAM, Mr. BURGENER, Mr. CLEVELAND, Mr. COLLINS OF TEXAS, Mr. DAN DANIEL, Mr. DORNAN, Mr. DUNCAN of Oregon, Mr. DUNCAN of Tennessee, Mrs. HOLT, Mr. KINDNESS, Mrs. LLOYD, of Tennessee, Mr. MARTIN, Mr. MCDONALD, Mr. MOLLOHAN, Mr. MOORHEAD of California, Mr. QUIE, Mr. ROBINSON, Mr. SEBELIUS, Mr. SIMON, Mr. SYMMS, Mr. TONRY, Mr. TREEN, and Mr. WHITEHURST):

H.R. 3330. A bill to provide for congressional review of all regulations relating to costs and expenditures for health care, reimbursements to individuals or providers of health care, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, Ways and Means, and Rules.

By Mr. CRANE (for himself, Mr. KELLY, Mr. NEAL, Mr. PURSELL, Mr. ROSE, Mr. ROUSSELOT, Mr. SNYDER, Mr. STARK, and Mr. SYMMS):

H.R. 3331. A bill to provide for the confidentiality of medical and/or dental records of patients not receiving assistance from the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DANIELSON:

H.R. 3332. A bill to amend the Internal Revenue Code of 1954 to disallow deductions from gross income for salary paid to aliens illegally employed in the United States; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 3333. A bill to amend the Small Business Act to authorize the Small Business Administration to make loans with respect to certain economic disasters; to the Committee on Small Business.

By Mr. DERRICK (for himself, Mr. BRECKINRIDGE, Mr. MILLER of California, Mr. STANTON, Mr. MOAKLEY, Mr. NEAL, Mr. LEHMAN, Mr. MOTTL, Mr. HANNAFORD, Mr. WHITEHURST, Mr. MCHUGH, Mr. BRODHEAD, Mr. BROYHILL, Mr. BURGENER, Mr. SCHEUER, Mr. CHARLES WILSON of Texas, Mr. DUNCAN of Oregon, Mr. FOUNTAIN, Mr. GEPHARDT, Mr. LEACH, Mr. DUNCAN of Tennessee, Mr. SEBELIUS, Mr. ROSENTHAL, and Mr. AKAKA):

H.R. 3334. A bill to amend the Internal Revenue Code of 1954 to allow a refundable tax credit equal to 50 percent of the wages paid to certain new employees; to the Committee on Ways and Means.

By Mr. DIGGS (for himself and Mr. MCKINNEY):

H.R. 3335. A bill to establish a government corporation to operate St. Elizabeths Hospital; to the Committee on the District of Columbia.

By Mr. EMERY (for himself, Mr. LENT, Mr. ROE, Mr. PRITCHARD, Mr. HORTON, Mr. ST GERMAIN, Mr. BEDELL, Mr. MAZZOLI, Mr. VANDER JAGT, Mrs. COLLINS of Illinois, Mr. JENRETTE, Mr. MOAKLEY, Mr. LEGGETT, Mr. HOWARD, Mr. KEMP, Mr. PEASE, Mr. BADHAM, Mr. HEFTEL, Mr. SCHEUER, Mr. EDWARDS of California, Mr. PATTERSON of California, Mr. NOLAN, Mr. YOUNG of Alaska, Mr. LAGOMARSINO, and Mr. EDWARDS of Alabama):

H.R. 3336. A bill to apply to all vessels entering the U.S. Fishery Conservation Zone the same design, construction, cargo, and other related standards which apply, under the Ports and Waterways Safety Act of 1972, to vessels documented under the laws of the United States or which enter the navigable waters of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. EVANS of Indiana:

H.R. 3337. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress; to the Committee on Post Office and Civil Service.

By Mrs. FENWICK (for herself, Mr. BEDELL, Mr. FISHER, Mr. JEFFORDS, Mr. MARKS, Mr. MAZZOLI, Mr. PANETTA, Mr. SHARP, and Mr. WALGREN):

H.R. 3338. A bill to provide that rates of pay for Members of Congress shall not be subject to adjustment under the Federal Salary Act of 1967 or subject to any other automatic adjustment; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY (for himself, Mr. PRICE, Mr. ANNUNZIO, Mr. FRENZEL, Mr. GAYDOS, Mr. LEACH, Mr. RAILSBACK, Mr. SHIPLEY, Mr. TREEN, Mr. WAGGONNER, Mr. CHARLES WILSON of Texas, and Mr. YOUNG of Missouri):

H.R. 3339. A bill to authorize the construction of a replacement lock and dam for locks and dam 26, Mississippi River, Alton, Ill., and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FRASER (for himself and Mr. VENTO):

H.R. 3340. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses allocable to the use of any portion of a dwelling unit in the trade or business of providing day care services whether or not such portion is exclusively used in such trade or business; to the Committee on Ways and Means.

By Mr. GEPHARDT:

H.R. 3341. A bill to establish a National Commission on Neighborhoods; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GRADISON:

H.R. 3342. A bill to provide that certain provisions of the Natural Gas Act relating to rates and charges shall not apply to persons engaged in the production or gathering and sale but not in the transmission of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mrs. HOLT (for herself and Mr. LONG of Maryland):

H.R. 3343. A bill to amend title 38, United States Code, to authorize a program of assistance to States for the establishment, expansion, improvement, and maintenance of veterans' cemeteries, and to provide for transportation of bodies to a national cemetery; to the Committee on Veterans' Affairs.

By Mr. JOHNSON of California:

H.R. 3344. A bill to authorize the Secretary of the Interior to engage in feasibility investigations of a potential water resource development; to the Committee on Interior and Insular Affairs.

By Ms. KEYS:

H.R. 3345. A bill to amend the Internal Revenue Code of 1954 to simplify tax preparation by allowing individuals whose income consists solely of employee compensation and interest to elect to have the Internal Revenue Service compute their income tax liability, and for other purposes; to the Committee on Ways and Means.

By Mr. LATTA:

H.R. 3346. A bill to abolish the Commission on Executive, Legislative, and Judicial Salaries established by section 225 of the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MAHON:

H.R. 3347. A bill to rescind certain budget authority recommended in the message of the President of September 22, 1976 (H. Doc. 94–620), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. METCALFE (by request):

H.R. 3348. A bill to amend the act of July 2, 1940, as amended, to increase the amount authorized to be appropriated for the Canal Zone Biological Area; to the Committee on Merchant Marine and Fisheries.

By Mr. MITCHELL of Maryland:

H.R. 3349. A bill to amend section 14(b) of the Federal Reserve Act to provide authority to the Federal Reserve Banks to purchase and sell, until April 1, 1978, obligations of the United States and obligations fully guaranteed by the United States without regard to maturities; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MURPHY of New York (for himself and Mr. BREAUX):

H.R. 3350. A bill to promote the orderly development of hard mineral resources in

the deep seabed, pending adoption of an international regime relating thereto; jointly to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

By Mr. MURTHA:

H.R. 3351. A bill to amend title 18, United States Code, so as to impose mandatory minimum terms with respect to certain offenses, and for other purposes; to the Committee on the Judiciary.

H.R. 3352. A bill to amend title 18 of the United States Code with regard to the additional sentence imposed for commission of a felony while using or unlawfully carrying a firearm; to the Committee on the Judiciary.

By Mr. GARY A. MYERS (for himself and Mr. McKINNEY):

H.R. 3353. A bill to amend the Local Public Works Capital Development and Investment Act of 1976 to increase the authorization, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. NOLAN (for himself, Mr. QUIE, and Mr. FRASER):

H.R. 3354. A bill to provide that certain land of the United States shall be held by the United States in trust for certain communities of the Mdewakanton Sioux in Minnesota; to the Committee on Interior and Insular Affairs.

By Mr. OBEY:

H.R. 3355. A bill to require that dairy products which are imported be labeled to disclose such fact; to the Committee on Interstate and Foreign Commerce.

By Mr. REUSS:

H.R. 3356. A bill to encourage financial institutions to help meet the credit needs of the communities in which they are chartered and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. REUSS (for himself, Mr. HARRINGTON, Mr. MIKVA, Mr. NIX, Mr. ROSENTHAL, Mr. SOLARZ, Mr. SCHEUER, and Mr. KOCH):

H.R. 3357. A bill to amend title I of the Housing and Community Development Act of 1974 for the purpose of providing that units of general local government receiving grants under the hold-harmless provision of such title shall be entitled, after fiscal year 1977, to continue to receive at least the amount to which they are presently entitled under such provisions; to the Committee on Banking, Finance and Urban Affairs.

By Mr. REUSS (for himself, Mr. HARRINGTON, Mr. MIKVA, Mr. OTTINGER, Mr. NIX, Mr. ROSENTHAL, Mr. SOLARZ, Mr. SCHEUER, Mr. FORD of Michigan, and Mr. KOCH):

H.R. 3358. A bill to extend title II of the Public Works Employment Act of 1976 for five additional quarters; to the Committee on Government Operations.

By Mr. REUSS (for himself, Mr. HARRINGTON, Mr. OTTINGER, Mr. ROSENTHAL, Mr. SOLARZ, Mr. SCHEUER, Mr. NIX, and Mr. KOCH):

H.R. 3359. A bill to amend the Internal Revenue Code of 1954 to provide that the tax-exempt treatment allowed to certain industrial development bonds be restricted to bonds the proceeds of which are to be used within economic development areas, and to allow national banks to underwrite these bonds; to the Committee on Ways and Means.

By Mr. REUSS (for himself, Mr. HARRINGTON, Mr. OTTINGER, Mr. NIX, Mr. ROSENTHAL, Mr. SOLARZ, Mr. DE LUGO, Mr. SCHEUER, and Mr. KOCH):

H.R. 3360. A bill to amend title II of the Social Security Act to provide special cost-of-living increases in benefits thereunder based on local differentials in the cost of food and other necessities (over and above the regular annual cost-of-living increases in such benefits which are provided under present law on a national basis) for individuals residing in high cost cities and other high cost areas; to the Committee on Ways and Means.

By Mr. RODINO (for himself, Mr. KOCH, Mr. BAUCUS, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. PHILLIP BURTON, Mr. DELLUMS, Mr. DODD, Mr. DOWNEY, Mr. DRINAN, Mr. EDWARDS of California, Mr. FISH, Mr. FLOOD, Mr. FORD of Tennessee, Mr. FRASER, Ms. HOLTZMAN, Ms. JORDAN, Mr. LAFALCE, Mr. LEHMAN, and Mr. SEIBERLING):

H.R. 3361. A bill to amend chapter 5 of title 5, United States Code (commonly known as the Administrative Procedure Act), to permit awards of reasonable attorneys' fees and other expenses for public participation in Federal agency proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. KOCH, Mr. MAGUIRE, Mr. MIKVA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOFFETT, Mr. OBERSTAR, Mr. OTTINGER, Mr. ST GERMAIN, Mr. RICHMOND, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SOLARZ, Mrs. SPELLMAN, Mr. STARK, Mr. STOKES, Mr. UDALL, Mr. Mr. WAXMAN, and Mr. WOLFF):

H.R. 3362. A bill to amend chapter 5 of title 5, United States Code (commonly known as the Administrative Procedure Act), to permit awards of reasonable attorneys' fees and other expenses for public participation in Federal agency proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI (for himself, Mr. CONABLE, Mr. BURLESON of Texas, Mr. WAGGONNER, and Mr. ARCHER):

H.R. 3363. A bill to amend the Internal Revenue Code of 1954 to avoid duplication of tax imposed under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act in the case of certain concurrent employers of the same employee; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 3364. A bill to amend the Tariff Schedules of the United States in order to provide for the duty-free importation of loose glass prisms used in chandeliers and wall brackets; to the Committee on Ways and Means.

By Mr. ST GERMAIN (for himself, Mr. REUSS, Mr. HANLEY, Mr. PATTERSON of California, Mr. LAFALCE, and Ms. OAKAR):

H.R. 3365. A bill to extend the authority for the flexible regulation of interest rates in deposits and accounts in depository institutions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SEBELIUS:

H.R. 3366. A bill to amend the Agricultural Act of 1949 for the purpose of providing extended periods for the repayment of nonrecourse loans made under title I of such act with respect to wheat and feed grains, and for other purposes; to the Committee on Agriculture.

By Mr. SEBELIUS:

H.R. 3367. A bill to provide a special grazing and hay program for wheat acreage; to the Committee on Agriculture.

By Mr. SEBELIUS:

H.R. 3368. A bill to provide that research and development with respect to alternate fuels shall include research into the use of mixtures of grain alcohol and gasoline; to the Committee on Science and Technology.

By Mr. SEBELIUS (for himself, Mr. GLICKMAN, Mrs. KEYS, Mr. SKUBITZ, Mr. WINN, Mr. THONE, Mr. JEFFORDS, Mr. GRASSLEY, Mr. MARLENEE, Mr. HIGHTOWER, Mr. BEDELL, Mr. ENGLISH, Mr. ABDNOR, Mr. ANDREWS of North Dakota, Mr. KINDNESS, Mr. TRAXLER, Mr. BROWN of Ohio, Mr. FINDLEY, and Mrs. SMITH of Nebraska):

H.R. 3369. A bill to establish an advisory committee to provide consultation and advice to the Administrator of the Federal Grain Inspection Service and to amend the United States Grain Standards Act with respect to supervision fees and recordkeeping requirements; to the Committee on Agriculture.

By Mr. SEIBERLING (for himself, Mr. UDALL, Mr. BADILLO, Mr. BONIOR, Mr. BROWN of California, Mr. CORRADA, Mr. DELLUMS, Mr. EDWARDS of California, Mr. EILBERG, Mr. GIBBONS, Mr. HAWKINS, Mr. MIKVA, Mr. ROYBAL, Mr. RYAN, Mr. SCHEUER, Mrs. SPELLMAN, Mr. STARK, Mr. STOKES, Mr. VAN DEERLIN, Mr. WEAVER, and Mr. ZEFERETTI):

H.R. 3370. A bill to amend the Clayton Act to prohibit undue concentration in the energy-producing industries, and for other purposes; to the Committee on the Judiciary.

By Mr. SEIBERLING (for himself, Mr. REUSS, Mr. THOMPSON, Mr. HARRINGTON, Mr. BINGHAM, Mr. BLANCHARD, Mr. CARNEY, Mr. DIGGS, Mr. EDGAR, Mr. EILBERG, Mr. FORD of Michigan, Mr. GILMAN, Mr. HUGHES, Mr. KOSTMAYER, Mr. LAFALCE, Mr. MITCHELL of Maryland, Mr. MITCHELL of New York, Mr. MOORHEAD of Pennsylvania, Mr. MURPHY of New York, Mr. PEASE, Mr. PURSELL, Mr. RYAN, Mr. SARASIN, Mr. STANTON, and Mr. WALSH):

H.R. 3371. A bill to amend the Internal Revenue Code of 1954 to encourage the modernization of manufacturing plants by providing an additional investment credit for machinery placed in service in existing manufacturing plants or in nearby plants; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. ASHLEY, Mr. LUKEN, Mr. MOTTL, and Mr. REGULA):

H.R. 3372. A bill to amend the Internal Revenue Code of 1954 to encourage the modernization of manufacturing plants by providing an additional investment credit for machinery placed in service in existing manufacturing plants or in nearby plants; to the Committee on Ways and Means.

By Mr. SIKES:

H.R. 3373. A bill to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk; to the Committee on Ways and Means.

By Mr. SLACK:

H.R. 3374. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers; and to prevent deterioration of competition in gasoline marketing; to the Committee on Interstate and Foreign Commerce.

H.R. 3375. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 3376. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. STEED (by request):

H.R. 3377. A bill to authorize the Wichita Indian Tribe of Oklahoma, and its affiliated bands and groups of Indians, to file with the Indian Claims Commission any of their claims against the United States for lands taken without adequate compensation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STOKES:

H.R. 3378. A bill to require that discharge certificates issued to members of the armed forces not indicate the conditions or reasons for discharge, to limit the separation of en-

listed members under conditions other than honorable, and to improve the procedures for the review of discharges and dismissals; to the Committee on Armed Services.

H.R. 3379. A bill to require that any person holding a federally related home mortgage shall provide certain services and follow certain procedures before instituting foreclosure proceedings with respect to such mortgage; to the Committee on Banking, Finance and Urban Affairs.

H.R. 3380. A bill to establish a program providing financial assistance to low- and moderate-income households with regard to utility costs incurred by such households; to the Committee on Interstate and Foreign Commerce.

H.R. 3381. A bill to provide a special program for financial assistance to national community-based organizations of demonstrated effectiveness, in order to provide 1 million new jobs and job training opportunities, and for other purposes; jointly to the Committees on Education and Labor, and Ways and Means.

By Mr. TAYLOR:

H.R. 3382. A bill to amend title II of the Social Security Act to permit the payment of child's insurance benefits to a great-grandchild legally adopted by a retired or disabled worker, the same as such benefits would be payable under present law to the worker's legally adopted grandchild; to the Committee on Ways and Means

By Mr. THOMPSON (for himself and Mr. SCHEUER):

H.R. 3383. A bill to amend the National Labor Relations Act to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry; to the Committee on Education and Labor.

By Mr. THOMPSON:

H.R. 3384. A bill to amend the National Labor Relations Act to provide that any employee who is a member of a religion or sect historically holding conscientious objection to joining or financially supporting a labor organization shall not be required to do so; to the Committee on Education and Labor.

By Mr. VANIK (for himself, Mr. TUCKER, Mr. ZEFERETTI, Mr. EILBERG, Mr. BRODHEAD, Ms. MIKULSKI, Mr. DE LA GARZA, Mr. CORNELL, Mr. DANIELSON, Mr. FRASER, Mr. WAXMAN, Mr. HOWARD, Mr. ASHLEY, Mr. HUGHES, Mr. ICHORD, Mrs. SPELLMAN, Mr. CHARLES WILSON of Texas, Mr. VAN DEERLIN, Mr. ROBERTS, Mr. GLICKMAN, Mr. PRICE, and Mr. OTTINGER):

H.R. 3385. A bill to amend title II of the Social Security Act to increase the amount of outside earnings which (subject to future cost-of-living adjustments) is permitted any individual each year without deductions from benefits thereunder in the case of individuals receiving less than the maximum provided for benefits of the type involved; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mr. TUCKER, Mr. ZEFERETTI, Mr. EILBERG, Mr. BRODHEAD, Ms. MIKULSKI, Mr. DE LA GARZA, Mr. CORNELL, Mr. DANIELSON, Mr. WAXMAN, Mr. HOWARD, Mr. HUGHES, Mr. ICHORD, Mrs. SPELLMAN, Mr. CHARLES WILSON of Texas, Mr. VAN DEERLIN, Mr. ROBERTS, Mr. GLICKMAN, Mr. PRICE, and Mr. OTTINGER):

H.R. 3386. A bill to amend title II of the Social Security Act to raise the amount by which an individual's social security benefits are to be increased on account of delayed retirement; to the Committee on Ways and Means.

By Mr. WAGGONNER:

H.R. 3387. A bill to continue until the close of June 30, 1980, the existing suspension of duties on synthetic rutile; to the Committee on Ways and Means.

H.R. 3388. A bill to amend Item 603.70 of the Tariff Schedules of the United States as they relate to synthetic rutile as a titanium source material; to the Committee on Ways and Means.

By Mr. WOLFF:

H.R. 3389. A bill to establish a Federal Housing Bank to purchase mortgages from Federal National Mortgage Association and the Federal Home Loan Bank System having rates of interest no higher than 6 percent, to refinance mortgages of families stricken by unemployment, to provide emergency mortgage relief, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WOLFF (for himself, Mr. LENT, Mr. AMBRO, Mr. WALSH, Mr. RODINO, Mr. DINGELL, Mr. NIX, Mr. EILBERG, Mr. MOAKLEY, Mr. BRODHEAD, Mr. COTTER, Ms. MIKULSKI, Mr. HOWARD, Mr. MCKINNEY, Mr. MOORHEAD of Pennsylvania, Mr. STUDDS, Mr. BURKE of Massachusetts, Mr. DRINAN, Mr. MARKS, Mr. BROWN of Michigan, Mr. SIMON, Mr. NEDZI, Mr. CONYERS, and Mr. MIKVA):

H.R. 3390. A bill to amend the Federal Water Pollution Control Act relating to the period of time for which certain funds allotted to States for the construction of treatment works shall remain available; to the Committee on Public Works and Transportation.

By Mr. WRIGHT:

H.R. 3391. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to plan and establish wetland areas in association with water resources development projects; to the Committee on Public Works and Transportation.

H.R. 3392. A bill to amend the Federal Water Pollution Control Act to provide for additional authorizations, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. YATRON (for himself, Mr. MITCHELL of Maryland, Mr. EDGAR, Mr. DE LUGO, Mr. HAWKINS, Mr. WON PAT, Mr. MOAKLEY, Mr. MICHAEL O. MYERS, Mr. STOKES, Mr. EILBERG, Mr. DRINAN, Mr. LEDERER, Mr. BRODHEAD, Mr. SOLARZ, Mr. BADILLO, Mr. CORRADA, Ms. CHISHOLM, Mr. WEISS, Mr. BONIOR, Mrs. BURKE of California, Mr. FORD of Michigan, Mr. MOORHEAD of Pennsylvania, Mr. GAYDOS, Mr. DINGELL, and Mr. ROYBAL):

H.R. 3393. A bill to extend the Emergency Unemployment Compensation program for an additional year; to the Committee on Ways and Means.

By Mr. YATRON (for himself, Mr. RANGEL, Mr. AKAKA, Mr. MURPHY of Pennsylvania, and Mr. MCHUGH):

H.R. 3394. A bill to extend the Emergency Unemployment Compensation program for an additional year; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 3395. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. BRINKLEY:

H.R. 3396. A bill to amend title 38 of the United States Code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to require specially adapted housing; to the Committee on Veterans' Affairs.

By Mr. BROWN of California (for himself, Mr. MCCORMACK, Mr. TEAGUE, Mr. DOWNEY, Mr. DICKS, Mr. ROYBAL, Mr. FLIPPO, Mr. EILBERG, Mr. BEDELL, Mr. COTTER, Mr. STRATTON, Mr. BINGHAM, Mr. CORNELL, Mr. DANIELSON, Mr. CHARLES WILSON of Texas, Mr. CORMAN, and Mr. PATTERSON of California):

H.R. 3397. A bill to establish a 5-year research and development program leading to advanced automobile propulsion systems, and for other purposes; to the Committee on Science and Technology.

By Mr. BROWN of California (for himself, Mr. MCCORMACK, Mr. TEAGUE, Mr. WOLFF, Mr. MIKVA, Mr. DUNCAN of Oregon, Mr. EDWARDS of California, Mr. HEFTEL, Mr. PANETTA, Mr. BAUCUS, Mr. ANDERSON of California, Mr. LUJAN, Mr. CONTE, and Mrs. FENWICK):

H.R. 3398. A bill to establish a 5-year research and development program leading to advanced automobile propulsion systems, and for other purposes; to the Committee on Science and Technology.

By Mr. BROWN of California (for himself, Mr. WINN, Mr. BEILENSON, Mr. BLANCHARD, Mr. BURGENER, Mr. DOWNEY, Mr. FREY, Mr. FUQUA, Mr. GLICKMAN, Mr. HORTON, Mr. MCCORMACK, Ms. MIKULSKI, Mr. MILFORD, Mr. OBERSTAR, Mr. OTTINGER, Mr. RICHMOND, Mr. RODINO, Mr. ROYBAL, Mr. SCHEUER, and Mr. STOCKMAN):

H.R. 3399. A bill to authorize and direct the establishment of a coordinated national program related to climate, and for other purposes; to the Committee on Science and Technology.

By Mr. BURGENER (for himself, Ms. LLOYD of Tennessee, Mr. KINDNESS, Mr. DAVIS, Mr. LAGOMARSINO, Mr. DICKINSON, Mr. BADHAM, Mr. KETCHUM, Mr. TREEN, Mr. SISK, Mr. ROSE, Mr. DE LA GARZA, Mr. ANDREWS of North Dakota, Ms. FENWICK, Mr. BAUCUS, Mr. WAGGONNER, Mr. JENRETTE, and Mr. BURLISON of Missouri):

H.R. 3400. A bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator, and for other purposes; to the Committee on Ways and Means.

By Mr. BURKE of Massachusetts:

H.R. 3401. A bill to amend title II of the Social Security Act to increase to $4,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 3402. A bill to amend the Internal Revenue Code of 1954 to allow individuals to designate $1 of their income tax liability to be used for purposes of reducing the public debt of the United States; to the Committee on Ways and Means.

By Mr. DELANEY (for himself, Mr. BEARD of Rhode Island, Mr. MOORHEAD of California, Mr. D'AMOURS, Mr. BURKE of Florida, Mr. ZEFERETTI, and Mr. EDGAR):

H.R. 3403. A bill to amend the Internal Revenue Code of 1954 to allow a taxpayer to deduct, or to claim a credit for, amounts paid as tuition to provide an education for himself, for his spouse, or for his dependents; to the Committee on Ways and Means.

By Mr. DERRICK (for himself, Mr. ABDNOR, Mr. ROSE, Mr. SISK, Ms. MIKULSKI, Mr. LE FANTE, Mr. FLOWERS, Mrs. SPELLMAN, Mr. PANETTA, Mr. QUAYLE, Mr. HANSEN, Mr. RINALDO, Mr. YATRON, Mr. MOORHEAD of California, Mr. YOUNG of Florida, Mr. OTTINGER, Mr. RUNNELS, Mr. WIRTH, Mr. TUCKER, Mr. PRESSLER, and Ms. OAKAR):

H.R. 3404. A bill to amend the Internal Revenue Code of 1954, to allow a refundable tax credit equal to 50 percent of the wages paid to certain new employees; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. BROYHILL, Mr. ABDNOR, Mr. BLANCHARD, Mr. BROOMFIELD, Mr. BROWN of Michigan, Mr. CEDERBERG, Mr. COCHRAN, Mr. COLLINS of Texas, Mr. DAN DANIEL, Mr. DEVINE, Mr. DUNCAN of Tennessee, Mr. FORD of Michigan, Mr. GOLDWATER, Mr. HILLIS, Mr. HORTON, Mr. KETCHUM, Mr. LOTT, Mr. MCCORMACK, Mr. NEDZI, Mr. PRICE, Mr. RUPPE, Mr. STOCKMAN, Mr. TRAXLER, and Mr. WHITEHURST):

H.R. 3405. A bill to amend the Clean Air Act to establish certain motor vehicle emission standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. BROYHILL, Mr. ANDREWS of North Dakota, Mr. BADHAM, Mr. BOWEN, Mr. BROWN of Ohio, Mr. CLEVELAND, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, Mr. HAMMERSCHMIDT, Mr. HUBBARD, Mr. ICHORD, Mr. KEMP, Mr. KINDNESS, Mr. MCDONALD, Mr. MARTIN, Mr. MURPHY of Pennsylvania, Mr. JOHN T. MYERS, Mr. RISENHOOVER, Mr. SIKES, Mr. SLACK, Mr. TREEN, Mr. VANDER JAGT, Mr. WALSH, and Mr. WHITLEY).

H.R. 3406. A bill to amend the Clean Air Act to establish certain motor vehicle emission standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FASCELL (for himself, Mr. FOUNTAIN, Mr. MOORHEAD of Pennsylvania, Mr. FUQUA, Mr. RYAN, Mr. PREYER, Mr. HARRINGTON, Mr. ENGLISH, Mr. LEVITAS, Mr. EVANS of Indiana, Mr. MOFFETT, Mr. MAGUIRE, Mr. ASPIN, Mr. FITHIAN, Mr. BLOUIN, Mr. JENRETTE, and Mr. KOSTMAYER):

H.R. 3407. A bill to reestablish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and for other purposes; to the Committee on Government Operations.

By Mrs. FENWICK (for herself and Mr. KOSTMAYER):

H.R. 3408. A bill to terminate the authorization for the Tocks Island Reservoir project as part of the Delaware River Basin project, and for other purposes; jointly to the Committees on Public Works and Transportation and Interior and Insular Affairs.

By Mr. FISHER (for himself, Mr. BUCHANAN, Mr. BUTLER, Mrs. COLLINS of Illinois, Mr. MAGUIRE, Mr. MIKVA, Mr. O'BRIEN, Mr. RYAN, and Mr. ZEFERETTI):

H.R. 3409. A bill to eliminate the complete immunity from criminal, civil, and administrative jurisdiction currently given to all foreign diplomats and their staffs and to establish the Vienna Convention on Diplomatic Relations as the basis for diplomatic privileges and immunities in the United States; to the Committee on International Relations.

By Mr. HAMILTON:

H.R. 3410. A bill to provide that States conducting Presidential primary elections shall hold elections on certain days, and for other purposes; to the Committee on House Administration.

H.R. 3411. A bill to establish a pilot system for the periodic review and for the termination, continuation, or reestablishment of Federal agencies and independent regulatory agencies; jointly to the Committees on Government Operations and Rules.

By Mr. HARRINGTON:

H.R. 3412. A bill to provide for the expansion of the Current Population Survey published by the Bureau of Labor Statistics so as to provide each State with monthly unemployment statistics; to the Committee on Education and Labor.

By Ms. HOLTZMAN:

H.R. 3413. A bill to amend the provisions of titles 18 and 28 that are commonly called the Rules Enabling Acts to provide a uniform method for the proposal and adoption of certain rules of court by the Judicial Conference, and for other purposes; to the Committee on the Judiciary.

By Mr. HUGHES:

H.R. 3414. A bill to provide that contractors on certain civil works projects on Federal property shall be subject to State and local laws including taxation, to provide for sharing of revenues from such property with State or local governments, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HUGHES (for himself, Mr. BALDUS, Mr. BLANCHARD, Mr. COTTER, Mr. D'AMOURS, Mr. DUNCAN of Tennessee, Mrs. FENWICK, Mr. MOTTL, Mr. NOWAK, Mr. VENTO, Mr. CHARLES WILSON of Texas, and Mr. YATRON):

H.R. 3415. A bill to establish a commission to study the production, distribution, and use of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. JONES of North Carolina:

H.R. 3416. A bill to amend section 316(c) of the Agricultural Adjustment Act of 1938 to provide that leasing of Flue-cured tobacco acreage-poundage marketing quotas after June 15 of any year be permitted only between farms on which at least 80 percent of the farm acreage allotment was planted for such year; to the Committee on Agriculture.

By Mr. ICHORD (for himself, Mr. MURPHY of New York, Mr. PRICE, Mr. ABDNOR, Mr. JEFFORDS, Mr. SANTINI, Mr. BAUCUS, Mr. TAYLOR, Mr. QUILLEN, Mr. BURLISON of Missouri, Mr. STUMP, and Mr. GEPHARDT):

H.R. 3417. A bill to facilitate the management of intermingled national forest system and privately owned lands by providing for cooperative boundary fencing and noxious weed control programs; to the Committee on Agriculture.

By Mr. KEMP (for himself, Mr. BREAUX, Mr. MARLENEE, Mr. ROONEY, and Mr. WALSH):

H.R. 3418. A bill to provide for permanent tax reductions for individuals and businesses in order to expand both job opportunities and productivity in the private sector of the economy; to the Committee on Ways and Means.

By Mr. KETCHUM (for himself, Mr. ABDNOR, Mr. DORNAN, Mr. LAGOMARSINO, Mr. COLLINS of Texas, Mr. STOKES, Mr. YOUNG of Alaska, Mrs. HOLT, Mr. ROBERTS, Mr. DEL CLAWSON, Mr. EDWARDS of Oklahoma, Mr. FINDLEY, Mr. MCCLOSKEY, and Mr. MCDONALD):

H.R. 3419. A bill to amend the Voting Rights Act of 1965 to limit certain aspects of its coverage for other than racial groups; to the Committee on the Judiciary.

By Mr. KREBS:

H.R. 3420. A bill to reduce speculation in excess lands purchased under the Federal reclamation laws by imposing additional restrictions on sales and resales of such excess lands originally sold to qualify for water rights under such laws, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LEGGETT (for himself, Mr. MURPHY of New York, Mr. PHILLIP BURTON, and Mr. JOHN L. BURTON):

H.R. 3421. A bill to amend the Merchant Marine Act, 1936, as it applies to certain passenger vessels of the United States; to the Committee on Merchant Marine and Fisheries.

Mr. LONG of Maryland:

H.R. 3422. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 3423. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 3424. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

H.R. 3425. A bill to amend section 1798 of title 38, United States Code, in order to reduce the rates of interest charged for educational loans under such section; to the Committee on Veterans' Affairs.

H.R. 3426. A bill to amend the Internal Revenue Code of 1954 to allow an individual to exclude from gross income the gain from the sale or exchange of the individual's principal residence; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 3427. A bill to establish a program of Federal assistance to provide relief from energy emergencies and energy disasters; to the Committee on Interstate and Foreign Commerce.

By Mr. MAZZOLI (for himself, Mrs. FENWICK, Mr. BURGENER, Mr. EILBERG, Mr. EVANS of Indiana, Ms. MIKULSKI, Mr. MCKINNEY, Mr. BEDELL, Mr. KOSTMAYER, Mr. MARTIN, Mr. D'AMOURS and Mr. GLICKMAN):

H.R. 3428. A bill to reform the method by which the pay for Members of Congress is determined; jointly to the Committees on Post Office and Civil Service and Rules.

By Mr. MICHEL (for himself, Mr. FORD of Tennessee, Mr. GLICKMAN, and Mr. NEAL):

H.R. 3429. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

By Mr. MINISH (for himself, Mr. FLORIO, Mr. HUGHES, Mr. HOWARD, Mr. THOMPSON, Mr. MAGUIRE, Mr. RODINO, Mr. LE FANTE, Mrs. MEYNER, and Mr. PATTEN):

H.R. 3430. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; jointly to the Committees on Education and Labor and Banking, Finance and Urban Affairs.

By Mr. NIX:

H.R. 3431. A bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. PEPPER (for himself, Mr. ROYBAL, and Ms. CHISHOLM):

H.R. 3432. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to establish demonstration programs to educate, motivate, and encourage secondary school students from disadvantaged backgrounds to pursue professional training at the graduate level in the biomedical sciences; to the Committee on Education and Labor.

By Mr. PEPPER (for himself, Mr. AKAKA, Mr. ANDREWS of North Carolina, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BEDELL, Mr. BINGHAM, Mr. BLOUIN, Mr. BUCHANAN, Mrs. BURKE of California, Mr. PHILLIP BURTON, Mr. CLAY, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. CORRADA, Mr. DANIELSON, Mr. DAVIS, Mr. DEL-

LUMS, Mr. DENT, Mr. DIGGS, and Mr. DRINAN):

H.R. 3433. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to establish demonstration programs to educate, motivate, and encourage secondary school students from disadvantaged backgrounds to pursue professional training at the graduate level in the biomedical sciences; to the Committee on Education and Labor.

By Mr. PEPPER (for himself, Mr. DUNCAN of Tennessee, Mr. EDWARDS of California, Mr. FASCELL, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. HAWKINS, Mr. JENRETTE, Miss JORDAN, Mr. KOCH, Mr. LEDERER, Mr. LEHMAN, Mr. METCALFE, Mrs. MEYNER, Mr. MIKVA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. NIX, Mr. NOLAN, Miss OAKAR, Mr. OTTINGER, and Mr. PATTEN):

H.R. 3434. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to establish demonstration programs to educate, motivate, and encourage secondary school students from disadvantaged backgrounds to pursue professional training at the graduate level in the biomedical sciences; to the Committee on Education and Labor.

By Mr. PEPPER (for himself, Mr. RANGEL, Mr. RICHMOND, Mr. RODINO, Mr. RYAN, Mr. SCHEUER, Mr. SIMON, Mrs. SPELLMAN, Mr. STARK, Mr. STOKES, Mr. WEISS, Mr. WALGREN, Mr. CHARLES WILSON of Texas, Mr. WON PAT, and Mr. ZEFERETTI):

H.R. 3435. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to establish demonstration programs to educate, motivate, and encourage secondary school students from disadvantaged backgrounds to pursue professional training at the graduate level in the biomedical sciences; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 3436. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

By Mr. PERKINS (for himself and Mr. QUIE):

H.R. 3437. A bill to make certain technical and miscellaneous amendments to provision relating to vocational education contained in the Education Amendments of 1976; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. THOMPSON, Mr. DENT, Mr. HAWKINS, Mr. EDWARDS of Alabama, Mr. HAMMERSCHMIDT, Mr. MCCLOSKEY, and Mr. SPENCE):

H.R. 3438. A bill to provide a special program of financial assistance to opportunities industrialization centers in order to provide new skills training opportunities, and to other national community-based organizations to provide comprehensive employment services to create 1 million new training and job opportunities; to the Committee on Education and Labor.

By Mr. QUILLEN:

H.R. 3439. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

By Mr. QUILLEN (for himself, Mr. ARCHER, Mr. BEDELL, Mr. BONIOR, Mr. BOWEN, Mr. CLEVELAND, Mr. DORNAN, Mr. DOWNEY, Mr. DRINAN, Mr. DUNCAN of Tennessee, Mr. FRASER, Mr. HALL, Mr. ICHORD, Mr. KETCHUM, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LENT, Mrs. LLOYD of Tennessee, Mr. LOTT, Mr. MATHIS, Mr. MIKVA, Mr. PANETTA, Mr. SCHULZE, Mr. VANDER JAGT, and Mr. WINN):

H.R. 3440. A bill to amend title 38 of the United States Code to revise certain administrative requirements of the veterans' educational programs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. QUILLEN (for himself, Mr. LONG of Maryland, and Mr. WOLFF):

H.R. 3441. A bill to amend title 38 of the United States Code to revise certain administrative requirements of the veterans' educational program, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RHODES (for himself, Mr. HORTON, Mr. ERLENBORN, Mr. BROWN of Ohio, Mr. MCCLOSKEY, Mr. THONE, and Mr. PRITCHARD):

H.R. 3442. A bill to reestablish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and for other purposes; to the Committee on Government Operations.

By Mr. RINALDO:

H.R. 3443. A bill to amend the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3444. A bill to provide that pay adjustments for Members of Congress may take effect no earlier than the beginning of the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

By Mr. RUPPE:

H.R. 3445. A bill to provide that the recommendations for adjustments of certain executive, legislative, and judicial salaries shall not take effect unless both Houses of Congress approve by resolution such increase; to the Committee on Post Office and Civil Service.

By Mrs. SMITH of Nebraska (for herself, Mr. MOORHEAD of California, Mr. BROWN of Ohio, Mr. HAGEDORN, Mr. KEMP, Mr. SEBELIUS, Mr. DERWINSKI, Mr. BURGENER, Mr. KINDNESS, Mr. FRENZEL, Mr. QUIE, Mr. TRIBLE, Mr. BUTLER, and Mr. TREEN):

H.R. 3446. A bill to repeal the carryover basis provisions added by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mrs. SPELLMAN:

H.R. 3447. A bill to amend chapter 83 of title 5, United States Code, to grant an annuitant the right to elect within 1 year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant; to the Committee on Post Office and Civil Service.

By Mrs. SPELLMAN (for herself and Mr. FOUNTAIN):

H.R. 3448. A bill to provide that Members of Congress shall be separated from the provisions of any law which affects the annual or quadrennial rates of pay of Federal employees; to the Committee on Post Office and Civil Service.

By Mrs. SPELLMAN (for herself, Ms. MEYNER, Mr. CORMAN, Mr. KOCH, Mr. WEISS, Mr. REUSS, Ms. CHISHOLM, Mr. STOKES, Mr. BEDELL, Mr. MINETA, Mr. ROSENTHAL, Mrs. BOGGS, Mr. HAWKINS, Mr. SCHEUER, Mrs. COLLINS of Illinois, Mr. RICHMOND, Mr. PATTERSON of California, Mr. PEPPER, Mr. CHARLES WILSON of California, Mr. HARKIN, Mr. BINGHAM, Mr. OTTINGER, Mr. METCALFE, Mr. BAUCUS, and Mr. MIKVA):

H.R. 3449. A bill to amend title VIII of the Act commonly called the Civil Rights Act of 1968 with respect to the awarding of attorney's fees and the authority of the Department of Housing and Urban Development to initiate a civil action to enforce the provisions of such title; to the Committee on the Judiciary.

By Mr. STEIGER:

H.R. 3450. A bill to establish a National Commission on the Social Security Program; to the Committee on Ways and Means.

By Mr. STEIGER (for himself, Mr. OBEY, Mr. CONTE, Mr. MCEWEN, Mr. SEBELIUS, Mr. MURPHY of New York, Mr. CHARLES WILSON of Texas, Mr. COCHRAN, Mr. SIMON, Mr. HAGEDORN, Mr. COHEN, Mr. ABDNOR, Mr. ROYBAL, Mr. CORRADA, Mr. GILMAN, Mr. VANDER JAGT, Mr. SISK, Mr. HANLEY, Mr. MURTHA, Mr. LEACH, Mr. BARNARD, Mr. BALDUS, Mr. ANDREWS of North Dakota, Mr. MOAKLEY, and Mr. KINDNESS):

H.R. 3451. A bill to provide the American consumer the assurance that foreign dairy products marketed in the United States meet minimum standards of quality by requiring the inspection of these products at the U.S. ports of entry, at the foreign milk processing plants which provide dairy products for export to the United States, and at the foreign dairy farms which supply milk to foreign milk processing plants for the production of dairy products to be exported to the United States; to the Committee on Agriculture.

By Mr. STEIGER (for himself, Mr. OBEY, Mr. MITCHELL of New York, Mr. SCHULZE, Mr. CORNELL, Mr. JENRETTE, Mr. TRAXLER, Mr. MCCORMACK, and Mr. SCHEUER):

H.R. 3452. A bill to provide the American consumer the assurance that foreign dairy products marketed in the United States meet minimum standards of quality by requiring the inspection of these products at the U.S. ports of entry, at the foreign milk processing plants which provide dairy products for export to the United States, and at the foreign dairy farms which supply milk in foreign milk processing plants for the production of dairy products to be exported to the United States; to the Committee on Agriculture.

By Mr. TREEN (for himself and Mr. MOORE):

H.R. 3453. A bill to amend the Coastal Zone Management Act of 1972 in order to improve the coastal energy impact program, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. UDALL:

H.R. 3454. A bill to designate certain endangered public lands for preservation as wilderness, to provide for the study of additional endangered public lands for such designation, to further the purposes of the Wilderness Act of 1964, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3455. A bill to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. UDALL (for himself and Mr. CORMAN):

H.R. 3456. A bill to amend the Small Business Act (Public Law 83-536); to the Committee on Small Business.

By Mr. WHITTEN:

H.R. 3457. A bill to protect the national security and economic well-being (including the Nation's present supplies and undeveloped sources of energy, fuel, food, and fiber) from damage due to arbitrary or unsound regulations, orders, or decisions issued by executive departments, agencies, and commissions, and for other purposes; to the Committee on the Judiciary.

By Mr. BEDELL:

H.J. Res. 249. Joint resolution proposing an amendment to the Constitution of the United States to provide 4-year terms for Members of the House of Representatives and

to limit the number of consecutive terms that Representatives and Senators may serve, and for other purposes; to the Committee on the Judiciary.

By Mrs. BURKE of California:

H.J. Res. 250. Joint resolution to designate March 13 to 19, 1977, as "National Community Health Week"; to the Committee on Post Office and Civil Service.

By Mr. CEDERBERG (for himself, Mr. BURGENER, Mr. COLLINS of Texas, Mr. CONTE, Mr. COUGHLIN, Mr. DAVIS, Mr. DIGGS, Mr. FRENZEL, Mr. HUGHES, Mr. HYDE, Mr. KINDNESS, Mr. LATTA, Mr. LEACH, Mr. LAGOMARSINO, Mr. MICHEL, Mr. PURSELL, Mr. PATTERSON of California, Mr. O'BRIEN, Mr. ROE, Mr. SARASIN, Mr. TREEN, Mr. VANDER JAGT, Mr. STEIGER, Mr. WYDLER, and Mr. YOUNG of Florida):

H.J. Res. 251. Joint resolution to provide for the establishment of a Joint Committee on Intelligence; to the Committee on Rules.

By Mr. CHAPPELL:

H.J. Res. 252. Joint resolution authorizing the President to proclaim September 8 of each year as "National Cancer Day"; to the Committee on Post Office and Civil Service.

By Mr. FRENZEL:

H.J. Res. 253. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. GLICKMAN (for himself and Mr. STOCKMAN):

H.J. Res. 254. Joint resolution proposing an amendment to the Constitution of the United States providing for staggered 4-year terms for Representatives, for a limitation on the number of terms a person may serve in the House of Representatives or the Senate, and for other purposes; to the Committee on the Judiciary.

By Mr. METCALFE (for himself, Ms. BURKE of California, Mr. CLAY, Ms. CHISHOLM, Ms. COLLINS of Illinois, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. HAWKINS, Ms. JORDAN, Mr. MITCHELL of Maryland, Mr. NIX, Mr. RANGEL, and Mr. STOKES):

H.J. Res. 255. Joint resolution to recognize the heritage of black citizens of the United States; to the Committee on Post Office and Civil Service.

By Mr. MURTHA:

H.J. Res. 256. Joint resolution to authorize the President to proclam the 22d day of April of each year as Queen Isabella Day; to the Committee on Post Office and Civil Service.

By Mr. HANLEY:

H. Con. Res. 111. Concurrent resolution recommending the creation by the President of a special task force to report on factors relating to the need to deregulate the price of natural gas in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. LE FANTE:

H. Con. Res. 112. Concurrent resolution expressing the sense of Congress that the killing of three priests and four nuns at the Musami mission in Rhodesia was an unwarranted and atrocious act of violence; to the Committee on International Relations.

By Mr. ROE (for himself and Mr. KEMP):

H. Con. Res. 113. Concurrent resolution concerning the safety and freedom of Valentyn Moroz, historian, writer, and spokesman for the cultural integrity of the Ukrainian people; to the Committee on International Relations.

H. Con. Res. 114. Concurrent resolution to seek the resurrection of the Ukrainian Orthodox and Catholic Churches in Ukraine; to the Committee on International Relations.

H. Con. Res. 115. Concurrent resolution expressing the request of the U.S. Government that the Government of the Union of Soviet Socialist Republics provide Valentyn Moroz with the opportunity to accept the invitation of Harvard University; to the Committee on International Relations.

H. Con. Res. 116. Concurrent resolution expressing the sense of the Congress that the President, acting through the U.S. Ambassador to the United Nations Organization, take such steps as may be necessary to place the question of human rights violations in the Soviet-occupied Ukraine on the agenda of the United Nations Organization; to the Committee on International Relations.

By Mr. HEFNER:

H. Res. 272. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending September 30, 1978; to the Committee on Post Office and Civil Service.

By Mr. KETCHUM (for himself, Mr. FREY, Mr. FISH, Mr. VANDER JAGT, Mr. MEEDS, Mr. FORSYTHE, and Mrs. HECKLER):

H. Res. 273. Resolution amending rule XXII of the rules of the House of Representatives to remove the limitation on the number of Members who may introduce jointly any bill, memorial, or resolution and to provide the addition and deletion of names of Members as sponsors after the introduction of a bill, memorial, or resolution; to the Committee on Rules.

By Mr. KOCH (for himself, Mr. BRODHEAD, Mr. EILBERG, Mr. KREBS, Mr. MAGUIRE, Mr. MITCHELL of Maryland, Mr. MURPHY of Pennsylvania, Mr. RAHALL, Mr. RANGEL, Mr. ROSENTHAL, Mr. SCHEUER, Mr. WAXMAN, and Mr. WEISS):

H. Res. 274. Resolution impeaching Paul Rand Dixon, a Commissioner of the Federal Trade Commission, of a high misdemeanor in office; to the Committee on the Judiciary.

By Mr. JOHNSON of California (for himself and Mr. HARSHA):

H. Res. 275. Resolution to provide funds for the expenses of investigations and studies authorized by the Committee on Public Works and Transportation; to the Committee on House Administration.

By Mr. LATTA:

H. Res. 276. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending September 30, 1978; to the Committee on Post Office and Civil Service.

By Mr. MOLLOHAN:

H. Res. 277. Resolution to disapprove the salary increases proposed by the President for Members of Congress and certain other legislative officers; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of California:

H. Res. 278. Resolution disapproving certain recommendations transmitted by the President on January 17, 1977, concerning rates of pay for Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. PERKINS (for himself, Mr. DENT, Mr. ERLENBORN, and Mr. QUIE):

H. Res. 279. Resolution to provide funds for the expenses of the investigation and study of welfare and pension plans to be conducted by the Committee on Education and Labor; to the Committee on House Administration.

By Mr. REUSS:

H. Res. 280. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Banking, Finance and Urban Affairs; to the Committee on House Administration.

By Mr. RINALDO:

H. Res. 281. Resolution disapproving the salary increase for Members of Congress proposed by the President; to the Committee on Post Office and Civil Service.

By Mr. SATTERFIELD:

H. Res. 282. Resolution insisting upon retention of undiluted U.S. sovereignty over the Canal Zone and the Panama Canal; to the Committee on International Relations.

By Mr. STAGGERS:

H. Res. 283. Resolution to provide funds for the expenses of the investigations and studies to be conducted by the Committee on Interstate and Foreign Commerce; to the Committee on House Administration.

By Mr. STEIGER (for himself, Mr. BOLLING, Mr. CLEVELAND, Mr. ERLENBORN, Mr. FRASER, Mr. FRENZEL, Mr. FREY, Mrs. KEYS, and Mr. SISK):

H. Res. 284. Resolution to require that the Congressional Record contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

By Mr. WYLIE:

H. Res. 285. Resolution directing the Attorney General of the United States to furnish to the House of Representatives certain information and documents respecting communications made by Kim Sang Keun of the Republic of South Korea to officials of the Department of Justice relating to Members and employees of Congress; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA:

H.R. 3458. A bill for the relief of Librado Perez; to the Committee on the Judiciary.

By Mr. AMBRO:

H.R. 3459. A bill for the relief of the survivors of Brian Murray; to the Committee on the Judiciary.

By Mr. DANIELSON:

H.R. 3460. A bill for the relief of William J. Elder and the estate of Stephen M. Owens, deceased; to the Committee on the Judiciary.

By Mr. DICKS:

H.R. 3461. A bill for the relief of Chin-Ho An; to the Committee on the Judiciary.

By Mr. HANNAFORD:

H.R. 3462. A bill for the relief of Jaime Caro Gregorio and Helen Ilan Gregorio; to the Committee on the Judiciary.

H.R. 3463. A bill for the relief of Peter J. Montagnoli; to the Committee on the Judiciary.

By Mr. HUGHES (by request):

H.R. 3464. A bill for the relief of Madeline (nee Schaefer) Broomall Condon; to the Committee on the Judiciary.

By Ms. KEYS:

H.R. 3465. A bill for the relief of Romeo A. Provencal; to the Committee on the Judiciary.

By Mrs. MEYNER:

H.R. 3466. A bill for the relief of Mr. Harold J. Applin; to the Committee on the Judiciary.

By Mr. HAGEDORN:

H. Res. 286. Resolution to refer H.R. 2557, "A bill for the relief of Robert H. Carleton", to the Chief Commissioner of the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII:

44. The SPEAKER presented a petition of Julian Edge, Columbus, Ga., relative to the location of a proposed southeastern regional national cemetery, which was referred to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

ALL VOLUNTEER FORCE—CURRENT STATUS AND PROSPECTS (II)

HON. WILLIAM A. STEIGER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. STEIGER. Mr. Speaker, yesterday I began printing in the CONGRESSIONAL RECORD an important document detailing the progress to date of the all-volunteer force. "The All-Volunteer Force—Current Status and Prospects" was prepared last December by Defense Department officials as a transition paper for the incoming Carter administration.

An important part of the document was its discussion of the current status of the active force. Many have suggested that the Volunteer Army is inferior to its draft-induced predecessor. The facts prove otherwise.

The military services use two yardsticks to measure quality of enlistees—level of education and standardized test scores. The report shows that the proportion of high school graduates has been increasing since 1974, comparing favorably to the pre-Vietnam conflict 1964 period. A study of standardized test scores shows a steady increase in enlistees with above average scores, a moderate increase in those with average scores, and, most important, a substantial decrease in enlistees with below average scores.

Chapter 3 of the transition report follows. The figures contained in its tables bear the most careful attention of all of us:

CHAPTER 3.—CURRENT STATUS OF THE ACTIVE FORCE

QUANTITY

All Services were manned at or near their end strength objectives in FY 1976, FY TQ (Transition Quarter) and the first month of FY 1977.

TABLE 1.—TOTAL ACTIVE MILITARY STRENGTHS, OFFICER AND ENLISTED MEN AND WOMEN, FISCAL YEARS 1976-77 (OCTOBER)

[Obj. in thousands]

	Fiscal year 1976		Fiscal year TQ		Fiscal year 1977 (October)	
	Obj.	Actual (percent)	Obj.	Actual (percent)	Obj.	Actual (percent)
Army	782	99+	790	99	784	99
Navy	525	100	532	99	531	99
Marine Corps	196	98	196	97	192	99
Air Force	584	100	584	99	582	100
All services	2,087	99+	2,102	99	2,090	99

Recruiting goals were achieved, or nearly achieved, by all Services in FY 1976, FY TQ and the first month of FY 1977.

TABLE 2.—NONPRIOR SERVICE ENLISTED ACCESSIONS MEN AND WOMEN, FISCAL YEAR 1976-77 (OCTOBER)

[Obj. in thousands]

	Fiscal year 1976		Fiscal year TQ		Fiscal year 1977 (October)	
	Obj.	Percent	Obj.	Percent	Obj.	Percent
Army	192.1	100	59.4	96	16.9	94
Navy	101.6	100	35.2	95	10.2	99
Marine Corps	53.1	100	15.4	95	4.4	86
Air Force	73.3	101	21.0	101	6.3	103
All services	420.1	100	131.0	97	37.8	96

Despite the overall success in meeting recruiting goals, the Services continue to have difficulties in attracting or retaining men for certain "critical skills". These skills are jobs that are hazardous or otherwise unattractive (combat arms or involuntary sea duty) or that demand higher entry standards (electronics, etc). In both instances current levels of compensation are not sufficient to attract enough volunteers with the desired qualifications; therefore, a bonus is required. $171.6 million was expended in FY 1976 for enlistment and reenlistment special skill bonuses.

TABLE 3.—SPECIAL SKILL BONUSES, FISCAL YEAR 1976

Type bonus	Cases	Cost (millions)
Enlistment:		
Deferred: [1]		
$1,500 combat arms	928	$1.4
$2,500 combat arms	10,042	25.1
$1,500 technical skills	790	1.2
$2,500 technical skills	1,015	2.5
Subtotal	12,775	30.2
New:		
$1,500 combat arms	2,229	3.3
$2,500 combat arms	12,352	30.8
$1,500 technical skills	1,259	1.9
$2,500 technical skills	542	1.6
Subtotal	16,482	37.6
Total, enlistment bonuses	29,257	67.8
Total, reenlistment bonuses	([2])	103.8
Total, bonuses	([2])	171.6

[1] Deferred enlistment, bonus reflects payment of bonus upon graduation from initial training during fiscal year 1976 for those enlisting in fiscal year 1975.
[2] Not available.

In addition to bonus payments, adjustments in recruiting policies with respect to special skills have recently been made. For example, recruitment for the less attractive skills, i.e. combat arms, is currently receiving additional emphasis.

The large shortfall in physicians, which was feared at the inception of the AVF, has not occurred. As of 30 September 1976, 96% of physician billets were filled. Currently, the Services rely on a combination of voluntary enlistments, and for the next several years, those still liable for duty under the draft motivated Berry plan.

TABLE 4.—DOD MEDICAL CORPS ACCESSIONS: FISCAL YEARS 1973-80

	Fiscal year—								
	1973	1974	1975	1976	TQ	1977	1978	1979	1980
Draft	117	0	0	0	0	0	0	0	0
Berry plan	2,299	2,082	1,751	1,437	991	511	219	25	2
AFHPSP [1]	25	150	345	388	360	660	727	1,018	1,015
Volunteers	205	132	454	[2] 726	([3])	([3])	([3])	([3])	([3])
Other	779	728	497	311	157	194	128	133	93
Total	3,425	3,092	3,047	[2] 2,862	([3])	([3])	([3])	([3])	([3])

[1] Armed Force health professions scholarship program.
[2] Estimate.
[3] Unknown.

Several programs have been initiated aimed at more efficient use of physicians. Among these are the use of paraprofessional and clerical personnel to relieve doctors of nonprofessional details and the automation of various health care functions.

In addition, emphasis has been placed on the retention of doctors. A Variable Incentive Pay (VIP) of up to $13,500 per year was authorized in 1974 in an attempt to assure the recruitment and retention of the necessary additional physician manyears. Recent evidence indicates that the VIP has been effective in increasing physician retention. However, the long-term situation is still uncertain concerning VIP effectiveness and future physician requirements.

QUALITY

Two yardsticks used by the Services to assess quality of enlistees are level of education (whether or not the enlistee has completed high school) and standardized test scores.

The Services have attempted to attract a high proportion of volunteers who have completed high school. One reason for the emphasis on high school graduate accessions is that they exhibit fewer disciplinary problems. Trends indicate that the proportion of high school graduates have been increasing since 1974, comparing favorably to the 1964 period.

TABLE 5.—NONPRIOR SERVICE ENLISTED ACCESSIONS, MEN AND WOMEN, FISCAL YEAR 1964, 1974-TQ

[In thousands]

Fiscal year	Percent high school diploma graduates				
	Army	Navy	Marine Corps	Air Force	All services
1964 [1]	67	58	61	84	68
1974	50	52	50	92	61
1975	58	71	53	91	66
1976	59	76	62	89	69
TQ	60	77	76	87	71

[1] GED's included.

Additionally, standardized test scores are used by the Services to indicate quality. These scores are obtained by the Armed Services Vocational Aptitude Battery (ASVAB). The test covers such areas as arithmetic reasoning, word knowledge, tool knowledge, pattern analyses, general science, etc. On the basis of ASVAB test scores, applicants are divided into mental groups ranging from a high military aptitude (Category I) to a low military aptitude (Category V). The test (as well as tests used prior to the ASVAB) differentiates among above average (Mental Groups I & II), average (Mental group III) and below average (Mental Groups IV). Mental Group V applicants are disqualified by law from military service. Quality has been maintained and, in some instances, has improved significantly between the 1964 to TQ period.

TABLE 6.—PERCENT SHARE OF MALE NONPRIOR SERVICE ENLISTED ACCESSIONS IDENTIFIED BY MENTAL CATEGORY, FISCAL YEAR 1964, 1974–TQ

Fiscal year	Army			Navy			Marine Corps			Air Force			All Services		
	I and II	III	IV	I and II	III	IV	I and II	III	IV	I and II	III	IV	I and II	III	IV
1964	38.0	54.8	7.2	41.1	48.0	10.9	37.5	53.3	9.2	49.9	45.8	4.3	42.0	50.3	7.7
1974	31.0	51.1	17.8	34.7	61.8	3.5	33.4	59.1	7.5	45.6	53.9	.6	34.9	54.9	10.2
1975	34.8	55.1	10.1	38.0	57.1	4.8	36.7	59.7	3.5	44.0	55.6	.4	37.5	56.3	6.1
1976	35.3	57.3	7.4	43.8	52.1	4.1	40.4	56.7	2.9	51.0	48.5	.5	40.8	54.4	4.8
TQ	33.5	57.6	8.9	48.5	48.5	3.0	44.6	51.5	3.9	63.9	35.8	.3	44.1	50.7	5.3

As can be seen from Table 6 above, there has been a steady increase in enlistees with above average scores, a moderate increase in those with average scores, and, of most importance, a steady decrease in enlistees with below average scores.

ATTRITION

The Services enlist a sizeable number of individuals who are separated prior to completing their enlistment obligations. These separations are costly because early separations must be replaced by new accessions. This, in turn, leads to increased accession requirements; higher recruiting, training and travel costs; reduced average experience levels; and increased unit turbulence. High early attrition also makes it more difficult to maintain high school graduates at a satisfactory proportion of accessions and to recruit sufficient numbers of combat arms personnel.

With the advent of the AVF, there is greater latitude in discharging personnel. Tighter management of this licence may be required.

In FY 1976, approximately 80,000 individuals who had not completed one year of service were separated from the enlisted ranks. This number is about 20% of the average FY 1975–76 non-prior service accession intake. Table 7 shows attrition both during the first six-month period and during the first year for selected accession groups beginning in 1973. Based on loss data current as of June 1976, Army and Marine Corps attrition in the first year of service is increasing while Navy and Air Force attrition is decreasing (A Navy pilot project initiated in 1976 may reveal a method to separate early those who would be discharged later, thus possibly reversing this downward first-year attrition trend.) For the latest available accession group, July-December 1975, 13.3% of DoD accessions were seperated during the first six months of service. A 20% reduction in first year attrition could reduce annual accession requirements by 16,000 and a 20% reduction in total first term attrition could reduce annual accession requirements by 24,000.

TABLE 7.—ATTRITION DURING THE 1ST YEAR OF SERVICE [1]

	Army		Navy		Marine Corps		Air Force	
	0 to 179 days	0 to 365 days	0 to 179 days	0 to 365 days	0 to 179 days	0 to 365 days	0 to 179 days	0 to 365 days
July to December 1973:								
Number of accessions	86,615		45,175		24,423		36,740	
Percent separated	14.6	19.9	11.1	17.3	10.2	13.7	10.6	17.8
July to December 1974:								
Number of accessions	103,159		58,653		30,022		37,378	
Percent separated	15.0	22.7	12.6	18.8	14.2	18.2	9.0	13.4
July to December 1975:								
Number of accessions	90,369		51,182		26,632		38,045	
Percent separated	17.2	[2]	8.4	[2]	17.0	[2]	7.9	[2]

[1] Separations as of June 1976.

[2] Not available.

INTRODUCTION OF A BILL TO END SPECULATION OF EXCESS LAND PURCHASED IN FEDERAL RECLAMATION PROJECTS

HON. JOHN KREBS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. KREBS. Mr. Speaker, I am pleased today to be introducing a measure designed to put an end to speculation in connection with excess land purchased in Federal reclamation projects. My bill seeks to accomplish this by imposing certain restrictions on future sales of excess reclamation lands.

Under present law, an individual possessing more than 160 acres of land serviced by a Federal water project is required to pledge to divest himself of that excess acreage within a set period of time—usually 10 years. The Secretary of the Interior must approve that sale price, which is fixed on the basis of the appraised bona fide value of the land in question—separate and apart from the value added by virtue of existing or proposed reclamation project works. Unfortunately, however, subsequent sales of the land are not overseen by the Interior Department.

In my part of the country, an unfortunate phenomenon has been occurring. Speculators purchase excess acreage from the original owner at the approved price and soon thereafter sell that acreage at fair market value—frequently twice the previous price.

My bill would eliminate this speculative activity by mandating that the individual initially purchasing the excess tract file an affidavit with the county recorder's office after the sale price is approved by the Secretary of the Interior. The affidavit would state that water rights would not be carried over to sales occurring during the next 10 years, unless the Secretary of the Interior approved the sale price on the same basis as previously—that is, without reference to the construction or proposed construction of any reclamation project works. After the 10-year period had passed, it would be almost certain that any resale advantages would have evaporated as a result of taxes and water charges assessed.

In this manner, I hope to assure that unreasonable gains, which are incurred at the expense of the American taxpayer who of course subsidizes these projects, would not result from the resale of excess lands. There is little doubt in all quarters that this type of reform is long overdue.

FLOODING DISASTER

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. WHALEN. Mr. Speaker, last November, the National Oceanic and Atmospheric Administration predicted below-normal temperatures throughout a large part of the country east of the Continental Divide. Now, as we endure the most severe winter we have seen in years and the worst natural gas shortage to date, it seems that perhaps we should have given more serious consideration to the NOAA seasonal temperature outlook.

It is not too late, however, to examine closely and act on the National Weather Service's predictions for spring flooding. The Service advises that four factors re-

lated to our hard winter may contribute to heavy flooding in Pennsylvania, West Virginia, and my own State of Ohio.

First, the water content of snow falling around the Canawha River in West Virginia reached record levels this winter. As this drains, the water level in tributaries of the Ohio River below Pittsburgh will no doubt be high.

Second, smaller rivers have frozen more completely than in the past. Ice on many is between 6 to 20 inches thick, and some West Virginia rivers have frozen solid. As these thaw, water levels will rise.

Third, frozen ground could contribute to flooding. Areas not covered by snow have frozen as deep as 3 to 4 feet. If rain falls on this frozen ground in February and March, flooding will increase. The Service predicts that if temperatures rise normally, water draining from the frozen ground will create a "bank full" condition. In other words, rivers will be just about at flood stage.

Fourth, the Weather Service warns of ice jams as frozen rivers start to thaw. These could seriously hinder the delivery of coal and other essentials to the very States that have been hardest hit by the present weather crisis.

Local National Weather Services offices are taking readings of flood conditions and issuing summaries twice a week now. At both the local and national levels, they are meeting with agencies such as the Federal Disaster Assistance Administration, the Corps of Engineers, the Geological Survey, and the Red Cross to chart plans to reduce flooding and to deal effectively with possible emergencies.

Next week these agencies will present to Congress their recommendations for dealing with flooding. I urge my colleagues in the affected areas to study their suggestions carefully and encourage local officials to utilize them. In this respect, I must commend Ohio Gov. James Rhodes, who has been working actively to ward off possible disasters associated with the predicted flooding of the Ohio River. If others take a similar approach, we may be able to save homes, property, crops, energy supplies and lives. We have been forewarned, and we now have an opportunity to minimize the effects of severe flooding. We cannot afford to let this opportunity slip by.

TRIBUTE TO JOHN ROBSON, CHAIRMAN OF THE CIVIL AERONAUTICS BOARD

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ANDERSON of California. Mr. Speaker, Mr. John E. Robson, Chairman of the Civil Aeronautics Board, has submitted his resignation to President Carter, effective April 30, 1977.

In my judgment, the foremost accomplishment of Chairman Robson's tenure has been to lead the Board to a position of unanimous support for regulatory reform legislation. Chairman Robson insisted that the Board not take a position hastily, but only after a thorough and searching examination of the regulatory process which the agency administers. The examination was conducted without preconceptions, and without any defensiveness over the agency's record. The results were well worth the time taken. Under Chairman Robson's leadership the Board reached a conclusion which is highly unusual, if not unprecedented, for a Government agency; that less regulation and more competitive freedom for the regulated industry would best serve the interests of the industry and the passengers and shippers it serves.

Chairman Robson's tenure has also been notable for the substantial efforts which the Board has made to administer the existing law for the benefit of the consumer. For the first time in its history the Board is now seriously considering allowing new entrants into the trunkline industry, and these new entrants are proposing to offer fares well below the level now prevailing. The Board has also allowed existing carriers to experiment with substantially reduced offpeak fares. In a related area the Board has expanded the availability of low-cost charter service, by authorizing one-stop inclusive tour charters and advance booking charters.

Chairman Robson has taken many steps to insure the integrity and openness of the Board's activities. He has maintained a public log which discloses all visitors to his office and the subjects they discuss. The Board's recent regulations under the so-called sunshine legislation go considerably farther than is legally required in opening the work of the Board to public observation.

These are only the highlights of the accomplishments which have marked Chairman Robson's tenure at the CAB. The Board has changed dramatically during his administration, and the changes promise great benefits to the traveling public.

Mr. Speaker, John Robson's expertise and dedicated service to the public will be missed by us all. Now, though, he has more time to spend with his lovely wife, Margaret, and their two sons, Matthew and Douglas.

My wife, Lee joins me in wishing John Robson and his family all the best that life has to offer in the years ahead.

A TRIBUTE TO MRS. DELMA McCOURT

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. APPLEGATE. Mr. Speaker, it is with special pride that I take this opportunity to pay special tribute to the outstanding community service rendered by one of my constituents, Mrs. Delma McCourt, Jefferson County extension economist.

Mrs. McCourt is retiring this year after devoting her entire career toward helping to educate others and to raise their standard of living. She has served for 23 years in Jefferson County as county extension home economist, 7 years as home economist in Brooke County, W. Va., and 4 years working with FHA in Noble and Monroe Counties. She was a member of the steering committee to organize the meals on wheels program in the Steubenville area.

She initiated the restoration and renovation with the help of the Jefferson County Home Council of Fernwood State Forest and the St. James Cemetery as an historical landmark in Jefferson County.

She has worked with low income and minority groups in Jefferson County helping to educate and raise their standard of living.

She initated and conducted the expanded food and nutrition program in the county.

She is respected by all community organizations for her cooperation and support of their programs.

She is loved and respected by the youth in the county for her many years of working with 4–H clubs and by the homemakers for her dedicated commitment to improve their way of life.

For those who are familiar with the excellent quality of the Jefferson County Extension Service, they know the immeasurable contributions which have been made by Mrs. McCourt.

My wife, Betty, joins with me in wishing Delma and her husband, Mac, well and every happiness in the future. We will miss her, but know she will never cease her selfless assistance to others.

ST. ED'S UNIVERSITY INVOLVED IN INNOVATIVE EDUCATION

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. PICKLE. Mr. Speaker, during the last few years, college administrators throughout the country have begun minicourses to fill the void between the traditional Christmas break and the beginning of the spring term.

Among these innovative educational institutions has been St. Edward's University in Austin, Tex., a liberal arts school with a rich history.

The Christian Science Monitor carried a story about the minisemester adventures of one group of St. Ed's students. It was written by a very fine Austin journalist, Anita Brewer:

TEXANS IN "JANUARY TERM" BREAK TRAVEL TO SCOTLAND YARD

(By Anita Brewer)

AUSTIN, TEX.—During the January term, some 70 criminal justice students from Sam Houston State University and St. Edward's University flew from Texas to England's Scotland Yard. In Texas, police carry guns; in England they do not. Why?—was the assignment.

Don Doyle of the Austin Police Department, a graduate student in criminal justice at St. Edward's University, says the Texans' interest in Commander Gideon and Inspector Roger West, of mystery story fame, was no stronger than the Britishers' interest in TV's Kojak, Marshal Dillon, and Policewoman Angie Dickinson.

During the last decade "Jan. terms," or short, intensive college-credit courses fitting into the period between Christmas and the beginning of the spring semester in colleges and universities throughout Texas have proliferated. Many of these—like the visit to Scotland Yard—involve international travel. Nearly 200 college students were on the chartered flight to London. The 130 who were not criminal justice students were mostly English majors on their way to walk where Shakespeare had walked.

Don Post, chairman of the St. Edward's University division which includes criminal justice, says the January term program was so successful he is working with Scotland Yard to set up another for late May.

"With those majoring in criminal justice, were accounting and sociology students," Mr. Post explains. "One of the great values of January term courses is that they allow students in one discipline to sample for a short time an academic interest outside their major. We believe it expands educational possibilities and choices considerably."

Officers from Scotland Yard lectured the visitors in the conference rooms at the Penta Hotel. After the lecture sessions, the American students in small groups visited Old Bailey, Scotland Yard itself, laboratories, jails, and courts. They asked questions. They read. They looked. They listened. They scanned annual reports.

They learned—learned facts, learned philosophies of law enforcement, and learned of common problems: that crime is increasing in London as in cities in the United States. According to the annual report of the Metro Police in London, the number of serious crimes in London has risen by 450 percent since 1950.

Among the "good ideas" the students brought back with them are alternatives to traditional probation and parole. In London, as a condition of probation, some offenders are required to do public service work in their spare time—up to 240 hours within a year, working in hospitals, on playgrounds, in park maintenance, painting and repairing public buildings.

Often probationers are required to live in a hostel—work outside the hostel and pay for their own room and board.

"Of course, we learned a lot," the students agree, "but more than facts, the experience was personally expanding."

THE PEACE CORPS SERVICE OF JEAN AND PHIL HOLMES

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. REUSS. Mr. Speaker, I want to share with my colleagues the fine letter, dated January 31, which I have received from Jean and Phil Holmes of Beloit, Wis., telling me of their Peace Corps service in Peru. From 1971 to 1973, Mrs. Holmes served in a clinic for crippled children, and Mr. Holmes worked in agricultural research. I am particularly pleased to note that they began their Peace Corps service somewhat late in life, after their children had been raised.

As the original sponsor of legislation to establish the Peace Corps, I think that Mr. and Mrs. Holmes' comments are important testimony to the continued need for the Corps. The text of their letter follows:

JANUARY 31, 1977.

Congressman HENRY REUSS.

DEAR SIR: Just had opportunity to read the Peace Corps article in Oct. 3 Milwaukee Journal. I wish I could tell you all about the experience of my wife Jean and I while in Peace Corps Peru from '71 to '73, but it would take volumes.

We were right at about 50 years of age and had completed 30 years milking cows on our 300 acre dairy farm in Rock County and had raised our 3 children to 18 years or more. Since our return we have made at least 70 group presentations with slides and narrations. It was such an enlightening experience we are always eager to make such presentations.

Neither of us have a college background which was a bit of a deterrent at the outset; however, Jean has experience in doctor's offices and has passed all of the CMA (certified medical assistants) courses and examinations. She spent her time in a clinic for crippled poor children. Her work included sorting of medicines and supplies donated by U.S. church missions—all in English, which no one in the clinic could read. It was a continuing process translating and cataloging medicines and directions.

I found ever increasing work of variety. Of course there was my official assignment which was with the Ag. Research Department. I also found tremendous opportunity with private enterprises such as a large dairy company in Arequipa with their fieldmen out in the countryside which was virtually all through the Andes mountains of southern Peru. In addition I worked with farm machinery importers and retail dealers.

They have just not had the experience with farm machinery that we take for granted here in the U.S. and I might add they consulted frequently and readily accepted what I could offer.

Another type of work, I thought, was a 6 month assignment of just plain agriculture extension type work in remote valleys where the Peruvian government was apparently unable to provide extensionists. Peru is very poor compared to the U.S. and it shows up in the extent they can provide extension workers for their people.

By the end of the 2 years we were so exhausted and anxious to get home we could hardly wait to leave Peru. But now I realize that experience has affected every day of my life.

I hope you do not lose heart for the Peace Corps. I regret it is no longer accepted in Peru. Upon final retirement from our farm, I hope to return to something similar. If not to Peru, perhaps to another Peace Corps assignment. It depends on my state of health because it is a vigorous experience compared to being put on a shelf in a retirement home. But, oh, so much more rewarding.

Thank you for the Peace Corps. Please keep it alive and unadulterated. We were suspected by some of being CIA agents.

If you feel any of your colleagues might benefit from a letter of testimony in behalf of Peace Corps support I would be pleased to oblige.

Sincerely,

PHIL HOLMES.

ANNIVERSARY OF THE BIRTH OF TADEUSZ KOSCIUSZKO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. DERWINSKI. Mr. Speaker, during the month of February, we pay tribute to the memory of George Washington, who led our Nation to independence; and to Abraham Lincoln, who led our Nation to war to preserve its union from dissolution. I feel that it is appropriate that we also remember the birth of Tadeusz Kosciuszko, a "hero of two worlds."

Kosciuszko began his education as a member of the corps of cadets in Poland and later furthered his military career in Italy, France, and Prussia.

Attracted by the ideals of the American colonists in their quest for independence, this Polish-born patriot arrived in Philadelphia in 1776, and was engaged by the Philadelphia Defense Committee to assist in the fortification of the Delaware River.

Commissioned as a colonel in the Continental Army, he became associated with several major campaigns of the American Revolution. As a result of his military ingenuity, Congress granted him an appointment as a brigadier general after the Revolutionary War.

He can also be remembered for the design of military defenses at West Point, and his name has proudly been linked with the earliest beginnings of our U.S. Military Academy.

After the second partition of his native country, he returned to Poland in 1784. Kosciuszko led a national uprising which was successful in its early stages against the Russian invaders, but finally collapsed to be followed by the final partition which erased Poland from the map of Europe.

However, Kosciuszko who is rightly honored as the "hero of two worlds," helped Americans secure their independence and did his utmost in a vain effort to save Poland from extinction.

Tadeusz Kosciuszko, as a native of a foreign land, made a great donation to our American heritage for his efforts in our struggle for freedom. Let us salute his valor and determination as a champion of freedom and rights of man.

TRIBUTE TO GERALD FORD VISIT TO SAN GABRIEL MISSION

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ROUSSELOT. Mr. Speaker, I thank our distinguished minority leader, Mr. RHODES, for taking a special order in order that I may pay appropriate tribute to a man who served our country well, Gerald R. Ford.

The four qualities that come to my mind relating to the man Gerald Ford both as the President and as a public servant are decency, fairness, balance, and integrity. These are noble qualities that he brought to the Office of the Presidency at a time when such qualities were needed.

Many Members have already spoken of his integrity and his openness. Those worthy attributes were especially needed at the time he was sworn in as President. His most vociferous critics easily

granted him his due credit on running an open Presidency. Almost no one challenged his integrity. But I, as Representative, and many of my fellow Americans, felt that President Ford's consistent evenhandedness and sense of decency in dealing with all segments of our country were very apparent qualities to even those with whom he disagreed. Even when President Ford stood firm or took a definitive position on an issue, he always treated all people with a sense of decency. He expected his associates and subordinates to do the same. I do not think that anybody in this country can quarrel with his obvious fairness.

President Ford knew the importance of balance in Government. He long ago realized that no branch of Government should dominate the scene. Through his experience in the House and later as Presiding Officer of the Senate, he had a full recognition that the Congress held a proper and appropriate role in the affairs of our country. He knew, because he had served here for so many years, that it was important to have the balancing effect and the input of the Congress. He encouraged that balance of power and especially contributed to its importance in the affairs of Government.

He constantly encouraged Members of this House, individually and collectively, to come to the White House and be heard. He listened. Many times he came to the Capitol to listen. In that respect he did restore a sense of balance in the whole equation of Government power and decisionmaking as defined in our Constitution.

I am reminded that during the last week of the 1977 campaign, President Ford came to California and felt it was important to attend a church someplace in the San Gabriel Valley area. The President decided that the historic mission of San Gabriel, which has been such an important part of our history, not only in California, but in the whole Nation, would be the church he would attend. The President was touched by the service, its parishioners, and the symbols of history. I can remember the throngs that came out to not only say thanks to him, but to see him first hand. I can recall the tremendous response that came from all of those people, people who had stood for better than an hour outside of that church just to see their President and to hear him. He, of course, immediately went over to say hello to them and they in turn to say hello to him as he left the church. All reached out to touch him and he to greet them and return the gesture of outreach. This was not a new or unusual scene in Presidential politics, but both my wife, Vyonne, and I and many others felt that warmth and openness that so characterized the Presidency of Gerald Ford. Jerry Ford did recognize the importance of making the Presidency accessible to all people of all faiths and opinions all the time.

He remarked on that occasion how important it is for a President to make himself totally accessible to the people of this country who respect the Office of the Presidency and want to feel close to the man and the office.

I guess that is the best example I can give as to the total feeling he had for the Office of the Presidency. Gerald Ford deeply felt that responsibility. He did that by his actions on that Sunday morning in San Gabriel, Calif.

Again I thank my colleague, the gentleman from Arizona (Mr. RHODES) for giving me this chance to express in definitive words what all of us felt when Jerry Ford gave us his closing State of the Union address here in this Chamber a few weeks ago. It was a warm, deserved reception for a man who did indeed give it his all.

INTRODUCTION OF LEGISLATION TO ESTABLISH A SEPARATE DEPARTMENT OF HEALTH

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CARTER. Mr. Speaker, today I am reintroducing legislation I sponsored in the last Congress that would establish within the Executive Department, at the Cabinet level, a separate Department of Health which would be responsible for the administration of all programs relating to health now under the jurisdiction of the Department of Health, Education, and Welfare. The Secretary of this Department of Health would be a properly qualified doctor of medicine appointed by the President, with the confirmation of the Senate.

Mr. Speaker, I believe this change is needed to assure more efficient and coordinated delivery of health services to the people of this country. In my view, the Department of Health, Education, and Welfare is simply too large and unwieldy to manage our Nation's health affairs, much less establish a realistic health policy for the Nation. Despite the well-meaning actions of capable individuals with the Department, HEW has outgrown its ability to coordinate and administer health programs effectively.

Since its establishment by President Eisenhower in 1953, HEW has grown into a bureaucracy of about 136,400 employees with an overall budget of more than $128 billion, one-third of the entire Federal budget. More than 300 categorical grant programs are operated by the Department, some 40 of which are separate Federal health programs spending $33.4 billion on medical and health-related activities.

The lack of coordination of health programs at the Federal level accompanied by increased regulatory "redtape" has concerned me for many years. Since I first came to the Congress over 12 years ago, the situation has worsened as the scope of Federal involvement has increased. Without a doubt, HEW's cumbersome, disjointed structure leads to inefficient use of taxpayer's dollars as a result of duplication and overlap within the Department. Interagency coordination is often a hit-and-miss proposition. Many agencies have little understanding of similar programs in other bureaus, or act as if they are unaware that such programs exist. I am convinced that health policy can be more rationally developed and that the health programs of our Nation better handled if they are placed under the jurisdiction of a single agency of manageable size and responsibility.

Of paramount concern is the fact that there is no national health policy to guide Federal health programs and expenditures. No central body or group exists within the executive branch that is responsible for developing Federal health policy and evaluating Federal performance in light of that policy.

My bill would establish a Coordination Commission, to be composed of the Secretary of Health and the Secretaries of other departments as the President may designate, whose duties would be the coordination of all Federal health programs within their respective departments to the end that wasteful and unnecessary overlapping and duplication of services and health resources are avoided.

Mr. Speaker, there is nothing new in this approach of establishing a separate Department of Health at the Cabinet level. Many distinguished colleagues—both here and in the Senate—have lent their support to such a measure in the past. In addition, many health professions organizations are also on record endorsing the principles of this approach. Some of these groups include: the American Medical Association, the American Dental Association, the American Nurses Association, the American Hospital Association, the American Public Health Association, the Association of American Medical Colleges, and the Association of State and Territorial Health Officers. By establishing a separate Department of Health, all levels of government which are concerned with effective management of health programs stand to benefit from the increased coordination of such reorganization.

Truly the time has now come to end the uncertain status of the Federal Government's role in health care. How can we legislate future health programs—such as national health insurance—if we continue to ignore the incontestable fact that health is of the greatest personal concern to each citizen in this country. The people of our Nation deserve better than the impersonal, complex redtape maze that now fetters much of the Federal stewardship of health affairs.

We can and must bring reason to the Federal role in health. Responsibility must be clearly delineated and a national health policy must be developed and coordinated by those who are knowledgeable in the health field. I believe these objectives can be best achieved by the establishment of a single, cabinet-level Department of Health. I commend this bill to you for your consideration. A summary of the bill's provisions follows:

DEPARTMENT OF HEALTH

This bill would create within the Executive Department, at the Cabinet level, a separate Department of Health headed by a Secretary of Health, which would administer all programs relating to health now under the jurisdiction of the Department of Health, Education, and Welfare. The Secretary of this Department of Health would have to be a doctor

of medicine, appointed by the President, with the confirmation of the Senate.

The Department would also be staffed by an Undersecretary of Health (also a doctor of medicine) and assistant secretaries (doctors of medicine or other persons with experience and background in the field of health services and health education) who would be appointed by the President and confirmed by the Senate.

The bill establishes a Coordination Commission, to be composed of the Secretary of Health and the Secretaries of other departments as the President may designate, whose duties would be the coordination of all Federal health programs within their respective departments to the end that wasteful and unnecessary overlapping and duplication of services and health resources are avoided.

CONSERVATIVE CAUCUS OPPOSES CONFIRMATION OF WARNKE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. McDONALD. Mr. Speaker, opposition to the confirmation of Mr. Paul Warnke as Director of the Arms Control and Disarmament Agency is growing among thoughtful persons concerned over the defense of this Nation. It was notable yesterday that when Mr. Warnke testified that he did not endorse or say he would support the continuation of one single major weapons system of the United States. The inference was that all of them were "up for grabs" in any future negotiations with the Soviet Union. Therefore, I think it is particularly appropriate to place in the RECORD today, the letter of the National Director of Conservative Caucus, Mr. Howard Phillips, addressed to Chairman SPARKMAN in opposition to Mr. Warnke. The letter follows:

FEBRUARY 8, 1977.

Hon. JOHN SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR SENATOR SPARKMAN: The Conservative Caucus is a nationwide organization of 210,000 dedicated Americans concerned that the Federal government is responsive, not to the views of the average citizen, but, instead, to organized, unrepresentative liberal influences.

The Statement of Principles of The Conservative Caucus is a fair reflection of the views of our members and, we believe, of the American people. We assert that: "The defense policy of the United States should be based on a goal of strategic and tactical supremacy on land, in the sea, in the air, and in space. Our foreign policy should have as its sole and overriding purpose safeguarding the national interest."

I speak for Governor Meldrim Thomson, National Chairman of The Conservative Caucus, and for myself, in conveying grave concern that the selection of Paul Warnke to be Director of the Arms Control and Disarmament Agency would be inconsistent with the national interest of the United States.

As one who has placed himself on the public record as opposed to the concept of United States military superiority, and as one who proposed unilateral armament concessions by the United States, Mr. Warnke has rendered himself totally unsuitable to serve in the position for which he has been nominated.

His views are precisely those which our Communist enemies can be expected to espouse, and precisely opposite those which most Americans believe to be in their nation's interest.

Confirmation of Mr. Warnke would jeopardize the security of our nation and the safety of every citizen. Senators who concur in this outrageous selection will have merited the opprobrium and opposition of every American who believes that officials who have sworn oaths to the Constitution owe a duty to strive for the strongest possible American defense posture.

Americans will long remember what action you and your colleagues take concerning Mr. Warnke's nomination.

Sincerely,

HOWARD PHILLIPS.

THE MAKING OF A BUREAUCRAT

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. KETCHUM. Mr. Speaker, it will never cease to amaze me how a few short weeks in Washington can turn a perfectly sensible individual into what can only be termed the bionic bureaucrat. If my colleagues will allow me the liberty of offering a "flash-back," I will illustrate for them the metamorphosis of which I am speaking...

On October 6, 1973, the Subcommittee on Water and Power Resources of the House Interior Committee held hearings in Burley, Idaho regarding the replacement of the American Falls Dam. I was a member of that subcommittee at the time, and I was present during the hearings.

I remember very clearly that a particularly powerful statement was delivered by then Gov. Cecil Andrus on behalf of the people of Idaho. I am sure we are all aware that Mr. Andrus is now the Secretary of Interior. At any rate, Governor Andrus—then Governor Andrus—submitted a prepared statement now printed permanently in the record. In part, it read as follows and I am quoting directly from the text:

Although we seek Congressional approval to rebuild a major dam on the Snake River, we do not ask for millions of federal tax dollars to do for Idaho what Idahoans can and will do for themselves. Rather, we ask for Congressional endorsement ... which will allow spaceholders and private industry to rebuild the failing structure themselves.

As one who has long felt that the Federal Government does the best job when it leaves the States and private industry alone, I commended Mr. Andrus for his position. He responded as follows and, again, I quote from the text of those hearings:

. . . if you will just get out of our way and let us do it, we will get it done.

That was Governor Andrus, and there ends my flashback.

Secretary of the Interior Andrus, in 1977, is a horse of a different color, with all due respect. A recent article in the Wall Street Journal reported the Secretary's endorsement of "legislation to prohibit oil companies from developing competing sources of energy such as coal, nuclear power, and solar energy."

It appears that Mr. Andrus has forgotten his previous advocation of the abilities of individual States and private industry, and has somehow been converted into a true bureaucrat. He appears to have become a "believer" in the doctrine that only the Federal Government can protect business and industry from their own actions. I disagree, and I am sorely disappointed in the change.

I submit the following view to my colleagues: it makes about as much sense to prohibit oil companies from developing other sources of energy during an energy crisis as it does to prohibit farmers from growing spinach when the price of tomatoes is no good. If such logic were applied to all forms of enterprise, where in the name of God would we be?

I imagine that former Governor Andrus' onetime constituency must be asking just about the same question.

NATIONAL FUTURE HOMEMAKERS OF AMERICA WEEK

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. GINN. Mr. Speaker, the week of February 6 through February 12 has been designated National Future Homemakers of America Week, and I would like to take this opportunity to pay tribute to this outstanding organization. This year, the theme of FHA Week is "Building the Skills of America," a theme that recognizes the multiple roles individuals play in family, community, and career life.

The test of quality for any organization is the caliber of its participants, and by this and any other standard the Future Homemakers of America ranks as a tremendous asset to the people of our Nation. As part of the home economics education program, FHA translates this important area of learning into tangible and directly meaningful contributions to society.

In my own State of Georgia, there are some 15,818 FHA members in 374 chapters, and the impact of their work is felt in all of our counties. The girls who belong to this organization are proud of the fact that through it they work to bridge the distance between the classroom, the home, and the community.

For my own part, I would like to note that we can see the future of America mirrored in the faces of the young people of today, and I believe that reflection is a bright and promising one. Through organizations such as the FHA, the ability and enthusiasm of our youth is translated into action. I am proud that the FHA is a central part of my congressional district and my State and Nation.

"AMERICA'S NEW EXPATRIATES" BY HOWARD A. DENEMARK

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. REUSS. Mr. Speaker, Howard A. Denemark, a student at James Madison Senior High School in Milwaukee, has been named the Wisconsin winner of the Veterans of Foreign Wars 1976–77 Voice of Democracy Broadcast Scriptwriting Contest. Howard was sponsored by VFW Post 8292 in Milwaukee, and competed with 1948 other Wisconsin students to prepare essays on "What America Means to Me." Next month Howard will be competing in Washington with other State-wide winners.

I want to share with my colleagues Howard's winning essay, entitled "America's New Expatriates," and the text follows:

AMERICA'S NEW EXPATRIATES

(By Howard A. Denemark)

To be born in America is to be born with every advantage. Economic, educational, social, political—America is opportunity. I have lived with American freedom for so long that it is second nature to me. I am all too accustomed to the fact that America means opportunity, and I am not unique. Perhaps we all need a reminder of how much America means to us and the world. There is no better sign of America's greatness than to examine what has happened to our modern expatriates—those who left this country in search of greater opportunity.

The time was the turbulent '60's. Radicals, protesters, and draft dodgers left the United States in search of a better way. At the forefront of this outward migration was Eldridge Cleaver. In 1968 Cleaver left, criticizing the entire American system. After living in many Communist, Socialist, and even Free World countries, Cleaver returned to the United States. He faces a prison sentence of over 70 years. He may die in prison. But Cleaver returned so that his children would grow up as Americans. Ironically, Eldridge Cleaver is indicative of an upward trend in America. When one of our nation's most violent protesters discovers the greatness of America, and when our country allows him to return, it shows that socially and politically—America is opportunity.

Today, Eldridge Cleaver calls our system, "The political democracy that . . . ordinary people of countries all over the world are longing for." Abroad, the ex-Black Panther saw that nowhere else does a political system offer so much to its people. The problem is that because freedom and opportunity belong to each of us, we begin to forget how much they mean. This brings about a new kind of expatriatism that is even more tragic. It is one that threatens each of us directly—apathy.

Today, it is easy to expatriate ourselves. When a problem faces America, many citizens feel too small to help. Rather than feeling helpless, they close out concern. They just assume that the ones who always take care of everything will do so again. I call this apathetic expatriation, "The New Expatriatism." The New Expatriates drop out of decision making. Without leaving the soil, they leave the country. They subtract themselves from America. Through apathy, rights and opportunities that were fought for in the past are willingly surrendered. But like the protests of expatriates who returned to our country from abroad, apathy too is being defeated. A high voter turnout last November second shows that once more, concern is returning. Some apathy will always exist, but the column marked "no opinion" is shrinking steadily. The New Expatriates are returning from their self-imposed exile, only to discover that economically, educationally, socially, and politically, America is opportunity.

I am lucky. I was born in the United States and have never lived anywhere else. I know that America means opportunity. Even so, there are times when we all become a bit apathetic. When this new expatriation begins to creep up on us, let us remember the men like Eldridge Cleaver who left in search of something better—only to find that the best is what they left behind. We should also remember the New Expatriates. They help us keep our perspective and warn us against taking America for granted.

We are so accustomed to our American opportunity that we no longer fully appreciate it. A man who runs a jack hammer can only know how loud the noise is by seeing the people around him clap their hands over their ears. He is too used to the loudness—and we are too used to the greatness of opportunity. We too must look to others. By seeing the expatriates return to America, we can guard against the trap of apathy. That is the goal of the future—remaining Americans. If we succeed at this, then economically, educationally, socially, and politically, America shall always be opportunity.

THE NEW VIETNAM

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. MURTHA. Although all Americans are satisfied that the Vietnamese war has ended, the prediction that Vietnam would be a belligerent nation and perhaps the most active force for unrest in Indochina may be coming true according to this article which I submit for the RECORD from the January 30, 1977, Pittsburgh Press.

VIET TROOPS SEEN IN LAOS

BANGKOK.—Vietnam has sent 30,000 troops to Laos to help control the general unrest since the founding of the people's republic a year ago, travelers returning from Laos reported.

One said he was checked on a road outside Vientiane by a patrol of three soldiers in Pathet Lao uniforms, and after a friendly conversation, he realized two of them were Vietnamese.

"They were young, friendly, and didn't try to conceal their nationality. They spoke Laotian rather badly," the source added.

He said in the past few days groups of three or four Vietnamese in civilian dress have been in the Vientiane market.

Several diplomats in Bangkok have confirmed the arrival of Vietnamese troops in Laos. They said they were sent by Hanoi to reinforce the Pathet Lao civil and military administration which has reportedly been put on the defensive, particularly in the south, by a resistance movement.

Hundreds of Pathet Lao deserters reportedly have joined the rebels. They are led by former Pathet Lao Col. Boualien.

"His men are in uniform, well-armed and control the access to the two major southern cities of Savanhakett and Pakse," the sources said. They claimed that planes of the National Laotian Company, piloted by Russians ever since the westerners were obliged to leave, have been hit by bullets several times as they approached Savanhakett.

GEPHARDT DESIRES TO VOTE "NAY" ON PAY RAISE

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. GEPHARDT. Mr. Speaker, by letter dated February 8, 1977, I have joined with my fellow Members of the 95th New Members Caucus in conveying our deep concern to Chairman ROBERT N. C. NIX of the Post Office and Civil Service Committee over the proposed pay increase for Members of Congress and the procedure by which it is being handled in the House. Our letter states:

As new members of Congress, we feel a special obligation to convey to you and the members of the Post Office and Civil Service Committee our concern regarding the proposed pay raise and its relationship to the trust and confidence of the public in the integrity of the House.

Regardless of one's position on the merits of the proposed pay raise, there can be no legitimate excuse for not having a vote on this issue on the floor of the House. The public is entitled to know where we stand. To delay deliberation on the proposal until the expiration of the 30-day disapproval period would be directly counter to the commendable trend toward honesty and openness. Should such a pay raise go into effect without a vote, it would only serve to lessen public confidence in the House and in its ability to govern itself in a fair and open manner.

In addition, the pay raise issue cannot be separated from the present concern over ethics reform. The various proposals that are now being discussed, including the elimination of office accounts and slush funds along with limitations on outside income, are clearly based on the premise that once these reforms are adopted, Congress can then legitimately move to provide itself with sufficient funds with which to operate free of outside influences. Adopting a pay raise without first enacting these reforms could very well undermine the dedication and sincerity with which these reforms will later be pursued. The two are related and should be enacted at the same time.

Finally, at a time when so many American families are being forced to reduce their standard of living just to stay even with the rate of inflation, a 28% pay raise, amounting to more than $6 million dollars a year for Members of Congress alone, is simply unjustified. While there might well be additional support for a more moderate increase, the present proposal sets a terribly inflationary example for the Nation. To the public, this is just another example of the double standard whereby Congress can talk of the desperate need for economic recovery on the one hand and on the other vote itself a healthy pay raise.

In addition, Mr. Speaker, I wish to express my strong opposition to the concept of an automatic cost-of-living raise for Members of Congress. The Constitution of the United States, article 1, section 7, gives our distinguished body the power to originate all bills for raising

revenue to finance the needs of our Nation. Through unwise spending policies, however, we inadvertently provide for our own cost-of-living raises due to higher inflation. We reward ourselves for causing a problem, rather than solving it. By such foresight, we do indeed secure the blessings of liberty to ourselves and to our posterity, but not that of the people of the United States.

In opposing a pay raise for myself and my colleagues, I do not wish to prevent a needed pay raise for the Federal judiciary or for those members of the highest levels of the executive branch of Government. We must continue to attract and retain the best qualified persons available for such offices, and we can only continue to do so if the compensation provided is adequate for their needs and competitive with their peers in the private sector or the private practice of law. I was not attracted to run for and win election to the House of Representatives on the basis of the rate of pay, but at the same time, I am and will be willing to be compensated at the pay rate in existence at the time when I did choose to run, for I knowingly did so do. Likewise, the people who voted for me in the election exhibited their intent to compensate me for representing them at the existing level of pay, not that proposed in the pending measure which we should all strongly disapprove.

In conclusion, I strongly beseech my colleagues to join in disapproving the resolution which would allow the pay raise to go into effect. I desire to vote "nay" on the pay raise, but I may never have the opportunity to do so because of our procedural rules.

TEENAGERS IDLED BY MINIMUM WAGE?

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. FRENZEL. Mr. Speaker, in todays Wall Street Journal, an excellent article by Alfred L. Malabre, Jr., explores the relationship between teenage unemployment and the minimum wage. I invite the attention of my colleagues to it, and include a portion of it, as follows:

Betty Jackson has a message for the people in Washington who want to raise the nation's minimum wage:

Drop dead.

If you suspect that Betty Jackson is a profit-greedy employer of unskilled workers who toil in some sweatshop for $2.30 an hour —the minimum allowed by federal law—you are wrong. Plump, middled-aged, black, the mother of four ranging from 17 years of age down to 11, she employs no one. She is poor, and she herself is employed, at modest pay, as a social worker by Dade County, Fla. Her job is to try to find work for jobless teenagers in a poverty-ridden area just north of Miami.

"It would be just awful for the kids if they (the federal authorities) raise the minimum wage again," the black woman says. "It's bad enough now, but if the floor goes up again, the kids simply won't ever get hired."

DROUGHT DISASTER WARNING AND ASSISTANCE ACT OF 1977

HON. ALVIN BALDUS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BALDUS. Mr. Speaker, in light of the large volume of publicity given to the disastrous freezes in Florida and the damage they have done to citrus and vegetable crops there, I am sure that there are few Americans who are not aware of the seriousness of that situation. But I wonder how many Americans are really aware of the severe drought which is plaguing farmers in upper Midwest States such as South Dakota, Minnesota, Iowa, and Wisconsin.

The drought has already devastated crops in 1976. Judging by the extremely low level of water tables, the depth of ground frost—6 to 8 feet and more—caused by the bitter cold temperatures of the last few months, and the relatively low levels of accumulated snow, it appears as though the drought will continue through the 1977 crop season.

There is one important distinction between 1976 and 1977, however. This year farmers know that they can anticipate drought conditions and make their plans accordingly. In 1976, farmers were unable to make allowances for the drought in planning their operations for the year.

In light of the fact that we have available to us sophisticated methods for predicting droughts, I believe that it is inexcusable for us to not be making use of them. Had we predicted this drought over a year ago, the Government would have been able to save millions of dollars in disaster assistance by allowing farmers to plan ahead.

The operation of drought disaster programs in these States has been confusing, changeable, inequitable, and frustrating. Delays in declaring counties as eligible for disaster assistance programs have created problems of equity for many farmers. I have been working daily to try to iron out the problems involved in these programs, yet many of the problems have not been resolved and legislation may be required to accommodate changes which cannot be made administratively. One thing is certain, however. If we had known the drought was coming, a great many of the problems could have been avoided. Thus, while my primary efforts at this time are more properly directed toward straightening out existing problems, I would also like to make an effort to give us more warning on the occurrence of future droughts.

For that reason, I am today introducing legislation to set into place a mechanism for determining future drought disasters as they begin to develop. The Drought Disaster Warning and Assistance Act of 1977 would provide that mechanism.

To aid rural drought disaster and potential drought areas, the Department of Agriculture must know what is happening on the land. An inventory of rural resources and related conditions would establish a reference base from which quantitative measurements can be made to determine the extent and assess the impact of drought situations on farming, ranching, and other activities.

Field examination of statistically selected sample points would furnish the base data. These same sample points or a subset of the points would be monitored on a yearly, monthly, or "as needed" basis. If done on a continuing basis, the system would establish a needed drought disaster alert system and provide a means for measuring rural recovery. These follow-on efforts would be responsive to changing conditions that may require Federal, State, or local actions and program adjustments.

The rural drought disaster inventory and monitoring activities would be carried out by qualified USDA technicians located in every county or similar subdivision of the State. However, some information may be collected by other qualified technicians. Full use would be made of ADP, remote sensing, resource models, and other techniques that would satisfy and maintain quality standards. Plans would include examining the potential of and using cost-effective in situ data collection systems to supply specific data.

The surveys would provide information on the status and condition of: soils, crops, forests, ranges, and other rural areas, irrigated areas, rural water supplies, and soil moisture.

Monitoring would provide onsite data for: First, improving drought probability estimates; and second, determining drought damage and losses including but not limited to—excessive soil movement by wind, degrading productivity, low levels of available moisture for crop growth, lack of conservation on the land, dwindling water supplies for livestock, irrigation, and rural households, shelterbelt removal, fires on dry grassland forestland, overgrazing of dry pastures and rangeland, and advancing salinization.

Cost segments identified to implement and carry out the inventory and monitoring plan are: First, inventory and related costs; second, drought disaster prediction model costs; third, ADP costs—terminal, communications, and computer use; fourth, equipment costs; and, fifth, monitoring costs.

The program initially would be implemented in drought prone States consisting at the present time of the 10 Great Plains States and four other States adjoining the Great Plains, such as Wisconsin. The program would then be implemented in counties of other States where specific areas are prone to drought conditions.

The estimated cost of initially implementing the program would be about $11 million the first year, $7 million each for the second and third years, and would level off to $5 million for each following year. This expenditure would be more than offset by diminishing Federal expenditures for disaster assistance once a drought has set in.

TIMBER SALE BIDDING POLICY

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BAUCUS. Mr. Speaker, one of the major bills coming out of the 94th Congress was the National Forest Management Act of 1976. Given the importance of forests to the economic life of the western district of Montana, the provisions of this act have obviously been of great concern to my constituents.

Of particular interest to Montanans was the issue of competitive bidding. In order to gage the reaction to these provisions of the bill, I recently contacted 415 Montana constituents who stand to be most affected by changes in bidding policy.

I would like to share with my colleagues the views of these constituents and offer some thoughts on the directions Congress should take in overseeing the implementation of this important legislation.

You will recall, Mr. Speaker, that competitive bidding emerged as a major concern of the House during discussion of the National Forest Management Act of 1976. Section 14(e)(2) of the act requires "sealed bidding on all sales except where the Secretary determines otherwise by regulation." Subsequent interim regulations issued by the Forest Service on November 4, 1976, established sealed bidding as the "predominant" method of selling Federal timber.

Exceptions to this "predominant" method can occur—according to the interim regulations—in communities that meet certain criteria for classification as "dependent." In other words, oral bidding can resume in such communities.

I know that my colleagues are familiar with the criteria used in designating dependent communities, and that the regulations in question are indeed interim; they will expire with the issuance of final regulations on or before April 1.

Rather than dwell on the criteria themselves, I will offer considerations that are vital to setting a long term bidding policy. Because my district contains such extensive Forest Service holdings, and because my district depends so heavily on Federal timber for its economic life, I sincerely hope that the subcommittee can integrate these considerations into its actions with respect to long term bidding policy.

The first major consideration, obviously, is competitive bidding. Along with many of my colleagues, I took an active role in formulating and passing the National Forest Management Act, and can attest to the concern of our colleagues that timber sales be awarded on a competitive basis. In our efforts to insure competitive sales, however, we must not forget another major concern of Congress—the small business operator—and, precisely, the effects of our actions on the small business community. In the responses to my survey of concerned Montana constituents, I sensed a nearly uniform apprehension that sealed bidding for small sales could actually reduce competition by limiting small sales prospects to large corporate operators; the negative effect would be most dramatic in communities whose small business timber purchasers have traditionally entered oral bidding in the presence of large corporate purchasers, and have won small sales because the large purchasers declined to bid the price of the sale beyond the reach of the small purchaser. In such instances, the major firms have been content to buy these marginal volumes from the small businesses after the sale was harvested. While this classification of sales might be marginal to a company like St. Regis, for example, such volumes can hardly be termed marginal to the independent business which relies on small sales to meet payrolls.

As you well know, Mr. Speaker, potential timber purchasers—both large and small—carefully calculate their economic margins in preparing their bids. Large corporations naturally enjoy more marginal leeway than do independent loggers. This does not mean, however, that large corporations are less interested in securing logs through small sales of Federal timber. Oral bidding has traditionally allowed the independent logger to get a "piece of the action" because the oral process has provided critical information to the corporate purchaser on the ultimate price of a particular volume of logs for the corporation mill, regardless of whether that price is paid to the Federal Government or to an independent logger who wins the sale.

Community relations often compel the large corporate purchaser to allow local independent loggers to win sales—as long as a later opportunity exists for the corporation to buy the harvested logs. Oral bidding gives the corporate purchaser a chance to make such determinations. Sealed bidding, however, does not. Guaranteeing a supply of logs for the corporate mill often compels the corporation to submit sealed bids for small sales that are well beyond the reach of independent loggers.

I do not mean to imply, Mr. Speaker, that independent loggers win all sales awarded through oral bidding. Neither do I intend to minimize the importance of insuring competitive sales; I am simply concerned that Federal bidding policy might result in "throwing the baby out with the bath water," that independent loggers might endure additional hardships in the face of an already tenuous market situation.

One of my constituents, Mr. Donald M. Wood, chairman of the Montana Woodland Council, remarked on the issue of collusion among potential Federal timber purchasers, and particularly on the subject of oral versus sealed bidding.

"Opinion varies greatly between all companies, large and small, as to effects of sealed bidding versus oral," Mr. Wood writes. "However, certainly nothing prevents the dishonest from getting together beforehand." Mr. Wood goes on to emphasize the importance of language in the National Forest Management Act that is aimed at ending collusion. I must add my voice to his in calling for better monitoring and reporting procedures in order to insure that sale of federally owned timber is competitive.

Mr. Speaker, Congress has recognized the need to protect the economic stability of those areas that rely on a dependable supply of Federal timber. My district especially appreciates that recognition since approximately 43 percent of all employment and 51 percent of all income in western Montana rely, either directly or indirectly, on the wood products industry. Seventy-five percent of Montana's 23 million acres of forest is federally owned. Yet, the Forest Service found no Montana communities that are "dependent" on Federal timber according to the criteria set forth in the interim regulations, and consequently, oral bidding in Montana has ended. In my recent testimony before the Subcommittee on Forests of the House Agriculture Committee, I urged that we bear in mind that the criteria for designating dependent communities should include adequate consideration of all components related to timber industry employment, including truckers for example, and the importance of independent loggers to each community.

In closing, Mr. Speaker, I must stress that I do not presume to have all the answers to the questions of oral versus sealed bidding. My intent is to offer considerations that the subcommittee will find helpful in overseeing implementation of the new act. Having participated in passing the act, I know that Congress, while stressing the need for competitive sales, did not intend to champion competition only between large corporate enterprises. I know that Congress intended to enable the independent logger and the small business to compete as well.

Mr. Speaker, we would do well to remember this in an age characterized by the ever-growing hardships of independent and small businesspeople, not just in Montana, but throughout the Nation.

TRIBUTE TO FRANK CONSIDINE

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HYDE. Mr. Speaker, it is a great pleasure to announce to my colleagues that Mr. Frank Considine, president and chief executive officer of the National Can Corp., has recently been elected president of the Chicago Association of Commerce and Industry. Mr. Considine has had an illustrious business career spanning the past three decades and he is uniquely well qualified to serve the association—the Nation's largest regional chamber of commerce.

Mr. Considine graduated from Loyola University of Chicago in 1943. After a tour of duty with the U.S. Navy, he became a partner in the Frank J. Hogan Talent Agency.

Mr. Considine left the entertainment business to go into packaging in 1947, when he joined the Graham Glass Co. as assistant to the president. In 1951, he

formed his own company, F. W. Considine & Co., a manufacturer's representative firm for Knox Glass, Inc.

Five years later Mr. Considine joined the Metro Glass Division of Kraftco as a vice president. In 1960, he was named president of the newly formed Great Lakes Glass Co.

He joined National Can in September of 1961 as director of sales, and was named vice president of sales within a few months. Two years later, Mr. Considine was elected senior vice president for sales and marketing. In 1966, he was named executive vice president and in 1969 he became president of National Can Corp. Mr. Considine was elected president and chief executive officer of the corporation in 1973.

In 1975, Mr. Considine was honored with the Sales and Marketing Executives Association's "Executive of the Year" award for his role in National Can's growth over the past decade. That same year, Financial World magazine named him one of the "Chief Executive Officers of the Year."

In addition to serving on National Can's board of directors since 1965, he also serves on the boards of Central Telephone & Utilities; the Maytag Co.; Culligan International Co.; the Can Manufacturers Institute; Keep America Beautiful, Inc.; the Easter Seals Society of Chicago; the Mental Health Association of Chicago; and Junior Achievement.

He is also an associate director of the U.S. Brewers Association; chairman of the board of trustees of the American Institute of Food Distribution; and a member of the board of trustees of Loyola University of Chicago and Barat College in Lake Forest. He is also a governing board member of the Illinois Council on Economic Education and vice chairman of the United States-Egypt Business Council.

As a personal friend of Frank's, I must add that in addition to all of the above, he is first and foremost a family man. He and his lovely wife, Nancy, reside in Winnetka, Ill., and are the parents of nine attractive and accomplished children.

I know my colleagues join me in congratulating Mr. Considine on his new post as president of the Chicago Association of Commerce and Industry and wishing him a most successful tenure in office.

Last year the Baltimore Evening Sun ran an Associated Press article about Mr. Considine which is indicative of both his business acumen and his personal vitality. I take pleasure in sharing this article with my colleagues:

[From the Baltimore Sun, Sept. 21, 1976]

MORE THAN JUST MONEY

NEW YORK.—Running a billion dollar-a-year business means more than just money to Frank W. Considine.

"Your most important title is that you're a human being with certain feelings of drives and values," says the president and chief executive officer of National Can Corp., third largest can maker in the United States.

"You can weave human values into your business life every day in your dealings with people," he says. "The business community cannot be involved totally all of its time in making a profit."

Considine, 55, came to the Chicago National Can 15 years ago as general sales manager, rose to president by 1969, became chief executive in 1973 and has made waves through espousal of two causes.

First is shutting off American jobs from illegal aliens. Second is explaining the workings of American business to youth.

"In 1957 this country had the highest birth rate we've ever had—4.3 million. Those people are now 19 and 20 and coming into the work force with impact," Considine said in an interview.

"We create 1.5 million jobs in this country a year. If we even have half the new jobs taken up by people coming here illegally, we are going to face economic, political and social problems we don't want to face.

"A key thing is that young people coming out of school have jobs," he said.

"Unless they're working, we're going to have big problems. I feel we have to take a hard look, yet with compassion, at the whole problem of too many people for the number of jobs this economy creates in order to provide work for young people."

In April 1975, National Can attacked the problem by placing on its job application forms the question: "Do you have the legal right to live and be in this country?"

People can lie, Considine said, but the question, plus signs in all 68 United States plants that the company cooperates with the federal government, tend to discourage illegal aliens.

Considine's other campaign—explaining capitalism to students—stemmed from a presentation by another company.

"Wouldn't it be a good thing for my children to hear this?" Considine said.

"I went home and talked to one of my daughters and she agreed. From that point, our company adopted a high school in our congressional district.

"Our executives talked to the students. We explained if you don't make profits you can't build plants and employ people.

"They understood that.

"Some of the students came to our annual meeting in 1975 and asked questions. It made our meeting much more interesting. We'll do it again this year," he said.

Some young people think of business executives as evil men just trying to get rich, Considine said, "but my concern goes beyond that.

"I feel our whole economic system is misunderstood and misinterpreted in the schools. There's a total lack of awareness what our economic system has done for us as a country and as individuals.

"You see where the consumer is in other countries in relation to where we are," said Considine. "There's very little comparison. Many young people have hostility to business. I don't feel you can overcome hostility unless you have dialogue."

Considine's belief in helping others while he helps the company carries over into its foreign operations as well.

National Can in 1969 had a small partner in Greece who once introduced Considine to a group of government officials.

"It's nice to visit with people for protocol," said Considine, "but I think as long as you're doing that, you might as well find out what they're thinking and what they need.

"I asked the minister of agriculture what our company could do to help his country, and he said, 'Help us improve our product quality.'

"So we hired food technologists who worked with canners to see that food was packed under conditions that would survive export," Considine said.

As the Greek canners worked with National experts, National cans were used. Now National has five can plants in Greece and one in Cyprus to supply cans for food exports to Yugoslavia, Western Europe and Africa.

National Can makes metal, glass and plastic containers and closures, produces pet food and cans fruit.

In 1961, National Can had 20 plants, all inside the United States. Its sales were $114.8 million and net earnings were $2.2 million. By 1975, the company had 68 domestic (two in Baltimore) and 13 foreign factories. Sales were $854 million and earnings were $18.7 million. They are expected to reach $1 billion this year.

Considine says that while he presides over the company's growth, he hasn't neglected his duties toward his family—a wife and nine children.

He prefers, on domestic air trips, to be able to return home at night.

And he says he's shunned moving from his native Chicago, despite better-paying offers elsewhere. The move would have uprooted his family too much.

TAX REFORM ACT

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. STEERS. Mr. Speaker, in the past weeks, my office has been inundated with protests from constituents who face a substantial increase in their taxes, at a time when many of them are not able to face these rising expenses. This tax increase for the retired, disabled Federal employees is a result of an unfair provision of the Tax Reform Act of 1976.

Unless these laws are changed, these citizens will be forced to pay back taxes and penalties on a regulation that had a retroactive effective date for earlier than the issuance date. To make matters even worse, these people do not know if they will have to make this large lump sum payment, because they have been promised by the Congress that the inequities of the present tax law might be changed.

I remind my colleagues that April 15 is the deadline for tax payment, and I urge my colleagues to act speedily and justly on this matter.

DOCTOR: WORSE THAN WAR

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. RUSSO. Mr. Speaker, courage is a word often used and seldom defined. The occasion and the person determine its meaning and thus its forms are many.

Is it the swaggering bravado of youth, mindless of danger, but of themselves as well? Is it the force that impels a soldier forward in battle when fear grips him? Or is it the steady commitment of a friend who runs into the burning house because you are there and must be saved? And on a less dramatic level, how much courage must it take for a small child to learn to deal with those large, lurking ghosts in the room and not cry in the dark?

I am particularly struck by the quiet courage that does not demand attention for itself. It belongs to the person who approaches an awesome and frightening responsibility as matter-of-factly as others of us face a trip to the store.

We may be misled by the people who possess it, for they treat this courage as simply a part of them—like a nose or a laugh—surely nothing special to be singled out for praise. Our policemen, firemen, and doctors, for example, will often explain extraordinary actions with a mere, "It was my job."

I suspect that this is what Dr. Joseph Cari of Chicago feels about the Commonwealth Edison fire last November. Having the privilege of knowing Dr. Cari, I am aware of his humility, dedication, competence, and strength.

On November 21, Dr. Cari performed an amputation of a firefighter's leg, a firefighter who was pinned under debris on the edge of the collapsed portion of the building. The amputation was performed eight stories up and Dr. Cari had to lie over the man in order to reach across him to perform the surgery, in the dark.

It was certainly not the first emergency operation for Dr. Cari under difficult circumstances, but it was, according to him, the worst thing he had ever had to do.

As medical director of the Chicago Fire Department since 1972, Dr. Cari has worked with the Chicago Hospital Council in establishing a triage plan for emergencies. He responds to fires or other incidents as needed, such as the United Airline crash at Midway in 1972 that killed 45 people and injured 17, and the Illinois Central Railroad accident which killed 45 people and injured 300 others in October of last year.

He brings his energy and talent to his job as director as fully as he does to the emergencies he is called to. He has, for example, created a health manual, "Delivery of Medical Care," that covers all phases of physical fitness and is the most complete manual of its kind in the fire service. In creating a more complete medical division, he has established divisions for such areas as physical fitness, obesity, alcoholism, and a counselors program.

He is a fine physician and a courageous human being. Today I know my colleagues join with me in commending him, as well as the brave firemen with whom he works, for their dedication. I also want to enter in the RECORD the moving story of that November evening. It is beautifully written by Dorothy Collin of the Chicago Tribune:

DOCTOR: WORSE THAN WAR

(By Dorothy Collin)

For Dr. Joseph Cari the early hours of Monday were worse than anything he'd ever been through—worse than the landings at New Guinea, worse than the south of France, worse than Normandy's bloody Omaha Beach.

Those were the hours he tried to save the life of Walter Watroba, a fireman trapped on an 18-inch ledge more than 70 feet high in the midst of smoke and flames and tons of debris.

And those were the hours when Dr. Cari finally decided to amputate Watroba's leg to free him. He performed the operation lying across the fireman's upper body with a fire department paramedic lying on top of him, handing him instruments.

He amputated the leg at the knee. And he did it without enough light to see, relying on the sensitivity that 36 years of emergency medicine gave to his fingers. He did it in two minutes.

"It was the worst thing I ever had to do," Dr. Cari said.

The doctor, who was a combat surgeon in World War II and has worked with the Chicago Fire Department for 30 years, sat in the emergency area of Mercy Hospital where Watroba had died a few hours before and told of his attempt to save the fireman's life.

Surrounded by peach-colored curtains, reporters and other doctors and nurses, Dr. Cari looked almost like a school boy cornered by teachers. A small man, he sat quietly, enduring question after question, his old black leather doctor's bag sitting by his feet.

He told how he had been called at 9:30 Sunday night at his home. "They said a man was pinned and Battalion 29 will pick you up."

He arrived at the fire at Commonwealth Edison's generating station at 1111 W. Cermak Rd., "got on the roof and assessed the problem and then apprised Commissioner [Robert] Quinn of the situation as I always do."

The situation was that Watroba was pinned by twisted steel and cement from a coal conveyor that had collapsed on top of him. On his right was a wall that fellow firemen had tied him to so he wouldn't fall left into a crevice.

"It was very noisy, debris was falling, the roof was still on fire," Dr. Cari said. "The flames were right on top of us, two feet away."

Watroba had extensive injuries—his left leg was crushed, he had internal abdominal injuries, he was suffering from smoke inhalation, and his right leg was buried.

But fire officials decided to try to remove the debris to get him out. "With all their expertise they thought they could do it," Dr. Cari said. "We didn't want to sacrifice his leg with all that knowledge and equipment available. We wanted to give him a chance to walk out on two legs."

And Watroba was a strong man, able to stand it. "If he wasn't he would have died in the first hour," Dr. Cari said.

So the doctor ordered that the fireman be given morphine "whenever he complained of pain," and Watroba's fellow firefighters worked for hours in the snow and wind to free him.

While they worked, Dr. Cari "went up and down in a snorkel," his doctor's coat replaced by a fireman's coat and his pockets stuffed with instruments and medication.

He and Watroba talked. They even joked. "He said 'Whoever would have thought I would end up here from Dearborn Street?' " Dr. Cari said.

[Watroba was assigned to Engine 13 at Dearborn and Lake streets, a unit that normally fights fires in the downtown area.]

They talked about the Bears and "their lousy game" and the weather and what the firemen were doing, "what companies were doing what and who was coming up."

"I tried to keep him as calm as possible," Dr. Cari said. "I assured him that with any sort of a break things would work out all right. He tried to keep up the conversation. He tried to remove his legs from the debris but it was an impossibility."

The one thing they did not talk about was Watroba's family. "No, you don't talk about the family," the doctor said.

Finally, it became evident the debris was yielding only inches at a time. And the equipment being used was beginning to crack the wall the rescuers were standing on. "If it went, it could have meant the loss of five or six other lives," Dr. Cari said.

"So I made the decision to amputate. I explained it to Walter and he answered, 'Doc, do what you have to do, but get me out.' "

"I couldn't crawl in from the left because of the crevice. I had to crawl over him, over his right side in order to do it. When I got in there, I could see his leg—there was a little light in back of it. I just felt the anatomical points of the knee."

"I could feel it with my fingers," Dr Cari said.

But even with the help of the paramedic, Kevin Crowley, Dr. Cari said it was worse than anything he ever did on a battlefield. Usually when you pull someone out of a tank or treat them on a beachhead, you are on level ground, not up in the air where you can lose the man."

After the operation, Dr. Cari said: "Walter, you're free." The fireman said "I'll turn" and began to try to turn his body.

His rescuers got him into a litter and down a ladder, but he was already in shock by the time he was gently caught on the ground by dozens of firemen's upreached hands.

He died somewhere between the fire and Mercy Hospital about 6 a.m.

Seven hours later, after all the questions had been answered, Dr. Cari, who had been up since 5 a.m. Sunday, picked up his black bag and started on his rounds.

As chairman of the family practice department at Mercy he had a few calls to make there. But then he was going to other hospitals. He was going to visit sick firemen.

REMOVAL OF EARNINGS LIMITATIONS ON SOCIAL SECURITY RECIPIENTS

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BURKE of Florida. Mr. Speaker, I would like to call the attention of all my colleagues to an article appearing in the January 3, 1977, edition of the New York Times entitled "Social (In)security," by Richard L. Tobin. The author says that the earnings limitation imposed upon social security recipients between the ages of 65 and 72 creates not social security, but "social insecurity."

This article is of special interest to me since I have introduced legislation in the 90th, 91st, 92d, 93d, 94th, and now the 95th Congress to repeal the earnings limitation on social security so that the elderly would be able to work without being penalized.

At the present time those between the ages of 65 and 72 receiving social security benefits can earn up to $3,000 without losing any of their benefits. But for every $2 that is earned over that figure, a person loses $1 in benefits. This amounts to a 50-percent tax on earnings for the elderly.

And yet, if those same persons were fortunate to have income from stocks and bonds, they could receive their full benefit without any such limitation being imposed on the amount of income they could receive.

Mr. Speaker, it is my opinion that since social security benefits are related directly to the contributions made by the worker himself and his employer, it should be a matter of right that the employee should upon reaching a certain age be given those benefits for which he has labored and which he anticipates. They should be treated by the Government as any other private annuity fund that an individual can or has paid into. To deny those benefits to the elderly who desire to work—for whatever reason—is unjust and contrary to the American way of life.

Mr. Speaker, as we begin to move into America's third century, let us rethink the role of the elderly in our society. Let us remove that barrier which has for so long separated them from the rest of productive society. Let us start anew and build anew a more vibrant image of our senior citizens. If given the opportunity, they can and will play a much more vital role in the fulfillment of the American dream.

I urge my colleagues in the U.S. House of Representatives to give a careful reading to the following article. Also, I urge each and every one of you to join with me in passing my bill—H.R. 2775—to amend title II of the Social Security Act so as to permit an individual receiving benefits thereunder to earn outside income without losing any of such benefits.

The article is as follows:

SOCIAL (IN) SECURITY

(By Richard L. Tobin)

If President-elect Carter wishes to become immediately popular with almost anyone over 65, he will tackle at once, and with the greatest vigor, one of the most grossly unfair Federal laws—the one that says you cannot earn a decent living after your 65th birthday and get your well-deserved Social Security at the same time.

In 1977, the maximum a beneficiary can earn will increase to $3,000 a year if he or she wants to collect his or her Social Security income. It's been $2,760 a year up to now, but the magnificent $240 rise won't do much to help those of us who have little or no pension money coming in besides our overdue Social Security benefits.

If your income derives from stock or bonds and not from a paycheck, you can collect the whole Social Security check each month. But for those of us who live from paycheck to paycheck, and whose income comes directly from the sweat of our aging brow, there is little or no chance of our beginning to collect on the Social Security benefits we've been entitled to ever since we hit 65.

Let me cite my own case, since it is typical of those—millions certainly—who are now being robbed of a chance to retire, at least in part.

I have been a dues-paying member of the Social Security system since Dec. 8, 1936, the day it began. So far as I know, my employers have never missed a payment and I know they have deducted many thousands of dollars from my paychecks over the last 40 years. Each year more has been taken out, and at present this figure runs in excess of $875 per annum.

Yet, after exactly 40 years of paying in, I cannot begin to collect. The reason is, essentially, that I worked for The New York Herald Tribune for 24 years and the Trib had no formal pension system, though it did take care of a few ancient out-pensioners while it was still operative. But the day The Tribune folded, any chance any of its staffers might have had for even a modest pension went down the drain in the welter of bankruptcy. Had the present Federal law guaranteeing pensions been in effect at that time, we staffers might have salvaged something. But the rude fact is that we did not and must therefore, continue to work to survive.

Fortunately for me, I went to work for the Saturday Review in 1960 and was soon taken in under the pension wing of McCall's, which took over the magazine in 1961. It was a good retirement plan and would have worked beautifully had SR not been sold over Norman Cousins' head, at which point I no longer had a pension plan. Fortunately, the few years under McCall's-Norton Simon ownership meant that my pension money, small as it was, had been funded and would come to me no matter who owned me. But it was small, quite naturally, since I was under its wing for less than ten years, starting at the age of 50.

When we recently got SR back, we were faced with all sorts of financial problems, most of which are now beginning to work out. We are probably breaking even—just. But there is little or nothnig left over to give us pension money. That is not anyone's fault. In a sense we're lucky to be afloat at all, and I am luckier still to be on someone's payroll at 66.

But the cruel fact is that I cannot stop working because I cannot live on Social Security and the small pension I earned those few years in the 1960's. For every $2 I earn above $3,000 (starting in January) $1 in Social Security benefit is to be taken away. Therefore, if my Social Security income (counting my wife's) is about $6,000 per year, I can forget it if I make $12,000 in salary. Since we cannot live even modestly on the $6,000 plus the small McCall's pension, I am obliged to go on working. Of course, at age 72, the law says, I can keep everything I earn and get my Social Security, too. But I've told myself not to hold my breath.

The original intent of the Social Security law limiting earnings beyond 65 was to open up the employment market for Depression youngsters. That purpose has long since eroded. I like to work. I'm a writer-editor by trade and I shall always be working at something. But I'd very much like to work a bit less for someone else and live, at least in part, on some of the money I've paid in to Washington for just such a purpose over the last four decades. I think I have it coming.

If the lawmakers can't see their way to lifting the silly ceiling on earnings altogether, then maybe they'd raise it so people like me could get a bit of what's coming to them regardless of paycheck. My wife and I would like to travel a little. When I was managing editor of SR and later associate publisher, I had the money but never could scrape together the time to do Europe or Asia. I'd like to now. And it really isn't fair that, through no fault of mine, one splendid publication on which I worked for almost a quarter of a century went to the wall and any pension with it, or that someone bought out from under us at SR, even though the story has a happy ending.

So, Mr. President-elect, if you wish to become immediately popular with at least one Republican, you will recommend immediate changes in the Social Security eligibility laws and see that Congress does something about them.

HEALTH CARE LEGISLATION AND PHILANTHROPY

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CARTER. Mr. Speaker, at the 10th annual conference of the National Association for Hospital Development in Houston, Tex., Theodore Cooper, M.D., former Assistant Secretary for Health of the U.S. Department of Health, Education, and Welfare, received the association's achievement award for 1976 for his work on behalf of the private health care system and for his outspoken support for the role of philanthropy in that system.

Philanthropy has had a long and honorable tradition in this country in the fields of education and public service as well as in health. I am hopeful that the Congress will see its way clear to including in any national health insurance program a provision that philanthropy shall be continued and, in fact, encouraged and that the philanthropic dollar will not be the first Federal dollar provided for reimbursement.

In order that my colleagues may have the opportunity to examine Dr. Cooper's speech in depth, I include it at this point in the RECORD:

HEALTH CARE LEGISLATION AND PHILANTHROPY

(By Theodore Cooper, M.D.)

I am very grateful for the honor of having been named to receive the Association's Achievement Award for 1976. There are a great many people in this country who have made very substantial contributions to preserving private philanthropy as the keystone of the American voluntary health care system. A lot of them are in this room, and I am proud to be in your company.

The 1976 Achievement Award could rightfully go to any of you—or to all of you. But I am glad to accept this distinction because there is no one here who feels more strongly than I do that private philanthropy—for its own sake and because of what it represents in American society—is a priceless resource and one that we must never abandon, either by design or by folly.

I know quite well that there are those who believe that philanthropy has a short future in the American health system, that the certain arrival of national health insurance will mark the certain departure of voluntary giving.

Let me just say that while I understand the thinking behind that prognosis, I also understand the major and undiminished need for philanthropy in the health field. And I think I appreciate, as well as anyone does, the irreplacable loss that the health care system would suffer if national health insurance or any other manifestation of social or economic policy brought an end to the tremendous rewards that accrue from the voluntary donation of funds and personal energy in the spirit of philanthropy.

Such a loss to the health care system might be calculated in dollars, but it would be reflected in research not carried out, services not provided, and innovations not exploited.

In short, the loss of philanthropy would hit hard at the very places where our health care system is most in need of creativity and freedom, in the places where new ideas and new approaches to old problems can lead to needed change.

And without the capacity for change, the health care system would be in grave danger.

In the last decade, we have seen enacted more health legislation of more far-reaching consequences than ever before in the 200 years of our country's existence. In the spirit of assuring to every American a right to health, we have legislated and implemented vast programs that run the gamut of the whole health enterprise—from the pursuit of basic knowledge to the provision of care for millions of people who might otherwise not have equal access to it.

I do not have to recite that parade of laws—indeed there isn't even time enough for me to do it. But I would call your attention to a subtle but vastly important change that has occurred in the form and intent of this legislation.

Broadly speaking, we have moved from legislative action whose intent was primarily to make health care more plentiful and more available, to legislation that seeks to constrain the growth and function of the health care system, to increase its productivity, eliminate unnecessary utilization, and improve the quality of care.

It is not an oversimplification to say that the driving force behind these legislative measures—in fact the driving force behind virtually every health policy decision—is rising cost. We have entered a period in the evolution of the American health care system whose most distinguishing characteristic is sharply escalating expenditures for health care—expenditures by private citizens, expenditures by the Nation's hospitals, and expenditures by government at every level.

No one can seriously quarrel with the need to contain the rising cost of health care. And neither can anyone take issue with the objectives of seeing to it that we make the best use of the resources we have, avoid waste, and strive for care of the highest quality that can be achieved.

But because I happen to agree with Thomas Jefferson who held that government exists to do for people what they cannot do for themselves, I think we all have to be acutely alert to the consequences that can follow from a too-easy assumption that government can make it all come out all right—that government can keep health care costs in line, make sure that the system has everything it needs in the right place at the right time, and that everybody who seeks health care will get the best there is.

The consequences of that kind of naive thinking can be disastrous. As you people know all too well, they can literally dry up not just the philanthropic gift, but the spirit of philanthropy itself. The closer we come to the idea that government can and should assume every responsibility of the public good, the closer we come to foreclosing any form of private voluntary initiative in the health field.

For example, as urgently as we need to make health planning an effective tool for improved efficiency and productivity, we must also guard against regulation in the service of better health planning that makes it difficult for hospitals to accept philanthropic contributions. We all understand that there are times when a private donation might lead to an inappropriate capital expenditure, and we ought to be able to prevent that. But to do it through a regulatory mechanism that cuts off private support for appropriate and necessary purposes as well is simply wrong.

We don't have to throw out the baby with the bathwater, and the way to avoid that is to be able to tell the difference.

Discussions about national health insurance tend to focus on a number of key issues—the cost, both to individuals and to the Nation, the kind of benefits to be covered, the financing scheme, controls on cost and utilization, and other critically important questions the answers to which will shape not just the insurance plan, but the entire health care system for years to come.

But there are other factors that simply must not be overlooked in the rush to devise a health insurance plan that Congress will enact, the President will sign, and the country can live with.

One of those factors, of course, is the impact of national health insurance on philanthropy, an issue that very deeply concerns both the donors and the recipients of the nearly $4 billion that is contributed annually to the health care system.

There is some logic in the prediction that national health insurance will sharply reduce—if not in fact eliminate—philanthropy in the health field. From a purely economic point of view, the need for philanthropy might seem to disappear when a national health insurance scheme assures hospitals full reimbursement for all activities associated with patient care.

But such reasoning equates philanthropy with charity. And it fails to recognize that all great medical centers—and even many hospitals of more modest scope—are able to undertake projects and programs only because generous organizations and individuals are willing and able to provide the necessary support.

Furthermore, the kind of activities made possible through philanthropic donations and private grants are likely to represent innovations, in both research and services, for which public funds are often not available.

By and large, the public's money ought to be used to exploit proven advances in the provisions of social services—including health care—and to seek new knowledge in problem areas that have a major impact on individuals and society.

Moreover, at a time when Federal spending is under extremely tight restrictions, tax dollars have to be spent to make sure that mandated goals—like paying for health services for the elderly, the disabled, and the poor—are not being neglected.

What this means, of course, is that both national health insurance and tight Federal health budgets tend to make philanthropy an increasingly vital and important source of funds for the health care system—the kind of venture capital that can point the way to significant change.

I flew down to Houston today with John Grupenhoff, a man I have known and worked with for many years who ably represents your Association in Washington, and who has a deep understanding of the issues that all of us—in both the public and the private health sectors—have to wrestle with.

One of those issues, of course, is the fact that tens of millions of Americans have either no health insurance protection whatever or are covered inadequately by plans that foster expensive and inappropriate use of the Nation's limited health resources.

We have to correct these defects. But in doing that, we have to guard against devising a system that might create new problems and make old ones worse.

To foreclose private philanthropy would be a grave mistake.

To add materially to the demand for health services without making certain that the system can respond would be a grave mistake.

And to institute an insurance system that had no effective mechanisms for cost containment and quality assurance would be a grave mistake.

I am confident that many people within and outside the Federal government are well aware of these considerations. But I am equally sure that it will take the best and most enlightened leadership of the entire health industry to design a responsible health insurance system, and once it is adopted, to make it work.

That kind of leadership has to come from the Public Health Service, and I think we are increasingly able to provide it. But it has to come from the private sector as well, from people like yourselves, from the medical profession, from the insurance industry, and from parts of American society that have up until now, shown little interest in how our health care system works and what its problems are.

We have made it too easy for the American people to think that government can fix everything. Even when government policies are wrong—and sometimes they are—the public looks to government to find solutions.

Well, believe me, government doesn't have all the answers. Laws and budgets can't make everything right. Fine pronouncements about national health goals and strategies are not worth anything unless they articulate the will and command the support of private citizens, taxpayers, private industry, and those who are able to share with others in the spirit of philanthropy.

As long as I have a voice in the leadership of the Federal health effort, I intend to be as forceful as I can in the service of preserving a viable, independent, and creative private and voluntary health enterprise for this country. I feel sure you share that purpose, and I invite your help in making certain that neither government nor the private sector ever forgets it.

Again, I thank you for the honor of receiving your Achievement Award. I will do everything I can to merit your confidence.

COMMUNIST PARTY AND SOVIET UNION DEFEND WARNKE APPOINTMENT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. McDONALD. Mr. Speaker, in a February 5 editorial in its official newspaper, the Soviet-controlled Communist Party, U.S.A.—CPUSA—has declared its support for the nomination of Paul C. Warnke as Director of the Arms Control and Disarmament Agency by slanderously lashing out at responsible critics in the Senate and private sector who point with alarm to Mr. Warnke's long-held extreme prodisarmament positions.

The hysterical Communist Party attack on responsible critics of risky unilateral disarmament parrot those heard nightly on Radio Moscow's broadcasts and printed in the Soviet Communist Party press.

The Soviets desperately want the United States to give up in a new round of strategic arms limitations talks—SALT—the cruise missile and the B–1 bomber. The Soviet Union will not be able to develop an effective counter to the cheap, versatile cruise missile for many years, and it does not want its new supersonic Backfire bombers to have competition from our B–1.

The Communists' arguments in support of Warnke and the policies he has long upheld should be of interest to all. I attach the text of Moscow Tass article on February 3, 1977; and of a Daily World editorial of February 5, 1977:

[Moscow Tass in English 1502 GMT 3 Feb 77 LD]

"THE 'HAWKS' TRY TO DICTATE THEIR TERMS"

[Text] Washington, February 3, TASS—President Carter has appointed Paul Warnke to the post of director of the Arms Control and Disarmament Agency, and head of the U. S. delegation at the Soviet-American Strategic Arms Limitation Talks.

Till 1969 Warnke was assistant secretary of defense for international security matters, and in American political circles has the reputation of an exponent of restricting the arms race.

Warnke's nomination is sharply opposed by circles close to the military-industrial complex. The "Hawks" in the Senate's Armed Forces Committee are hastily taking measures to fail his candidature. Especially zealous in this respect are such notorious opponents of detente as Senators Nunn and Jackson. An anonymous "memorandum" is now being circulated in the Senate accusing Warnke of allegedly wanting the United States unilaterally to discard several strategic weapons systems and stating that for this reason he cannot be sufficiently "firm" at Soviet-American Strategic Arms Limitation Talks.

It is already not the first time that reactionary forces in the United States are trying to prevent the approval of candidatures nom-

inated to high posts by the new administration. Last month, for instance, they launched a vicious campaign against Theodore Sorensen, a prominent American politician who is close to the Kennedy clan. As a result, Sorensen had to turn down the government post offered to him.

[From the Daily World, Feb. 5, 1977]

WARNKE APPOINTMENT

How many hundreds of thousands of jobs were lost by U.S. workers because of restrictions in the 1974 Trade Act can only be guessed at. But there is no guesswork about the responsibility of the Senator whose name is attached to the job-cutting amendment to that bill—Sen. Henry M. Jackson (D-Wash).

Jackson is still serving the military-industrial complex instead of the people of his state and the USA. He, and a gang of right-wing social democrats, zionists, such anti-Sovieteers as George Meany, Sen. Daniel Moynihan and other cold war hawks are on a rampage now to torpedo any possible arms reduction agreement with the Soviet Union. They place swelling the enormous profits of the military-industrial complex ahead of the U.S. people's needs.

Their immediate aim is to block confirmation of President Carter's nomination of Paul C. Warnke as head of the Arms Control and Disarmament Agency, on the grounds that he is "soft" on the issue. The claim is phony, a smoke-screen to hide their real objective from the U.S. people—to continue ripping off the U.S. taxpayer with ever bigger military spending, a draft military force and nuclear war threats.

The warhawks have already cost U.S. workers many jobs. They have to be stopped from putting our lives in jeopardy too. Tell your representative in Congress that you want a SALT agreement!

LESSONS TO BE LEARNED FROM THE BRITISH NHI

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CRANE. Mr. Speaker, a number of physicians who have worked under the British National Health Service are now warning us to learn from their mistakes and preserve the private practice of medicine in this country rather than create a system of national health insurance. Dr. James Sutherland, a British expatriate practicing in Quincy, Ill., has presented an excellent analysis of the history and defects of the British system in an article I am inserting for the benefit of my colleagues. We have much to learn from this example.

[From the Worcester Medical News, May-June, 1976]

LOOK BEFORE YOU LEAP: LESSONS TO BE LEARNED FROM THE BRITISH NATIONAL HEALTH SERVICE

(By James W. Sutherland, M.D.)

THE HISTORY OF THE BRITISH NATIONAL HEALTH SERVICE

The idea of National Health Insurance is no novelty to the British people. In 1908, the Webbs, pioneers of the Fabian Socialist group, declared that Britain would never be healthy until it had a State Medical Service.

In 1911, Lloyd George, the first Welshman to leave his imprint on UK Medical care, introduced a type of NHI in which for a payment of approximately six to ten cents per week, working men and their families received a limited form of coverage. This applied only to care in the doctor's office, as at that time the hospitals were under the voluntary system, indeed some were in fact Poor Law hospitals. This type of care was loosely referred to as "being on the panel". In spite of the pejorative sound, it at least afforded poorer people the right to examination and outpatient treatment of a rough type, and referral where necessary to voluntary or municipalized hospitals.

By 1919, Poor Law hospitals in Great Britain had been municipalized and standards raised. For the ordinary citizen, being in the hospital meant being in wards of up to, and sometimes exceeding, 20 beds. Private practice meant nursing home care, some of it good, conducted in houses of large size converted for that purpose.

The principal impetus toward a National Health Service arrived with the Second World War. In 1939, Great Britain had to marshall all her medical resources to face bombing and war casualties who had returned to Great Britain from overseas. This was called the Emergency Medical Service and numerous temporary hospitals were erected for this purpose.

The final catalyst was the delivery of the Beveridge Report in 1942. Sir William (later Lord) Beveridge produced a report, "Social Insurance and Allied Services". His assumption was that in any post war social insurance plan there would be "Comprehensive Health and Rehabilitation services for prevention and cure of diseases and restoration of capacity for work, available for all in the community".

With the end of World War II, the Labor, or Socialist party, came to power and its NHS (National Health Service) Act of 1946 stated that "the medical service must be planned as a whole, must be preventive as well as curative, and must be complete and open to all so that poverty shall be no bar to health".

From the outset, the main aspects of the British National Health Service were—

It was completely comprehensive;

It was available to everybody; and

It was completely free.

Like many new ideas, the theory of this was attractive, but performance was inept. The architects believed that if health care were made available to all, fitness would so improve that costs would become less and less. Not taken into consideration was the fact that patients would live longer and that costs would be added to the service at the geriatric end of the scale. It should have been obvious to these economists that Britain, or any other country, did not have the men or the money to carry out these three components of a national health service. Nobody carried out an actuarial study of the possible costs. From its onset, the NHS was badly under-financed.

These were the flaws whose absence might have made a considerable difference to the smooth operation of the services.

First; the continued fragmentation of the medical profession: there were three branches of medicine—

The primary care doctors or general practitioners (about two thirds of the total, approximately 20 to 30,000);

The consultants or specialists (between 10 to 15,000) remain rigidly in the hospitals from which the General Practitioners are usually excluded except for social visits to patients;

The public health system of nurses and doctors who are very much a separate entity.

Never did the sectors get together, not even today.

This bright new dream got off to a bad start because it promised too much. It was felt that there would now be a completely healthy nation requiring very little care and its cost was badly under estimated. It failed to unite a divided profession to meet the problems ahead; and finally, it got under way with the wrong persons in charge since neither the doctors nor the politicians had the remotest idea of how a comprehensive national health service should operate. The doctors stood aside and let the politicians make the decisions. Worst of all, neither side had any idea that they were getting into something that required much more than they could provide in the way of men and money.

Promises were made to the General Practitioners (primary care providers) and to the Specialists or Consultants, but they could not be kept.

PRIMARY CARE PROVIDES (GPS—FAMILY PHYSICIANS)

The resistance of the family doctors was overcome by the promise that 2500 Health Centers would be provided to cover the entire country. In 1974, some 26 years after the inception of the National Health Service itself in 1948, only three hundred had been built and it was projected it would be 1980 before a total of 2000 had been reached.

Before the enactment of the NHS, each doctor owned his practice and sold it when he wanted. After 1948, practices were nationalized and taken over by the government. General Practitioners were no longer free to sell their practice nor could they move where they wanted. This could only be done by applying to the appropriate authority and by competing with the other GPs for a practice in a different part of the country. Meanwhile, they were promised they would be recompensed for the value of the practice when they retired at 65 and in the interim, they would get 2½ per cent interest per annum on the projected cost of the practice. They resisted this but since doctors in Britain are in general practice, it was the easiest of matters for the bureaucrats to hand out a health card to every citizen and ask him to choose his own doctor. At first, doctors resisted, but when they saw that colleagues were accepting these cards, they panicked and before long, the general practitioners were firmly in the fold by accepting the inevitability of government intervention, they had been roundly defeated and routed. The British Medical Association had failed to give suitable leadership and the scheme was a fait accompli.

While they waited for the promised Health Centers, they continued to practice in their own offices. The method of payment itself was reprehensible. In the beginning, they were allowed to take 3500 patients on their list and were paid $3.00 or less per head, per year, whether they saw the patients or not. So no matter how many house or office calls were made, the capitation fee remained at this figure. The harder the doctor worked, the less he earned per hour. Where he had many old people in his practice, he was clearly at times, being paid nothing for many numerous house calls, a tradition of medicine in Great Britain.

Spectacles, teeth, wigs, medicine were all free and the calls on them were so great that some small deductible was included to control it. In time, the list was reduced to 2,500 per doctor and the capitation fee at the moment is somewhere in the region of $4.00 per head, per year, with a loading fee for older people and emergencies and obstetric cases.

At the height of winter epidemics of upper respiratory disease, it was not uncommon for a doctor to see 50 to 100 patients in his office and to do 30 to 60 house calls in a day. His wife tended the phone at home and was an unpaid servant of the government. If he took a vacation he was expected to provide a replacement for his services at his own expense.

The quality of service given by British doctors has always been a very high one and many struggled for years to maintain this

standard. However, by 1966, the general practitioner was isolated from his patients in hospitals, overworked, underpaid and disillusioned.

Emigration of doctors occurred in large numbers. Hasty examination left the patient dissastisfied and one out of ten patients seen in the office were referred to the hospital, many having to wait several weeks to see a suitable consultant. Finally to quieten the revolt, the government gave them a substantial increase in capitation fee, bringing them up as closely as possible to the consultant in the hospital in terms of salary.

THE HOSPITALS AND THE SPECIALISTS

When the NHS Act became operative, the hospitals were nationalized and only one to two percent of the beds were placed aside for private practice. The Consultants were paid on a basis of half days. They were allowed to work full time for the state or on a part time basis of seven, eight or nine half days per week, the remainder of the time being allotted to private practice.

Although it had been promised that private practice would continue, there was bias against it from the outset and a theory that it was improper to have two systems operating within one framework. Waiting lists grew longer and many business executives elected to join private insurance schemes which let them choose their own specialists and to get a private bed in a hospital, thereby enabling them to receive treatment more rapidly. "Jumping the line" became common practice and it was naturally resented.

At the outset, competition for Consultant posts was intense. Even interns and residents had to compete for their posts and much time and expense was entailed in applying and appearing before selection boards. The simple idea that a doctor could take a residency, pass his specialists Boards, then go out and put up his shingle was no longer valid.

At times, as many as eighty doctors would apply for one specialist post. With growing disillusionment about promotion, many emigrated. Replacements at junior and even senior level were increasingly made by doctors from Africa, Jamaica or India who eventually filled 30 to 50 percent of the junior posts. Some of them were highly trained, well versed in English and quickly acceptable to the British people. Some had difficulty in communicating and these doctors were treated unfairly, relegated to under-doctored areas and hospitals handling large numbers of mental and geriatric patients.

The latest Labor Government has had increasing trouble with the consultants who finally began to "work to contract." Instead of doing their customary 60 or more hours per week, they delivered the hours their contract demanded, 38½ hours per week full time. The juniors were paid overtime to take the place of the seniors and the situation deteriorated in the early months of 1975 until the consultants were given an increase in salary of the order of 30 to 35 percent, at which point they stopped working to contract.

Then it was announced that the government meant to close all private beds in state hospitals and that private practice in the future would have to take place outside the system. For practical purposes, this was the death knell of private practice in Great Britain.

Now the situation is chaotic. Junior doctors, i.e. interns and residents, threatened to strike (their overtime pay has been restricted due to a national freeze on wages) and the senior doctors are greatly dissatisfied that they now can no longer practice privately within the NHS.

Other complications have been introduced by the fact that many of the non-medical staff in the hospital are unionized. They in turn resent the carrying out of private practice in hospitals and some have refused to have anything to do with any aspect of private practice in any state hospitals.

All of this serves to illustrate the inevitable consequences of the mistakes that were made in the beginning. If it had been the intent of Labor and Conservative governments in Great Britain to abolish private practice within the NHS, this should have been indicated from the outset. The hypocrisy has now come home to roost.

THE GOOD SIDE

No one can pretend that everything is bad about the British National Health Service. It may have miscalculated, promised too much and delivered too little but it is still, for all its failings, widely accepted by the people.

Doctors are free to order treatment without undue consideration of the cost invoved. The patient has freedom from medical bills and of course, this is the most attractive aspect of all and is the one that is constantly reiterated. But nothing is free, and the cost is borne by increasing taxation. As medicine becomes more sophisticated and inflation hits the whole country, the cost has increased by six times the original estimate. Consider the reaction on this side of the Atlantic if a U.S.A. National Health Service escalated from $100 billion in 1975 to $600 billion by the end of the century.

If the family practitioner in Great Britain has good relations with the consultants in hospitals, it is possible for him to get a second opinion from some of the best doctors in the world and with good luck the patient will get excellent treatment free in hospitals. If, however, the doctor has a poor working relationship with the hospital, the patient may wait many weeks before getting an appointment and months or even years before receiving treatment in the hospitals. One can appreciate very readily the difficulties encountered by a doctor from Pakistan whose English is not perfect, and who does not have the confidence or influence to secure such services for his patient.

BRITAIN HAS ALL THE ILLS OF THE UNITED STATES

On the other hand, it is only fair to say that Great Britain has practically all of the ills which afflict the United States at the moment. Maldistribution of doctors is almost as bad there as here. Under these circumstances, the Commonwealth doctors have to accept service in these areas if they wish to practice at all.

Language difficulties are now a considerable problem and Commonwealth and overseas doctors are now forced to take a language test—many of them failing at the first attempt. This has caused considerable annoyance to the well-organized Pakistanian doctors and considerable disquiet to the British public.

Costs rise inevitably and uncontrollably. The hospital bed in the National Health Service where patients may be in a large 20 bedded ward, costs $78.00 per day. The emergence of a new private hospital in London, called the Wellington, with a rate of $350 per day is enough to make even American eyebrows rise. This hospital can obviously only be used by the very wealthy, mostly from abroad and it boasts a wine list, food menu and expensive uniforms for orderlies.

BRITISH NATIONAL HEALTH SERVICE—THE BAD SIDE

Why then is the British National Health Service in such bad shape? In 1948, the profession had no idea how a national Health Service should be constructed. It stood aside and let the politicians make the decisions. The politicians did not know how to do it either. There was chaos.

Nobody had the courage to point out that it was totally impossible in terms of manpower and money to provide a comprehensive free health service to all.

NHS has always been the Cinderella of the nationalized "industries" and the financial ceiling has been kept as low as possible. New hospitals were promised, but in fifteen years only one was built. Even now, instead of building new hospitals, wings are being added to dirty, dingy, dilapidated, 19th century hospitals. The promised Health Centers have not arrived.

The salaries of the non-medical staff have been kept low until recently while the cost of the service has far exceeded what was expected, as has happened with Medicare and Medicaid.

Geriatric and mental hospitals have been the most neglected of all. In these hospitals, there may be 80 patients to a ward with inadequate nursing staff, often not as highly trained as in teaching hospitals and with a medical staff who are there because they cannot get a job in the more central, glamorous university hospitals. It is a sad state of affairs when a service which started with such high motives ends by turning its back on old and mentally sick people.

All of this has led to mass emigration which occurs in waves as discontent reaches a peak. Such a peak was reached in the late 50's and early 60's and another is in sight with a large number of British graduates taking their ECFMG each year and older consultants emigrating to other parts of the world. Part-time or full-time, the really good consultant resents the fact that he gives many hours of free time to state medicine yet is not allowed to do private practice. Even if private practice is taken out of bounds, it is fairly safe to assume that any Socialist government will do its very best to discourage the building of private hospitals and to limit as completely as they can the development of any type of health care outside the service which they regard as the best in the world.

As the general practitioners became increasingly overworked and under paid, they have less time for leisure or for continuing medical education and eventually a truculence develops in their attitude whereby they try to insulate themselves from the general public by being off call and delegating the duties to other members of their team or even to doctors who are brought in from an agency to substitute for them. The only person who suffers from this is the patient.

The general practitioner has been forced by a form of moral blackmail to over-prescribe and to issue certificates for absence from work, often for inadequate reasons. It is easy to say he should not do so, but the expectation of the patient that his doctor will provide him with every type of medicine and any type of certificate is now too firmly established.

A doctor does not, nowadays, pick up his stethoscope or his thermometer when a patient enters the consulting room. He reaches for his prescription pad or for the book of certificates that excuse patients from work. One can hardly blame him when at 9:00 P.M. he may still have 50 or 60 people to see in his office. He barely has time to sort out the dangerously ill people from the worried well. He resorts to sending one out of ten to the hospital where the miserable wait for an appointment starts and joins the mounting admission waiting list.

The British National Health Service has been reported as being more humane than medicine in America but that it certainly is more wasteful is shown by the fact that a patient who is requiring prostatic surgery may have to spend another three days in the hospital if an X-ray of the kidneys precedes the operation. Likewise, the average length of stay in British hospitals is 11 or 12 days as compared to two thirds to one half of that in the United States. The length of stay after prostatic operations is exactly twice that

which is required by the author in Illinois. In other words, the British National Health Service has a tendency to mediocrity and carelessness with public money.

THE LESSON FOR THE UNITED STATES

Our citizens would do well to look before leaping into any program of National Health Insurance.

THE DEMOCRATIC PROCESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HAMILTON. Mr. Speaker, lately I have been thinking about democracy and what it requires of us. The following brief statement, entitled "The Democratic Process," is inserted in the CONGRESSIONAL RECORD for the benefit and use of my colleagues:

THE DEMOCRATIC PROCESS

I. THE FUTURE OF DEMOCRACY

We all know that the democratic way of life is on trial around the world, and although we cannot say what the ultimate verdict will be it is possible that it will not be favorable. A quick look at developments on the world scene will convince us of the magnitude of the threat.

A. Paternalistic and totalitarian government

Freedom House, a private group which has monitored political and civil liberties around the world for the past quarter century, published some alarming statistics recently. Taking freedom to consist in—

The independent rule of law.

The right to dissent.

The existence of institutional checks on the executive.

The right to choose leaders.

The independence of the news media.

The right to sue the government for redress of grievance.

The guarantee of personal privacy.

Freedom House found that of the earth's 4.063 billion inhabitants living in 158 nations and 51 dependent territories—

804 million or 19.8%, living in 40 nations and 17 territories, were fully free.

1.436 billion or 35.3%, living in 53 nations and 31 territories, were only partly free.

1.823 billion or 44.9%, living in 65 nations and 3 territories, had no freedom at all.

If one adds to these grim figures the fact that only 29 of the 40 nations where full freedom existed were democracies, then it certainly looks as if the future of democracy is bleak. The basic political and civil rights that we Americans take so much for granted have been rejected in most areas of the world.

These facts and figures have prompted many political analysts to remark that democracy may actually be a "holdover" form of government or even a relic, something of mere historical interest, something irrelevant to the future of human affairs.

Even without the Freedom House study, the daily newspapers might have led us to suspect that something was amiss. Reports of devastating setbacks to freedom have poured in from

1. Asia

A declaration of emergency 19 months ago ended the existence of democracy in India. In one fell swoop 620 million people were deprived of many of their political and civil liberties. By jailing the opposition, muzzling the press, suppressing the judiciary and ramming "constitutional reform" through an intimidated parliament, Indira Gandhi effectively crushed the growth and darkened the future of democracy in the world's second most populous land.

Other Asian nations where freedom has been either diminished or eliminated include:

Sri Lanka.

Bangladesh.

Laos.

Cambodia.

South Vietnam.

Thailand.

The Philippines.

What happened in these places is a matter of public record.

2. Latin America

One of the most stinging defeats of democracy in recent history occurred in Latin America when Chile, a nation whose vital legislature and 160-year experiment in democracy inspired pride at home and envy abroad, fell under the sway of a totalitarian military junta in 1973. It is impossible to predict whether a democratic form of government will soon be restored there.

Other Latin American countries where freedom has recently disappeared are Uruguay and Argentina. At the present time only 5 of the 21 nations in Latin America are democracies. Worse yet, only 2 of the 5 democracies are considered stable.

3. Africa

Among all the states on the vast continent of Africa only 2, Gambia and Botswana, are completely free. Other states languish under civilian dictatorships, rule by military junta, systems of apartheid and other undesirable forms of government and social policy.

4. Europe

In Europe, long a bastion of democratic institutions, the situation seems to be deteriorating. The so-called "Eurocommunists" have made significant gains in Italy and France, and their commitment to democratic proceses is questionable. The twin pressures of regionalism and political extremism threaten to delay or block moves toward democracy in Spain. The inexperienced Portuguese democracy, plagued by soaring inflation and the inability to restrain its spendthrift habits, is tottering on the brink of collapse.

B. Human rights

The increasing disregard for human rights in many parts of the world is also cause for concern.

The Universal Declaration of Human Rights states that "no one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment." This declaration is subscribed to by virtually every nation on earth. However, like many other lofty principles it is widely ignored in practice.

Amnesty International, the highly respected human rights organization headquartered in London, estimates that in the last decade the systematic violation of human rights has been official policy in some 60 countries. Last year alone there were more than 40 offending states.

Among the most publicized violations are:

Constant police surveillance and harassment.

Seizure of property.

Detainment and imprisonment without charge.

Torture.

Summary execution.

Such practices are, of course, abhorrent to those of us who believe in the democratic way of life. But it is one of the sad truths of the last decade that rarely before have such practices been so widespread.

C. The international news media

If these encroachments on human fredeom were not enough, there would be the movement to suppress the international news media.

An independent study group has warned of the danger of manipulation of the news media by governments as a tool to stimulate economic development and further political ends. Proponents of such government control are especially vocal in the third world. They argue that Western news agencies distort and downplay the importance of events in their countries, and they believe that their governments can give a more accurate picture of third world conditions.

The most controversial development in this area was the Soviet resolution introduced at the general conference of the United Nations Educational, Scientific and Cultural Organization at Nairobi, Kenya in November of last year. The resolution declared that states are responsible for the activities in the international sphere of all mass media under their jurisdiction. It may very well be passed in 1978 even though it is widely regarded as an attempt to get an agency of the United Nations to give its moral sanction to the government control of *all* news media within a country.

The demise of independent, international journalism is threatened.

D. America

The survival of democracy in America is not written in the stars, and some people believe that we ourselves may not have too many more years of freedom. These doomsayers are often regarded as extremists, but nonetheless they do cite some disturbing trends.

1. Ignorance of Government

If democracy requires a citizenry informed in things governmental, then we may be in for trouble.

In their interesting new book *Public Opinion*, Robert Lane and David Sears report the results of a survey in which they asked the following questions:

What are the three branches of the Federal government called?

How many Senators are there in Washington from your state?

What is the Electoral College?

What do you know about the Bill of Rights?

A composite of all groups polled revealed that 81%, 45%, 65% and 79% of those responding to the questions gave incorrect answers in each of the 4 instances.

The record was even more dismal when it came to individual Representatives and their stands on the issues. Only about 30% of the American public of voting age know the name of their Representative. No more than 10% know how he or she stands on major issues.

It cannot be doubted that low levels of political information and participation have adverse effects on our democratic system. For example, how is a Representative to serve the interests of his or her constituents when they either have no opinion on most issues or have so little information that their opinions on most issues are purely emotional? Worse yet, on what does the uninformed constituent base a vote in the general election? All too often the vote is based on the candidate's appearance, family, accent, etc. The ability of candidates to succeed without discussing the issues is extremely dangerous to any democracy.

2. Lack of Confidence in American Institutions

The problem of ignorance is serious, but there is also the problem of confidence.

Major polls have confirmed the sense of national drift and alienation. For example, the Harris poll recently showed that 65% of all Americans feel that their voice no longer counts. This sense of estrangement stood at 34% just 10 years ago.

Similarly, confidence in key American institutions has fallen drastically in the same period:

Executive branch: 41% in 1966; 11% today.

Congress: 42% in 1966; 9% today.
Supreme Court: 50% in 1966; 22% today.
Religious institutions: 41% in 1966; 24% today.
Major business concerns: 55% in 1966; 16% today.
Military institutions: 62% in 1966; 23% today.
Organized labor: 22% in 1966; 10% today.

Furthermore, 61% of those interviewed and responding expressed dissatisfaction with their lives, and 66% believed that lasting peace was not possible in their lifetimes. A full 67% thought that racial and religious hatred could never be eradicated.

E. Summary

Challenges to the democratic process, of course, are not new. They are with us now and they will always be with us. The histories of this nation and other democratic lands can be described, and indeed have been described; as a grand conflict between those who believe in the viability of the democratic process and those who do not.

Here in America the conflict began when the nation was born. John Adams said, "There never was a democracy that did not commit suicide," but Thomas Jefferson said, "Cherish the spirit of the people." Alexander Hamilton feared an unbridled power lodged in the majority, but Andrew Jackson feared it lodged anywhere else. Fisher Ames spoke of the tyranny of the many, Abraham Lincoln spoke of his mystical faith in the common man and the government of the people.

As I look at the number and complexity of national and international issues before Congress, I become increasingly convinced that we shall have to bring new strength to the democratic process both at home and abroad.

You will be glad to hear that it is not my intention to try to solve all the problems of democracy today. My purpose is much more limited. I would like to make a few comments on the requirements of the democratic process, what must be done if democracy is to flourish. I am not at all certain that the process is fully understood by enough of us.

II. WHAT IS THE DEMOCRATIC PROCESS?

What is the democratic process? We must first understand that it is a way of making decisions and mananging affairs, whether they be the decisions and affairs of the Federal government, the Rotary Club or Gnaw Bone, Indiana. Partisans of this process try to make decisions and manage affairs in keeping with the reasonable demands of the majority, but with the fullest possible respect for the rights of the minority.

Unfortunately, there is probably no such thing as "democratic instinct." Democratic behavior is learned by us, not born in us. In recognition of this fact the Founding Fathers, having agreed upon a set of principles and a form of government to preserve order and protect liberty, strove to develop in the people a sophisticated understanding of the democratic process. They knew that, in order to make the system work, the people had to understand what the democratic process required of them. They knew that their noble experiment would fail if an insufficient number of people failed to get into their very bones what democracy meant.

III. DEMANDS OF THE DEMOCRATIC PROCESS

What, then, does the democratic process require of us?

A. Concern for individuals

Above all things, the democratic process demands a concern for the individual.

I suspect that if we were to attempt to put into a single sentence what America is all about, most of us would say that America is a country which cares for people and gives them the opportunity to develop. The common man calls it "a chance to improve one's lot" and the sociologist calls it "upward mobility," but whatever its name it has drawn immigrants to America for over 200 years. Of course, no one will contend we fulfill this ideal perfectly, but likewise no one will contend that we do not try harder than anyone else.

Once this single demand is grasped, we can easily see what else we must do. The democratic process demands that we respect and honor individuals not on the basis of status, religion, race, wealth, and membership in a given group, but simply because they are persons. It demands that all our policies should be directed toward the well-being of individuals, not jut the ones we agree with, but all.

These demands are not to be understood in negative sense. Respect for another is more than failing to insult or abuse him, just as honor for another is more than letting him go his way alone. On the contrary, these demands mean that—

The other person's views must be considered.
His dignity must be enhanced.
His development must be promoted.
His opportunities must be widened.

Such things cannot be accomplished by passive onlookers. Democracy prevails upon us to be active.

Walt Whitman, the great poet and philosopher of American democracy, penned a line that seems to me to cut to the heart of the matter. He wrote, "The whole theory of the Universe is directed to one single individual—namely to you." What better expression is there of the essence of the democratic process? What does democracy mean if not that the individual is at the center of things?

However, we should take care not to place the person on too high a pedestal. At the heart of democracy is a person who is imperfect, who needs criticism, who makes mistakes. In a democracy no one's ideas are sacrosanct. Only by steady examination and criticism of ourselves and our points of view can our mistaken ideas be corrected and our growth assurred.

Naturally, we all have our own ideas, proposals and solutions. But, in a democracy, we must expose them to analysis by other people and, as hard as it may be to do, reject or revise them when it is apparent that we are in the wrong. We could take a lesson in this from the workings of our own Congress. What is footdragging and temporizing to some is the give-and-take of democracy in action to others. No Senator or Representative expects his or her bills to sail through Congress unobstructedly. Tough battles in the committees and on the floor are commonplace. This is as it should be in a legislature that is truly democratic.

One more point needs to be made about the relation between democracy and the individual. The democratic process really makes a little bet on each one of us. It bets that, if we are given freedom, we shall respond to the challenges of a free life. It bets that, if we are given freedom, we shall—

Improve ourselves.
Take advantage of the opportunities given us.
Live constructively.
Summon up our strengths.
Respond to challenge.
Accept the imperatives of responsibility.

Sometimes the bet is lost, but more often than not it is won.

B. Tolerance

Because of the emphasis the democratic process places on the value of individuals, it demands that we maintain an attitude of tolerance toward other people. The renowned jurist Learned Hand captured this attitude when he said, "The spirit of liberty is the spirit that is not too sure it is right." We are tolerant of others because we have set aside the smugness of the self-assured.

The democratic process requires that we respect and honor individual differences, not only individuals. It calls on us to care about people one by one, not *en masse*, allowing them their choice of life styles and their right to do things their own way. It demands something extraordinary of us: we must care about the liberty and rights of others as much as we care about our own liberty and rights. A meaningful shibboleth comes to mind: I may not agree with what you say, but I shall defend to my death your right to say it.

C. Trust

The democratic process also requires that we trust the other fellow. This trust is not blind and undiscriminating, a looking away from every action of every person. Rather, it is a prudent attitude of confidence that gives the other fellow the benefit of the doubt.

We do not police everyone. We do not scrutinize every gesture. We do not force every move. By and large, the democratic process leaves it up to you to—

Fill out your tax forms.
Stop at the stop sign.
Obey the speed limit.

Imagine what it would be like if this simple trust were absent. In his monumental work *Gulag Archipelago*, Aleksandr Solzhenitsyn documents the case of a devoted Communist who was sentenced to 10 years at hard labor for *smiling* at a picture of Josef Stalin. To us this is a gross outrage, an unconscionable violation of the sort of trust that underpins democracy.

D. Respect for rules

The democratic process also obliges us to respect the rules of the game, whether we agree with them or not.

We respect the ballot, not the bullet.

We respect fair expression, not slander.

We respect the right of peaceful assembly, not the right to riot.

E. Fight for beliefs

If we really love democracy, then we shall be expected to fight for something we believe in as hard as we can. However, if defeat comes, as it often does, we must yield to it knowing that this is best and that we may return to the fray to fight another day.

How many times have I seen one of my colleagues gracefully surrender the floor of the House to an opponent after a bitter struggle? So it should be in America.

F. Perseverance

The democratic process demands the perseverance of the true patriot and not the flagging resolve of "sunshine soldier." Some persons, when they survey the national agenda or the ramifications of a particular problem on that agenda, become too quickly discouraged. They are there for the parade, but not for the long, hard pull necessary to get things accomplished.

Examples of this requirement of perseverance are not hard to find. Extreme perseverance is necessary to the process of amending the Constitution. Delays of years are typical. Even though one may not agree with the proposed Equal Rights or Human Life amendments, one cannot but admire the tenacity of the supporters of those amendments.

G. Consent of the governed

The democratic process requires that we understand a vital principle which underlies our constitutional system: the consent of the governed. We, must be very, very clear about the meaning of that principle.

It means that public policy must be subject to broad discussion.

It means that key decisions must be arrived at openly.

It means that political leaders must be chosen in free elections.

It means that there must be freedom of speech, freedom of association and freedom to petition for redress of grievance.

It means that power will be diffused through society, with no groups insulated from competition or criticism.

It means that decision-makers will be held accountable for what they decide.

It means that individuals may organize and lobby for their interests.

It means that individuals may actively question the actions of leaders.

It means that individuals have pride enough not to be awed by authority, but humility enough to respect other points of view.

It means that those who win elections must be accepted, but those who steal elections must be opposed.

Lastly, it means that we understand that the consent of the governed, even though firmly embedded in our Constitution, is not forever secure, but must be reaffirmed by each one of us each day.

H. Compromise

The democratic process also requires of us an appreciation of the political process as the art of compromise, the "art of the possible," as Count Cavore put it more than a century ago. Without the constant exercise of compromise and accommodation, a responsive government simply cannot exist in this vast, complex diverse country of ours.

We must always remember that no single group, political party or politician has a monopoly on virtue, patriotism or knowledge. The democratic process does not provide perfect answers, but through compromise it does provide suitable answers. Compromise is the very cement that keeps this country from falling apart. The path of history is strewn with the wreckage of once democratic governments whose leaders ignored this truth.

I. Public good

Finally, we should note that the democratic process demands that each of us focus our attention on the public good. The question is not what is good for Lee Hamilton, nor what is good for the labor union, nor what is good for the entrepreneur, nor what is good for the farmer, but what in the end is good for the nation.

Democracy demands that we worry less about what happens to ourselves and the organizations we happen to cherish, and more about what happens to our country. It demands that we do in our time what the Founding Fathers did in their time: define what is meant by the public good. It demands that we ask of ourselves what President John F. Kennedy asked of us: not what our country can do for us, but what we can do for our country. Few things are more important today than our compliance with these demands.

J. Summary

As I have suggested tonight, the person who casts his or her lot with the democratic process will find that it asks difficult things. He or she must—

Act with conviction while recognizing human limitations.

Enjoy, and not merely accept, the fact that others disagree.

Fight hard, and then compromise.

Distinguish between helping others and dictating to them.

However, there are substantial rewards:

A sense of dignity.

A stake in the community and nation.

A chance to shape the environment.

A respect for others.

The satisfaction that comes from working together with one's cobelievers toward common goals.

The privilege to use intelligence, talent and energy to meet the challenges of the day with hope.

I would say that democracy is well worth the effort.

CANCER RESEARCH

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. TAYLOR. Mr. Speaker, anyone checking the science reports from the National Cancer Institute knows that, while the world is waiting for the big breakthrough in cancer research, very important progress is being made in improving already known therapies. For instance, the historical rate of survival after 2 years from diagnosis of osteogenic sarcoma, bone cancer, is about 25 percent. But in the Sidney Farber Cancer Center in Boston an ongoing clinical trial involving several dozen patients has shown that 80 percent are disease free after 2 years, and I want to stress that is disease free.

If that result can be achieved in one major center, it can be achieved in others. As a matter of fact, Dr. Isaac Djerassi, the leader in one aspect of the new therapy used at Sidney Farber, works at Mercy Catholic Medical Center in Philadelphia. Already, therefore, several institutions are demonstrating this amazing advance from 25 percent surviving to 80 percent disease-free after 2 years even though much remains to be learned from further research. We know that many more lives could be saved if these achievements were duplicated and translated into improved patient care at the community level whenever professional and technological resources permit.

When the American Association of Community Cancer Centers met in Washington, D.C., on January 20, they invited our colleague TIM LEE CARTER who is a physician himself and ranking minority member of the Health and Environmental Subcommittee, to address their members. Because of his expertise and the merit of his speech, I offer for inclusion in the RECORD the text of the remarks prepared for that session.

I want to draw particular attention to the emphasis in the speech on community hospitals working more with the American College of Surgeons' Commission on cancer program. Some 750 hospitals already are a part of that system which helps these institutions take advantage of the best therapies that the National Cancer Institute can recommend. The American Cancer Society also works in cooperation with the surgeons' commission on cancer program to improve cancer-patient care nationwide.

I should hope that some other Members might find it useful to call this information to the attention of hospitals in their own districts.

The remarks follow:

PREPARED REMARKS OF HON. TIM LEE CARTER

It's a pleasure for me to be here with you today and to enjoy your good fellowship.

Having practiced medicine for many years in rural Kentucky I know from first-hand experience both the challenges and the rewards of being a community physician.

In fact, when I came to Congress, some claimed I had "retired"—and others said I was just plain "tired". But let me assure you that I've found my work here equally challenging in many ways.

As ranking Minority Member of our Health Subcommittee I have a real interest in what you do, in what you can tell the Congress, and what we can accomplish together.

You too face important challenges in your daily work. And there's no question in my mind that your Association has a vital role to play in making sure every cancer patient receives optimum care.

I want to warn you, however, that I do not believe that each of us trying to do our best necessarily means each of us should try to do the whole job.

This is a complex piece of work. You must see patients at a period in medical history which is sort of an in-between time.

On the one hand, science has not unlocked the key to cancer, the etiology. There are no simple remedies—no vaccines.

On the other hand, science has produced some very important palliatives. In fact, for eleven types of cancer, medicine has reason to speak of cures. But the available regimens are very, very complicated to administer.

Some say we'll find a cure before we find a cause, though it is my belief that with careful study we may actually find the cause before the cure. The challenge is immense indeed, and requires tremendous dedication and commitment. But some day we will be successful. Some day, no doubt, the therapies will be surer. They will be simpler. And like the iron lung, some of our more elaborate forms of treatment will become outmoded.

But, in this in-between time, difficult choices must be made every day. Choices about proper regimen—where it should be administered—and who should administer it. The decisions are many, but I am convinced that a multi-disciplinary team must be involved. Good things are available in diagnosis, surgery, radiology, chemotherapy, and immunotherapy. We ought to take advantage of them. We owe it to the patient to give him the best that medicine has to offer. There's so much to know—to learn—and the team approach can prove invaluable.

From my perspective as a physician and as a legislator, I think we need to maximize our potential at all levels. We need the tertiary centers—the comprehensive cancer centers. We need the specialized cancer centers—we need the research community which draws its support from N.I.H.—And we certainly need the best competence we can build at the community level.

Here there is work to be done. What is needed, I believe, is a solid base of community support and involvement in the cancer field. Since so much of cancer care begins at the community level, it is critical that we engage the energies and commitment of all those involved at the grass-roots level. This is the work you can address so well. We need your support.

Today, I would like you to consider one suggestion I feel might greatly enhance your own work. It will fit well with your program, and it will be of benefit to the cancer patient.

It concerns the American College of Surgeons' Commission on Cancer.

You have already begun to cooperate in many ways with this Commission. And I'm not going to pretend to give you pointers on how to do that job. I am only going to express my opinion that the best wisdom is to concentrate on making that aspect of your program one of the most important things you do—one of the biggest investments of your time.

You know that the 750 hospitals which have cancer programs approved by the American College of Surgeons treat about half of all cancer patients in this country.

Comprehensive cancer centers treat, maybe, fifteen percent.

This certainly puts a heavy burden on the small hospitals, and I know your Association is deeply devoted to improving cancer treatment at the community level.

That is exactly what I am suggesting. We need to work to strengthen and coordinate our capabilities at the local level. We need to develop cancer programs at the community level which provide a greater awareness among all physicians of the need for systematized detection activities. Detecting cancer early is so important for effective treatment. Continuing education programs are part of this process. Physicians need to learn about those regimens which are capable of extending life.

But just tugging at the physician's sleeve is not enough. We need to give him something practical to do. That is exactly what the College of Surgeons' Commission on Cancer does.

Through the Commission you can get involved with the establishment of hospital tumor registries and hospital education programs; you can develop standards for treatment and therapy and thereby gain approval by the College of the hospital's cancer action. You may also have a chance to participate in special studies such as the one going on now in connection with liver damage, possibly caused by oral contraceptives.

Your organization already has made an excellent beginning in this direction. I am aware of the good work you are doing.

Dr. Herbert Kerman of Daytona Beach has made a national reputation for himself as a radiotherapist. He has been a driving force in statewide cancer program coordination in Florida. You have chosen well to put him in a liaison position between your organization and the College of Surgeons.

Also, in my own state of Kentucky, we find examples of the important contributions which community cancer groups can make. Under the capable direction of Dr. David Goldenberg, the Ephraim McDowell Community Cancer Network has begun to develop an effective cancer control program for our area. District Cancer Councils have been formed for each of the nine health districts in eastern Kentucky to assess local needs in cancer management. Hospital-based cancer liaisons are being established to provide information on available resources to cancer patients. They are creating a coordinated network of resources at the community level.

There are certainly many important ways that your Association can work with the Commission to build up the local base of support that is needed to provide a truly effective cancer control program. Developing early detection programs, sponsoring cancer education programs, and building communication networks are just some of the ways to help strengthen and coordinate our resources.

Let's consider now some of the promising developments in our comprehensive cancer centers and how these advances can best be translated into improved patient care. Consider metasticised breast cancer:

The historical survival rate on single drug chemotherapy after surgery has been eight months. But recently, chemotherapy plus 5-FU, Adriamycin, cyclophosphamide, B.C.G. and immunotherapy have increased the survival rates in one trial of 45 patients to 22 months, and the trial is still underway.

That's almost triple the historical survival time. While it is too early to go out to the public with big applause for medicine—those kinds of data tell us that long-term survival is more promising now than a few years ago.

Let's look at some other results. In undifferentiated small-cell type of lung cancer, the historical remission rate of three to six months is about 5 percent. The National Cancer Institute has reported a study where 20 out of 21 patients under chemotherapy and radiotherapy showed remission—or 95 percent compared to 5 percent.

So, it is obviously important to know when to send a patient to a comprehensive setting where the complex regimens are routine.

Another example involves the Sidney Farber Center in Boston. There, in treatment of osteogenic sarcoma, they are getting over 80 percent two-year disease-free survival rates where the historical rate has been 20 to 25 percent. No patient should be denied the "citrovorum factor rescue" treatment where it is indicated. And when it comes to treatment, it's important to know our limitations at the community level. While removal of basal cell epithelioma is a procedure which can be done at the community level, (I have done it myself) the comprehensive centers are the places for the more complex regimens.

Personally, I believe that leukemia should not be treated without the supervision of a specialist. Blood tests and bone marrows must be done by pathologists who have had special training. At St. Judes in Memphis, for example, Dr. Joseph Simone is an expert in childhood leukemia. Dr. Emil Freireich is known for his development of a protocol for the treatment of childhood leukemia, Within the cancer field, there are of course other specialists. Dr. Emil Freireich has had experience with the treatment of osteogenic sarcoma, and Dr. Bernard Fisher is one of several known for his work in treating breast cancer. There are of course many others.

These individuals have made outstanding contributions to the field of cancer. They have no desire to strip communities of their patients. They already have their hands full. These specialists will provide consultation. When a regimen of treatment has been delineated by an oncologist, then followup treatment can be done in the community hospital with close communication and backup available. And when appropriate, these oncologists will treat patients.

You may have read articles in "Parade Magazine" and elsewhere saying that we should send all of the cancer patients to the comprehensive centers. Clearly that would be an unwise use of our cancer resources. That is not my view.

I believe that patients should be sent to the more comprehensive centers when that level of care is required. And the capacity to make that critical referral decision accurately is what we need to develop at the community level.

To assist in this effort, I believe that adoption of the College of Surgeons' Commission on Cancer Program should be helpful. The Commission has about 500 surgeon liaison fellows throughout the United States along with liaison associates from other disciplines. Next year they will have 1,000.

I urge you to work with them. Use their linkages with the College—and also work to strengthen your own network of resources at the community level. Show them that your organization has a unique function and that you know the community best. Continue to do all you can to integrate its capabilities into the total cancer program. In that way, referrals will be made when necessary and treatment at home will be optimized.

And now, just a few words about what's happening in Congress.

The National Cancer Act will be renewed just one year this session as a courtesy to the Administration so that the White House can have some input next year, if it so desires.

Authorizations will be increased, but not a great deal.

After the simple one-year extensions are completed, both Houses of Congress will spend a good bit of time re-examining the entire field of biomedical research funded by the Federal Government. The Senate, especially, is planning an extensive re-evaluation of this area. There are some who claim that our "returns" from the cancer field have not measured up to our investment, and there are others who challenge the merits of N.C.I.'s independence.

Personally, I think that N.C.I.'s position within N.I.H. should be preserved. I think that the categorical disease approach to research is invaluable. It provides the basis for a direct link between the laboratory and the practitioner. And in terms of funding research, I believe we should make our allocations on the relative morbidity, mortality and economic impact of these diseases. I'm working on expanding this approach currently.

Overall, we can expect a good deal of controversy and probably some changes in both the Cancer Program and biomedical research in general. You can be of service to the country and to me if you will bring me your views as this discussion moves along. If you have any fundamental changes you would like to see in the law, work them out carefully and give them to me for the next year. I promise to give your ideas careful consideration.

Now I'd like to bring up an issue of special concern to me: the Food and Drug Administration's authority over new anticancer drug testing.

For a period ranging from several months to almost two years the Food and Drug Administration has been telling the National Cancer Institute that several drugs are lacking in data so they should not be used in clinical trials. Dr. Gerald Bodey, for example, has told me personally of his experience—that several promising drugs for cancer treatment have not been released.

For many years N.C.I. and F.D.A. worked hand in glove to protect human research subjects and to push drug development. Recently changes in personnel have broken down that close partnership—and F.D.A. has begun to treat N.C.I. as if it were a for-profit firm in dire need of close surveillance.

Nevertheless, the law is the law, and of course N.C.I. should obey it.

But F.D.A.'s administration of the law has been unusual. It is criminal (some in science feel) for F.D.A. to hold up drug development on the basis of minor regulatory particulars—such as whether an investigator of Nobel-prize caliber has brought his bibliography up to date. That sort of thing has been happening.

Fortunately, after several of *us* began considering taking away from F.D.A. its authority over N.C.I. negotiations between the two government agencies turned productive. I am happy to report that nine experiemntal drugs were released about two weeks ago for clinical trials—a major victory.

This situation will bear watching. I hope the accord continues and improves. You may be sure our Subcommittee will monitor this matter. I have a deep, personal interest in it. And, I hope you will keep me informed of any drug difficulties your own community projects might encounter.

In closing, I would like to repeat that I think you have a very significant role to play. If you will expand the number of hospitals with approved cancer programs, continue to consolidate your resources at the community level and develop linkages to other levels of care, you will not only be serving the patient, but you will put your own Association in a priority position to participate in whatever the future holds. You have made an excellent beginning with good, strong leadership and I know you will keep up the good work.

Thank you.

PENALIZING THE VETERAN

HON. CECIL L. HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HEFTEL. Mr. Speaker, I have introduced today under cosponsorship with Congressman AKAKA of Hawaii a bill to amend title 5 of the United States Code to prohibit the consideration of certain matters in the determination of cost-of-living allowances for employees stationed outside the continental United States.

Consider, if you will, a veteran of the U.S. Armed Forces who retires after 20 years of service and is then employed by the Federal Government as a civil servant. Imagine that sitting next to him and doing the exact same work is a nonveteran.

Then consider that the veteran is paid a good deal less for his work than the nonveteran, even though they both hold the same GS grade and length of service.

Such a situation would seem improbable and unjust, yet this is exactly what is happening in Hawaii and other communities where Federal employees receive a cost of living allowance—COLA—to compensate for their much higher living costs when compared to Federal employees working in Washington, D.C.

By administrative action, the U.S. Civil Service Commission ruled last year that retired military personnel who work for the Federal Government—and the spouses of active or retired military personnel—are not authorized to receive COLA because of their access to military PX and commissary facilities.

The commission cited statistics purporting to show that these commissary and PX benefits offset the higher cost of living in Hawaii for which Federal employees receive COLA.

At the same time, the commission increased COLA for nonveterans to 17½ percent of their base salary. COLA is now being phased out for retired veterans, and by the end of this year, they will be making 17½ percent less than other employees for comparable work.

The Civil Service Commission's action was ill-conceived for many reasons, but perhaps the most fundamental is that it penalizes military retirees for their years of service to their country.

When these people retired from 20 or more years of active duty, they did not do so under an obligation to utilize the PX and commissary system. They earned the right to enjoy these benefits if they so choose, but they were not then and should not now be obliged to shop at these facilities, as the commission's ruling implies.

In addition, the commission is wrong in its assertion that prices in military facilities are more than 17 percent lower than in civilian stores. Any wise shopper can buy goods in civilian supermarkets and drug stores at prices equal to or less than those found in the military facilities. Dozens of letters from men and women affected by the COLA ruling attest to this essential fact.

These families will continue to shop in civilian stores because they know they can meet or beat commissary prices. But they will be forced to adopt a lower standard of living because of their loss of COLA.

Still other retired persons never avail themselves of their right to shop in commissaires or PX facilities because of the distance between their homes and the nearest such facility. Many affected families testify that the cost of gasoline, which is very high in Hawaii, would be greater than any savings that they might achieve. This does not even take into account the lost time, the added congestion of an already overloaded highway system or the additional air pollution that would result.

The elimination of COLA for these families is an ironic postscript to their years of military service. It also is grossly unfair to the wives of retired servicemen.

A woman employed as a career civil servant suffers a 17½ percent reduction in pay if she marries a military retiree. This clearly could not have been the intent of the Civil Service Commission, but this is the effect of the ruling. There is no way to justify a reduction of pay for employees who have done nothing during their employment to precipitate a pay cut.

I am sure you will agree, Mr. Speaker, that the termination of an economic benefit on the basis of prior military service has the effect of penalizing the veteran. I urge my colleagues to support this bill and return a just and well-deserved employee benefit to the men and women who have served their country honorably.

THE SOVIET-UNITED STATES MILITARY BALANCE—PART I

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mrs. SCHROEDER. Mr. Speaker, the beginning of the Carter administration and the fiscal year 1978 budget provide the opportunity for a fresh review of our foreign and defense policies. Many of us believe that progressive new policies can best be fostered through a rational and open public debate in which all points of view are presented. Unfortunately the public debate thus far has been dominated largely by the strident voices urging a return to cold war policies. Through leaked intelligence estimates and implausible "worst case" scenarios their goal appears to be to constrain President Carter from taking new initiatives and to hinder Congress ability to examine critically defense spending requests.

On February 7, under the auspices of the Coalition for a New Foreign and Military Policy, Senator MCGOVERN, Representative ROSENTHAL, and myself, a seminar was held to allow four distinguished experts to present alternative views on the nature of the Soviet-United States military balance.

The participants were: Dr. Jeremy Stone, director of the Federation of American Scientists; Dr. Earl Ravenal, professor of American foreign policy at the Johns Hopkins School of Advanced International Studies; Arthur Macy Cox, a writer and consultant on foreign affairs who previously served in the State Department and the CIA; and Herbert Scoville, currently the secretary of the Arms Control Association. The thoughts and points of view of these gentlemen are ones all Members of Congress, the administration, and the public should seriously consider as we discuss the defense budget this year. I and several of my colleagues present the text of the seminar in this hope.

The text of the seminar follows:

PART I

Representative SCHROEDER. I appreciate so many of you coming and I appreciate you taking the time to begin what we think is a very important dialogue. As you know we really do have a chance to begin anew with a new administration.

We have heard of late all sorts of hysterical comments about the Russians are coming, the Russians are coming. So I guess one of the main reasons we're here is to find out whether we really should get a night light or whether there is another sign and try to open up a little bit more of a progressive debate as to what is going on.

We continually seem to get the worse case scenario. I'm hoping that the gentlemen who are with us today can give us some case other than the worse case, and see where we move from there.

I think this is an excellent program that's been set up and I want to thank the gentlemen who were here. We have Herbert Scoville, who has been active in this field since 1948. He's been the Technical Director of the Armed Forces Special Weapons Project. He's been assistant director and deputy director of the CIA, and he's been assistant director of the Arms Center and Disarmament Agency. He is currently the Secretary of the Arms Control Association. He has excellent credentials in this area.

We have Arthur Macy Cox who has served in the State Department; he's been with the CIA as a specialist on Soviet affairs. He was a senior fellow at the Brookings Institute and is now a writer and consultant on foreign affairs.

We have Dr. Earl Ravenal who was a systems analyst, Division Director in the office of the Secretary of Defense and he is currently a professor of American foreign policy at Johns Hopkins.

And we also have Jeremy Stone. He has been a fellow, a staff member, a professor at many institutions including Stanford, Harvard, Pomona College, the Hudson Institute and the Council on Foreign Relations. Since 1970, he's been the Director of the Federation of American Scientists.

I think these four gentlemen have excellent credentials. And I think what we'll do is just launch them rightaway and hopefully begin a dilaogue that will put a little more light and a little less heat on the subject. I think we'll start with you Dr. Scoville.

Dr. SCOVILLE. We have heard an awful lot of words about the Soviet threat. So far we've seen a lot of smoke and what it is really for us to decide is whether there's really some fire there or whether this is a smoke screen to hide what the real facts are. I'd like today to very briefly look at a few of the facts and see if they in any way, justify all this rheto-

ric that we are hearing about the Soviet threat. I have looked at the strategic programs in former Secretary of Defense Rumsfeld's last posture statement and looked at what he said was the Soviet threat today and compared it with what he had said that threat would be a year ago.

And instead of finding that the threat is increasing and accellerating in its pace, one actually finds out that the threat is actually less than he predicted it would be a year ago.

For example, in the most important criteria of strategic strength, which is the total number of missile warheads and bombs, last year he predicted that the Soviet Union in a 12-month period would increase its force by a factor of a thousand. As it turned out, this year he now admits that in a period of 15 months instead of a year, they only added 800 to their total force loadings. In other words, the rate was 35 percent slower than he had predicted a year ago.

Furthermore, if you look at the total numbers, the Soviets now have 3,300 such warheads and bombs while the United States has 8,400. This somehow doesn't strike me as any real occasion for great new alarm.

The numbers on the actual number of MIRVed missiles has not been given in an unclassified form, however, you can infer what this is from these numbers because all of these increases are in the MIRVed missile program, and therefore you must assume that their MIRVed missiles are also behind schedule. Undoubtedly, the number of Soviet MIRVed missiles now is somewhat less than 200—the exact number is probably classified—while we have about a thousand. So again I don't think there's any question of who is superior in this category of weapons which is an extremely important one.

Next you look at the submarine missiles which is the second element of the triad and actually the most important element from a point of view of having a secure deterrent force. Last year Rumsfeld predicted that the Soviets would add 120 submarine-launched missiles to its force. Now he admits that during the past 15 months they only added 70. In other words, the rate is really less than half as fast as was predicted or estimated a year ago. Incidentally, in terms of totals now in existence, we have about 5,000 submarine launched missile warheads while the Soviets have 800. Somehow I can't get terribly alarmed about U.S. inferiority in that particular category.

Finally in the bomber area, one does not have quite such nice comparison of numbers because it's a big argument as to whether the Backfire is a true Soviet intercontinental bomber or not, since it can only reach targets in the United States on a one-way mission flying subsonically at high altitudes or on a two-way mission, also subsonically at high altitudes, if it is refueled. The Soviets have a vastly inferior refueling capability than that of the United States.

But even if you add in all the Backfires, as Secretary Rumsfeld does, the Soviet force is only 210 bombers most of which are old, while we have about 420. So again I don't feel any great fear about Soviet superiority in this area.

While those who have been crying Russian threat have therefore had a little trouble in finding this in the actual weapons system. And so during the last 6 months or so, we've heard of a new threat. And that's the Soviet civil defense capability. I'd find this almost laughable if it wasn't for the fact that so many people take it seriously. Somehow or other it's a very dangerous thing that now the Soviet Union has provided shelters for its leadership in the event of a nuclear conflict. In other words the leaders of the Soviet government now have shelters they can go to to protect themselves. I didn't get any great feeling that the United States was planning a nuclear first strike when we dug these holes in the mountains of Maryland and Virginia and newer ones out in the Rockies. It's a very sound move if you want to have a deterrent force to try and protect your command in control.

The fact that you're providing that protection doesn't strike me as an indication that you are planning a first strike. I don't find this a very terrifying Soviet threat. They also have large numbers of civil defense manuals, and they have a large number of areas that have been set aside to mark the shelter areas. Well, our civil defense people have a lot of manuals, and if you look carefully you can find a lot of little signs saying shelter area, in our cities. But I don't think anybody in this country thinks we have a serious civil defense effort that would really accomplish anything in a real nuclear conflict. You've got to practice; you've got to train people; you've got to do all kinds of things, and these people who are crying civil defense can't find much evidence of this. This is the kind of thing you can't hide very easily because so many people have to be involved.

Then the final civil defense thing that everybody is worried about is the Soviets supposedly have plans to evacuate their civilians from their cities; have them march out to the countryside with shovels and dig themselves a little shelter and then the nuclear war goes on and then they come back into the cities and everything is going to be fine. Well I was involved in measuring nuclear weapons effects, and I just find this really ridiculous. One 15 megaton bomb out in the Pacific contaminated 5,000 square miles with lethal radioactive fallout. The only way to get protection from fallout is to be in underground or in heavy structures. Just digging yourself a foxhole might give you a little protection, but going out into the country is just the surest way in the world to expose yourself to fallout. So this kind of a tactic only will increase their casualties.

Now the people who are arguing this rationalize this on the fact that the United States will never detonate a bomb so as to produce fallout. We'd only set them off very high up in the air where they wouldn't produce casualties. Well if I was a Soviet planner, I don't think I would have that much reliance on the fact that we wouldn't use this tactic when we certainly have the capability. If our deterrent was being eroded. I doubt very much whether we wouldn't detonate our bombs close to the ground. Particularly since if you want to destroy hard military targets which the former administration was saying that it was an important military objective, you have to set them off close to the ground; you can't set them off high in the air. So I find this whole evacuation threat not a very serious one.

And then to sum it all up, the very concept that Soviet leaders would consciously launch a nuclear strike and accept the destruction of its cities, a large part of its industries, and a minimum of 20 million casualties in order to destroy the United States, I find incredible. What would they gain by destroying the United States, when they have essentially wiped out their civilization in order to do it. I find these kinds of threats that the Soviets are planning an attack are very unconvincing. I don't think they're building the weapons to give the indication that they are planning that kind of attack, and I don't think their civil defense program will support this kind of thesis either. That very briefly is my analysis of the strategic situation.

Dr. JEREMY STONE. My name is Jeremy Stone; I'm from the Federation of American Scientists. I want to compliment what Pete Scoville has told you by going into slightly greater detail on both the strategic balance and the civil defense program. I share the kind of sentiments he's expressed.

I want to say at the outset that I think one should be very vigilant about the Russians because in my experience things have always gotten worse in the 15 years I've been studying this problem. I'm not here to suggest to you that the Soviet arms build-up won't continue or that they might not for reasons I could describe—continue to go in for more and more civil defense. Both things are entirely possible and one should worry about them.

We see in our own political situation and in the budgets which come before you here, all kinds of unholy things that go on in the spending of money which never have been predicted on a prior basis. Our coalitions are held together by free discussion and by particular desires in this free market place of ideas. The Russians don't have that problem. They do have, in theory, a sound control from the center of what they do. But they have all of these coalition problems that which they are strongly imbued from secrecy and ideological virginity. There isn't much that they can do that would really surprise me in retrospect and I think therefore its worth considering all these things very seriously.

But having said that, it is certainly the tendency in America to view with greater alarm Soviet developments than they deserve and also to apply to them a double standard in assessing what the Russians sometimes viewing with great alarm while discounting entirely the fact that we are doing the same or even greater things. To give examples of that, I'd like to point to the question of hard target kill capability. Dr. Scoville talked about who has more in all these categories. That's the rhetoric in which the arms race is usually discussed. Of course it has very little to do with anything strategic.

At the moment the main thing of relevance in this strategic arena are two salient facts. One, no one sees any way of destroying our missile firing submarines. Therefore, for the worst possible case we are prepared with those alone to launch 4,000 or 5,000 nuclear warheads at the Soviet target system. If those were aimed at cities and towns in the Soviet Union, you would be destroying all of the towns down to towns of 5 to 10,000 population. That may be Plains but I think its probably Americus, Georgia. It would mean that whether the people were in those cities or not, virtually all of the shelter in the Soviet Union would be destroyed. If they were to be evacuated out beyond those cities and towns, they would have to be in rural areas where there is no place to put them. The one salient fact is this Polaris force whose invulnerability has not been successfully challenged or even I think suggested.

Now the other salient factor in this strategic situation is that the land-based missiles on the two sides are becoming vulnerable to the land-based missiles on the other side. That is, if all we had were land-based missiles on the two sides, and if that's all they had, we would be quite nervous because we would see that on paper, at least, the time is coming when we will be able to destroy their land-based missiles on paper and they will be able to destroy our land-based missiles on paper. So therefore if there were only those land-based missiles, each side would be especially worried about its deterrent. But because it has the sea-based forces it's not so worried, but still nervous.

Now in our case when we talk about this, and you can see this in Secretary Schlesinger's testimony of a few years ago, he says "well we can't destroy all of their land-based missiles, and we'll never be able to destroy flat out all of those 1,500 and therefore they don't have to worry, they'll always have some left."

This is not the criterion, however, that we are implying when considering the vulnerability of our land-based missiles. There

we apply different criteria and we say, well if they could destroy more of our missiles, then would use up in the destruction, then we're in trouble.

Now even if you want to worry about that kind of scenario, the possibility that there might be a limited but strategic nuclear war between the land-based missiles of the two sides, and that someone might say ha, ha, I destroyed all of your thousand land bases with 500 of mine, and I've got 500 left in reserve, to a country that has the bombers, we have 250 of them and these 4,000 or 5,000 nuclear warheads of submarines. It strikes me as extremely implausible. But even if you want to worry about that, the thing that has been ignored in the present debate is that we are about to bolt into an enormous lead over the Soviet Union in this very criterion about which so much concern has been expressed.

THE SOVIET-UNITED STATES MILITARY BALANCE—PART II

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. DELLUMS. Mr. Speaker, I join my distinguished colleague PAT SCHROEDER in continuing the presentation of the text of the February 7 seminar on the Soviet-United States military balance.

Part II of the text follows:

PART II

Dr. STONE. The concern is usually expressed by saying, if the Russians have big missiles and the throw weight in those big missiles will produce plenty of warheads, all those MIRVed warheads will be able to destroy our land based missiles. But the fact of the matter is that throw weight is not the relevant consideration any more because accuracy has become much more important. When accuracies reach about a tenth of a nautical mile, everybody's got plenty of throw weight, and if you read the missile daily reports, see that they are predicting for the MK 12A warhead that it will have 600 foot accuracy, which is precisely 1/10 of a mile. And if you look at the Rumsfeld posture statement, on page 125, you will see that the end of fiscal 1978, an enormous increase in our hard target kill capability will arise as a result of installation of the guidance system for this warhead, and of the warhead itself. The warhead will double the yield of the Minuteman III missile and guidance will increase its accuracy by about a factor of 2.

We will leap not only into a lead over the Russians in hard target kill capability but, according to these official projections, we will have a 5-year lead. And we will not only have a lead in this category, but we will be in a position with that lead to destroy, at least on paper, substantial numbers of Soviet land-based missiles. In other words it won't just be a lead in a numbers game. It will be a lead of strategic significance if you worry about land based missiles being destroyed.

The kind of thing we are talking about is this. On half of our land based missile force with these new warheads with this new accuracy, if you believe the reports of the press, that half of the land based missile force alone will be able to fire one warhead at each of the Soviet land based missiles and that one warhead will have by itself a high probability of destroying that missile.

Of course, some of these won't go off reliably and we might, if we wanted to, and if our procedure permitted it, fire another missile into place when we saw it did go off reliably. I'm not sure exactly how well we could do this. This is called "shoot-look-shot." You see you shoot and then you look to see if it's reliable, then you shoot again. I don't know how reliably we could do that operation but I know the Russians must be worrying about it because this same posture statement says that in 25 minutes we can retarget our land based missiles now over and above the pre-positioned target in the missiles.

So the point I want to make to you is that the Soviets who have a much greater percentage of their strategic forces in their land based missile force, are simultaneously in a much tougher situation with regard to this strategic trend than we are. They've got more of their eggs in the land based missile force and we are attacking more effectively those same eggs.

If you want to know who is spurring this counter-force, hard target kill capability race, it should be said that while both sides have a large measure of guilt in this problem, and while the whole thing is a kind of race of momentum on the two sides, nevertheless, we are, as usual, ahead.

Now in the civil defense realm, I think the concern about Soviet civil defense rests upon, first, the fact that the Russians have for a long time been more interested in civil defense than we are. It was charged that for 20 years they were spending a billion dollars a year on civil defense. This is more than we spend, and it's probably true that they were for those 20 years spending that billion dollars a year. However, a billion dollars a year is $4 a person for the Russians. And $4 a person is a very standard rate of spending for European countries that have suffered through wars. It's the rate of spending in West Germany, it's the rate of spending of Swedes and the Swiss spend $50 per person on civil defense. So that in itself is not a very significant factor.

It is charged that in 1972 the Russians spurred up their civil defense program. It's not clear whether this is true or not. But if it's true, it could be easily explained by the fact that in 1972, we signed with the Russians an anti-ballistic missile treaty in which we both agreed not to defend our cities. I consider it entirely plausible, the Defense Minister in Russia said to the Polit Bureau, if you're going to force us to sign this treaty to forego defending our cities with anti-ballistic missiles, we have to do something, step up something to show some improvement in the capability of protecting people. This seems to be especially plausible because their main problem at the moment in terms of a likely war, I believe is the Chinese threat. They have a 2,000 mile border with the Chinese and a real chance of war against them. And against the Chinese, a civil defense program might look much better than it looks against the Americans.

There is an exact analogy between our interest in a thick ABM system against the Chinese when we had also decided a thick ABM system against the Russians was hopeless. So they may be caught up in this and they may therefore continue to spend more money and do more things in civil defense. I don't preclude it; I don't think there's too much evidence for it now in the public domain.

Let's assume they did, the question, is what would be the result? Now there are two possibilities at this program. One possibility is that they would use it against us and the other possibility is that they would threaten to use it against us. The first question of using it against us is the Strangeloveian scenario that Dr. Scoville referred to. Could they evacuate the cities? And then just fire and destroy the Americans and try to rebuild all these cities. This is in fact being charged by some engineers in Boeing who have done a study in which they argue the Russians could within 15 years, even if they lost half the population and, get back to the same gross national product they had before. Of course if they lose half the population and they get back to the same gross national product in 15 years, they double the GNP per capita in 15 years, which I think they could do without a war and with all their cities.

Leaving aside the fact that this study seems to have been done by economic imbeciles who have produced these kinds of curbs. I think one can address this question very precisely, and I hope it will be done in the future still more precisely to show how difficult it would be for the Russians to do anything like this.

For example, if they do this in the Spring, then they have the whole Summer to recuperate and try to get some shelter before the Winter comes. But then they have no harvest. If they do it in the Fall, they could bring in the harvest, but then they would have no shelter—and they would not survive the Winter. After the attack they will discover that there will be plagues of famine because insects are more resistant to radiation than are mammals or birds, so you are going to have a completely different ecology. The ozone layer will be blown to bits. It won't be clear that people can stay outdoors very long because of the sunburn they would get with the hole blown in the ozone layer predicted by the National Academy of Sciences. There are a whole lot of problems over and above what immediate fatalities would be if you spread people uniformly over the Soviet landscape, which in fact you can't do anyway.

I think the argument about Soviet Civil Defense has been done in a very narrow and the calculation has been done in a very amateurish way. And I think it is precisely because no one has looked at this in a long time that the studies were done so badly.

But you may say, as even the Civil Defense proponents and alarmists do say, "Well, what if they wouldn't use it against us, but what if they threaten us with it, what if they have evacuated those cities and said, 'Look, we can kill more of you than you can kill of us, at least immediately'." How about that? Well, I think one important thing to say about that is that it cannot be done more than once. That is, if the person is deterred from actually firing, it is an important, and not a sardonic comment, to say that he could not do it more than once. By that I mean, if they threatened us in ambassadorial contacts, or begin to evacuate their cities, there is no question that America would bolt into a program of further arms procurement and perhaps Civil Defense programs too, that would make it absolutely clear that no Russian would survive a future nuclear war.

We have it within our power to do that, the only question is—whether we are going to do that. It is very similar to the situation you might find if you met somebody with a knife and he pulls a knife on you. If you knew he was deterred from using it—it is an important and relevant thing to say that that guy would never pull that knife on you twice. You'd never give him a chance to do it. I think the attack can't be carried out because it is not a successful maneuver for many, many reasons and it can't be threatened because it is so much outside the reasonable range that it would just provoke another cold war and arms race to no end. There is not on the scene any political crisis to which such a threat would be relevant. The Civil Defense alarm is vastly exaggerated.

Finally, if asking what we should do, I want to pose to you a certain moral question that this whole Civil Defense alarm really

raises for all of us. We have talked in the past about the mutual assured destruction as a policy. In fact, it was never our policy. The policy always was unacceptable damage. We were saying in the past, we are going to maintain the ability to destroy a certain number of Russians and a certain amount of industrial capability so as to deter them from things we think against our interest. That policy is now threatened by some who'd like to turn it into real mutual assured destruction.

In other words, if you take seriously this Civil Defense flop and you think the relevant thing is not to detour them by threatening unacceptable damage but instead to show that no matter what the scenario is, more Americans will survive than Russians—that even if there are only three people left, two of them will be Americans and only one Russian. If you take that view, and you try to achieve that in every scenario, I can tell you as a mathematician that you will have to continually increase the number of Russians that you can destroy as their weapon capability goes up and as you consider the worse scenarios from your point of view.

So we're faced with the possibility that we might be forced in America through these alarms about Soviet Civil Defense to design a policy which is really genocidal—not just a policy that said it was going to be mutual assured destruction, but one that was really genocidal.

In this connection, the Russians are right in thinking, if they do, some will survive this war. Nuclear war is not going to destroy every last person and it is not insane to have Civil Defense procedures on a prudential basis. It is not crazy to have a fall-out shelter program in America; you may be for or against it, but it is not crazy. The point I want to make is that if we are going to view Civil Defense as a threat to us, we are going to be forced to go well beyond even the inhumanity of the posture we've designed. I think we should not do it lightly. If in fact, Soviet Civil Defense is not really a threat to us, we ought not automatically bolt to a program of putting radioactive cobalt bomb casings on our bombs, or whatever else we might decide to make sure that everybody died. That is what this thing could lead to in the end. There is no doubt in my mind that it would eventually be done to us.

With this connection, what we are risking today by exaggerating the Soviet threat is what we've been risking all this time over the last twenty years. Exaggeration of a threat has led in the end to a higher threat aaginst our own security and to a diminution of the security of our Republic.

Dr. ARTHUR MACY COX. I am Arthur Cox. I am going to talk about the problems of military power in Central Europe. I am going to talk about the growing propaganda that has developed, especially in the last year, about the Soviet threat in Central Europe and some of the facts that I haven't seen given sufficient attention.

One is that we hear about the growing threat of war in Central Europe from the Soviet position and the supposed growth of Soviet forces. Actually, the Soviet's ground forces now are more than 50% directed at China. The Soviets have 44 divisions on the Chinese borders and 31 divisions facing NATO. They have more backup divisions facing China in the interior Soviet Union than they do facing NATO.

But a very important aspect of the recent concern about Soviet buildups, so called buildups in Central Europe has been what the last two posture statements of the Pentagon have referred to as the Blitzkrieg potential of Soviet forces and the threat of a central thrust forward all the way to the Channel which could not be adequately deterred by NATO forces.

This argument of the Soviet Blitzkrieg potential I have never seen seriously developed in any of the literature in the United States. The only place where I have seen some serious analysis of a threat in Central Europe is in the Brookings Setting National Priorities For The Next Ten Years, that came out this Fall and Brookings has modified its position. Last year, Brookings talked about a possibility of a 15-billion dollar cut in our defense spending. Now they have modified that and indicate that they do not think we can cut more than 5-billion. The reason is that they too talk about a threat in Central Europe—the growing threat. The analysis set forth by Henry Owen, principal author, Director of International Studies of Brookings, though he says he does not see any real possibility of a Soviet agressive move, nevertheless, he says, "the chances of this occurring might be greater if Soviet leaders were already facing a violent challenge in Eastern Europe, in this event they might conclude that a Soviet domination in an Eastern Europe constantly exposed to the contagion of Western pluralism and influence would be difficult to preserve. That they might act to neutralize Western Europe or accept the prospect of continuing troubles in the East."

Well, that is the principal argument for justifying a buildup in NATO, a buildup in Central European force structures. I think that is one of the most preposterous estimates of Soviet intentions and Soviet capabilities that I have read anywhere. And yet, I have not seen this challenged in the press yet—this Brookings analysis and the change in their estimate of possible defense cuts has been given rather favorable commentary in the press. To think that the Soviets, threatened by resistance in Eastern Europe, would risk a strike into Central Europe and Germany is, to me, an act of suicide that the Soviets and their entire history have never manifested.

Clearly, the Soviets are very concerned about the quicksand that they live on in Eastern Europe. They are a hated occupier in East Germany, Poland and Czechoslovakia. They have four divisions in Hungary—they have had them every since 1956, when the Hungarian uprising took place. But the forces they have in Hungary are certainly not going to be available for any so-called blitzkrieg.

The forces they have in East Germany, Poland and Czechozlovakia are 27 divisions. There are 27 other divisions in the Warsaw Pact which the Soviets have very good reasons to doubt the reliability of. In 1968 when the Soviet Union moved 200 thousand men into Czechosolvakia, they had very good intelligence that the Czech military leadership was extraordinary risky. There is a long history of hatred of the Soviets in Eastern and Central Europe and just to look at the Iron Curtain and the Berlin Wall—why are they there? They are there to keep people in, they are to keep people from leaving. If there were a war, the Soviets know that there would be a sudden movement outward, there would be shots in the back. All of the intelligence that I have seen, and I used to be in CIA, demonstrates that the Soviets are extraordinary worried about maintaining their position in Eastern Europe. To think that a military force in such a circumstance would strike outward into West Germany, which now has the finest military force in all of Europe, including the Soviets and the United States, the Germans have built an incredible military structure, is to me the strangest of logic.

Yet in briefings to Congress in the last several months, and I think Congresswoman Schroeder would testify to this, the Pentagon has been telling of extraordinary dangers, the extraordinary need to build up forces because of this potential thrust of the Soviets who, by the way, are facing in the Chinese, what they say is their number one threat, and which their military forces pointing in that direction demonstrate that that is their view. Why on earth they would ever contemplate a thrust into Western Europe is beyond imagination.

Yet I have not seen what I have just been saying put out into the press. I have not seen constant challenge to this nonsense that has been perpetrated of this incredible threat. The Soviets have not increased their divisions in Central Europe since the Czech coup. They did put in 200,000 men at that time, and they have stayed. They have 31 divisions; 4 in Hungary, 27 remaining. They have put in much more effective weapons, just as we have, year by year. As the weapons come off the assembly line, they go into the forces. This is standard military practice.

But my belief is that we should keep our eye on the ball and move now to take the opportunity to negotiate a reduction of forces in Central Europe.

There is an opportunity; the Soviets are interested in it, have put it on the line, and, for those of you who haven't seen it, you might want to look at a piece I had in the Washington Post, November 21, called "Germany, Key to Europe Troop Cuts". In that piece, I talk about the importance of West Germany as the need on all sides: the balancing of West Germany forces before we will get motion in the East/West negotiations.

Dr. EARL RAVENAL. My name is Earl Ravenal. I was in the Pentagon for several years in the late 1960s and am now teaching American foreign policy.

I am not going to try to recapitulate parts of the excellent and very quantitative presentations that have preceded.

I want to try to, however, open up the debate a little bit by admitting the possibility that certain arguments that have been brought up by the other side, so to speak, the people who are exaggerating the threat, while I do not share those arguments, might be formidable enough to take account of. We are all here to discuss ways of formulating counter-arguments and counterproposals to the kinds of things we are hearing these days. So I think that, in a way, we have to, however grudgingly, begin by giving a little bit of, not credence, but weight and take seriously some of the, perhaps, distorted logic and the arguments that are being put forward by the new Hawks mostly in order to try to devise understandable and convincing counterarguments.

The arguments of the last ten years, fifteen, twenty years, that some of us are familiar with, I don't think are sufficiently weighty these days. We have to be very careful about the kinds of argumentation, kinds of strategies that we use in countering these new arguments. In other words, what I am saying is that in our debating tactics we probably need a second line of defense, a kind of "what if" argument. I want to make it clear that I thoroughly subscribe to the estimates that have been put forward today, and I am not worried about the so-called Russian threat. The numbers that we've heard and the estimates of Soviet potentialities and intentions are very convincing, but I think that we need a second line of defense, a sort of "what if" argument. And that's the kind of consideration that I want to put forward in the next couple of minutes.

Although I don't believe in worst cases at all, I think that our military organizations are being paid to hedge against worse-than-we-think cases. So really, we ought to direct our attention to answering arguments about not what they are most likely to do, but what they might do in certain crisis situations, and also what they could do if they set their minds to it. These are sort of different forms of the old suggestions of intentions and capabilities.

And I think that the way to deal with these questions, these new questions that have been brought up about Soviet inten-

tions and capabilities, is really to transcend these considerations. Because when you talk about threats that they might mount, that they might have the intention of mounting, the question is, threats to what, with regard to what American capabilities. American capabilities to do what in the world? Do what in certain military theaters?

When we look at those kinds of considerations, first of all with regard to the strategic balance, we come to the conclusion that, whether or not the numbers that are being put forward by the new Hawks are convincing, the point is, the numbers really don't matter at all. It's not the numbers that matter, the question is the stability of the strategic balance. Especially in crisis. And there probably will be some within the life of this present Administration. It is not even Soviet intentions, as such, that matter. Again it's the stability of the strategic balance.

And the kinds of things that we have to consider are first of all is what we want to do with our forces, our military forces, and secondly, what the other side can do to our forces, whatever their intentions might be. In other words, the question is not one of inferiority.

THE SOVIET-UNITED STATES MILITARY BALANCE—PART III

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CARR. Mr. Speaker, I join my distinguished colleagues, PAT SCHROEDER and RON DELLUMS, in continuing the presentation of the text of the February 7 seminar on the Soviet-United States military balance.

Part III of the text follows:

PART III

Dr. RAVENAL. Therefore the arguments that are put forward to emphasize American superiority in certain categories, particularly of strategic arms, are very well taken arguments, but they're not essentially the point. We could be, in certain categories, technically inferior, and it wouldn't make very much difference.

The question is always the relevance of these numbers to the question of what we intend to do with our military forces. Because if we intend to do certain things with our military forces, such as fight limited wars, conceivably we'll never have enough missiles to accomplish these purposes. And the whole question of numbers becomes very open-ended. Whereas if we restrict ourselves to certain finite and limited kinds of intentions and uses of our nuclear forces, particularly, and I'm going to mention later on, our conventional forces, too, then we already have more than enough. And that becomes a sufficient answer to the debate.

I think that we can conceive, without too much harm, that the Soviets technically could be on the road to threatening our missiles, particularly our fixed land-based missiles, and with this I agree with some of the comments that have been made. But the question, of course, is what to do about this technological fact. Of course, this might not be the case today, but it's inconceivable that technological drift will not, on the part of the Soviets, give them increasing accuracies as the years go by, and as Jeremy Stone mentioned, accuracy is the key to the ability to knock out fixed targets. Instead of holding on to a shrinking argumentative position, that is, that the Soviets cannot at this point threaten a large percentage for fixed land-based missile force, perhaps it would not do any great amount of harm to concede that point and to get on with the question of what, if anything, we ought to do about this, which is what the payoff question is.

And the reason that this question of what to do about it all is urgent and current, is because on the drawing boards and in train, and even with this present Administration, are some very expensive and possibly destabilizing proposals, in all categories of strategic arms, particularly the MX, that is, the replacement of mobile or multiple basing point replacing our present fixed land based missiles, not to speak of the B–1 and the Trident. And those decisions are going to have to be made very early in this Administration. In fact, they are being made now, and the basic stance of this Administration toward all of these programs is in the process of being determined.

If we're going to have a Congressional debate, or a national debate, about the so-called Soviet threat, the debate should be held in terms of the somewhat larger question, the real fundamental underlying function of what we want to do, what we propose to do in the world with our military forces.

We could actually reinsure our strategic stability for decades at lower levels of deployment and lower levels of spending. I don't intend now to put forward the details of such a proposal, but one way of doing this would be simply to do away with our fixed land-based missiles if the conviction of our military and intelligence people comes to be that they are becoming increasingly vulnerable to an accurate Soviet placement of missiles. And we could safely, even move to a diad of forces. We don't need all the redundancy that is built into the present triad. And if it came to a choice between it spending 30 or 50 billion dollars on a fleet of mobile missiles, the MX, or doing away entirely with our land-based missiles over a period of time, in an orderly way, then I think the latter is the direction in which we could go.

So the irony of the whole debate these days is that even if we were to concede that the Soviets now have the capability to threaten our missile force, we could actually remedy that situation at lower levels of deployment, lower levels of spending, rather than higher.

But I think that this also tends to illustrate, again, that the question is not the numbers game, it's not in any index, doesn't matter what it is, warheads deliverable, effective megatonnage, throw-weight launchers, or what have you. None of those measures, within extremely wide limits, mean anything. The logic of the threat and the logic of an exchange of nuclear missiles consists in the types of incentives that we create or that we discourage on the part of our adversaries ever to mount a preemptive or first strike nuclear attack upon ourselves. In designing the forces that we have in the future, creating negative incentives for the Soviets to do any such thing should be our primary concern, and this is not necessarily an expensive business, although we have to be careful about what kinds of moves we make.

Now if we were to do away actually with one leg of the triad, we would, in fact, save from 5 to 7 billion dollars a year, something on that order, depending upon the precise way in which we did this, and after necessary shifts were made to insure that we had sufficient capabilities in our other types of nuclear forces. We should not regard the strategic nuclear part of our defense budget as a rich source of budgetary savings. There is a very widespread misapprehension on the part of many of us that it is the strategic arms race that is costing all the money and that this provides the impetus for large real annual increases that we have been experiencing, and will continue to experience, unfortunately, it seems, in the next year or two, at least, in our overall defense budget.

In point of fact, out of about 123 billion dollars which might well be spent or requested in total authorizations next fiscal year, 1978, about 80% represents general purpose forces, and only 20%, about 25 billion dollars, including all overheads, represent the strategic arms budget. So if our concern shifts for a moment to the size of the defense budget, then the place that we ought to be looking for substantial savings and the place where we have to consider seriously the kinds of moves we would have to make to get those savings, would be in the conventional or the general force area, where, in point of fact, some 96 or 98 billion dollars are going to be spent in fiscal year 1978.

Now there are some further apprehensions about general purpose forces that come out of the rhetoric of the struggles of the last ten or fifteen years. We've become used to equating the large general purpose forces that the United States maintains around the world in terms of some kind of imperialist reach, some kind of urge to dominate. That bit of rhetoric, although it succeeded in generating a great deal of useful sentiment, however, is not strictly true. We must get our thinking straight on the subject of general purposes forces and what they cost and what they are, and where we keep them.

The Third World has nothing to do with the size of our general purpose forces. And they have nothing to do with any dreams of counterrevolution or opposing revolutionary movements or even autonomous movements in various countries. We could conduct a very useful discussion about American foreign policy in these Third World areas, but that has very little to do with the size of our general purpose forces.

Those general purpose forces are kept for the major contingencies that our present and most recent national leadership have felt might occur. And those, of course, are primarily in Europe. Europe costs about 55 billion dollars a year as a matter of American foreign policy concern. That is probably the highest number anybody here would want to put forward, and it is certainly higher than most of the numbers that we have heard from other quarters. But if you analyze and allocate all portions of the defense budget to their ultimate purpose, you will find Europe for 1978 is costing the United States about 55 billion dollars.

Now I hasten to say that that does not tell anyone what we ought to do about this, but it's well to keep these figures in mind. Asia, despite the withdrawals from Viet Nam, still costs 25 or 26 billion dollars a year. So I think that if we want to orient ourselves to the question of savings in the defense budget, a serious debate has to occur about our major commitments and, I would suggest—and this is entirely against the tide—about Soviet conventional threats.

We should probably still tackle the question of placing limits on the claims of our allies to our military support. Now, in that regard, and I'll finish on this note, the recent trip of Vice President Mondale to Europe was certainly regarded as heartwarming and reassuring by our allies. It achieved its purpose. But I would like to suggest that there is a price to pay for this kind of rhetoric. It's a price we're already paying and that price will grow. And a large part of that price is yet to be paid. I think that we have to keep those considerations very firmly in mind in looking at the total impact of our military forces on our national life.

Representative SCHROEDER. Thank you all very much. I appreciate the panelists trying to be brief in this very, very difficult area. One thing that I might point out in the general forces area and that all of you might be interested in watching here on the Hill, is the shipbuilding budget which is a very

large portion of the general forces in the weapons that we have to procure, because they're very expensive weapons.

One of the interesting things going on in the Hill is the suit that Les Aspin has and some of you might want to monitor it. In 1970 when Admiral Zumwalt was the CNO and the Russians were building up their fleet, they declassified the intelligence that we had on the Russian fleet, so that we knew what kind of ships they were building, and projecting to build, and they were laid out by classification. This year, the Russians really have cut back their shipbuilding, which is very interesting, and this year we can't get them to declassify the number of ships, so that we know that there are 231 surface ships, but we are unable to get declassified how many of those are frigates, and how many of those are destroyers, and so forth and so on.

Now Les Aspin has a Freedom of Information suit going, saying, How come it could be declassified when they were going up, but you can't declassify it when it's coming down. It's one of the fascinating things going on that you might want to monitor in your offices.

We'll open it up for questions for about 20 minutes.

Q. Mr. Cox, how were you estimating that West Germany has the finest military force in Western Europe and how much do they have?

Cox. The West Germans have now about a million men, a reserve force that can be called up in 48 hours. Their training is very effective, their equipment is as good as U.S. forces, but our military, and other military that I've talked to, NATO commanders, maintain that they have a readiness that is better than U.S. forces.

Q. I understand that we have about 110 ships being built that we never hear about.

SCHROEDER. We have an awful lot of ships in the pipeline that haven't come out the other end. Our shipbuilding industry is not one of the most efficient, to put it very, very mildly. That is one of the things that comes out of here, how many ships we have paid for versus how many ships we have had delivered, and that, I don't know that the number is exactly—110—I'd have to recheck that. There are an awful lot of ships that the American taxpayers have paid for but have never seen. We can only hope that someday we will see them.

SCOVILLE. One of the problems here is also not the numbers of ships, but the kind of ships. The U.S. shipbuilding program has been aimed to a large extent at very large, very expensive, and, particularly, to a large number of nuclear powered ships. This runs the bill up very, very fast. It might account for one reason why we are behind schedule. We might need more ships but it's not clear that we need more big ones. And I guess there is a step in the right direction, at least with the stopping of the large nuclear carrier program this year, but there still is an awful lot in there.

Q. Dr. Ravenal, you were saying before that thinking about these issues in terms of what our contentions were, in terms of what we want to do with our military forces. Could you be more specific about that in determining what force levels are necessary?

RAVENAL. Well, let me start by relating that question of the relevance of our own intentions to the size of our forces to the question that was asked before about ships being built. The United States Navy would like to reverse the decline in shipbuilding and the size of the number of principal vessels, combat vessels in the Navy, from about probably about 480 at this point to about 600. Well, 600 might not be enough, it might be too many, and it might be just about right, but the question is what are we supposed to be doing with our Navy in the world? That is the question that has to be debated.

There are a lot of misapprehensions about the uses of our Navy. But it is true that a large part of our surface naval forces and even attack submarines are devoted to the principal task of reinforcing and resupplying our forces in Europe in the event of a fairly extended conventional conflict in Europe. The basic question, therefore, about the size of our navy and whether 485 ships is enough or whether we need 600 or more, and what types of ships we ought to have, has to do with whether we intend to fight an intermediate lengthy conventional war in Europe. Whichever other direction we might go in, whether there should be a tactical nuclear defense, which I don't happen to think there should be, or whether there should be some kind of fall-back strategy.

The point is that these are the kinds of questions, what we're going to do with our force is quite adequate with the existing have to be ironed out in terms of the kinds of commitments that we continue to undertake. This is why I mentioned Vice President Mondale's trip. Because rhetoric is all very well to pacify European fears and to satisfy their demands for American reassurance of American protection. But there is a very serious price that has to be paid for this.

Q. Dr. Scoville, what is the significance of the minimum deterrence concept which President Carter is ordering the Pentagon to study?

SCOVILLE. I think it's a very encouraging sign. All of us, and I include myself, have far too long been engaged in the rhetoric of balancing off 8 or 9 thousand warheads versus 8,000 or 9,000 Soviet warheads. It's all really nonsense. That kind of war is just absolutely ridiculous. It's time we did get back to thinking about small, minimum deterrent forces.

However, having said that, politically it is not going to be that easy to get there, but at least it's an encouraging thing that we are thinking about it for the first time in many, many years. It is a very useful step forward.

Could I just comment on one other thing in connection with these counterforce weapons, and I'd just like to strongly agree that these are the really dangerous kinds of weapons. Some weapons you just waste a lot of money on, but things that make nuclear war more likely, like the MX and the Mark 12A warhead, which give counterforce capabilities, don't provide security, they just increase the risk that we're all going to be blown up one of these days. Those are the programs that don't look at the dollars as much as what they do, it is a very important criteria.

Q. Paul Mintz's latest idea is to have 3,000 deliverable megatons to combat Soviet civil defense. If we did that, what would be the fallout impact on the American people if those dirty and radioactive megatonnage were ever delivered?

SCOVILLE. Well, unfortunately, I don't think you've got a very good argument there. They probably wouldn't do all that much. There probably would be effects, and you would have some serious fallout in this country, I'm sure, but not in the sense that it would produce immediate casualties. It would probably produce longer term effects. I think that there are better arguments against Paul Mintz's plan than that one, I think, I don't think that you could probably argue that we're killing ourselves, in order to destroy the Russians.

There is no question that 3,000 megatons would make an awful mess of the Soviet Union as far as fallout. Actually, our present forces can already do that. We have plenty of megatonnage to make population casualties in the Soviet Union very, very large if that was our objective that we wanted to carry out. This is one reason why this whole civil defense nonsense really doesn't make any sense as far as spoiling our deterrent.

THE SOVIET-UNITED STATES MILITARY BALANCE—PART IV

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. DOWNEY. Mr. Speaker, I wish to join with my colleagues in adding to the text of the February 7 seminar on United States-Soviet military balance, a question which has important policy implications.

Part IV of the text follows:

PART IV

Q. In view of the current situation, the current national policy that is beginning in respect to NATO and to Europe, how can one rationalize the cutbacks of conventional forces with respect to the fact that so little is spent on preparedness?

Dr. RAVENAL. That outlines two possible interpretations of what the problem is. How can we even think about making cuts in our conventional forces in the current climate could be a political question, and I would agree on the conventional side with what Pete Scoville said on the question of reducing our missile forces to a small finite number. That is a very difficult political problem these days. As far as the other interpretation is concerned, whether we can even objectively think of reducing our forces in Europe, or in what other areas you might have in mind, but Europe is certainly the principal one. There is room for certain unilateral cuts in our forces. This is swimming against the political tide these days, but I think that it is no less valid to say that we can do it now than it was 4 or 5 years ago when it seemed to be much more popular and had a lot more political appeal. We could well ask what has happened in the meantime in the climate of opinion and why it is that all sorts of technical expertise on one side of the issue has somehow overwhelmed and overawed all the others. We have to recover our ability to do analysis. Far from having to reinforce our conventional forces expensively, which seems to be part of the program that is being urged upon us in this present Administration, I think that we could actually accomplish some of the cuts that various prominent members of Congress had tried to bring about over the last 5, 6, and 7 years.

Mr. STONE. I'd like to add something to the previous question that Pete Scoville was answering about the civil defense problem. As I tried to explain, the Russians are deterred from using this civil defense against us, and I think deterred from threatening this civil defense against us, for the different reasons I described: deterred from threatening because it could only be done once; and deterred from using it because it couldn't be used.

But the real cost of this alarm about Soviet civil defense is going to be to undermine the hopes that President Carter had for some kind of minimum deterrent program. Because it is all very easy for us to answer this civil defense alarm by saying, we have thousands of warheads and we've got three arms of our deterrent, and it is easy and in some ways opportunistic to answer the objections by explaining what enormous quantities of what are colloquially called "overkill" exists.

But if you want to turn to reducing this and you discover that you have inadvertently acquiesced in the notion that you need thousands of megatons with which to destroy the other side, then you will have problems to getting down to a sensible level. So the real danger of this alarm is not that it will panic Harold Brown into buying new

heavy megaton weapons that he wouldn't otherwise have bought. He's too sensible for that. He has already shown that in his statements. But it tends to put a higher floor under what we're doing than would have been before.

In the long run, I think the cost of this might be real cost to the human species. I want to point out that when the National Academy of Sciences did a study on what ten thousand megatons would do to the human race, they summarized it very badly. They concluded that they had no clear evidence that every single person would be killed by such a war. But if you looked at what in fact they said in the backup studies, there were massive uncertainties in many different areas about what would happen if so many thousands of megatons would go off. While they couldn't prove, because I don't think science can be expected to prove, that surely some single act would so perturb the climate or the ozone or the ecology as to kill the very last person, I can assure you they cannot prove the opposite either.

One of the most important reasons to bring the deterrent down to the levels we thought adequate in past years is to protect the species against the possibility that a nuclear war might just occur and leave not just the industrial world in ruins but the planet in smithereens.

Q. President Carter has made good statements about reducing nuclear weapons, but there is difficulty facing Paul Warnke in his nomination to be Director of the Arms Control and Disarmament Agency. Could you discuss this opposition?

STONE. I can say one thing that might be of interest. I think it is generally believed around Washington that there is no better champion of defense and arms control policy than Paul Warnke. Even opponents of his nomination, or those who have expressed some doubt, are, as a result of background conversations I've had, really irked by the fact that as the Evans and Novak column reported the other day, the right wing of the Democratic Party, the more Hawkish wing of the strategic analysts, have not gotten important positions in this Administration. It's turned out that President Carter has favored the Paul Warnkes over the Paul Mintzes. And this has been widely advertised in the papers. Those who are concerned about this trend, feel that their opportunity about making a point about what future arms control policy should be is to jump in on the Warnke nomination to see what they could do to express their view on that.

But as one who has read the entire set of past statements that Mr. Warnke has made, I've read them over the weekend—a whole stack of them—I can tell you that it is very difficult to make of them anything but a very sensible, humane and vigilant foreign and defense policy. I think he will be confirmed. By what margin I am not sure. But in any case, I think that the real action is not against him, but against the possibility that President Carter may try to get real deductions.

Q. Is Carter trying to save money or is he just trying to save money on nuclear weapons?

SCOVILLE. I think he really believes it's dangerous.

Q. Is there money to be saved?

SCOVILLE. Well, there's money to be saved. In fact, in that respect, I don't quite agree wih Earl Ravenal. I am not quite prepared to say you can't make real savings in strategic weapons as well. This year's budget calls for about 7 billion dollars on new strategic weapons. I can go through that list and I'm sure our security would be better than if we saved 2 billion dollars. And that's not chicken feed.

RAVENAL. I thoroughly agree with you. I was saying that if just proportionably even what is added to the defense budget every 12–13 billion dollars added every year, what can be saved even through the most well-placed and meticulous excisions of surgery on the strategic side is, unfortunately, going to be eaten up by months of inflation.

STONE. If I could add to it what my senior has just said. The real money to be saved is not in the money that could come out of the strategic force budget. 30 billion dollars could be saved if, in fact, we find through reductions of land based missiles, that it isn't necessary to go forward with the MX missile. Which I think, by the way, is unnecessary to do in any case because it would be counterproductive and would not solve the problem.

But you should understand that in strategic forces, we are faced with real dilemmas as to whether to go forward or back. If we have reductions in land based missiles we could save 30 billion in MX. If we have reductions that persuade us that the bomber force is quite adequate with the existing bomber force we have, we could save 100 billion dollars over the next 15 years by foregoing the B–1.

So the real question the Carter Administration is facing is whether to make enormous new outlays for strategic forces. The B–1 by itself over 10 or 15 years will cost the whole 1976 defense budget. And the MX will cost 30 billion just to build and you will find that in 10 or 15 years, I believe, that we face the same problem with land based missiles, the same on paper vulnerability, that we face now. So I think the real savings in reductions is going to turn out to be the unnecessity to modernize and maintain the otherwise larger and more changeable strategic forces we would have to have.

Q. Does recent Soviet military activity alter or change your estimation of Soviet intentions?

COX. In the conventional area they have increased the size of their ground forces to about 4.4 million men. But as I said in my remarks, a great deal of that is directed toward China. One of the difficulties you often see in the press when there is an estimate of the Soviet defense budget and the Soviet strength, is that it is reported as though all of that strength is directed against the United States and its allies. If you reduce that budget, by the proportion that is directed at China, you get a budget that is a good deal smaller than that of the United States and its allies. This you seldom see reported in the press.

Another thing that you seldom see analyzed is this so-called "panel A" and "panel B" debate brought out about the relative size of percentage of Gross National Product that goes into military spending. The recent CIA estimate jumped that from 6 to 8% in 1975 for the Soviets to 11 to 13% and the U.S. has something less than 6%. But the thing again that you seldom see reported to follow on is that the United States has a Gross National Product more than twice than the Soviets. And of course if you put in the Germans, and the British and so on, you have quite a different balance.

This kind of reporting, I have to maintain, is very sloppy and gives the average citizen an impression of tremendous Soviet growth which is inaccurate and unbalanced in terms of that kind of thing.

SCOVILLE. These new increased dollar values that are put on the Soviet military budget really don't mean they are getting any more military equipment out of it. All it is is just a different way of calculating dollars. So, if the situation has not changed one bit from where it was 2 years ago, they just have done it using a different method of making a calculation.

Now as far as the strategic forces are concerned, I have looked at all the numbers that are available, and I think that enough is available publicly so you can draw a conclusion. But I don't see anything new that is different in terms of Soviet programs over what was there a year ago or even 2 or 3 years ago. It is true they are now moving into MIRV missiles about 5 to 6 years after we did. I don't like it. I think it's a step in the wrong direction. But it doesn't come as a surprise. It's what we predicted except it is a little later than we predicted.

So I really don't see any evidence for a change in strategic posture.

STONE. We're going through a period analogous to the period when the Russian missile buildup was in numbers of missiles. We had already built up to a thousand land based missiles, producing 1 a day. They had for a while been producing 1 a week. And then all of a sudden they went into mass production. There was tremendous concern here about what did it mean. We are concerned now in the sense they must have been even more concerned when we built up.

Now the same thing has happened in the modernization side. They've gotten into in a certain sense mass production of modernization. Actually, it's not going that fast. They are modernizing about 15% of their missile force each year. And it obviously started years ago, so it has all been seen before. What it confirms in my mind, is not a change in their intentions, it doesn't change in my mind its intentions, but it confirms in my mind the fact that the Russians have always suffered from an unfortunate doctrinal lag in strategic thinking. They quite often get around to doing what we did just in time for it to be the wrong thing.

For example, in this case, they are spending $30 billion, it's estimated, to modernize one missile, the SS11, and spending about $15 billion to modernize the SS9s. That's a very large sum and at just that time, we have with 1 warhead, the MKL12A, in effect neutralized that land-based missile force even after it gets modernized. Now, of course they're hardening it more too, taking from 300 psi to 1000 psi. But if you look what these warheads could do, a 1000 psi won't be defense against it. So here they are in a kind of doctrine lag pouring even more money into land based forces at just the time we get the drop of those land based forces.

What is confirmed in my mind, and also something to worry about, is mainly the juggernaut spending in the Soviet Union in the defense ministry is probably as hard or harder to stop than our military industrial complex. It is probably quite difficult for the Politbureau or independent civilian analyst to reach into there and say "are you sure this is the stuff you really want"?

So the arms race might go on for a very long time, and in that sense you must be vigilant about what they're up to. But I don't think it confirms any basic change in their intentions.

I want to add one thing to this: On each side those people are trying to stop the armed services; are trying to explain with bureaucratic, social/cultural reasons why the other side is doing what, in fact, it's doing in ways that are acceptable to the hawks on their side to try and get them to cool it.

I was struck by this when I saw in the papers the other day that Abortov, the head of the U.S. Institute in Moscow, had written a paper in Isvestia explaining why, in fact, our fears were groundless and added, at the end of it, that one had to understand that the Americans who had 2 oceans at one time, had cultivated a desire for absolute security, and that they were indulging in it with the thought of having to blow every last Russian to bits and having to have all these large measures of security. I don't know if his analysis was right, but I could just hear him trying to explain inside the Soviet Union system the fact that they built all those

missiles doesn't mean they are about to fire them. They're crazy. They build more than they need, you see, and it's because of this 2 ocean thing, you see. So I'm not very sanguine that either he or us will proceed to slow the thing with those kind of metaphors, but I think it illustrates the problem.

NBC'S 3-HOUR SMEAR OF SENATOR JOSEPH McCARTHY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. McDONALD. Mr. Speaker, on February 6, 1977, NBC presented a 3-hour fictionalized smear of Senator Joseph McCarthy during prime time.

The program entitled "Tail-Gunner Joe" began by poking fun at the fact that during World War II Senator McCarthy, a Marine Corps intelligence officer in the Pacific theater, volunteered to participate in combat missions with his buddies although he was a decade older than most of them. Now that our media has been working so hard to make heroes out of draft dodgers and deserters, it is not unusual for them to poke fun at a real hero.

Although it would be impossible to answer every lie and distortion presented during a 3-hour television program, I would like to share with my colleagues the facts about some of these lies.

One fictional character stated during the program that Senator McCarthy's investigation of the U.S. Information Agency's Overseas Libraries was a campaign to burn the books of Sherwood Anderson, Stephen Vincent Benet, Mark Twain, Louis Bromfield, Quentin Reynolds, Edna Ferber, and Carl Van Doren. A careful examination of the hearings and reports on this investigation reveals that none of these people or their books were mentioned in any way. In the course of a different series of hearings, Louis Bromfield was described by a witness as an anti-Communist, and another witness questioned whether it was good policy for Voice of America to broadcast criticisms of Texas in one of Miss Ferber's books.

Objectionable books were found in the Overseas Libraries. As a report of Senator McCarthy's permanent Subcommittee on Investigation said,

> State Department Information Service libraries abroad function with American taxpayers' money as part of the program to expose and combat communism. The purchase and use of works by authors who are either known Communists or who were long and consistent supporters of the Communist cause by these special-purpose libraries to combat Communist propaganda is obviously inconsistent with the legally defined purpose of these libraries.

According to the report, at least 12 authors who "have been in the past either identified under oath as having been involved or implicated in Soviet espionage or had acted in some important or confidential capacity in behalf of Soviet Russia" had written books found in the libraries. These included, Cedric Belfrage, Haakon Chevalier, Lauchlin Currie, Israel Epstein, Philip Jaffe, Owen Lattimore, Kate Mitchell, Harriet Lucy Moore, Andrew Roth, Agnes Smedley, Gunther Stein, and Victor Yakhontoff.

Another 13 identified Communist Party members had also written books found in these supposedly anti-Communist Overseas Libraries. These were James S. Allen, Herbert Aptheker, Earl Browder, Howard Fast, Philip Foner, William Z. Foster, William Gropper, Dashiell Hammett, William Mandel, John Reed, Morris U. Schappes, Anna Louise Strong, and Doxey Wilkerson. Report on State Department information program—information centers, January 8, 1954, pages 3–4.

One of the most dramatic as well as unfair segments of the program consisted of an interview with a possibly fictional character who was supposed to be the widow of Roger DeCamp, a Voice of America engineer, who committed suicide because Senator McCarthy had investigated him. No one by that name was mentioned anywhere in the hearings of the McCarthy Committee. The "widow," talking about the transmitters built by her husband, said,

> One on the North Carolina coast for Europe. One in Seattle to go the other way. And do you know who decided these were the best spots? M.I.T., the Bureau of Standards, the U.S. Army Signal Corps, that is who decided where to put them . . . McCarthy, and this is hard, it was such insanity, it's hard for me to believe it happened even now—McCarthy decided that the Seattle transmitter should be in California, not in Washington.

An examination of the hearing records showed that an investigation was conducted of the building of two transmitters, one called Baker West in Seattle, the other called Baker East in North Carolina. Expert testimony showed that transmitters at such locations would face the problem of the radio waves passing through a magnetic storm area in the auroral zone, resulting in a 50-percent loss of power 90 percent of the time. Although MIT had at first recommended the Seattle site, they soon changed their minds and recommended a site much further south. The Bureau of Standards had in fact issued a report critical of the Seattle site because of the previously mentioned technical difficulties. A memo prepared by a Voice of America bureaucrat suggested that they retain the Seattle site because, "If the decision is to move to California, we must be prepared to explain fully to the Congress and to the press our reasons for doing so. Such exposure may result in congressional investigation and would not be conducive to our obtaining additional construction funds in the near future." Report on Waste and Mismanagement in Voice of America Engineering Projects, January 25, 1954, pages 2–3.

One of the Senators who was particularly concerned about this example of waste and mismanagement was Senator HENRY JACKSON of Washington who despite his desire to have transmitters built in his home State, played a major role in obtaining the facts which showed that California was a better location. Hearings—State Department Information Program—Voice of America, part 1, page 7, February 16, 1953.

One segment opened with the actor playing Senator McCarthy mumbling a few words and then saying "members of minority groups who have been traitors to this Nation." Only by carefully listening to the words or by checking the typed copy of the notes given by Senator McCarthy to the local radio station at Wheeling, W. Va., would you realize that what he said was, "It has not been the less fortunate, or members of minority groups who have been traitorous to this nation—but rather those who have had all the benefits that the wealthiest Nation on earth has had to offer—the finest homes, the finest college education and the finest jobs in Government we can give." Presenting McCarthy's famous Wheeling, W. Va. speech in such a way as to make him sound as if he said that minority groups were traitors was consistent with a distortion that ran through the entire program. One fictional character supposedly an employee in Senator McCarthy's office referred to "Jewing down" the fee paid to a lecture agency. In fact, not only was Senator McCarthy's chief counsel, Roy Cohen, Jewish, but so was one of his most important advisers, the late Alfred Kohlberg. When Senator McCarthy was under attack a mass rally was organized in his defense in New York by Mr. Kohlberg and Rabbi Benjamin Schultz.

It is interesting to note that one of the heroes presented on this program was the late Senator Ralph Flanders of Vermont who was praised for his speech attacking Senator McCarthy and his introduction of a Senate resolution condemning McCarthy. What was not mentioned on the program was that Senator Flanders was the author of a constitutional amendment called the Christian amendment which would have made it impossible for Jews or other non-Christians to take an oath of office to support and defend the Constitution of the United States. See hearings on the Christian Amendment before the Subcommittee on Constitutional Amendments of the Senate Judiciary Committee, May 13 and 17, 1954.

A fictional character on the program complained that McCarthy suggested that Flanders was senile. Flanders in his speech attacking McCarthy had implied that McCarthy was a homosexual. The NBC propagandists not only saw nothing wrong with this slanderous charge against McCarthy, but participated in it by having the actor playing the sanctimonious old hypocrite Joseph Welch saying to Senator McCarthy during the Army-McCarthy hearings, "I should say, Mr. Senator, that a pixie is a close relative of a fairy." Welch in 1954 and NBC in 1977 were both playing to the gallery knowing full well that one of the leftist inspired whispering campaigns used against Senator McCarthy was one which falsely labeled him a homosexual.

A particularly stupid falsehood was presented on the program when the actress playing Jean Kerr—later Mrs. McCarthy—and the actor playing Sen-

ator McCarthy engaged in the following dialog:

JEAN KERR. Vice President Nixon called.

MCCARTHY. Did you talk to him?

KERR. Yes—you got it. You have been appointed Chairman of the Committee on Government Operations, and you are permitted, if you want, to become Chairman of its own permanent Subcommittee on Investigations.

Anyone who knows anything about the Senate is aware that chairmanships are given based on seniority and not by the Vice President of the United States. The use of Nixon's name in this context was to smear McCarthy by identifying him long after McCarthy's death. Nixon himself had been splattered with the mud thrown at McCarthy even though his critics knew that Nixon, instead of supporting McCarthy, had joined in the Eisenhower administration "dirty tricks" to destroy Senator McCarthy.

An interesting segment that would be clear only to those on the inside showed an actor playing a British writer who complained that he was deported from the United States because McCarthy demanded it. Only those persons fully familiar with the personalities active at that time would have recognized the character portrayed as Cedric Belfrage. Belfrage's name is never mentioned. But on May 16, 1953, one of the more hysterical British newspapers, The Daily Herald, headlined, "Briton Attacked by McCarthy Arrested". The story started: Washington, Friday—The witch-hunting Senator McCarthy today carried out his threat to have a British writer arrested for refusing to say whether he was a Communist.

The Briton, Cedric Belfrage, edits the leftwing New York magazine National Guardian. He was taken by immigration officers to Ellis Island for deportation.

Belfrage had appeared as a witness before the House Committee on Un-American Activities on May 5, 1953, and before Senator McCarthy's Senate Permanent Investigations Subcommittee on May 14, 1953. During the House committee hearings Belfrage was confronted with the evidence that he had been a Communist sympathizer in England and a Communist Party member in the United States. Martin Berkeley had identified him as a member of the Communist Party and Elizabeth Bentley had identified him as a member of the Soviet spy ring for which she had served as a courtier. This information was later used at an immigration hearing which resulted in the deportation of Belfrage. At the hearing of the House committee he had invoked the fifth amendment. Hearing—Investigation of Communist Activities in the New York City Area, part II, May 5, 1953, pages 1272–1301.

On May 14, 1953, when Belfrage appeared before the McCarthy committee a Senator said,

Well, I think personally if you have been over here for 16 years and have taken the advantages of the American way of life and are either afraid or ashamed to say that you do or do not believe in the overthrow of the American Government, the sooner you leave the shores of the United States the better it would be for the United States.

This was said not by Senator McCarthy but by Senator Stuart Symington. Hearings—State Department Information Program—Information Centers, part VI, May 14, 1953, pages 413 and 414.

The biggest lie of the program and the culmination of all the other lies was when one of the fictional characters said at the end of the program, "But he himself caught no Communists, found no traitors, uncovered no subversives, not one."

I could list many hundreds of Communists, subversives, and traitors exposed by Senator McCarthy. I will name just a few. Let us start with William Remington who was on McCarthy's original list of Communists in the State Department. Remington was later convicted of perjury when he denied being a member of a Soviet spy ring in the government. The evidence was overwhelming and witnesses included Elizabeth Bentley as well as Remington's former wife. Remington subsequently died in prison.

In the course of the McCarthy Committee investigations at Fort Monmouth, N.J., a number of security risks were identified. One of them, Aaron Coleman, admitted having been a member of the Young Communist League with convicted Soviet spy Julius Rosenberg. Although Rosenberg had admitted seeing Coleman at Fort Monmouth, Coleman denied this. However, Coleman admitted that he had been caught taking classified material off the post. He maintained that he had done this only because he was working on it at home. Army Signal Corps—Subversion and Espionage, parts I and II, October–December, 1953.

It was in the course of the same hearings that the famous Annie Lee Moss case took place. Mrs. Moss was a code clerk at the Pentagon. An FBI undercover agent, Mary Markward, had identified Mrs. Moss as a member of the Communist Party. After extensive testimony in which she denied her membership and attempted to say that she was being confused with someone else with the same name, Senator Symington stated,

If you are not taken back into the Army (employment), you come around and see me, and I am going to see that you get a job.

Army Signal Corps—Subversion and Espionage, part X, March 11, 1954, pages 443–462. Mrs. Moss had been suspended from her job with the Army pending a loyalty review board hearing.

During the course of her committee testimony, Moss stated that for a period of time she had lived at 72 R Street, Washington, D.C.

In 1958 the Communist Party, U.S.A. in an appeal to the U.S. Court of Appeals, District of Columbia, asked that the testimony of Mrs. Markward be stricken from the record of the Subversive Activities Control Board which had used her testimony to find the Communist Party to be an agent of the Soviet Union. They used as the basis for their request Mrs. Markward's allegedly false testimony in regard to Annie Lee Moss. The court ordered the production of the FBI files on the Moss case. These were inspected by the Subversive Activities Control Board which concluded:

The situation that has resulted on the Annie Lee Moss question is that copies of the Communist Party's own records, the authenticity of which the Party has at no time disputed, were produced to it (A. G. Exs. 499 to 511, inc.) and show that one Annie Lee Moss, 72 R Street, S.W., Washington, D.C., was a Party member in the mid-1940's. Yet, on several occasions before the Court of Appeals and the Board the Party charges that witness Markward had committed perjury before the Defense Department in the Moss Security Hearing in testifying to what the Party's own records showed to be the fact.

We conclude that upon production of the documents demanded by respondent, the Communist Party's charge that Markward gave perjurious testimony was not substantiated. Consequently, Mrs. Markward's credibility is no way impaired by the Annie Lee Moss matter.

Subversive Activities Control Board, Docket No. 51–101, Modified Report of the Board on Second Remand, page 4.

On the program the actor pretending to be Senator McCarthy attributed to Owen Lattimore the invention of the term "McCarthyism." Senator McCarthy would never have said that since he was aware that the term had been invented by the Communist Party newspaper the Daily Worker. According to the program Senator McCarthy apparently attacked Lattimore because he had written some books. In fact, McCarthy had accused Lattimore of aiding the Soviets and being involved in the sell-out of free China. In 1952, almost 2 years after McCarthy's charges were aired, the Senate Subcommittee on Internal Security, after taking 14 volumes of testimony on the Institute for Pacific Relations, found that, "Owen Lattimore was, from some time beginning in the 1930's, a conscious articulate instrument of the Soviet conspiracy." Senator McCarthy was not a member of that committee. Report—Institute of Pacific Relations, July 2, 1952, page 224.

There is much more that I intend to say about this distorted and unfair television presentation. I will continue discussing this matter after the recess.

TRIBUTE TO SPECIAL AGENT JAMES J. DEARY, FBI

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. GIAIMO. Mr. Speaker, the strength of our national commitment to law enforcement is found in the record of those charged with upholding the law. These past few years have seen many instances of willful abuse and infringement of the law by officials who should know better. This contempt for the public trust must not blind us, however, to the superlative achievements constantly and often unobtrusively performed by the great majority of our Nation's law enforcement officers. These brave men and women have taken on the most difficult and many times the most thankless task which our society offers, for the good of their fellow citizens, to insure that the transgressions of the few do not upset the peace and order of our

communities. For such dedication and selfless service, these citizens justly deserve our praise and loyalty.

Connecticut has benefited for the past 29 years in this regard from the distinguished efforts of Special Agent James J. Deary of the Federal Bureau of Investigation. This tireless and innovative leader in his profession has brought credit to himself and his organization by numerous acts of faithful, patient work in the criminal and security field. An active member of the Connecticut Chiefs of Police, Agent Deary has made notable contributions to the furtherance of respect for the law in my home State by his sponsorship of improved police training procedures and methods. His leadership in this area is truly outstanding. The present police training program in Connecticut owes virtually its whole substance to the unremitting labors of Agent Jim Deary.

Jim takes pride in having played a major role in obtaining the legislation to mandate police training in the State of Connecticut and in the establishment of the Connecticut Police Academy in Meriden. He has assisted in sending more police officers to special courses in Connecticut and to the FBI Academy in Quantico, Va., than any other representative in law enforcement.

I have been fortunate to have Jim Deary and his wife Norma and their four children live in Wallingford, which is in my Third Congressional District, for as long as I have been in Congress. With such neighbors, I could not feel more secure. Jim is respected by all who know him. Now, on the occasion of his impending retirement, February 11, 1977, after 33 years with the FBI, I wish to express my special thanks for a job well done to Agent James J. Deary. Men like Jim Deary are far too few among us, and it is with some pride and much respect that I join with his colleagues, family, and friends in wishing Jim Deary the best of everything for the future.

CALIFORNIA: NATIONAL GAS SUPPLIER TODAY; WHAT ABOUT TOMORROW?

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ANDERSON of California. Mr. Speaker, this winter season, as we all know, is a harsh and severe one on the lives and livelihood of thousands of Americans. Not since the OPEC oil boycott has the need for sacrifices by the American people been so urgent.

My home State of California has suffered much less than the Eastern half of the country. Because of the warm weather, the Southern California Gas Co. and Pacific Gas & Electric Co. have together transferred some 12 billion cubic feet of natural gas to the East for essential heating purposes. That is enough to service approximately 1.2 million homes here on the East coast for a month.

California is happy to have been of help to the fuel short areas of the United States. Southern California Gas Co. and P.G. & E. deserve commendation for showing the ability to help out during the crisis. However, there is a real danger that California's own bleak energy outlook may be forgotten as we share apparent surpluses.

Within the next 4 to 5 years, unless new sources are tapped, California will lose about 25 percent of its supply of natural gas due to the loss of out-of-State suppliers. Alaskan North Slope gas will not begin to flow until 1983 at the earliest. In the meantime, deep concerns over the safety of liquefied natural gas may threaten the availability of that source of fuel. And, research into coal gasification has been stalemated.

Mr. Speaker, California's consumers have adequate supplies of natural gas today, but critical shortages are predicted for tomorrow. We in the Congress have a choice—we can ignore the warnings of future shortages, or we can take bold bipartisan action to assure that natural gas and other essential fuels are in abundant supply for all sections of our country.

California acted as a supplier this winter, but what about next winter, and the one after that. Unless the Congress acts, California will be hard pressed to service its own customers.

FEDERAL AGENCY PILOT TERMINATION AND REVIEW ACT OF 1977

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HAMILTON. Mr. Speaker, on May 21 last I introduced H.R. 13947, the Federal Agency Pilot Termination and Review Act. The Honorable GARY HART of Colorado had introduced an identical sunset measure in the Senate on April 14. It is with great pleasure that I introduce a modified version of that bill today.

Most of us agree that we must tackle head-on the twin problems of inefficiency in Government and unaccountability in Government. Zero-base budgeting or other compulsory performance review procedures may help us do this. I am persuaded that the Federal Agency Pilot Termination and Review Act is a most promising and practical bill.

In the 94th Congress the greatest defect of most zero-base or sunset legislation was its scope. Many of the bills would have provided either zero-base budgeting or some other compulsory performance review for the entire Federal bureaucracy. As a distinguished colleague of mine, the Honorable JACK BROOKS, has said, Government-wide zero-base review would "lead to a paperwork process that is mind-boggling even by Washington standards." Mr. BROOKS has told David Broder of the Washington Post that "we don't have the capability" for a zero-base review of such magnitude. Because I agree with my friend my bill calls for a pilot project to review the performance of just three Federal agencies in 1 year and three more Federal agencies in the following year. Mr. BROOKS has also suggested the "restructuring and reequipping of the Office of Management and Budget so it will have the organizational capacity to reevaluate honestly and on a yield basis the programs and agencies now operating." My bill gives the Office of Management and Budget, the General Accounting Office and the Congressional Budget Office the experience they need to develop the capability for comprehensive performance audits.

Some people believe that the scheduling of a sunset, that is, the expiration of the mandate of an agency to exist, is too peculiar or drastic a way to eliminate waste in government. Such people may reconsider their view of sunset legislation if they but survey the past performance of Congress. They will see that Congress needs the sort of powerful incentive provided by sunset legislation if it is to undertake a serious, full-scale review of a Federal agency.

Let me explain how the proposed legislation works. Under the sunset concept embodied in it a Federal agency would face a fixed termination date. Congressional review of the agency's performance, undertaken in the light of the purposes for which the agency was established, would be mandatory. Not less than 15 months prior to the termination date the Office of Management and Budget, the General Accounting Office and the Congressional Budget Office would prepare assessments of the agency to be reviewed and would forward the assessments to the appropriate committees of Congress. Not less than 1 year prior to the termination date the appropriate committees of Congress would hold public hearings on the assessments. At the hearings the agency's director would be expected to defend his or her agency and make a case for its continued existence. Other interested individuals or groups would be invited to make their recommendations.

With all the evidence in hand, the committees of Congress could recommend that the agency be continued unchanged or with modifications for 6 years, after which period the review process would be repeated. However, the committees of Congress could recommend that the agency be terminated. If Congress concurred, then no further legislative action would be necessary: the agency would cease to exist on the termination date.

The Federal Agency Pilot Termination and Review Act has many features that distinguish it from other zero-base or sunset bills. First, it derives from the original sunset concept developed by Common Cause and enacted in Colorado with the support of political liberals and conservatives alike. Second, it provides for a pilot project involving only six Federal agencies: the Civil Aeronautics Board, the Federal Aviation Administration and the Occupational Safety and Health Administration would terminate on October 1, 1980, while the Federal Energy Administration, the Interstate Commerce Commission and the Federal Maritime Commission would terminate on October 1, 1981. Third, it would provide for equitable treatment of civil servants

on the rolls of discontinued agencies. Finally, the Attorney General would assume responsibility for any agency actions pending on the date of termination.

Mr. Speaker, in this year of a new President, a new Congress and a new century of American independence, I hope that we shall see the beginnings of increased efficiency in Government and increased accountability in Government. The Federal Agency Pilot Termination and Review Act could make a major contribution. I appeal for prompt and full consideration of this measure.

DR. SYBIL MOBLEY, SUCCESSFUL PIONEER IN BUSINESS EDUCATION

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. FUQUA. Mr. Speaker, business is the lifeblood for a strong and healthy economy for our Nation.

There have been many innovative approaches to provide our youth with a good business education, but few as unique and as successful as a warm and dear friend, Dr. Sybil Mobley, founder and dean of the School of Business at Florida A. & M. University at Tallahassee, Fla., in the heart of my second congressional district.

I would like to present to my colleagues in the Congress an article published recently in the Orlando Sentinel-Star which tells of Dr. Mobley's remarkable success. It is an extraordinary story of an extraordinary person.

The article follows:

FLORIDA A. & M. INTERN SYSTEM PLEASES DOCTOR NAMED MOBLEY

(By D. G. Lawrence)

TALLAHASSEE.—There's a success story here in the mold of George Washington Carver.

Dr. Sybil Mobley, founder and dean of predominantly black Florida A & M's School of Business and Industry, has attracted national attention.

Carver had to beg and borrow to make Tuskegee the center for peanut and sweet potato research, in the process revitalizing the Deep South's dying agriculture.

A half century later, Dr. Mobley has achieved national acclaim for her school. But with a difference. National business leaders have been uncommonly generous with financial support.

In the past year, they've poured $500,000 into its operation.

"And I'll get another $500,000 before the end of this year," said a super-confident Dr. Mobley.

She took over the school's moribund business department in 1971 and three years later persuaded the regents to make it a full-fledged school.

Only a handful of whites are among the school's 1,100 students.

"We have not solicited white students because we feared they would enroll for some social reason, not for the education we provided. But our school is so good that soon we'll have more white students than we can handle, motivated only by a desire to participate in the best business education offered."

"The dozen whites we have now are all superstars."

All her pupils rank high scholastically.—A number have scored as high as 489 out of 495 on the 12th-grade placement tests.

"We not only have a rigorous, demanding program in everything that is standard in a business education, but we go the other mile—we add the extra things that the business world tells us not even the most prestigious universities supply."

No other school, she said, offers three internships to students during their four years in college.

"It's because of our broad business support that we can do it."

Business graduates each get from 15 to 18 job offers, and they are the most sought-after students in the country, she boasts.

She concedes some interest is spurred by industry and business fulfilling affirmative action by hiring blacks for management positions.

"In fact, Price, Waterhouse came here, they told me, because it is a black school. But they stayed with us because it is a good school."

Not too long ago, Price, Waterhouse, a national accounting firm, held a luncheon at New York's Rockefeller Center Rainbow Room so Dr. Mobley could tell the university's story to area business leaders.

The school's major contributors include the Alfred P. Sloan Foundation, $100,000; Price, Waterhouse, Ernst and Ernst, and Haskins and Sells, all national accounting firms, and General Electric, which each gave $75,000 and $60,000 from International Business Machines.

"Dr. Mobley has a very ambitious program," William Gifford, of Price, Waterhouse, said "She stands out among educators and the FA&MU program is one that deserves endorsement."

A spokesman for Ernst and Ernst agreed. "We were impressed with the fact they are relating their program to today's business world."

What impressed him was that most graduates have completed internships in three different aspects of their majors, often in three different parts of the country. Dr. Mobley has convinced a number of private concerns and government agencies to employ students for a quarter and pay them from $650 to $1,050 monthly to work in their major field.

Elliott Hobbs, a junior from Tallahassee, has just completed an internship with Chemical Bank of New York in Management information systems.

"It gave me a feel for business," she told Dr. Mobley.

She's a story in herself.

After graduating from Bristol College, Dallas, Texas (she majored in sociology) she came to Tallahassee, the only job she could get was as a clerk-typist at Florida A&M. That was in 1945. Fourteen years later she went back to school fulltime, earned her masters in business management from the University of Illinois, and then her doctorate at the prestigious Wharton School of the University of Pennsylvania. With her certified public accountant's license, she worked for Union Carbide, Price, Waterhouse, Chase-Manhattan Bank, the Internal Revenue Service, before coming back to Florida A&M.

She revitalized the school's curriculum so that a graduate is ready for every aspect of business leadership.

She calls it a leadership program, combining teaching of business principles with instruction in the social skills, memory and articulation, an awareness of social and political issues. Perhaps most important, she feels, is the internship program: Students getting actual business experience and being paid for it.

AMERICANS WANT CIVIL DEFENSE BOOST

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CHAPPELL. Mr. Speaker, in recent months there have been several reports which indicate that the Soviet Union is continuing, on a steady basis, a large-scale civil defense program designed to protect the Soviet people and Soviet industry in the event of a nuclear attack. This has been occurring at a time when the American civil defense program has seen a period of rapid decline.

The results of a recently concluded Gallup Poll indicate that a sizable number of Americans are concerned with this issue and are in favor of an increased emphasis on civil preparedness and civil defense.

In light of recent Soviet actions with regard to civil defense I believe it would be appropriate to begin public discussion of this issue with an eye toward increasing our capability in this vital area.

Toward this end I am inserting in the RECORD the article detailing the results of this poll by George Gallup which appeared in the Orlando Sentinel Star on January 23, 1977.

The article follows:

AMERICANS WANT CIVIL DEFENSE

PRINCETON, N.J.—The American people reveal a glaring lack of awareness of the civil defense system in their communities, but at the same time vote in favor of stepped-up efforts to protect the populace.

Some civil defense experts believe it is high time the nation debate the so-called "survival gap" between the U.S. and the Soviet Union. Concerned over indications that the Soviet Union is conducting a massive program to protect its people and industry in the event of a nuclear attack, these experts believe the U.S. has no alternative but to undertake an all-out civil defense program of its own. It is argued that the U.S. must do so to preserve the "balance of terror" which is the heart of the mutual deterrance doctrine.

Experts believe that the Russians have been building underground facilities since 1952 in an attempt to provide protection for the entire population. It is pointed out that every industrial worker in Russia is required to take a 20-hour course in civil defense procedures. The Russian outlay for civil defense is believed to be several times the $80 million a year budget for the existing U.S. civil defense effort.

The Gallup Poll recently conducted a nationwide survey to learn what Americans know about the present civil defense program in the U.S., their state of preparedness in the case of attack and their views on ways to protect the populace. The findings show the following:

Nearly half (45 per cent) of all persons interviewed said they did not know whether or not a Civil Defense organization exists in their communities. The figure is even higher among persons living in the nation's largest cities.

Three in four (74 percent) say they do not know where the nearest public shelter, if any, is located. Again the figure is higher among inhabitants of large cities.

Although Americans reveal a lack of awareness regarding our civil defense system, considerable support is found for greater protection of the populace. More than four in

10 (44 per cent) think the U.S. should do more in this respect than we are now doing. Among the "aware groups"—those who know whether or not there is a Civil Defense organization in their communities or know where the nearest shelter is—support, for greater protection is even higher. The proportion is also higher among those who believe their communities are a likely target for nuclear attack.

Nearly four in 10 (37 per cent) would favor having every new house built in the United States required to have a bomb shelter, with the federal government paying most of the costs. Again, the proportion in favor is higher among the "aware" groups and those who believe their community is a likely target for nuclear attack.

TRIBUTE TO JAMES WESLEY BRYAN

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. DICKS. Mr. Speaker, as a new Member of the House of Representatives, from Washington, I would like to take a moment to pay tribute to one of my predecessors, James Wesley Bryan, who was elected to this body 64 years ago. He was the grandfather of the present Kitsap County Superior Court judge, Robert J. Bryan.

James Wesley Bryan was elected to the U.S. House of Representatives as a Congressman-at-large from Washington State in 1913 on the Bull Moose—Progressive Party—ticket.

Bryan was born March 11, 1874, in Lake Charles, La., where he lived throughout his childhood. In his midteen years he attended Baylor University in Waco, Tex., graduating in 1895. A year of saving and borrowing permitted him to realize a dream of attending and graduating from Yale University Law School in 1897.

He practiced law for a few years in Louisiana, married Lorene Kearse, who blessed him with three children.

In 1904, Bryan moved his family to Bremerton, Wash., in the Pacific Northwest. He practiced law for a few years before he stepped into the political arena. He served 2 years in the Washington State Senate, then won his seat in Congress.

As a friend and supporter of President Theodore Roosevelt, this distinguished Congressman from Washington worked to the creation of legislation, much of which is part of our way of life today.

Among those accomplishments, are: the Merchant Marine; public transportation; income tax; 8-hour work day; minimum wage and child labor laws; public ownership of gas, water, and light; Government support for and development of Alaska; expansion of Puget Sound Naval Yard and protection and rights of its civilian employees; and national forest preserves and support of Gifford Pinchot's forest programs.

In a 1914 debate on the floor of the House of Representatives, Congressman Bryan urged his colleagues to extend the Nation's naval fleet to the Pacific coast:

> The people (of America) expect our Navy to retain its rank and place among the Navies of the world. It seems to me, however, that in the distribution of the fleet of this country the department has not given that consideration to the Pacific coast that ought to be given. All our battleships are kept on the Atlantic coast—As we consider the commercial operations and industrial enterprises of the future, we are bound to recognize that the great bulk of all of that progress and activity is going to be in the Pacific Ocean.—That is where we are going to be called upon to fight the real Naval battles.

That statement was made in 1914, and a very prophetic statement, indeed.

Congressranm Byran returned to his home in Bremerton, where he continued in politics after his term in the Congress. He was Bremerton city attorney and was county prosecuting attorney during prohibition.

Former Congressman Bryan died in Bremerton in 1956, after a most distinguished career in local, State, and national politics.

TELECOMMUNICATIONS SERVICES

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mrs. SPELLMAN. Mr. Speaker, a need exists for further committee hearings on various telecommunications bills now pending before Congress. This is due to the vast differences in opinion on the effects the proposed legislation would have on the communications industry as a whole and the A.T. & T. system in particular. Most importantly the economic and service efficiency impact of the bills on private and business users of the telecommunications services throughout the United States is as yet undetermined. That we have the best telephone service in the world today is undisputed. How to meet the needs of the future is a hotly contested issue.

The House Subcommittee on Communications held preliminary hearings in October 1976, inquiring into the controversial subject of competition in the telephone industry and the effects the proposed bills—including the A.T. & T.-sponsored Consumer Communications Reform Act, H.R. 12323—would have on this significant aspect. The rapidly expanding importance and ever increasing role which data processing and the interconnect industry play in telecommunications were also highlighted by the hearings.

The following points of debate and of issues raised which have come to my attention will illustrate a few of the conflicting views which must be aired and considered prior to the passage or rejection of major legislation directly affecting every user of the Nation's telecommunications services. With 94 percent of all American households possessing telephones and virtually all businesses relying on telecommunications as a lifeline to their existence, the essential question of whether the time is right for a congressional restatement of telecommunications policy cannot be answered until hearings enable the delineation of the many differing opinions.

A.T. & T., the largest proponent of the legislation, argues that the very nature of the phone industry and the Communications Act of 1934—the basic statement of America's national telecommunications policy—necessitates a natural monopoly of telecommunications. Backers of the legislation argue that increasing competition in the industry could force residential telephone rates up as much as 70 percent within the next few years.

Opponents to the proposed bills, the Federal Communications Commission, and other Government agencies claim there is no evidence that competition to date, or in the immediate future will force residential rates upward.

The 1968 Carterfone decision by the FCC allowed the "interconnection" industry to develop. Customers can now buy a variety of new terminal equipment and interconnect it to A.T. & T.'s lines and instruments. Many people are of the opinion that this limited competition has not adversely affected rates the typical consumer must pay for the telephone use and has helped businesses enormously by providing less expensive and more technologically advanced communications equipment that can be bought rather than leased. Bell contends such services which provide non-Bell equipment threaten the quality of the Bell system by producing technical problems which impair the quality of services, necessitate greater expenditures for maintenance, and ultimately will result in increased costs to the consumer.

Opponents to the bill state that no evidence of problems due to interconnect items exist and that the legislation is a tactic used by A.T. & T. to circumvent the FCC and recent court cases which allow competition in limited fields of the telecommunications industry.

The Communications Act of 1934 called for the development of an efficient, high-quality nationwide communications service available to all the people of the United States at reasonable costs. Was the intent of the Communications Act of 1934 that the Nation should be served by a single integrated telecommunications system? Those in favor of this legislation suggest that it was, and are seeking to "reestablish" that intent by passage of the bill. Opponents claim passage will have the effect or putting the newly founded and expanding interconnect and data processing telecommunications industries out of business, nullify the recent policies of the FCC, and insure a total monopoly of telecommunications in the United States by A.T. & T., a corporation which already controls approximately 96 percent of the telecommunications services in the Nation.

A.T. & T. claims the bill will not destroy the new interconnect data processing and satellite communications industry, but only stop the competitors from supplying the same services which A.T. & T. provides to its customers. Opponents to this view argue that limited competition already in existence has had the advantage of committing A.T. & T. to provide more diverse and more tech-

nologically advanced equipment to its customers.

Some legislators are discussing the possibility of rewriting the 1934 Communications Act in its entirety to keep the Nation's policies abreast of the technological leaps and bounds this country is witnessing in the communications field; a field which grows in importance yearly.

The New York Times Sunday magazine of November 28, 1976, in an article on the proposed legislation, quoted a member of the House Communications Subcommittee, as follows:

After two days of hearings we know we have a good system and nobody wants to destroy it. After that nobody agrees on anything.

Mr. Speaker, we can, at least, agree that more hearings must be scheduled, and for this reason I have introduced House Resolution 136. I urge my colleagues to familiarize themselves with the many complex aspects of this matter and to support additional hearings on the telecommunications policy of this Nation.

CAPITAL PUNISHMENT

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. GRASSLEY. Mr. Speaker, the news media has been flooded in recent months with stories about Gary Gilmore, who was convicted last summer of murdering two Utah residents and subsequently sentenced to die. For months, so-called citizens' groups tried to save Gilmore's life. Can you imagine that? One lawyer went so far as to argue that putting Gilmore to death would be cruel to other prisoners on death row.

The press made Gilmore something of a national hero. We almost forgot that he was convicted for the cold-blooded slaying of two innocent men. Finally, despite all the last minute intercessions, Gilmore was shot to death last week by a Utah firing squad.

Whether or not we believe in capital punishment, we can learn a good lesson from the Gary Gilmore case—that in all too many instances, we forget the victims of crime while being overly concerned with the rights of the criminals.

Crime is a problem that affects us all. We pay for it in higher insurance rates, higher taxes to support law enforcement, higher product prices to cover the costs of shoplifting, and vandalism. Sometimes we pay for it with our lives. In the few minutes I am talking to you today, across the United States there will be committed nine major crimes, like murder, robbery, rape, or assault.

What can be done to stem our rising crime rate? First of all we need to guarantee that people who commit crimes are punished. Mandatory prison sentences for specific crimes, with a minimum amount of time which must be served would provide that guarantee. Law-enforcement officials agree that the best deterrent to crime is the promise of swift and sure punishment. After all, imprisonment is designed not just for rehabilitation, but also for punishment.

We especialy need mandatory minimum sentences for persons committing crimes with guns, and for those who commit exceptionaly serious crimes and, of course, for repeat offenders. For the most serious crimes, we should consider capital punishment.

National columnist Patrick Buchanan once said, and I quote:

To suggest that the death penalty is simply legalized murder is as silly as suggesting that arrest and imprisonment are nothing more than legalized kidnapping and legalized slavery. Use of the death penalty in capital crimes, the ultimate punishment from which there is no appeal, is the mark of a society which holds dear the life of its citizens. It is the society which holds life cheap that imposes weak penalties for the taking of a life.

Seventy-four percent of the offenders released from prison in 1972 were rearrested within 4 years. Seventy-one percent of those released on parole, and over half of those out on probation committed crimes again resulting in their arrest. Therefore, it seems we need to examine our system of granting parole and probation and then make those privileges more difficult to obtain.

We also need to make it harder for criminals awaiting trial to be released. Frequently they commit further crimes before being brought to judgment on their first offense.

Even when criminals are tried, they may be encouraged to plead guilty to lesser charges. The American Bar Association has recommended phasing out plea bargaining. We should also reconsider the use of suspended sentences and concurrent sentences.

Finally, we must take a harder stand on juvenile crime, for that is where the real increase in crime is occurring. In 1975, juveniles accounted for almost half of all serious crimes in this country. Let us treat juveniles who commit serious crimes like adults.

Our lenient policies toward criminals in recent years have proven ineffective in reducing crime. In fact, the result has been just the opposite. Let us see what a get-tough attitude toward the criminal at the local, State, and national level—a real return to law and order—can do.

Perhaps then we will find that Gary Gilmore did not die in vain.

PERSONAL EXPLANATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. LEHMAN. Mr. Speaker, I was unavoidably detained in my office earlier today during the procedural vote to approve the Journal of yesterday's proceedings in the House.

I was meeting with officers of the U.S. Army Corps of Engineers concerning beach erosion and other environmental programs of great importance to my constituents.

Had I been present for the vote, I would have voted "aye."

THE PRESIDENTIAL PAY RECOMMENDATIONS OF JANUARY 17, 1977

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. VOLKMER. Mr. Speaker, perhaps I am being presumptuous as a freshman to come before you today to urge the members of the Post Office and Civil Service Committee to report out a resolution disapproving the pay increase for Members of Congress, the judiciary, and certain executive branch personnel.

The public is entitled to have a recorded vote on this issue. This Congress has made a commendable beginning in openness in Government. To prevent a vote on this proposal would be a backward step from above board, open Government and would confirm in many of the minds of the public the old image of Congress and would lessen the confidence of the public in Congress. Today, that confidence is needed more than ever.

I, for one, cannot say that I cannot use the money. I do not have much outside income and the high cost of living in Washington, where I have brought my family to live, along with the normal deductions for taxes, retirement, and insurance do not leave me with a great deal of spending money under the present pay raise.

However, I believe that we are at a time where there is a chance that we could hold down inflation if we could hold down the pressures for increased demands for higher prices and higher wages. As Members of Congress, we cannot ask others to do what we are not willing to do. We must be leaders and not followers, and we must lead both business and labor through the next 2 years to hold the line on inflationary increases.

As I have said before, I could use the money. I know, however, that there are many people in this country who are worse off than I am and inflation is dealing a severe blow to them at this time. Those persons on a fixed income, including private retirement, social security, railroad retirement, and veterans benefits are more in need of additional funds than I. Also, those people who are in a low-income group, working for a minimum wage or those working part time or drawing unemployment compensation are more in need of the money than I. If, because Congress permits the pay raise to go through, inflationary pressures are brought about to increase wages among all the other Federal employees and among private employers for their employees, these same retired and low-income people will be worse off than they are now.

Someone has to take the first step, and I believe it should be Congress, as the leader of the people, who takes the first step to say no. We will hold the line, we will make sacrifices that we feel are necessary in order to get the economy back on its feet.

As far as the judiciary is concerned, I am sure that very few Federal judges will retire, because they did not get the increased pay. Those who do retire will have well-qualified replacements in a very short time. Any member of the judiciary, Members of Congress, or the executive branch can be replaced with qualified people.

I do plan, in the very near future, to make a full financial disclosure of all my assest and liabilities. If there is any doubt that I could use the increase in pay, it will become readily apparent upon examination of the disclosure that I am not speaking as a person of private means or wealth.

The Members of Congress have a commitment. That commitment is not to other Members of Congress, your friends, and colleagues. That commitment is to the people of this country.

We must have a vote on this resolution and when we do I will vote against the increase in pay.

STAFF ALLOWANCES FOR EX-PRESIDENTS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ANDERSON of Illinois. Mr. Speaker, I am today introducing a companion bill to S. 646 introduced in the other body by the senior Senator from Illinois (Mr. PERCY) on February 4, 1977. This legislation would remove the present $96,000 statutory ceiling on staff allowances for ex-Presidents, beginning with former President Ford. It would also fix the rates of compensation for particular staff members. The purpose of this amendment to the Former Presidents Act is to permit adjustments in the staff allowances, according to need, through the appropriations process.

Mr. Speaker, the request for fiscal 1978 for former President Ford is $146,000 in staff allowances. The GAO has noted that the present $96,000 per annum ceiling represents a drastic reduction in force from the staff available to a President during the 6-month period following his departure from office. An outgoing President can now receive up to $1 million during this period. And yet, according to the 1975 GAO report on Federal assistance for Presidential transitions:

> The workload of a former President did not decline as rapidly after the first six months as the much-reduced staff level in the Former Presidents Act requires.

I think the Congress can responsibly adjust these allowances to more realistically reflect actual need through the annual appropriations process. Instead of an arbitrary ceiling, we would be making our decisions on the basis of the actual workload of a former President's staff.

WHY CONGRESS MUST VOTE ON ITS PAY

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. PRESSLER. Mr. Speaker, I testified yesterday before the House Post Office and Civil Service Committee's Ad Hoc Subcommittee on Presidential Pay Recommendations. I left the hearing room—after waiting 3 hours to testify—believing that my colleagues are unwilling to report one of the resolutions pending before it regarding the recommendations of the President with respect to congressional pay.

I have no quarrel with those who wish to accept the pay increase, but I do want those who favor or oppose this 28.9-percent increase to go on record as having voted "yes" or "no" on whether or not to accept this raise. Many people in my district in South Dakota ask me how I, or other Members of Congress, vote on pay raises. There is no way that I can direct them to look in the CONGRESSIONAL RECORD to find this information, because we do not vote to approve a pay raise.

At the subcommittee hearings yesterday, there was a discussion of whether this issue of pay raises for Congress is insignificant when compared to welfare reform, jobs bills, and reducing unemployment. It is not an insignificant issue, because our constituents have a constitutional right to demand—and expect—accountability from their elected officials. This responsibility to our constituents demands that we vote—yes or no—on the issue of congressional pay raises. This vote for the sake of accountability is just as important on this issue as it is for any other measure considered by Congress.

My constituents have indicated their support for a vote on congressional pay raises, and I have had calls and letters from Texas, California, New York, Maryland, Virginia, and other States supporting my efforts to get this issue on the floor for a vote. Many of the letters I have received from around the country object to the pay raise itself, but most of these letters also contain thoughts like this one, which I received from a woman in Kentucky:

> Isn't there a way to force Congress to record their votes individually? I want to know how my Congressmen vote.

What is our reply to those who ask this question? Many of us are trying to get this issue onto the House floor for a vote. We cannot be too confident that Congress will vote for its pay, however, because ever since the 1967 law which allows the pay increases to go forward automatically, 83 resolutions of disapproval of pay have been introduced in the House and no action has been taken to get them to the floor.

Those of us who wish to go on the record as having supported or opposed this pay increase should be given this opportunity. We have a constitutional responsibility to hold ourselves accountable to those who pay our salaries—the citizens of our country.

Mr. Speaker, to make clear my stand on this issue, I wish to insert the letter from the Washington Star, Tuesday, February 8, 1977:

> AUTOMATIC RAISES FOR CONGRESS?
>
> An Associated Press story in The Star on Jan. 21 accurately stated that I have a lawsuit before the Supreme Court, challenging the Congressional pay raise procedures. However, it inaccurately stated that I think Congressmen currently are overpaid.
>
> The purpose of my suit has nothing to do with the pay level. Rather, I want to have a vote on Congressional pay. The current automatic pay raise laws allow a Congressional pay raise to go forward automatically unless one house votes it down within 30 days after its proposal. Thus, the 1968 and 1975 pay raises went forward automatically, and the 1977 pay raise probably will go forward automatically—that is, without any roll-call vote.
>
> The Constitution requires a vote on Congressional pay. It does not specifically require a vote on civil service, military or judicial pay, but it does on the pay of Congressmen. Indeed, at the Constitutional Convention, James Madison settled the argument over having individual states pay members of Congress or having the Federal Treasury pay them by emphatically stating that there would always be a vote on Congressional pay so members would be individually responsible. As Farrand's Records of the Federal Convention of 1787 lucidly reveal, the founders intended that Congress would always vote on its pay.
>
> As a member of Congres, I want to fulfill my Constitutional responsibility and vote "yes" or "no" on the upcomnig 28 percent pay raise proposal. Also, in October 1977, another "automatic" pay raise for members of Congress will come under the annual cost-of-living adjustment. I want to vote on that raise, too.
>
> LARRY PRESSLER,
> *Member of Congress.*
>
> WASHINGTON, D.C.

KOREAN INVOLVEMENT NEEDS INVESTIGATION

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. PATTERSON of California. Mr. Speaker, I want to express my support for House Resolution 235, authorizing the Committee on Standards and Official Conduct to investigate the improper influence of Members of Congress by representatives of the government of the Republic of Korea.

I am not making preliminary judgments regarding the guilt or innocence of any person and would not advocate that anyone else do so. I do believe, however, that the allegations that have been made are of such a serious nature that we in the Congress must take immediate action to ascertain the true facts, and if evidence warrants, discipline and punish those involved.

If we fail to act now, in an expeditious manner, we will raise grave doubts in the

public mind over the integrity of this Institution. At this moment we are in the process of writing a most stringent code of ethics. We must not fail to act on this matter which involves possible violations of the law. How can the House of Representatives which so efficiently, fairly, and judiciously investigated violations perpetrated by those involved in the Watergate scandal not have at least equal outrage over allegations of illegal activities involving Members of the House.

I am aware that the Justice Department and the U.S. Attorney's Office are currently conducting their own investigations of the allegations that have been made. My intention in supporting House Resolution 235 is not to deter or divert efforts away from that ongoing investigation. I support that investigation, but I also firmly believe that we in the House of Representatives have a responsibility, in fact an obligation, to enforce our own code of ethics and to demand that the Members of this body obey the law.

The charges involving bribery and influence peddling reach at the very foundations of representative government. We each have been elected and entrusted by our constituents with the duty to represent their concerns and interests. Collectively we must assure that this trust is not abused by unethical or illegal activities by any Member who takes the oath of office.

EPA ACTION IN HALTING AUTOMOBILE PRODUCTION IS PROBABLY UNCONSTITUTIONAL

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. SYMMS. Mr. Speaker, this morning the Washington Post carried a front page story announcing that the Environmental Protection Agency has ordered an immediate halt to the production of Ford Granadas and Mercury Monarchs, both manufactured by the Ford Motor Co. As I understand the report, about one-third of the entire production line of these cars will be shut down pending modification to their carburetors.

What is disturbing to me is that the laws under which EPA is taking this action might be unconstitutional. It seems that there may be a seventh amendment violation in that the EPA's action amounts to civil fine or penalty without due process. If, in fact, Ford Motor Co. is violating some law, then let the case be handled by the Justice Department and brought before a court of law. Unelected Government bureaucracies should not have the power to step in and shut down an assembly line of a private manufacturing concern.

On the light side, Mr. Speaker, I am sure that EPA's action against Ford Motor Co. had nothing to do with the fact that Henry Ford II recently resigned from the board of the Ford Foundation, even though the Ford Foundation has been one of the largest financial backers of environmental extremists groups.

FFA—AGRICULTURE'S NEW GENERATION

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. NATCHER. Mr. Speaker, the Future Farmers of America will be celebrating their National Week February 19 to 26 and it is once again a real pleasure for me to salute this unique organization.

FFA is open to any student who is studying vocational agriculture and has grown to a membership of over one-half million young men and women.

The theme for 1977 National FFA Week, "FFA—Agriculture's New Generation," is certainly fitting, for through this outstanding organization our youth prepare themselves to enter an exciting new world of agriculture. They will study the many facets of agriculture such as global expansion, technical advancement, economic strategy, environmental conditions, political confrontation, and consumer education. Through their involvement in these many areas the members of FFA will certainly develop the necessary skills and understanding to successfully meet and deal with the challenges that lie ahead of them in their chosen fields.

Perhaps one of the most challenging and difficult decisions facing the young men and women in FFA, as well as all of our youth today, is the important step of choosing a career. The Future Farmers of America is, no doubt, of great assistance to its members as it offers the opportunity to explore the many areas of agriculture through course work and real life experience.

The FFA principle of learning by doing not only provides an unmatched agricultural education but encourages self-development and responsible leadership, citizenship, and cooperation.

As an organization, the Future Farmers of America have consistently demonstrated their dedication to the production of food and fiber to meet the needs of our Nation and the world. There can be no finer testimony to the success of this organization than the many outstanding agricultural leaders of today.

In Kentucky, as well as many other States, FFA alumni chapters have been organized to support those who will be the next to lead. I take special pride in the many worthy achievements of the Future Farmers in Kentucky and am pleased to note that their membership has risen to a record number of 15,450 individuals.

Mr. Speaker, I would like to congratulate the Future Farmers of America for they are truly "Agriculture's New Generation" and I offer my best wishes for continued success in all of their future endeavors.

PLAIN TALK ON ENERGY, ENVIRONMENT, AND ECONOMICS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BROWN of California. Mr. Speaker, the need to synthesize energy, environmental, and economic policy is known to us all. However, few of us have the ability to do this, and we are skeptical of those who claim to possess this ability. The subject is simply too complex and confused to lend itself to easy analysis. In spite of this difficulty, we have to attempt the synthesis, and any help we can get in doing this is welcome.

One of the better writers in this field is Dr. Barry Commoner, who is probably known to every Member of this body. In a recent visit to Los Angeles, Dr. Commoner addressed the Los Angeles County Federation of Labor—AFL–CIO, and also wrote a short article for their publication, the Los Angeles Citizen. Because these two items are short, well written, and address the issues we are grappling with, I would like to share them with my colleagues. I believe this material is a real contribution to the understanding of the problems before us.

The articles follow:

[From The Los Angeles AFL–CIO Citizen, Jan. 7, 1977]

NEW ENERGY POLICY—KEY TO ENDING ECONOMIC WOES

(By Barry Commoner)

No one needs to be told that our cities are in crisis. Each year the quality of urban life becomes worse; the problems multiply; the costs escalate; bankruptcy threatens.

Despite their complexity, nearly all of the cities' chaotic troubles stem from only two, but enormously difficult, economic ones—unemployment and inflation. Lack of work generates most of the human misery that city agencies confront, and the rising cost of living limits what can be done to alleviate it.

But blaming the urban crisis on unemployment and inflation only seem to be the old maneuver of shifting the cities' problems to the federal government, where such economics issues are ordinarily dealt with. It leaves the cities in the familiar and frustrating position of pleading for federal help.

I should like to propose a new idea: that the key to the unemployment and inflation problems is a new energy policy, and that the cities can take the lead in creating it. While it remains true that unemployment and inflation must be curbed in order to solve the cities' problems at their root, this new approach would give the cities a way to tackle these problems on their own initiative.

To see the crucial links that connect energy, unemployment, inflation, and the fate of the cities, we need to know certain basic facts:

Nearly all (96%) of U.S. energy comes from petroleum, natural gas, coal, and uranium. These are nonrenewable resources; they get used up.

Although the supplies of oil, gas and uranium are indeed exhaustible, we are not likely actually to exhaust them. The real trouble with a nonrenewable energy supply is economic. As oil, for example, becomes scarcer, more energy, more capital and other resources need to be invested in producing it, forcing up the price of oil, adding to the rising cost of production, again driving the price of oil upward. So long as we rely on

nonrenewable sources of energy we will run out of our ability to afford it long before we run out of the energy itself.

Every source of energy is useful only after it is transformed into some appropriate form. The cost of the necessary energy-transforming machinery depends on its technological maturity. A nuclear power plant is a new and very complex technology which is still in the process of being redesigned. Because nuclear power plants have had to meet safety and environmental protection requirements that were not anticipated in the original design, their costs have increased by 130% in the last five years, and since waste and reprocessing problems remain unsolved the costs will continue to rise. That explains why nuclear power is the most expensive energy source.

Rising energy prices can only lead to economic disaster. According to conventional wisdom, energy has been "under-priced" and, as the price rises, the "free market" will see to it that less is used. But this conventional view overlooks a basic, overriding fact about energy: Unlike other scarce, high-priced goods (elephant tusks, for example) where it is needed there is no substitute for energy. As a result, as diminishing returns force the price of energy to rise, manufacturers let the increase "pass through" to the price of the goods they produce. Since energy is used to produce all goods and services, this means a general increase in prices. An energy policy that depends on nonrenewable resources and immature technologies means runaway inflation.

Inflation that is driven by the rising price of energy is certain to place the heaviest burden on the poor, the central city dwellers. The necessities of life, which make up most of a low-income budget, have become particularly vulnerable to the rising price of energy. To make matters worse, the use of energy has become grossly inefficient. We pay more for energy and get less out of it.

Because of these trends, the U.S. economy is now in an absolutely unprecedented situation: For the first time in history the relative price of energy is rising at a rapid and continuing rate. In the last 2½ years the price of energy, which in the previous 25 years has been essentially constant relative to general wholesale prices, jumped from an index value of 72 to 106. The rapidly rising price of energy drives all prices upward, creates uncertainties that delay new industrial investments, and forces economic dislocations that cost jobs. It is a prescription for inflation and unemployment.

Here, then, is the real meaning of the energy crisis. It is not the distant prospect of some day running out of energy. Rather, it is the immediate prospect of economic catastrophe.

Although it is convenient to blame the rising price of energy on the OPEC countries, in truth it is the inevitable result of U.S. energy policy.

Every step taken by the Ford Administration in the name of "energy policy" has been a move toward ever higher energy prices: It has attempted to stimulate domestic oil and gas production by means of business "incentives"; to speed the construction of nuclear power plants; to develop shale oil and synthetic fuels. For reasons already given, each of these actions drives the price of energy upward.

This is the energy policy that the new Administration will inherit. It is a policy that is rapidly carrying the country toward economic disaster. Until that policy is changed, there will be no escape from inflation, unemployment and the downward trend of the economy.

Cities are particularly vulnerable to the rising price of energy. If it continues to soar, people in the spread-out municipal areas will be forced to pay ever-increasing costs just to survive—to go to and from work, to go shopping, to visit the doctor. The rising cost of employes' travel between the suburbs and city businesses will give industry yet another excuse to flee the city.

What can be done? Is the energy crisis just another of the cities' insoluble problems?

Far from it. Once it is seen in its true, economic form, the basic strategy of solving the energy crisis, and the powerful initiative that the cities can take to accomplish it, become clear. The basic strategy is to take advantage of the rapid, unprecedented rise in the price of fuel, which gives a strong economic incentive for investments that cut down the use of fuel. In other words, precisely because our present energy sources have—for good reason—become the leading edge of inflation, an investment that reduces the use of these sources becomes a uniquely effective hedge against inflation.

There are two ways of doing just that, which—unlike offshore oil or nuclear power—can be readily available anywhere in the country: insulation and solar energy.

Here is one example: In the St. Louis area about $2,000 would be needed to insulate a conventional frame house with no present insulation, saving about $83 a year in present utility cost. But $83 will not cover the payment on a $2,000, 20-year loan. However, since the price of energy is bound to go on rising, in about five years the utility savings will in fact make the $2,000 investment worthwhile. The problem is that even with good prospects of an eventual net saving, few householders are likely to be in a position to take on such a debt and incur an immediate, if temporary, increase in their operating costs in order to save money in the future.

Solar energy offers a similar protection against inflation. One of the myths about solar energy is that it will be feasible only in the sunniest parts of the country. But the most and least sunny regions differ only by a factor two. Another myth is that it is too expensive. But one important solar technology—the collector—is already economical in many parts of the country, when properly combined with conventional energy sources.

A recent Washington University study showed that a St. Louis homeowner could cut his hot water bill, right now, by installing a solar collector to meet about 46% of the need, the rest being provided by electricity. Although the collector would cost $660 installed, amortized at 8% bank financing it would still reduce the overall annual total hot water bill by 10%.

Nationwide, 24% of all homes now use electric water heaters, which consume 16% of all residential electricity, second in demand only to refrigeration. By the St. Louis data, these homes could be equipped for about one-half solar water at a total cost of about $10.5 billion.

As a rough estimate, the nation could produce the same amount of hot water by investing $10 billion in solar collectors, or in nuclear power plants. But the solar collectors are likely to be much more reliable and certainly much less risky than the nuclear power plants.

These examples show that insulation and heating can be used to counteract rising utility costs, with future, and in some cases present, savings to the householder—if suitable financing can be arranged.

To illustrate what might be accomplished nationally in this way, here is a final example. It is based on President Ford's proposal to invest $100 billion of public funds to provide private entrepreneurs with capital for energy investments in nuclear power, shale oil and synthetic fuel—all of which would contribute considerably to the rising price of energy. If this money were used instead to provide loans for solar-heat installations (interest-free, but with the recipient required to pay back the annual savings in fuel, reckoned at a fixed, rather than constantly inflating price) after 10 years the following could be accomplished: Most single-family homes and commercial buildings in the United States would be using solar heat for 60% of their space-heating requirements and that part of their heating bill would no longer increase in price; the fuel saved could reduce national oil imports by about 20%; in the tenth year and thereafter; about $6.5 billion would be paid back to the government annually. With insulation loans added, such a program could be even more effective.

Without more detailed analysis these figures must be regarded as approximate. But they are precise enough to show that the rapidly rising price of conventional energy makes it feasible—in some places immediately and in most of the country within the next few years—to use investments in insulation and solar heat as powerful, cost-effective weapons against inflation. But none of this can happen without some kind of government intervention to facilitate the necessary financing. In return the country would receive very considerable advantages:

First, the soaring cost of energy would begin to be stabilized. To the degree to which insulation and solar devices reduce the consumption of oil, natural gas and nuclear power, the consumer will be freed of constantly rising utility bills.

Second, demand for fuels and electricity would be reduced; this would help to cut back the rate of increase in energy prices and inflation generally.

Third, insulation and solar heating are job-creating programs, involving carpenters, plumbers, electricians, glass workers, sheet-metal workers, and the construction industry as a whole. For example, the $100 billion 10-year program cited above could probably create nearly a million jobs, or enough to reduce the unemployment rate by one percentage point. And since the work is tied to housing and commercial building, cities, and suburbs would particularly benefit from the new job opportunities.

Fourth, by reducing fuel consumption, the program would diminish air pollution, again especially in the cities.

To implement such a program, what is needed is an agency which, for the sake of these considerable social advantages, would offer loans at favorable financial terms for insulation and solar heating in homes and commercial buildings. In order to match the highly local, decentralized nature of the necessary work, the agency ought to operate on a local, rather than national scale.

What is called for is not some new federal bureaucracy, but rather, in each city or metropolitan region, a kind of Urban Energy Bank, matched in size to the area that it serves and supplied with funds raised either in the bond market, or provided federally (or both). It seems to me that the appropriate administrative base for such an agency is the city.

Beyond the advantages to the cities themselves, such a program would begin to create a sensible national energy program. Previous proposals for a national energy program have been based on huge, costly, centralized facilities.

But now, with a new administration we could do things differently. President-elect Carter has already noted the importance of energy conservation and solar energy, and called for a critical look at the future of nuclear power. More important, he has called on the American people to rely less on the old, centralized bureaucratic attempts to solve their problems, and more on their own creative energy and initiative. Energy policy is a unique opportunity to make a start in this new direction.

The energy crisis creates both the necessity and the opportunity to strike at the

heart of our most disastrous urban and national problems.

It calls for a new energy program that addresses the economic impact of the crisis—inflation and unemployment—and for a new partnership between the people and their government.

It gives the cities the opportunity to lead the way toward these goals.

It gives us all the challenge to restore hope in the cities', and the nation's, future.

[From the Los Angeles Times, Feb. 6, 1977]

SOLAR ENERGY COULD AVERT CRISIS IN SOUTHERN CALIFORNIA

(By Barry Commoner)

(NOTE.—Barry Commoner, director of the Center for the Biology of Natural Systems at Washington University, St. Louis, is the author of "Science and Survival" and "The Closing Circle." His latest book is "The Poverty of Power: Energy and the Economic Crisis." This article is adapted from a recent speech at an energy conference of the Los Angeles County Federation of Labor (AFL-CIO).)

Even with their thermostats set at 65 degrees to help conserve natural gas for shivering Easterners, people in California have difficulty visualizing the extent of the energy crisis. But energy problems will increasingly affect the economy of the state, particularly in Southern California.

A report prepared recently by TRW, Inc., for the California Energy Resources Conservation and Development Commission paints a grim picture for Southern California.

Industry, most commercial establishments and homes depend heavily on natural gas.

The supply is dwindling, so that by 1980 natural gas will be denied to some industries and curtailed for residential users.

Any feasible substitute for natural gas, chiefly oil, would worsen the already serious air pollution problem in Southern California. The choices open to industrial managers facing the loss of their essential natural gas supply in the next few years therefore depend on whether they can expect relaxation or stringent enforcement of air quality standards.

If air pollution enforcement is relaxed to allow substitution of a more polluting fuel, the industrial manager will find that the cost of that fuel will determine whether his operation is still profitable. If the industry cannot afford to replace natural gas or to modify its operation, the only alternative is to shut down.

If air pollution enforcement is *maintained*, the only alternative is to delay action, presumably in the hope that the standards will eventually be relaxed as the threatened shutdown of the industry approaches.

This is a picture of the strategy that industrial management hopes to use to meet the expected depletion of natural gas supplies. The message of industry is clear: Relax pollution standards, or by 1980 industry in Southern California—and a few years later in the rest of the state—will be forced to go elsewhere.

When you examine all the facts about the energy problem, it becomes clear that we do *not* need to choose between jobs and environmental quality. There is a way to get the needed energy that will protect both the environment and the economy. In fact, a new energy policy that is guided by a proper understanding of efficient energy production and environmental quality is the one sure way to stabilize the economy, to reduce inflation and to increase employment.

The present natural gas supply for Southern California comes by pipeline from fields in Texas and California. It is a limited amount which will eventually "run out." And it is certainly true that substitution of oil for natural gas would worsen pollution; compared to natural gas, oil produces about 15 times more nitrogen oxides, 50 times more particulates, and 1,000 times more sulfur oxides.

With both oil and natural gas, the real problem is the eventual reality of "running out." But what does "running out" of an energy supply really mean? What determines the amount of oil and natural gas that will be produced and how long these supplies will last?

"The U.S. Energy Outlook," published by the National Petroleum Council in 1971, and subsequent Federal Energy Administration studies that were largely based on it, examined the cost of finding and producing the dwindling domestic supplies of oil and natural gas, their selling price, and profitability.

These reports show that if the price of domestic oil were held to $7 per barrel (in 1973 dollars), U.S. companies would be expected to produce about 70 billion barrels between 1975 and 1988. If the price were allowed to reach $11, the companies could afford to invest in more intensive exploration efforts and more costly production techniques and could then produce about 80 billion barrels in that period. Thus, the country could have an additional 10 billion barrels of oil—if we were willing to finance the extra production by paying an additional $390 billion for it. This amounts to $39 per barrel for the extra oil.

All these calculations are based on meeting the companies' need for profit, usually an expected 15% return on assets. When the price is too low to yield this profit, the companies lack the incentive to find and produce larger amounts of oil and natural gas. In other words, we are not so much running out of gas and oil as we are running out of the corporations' willingness to accept a declining profit, or the country's willingness to accept a higher price.

All this means that the industries of Southern California will "run out" of natural gas and face shutdowns when the price is higher than they are willing to pay. It also means that their willingness to substitute oil or some other fuel, rather than shut down, will depend on the cost of the alternative supply.

Switching to oil cannot solve the economic crisis resulting from the declining supply of natural gas—because oil too is a dwindling resource. Thus, the switch to oil would only worsen the environmental situation, without improving the economic problem—the rising price of fuel—which is the real measure of the economic crisis.

Another possible solution appears at first glance to solve the energy problem in Southern California without worsening air pollution—importing liquified natural gas (LNG) from Alaska or Indonesia. Again, we must examine the cost of the alternative to decide its feasibility.

The estimated price of LNG delivered to the Los Angeles area is considerably higher than the expected price of domestic natural gas. Moreover, because of its technological immaturity and the anticipated costs of minimizing the huge dangers involved in handling and using it, LNG will become an *increasingly costly* alternative to domestic natural gas. Like the oil alternative, LNG is not a viable solution.

To see a way out of this dilemma, we must return to the fundamentals of energy production: What we need is energy at a *stable* cost, and to accomplish this, the source must be *renewable* (and therefore not subject to diminishing returns) and the technology *mature* (and therefore not vulnerable to unexpected, increasing costs).

There is, of course, only one renewable energy source available to us—the sun. Can solar energy substitute for the intense use of natural gas in Southern California? Are the available technologies economically competitive and mature?

The answer is yes. Two solar technologies which are economically competitive with the expected price of natural gas in Southern California and which are technologically mature can already take care of most of the natural gas demand in the area.

The first is the production of methane (the essential ingredient of natural gas) from organic wastes. This is a solar technology because the sunlight that falls on California is photosynthetically transformed by plants into various kinds of organic compounds—cellulose and other constituents of wood, the sugars in fruit and other foods, the protein and fat of meat. All of these materials are easily and efficiently converted to methane, most of them by biological processes that have little or no environmental impact.

The advantages of methane production are many. It would help to reestablish ecological balance in California agriculture, and at the same time reduce agricultural costs, since the residual sludge from this process is an excellent, inexpensive nitrogen-rich fertilizer—which could reduce the present high rate of consumption of inorganic nitrogen fertilizer. Since this fertilizer is made from natural gas, the production of methane would help to relieve the demand for natural gas. Similarly, methane generation is an ideal, ecologically sound way to cope with two major urban problems—disposal of garbage and sewage.

The most important factor, however, is that the methane derived from all these materials, as well as sewage and manure, will constitute a *renewable* fuel. It will be available in about the same amounts from year to year.

How large are the potential resources for methane production in California? I estimate from the most recent report by J. A. Alich of the Stanford Research Institute that organic wastes now produced annually in California can yield about 200 billion cubic feet of methane. In 1975 this amount of methane would have supplied the needs met by natural gas for all electric power production in California and all of the major industrial uses of natural gas in the Los Angeles metropolitan areas.

But even if the price of solar methane were stable, might it be so high that it would be uncompetitive with the nonrenewable sources, such as LNG (with all the necessary precautions built in. and paid for) for a long time?

Cost figures worked out by the RAND Corp. for the production of methane from available organic wastes are in the range of $1–2 per 1,000 cubic feet. This compares quite favorably with the expected cost of Alaskan LNG, which RAND predicts to be $1.50-2.25. What about the large capital investment? Methane technologies are simple and mature.

The second method of meeting the coming natural gas crisis in California is the direct use of solar energy for heating now, and for cooling in the not-so-distant future.

One of the unfortunate myths about solar energy is that the necessary technologies are yet to be developed, and are simply too expensive to be practical. But the fact is that solar technology can help significantly and immediately to solve California's natural gas crisis. The simple solar collector, a metal or glass-covered box painted black inside, traps sunlight and converts it to heat, which can then be readily transferred to a moving stream of water or air and used for space heat, or hot water.

A few weeks ago the Energy Resource and Development Administration, which has been no great booster of solar energy, announced the results of a study showing that solar heat is, today, economically competitive with electric heat in a number of cities, including Los Angeles.

What would the widespread use of solar collectors mean for Southern California and the entire state? About 30% of the present uses of natural gas in California are for

space, heat and hot water, 60–70% of which can be handled by ordinary solar collectors. Therefore, substitution of solar heaters would reduce overall demand for natural gas significantly—by about 20% of the present total demand. The main problem to be solved is in financing the initial investment at reasonable interest rates.

Methane production from wastes could meet about 30% of the present natural gas demand, 55% using special fast-growing hardwood crops. Solar collectors for space heat and hot water could meet 20% of the demand. Together, these solar techniques could meet about 75% of the present demand for natural gas. With the addition of fairly simple energy conservation practices, the solar alternative could free California from the threat of economic catastrophe that is inherent in its present dependence on natural gas.

If the serious energy problems of Southern California could be solved by development of solar energy sources, why hasn't this alternative been pursued more vigorously? This is the same question that arises in connection with the absence of a sensible *national* energy policy.

Until now energy policy has been determined by industrial management. Industrial managers are motivated in the choice of product, the design of production technology, or the choice of fuel, by profitability. The present policies, which are characterized by the rising price of energy, have thus far yielded good profits to management. But these policies are short-sighted. While they have been profitable in the short run, they have led to the economically catastrophic escalation of energy prices. They have left industry, and the workers who depend on it, vulnerable to the disruptive effects of uncertainties in the future supply and price of energy.

It is perhaps not very surprising that industry has so badly mismanaged the energy problem. We already know how poorly industry has handled the environment problem—creating products and production methods that ignored the effects on the environment in the workplace and outside of it. In the terminology of the "free market" these are all considered "externalities." Such externalities affect workers, consumers, and society as a whole, but do not enter into the computation of profit, "the bottom line," until the damage is done and penalties mandated by legislation must be paid.

In this sense, the energy crisis is itself an externality—a fault imposed on society by the failure of the famous "invisible hand" of the free market to govern successfully the national production and use of energy.

Should we expect Washington to do the job? The federal government is accustomed to solutions to externalities—whether unemployment, environmental degradation, or energy problems—that only try to soften the worst symptoms—for example, regulations that attempt to "control" workplace hazards, long after the boardroom decisions that created these hazards in the first place have been made and built into the factory. But there is no way to patch up the energy crisis. It will rapidly turn into an economic disaster unless *fundamental* steps are taken.

I am convinced that the opportunity for a solar solution is not only technologically and economically sound; it is also politically realistic. President Carter has already emphasized the importance of solar energy and conservation and has been critical of excessive dependence on nuclear power. He has reminded us that we would do better to rely less on highly centralized, federal attempts to solve our problems and more on our own creative efforts and initiative.

The energy problem is a unique and enormously important opportunity to move in this new direction. And one place to start this new movement is right here in Southern California.

QUALITY OF POSTAL SERVICE IN SOUTHEASTERN WISCONSIN COULD STAND IMPROVEMENT

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. KASTEN. Mr. Speaker, over the past several years, I have become increasingly concerned about the number of complaints from constituents regarding the quality of mail service provided by the U.S. Postal Service.

Last March, I requested that the General Accounting Office study the quality of mail service in the Ninth Congressional District of Wisconsin. The GAO carried out an intensive, 6-month review of mail service policies and procedures, which included observation of processing operations, discussion of problems with local postal officials, and analysis of responses to my questionnaire on the quality of mail service.

In compiling this information, GAO found that the Postal Service in southeastern Wisconsin promises the people much more than it delivers.

DELIVERY OF FIRST-CLASS MAIL

The GAO report stated that the Postal Service measures quality of service primarily in terms of delivery performance on first-class mail, with emphasis on overnight delivery. Postal standards provide for 1-day—overnight—delivery within local areas, 2-day delivery within a 600-mile radius, and 3-day delivery for all other first-class mail. The Service's goal is to meet these standards 95 percent of the time.

According to the GAO report, Postal Service statistics show that first-class mail in southeastern Wisconsin was delivered overnight 97 percent of the time—exceeding the Service's goal of 95 percent. Although promised 2- and 3-day delivery met or exceed national averages, it did not meet the Service's 95 percent goal. The GAO report noted that inconsistency is a major problem, as some southeastern Wisconsin communities receive much better service than others. It also pointed out that in the area as a whole, 4.8 billion pieces of first-class mail are delivered late every year.

OVERNIGHT SERVICE TO 17 CITIES

The GAO report stated that in October of 1975, the Postal Service implemented, on a test basis, the service improvement program, which eliminated airmail and upgraded first-class mail service commitments. Under this program, Milwaukee mail was to receive overnight service to Chicago and 16 other cities. A map was placed in the Milwaukee Post Office promising 95 percent on-time delivery to these 17 areas.

However, GAO investigators found that during one 4-week period, only 40 percent of the mail to Chicago was delivered overnight.

The GAO concluded that unless improvements are made, "postal patrons may in time conclude that the postal service is advertising service that it cannot deliver, causing dissatisfaction and complaints."

SECOND-, THIRD-, AND FOURTH-CLASS MAIL

The GAO was critical of the Postal Service's performance on second-, third-, and fourth-class mail delivery. The report stated that although,

> The Service has established delivery standards for these classes of mail, it only measures performance for parcel post. We believe that postal patrons can expect inconsistent delivery service for most second-, third-, and fourth-class mail because it has the lowest priority—it is processed as time allows.

PARCEL POST DELIVERY

GAO investigators also rated the delivery of parcel post packages as inconsistent. During a 7-month period last year, promised overnight delivery was achieved only 83 percent of the time within the Milwaukee area.

The GAO report concluded that customers "have complained of parcel damage, and we believe such complaints have merit." Investigators who observed parcel handling in the Milwaukee Post Office reported that they saw "parcels jammed together on conveyor belts, dropped 12 to 15 inches from one conveyor system to another, smashed at the bottom of long chutes by other parcels, and tossed 5 to 10 feet into pouches." They also noted that parcels marked "fragile" were treated the same as other packages. The study found that over the last 18 months an average of 13,299 parcels per month required rewrapping by the Milwaukee Post Office.

SORTING

GAO investigators found that an average of 1.5 percent of the letters sorted by zip code in the main Milwaukee Post Office were missent to their destination within the area studied.

Of the 3,244 letters selected for a survey by GAO, 4.1 percent were incorrectly sorted by zip code. GAO then checked the error rate after 1,391 sorted letters were routinely double checked for accuracy by postal employees, and put in pouches ready for pickup by a mail truck. Two and a half percent of those letters were missent.

QUESTIONNAIRE RESULTS REVIEWED

To determine the views of postal patrons, GAO reviewed the results of a special Postal Service questionnaire that I had sent to 60,000 residents in the Ninth Congressional District. It also reviewed the complaints received by the Milwaukee Post Office during a recent 6-month period. Of the 4,174 consumer complaint cards filed, about 45 percent were complaints about delivery, primarily late delivery. But 37 percent of the complaints concerned the self-service postal units at shopping malls and similar locations.

GAO found that the main causes of mail delivery problems in southeastern Wisconsin were transportation difficulties—either mechanical or weather related—human error in sorting and dispatching mail, and processing equipment breakdown.

IMPROVING MAIL SERVICE

In a letter to the Postmaster General of the United States, I outlined the problems uncovered by the General Accounting Office investigation and urged that mail service in southeastern Wisconsin be improved. I requested that the Postal

Service stop making promises that it could not keep and stop advertising service that it could not deliver.

In his response to my letter, the Postmaster General, Benjamin Bailar, assured me that several efforts were being taken on both the local and national levels to correct the deficiencies cited by GAO investigators.

He explained that comprehensive analyses have been conducted at all of the bulk mail centers to identify local factors which contribute to damage and delay of packages. Plans for corrective action have been developed and implementation is underway.

On a national scale, Bailar said,

A special management project has been established to review and revise a number of policies and procedures which impact on the effectiveness of bulk mail operations.

In response to customer complaints about self-service postal units, the Postmaster General conceded that "some of the equipment is in need of replacement." Bailar said that steps are currently being taken to replace outdated and malfunctioning self-service postal units.

At my request, the service improvement program map was removed from the lobby of the Milwaukee Post Office. James D. Oster, Milwaukee postmaster, advised me that tests were made to the SIP cities, and as a result adjustments were made to the map to reflect the true facts.

Mr. Oster has said that if and when the Postal Service lives up to its promise of 95 percent ontime delivery to the 17 cities involved, the map will once again be amended.

Through the Federal investigation and with the help of Ninth District residents, we have been able to pinpoint some of the problems and we have taken the first steps toward correcting them. We have a long way to go before the people of Wisconsin receive the efficient postal service they want and deserve. But we have made a start.

I will continue to monitor these corrective efforts to insure that action is taken. We have listened to promises. We now expect results.

The Postal Service provides a prime example of one of the greatest problems Americans face today. Our Government has grown large, unwieldy and undependable; it promises the American people solutions and services that it cannot deliver. This practice cannot continue. We need and deserve a government that promises only what it can deliver, and delivers all that it promises.

LIMIT ON CONGRESSIONAL TERMS

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BEDELL. Mr. Speaker, I have today introduced a proposed joint resolution to amend the Constitution of the United States to limit and change the terms of Members of Congress.

A Representative's term would be lengthened from the present 2 years to 4, but this resolution provides that no Member—Senator or Representative—can serve more than three consecutive terms. He would have to sit out a 2-year period following his third term before he would be eligible to run again. However, no Representative would be permitted to run for the Senate unless he resigns as a Representative effective January 3 following the date on which such an election is held.

Additionally, my resolution would divide the House of Representatives into two classes so that fully one half of the House is elected every 2 years.

I feel that a term limitation should be imposed on both Houses of Congress, just as we have on the Executive, which would prevent election to office from becoming a way of life, and contributes significantly to the demise of the seniority system.

The proposal which I have offered would allow continued use of the seniority system but the chain of seniority would be broken and this would permit greater flexibility in congressional leadership.

What the House needs badly is more turnover. It does not need a revolution every 2 years, but it does need a steady flow of new people, people who are fresh from their communities, people who will approach issues and problems with logic and imagination. It is precisely these kind of men and women, swept into office by the impact of Watergate and the economic downturn, who are reforming the House today.

WORLD WAR I PENSION ACT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. LEHMAN. Mr. Speaker, veterans of World War I deserve an increase in their pensions. This legislation has provided too little to the veterans of World War I. For this reason I have cosponsored the World War I Pension Act, which will provide a $150 monthly pension to veterans of World War I or their spouses.

Unlike a veteran of a later war, the World War I veteran received no GI educational benefits. There was too little effort to aid these veterans in finding employment, nor was there a GI home loan program. Veterans hospitals like those of today were unheard of in the days of World War I veterans. Further, the social security system, which was created in 1935, did not aid most World War I veterans as they were already too old to build up maximum benefits.

Clearly, the veterans of World War I have been neglected. The World War I Pension Act would serve to partially compensate the veterans of World War I who are eligible for the wide range of benefits available to veterans of later wars.

Presently there are 834,000 surviving World War I veterans-94,000 less than at this time last year. The pension increase should get to the deserving World War I veterans now.

AN EXAMPLE TO US ALL

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. STOCKMAN. Mr. Speaker, on occasion, one among us who is touched cruelly by the hand of fate rises to meet the challenge in a way that can serve as an example to us all. Tim Messner of Constantine, Mich., is such a person. The ongoing struggle he faces as he tries to regain the use of his limbs after a serious accident is a demonstration of what the human spirit can accomplish. The role of his family in helping him back to health is a demonstration of the continuing vitality and importance of the family to our American way of life. I insert in the RECORD an article, which appeared in the Kalamazoo Gazette, describing Tim's recovery at this point:

[From the Kalamazoo (Mich.) Gazette, Jan. 22, 1977]

CONSTANTINE ATHLETE WINNING HIS TOUGHEST TRIAL

(By Del Newell)

CONSTANTINE.—Tim Messner ranks right up with Constantine High School's finest all-around athletes.

A fierce competitor, he quarterbacked the football team, was the leading scorer as a senior in basketball and also participated in golf and track.

He met many challenges in the athletic arena—and conquered almost all of them.

Today, however, he's facing his biggest challenge. One that can't be overcome by throwing a long touchdown pass or swishing a jump-shot in the final seconds of a basketball game.

Tim, now 25, is battling back from a terrifying snowmobile accident that occurred three years ago, a mishap that threatened his life, left him paralyzed and had neurosurgeons shaking their heads, sadly announcing to his family, "You may never see Tim move any more than he is right now."

Tim at the time experienced no feeling. The snowmobiling accident had fractured some of his vertebrae and left his spinal cord looking like an "S." He was lucky to even be alive, so doctors said.

Tim, at the time of the accident, had been working in a bank in Shipshewana, Ind. Married for two years, his future looked bright. He was being groomed to become a branch manager.

"It will be 36 months, come Feb. 10, since the accident happened," Tim said recently.

On that day Tim and his brother Mike, currently a teacher and coach at Constantine and another of the school's former prep standouts, were snowmobiling on the track at the high school.

Tim went up a steep embankment attempting to depart the run site. While going down the other side he was thrown from the vehicle, sailed through the air and crashed head-on with sickening force into a light tower 30 feet away.

"I remember waking up and my machine was sitting next to me idling. It was strange. But I couldn't move or feel anything.

"Mike came along soon and when I continued to be unable to feel anything he called an ambulance and I was taken to Bronson Hospital in Kalamazoo," said Tim.

There the extent of the damage was discovered. The spinal cord had been severely pinched and vertebrae damaged. He spent 12 hours in surgery to correct the damage, which included having bone scraped from his hip and being used to form a protective splint to reshape his neck.

Hours later, more trouble developed. His neck began swelling. "It swelled up to 27 inches," mentioned Tim. "And that's bad."

Tim lost all feeling. His blood supply from the neck area to the brain was being cut off. He was whisked back into surgery, this time for a 10-hour operation.

For 13 days after that he had no feeling. He was to spend the next 38 days in Bronson Hospital.

Slowly feeling returned in the upper torso.

"But doctors told me that they could have cut me in half with a chain saw and I wouldn't have felt a thing," said Messner of those bleak days.

"Then I was able to move my big toe," says Tim proudly. "But doctors told my family there was maybe a 10 per cent chance that I would some day be able to sit up. That was about it."

But Tim, through the efforts of neurosurgeons such as Naim Koymen and Robert Fabi of Kalamazoo, Constantine's local physican Ray Zimont, and therapist Mike Mullin, was soon to make a miraculous comeback.

"I went to the Southwestern Michigan Rehabilitation Center in Battle Creek and soon they began to have me work with weights. Sixty-three days after entering, I was able to walk out, with crutches, of course."

Today, Tim, showing the same competitive zeal that made him a top-notch athlete as a prep, is continuing to battle back. So much progress has been made, in fact, that doctors have called it a 'miracle.'

"Dr. Koymen sat down and cried for 15 minutes when I walked into his office for the first time," said Tim. "He had never had a patient (in Tim's condition) able to walk again."

Tim today can walk short distances unaided, although he still has to use crutches most of the time. "The next step is using two canes, then one and then walking unaided," mentioned Tim.

"Muscle spasms are my biggest problem right now. I've fallen twice recently and hit my head on our coffee table. I'm getting tired of that."

Tim's not getting tired of the tedious routine of trying to return his body and limbs to a state of near normalcy, however. "My therapist doesn't want to see me anymore. He said I've gone way beyond what he ever expected," said Tim proudly.

"I was in probably the best shape of my life when the accident happened. I had been lifting weights and running. That helped my recovery."

Tim also credits his family with brightening his outlook and helping, both physically and psychologically, during the dark days of recovery and rehabilitation.

"My family visited me and massaged me and helped with my exercises all 101 days that I was hospitalized," said Tim. Eilene, his bride now of five years, was especially a help during the troubled times.

Mike and his wife, Cheryl, Tim's father and mother, Ray and Betty, and sister Melissa, plus the grandparents and many others in the closely-knit family all rallied to his side.

Tim last summer moved into a new home, built by his father, and he's becoming a familiar figure in the community driving a special-equipped golf cart.

"I can drive a car again now. But I still spend a lot of time in a wheelchair. The spasms are the big thing now," reflects Tim. "If they would stop I could be close to normal again very soon.

"Progress is still slow, never rapid," sighs Tim. "But when I look back to the way I was, then I do see the changes.

"I met a man who had a similar type of injury as mine. He was in a wheelchair for over 6½ years. Nine years after he was hurt, however, he's able to walk down a street and no one would know he was ever paralyzed. I'm way ahead of him."

SUPPORT CONTINUES TO GROW FOR MANDATORY SENTENCING BILL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ANDERSON of California. Mr. Speaker, on January 19 of this year I reintroduced legislation with 75 cosponsors that would provide for a minimum mandatory prison sentence for anyone convicted of committing a Federal crime with the use of a firearm.

As of today, the total of cosponsors is 100 and building with each passing day. We have recognized the urgency and the need to come to grips with this problem.

Mr. Speaker, I include in this RECORD several letters from county sheriffs, and law enforcement officials from my State of California.

I urge those colleagues who have as yet not cosigned this bill to do so. For us to sit idly while criminals cause law-abiding citizens to fear for their safety is an abdication of our responsibility and trust as elected representatives of the people.

Mr. Speaker, the letters follow:

SHERIFF-CORONER-PUBLIC ADMINISTRATOR,
Placerville, Calif., February 2, 1977.

Hon. GLENN M. ANDERSON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ANDERSON: I have looked into your bill, H.R. 1559, with a great deal of enthusiasm and I feel that it is a realistic approach to curb violence in the United States, and certainly hope your colleagues in congress will support it.

For the past twelve years I have been in public service, and I have heard and read a lot of rhetoric on how to reduce crime and prevent violence—and I feel that you have taken a sound approach to the problem. After all it is not the gun that kills and maims people, but the person who is holding it.

I wish you much success in the future, please keep me posted.

Sincerely,

RICHARD F. PACILEO,
Sheriff-Coroner-Public Administrator.

CITY PROSECUTING ATTORNEY,
Long Beach, Calif., January 25, 1977.

Hon. GLENN M. ANDERSON,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ANDERSON: Your letter of January 12, 1977, to Mr. Leonard Putnam, City Attorney, transmitting a copy of your bill, H.R. 1559, has been forwarded to this office since we are responsible for prosecuting misdemeanors occurring within the City of Long Beach.

It is my opinion that this bill is a sensible approach to controlling the use of firearms by criminals since it makes imprisonment mandatory where a firearm is used in the commission of a felony. I am convinced that mandatory imprisonment is a deterrent to criminal acts, and it is this certainty of imprisonment which will deter criminals from using firearms.

If this office can be of further assistance in supporting this bill, please do not hesitate to call on me.

Very truly yours,

ROBERT W. PARKIN,
City Prosecutor.

SACRAMENTO SHERIFF'S DEPARTMENT,
Sacramento, Calif., January 28, 1977.

Congressman GLENN M. ANDERSON,
Congress of the United States, House Office Building, Washington, D.C.

DEAR CONGRESSMAN ANDERSON: Thank you for supplying me with a copy of your proposed legislation to amend Chapter 44 of the Title 18 of the U.S. Code.

This is exactly the type of legislation we need to enable us to remove violent offenders from our communities. I am convinced that the bill's provision for graduated sentences for subsequent convictions and its prohibitions against suspended, probationary, and concurrent sentences will cause a marked reduction in the number of felonies perpetrated with firearms. Our California Legislature recently enacted a mandatory sentencing law with the same general purpose.

The surest way to reduce the incidence of violent crime is to insure swift and adequate punishment. Violent offenders must be deterred by making the penalty for crime greater than the reward obtained from it.

I sincerely appreciate your asking for my comments on this issue. On behalf of law enforcement officers everywhere, I commend you for seeking the counsel of those who must deal with crime everyday, when and where it occurs.

Very truly yours,

DUANE LOWE,
Sheriff.

SHERIFF-CORONER DEPARTMENT,
Santa Ana, Calif., January 26, 1977.

Hon. GLENN M. ANDERSON,
Member of Congress,
Long Beach, Calif.

DEAR GLENN: Pursuant to your request dated January 12, 1977 to provide you with our thoughts on H.R. 1559, which is essentially the control, use and sentencing of criminals who use firearms during the commission of a felony, the following comments are offered:

The bill, as we understand it, increases the penalties for the use of, or carrying of firearms during the commission of a felony.

In addition, the prescribed penalties are predetermined and are specific in nature and will be consistent regardless of the judicial district.

As law enforcement officers, we are in favor of gun control, but not to the extent that such controls will infringe on the rights of citizens to keep and bear arms. House Resolution 1559, as we see it, puts gun control in its proper perspective, in that the bill is directed toward those persons who use firearms to violate the law and further mandates specific penalties be given to those violators.

In conclusion, we fully support your effort in helping make our community a safer place to live through effective legislation.

Very truly yours,

BRAD GATES,
Sheriff-Coroner.

SHERIFF-CORONER,
Visalia, Calif., January 21, 1977.

Hon. GLENN M. ANDERSON,
House of Representatives,
Washington, D.C.

DEAR MR. ANDERSON: Reference is made to your bill, HR 1559, calling for a mandatory five-year penalty for anyone convicted of

using a firearm during the commission of a Federal crime. I have always been of the opinion that the best remedy for controlling the use of firearms is a stringent penalty which is applied over and above the penalty for the crime and which cannot be mitigated by suspension or probation. Your bill includes all of these elements and, therefore, I heartily endorse it and wish you the best of luck with its passage.

Cordially,

BOB WILEY,
Sheriff-Coroner.

PUBLIC WORKS BILL FORMULA NEEDS TO BE REVIEWED AND REVISED

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. SANTINI. Mr. Speaker, the Governor of the State of Nevada, Mike O'Callaghan, recently testified before the Senate Public Works Committee on the Local Public Works Capital Development and Investment Act of 1976.

Nevada counties in sore need of Federal funding were left short and empty-handed because of the formula used by the EDA to distribute the title I funding. I insert the remarks of our Governor at this point in the CONGRESSIONAL RECORD as a reminder of the necessity to review and revamp the present formula.

REMARKS OF GOVERNOR MIKE O'CALLAGHAN, GOVERNOR OF NEVADA

TITLE I, LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT ACT OF 1976

In Nevada, more than 120 projects exceeding $110 million were submitted to the Economic Development Administration for funding under the Local Public Works Capital Development and Investment Program. EDA accepted 106 applications for ranking from Nevada, totalling $98,709,785. It selected only 16 of these, in the amount of $10,102,298, subject to final clearance.

Ten million dollars may seem like a considerable amount of money. However, given the way that EDA has spread these funds and the 11 to 1 ratio of requests to available funds, it is my opinion that this program has had very little impact on either unemployment or on solving the priority construction projects of state and local governments.

As you know, projects were first placed in three categories—1) those where the unemployment rate exceeded 7.4 percent, 2) those where the unemployment rate was between 6.5 percent and 7.4 percent, and 3) those where the unemployment was below 6.5 percent. Seventy percent of the funds made available were to go to the first category and the balance to the second and third categories; however, preference was to be given the second.

Projects were then ranked in each category on the basis of the combined score for the number of unemployed, unemployment rate, level of income and the cost per person-month of employment. Additional points were given to projects which were sponsored by general-purpose units of local government. Although this seemed like a logical way to evaluate projects, I would like to describe what happened in Nevada.

EDA accepted and processed one State application for the Southern Nevada Correctional Center located in Clark County. According to EDA, this project received a score of 70.9 and was ranked 60th in the 70 percent category. The unemployment in the project area was 9.0 percent during the months of July, August and September, 1976. However, EDA required state projects to use total statewide unemployment figures. In Nevada, this meant using a 7.7 percent rate rather than the local unemployment figures for the area where the project was to be constructed.

This, in my opinion, was a major reason why this project was not funded. It appears to contradict the purpose of this legislation, which is to provide "employment opportunities in areas of high unemployment through the expeditious construction or renovation of useful public facilities." Requiring the state to use statewide figures for unemployment, instead of the local figures for the area where the project was to be constructed, placed the State in an unfair position. The fact is that State-initiated projects can create local jobs in the same way as locally-initiated projects.

In addition to ranking projects in the state, EDA established a maximum dollar amount for each county. This maximum amount, or benchmark, was based on the number of unemployed in the county compared to the state total unemployed. The ratio of local to state total unemployment, multiplied by the total local Public Works dollars available to the State, yielded the benchmark for each county.

Douglas County, for example, had a benchmark of $206,776. This county, with an unemployment rate of 6.7 percent, was funded for a $1,058,500 project. Douglas County, also had the highest 1974 per capita income in the state, according to the U.S. Bureau of Economic Analysis. The per capita income in this county was 29 percent above the national average. Although EDA weighed the level of income, there was not enough consideration given to this factor since White Pine County which is 7 percent below the national average did not receive any funds.

In White Pine County, eligible applicants submitted two projects for a total of $9,470,636. The County had an unemployment rate of 22.3 percent during the months of June, July and August, 1976. According to the Nevada Department of Employment Security, this unemployment rate was the highest of any county in the state. Furthermore, White Pine County's extremely high unemployment rate was the direct result of action by the Environmental Protection Agency in forcing the closure of the smelter operations of Kennecott Mining Corporation which is the largest employer in the County.

In determining where to use Federal funds to ease unemployment, the Economic Development Administration gave no consideration to the fact that the unusually high unemployment in White Pine County was directly caused by another Federal agency. As a result, the projects for this county and city were not funded.

I realize it is hard to select projects and still stay within the benchmark. However, if this had been done in Clark County, which would have been possible, funds for White Pine County could have been made available. The benchmark for Clark County was established by EDA at $5,861,000. However, EDA funded projects in the amount of $6,276,000, exceeding the benchmark by $415,000. Although this may seem like a small amount, this $415,000 could have been made available to White Pine County to help alleviate the Federally-caused 22.3 percent unemployment.

The history of one Nevada project which was subsequently rejected for funding should be of interest to you. The county was required to have the project approved by the Department of Health, Education and Welfare before submission to EDA. The documentation for this was not submitted, and EDA should have rejected the application according to its own regualtions.

EDA did not do this, but instead relied upon a verbal approval from a HEW official who did not have the authority to grant such approval. The project was selected by EDA for funding and the error was not discovered until after the announcement was made. Then, EDA aggravated the situation by giving the county six working days to comply with the original submission requirement.

During these six days, my staff was told the project was approved, then denied, several times. In fact, I was personally advised within the space of six hours that the project was approved then that it was denied. In all my years of government, I have never seen such a case of mishandling of a project, much less an entire program.

I know Congress was well intentioned when it overrode the Presidential veto. However, without a major rewrite of the legislation, as well as a thorough investigation of the way in which the administering agency handled this program, it is my conviction the experiences I have just conveyed will only be repeated. I, therefore, urge your opposition to the request for additional funding for Title I of the Public Works Act.

If the program must be continued, I would urge that the following amendments be included in the Act: (1) funds should be set aside for each area of a state that has a major unemployment problem as determined by the State, not EDA, (2) the elected officials in that area should determine which projects will be constructed within the funding limitations established by EDA, and (3) a certain amount of funds should be set aside for use by each State in those high unemployment areas where the regular allocation procedures do not reflect the unique unemployment situations that exists in each state.

STATEMENT OF THE HONORABLE JOHN M. MURPHY ON A BILL TO PROMOTE THE ORDERLY DEVELOPMENT OF HARD MINERAL RESOURCES IN THE DEEP SEABED

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. MURPHY of New York. Mr. Speaker, today I have introduced a bill to promote the orderly development of hard mineral resources in the deep seabed. Known as deep seabed mining or ocean mining legislation, this bill is one of the most significant pieces of legislation to be considered by the 95th Congress. It is a reasonable and balanced effort to establish a licensing and regulatory system which will provide the Federal Government, acting in behalf of all the American people, an opportunity to protect the interest of American mining companies in international waters. It will establish a sound investment climate in which such companies will be willing to expedite the exploration and commercial recovery of important mineral nodules.

Manganese nodules are small potato-sized objects approximately one-fifteenth centimeters in diameter and average 5 centimeters across. The ocean floors around the world are literally covered with nodules in some areas, primarily the Pacific, Atlantic, and Indian Oceans. The mining industry estimates that there is approximately $3 trillion worth of nickel, manganese, cobalt, and copper present in the nodules, which are located at depths of over 12,000 feet.

In the last 15 years, the industry has spent over $100 million researching methods of recovering and processing the nodules. Although the existence of hard minerals on the deep seabed was discovered in the last quarter of the 19th century, their recovery has been delayed until this time because of the lack of technology and the excessive cost of recovery.

In addition to the dollar value of these nodules, there is a more compelling reason for the United States to encourage the development of this industry. The Department of the Interior has estimated that our current dependence on foreign sources of manganese, copper, nickel, and cobalt can be vastly reduced, if not totally eliminated, by 1990. Instead of importing 82 percent of our manganese needs, we could be virtually independent by 1990, and we could become totally independent in terms of nickel, copper, and cobalt, whereas we now import 82 percent of our nickel, 5 percent of our copper, and 77 percent of our cobalt. These are important minerals, and a valuable lesson can be learned from our dependence on foreign oil.

The advances made by the major American mining companies is impressive, to say the least. They have identified nodule deposits which could provide satisfactory mine sites. They have largely solved the metallurgical problems of winning metals from nodules. They have developed mining systems which have progressed from the drawing board and computer stage and away from simple laboratory tests to large scale at-sea experimentation. In general, there is no longer any doubt about the technical and economic feasibility of ocean mining.

The problem is the present lack of a stable national or international legal and political climate. Further investments in this important area will not be forthcoming unless the U.S. Congress takes action during this session to provide stability and predictability with respect to ocean mining operations.

In the last few years the argument has been made by many observers and by the recent administration that the Congress should allow the Law of the Sea Conference to negotiate an international agreement regarding deep ocean minerals. As we all know, however, the conference has been unable to reach any sort of definitive agreements with respect to a variety of issues and most particularly with respect to the issue of ocean mining. Even proposals put forward by Secretary Kissinger, during the most recent sessions in New York, were not accepted by the Third World countries. And, in my judgment, the Secretary was providing far too many concessions to make such proposals consistent with American national interest.

The underdeveloped countries continue to argue that the resources of the deep seabed are the "common heritage of mankind" and should not be exploited for the sole benefit of countries which have developed the high level of technology necessary for deep seabed mining. This, on the surface, sounds like an honorable goal. But it is clearly necessary to strike a more equitable balance between the developed and underdeveloped countries. Otherwise, any international seabed regime will find that no one is willing to develop the technology needed.

I have been particularly concerned about the State Department's position on this issue. They have not embarked on a course of rational negotiations, but on a course of preemptive concessions. The Department has repeatedly yielded to the underdeveloped countries in a headlong rush, and almost masichistic effort, to reach a settlement.

It is time for the Congress to act. While we have been waiting for some action by the State Department under the old administration, and while the industry has slowed down its pace, foreign competitors are rushing to catch up with the United States. Congress can no longer sit back and watch this erosion of our technical lead. We can no longer sit back and watch the State Department bargain away U.S. interests. We can no longer sit idly and watch as a secure source of minerals evaporates before our eyes. We must enact legislation into law to enable the U.S. ocean mining industry to proceed with the development of their technology in the recovery of manganese nodules.

There has been a great deal of discussion among knowledgeable people about the impact that deep seabed mining legislation would have on the Law of the Sea Conference. It is my conviction that such legislation, enacted into law at the earliest possible moment, is now the only way the Law of the Sea Conference can be spurred to a successful conclusion if, indeed, that is possible at all. Let me hasten to add, however, that not just any deep seabed mining legislation will contribute to the success of the conference. The underdeveloped countries must understand and be convinced that the United States is ready, willing, and able to mine the minerals of the seabed in the absence of an agreement at the conference. Any legislation which fails to deliver that message will hurt the conference because it will give the developing countries reason to think that the United States is afraid to go forward on its own and will therefore rely only on its negotiating option for as long as the conference lasts. Should this happen, our negotiators, despite their best efforts, will return with a treaty that will not command even a majority in this Congress.

Consequently, legislation will be necessary anyway. But, in this instance, the legislation may come too late, and our mining companies may abandon their investments rather than go deeper into debt. On the other hand, other industrialized countries like Japan, the Federal Republic of Germany, and the United Kingdom will not let their companies go under. We see increasing signs that these countries are actively subsidizing their companies to insure the future technological capability to mine the deep seabed. In other words, should our companies falter, there are others waiting in the wings to take up the lead.

The legislation that I have introduced does not follow the subsidy approach of these other countries. Rather, it tries to provide a stable investment climate to encourage a free and competitive atmosphere for American ocean mining companies who, I believe, will flourish in such an atmosphere without the need for subsidies.

I have reached the conclusion that the type of ocean mining legislation that I have introduced is essential for the future of the Law of the Sea Conference for the following reasons.

First, the third world erroneously believes that American priorities in this conference center around our military interest in freedom of navigation. They therefore feel that if they wait long enough we will eventually make further concessions on economic and natural resource issues in the interest of obtaining our military objectives.

Second, during recent years, the third world has watched the United States make concession after concession in these negotiations while those countries have made none. Each time an impasse is reached in the negotiations, we have capitulated.

Third, the underdeveloped countries, with the exception of only a few, have a broad ideological interest in deep seabed mining which is part and parcel of the north/south dialog. There is no reason to think that the Law of the Sea Conference, which is the leading edge of that iceberg, is the place the third world will make major compromises.

Fourth, most third world countries are now convinced that with the growth of customary law favoring a 200-mile economic zone, they can have what they want along their coasts without restrictions imposed on them by a treaty. In other words, they simply have no motivation to compromise their ideological positions on deep seabed mining because they feel that they are going to have plenary jurisdiction in the 200-mile economic zone.

There has been some debate in the Congress about alternative legislative approaches which would give American companies loan guarantees for the purpose of pursuing the necessary phase of prototype scale-up and testing during the next 3 years. Such legislation would not allow a company to register a claim to a mine site nor would it protect the $700 million each company will invest during the next 3 to 5 years.

Under that approach, a treaty could be negotiated in 3 years which would, in practical terms, expropriate the total investment of each of the companies that had been active. This approach simply cannot work.

It will be seen by the underdeveloped countries as another State Department trick played on Congress. The administration for years has been saying to Congress, "wait for the next session of the Law of the Sea Conference and do not pass legislation." If the Department of State now comes to us with legislation which does not grant companies the right to mine the sites they have spent millions exploring, nor provide investment guarantees in the event of a treaty expropriation, the Third World will see such legislation as a State Department attempt to pacify a restless Congress.

We will be used as foils for American negotiators and the Third World will see that they have at least another 3 years to negotiate for more concessions before Congress takes the issue up again.

The worst thing Congress can do now, indeed, the worst service that we could do to our negotiators would be to pass legislation that the Third World would feel was no threat to their guerrilla tactics in this new kind of bloodless warfare between the rich and the poor. I have no doubt that all of us in Congress would rather see the oceans governed by a written body of law than to run the risk of uncertain and possibly conflict-producing practices. But, sometimes it is necessary to take interim steps to bring about a constructive and useful result. Unless we take such steps, the Law of the Sea Conference will continue endlessly; our negotiating position will erode; our ocean mining companies will give up their technology to other countries who are prepared to subsidize their long-term interest and an independent source of materials; and the American people will be the losers.

We in Congress can prevent that happening and, at the same time, enhance the chance for the success of the treaty negotiations. But we will not convince our friends, whose support we need, and our adversaries, who must compromise, if they see this new American Government back away from the hard decisions incumbent on us to protect our national interest. The bill that I have introduced, a summary of which is attached to this statement, is a reasonable and balanced approach to the necessary stable political and investment climate for American mining companies and, at the same time, avoiding unnecessary and expensive subsidies to such companies. It is an interim program, which will be phased out upon successful completion of the Law of the Sea Treaty which is ratified by and binding upon the United States. I urge my colleagues to give prompt and serious consideration to this important legislation. I include the following:

SUMMARY OF H.R. A BILL TO PROMOTE THE ORDERLY DEVELOPMENT OF HARD MINERAL RESOURCES IN THE DEEP SEABED

(Introduced by Mr. Murphy (New York))

The bill establishes a licensing and regulatory system, applicable to United States individuals and business entities, to promote the orderly development of deep seabed hard minerals, found in the manganese nodules located on the seabed beyond the resource jurisdiction of any nation.

The bill establishes licensing procedures to be administered by the secretary of commerce and provides for the issuance of licenses for exploration and commercial recovery of the minerals. No commercial recovery may be authorized prior to January 1, 1978, and, after that date, no commercial recovery may be undertaken under a license except after a specific permit for that commercial recovery is granted. Eligible applicants are entitled to a license from the secretary upon meeting certain requirements and tendering a license fee to be prescribed by the secretary in his regulations. The fee may be no more than $100,000, and shall reflect the administrative costs of processing the license application.

The secretary is required to establish environmental criteria and standards under which license operations shall be conducted, and the issuance of the license is designated as a major federal action, as that term is used in the national environmental policy act, and the attendant requirements of that act relating to environmental impact statements are applicable.

The public is guaranteed access to certain information furnished by the applicant, so that it may evaluate and comment upon applications.

During the exploration activities under a license, certain minimum expenditures are required of the applicant, and at the time that a permit for commercial recovery is issued, the licensee must relinquish a designated part of the licensed bloc. Prior to the issuance of the permit for commercial recovery, the secretary is required to review the previous environmental impact statement and to refine it and bring it up to date in relation to prospective commercial recovery activities. In this regard, and state in which a part of the commercial recovery activities is located, specifically the processing activities, will be involved, pursuant to the provisions of the coastal zone management act.

If and when an international regime is agreed upon, which is ratified by and becomes binding upon the United States, no further licenses will be issued under the act, and to the extent that the international regime permits it, the United States is required to sponsor applications from licensees under this act for licenses under the international regime. In addition, should the international regime differ from the provisions of this act so that a licensee suffers a measurable loss of investment, that licensee is entitled to compensation from the United States for the loss. The compensation is to be limited to actual equipment and facilities utilized for exploration purposes at a licensed block and, after a permit for commercial recovery has been issued, shall also include loss of investment in equipment and facilities utilized for commercial recovery and processing. Research and evaluation costs of technology are not compensable. The amount of compensation will be determined in judicial proceedings in the appropriate United States district court.

The minerals recovered from the deep seabed are to be treated under export control laws, customs laws, tax laws and trade laws of the United States as if they had been recovered in the United States. Therefore, for instance, if export licenses are required for similar minerals recovered within the United States, they will also be required for those recovered under a license issued pursuant to this act. In connection with shipping laws, relating to the documentation and privileges of vessels, all vessels engaged in development activities at a licensed block and on vessels engaged in the transportation of minerals to or from the licensed block and a point in the United States shall be considered to be engaged in coastwise trade. Such trade is restricted to vessels of the United States. The minerals, recovered under the authority of the license, will be processed in the United States, or on board U.S. vessels.

The bill also recognizes the possibility of "reciprocating states", as designated by the President. These would include states with laws similar to the provisions of this act and willing to recognize, on a mutual basis, licenses issued under this act, and under the laws of the reciprocating state. The bill also recognizes the existence of consortium arrangements. Where any such consortium, involving a United States entity, qualifies as a licensee under this act, provisions of the act relating to a compensation for loss of investment and to the applicability of United States export, customs, tax and trade laws will be limited to that proportion of the consortium owned by the United States entity or entities.

The bill provides for both civil and criminal penalties, assessed on a continuing basis, for violations of the act or rules of regulations issued by the Secretary in implementation thereof.

No person subject to the jurisdiction of the United States may engage directly or indirectly in the exploration for, or commercial recovery of, hard mineral resources of the deep seabed except pursuant to the act, pursuant to a license issued by a reciprocating state, or pursuant to the provisions of an international agreement which becomes binding upon the United States.

THE BALANCE(S) OF POWER—PART V (I-A): U.S. ARMY FORCE DESIGN: ALTERNATIVES FOR FISCAL YEARS 1977–81

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BRECKINRIDGE. Mr. Speaker, while wars are fought with weapons of varying degrees of complexity, the ultimate component of fighting strength remains the individual who wields the weapon. It is with this concept in mind that we examine the problems that face both ourselves and our adversaries in seeing how the manpower problem facing the Armed Forces is solved.

The solutions of the United States and the Soviet Union are considerably different. Today's selection examines how the U.S. Army is attempting to meet the military requirements placed upon it within the fundamental constraints of budgetary limitations and the all-volunteer environment in an open society.

I do not argue that the system we are now using will meet the defense needs of the United States. It may, but then again, it may not. Such an assessment is largely dependent upon a fluid international situation—a situation to which we must be prepared to respond on relatively short order.

The information follows:

U.S. ARMY FORCE DESIGN: ALTERNATIVES FOR FISCAL YEARS 1977–81

TABLE 1.—*U.S. Army force structure and manpower levels—Selected years*

	End of Fiscal Year				
	1965	1968	1974	1975	1976
Active Army divisions	16	19⅔	13	14	16
Active military manpower (thousands)	969	1,570	783	785	785
Number of soldiers per division* (thousands)	60.6	79.8	60.2	56.1	49.1

* The increase in this ratio during the Vietnam war years reflects an expansion of training and logistical support units needed in wartime, but not necessary to maintain Army forces in peacetime.

THE ARMY'S ROLE IN NATIONAL SECURITY

Maintaining peace is one of the central objectives of U.S. foreign policy and, as an instrument of the defense establishment, the Army's role is to support that policy. Its forces are to be prepared for the contingencies thought most likely to occur in order to deter potential adversaries and to defeat them, should deterrence fail. However, the specific contingencies that may threaten the peace or other U.S. interests are not clearly foreseen. And, it is difficult to know how Army warfighting capabilities and peacetime deployments contribute to the achievement of foreign policy goals.

These uncertainties pervade force calculations for the entire military establishment, but they create particular difficulties in determining the size of general purpose forces, of which the Army is a part. In the Army's case, great uncertainties arise, first, from the variety of contingencies for which ground forces might be prepared (many of which would require very different kinds of forces); and, second, from the difficulty of measuring whether a given force structure is sized properly to control the worst threat.

Different kinds of contingencies require different kinds of combat formations. U.S. armored divisions, for example, are well suited to war in central Europe or the Middle East, but are virtually useless in jungle-infested regions of the world. Similarly, light infantry and airmobile units are effective in places like Southeast Asia, but would be vulnerable in desert warfare. Since organization, equipment and training once implemented are not readily changed, the choice of contingencies for which the Army prepares is an important long-term decision.

U.S. ground forces are sized, equipped and positioned to respond to three general contingencies:

Warsaw Pact Invasion of Western Europe. For this purpose, the Army maintains four armored and mechanized divisions in Germany, and five armored and mechanized divisions in the United States. In addition, three of the eight National Guard divisions are armored or mechanized. Thus, the total number of heavy divisions available for NATO defense is 12.

Invasion of South Korea. The Army maintains one infantry division in Korea and one infantry division in Hawaii. The Marine Corps deploys one division partly in Okinawa and partly in Hawaii.

Lesser Contingencies Elsewhere. Forces for this purpose would be drawn from the strategic reserve units maintained in the United States for reinforcement of NATO or South Korea as well as lesser contingencies. These forces consist of two active and one reserve Marine divisions, and five active and five reserve Army divisions (infantry, airborne, or airmobile). The Defense Department considers this force adequate to respond to either an attack on NATO and a simultaneous lesser contingency elsewhere, or an attack in South Korea and a lesser contingency elsewhere. It does not consider the force adequate to respond to an attack in South Korea and on NATO simultaneously.[1]

The major contingency against which the Army plans is the possibility of large-scale war in central Europe. U.S. and NATO strategy is based on forward defense, with units in position in West Germany to defend against a ground attack by the Warsaw Pact nations. The likelihood of a successful defense should war break out depends upon the amount of advance warning of an impending attack, the speed with which the United States and its NATO allies reinforce units already in position, and the uncertainty surrounding the use of tactical nuclear weapons.

There is some disagreement about the relevance of elaborate planning for NATO defense against Soviet ground attack. It is sometimes argued that the critical deterrent to Soviet attack in Europe is the prospect of U.S. nuclear retaliation—not NATO ground forces. This view would also permit an emphasis on seapower in view of growing Soviet naval capability, and organization of general purpose forces to project significant ground forces ashore in other parts of the world where U.S. interests might be threatened. Reliance on a seapower strategy might call for major U.S. investment in naval and marine forces and for emphasis on the Army's ability to provide a modest strategic reserve for lesser contingencies.

An opposing view is that power in international politics is strongly influenced by what nations perceive it to be. In Europe, increasingly fluid relations among the NATO and Warsaw Pact nations may depend in part on the perceived balance of conventional military power. From this point of view, elaborate scenarios about Soviet attack and NATO defense in central Europe provide a convenient means of measuring what the local military balance is. Should the calculations point to an obvious and persistent wartime advantage to one side or the other, peacetime political influence could follow.

In the past, U.S. technological and nuclear superiority was generally accepted as an effective counterweight to Soviet superiority in forces and military manpower. But recently Soviet investment in modern technology for its general purpose forces may be undermining that assessment, raising the possibility of a perceived military imbalance in Europe. If the Soviet Union is perceived to have equipment as good as or better than that of the United States, its traditional superiority in numbers may take on new military significance.

From this point of view, recent changes in the Army's combat power and readiness for battle in Europe are a matter of renewed interest. If there is or soon will be a Soviet military advantage which could be decisive in a conventional ground war in Europe, the United States would probably choose to correct the imbalance, regardless of how unlikely the possibility of such a war seemed to be. Further, if detailed calculations about what would happen in a highly unlikely war contribute to perceptions about military power in Europe, and, if such perceptions constitute an important source of political influence, then the Army's warfighting capability in Europe is important for peacetime foreign policy reasons as well.

These two views are complementary if the Army maintains the mix and level of forces for both. At present, the 16-division force structure, which comprises in the provision of forces for both strategies, may or may not be large enough for both (a question beyond the scope of this paper). But in any case the force may be insufficiently supported, particularly for NATO reinforcement. This point can be made most clearly by examining alternative force structures in detail; exploring how each might contribute to either a NATO or worldwide strategic reserve strategy, or both; and looking at the costs involved. In what follows, Army doctrine for the use of its forces in combat is briefly discussed; the impact of technology on procurement of weapons is analyzed; the Army's transition from 13 to 16 divisions is explored in detail; and alternative force structures are presented.

THE ARMY'S ORGANIZATION FOR COMBAT

Army units are structured hierarchically, with large units made up of two or more smaller units—each of which is in turn is made up of two or more even smaller units. Standard formations are shown in Table 2.

TABLE 2.—*Standard Army combat formations*

HEADQUARTERS, SUBORDINATE UNITS, AND MANPOWER STRENGTH

Theater Command: Two or more corps, plus supporting units, 250,000+.

Corps: Two or more divisions, plus other combat and support units, 50,000–100,000.

Division: Three brigades, plus other combat and support units, 16,000.

Brigade*: Two or more maneuver battalions, plus supporting artillery and other combat units, 3,000–6,000.

Maneuver Battalion: Four or five tank, infantry or mechanized infantry companies, 850–1,000.

Company: Three or four platoons, each made up of infantry squads, tank crews or weapons teams, 140–240.

*Reinforced brigades and armored cavalry regiments (roughly equivalent), often operate independently of divisions, under the direct command of corps headquarters.

Typically, the senior army command in a war theater directly controls two or more corps headquarters, each of which controls two or more divisions. The allocation of divisions among corps is deliberately varied, and depends on missions, the array of opposing forces, and the terrain over which the corps must fight.

Divisions, however, are relatively standard in basic organization, consisting of a division headquarters, three subordinate brigades (among which are allocated the division's 8 to 12 maneuver battalions), a division base of combat support units (engineers, artillery, communications, etc.) and logistical support units (supply, maintenance, medical evacuation, etc.). The Army division is an integrated combat formation, combining infantry, tanks, artillery, air defense and aircraft. The Army views its divisions as the principal organizational building blocks for the conduct of combat operations.

At present, the Army has five kinds of divisions, each consisting of about 16,000 men and organized basically in the same way, but with different kinds of subordinate maneuver battalions, and therefore different capabilities. The differences in divisions are summarized in Table 3. Just as a theater commander adjusts the assignments of divisions to his corps commanders as their missions change, a division commander also typically shifts maneuver battalions among his brigades, depending on their current mission assignments. Thus, a brigade conducting the division's main attack, for example, might have assigned to it five maneuver battalions, while another brigade given a secondary role would be assigned only two battalions.

While the allocation of resources among units engaged in battle is flexible and changes with circumstances, the basic design of the Army's combat force as a whole is largely fixed and is based on detailed formulas for the number and kinds of units required to support divisions in combat. These formulas are based on past experience, modified in light of new technology, doctrine, and specific requirements generated by contingency plans as such as those prepared for NATO defense. Although the formulas themselves are manipulated by computer models, the general dimensions of combat zone force design can be summarized in a simple concept called the division force equivalent (DFT). The DFE can be defined as the average number of troops required to man a typical Army division and its supporting units in sustained combat.[2]

[1] Donald H. Rumsfeld, *Report to the Congress on the FY 1977 Budget and Its Implications for the FY 1978 Authorization Request and the FY 1977–81 Defense Programs* (Jan. 27, 1976), pp. 133–134.

[2] The weakness of this concept is that it fails to account for the variations in supporting forces which would result from tailoring them to specific situations in Europe, the Middle East, Southeast Asia, or wherever

TABLE 3.—TYPICAL U.S. ARMY DIVISIONS

Division and maneuver battalions [1]	Tanks [2]	Armored personnel carriers [2]	Aircraft [2]
Armored: 6 tank; 5 mechanized; infantry	320	350	55
Mechanized: 4 tank; 6 mechanized infantry	220	420	55
Infantry: 1 tank; 1 mechanized infantry; 8 infantry	55	70	55
Airborne: 1 light tank; 9 airborne infantry	55	----------	165
Airmobile: 10 airmobile infantry	----------	----------	420

[1] Standard maneuver battalion allocations; for specific missions, a division may be given a larger or smaller number of battalions, or a different mix.
[2] Approximate numbers, based on Department of the Army unit tables of organization and equipment.

Currently, the DFE is defined as shown in Table 4.

TABLE 4.—*Division force equivalent*

COMPONENT, FORCES TYPICALLY INCLUDED, AND MANPOWER SPACES

Division Combat: All division units, including maneuver battalions, division artillery, engineer, signal, cavalry, headquarters and frontline logistical support units, 16,000.

Nondivision Combat: Corps-directed assets, including additional artillery, engineer, cavalry, aviation, air defense units, and separate infantry and armored brigades 12,000.

Tactical Support: Supply, maintenance, medical transportation and administrative units which provide support to combat units, 20,000.

Total Division Force Equivalent: 48,000.

For example, if the Army committed ten active and ten reserve component divisions to battle, it would need 320,000 division combat troops, 240,000 nondivision combat troops, and 400,000 tactical support troops, for a total field force of 960,000. The remainder of the Army's military manpower would belong to the base structure (located mainly in the United States), which supports training, recruitment, research and development, and procurement. Later in this paper, the DFE is used to measure the balance of alternative force structures.

The Army designs its combat force in terms of both active and reserve component units, and typically assigns to reserve component units a large share of nondivision combat and tactical support requirements. The assumption is that enough support units to sustain the first divisions in combat are on hand, and large-scale deployment of Army forces in a war overseas would probably involve mobilization of reserves in any case.

Reliance on reserves has important budgetary consequences. Reserve units and personnel cost less to maintain in the force structure than active units and personnel, and one way to moderate Army budget growth is to shift more of its force structure into the reserves. However, reserve units typically require more time to prepare for overseas deployment than active units, and therefore the effect of shifting units into the reserves is a delay in their availability for combat.

If active forces are sufficient for the most important contingencies, then reliance on reserves is unimportant one way or the other. However, in central Europe, the magnitude of Soviet investment in its ground forces and the Soviet doctrinal emphasis on speed and violence in armored attack, increase the significance of initial efforts to defend Europe. Since no NATO country (including the United States) is willing to maintain active forces in defensive positions sufficient to guarantee successful defense, the role of active and reserve component forces in strategic reserve becomes more significant.

U.S. forces might have to fight. But for planning purposes generally, the concept is considered valid.

CHEMICAL WEAPONS ARMS CONTROL

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. SCHULZE. Mr. Speaker, yesterday I submitted for the RECORD a resolution on the question of chemical weapons arms control. Inadvertently, however, the text of the resolution was omitted from the RECORD. I would now like to submit that resolution which would encourage the rapid conclusion of an international treaty banning chemical weapons:

HOUSE RESOLUTION 268

Whereas the policy of the United States is not to make first use of lethal and incapacitating chemical weapons in war; and

Whereas in 1972 the United States signed the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, which declared that, "each State Party to the Convention affirms the recognized objective of effective prohibition of chemical weapons and, to this end, undertakes to continue negotiations in good faith with a view to reaching agreement on effective measures for the prohibition of their development, production, and stockpiling and for their destruction"; and

Whereas in 1975 the United States ratified the Geneva Protocol prohibiting the use of chemical and biological weapons in warfare; and

Whereas the United States supports the continuing negotiations being conducted by the Conference of the Committee on Disarmament toward this end of an effective chemical weapons treaty: Now, therefore, be it

Resolved, that it is the sense of the House of Representatives to—

(1) urge the President to issue a statement of policy declaring a moratorium on the further United States manufacture of lethal and incapacitating nerve and mustard agents and the so-called binary agents, for a period of three years; and

(2) request that the President, as a sign of good faith to all the world, order the destruction of some 3,000 tons of lethal chemical mustard agent from existing United States stockpiles over the same period of three years; and, invite interested international organizations, such as a delegation from the CCD, to view the destruction process; and

(3) issue an open invitation to the Soviet Union and other nations which possess quantities of lethal chemical weapons to indicate their sincerity in seeking a chemical weapons treaty by following the example of the United States; and challenges the third-world nations to refrain from seeking the introduction of chemical weapons into their arsenals; and

(4) urge the participants of the Conference of the Committee on Disarmament to rapidly conclude an international treaty banning the manufacture and possession of lethal chemical weapons. This treaty, in order to be meaningful, should provide for the destruction of existing stocks and production facilities in a phased manner over a specified period of time. The treaty must also provide a process of verification of the disposal of stocks and facilities through independent, international procedures. And, the treaty must establish an international mechanism for investigating suspicious activities, including provisions for challenge and on-site inspections.

OUR CHANGING CLIMATE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for February 9, 1977, into the CONGRESSIONAL RECORD:

OUR CHANGING CLIMATE

The winter of 1976–1977 is the coldest since the United States began keeping weather statistics. It is the winter of all-time low temperatures, a genuine crisis in the natural gas industry, massive lay-offs of workers from plants shut down by fuel shortages, the closing of thousands of schools, and a plea from a new President to turn down thermostats to 65 degrees. It is also the winter that froze the Ohio and Mississippi rivers from bank to bank for long stretches and the winter that has hurt the economy and brought suffering and tragedy to many Americans. To make matters worse, the forecast is for more of the same.

The meteorologists agree that the immediate reason for the bitterly cold winter is the high level westerly winds in the upper atmosphere which are cutting across the Rockies much farther north than usual and dipping farther south than normal. Pacific storms have picked up the winds, resulting in heavy snowfalls from the Rockies eastward.

Whether the big freeze of this year is related to long-range trends is uncertain. Scientists are not sure whether the earth is actually trending towards a new ice age or is getting warmer. A considerable body of scientific data can be induced to support either trend and only time and more research will tell which is correct. Scientists do agree that the earth is entering a period of increased variability, with weather patterns fluctuating more dramatically than in recent decades. Changes in these patterns could wreak havoc in food production, which is intimately linked with fluctuations in weather and climate. Intensive research is going on to understand the weather patterns better. Some scientists allege that excessive white particulate matter from pollution may be cooling the atmosphere by reflecting the sun's radiation away from the earth. Other scientists contend carbon dioxide, which is released when fossil fuel is burned, keeps the heat radiation produced by earth from escaping to outer space, thereby warming the atmosphere.

All of these climactic developments have not escaped the notice of the Congress. Last year the first steps were taken toward a program of weather modification with the passage of the National Weather Modification Policy Act. This legislation provides for a year-long study of the practice of weather modification in order to get a firmer grip on its possible benefits and misuses. The program is designed to develop a national weather modification policy and program, and to determine how weather modification can decrease the adverse impact on agriculture and economic growth. The objective of the legislation is to develop a framework

within which we can use our technological capabilities to modify weather without hurting each other. Other bills have been introduced in the Congress to establish a climactic warning system and to develop a global monitoring system for climate.

Almost every federal department is involved in some type of weather related activity: the Department of Defense needs specialized weather services in support of military operations, the Department of Transportation's Federal Aviation Administration uses weather information in operating its air traffic control system and other meteorological programs are conducted by the Departments of Commerce, Agriculture, Interior and State. This year federal expenditures for weather operations and both applied and basic research will exceed $782 million.

The first half of the 20th century was the best period for food production in the last 1000 years—but our luck with the weather could change. If it does, there are a number of approaches which can be taken to reduce the effects of adverse weather on food production. Primarily, we must proceed with research to obtain more accurate climate forecasts. With more intensive research we may be able to project rainfall, temperatures and droughts a season in advance, allowing the experts to suggest planting patterns to maximize yields. On the theory that a prudent policy plans for difficulties, we can use water more efficiently, control wind and water erosion, develop irrigation systems, develop tougher crop varieties, improve plant species and crop and livestock management techniques, and provide information to farmers on climate and how they can reduce the impact of bad weather. We can also continue to explore weather modification techniques and how they can affect specific agricultural practices.

Even small attempts at weather modification can have overwhelming results, both positive and negative. Weather experts have warned that weather modification techniques can cause floods, tidal waves and drought, and could be engaged in secretly, often without the awareness of the affected population. A recent CIA report has outlined possible economic and political upheavals almost beyond comprehension because of changes in the earth's climate.

Positive benefits on food production could also result from small climate alterations, and prospects are good for increased improvement in our ability to modify the weather by increasing rainfall at critical times, decreasing hurricane winds, and reducing damage caused by wind and hail. These improved techniques may be widely utilized during the next five to ten years provided a major research effort is supported and encouraged.

WELCOME ABOARD FOR NEW NAVY SECRETARY

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. MARTIN. Mr. Speaker, as a new administration settles in and as we on the Hill seek to assess its personnel, we are fortunate to get some help in that process from constituents. I would like to share with you and our colleagues the recollections of my close friend, William K. Van Allen of Charlotte, N.C., about his friend, W. Graham Claytor, our new Secretary of the Navy. I would add to his comments my own observation that Mr. Claytor's leadership at Southern Railway resulted in it making Dun's Review's list of the five best managed companies. In a world where it just will not do to have only one of the world's five best navies, he can count on a lot of support for insuring that ours always is No. 1.

NAVY HEAD'S NAVIGATION GOOD, CHARLOTTEAN SAYS

Under a sunless autumn sky in 1941, the Navy submarine chaser USS *Opal* steamed north out of Miami carrying sailor William K. Van Allen, now a Charlotte lawyer.

"We go out of Miami, and it's rough outside," Van Allen of 132 Cherokee Rd., recalled Friday. High seas slapped the ship so hard, he said, they knocked its old compass out of commission.

A young navigator rounded up a radio, Van Allen recalled, and tuned in stations in West Palm Beach, Jacksonville and Savannah. Calculating the Opal's position from the strength of the signals, the navigator guided the ship for 60 miles, finally declaring: "I believe Charleston light should be dead ahead."

"It was," Van Allen said. "He did it all with a portable radio."

The Opal's navigator on that blind voyage was W. Graham Claytor Jr., an ensign from Roanoke, Va. Wednesday, Claytor, 64, was picked by President Carter to guide the Navy again, this time as secretary of the Navy.

"I think he'll make an outstanding secretary," Van Allen, 62, said of Claytor, chief executive officer of Southern Railway Co. since 1967. "I don't think President Carter could have made a better choice."

He should know. He and Claytor have been close friends since 1939, when the two shared a house in Washington as they embarked on legal careers.

For a while, it looked as if the two careers were stamped from the same mold. Van Allen and Claytor were at Harvard Law School together (although they didn't know each other then), they entered the Navy together. Each commanded submarine chasers and destroyer escorts, and each returned to law practice in Washington after the war.

Van Allen left Washington in 1950 for Charlotte, and Claytor stayed, practicing law until 1967, when he became president of Southern Railway. He stepped up to chairman nine years later.

As Southern's head, Van Allen said, Claytor oversaw major investment by the railroad in downtown Charlotte and Atlanta. The North Carolina National Bank computer center was built on Southern land at 2nd and College streets.

VOCATIONAL EDUCATION AMENDMENTS

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. PERKINS. Mr. Speaker, I am today introducing, with the cosponsorship of Congressman AL QUIE, a bill to make various technical and miscellaneous amendment to those portions of the Education Amendments of 1976 which affect federally supported vocational education programs.

We have drafted this bill because various relatively minor problems have been brought to our attention during the course of the last few months as the Office of Education has tried to implement the new amendments. This bill will assure that the Office of Education drafts the regulations in true conformity with the law.

The only important area which these amendments affect is that involving State and local administration of vocational education programs. The new law, which is to take effect October 1, 1977, provides that not more than $25 million may be appropriated under the act for the support of State administration and that no funds under the act may be used for the support of local administration.

The bill we are introducing today places State administration in the block grant and therefore would permit more than $25 million to be used for that purpose. The bill does not deal with the question of local administration.

The Subcommittee on Elementary, Secondary, and Vocational Education has scheduled a hearing on February 17 to receive testimony on this bill; and at that hearing we will focus on various alternatives to find the best manner to provide some Federal assistance for local administration. Congressman QUIE and I do want to make clear, however, that we support the use of some Federal money for local administration; but we are not ready today to endorse any particular method of providing that assistance.

The reason for our present reluctance is that we have found from data submitted to us by the American Vocational Association that the use of Federal funds for local administration varies very greatly among the States. Some States such as my own State of Kentucky use no Federal funds for this purpose while other States such as my neighboring State of Ohio use 18 percent of their Federal funds for this purpose. I believe we must receive expert testimony on this question before we can fashion the best alternative.

I welcome the testimony of any Members who may wish to testify that day. We have already scheduled testimony from the American Vocational Association.

ONE HUNDRED AND TWELFTH ANNIVERSARY OF THE FOUNDING OF THE AMERICAN SOKOL ORGANIZATION

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ANNUNZIO. Mr. Speaker, the first American Sokol unit was founded on Feb. 15, 1865, by a group of Czech immigrants in St. Louis, Mo. In my own city of Chicago on Oct. 30, 1892, the first Slovak Sokol Society was formed.

The members of the American Sokol Organization—Czech—and Sokol USA—Slovak—as well as the Catholic Sokols, practice a system of physical fitness through a series of calisthenics and activities which are all encompassing, with

the realization that to maintain a free nation, its people must be physically and morally strong.

Sokol, which is a Czechoslovak word meaning falcon, symbolizes well the ideals of the Sokol organizations, because the falcon is a bird that has a love of freedom as well as strength, courage, and agility. The Sokol organization was founded in Czechoslovakia in 1862 by Dr. Miroslav Tyrs (1832–84), a professor of history and esthetics at Charles University in Prague, and by Jindrich Fuegner (1822–65), who was a businessman and a lover of the arts and music. These two men perfected a system of physical fitness through a series of calesthenics and other activities, based on the idea that each individual was important and could and should progress to the ultimate peak of physical fitness. Their motto was "A sound mind in a healthy body."

Sokol is a fraternal body whose members vary in age from small children to senior citizens, and the organization strives for the development of physical, spiritual, moral, and cultural enlightenment. The physical education program stresses individual initiative, creativity, as well as self-discipline, which is a basic requirement for personal achievement enabling the gymnast to become a cohesive and cooperative member of American society. In uniting Czechoslovak culture, the American heritage, and Sokol ideals, the organization contributes greatly to the welfare, safety, and freedom of the United States.

Mr. Speaker, I am proud to join with Sokol members in the 11th Congressional District of Illinois, which I am honored to represent, in the city of Chicago, and all over our Nation as they celebrate this anniversary.

A TRIBUTE TO THE VIGILANT FIREFIGHTERS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. WOLFF. Mr. Speaker, it is not often that we have the privilege of honoring the many individuals who ably and unselfishly serve and protect our communities. Therefore, it was with great pleasure that I attended the 72d annual dinner and dance of the Vigilant Engine & Hook & Ladder Co. of Great Neck, N.Y., where I joined with many others in paying tribute to the valiant firemen of that community.

Among those being toasted were several individuals who have distinguished themselves in their service to Great Neck and their fellow-firefighters. I would like to bring to the attention of my colleagues the names of these men so that they may receive the recognition which they so richly deserve: In appreciation for ambulance service—Richard Boorstein, John Lyons, Bryan Weisman, and Glenn Zagoren; fireman of the year, awarded for active devotion to duty beyond the normal requirements—James B. Dunn; tenure awards: 20 years of active service—Michael Okon; 30 years of active service—Jules Santagata; 40 years of active service—Robert Lincoln, Sr.

The work of a firefighter often places him in danger as he serves his community, and I believe it is appropriate at this time to offer a prayer for firemen, that they may ever be watched over:

O God, in Thy bountiful mercy, bestow Thy provident blessing upon all valiant Self-Sacrificing Firemen in the performance of their duty.

Grant O Lord, we beseech Thee, the grace of Thy constant protection to those who are exposed to great peril in their constant efforts to safeguard persons and properties from the ravages of fire.

As Thou, Dear Lord, didst deliver of old the three young men from the fiery furnace, so guide these men through their trials of life that they may be delivered both from bodily injury and from all dangers to eternal salvation, through Christ Our Lord. Amen.

In addition, I would like to mention the names of the officers who were kind enough to invite me to this gathering and provide me with the opportunity to honor the Vigilant Engine & Hook & Ladder Co.: Ralph Fliedner, Jr., president of the company, Chief Frank Gilliar, Jr., 1st Asst. Chief Robert Lincoln, Jr., 2d Asst. Chief Edward Canfield, Capt. Leo Flook and Lee Ielpi, 1st Lt. Dennis Hill, and 2d Lt. Richard Boorstein.

COMBAT VIOLENT CRIME

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. GRADISON. Mr. Speaker, the latest crime statistics released by the Federal Bureau of Investigation include some alarming figures. The number of violent crimes is increasing, as is the number of career criminals, who have been arrested two or more times.

From 1970 to 1975, violent crime increased by 39 percent, and the murder rate alone increased by 28 percent. Of these crimes, a frightening 25 percent of aggravated assaults were committed with a firearm in 1975. Worse, a gun was used in nearly 66 percent of all murders in the same year.

Career criminals committed 64 percent of the violent crimes between 1970 and 1975. These criminals trade on the public's fear, and it is time for the Federal Government to aid the public by cracking down on criminals. For this reason, I introduced H.R. 909, which requires stiff, additional prison sentences for anyone committing a felony involving the use of a gun.

Under this bill, anyone who commits a felony with a firearm would receive a mandatory sentence of 5 to 10 years for a first offense. Although this mandatory sentence can be lessened by a judge for a first offense, he must state in writing why the additional sentence was not imposed. For a second conviction, the additional penalty would range from 10 to 30 years. The mandatory sentence for second convictions could not be lessened by the judge.

H.R. 909 does not restrict the rights of law-abiding citizens, such as sportsmen, in their legitimate use of a firearm. Instead, it is designed to protect the American public by putting the criminal on notice that he will be severely punished for the unlawful use of a gun.

We all agree that something must be done to curb the criminal use of firearms. A stiff, mandatory sentence for a person committing a felony with a firearm is an effective weapon against crime, and it is aimed at criminals, not law-abiding citizens. I urge all Members of the House to support this legislation.

A NEW LOOK AT THE INAUGURATION

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. VAN DEERLIN. Mr. Speaker, I am especially proud of one of my constituents, Lloyd B. Ostrander, of Chula Vista, Calif. Among other distinctions, Mr. Ostrander holds the Medal of Freedom for his part in teaching literally hundreds of thousands of young American GI's to swim during World War II.

A native of Minnesota, he feels a special kinship with our new Vice President, and so it was most appropriate that he and his wife, Mildred, were able to come to Washington for Inaugural Week and take part in many of the events that surrounded the swearing-in of President Carter and WALTER MONDALE.

On his return home, Mr. Ostrander composed a short report on his experiences at the inauguration. It is a fresh look at a major national experience, and I am pleased to include a portion of Mr. Ostrander's statement at this point as an extension of my own remarks:

STATEMENT OF LLOYD B. OSTRANDER

Perhaps the most memorable incident occurred while we were waiting with other friends of the Mondales. The famous Marine Corps Band had been assembled in the reception hall, and when Fritz and Joan Mondale arrived to receive us, the band burst into the Minnesota football rouser. That stirring music recalled the years of successive stadium victories back in Minnesota during Mondale's school days at the University of Minnesota—a winning streak that Fritz himself is still riding.

Another dramatic moment came when the Carters arrived at the Visitor's Center Section of the Inaugural Ball, where an estimated 10,000 couples were struggling for dancing space on three floors, each larger than a football playing field.

We had inadvertently found sitting room with about five formally dressed, yet fun-loving young couples who told us they had crossed the Delaware with a few pints of high quality Scotch unavailable elsewhere. When the Carters arrived, these belles made Mrs. Ostrander the guardian of their bulging purses, mink capes and ermine stoles. They asked me to guard their Scotch, while moving toward the Presidential couple. But I also took flight, hoping in vain to dance with Rosalynn Carter!

When the Carters had departed, and things

began to quiet down, our fellow merrymakers returned for their fur coats and purses. To lighten their load, we finished the Scotch with them.

They invited us to another after-the-Ball party. But, having previous commitments with our California friends bivouacked with us at our hotel just across the Potomac, we reluctantly declined and headed for our two a.m. breakfast date. It was a fitting end to a wideawake night.

The confidence and trust that Carter-Mondale supporters have in each other is indicative of what we can expect in our new government.

WHAT ENERGY PROBLEM?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BAUMAN. Mr. Speaker, there is only one point on which everyone concerned about our Federal energy policy is agreed, and that is that there is no comprehensive policy. No one seriously believes that turning down our thermostats to just above freezing and shutting down our schools and offices will be enough of a solution, much less a proper one.

Louis Rukeyser, columnist as well as accomplished economist, explains what a genuine energy policy must entail in an article which appeared in the Baltimore Evening Sun of February 7. As he notes, we are not only faced with our short-term problems of fuel shortages and increasing gasoline prices. We are also faced with grave energy problems which pose risks to the survival of our communities and the Nation itself, in the not too distant future, yet they are problems which must be solved now. Mr. Rukeyser's views call attention to choices facing this Congress in the next 12 months, and they deserve reflection and demand resolution:

TIME TO LOOK AT COLD FACTS ABOUT OUR ENERGY POLICIES

(By Louis Rukeyser)

The theme song of the American people apparently is supposed to be, "Baby, It's Cold Inside." Instead of the Eisenhower jacket or the Jacqueline Kennedy pillbox hat, this era seems destined to be remembered for the Carter long johns. Patriotism is to be measured not by raising the flag but by lowering the thermostat.

Well, pardon me if I enter one small, mild dissent. We are in danger of being swept away, in an orgy of uncomfortable—but smug—self-denial, into thinking that just because we're suffering we are finally coming to grips with our chilly problem. Sorry, but that kind of comfort is cold, too.

What we are being asked to do, in essence, is to deal with what is, by far, the less important part of the energy equation. Conservation is splendid, and in many areas overdue. It has the additional economic benefit of saving money—a point that surely has not escaped the many hotels, restaurants and other business establishments that keep urging us to cooperate while on their premises.

We have, indeed, been wasteful, and we must, indeed, conserve. It did not take the current cruel winter to validate the necessity for restraining U.S. energy consumption.

But let us try to see the picture whole. Conservation alone will never move us toward three essential energy goals: keeping our families warm in winter, avoiding blackmail in foreign affairs and providing the jobs for those who need them. All those goals, in the end, require action on the supply side.

Yet despite all the jokes about Mrs. Carter's tears, and the self-righteous scanning of one another's thermostats, we continue to ignore this more vital part of the answer to the crisis. No leader in either party has had the courage to say plainly that we are going to have to compromise some of the dreams for ecological perfection now—that we are going to have to get moving on new energy production, and that this is indisputably going to have to mean some compromises on the environmental side.

For starters, we are going to have to expedite the flow of oil from Alaska. We're going to have to proceed with the safe development of nuclear power—an area where the U.S. pioneered in war, but has lagged behind many of its competitors in peace. We're going to have to encourage the development of more desirable alternative sources for the future, such as solar power. Most urgently and most immediately, we are going to have to start making far better use of this nation's huge—and internationally unique—reservoirs of coal.

We're not out of energy, but we do seem to be awfully short on guts. What we need is not more sweaters but more sense. We certainly don't need a massive new government spending program—but we do need, openly and honestly, to assign a premier national priority to increasing our own energy resources. We have gabbed about this for the three and a half years since the Arabs stuck their finger in our eye, but we have disgracefully failed to do it.

Just as we have to have the courage to recognize the necessity for environmental compromise—in all our interests, including those of future generations—so we have to stop talking political malarkey and start talking economic sense on such issues as finally removing the controls on natural gas prices, and allowing the market-price system (which is, quite simply, the best tool we have) to get us the energy and other resources that an expanding economy will need.

We're in a jam now, and it is to a distasteful extent our own fault. Instead of moving to encourage energy production, we have twice since the embargo penalized the energy industry with new taxation. Instead of moving boldly to develop our own resources, we have temporized with every pressure group on the political scene. Now we're freezing, and worried, and we're going to have to lower our thermostats, but the real tragedy would be if we once again failed to look at the cold facts behind our self-induced crisis.

FUTURE HOMEMAKERS OF AMERICA WEEK

HON. DAVID W. EVANS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. EVANS of Indiana. Mr. Speaker, it has come to my attention that many people throughout our country will be observing Future Homemakers of America Week during February 6–12.

Future Homemakers of America is one of six vocational agencies. It is part of the junior and senior high school home economic curriculum that provides meaning and motivation for our youth to reach out beyond the classroom environment. Rather than be structured in teaching the domestic necessities, the organization provides unique opportunities for our young people to develop citizenship and leadership qualities and helps them to deal with the role of both wage earner and homemaker.

There are 199 chapters in the State of Indiana which all work toward bettering their own lives as well as their fellow citizens. They have worked on pertinent projects such as with the National Foundation of March of Dimes to stress the importance of peer-group education of birth defects and the dangers of teenage pregnancy.

Mr. Speaker, the Future Homemakers of America has inspired our youth to assert renewed pride and self-respect through their potential. I want to share these fine qualities of this organization with my colleagues. I also want to extend my best wishes to members within my own State of Indiana and to those throughout our Nation.

ALASKAN NATURAL GAS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. MURTHA. Mr. Speaker, among many important energy decisions Congress will make this year, a vital one will decide by what route to bring Alaskan natural gas to the United States.

I support the El-Paso All-American line which will bring the gas through a pipeline parallel to the Alaskan oil line, then ship it by LNG tanker to California. I favor this plan over the idea of a trans-Canadian pipeline because I think it is better for the U.S. economy, safer environmentally, enhances U.S. energy independence, and will bring the gas to the United States sooner.

I would urge my colleagues to study the issue carefully. The decision's importance is shown by the fact that once completely finished the Alaskan gas will supply enough fuel to heat 24 million homes a month or protect 1 million jobs a month. I will insert a news release I issued last week following a decision by a Federal Power Commission law judge favoring the trans-Canadian line.

I would also ask any Member interested in the pipeline decision to contact my office for further information on the El-Paso All-American route. Also of interest are the February 2 CONGRESSIONAL RECORD comments of Senator YOUNG who was kind enough to add some of my earlier remarks on this subject to his own.

The article follows:

WASHINGTON, FEBRUARY 1.—The decision by a Federal Power Commission Administrative Law Judge on development of Alaskan natural gas reserves was sharply criticized today by U.S. Congressman John P. Murtha who said the decision would delay vital natural gas reserves for the United States.

"The judge's decision could delay delivery of Alaskan natural gas to the lower U.S. by a minimum of 1½ years and as much as 3

to 5 years," Murtha said. "This cold weather emphasizes the need for gas as quickly as possible."

FPC Judge Nathum Litt approved a Trans-Canadian project to build a pipeline through Alaska and Canada to the Midwest United States. Congressman Murtha favors the El-Paso proposal which would build a pipeline paralleling the Alaskan oil line and deliver gas by tanker to California ports.

"Besides the delay in the Canadian route, the Alaskan route would produce more U.S. tax revenue, more jobs for Americans, and do less environmental damage to the northern wilderness," said Murtha who is a member of the House Interior Subcommittee of Appropriations which oversees most federal energy spending.

"Very importantly, the Alaskan project is controlled totally by the U.S. and state of Alaska. The Canadian route requires approval and possible financing from Canadian national and provincial authorities.

"The Alaskan line is quicker, better for the U.S. economy, and moves us closer to energy independence. I am hopeful President Carter and Congress will reverse this decision."

Murtha said he based delay estimates on problems of winter construction in new arctic regions, required approval by the Canadian government and its provinces, and settlement of native claims disputes (already cleared in Alaska but unsettled in Canada.)

Even the quicker El-Paso route would not get any gas to the U.S. before 1982. Following final FPC approval the President and Congress must review and approve any decision.

ENERGY CONSERVATION

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. STOCKMAN. Mr. Speaker, in the wake of the most devastating winter in the history of southern Michigan, where subzero temperatures have been endured for several days, where working men and women have been temporarily released from their jobs, and where voluntary energy conservation is a way of life, I must commend the board of education of the Lawton Community School District for their approval of a resolution to reduce the use of energy in the schools so that life may return to normal in this snow and ice bound region.

Superintendent Ray Bandlow has set a fine example that I trust will be followed by many public school administrators across the country. Efforts being made by this Congress are not enough to ease the shortages that exist in the Midwest and Northeastern States. Voluntary energy conservation initiated on the local level is a major step to recovery, more potent than any legislation we may adopt.

Mr. Speaker, I urge all my colleagues as they return to their home districts this week, to stress the importance of voluntary energy conservation and to push for approval by all public school systems the following resolution:

Whereas the United States is engulfed in an energy crisis of great magnitude, and

Whereas millions of American workers face lay-off due to this national emergency, and

Whereas schools and industries in many neighboring States have ceased operation due to an energy shortage, and

Whereas governmental agencies at all levels have not sufficiently addressed themselves to the energy crisis;

Therefore, be it resolved that the superintendent is directed to take steps to reduce our consumption of energy, including, but not limited to, the reduction of building temperatures, and

Therefore, be it further resolved that the local, State and Federal governments are encouraged to strive towards preventing future energy shortages by immediately taking action to encourage the development of our natural resources and the long range development of energies other than from natural gas, petroleum, and coal.

A MODEL EXAMPLE OF ENERGY CONSERVATION

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CHARLES H. WILSON of California. Mr. Speaker, in the first of a series of promised "fireside chats," President Carter asked for a commitment from the American people—to conserve energy. He admitted the energy shortage is not short lived, but a continuing problem that would not be solved unless we develop a national energy policy and take energy conservation seriously.

It has been over 2 years since this country experienced the long lines at the gas station. But in this instance, we cannot blame an Arab oil embargo for our problems. Experts tell us there has been a natural gas shortage since 1971—but it did not cause any crisis since many industries experiencing a service cutoff switched to other fuels and the United States has had relatively mild winters for the past several years. This winter there just was not enough gas to go around and industries depending on natural gas shut down and workers went home. The severity of the problem startled everyone when schools had to close and it was feared there was not enough gas to supply residential and other high priority users.

To deal with this immediate problem, President Carter sent to Congress an emergency natural gas bill which gives the President authority to divert natural gas to areas hardest hit by shortages. I am happy to report I voted for this bill which is now public law. But the long-range solution to alleviate shortages depends upon whether we can adopt sound conservation measures and stick to them.

It has been brought to my attention that there is a company in my 31st District of California that is voluntarily doing just that. The Northrop Corp. aircraft group in Hawthorne, Calif., has instituted a energy conservation program that has already saved the local aircraft manufacturer more than 100 million cubic feet of natural gas annually. Northrop was honored last week by the Hawthorne Chamber of Commerce and the local Kiwanis Club as part of their Energy Conservation Month where local industries and businesses are encouraged to participate in energy conservation activities. When a natural gas shortage was not a topic of national concern in 1974, Northrop started their 10-month survey by maintenance and company technicians of all gas-burning equipment. The purpose was to determine whether any adjustments had to be made for peak operating efficiency in any of the heaters, water heaters, boilers and ovens in the plant. Northrop engineers have estimated the survey has cut down on the plant's use of gas significantly. In fact, it is estimated the gas they saved would supply approximately 12,000 Hawthorne homes with gas for a normal month.

The example set by the community of Hawthorne and the Northrop Corp. is a model for all of us. On their own initiative, they are doing exactly what the President asked and they are doing it voluntarily. Since the plant is located in southern California, they do not have to be afraid severe weather will cut off their natural gas supply, but they realized energy conservation is not a regional matter. If natural gas has to be redistributed, then we should all be trying to save so there is enough to go around. Also, I think it is significant they instituted this program long before a crisis hit us.

I wanted to bring this matter to the attention of my colleagues and urge them to adopt similar measures in their own communities. The city of Hawthorne and the Northrop Corp. are to be highly commended and congratulated for demonstrating this type of national awareness and community concern.

SISTER JOAN KISTER HONORED WITH HEART MEDAL FOR THE ADVANCEMENT OF HEALTH

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. WOLFF. Mr. Speaker, it is often the case that those who deserve the most credit seek the least recognition, and display only modesty for their achievements. This is precisely the manner in which Sister Joan Kister behaves, and it was not until I read an article in Newsday that I became aware of Sister Joan's recent accomplishments.

Sister Joan is unique in that her activities extend into a variety of areas beyond that of her commitment to the Franciscan Missionaries of Mary. When one speaks of Sister Joan, reference must also be made of her work as a construction planner and registered nurse.

Sister Joan's interest in drafting began 37 years ago, when she took an after-school course in drafting at St. Mark's High School in St. Louis, Mo. Since that time, Sister Joan has used the combination of her drafting techniques and her nursing degree to supervise and expand hospitals around the world. In 1957, she set off to perform these duties for a hospital in Pondoland, South Africa, and was so successful that she was sent to supervise the expansion of hospitals on Reunion Island in the Indian Ocean and in Petaling, Malaysia.

Sister Joan has been tireless in her ef-

forts and has continued to use her multitude of skills to benefit us all. In 1970, Sister Joan took over the coordination of a 210-bed expansion project at St. Francis Hospital in Roslyn. It was at this time that she earned her nickname, "the hard-hatted nun," for Sister Joan did not supervise from behind her drawing board, but rather, she ventured out to the construction site daily, donning the traditional workman's hard-hat. Her ingenuity in ordering an advanced building method for the project has been credited by hospital officials with saving months of work and millions of dollars. The "hard-hatted nun" and her project found their way into numerous newspapers here and abroad and after the expansion, the hospital changed its name to St. Francis Hospital and Heart Center.

Sister Joan, who holds a master's degree in health services administration, was made executive director of the hospital in 1973. On February 18, she will receive the Heart Medal for the Advancement of Health given by the hospital's board of directors. I would like to offer Sister Joan my personal congratulations for an honor richly deserved.

I consider my constituents and I to be particularly fortunate to have Sister Joan working in our district, but I believe that we can all be thankful for her unending devotion to the improvement of health facilities and her outstanding accomplishments in this field.

ALTON LOCK AND DAM 26

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. FINDLEY. Mr. Speaker, Locks and Dam No. 26 at Alton, Ill., is perhaps the most important link in our Nation's waterway transportation system. Located just below the confluence of the upper Mississippi and Illinois Rivers, the 600-foot long lock must handle twice as many barges as any other 600-foot lock in the Mississippi River system. The current facility is inadequate and continually causes delays in moving vital fuel to the upper Midwest and grain to export markets. Moreover, it is deteriorating.

The House Public Works Committee has promised speedy consideration of a bill authorizing construction of a new facility with a single 1,200-foot lock. Action this year is of the utmost importance. Congress must guarantee that there will be no interruption of commerce which would adversely affect the entire Midwest's economy. Past delays have already needlessly cost consumers millions of dollars. The new, larger lock will greatly reduce this waste of time and money.

The bill I am introducing today with Congressman PRICE authorizes immediate construction of a new dam with one 1,200-foot lock, as recommended last fall by the administration, and calls for a complete study of the Midwest's future transportation and ecological needs. I hope Congress will act speedily on my bill.

BANKS AND UNIONS: UNEQUAL BEDFELLOWS

HON. THEODORE S. WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. WEISS. Mr. Speaker, Sunday's New York Daily News contained an article by Victor Gotbaum, executive director of District Council 37, American Federation of State, County and Municipal Employees and Edward Handman, the council's director of public relations, which I would like to share with my colleagues.

There has been much discussion regarding the role of the banks and the unions in the city's fiscal crisis. This article sets forth some of the important contributions made by the unions:

THE BANKS AND UNIONS: UNEQUAL BEDFELLOWS

(By Victor Gotbaum and Edward Handman)

For a couple of weeks now, the mayor of New York has been meeting with the banks to discuss the banks' request for "outside controls" over the city budget. The banks have been telling his honor that before they will agree to stretch out payments due them on MAC bonds they hold, they want to make certain that New York City will be run under the supervision of some kind of "outside controls." What the mayor has yet to make clear to the people of this city is exactly what kind of "outside controls" the banks propose.

First, they suggested an outside commission to "monitor and control the budgeting and financing of New York City and its covered agencies." That's all, just control over the budgets for schools, police, hospitals, fire, libraries—you name it. The last word on what New York City will or will not do for its citizens will rest in a "commission."

The mayor hasn't mentioned yet, either, how long the banks feel these "outside controls" should go on. Take a guess. But remember, think like a banker. The bankers feel a reasonable time for an outside commission to monitor and control New York City would be 20 years.

Another little zinger the banks slipped in is that in any year the city would be prohibited from increasing its budget appropriations more than 5% over the year before. If the cost of living goes up 7% one year, and chalk, oil, asphalt, hospital supplies, all go up an average of 7%, we will just have to cut back more services to meet the commission's 5% ceiling.

The banks have been asked to defer payments on the principal on MAC bonds. They'll still collect the interest, but if the city could put off paying the principal it can save $105 million in cash this year. The banks also thought it would be nice, then, if the interest on their MAC bonds could be raised a little, or a lot.

The city asked the pension funds of the municipal unions to do the same thing, defer payments on the principal of their MAC bonds. The unions agreed and put no conditions on the money.

We hear a lot about how the unions and the banks have bailed out the city together. It hasn't been quite 50–50 between them, however. Right now, the banks hold 1.4 billion dollars in city and MAC securities. The unions hold 2.1 billion, 50% more. The unions have committed themselves to buy another 1.6 billion before June 30, 1978. The banks have committed nothing. The banks haven't put any money in the city since September 30, 1975.

What if union leaders thought like bankers. Suppose Gotbaum, Maye and all those other heavies told the city, "You want us to defer payments? Okay, but first you have to raise the interest you're paying us now. Second, we want 20-year-controls on the city to see that we have no layoffs and no cuts in salaries, fringes or pensions for the next 20 years."

The attack on the unions would come from every paper, every station, every politician and would-be politician who ever woke up in the morning wondering how to get his name in the papers that day. But when such an idea comes from the banks, our mayor doesn't even bother to tell us about it and our media-mavens don't think it's worth discussing. Except, of course, for the paper in your hand right now. One of the surprises of the fiscal crisis is that the municipal unions and The News actually found something they could agree on: that this city can't turn its back on its banks.

Lately, the banks sound like they're ready to settle for less. But from their point of view it doesn't hurt to ask, they don't get embarrassed by asking for too much. They've learned that, to paraphrase that popular line of a few years ago, "Being rich means never having to say you're sorry."

SAVE THE "LUCKY LOU"

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. PICKLE. Mr. Speaker, I would be remiss not to mention to my colleagues the growing campaign to save the U.S.S. *St. Louis* from the scrap heap.

Why save the *St. Louis*, or "Lucky Lou" as she is so affectionately known? Because this ship represents the spirit that brought together the peoples of our Nation in those dark early days of World War II. This is the spirit that President Carter referred in his first fireside chat.

For the U.S.S. *St. Louis* was the only large warship to get underway during the attack on Pearl Harbor. For Americans in that dark December it was a stirring site to see this proud ship steaming ahead, flags flying, guns blazing, while other mighty ships were crippled in their berths in the harbor. This picture proved that the U.S. Navy might be down for an 8 count, but the count of 9 and 10 would be a long time coming.

But the U.S.S. *St. Louis* did not rest, for on February 1, 1942, the *St. Louis* took part in the hit-and-run raid on the Marshall-Gilbert Islands. This was the Navy's first offensive action in World War II. To our people, the going on the offensive was a great morale builder.

The "Lucky Lou" was hit and rehit by enemy bombs and torpedoes. It always managed to stay in action.

I was on board during the Battle of Kulu Gulf on July 3, 1943, when we took torpedo hits.

Now, however, luck may be running out unless the crew rallies to save the U.S.S. *St. Louis*. In 1951, "Lucky Lou" was sold to the Brazilian Navy. In 1976, she was decommissioned and is scheduled for scrap.

"All hands" are hearing the campaign to save the "Lucky Lou," and are responding.

It is being conducted by Al Seton of Staten Island, N.Y. 10306. Al was the editor and publisher of the ship's newspaper, the Hubble Bubble.

Mr. Speaker, in order to detail the "Save Lucky Lou" campaign at greater length, I ask the following articles be placed in the RECORD. These articles and letters are from the St. Louis Post-Dispatch, the Arizona Republic, and the Staten Island Advance.

The articles follow:

CRUISER ST. LOUIS, WORLD WAR II'S "LUCKY LOU," AWAITS SCRAP HEAP

(By L. J. Millner)

Luck is running out fast for the lady known as "Lucky Lou."

"Lucky Lou"—once carried on the United States Navy register as the light cruiser USS St. Louis—survived the inferno of Pearl Harbor, slugged it out with Japanese surface craft, submarines, aircraft and shore batteries and absorbed nature's worst in the shape of Aleutian gales, all with a comparatively low loss of life.

The St. Louis was decommissioned in 1946, sold to Brazil in 1951 and renamed the Almirante Tamandare.

Brazil, modernizing its navy with fast, modern frigates, has decommissioned the Tamandare. Now, the salt-encrusted 38-year-old veteran awaits the end at the hand of the shipwreckers—to be sold for scrap.

The St. Louis saw World War II combat service at Pearl Harbor, the Gilbert and Marshall Islands, the Aleutian Islands, the Solomons, the Marianas, Leyte and Okinawa. It was credited with sinking seven Japanese warships and it earned 11 battle stars.

It was christened April 15, 1938, by Miss Nancy Lee Morrill of Ladue, the 1937 Veiled Prophet Queen.

Mindful of the traditions that bad luck haunts a ship unless the bottle of champagne is broken on the first swing, Miss Morrill swung with gusto—and success. (Miss Morrill now Mrs. Robert Brookings Smith, still lives in Ladue.)

"Lucky Lou" was the fourth American ship and the last combat vessel to bear the name St. Louis. Another USS St. Louis, an amphibious cargo ship, was launched in 1969.

On that Sunday morning of Dec. 7, 1941, the "Lucky Lou" was berthed at a pier near Battleship Row, the prime target of the Japanese.

The vessel had docked at Pearl Harbor on Nov. 28 to be fitted with radar. Two of the ship's eight boilers were out of service, as were most of its eight five-inch guns of the secondary battery. Fifteen six-inch guns made up the 10,000-ton cruiser's main battery.

The St. Louis escaped undamaged in the hail of bombs and torpedoes that capsized the battleship Oklahoma and blew up the Arizona.

Crewmen hastily fired the two boilers and manned the five-inchers, and the ship began shooting back. The St. Louis was credited with downing three aircraft.

Under the command of Capt. George A. Rood, the St. Louis backed away from its berth at 9:31 a.m., a little more than an hour and a half after the attack began. It headed down the narrow channel for the open sea at 20 knots—well above the normal speed of eight knots.

Good luck for "Lucky Lou" began at the channel's exit. A Japanese midget submarine fired two torpedoes, but both went astray.

Then followed the grim days in which the St. Louis earned its 11 combat stars.

On Feb. 1, 1942, the St. Louis participated in the Navy's first attack operation in the war—a raid on Japanese bases in the Gilbert and Marshall Islands.

Then, in an abrupt change of climate, the St. Louis steamed to the Aleutians in the North Pacific and bombarded the island of Kiska.

The vessel's luck held against natural disasters. Off Kodiak, a gale parted a link in one of its two anchor chains. Had the other chain parted, the vessel would have been blown ashore.

Returning to the South Pacific, the St. Louis joined the group of outnumbered, outgunned and outweighed American ships in the "Slot" between Bougainville and the Guadalcanal Islands in daily battles with the Imperial Japanese Navy's "Tokyo Express."

The cruiser maintained its reputation of "Lucky Lou" when bombarding the island of Kolombangara from Kula Gulf. The ship was hit in its bow by a torpedo, which caused extensive damage, but no loss of life.

The St. Louis returned to the Mare Island, Calif., Navy Yard for repairs. Here, the ship finally unloaded articles not needed for combat, including a 25-piece silver set donated by the people of St. Louis. Unfortunately, the service has not been seen by authorities since.

In the Green Islands north of Bougainville, the ship's luck finally ran out, when a Japanese bomb killed 23 men.

The St. Louis participated in 1944 in landings in the Marianas and on Leyte in The Philippines. In the Gulf of Leyte, the St. Louis first encountered the Japanese kamikaze, or suicide pilots.

The ship was refueling on Nov. 27, 1944, when it was attacked by 10 planes, five of them kamikazes. In a 40-minute engagement the St. Louis's gunners downed six planes. But it lost 15 men and suffered serious damage.

On April 1, 1945, the St. Louis poured 1450 rounds onto Okinawa. This was part of the record salvos of 26,265 five and six-inch rounds fired in the Ryukyus campaign.

What now for "Lucky Lou"?

A. I. Seton of Staten Island, N.Y., is attempting to set up a USS St. Louis Association. He suggests that if the vessel cannot be spared from the welder's torch, at least its main mast can be brought to St. Louis.

And he's even thinking of having the ship towed up the Mississippi to St. Louis—despite its 23-foot draft and the river's nine-foot channel. Seton thinks it could be accomplished by stripping the vessel of guns and other equipment and bringing it upriver in the spring, when the Mississippi is often swollen.

Those interested in Seton's effort can reach him at 220 Otis Avenue, Staten Island, N.Y. 10306.

[From the Arizona Republic, Nov. 4, 1976]

BRAZIL NAVY SCRAPPING LUCKY U.S.S. "ST. LOUIS"

RIO DE JANIERO.—The U.S.S. St. Louis, the first ship to escape from Pearl Harbor under her own power in the Japanese attack in 1941, has come to rest in her last harbor near Rio de Janiero.

The lean gray cruiser, which became known as the "Lucky Lou" because of a series of dramatic escapes during World War II, has been decommissioned from the Brazilian navy, which bought her 25 years ago. She is anchored in Guanabara Bay awaiting sale for scrap.

The ship, which once carried crews of up to 1,000 men, is almost deserted. Twenty-three Brazilian seamen are removing her guns, equipment and valuable metal before the Brazilian navy auctions off the hulk.

The St. Louis, the only ship to reach the open sea during the Pearl Harbor attack, was sold to Brazil in 1951 and given one of the most honored names the Brazilians could bestow—that of Joaquin Marques Lisboa, the marquis of Tamandare, father of the Brazilian navy.

"The Tamandare was our second largest ship for many years," said Capt. Mario Ramiro da Silva, who is supervising the stripping operations. "Only the Minas Gerais, an aircraft carrier purchased from Britain, is larger."

Da Silva recalled that the good fortune that saved the Lucky Lou from Japanese bombs also saved her from hostile fire in a Brazilian coup.

The incident took place Nov. 11, 1955, and was the only time in the ship's 25 years of Brazilian service that it saw military action. Carlos Coimbra da Luz, then interim president of Brazil, got into a dispute with his war minister, Gen. Henrique Teixeira Lott.

Lott and the Brazilian army took control of Rio de Janeiro. Lutz and his followers, including Carlos Lacerda, Brazilian editor and politician, fled aboard the Tamandare in an unsuccessful attempt to stay in power by sailing to the Port of Santos and then establishing the government in Sao Paulo.

The Tamandare had been under repair and only two of her eight boilers were functioning. The ship's progress during the escape was much slower than usual, making it an apparently easy target as she steamed past Ft. Copacabana on the point between the fashionable Rio districts of Copacabana and Ipanema.

Capt. Silvio Heck wrote in the ship's log. "Fort Copacabana opened string fire against the Tamandare and the situation became critical . . . Using the great volume of fire I had at my disposal we probably could have silenced the fort in a few minutes but it would have been very dangerous to the densely inhabited Copacabana area."

The captain held his fire and the Lucky Lou escaped despite 22 minutes of cannon fire from the fort at surprisingly close range.

Fourteen years earlier, the St. Louis had put into Pearl Harbor for installation of radar equipment. This time, six of her eight boilers were operating, although most of the eight five-inch second battery guns were not. The ship had 15 six-inch guns in her main battery.

On Sunday, Dec. 7, 1941, Japanese planes attacked the harbor, blowing up the battleship Arizona and rolling the Oklahoma over on her side. The St. Louis, under the command of Capt. George A. Rood, was undamaged. She was credited with shooting down three Japanese planes.

An hour and a half after the attack began, the St. Louis headed for open sea—this time at 20 knots, well above the normal 8-knot speed. Lou's luck continued as a Japanese submarine fired two torpedoes at the ship and missed.

The 10,000-ton cruiser was awarded 11 combat stars for service in World War II. The ship fought in the first Navy attack on Japanese forces in the Gilbert and Marshall islands. She participated in daily actions against the Japanese navy's "Tokyo Express" between Bougainville and the Guadalcanal islands.

She was hit once by a torpedo when bombarding the island of Kolombangara from Kula Gulf. The torpedo heavily damaged the ship's bow, but not one of the Lucky Lou's crew was killed. The St. Louis also fought in landings in the Marianas and Leyte and was used for troop transport as the war ended.

The St. Louis was launched in Newport News, Va., in April, 1938. Nancy Lee Morrill, a debutante from the St. Louis suburb of Ladue, christened the ship.

The ship's first commanding officer was Capt. Charles H. Morrison, a native of Norfolk, Va., where the cruiser was commissioned in May 1939. The cruiser's last skipper in the Brazilian navy was Capt. Hugo Stoffel.

Da Silva said the ship was decommissioned because Brazil is modernizing its naval forces. The process of removing all valuable metal

and equipment began in June and may take another six months, da Silva said.

[From the Staten Island Advance]

RECESS WITH REYCRAFT

A campaign to save the USS St. Louis, the light cruiser which was the only major warship to get underway and gain the open sea during the Japanese attack on Pearl Harbor Dec. 7, 1941, is under way by Al (New Dorp) Seton, who served aboard the ship as an enlisted man and then an officer for two and a half years. He has gained the support of four retired admirals who were also officers on the St. Louis, which was sold to the Brazilian navy in 1951 and decommissioned by that country this year. The plan is to establish a fund to "Save Lucky Lou" from the scrap heap and return it to this country, as a monument to its service. Right now it's anchored near Rio de Janeiro. Within an hour after the Japanese attack, Al says, the cruiser downed three enemy planes and scored a hit on a miniature submarine.

BACKS CAMPAIGN TO SAVE CRUISER

How delighted I was to read in Jack Reycraft's Column recently of the plan Al Seton of New Dorp has put into motion for a campaign to save the United States cruiser St. Louis from "the scrap heap!"

My brother, Frank Ambler, was another Staten Islander aboard the USS St. Louis when the Japanese attacked Pearl Harbor, Dec. 7, 1941. She was the only warship to break through "The Holocaust"—heading out to the open sea in search of the enemy ("a one-ship task force*").

After serving aboard the USS St. Louis three years, my brother was assigned shore duty on the West Coast. One day while reading the local newspaper he was startled to see pictures of his ship. The caption above the article read, "The Unsinkable Lucky Lou." "The Lucky Lou" had been damaged three times during the Pacific War. (This picture was taken the moment she was hit by a Japanese suicide bomber. She survived all attacks and is still there punching!" Enclosing the news account, he sent home the following letter:

"As I read and saw the pictures of my Old Girl" a chill went up my spine, and I was filled with mixed emotions: Pride for I had served aboard The Lucky Lou during some of her most troublesome times. (She won 11 battle stars, numerous unit citations, is additionally credited with having sunk seven enemy warships.

"The St. Louis men didn't like to talk about it but in one night's engagement "in-the-slot" she and two other cruisers sank 13 enemy ships among them!

"Anxious in the thought my many close friends have been (and still are) going through very rugged times! Envious of their kind of people—people only found on a ship where the crew have been through what those boys have! Sorrow for the boys who were less fortunate than myself and are not living today to read about the exploits of 'The Lucky Lou!' When a crew can survive three times, then nickname their ship "The Lucky Lou," they are indeed philosophical."

My hope is to read more about the development of the campaign to save and memorialize this great ship—and the valiant crew who manned her throughout the war in the Pacific. Because of them—this old sister "Remembers Pearl Harbor" every Thanksgiving Day!—BETTY WILBUR, Stapleton.

GRATEFUL FOR LETTER ON SAVING WARSHIP

As spokesman for the officers and men of the USS St. Louis during her lifetime in the United States Navy, I should like to thank Betty Wilbur for her appeal to "Save Lucky Lou" published in the Advance recently.

We are trying to do what the Smithsonian Institution wants to do, thinks should be done, but can't do for lack of funds.

The USS St. Louis is a museum piece in every sense of the term. Slim, fast and beautiful, she is the last of the world's true gunships and considered by many to be the finest cruiser ever built. Built on a 10 to 1 ratio of length to beam, she is slimmer than even some destroyers. Designed to battle it out in surprise gun duels under cover of darkness or low visibility with enemy ships of larger tonnage, heavier guns and longer range, she mounts a forest of turrets and mounts bristling with guns.

The United States has preserved very little of its technical history and paid less attention to its engineers. The St. Louis represented the latest technical advances of the '30s and had many unusual pieces of hardware that were engineering marvels of their time.

How well the St. Louis performed is a matter of record and a legend in the Navy. There are some who think her record equals at least those exploits of any ship since our nation began.

Ironically, if she ends up in the scrap heap in a foreign port, it will happen during America's Bicentennial Year after all the parades and speeches, flag waving and picture taking.

What a way for the Lady to go!— AL SETON, New Dorp.

FUTURE ENERGY DEMAND

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BROWN of California. Mr. Speaker, I have been greatly impressed with the recent transformation in our perceptions of future energy growth. Several expert studies completed in 1976 have predicted a much lower total energy consumption between now and the year 2000 than was once thought. In order to explore the assumptions behind these new projections and the former higher ones, I am chairing a briefing by the Environmental Study Conference on Wednesday, February 16, from 2 to 4 p.m. tentatively in room 1310 Longworth. I invite everyone interested in our national energy policy to attend.

The four speakers at the briefing have been chosen to represent a wide range of predictions of future energy demand. They will be: Mr. Edward J. Hanrahan, Director of Analysis at ERDA; Dr. Alvin Weinberg of the Institute of Energy Analysis at Oak Ridge; Dr. Robert Williams of the Center for Environmental Studies at Princeton University; and Mr. Jack Schenck of the Edison Electric Institute.

Mr. Hanrahan represents the office at ERDA which has made detailed projections of future energy growth in terms of various scenarios. The favored version at present, which is lower than their earlier projections, has in the year 2000 total demand around 144 quads and nuclear capacity around 510 gigawatts. Mr. Schenck represents the Edison Electric Institute, which as the spokesman for the Nation's utilities has predicted future electrical growth near 6 percent, close to the historical rate of doubling every 10 years.

Last August, the Institute of Energy Analysis at Oak Ridge headed by Dr. Alvin Weinberg submitted its draft version of an ERDA funded study entitled "U.S. Energy and Economic Growth: 1975–2010". The key finding of their study is a projection of energy demand which is much lower than most previous estimates, especially those of ERDA. There are two scenarios, a low at 101 quads and a high at 126 quads in the year 2000. Approximately one-half of the primary energy goes to electricity generation because of the expected higher price rises for oil and gas compared to coal and nuclear. As they conclude, their estimates are a projection of what is likely to happen in a "surprise-free world" with no drastic changes in life styles and with conservative estimates of the rate of introduction of new technologies and the degree of conservation.

Two important factors in the reduced energy demand are a projected slower rise in real GNP—2.5 percent to 3 percent average annual growth for the next 35 years compared to 3.4 percent since 1940—and gradually increasing real fuel prices. The lower GNP growth is due primarily to demographic trends especially in the fertility rate. In general, the authors have tried to bias their assumptions towards the high side; for example, per capita GNP increases faster than the historical rate and unemployment is low.

Another recent study, entitled "Energy Waste and Nuclear Power Growth," which was undertaken by the Center for Environmental Studies at Princeton University and funded by the Ford Foundation, examines the ERDA–48 energy scenarios and concludes that the end uses of electricity contain considerable waste of both energy and economic resources. Consequently, efficiency improvements which are economically justified by the expected increase in the real price for electricity—opposite to the preembargo trend—can result in a considerable reduction in ERDA's projections. Even the "combination of all technologies" scenario—COAT—which supposedly contains intensive energy conservation, contains so much waste according to the Princeton group that it really represents an upper bound on the U.S. electricity consumption in the year 2000 provided cost-effective efficiency improvements are implemented.

The mix of fuels which supply the electricity is also criticized. The Princeton study claims that the ERDA bias for fission overlooks one very efficient decentralized coal competitor to central station power—industrial cogeneration plants which produce both electricity and steam on site—the latter from waste heat. Assuming the demand in the year 2000 as in the COAT scenario, they estimate that 30 percent of the electricity budget could be supplied by cogeneration, thus halving the number of required nuclear generating plants.

The latter two studies are somewhat complementary, the one concentrating on total demand, with intentional emphasis toward the high side, and the other on electricity supply, with significantly in-

creased emphasis on conservation. Both imply greatly reduced consumption relative to ERDA's past projections.

Even more recently, the massive National Research Council Committee on Nuclear and Alternative Energy Systems—CONAES—has issued their interim report which also sees a slackening of the energy growth rate.

In brief, the committee finds:

A number of factors make it likely that total demand for energy will grow at a lower rate in the future than the historical rate, and that such lower growth is desirable and possible without detriment to other possible goals.

The committee also came to an agreement that there may well be considerable leeway, over the long term, in the amount of end-use energy required for a given amount of growth in the gross national product.

As I am sure you know, projections of energy demand have been used both as a driving force and as a justification for energy supply strategies and timetables. The implications of these low energy growth projections are significant especially regarding the budget priorities for such ERDA programs as the breeder, plutonium recycle, conservation, and alternative energy sources.

Again, I invite everyone interested to attend the briefing on Wednesday, February 16, between 2 and 4 p.m.

OUTSTANDING CONTRIBUTION

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. APPLEGATE. Mr. Speaker, it gives me a great deal of pleasure to recognize the outstanding contribution to my district by the Mingo Junction Msgr. Dooley Council 4361 of the Knights of Columbus. This is their 20th anniversary and that means 20 years of service to the community.

The members of the Knights of Columbus, utilizing their individual skills as craftsmen, built the Knights of Columbus Hall in Mingo Junction; it serves the entire community and is utilized for a multitude of purposes by individuals and community groups. The whole community benefits from this fine complex.

This council, with a sense of dedication to education of young people in the community, has long sponsored the district's Cub and Boy Scouts. This council provides financial support to St. Agnes Elementary School and Catholic Central High School in Steubenville, as well as supporting the local public high school in various ways.

Mr. Speaker, I consider it a privilege to congratulate all the members of the Knights of Columbus on their 20th anniversary, for their work in educating young people and their service to the community. They have been fortunate to have had the leadership of a truly fine man, Bishop John King Mussio. I look forward to this council's continued leadership in the community.

A NATURAL GAS CRISIS? WHO KNOWS?

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HUGHES. Mr. Speaker, in the 2 years that I have been in Congress arguments rage unabated as to whether or not there is a natural gas shortage or whether it is a price shortage.

The Interstate and Foreign Commerce Committee, to its credit, last year and this year initiated inquiries to determine whether or not producers are producing at maximum efficiency and opening up as quickly as possible new fields on Federal lands, especially in our offshore waters.

However, we still principally depend on unaudited and unchecked figures supplied by the industry itself on estimates of reserves and efforts being made to bring new gas supplies on line. The industry, Mr. Speaker, continues to lobby hard for deregulation and thus has a clear conflict of interest in the supplying of accurate information in my opinion.

That is why I am soliciting support from my colleagues for the creation of a National Commission on Natural Gas Reserves with responsibility for auditing the Nation's gas reserves, undertaking economic studies, and making recommendations for future Federal policy toward natural gas production.

I envision a commission that will be composed of Members of Congress, high level Federal energy officials, and private citizens appointed by the President who have expertise in the field of natural gas, representing the interest of both consumers and producers.

I solicit the support of my colleagues for this legislation. We will never be able to develop a coherent energy policy, let alone a natural gas policy, unless we have reliable information on which to make recommendations. That would be the mandate of the Commission I propose.

I am inserting at this point in the RECORD a copy of the colleague letter that I have sent outlining the objectives of the Commission:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 4, 1977.

Re Natural gas.

DEAR COLLEAGUE: In the near future, I will be introducing legislation to establish a National Commission on Natural Gas Reserves, with responsibility for auditing the nation's gas reserves, undertaking economic studies, and making recommendations for future Federal policy toward natural gas production.

The legislation is still being drafted, but it will provide that the Commission be composed of Members of Congress, high-level Federal energy officials, and private citizens appointed by the President who have expertise in the field of natural gas, representing the interests of both consumers and producers.

As we well know, there have been numerous charges and countercharges as to the true availability of natural gas, and the level of prices reasonably necessary to encourage exploration and development of gas reserves. There are many well respected individuals who are contending that the shortage has been contrived in order to force deregulation of gas prices and win even larger profits.

The Subcommittees on Energy and Power, and Oversight and Investigation of the House Interstate and Foreign Commerce Committee have conducted inquiries that indicate there is a real need for a comprehensive, independent audit of the nation's gas reserves. At present, the reserve information government must depend upon to evaluate the crisis is supplied solely by the gas-producing industry, which can be said to have a vested interest in higher prices through deregulation.

The Commission I am proposing would develop reserve information independently of any group with a vested interest. Hopefully, on the basis of the Commission's findings and recommendations, we will be able to settle once and for all whether the shortage is contrived, the product of unrealistically low prices, or due to other reasons.

I feel that the time is long overdue for settling the maze of questions that has surrounded the natural gas shortage for the past five years, and the Commission I am proposing would provide us with the answers. If you would like to cosponsor this proposal, please notify Jonathan Spear of my staff, on extension 5-6572, on or before February 10.

Sincerely,

WILLIAM J. HUGHES,
Member of Congress.

NEIGHBORHOOD POLICY ACT

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. GEPHARDT. Mr. Speaker, I am introducing today the Neighborhood Policy Act. This legislation addresses the need for developing a comprehensive and coordinated policy on neighborhoods. It seeks to establish the Commission on Neighborhoods which would be charged with evaluating the impact of public policies and programs on neighborhoods.

Despite the concerted efforts of many private individuals in the last several years to save inner city neighborhoods of our major cities such as St. Louis, legislation is necessary at the Federal level to demonstrate our commitment to saving neighborhoods as viable places to live and to work. This bill will seek to reverse the present trends of Federal subsidies that encourage new construction but also tolerate if not promote deterioration and demolition of existing, sound, housing stock. We need a comprehensive review of existing laws, policies, and programs which affect neighborhoods and to assess their impact on neighborhoods and recommend modification where necessary.

In the play "Coriolanus" William Shakepeare used the following phrase: "What is the city but the people?" Shakespeare's words are still true today. America's cities, large and small, have lost their people as they have taken an age and the fiscal result has been devastating. The city of St. Louis is a prime example of what happens when the people leave. St. Louis has lost more population over the past 20 years than any

city in the United States. The result has been a continuing local fiscal crisis that seems to defy solution.

The cycle of out migration from older cities is caused, in part, by our rejection of anything old, our desire for anything new, and our propensity to dispose of things after we have used things for a time. It has also been documented that the policies of the Federal Government toward housing has encouraged out migration from our cities.

The significant fact today, however, is that some people's attitudes about our older cities and neighborhoods is changing. Today many young people seek out older homes because of their substantial construction and interesting design. Today many young people seek out older neighborhoods because they are located nearer their employment or because they offer certain amenities that cannot be found elsewhere or because they offer homes that they can afford to purchase.

It is this change in attitude by a significant portion of our population that offers the best hope for the future of our cities. It should be Government's role to encourage and support this new trend as much as possible because the prospect of having hundreds of small and large cities across this Nation that are devoid of people and vast wastelands of empty, deteriorated buildings is unthinkable. Losing our cities means more than losing some important architectural history—it also means the destruction of untold billions of national wealth.

I believe the Congress should declare a national commitment to saving our older cities and neighborhoods. To realize this commitment the Congress should draw and advocate a battle plan to save our cities and neighborhoods which should contain the following:

First, an analysis of the impact of existing Federal, State, and local policies, programs, and laws on neighborhood survival;

Second, an analysis of the patterns and trends of public and private investment in urban areas and the impact of such patterns and trends on the decline or revitalization of neighborhoods;

Third, an assessment of local and regional development plans and their impact on neighborhoods; and

Fourth, an evaluation of existing citizen-initiated neighborhood revitalization efforts and a determination of how public policy can best support such efforts.

The Commission should make specific recommendations for changes in Federal, State, and local laws, policies, and programs to facilitate neighborhood conservation. Such recommendations may include:

First, new mechanisms to promote reinvestment in existing city neighborhoods;

Second, more effective means of community participation in local governance;

Third, policies to prevent such destructive practices as blockbusting, redlining, speculation in reviving neighborhoods, and to promote homeownership in urban communities;

Fourth, policies to encourage better maintenance and management of existing rental housing;

Fifth, policies to make maintenance and rehabilitation of existing structures at least as attractive from a tax viewpoint as demolition and development of new structures;

Sixth, modification in local zoning and tax policies to facilitate preservation and revitalization of existing neighborhoods; and

Seventh, reorientation of existing housing and community development programs and other tax and subsidy policies that affect neighborhoods, to better support neighborhood preservation efforts.

VOLUNTARY CITIZEN EFFORTS ENCOURAGED

It is important that we keep in mind that while Federal help is necessary to enable neighborhoods to create comprehensive and more effective policies, the most important element in the resurgence for cities is the voluntary effort of our urban citizens. The voluntary efforts of neighborhood organizations in St. Louis have been more significant than anything Government can do. However, government should encourage and support the voluntary citizen effort in any way possible. The Federal Government has already discovered, through some of its low-income housing projects, that communities cannot be created by Government but that a community is a place created by people due to the desire to live and work there.

JOSEPH WEINTRAUB

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. RODINO. Mr. Speaker, Joseph Weintraub, retired chief justice of the New Jersey Supreme Court, died last Sunday.

From 1965 until 1973, Mr. Justice Weintraub presided over the court as it handed down some of its most significant and far-reaching decisions.

For many of these he authored the opinions, setting forth in his own courageous way the decision that the system of financing for the New Jersey public schools was inequitable and unconstitutional; upholding the rights of consumers and expanding the civil liberties of all.

Mr. Justice Weintraub combined a firm belief in human liberty with a remarkable ability to preserve the rights of the individual without interfering with the best interests of society.

Often his decisions at the State level set the standard for future rulings by the Supreme Court of the United States.

Mr. Speaker, Joseph Weintraub was a man of great character and integrity. He graced the court with his presence, and he dignified his fellow citizens with his work.

Our State and our system of justice will miss his wisdom and his sense of justice. Those of us honored to call him our friend will never forget his special talent for enriching our lives.

NEW HOPE IN CYPRUS?

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. FASCELL. Mr. Speaker, the Washington Post of February 6 contained a particularly discerning editorial on the Cyprus crisis. I commend it to the attention of the House:

NEW HOPE IN CYPRUS?

What is unique about the Cyprus crisis is the extent to which it is bound up with the diplomatic and political style of one man, Henry Kissinger. This is said not to initiate a round of recrimination, which nobody needs, but rather in the spirit of a remark made many years ago by Henry Stimson, when he was asked, "How on earth can we ever bring peace to the world?" He replied: "You begin by bringing to Washington a small handful of able men who believe that the achievement of peace is possible. You work them to the bone until they no longer believe that it is possible. And then you throw them out and bring in a new bunch who believe that it is possible." Leaving aside how applicable it may be to Mr. Kissinger's frame of mind when he left office, Mr. Stimson's prescription may well be relevant to any number of international disputes and conflicts now seemingly deadlocked. For today, it is enough to note that no sooner had a "new bunch" moved in than, suddenly, the prospects for some movement on Cyprus started looking up. A new American initiative has been launched, with the naming of a special emissary, Clark Clifford, to explore the opportunities for settlement. Almost overnight, the Greek Cypriot majority, huddled in the South, and the Turkish Cypriot minority, settled behind the Turkish occupying army in the North, have started recalculating their odds. So have their patrons in Greece and Turkey. The upshot is that a situation that looked virtually incurable and fraught with peril only a month ago has about it a cast of cautious hope today.

The key has always been in Ankara. As long as Turkey saw that the United States was tying the full resumption of U.S.-Turkish military cooperation to renewed American access to Turkish bases, rather than to progress on healing the Turkish-inflicted wound on Cyprus, then things only got worse. Congress, controlled by forces demanding a rollback of the Turkish occupation of Cyprus, defied Mr. Kissinger on arms and aid for Turkey. The Turks responded by closing bases used by the United States and by edging toward the NATO exit door. Efforts to promote talks on the island got nowhere.

But Mr. Carter said during the campaign, and Secretary of State Cyrus Vance has just restated, that progress on Cyprus must be made before questions of arms and aid can be addressed. Obviously with this in mind, Turkey on Jan. 27 allowed the leader of the Turkish Cypriot minority, Rauf Denktash, to meet with the Greek Cypriot president, Archbishop Makarios. It was the first such meeting in 13 years, and another is planned on Feb. 12. Various compromise formulas are being discussed to allow the two communities to live side by side in peace under the same governmental roof. The Turkish political opposition is no doubt tempted, as usual, to denounce any display of moderation as a sellout. But there are signs, small but prom-

ising, that the Turks realize that the wind from Washington has shifted and that this may be the time to cut the appalling losses in international prestige, in defense readiness and in access to the European economy that their Cyprus policy has inflicted upon them.

The Cyprus crisis is often perceived as the product of profound ethnic rivalries, which are also held accountable for the host of other problems that have rent Greek-Turkish relations and decimated the eastern Mediterranean corner of NATO in recent years. One does not want to dismiss the ethnic factor: Without it there would have been no crisis. But the proximate cause of the crisis was a flawed American policy, and its solution became hopelessly ensnarled in executive-congressional combat. This makes it easier, not harder, to try to fix now. A sensible policy is not only likely to untangle Greeks and Turks but to dissolve the executive-congressional snarl. It is a time for quiet diplomacy and meaningful consultation with Congress. Unlike, let us say, the Arab-Israeli conflict, the Cyprus dispute, for all the bitterness that has compounded it in the past, may not be quite as intractible as it has sometimes been seen—or made—to be.

OUR FREEDOM TO ACCEPT RESPONSIBILITY

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CHAPPELL. Mr. Speaker, I am pleased to insert in the CONGRESSIONAL RECORD a speech delivered by Mr. John E. Evans, of WESH Television to the Kiwanis Club of Daytona Beach, Fla., on July 21, 1976.

The theme of Mr. Evans' speech deals with "Our Freedom To Accept Responsibility." While the speech was delivered last year during our Nation's Bicentennial celebrations, I am bringing it to the attention of my colleagues because it concerns a subject that we should always be thinking about—the need to continue and increase public participation in the affairs of our Nation. As the speech by Mr. Evans points out, we have the freedom to participate and it is our obligation as free citizens to participate in the affairs of our Government and community life.

The speech by Mr. Evans follows:

OUR FREEDOM TO ACCEPT RESPONSIBILITY

(By John F. Evans)

I am honored to take part in your month-long series of programs celebrating the Bicentennial, to be numbered among speakers like Reverend Smith and Dr. Malone, and Reverend Mosley who will be with you next week.

You are fortunate that in Art Zimmet you have the consummate program chairman, he not only calls on potential speakers and flatters them into acceptance, but then thoughtfully provides them with the basis for their talk—or at least he did me, by sending to me a copy of one of Herbert Davidson's daily "Memo from the Editor" items from the Daytona Beach News-Journal which Arthur said he hoped would provide me with a theme for today. In it Mr. Davidson quoted James Reston of the New York Times who quoted a speech from Kingman Brewster, President of Yale, who said that in his view the first stage of our history was concerned with political freedom, the second phase was concerned with economic freedom, freedom from scarcity, freedom from want. Now, perhaps in 1976, he suggested, there was a chance to reach out to a more positive ideal, to achieve a society of mutual helpfulness, whose greatest aspiration is to give all its members a chance to make a constructive difference in each others' lives.

I am not entirely certain how President Brewster would flesh out these concepts of interpersonal interplay or whether the more conservative among us would react favorably to the sort of society that Herbert Davidson and Scotty Reston might envision arising from Dr. Brewster's concept, but I do welcome the opportunity to talk a little with you about freedoms in our society and about the part that we all, as individuals, play in preserving and expanding them.

It is too easy in this hectic society of ours, and too often in our personal lives, that we are able to ignore or to brush aside with catch phrases or easy labels important elements of the freedoms which have been so much a topic of the oratory which has accompanied this national Bicentennial binge we've embarked upon this year.

In order to talk about our freedoms, past present and future, it is important to look at the system under which they have grown, now flourish and hopefully will be preserved. I've been a little disappointed in many of the Bicentennial dwellings on the Declaration of Independence and the government it spawned, because they've not gone on to connect up that government with our concept of capitalism and the free enterprise system it sustains.

To me, the interrelationship seems clear, for when we talk of capitalism and free enterprise we're talking about:

A system that has made us the most powerful and emulated nation in the world.

A system that assures for each individual a marketplace for his ideas.

A system based on the highest ethical standards of any in the world.

A system which is the backbone for a method of government which more than any other provides the maximum freedoms for all those it seeks to serve.

You may be familiar with a popular comparison of capitalism with other isms of our times—a comparison which uses the ownership of two cows as its basis . . .

Under socialism—you have two cows and you give one to your neighbor.

Under communism—you have two cows, the government takes both and gives you the milk.

Under fascism—you have two cows, the government takes both and sells you the milk.

Under nazism—you have two cows. The government takes both and shoots you.

Under capitalism—you have two cows. You sell one and buy a bull. It is too seldom we stop to think that this capitalistic system of ours, for all the faults we find with it and for all the complaining we do about it gives to us six times as many necessities, comforts and luxuries of life as any other people in the world possess.

And why?

Because we have the freedom to work—to choose our occupations and our place of work.

Because we have the freedom to dream—goals, aims, purposes and desires . . . those of individuals and of groups are an important part of our basic concept of freedom, of our American system.

Under that system it is the total brain power of all the people which benefits the nation.

This is the freedom that permitted Henry Ford to envision cheap, mass production of automobiles.

This is the freedom that permitted Edison to create the electric light bulb, and this is the freedom that challenges all people to dream, and thus to create, produce and to build.

Hand in hand and equally important is our freedom to compete:

The dreamer has no monopoly on producing things in our society.

The manufacturer must constantly seek ways to make his product better, because if he does not, someone else will market an improved product and his business will fail.

We have the freedom to advance.

Each person is free to improve his position.

Leaders in every field rise to their posts of leadership through the ranks. And it is through this combination of freedoms that our free enterprise system generates its own incentive for the development which must constantly go on to sustain it.

It is through this combination of freedoms that progress is achieved. . . .

That the work week of the average employee has been reduced almost one half in the last hundred years.

That employees wages buy today almost seven times as much as they bought 100 years ago.

That 100 years ago animals did 75% of the production work of the nation, men did 15% and machines did only 10%, whereas today machines do more than 95% of our production work, men less than five.

And so our system has flourished, we have come a long way. We have seen our people largely freed from want, poverty, disease and fear. We have seen the level of illiteracy decline, and we have seen our system forged and defended by brave men and true who laid their principles and their lives on the line at places like Bunker Hill, Gettysburg, The Alamo, The Argonne, Iwo Jima, Heartbreak Ridge and the Mekong Delta. And this is good, for who can quarrel with the importance of being free from want and free from fear?

And yet, despite all this, we stand today, in our Bicentennial year, facing a great challenge which I think President Brewster had in mind and which it seems to me is not so much to our system as to ourselves as individuals, as citizens and as participants in this noble experiment of 200 years duration we call America.

The reason for this challenge is understandable. It is very natural, in an age as scientifically sophisticated and as prosperous as this, that our leaders, political, scientific, yes and even spiritual, should begin to dangle before a dazzled populace another freedom, and that is the freedom from responsibility.

This is a freedom, if we think about it, that none of us really wants. In recorded history there have been many great societies, but that of ancient Greece, of Athens, is probably the best known . . . literate, cultured, happy, peaceful, rich . . . nobody starved. And finally they achieved that last great freedom, freedom from responsibility. And the great society of Athens was no more.

History suggests that the Athenians were not alone, and that in fact nations seem to go through cycles—from slavery to hope, from hope to courage, and from courage to freedom, from freedom to abundance, from abundance to apathy, and from apathy back again to slavery. But all these steps depend on the people who take them. Certainly they are not foreordained.

Greatness in our society stems from individuals achieving to the maximum of their ability and accepting the responsibility to perform in their chosen fields . . . be they housewife, lawyer, salesman, religious leader, educator or whatever—but accepting that responsibility, not abdicating it.

You today, gathered here as participants in the civic life of this community, are rep-

resentative of thousands of others, here and throughout this state and nation who are the key to the preservation of whatever greatness our society has achieved and whatever potential it has for the attainment of further greatness, because the mark of a free people is their involvement.

People all over the world, less fortunate than we, would just love to be able to be involved, but they can't. They are free from responsibility. They don't even have to decide who is going to run the country, or the state or the city. No the mark of a free people is participation, and anytime anybody involves themselves in anything in this society, they are defending freedom.

Freedoms, you know, are lost only through disuse. No people ever lost their freedoms when they exercised them. One of the great things about our society that comes into play this election year is that we don't have to vote. We don't have to vote in one party or the other. We don't have to vote at all. A lot of people worried over this in the beginning. How could you make a democracy work without the compulsion implicit in older forms of society? Wise men like Franklin and Jefferson and others decided that in a free society with a well informed, literate electorate, there was hope for a new kind of society—democracy—a republic—a voluntary political society.

This freedom has been lost in other countries because people failed to accept and exercise it. Don't think that because we have in this area an active democratic organization or an aggressive republican organization that this is answer enough.

I don't mean to knock the politicians, for if they didn't exist we'd have to invent them to run our government. But in direct proportion, as we volunteer to work for better government, to participate in the selection and nomination for good men for public office, so do we defend our freedom to choose those who govern us and reject those who should not.

Freedom of worship is voluntary. We are very fortunate that somebody 200 years ago decided that we were not going to have any state religion. This, too, became a matter of the volunteer. The great creeds, Jewish, Catholic, Protestant, that guard the moral and spiritual character of our communities and this country, depend on individual involvement.

In many other countries, church people abdicated this responsibility. The effectiveness of the church in making its contributions has declined, and in some cases disappeared entirely. If we are to protect this freedom, then we must exercise it. We must work and worship in the church of our choice, not merely give money. The parishes that contribute most to the spiritual and moral character of the community are those where they have the maximum number of people supporting the priests, rabbis and the ministers in carrying on this great Christian idea.

In fact, this Judean-Christian idea came into being and survived only because of people involvement. Until the advent of Jesus Christ, state religions were the practice. The state paid for the temples, hired the priests and paid for the festivals.

The people came, looked in awe and enjoyed them. The discovery of the Dead Sea Scrolls revealed that others had even before Jesus advanced the concept he embodied. But nobody had volunteered to make it real, to make it live, to make it valid, to make it survive against the kind of statism in religion that existed.

Red Motley, Publisher of Parade, gives a great speech from which I have liberally borrowed, in which he points up how the Apostles were the first volunteers in this great Judean-Christian movement. Without them Jesus, whether you regard him as great prophet or Son of God, could not have made this idea survive to become the hope of peace for millions of people. They were volunteers against great odds. If you read many of the passages of the Bible about the trials and tribulations of the Apostles which are often omitted from Sunday School Lessons and Scripture Readings, you'll see a picture of toughness on the part of Christ and his Apostles. They had to be tough. He had to be tough to sweep the money changers out of the Temple and to go on foot up and down the narrow breadth of that land in the Near East, being spat upon and stoned and in Christ's case, later crucified.

As we celebrate this 200th anniversary of America, we should be mindful that there exists a direct link between the service we render today and those who laid the foundations of the society we enjoy and must preserve.

Those volunteers who stood at Lexington and Concord made this country possible.

They were outnumbered, too; not only outnumbered by the British, but by their friends and neighbors who didn't go along with the idea of fighting for freedom, against the principle of taxation without representation. If they had looked around them and said, "I don't think I'm going to go along with this because there are so many more people that are against it then are for it," we would still be a colony of Great Britain.

That we are today a free society. That in the eyes of many we are a great society is because from the beginning people volunteered to make an untried political system function reasonably well; to build a God fearing solid people with the church completely free. That we remain so is in large measure because a lot of people like you continue to participate, an act which is in a very real way the highest expression of a free society. Not freedom from responsibility, but the freedom and the willingess to accept responsibility, even though you don't have to do it.

Some of my old cracker friends tell me that if a frog is dropped into a pan of boiling water, he will react so quickly that he will jump out without injury, but that if you take that same frog and put him in a pan of cool water, then place the pan on the fire and bring the water slowly to a boil, that poor frog just won't be able to make his mind to jump until it's too late.

I'm afraid that there are a lot of us today who are like that frog. We've proven time and again that when our freedoms are attacked suddenly and violently, we react swiftly and with righteous indignation. But when the foundation stones of our heritage are slowly chipped away, as many seem to be today, we watch and wait and wonder, and if we're not careful we'll wait until it is simply too late.

It is not hard to be pessimistic about the future of our freedoms and the affairs of our nation. We have seen and heard so much in the last few years, both at the national and state levels of the abuse of power; of immorality in government; or misplaced priorities; of an inflationary economy; of a weakened defense posture and of pressures on the small businessman so varied and so great as to threaten his vital role in our free enterprise system. It would be little wonder if people were turned off by government and overwhelmed by the problems of our times.

And yet they are not . . . and therein lies the optimism with which I hope to leave you today. I suspect that the trauma of Watergate and the other political horrors of these times have, in fact, turned people on to the needs of involvement in government. At the Democratic convention last week, we were treated to a parade of new faces of leadership—more I think than we have seen at any convention of recent memory. In looking over the list of candidates who qualified for various offices around Central Florida before yesterday's deadline, I was impressed with the number of new names and the variety of business backgrounds that composed that list.

In our newsrooms we are seeing stories of more and more efforts by more and more people to take a hand in the shaping of their destiny. We are hearing from more and more civic clubs about their concern in the nitty gritty of government and seeing more and more involve themselves with the nuts and bolts issues of their communities and state. The work of your own Ron Johnson and his public and business affairs committee is a texbook example of this beneficial and encouraging involvement in the leadership you exerted in seeking and obtaining new judges for the county court. You have but to listen to President Bill's announcement for other good examples.

And so I think we are moving in this Bicentennial Year of 1976, perhaps more rapidly than we realize, toward that society Kingman Brewster envisions, which will be based on mutual helpfulness. What's required to accelerate our movement in that direction is, of course, personal commitment by us all to make a conscious effort to give meaning to our role in this new, third century America.

Have you ever stopped to realize that there were about three million people who lived in the colonies at the time of the Revolution. Yet they could get only 56 people to sign the Declaration of Independence. And it took a lot of courage for those 56 because they knew that if it failed, they would surely end up dangling at the end of King George's rope.

And so we became a free people, enjoying a great heritage, because there were those 56 who, on behalf of the other colonists and indeed on behalf of us their descendants and inheritors of freedom, were willing to pledge their lives, their fortunes and their sacred honor to this cause.

It is trite, but true, to note that freedom as we know and enjoy it in America demands the acceptance by citizens of the responsibility of citizenship; requires the greatest attainable degree of involvement by us all in the affairs of our government. In your bulletin the other week Bob Montgomery included a quote from Henrik Ibsen noting that "a community is like a ship. Everyone ought to be prepared to take the helm." How many of us would be ready if called upon to take the helm?

Some years ago I clipped a creed published by the National Small Business Association, and on occasions such as this I like to haul it out and reread it. And I would like to leave it with you today as a thought for this Bicentennial month and, if not as a challenge to you in the exercise of your individual rights of citizenship, perhaps as a reminder of the opportunities we all share as Americans. It goes like this:

I do not choose to be a common man. It is my right to be uncommon—if I can. I seek opportunity—not security. I do not wish to be a kept citizen, humbled and dulled by having the state look after me. I want to take the calculated risk; to dream and to build, to fail and to succeed. I refuse to barter incentive for a dole. I prefer the challenges of life to the guaranteed existence; the thrill of fulfillment to the calm state of utopia. I will not trade freedom for beneficence, nor my dignity for a handout. I will never cower before any master nor bend to any threat. It is my heritage to stand erect, proud and unafraid; to think and act for myself, enjoy the benefit of my creations and to face the world boldly and say: This I have done . . . all this is what it means to be an American.

HOUSE SHOULD VOTE ON ITS OWN PAY; COMMISSION RECOMMISSIONS SHOULD BE REJECTED

HON. J. DANFORTH QUAYLE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. QUAYLE. Mr. Speaker, earlier this week I appeared before the House Ad Hoc Subcommittee on Presidential Pay Recommendations, Committee on Post Office and Civil Service, to testify in strong opposition to the proposed pay increases. I was afforded the opportunity of stating my views but it is obvious that the Members of the House will not have the chance to vote either "yea" or "nay" because the leadership will not allow a resolution of disapproval to come to the floor for a vote. Time is running out, and our constituents watch with amazement and disappointment.

During the so-called district work period, better known as the Lincoln Day recess, I will have more to say on this issue to the people of the Fourth District of Indiana.

However, under the leave to extend my remarks in the RECORD, I include the statement made by me to the subcommittee on Monday, February 7, 1977.

The statement follows:

Mr. Chairman and Members of the Subcommittee: Thank you for this opportunity to make this statement of opposition to the recommendations for pay increases as recommended by President Ford, with the support of President Carter, and the Quadrennial Pay Commission.

The House has the opportunity to disapprove this ill-timed and inflationary recommendation for exorbitant pay increases for Members of Congress and other high government officials. From reports it is apparent that the House will never have the opportunity to vote for or against this pay increase.

Nonetheless, I sincerely hope that this Subcommittee will bring the resolution of disapproval to the Floor so that all members of the House can go on record, as they should, on this matter of our own pay. Without having a vote on the pay increase matter, the hypocrites of the House will be able to travel home and tell their constituents they were really opposed to the increase but will accept the increase because they don't want to be paid lower than their fellow colleagues.

Hypocrisy like this gives credibility to the low respect our American citizens have for the U.S. Congress.

Today I received a letter from a constituent from Rome City, Indiana, who lamented that 75 percent of the teaching staff receives less than the pay increase which is $12,900. We are not simply talking about a 28.9 per cent, and almost $13,000, pay increase for Congress, federal judges and cabinet members. Once this pay increase goes into effect all the bureaucrats will clamor for more money "to keep up with the example Congress has set." This will literally cost billions of dollars.

It is of concern to me that the Congress as an institution continues to rate so low in the eyes of the people of this country. It is beyond me how we can give away to a Commission the responsibility of establishing salaries and not face the issue ourselves. How can we insulate ourselves against inflation without even being required to vote, while our constituents are wrestling every day with high prices and shrinking pocketbooks.

I am opposed to this pay increase for Members of Congress for several reasons. We accepted our positions as Congressmen knowing what our salary would be. Indeed, we campaigned for the job, asked for it, knowing that we would earn a specific amount. I think it is strikingly inappropriate to begin complaining about our salaries and allow a raise in these salaries scarcely weeks after we begin the jobs we worked so hard to get.

Our founding fathers discussed the issue of revising our own salaries during our present term. There was consideration of incorporating into the original Bill of Rights an amendment precluding a pay increase during the term of the sitting Congress. Any pay increase would apply to the next session. Our founders saw the temptation of increasing our pay but rejected the limitations I assume in anticipation of having a Congress interested in serving the people rather than serving themselves.

I believe Congress should decide on its own salaries, but any increase or decrease should take effect only in the term following the passage of such change. This will protect Members of Congress both from those who might try to line their own pockets at taxpayers' expense, and from those who might try to penalize certain factions of this body through a sudden decrease in salary.

It is not only this pay raise which concerns me. The automatic cost-of-living increase is still law and will occur in October if action is not taken.

I am somewhat amazed that we, the highest legislative body of this land, can sit here and pass inflationary spending measures which fall hard upon the taxpayers of this nation, and then promptly arrange it so that we are cushioned against this very inflation.

I do not argue this issue on the basis of need; I argue it on the basis of respect for what used to be an august body. In the early days of the nation, it was an inconvenience bordering on hardship to serve as Congressman—to leave one's family and travel great distances, to maintain both private business and public office, to spend large amounts of time representing the people and never be fully materially compensated for one's efforts. But people were proud to serve as legislators and made these sacrifices because they were more concerned with the welfare of the nation rather than their pay scale.

I was not elected to insure my financial future; I was elected to seek the best interests of the people I represent. This increase is definitely not in their best interest.

If not for this simple reasoning, then for the sake of the reputation of this body, I ask you to vote against these increases . . . by voting out a resolution of disapproval.

PRESIDENTIAL CLASSROOM PROGRAM

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. LOTT. Mr. Speaker, I would like to take this opportunity to recognize two outstanding young people, Becky Jo Tedford, of Waveland, Miss., and Tammy Faulkner, of Lucedale, Miss., who were here in Washington last week to participate in the 1977 Presidential Classroom for Young Americans.

It was my pleasure to discuss the operations of our Federal Government with these young ladies, as well as with the entire first class of the Presidential classroom program.

I am impressed by the perception Miss Faulkner, Miss Tedford, and their colleagues displayed toward our Nation's destiny, and I commend these young Americans on their selection to participate in this program.

WOMEN'S AIR FORCES SERVICE PILOTS

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mrs. BOGGS. Mr. Speaker, I rise today to ask the support of my colleagues for legislation I introduced to grant veterans benefits to former members of the Women's Air Forces Service Pilots—WASP's—for their service to their country during World War II.

As many of you may already know, the WASP's served as ferry pilots during the war and many of these brave women suffered death or injury during their service to their country. However, promises to make the WASP's an official part of the military establishment and thereby eligible for veterans benefits were never fulfilled after the emergency of the war subsided. As a result, many of the surviving pilots—approximately 800 are living today—have not been served by the Veterans' Administration as they should have been.

This legislation was originally sponsored in the House during the 94th Congress by our colleague, Representative Patsy Mink. In the Senate, an identical bill has already been introduced by Senator BARRY GOLDWATER. Last year, the Senate amended a veterans health bill, H.R. 71, to provide certain health and hospital services to the living WASPs; however, the House disagreed to the Senate amendment and the proposal was eliminated from the final version of the legislation.

Because the Ford administration and the Veterans' Administration had opposed previous proposals to grant veterans benefits to the WASP's, many Members of the House were rightly concerned about the possibility of a Presidential veto of the entire veterans health bill (H.R. 71) if the WASP amendment were to be attached. I firmly believe, however, that we can expect a more favorable hearing this year. Consequently, I am hopeful that the House Veterans' Affairs Committee will agree to conduct a hearing on this proposal to grant veterans benefits to the WASP's so that committee members and all our colleagues in the House can be fully aware of the justice of this request.

For the information of my colleagues I am pleased to provide the following background on the WASP's and this legislation:

FACTS ABOUT WASP'S

WASPs served in uniform as part of the Air Corps from September 1942 to December 1944.

WASPs who graduated from Air Corps pilot training and flew with the Air Corps: 1,070.

WASPs who died while in service with the Air Corps: 38.

WASPs known to be living at this time (approximately): 800.

WASPs who had additional military service after World War II: 25.

Unofficially we have been informed that the recent decision to admit women pilots into training with the Air Force was based in part on the *favorable* experience the Air Corps had with the WASPs during World War II.

Duties performed by the WASPs while in the service:

Towing targets for gunnery practice.

Towing gliders for combat glider pilots.

Test flying aircraft as to aircraft and instruments performance.

Flying aircraft in the prescribed manner after overhauls.

Flying ground personnel where necessary.

Utility piloting.

Ferrying aircraft from factory or from airport to airport.

It is to be noted that the WASPs flew every type of aircraft manufactured for World War II from the B-19 down to Primary Trainers.

As an indication of the success of the WASP program and in order to discount erroneous claims that WASPs were not top flight pilots, there are two documented cases where WASPs were utilized to prove airworthiness of aircraft which male pilots had considered unsafe:

1. In the ferrying command many male pilots were crashing the P-39 fighter to the point that the plane received the name of "Flying Coffin." To restore the image of the aircraft, General Tunner assigned some of the WASPs the job of ferrying the P-39s, which they did with a perfect flight record. There were no more complaints from the male pilots. (Reference: "Over the Hump" by Wm. H. Tunner; Duell, Sloan, and Pearce, N.Y.: 1964)

2. In the training command during World War II, the male pilots became afraid of the B-26, one of the most difficult aircraft to fly at the time. Again the WASPs were assigned to the training program. They not only flew the B-26 but did it with no fatalities and with fewer "washouts" than the male pilots. The men soon forgot their fear of the aircraft and returned to flying it with great success in combat. (Reference: "Interview with Jacqueline Cochran" by Dr. Murray Green, Office of Historian, USAF, February 25, 1970.)

WASP: MILITARIZATION

It was initially intended that the WASPs would become an active part of the Army Air Forces (AAF), but both the AAF and the WASP Director, Miss Jacquline Cochran, felt that the program should be observed for a period of time before this move was made. In June of 1943, Miss Cochran approached Colonel O. C. Hobby, Commanding Officer of the WAC, concerning militarization. It was Miss Cochran's approach that a pilot should command the WASPs and not a person unschooled in aircraft or flying, such as Mrs. Hobby. She supported her argument for commissioning WASPs directly into the AAF by referencing a precedent which provided for the appointment of women physicians directly into the Medical Corps of the Army and not into the WAC. Both the Commanding General of the Flying Training Command and the Commanding General of the AAF supported her position.

Colonel T. C. Odum, Deputy Air Inspector, AAF, was given the job by General Arnold to investigate the militarization of the WASPs. His study dated 5 August 1943 recommended that the WASPs be left on civil service status for a 90-day period of observation, during which time the women would be utilized in military pilot's duties in addition to ferrying aircraft. In July of 1943, WASPs were assigned to tow target squadrons at Camp Davis, North Carolina.

The Air Transport Command in the meantime discovered that Army regulations did not state specifically that an officer had to be male. They therefore considered giving the WASPs direct commission. This plan was killed in the General Staff.

In September of 1943, Representative John M. Costello of California, introduced a bill, H.R. 3358, which provided for the militarization of the WASPs by commissioning them directly into the AAF. The women would be retained until six months after the end of the war. This bill had the complete approval of the Chief of the AAF (General Arnold) and the Secretary of War (Honorable Henry L. Stimson), who submitted a special letter of endorsement of the bill to the Chairman of the Committee on Military Affairs.[1] H.R. 3358, as amended and resubmitted as H.R. 4219, was reported out of Committee on 22 March 1944.

In the meantime, flying training for male pilots was being curtailed. Many civilian contract flight schools using civilian male instructors were being closed down. These men, through the period of emergency, remained at the flying schools, received much better pay, and escaped the dangers of war. Now, they were unemployed. They resented the WASPs flying for the military and brought extreme political pressure to bear on the militarization of the WASPs. The Ramspeck Committee (House Committee on Civil Service) was in sympathy with the male civilian pilots and reported out of Committee a report which was unfavorable to the WASPs.[2]

On the floor of the House, the WASP bill had very poor treatment. Mr. Ramspeck was in the Speaker's Chair and allowed the debate to degenerate into the discussion of the plight of the male instructor pilots. Various amendments were introduced and passed which weakened the WASP position, and finally, the bill was defeated on the floor. In the meanwhile on the Senate side, Senator Hill introduced a bill with exactly the same wording as H.R. 3358, but after the debacle on the House side, the Senate bill was never brought out of Committee.

It is obvious from the above that it was the intention of the Secretary of War and the Commanding General of the AAF, as well as the House Armed Services Committee (then the Committee on Military Affairs), that the members of the WASP be integated into the military service. The fact that the bill failed can be only blamed upon the activities of certain lobbyists who played upon the lack of knowledge of the subject in Congress, which action allowed interest groups to defeat the bill.

It is interesting to note that during the hearings of the Military Affairs Committee, certain Committee members questioned General Arnold about the male civilian pilots who previously had been happy in waiting out the war with good salaries in the U.S., but now who were complaining to the members of Congress about the fact that the WASPs were to be included in the service.[3] General Arnold stated emphatically that no male civilian pilot would be denied a commission in the Air Forces as long as he could meet the requirements (which the women pilots had met), but this was not enough for those supporting the male pilots. The House somehow failed to understand that (although no injustice had been done to the men) by supporting the men, a great injustice would be done to these women pilots.

[1] "Report No. 1277, 78th Congress, 2nd Session, 22 March 1944."

[2] "Final Report on Women Pilot Program—To: Commanding General, Army Air Forces"; Pgs. 46 and 47.

[3] "Report of Hearing Before the Committee on Military Affairs, House of Representatives, 78th Congress, 2nd Session, on H.R. 4129, 22 March 1944."

THE TAX SYSTEM

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. VANDER JAGT. Mr. Speaker, a fair, equitable, sound tax system is critical to the economic wellbeing of the Nation. One very important element in our tax structure relates to inheritance taxes. A recent article on this subject by Dr. Peter Gutmann, chairman of the Department of Economics and Finance at the City University of New York, appeared in the Washington Star. I commend this thought-provoking article to the attention of Members of the House:

U.S. NEEDS MORE PEOPLE GOING FROM RICHES TO RAGS (AND VICE VERSA)

(By Peter M. Gutmann)

It is too easy to stay rich and too difficult to get rich. That, to put it bluntly, is what's the matter with the tax system.

The tax system is creating a class system. It establishes a solid barrier to social and economic mobility, upward and downward. Those who aspire to rise in society through work, savings and capital accumulation have much, indeed, most of it taxed away; they have a tough time rising. Simultaneously, those who are already among the top of the heap find it easy to stay there. The tax system keeps those who are down, down, and keeps those who are up, up.

Thus the tax system is a solid bastion of conservatism. It is heavily biased towards the success of past generations. Those whose ancestors became rich, stay rich. Those whose ancestors did not, cannot.

Many draw the conclusion that the solution lies in an ever more egalitarian income distribution. But such is not the case, as many another country has discovered; witness England, not to mention the Swedes who have just cast out their Socialist government after 44 years.

Egalitarian income distribution founders on two rocks. First, substantial problems develop with incentives, productivity and social dissatisfaction. Second, egalitarian income distribution is essentially incompatible with private enterprise, since the public obviously must have the funds to own the country's capital.

The solution is different. In a nutshell, every pauper should have a much-improved chance to become a millionaire, and every millionaire (and his children) should have a much-improved chance to become paupers. Each generation should stand on its own feet.

What does this mean for the tax system? First, it means very high effective estate and gift taxes, but with no tax, or very little tax, for amounts below a certain minimum. The operative principle should be this: No man should be allowed to give another (including his children) enough to permit him a free economic ride at the top of the heap for his lifetime.

Thus, if a billionaire wants to give his offspring his billion dollars, it should be

largely taxed away. If he wants to distribute it equally to 10,000 people, let him. Estate and gift taxes should be levied not on the giver, but on the recipient. If each of 1,000 people wish to give a million dollars to the same individual, it should be largely taxed away. Inheritance and gift taxes should allow downward mobility from one generation to the next.

Second, income taxes should be reduced, not only on the income levels below the median income, or on the income levels of the middle class however defined, but at all levels of income, including upper incomes. This is designed to allow rapid upward mobility within a generation.

The net effect is the stimulation of economic and social mobility, with room at the top of the heap for new blood and room at the bottom for old blood. Men and women of energy could have the opportunity to rise swiftly within their lifetimes, and their children could have the chance to fall equally swiftly. The old adage, "From shirtsleeves to shirtsleeves in three generations" can be cut to two.

Who would benefit? Society would benefit through much greater social and economic mobility. The economy would benefit through greater incentives and output. The typical individual, who today pays taxes to government but receives few desired services, would benefit as his income taxes dropped relative to government services received. Any slack in tax collections could be taken up by inheritance and gift taxes.

This proposal would also give the offspring of the rich a chance to prove themselves, unimpeded by the modern guilt feelings created by inherited wealth.

Tax revisions must meet one criterion: Maintenance of sufficient capital in the hands of the public to own private enterprise. But there would be drastic differences in ownership interests. Under the current tax system, much ownership remains in the same families from generation to generation. Under the new system, ownership would shift to different families from one generation to the next.

The present tax system is an incredible mish-mash. It is neither moral nor immoral, ethical nor unethical, fair nor unfair; it is simply legal. It reflects the accretion of several generations of infighting interest groups. It satisfies no one and probably commands less and less respect. The trouble is that no one considers the tax system just, and probably no one ever will, no matter how often it is revised.

The public seems to agree on only two things: A dollar spent by government for the benefit of a taxpayer is worth less than that dollar spent by taxpayer directly. And a dollar spent by the government for the benefit of a taxpayer (or non-taxpayer) is worth having if someone else pays the taxes. Practically, this means that those who are on the receiving end of income redistribution like it, others don't—hardly a surprising conclusion. Since more are on the giving end than on the receiving end, dissatisfaction is bound to be rife.

It is lucky that the U.S. doesn't have popular votes (like a Swiss referendum) on major expenditures programs tied to the required tax-raising revenue. If it did, few programs would survive. We need only look at the rejection rate of school budgets to recognize this verity. Local school expenditures are certainly among the most popular expenditure programs. From there on, it is almost all downhill.

Congress recently passed an enormous, complex tax revision bill. It is hard to discern any overriding philosophy in this bill, unless it be the plugging of "loopholes," something that means different things to different people. In any case, new "loopholes" seem to be created as rapidly as old ones disappear. It is likely that this bill will prove little more satisfactory than the tax code it replaces. Indeed, the president-elect has promised yet more tax revisions.

What we need is a philosophy of taxation with some clear objectives. These should include: (1) Social and economic mobility. Let everyone have the opportunity to move rapidly upwards and downwards through the social and economic spectrum. (2) Equality as between generations. Let the offspring of the rich start out afresh. (3) Inequality within each generation. Let everyone reap more of the fruits of his own efforts. (4) Private enterprise. Let the tax system keep ownership of U.S. enterprise in private hands.

(5) Proper incentives. Let no one suffer the negative impact of substantial inherited wealth on incentives to work; let everyone be offered incentives to work for economic rewards. (6) Minimum standards. Let no one sink below a socially acceptable economic norm. (7) Government expenditures. Let the benefit of each government program be related to its cost. Let the total magnitude of government outlays for all programs be related not only to the total magnitude of tax receipts required to finance these outlays, but also to the impact of this total magnitude on the objectives of the tax system. Obviously, we cannot run every conceivable government expenditure program without running up taxes to unacceptable levels.

Without a vision clearer than that embodied in our latest tax legislation, public discontent, disrespect, and distrust will continue to grow. It is time to re-think our tax system.

CONTINUE BROADCASTING IN CLEVELAND

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Ms. OAKAR. Mr. Speaker, Cleveland, Ohio, has often been recognized as one of the ethnic capitals of America. Within the boundaries of my congressional district are representatives of just about every nationality and ethnic group that built this country to what it is today, and these people take a special pride in their ethnic heritage. It is for this reason that I was extremely disappointed with the recent announcement of the Booth Broadcasting Co., which owns WXEN-FM, one of the two ethnic stations in the Greater Cleveland area, of its intention to change the format of the station to contemporary music.

Along with numerous other Clevelanders, I have written to Booth urging that nationality programing be continued, and we intend to pursue whatever other avenues that may be open to us to retain this broadcasting in Cleveland. For the information of my colleagues, I would now like to insert into the RECORD a copy of the letter I sent, and an article from the Cleveland Plain Dealer which describes a huge rally that was held in Cleveland last Sunday to protest this elimination by WXEN of its ethnic programs:

CLEVELAND, OHIO, *February 3, 1977.*

Mr. JOHN L. BOOTH,
President, Booth Broadcasting Co.,
Detroit, Mich.

DEAR MR. BOOTH: As an individual who was born and raised in the City of Cleveland, I am greatly disturbed to learn of the decision made by Booth Broadcasting to change the programming policy from "nationality broadcasting" to "top 40 music."

The loss to the ethnic community in particular, and to the Greater Cleveland area in general, will be immeasurable. The sharing of cultures is the foundation of this city, and of many others which are fortunate enough to have people of diverse ethnic backgrounds. This must be preserved in Greater Cleveland.

To so drastically eliminate what has almost become traditional is very difficult to accept.

I find it ironic that your decision should come at a time when the national network, ABC, was willing to gamble programming style and ratings because it realized that the "Roots" of people and their pride far surpass typical business decisions.

Since there is only one other ethnic station in Cleveland and innumerable contemporary ones, it would seem that building on the uniqueness of an already-established format with already-established listeners, embellishing it thus engendering more listeners, would be of a greater service to yourself and the community than to do an almost complete turnaround and to jump into an already-crowded field.

Therefore, I strongly urge you to reconsider your policy change.

Sincerely,

MARY ROSE OAKAR,
Member of Congress.

[From the Cleveland Plain Dealer, Feb. 7, 1977]

ETHNIC-POWER RADIO RALLY ATTRACTS 2,000 DOWNTOWN

(By Robert Dolgan)

Chanting "ethnic power" and carrying signs, about 2,000 people rallied yesterday in Public Music Hall against WXEN-FM radio's decision to abandon nationality music in favor of soft rock.

A movement to acquire a new radio station for ethnics was quickly begun. It was sparked by remarks from Tony Petkovsek and Vincent Cardarelli, two of the 21 WXEN disc jockeys and producers to be lopped off the payroll March 12.

The meeting was called by the Nationality Broadcasters Association last week after Booth American Co., owner of WXEN, announced on Jan. 29 that it was changing its format.

"We built WXEN when FM was nothing," said Petkovsek, who has had a Slovenian program since the station was formed in 1961. Now they tell us we're nothing. Let's look into buying a new station or a subchannel."

Said Cardarelli, host of the Italian program, "Cleveland could have the first station owned by its listeners. If each listener pledged a dollar a month we could do it."

The idea was enthusiastically embraced by the audience and by Mayor Ralph J. Perk, one of a platoon of local and suburban politicians at the rally.

Six persons, including Rep. Mary Rose Oakar, D-20; County Commissioner George Voinovich; Utilities Director Raymond Kudukis; and Euclid Councilman Edward Eckart, pledged $100 each toward the proposed drive.

"This isn't a wake," said Henry Broze, a WXEN disc jockey who has been in ethnic radio since 1933. "It's a rebirth."

Petkovsek, probably the most influential of the WXEN disc jockeys, said in an interview that it would cost from $100,000 to $200,000 to start a new station. He said he thought he could raise $100,000 from his listeners.

He has conducted radiothons for a Slovenian old age home for several years, raising as much as $22,000 in one day, he said.

Voinovich cautioned it might be difficult to get another station, and suggested another talk with WXEN owners to try to change their minds.

"If they don't change, hit them in the belly," said Voinovich. "Boycott their new advertisers and make it hurt."

Perk said, "If you in this audience ever decided to boycott a business that was discriminating against you, it could not survive. We too shall overcome."

Miss Oakar said she has had more complaints from constituents about the WXEN change than she has had on any issue since she went to Congress.

Officials of WZAK-FM, another nationality program outlet, have said they will hire some of the disc jockeys.

RECONSIDERATION OF THE COAL SLURRY PIPELINE BILL, H.R. 1609

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. MURPHY of Pennsylvania. Mr. Speaker, earlier this month, I asked to be a cosponsor to Mr. ECKHARDT's Coal Pipeline Act of 1977, the purpose of which is to facilitate the development of coal slurry pipelines for the transport of coal to certain markets.

Since that time, I have exhaustively reviewed and analyzed H.R. 1609, and upon reconsideration of the measure have concluded that as this measure is presently written I must withdraw my support.

Mr. ECKHARDT's bill would provide for the construction of long-distance coal slurry pipelines which would be interstate in nature and would provide for the granting of eminent domain privileges to the owners/operators of such pipelines.

While the concept of coal slurry pipelines merits serious consideration, I believe that the construction and length of such pipelines should be restricted to established regional resource-based boundaries and that further restrictions should be imposed limiting coal slurry pipelines to areas in which adequate transportation facilities are not available, and to areas where the construction and maintenance of a transportation infrastructure as an alternative to pipelines is not feasible. If H.R. 1609 does come up for consideration in the Interior Committee, I plan to introduce amending language to encompass these restrictions.

Furthermore, I hope that the House Interior Committee will not begin serious consideration of Mr. ECKHARDT's bill until the Congressional Office of Technology Assessment—OTA—completes its study of the coal slurry transportation system later this year.

The major economic impact of the present bill would be the transport of western coal via pipeline to eastern markets. This may have a serious impact on the expansion of eastern deep mines and would tend to favor the development of western strip mines, at a time when the Nation's energy policy and needs dictate extensive utilization of deep mined eastern coals.

Coal slurry pipelines used on a restricted basis however could supplement existing transportation facilities without being competitive or detrimental. Limitations could be designed to keep these pipelines within the same functional limitations as existing conveyor systems. By keeping the pipelines in a noncompetitive position, the major carriers such as barges, railroads, and similar carriers would not lose revenues but encourage expansion of service to coal fields. Short-distance restrictions and pipelines would protect regional coal fields and producers from unfair competition by producers from other regions, thereby encouraging full production and full employment within each coal-producing region.

In addition, this would effectively reduce the inefficiency of moving coal into areas already providing adequate supplies to their respective region. Long-distance, large-volume coal slurry pipelines would work at cross purposes with congressional efforts to improve the rail system. A large part of congressional hope for the economic security of the Conrail system is based on the expected revenues from coal hauled to Northeast utilities.

Finally, a cost-benefit analysis of long-distance coal slurry pipelines versus railroad transport indicates that the material costs for upgrading railroads are less than that for a new pipeline; that railroads are more energy efficient than long-distance pipelines, and that railroads are more labor-intensive than pipelines, an important factor, considering congressional efforts to sponsor productive work projects to reduce unemployment.

Mr. Speaker, I urge my colleagues to take a very close look at the costs and impacts involved before making any final decision regarding coal slurry pipelines.

ICHORD PROPOSES BOUNDARY FENCE AND WEED CONTROL REFORMS

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ICHORD. Mr. Speaker, many of the Members may have received numerous complaints, as I have, from farmers who live adjacent to National Forest Service lands about the failure of the Federal Government to participate in the cost and maintenance of boundary fences as well as cooperative programs for the eradication and control of noxious weeds. Farmers are now compelled to bear all the cost of such division fences and the cost of eradication programs.

In an effort to alleviate the unfair burden of such farmers, I am today joined by several Members in introducing a bill to provide for cooperative construction of such boundary fences and control of noxious weeds. There is clear and convincing evidence that activities on national forest lands have contributed to the need for a joint weed control project. Under this proposal, the Federal contribution to such a cost-share agreement would not exceed 50 percent of the cost of construction and maintenance of fences and eradication of noxious weeds.

I urge my colleagues to support this legislation.

TRIBUTE TO WILLIAM R. ROBERTSON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ANDERSON of California. Mr. Speaker, on February 12, a testimonial dinner will be held in Los Angeles to honor a man who has made many important contributions to our community through years of dedicated service. Both management and labor will join in saluting William R. Robertson, executive secretary-treasurer of the Los Angeles County Federation of Labor, AFL-CIO. All proceeds from the affair will be donated to the Kidney Foundation of Southern California—a very fitting gesture on behalf of a man who has never hesitated to involve himself in community affairs.

Born in St. Paul, Minn., on April 4, 1917, Bill Robertson received his education from the St. Paul public school system. His varied background and experience is reflected in the many labor organizations he was affiliated with over the years—including the Mattress Workers, United Auto Workers, Packing House Workers, Hod Carriers and Laborers, Marine Electricians, and the Los Angeles Newspaper Guild.

Bill, as he is known to his many friends, has been a labor leader for 20 years. In 1957, shortly after becoming a California resident, he was elected to head the Hotel, Restaurant and Bartenders Union Local 694 in the San Fernando Valley. Robertson held that post for a highly successful 10 years before joining the staff of the Los Angeles County Federation of Labor, AFL-CIO, in 1967.

In his 10 years with the County Federation of Labor, Robertson has earned a highly respected reputation as a skillful and reasonable negotiator. He was assistant executive secretary when, late in 1975, former Executive Secretary-Treasurer Sigmund Arywitz passed away.

Bill Robertson stepped in, and has more than continued the good work he participated in under Arywitz's leadership. That he is widely respected in his own right, and that the Los Angeles County Federation of Labor is as strong and vital a force as ever, are tributes to Bill's competence, leadership, and ability.

By his own example, Bill Robertson has shown that labor is a strong and vital force that can and should be used for the good of the public. He is a for-

mer member of both the Los Angeles Public Library Commission, and the Environmental Quality Commission. He currently belongs to the Los Angeles city ad hoc committee on energy conservation, and the Los Angeles County economic development program. He is also active in charitable causes, serving as vice chairman of the United Crusade, vice president of the United Way, and is a member of the board of directors of Aid-United Givers.

Mr. Speaker, William R. Robertson exemplifies the belief that organized labor exists for the benefit of all segments of the community. His many activities only demonstrate the fact that he has chosen to become as involved as possible. Currently, two of his major concerns are the relationship between labor and public employees, and the future of California's energy supplies—both issues of obvious importance to southern California and the Los Angeles metropolitan area.

My wife, Lee, joins me in congratulating Bill on his many outstanding accomplishment and good works, and we wish him the best of good fortune as he continues as executive secretary-treasurer of the Los Angeles County Federation of Labor, AFL–CIO.

COMMUNIST ACTIVITIES IN CAMBODIA

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. LOTT. Mr. Speaker, please permit me to call to the attention of my colleagues and other responsible Americans a letter which I have recently received. I have read the article cited in this correspondence and think that it is worthy of note. Therefore, in lieu of entering the entire commentary, I am taking this means of sharing the concerns of my constituents about the activities of the Communists in Cambodia:

KEESLER AFB, MISS.,
January 24, 1977.

HON. TRENT LOTT,
U.S. House of Representatives,
Washington, D.C.

SIR: Respectfully request that you read into the Congressional Record the article, "Murder of a Gentle Land", in the February 1977 Reader's Digest. The American people and especially our elected leadership need to be profoundly aware of the consequences when we as the strongest free nation on earth fail in our moral and leadership responsibilities. It is always unfortunate that others less fortunate than ourselves must pay for our mistakes. Should we fail to stand by all free peoples in their hour of need, then we have ultimately failed not only ourselves but all future generations of Americans.

Very truly yours,

William P. Saunders, Jr., Victoria K. Byron, Charles D. Fleck, John G. Keilholz, Edward P. Lapham III, William R. Lemaster, David C. MacDonald, Mary E. Martin, Francis P. McNeil, Sr., Stephen F. Sorensen.

THE BLACK ELECTORATE, A CONTINUING STRUGGLE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. RANGEL. Mr. Speaker, it may be ascertained that the election victory of Jimmy Carter in November is due primarily to the tremendous support given him by the various minorities, particularly the black minority. It was the overwhelming black voter turnout in various key States that gave President Carter his winning margin.

This support reflects the trust placed in Mr. Carter's ability to fight unemployment, provide adequate housing, and help secure a meaningful and productive lifestyle in America. The right to vote which so many of us struggled in the 1960's to obtain has now become an exercise in the search for a promise of the future. We believe that Mr. Carter is our promise for the future—a promise of greater equality and opportunity, of less discrimination and injustices. Myself and other blacks have banned together to make every effort to continue in this struggle. That the black people should elect a man from the Deep South to our Nation's highest office is reflective of the distances we have traveled to overcome the barriers of the past.

I would like to submit, Mr. Speaker, the following article taken from the editorial page of the Crisis, December 1976 issue, which details the role played by blacks in the November election. I hope it will serve to illustrate the important contribution blacks played in helping to shape the mandates President Carter will use in the future. The editorial is as follows:

THE BLACK VOTE: BALANCE OF POWER

Next month, Jimmy Carter will become the 39th President of the United States. It is generally conceded by both major political parties and by an assortment of pollsters and pundits that he owes his election to the nearly total support given to him by black voters across the nation. In so favoring Mr. Carter, black people were expressing their belief that this man from the South possessed an awareness and concern for the problems of black and other minority people.

No Southerner has been President since before the Civil War. The reason seems to have been that the major portion of the country viewed the postbellum South as slow, backward, unenlightened, inflexible, prejudiced, impoverished, ignorant, and possessing few redemptive qualities, and no potential Presidential candidate could come out of such an environment.

The beginning of a change came with the altered status of the Negro which began with the Supreme Court decision of 1954 in *Brown v. Topeka Board of Education* which overturned the separate but equal doctrine of the land.

Nearly two decades of massive civil rights activity followed—sit-ins, freedom rides, civil disobedience, direct action, passive resistance, and freedom marches, culminating in the magnificent March on Washington of 1963 for jobs and freedom, the 1964 Civil Rights Act, the Voting Rights Act of 1965, and the Fair Housing Act of 1968. In the interim, the old South died, slowly and sometimes painfully. Yet the desegregation which occurred in the process became more complete and more sincere, in some instances, than that which was taking place during the same period in the North.

A new South was born—one in which black and white children attended public school together, one in which black citizens began to be elected to public positions at all levels of government, and one in which the historic familiarity between black and white people began to turn into a relationship of mutual respect.

Mr. Carter is of that new South, and black folk all over this nation knew it. Because of their conviction that this former Georgia governor would be a President who would do something about the concerns of minority people, black voters provided him with a margin of victory in several key states. In Pennsylvania, for example, Mr. Carter received 90.5 per cent of the black vote; in Ohio, 91.5; in Texas, 96.9; in Missouri, 90.8; in Maryland, 91.7; in Louisiana, 93.4; in Mississippi, 91.7 per cent. And in New York, where the upstate vote favored Mr. Ford, the overwhelming minority vote cast for Mr. Carter in New York City provided the margin of victory. In the city, 94 per cent of the black vote went to Mr. Carter.

It is obvious that black voters, in this election, have placed their trust in the integrity and commitment of Mr. Carter. It is equally obvious that they expect him to keep his commitment to attack the high rate of unemployment which pervades the country generally and Negro communities disproportionately. It is obvious, too, that they expect him to foster the construction of low- and middle-income housing, counteracting particularly the blight and desolation of urban centers.

"So black people are justifiably proud," Vernon Jordan, executive director of the National Urban League, has said. "They elected a President, made use of the previous right to vote that was bought so dearly in the struggles of the 1960s, and used that right with skill and comprehension."

Mr. Jordan went on to say: "It is one thing to get elected, and quite another to govern. We must concern ourselves with governance. No matter how personally concerned about race relations the President-elect may be, once he gets to Washington and faces the political pressures of the office and the necessary compromises that are part of the democratic process, he may find it expedient to defer those programs of vital importance to black people."

We agree with Mr. Jordan that "we must not allow this." Without reservation, we agree.

There is a realism, however, which we must keep in mind if, as black people, we are not to permit high expectations to become exaggerated out of proportion. What we expect of Mr. Carter is that he will use the full weight of his office to provide equal rights for black citizens in his government, in employment generally, in housing, in education, and in each of the areas where black citizens previously have been given short shrift. But he will be President of all the people and realism dictates that he can do these things only as part of governing the total country. While Mr. Carter carries a heavy obligation to black Americans, he must repay that obligation at the same time he reaches for the general welfare.

There is an undeniable bond between Jimmy Carter and black people. And it is a fascinating twist of fate that these black people, who once had been enslaved so cruelly by whites of the South, should today select a latter-day Southerner in whom to place their faith, with a totality never accorded any recent Presidential candidate. The magnitude of that support puts Mr. Carter in the position of being the first President to owe so much to a single minority. An irrevocable partnership has been

formed. Mr. Carter must support that partnership from the vantage point of the White House. We must support it from our various civilian positions with all the energy, imagination and clout that we can muster.

NAACP Administrator Gloster B. Current credited the victory of Mr. Carter, in the Presidential election, to the "overwhelming support he received from black and lower-income voters."

Mr. Current noted that the NAACP, through its 1,700 local units, conducted nonpartisan voter education campaigns to get out the vote. In his statement on the election, he said:

"The victory of Gov. Jimmy Carter, in the Presidential election, was achieved with the overwhelming support he received from black and lower-income voters. No Presidential candidate in recent memory owes as much to these particular groups of voters for their election as does President-elect Carter.

"The NAACP, as a non-partisan organization, did not endorse any candidates in the national elections. Nevertheless, the NAACP did present its official positions on the many critical social issues with which the nation was faced before the platform committees of both party conventions. NAACP members throughout 1,700 local units and youth chapters were well aware of these positions and advised to vote for those candidates whose positions most closely matched the civil rights organization's.

"As the results in the Presidential election showed, black voters will respond and turn out at the polls when they feel there is a clear choice between candidates. They were presented with a clear choice on November 2, 1976, and they acted accordingly.

"The heavy turnout of black Americans at the polls November 2 again points up the importance of stepping up our registration and voting efforts because both parties have to be reminded constantly that their interest in minority communities is best served by dealing with the economic problems of the poor, the disadvantaged and the citizens who are affected by the decline and fall of the economy."

In the final debate between the two Presidential candidates, on October 22, Mr. Carter stated:

"I think the greatest thing that ever happened to the South was the passage of the civil rights act(s) and the opening up of opportunities to black people—to have a chance to vote, to hold a job, to buy a house, to go to school, and to participate in public affairs. It not only liberated black people, but it also liberated the whites."

We heartily agree.

IDAHO LEGISLATURE RESCINDS ERA

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. SYMMS. Mr. Speaker, I am pleased to announce to my colleagues in the Congress that on Tuesday February 8, 1977, the Legislature of the State of Idaho voted to rescind its previous ratification of the proposed equal rights amendment to the U.S. Constitution. This action by the Idaho Legislature is a victory for the women of America, for if the ERA should become operative women in our society would in all likelihood be reduced to the same status as men.

VFW VOICE OF DEMOCRACY ESSAY WINNERS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HYDE. Mr. Speaker, I was honored last month to participate in the awards presentation in my district for local winners in the Veterans of Foreign War's annual Voice of Democracy contest. I take great pleasure in announcing that the first place winners in that competiton were Miss Margaret M. Brassil of Immaculate Heart of Mary High School and Miss April Hochevar of Proviso West High School.

This competition was cosponsored locally by the Bellwood Memorial Post 5081 and Ladies Auxiliary; Riverside-North Riverside Post 6868 and Ladies Auxiliary; Grant/Parkholm, Cicero, Post 9115; Westchester Post 1249 and Ladies Auxiliary; Hillside Memorial Post 3590 and Ladies Auxiliary; and the Ding-A-Ling Pup Tent No. 71 Military Order of Cooties.

I commend Miss Brassil and Miss Hochevar for their first place winning essays, and I take great pleasure in sharing their thoughts on "What America Means to Me" with my colleagues:

WHAT AMERICA MEANS TO ME

(By Margaret M. Brassil, Immaculate Heart of Mary High School)

There is one dominating force that has shaped the course of events of American history. At the beginning of our nation this force caused our founding fathers to resist the tyrannies they had experienced under the King of England. This force fired the shots at Lexington and Concord. Next, this force wrote the Declaration of Independence and the Constitution of the United States. Two hundred years later, this force caused a President and most powerful man in the world to resign from office. This force is the American people!

In 1776 the people created this new nation out of the desire for freedom and liberty. Since then Americans are born with a special spirit and sense of the power of the people and a feeling for the beauty of our country. In the 18th Century, St. John de Crevecoeur wrote of Americans as being a new breed of Men. He wrote of the nation as a melting pot of all races and creeds, a nation in which the combinations of the world come together as one.

We are a special breed, for we realize our strength as a people and without knowing it, without ever even thinking about it, we express this in classrooms, at rallies, in newspapers, in speeches and in common day conversation with people. America is the strength of all that is good in her people. For from the beginning, from those first immortal words—"We the People"—it was the people who decided their nation's fate. They built her up and created her laws, they defined the dictators and power-seekers, and, they shunned anyone who tried to take away their rights.

America's ideals of Freedom, Liberty and Equality stand for nothing, if they are not strengthened and made visible by the people. For America is not simply mountains and fields and forests. She is not just clear skies, sparkling water or rich soil. America is the people—the businessmen, clerks, politicians, entertainers, educators, students, housewives, shopkeepers and the people from every strata of life, from cities, farms and villages, factories, fields and shops; with the right to express themselves in their religion, speech, press and assemblies.

America is what her people desire her to be—Free and Independent. Through all the troubled times and the good times we continue to grow, to build, to share, to ensure the Rights of Life, Liberty and the Pursuit of Happiness for our fellowman and all future Americans.

WHAT AMERICA MEANS TO ME

(By April Hochevar, Proviso West High School)

America—What Is America? What does she really stand for? Is she, like many Americans believe, a land of big business and industry? Is she a land where violence and injustice dominate society? Or is she the physical image of our Forefathers' dream of a land of equality and brotherhood?

America was founded on the strong convictions and ideals of our Forefathers who believed that all men should live in freedom. But what does freedom really mean? Is it merely being independent from an oppressive government? Surely it is more than this. Freedom is the right of a man for self-expression and self-achievement. Every man should have the opportunity to reach his goals and to fufill his dreams. On the other hand, his goals will only be achieved by the amount of effort he exerts. The poverty-stricken need the opportunity to rise above their impoverished conditions. Those socially discriminated against need encouragement to reach their goals in life through self-determination.

Although the Constitution guarantees inalienable rights to its citizens, it is up to us, the people of America, to make certain that this document is a statement of fact, and not just eloquent, meaningless words. America has faced and dealt with many problems in the past 200 years. America has always had enemies within the world. But perhaps her most dangerous enemy is herself. The words of Abraham Lincoln seem to echo quietly in the back of our minds, "a house divided against itself cannot stand." These words, although stated many decades ago, should alert us to the dangers we could face.

America, even at the beginning of her establishment, dealt with inner conflicts. The first colonies in America wanted to become 13 individual nations, rather than the United States. Yet, as the months passed, it became obvious that in order to survive and to remain free, the 13 colonies had to unite into one nation. A nation with many different voices, but always with the same goal—freedom.

America today speaks with many different voices, but is her main goal still freedom? Have we become so involved with ourselves as individuals that we can no longer unite as one? Have we lost sight of what freedom really means? Perhaps because most of us have lived in America all of our lives, we take for granted the privileges that should be so dear to us. We tend to look at all the bad aspects of our society, without realizing that good things do exist. Perhaps it would benefit all Americans to look at their country through the eyes of a new comer—an immigrant. The immigrant has come here because he has heard that in America there is hope—hope for a man and a woman, and a future for their children. The time has come for America to wake up. The minutemen of the American Revolution rode through the country alerting the people of the approaching enemy—the British. Perhaps today we need minutemen to ride through the country and alert us of a more frightening enemy—the apathy of our own people.

Now is the time for each American to open his eyes and to be realistic about his country. America is not a perfect country. And

yet her basic foundations were adorned with two interweaving concepts—freedom and hope. We stand as a guiding light to all those seeking a land where they can work towards their goals and dreams. America is a land of beginnings, and with each beginning there is hope. We have the chance now to rekindle the torch of freedom and to carry it onward. Liberty welcomes the tired, the poor, the huddled masses yearning to be free. To the poor and oppressed people of the world, America is the burning torch of freedom. To me, America is hope. If we can rekindle the flame of hope in every American's heart, then we will have a rebirth of freedom. The eyes of the world will behold America, a glorious land of freedom and hope.

AMERICAN DOUBLE STANDARDS ON AFRICAN ISSUES AT THE U.N.

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mrs. COLLINS of Illinois. Mr. Speaker, I take this opportunity to bring to the attention of my distinguished colleagues a penetrating analysis of the espousal by African nations of what are frequently pointed to by outsiders as conflicting economic and political goals. Printed January 22, 1977, in the New York Times under the authorship of James H. Mittelman, assistant professor in the Columbia University Department of Political Science, the following article focuses on the need for the United States to understand why African nations must fight their battles for independence on two seemingly contradictory fronts: Continuing to trade with countries practicing apartheid while denouncing these countries through the United Nations forum.

If this situation appears hypocritical to my colleagues, I call their attention to the delicate balance in existent U.S. foreign policy involving our importation of Rhodesian chrome and our simultaneous negotiation to levy economic sanctions against South Africa.

The following article explains this double standard in African policy. I believe the understanding of both historical and current African problems expressed herein is of inestimable value to all who are interested in improving the quality of U.S. relations with the people of Africa:

[From the New York Times, Jan. 22, 1977]

AMERICAN DOUBLE STANDARDS ON AFRICAN ISSUES AT THE U.N.

(By James H. Mittelman)

Americans have had a shortsighted view of African issues at the United Nations. Our ambassadors have contended that it is hypocritical for Africans to attack South Africa's policy of apartheid while committing genocide in their own countries. As evidence of double standards, Mozambique is often mentioned as a prime example of a country that condemns apartheid and continues to trade with South Africa. Though superficially correct, this argument lacks historical perspective and misconceives the challenges facing the international organization.

It is true that violence is widespread south of the Sahara, and several African countries' dealings with South Africa are flourishing. But the important question is, why?

To protect their interests in Africa late in the colonial period, Western powers bolstered privileged classes and select ethnic groups. After the accession to political independence, representatives of these same groups have been responsible for making the decisions to maintain ties with South Africa.

The "haves" oppress the "have-nots" at home, and frequently derive support from multinational corporations, aid programs and international monetary institutions. At the same time, the rich and the powerful seek to establish credentials with their own people by using anti-imperialist rhetoric and calling for forceful measures against white-minority regimes.

Unlike many countries in Africa that became politically independent through a constitutional conference or referendum, Mozambique did not accede to statehood by accommodation. Rather, the Mozambique Liberation Front waged guerrilla warfare for a decade against the longest-lived fascist regime in history. After 500 years of Portuguese colonialism, Mozambique won independence on June 25, 1975.

Contemporary patterns of economic dependence, such as the convention (first signed in 1909) providing for a minimum of 100,000 laborers to work in South African mines every year, were forged by the colonial state, not by the Government of Mozambique. The legacy of colonialism was an economy in shambles, including a deficit in balance of payments in 1974 that had deteriorated to the extent that imports could only be assured for seven days.

Despite the critical state of the economy, in March 1976 the Mozambique Liberation Front closed the border with Rhodesia, 60 percent of whose foreign trade was routed through Mozambique's ports. The direct loss to Mozambique in rail and port revenues is estimated at $165 million for the first 12 months.

While Mozambique would also like to cut its ties to South Africa, economic realities do not allow that option. For a country that derives nearly 50 percent of its foreign-exchange earnings from South Africa, such a move would be suicidal. Economic relationships established over centuries of colonialism cannot be changed overnight.

Like Mozambique, other African countries do not have the strength to rectify the situation in Southern Africa. Hence, they rely on their aggregate voting power in the United Nations General Assembly.

To those who bemoan the gap between General Assembly resolutions and their implementation, a partial answer is that international institutions are intended to distort the status quo. If they merely mirrored the distribution of power among member states, there would be little need for them. The key question—and a contentious one—is whether decisions made in the United Nations affect existing differences positively or negatively.

The claim that the gulf between resolutions and effective implementation is due to automatic voting majorities underplays the responsibility of individual member states to honor the expressed will of the world body.

It is not only those resolutions adopted at the behest of small states contrary to the intentions of the great powers that remain unimplemented. In the case of United Nations action against Rhodesia, for example, in 1968 the Security Council unanimously adopted Resolution 253 calling for mandatory sanctions. Yet the United States, a permanent member of the Security Council, and hence with primary responsibility for the maintenance of international peace and security, has wilfully violated sanctions by importing chrome.

The implication of the double-standards argument are unclear. Would the United Nations be in a better position if it did not take a stand on burning social issues? The response of the majority of member states is that certain affronts to human dignity—namely, colonialism and apartheid—are so fundamental that the United Nations must seek to establish a climate of opinion favoring change, even if it is unable to provide a solution.

Insofar as there are double standards, the worst offenders are those who fail to distinguish causes and effects. Understanding history is the first step toward revamping our foreign policy.

CHARTER 77

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. DERWINSKI. Mr. Speaker, recently over 200 Czech citizens signed their names to an important document entitled, "Charter 77." This statement, calling for the extension of human rights in Czechoslovakia, also symbolizes the struggle of other nations under Soviet domination, who wish to regain their freedoms.

However, the issuance of this document did not meet with the approval of the Government of Czechoslovakia, and it has been reported that the signers of this charter would be punished by imprisonment or deportation.

As we recess today to pay tribute to the memory of a great American, Abraham Lincoln, who wanted freedom for all people, I believe it is especially important that we direct our attention to this recent violation of human rights.

AFL–CIO President George Meany issued a press release in protest to the unfair harassment of the individuals involved in the signing of the charter. I insert it in the RECORD at this time for the Members' attention:

STATEMENT BY GEORGE MEANY, AFL–CIO PRESIDENT

AFL-CIO President George Meany today issued the following statement urging the government of the United States to press in the United Nations a motion of censure and expulsion of Czechoslovakia for human rights violations:

The vicious persecution of Czechoslovakian citizens for no crime other than an appeal to their government to live up to its laws and treaty obligations and to cease its gross and cruel violations of the most fundamental human rights warrants the condemnation of the civilized world.

A manifesto entitled "Charter 77", signed by 257 courageous and eminent Czech citizens, was delivered to the communist authorities in Prague on January 6, 1977. It carefully documents, with facts and cases, the systematic pattern of oppression and fear which rules that country. It measures those tyrannical practices, not against abstract or visionary ideals or goals, but against the precise terms of the Czechoslovak Collection of Laws, which includes the text of the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights, signed by Czechoslovakia in 1968 and confirmed at the 1975 Helsinki Conference.

Charter 77 establishes beyond a doubt that Czechoslovakia today is not a civilized nation governed by law, but one great concentration camp for the punishment of in-

nocents, run by the criminals at the point of Soviet guns.

If basic human rights mean anything at all to the United Nations, Czechoslovakia must be called to account before the General Assembly, and the public testimony of the gallant signers of Charter 77 must be heard in that world tribunal.

The AFL-CIO calls upon the government of the United States to offer and press a motion of censure and expulsion of Czechoslovakia so that its shocking offenses against its own laws and its solemn commitments to the laws of man may be pursued and subjected to that due process which it so flagrantly denies its citizens.

FEDERAL AID TO ELEMENTARY EDUCATION MEANS FEDERAL CONTROL AND FRUSTRATING THE EXPRESSION OF DIVERSE LOCAL VALUES

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. TREEN. Mr. Speaker, this Congress will consider the extension of the Elementary and Secondary Education Act and the National Education Association's efforts to increase the level of Federal assistance to one-third of the total cost of elementary and secondary education. I think this is a matter that deserves very careful study by the Congress.

I would like to begin the congressional dialog on this subject by bringing to the attention of my colleagues articles by men who very rarely agree. One is Albert Shanker, president of United Federation of Teachers, who in the attached column of March 24, 1974, stated:

While fear of losing federal dollars silences protests, it is too early to tell who were right in their historic debate—the liberals or the conservatives. If timid acquiescence continues, those who feared that federal aid means federal control will have been proven right.

The other is the editor of National Review, the conservative biweekly, who in its January 7, 1977, issue suggests that increasing Federal assistance at a time taxpayers are turning down bond issues for schools will frustrate the attempts by the public to bring public education into line with the values of the general population.

[Paid advertisement from the New York Times, Mar. 24, 1974]

MUST FEDERAL AID TO EDUCATION MEAN FEDERAL CONTROL?

(By Albert Shanker, President, United Federation of Teachers)

In the period extending from the end of World War II until legislation providing federal aid to education was finally passed during the administration of President Lyndon B. Johnson, the American people witnessed a lively debate on the aid-to-education philosophy. The debate involved many different issues, prominent among them being aid to private and parochial schools and to segregated schools and districts. But the basic conflict was between "liberals" and "conservatives" over the issue of whether federal aid would lead to federal control of schools.

Liberals generally argued that federal aid would not lead to such control or, to the extent that the federal power of the purse was exerted, it would be used to promote beneficial national educational objectives that would supplant discriminatory and parochial local interests. As we look back at that debate from the vantage point of 1974, it would seem that the old conservatives were not far off base.

In the last few years, in the course of conflicts over a number of issues, federal agencies have threatened to cut off funds, and have actually done so, in some instances.

Universities are threatened with a loss of federal funds unless they employ staff on the basis of racial minority quotas.

School districts are threatened with the loss of funds unless they administer tests requiring children to respond to racially inflammatory questions such as, "Do you think black [or 'brown' or 'white'] students in this school cause more trouble than other kinds of students?"

School districts are threatened with loss of federal monies if they fail to cooperate in the development of reading and mathematics tests which would set racially separate learning standards.

The U.S. Department of Health, Education, and Welfare threatened New York City with a loss of $200,000,000 in federal aid if it refused to cooperate in its most recent research project in which 100,000 New York City students would have been individually identified in a vast computerized data bank storing educational, ethnic and family information.

NEW YORK'S FIGHT AGAINST FEDERAL IMPROPRIETY NEEDS ALLIES

Most colleges, universities and school districts have quietly submitted to these federal pressures, thus tending to confirm the conservative prediction of eventual federal control.

Fortunately, there has been one exception: New York City. The City's Central Board of Education and a number of its decentralized community school districts have demonstrated that one can—and should—fight against unreasonable demands from Washington.

The New York City Board of Education and Community School Board No. 19 sued the Department of HEW in federal court on the issue of the racist questionnaire. The result: HEW bowed to the objections and withdrew the questionnaire—not only in New York but all across the United States.

Similarly, because of defiance by the New York City Board of Education and by District 19 and District 12, plans to develop racially separate reading and math standards have been dropped.

The New York City Board of Education refused to allow individual students to be identified in the federal computer data bank. Board President Seymour Lachman contended that the federal demand for pupils' names "violated the confidentiality of student records . . . these kids could have been categorized, codified and stereotyped for life on the basis of information put on tape while they were in elementary school." Board member Joseph Monserrat pointed out that the school system welcomed federal research, but "if the Government wants to do research to see how our programs are working or what our weak points are—and they should—they do not need the names of actual pupils, just the pertinent data." And once again, HEW backed down, saying, "It was all a misunderstanding. Perhaps it was our fault." [Even with pupils' names deleted, the proposed study is designed to make the schools the target of blame, since it will include data on race, achievements, school groupings, and school facilities, but will not include data on family status, family income, mobility and other non-school factors which relate to achievement.]

New York City's school people have acted with courage; they have shown that resistance to improper federal interference can be successful. But why must New York stand alone in this fight? Where are the protests from other cities, school districts, Boards of Education, teachers, parents, supervisors, and superintendents? While fear of losing federal dollars silences protests, it is too early to tell who were right in their historic debate—the liberals or the conservatives. If timid acquiescence continues, those who feared that federal aid means federal control will have been proven right.

New York has shown that this need not be so. Let us hope that some new improper action by federal agencies will not find New York City carrying on the good fight alone. It is time for the rest of the nation to join in.

[From National Review, Jan. 7, 1977]

DE-SCHOOLING AMERICA

So far schools have actually been shut down only in Oregon and Ohio, but elsewhere the signals are only slightly less auspicious. New York and New Jersey saw school budgets defeated in record numbers this year wherever the voters had a say (29 per cent rejection by voters in New York, 58 per cent in New Jersey). Other states—Washington, California, Michigan, Missouri—show a similar pattern emerging. Early in December, the schools in the Toledo, Ohio district, with a total of 56,000 pupils, ran out of money and had to close up shop until the new year. For the last eight years Toledo voters have been rejecting tax increases designed to meet rising costs of education.

No doubt these votes indicate a general resentment of ever higher taxes, but they also seem to reflect a widespread perception of the way in which the schools have been aggrandizing their role in American life. It has amounted to a culturally imperial thrust. The schools have moved in the direction of the claim that all of life falls within their purview, not only offering instruction in the usual academic subjects—with decreasing effectiveness—but reaching out to embrace sex education, driver training, vast athletic programs, artistic experiences of all kinds, alleged solutions to racial problems, free lunch, medical care, liberation of the self in various directions, attitudes toward current events, and so forth.

The schools have not only extended themselves laterally, into all areas of the culture, but they have been pressing back the chronological boundaries as well, school from cradle to grave—"pre-school" education (in school, of course), adult education, and even the geriatric curriculum.

Not infrequently, moreover, the attitudes represented in the schools have been at odds with the values of the general population—as in the extrusion of even voluntary prayer, the banning of Christmas carols, the requirement of "value neutral" sex education, busing, and so forth.

Recent votes on the subject indicate that the citizens are beginning to stand athwart this entire process and say "Enough," and even "Too much." No doubt the Education interest will attempt to shake the local dust from its feet and betake itself to the federal treasury. Stay tuned for the coming phases of this struggle.

LOWENSTEIN APPOINTMENT AUGURS WELL FOR HUMAN RIGHTS PRIORITY

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. WALGREN. Mr. Speaker, one of the great lessons of the past decade has

been the need to bring American foreign policy clearly into line with the principles and ideals on which this Nation was founded. Wrote de Tocqueville:

America is great, because America is good. When America ceases to be good, America will cease to be great.

The belief that we should stand for certain moral and spiritual values around the world is a source not of weakness, but, ultimately, of the deepest kind of strength.

During his campaign last fall, President Carter spoke this message forcefully and well. Its realization now depends largely on the quality and character of the men chosen to direct our foreign policy. That is why events like the appointment of Andrew Young add so much to the hope for more promising directions in international cooperation.

On Monday I joined many of my colleagues in attending the swearing-in of a man who symbolizes as much as anyone those qualities which the United States should represent around the world. I speak of former Congressman Al Lowenstein, who is now en route to Geneva, to head the U.S. delegation to the United Nations Commission on Human Rights. That a man of such stature and brilliance was selected for this position bodes well for the administration's intention to give questions of human rights the priority they deserve.

Al Lowenstein brings to this post a record almost unparalleled in the selfless and effective pursuit of social justice. His leadership in the movement for civil rights was early and sustained. His eloquence and conviction on behalf of the cause of peace won him respect, around the country and here on the floor of this House, even from those who disagreed with him. His devotion to fairness and decency in public life has led him into battles against very long odds.

This record of commitment has encompassed international as well as domestic issues, including diplomatic and United Nations concerns.

As a leader of American students in the early 1950's, Lowenstein was an effective and independent voice for democratic values, then under attack by Communists in international student organizations. Later he worked closely with Eleanor Roosevelt in her activities with the U.N. At the end of that decade, he traveled to South Africa and Namibia, at considerable risk, to report on native conditions concealed from the outside world. He and his party were the first Americans ever to address the U.N. Fourth Committee on behalf of a colonial people, and his prophetic book, "Brutal Mandate," forecast the dangers presently unfolding in Southern Africa.

During the 91st Congress, Lowenstein traveled at his own expense during congressional recesses to many countries where popular aspirations had been suppressed. Whether in the Mideast or Spain, Moscow or the Dominican Republic, his commitment to fairness and human dignity has convinced many of the promise of the United States.

The issues with which the Human Rights Commission will deal this year are not simple, nor can they be solved with good motives alone. The choice of Al Lowenstein as our spokesman at these talks has added a force of tough-mindedness and insight. Few men have shown greater capacity for working constructively with people of different viewpoints, and this quality also should prove of no small value in Geneva.

By adding men like Al Lowenstein and Andrew Young to the counsels of foreign policy, the new administration deepens our confidence in both the direction and tone of our international effort. The same may be said of the Vice President's recent trip and the enlistment of his perspective in foreign policy deliberations.

I hope very much that these men will be included not only in policy administration, but also in its formulation. That will help us combine the realism and sophistication necessary in foreign affairs with the initiative and moral force which will best serve our real interests and those of the rest of mankind.

THE CASE AGAINST COMPREHENSIVE GUN CONTROL

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. SYMMS. Mr. Speaker, one of the most stalwart defenders of the right to own and use firearms by American citizens is my good friend and colleague, JOHN M. ASHBROOK. He has written an article entitled "Against Comprehensive Gun Control" which appears in the July/August 1976, issue of Current History. Arguing the other side of the issue is Senator KENNEDY.

At this point I include the text of Mr. ASHBROOK's article in the RECORD and commend it to the attention of my colleagues:

AGAINST COMPREHENSIVE GUN CONTROL

(By John M. Ashbrook)

"Most Americans believe that laws that prohibit concealed weapons are fair. . . . This is not what the advocates of gun control legislation mean. . . . They advocate the registration and the eventual confiscation of firearms."

Every few years there is a renewed call for legislation dealing with firearms. Often the proposed legislation would further restrict the right of law-abiding American citizens to own and use firearms. Such legislation is usually proposed in the hope that it will help put an end to violent crime; so-called gun control is viewed as crime control. But it is a serious mistake to confuse the two.

Let us define the terms. The sloganeers throw the words "gun control" around as if everybody knows what they mean—as if good citizens are for gun control and bad citizens are against it. In fact, every American I know is for some form of gun control. No one favors allowing people to walk the streets with Thompson submachine guns. Nor does the average citizen need a howitzer or an antitank bazooka. Most Americans believe that laws that prohibit concealed weapons are fair. The list could go on and on. This is not what the advocates of gun control legislation mean, however. They advocate the registration and the eventual confiscation of firearms.

The right (and in some societies, the duty) of citizens to own arms is of long standing. As early as the thirteenth century, the English Parliament upheld the right of Englishmen to keep and bear arms.

In his *Commentaries*, an important basis for our founding fathers' understanding of English law, William Blackstone, the English jurist, pointed to the importance of the right to keep and bear arms, a right that is the final recourse of free men against tyranny.

This right, of course, played an important role in the American Revolution. In his book, *Our Vanishing Freedom*, James B. Whisker writes, "the first clash between Colonists and British forces came about as a result of Americans' defense of their right to keep and bear arms."[1] It was British General Thomas Gage's attempt to remove military supplies kept by the colonial militia that helped start the American Revolution.

The second amendment to the United States Constitution speaks of the right of the people to keep and bear arms. Constitutions of the original 13 states also recognized the right. During the nation's westward expansion, the right to own firearms was well recognized.[2]

In addition to the provisions of the U.S. constitution, constitutions of over 7 percent of the states recognize an individual's right to keep and bear arms.

Gun control is frequently advocated as a means of reducing crime. Certainly, almost every American would like to reduce the amount of criminal activity in this country. There is no reason to believe, however, that gun control will result in crime control.

There are already more than 20,000 gun laws in existence at the federal, state and local levels. Many of these laws have been enacted in the last few years in an effort to bring crime under control. Despite all these laws, the crime rate has continued to escalate.

In fact, proponents of gun control legislation cannot point to any city or state that has reduced crime by adopting a gun law, regardless of the many gun laws on the books. It is interesting to note that, according to Federal Bureau of Investigation crime reports, approximately 20 percent of all the murders in the United States take place in New York City, Chicago, Detroit and Washington, D.C. Each of these cities has very stringent firearms laws. Why has gun control failed in those cities?

Gun control advocates respond that either the laws are not strong enough or that weak laws in surrounding jurisdictions make it easy to get around the laws. But New York City, for example, has one of the strongest gun control laws in the nation. There is a virtual handgun prohibition; only some 500 handgun permits are issued to persons not involved in law enforcement. Nevertheless, in 1973, New York City had almost twice as many murders with handguns and more than four times as many robberies with handguns as the rest of the country, on a per capita basis.

Proponents of gun control blame Ohio and other states with minimal gun laws for the high crime rates in New York City and Detroit. They believe that the availability of firearms causes crime. If this were the case, a state like Ohio, with minimal firearms laws, would have a far higher crime rate than states where guns can be obtained only by illegal purchases. In actuality, however, Ohio has a far lower murder and robbery rate than either New York or Michigan.

The excuse that guns from areas with weak laws account for the failure of New York City's firearms laws collapses on other grounds. It should be kept in mind that it is a violation of federal law for a person to buy a handgun outside his state of residence or for a person to sell a gun to a non-resi-

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Footnotes at end of article.

dent. In addition, it is a violation of state law for any New Yorker to import, carry or possess an unlicensed gun. Why will another federal law be obeyed when all the others have not?

The truth of the matter is that people who commit crimes like murder and robbery are not going to worry about a gun-licensing or registration law. Criminally minded individuals will always be able to procure guns—regardless of firearm laws. It is the law-abiding citizens who will lose their right to gun ownership. And it is the law-abiding citizens who are not going to commit murder and bank robbery anyway.

Charles Lee Howard, who has been serving time in the Ohio State Penitentiary, might well be called an expert on this subject. Howard has written:

It's baffling that the people who want to prevent criminals like me from getting hold of guns expect to accomplish this by passing new laws. Do they forget that the criminal makes a business of breaking laws? No criminal would obey a gun law while committing a crime of equal or greater seriousness.[3]

The lesson of Charles Lee Howard should be clear to everyone. Any person willing to risk the penalties for murder, burglary or assault is not going to worry about the penalty for possessing an unauthorized weapon.

In short, it is naive to think that legislation to register or otherwise make it difficult to acquire firearms for legitimate purposes would in any way impede the unlawful conduct of the criminal or would prevent him from securing a gun. This position is backed by the California Peace Officers Association, which in 1969 stated:

We have been unable to discover any evidence which would indicate that there is any direct relationship between the registration of firearms or the licensing of gun owners and the reduction in crime committed by the use of firearms.[4]

It is also supported by the National Sheriffs' Association, which has said:

There is no valid evidence whatsoever to indicate that depriving law-abiding American citizens of the right to own arms would in any way lessen crime or criminal activity. . . . The National Sheriffs' Association unequivocally opposes any legislation that has as its intent the confiscation of firearms . . . or the taking away from law-abiding American citizens their right to purchase, own and keep arms.[5]

Other police officials have also made statements on the issue. The chief of police of Los Angeles, California, had the following to say on more firearm legislation:

My views on gun control and the rights of individual gun ownership are well known. Some people seem to believe that if you legislate against handguns you will reduce murders and other gun-related crimes. That whole idea is absurd. We have legal restrictions in guns right now, but that doesn't stop the Arthur Bremers from receiving $50 fines or probation.

New York is a good example of a city that has restrictions on handgun ownership. The Sullivan Law has been in effect for several years. Yet, this law seems to only have an impact on the people who are generally law-abiding. The criminals sure don't have any difficulty getting guns.[6]

Chief James Rochford of the Chicago Police Department takes an opposite viewpoint. He favors not only the registration but the outright confiscation of firearms. However, the policemen beneath him differ drastically. A poll of Chicago policemen indicated that 73.5 percent believe that current gun laws are adequate; they do not favor extending gun control laws despite the position of their chief.

In the central portion of Ohio, I took a survey of law enforcement officers. There was overwhelming opposition to the federal registration or confiscation of all firearms. When the question was federal registration of all handguns, there was still overwhelming opposition. By almost a three-to-one margin these officials felt that, if there were to be any more laws dealing with firearms, they should be at the state level rather than at the federal level.

These statements are supported in a comprehensive study prepared by Alan S. Krug, an economist at Pennsylvania State University. His study, which related FBI crime statistics to state firearms laws, concluded that "there is no statistically significant difference in crime rates between states that have firearms licensing laws and those that do not."[7]

Another myth is the theory that most handgun murders are unpremeditated, spontaneous crimes primarily resulting from family or romantic quarrels. Such killings are frequently labeled "crimes of passion."

A recent study in New York City conducted by the Rand Institute indicates that this is a myth. The study revealed that an upsurge in deliberate murders was responsible for most of the 60 percent increase in homicide in New York City from 1968 to 1974. During that period, homicides rose from 968 a year to 1,554.

The Rand study emphasized that in most murder cases there was no longer a close relationship between the victim and the killer. At most, one out of five involved family members or close friends. The report declared that "We find that the major part of the citywide rise in homicides since 1968 seems to be in deliberate killings."[8]

No one can doubt that crime is a growing industry in the United States. The number of crimes committed in the United States is growing astronomically; since 1960 the crime rate has more than doubled. From 1973 to 1974, there was the largest annual increase—17 percent—in serious crime in the history of our country. According to the latest FBI figures, serious crime increased another 9 percent in 1975. Serious crime includes murder, rape, robbery, aggravated assault, burglary, larceny and auto theft. It is estimated that if unreported crimes were included the total might be three to five times higher in a number of cities.

Terrorism continues to be a threat. We read of terrorist bombings in London and other cities overseas. While not receiving as much media attention, terrorist activities are also continuing in the United States. During 1975, there was an increase in bombings in this country. Sixty-nine people were killed, and 326 were injured. Property damage was over $26 million.

Gun control is indeed needed to control criminals. I have introduced legislation that would make a prison sentence mandatory for anyone convicted of committing a crime in which he used a gun. To quote the chief of the Los Angeles Police Department:

If we really want to reduce gun-related crimes, all we have to do is require judges to impose an additional penalty on those individuals using guns during crimes. This has a dramatic deterrent effect on other gun-carrying criminals. Your average criminal on the street knows just what society will tolerate. He knows that his sentence will not be any greater, under current judicial practices, if he "packs a piece."[9]

Police officials do not confuse gun control with crime control. The American people have expressed similar views. Decision Making Information, a firm based in Santa Ana, California, recently completed a comprehensive public opinion survey on the issue of gun control.[10] This poll, conducted during September and October, 1975, is based on interviews with more than 1,500 registered voters from all regions of the country.

According to the DMI survey, almost three out of every four Americans feel that crime would not be reduced if Congress forced the people to turn in their guns. Instead, they recommend harsher punishment of criminals as the best way of cutting back on crime.

The survey found that fully 73 percent of the public do not believe that a federal law requiring all guns to be turned in would be effective in reducing crime. When asked to suggest ways to reduce crime, only 11 percent volunteered gun control as a solution. In contrast, by far the most popular suggestion was more severe punishment of criminals (33 percent). Only 1 percent mentioned the registration of firearms, and less than .5 percent suggested a ban on so-called "Saturday night specials."

In addition, 78 percent of the public feel that neither of the two recent attempts to assassinate President Gerald Ford could have been prevented by a national handgun registration law, and 71 percent reject the idea that assassination attempts on public officials could be avoided by banning the private ownership of handguns.

In conclusion, let us look at one of the causes of crime. In my opinion, a major problem is the decline of one of the basic tenets of this country—individual responsibility. Our forefathers believed that a person was responsible for his actions. If a person committed a crime, he should pay the price.

In recent years, some sociologists and other social scientists have advanced the view that individuals are not responsible for their actions. On the contrary, individuals are supposedly the products of their environment. The result has been the decline of individual responsibility and a rise in crime.

Nevertheless, attempts to ignore the facts of life have not negated those facts. Human beings are responsible for their actions. A return to this basic view will help to deter and punish criminals.

FOOTNOTES

[1] James B. Whisker, *Our Vanishing Freedom*, 2d ed. (Skokie, Ill.: Publishers' Development Corp., 1973).

[2] For a more detailed treatment of the historical and constitutional bases for the right to own firearms, see *ibid.*

[3] Charles Lee Howard as quoted in John Lee Ashbrook, "Gun Control Legislation," *Congressional Record*, June 27, 1968, p.H 19144.

[4] Lynn D. Compton, "California Police Officers Adopt Gun Control Policy," *Journal of California Law Enforcement* (January, 1969), p. 126.

[5] National Sheriffs' Association, "Resolution," June 23, 1971.

[6] As quoted in "Tough Words on Crime by L.A. Police Chief," *Human Events*, vol. 35, no. 12 (March 22, 1975), pp. 8–9.

[7] Alan S. Krug, *A Statistical Study of the Relationship Between Fire Arms Licensing Laws and Crime Rates* (University Park: Institute for Research on Land and Water Resources, 1967). See also Douglas R. Murray, "Handguns, Gun Control Laws and Firearm Violence," *Social Reforms*, vol. 23, no. 11 (October, 1975), pp. 91–93.

[8] Arthur J. Swerse and Elizabeth Enloe, *Homicide in Harlem* (Santa Monica: Rand Institute, 1975).

[9] *Supra*, note 6.

[10] "Public Opinion Survey on Gun Control" (Santa Ana: Decision Making Information, 1975).

A NEW START ON CYPRUS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ROSENTHAL. Mr. Speaker, the new administration has decided to approach the problem of Cyprus, which

confounded its predecessor, with a new team and a new goal. The team is headed by Clark Clifford, a distinguished public servant who leaves next week for Greece, Turkey, and Cyprus. The new goal: To take advantage of the change in Washington by encouraging the principals to negotiate, something they have not been able to do for 30 months.

The Washington Post, in an excellent editorial, supports this mission and this goal, as I do. The dual hostilities—between Greece and Turkey, and between the executive branch and the Congress—can now be ended and the Clifford mission is the way to start.

The editorial follows:

NEW HOPE IN CYPRUS?

What is unique about the Cyprus crisis is the extent to which it is bound up with the diplomatic and political style of one man, Henry Kissinger. This is said not to initiate a round of recrimination, which nobody needs, but rather in the spirit of a remark made many years ago by Henry Stimson, when he was asked, "How on earth can we ever bring peace to the world?" He replied: "You begin by bringing to Washington a small handful of able men who believe that the achievement of peace is possible. You work them to the bone until they no longer believe that it is possible. And then you throw them out and bring in a new bunch who believe that it is possible." Leaving aside how applicable it may be to Mr. Kissinger's frame of mind when he left office, Mr. Stimson's prescription may well be relevant to any number of international disputes and conflicts now seemingly deadlocked. For today, it is enough to note that no sooner had a "new bunch" moved in than, suddenly, the prospects for some movement on Cyprus started looking up. A new American initiative has been launched, with the naming of a special emissary, Clark Clifford, to explore the opportunities for settlement. Almost overnight, the Greek Cypriot majority, huddled in the South, and the Turkish Cypriot minority, settled behind the Turkish occupying army in the North, have started recalculating their odds. So have their patrons in Greece and Turkey. The upshot is that a situation that looked virtually incurable and fraught with peril only a month ago has about it a cast of cautious hope today.

The key has always been in Ankara. As long as Turkey saw that the United States was tying the full resumption of U.S.-Turkish military cooperation to renewed American access to Turkish bases, rather than to progress on healing the Turkish-inflicted wound on Cyprus, then things only got worse. Congress, controlled by forces demanding a rollback of the Turkish occupation of Cyprus, defied Mr. Kissinger on arms and aid for Turkey. The Turks responded by closing bases used by the United States and by edging toward the NATO exit door. Efforts to promote talks on the island got nowhere.

But Mr. Carter said during the campaign, and Secretary of State Cyrus Vance has just restated, that progress on Cyprus must be made before questions of arms and aid can be addressed. Obviously with this in mind, Turkey on Jan. 27 allowed the leader of the Turkish Cypriot minority, Rauf Denktash, to meet with the Greek Cypriot president, Archbishop Makarios. It was the first such meeting in 13 years, and another is planned on Feb. 12. Various compromise formulas are being discussed to allow the two communities to live side by side in peace under the same governmental roof. The Turkish political opposition is no doubt tempted, as usual, to denounce any display of moderation as a sellout. But there are signs, small but promising, that the Turks realize that the wind from Washington has shifted and that this may be the time to cut the appalling losses in international prestige, in defense readiness and in access to the European economy that their Cyprus policy has inflicted upon them.

The Cyprus crisis is often perceived as the product of profound ethnic rivalries, which are also held accountable for the host of other problems that have rent Greek-Turkish relations and decimated the eastern Mediterannean corner of NATO in recent years. One does not want to dismiss the ethnic factor: Without it there would have been no crisis. But the proximate cause of the crisis was a flawed American policy, and its solution became hopelessly ensnarled in executive-congressional combat. This makes it easier, not harder, to try to fix now. A sensible policy is not only likely to untangle Greeks and Turks but to dissolve the executive-congressional snarl. It is a time for quiet diplomacy and meaningful consultation with Congress. Unlike, let us say, the Arab-Israeli conflict, the Cyprus dispute, for all the bitterness that has compounded it in the past, may not be quite as intractible as it has sometimes been seen—or made—to be.

PUBLIC WORKS LEGISLATION: 10 SUGGESTED REFORMS

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. HUGHES. Mr. Speaker, on February 2, I had the privilege of appearing before Chairman ROBERT A. ROE'S Public Works Subcommittee on Economic Development to make suggestions on how to improve the competition for and the delivery of public works funds. It is important that we make these improvements in light of the fact that the legislation, of which I am 1 of more than 200 cosponsors, calls for a $4 billion commitment in public works funds—twice as much as were distributed last year.

Putting Americans back to work is the most important domestic problem we face. The public works bill will not by itself be the answer but it can provide a very important stimulus to rejuvenate our economy, particularly in the construction trades.

My recommendations on how to improve the effectiveness of the program was made after a very detailed inquiry into the regulations and selection process adopted by the U.S. Economic Development Administration in December 1976.

My principal recommendation is that a two-tier review system be established so that no longer will a computer select projects without any subjective review being considered in the process.

At this point, I insert the text of my statement in full for the consideration of those who, like me, hold great hope for this program and want to see it succeed:

STATEMENT OF THE HONORABLE WILLIAM J. HUGHES

Mr. Chairman, good afternoon. My name is William J. Hughes, a Member of Congress representing New Jersey's Second Congressional District. I have the privilege today of introducing three public officials from my area who share at least one thing in common. They represent constituencies in Cumberland County, which despite the second highest unemployment rate in the State of New Jersey, failed to receive a nickel of Public Works funds. After reviewing the selection process established by the Economic Development Administration for the award of Local Public Works Capital Development and Investment Act funds, I believe I now have a better idea of how this happened. It is my intention today to make suggestions that will improve this program to insure that it does not happen again in areas of the nation such as Cumberland County which desperately need Federal assistance to put unemployed Americans back to work.

I know that the Chairman already knows the gentlemen at the table with me, but permit me to introduce to the other Members of the Subcommittee, Mayor Patrick Fiorilli of Vineland, and Freeholders Ed Salmon and Henry Ricci. Chairman Roe has personally gone out of his way to assist them and other public officials in my area in attempting to understand the objectives of the Subcommittee. Permit me again Chairman Roe, to thank you and your fine staff.

Bob Roe knows my District well. For the benefit of the others on the Subcommittee, let me generalize by saying it is the area of New Jersey most associated with our slogan: "Garden State."

In land area, the Second Congressional District comprises more than a quarter of the State's geography and an even greater percentage of its beaches, bays and scenic countryside.

Its two major industries are tourism and manufacturing and each is suffering from the consequences of a fuel shortage, the most severe winter in decades, and an unemployment rate that in many areas far exceeds the state and national averages.

Naturally, when my municipalities learned last year of the Local Public Works legislation contemplated by Congress, there was much interest and excitement generated at the prospect of receiving 100 percent Federal funds for long delayed Public Works construction.

No one, however, anticipated the volume of applications that would be submitted to the EDA for consideration. More than 1,000 projects seeking $2 Billion in funds were ranked within our State in competition for what turned out to be slightly less than $100 million allotted to New Jersey.

It seems likely that the disappointment of many communities could have been mitigated if it were not for the fact that the computerized ranking system developed by EDA seemed to many totally irrational. In fact, however, it might have been as rational as a computer can make it. And that's my main criticism of the program—there simply was no real subjective judgment as to the relative value and merits of competing projects. This, I believe, can be avoided in the next round of funding should this Committee adopt some recommendations I am making after having reviewed the selection process. I am also submitting with my testimony an analysis of where the funds were committed in New Jersey to support my contention that changes are needed in the legislation.

EDA officials advise me that the lack of any subjective judgment was primarily due to a lack of manpower and the time restraints under which they were working. I do not find the argument convincing. My inquiry determined that at a minimum they could have involved local economic development representatives in the decision-making process. They did not, choosing instead to permit selections to be made solely by computer. Accordingly, I would respectfully make the following recommendations to the Subcommittee:

1. Two-tier Review. There must be an opportunity to subjectively review projects

ranked by the computer so that a special effort can be made to pick those which will have a long-term, positive effect on continuing employment in the community or provide special services by meeting special community needs. Mayor Fiorilli, for example, was seeking funds for an extension of the stack of the City's utility generating station which not only would have had a positive effect on reducing unemployemnt in the construction trades, but result as well in a savings of $150,000 a month to consumers through lower utility charges; Bridgeton officials made an excellent case for long-term benefits by extending their water system; and Mayor Salmon intends to address benefits of the proposals submitted by Millville and the county that went beyond the benefits of facility construction.

The problem, it seems to be, occurred when EDA made the policy decision to select only those projects which scored highest within georgraphic benchmark areas in a given state. This meant that in New Jersey, for example, 56 projects were selected with no value judgment as to their relative merit when stacked up against other that attained nearly identical rankings.

My suggestion is that the EDA subject the top 25 percent of the projects ranked within a state to subsequent review that would involve local EDA representatives and public officials. Had this been done in New Jersey, the EDA would have had the opportunity to review some 250 projects in the 70 percent funding category before narrowing the list down to an amount equal to the sum allotted to the State.

While I recognize that one of the main goals is to get people back to work and not bog the program down in endless paperwork, I believe that such a second tier review process could be completed within 60 days following the ranking by computer.

I would therefore further suggest that under the point system adopted by EDA that those dealing with long-term effects be deleted from the initial computer ranking process and reserved instead for the second stage review.

2. Eliminate 70/30 Funding. There seems to be universal agreement that the 70/30 split funding formula was a serious mistake. Its intention was good—to insure that areas with unemployment exceeding 6.5 percent, yet below the national average, receive some commitment of funds.

As we all know, what happened between the passage of the Local Public Works Capital Development and Investment Act and its implementation, the national rate of unemployment dropped significantly statistically. This compressed eligibility in the 30 percent category to a relatively small number of communities, some of which were relatively affluent. In New Jersey, the practical application was that communities with extremely high rates and numbers of unemployed could only apply for the 70 percent funding pool and had a one in eleven chance of success. Those communities whose unemployment rate was between 6.5 percent and the then national average of 7.37 percent had one chance in five of funding under the 30 percent category.

In my District, this resulted in an unfortunate and incredibly unfair situation in which not a single project was funded in Salem County. The county's unemployment rate according to the Bureau of Labor Statistics was set at 7.91 percent. This made the county and the townships and municipalities therein too far down the list to compete for funds in the 70 percent category. Yet the rate was just over the national average to prevent competition for 30 percent funding. A review of projects funded in the latter category reveal that each and every one had an unemployment rate less than that experienced in Salem County. This, Mr. Chairman, simply cannot be tolerated in this new round of funding. My suggestion is that the split funding be eliminated entirely.

3. Local Commitment. In my opinion, Mr. Chairman, some communities were "wish-tricking" through the submission of projects that never would have been submitted had a local commitment even as low as 10 percent been required. I think the communities should demonstrate local support by agreeing to put up a minimum of 10 percent of the money.

4. Benchmarks. EDA officials attempted to give geographical allocations by establishing benchmark figures for labor market areas within the state. They were quick to point out that this was not an entitlement but a system devised for spreading the money out. And this is where Cumberland County lost out. Though it had a benchmark of 1.5 percent of the state unemployed, it did not receive the minimum $1.5 million it would have received had that benchmark been an entitlement. This is because the EDA decided to move from one benchmark area to another as benchmark allocations were exceeded. It would seem a rather simple and fair thing to do to require that funds be allocated in a fashion so as not to exceed the benchmark for a given labor market area. Had that been followed, we would have at least seen some funds allocated to Cumberland County, Salem County, Middlesex County and other areas overlooked. In this regard, I strongly recommend that in the new round of funding we begin where we left off. That is to say, we begin allocating the new money set aside for New Jersey to benchmark areas left out last time.

5. Statistics. My area of southern New Jersey like other areas of the country relies heavily on a seasonal economy. Millions of visitors come to our beaches each year. Thousands of jobs are created. Yet with the Fall and Winter, we see pockets of unemployment approaching a quarter to a third of the available work force.

Areas which depend on a seasonal economy should be permitted to take the highest three-month unemployment period (consecutive) rather than necessarily the most recent three months following authorization of the legislation. I realize that we must have some time constraints and suggest that the three months be drawn from seasonally adjusted figures. These are readily available in the State of New Jersey.

6. Priority Ranking. A number of communities in my District and throughout the State submitted more than one application. Using the computer system, we face the real possibility that since they come from the same geographical area and will likely accrue the same or similar ranking, that a project of considerably less priority within the community could be funded. It is my suggestion, therefore, that officials be asked to rank their proposals by priority which will be of most benefit should a review system as I suggested earlier be adopted.

7. Local Workers. One of our objectives is to stimulate employment within the project area. I think this objective could be achieved by requiring on the application a statement that no less than 25 percent of the workers would be hired from the project area. If this were to create special problems that might inordinately delay the processing of applications, I would suggest a modification in which extra points are awarded to applicants which indicate that 25 percent or more of the workers would be hired from the project area. While this is not standard practice in awarding of federal contracts, this is not a standard program. The point of this legislation is to put people to work, within areas of high unemployment. Such a requirement would put local construction workers in contact with representatives of local governments seeking project funds.

8. Minimum Unemployment. There has been considerable criticism generated from the first round of Local Public Works financing because several very affluent areas succeeded in obtaining Public Works funds. This was only partially due to the 30 percent funding category from which they benefited. Another problem was that local areas were permitted to submit not their own rate of unemployment but that of a given labor market area. In some cases these embraced communities with very high unemployment rates. This could be corrected, in my opinion, by requiring that the applicant have within its own geographical boundary an unemployment rate of at least 6.5 percent.

9. Waivers. Several very good projects were denied waivers in New Jersey because they exceeded a $5 million cap mandated by the EDA. I recognize that when you are dealing with $100 million for the entire state, a project in excess of $5 million could severely deplete the funds and work adversely against geographical distribution. However, some of these larger projects had the potential for generating considerable numbers of jobs and leaving behind facilities of long-term benefit. I know of several within my Congressional District. I would suggest that there be no cap put on the amount of funds being requested for any one project so that it might be scored with all of the other submissions. Should it make the list of the top 25 percent, as I suggested earlier, it could then be reviewed subjectively with the other proposed projects. At that time, grounds for rejection could certainly be that to award the funds for the project would unfairly deprive other areas of Public Works funds.

10. Resubmission. As I am sure you have heard, some applicant communities were outraged when poor mail service exacerbated by a strike of United Parcel Service prevented their timely resubmission of projects returned on minor technical grounds. In some cases, applicants were asked to resubmit the proposal by a deadline date that preceded the arrival of their resubmission notification. Again, Mr. Chairman, if we have a two-tier review process which would include a minimum of one week to resubmit applications, these situations could be eliminated.

To conclude and summarize, it is my belief that we should take just an extra bit of time to introduce some subjective analysis of projects in this second round of Public Works funding. Construction is due to begin soon on projects selected in the first round. That stimulus will be felt in the next few weeks and months. Meanwhile we can improve upon and contemplate this effort through improvements to H.R. 11.

Let us commit, Mr. Chairman, to a goal of not only putting Americans back to work in useful and needed Public Works projects, but select the choicest of them to fund. Immediate benefits will then become long-term benefits as well and be remembered as a positive contribution to the needs of local communities for years to come.

Thank you for permitting me to testify before your Subcommittee.

SOVIET TREATMENT OF AMERICAN TOURISTS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. LEHMAN. Mr. Speaker, I recently met with Louis Berlin, a young Ameri-

can who had just returned from the Soviet Union. Mr. Berlin traveled with a letter of introduction from myself to the American Ambassador in Moscow. This letter and others were confiscated by Soviet authorities who warned Mr. Berlin not to notify the Embassy of the incident, in violation of the Consular Convention and Protocol, article 12, sections 2 and 3.

The following is a detailed account of the improper treatment of Louis Berlin by Soviet authorities. I suggest to my colleagues that the action taken against Mr. Berlin, and other cases like this during recent months, reflect the current Soviet attitude toward American tourists:

SOVIET TREATMENT OF AMERICAN TOURISTS

(By Louis H. Berlin)

On January 4, 1977, I arrived at the Moscow airport for the purpose of tourism. My bags were searched by customs officials, and several books relating to Jewish history and culture were removed. I was taken to a room off the main lobby, the door was locked, and I was ordered to empty my pockets. I stated that I refused to be searched without a warrant, demanded that an Embassy official be present if a search was to be conducted, and insisted that the Embassy be notified of my detention at once. My statements were ignored, and I was again ordered to empty my pockets. I refused, and the police were called in. The police, numbering at least three, grabbed my arm and roughly twisted it behind my back in an uncomfortable but not painful manner. At no time during this process did I offer any physical resistance. As I was held in this position, my clothing was gone through, and my coat, jacket, sweater, shoes, socks, and boots were searched thoroughly and removed. My pockets were emptied, and I was brusqely and thoroughly frisked.

The police left and the custom officials meticulously went through the contents of my pockets, examining everything, especially papers and personal notes, in detail. I was ordered to write a statement explaining where I had obtained the books and papers I had brought with me. My protests about the illegality of the whole procedure were useless, so I complied in an effort to speed up the process. My statement was translated, and I was ordered to sign it and write down my parents' names and places of employment. I was also ordered to sign what appeared to be a receipt for books, personal papers, and personal notes that were to be confiscated, as well as a form filled out entirely in Russian. I protested that I knew no Russian, and since no translation was proferred, and since they were insistent on having my signature, I signed.

Confiscated were several books, personal papers, and a letter of introduction from my Congressman, Mr. Lehman, to the American Ambassador in Moscow. None of the materials were anti-Soviet in nature. Indeed, nothing referred to the Soviet Union at all. All materials were confiscated in violation of the Helsinki agreement and Russian law, and in a manner contrary to the Helsinki agreement and consular agreement. Requests for copies of the documents I signed were ignored. I was warned not to notify the Embassy of the incident, and cautioned not to engage in anti-Soviet behavior. I was then taken to my hotel. Elapsed time was four hours.

On January 11, I arrived at Leningrad airport, where I experienced no difficulty going through passport and customs control. While waiting for boarding in a lounge, I was summoned by an Intourist official to return with him to an office upstairs. My hand luggage and coat were searched thoroughly, and I was asked to empty my pockets. Deciding that it would be easier if I did, I complied. I was then searched for further materials, and my papers were examined closely, as were all my personal belongings. I was asked questions which were designed to implicate myself in illegal activities. I was warned against bringing in materials on future visits, and an attempt was made to frighten me from encouraging other persons to do the same. I was then taken to board the airplane.

At no time during my visit did I do anything illegal. I made no anti-Soviet statements, nor possessed anti-Soviet documents. I did visit with Soviet Jews who have been denied exit visas in violation of the Helsinki agreement. My treatment by Soviet authorities was illegal and in violation of the Helsinki agreement. The Soviet government has by its actions indicated that it intends to violate the law and the Helsinki agreement. I believe that a directive should be issued requiring American consular officials to be present at the arrival and departure of all vehicles carrying American citizens across Soviet borders until the Soviet government changes its behavior.

ATMOSPHERIC RESEARCH AND GLOBAL ENVIRONMENTAL MONITORING

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. BROWN of California. Mr. Speaker, the last few months and particularly in the last few days I have tried, with unexpected and dramatic help from the weather, to direct attention to the need for coordinated, long-range climate research and environmental monitoring. The Subcommittee on the Environment and the Atmosphere, which I chair, focused last Congress on these matters, particularly national efforts concerned with inadvertent modification of the upper atmosphere, the costs and effects of exposure to low-level pollutants in the environment, and research related to sulfates in the atmosphere.

Two important observations have become manifest. First, present national efforts to monitor pollutants in the environment are fragmented and narrow in scope. Second, the most effective monitoring has been that of the atmosphere.

Looking ahead, the Environment and Atmosphere Subcommittee will work early this spring on the National Climate Program Act of 1977, H.R. 783, for which we are now seeking additional cosponsors. In conjunction with the development of this climate research bill, or soon thereafter, I hope we can focus hard on present capabilities for global environmental monitoring, perhaps beginning with the atmospheric aspects of major global cycles—of the element carbon, for example, or sulfur or nitrogen.

Four recent articles, which I ask to be inserted here in the RECORD, detail the present state of international monitoring efforts. They highlight both hopeful signs and serious problems, and provide a very appropriate backdrop for deliberation on climate research and useful, cost-effective environmental monitoring networks. The articles follow:

[From the San Bernadino Sun, October 13, 1976]

WORLDWIDE SCIENCE GROUP URGES GLOBAL MONITORING

(By Walter Sullivan)

WASHINGTON.—During the next two centuries increasing industrial activity is expected to raise the carbon dioxide content of the atmosphere at least fourfold and possibly eightfold, according to a report presented Tuesday to the International Council of Scientific Unions.

Since this could bring about major climate changes it was termed "rather alarming" in the report, prepared by the council's Scientific Committee on Problems of the Environment (SCOPE).

The council, representing all the specialized scientific unions, is holding its general assembly at the National Academy of Sciences here.

The report, entitled Environmental Issues 1976, notes that little has been done to implement the proposal for a Global Environmental Monitoring System (GEMS). The latter was endorsed by the United Nations Conference on the Human Environment, held in Stockholm in 1972.

While analyzing the probable reasons for this failure the report also examines possible long-term threats to the environment from human production of phosphorus, sulfur, mercury, and nitrogen compounds. It recommends, as well, as a wide range of programs to reveal which threats are real.

"It is difficult to see how best to improve the environment," says the report, "without first establishing fundamental facts; such facts will also serve to offset the interminable speculation passing for knowledge."

With regard to global monitoring it says: "Some of the proposed schemes are ambitious, idealistic, and very comprehensive." The hope repeatedly expressed at the Stockholm conference was that there be an international watch of the earth on the land, air and water to spot ominous changes.

The proposals include monitoring select species of plants and animals sensitive to subtle changes in the environment, much as miners once carried canaries to warn them when odorless "fire damp" (chiefly methane gas) appeared.

The delay in implementation, says the report, may be linked to "deficiences in our basic understanding of how to go about monitoring and hence how to build a comprehensive global monitoring system." A number of the report recommendations are designed to correct such deficiences.

The 296-page report was prepared under Prof. Victor A. Kovda, a specialist in child development at the University of Moscow, as the president of SCOPE, and his successor Prof. Gilbert F. White, director of the Institute of Behavioral Science at the University of Colorado in Boulder.

Both men spoke at Tuesday's meeting as did SCOPE members from five other countries.

Monitoring needs are listed in four categories:

1. Measuring levels of potentially harmful or beneficial substances not only in air, land and water but in living organisms "including man and his food."

2. Measuring such variables (or possible variables) as solar output, air transparency and soil chemistry.

3. Recording the extent of beneficial and harmful effects on life of the factors listed in the first two categories as well as effects of such factors as crowding, disease and genetic variations.

4. Keeping inventory of such indices of climate change as ice cap area, glacier size

and sea level, as well as effects of deforestation, agriculture, urbanization and energy use.

The most effective monitoring has been that of the atmosphere and this, the report says, has clearly shown the rise in carbon dioxide due to fuel burning. Carbon dioxide, it is feared, can act like the glass in a greenhouse, heating up the climate. Much, however, remains to be learned as to the extent to which oceans and the biosphere—all living organisms—absorb the added carbon dioxide. Such research is described as "a matter of urgency."

So rapid has been the increase in carbon dioxide production that in the decade ending in 1969, according to the report, the rise amounted to 50 per cent of the entire increase since the industrial revolution.

A special challenge, says the report, is to identify those threats to the environment that, once they become obvious, have reached an irreversible stage. An example cited is the fear that fluorocarbons, widely marketed as Freons, will deplete the protective ozone of the stratosphere.

"Managament actions" were initiated, it says, "based on models predicting the consequences of specific levels of emission, rather than waiting until such consequences were detected." Freons are used both as refrigerants and as propellants in some spray cans. A ban on their use for the latter purpose now seems likely.

"It is interesting to point out here," the report continues, "that this ability to respond arose from an existing, long series of environmental studies into the atmospheric transport of radioactivity, carbon dioxide and particulates, and into the effects of supersonic aircraft on the stratosphere.

While some fear that human activity may be altering the climate in "irreversible and possibly harmful ways," this, says the report, is "'difficult to refute or accept without a deeper understanding of the nature of climate. What are the causes of climate fluctuations? Are future climates predictable, and if so, in what sense?"

With regard to introduction into the environment of added nitrogen compounds, phosphorus and sulfur, the report says inventories are needed—particularly in soils—to allow future determination of trends.

[From Interdependent, December 1976]

IS EARTHWATCH WATCHING ANYTHING?

(By Elizabeth Sullivan)

Four years after the widely praised UN Environment Conference in Stockholm, the special program it created to look after the world's environmental health and the global monitoring system it was supposed to set up both could use a lot of help.

The program, UNEP (UN Environment Program), and the system, Earthwatch, are both threatened by a combination of global indifference, institutional indecision and political pressure linked to the omnipresent North/South dialogue.

Earthwatch presently has four components: the Global Environmental Monitoring System (GEMS), its central monitoring, research and evaluation network which is still fragmented and ill-defined; the International Referral Service (IRS), an international directory of environmental reference sources which, though operating, has drawn little response from the developing nations expected to use it; the International Registry of Potentially Toxic Chemicals (IRPTC); and an "Outer Limits" program designed to find out just how much pollution this planet can stand.

Though national self-interest has hampered Earthwatch's progress, UNEP officials feel they've finally come up with an acceptable and workable solution that will satisfy everyone, according to Jean-Claude Faby of UNEP's New York liaison office. For the developing countries, who want to keep the focus on local problems, UNEP will conduct tropical forest and soil quality analysis while meeting the rich countries' interest in overall global health by monitoring chemical pollutants and keeping an eye on the oceans.

But whether these moves will really help is open to doubt and some environmental experts argue that lack of support, particularly from the U.S., may have already doomed UNEP.

But others place the blame squarely on UNEP itself. "UNEP has never really developed a comprehensive strategy," asserts Walter Telesetsky of the National Oceanic and Atmospheric Administration (NOAA) and a member of the UN delegation to UNEP's last Governing Council meeting this March and April. "There has been no major, concerted effort, so far as I know, to develop and define short term and long range goals for GEMS programs, or to develop a plan with explicit priority areas."

Scientists also argue that Earthwatch, responding to the political tug-of-war between developed and developing countries, has generally ignored objective scientific knowhow in establishing its priorities. A recent report by an international group of scientists discussing GEMS' failure noted that a great deal of relevant data is still untapped and the US National Academy of Sciences (NAS) in a recently published "Early Action" plan for GEMS urged that it start with "what is most scientifically advanced—air pollution," as NAS' Melinda Cain put it. She also termed the already existing IRS "fairly useless" because the sources aren't evaluated but said that, "Governments think it's great. It's something they can point at and say 'Look what we've done.' "

Though the need for international environmental cooperation is widely acknowledged, Earthwatch has already been damaged as everyone follows their own national line. Meanwhile, all the environmental problems discussed at Stockholm are still around and unless UNEP gets into gear soon, the industrialized world may push ahead on its own to solve them, and leave the developing countries to fend for themselves.

[From the Los Angeles Times, Dec. 19, 1976]

DÉTENTE THRIVING IN ENVIRONMENTAL AREA: PROGRAM BEING EXPANDED TO COVER 40 U.S.-SOVIET PROJECTS

(By Peter J. Bernstein)

WASHINGTON.—Détente between the United States and the Soviet Union is flourishing in at least one area of mutual interest—environmental protection.

From Maine to Minsk, environmental exchanges are on the rise. Now entering its fifth year, the bilateral program of monitoring and research is being expanded to cover 40 projects involving hundreds of U.S. and Soviet scientists.

"This is a much bigger undertaking than many people seem to realize," said William A. Brown, executive secretary of the U.S.-U.S.S.R. Joint Environmental Committee.

Interviewed in his office at the Environmental Protection Agency, Brown, who coordinates the U.S. role in the program, said that this year alone there were more than 100 meetings of U.S. and Soviet scientists on projects covering air and water pollution control, farm pesticides, urban enhancement, wildlife and nature preserves, ocean dumping, biological and genetic changes, climate modification, earthquake prediction and legal aspects of environmental protection.

"In general, the Soviets have gotten more out of the bilateral program than we," Brown, a Foreign Service officer on loan to the environmental agency, said. "But we stand to benefit in the long run to the extent that our pollution control technology enables the Russians to reduce their impact on the global environment."

U.S. firms have jumped at the chance to sell environmental equipment to the Russians. Last February, at a clean-air exhibit in Moscow, the Russians bought every U.S. air pollution monitoring device. A second environmental exhibit—this time of water pollution monitoring equipment—is planned for March. "We expect comparable results," Brown said.

Earthquake prediction is considered the exchange program of greatest importance to U.S. scientists. Using computer models devised in the Soviet Union, U.S. seismologists two years ago successfully predicted small earthquakes for the first time in New York and Southern California.

Currently, U.S. seismologists looking for new earthquake clues are monitoring construction of the world's largest hydroelectric dam at Tadzhikistan in Soviet Asia. Excavation for the Nurek dam and reservoir, which required mammoth earthmoving operations, caused some seismic effects, Brown said. The monitoring results, he added, could prove of "tremendous importance" in selecting future hydroelectric sites in other regions.

Wildlife protection and research have received considerable attention in the environmental exchange, beginning with the shipment of rare Alaska musk oxen to Siberia last year. The Russians will shortly be sending Siberian crane eggs to the United States in hopes they will hatch at a research station in Wisconsin. The cranes, long-legged black-and-white birds that stand five feet tall, are regarded by many naturalists as among the most beautiful in the world.

Soviet and U.S. officials meeting in Moscow last month signed a bilateral convention for the protection of migratory birds such as snow geese and swans which migrate every year from Siberia over the Arctic to California. The treaty, which is subject to Senate ratification, was signed by environmental agency Administrator Russell E. Train and Yuri A. Izrael, chief of the Hydrometeorological Service and head of the Soviet air and water pollution control program.

As in previous years, top officials from half a dozen U.S. agencies attended the meeting in Moscow. Because Congress had appropriated no money specifically for the bilateral environmental exchange, each agency has contributed to its cost. U.S. government expenses, including the cost of interpreters, run $1.5 to $2 million a year, Brown said. Additional funds are provided by universities and private industry.

U.S. environmental officials are hoping to control the growth of the bilateral program. But with the addition of four new projects at last month's meeting—Arctic mammal preservation, pollution control in steel plants, environmental education and migratory birds—that goal is proving elusive.

The Russians apparently mean business on matters concerning the environment. At a big Communist Party congress last month, Soviet Communist Party chief Leonid I. Brezhnev underscored the increased priority of environmental spending by announcing a five-year budget of some 66 billion rubles to be spent mostly on air and water pollution control, which still is substantially less than U.S. environmental outlays but reflects changes in Soviet priorities brought about at least in part by exchanges with the United States.

[From the New York Times, Jan. 25, 1977]

MASSIVE EFFORT TO IDENTIFY BIOLOGICAL AREAS STARTS

(By Bayard Webster)

A program aimed at identifying and delineating the world's different kinds of biological areas ranging from Alaska's tundra to Africa's deserts has gotten underway in the United States and other countries.

According to a report in the current issue of the journal, Science, the program, sponsored by the United Nations, the United States and the Soviet Union, is the first stage of a three-part project that will select sites for environmental monitoring and research in the different types of areas and then will use the research data to implement ecologically sound land-use practices in those regions.

The biosphere reserves program, as it is generally known, as a collective international effort sponsored by the United Nations Educational, Scientific and Cultural Organization (UNESCO), the National Science Foundation and the U.S.-U.S.S.R. Environmental Agreement, a compact calling for cooperative environmental research by the two countries.

"Our main aim is to protect the different biological regions, to see that we don't lose the plant and animal life—and their genes—in them, and to use them for ecological research, education and recreation according to their value for each of these activities," said Dr. Jerry F. Franklin, author of the Science report and head of the United States biospheres reserve program.

Dr. Franklin's report focuses on the major extensive ecologically homogeneous areas, known as biomes, that are under study. These include such biological regions as the desert-sagebrush areas of Arizona, Mexico and California; the Douglas fir, cedar and hemlock forests of the Northwest, the swamp and marshlands of the South, the tropical rain forests of the tropics and the taigas—the coniferous forests of North America and Asia.

At the present stage of the biosphere reserves program in the United States, two dozen different major biomes have been identified in which there are approximately 30 specific areas that have been or are being considered as protected biological preserves.

The program, though overlapping many areas that are now Federal wilderness preserves, refuges or parks, does not conflict with such designations, Dr. Franklin said, because the cooperation of Federal and state governments will be essential in implementing the program.

The principal environmental and ecological research will be done in the designated areas, once Federal and state approval of the proposed area designation and study programs is given. Such research will consist of scientific monitoring of land, vegetation, water and air for pollutants that are contaminating or could contaminate the area to the point where it would lose its value for whatever purpose it was originally dedicated.

There are already in the nation more than a dozen experimental ecological preserves under intensive scientific scrutiny. They are already considered as part of the biosphere reserves program. One of these is a 15,000-acre forest in the Western Cascade Range of Oregon.

This area, populated by fir and hemlock, is being studied for the effect of logging on the quality of water, the effect of pesticides on ecosystems and the causes for fluctuations in small animal populations.

A similar project is being conducted in New Hampshire at the Hubbard Brook Experimental Forest, where monitoring of stream water quality, precipitation, soil composition and the effect on a watershed of clear-cutting operations are being studied.

According to the National Science Foundation, which has made a study of experimental ecological reserves in the country, such areas also serve to perpetuate a large variety of plants and animals, maintaining gene pools of native species that could help develop new strains.

Existing strains of food, fiber and wood plants, the foundation points out, often come under pressure from fast-evolving diseases and pests, from short- and long-term changes in weather and climate and from advancing urbanization.

FINANCIAL STATEMENT OF HON. JAMES L. OBERSTAR

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. OBERSTAR. Mr. Speaker. Today I submitted a statement to the Task Force on Financial Accountability of the House Commission on Administrative Review in which I presented my views on standards for financial disclosure by Members of Congress. As part of that statement, I included my own financial disclosure report.

I would like to submit the recommendations which I made to the task force to the House for consideration by all my colleagues.

I also include my financial statement:

STATEMENT OF HON. JAMES L. OBERSTAR

I urge the task force to devise uniform, unequivocal, and exacting standards for reporting the financial condition and interests of Members of Congress in order to inform the public about actual or potential conflicts of interest between a Member's financial holdings and his or her public position. Such reporting should be mandatory.

Public financial accountability is the key to public confidence in elected officials. Financial disclosure rules now in effect for Members of Congress do not provide the kind of information needed to determine whether a Member has a present or potential conflict of interest. The recommendations I am proposing, together with others this Task Force has suggested, will achieve that goal.

I believe that the rules must require public disclosure of net worth of Members of Congress and sources of income other than salary. Members should also release the following tax information: gross income, taxable income, federal and state income tax paid.

Furthermore, strict limits should be placed on the amount of outside income that a Member of Congress may earn. I would set that figure at $5,000 rather than at a percentage of salary. That is an amount small enough to be earned responsibly in honoraria from speeches and published articles but not large enough to involve the Member in commitments which would detract from the performance of his or her official duties. I would further limit individual honoraria to $500.

In the interest of simplicity, I would suggest that April 30 be set as the deadline for filing disclosure statements; that is two weeks after the deadline for filing income tax returns. Most of the data required for such returns would also be required for financial disclosure statements.

I believe the financial disclosure statements of both the Member and the Member's spouse should reflect the following information:

1. Income (including honoraria): sources and amounts aggregating more than $100 from any individual source.

2. Income tax paid: both Federal and state.

3. Gifts: source and value of lodging, food, or entertainment, of $250 or more from any one source. Sources and value of other gifts worth in excess of $100 from any one source.

I would exempt the following from disclosure requirements:

a. Gifts from relatives.

b. Gifts valued less than $25.00.

c. Gifts of personal hospitality.

4. Reimbursements: aggregating $250 or more from any individual source.

5. Holdings: the identity and value of any property held, directly or indirectly, in a trade or business or for investment purposes or the production of income, and which has a fair market value of at least $1,000 as of the close of the preceding calendar year.

6. Debts: the identity and value of each liability owed, directly or indirectly, which is in excess of $1,000 as of the close of the preceding calendar year, excluding "pledges" to charitable or tax exempt organizations.

7. Securities and Transactions: identity, value and date of any transaction, directly or indirectly, in securities or commodities futures during the preceding year which exceeds $1,000 except for transactions donating such securities to charitable or tax-exempt organizations.

8. Real Estate: the identity and value of any purchase or sale, directly or indirectly, of any real property or of any interest therein, during the preceding calendar year and which exceeds $1,000 in value as of the date of such purchase or sale.

I support provisions for criminal and civil penalties for willful falsification of a financial disclosure statement. I also believe requirements for disclosure should apply to both Members of Congress and candidates for Congress.

I am submitting with this statement a copy of my own financial disclosure report which a Certified Public Accountant has reviewed and verified. I would recommend that the Task Force adopt this format for financial disclosure by Members of Congress.

Personal financial statement of James L. and Marilynn G. Oberstar and children

ASSETS

Cash:	
Savings account	$9,500
Checking account	500
Paid into House pension fund	6,693
Life insurance (estimated cash value)	1,600
Securities (20 shares Eastman Kodak—estimated market value)	1,400
Subtotal	19,693
Real estate and personal property—	
House, Bethesda, Md. (estimated current market value)	[1] 105,000
Household goods	5,000
Autos (estimated retail value):	
1974 Buick station wagon	3,925
1975 Buick Apollo 4-door	2,925
Subtotal	116,850
Total assets	136,543

LIABILITIES

Home mortgage	36,000
Insurance premiums payable (including: life, health, auto, home)	2,570
Property taxes payable	2,022
Loans payable	12,700
Auto loan—wagon	1,450
Auto loan—Apollo	2,689
N.Y. Life Insurance Co	2,000
Metropolitan Life Insurance Co	3,561
Various consumer installment loans bills	3,000
Total liabilities	53,292
Net worth	83,251

[1] NOTE.—1966 original purchase price: $53,000.

Statement of income and taxes paid, 1975—James L. and Marilynn G. Oberstar

Gross income	$45,179.90
Salary	39,072.08
Allowance for official office supply and district office expense	[1] 3,646.15
Honoraria:	
American Road Builders	750.00
Minnesota Banking Association	1,000.00
Colorado Right to Life Committee	250.00
Interest/dividends	380.91
Tax refund	80.76
Taxable income	26,807.01
Federal tax	6,328.28
State tax (Minnesota)	3,552.00
Total State and Federal taxes paid	9,880.28

[1] This is an allowance to Members of Congress for official office expenses. Under regulations in effect during the 94th Congress, the allowance is chargeable to new Members as "income". Reforms adopted in 1976 change that procedure so that, in the future, such items will be paid against signed vouchers, and not treated or available as income to Members of Congress.

NOTE.—Statement of 1976 income and taxes will be released after it has been submitted to IRS.

INCOME TAX OVERPAYMENT PROTECTION FOR OLDER AMERICANS

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. WYDLER. Mr. Speaker, Congress has passed special tax relief provisions intended to insure that certain segments of our society, especially our older Americans, do not bear an unfair portion of the tax burden.

Because many of those who could benefit most from these provisions are either unaware of them or unable to apply them to their own situation, a special checklist has been designed. This checklist covers everything from medical and insurance expenses and theft losses, to the simplified "tax credit for the elderly," and is designed to help our senior citizens to avoid overpayment of income taxes.

I would like to enter this checklist so that my constituents in the "Fabulous Fifth" Congressional District may fully avail themselves of the tax relief measures due them:

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES (A REVISED CHECKLIST OF ITEMIZED DEDUCTIONS FOR USE IN TAXABLE YEAR 1976).

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3 percent of a taxpayer's adjusted gross income (line 15c, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3 percent limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3 percent rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15c, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expenses (subject to 3% limitation):

Abdominal supports (prescribed by a doctor)
Acupuncture services
Ambulance hire
Anesthetist
Arch supports (prescribed by a doctor)
Artificial limbs and teeth
Back supports (prescribed by a doctor)
Braces
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs
Chiropodist
Chiropractor
Christian Science practitioner, authorized
Convalescent home (for medical treatment only)
Crutches
Dental services (e.g., cleaning, X-ray, filling teeth)
Dentures
Dermatologist
Eyeglasses
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed)
Gynecologist
Hearing aids and batteries
Home health services
Hospital expenses
Insulin treatment
Invalid chair
Lab tests
Lipreading lessons (designed to overcome a handicap)
Neurologist
Nursing services (for medical care, including nurse's board paid by you)
Occupational therapist
Ophthalmologist
Optician
Optometrist
Oral surgery
Osteopath, licensed
Pediatrician
Physical examinations
Physical therapist
Physician
Podiatrist
Psychiatrist
Psychoanalyst
Psychologist
Psychotherapy
Radium therapy
Sacroiliac belt (prescribed by a doctor)
Seeing-eye dog and maintenance
Speech therapist
Splints
Supplementary medical insurance (Part B) under Medicare
Surgeon
Telephone/teletype special communications equipment for the deaf
Transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.)
Vaccines
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health)
Wheelchairs
Whirlpool baths for medical purposes
X-rays

TAXES

Real estate
State and local gasoline
General sales
State and local income
Personal property

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pensions or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends untaxed under the dividend exclusion, interest on municipal bonds, unemployment compensation and public assistance payments).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15c, Form 1040). However, contributions to certain nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7c per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

INTEREST

Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc.).
Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

Other charge accounts for installment purchases—may deduct the lesser of (1) 6% of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by

12) or (2) the portion of the total fee or service charge allocable to the year.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES

Certain payments made for child and dependent care may now be claimed as a credit against tax instead of as an itemized deduction.

If a taxpayer maintained a household that included a child under age 15 or a dependent or spouse incapable of self-care, a taxpayer may be allowed a 20% credit for employment related expenses. These expenses must have been paid during the taxable year in order to enable the taxpayer to work either full or part time.

For detailed information, see the instructions for Form 2441 on page 17.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box for income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees under certain circumstances.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expense required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 32, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $100 ($200 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $25 ceiling ($50 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) for the Presidential Election Campaign Fund.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES

Filing status	*Required to file a tax return if gross income is at least—*
Single (under age 65)	$2,450
Single (age 65 or older)	3,200
Qualifying widow(er) under 65 with dependent child	2,850
Qualifying widow(er) 65 or older with dependent child	3,600
Married couple (both spouses under 65) filing jointly	3,600
Married couple (1 spouse 65 or older) filing jointly	4,350
Married couple (both spouses 65 or older) filing jointly	5,100
Married filing separately	750

Additional Personal Exemption for Age.—Besides the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1977, you will be entitled to the additional $750 personal exemption because of age for your 1976 Federal income tax return.

General Tax Credit.—A new general tax credit is available. For this credit, the taxpayer may claim the greater of (1) $35 per exemption shown on line 6d, Form 1040A or Form 1040, or (2) 2 percent of taxable income (line 15, Form 1040A or line 47, Form 1040) but not more than $180 ($90, if married, filing separately).

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10% of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976), an election may be made to exclude part of the gain based on a ratio of $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 18 months before or 18 months after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Credit for the Elderly.—A new, expanded, and simplified credit for the elderly has replaced the former more complex retirement income credit.

A taxpayer may be able to claim this credit and reduce taxes by as much as $375 (if single), or $562.50 (if married filing jointly), if the taxpayer is:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

To be eligible for this credit, taxpayers no longer have to meet the income requirement of having received over $600 of earned income during each of any 10 years before this year.

For more information, see instructions for Schedules R and RP.

Earned Income Credit.—A taxpayer who maintains a household for a child who is under age 19, or is a student, or is a disabled dependent, may be entitled to a special payment or credit of up to $400. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if a taxpayer reported earned income and had adjusted gross income (line 15c, Form 1040) of less than $8,000, the taxpayer may be able to claim the credit.

Earned income means wages, salaries, tips, other employee compensation, and net earnings from self-employment (generally amount shown on Schedule SE (Form 1040) line 13). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

AuCOIN—AN OUTSTANDING YOUNG MAN

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. SANTINI. Mr. Speaker, I wanted to take this time to share with my colleagues the impressive attainment and

poignant achievement of one of our hearty band.

On January 16, 1977, in Las Vegas, Nev., I had the privilege of participating in the U.S. Jaycees' recognition of Congressman LES AUCOIN as one of our Nation's 10 outstanding young men of 1976. LES' richly deserved attainment certainly enhances our collective public perceptions.

LES is in distinguished company as a TOYM Award recipient. This year's winners include Steve Garvey, an infield for the Los Angeles Dodgers; Wayne Newton, of Las Vegas entertainment fame; Dr. David W. Hartman, a blind physician; Harry Chapin, an entertainer; David Frederickson, a staff assistant to President Ford; Father William Atkinson, a Philadelphia priest; Frank Banks, a prominent black CPS; Dennis Landesman, a top archeologist; and Dr. Grady Stumbo, a rural health care specialist.

The principal ingredient sought in the selection of TOYM recipients is "selfless devotion to the betterment of mankind." Congressman AUCOIN's past record of accomplishments certainly exemplifies this laudible yardstick. LES, at age 34, is the youngest major officeholder and one of the youngest Congressmen in Oregon's history. An award-winning journalist and an intuitive political leader, LES joins the elite ranks of past TOYM winners which include Nelson Rockefeller, Leonard Bernstein, John F. Kennedy, Bud Wilkinson, and Gerald Ford.

With this deserved recognition of our distinguished colleague, I would also like to share with you LES' penetrating and illuminating acceptance speech.

I include his remarks in today's RECORD:

REMARKS OF THE HONORABLE LES AUCOIN BEFORE THE UNITED STATES JAYCEES: "PRIDE IN POLITICS," JANUARY 15, 1977

I thank the Jaycees—and all who have contributed to this program—for this tremendous award. I particularly want to thank the Hillsboro, Oregon, Jaycees for nominating me.

Like the other honorees, in my short 34 years, I've received some recognition. But none means as much to me as this award you've given me this evening.

I say that because I'm a Congressman. Because I'm a politician.

I am proud to be both. But in a time when so many of us have begun to lose confidence in politics, in government—and maybe at times even in ourselves—it means very much to me that you've honored me, a political figure, at this particular time. The truth is, as it always has been: that politics can be what we—you and I—choose to make it.

And so I accept this award not only for myself—but for the hundreds of men and women of good and stout hearts whose good deeds in public office across the country do not always make the headlines, but who are determined to write a decent future for humankind.

Ladies and gentlemen, something happened three years ago that I feel I must share with you tonight. At that time you may remember that a young man stood before the Senate Watergate Committee and said something I regarded as one of the saddest chapters of that tragic episode.

He was asked, after being through all that he had been through, what his advice would be to young people thinking about a career in politics.

His advice was very blunt. He said, "Stay out."

It was then that I vowed to do everything I could as a person to overcome that advice for the sake of all of us. If I have joined other young men and women in succeeding in some small way, then I am pleased.

I have tremendous confidence in this remarkable land of yours and mine. Our generation faces incredible challenges. I'm sure each of us worries about those challenges and who among us tonight does not worry at times about America's resources in the face of those challenges.

But, my friends, there is no question that we can survive and that we can grow for the very simple reason that this land is rich in the greatest resource of all. I'm referring to Human resources. I'm talking about people.

And to accept an award sponsored by an organization of people such as the United States Jaycees will always be one of the proudest events of my life.

I thank you very much.

S. 474, THE EMERGENCY NATURAL GAS ACT OF 1977

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 1, 1977

Mr. MAGUIRE. Mr. Speaker, in response to the current shortages of natural gas, the Congress has enacted the Emergency Natural Gas Act of 1977. It is not a bill of which we should be overly proud.

As the President readily admits, the legislation will not produce even 1 additional cubic foot of gas. Rather, it provides for a national allocation program to protect homeowners from supply interruptions and encourages emergency sales from intrastate sources—at high prices—to gas-short interstate pipelines and local distribution companies. But even as narrowly focused as the emergency program is, it still penalizes consumers of the interstate system while protecting the sacrosanct intrastate market.

Mr. Speaker, virtually every major interstate pipeline is disastrously curtailed. Schools, factories, and businesses are closing, leaving millions out of work. The allocation program promises to do little more than spread the misery of scarcity. If the cold weather continues, there simply will not be enough to go around even to protect homeowners. In New Jersey, instructions on how to close down homes are being printed in local newspapers.

Meanwhile, the "shared sacrifice" spirit of the Emergency Natural Gas Act does not extend to nonessential users of gas in the intrastate market. Producing State representatives argue that their States are entitled to exemption from allocation because they pay higher, unregulated prices. There is no doubt in my mind that the price disparity between the interstate and intrastate markets is the principal reason why more than 90 percent of new gas—other than that found on Federal lands—is dedicated to the intrastate market, contributing to shortages elsewhere. The House tried to correct that disparity last year with the passage of the Smith amendment.

Unfortunately, deregulation advocates blocked that legislation, and threatened to do so with this emergency bill if they were not exempted. The administration, fearing blockage, refrained from asking for an extension of allocation authorities into the intrastate market.

The administration and the Commerce Committee in making that concession, did not see fit to apply the same logic to States whose consumers have for years paid high prices for the availability of synthetic gas supplies. Thus, my amendment to exempt the volumes of synthetic gas from an assessment of a State's supply situation was defeated.

Mr. Speaker, the Energy and Power Subcommittee will be holding hearings on the energy program that President Carter intends to submit in April. I am confident that the President recognizes the need to do away with the existing two-market structure, and at the same time protect consumers from OPEC pricing.

I know that the President shares the concern that all of us have with regard to reserves reporting and other energy-related data. The Oversight and Investigations Subcommittee has uncovered extensive evidence of underreporting and withheld production. In my judgment, too many price hikes have been rationalized with reasons of "incentive." No more must be granted until these vital information-gathering problems are resolved, and the Federal Government has access to reliable, accurate data upon which to base its policies.

Finally, the current natural gas crisis, which has wreaked havoc in spite of our initially large storage inventories, clearly demonstrates the need for tough, mandatory, and nationwide conservation measures. It has been estimated that over half of our current consumption of energy is wasted. It is well within our technical capabilities to develop conservation programs that will not reduce our standard of living, but will reduce our dependence on foreign energy supplies. Mr. Speaker, the current crisis demonstrates that we have no choice but to do so.

YOUTH APPRENTICE TAX CREDIT ACT OF 1977

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. CONABLE: Mr. Speaker, on January 26 I introduced H.R. 2404, the Youth Apprentice Tax Credit Act of 1977, to stimulate the hiring of teenagers and youth as apprentices in private industry. As apprentices, young people would have on-the-job training, experience, and skills development opportunities. Although they would initially receive modest apprenticeship stipends, as their experience and competencies accrued their

stipends would also increase. After the end of the first year, no stipend could be less than the current minimum wage.

An article appearing in today's Wall Street Journal explores the negative impact of the minimum wage on teenage employment opportunities and makes the point that many teenagers would not only accept job-learning situations at less than $2.30 an hour but would be eager for such chances.

Next week the Ways and Means Committee will begin markup on the administration's tax stimulus program. I hope that my proposal to encourage the hiring of teenage and youth apprentices will be favorably considered and incorporated into this legislative package.

The article follows:

THE JOBLESS YOUNG: ARE TEENAGERS IDLED BY THE $2.30 PAY FLOOR? SOME YOUTHS THINK SO

(By Alfred L. Malarre, Jr.)

Betty Jackson has a message for the people in Washington who want to raise the nation's minimum wage:

Drop dead.

If you suspect that Betty Jackson is a profit-greedy employer of unskilled workers who toil in some sweatshop for $2.30 an hour—the minimum allowed by federal law—you are wrong. Plump, middle-aged, black, the mother of four ranging from 17 years of age down to 11, she employs no one. She is poor, and she herself is employed, at modest pay, as a social worker by Dade County, Fla. Her job is to try to find work for jobless teenagers in a poverty-ridden area just north of Miami.

"It would be just awful for the kids if they (the federal authorities) raise the minimum wage again," the black woman says. "It's bad enough now, but if the floor goes up again, the kids simply won't ever get hired."

A NEW ATTITUDE

A decade ago, people such as Betty Jackson, working closely with the poor and the unemployed, probably would have talked differently; the prospect of a sharply higher minimum wage would have been heartily welcomed. But no longer. Over the years, teen-age unemployment has mounted even faster than joblessness in general. And, increasingly, some people in the front line of the war against teen-age joblessness single out minimum-wage regulations as a major barrier.

Nevertheless, plans are afoot in both houses of Congress to raise the minimum wage to $3 an hour and to provide automatic living-cost adjustments. The AFL–CIO regards such legislation as a top-priority need that should, the federation says, "benefit the entire economy by generating additional purchasing power and additional jobs." That view is strongly endorsed by F. Ray Marshall, President Carter's Labor Secretary.

Congressional proponents of a higher minimum wage, as well as many labor leaders, firmly oppose suggestions that any exemption be made for teen-age pay. "Teenagers would simply replace older workers if they were exempted," warns Clara F. Schloss, an AFL–CIO economist, taking a view that harks back to the days before child-labor laws were enacted. "Nothing is gained by pitting one age group against another."

And an aide to Rep. John H. Dent (D., Pa.), who plans shortly to introduce the $3-an-hour proposal in the House, declares that "with such high adult unemployment as we have today, we certainly don't want to encourage a substitution of teen-agers for breadwinners."

SCARCITY OF STUDIES

Extensive, impartial studies of the causes of teen-age joblessness are surprisingly scarce, inconclusive and devoid of comment from teen-agers themselves. About seven years ago, the Labor Department issued a 189-page booklet titled "Youth Unemployment and Minimum Wages." The booklet stated that "increases in the level and coverage of the federal minimum wage may have contributed to the employment problems of teen-agers." However, it went on to caution that "it is difficult to disentangle such effects from numerous other influences," such as training programs and schooling.

The booklet didn't address the important question of whether teen-agers might grab jobs from adults. Besides, some observers suspect that it is adults—particularly the women surging into the labor force—who are grabbing unskilled, low-paying jobs from teen-agers. And the competition for entry-level work is rising at a time when an increasingly technological economy may be generating proportionately fewer such jobs.

Betty Jackson, of course, works entirely on teen-agers' problems and not on adult unemployment, which remains about 7% despite nearly two years of economic recovery in the U.S. Accordingly, she cringes at the prospect of a $3 minimum that would include teen-agers. In fact, she is convinced that even the current $2.30 wage floor has tended to increase the teen-age jobless rate, which stands at nearly 20% for all teen-agers and roughly twice that level for black youths.

SURVEYING THE TEEN-AGERS

Many teen-agers themselves share her views, according to a recent survey of more than 100 Dade County youths. Undertaken by the county consumer advocate's office, the survey sought to find out whether rising minimum wages do in fact contribute to teen-age joblessness. Today's $2.30 minimum is up from $1.60 as recently as 1971.

Teen-age unemployment is a severe problem in Dade County, an area with large black and Cuban-refugee populations. Some 40% of the youths interviewed said they were looking for work. The others either held jobs or didn't want one. Nearly half of those looking claimed that they would be willing to work for less than $2.30 an hour. Office work and restaurant jobs were frequently cited as occupations in which minimum-wage rules tend to limit the hiring of youths.

A second, more-comprehensive study into the causes of teen-age unemployment in Dade County is being planned, with graduate students at the University of Miami volunteering to help county officials. But the recent survey leaves little doubt about the impact of minimum-wage rules.

Among the teen-agers surveyed is Maggie Jones, a 17-year-old black. Maggie, who recently gave birth to a boy, is unemployed but wants work. Guided by Dade County social workers, she recently applied for work at enterprises ranging from fast-food chains to department stores. However, she says, the answer that she gets is "always no, there's nothing available just now."

Would she work for less than $2.30 an hour? "You bet I would, but there aren't many jobs like that around," she says.

Jimmy Harris, an 18-year-old black neighbor of Maggie's also wants a job. He had one last year, helping with inventories in a department store; it paid $2.30 an hour, and he says he liked it. But he was laid off on Dec. 20, when the Christmas shopping rush began to subside. Like Maggie, Jimmy claims that he would gladly work for less than $2.30 an hour. But "there's nothing around," he says, although he is a high school graduate.

Leonard Murray, a 17-year-old black, recently had job interviews at Miami branches at two fast-food chains, but he says, "I've had no luck." He had earned $2.60 an hour in a metalworking plant; however, he recently was laid off. "I would have been happy to work there the rest of my life," he says. "It was an eight-hour day, but I really had to work hard only three or four hours." He reckons that "there would be more work if there was no minimum wage" for teen-agers.

Some of the teen-agers interviewed who do hold jobs are working for less than the $2.30 minimum. In some instances, federal law apparently is being violated. No violation of state law is involved because Florida is one of 10 states with no minimum-wage statute of its own.

Deborah Evans, 17 and black, earns $15 a week baby-sitting for a neighbor. The job, which is steady, entails about four hours of work a day, so that on an hourly basis she receives far less than the $2.30 minimum. Neither Deborah nor her neighbor seem aware that a federal regulation is being violated. Although casual baby-sitting for a few hours a week isn't subject to minimum-wage rules, Labor Department officials say a job such as Deborah's, which involves more than 20 hours a week, clearly comes under the regulations.

WOULD JOB "DISAPPEAR"?

In any event, Deborah seems happy with the job. If she were to demand $2.30 an hour, she says, the neighbor simply couldn't afford her services, the job would "disappear" and the neighbor would have to either give up her own job or leave young children alone in the house.

Various estimates indicate that roughly 10 million persons in a nonsupervisory labor force of more than 70 million remain uncovered by the federal law, although many of them are covered by state statutes. Some states' rules are stricter than federal law: Alaska's minimum is $2.80 an hour, and New York's, though $2.30, applies to a wider assortment of jobs than the federal minimum.

To try to enforce the federal minimum-wage regulations, the government employs about 1,000 so-called compliance officers. Complaints from workers also help. In a recent 12-month period, employers paid nearly $71 million to some 447,000 workers who had been receiving less than federal law required. But no one knows how many violations of minimum-wage regulations go on.

Federal officials say enforcement is difficult and will grow even harder if the minimum is raised and coverage expanded again. Over the years, more and more job categories have been brought under the regulations; this year, for example, the law was extended to more than 500,000 workers in certain types of chain-store outlets.

CONCERNED BUSINESSMAN

Among Dade County establishments still exempt from minimum-wage regulations is John Manley's small, stand-up restaurant in a poor, black district in the southern part of Miami. Mr. Manley, a middle-aged black whose menu is limited to 18-inch hot dogs and buns, soft drinks and beer, is deeply distressed by teen-age unemployment in his neighborhood. "I would guess only about 10% of the kids around here have jobs," he says. He employs three teen-agers and pays each $2.25 an hour. If the minimum wage were raised and extended to cover restaurants such as his, would he be able to keep all three? "No way," he says, adding, "If I had to pay them $3 an hour, two would have to go."

Mr. Manley notes that several teen-agers who have worked for him have gone on to better jobs at the minimum wage or higher. One such teen-ager, he says, now holds a "very good job" as a cook in a downtown Miami restaurant.

Mr. Manley sharply criticizes the local school system, which, he says, produces some

"11th graders who can't even change a dollar bill" for a customer. He adds, "They learn more on the job here than at school." Many neighborhood teen-agers are heavily "into drugs," he says, and they wouldn't "work steady if I paid them $5 an hour." He sees a clear connection linking teen-age unemployment, subsequent idleness, drug use and crime to support the drug habit.

A FATHER'S HELP

Among the few working teen-agers interviewed who gets more than the minimum wage is Jose Ortiz, whose family fled to the U.S. from Cuba in 1962. Jose works as a filing clerk at a Miami hospital. The youth has "no strong feelings one way or the other" about minimum-wage rules and frankly concedes that "I got the job because of my father," an administrator at the hospital. Unlike most teen-agers in the Dade County survey, Jose is from a relatively affluent family.

Moreover, most jobless teen-agers who say that they wouldn't work for less than the minimum wage also appear to belong to fairly well-off families. Gregg Greene, a white youth enrolled at a Miami high school, has "never had a job" but, he adds, "I never really needed one." He believes that if he does get one, he should rightfully earn "just as much as any adult."

Some proponents of a lower minimum for teen-agers note that most industrial nations have lower minimums, or none at all, for youths. Yet, it's said unemployment at all age levels in such countries generally is below corresponding U.S. jobless rates.

JOHN O. MARSH, JR.

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. ROBINSON. Mr. Speaker, I am sure the many friends and former colleagues of John O. Marsh, Jr., my predecessor as Representative for the Seventh Congressional District of Virginia, will find of interest the account of his plans to reenter the profession of law on completion of his present assignment with former President Ford's transition team which appeared in the Winchester, Va., Evening Star of January 28, 1977, so I include it at this time under leave to extend my remarks, as follows:

MARSH RETURNING TO LAW PRACTICE

(By Lulu Williams)

John O. Marsh, Jr., who helped transfer executive power in the nation in two administrations, is returning to the practice of law.

Marsh announced yesterday that he is joining a Richmond law firm and is opening a Washington office with another attorney.

Until Feb. 14, however, he will continue to be a member of Gerald Ford's transition team, working out of the Ford transition office on Jackson Place.

He had worked in the White House with Jimmy Carter's transition chief, Jack Watson, Jr. in the transfer of power between Carter's election in November and his inauguration last week.

Marsh, who as the representative from the Seventh District had served in Congress with Ford, moved with him to the White House on Nov. 9, 1974, the day Richard Nixon resigned.

He was one of the four men tapped by Ford to help him form an administration in those critical first days after he took office.

He was named again after Gerald Ford lost his bid for election in November.

At that time, Watson said he could "not have been more pleased with the grace and cooperation" he had received.

One of Ford's last acts as President was appointment of Marsh to become chairman of the newly-created President's Advisory Board on International Investment.

Marsh said yesterday he expected that board to meet "several times a year."

He will become a partner in the law firm of Mays, Valentine, Davenport and Moore, about Feb. 14.

He and another Washington attorney, Henry Dudley, will maintain offices at the Barr building at 910 17th St., Washington, D.C.

Dudley also will become a member of the Richmond law firm.

Marsh, who held the title of counselor to the President with cabinet rank, played a major role in many of the President's decisions, ranging from Ford's precedent-breaking testimony before Congress on the Nixon pardon, to the Ford-to-Carter transition.

Perhaps his toughest assignment in the intervening years was as head of the White House task force that coordinated President Ford's reorganization of the nation's intelligence community "including developing safeguards to preclude certain abuses that had brought them under public criticism," his announcement said.

Marsh was also selected to guide Nelson Rockefeller's vice presidential nomination through Congress. As an eight-year veteran of Congress, he worked closely with Congress during the Ford administration.

It was a long way from Strasburg in 1962 when he was tapped to be the Democratic candidate for Congress.

He won by a few hundred votes over Republican J. Kenneth Robinson and served four terms.

During that time, he served on the House Appropriations with then-Congressman Gerald Ford.

After deciding not to seek reelection in 1970, Marsh went back into law practice.

He was named assistant secretary of defense for legislative affairs in 1973 and joined the staff of Vice President Ford in 1974. He was Ford's national security adviser before moving into the White House in August of 1974.

Marsh received his law degree from Washington and Lee in 1952 and practiced law in Strasburg until his election to Congress.

A former paratrooper and World War II veteran, he is a retired lieutenant colonel in the Virginia National Guard and a frequent lecturer at Army command schools.

He and Mrs. Marsh live in Arlington with their three children.

NATURAL GAS: GOVERNMENT REGULATION OR MONOPOLY CONTROL

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mr. MAZZOLI. Mr. Speaker, soon this House will have to vote on several important and controversial natural gas measures including permanent or temporary price deregulation, mandatory conservation policies, and the route for an Alaska natural gas pipeline.

Before these votes are cast, Congress owes it to the American people to develop answers to several questions concerning the natural gas industry.

First and foremost we need to determine whether or not price deregulation would be tantamount to substituting private monopoly control of prices for governmental control of prices.

For example, if a few large natural gas producers and a few natural gas pipelines are powerful enough to control natural gas prices and supplies, then decontrol would be an unfortunate and terribly expensive mistake.

Maybe there is a middle ground between rigid price controls and total relaxation of such controls.

Second, I believe that Congress must act to develop independent data on the extent of the available domestic reserves of natural gas. Presently, the only data on reserves and usage come from the gas industry itself. This could be a dangerous example of the fox being in charge of the henhouse. A solid authoritative study and report by the Congress would go far to assure the American people that the energy sacrifice they may be asked to bear in the future are unavoidable and not the product of market manipulation.

Third, Congress must consider what effect the preliminary Federal Power Commission decision to approve the arctic gas proposal for a pipeline to transport Alaskan natural gas to the "Lower 48" will have on the natural gas picture.

If this preliminary decision becomes final, and the net effect of it is to foster greater market concentration in the energy industry, then a feasible alternative route must be explored.

For my colleague's information, I am extending here two recent articles on this subject by William Raspberry:

[From the Washington Post, Feb. 7, 1977]

GAS SHORTAGE—OR RIPOFF?

(By William Raspberry)

The President has his emergency gas legislation, and we can hope that it will ease this bitterest of winters for some of the hardest-hit sections of the country.

But it won't solve the basic problem. It doesn't even define the basic problem. We still don't know, for instance, whether there is too little natural gas to go around, or only too little effort being made to get it to us.

We don't even know if the suffering of recent weeks is due primarily to the unforeseen harshness of the weather or, in major part, to the avarice of the people who control gas supplies.

The President, in last Wednesday's fireside chat, spoke to the point. "I realize that many of you have not believed that we have an energy problem," he said. "But this winter has made us all realize that we have to act."

But how we act will depend very much upon whether one believes that we were merely caught short or that we are being set up for another ripoff. You don't have to be a cynic to wonder.

Consider this recent statement by Paul E. Reichardt, chairman of the Washington Gas Light Company:

"The gas industry has reserves, proved and potential, to carry it well into the 21st century." The current crisis, he said, "is a shortage of readily available supply."

That answers one question and raises another: Why is there a shortage of readily available supply?

Rep. Clifford Allen (D-Tenn.), in arguing last week for putting all natural gas resources under presidential control, circulated ex-

cerpts from a radio interview with James C. Cotham, executive vice president of the Nashville Gas Company.

Said Cotham: "The producers are withholding gas from the market. There is absolutely no question about it. We have had members of our company in Houston, Dallas, New Orleans, off and on for the past couple of weeks, trying to find gas. And it is the strangest market I have ever seen.

"It is almost impossible to make contact with somebody who has gas to sell. You have to find a gas finder, or a gas broker, and this broker will make contact (and probably with somebody who will make further contact) and eventually you might find somebody who has gas to sell. You have no idea who it is or where it is."

Said Allen, who at age 65 is just beginning his first full term in the House after years of righteous battle against Nashville area utilities, "It sounds like dealing with a gang of illegal traffickers in dope and narcotics, rather than responsible businessmen."

That is precisely what it sound like, and it is hard to draw any other conclusion than that the producers are quite deliberately creating the scarcity in order to drive up the price of gas.

Remember how, after a few weeks of long lines and $3 limits at the gasoline stations, we found ourselves unresistant to paying 70 cents a gallon and more? How many chilly offices, shutdown factories and threats of cold homes will it take before we are ready to accept a major increase in the price of natural gas? Is that what we are being set up for?

And is that what last week's emergency gas legislation encourages? An understanding was reached that the White House or energy czar James Schlesinger would establish a "threshold" price—pegged perhaps at recent intrastate prices—for gas not previously committed for interstate sale. Sales above that level would be subject to presidential review for "fairness and equity," but would not be subject to rollback.

Allen had argued for prior approval by the President for price increases rather than "a mere reviewal by him after the people have already been ripped off to the tune of millions of dollars."

He also argued, unsuccessfully, for presidential authority to compel the release, allocation and sale of all gas "now being withheld from the market by producers who have contrived to manipulate and create this artificial shortage for their own selfish ends."

Allen may not have been able to persuade his colleagues in the House and Senate, but I am glad that there is at least one voice willing to say what so many of us believe: that the gas industry is "essentially a monopoly, controlled by a few rich, 19th century-type robber barons—a monopoly that has no viable competition and permits of no alternative to which the people can turn during these cold winter months."

[From the Washington Post, Feb. 9, 1977]

NATURAL GAS: A CHOICE BETWEEN A CURE AND A DISEASE

(By William Raspberry)

By now, there may be a national consensus that the two-tier price structure for natural gas doesn't make sense, and that it is an important reason for the current fuel crisis.

But a lot of us are afraid that the cure might be worse than the disease.

Gas sold in interstate commerce is subject to Federal Power Commission price controls. Gas sold within the state where it is produced is not subject to such controls. The producer who can sell intrastate at $2 a thousand cubic feet isn't exactly leaping at the chance to sell interstate at, say, 52 cents.

Many of them are preferring simply to leave the stuff in the ground until the combination of closed schools, shutdown factories and galloping pneumonia persuades us of the wisdom of raising interstate rates.

"There's plenty of gas, and the pipelines are there," says Rep. Charles Wilson, whose East Texas district is in a gas-producing area.

"The gas is there, all right, but the drilling is going on only where it is economic to connect to intrastate pipelines. After all, the producers are in business to make money, and if the price structure won't let them make money . . .

The major companies, according to Wilson, are drilling offshore, where all the gas is for interstate sale. Onshore drilling is, for now, the province of the independent companies, and they aren't drilling where they can't tie into intrastate lines, he said.

Wilson gives an example of how some gas gets left in the ground. "Say you've got an oil field with proven reserves that is 200 miles from an intrastate line and 30 miles from an interstate line.

"Well, 200 miles is too far to run a line to hook up with the intrastate line, even though you can get $2 a foot or better for the gas. But the economics aren't there for the 30-mile line, either, because it's interstate and you are regulated at 52 cents a foot. So you leave it in the ground."

It's the only reasonable thing to do, the Texan insists. Residents of Texas, which along with Louisiana has as much gas in proven reserves as anywhere in the nation, has all the gas they can use. And it is consumer-financed by rates of between $2 and $2.25 a foot. To sell outside the state at one-fourth the intrastate price is to have Texans subsidize the rest of us, Wilson argues.

"If intrastate gas had been regulated at 52-cents a foot, Texas would be gas short, too," Wright says.

But how much of a solution is it to take the lid off interstate prices? Suppose the producers could sell as much as they cared to at, say, $4 or $5 a cubic foot. That would ensure enormous profits, all right, but it would also ensure enormous hardship. Too many people simply could not afford the price.

The obvious compromise solution would be a new price ceiling, higher than the present interstate rate but not high enough to pauperize families dependent on gas for cooking and heating.

Surprisingly, Wilson says he'd accept that sort of solution, adding, however, that "most of my constituents wouldn't, and most of the producers certainly wouldn't."

He believes that the present Federal Power Commission proposal of $1.42 for interstate sales might make it economic to get the gas out of the ground. But that price is under litigation now, and the producers are sitting tight.

"If I were king," says Wilson, "I'd deregulate onshore gas immediately, and I'd gradually deregulate offshore gas, keeping all current contracts (most of them 20-year contracts) in effect. That would help avoid sudden jumps in price, as the new gas and the old gas merged.

"Then I'd reserve the right to veto any price that I considered to be too high."

He made clear that he would let the price rise high enough to force conservation since, after all, there isn't as much gas as there used to do.

The problem is that only the producers have any good idea of how much gas there still is, even in the proven reservoirs. The extent of the reserves constitutes a trade secret, they argue, and the FPC has no right to know.

SENATE—*Thursday, February 10, 1977*

(Legislative day of Tuesday, February 1, 1977)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord, our God from whom cometh every good and perfect gift, bestow upon all who labor here the gifts of wisdom, patience, and charity. In the face of the needs of the world and despite our diversity, weld us together in a common purpose for the advancement of Thy kingdom.

May the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord our strength and our redeemer. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, February 7, 1977, be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 1 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 1 p.m. tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS TO MEET ON FEBRUARY 23, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs may be authorized to meet for a markup session on the afternoon of February 23.

The VICE PRESIDENT. Without objection, it is so ordered.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order which has just been entered for a meeting of the Committee on Banking, Housing and Urban Affairs on the afternoon of February 23 be vitiated.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. It is my understanding this has not yet been cleared with the other side.

The VICE PRESIDENT. Without objection, it is so ordered.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs be permitted to meet for the purpose of a markup session on the afternoon of February 23. I understand this request has now been cleared with the minority.

Mr. STEVENS. The Senator is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I reserve the remainder of my time for the moment.

TRANSPORTATION SYSTEM FOR ALASKAN NATURAL GAS

Mr. STEVENS. Mr. President, last week, Judge Nahum Litt issued the FPC's initial decision on a transportation system to bring Prudhoe Bay natural gas to the lower 48 States. My colleagues will recall that the Alaskan Natural Gas Act which we passed last fall requires the FPC to make its final decision by May 1, 1977. The President will make a recommendation to the Congress by September 1, unless he decides that more information is needed. Congress will then approve or disapprove his recommendation.

The natural gas shortages which are being felt all over this country this winter underscore the importance of getting Prudhoe Bay gas to the rest of the Nation as soon as possible. We cannot afford delay.

But Judge Litt's recommendation of the Arctic gas pipeline through Canada ignores the most serious potential for delay. Canada does not feel the urgency we do and she does not have a procedure for expediting the decisions and permits necessary to get that pipeline built.

A pipeline through Canada cannot be built in time to meet our needs unless Canada is willing to waive some of the legal requirements and procedures as we have authorized our President to in the act we passed last fall.

Prime Minister Trudeau will be in Washington to meet with President Carter on February 21 and 22. This could be an excellent opportunity for our two nations to discuss the potential for such cooperation.

Mr. President, earlier today I had a press conference at which I discussed the pending meeting between the Prime Minister of Canada and our President, and called to the attention of the press and, I hope, the Canadian people, the action that was taken by this Congress and this Government last year in which Congress has granted to our President the right to recommend a waiver of any U.S. laws which might impede the construction of the transportation system to bring Alaska's North Slope gas to market.

In this press conference I indicated that because of the fact that the action we have taken will apply to only 195 miles out of the almost 4,200 miles of the Arctic gas pipeline system should that be approved, I believe it is incumbent upon the leaders of our two governments to discuss openly and candidly the question of whether Canada will similarly grant its chief executive officer the power to waive any laws of its government which might impede the construction of our gas pipeline within the time frame that is required to meet the U.S. needs for that gas.

I ask unanimous consent that the remarks I made at the press conference and a table prepared by the Library of Congress, summarizing some of the Canadian legal requirements, be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRESS CONFERENCE STATEMENT BY SENATOR STEVENS

Men and women of the press, I have called this press conference to discuss the upcoming visit of Prime Minister Trudeau on February 21st and 22nd. As you know, the Prime Minister will meet with President Carter to discuss future cooperation between Canada and the United States, particularly in regards to future energy development.

Congress will not be in session prior to the Prime Minister's arrival and this is an appropriate time to discuss the Presidential decision on a gas pipeline route from the North Slope of Alaska to deliver the natural gas to the United States. The meeting between the President and the Prime Minister represents a government to government communication at the highest level.

Regarding these discussions, it is important to note that Congress has granted the President the power to waive Federal laws which would otherwise delay the construction of the pipeline. This waiver power was granted solely to facilitate construction of the pipeline. Further, the judicial review of any Federal action necessary to construct and start up the pipeline is restricted.

If this pipeline goes through Canada, our gas can and probably will be delayed by similar Canadian laws and regulations unless the Canadian Parliament grants the Prime Minister similar power to waive such laws and limit judicial review. To my knowledge, that power does not exist and there is no indication from the Prime Minister or the Canadian Parliament that such power will be sought or granted.

Therefore, a gas pipeline route through Canada, although facilitated through the 195 miles in Alaska, could be delayed for 2,035 miles of construction on Canadian soil.

Among the problems which can delay the construction of the pipeline in Canada will be the settlement of Native claims. The Berger report, based on an extensive hearing record, is scheduled to be published next month. It will detail the legal, social, and economic problems which must be overcome to properly extinguish land claims based on aboriginal title. As you know, there are two competing proposals to deliver Mackenzie Delta gas and the staff preparing the Berger report has recommended a ten to fifteen year delay in deciding a route for a gas pipeline in the Canadian Arctic.

The United States had its own land claims settlement which culminated a 15-year process with the passage of the Alaska Native Claims Settlement Act in 1971. Every indication leads me to believe that the Canadian land claims problem is at least as complicated and will take at least as long to settle.

In Canada, the National Energy Board must recommend to the Prime Minister whether or not the construction of a gas pipeline is to be approved. The Board must consider competing projects within Canada and Canada's own energy requirements. The NEB's function is similar to the FPC's and it is reasonable to expect a lengthy decision making process similar to the FPC's. Additionally, there are indications that the NEB will place its highest priority on Canada's national interests, which is logical. But this will not provide any help to facilitate speedy construction of a gas pipeline on Canadian soil.

Among the competing projects that the NEB will consider is the Polar project to transport gas south from the Arctic Islands where exploration has been much more successful than the Mackenzie Delta. The availability of capital in Canada is limited and the NEB may very well decide against permitting a pipeline up the Mackenzie Valley in order to direct capital to the Polar project or any of the other three projects which may provide a larger volume of gas.

The Government-in-Council, a body similar to a Presidential Cabinet, will make the Canadian decision, possibly following debate in the Parliament. Again, there is no specific time frame upon which to rely regarding eventual approval of a pipeline. We simply cannot assume Canadian approval in time to integrate construction with our expedited decision process.

Also, the problem or discriminatory action by a province or a local government remains. The newly-signed Hydrocarbon Treaty prohibits such discrimination, but it still requires an Act of Parliament to make the treaty effective. There is a real difference of opinion whether or not the provinces are prohibited from discriminatory taxation under the British North American Act. That issue is up to the Canadians, not the FPC, our President, or the Congress.

Judge Litt, in his initial decision, suggests that the U.S. could retaliate in kind should Canada take actions of "best self-interest" such as "unilateration abrogation of business contracts, expropriation of one's neighbor's property, discriminatory taxation, confiscation of dividends owed and payable," or others. But retaliation should not be relied upon to plan a project that has to be expedited. The FPC's treatment of the Canada problem is only one of its shortcomings.

But assuming the pipeline is approved, there will still be interminable delays caused by the many laws and regulations which must be complied with prior to and during construction. Without waiver power granted to the Prime Minister, no pipeline can be constructed through Canada in the time frame which Congress contemplated under the Alaska Natural Gas Transportation Act.

In the final analysis, the viability of a gas pipeline through Canada will depend on the power to waive laws which otherwise delay construction. For example, the trans-Alaska oil pipeline was delayed because of the lack of authority to approve a right-of-way wider than 50 feet. It took the TAPS Act to circumvent that statutorily imposed delay.

You don't even have to assume an obstructive attitude on the part of a Canadian jurisdiction to worry about this. All it would take is one upset Canadian citizen or interest group to bring suit against an agency on some technical point—like that 50-foot

right-of-way in the TAPS case—and the project could be delayed months or years.

The whole problem can be summed up in one question: Will Prime Minister Trudeau and the Canadian Parliament commit Canada to a waiver power similar to that granted to the President by Congress?

Obviously, I intend to do all I can do to get the Alaska route approved. But, for now, I believe it is incumbent on the leaders of our two governments to frankly discuss the time frame for Canadian actions required to facilitate the delivery of Alaska gas to markets in the South 48. If that is done, the decision we make will be realistic.

CANADA

Purpose	Authority	Instrument	Agency
Formation of company	Sec. 25(1) [1]	Special act of Parliament	Minister of Consumer and Corporate Affairs upon concurrence of Minister of Energy, and Resources and of Indian Affairs and Northern Development Affairs.
Certificate of public convenience and necessity	Secs. 26(a), 44 [1]	Certificate	National Energy Board.
Opening of pipeline	Sec. 26(b) [1]		Do.
Filing of application and map showing general location of proposed line and any other information considered necessary by the board.	Sec. 23(1) [1]		Do.
Filing of above with attorney general of each concerned province and publication in newspapers.	Sec. 28(2) [1]		
Following certificate being granted by the board, submission of plan, profile and book of reference to the board and submission of certified copies of the same to the registrars of deeds for the involved counties or districts.	Sec. 27 [1]	Leave	Do.
Entering upon land to take it for a fixed period without the consent of the owner	Sec. 31 [1]	Order	Do.
Where more than 60 ft of land needed for the right-of-way of pipeline, application made to board and following hearing, board may grant part or whole of the request.	Secs. 73, 74 [1]	do	Do.
Copies of board's order certified, and plan, profile, and book of reference deposited with registrars of the involved districts or counties.	Sec. 74(5) [1]		
Construction over utility lines upon application accompanied by plans, profiles, and other information required by appropriate authority.	Sec. 76 [1]	Order in whole or part	Minister of Transport, Railway Canada Transport Commission, National Energy Board.
Crossing of pipeline by highway, private road, railway, irrigation ditch, drain, drainage system, sewer, dike, telegraph, telephone line or line for the transmission of hydrocarbons, power or other substance.	Sec. 77 [1]	Order in whole or part or by regulation	National Energy Board.
Acquisition by pipeline company subject to proper terms and conditions of a right-of-way for transmission lines or pipelines through territorial lands together with such other lands as are necessary for stations, station grounds, workshops, buildings, yards, pumps, tanks, reservoirs or other appurtenances in connection therewith.	Secs. 4, 19(f) [3]	Regulation authorizing Minister to sell or lease territorial lands.	Governor in Council.
Construction of pipeline	Sec. 12(k) [3]		Minister of Indian Affairs and Northern Development.
Application for trunk gas pipelines contain: (1) Suitability of 1st trunkline toward routing for oil pipeline in terms of environmental, social and terrain engineering and consequences of other pipeline and combined effect of 2 pipelines. (2) Assessment of the environmental-social impact of both pipelines in nearby settlements or existing or proposed transportation systems. (3) Comparison of proposed routes with other alternative pipeline routes in terms of environmental and social factors, technical and other considerations.	3.708.3 [4]	Permit	Do.
Tenure of land comprising pipeline's right-of-way and other lands	([2])	do	Do.
POWERS OF PIPELINE COMPANIES			
Entering without previous license and surveying crown lands and other lands lying in intended route of the pipeline.	Sec. 62 [1]		
Purchasing land for the construction, maintenance, and operation and selling or disposing of any unnecessary land for the pipeline.	do [1]		
Construction of pipeline across, upon or under land or any person on the located line of the pipeline.	do [1]		
Joining its pipeline with the transmission facilities of any person at any point on its route.	do [1]		
Construction and maintenance of all roads, buildings, wharves, docks, and other structures and constructing, purchasing, and acquiring machinery and other equipment necessary for the construction, maintenance, and operation of the pipeline.	do		
Construction and operation of branch lines	do [1]		
Alteration and repair or discontinuance of works in this section, and substitution of others.	do [1]		
Transmission and regulation of hydrocarbons by pipeline, and setting of tolls	do [1]		
Doing all other acts necessary for the construction, maintenance and operation of the pipeline.	do [1]		
Conveyance, sale or leasing of part or parts of its pipeline capable of being operated as line for the transmission of oil or gas.	Sec. [1]	Leave	National Energy Board.
Purchase or lease of any pipeline from any person	do [1]	do	Do.
Agreement for amalgamation with another company	do [1]	do	Do.
Abandonment of a pipeline	do [1]	do	Do.
Taking or using crown lands, public beach, beds of lakes, rivers or streams, or lands covered by the above necessary for the pipeline construction and use.	Sec. 66 [1]	Consent	Governor in Council.
Taking or using lands in an Indian reserve	Sec. 67 [1]	do	Do.
Location of pipeline causing obstruction or interference with the working of an opened mine.	Sec. 68 [1]	Leave	National Energy Board.
Right to mines and minerals in lands taken under compulsory powers	Sec. 69 [1]	Consent	Owner of the mineral rights.
Drilling or prospecting for minerals within 40 yards of the pipeline	Sec. 70 [1]	Leave	National Energy Board.
Compensation paid to owner or lessee of mines for interference with mining	Sec. 72 [1]	Rate	Do.
Taking of additional land exceeding the 60 ft width allowed for a right-of-way of a pipeline.	Secs. 73, 74 [1]	Leave	Do.
Construction over other utilities other than navigable waters or railways	Sec. 76 [1]	do	National Energy Board, Minister of Transport, Canadian Transport Commission.
OPERATION, MAINTENANCE AND SAFETY PROVISIONS			
Diversions or relocation of pipelines for construction, or reconstruction of a highway, railway or other work affecting a public interest, or prevention of an interference with a drainage system.	Sec. 37 [1]	Order	National Energy Board.
Opening of pipelines for transmission of hydrocarbons	Sec. 38 [1]	Leave	Do.
Repairing, reconstructing or altering pipeline for public safety before pipeline can be used.	Sec. 39 [1]	Order	Do.
Regulations for safety of public and company's employees	Sec. 39 [1]	do	Do.
Inspection of any place or premise used in connection with the transporting of gas in case violations of safety operation cause operation to cease.	Secs. 43–47 [1]	do	Do.
Safety inspection of all operations concerning the transportation of oil and gas and ordering minimum acceptable standards.	Secs. 12 (d), (j), (k), (p) [3]	Regulations	Governor in Council.
ENVIRONMENTAL AND LAND USE			
Construction of pipeline re waste	Sec. 12(l) [3]	Order	Minister authorized by regulations of Governror in Council.
Measures for prevention of pollution of air, land or water resulting from transportation of gas or oil.	Sec. 12(q) [3]	do	Governor in Council.

Footnotes at end of table.

CANADA—Continued

Purpose	Authority	Instrument	Agency
ENVIRONMENTAL AND LAND USE—Continued			
Comprehensive assessment based on documented research of the expected effects upon the environment: (1) Good engineering practice to insure its safety in the interests of good environmental management and reduction of environmental damage. (2) Construction, operation, and abandonment of a pipeline done to avoid or minimize the adverse effects upon the terrain including vegetation and esthetic damage to the landscape. (3) Crossing over or under rivers and other waters accomplished in a manner to minimize environmental disturbance to the waterbody, its beds and banks and to the adjacent land or vegetation during construction, operation, or abandonment of a pipeline. (4) Minimal interference to the river and lake areas, water quality and feeding, reproduction and migrating stages of fish and other aquatic organisms. (5) Construction, operation and abandonment with minimal interference to land and vegetation that serve for feeding, reproduction and migrating areas for wild birds and mammals and maximum protection for rare or endangered species. (6) Adequate provision for disposal of sewage, garbage and various gaseous, liquid and solid wastes and all toxic materials during construction, operation and abandonment. (7) Adequate provision for preservation or salvage-excavation of archaeological and historical sites and minimal damage to such sites. (8) Effective planning for oil leaks, oil spills, pipeline ruptures, fires and other hazards to terrestial, lake, and marine habitats and for adequate restoration and plans for coping with major hazards or critical events. (9) Educational program for field personnel for the implementation of specific environmental safeguards prior to and during construction and operation of the pipelines. (10) Establishment of an effective pipeline performance monitoring system of inspection and instrumentation to insure operational performance in accord with the above stated environmental concerns.	3.712 [4]	Certificate of public convenience and right-of-way.	Minister of National Emergency Board and Minister of Indian Affairs and Northern Development.

[1] The Authority citations are to sections of the National Energy Board Act, c. N-6.
[2] Citations are to sections of Territorial Lands Act, c. T-6 (1970).
[3] Citations are to sections of Oil and Gas Production Order and Conservation Act, c. O-4.
[4] Citations are to sections of 1972 Gas Guidelines.

Mr. STEVENS. Mr. President, I have had some comments from the Canadian press concerning my prerogative in raising an issue such as this prior to the meetings of the two leaders of our Governments, and the word "protocol" was used.

I see no reason to trust a decision of such magnitiude to the protocol concept as far as raising issues which must be discussed openly between our two Governments before a pipeline system is agreed upon.

Certainly we should not decide upon a system which would require cooperation from Canada before an indication is given clearly and unequivocally that that cooperation would be forthcoming in the same manner in which we have already granted similar powers to our President.

I reserve the remainder of our time.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider four nominations which I will send to the desk and which have been reported unanimously from the Commerce Committee on January 19, and I ask unanimous consent for their immediate consideration.

The VICE PRESIDENT. Without objection, it is so ordered.

The nominations will be stated.

THE DEPARTMENT OF TRANSPORTATION

The legislative clerk read the nominations of Alan A. Butchman, of the District of Columbia, to be Deputy Secretary of Transportation; Terrence L. Bracy, of Virginia, to be an Assistant Secretary of Transportation; Chester Davenport, of Maryland, to be an Assistant Secretary of Transportation; and Linda Kamm, of the District of Columbia, to be General Counsel of the Department of Transportation.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are considered en bloc and, without objection, they are approved and confirmed en bloc.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President of the United States be immediately notified of the confirmation of the nominations.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER (Mr. MATSUNAGA). Without objection, it is so ordered.

ORDER FOR REFERRALS TO BE MADE IN ACCORDANCE WITH NEW JURISDICTIONS OF COMMITTEES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any bills, resolutions, and nominations received today be referred in accordance with the new jurisdictions of committees detailed in Senate Resolution 4 which becomes effective tomorrow. This request is to preclude a possible rereferral on tomorrow.

I understand this request has been cleared with the minority.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER PLACING HOUSE JOINT RESOLUTION 239 ON CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when House Joint Resolution 239 is received from the House it be placed on the calendar. I understand this request has been cleared with the minority.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, do I have any time remaining under the standing order?

The PRESIDING OFFICER. Yes, the Senator has about 5 minutes.

Mr. ROBERT C. BYRD. I thank the Chair. I yield to the distinguished Senator from Rhode Island (Mr. PELL).

The PRESIDING OFFICER. The Senator from Rhode Island.

ORDER PLACING HOUSE JOINT RESOLUTION 240 ON THE CALENDAR

Mr. PELL. Mr. President, I ask unanimous consent that when House Joint Resolution 240 is received from the House it be placed on the calendar.

I add by way of explanation that this is a resolution passed already by the House, which normally would be jointly referred to the Commerce Committee and the Foreign Relations Committee. But in view of the urgency expressed by the administration and in view of their approval of the resolution, both committees have waived their rights to referral. I hope action could be taken now on the floor.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, may I ask the distinguished Senator two questions: One, has this request been cleared by the Committees on Commerce and Foreign Relations?

Mr. MAGNUSON. Mr. President, I can answer that. This has been cleared with the Committee on Commerce. The Senator from Rhode Island has held some discussions and hearings on it. We have previously had long hearings on the subject. It refers to the 200-mile limitation which Congress has passed.

But the effective date of enforcement of this measure is March 1, and we have to proceed with this joint resolution because it deals with what the Senator from Alaska, the Senator from Rhode Island, and I put in the 200-mile limit bill providing for foreign fishing within the 200-mile limit subject to the approval of the district council if the fish is declared to be surplus.

Mr. ROBERT C. BYRD. It has been cleared with Commerce; what about Foreign Relations?

Mr. PELL. It has been specifically cleared with the ranking minority member and the chairman (Mr. SPARKMAN).

Mr. ROBERT C. BYRD. Has it been cleared with the minority?

Mr. STEVENS. Mr. President, reserving the right to object, it has been partially cleared on our side. I would hope the chairman would withhold his request until we touch one more base. We do not believe we will object, but there is one other Senator to check with.

Mr. ROBERT C. BYRD. Will the Senator from Rhode Island withhold his request?

Mr. PELL. Mr. President, I withdraw my request until the appropriate time.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, I understand that a request that was previously entered by Mr. PELL and was held at the request of the distinguished Republican whip has now been cleared.

Mr. STEVENS. I remove my objection.

Mr. ROBERT C. BYRD. I repeat the request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. ROBERT C. BYRD. I yield it to the Senator from Wisconsin.

THE PERILS OF PROLIFERATION

Mr. PROXMIRE. Mr. President, several recent attempts by an employee of the Pakistani Embassy to obtain a paper on how to build a nuclear device from a Princeton engineering student dramatizes the peril of nuclear proliferation.

The sequence of events I am about to relate comes to me from the student involved. He called my office after he became concerned about the possible implications for proliferation of nuclear weapons.

In the spring of 1976 this young engineering student, John Phillips, was enrolled in a Princeton physics course dealing with nuclear weapons and arms control. For his paper, he decided to design a nuclear device—to demonstrate how easy it would be for a terrorist or criminal organization.

Four and one-half months later the submitted paper created a stir among his professors. Soon the New York Times printed a story about the student, who from unclassified sources had constructed a workable nuclear device.

Now here, as they say, the plot thickens. First, the French Embassy in Washington called Mr. Phillips asking for a copy of the paper. Phillips said no.

Then the Pakistani Embassy called the dean of student affairs requesting the report. When denied, the Pakistani Embassy contacted Mr. Phillips directly. Again he refused.

And how did the Pakistani Embassy find its way to John Phillips? Well, first they called the Energy Research and Development Agency—ERDA—which recommended that the Pakistanis call Phillips directly. They said it was an unclassified paper so the Pakistanis could go straight to the author.

So what does this mean? Why are the Pakistanis interested in the Phillips paper? Of course, I do not know.

But it does raise certain questions. If the paper is accurate, if it does approximate a nuclear device, should ERDA be sending foreign embassy personnel over to get copies of it? Should ERDA be sending anyone over to get copies?

Well, we do not know for sure if it is a workable design. And the author is being prudent by not releasing it to anyone. So there is no danger this time. But what about the next time?

We do know that the Pakistanis are interested in buying a French reprocessing facility for their country. A reprocessing facility could be used to covertly develop a bomb.

The U.S. Government has protested this arrangement, but there is no final word that it has been cancelled by either party.

The Pakistanis may want a nuclear capability today to match the Indians on their border. The Indians covertly exploded a bomb on May 18, 1974, possibly to match the nuclear capability of the Peoples Republic of China on their border. The Peoples Republic of China first exploded a bomb on October 16, 1964, probably to match the Russians on their border.

And so it goes. One country after another.

This is the most dangerous threat to world peace, for with each new nuclear power the odds are dramatically increased that in desperation, in panic, in cold calculation, or by accident, these devices will be used.

Mr. President, after John Phillips appealed to my office, we jointly decided that the appropriate government officials should be notified about this interest by foreign embassies.

Therefore, we notified the Arms Control and Disarmament Agency, the State Department, the Federal Bureau of Investigation and the Central Intelligence Agency.

A period of about 2 weeks went by, During that time the FBI checked out the details of the story. They interviewed John Phillips and others involved. Then the FBI informed me that no Federal laws had been broken and no classified data had been disclosed. After consultation with the oher Government bodies and prior notification, I decided to make public this story. John Phillips was in agreement with this plan for, as he put it, this sequence of events demonstrates the need for a public review of the proliferation problem.

Mr. Phillips feels strongly, and I think wisely——

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. Mr. President, I ask for 1 additional minute.

Mr. ROBERT C. BYRD. Mr. President, I would have to object, because that has been the policy all along. If Mr. STEVENS, who still has a little time under the standing order, wishes to yield——

Mr. PROXMIRE. Mr. President, will the Senator from Alaska yield to me 1 additional minute?

Mr. STEVENS. I am happy to do so.

Mr. PROXMIRE. I thank the Senator.

Mr. President, Mr. Phillips takes the position that the important thing to do is to do our very best to see that no enriched uranium or plutonium be disseminated except under the most unusual circumstances. This incident dramatizes that we can no longer depend upon preventing the dissemination of information. This was a good student, an undergraduate of Princeton University, and an extraordinarily bright young man. If he could design such a device on the basis of unclassified information readily available to anyone, who could not do so?

Let me conclude by adding that I think that Mr. Phillips has handled this situation very, very well. From the beginning he has resisted efforts to obtain his paper. And he has repeatedly stated that this paper will not be made available to anyone. That is a wise and prudent decision and I applaud his good sense.

Mr. President, I ask unanimous consent that several newspaper articles dealing with this subject be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 8, 1977]

NATIONS BEAT PATH TO DOOR OF PRINCETON SENIOR FOR HIS ATOM BOMB DESIGN

(By Joseph F. Sullivan)

PRINCETON, N.J.—John A. Phillips's life hasn't been the same since he became Princeton University's Tiger cheerleader, started his own pizza-delivery business and designed an atomic bomb.

The pizza operation is attracting a lot more customers—"there are 14 of us involved in the business," Mr. Phillips says, "and on a good night we can gross $400." Mr. Phillips' physics paper, which first drew public attention in October, is attracting interest, too; officials of both Pakistan and France have asked the lean, dark-haired 21-year-old senior for copies of the report.

The Pakistan caller, Mr. Phillips said, kept talking to me and said it would be a worthwhile thing to do." But Mr. Phillips said, he turned down the request, leaving the caller "upset."

Mr. Phillips, whose report on making a

bomb for $2,000 was based on publicly available information, said he had also rejected the French request.

He said he had reported the call from the Pakistani to Senator William Proxmire, Democrat of Wisconsin, because he respected the Senator, and to the Central Intelligence Agency. The call from the French came three months ago and from the Pakistani on Jan. 18.

Senator Proxmire, who disclosed the episode this week, said it illustrated how desperate some foreign countries were to attain nuclear bomb capabilities.

Iqvas Butt, the Pakistan Information Minister, denied in Washington that his country wanted to build a bomb, and he said contact had been made with Mr. Phillips by a junior embassy official who had obtained his name from the United States Energy Research and Development Administration.

For a time, Mr. Phillips' classmates called him "Shroom"—short for mushroom, which referred both to his pizza business and his physics project. Today he relaxed in white jeans and school sweater at the Ivy Club, a social and eating club on campus, and conducted interviews with reporters when he was not in class.

He recalled that his being the only student who had auditioned for the right to wear the tiger costume and cavort at the football and basketball games last September and his Aristotle Pizza—titled after his middle name—were his chief points of identification on campus.

After the news of his nuclear paper began circulating last fall, the student, who is from North Haven, Conn., became an overnight celebrity.

Mr. Phillips, who is majoring in aerospace science, said the research and writing of his paper had taken five and a half months, and was based on information he had obtained from the school library and public government papers he had got through the mail and during a trip to Washington.

His adviser on the project was Prof. Freeman Dyson, a physicist at the Institute for Advanced Studies who has worked on nuclear projects and who was curious about how Mr. Phillips had obtained all his material.

"I think it was a case of someone without access to classified material guessing correctly at a component known to someone who has security clearance," Mr. Phillips said.

He has been advised by his teachers, who gave him an "A" for the paper, and by agents of the Federal Bureau of Investigation, who visited him after the foreign contacts, not to show his paper to anyone.

Mr. Phillips said the only part of the paper that could be sensitive dealt with how to create a "supercritical mass" in the bomb and set the stage for its explosion. In the bombs that fell on Japan, the component used to trigger the bombs was TNT. Mr. Phillips said his component made his version somewhat more advanced than the first-generation bombs, but not advanced by today's standards.

The success of his school paper has delighted his parents, Prof. and Mrs. Aris Phillips of Yale University. His father teaches mechanical engineering.

Mr. Phillips also has received a number of job offers, and believes he has a manufacturer lined up for a motorcycle safety device he designed.

"It should reduce all major injuries motorcyclists are susceptible to, up to a speed of 40 miles per hour," he said.

He worked on the motorcycle device after crossing the country from Berkeley, Calif., to Princeton over a two-week period last year.

"I really enjoyed the experience, but after I learned more about how dangerous motorcycle accidents can be, I'm amazed at myself," he said.

Mr. Phillips said he had decided to try to design an atomic bomb to test the contention of proponents of easy access to plutonium and uranium that small countries could never design a bomb.

"I think I've demonstrated that it doesn't do any good to prevent dissemination of information, because it's already out," he said. "The only way to stop proliferation of nuclear weapons now is to restrict the distribution of plutonium and uranium."

[From the Princeton Alumni Weekly, Oct. 25, 1976]

ON THE CAMPUS: REINVENTING THE PU-239 BOMB

(By John D. Fox, '77) *

Just as the radioactive fall-out from recent Chinese nuclear tests was settling over the Northeast, Princeton's Physics Department set off its own charge: an undergraduate, relying entirely on documents in the public domain, had designed an atomic bomb with half the power of the model dropped on Hiroshima. According to Frank M. Chilton, a California nuclear physicist who specializes in explosion engineering, the student's scheme for a 125-pound PU^{239} fission device would be "pretty much guaranteed to work."

The bomb, detailed in a 34-page junior independent paper last spring by John Aristotle Phillips '77, could be built for $2,000 (excluding plutonium) and was intended to be "the crudest, cheapest and simplest device possible." Phillips, who doubles as the Tiger mascot on football weekends, denies reports that his creation was unveiled as a new offensive strategy for the Yale game. "The point," he says, "was to show that any undergraduate with a physics background can do it, and therefore that it is reasonable to assume that terrorists could do it, too."

The mustachioed senior, a transfer student from Berkeley, has achieved a quick renown since motorcycling 3,000 miles to Princeton last year. He shows a creative nonchalance toward academics—a trait almost extinct on today's competitive campus. He prefers to "work on something that interests me" rather than hand in regular problem sets: "I don't even know what my grade point average is," he claims. And the thing that really interested him while taking a disarmament and arms control course from the Institute for Advanced Study's Freeman Dyson last term was the threat of nuclear terrorism, and the obstacles facing a group that wants to build an A-bomb.

In acting out the part he thinks any determined criminal organization could play, Phillips sent off $15 to the Government Printing Office for copies of "The Los Alamos Primer" and "Manhattan District History, Project Y," which summarize the problems encountered by and the knowledge available to atomic researchers in 1945. After trying three times, he also enlisted Dyson to approve and advise his project. The professor was reluctant to become involved because if Phillips proved successful, it might appear that Dyson had passed him sensitive data and concepts, thus jeopardizing Dyson's national security clearance.

"It was a strange situation," notes Phillips. "Dyson never told me anything concrete. The entire spring semester was like a *pas de deux* between the two of us. He would tell me when I'd gotten off the track in general terms, but that's all." Between frequent advisory sessions, Phillips holed up in the Ivy Club library with his reference books and calculations, ignoring all his classes except those bearing on the project. After four months' work the determined son of a Yale engineering professor was stumped by the problem of how to design the high-explosive component needed to trigger the bomb's atomic reaction. Days before his May deadline, he "had a flash" and made a "conceptual guess" about the puzzle in front of him. "Once you get the outline and know what pieces are missing, you know their shape—you get the answer. It was profoundly simple, once I saw it."

Phillips then tied up his research with an astute call to a duPont company official, who accidentally told him the classified name of the explosive material the U.S. Army uses in its A-bombs.

Though he had already concluded that "billions of dollars and years of research are no longer required for the design and construction of a fission bomb," but that "fanatical dedication to the goal and scientific know-how are," the researcher could only be sure he had the right plan—and an "A" paper—when his adviser broke a month-long silence to declare that the document might be classified. The paper raised several distinguished eyebrows in a startled physics department and earned Phillips praise from Dyson for "accomplishing so much in so short a time." Phillips was warned that his work was "a sensitive thing" and that he might even run the risk of being kidnapped if word got out. Only one other such theoretical design had been made outside "authorized" circles in recent memory, and that was a sub-kiloton model by an MIT graduate student who chose to remain anonymous.

After switching majors to the Aerospace and Mechanical Sciences Department this fall to further his aim of becoming an astronaut, Phillips thought he had traded the problems of detonation for those of his newest ingenuity, Aristotle's Campus Pizza Delivery (friends have nicknamed him "shroom"—both for his pizza toppings and for the cloud shape made by an atomic blast). And life as the Princeton Tiger was challenge enough: "You can't help but get inebriated. When you're in the stands, the alumni get insulted if you don't take a hit from their flasks."

But the doggedness of University Press Club reporters finally led Phillips and his adviser to break the story (with sensitive configurations deleted). "We decided the whole purpose of the paper would be defeated if we didn't speak to the press," Phillips explains. Professor and student hope that publicity of the project will focus attention on the vulnerability of industrial societies to terrorists: the inadequately guarded in-transport supplies of plutonium, from which the 15 pounds ($100,000 worth) necessary to build Phillips' device could be stolen.

Instant fame has not changed the bomb designer's fortune; he's "having a blast" enjoying the attention of waves of wire service reporters and photographers, feature writers and scientific journalists. But the limelight can pale, as when Phillips stumbled out of bed to answer the phone at 2 a.m. and was greeted with: "This is the Australian Broadcasting Service in Sydney. You're on the air."

Asked by a Paris Match correspondent if he has further plans, perhaps to develop a hydrogen bomb as a senior thesis, Phillips leans against the wall of his proctor-reinforced dorm and shakes his head. The point about terrorist danger has been made, he feels, and he has no basic interest in armaments beyond that. "I just want to drop the whole thing," he sighs.

[From the New Haven Register, Feb. 9, 1977]

PAKISTANI AGENT TRIES TO GET AREA STUDENT'S PLANS FOR BOMB

(By Stan Fisher)

A "very, very persistent" Pakistani embassy official has attempted to obtain plans for a crude atomic bomb—plans that were assembled as a class project last year by Princeton University student John A. Phillips.

Phillips, 21, a North Haven resident, said

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*Our writer was assisted by the reporting of Alexander N. Wolff '79 and Ralph Taylor '77.—ED.

today he rebuffed the official's inquiries and the matter has been under investigation by the Federal Bureau of Investigation, at the request of the Central Intelligence Agency, and that U.S. Sen. William Proxmire is scheduled to discuss the situation in the Senate Thursday morning.

Phillips' research paper, written for a physics course in 1976, was compiled from declassified government publications and includes plans for assembling a crude, Pu 239 fission bomb.

Three weeks ago, he said, a Pakistani official telephoned him to ask for a copy of the paper. Phillips said the official refused to identify himself and would say only that his government was "interested in information" when asked why Pakistan would be interested in the plans.

Pakistan recently purchased a nuclear reprocessing plant from France, under the stipulation that the country not build a nuclear bomb, Phillips said. Three months ago, French government officials asked Phillips to testify regarding construction of an atomic bomb as a prelude to their sale of the reprocessing plant to Pakistan.

Phillips said the Pakistan official first called university officials to locate him. Because of that advance warning, an FBI agent was present when the embassy official's call came through.

The embassy official was "very persuasive . . . he wouldn't take no for an answer," Phillips said. While money was not specifically offered, the official said "It would be worth my while" to provide the plans, he said.

Phillips said he eventually learned the official's name, at the FBI agent's request, by asking to whom he should send the plans. He then told the man that he wouldn't provide them.

Phillips' project was undertaken to disprove the contention that the near-impossibility of constructing an atomic bomb precludes the need for stronger safeguards for shipment and storage of atomic materials.

While he implied that he was not surprised by the inquiry from another government, he did not "expect it to be Pakistan." He since has been advised, he said, of the eagerness of Third World countries for information regarding nuclear devices.

Phillips, the son of Prof. Aris and Mrs. Bessie Phillips of North Haven, graduated from North Haven High School and attended the University of California at Berkeley for two years before transferring to Princeton. He is extending his undergraduate education there and is currently in a double junior-year program. As the result of his paper and the inquiries, he has been receiving government protection.

INVENTORS: A PRINCETON TIGER DESIGNS AN ATOMIC BOMB IN A PHYSICS CLASS

(By Richard K. Rein)

John Aristotle Phillips of Princeton is probably even more rah-rah than the average college senior. On Saturday afternoons he puts on a tiger suit and leads the football cheers. He has danced in the male kickline of the Triangle show. And he helps run a campus pizza business that grosses $1,000 a week. But there is another side to John Aristotle Phillips: he has just designed a homemade atomic bomb.

"I wanted it to be simple, inexpensive and easy to build," says Phillips, 21, the son of a Yale engineering professor. "The idea was not to use any classified information. I wanted to do it with what was available to the public."

Phillips spells out his design in a 40-page physics term paper. According to nuclear physicist Frank Chilton of Palo Alto, Calif., the Princeton student has overcome some of the major pitfalls in building a nuclear device. "He says it's 20 years behind the time," Phillips observes, "but still more sophisticated than the Hiroshima bomb." Phillips hasn't actually built the bomb, but it would be about the size of a beachball and weigh 125 pounds. It would cost about $152,000—of which roughly $150,000 is needed to buy the critical 15 pounds of plutonium necessary to make it explode (with one-half the force of the Hiroshima bomb). Plutonium is, however, for sale only to governments and properly accredited corporations and individuals. "The idea is that you steal it," says Phillips, who advocates stronger safeguards to prevent such thefts.

Page 20 of Phillips' research paper has been withheld from public view: It deals with the key problem of the type of high-explosive component needed to trigger the nuclear blast. Phillips figured out the answer with the aid of nuclear engineering textbooks and two U.S. government publications. Says Phillips: "It's very simple. Any undergraduate physics major could have done what I did." (Last year, for a TV show, an anonymous MIT student did design a low-yield A-bomb.)

Phillips is now working on his senior project, a crash-protection system for motorcyclists. He once rode a Honda 500 east from Berkeley, where he spent his first two college years. He will graduate in June with an engineering degree and is applying for astronaut training. Right now he's looking forward to Princeton's Nov. 6 football game at Yale. The student who plays the Eli bulldog is Phillips' best friend. "We're going to together and work out some crazy routines," says Phillips. "That's what I like best about being the tiger. You can do just about anything."

[From the New Times magazine]

JOHN PHILLIPS: HIS PHYSICS PROJECT WAS AN ATOM BOMB

When John Aristotle Phillips went to check if he'd flunked his physics project (after a month's silence from his professor), he was told that the government had his paper and was considering giving it classified status. Apparently John's blueprint for an atomic bomb, more than half as powerful as the one that destroyed Hiroshima, was right on target.

Petite enough to fit inside the trunk of a car, and quite economical (the materials, excluding plutonium, would cost about $2,000), the bomb, says John, was not so difficult to design. "Any determined terrorist with a basic understanding of physics could do what I did." That was the main reason that John, then 20 and a junior at Princeton, undertook the atomic challenge. "I wanted to draw attention to the issue of safeguarding nuclear materials. My belief is that the U.S. doesn't use enough discretion in the procedures used to transport and store the materials." With a bit of stolen plutonium (John's bomb requires 15 pounds), a terrorist could build himself a bomb and play an endless game of nuclear blackmail.

"Billions of dollars and years of research are no longer required for the design of a Pu-239 fission bomb," John told me. It took him just under five months, Almost all the references John used—there were about 25—are available to the public in physics and engineering libraries; the other two, "The Los Alamos Primer" and "Manhattan District History, Project Y," came from the U.S. Government Printing Office.

John's physics adviser, who'd worked at Los Alamos, bent over backwards *not* to reveal any classified information for fear of endangering his national security clearance. "He merely directed me to a couple of books and told me when I got off the track," John affirmed.

After the research, he had only to fill in one missing link—how to arrange the explosives to achieve a supercritical mass and detonate the bomb. That was highly classified.

"I made a conceptual guess," John said. "I had a flash, and it turned out to be right. It was profoundly simple once I saw it, and someone else with determination could see it too."

More immediately frightening to Phillips' family than a determined terrorist is a lazy one, who would find it more profoundly simple to "recruit" someone like John as a consultant. "We did consider the kidnap possibility," he says, "and it took a while before my parents, my professors and I decided to give in to reporters who somehow got wind of my paper. If I've drawn attention to the safeguard problem, if this has in any way helped deter a real bomb from going off in a place like Manhattan and killing a million people in a 10-millionth of a second, then my purpose has been achieved."

In fact, while John is disturbed by strange letters and midnight callers who ask for him and hang up as soon as he responds, his project has, perhaps, already had positive effects. Within a few weeks after he went public this past September, France announced its new willingness to cooperate with the U.S. to establish tighter safeguards in the sale of reprocessing plants and in mid-November offered Pakistan an easy way out of a sales contract signed last spring.

John would like to think his project has something to do with it: "I got a call from the French Embassy in Washington. They wanted my paper, which of course I couldn't give them. But they did say it was brought up as an important subject in the controversy over whether to sell more reprocessing plants and nuclear technology."

Now 21, John is completing his major in aerospace science, hoping eventually to become an astronaut. He expects a patent soon on a motorcycle-crash protection device he invented. He's also the Princeton Tiger at football games, runs Aristotle's Campus Pizza Delivery (his own creation, grossing about $1,500 a week) and is busy trying to choose among several exciting job offers that followed his explosive fame.

And his paper? The U.S. government finally did not classify it because of a sort of "Catch-22," but his professors locked it up after removing a key page.

ORDER OF BUSINESS

Mr. STEVENS. Mr. President, I reserve the remainder of our time.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico (Mr. SCHMITT) is recognized for a period not to exceed 15 minutes.

Mr. STEVENS. I ask unanimous consent that the special order for Senator SCHMITT be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order of the Senate, the Senator from South Carolina (Mr. THURMOND) is recognized for a period not to exceed 15 minutes.

Mr. STEVENS. I ask unanimous consent that that order be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from Alabama (Mr. ALLEN) is recognized for a period not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that order be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period of 1 hour for the transaction of routine morning business, with state-

ments therein not to exceed 10 minutes each.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination that has been reported from the Committee on Foreign Relations, and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The nomination will be stated.

DEPARTMENT OF STATE

The legislative clerk read the nomination of Richard B. Parker, of Kansas, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Lebanon, which had been reported earlier in the day from the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PAUL WARNKE NOMINATION

Mr. HUMPHREY. Mr. President, I wish to address myself to a matter which has been occupying a great deal of public attention.

I am disturbed over the bitter attack that has been launched against a very distinguished fellow citizen, a gentleman by the name of Mr. Paul Warnke. I am very disturbed over the circulation, in the Senate and elsewhere, of a memorandum opposing the nomination of Paul Warnke to be Director of the Arms Control and Disarmament Agency and our chief SALT negotiator. What is so disturbing is the fact that this memorandum, which urges Senate rejection of Mr. Warnke's nomination, is predicated on what I find to be, through my long acquaintanceship with Mr. Warnke, outright distortions and misrepresentations of this distinguished citizen's views on arms control and disarmament.

I believe I qualify as an observer in this area, Mr. President. I am the author of the Arms Control and Disarmament Agency. In 1956, I authored a resolution in this body to establish a Special Committee on Arms Control and Disarmament. I served as chairman for that committee for many years. I attended, as a U.S. delegate, the disarmament conference in Geneva, representing this country.

I also, as your Vice President, was in part, at least, a participant in and, in part, responsible for what we call the Nuclear Nonproliferation Treaty.

Much of my public life has been given to this effort of arms control. I sponsored the resolution here in the Senate, asking President Kennedy to take the lead in the so-called Limited Nuclear Test Ban Treaty. These are measures that are a part of my public life.

I have had the opportunity over these many years to work with Mr. Warnke and to work with others with whom he was associated. As he has indicated in his testimony before the Committee on Foreign Relations, he does not believe in unilateral disarmament. He believes in negotiated, balanced reduction of weapons as a means of strengthening our national security, not weakening it.

Mr. PROXMIRE. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PROXMIRE. I congratulate the distinguished Senator from Minnesota on the statement he is making on Mr. Paul Warnke. I have known Mr. Warnke for some time and I think this is one of the best appointments any President has made in recent years. Most appropriately, because as I understand it, Mr. Warnke is being appointed to the Arms Control Agency and he has solid military experience, he is one who is in a position to understand arms control, not only believes very deeply in controlling arms, trying to secure effective limitations, but also is one who understands the military implications practically and thoroughly. I think this is a very good appointment.

I think it is ironic that the grounds on which Mr. Warnke is being attacked, as I understand it, seem to be that he believes in what he is doing. He is appointed to a mission that he believes should be carried out and I cannot think of any more important mission that any public servant is going to have in coming years.

Incidentally, I think one of the most important statements that the President of the United States made in his inaugural speech was when he made the specific commitment to do his best in his 4 years in office to limit and reduce nuclear arms throughout the world. I think the statement made by the Senator from Minnesota is most significant and I am delighted to have the opportunity to support it.

Mr. HUMPHREY. I thank the Senator from Wisconsin very, very much.

The main exhibit in this memorandum I spoke of is the spring 1975 foreign policy article written by Mr. Warnke, entitled "Two Apes on a Treadmill," which it excerpts with 12 different ellipses in a few hundred words. The purpose of the omissions is to disguise the fact that Mr. Warnke did not propose some vaguely sounded unilateral arms control initiative but, instead, suggested some kind of halt which would seek some corresponding halt within 6 months on the other side. This view was directly mirrored in the actions of President Kennedy which were successful in achieving a partial test ban agreement 14 years ago. This is a very hardheaded version of unilateral initiative and a very plausible one. And it certainly is not unilateral disarmament.

The author, or authors, of the memorandum ends by saying that Mr. Warnke "supports unilateral arms reductions to levels far below anything proposed in current arms limitations talks."

In the first place, neither side at the arms talks has proposed unilateral arms reductions at all. And the evidence compiled about Mr. Warnke does not show him arguing for unilateral arms reductions either. It shows him, at earlier periods, urging halts or abandonment of programs not then completed.

For example, it shows Mr. Warnke opposing the ABM—period. Yet, it fails to note this opposition eventually became actual U.S. policy. It shows him urging a delay in MIRVing. Many MIRV proponents now regret that MIRV was deployed, particularly since once deployed, it could become a nonnegotiable escalation in the arms race—a vulnerability which may take a $30 billion MX missile program to counter.

The memorandum asserts that Mr. Warnke has not complained about Soviet programs. But, in fact, the ellipses used in the memorandum have deleted just such references by Mr. Warnke to the Soviet spiral of deployment.

The memorandum does not just take statements out of literary context; it removes issues from the temporal context as well. It assumes that past opposition to a weapon system which was later purchased is equivalent to a desire to eliminate that weapon system unilaterally after its purchase, and after the Soviet Union has responded to that purchase, and after the entire strategic situation has moved ahead to a different time period. Apparently, it is deemed current unilateral disarmament to have opposed weapons systems in the past.

The memorandum criticizes the Project on Budget Priorities—a citizens' organization formed to lobby for reductions in defense spending—for asserting the United States will continue to lead the Soviet Union in numbers of missile warheads "well into the 1980's, no matter what the Russians do." It asserts this is incorrect. But, it is not. Indeed, on page 125 of former Defense Secretary Donald Rumsfeld's report on the U.S. defense posture—Annual Defense Department report fiscal year 1978—it can be seen that the United States has a 5-year lead into the eighties, even in hard-target kill capability, despite the larger Soviet warheads.

The main objection of the memorandum is to the speech in which Mr. Warnke said:

> Even substantial nuclear superiority, short of nuclear monopoly, could not be a decisive factor in any political confrontation between the United States and the Soviet Union.

I leave as an exercise for the reader the pondering of what "substantial," and "decisive," and "political" mean in this sentence. But it is obviously true that neither the United States nor the Soviets are going to capitulate in a political crisis just because one side can destroy the other more times over.

Mr. President, I ask unanimous consent that the full text of Mr. Warnke's article be printed in the RECORD in order for my colleagues to understand the full

dimension of his views on this matter and not be misled by distortions or misrepresentations of those views.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

APES ON A TREADMILL

(By Paul C. Warnke)

Recent articles in Foreign Policy argue that critics of our defense spending overstate its impact and misapprehend its driving impulse. Philip Odeen insists that our military investment has never been a better buy. Albert Wohlstetter questions the very existence of a strategic arms "race" between the Soviet Union and the United States.

Wohlstetter's position, as I understand it, is that these two rivals accumulate nuclear arms each at its own pace, a pace that is for each affected by a complex series of considerations. In decrying the notion of a race, Wohlstetter asserts that the metaphor is inapposite because the paces don't match. There can be no race, he argues, "between parties moving in quite different directions." He cannot, of course, mean that the United States is backing up while the Soviet Union presses on. Both continue to amass nuclear weapons in quantities and varieties inexplicable on any military basis. The "race" analogy is not destroyed by the fact that the "runners" may move at times at different speeds. Marathons fit the tag as well as sprints. More damaging to the figure of speech, perhaps, is the fact that a true race needs a finish line.

What troubles me, however, is not the question whether the metaphors in vogue are too simplistic. In exhausting detail, Wohlstetter documents the intricacy of strategic arms competition. Not discussed is the key question whether what we are doing in this field is necessary or even desirable.

The Soviets have, in the past, at times surprised us by building more nuclear weapons than we anticipated. But their hot pursuit has, in the estimation of informed observers, never overcome our initial lead. As expressed by Secretary Kissinger in testimony before the Senate Foreign Relations Committee on September 19: "I think there is common agreement that at no time in the postwar period has the Soviet Union had a strategic superiority over the United States in any significant category."

The failure to secure effective limitation would mean, he warned, that "the probable outcome of each succeeding round of competition is the restoration of a strategic equilibrium, but at increasingly higher levels of forces." Perhaps, then, we are not racing together toward Armageddon. Maybe the continued expenditure of billions for quantitative additions and qualitative improvements does not bring doomsday any closer. Instead, it may be that we are jogging in tandem on a treadmill to nowhere.

Critics of our defense planning may use questionable metaphors. But the important national security questions they raise can't be solved by contests in semantics. The issue remains whether we are spending for defense about the right amount of money for about the right force structure. Everything is not necessarily happening for the best in the best of all possible worlds. Philip Odeens' article contends: "The best case for the defense budget is that a good case has not been made against it." The burden of proof, I would suggest, is on the proponent of a proposition and the best case *against* the defense budget is, accordingly, that an adequate case has not been made *for* it. A Panglossian approach to Pentagon spending is unwarranted, particularly under present circumstances. The Office of Management and Budget (OMB) has noted in its conferences on inflation that very little else of the Federal budget involves discretionary outlays. According to OMB calculations, for the 1975 fiscal year the defense area takes up $57.1 billion out of a total available for discretionary spending of $92.2 billion. Indeed, OMB calculates the planned discretionary nondefense outlays exclusive of personnel costs as only $15.1 billion. The rationale for devoting this lion's share of Federal disposable income to military arms and manpower should be an extraordinarily persuasive one. The U.S. Congress and the American public should insist on knowing if such rationale exists.

It may be that there is nothing we can do to cut down on the amount of our resources that we devote to our national defense. Perhaps we must continue to spend these steadily increasing billions in order to preserve our freedom. The interesting exchanges that have appeared here recently leave me, however, unconvinced. I think we are spending too much on military arms and manpower and that to continue to do so worsens our economic position and jeopardizes our true national security.

TWO FALLACIES

There are, as I see it, two major fallacies that drive our expenditures for defense to their present giddy heights. The first is the fiction that protection of our interests implies a global military mission requiring that we maintain the capability to deal with a congeries of contingencies throughout the world. We face a single military threat, not a hostile world. Our force posture should be optimied to deter Soviet resort to force, not to pose a delusive military solution to political or economic situations that may give us concern. The second fallacy is that, regardless of any practical military utility, a failure by the United States to maintain a cosmetic military "superiority" will cause us political disadvantage, the loss of bargaining position in arms limitations negotiations, and the sacrifice of the confidence of our allies. The proposition that we must maintain a lead across the spectrum of strategic and conventional forces is a formula for endless escalation in defense costs. To conclude that we must overcome every Soviet lead despite its lack of military meaning is to accept the rule of illogic. That kind of lead will have political insignificance only if we act as if it matters. In combination these dubious assumptions have led us to an almost reverential preoccupation with weaponry.

Perpetuation of these fallacies will push our defense budget even higher over the next few years. The present congressional approach—squeezing a few billion out of Administration requests but not cancelling any major programs—will not arrest this trend. What is required instead is a re-evaluation of the role of American military power in today's world. Also needed is an approach to the arms limitations that will cut through the complexities of the search for strategic nuclear equivalence under the disparate circumstances of Soviet and American concerns and given the asymmetries in nuclear armament. What should be tried instead is to evoke a process of matching restraint, either in advance of formal agreement, or appreciably below the limits set by negotiated accords. In 1963, President John F. Kennedy broke the atmospheric testing impasse by announcing a unilateral American moratorium and calling for reciprocal action from the other side. The present strategic balance is sufficiently stable to permit us to explore fully this proven approach to arms control.

For fiscal 1975, the Congress finally agreed on an appropriations bill of $82.6 billion. This was about $4.5 billion below the amount requested by the Administration. In addition, $5 billion in defense spending was provided in other appropriations bills covering military construction and foreign military assistance. Immediately, Pentagon sources complained that because of inflation the total, a new high in absolute dollars, would be short—allegedly by $11 billion—of the amount required to sustain the current program. A failure to obtain this amount through supplementals would, these sources warned, require the reconsideration, reduction, or elimination of major programs. I hope that this is true; that hard times will compel a realistic look at our defense budget where hard experience has failed.

Our defense programs remain today linked to no coherent foreign policy that shows when and how our armed forces should be used. They are, instead, consistent with a world in which American interests can be advanced only through the possession of a versatile military capability which will allow the application of our force on a worldwide basis. This is neither today's world nor one in which we should want to live. In a world where only force counted, the Soviet Union and we would be consigned to a superpower condominium, a duopoly in which each probed cautiously to the limits of its sphere of influence. The only restraint would be the fear of impinging upon the other's vital interests. The concerns of the rest of mankind, their hopes, their miseries, would be of no moment. If such a world could be created, I think few Americans would find it congenial. If such a world is to be prevented, our preoccupation with military power as a political tool needs to be faced and overcome.

Too often in the past 20 years we have behaved as if our ability helpfully to influence world events required military force. In my opinion, basic American objectives usually have been understandable and even commendable. But the military means employed to seek these objectives have frustrated our aims and set a sorry precedent. Today, in the context of the oil crisis and feared resource shortages, there are reports of special forces to be trained for rapid deployment to protect American supplies.

An article by Drew Middleton in *The New York Times* of October 25, 1974, discussed the formation of ranger battalions as reflecting "the growing conviction in the Defense Department that the forces must be prepared as much for swift intervention across the world as for a major war against the Soviet Union in Europe." Some commentators have suggested that renewed denial of Middle East oil, or even retention of current price levels, should be treated as tantamount to military action requiring a direct American military response. Coming from another country, such suggestions might strike us as a shocking reversion to imperialism. Coming from us, they are unlikely to strike others as more savory. As those who have the most in hand, and thus the most to lose, I question the wisdom of our espousing an international doctrine that a country may take what it thinks it needs when normal trade relations are deemed inadequate. I question too whether this is either a sound example to set for the Soviet Union or a safe principle to espouse to the "have not" nations. Imperial conquest is obviously beyond the reach of this latter group. But the possibility of terrorist blackmail, when the makings of nuclear weapons will become increasingly available, are chilling indeed.

I won't presume to contest Wohlstetter's awesome scholarship. But the myths that he alleges are no necessary part of the case for a more modest conception of the American military role. We may well have underestimated the ultimate deployments of Soviet nuclear weapons systems. It may well be that we have also underestimated our own willingness to proceed with redundant quantities and unneeded improvements and the effect this has had in keeping Soviet programs going. The solemn jog on the treadmill has continued with one contestant apparently running harder but never quite catching up.

WE ARE NOT THE WORLD'S POLICEMAN

The fallacy of an American global military mission, failure to perform which would mean the loss of world stability, has been with us for a long time. In a simpler era, it

appeared in the concept of a Pax Americana with the United States as world policeman. Its most ludicrous form was voiced by President Nixon in explaining his refusal to end our participation in the conflict in Indochina. Precipitate withdrawal would mean, he maintained, an end to our role as "peacekeeper" in the Asian world.

Realistic recognition that we need not and cannot be the world's policeman is now quite general. But this discredited notion still has major impact on our defense policy. Our armed forces still are tailored for use in wars of all varieties in any and all places.

The former Chief of Naval Operations, Admiral Zumwalt, was wont to support Navy demands for the biggest share of the Pentagon budget on the ground that the Navy was needed to "project increments of American power" on a worldwide basis. Roy Ash, Director of OMB, informed the Senate Budget Committee this year that further reductions in the military budget would upset the balance of power throughout the world and hence jeopardize our national security. And Secretary of Defense Schlesinger, in a television documentary on "Peace and the Pentagon" predicted that if we're to "drop the torch," there would be no one to pick it up. I hope that he is right. Self-selected torch carriers aren't much use in fire prevention.

Contemporary experience should indicate that most of the world wants none of our military intervention. The local conflicts that continue to trouble the international community certainly cannot be ameliorated by American firepower. Détente is based on the wholesome realization by the United States and the Soviet Union that their direct military involvement in local conflicts would create unacceptable risks. There is still some dangerous posturing on both sides. But sensitive diplomacy has begun to come into its own.

No one can look with much pride at the American performance in the Cyprus crisis of last summer. Our recalcitrance in decrying the coup sparked by the Greek colonels against President Makarios was equaled by our sluggishness in condemning the Turkish intervention. But we can at least be grateful that not even ceremonial use was made of our military forces. At a minimum, such a gesture would have challenged the Soviet Union to choose its side and thus escalate the crisis. The side against which the American power was arrayed would, moreover, be unlikely to respond to subsequent U.S. diplomatic efforts for an equitable result.

The last decade and a half has done much to teach us that the injection of American firepower into a local conflict is rarely compatible with our foreign policy interests. At a minimum, it will exponentially increase the devastation. A matching imprudence on the part of the other military superpower could engulf the world. Our obligations toward Israel or others do not require that we maintain in our force structure elements designed for a global intervention capability. For the most part, investment in such forces will buy us nothing but trouble.

At least equally clear is the unwisdom of maintaining men and materiel especially adapted for counterinsurgency operations. Intervention by the United States in an internal dispute is both unwise and un-American. Nothing in our traditions, in our international agreements, or in the United Nations Charter obligates us to take a stand for a foreign government challenged by a significant segment of its own people. Our own internal situation is not so parlous or our world position so precarious that we are threatened when an alien people opts for a form of governmental organization that we find distasteful. Some continuing investment for counterinsurgency purposes is still identifiable in the defense budget. Much more is submerged in the overall size and structure. Both our financial position and our national security will be the better for its eradication.

Perhaps the starting point is to abandon the fractional numbers game as a purported basis for force planning. In the early days of the Nixon Administration, much was made of the fact that we had moved from a "two and a half wars" planning assumption because Sino-Soviet rivalry would prevent them from waging war against us concurrently. The Soviet Union was seen, sensibly, as the one plausible military threat. But instead of preparing for one war at a time, we were told that we would be prepared to take on one and a half wars.

A half a war would, by definition, be a war against a minor military power, not the Soviet Union. Such a foeman is indeed not worthy of our steel. The one-half war contingency is an unwarranted residuum of the abandoned role of world policeman. No minor power is going to attack us. For us to attack one of them should be unthinkable.

Short of a major war, American military forces may be required for participation in United Nations peacekeeping operations, for the evacuation of American citizens caught in local hostilities, and to give meaning to our commitment to Israel's survival. But none of these contingencies require the amassing of a separate half-war capability. To the extent that any of them may involve confrontation with the Soviet Union, it is our basic one-war capability that is relevant.

When a whole war dropped from our defense planning base in 1969, it had little effect on our force structure. But dropping the half war from our force planning could yield significant savings. It should end expensive preparations for the myriad contingencies where our military force should never be committed.

ILLUSION OF OMNISCIENCE

About 20 years ago, the English historian D. W. Brogan wrote of the "Illusion of American Omnipotence." This illusion has been largely dispelled by events. There persists in some quarters, however, an illusion of American omniscience. Neither we nor any other outsiders are wise enough to decide for another people the course to which their aspirations should lead them. The continuing penumbra of the illusion that somehow we know best can only blur a sound perception of our true foreign policy interests.

Only this illusion of omniscience can explain our persistence in covert operations intended to influence events in other countries. There may be little in the defense budget for the funding of these clandestine activities. But the Chief of Central Intelligence, William Colby, informed an open meeting last September that such operations were still in progress, including some in South America. He defended retention of this capability as giving us an "option between diplomatic protest and sending in the Marines." Surely our economic and political influence in the world community can do more to fill that gap than illegal paramilitary operations in another country. And there is usually the commendable option of doing nothing at all.

The sorry history of Vietnam shows also that clandestine activities by CIA operatives may precede the Marines only briefly. As with counterinsurgency, secret actions to subvert the political choice of other people are a nasty bit of international busybodyism. They make us hostage to the faction that we aid. They earn the lasting hostility of those whom we oppose—and who may win out despite us. There is little chance that the world community believes our efforts to undermine the Allende government were, as maintained by President Ford, "in the best interests of the people in Chile." Instead, they are apt to see American dirty tricks in many situations where none have been played.

An American President should now be wise enough and confident enough not to hear in his mind's ear the cry: "Who lost China?" Today's electorate should be sophisticated enough to understand that no foreign country is ours to win or lose. And many Americans are bold enough to doubt that there would be greater stability and less misery in Asia today if the Kuomintang still reigned and profiteered in Peking.

An expansive approach to world power is a heady attraction for any American President. The Commander-in-Chief syndrome will affect even the least vainglorious of men. The free hand that has been given to the executive in foreign affairs makes it much more fun than dealing with a balky Congress in the domestic arena. It's easier to screw up the economy in Chile than to square it away in the United States.

WE'RE NUMBER ONE

We cannot, for obvious reasons, forfeit a major position in world affairs. And we must continue to rely on the executive as our principal spokesman internationally. But the retention of a strong world role and the maintenance of an effective defense posture will require that the President and his chief foreign affairs advisers begin to talk more sense to the Congress and to the people. Vaunting rhetoric about our peacekeeping role, our worldwide commitments, the morale of our allies, control of the seas, and our indispensable leadership of the free world now awakens as much derision as respect.

The theory that we must be prepared for a wide variety of military contingencies has major impact on the size and style of our conventional forces. But it also infects thinking about nuclear weapons. If we and the Soviet Union may become engaged in limited nuclear war, where the stake is less than national survival, then scenarios can be devised which call for an elaboration of our nuclear arsenal. Surgical nuclear strikes against missiles and other military targets become conceivable and a counterforce capability thus becomes a security requirement. If limited nuclear war for limited objectives is regarded as plausible, then the design of "mini-nukes" to minimize the mess can be argued as desirable. If, instead, nuclear arms must serve only to prevent any use of Soviet nuclear weapons against us or those whose security is integral to ours, then this role can be filled at more modest cost.

The proposition that we must remain ahead of the Soviet Union in most if not all perceivable elements of military power is the second fallacy that inflates defense spending. It impacts particularly on the field of strategic arms. If the controlling criterion for world prestige is to proclaim that militarily "We're Number One," then effective agreement on control of strategic arms is hardly possible, and the Vladivostok undertaking will be used to justify rather than to limit modernization of nuclear forces.

As its only living superpower model, our words and our actions are admirably calculated to inspire the Soviet Union to spend its substance on military manpower and weaponry. Ex-President Nixon asserted repeatedly that he could not negotiate effectively if he went to the bargaining table with the Soviet Union as the world's second strongest military power. There is every reason to feel that we have persuaded the Soviets on this score and that they too will not negotiate from a position of military inferiority. If we insist on remaining Number One, because there are incalculable risks in being Number Two, then the Soviets have the wherewithal to escape that subordinate position. They will continue to struggle to catch up by exploiting the quantitative and qualitative permissiveness of the Vladivostok agreement. We will be told that we dare not allow them to do so.

Schlesinger, in criticizing the efforts by Congress to cut the fiscal 1975 Pentagon budget, noted Ford's comments that "the United States must remain the premier power." And, he continued, "the American people will have to pay the costs." The result of this approach may not be an arms

race, but I think it will do until one comes along.

The contention that, whatever the practical military utility, we will incur political disadvantages unless we maintain a lead across the spectrum of strategic and conventional forces, is both a recipe for endless escalation of defense costs and a self-fulfilling prophesy. Kissinger told the Senate Foreign Relations Committee in its hearings on détente that whether or not one superpower has true nuclear superiority, "the appearance of inferiority—whatever its actual significance—can have serious political consequences." To a degree, this is true. Our strategic nuclear forces must not only be strong enough. They must be known to be strong enough to deter the Soviet Union from using its strategic nuclear forces against us or our allies. But a lead in numbers or size that can be seen to be insignificant will have political consequences only if the other side concedes them a meaning they would otherwise lack. Where we can see that a Soviet military development is not significant, it's sheer conceit to fear that our allies will believe otherwise.

A look at today's key issues shows clearly how few of them can be affected helpfully by superior military strength. We couldn't ignore the Soviet Union as an international power in the many years when we dwarfed its strategic nuclear forces. Today both countries know, and the rest of the world knows too, that we dare not fight one another. The respective strategic nuclear forces serve only as offsets, not as exploitable resources. They are not translatable into sound political currency. Elsewhere in the world, the United Kingdom is no easier in its economic situation because it has Polaris submarines. India's "nonmilitary" nuclear test brought no relief from its grievous problems.

We are militarily the most powerful nation the world has known. But the oil-producing countries are notably unimpressed. Oblique hints of application of military power to win our way on petroleum pricing have been met with mockery. Any effort to translate these threats into action could serve only to drive the Arab states to the dubious protection of the Soviet Union. It would destabilize, as no CIA activity could, the conservative, American-oriented governments of Iran and Saudi Arabia. A marine division or two might overwhelm a Middle-East oil country. But this, like Macbeth's bloody event, would not "trammel up the consequence, and catch with his surcease success." Instead, we would face an indefinite occupation and protection of vulnerable production facilities in terrain not unfamiliar with guerrilla activity. Here, as in the other major world problems, use of our military force is not a sensible option.

Our deep interest in Israel's security presents, of course, a special case. There need be no question of our ability and readiness to respond to Israel's military needs in the event of attack. But no combination of local enemies could threaten Israel's survival as gravely as a Soviet-U.S. military confrontation in that area. And no military aid could contribute as much to regional security as their joint commitment to an equitable solution.

Overestimation of the practical utility and the political potency of our armed forces adds up to a defense budget that consumes over 60 per cent of disposable Federal income. It ensures the further build-up of strategic arms inventories at exorbitant cost and, because further qualitative changes are more apt to lessen than to improve deterrence, with an actual threat to national security.

CAN WE AFFORD TO NEGOTIATE?

In trying to end this irrational arms competition, total reliance is now placed on negotiations looking toward formal agreements. Bilateral talks are being held on control of nuclear arms and multinational discussions are being held on reduction of the opposing forces in Europe. But the ongoing process seems to aggravate the problem. The history of the SALT negotiations shows the process of formal agreement on nuclear arms control to be complex, prolonged, and uncertain of eventual success. The accomplishments to date have yielded few if any real dividends. The limitation imposed on antiballistic missile systems in SALT I, and further tightened at the Moscow summit last June, should at least have brought about tacit mutual restraint in the further accumulation of offensive strategic weapons. With no defensive missiles to overcome, a fraction of the existing strategic forces on either side is adequate to wreak devastation on the other's society, and initiation of nuclear war thus means national suicide.

But, in defiance of the dread logic, both the Soviet Union and the United States have continued to move ahead. No major offensive weapons program has been canceled. We have proceeded with our MIRVing of the Poseidon fleet and our Minuteman missiles. The Soviet Union has continued to test its own MIRVs and to develop a new family of intercontinental ballistic missiles.

The mindless build-up has continued while the negotiators wrestled with the difficulties of designing formal controls for two nuclear arsenals that developed on different lines. The tentative agreement outlined at the Vladivostok conference would provide a tent big enough to accommodate just about everything each side now has or contemplates.

Moreover, while the negotiators fumble for formulas and the summiters pursue their loftier processes the existence of the negotiations and the agreements already reached are used to justify new nuclear weapons programs. The Vladivostok understanding is defended as the best that can now be achieved. It could well be a significant step forward toward effective nuclear arms control, but not if, as suggested in President Ford's post-Summit press conference, the Vladivostok ceilings must also be treated as a floor for U.S. strategic forces. When the floor meets the ceiling, little living room remains.

Accordingly, rather than creating a climate in which restraint can be practiced, the existence of the negotiations themselves has been an occasion for acceleration of strategic arms development. Weapons concepts not proscribed by the porous terms of the 1972 interim agreement on control of offensive arms have acquired a hitherto undetected charm. The prospect of a 150-kiloton limitation on underground tests after March of 1976 has precipitated calls for an augmented test program before that date. Recent progress at the summit supports, we are told, an augmented Trident program, at close to a billion and a half dollars per unit. The question inescapably arises whether, under our current defense policies, we can afford to negotiate about arms control.

The "bargaining chip" argument can certainly be questioned. Indeed it has been, but unsuccessfully. It can reasonably be maintained that if our strategic nuclear posture is not now strong enough for us to bargain effectively, we should not be bargaining at all. But we are in fact continuing to bargain and to build up redundant strength as we do so. The acquisition of more, and more esoteric, nuclear arms adds exponentially to the difficulty of devising effective federal controls. Our testing and deployment of MIRVs in the early days of SALT is a striking case in point. Now there is talk of mobile missiles to lessen the vulnerability allegedly implicit in the massive MIRV go-ahead permitted by the terms of the November summit meeting.

I would not like to see the SALT talks stop. The process itself should be, for both participants, an educational experience. Acceptance of common concepts on strategic matters is itself a form of progress.

One can ever harbor hope that an effective formal agreement may eventually be developed. But if we must accept the insistence that the momentum of our strategic weapons programs must be maintained in order to bargain effectively, the talks have become too expensive a luxury.

A POLICY OF RESTRAINT

Insofar as formal agreements are concerned, we may have gone as far as we can now go. If so, the verdict on whether the Vladivostok Accord is better or worse than nothing is not yet in. It does set finite though lofty limits. It does recognize equivalence. It should be treated as an augury that genuine progress is possible. It should not be allowed to spark further weapons programs that will impede such progress toward effective arms control.

What is needed most urgently now is not a conceptual breakthrough but a decision to take advantage of the stability of the present strategic balance. It's futile to buy things we don't need in the hope that this will make the Soviet Union more amenable. The Soviets are far more apt to emulate than to capitulate. We should, instead, try a policy of restraint, while calling for matching restraint from the Soviet Union.

As a start, we might inform the Soviet Union both privately and publicly that we have placed a moratorium on further MIRVing of our land- and sea-based missiles. We should also announce that a hold has been placed on development of the Trident submarine and the B–1 strategic bomber. We should advise the Soviet Union that this pause will be reviewed in six months in the light of what action the Soviet Union takes during that period.

If the Soviet Union responds by some significant slowing of its own strategic arms build-up, we can at the end of the first six months announce additional moves. We might, for example, scrap some of our older missiles and our more aged B–52 strategic bombers. If reciprocal action is taken by the Soviet Union, such as the elimination of some of its older missile-carrying submarines and a freeze on the development of the new family of ICBMs, other other low-risk initiatives are available to us. We can, and should, for example, substantially reduce the numbers of tactical nuclear weapons now deployed in Europe. The number—over 7,000—is many times in excess of that useful in any remotely conceivable contingency. Employment of a fraction of that number would destroy the terrain they purport to protect. A quarter or less would serve as well to bolster the deterrent efficacy of our conventional and strategic forces. And the circumstances of their deployment, in many cases, make them vulnerable to capture or sabotage. A sizable cut would improve both our security and the climate for reciprocal Soviet action.

There is, of course, a chance that the Soviet response may be lacking or inadequate. But our present lead in technology and warheads makes it possible for us to take this initiative safely. No advances the other side might make in six months or many more could alter the strategic balance to our detriment.

The chances are good, moreover, that highly advertised restraint on our part will be reciprocated. The Soviet Union, it may be said again, has only one superpower model to follow. To date, the superpower aping has meant the antithesis of restraint. Soviet moves toward antiballistic missile defense were followed by U.S. ABMs and our multiple independently targetable warheads to overcome any defensive system. Soviet MIRVs are now in development. There now are hints that we may build more massive missiles to match Soviet throw-weight.

The "monkey see, monkey do" phenomenon extends beyond the area of strategic arms. Soviet and American ships compete for visibility where both would be hard put to explain the military purpose. Even our clandestine operations in foreign countries are rationalized by President Ford on the ground that "Communist nations spend vastly more money than we do for the same kind of purpose."

It is time, I think, for us to present a worthier model. The strategic arms competition is a logical place to start. The steps we can take in trying to start a process of reciprocal restraint are not drastic. They would create no risk to our national security. We can be first off the treadmill. That's the only victory the arms race has to offer.

PAUL WARNKE ON EAST-WEST RELATIONS

Mr. HUMPHREY. Mr. President, I have recently reviewed Mr. Paul C. Warnke's article, "We Don't Need a Devil (To Make or Keep our Friends)," in the winter 1976–1977 issue of Foreign Policy, a publication in the field of international relations. I commend it to my colleagues and certainly find nothing in it that should cause any of them alarm. Indeed, it is a superb summary of a number of world problems.

In light of the concern stirred by the memorandum circulated in the Senate, I might emphasize some of the points that show a resolute point of view on the part of Mr. Warnke.

In discussing the United States-Soviet dialogue, he suggested that an "urgent example" is related to the possibility of a succession struggle in Yugoslavia after Tito's death. Mr. Warnke concluded:

It should be made clear to the Soviet Union that we would regard Soviet intervention in Yugoslavia as unacceptable.

In discussing Eastern Europe, he anticipated the present administration's desire in not subordinating freedom to détente. He wrote:

Nor should the importance of the semi-adversary, semi-cooperative United States-Soviet relationship lead us to collaborate in the indefinite subjugation of national freedoms. There are, of course, practical restraints on what we could do to help Eastern Europe toward greater latitude of action. But our concern with detente with the Soviet Union should not signal either to that country or to the Eastern European states that we espouse greater Soviet control as a means to reduce Soviet anxieties and to freeze twin spheres of superpower influence. Maybe we can't do much to improve their plight, but at least we should not be seen to collaborate to make it hopeless.

On the Chinese recognition problem, Mr. Warnke noted:

. . . but greater speed in normalization should not be purchased by U.S. action designed to compel the Taiwan solution Peking desires.

Still, these quotations do not do justice to a commonsense and humane but richly philosophical and learned survey of world problems which Mr. Warnke presented in his article. I invite the Members of this body to read this article and ask unanimous consent that it be placed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE DON'T NEED A DEVIL (TO MAKE OR KEEP OUR FRIENDS)

(By Paul C. Warnke)

The old adage maintains: "The enemy of my enemy is my friend." In both Peking and Moscow, this might be regarded as the prescription for better relations with Washington. But the nugget of truth in the saying provides, at least for the United States, no lasting guide for sound and safe foreign policy. Perpetuation of dangerous international enmity is not a commendable way to keep old friends or to make new ones.

With respect to our most established friendship, that with the countries of Western Europe, the common nightmare of possible Soviet aggression has undoubtedly been a factor tending toward greater cohesion. As that threat is seen to recede, lamented as that perception may be by NATO traditionalists, we nonetheless need not accept the conclusion that our friends' loss of an enemy will cost us our friends.

The cultural and economic interdependence of the North Atlantic community surely could survive the shock even of genuine East-West accommodation. The values that we share can endure outside a cold war climate, driving us forward in pursuit of our common dream of a world where economic, social, and political development eases the blight and diminishes the very real threat to world security that otherwise would be posed by the thwarted billions in Asia, Africa, and Latin America.

Nor does our friendship with Japan require the preservation of a common enemy. Certainly the Japanese still take considerable comfort from the U.S. military presence.

But the reality of a military threat to Japanese security is now somewhat hard to credit. Soviet intransigence about the Kuriles, together with the history of Japanese-Russian conflict, help keep the concept of a common enemy vividly in the Japanese consciousness. But our Asian forces are more than adequate to show both the Russians and the Japanese that the U.S. interest in protecting Japan's security far outmatches any conceivable Soviet motivation to threaten it.

Indeed, installation of a Communist government in Japan, whether by force or by subversion, might well be farthest from Soviet ambitions. The specter of a Communist rival linking Chinese manpower to Japanese industrial strength would be far less congenial than the existing situation.

The dissipation of the myth of mainland China as a monstrous aggressor has done no long-range damage to U.S.-Japanese ties. Any short-range harm was more the product of our rudeness in not enabling the Japanese government to move in tandem with us.

Some lingering residuum of the once monolithic common Communist enemy in Asia is retained in the Korean peninsula. The apparent interest of North Korean President Kim Il-sung in possible exploitation of the U.S. rejection in Indochina, and the recent tree-cutting tragedy in the demilitarized zone, must be taken both in Japan and here as evidence that a North Korean effort to reunify Korea under its control is not wholly implausible. But a respectable body of opinion considers that Kim Il-sung was discouraged by Peking and Moscow in 1975 from taking any steps against South Korea in the wake of the U.S. setback in Southeast Asia. And recent press reports suggest a Chinese effort to lower the temperature of the U.S.-Korean confrontation at Panmunjom.

The continuation of an independent South Korea has a bearing on Japanese perceptions of their own security. In considerable part, however, the importance of South Korea to Japan's security is a product of our constant repetition of the theme to Japanese audiences. As with the once-perceived threat from Red China, it will likely dim with time unless kept polished by American rhetoric. Here again, the loss of a mutual enemy should not cost us a friend.

The true test of the applicability of the aged aphorism to contemporary international relations thus can be found in Sino-U.S. and U.S.-Soviet relations. Each country has been seen as our enemy. Neither can yet be characterized as our friend.

In our dealing with the Soviet Union, the first stirrings of détente were felt, and the Strategic Arms Limitation Talks (SALT) were launched before Secretary of State Kissinger acted as advance man for President Nixon's trip to Peking in early 1972—in what Nixon described as "the week that changed the world." But there is nothing to indicate that U.S.-Soviet détente had been furthered by the mutual hostility that existed vis-à-vis China. Instead, trips by U.S. officials to Peking created for the Soviet leaders the dire prospect of a Sino-U.S. partnership in opposition to the Soviet Union. Thereafter, some greater priority might well have been placed on productive negotiations with the potential friend of an implacable enemy.

Whatever the reasons, the Soviet reaction was curiously pallid when in the spring of 1972 the Nixon administration mined the harbor at Haiphong and stepped up the bombing of Hanoi just before Nixon was scheduled to go to Moscow to consummate the SALT I agreements. In 1960, the far slighter provocation of an unarmed U–2 flight in Soviet air space had led Nikita Khrushchev to cancel President Eisenhower's visit and to walk out of the Paris summit meeting. But in 1972, while Soviet shipping was trapped in Haiphong harbor, Nixon was welcomed to Moscow where he and Brezhnev signed the treaty limiting antiballistic missile sites as well as the interim agreement on control of offensive nuclear arms.

IMPORTANT BUSINESS

Entirely apart from their respective relations with the People's Republic of China, the United States and the Soviet Union have important business to do. We need not be friends in order to recognize that certain agreements and understandings are in our mutual interest and indeed may determine our mutual survival. There remain things that the Soviets want from us, notably feed grains and technology; and there are things we can achieve with them which would contribute to our own and to world security without damaging that of the Soviet Union. Apart from the imperative of an agreement at SALT that would effectively restrain both quantitative and qualitative competition in the accumulation of still more nuclear arms, other useful measures of control over the deployment of military forces could lessen the risks of military confrontation.

The Vienna talks on mutual and balanced force reductions have now been going on for three years. These negotiations have had the benefits of permitting Western Europe's participation in discussions of alliance security and of resulting in some information about Soviet forces. A significant step toward greater confidence in Europe would be achieved if agreement could be reached on reciprocal reduction of offensive capability. The U.S. proposal to withdraw 1,000 tactical nuclear weapons in exchange for the pullback of a Soviet tank army moves toward this objection. As repeatedly urged by the U.S. Congress, the Soviet Union and the United States should also initiate discussions about restricting naval forces in the Indian Ocean and creating what the U.N. General Assembly has called for as a "zone of peace."

Meaningful arms control discussions between the two nuclear superpowers improve the international climate and could lessen disturbing tendencies toward nuclear proliferation. A major contribution toward world peace and toward reduction of the devastation of local hostilities could be made by agreement with the Soviet Union, and pref-

erably the other major international arms suppliers as well, on tight limits on arms transfers, particularly to the Middle East and Africa.

The existence of the U.S.-Soviet dialogue also provides a medium for avoiding serious conflict by the communication of respective views on vital interests. An urgent example relates to the possibility of a succession struggle in Yugoslavia after Tito's death. It should be made clear to the Soviet Union that we would regard Soviet intervention in Yugoslavia as unacceptable.

THE OBSESSION WITH STATUS

Too often, however, it appears that our foreign policy is overly controlled by our concern with the U.S.-Soviet relationship. Our reaction to international developments too often is warped by our obsession about whether third parties will think that we or the Soviet Union won the latest round. And equally often, the developing countries of the world in all likelihood regard the superpower competition as an irrelevant sideshow. Their grinding problems of poverty, population, and amorphous political institutions dwarf for them the issues of relative superpower status.

In dealing with the smaller countries of Asia, Africa, and Latin America, it is important that we be seen to think of their own best interests, not primarily how they might fit into the complex game of global maneuver we play with the Soviets.

Nor should the importance of the semiadversary, semicooperative U.S.-Soviet relationship lead us to collaborate in the indefinite subjugation of national freedoms. There are, of course, practical restraints on what we could do to help Eastern Europe toward greater latitude of action. But our concern with détente with the Soviet Union should not signal either to that country or to the East European states that we espouse greater Soviet control as a means to reduce Soviet anxieties and to freeze twin spheres of superpower influence. Maybe we can't do much to improve their plight, but at least we should not be seen to collaborate to make it hopeless.

In recognizing that we and the Soviet Union largely control the issues of global peace or war, moreover, it is a mistake to overestimate the importance of the Soviet Union as a world power. Militarily, it approaches the strength of the United States. But in terms of economic weight and political influence, and as a promising source of materials and technology, it is still a long way from the first rank. The Soviet Union has not as yet demonstrated, for example, either the ability or the inclination to help much in bridging the gap between the industrialized North and the needy South.

As a provider of economic aid and know-how, the Soviet record is spotty, intermittent, and blotted with glaring self-interest. Our own record should be much better, but in any contest for relative superpower lovability, we should win hands down.

Within the Arab world, where Moscow has made a major effort, its strategic potential remains powerful but its political and economic influence has suffered a series of setbacks. In Egypt, President Sadat dismissed some 20,000 Soviet military advisers in 1972, and Soviet influence in that country this year was completely eradicated with the abrogation of the Egyptian-Soviet friendship treaty. Also this year, President Assad ignored Soviet remonstrations in sending Syrian troops to Lebanon to throw back and contain the leftist Lebanese Moslem and Palestinian forces. This fall, President Nimeiri of Sudan charged that Soviet efforts to regain influence in the Middle East had led it to connive in a Libyan-sponsored coup to overthrow his regime. The decline of Soviet fortunes in the area makes its presence at any reconvening of the Geneva conference on Middle East peace still perhaps desirable, but hardly essential.

Nor does progress at the Paris Conference on International Economic Cooperation (CIEC) between the industrialized and the developing countries demand a Soviet presence. Though it may have been designed in part to upstage Soviet efforts in the developing world, CIEC should not forever exclude Soviet participation. But there is serious question as to whether this would add much to the dialogue. What is required for reasonable progress is U.S. willingness to implement the promises of Kissinger's September 1975 speech to the special session of the United Nations.

It remains important to do with the Soviet Union the important business that we have together, but we should not mistake this for a comprehensive foreign policy.

The process of détente and the resulting U.S.-Soviet negotiations have not encountered much opposition from our old friends. The health of the North Atlantic Alliance of course requires that we consult with the Western Europeans when and as the SALT talks begin to make progress. But they themselves are direct participants in the Vienna negotiations on mutual, balanced force reductions and it was largely at their behest that we supported and endorsed the Helsinki "final act" of the Conference on Security and Cooperation in Europe. This indulgence of the general European view that the accord would lessen tensions and allow the Eastern Europeans greater latitude was about all that we got out of Helsinki. But it was probably enough to make the exercise worthwhile.

For our new acquaintances in the People's Republic of China, however, even limited friendship may be felt to imply adoption of their attitude toward a hated enemy. That the Sino-Soviet hostility remains real and enduring was demonstrated when the Chinese leadership refused even to let the Soviet Communist Party express its regrets about Chairman Mao's death. And to the extent that this hostility leads both countries to seek better relations with the United States, their distaste for one another does not work to our disadvantage.

The way in which we look at China, however, should not be limited to the perspective of our own complex rivalry with the Soviet Union. The value of a reasonably normal relationship with China does not turn on its availability as a counter against expansion of Soviet power and influence. If the Soviet Union did not exist, it would still be important that we try to work with the government of one-quarter of the world's people to deal with the global problems of peace, development, and environmental protection. Any help that we might be in China's own development would do more than create the legendary market for U.S. goods. It would also contribute to prospects for China's internal stability and international cooperation.

For the Chinese, however, our value as a friend may still be perceived as a function of our status as their enemy's enemy. One of the more deflating phenomena for American visitors is the Chinese lack of curiosity about the United States and the rest of the outside world. They are eager to talk to Americans about China's revolutionary glories but when information about the state of affairs in the United States is volunteered, they tend to be affable but indifferent.

The fact that China sees us largely now as an offset to Soviet power is evident and frequently underscored. Both in Peking and in Washington, Chinese officials still decry our failure to block the Soviet intervention in Angola. Last year, visitors were lectured about the folly of giving the Russians a diplomatic triumph at Helsinki, with the president of the United States caricatured as a captive behind the Soviet chariot. This summer, the hospitality to former Secretary of Defense Schlesinger, extended through the brief of Mao's death, was a conspicuous reward for his hard line about détente and the growth of Soviet military power.

Our policy toward China, however, cannot reasonably be predicated on our willingness to show how anti-Soviet we are. Our policy toward the Soviet Union cannot turn on Chinese prejudice. After Mao's death, the chances of Sino-Soviet rapprochement have become more difficult to measure. In the event that the two Communist giants get back together, our interests demand that neither one regard us as its implacable foe.

The temptation to court China by taking a tough stance toward others can have unfortunate impact on U.S. policy. In the summer of 1972, a senior Nixon administration official explained our tragic inertia in disengaging from Vietnam on grounds that our withdrawal would make us "irrelevant" to China. Decisions on force posture in Asia should not now be made on the basis of Chinese advice and concerns. We must instead consult our own interests and hope China can learn to like us for ourselves.

The major impediment to early warming of Sino-U.S. relations is the question of Taiwan. Peking seems to complain that the United States has not implemented the principle of the Shanghai communiqué, in which we noted that Chinese on both sides of the Formosa Strait regard Taiwan as a part of China. Recitation of the obvious did not, however, commit us to resolve this singularly Chinese problem. Nor did it become our business to dictate Taiwan's future.

What we can do is to state our interest in moving promptly to full diplomatic recognition and exchange with the People's Republic of China. We should seek no undertakings about Taiwan from the Chinese government and should give none.

It is not our responsibility to re-establish Peking's control over Taiwan, any more than it would be to reconvert Bangladesh to East Pakistan. This is a job for Chinese ingenuity and negotiation. Suggestions that the Taiwan issue may have to be settled "by bayonet" remain in the realm of rhetoric and Peking must appreciate that our interests in the area, as evidenced by our naval and air forces there, would be regarded as threatened by any efforts to achieve reunification by military force.

Stagnation in Sino-U.S. relations could, as noted by Roger Glenn Brown in the summer issue of Foreign Policy, sap political strength from those in China favorably disposed toward Washington. But greater speed in normalization should not be purchased by U.S. action designed to compel the Taiwan solution Peking desires.

No undue obsession with traditional balance of power concepts is needed to believe that U.S.-Soviet and Sino-U.S. relations will do much to shape the world's future, either for good or for bad. As the enemy of neither, with malice toward none, we gain our greatest ability to make that future brighter, and more likely.

THE PAUL WARNKE NOMINATION AND NATIONAL SECURITY

Mr. HUMPHREY. Mr. President, just to continue this discussion for a moment, the proposed nomination of Paul Warnke to be Director of the Arms Control and Disarmament Agency and our chief negotiator for SALT II is an excellent choice on the part of President Carter. I also say that I urged upon the President and the Secretary of State that they get Mr. Warnke to undertake this very difficult and time-consuming and arduous task.

I also believe the Arms Control and Disarmament Agency, since its inception, has not had the support that it needs from Presidents and Secretaries of State.

Let me remind the Senate that the total budget for the Arms Control and Disarmament Agency is approximately $13 million. The budget for the Pentagon is $120 billion plus; $120 billion or more for our national security, as we interpret it, from the Pentagon; $13 million for arms control, the efforts that we make at negotiated settlements that are mutually acceptable and mutually beneficial.

Mr. President, I want to make it clear that no agreement is worth the paper it is written upon unless it is mutually beneficial. Agreements are not kept, nor should they be kept, unless they are beneficial.

There are those that believe that the arms race gives you additional security. I am here to tell you that all it does is escalate the possibility of catastrophe. It gives you no additional security. Security comes when we know that we have the forces that are necessary for our own protection on the one hand, the forces that we need to take care of our vital interests abroad on the other hand, and our commitments to our allies. But, Mr. President, real national security is in the strength of our economy, in an American population that feels that their Government truly represents them. Real national security comes in eliminating from our economy 7 million to 8 million unemployed. Real national security comes from eliminating racism and segregation and discrimination.

Thank goodness, we now have people in public positions who understand that national security is a composite of adequate national defense, a strong economy, and social responsibility and consciousness on the part of our citizenry and our fellow Government officials.

The Arms Control Agency is vital to our national security. An arms race does not give us additional security. It only raises the risk of conflict and confrontation. This point was aptly noted in last Friday's New York Times in an editorial stating:

> Halting the arms race will advance the nation's security far more than continuing it. Better still would be substantial reductions in strategic nuclear weapons on both sides, while maintaining essential equivalence.

Mr. President, it is through the systematic, responsible control and reduction of armaments, as a result of careful negotiations and binding treaty commitments, that true security is assured.

Last Thursday, the Washington Post elaborated further on Mr. Warnke's views on arms limitation:

> He doubts, for instance, that it serves either deterrence or diplomacy to add new arms once a nuclear power has a force sufficient to assure the devastation of any other power that might strike it first. He suspects that the negotiating process itself may sometimes impel, rather than restrain arms programs. These are matters worthy of rigorous public examination.

However, efforts have been underway to prevent such a public examination of a vital policy area. A memorandum has been selectively circulated in the Senate which misrepresents and distorts Mr. Warnke's position on arms control and disarmament.

The Washington Star appropriately noted this fact in an editorial last Thursday by pointing out:

> An anonymous memorandum is circulating on Capitol Hill. It alleges among other things, that Mr. Warnke supports unilateral arms reductions to levels far below anything being proposed in current arms limitation talks.

As the editorial noted: unilateral "is a scare-word in any arms control context":

> . . . it appears in this case to be a very loose construction of Mr. Warnke's view.

Mr. President, I believe the campaign which was launched against Mr. Warnke's nomination is somewhat unbecoming of the Senate.

ACDA should and must play a critical role in all negotiations between ourselves and the Soviet Union, as well as any other countries, for the purpose of the reduction and control of nuclear weapons and other armaments.

Mr. Warnke has a fine record of responsible service in the Department of Defense as Assistant Secretary for International Security Affairs. He understands the imperatives of national security.

Therefore, Mr. Warnke will be very cognizant of the need to assure adequate protection of our national security interests during the course of negotiations. Furthermore, the Senate will thoroughly debate these matters in deciding to give or withhold its advice and consent to ratification of any agreement resulting from these negotiations.

Finally, it is the President and the Congress which have the final responsibility of assuring that America's vital interests are protected, and I am certain that we will all fulfill that responsibility.

Mr. President, I ask unanimous consent that certain articles and editorials that I have gathered relating to Mr. Warnke and his views be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb 4, 1977]

MR. CARTER, MR. WARNKE AND THE ATOM

President Carter's choice of Paul Warnke as director of the Arms Control and Disarmament Agency and chief negotiator in the strategic arms limitation talks matches in caliber the best of his Cabinet appointments.

Halting the arms race will advance the nation's security far more than continuing it. Better still would be substantial reductions in strategic nuclear weapons on both sides, while maintaining essential equivalence. Even Congressional "hawks" like Senator Henry Jackson have so acknowledged. That is the President's policy; it is the policy Mr. Warnke would energetically pursue.

False, even scurrilous agitation about his nomination suggests he favors unilateral American disarmament. Such distortion surely will get full response when he testifies on his nomination. Suffice it to say here that what he has actually advocated—challenging the other side to "mutual example" by unilateral *restraint*—is hardly a revolutionary departure. Presidents Eisenhower, Kennedy and Johnson practiced analogous restraint. We hope Mr. Warnke is rapidly confirmed and can get on with the broad agenda the President has already offered on arms control.

Mr. Carter has vowed to move "quickly and aggressively" to halt all nuclear tests, to complete the arms limitation treaty with the Soviet Union, to reduce strategic arms further, to cut back arms sales to less developed countries and to curb the spread of plutonium reprocessing plants and nuclear weapons. To this, Secretary Vance yesterday added Soviet-American limitation of conventional arms. None of this will be easy.

In combating the spread of sensitive nuclear technology, Mr. Carter can already claim progress. It was his campaign pressure that brought success to the long struggle by Washington's arms control officials—notably Fred Ikle and Charles van Doren—to turn Ford Administration policy around. President Ford's decision just before Election Day to defer the domestic reprocessing of plutonium helped to discourage French and German sales of such plants to Pakistan and Brazil.

The next task is to revise the Ford Administration's budget for anti-proliferation research. Too much money remains earmarked for work on plutonium, which needs most to be controlled; too little is directed toward alternative technologies for extracting energy from spent fuel without also producing plutonium. A major effort in this direction is necessary to persuade the Europeans and Japanese to defer their plutonium reprocessing and to join in the search for alternatives.

Nonproliferation also is the objective of Mr. Carter's proposal to Moscow to halt all nuclear explosions. Such a step could discourage further tests elsewhere, particularly a second "peaceful" test by India.

Still more important is the effort that Secretary of State Vance and Mr. Warnke, if confirmed, will initiate next month in Moscow to complete the nearly finished arms limitation treaty (SALT II). It would limit each side's long-range ballistic missiles and bombers to 2,400, of which 1,320 missiles could carry MIRV multiple warheads. It thus covers the important, rapid-reaction weapons with an aggressive "first strike" potential.

What delays the treaty is disagreement over two less important "second strike" weapons, the American sea-based cruise missile and the new Soviet medium-range Backfire bomber. It is tentatively agreed that bombers carrying long-range air-launched cruise missiles will be counted against the MIRV missile total. But the Soviets want to ban sea-based cruise missiles, with more than 360 miles of range, while exempting Backfire. The Pentagon wants to limit both or neither. Former Secretary Kissinger devised a compromise formula a year ago to limit the sea-based cruise in the treaty, while restricting the Backfire less formally through a separate understanding, and to compensate for these added Soviet bombers by reducing the treaty ceiling of 2,400, perhaps to 2,150. President Ford would not impose this on the Pentagon in an election year. But President Carter appears prepared to pursue this or a similar formula to complete the treaty. Meanwhile, Defense Secretary Brown has slowed development of the sea-based missile.

Mr. Carter rightly seems to deem both the cruise missile and Backfire as of secondary importance. The Joint Chiefs of Staff have now rejected the thesis that Soviet missile deployments and civil defense efforts have given Moscow nuclear superiority. The argument that the Kremlin seeks such superiority for the future is best answered by limiting the buildup on both sides in the SALT II treaty. No time should be wasted in pressing it to a conclusion and moving to negotiations for further reductions.

[From the Washington Post, Feb. 3, 1977]

THE WARNKE NOMINATION

The nomination of Paul Warnke as director of the Arms Control and Disarmament Agency puts the right man in the right place at the right time. Mr. Warnke, a former Assistant Secretary of Defense, believes strongly that arms control serves the nation's security. As obvious as it may seem to say so, this is exactly the conviction one wants in the man leading the single government agency charged with arms control. At a moment when a major debate is developing about the Soviet-American strategic equa-

tion, it is vital to have in this post someone with the stature, intellectual force and argumentive powers of Paul Warnke to assure that this point of view receives the hearing it deserves at the top of the government.

Now, Mr. Warnke's views, long on the public record, are controversial. He doubts, for instance, that it serves either deterrence or diplomacy to add new arms once a nuclear power has a force sufficient to assure the devastation of any other power that might strike it first. He suspects that the negotiating process itself may sometimes impel, rather than restrain, arms programs. He has asked whether U.S. arms programs do not incite some part of the Soviet-American arms competition. These are matters worthy of rigorous public examination. And in view of the fact that Mr. Warnke, while serving as ACDA director, would evidently also head the administration's team in the SALT talks, another question arises. The government's SALT position will surely reflect a mixing of his views with those of others. Could the American negotiating position be weakened if the Russians knew that the man presenting it personally holds other views?

The Foreign Relations Committee will conduct Mr. Warnke's confirmation hearing. But Sens. Sam Nunn and Henry Jackson, among others, who sit on Armed Services, also wish to question him. That's fine. The different viewpoints on arms control deserve exposition by their strongest proponents. The public, not to speak of the government, will learn from the exchange. It could amount to a kind of pre-negotiation SALT ratification debate that could help the administration prepare for the talks. No one need worry about the burdens such a debate would impose upon Mr. Warnke; he is eminently fit to carry the arms control brief.

Even as public hearings are being prepared, however, an anonymous memo is being circulated that accuses Mr. Warnke of favoring "unilateral" disarmament. We find this characterization of his views inaccurate and scurrilous. And we find the circulation of this sort of anonymous memo a positive disservice to policy debate. This is not the first occasion in which Carter appointment initiatives have been met with this tactic. Are some of the people with reservations about Mr. Warnke so lacking in confidence on the merits that they must resort to sneaky smears?

[From the Washington Star, Feb. 3, 1977]

A HEARING FOR MR. WARNKE

The U.S. Senate, which likes to be thought courteous and deliberative, belied that reputation in its casual handling of the Sorensen appointment. Perhaps the guardians of its good name will take matters in hand before the mistake is repeated in the matter of Mr. Paul Warnke's impending nomination.

Mr. Sorensen's nomination as CIA chief had at least been formally announced before that whispering campaign began. Mr. Warnke, according to the latest from the White House, will shortly be nominated by President Carter to head the Arms Control and Disarmament Agency and to conduct the next round of SALT talks; but his appointment is not yet official.

Yet even unannounced, Mr. Warnke has already become a target of opportunity in the Senate. During a Senate Armed Services session on Tuesday with the Air Force chief of staff, Gen. David Jones, Sen. Sam Nunn of Georgia read a statement on "nuclear superiority" attributed to Mr. Warnke. He asked General Jones to comment, and the general complied.

Was General Jones told that he was being asked, in effect, to be an informal witness on Mr. Warnke's judgment?

And apart from this unusual proceeding—which is unfair to Mr. Warnke (who should be permitted to defend his views on nuclear weapons at an appropriate time and place) as well as to General Jones (who should not be asked to intervene in a political matter)—an anonymous memorandum is circulating on Capitol Hill. It alleges, among other things, that Mr. Warnke "supports unilateral arms reductions to levels far below anything being proposed in current arms limitation talks."

"Unilateral" is a scare-word in any arms control context and it appears in this case to be a very loose construction of Mr. Warnke's view. That view, as we understand it, is in essence that the U.S. should refrain from the development of new weapons systems (e.g., the further "mirving" of missiles) if the net effect is merely to provoke parallel responses on the Soviet side. This obviously involves a judgment that Soviet strategic weapons planning and deployment are direct responses to our own; and that judgment is as debatable as any other in this complex field. It is not, however, foolish or implausible on its face. The point is not whether one agrees with it but how well Mr. Warnke could defend it in formal hearings. Mr. Warnke made an interesting case for trial restraint in the escalation of strategic weapons in a recent issue of Foreign Policy. He should have the opportunity to elaborate on it in public.

The Senate, in short, should exercise its "advice and consent" function formally, in the open, with full adversary discussion of the pertinent issues—not in the back alleys and cloakrooms.

Mr. Warnke has identified himself in recent years with a number of controversial positions on arms and arms control, and has been a severe critic of several new weapons systems dear to Pentagon hearts. But we will be very surprised if Senator Nunn and others among Mr. Warnke's critics can make the simplistic charge that he is a unilateral disarmer stick. The charge is false. Certainly President Carter can ill afford to allow another of his appointees to become the victim of a senatorial mugging before he even makes it to the hearing room.

It shouldn't be necessary to recall fundamental civic principles for the benefit of the Senate; but sometimes its curious proceedings, of which Senator Nunn's performance is a good example, make it seem so. One hundred senators who rarely agree on the time of day cannot conduct an arms control policy. The Senate is not (as the Supreme Court had to remind it last year in ruling the Federal Elections Commission legislation unconstitutional) the appointive branch of government. A President, then, is entitled to appoint officers who enjoy his confidence, and they are entitled to be heard out, and until recently the presumption has been in favor of their confirmation in the absence of good reason to deny it. Differences of judgment are not good reason.

Perhaps it ought to be added, since Senator Nunn and others are in a state of nervous excitement over Mr. Warnke's appointment, that any arms control agreement negotiated by the administration will be the work of many hands and will not be binding without the consent of two thirds of the Senate. So even if Mr. Warnke were the rash and foolish disarmer his detractors allege him to be—as we do not for a moment suppose—the Senate would not be powerless to protect us against his mistakes.

THE CALIFORNIA TUNA FISHING INDUSTRY

Mr. HAYAKAWA. Mr. President, I wish to say something about the tuna fishing industry in California.

Mr. President, the California tuna fishing industry has been in great jeopardy for some time—and is threatened now with what could be the death blow.

The U.S. Court of Appeals in the District of Columbia ruled last Thursday night to continue severe restraints against the incidental taking of porpoises by U.S. tuna fishermen. This ruling was taken against the American Tunaboat Association, and it virtually puts our tuna fishermen out of businesss.

It is a strange but out of business. that modern methods of tuna fishing cause porpoises to be accidentally ensnared in nets and killed. And it is understandable that in 1972, in response to the concerns of conservationists and others, the Congress passed the Marine Mammal Protection Act. While this act was well intentioned, it has not succeeded in its purpose.

The act did not foresee the enormous economic burden it has placed upon American tuna fishermen. Nor did it consider the fact that foreign tuna fishermen, not bound by our laws, are still taking porpoises. What we have, then, is a situation unsatisfactory to the conservationists' purpose and an economic calamity for U.S. tuna fishermen.

Let me emphasize that the Marine Mammal Protection Act will save porpoises only from tuna boats that fly the American flag. Boats under other flags will continue to fish freely, by any method they choose, and without regard to the porpoise population.

We are not going to solve this problem by keeping our fishermen home.

I have introduced an amendment to loosen the present restrictions and to provide the time and money to solve this problem.

Essentially, my amendment seeks the answers to two problems. First of all, it permits our tuna fishermen to go back to work while technological research continues into new kinds of netting and other equipment which will mean the loss of only a minimal—and perhaps one day zero—number of porpoises. And progress is being made. For example, I learned just recently of a 550-ton tuna catch in which only four porpoises were lost.

I stress that our fishermen are as deeply concerned as we all are in pursuing their livelihood in a manner which will not endanger these wise and friendly creatures of the sea. It is a fact that the presence of porpoises swimming about the surface is an alert to fishermen of schools of yellowfin and other tuna below. Obviously, the loss of porpoises would mean losses to the tuna catch.

Second, my amendment addresses itself to the scientific research needed so that we can understand, and learn to deal with, the habits of porpoises. We simply do not know why tuna and porpoises swim around together. We have only recently learned that many netted porpoises thought to be dead were only playing dead by flipping over on their backs.

Much needs to be learned about porpoises before we have a solution.

From month to month American fishermen are improving their nets and improving their fishing methods so that the porpoise kill has been dramatically diminished since 1972 when the legislation was enacted.

My amendment has been referred to the Senate Commerce Committee for

consideration. Because of its urgency, I am asking the chairman of that committee to take it up as a top priority.

One tuna fisherman was quoted in the newspaper over the weekend as saying, "All we are asking for is the time." My amendment would provide that time, and put it to good purpose.

I thank the Chair.

THE NOMINATION OF PAUL WARNKE

Mr. HART. Mr. President, I have been interested in the remarks made by my colleague from Minnesota regarding the nomination of Mr. Warnke. I ask that the Senator answer a question or two.

It is the impression of the Senator from Colorado that perhaps there is no one in this body who has better credentials and background in the whole area of arms control and disarmament than the distinguished Senator from Minnesota.

I wonder whether in his judgment the policy of this administration, which seems to be totally committed towards arms control and disarmament, is best served by appointing someone who has the same kind of commitment or whether the President of the United States would be better served to go out and look for someone opposed to arms control and disarmament at the present time?

Mr. HUMPHREY. It is very easy for me to answer that question.

I think if the administration is going to pursue its stated objectives of balanced force reduction—and I repeat the word balanced—through mutually acceptable enforcement of the verifiable agreements, and those are credentials and qualifications that are essential, then the administration should have as its chief negotiator and its arms control and disarmament agency director a person that is in full support of and in sympathy with the objectives and the policy determinations of the President and his administration.

Mr. HART. I thank the Senator.

Is it the Senator from Minnesota's impression from what he knows of Mr. Warnke's background and qualifications that he is the type of person who would more or less strike out on his own in very serious international bargaining and negotiations to try to push a point of view which is his and not that of the President of the United States?

Mr. HUMPHREY. No; he would not do that.

Let me say very clearly that while Mr. Warnke will be the chief negotiator, if confirmed, and while he will be the Director of the Agency known as ACDA—Arms Control and Disarmament Agency—if confirmed, he will be a member of the President's national security team that will help the President arrive at positions, policies, and options for negotiations with the Soviet Union.

I would want Mr. Warnke to speak his mind within the councils of the administration. I would hope that he would speak up for what he believes is the better approach to the difficult problems of arms control and, particularly, as it relates to strategic nuclear weapons.

But I know the man, and know him well. I know that once a policy decision has been arrived at, unless it is something that flagrantly violates his sense of what is right, he will honorably and loyally and persistently follow that policy in the negotiations. In other words, he will genuinely represent the Government's point of view as arrived at after consultation, rather than Mr. Warnke's individual point of view.

Mr. HART. Is the Senator familiar with any instance in Mr. Warnke's public life where he has taken positions in his official capacity contrary to those of his superiors?

Mr. HUMPHREY. No; I do not, and I knew him as a member of the administration when I was Vice President. I know we had different points of view on certain matters, even concerning the war in Southeast Asia, but I also know that he made those points of view clear in the discussions that took place. But once the policy was arrived at, while he was not the Secretary of Defense, he faithfully and loyally served his country and his administration.

Mr. HART. As I have indicated, it is this Senator's impression that there are two Americans who probably know as much as anyone about the whole field of arms control and disarmament, the distinguished Senator from Minnesota and former Governor of New York, Averell Harriman, and Governor Harriman is a strong supporter of the Warnke nomination.

Mr. HUMPHREY. That is correct.

Mr. HART. An individual who has negotiated and bargained with the Russians for the last 50 years—I believe that is his record.

I am interested in whether the Senator from Minnesota feels that there is anything more important to this country and to long-range national security than achieving some overall level on the strategic and nuclear proliferation?

Mr. HUMPHREY. There is absolutely no issue that is more significant and more important for this country today, or for the foreseeable future.

Our first task is to try to put a cap on what has already developed and to stop further development, further arms race, further proliferation of these incredibly destructive nuclear devices and then, hopefully, through tedious and, may I say, painstaking, difficult and time-consuming negotiations, to be able to reduce, or roll back.

That is our hope, that is our objective.

I repeat again, we have to expect that the negotiations will be difficult. We have to expect that the Soviet Union, for example, will want to get every advantage it can.

But I remind my colleagues through this colloquy that our negotiator will have with him the representatives of the Department of Defense, he will have been counseled and advised by the Joint Chiefs of Staff, he will have with him the representatives of the State Department, he will have with him representatives from the Central Intelligence Agency, he will have with him representatives of all the different branches of our armed services.

It is not as if, somehow or another, he is off on an individual lark, making a visit to Moscow in the hopes he will win friends. He is not there for that purpose.

He is there to carry out the mandates, the instructions, and the policies of our Government.

Mr. HART. Is there any agreement he could strike that is not subject to confirmation by this body?

Mr. HUMPHREY. None whatsoever.

Furthermore, there is no agreement that he can strike that would not have the review of the President, or the President would remove him forthwith, because the President has the power not only of nomination, but of removal.

Mr. HART. Does the Senator from Minnesota know of any other individual whom the President could have picked who is more qualified than Mr. Warnke?

Mr. HUMPHREY. If I had thought so, I would have recommended him.

I do not take any particular claim for the nomination of Mr. Warnke, but over the last 2 months I have visited from time to time with Mr. Vance and with the President on this matter because it is very close to me.

I put 20 years of my life into this and I have had some heartaches and some disappointments over what has happened, over the inadequacy of our efforts.

I wanted Mr. Warnke, and I called the Secretary of State not once but half a dozen times, knowing that Mr. Warnke had first turned down the request that had been made.

Mr. Warnke is a very able attorney, able enough to represent some of the finest clients in America.

I urged upon the Secretary of State that he pursue this, that he not let Mr. Warnke get off the hook, as I said. He owes it to the country. He is able; he is skilled in this matter. It would have been a serious mistake not to have someone of such competence and skill working with the Government in these delicate and sensitive negotiations.

Mr. HART. One final question, if the Senator will permit.

It is one of the great regrets of the Senator from Colorado's life that at one point during the Presidential race in 1972, he and the Senator from Minnesota were not on the same side. It has been suggested to Mr. Warnke that somehow he be disqualified for this position because he supported the nominee of the Democratic Party in that election. Does the Senator from Minnesota feel that way?

Mr. HUMPHREY. No; I supported him, too, enthusiastically; and I think the country would have been better off if GEORGE MCGOVERN had been elected rather than Richard Nixon. I think that one of the finest credentials Mr. Warnke has is that he saw the difference.

Mr. Warnke not only was one of the advisers to Senator MCGOVERN; he also was one of my advisers in 1968, and he has been an adviser to many Members of this body whose loyalty and patriotism are beyond question. I think that Mr. Warnke's decision in 1972 was one that most Americans wished they had made.

Mr. HART. I thank the Senator.

Mr. President, I commend to this body the views of the distinguished Senator from Minnesota, who I think has given more of his life to trying to solve the

biggest problem that confronts the human race—the limitation of strategic nuclear weapons—than anyone else of whom I know. I believe that all Members of the U.S. Senate would be well advised to follow his advice in this matter.

Mr. HUMPHREY. I thank the Senator from Colorado. He is very generous.

The PRESIDING OFFICER (Mr. MOYNIHAN). The time of the Senator from Colorado has expired.

Mr. GRIFFIN. Mr. President, I know of no one in the Senate for whom I have greater affection than the Senator from Minnesota (Mr. HUMPHREY). But, of course, we do occasionally disagree, and we do disagree concerning the nomination of Mr. Warnke—not to be an adviser to the President on disarmament—but to be the U.S. negotiator with the Soviet Union on a SALT II agreement.

Let me illustrate my concern. If I wanted to sell a house, I would not hire a real estate agent who had already said publicly that my house is worth only 50 percent of the asking price. Nor would I expect, for example, that a lawyer who had publicly declared his belief that an accused person is guilty would thereafter be appointed by the court to be the defense counsel.

Apparently, Mr. Warnke is very sincere in his views that the U.S. Armed Forces can do without the B–1 bomber, that we can do without the XM–1 tank, and without the Trident submarine. Mr. Warnke seems to have no use for the cruise missile—which, incidentally, is one of the most important matters at issue in the SALT II talks.

I think President Carter is entitled to have advice and counsel from a person who has the views of Mr. Warnke—just as he is entitled to have advice and counsel from those who have contrary views. If Mr. Warnke's name were being put forth only as director of the Arms Control Agency—even though I recognize that in such a capacity he would be more than just as an advisor—I would not have so much difficulty supporting the nomination.

But the Senate and the country should be aware that there are two nominations of Mr. Warnke pending before the Foreign Relations Committee—one to make Mr. Warnke the Director of the Arms Control and Disarmament Agency and another to make him Ambassador, as our chief negotiator at the SALT talks.

The hearings of 2 days held by the Committee on Foreign Relations have been illuminating. I deplore as much as anyone the use of unsigned memorandums which make charges. I believe that is a despicable tactic. But I believe there should be discussion about the points made in the memorandums and whether the so-called charges are accurate.

The word "charge," I suggest is not even an appropriate word; because, after all, Mr. Warnke is entitled to the views he holds. There is nothing wrong with his holding those views. The only question in my mind, and one that seriously concerns me, is whether he has not destroyed his own credibility as a negotiator.

I look upon the negotiator for the United States in these very difficult talks with the Soviet Union as someone who must be able to do some tough bargaining. If the Russians can turn around and read back statements that our chief negotiator has made over the last 6 or 7 years, which actually give away more than the Russians are asking for, it seems to me that we would be putting ourselves in a very awkward and difficult position at the negotiating table, to say the least.

I will have much more to say on this subject, Mr. President. Today, I merely wish to make clear that there are strong views on the other side.

The Committee on Foreign Relations has not voted as yet. Because this nomination relates to foreign policy, it is appropriate that the nomination is being considered by the Foreign Relations Committee. But because the SALT talks could also profoundly affect our defense posture, it would seem most appropriate to me that the nomination, if and when approved by the Foreign Relations Committee, should be referred to and considered by the Committee on Armed Services. I hope that committee will consider it. It should. It has a responsibility to do so.

I look forward to further discussions of this very crucial and important nomination.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. STEVENS. Mr. President, I commend the Senator from Michigan for his statement, and I wish to indicate my support for his plea that these two nominations be referred to the Committee on Armed Services for review prior to consideration on the floor of the Senate.

I do not know whether the Senator from Michigan has seen these, but I have in my hands three articles written by Scripps-Howard staff writers Tim Wyngaard and Gene Goldenberg on the 8th, 9th, and 10th of this month concerning these nominations.

I believe it is important for us to continue this inquiry to determine the facts concerning the relationship of this nominee to the past actions with regard to the Pentagon papers and with regard to the actions that made those Pentagon papers available to the Rand Corp., and to others outside the Government.

Mr. President, I ask unanimous consent to have these articles printed in the RECORD, and I thank the Senator for yielding.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FIRST SCRIPPS-HOWARD ARTICLE

(By Tim Wyngaard)

WASHINGTON, February 8.—Senate opponents of Paul C. Warnke—President Carter's choice to head U.S. disarmament efforts—are probing reports that Warnke played an indirect role in the leaking of the Pentagon Papers.

They are investigating allegations that Warnke, while a top Defense Department official in the late 1960s, authorized Daniel Ellsberg's access to the secret Vietnam study, despite the fact that Ellsberg had quit the Pentagon in opposition to the war. Ellsberg later admitted leaking the classified documents to several newspapers in 1971.

Warnke last (Monday) night told Scripps-Howard News Service he had "recommended" that the Rand Corporation, a private "think tank" under contract to the Pentagon, be given a set of the papers. Ellsberg obtained his copy of the secret documents there.

But Warnke called the reports that he had authorized Ellsberg's access "totally inaccurate," and said that the permission must have been granted by two former aides then working at Rand.

The aides, Morton H. Halperin and Leslie H. Gelb, had worked under Warnke when he was Assistant Secretary of Defense for International Security Affairs between 1967 and 1969.

Under him, they headed the task force that drafted the classified study of the origins of U.S. involvement in Vietnam.

The Senate inquiry centers on allegations from other former Pentagon officials that one and possibly two Defense Department investigations of the leak of the papers showed Warnke had turned over the 47-volume report for Rand use. No wrongdoing in turning over the report was suggested in those investigations.

But the sources also allege Warnke authorized Ellsberg's access, despite the fact that he (Ellsberg) had quit the Pentagon in opposition to the war and had stated on a number of occasions that the papers should be made public. Ellsberg had worked on the early stages of the Pentagon Papers project.

Warnke told Scripps-Howard he "expects" the issue to come up in his confirmation hearings, scheduled to start today, for the directorship of the U.S. Arms Control and Disarmament Agency and as Carter's special negotiator for Strategic Arms Limitation Talks (SALT).

Last weekend—before the Pentagon Papers charges began circulating—Senate Democratic Leader Robert C. Byrd, W. Va., said Warnke was in "some trouble" because of past comments suggesting that U.S. nuclear parity with the Soviet Union was unnecessary.

Ellsberg denied charges of theft and unauthorized possession of government documents after he released the papers, arguing that the set of papers he copied at Rand were the private property of Warnke, Halperin and Gelb.

Last (Monday) night, Warnke denied he regarded the set of papers sent to Rand as "private documents." It was one of several sets sent to "classified storage facilities," he said. Other sets were sent in much the same way to former Defense Secretaries Robert McNamara and Clark Clifford, he said.

Warnke is now a partner in Clifford's law firm here.

At Ellsberg's trial, Gelb testified that twice early in 1969 Halperin asked that Ellsberg be given access to the documents at Rand and that "we denied access."

The third request by Halperin for Ellsberg later that year has authorized, Gelb testified. Gelb did not explain who he meant by "we."

Warnke told Scripps-Howard he did not know the requests were being made and that Gelb must have meant that Gelb and Halperin made the Ellsberg decision themselves.

Warnke also said that the White House is "completely aware" of the issue and that it was "discussed" with Carter aides some time ago. He said the Carter staff "probably raised the matter with him."

"I would not have regarded it as important," Warnke said.

The Pentagon Papers charge is expected to stir additional opposition to Warnke, in much the same manner that an affidavit Theodore C. Sorensen gave during Ellsberg's trial doomed his nomination to head the Central Intelligence Agency for Carter.

Sorensen withdrew from contention for the CIA job last month on the first day of his confirmation hearings. He took that step after an affidavit he had offered in the Ellsberg case came to public notice.

The sworn statement acknowledged that he had leaked classified information to newsmen at the direction of the late President Kennedy. And he admitted taking seven boxes of classified information with him when he quit the White House after Kennedy's assassination. The case against Ellsberg was thrown out of court after the Justice Department revealed that the White House "Plumbers" in the Nixon administration had broken into Ellsberg's psychiatrist's office, looking for damaging information about Ellsberg in the wake of the Pentagon Papers leak.

SECOND SCRIPPS-HOWARD ARTICLE

(By Tim Wyngaard and Gene Goldenberg)

WASHINGTON, February 9. Despite his claim that he knew nothing of Daniel Ellsberg's attempt to obtain the Pentagon Papers, Paul C. Warnke was warned in advance, according to a former top aide.

The apparent discrepancy raised questions regarding Warnke's handling of classified documents, similar to problems which doomed Theodore C. Sorensen's nomination to be President Carter's director of the Central Intelligence Agency.

Warnke, Carter's choice to head U.S. disarmament efforts; was asked during his confirmation hearings yesterday (Tuesday) before the Senate Foreign Relations Committee about his role in granting Ellsberg access to the top-secret papers.

"I did not know of the Ellsberg request," Warnke told the committee.

He said two former aides—Morton H. Halperin and Leslie H. Gelb—granted Ellsberg access to the papers without telling him in advance.

But Halperin told Scripps-Howard News Service Tuesday that he told Warnke in 1969 that Ellsberg was about to be allowed to see the classified report on the origins of the Vietnam War.

Halperin said he did that in compliance with an agreement under which Warnke, he (Halperin) and Gelb sent the papers to the Rand Corporation, a private "think tank" with Pentagon contracts.

And in 1973 Halperin testified during Ellsberg's trial that for theft of the papers that Warnke knew Ellsberg was seeking the papers because Warnke had turned down an earlier Ellsberg request.

Ellsberg admitted copying Warnke's set of 47 volumes of the papers and distributing them to newspapers in 1971.

Ellsberg, Halperin and Gelb—all of whom worked on preparing the Pentagon Papers under Warnke while he was assistant secretary of defense for international security affairs from 1967 to 1969—were associated with Rand after the close of the Johnson administration.

But Ellsberg earlier had quit his defense job in protest of the Vietnam War and had repeatedly said the Pentagon Papers should be made public to show the faults of U.S. policy in Indochina.

In transferring the Pentagon Papers and other documents to Rand just prior to leaving the Pentagon in December, 1968, Warnke, Halperin and Gelb stipulated that they would control access to the papers. Their agreement with Rand said that at least two of the three men would have to approve use by others and that all three "should be informed in advance of Rand's granting access."

The rules under which the transfer and access were to be controlled was spelled out in a covering memorandum all three men signed at the time.

Halperin told Scripps-Howard News Service that Warnke "did in fact know" of the Gelb-Halperin decision to allow Ellsberg to see the papers.

"He was told . . . before we did it," Halperin said.

Asked if Warnke objected or tried to block the move, Halperin paused and said: "I just don't remember."

Gelb, the new director of politico-military affairs at the State Department, told Scripps-Howard he could not remember any details of the arrangement, which he said was negotiated by Halperin.

Referring to the transfer of the Pentagon Papers to Rand, Warnke told the Foreign Relations Committee, "I thought the procedures were adequate so that there would be no security problem. The problem was the procedures were disregarded."

Ellsberg had a top-secret security clearance but "disregarded the security classification" of the papers, Warnke said.

Opponents of the Warnke nomination are investigating charges by a former defense official that Warnke approved Ellsberg's access to the papers and therefore was indirectly linked to the leak.

THIRD SCRIPPS-HOWARD ARTICLE

(By Tim Wyngaard and Gene Goldenberg)

WASHINGTON, February 10.—President Carter's choice to head U.S. disarmament efforts Paul C. Warnke, and two colleagues ordered the removal of classified documents—including the papers of a dead man—from the Pentagon despite federal restrictions on such actions.

Top Defense and Justice Department officials said the actions of Warnke and his aides were typical of abuses in the handling of classified government papers and their removal by individuals leaving government jobs.

The Senate Foreign Relations Committee is considering Warnke's nomination to be both director of the Arms Control and Disarmament Agency and chief strategic arms negotiators. Sens. Barry Goldwater, R–Ariz., and Sam Nunn, D–Ga., have asked Chairman John C. Stennis of the Armed Services Committee to hold hearings on Warnke before the Senate votes on his confirmation.

The files removed by Warnke, Morton H. Halperin and Leslie H. Gelb when they left their Pentagon jobs at the close of the Johnson administration in January, 1969, included the top-secret, 47-volume Pentagon Papers. They later were distributed to newspapers by Daniel Ellsberg.

But the files also included the "private papers" of Warnke and John T. McNaughton, a top defense official who with his wife and a son died in a plane crash a year and a half earlier.

McNaughton; who preceded Warnke as deputy assistant defense secretary for international security affairs, was about to be confirmed as secretary of the Navy when he died.

A former top defense official who examined the McNaughton papers during investigation of the Ellsberg leak said many of the documents were classified. But he said the McNaughton files also included working papers dealing with McNaughton's Vietnam War studies and nuclear talks with Russia which were "of considerable historical and monetary value" to his estate.

"Very definitely these were McNaughton's personal papers; his own personal squiglings—it's hard to see how many of McNaughton's personal papers could be considered theirs," he said; referring to Warnke, Halperin and Gelb.

Foye F. McNaughton, executor of his son's estate, told Scripps-Howard News Service that he never was asked for permission when Warnke, Halperin and Gelb transferred what they termed McNaughton's "private papers" to the Rand Corp., a private "think tank" and defense contractor, in January, 1969.

Nathan T. Elliff; a Pekin, Ill., lawyer representing the John McNaughton estate; confirmed that "no request was ever made to me and I never heard of one."

Defense Department officials said the removal of numerous top-secret documents from the Pentagon as was done by Warkne, Halperin and Gelb might have violated regulations in existence at the time. Those rules required that a departing official file a "termination and debriefing statement" including a pledge that he had no classified material in his possession.

In addition, officials said no classified material could be considered the personal or private property of a departing official. However, defense officials would not say:

Whether Warnke sought or received a special waiver to remove classified material from the Pentagon to Rand and later from Rand's Washington office vault to Rand vaults in California?

Why McNaughton's papers were included with Warnke's?

Whether Warnke complied with Pentagon instructions dealing with classified materials?

They did say they were more concerned about the way the classified materials among the Warnke and McNaughton papers were handled once they reached Rand.

And why wouldn't defense officials comment?

"This matter" said one, "is politically sensitive."

Within a week after publication of the Pentagon Papers; defense officials seized "armloads and boxes" of the classified material which Warkne, Halperin and Gelb had stored at Rand's offices here; according to the defense official.

On June 21, 1971, eight days after initial newspaper reports on the Pentagon Papers; Warnke and Halperin contacted the National Archives seeking to turn over their "private papers," which included 20 looseleaf binders of McNaughton documents. The transfer to Archives was accomplished by June 30.

Even though these documents were deeded to Archives; Warnke and Halperin retained sole control of access to the papers until last June.

Mr. PERCY. Mr. President, with reference to the comments that have just been made by my distinguished colleagues, I point out that the jurisdiction for the confirmation proceedings for Mr. Warnke is clearly in the hands of the Committee on Foreign Relations.

Knowing of the concern expressed by some of our distinguished colleagues about the nomination, our chairman, Senator SPARKMAN, joined by our ranking minority member, Senator CASE, with their typical sense of fairness and justice and thoughtfulness, extended a cordial invitation to members of the Committee on Armed Services to join members of the Committee on Foreign Relations and participate in the questioning of Mr. Warnke. That invitation was extended to that committee. It was accepted by a number of Senators on the Armed Services Committee who did come in and actually questioned the witness.

Also, after considering the nomination, I felt it advisable to consult with the former Administrators of the Arms Control and Disarmament Agency. I called Mr. William Foster, a respected member, and asked his judgment as to Mr. Warnke's qualifications. He enthusiastically supports the nomination.

I talked with Mr. Gerard Smith, who headed the Agency, who was head of our delegation in Helsinki when I visited the delegation in Helsinki, to learn firsthand from that negotiating team the problems they were up against in SALT I. I also visited at that time with Mr. Paul Nitze, who was a member of the delegation. Mr.

Gerard Smith enthusiastically supports the nomination.

I then talked with Mr. Paul Nitze, following knowledge I had that he had sent a letter to Senator SPARKMAN, as chairman of the Committee on Foreign Relations, raising certain key, pertinent questions. I obtained a copy of that letter and read to Mr. Warnke certain passages from the letter, giving him an opportunity to comment, which he did.

I then asked Mr. Paul Nitze if he would be willing to testify, and he said that he would, if an invitation were extended to him. Subsequently, that invitation was extended, and he did testify, and he certainly was the most formidable and knowledgeable person who had been before the committee. He was there and could be questioned by any members.

The confirmation proceeding is moving along, and all responsible parties who have asked to testify, for and against, have been heard in that forum.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. PERCY. Certainly it will be debated fully in the Chamber without any question. But I merely report at this time I think a greater service has been performed by Senator GRIFFIN, and by others who have raised questions, because I think a nominee for this powerful position should go through all of the questioning that appropriately can be put to him as to his views that he has held in the past, as to his competence and ability, and as to the views he now holds and the program that he would pursue in the future.

I am very happy to yield to my distinguished colleague for any comment or question, without losing my right to the floor.

Mr. CHURCH. I thank the Senator from Illinois.

First of all, I wish to join with him in the observation he made at the outset that the exclusive jurisdiction in this matter is with the Foreign Relations Committee. As to this, the rules of the Senate are explicit. I think it would be very unfortunate, indeed, if we did not strictly adhere to those rules. It would be unprecedented and we would live to regret it in the future.

As the Senator from Illinois has pointed out, every effort has been made to accommodate all Senators. Those who sit on the Armed Services Committee were invited to attend the hearings conducted by the Foreign Relations Committee, to participate fully and to ask whatever questions they wished of Mr. Warnke and all other witnesses.

The invitation was extended to every Member of the Senate, and there were those who availed themselves of it, who were neither members of the Foreign Relations Committee nor the Armed Services Committee.

But such is the general interest in this nomination that the distinguished chairman of the Foreign Relations Committee wished all Senators to know that they were welcome to participate.

So no one can fairly say that these hearings excluded any Member of the Senate. This being the case, it is very important to protect the proper jurisdiction of the Foreign Relations Committee as laid forth in the Senate rules.

I, for one, would resist very strongly any effort, in violation of the rules, to confer joint jurisdiction upon another committee of the Senate.

I also commend the Senator from Illinois, my able colleague and fellow member of the Foreign Relations Committee, for having taken the initiative in conferring with former directors of the Arms Control and Disarmament Agency.

Mr. William Foster is a man that I have known and respected for many years. It was my privilege, years ago, to attend some of the negotiating sessions in Geneva and to visit with other representatives there from the United Kingdom and the Soviet Union, at the time we were attempting to work out the Nuclear Nonproliferation Treaty. I came to highly respect William Foster at that time, as I came to respect Mr. Gerard Smith who later headed up the Agency. To know that both of these men enthusiastically support Mr. Paul Warnke is very reassuring indeed.

Moreover, both of these men engaged in active negotiations of a high order at the time that they were serving as Director of the Arms Control and Disarmament Agency.

I have heard it said that somehow this is too big a job for Paul Warnke; it is going to spread his talent too thin. I must say I have seldom seen a witness appear before the committee with talents more evident or more generously endowed. I am certain that he has fully as much capacity as his predecessors to both head up the Agency and engage in important negotiations at the same time.

Mr. William Foster did it when we were attempting to work out the terms of the Nuclear Nonproliferation Treaty, while serving as Director of the ACDA, Mr. Gerard Smith did it in those complicated negotiations that preceded the SALT I agreements, while simultaneously serving as the Director of the ACDA.

So it seems strange to me to hear it now said that a man of the remarkable capacities of Paul Warnke will be stretched too thin if he serves both as the Director of the ACDA and negotiates also in the upcoming SALT II talks to implement the principles agreed to at the Vladivostok summit.

Therefore, I commend the distinguished Senator from Illinois for having brought to our attention these outstanding ACDA Directors who also negotiated so well in the past. Their opinion should carry great weight, and it should be remembered that they set the precedent for serving in the dual capacity for which Paul Warnke has now been nominated.

I congratulate the Senator on his remarks.

Mr. PERCY. I thank very much my distinguished colleague.

ALLIANCE TO SAVE ENERGY

Mr. PERCY. Mr. President, I am pleased to ask unanimous consent to have printed in the RECORD on behalf of Senator HUBERT HUMPHREY and myself a joint statement that we made today regarding formation of the Alliance To Save Energy, a statement by President Jimmy Carter, and a statement by Mr. Ralph Nader.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

ALLIANCE TO SAVE ENERGY

(By Senator CHARLES H. PERCY and Senator HUBERT H. HUMPHREY)

Energy conservation has been called "slow-growth" economics by its critics; its supporters have hailed it as the only way to save our way of life.

Record cold temperatures this winter should awaken us to the need to make saving energy the nation's top domestic priority. Because of the cold temperatures and shortage of natural gas, we have been struck with untold human hardship. Thousands are out of work. Millions are struggling to keep warm. And in January, for the first time, we imported more than 50 per cent of the oil burned in America. Not since the Arab oil embargo has the need for energy conservation been so obvious.

If we are to have an effective national energy conservation effort, there must be a different approach and a new definition, one which could capture widespread popular support.

Economic facts are a compelling argument for energy conservation. Conservation energy—based on more efficient and economical use of the energy we have now—is an enormous, untapped alternative energy source that can reduce our dependence on expensive foreign oil and dwindling domestic energy supplies.

Alliance to Save Energy, a new national organization, will promote this great energy source.

One of our chief tasks is to convince every American—homeowners, apartment-dwellers, motorists, business leaders, labor union officials, government officials—that it is actually far less expensive in the long run to invest to save energy than it is to purchase energy.

Alliance to Save Energy will seek to develop a broadly-based constituency for energy conservation; to ensure competitive production of conservation energy from investment in more efficient buildings, transportation facilities, industrial processes and electric generation; and to ensure the production of conservation energy in the amount needed to reduce the political and social costs such as our vulnerability to the oil cartel and damage done to the environment.

We believe that about 35 Quads of conservation energy, which equals about 16 million barrels of oil a day, can be produced by 1985. This would provide for an average energy growth of about 3.5 per cent per year over the next ten years.

Clearly the production of oil, gas and electricity could be held to replacement levels while providing for the energy needs of an expanding economy.

In 1976 dollars, energy will cost an average of approximately $4.50 per million BTU's in 1985. Yet conservation energy is estimated to have a median cost of only $2.50 per million BTU's. As a result, if conservation energy can replace 35 Quads of conventional energy sources, some $70 billion in 1976 dollars will be slashed from our prospective energy budget in 1985.

These 35 Quads of conservation energy represent the largest and least expensive source of new energy in the United States. It is time to make this a national goal, and to seek it as aggressively as we seek more expensive energy sources.

Producing 35 Quads of conservation energy by 1985 will require us to:

Create in the American people a commitment to save energy as an alternative inexpensive source of energy for every farm, office, factory and family.

Provide longer term financing to stimulate immediate thermal improvements to residences, appliances, and industrial processes.

Demand strict enforcement of Federal en-

ergy efficiency standards on autos, buildings, appliances, and industrial processes.

Alliance to Save Energy is a private, non-profit, non-partisan organization.

Former President Gerald Ford and Vice-President Walter Mondale will serve as Honorary Chairmen. Dr. James Schlesinger will serve as the Honorary Advisor.

The activities of ASE will be determined by a Board of Directors in consultation with an Advisory Board. The Board of Directors will elect an Executive Committee from their members to implement policy.

The Chairman and Co-Chairman of the Board of Directors are Senators Charles H. Percy and Hubert H. Humphrey.

Dr. Henry Kissinger will serve as Chairman of the Advisory Board, honorary Chairman will be Speaker Tip O'Neill, and honorary co-chairman will be minority leader John Rhodes. Honorary Vice-Chairpersons will be HUD Secretary Patricia Harris for housing, Commerce Secretary Juanita Kreps for commerce and industry, Labor Secretary Ray Marshall for labor, and Transportation Secretary Brock Adams for transportation.

The Advisory Board will be made up of individuals from all sectors of American life. It will also include 10 regional Chairpersons, coinciding with the 10 Federal regions, who will oversee the programs of the 50 State Chairpersons.

(A list of the boards to date is attached.)

Policies, positions and actions of ASE will generally constitute a consensus among its directors, advisors and members. But everyone participating in ASE reserves the right to disagree with the organization and to express individual opinions.

An Executive Director will be appointed to manage the day-to-day activities of the organization. A staff of approximately 25 professionals will be headed by Assistant Directors responsible for:

Commerce and industry,
Buildings,
Transportation,
Utilities,
Public Education,
Legislative affairs.

This basic organizational structure will be reflected within each state. The state organizations will identify and promote projects of specific value to the state including a statewide conference on conservation energy.

There will be a six month initial phase, funded by contributions from diverse sectors totaling about $150,000. Thereafter, activities would be budgeted at a minimum of $2 million a year to be increased as needed.

ASE will be organized as a non-profit corporation, and application will be made for Federal tax exempt status, under which donations to ASE will be tax deductible. Legislative activities will be kept at a level less than 20 per cent of the overall budget.

ALLIANCE TO SAVE ENERGY

Chairman: Senator Charles H. Percy.

Co-Chairman: Senator Hubert H. Humphrey.

Honorary Chairmen: Former President Gerald R. Ford, Vice President Walter F. Mondale.

Honorary Advisor: The Honorable James R. Schlesinger.

Advisory Board:

Chairman, Dr. Henry A. Kissinger.

Honorary Chairman, Representative Thomas P. O'Neill, Jr.

Honorary Co-Chairman, Representative John J. Rhodes.

Honorary Chairwoman for Industry & Commerce, Secretary Juanita Kreps.

Honorary Chairman for Labor, Secretary S. Ray Marshall.

Honorary Chairwoman for Housing, Secretary Patricia Harris.

Honorary Chairman for Transportation, Secretary Brock Adams.

Ambassador Anne Armstrong,* Ambassador to Great Britain.

Andrew A. Athens, President, Metron Steel Corporation; National Chairman, United Hellenic-American Congress.

Monsignor Geno Baroni, President, National Center for Urban/Ethnic Affairs.

Mrs. Margery Benton,* President, Better Government Association of Chicago.

Dr. Marver Bernstein, President, Brandeis University.

Dr. Kazys Bobelis, President, Lithuanian American Council.

Frank Borman, President, Eastern Airlines.

Dr. Arnita Boswell, President, University of Chicago.

Lester Brown, President, Worldwatch Institute.

Capt. Howard Bucknell, III, U.S. Navy (Retired), University of Georgia.

Jacques Cousteau, President, Cousteau Society.

John Gardner, Chairman, Common Cause.

Peter Gillingham, President, Intermediate Technology-U.S.

William Herring, Chairman of the Board, Houston Natural Gas Company.

Robert Ingersoll*, Deputy Director, Board of Trustees, University of Chicago.

Senator Henry M. Jackson, Chairman, Senate Energy and Natural Resources Committee.

I. L. Kenen, Editor Emeritus, Near East Report; Honorary Chairman, American Israel Public Affairs Committee.

Ambassador Philip Klutznick, former Ambassador to the U.N. for the U.S.

Dr. Myron Kuropas, Supreme Advisor, Ukrainian National Association; former Special Assistant to President Ford for Ethnic Affairs.

Ambassador Sol Linowitz.

George Meany*, President, AFL–CIO.

Arthur Nielsen, Jr.*, Chairman of the Board, A. C. Nielsen Company.

Eleanor Holmes Norton, Commissioner for Human Rights, City of New York.

Captain J. J. O'Donnell, President, Air Line Pilots Association.

Eugene Odum, Director. The Institute of Ecology, University of Georgia.

I. M. Pei, Architect and Planner.

Peter Peterson, Chairman of the Board, Lehman Brothers.

Russell Peterson*, President, New Directions.

Eugene Pokorny*, Vice President of Cambridge Reports.

David Rockefeller, Chairman, Chase Manhattan Bank.

Lawrence Rockefeller, President, Rockefeller Foundation.

Ambassador Ken Rush, Ambassador to France and former Chairman of Union Carbide.

John Sawhill*, President, New York University.

Rabbi Alexander M. Schindler, Chairman, Conference of Presidents of Major Jewish Organizations; President, Union of American Hebrew Congregations.

E. F. Schumacher, President, Intermediate Technology Development—England.

Irving Shapiro, Chairman of the Board, Du Pont Corporation.

Joseph Sisco, President, American University.

Russell Train, Former Director of Environmental Protection Agency.

Rawleigh Warner, Jr., Chairman, Mobil Oil.

Elmer Winter*, President, American Jewish Committee.

Arthur Wood, Chairman and Chief Executive Officer, Sears, Roebuck & Company.

Leonard Woodcock*, President, UAW.

Glenn E. Watts*, President, Communication Workers of America.

Ambassador Barbara White, President, Mills College.

Frank Zarb, Former FEA Administrator.

* Board of Directors.

ALLIANCE TO SAVE ENERGY: ADVISORY BOARD—U.S. SENATORS

Dewey F. Bartlett, Oklahoma.
Clifford P. Case, New Jersey.
John H. Chafee, Rhode Island.
Lawton Chiles, Florida.
Dick Clark, Iowa.
John C. Danforth, Missouri.
Dennis DeConcini, Arizona.
Thomas F. Eagleton, Missouri.
Mike Gravel, Alaska.
William D. Hathaway, Maine.
S. I. Hayakawa, California.
John H. Heinz III, Pennsylvania.
Walter D. Huddleston, Kentucky.
Daniel K. Inouye, Hawaii.
Jacob Javits, New York.
Edward M. Kennedy, Massachusetts.
Patrick J. Leahy, Vermont.
Richard G. Lugar, Indiana.
Charles McC. Mathias, Jr., Maryland.
Spark M. Matsunaga, Hawaii.
James A. McClure, Idaho.
Sam Nunn, Georgia.
Richard S. Schweiker, Pennsylvania.
Robert T. Stafford, Vermont.
John C. Stennis, Mississippi.
Richard (Dick) Stone, Florida.
Herman E. Talmadge, Georgia.

STATEMENT BY PRESIDENT JIMMY CARTER ON FORMER PRESIDENT FORD'S AND VICE-PRESIDENT MONDALE'S ROLE AS HONORARY CHAIRMEN OF THE ALLIANCE TO SAVE ENERGY

Saving energy must be a major national priority. It is one of America's greatest challenges.

I want to welcome the timely creation of the private, non-profit Alliance to Save Energy which is being announced today. This organization is dedicated to the concept that there is a new, inexpensive and accessible resource: conservation energy. Conservation energy is the energy derived by replacement of wasteful habits and technology with more efficient ones. Every American can join in the effort to make conservation energy one of our chief resources. I urge them to do so.

I have asked Vice-President Mondale to serve as Honorary Co-Chairman of the Alliance to Save Energy. I am especially pleased and grateful that former President Ford will serve in this capacity also.

As I said in my address to the nation last week, we must face the fact that the energy shortage is permanent and there is no way we can solve it quickly or easily.

Conservation will be the centerpiece of our national energy policy. The amount of energy we waste is greater than the amount of energy we import from foreign nations. All of us must learn not to waste energy. I'm confident that the Alliance to Save Energy will play a significant role in implementing our national energy policy. It is just this kind of effort which is now required to mobilize the American people behind the critical need to use precious energy resources more wisely.

STATEMENT BY RALPH NADER ON CREATION OF ALLIANCE TO SAVE ENERGY, FEBRUARY 10, 1977

Senators Percy and Humphrey should be congratulated for launching this major national effort for energy efficiency in all sectors of the economy. Energy efficiency is our greatest immediate source of energy. We can reduce inflation, diminish pollution, defend the consumer and make our economy more efficient and competitive overseas. Mobilizing the public to secure more efficient automobiles, building operation and construction, industrial processes, and consumer tech-

nologies will relieve greatly the pressures that are placed on our society by an energy scarcity based on waste. For this group to succeed requires the support and attention of many Americans.

Mr. HUMPHREY. Mr. President, I wish to join the Senator from Illinois. I have a very brief statement that I presented this noon at the press conference announcing the formation of the Alliance to Save Energy.

I am delighted to join Senator PERCY as cochairman of the Alliance to Save Energy—a citizen conservation organization.

The purpose of the Alliance is straightforward: To stimulate a public debate on energy conservation alternatives and to publicize the potential of energy conservation for reducing our dependence on foreign energy sources

CONSERVATION—STEWARDSHIP

In January, we imported 50 percent of all our oil needs. Energy conservation is the quickest way we have to reduce these imports.

The potential for energy conservation is significant. For example, West Germany uses energy 50 percent more effectively than we do. Yet, their standard of living—their income per capita—is comparable to ours.

So, the technology exists to conserve energy. And we can conserve energy without lowering our standards of living.

What do we need to do?

First, a more aggressive effort must be initiated to develop energy-conserving technology—more efficient electric engines and auto engines.

Second, a national commitment to improve home insulation and to use storm windows and doors must be made. This commitment can cut home energy use anywhere from 15 to 40 percent.

Third, an enormous amount of so-called waste heat from utilities and industrial plants can be captured and used for heating purposes—up to 500,000 barrels equivalent of oil daily could be saved.

Fourth, urban trash can be burned to produce electricity—and save up to 500,000 barrels of oil daily, too.

There are many other actions we can take as well. Mr. Roger Sant, former head of FEA's energy conservation program, can fill you in better than anyone. He will be a principal consultant to the Alliance.

Energy conservation makes sense economically, as well. It is cheaper to invest in energy saving technology than in producing new energy from inaccessible domestic reserves.

Taken together, these facts show why President Carter has made energy conservation our No. 1 energy priority. And they show why Congress has taken more aggressive action in promoting energy conservation than in any other energy area. And they show why actions to publicize energy conservation possibilities are so important now.

We have avoided a large-scale economic disruption this winter, despite gas shortages, due to conservation—turning the thermostat down and even temporarily reducing office hours.

We could have the same impact in energy demand—but without the lowered temperatures and early closings—through better insulation and other actions. That is what conservation is all about—using less energy to do the same work without sacrificing our comforts, lifestyle or standard of living.

A good example: Many smaller Minnesota communities, where winters are relatively cold, produce electricity and heat for the downtown area together. It cuts down on heating bills, and uses waste energy, which would otherwise be thrown away. The Germans and Scandanavians do the same thing. We should do it everywhere. It is money in your pocket.

I also call upon Governors to form in their respective States "Alliance to Save Energy." I ask the mayor's of our cities to organize on a municipal basis their local "Alliance to Save Energy." This alliance must reach into every area and section of our country if it is to be effective. We must mobilize America to wage war on waste in energy.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of conservation actions taken by Congress and a Dear Colleague letter dated February 9, 1977, with reference to the Alliance To Save Energy.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY CONSERVATION BACKGROUND

Conservation Actions taken by Congress:

1. Home insulation grants for lower income families.
2. Fuel economy standards for autos.
3. Mandatory energy-use labeling for appliances.
4. Mandatory lighting, efficiency and insulation standards for federal buildings.
5. States have been encouraged to establish State conservation programs (e.g., in Minnesota, gas lawn lights are being shut off).
6. Energy conserving performance standards for new buildings and for federal buildings have been established.
7. An energy conservation demonstration program has been established composed of grants and loan guarantees.
8. Energy conservation targets have been established for industry.

Estimates of the savings from these actions vary sharply. These are provisions of the:

Energy Policy and Conservation Act (Dec. 1975).

Energy Conservation and Production Act (Aug. 1976).

In addition, a sharp increase in R & D has occurred for solar energy, windmills, electric vehicles and other activities which complement energy conservation efforts.

U.S. SENATE,
Washington, D.C., February 9, 1977.

DEAR COLLEAGUE: There is a growing realization in government and in the public at large that the Nation wastes enormous amounts of energy. As foreign supplies of energy become tenuous and domestic supplies dwindle, we must look toward a promising new source of energy—conservation energy. Conservation energy is the energy we can produce by employing more efficient technology in our everyday lives. Experts estimate that 35 quadrillion BTU's (equivalent to 16,000,000 barrels of oil a day) of conservation energy can be produced by 1985. This would result in a savings of $70 billion!

We agreed that such a tremendous energy potential must not be lost. Antiquated energy pricing policy, insufficient public information and the absence of an organized energy constituency have prohibited exploration of conservation energy in the past. Therefore, we are launching the Alliance to Save Energy. We plan for the Alliance to do everything necessary to generate strong public commentment to save energy.

We are not alone in recognizing the strong possibilities presented by conservation energy. In forming the Alliance to Save Energy, we are joined by former President Ford and Vice President Mondale, who will be Honorary Chairmen. James Schlesinger will be Honorary Advisor. Henry Kissinger will serve as Chairman of the Advisory Board, with Secretaries Harris, Krepps, and Marshall as Honorary Vice-Chairpersons for Housing, Commerce and Industry and Labor respectively.

We will be Co-Chairman and Chairman of the Board of Directors. We are asking all Senators to serve on the Board of Advisors with special emphasis on promoting this activity in their respective states. Your advice and support in this effort would be invaluable.

We envision the Board of Advisors as doing just that—advising. In addition, Senators' aid in developing statewide conservation seminars is also contemplated.

This is an ambitious program. Your participation on the Board of Advisors will be a great help. We are having a press conference on Thursday, February 10 at 1:30 in Room EF100; you are welcome to come. If you would like to join us please phone your "aye" or "nay" to me at 4-2152. We would need your answer by 12 noon tomorrow, Thursday, February 10 in order to announce your acceptance. The foregoing information is confidential until 1:30 P.M. Thursday.

Sincerely,

HUBERT H. HUMPHREY.
CHARLES H. PERCY.

Mr. HUMPHREY. I take this moment to commend the Senator from Illinois for his remarkable leadership and initiative in this effort. I am delighted and honored to be a copartner with him. I want the record clear. He has been the inspiration of it. And I find myself as a partner being given the benefit of that honor without having performed but little of the work.

Mr. PERCY. Mr. President, will the Senator yield for just one comment?

Mr. HUMPHREY. I yield.

Mr. PERCY. For 10 years the Senator from Illinois has joined with the Senator from Minnesota on a host of projects, and when we join together it is a common cause if I may use that phrase. I am never more thrilled than working side by side with him. His inspiration, energy, drive, and devotion for what is right for this country is so paramount that burdened as he is with heavy responsibilities and duties he carries, I knew there would be no hesitancy on his part adding one more important chore because, as he said, this is one of the most important things that America must do. Therefore, it is important for HUBERT HUMPHREY to do it. I am ever so grateful for the opportunity day by day

I have to live and work and be inspired by my distinguished colleague.

Mr. HUMPHREY. I thank the Senator.

THE PAUL WARNKE NOMINATION

Mr. HUMPHREY. Mr. President, I do not know what the time situation is. Is there time available for comment, may I ask?

The PRESIDING OFFICER. There is time available.

Mr. HUMPHREY. Mr. President, I shall take only a moment to respond to the comments of the distinguished Senator from Michigan. He is such an admirable gentleman. May I say over the years here in the Senate since I returned in 1972 we found ourselves so frequently working together. I have the highest regard for him. I might say that I think he is a natural leader, and he is really a gentleman of the first order. It bothers me at times when we are on different sides. But there are honestly held views about issues and about nominations. We in the Senate know that. We want our public and our constituents to know that.

To disagree does not mean that you have to be disagreeable. To disagree does not mean that you hold the other person's views in disrespect. It is simply that we sometimes see things differently.

And in this instance on Mr. Warnke we see things in part differently. I think that it is fair to say the Senator from Michigan does not seem to have too much objection to Mr. Warnke being head of the agency as such. I think the Senator from Michigan is more concerned about Mr. Warnke being our chief negotiator. I believe I am correct in that statement.

The Senator from Michigan stated that Mr. Warnke had opposed the B–1 bomber, he had opposed the Trident submarine, he had opposed the cruise missile, and there were other weapons systems of which Mr. Warnke expressed his concern about or his opposition to.

I want the American people to know that during the 8 years that Mr. Warnke was out of Government from 1969 to 1977 he was an active participant in the debate and the dialog that was taking place in this country on national security policy. I think we should keep in mind that there are many views that have changed in these 8 years. Many different points of view have been expressed in these 8 years. For instance, the man that is speaking now, during the 1960's was an avid, strong supporter of our participation in the war in Vietnam, not because I like war—because I hate it—but I thought that the administration was pursuing a proper course. I changed my mind and I changed it, may I say, in degrees, not all one 180° turn and in the process of changing it it cost me something, too. It also required a great deal of soul searching.

This happens in men's lives, and it is the way it ought to be. If you come here with a set of views and you never change your mind, then I must say you are either the beneficiary of omnipotent wisdom or you are just plain stubborn and unwilling to learn.

Mr. Warnke was in the discussions, and he added a degree of intellectual input into the discussion of national security policy that was desperately needed.

Like many people who talk—and I ought to know—and who write—and I ought to know—you sometimes say too much. You sometimes write too much. You sometimes find that what you said last year is not all that you should have said, or may have been wrong. You change your mind. You get new information. That is not something to be ashamed of. Consistency is a virtue only if you are consistently right. If you are consistently wrong, it is not a virtue, it is a plague.

Mr. Warnke was not the Secretary of Defense from 1969 to 1977. He was not the director of ACDA. He was not in government. He was a teacher. He was a lawyer. He was a citizen. He was a participant in public discussion. Undoubtedly many things that he said were for the purpose of provocation of thought, to get people to think things through.

If you read what he said, he generally pointed out that this was his view, or he was concerned, or he felt that we ought to take another look.

For example, the B–1 bomber: There are a lot of Senators here who were not for the B–1 bomber. I have voted against the B–1 bomber—not because I do not think we need bombers, but because I have had a view, which I may change, I cannot say, and if I do, I am not going to go around in ashes and sackcloth, I am not going around apologizing to anyone. I am just simply going to point out, if I should change, which I doubt, that I have new facts.

It is my judgment that the B–1 bomber may end up being technologically obsolete before it starts to fly. It has been my judgment in the past that the B–52's were good enough for the next 10 years, and I saw no reason to be rushing into a bomber like the B–1. That has been my view.

Am I in error? Why, some of the most prominent people in America in the field of defense strategy agree. More of them disagree with me. The present Secretary of Defense, Harold Brown, was the Secretary of the Air Force in the Johnson administration, on which I served, when we called for the B–1 bomber. He was for the B–1 bomber. I think he still is. He is going to be a part of that negotiating team that discusses disarmament, arms control, and strategic arms limitation with the Soviet Union.

Harold Brown is no cream puff. He is a man of science and technology, the Secretary of Defense, and a B–1 bomber advocate. So Mr. Warnke is going to have to face up to Mr. Brown.

The President of the United States has got some views, too, you know, and he is Commander in Chief. We sometimes forget that when we elect the President, we are not just electing somebody that won the public opinion polls; we are electing a person who has tremendous responsibilities. One of his responsibilities, and the main one, above all else, is the security of this Nation as Commander in Chief of the Armed Forces of the United States.

The President of the United States has views on the B–1 bomber. He said he wanted to review it. He has views on the Trident submarine. He wants to take another look. He has not expressed the view that he is against them, to my knowledge. He is a submariner himself. Admiral Rickover is one of his heroes. The Trident submarine, the Polaris submarine, the Poseidon submarine—these are creations of that great inventive mind of Admiral Rickover.

I voted against the Trident submarine here, and yet I believe America ought to have a Navy second to none. I believe that we are a sea power, and I believe that if the Defense Department would come in here with a budget that was not always trying to give one-third to the Army, one-third to the Navy, and one-third to the Air Force to make all the generals and admirals happy, we would have a better defense structure.

I have seldom ever voted against anything that the Navy needed. Why did I cast my vote against the Trident submarine? Because I thought the whole purpose of a submarine in a nuclear age was to be able to launch submersible missiles, and I knew, and technology told us, and we were told here in the debate, that we could put on the Poseidon submarine and the Polaris submarine the Trident missile. The only reason you want that big old submarine is as a launching platform for the missile.

I may have been wrong. We are going ahead and building the submarine. I have not gone out and whipped myself, taken sticks and beaten on my back, and I have gone to the altar and asked for forgiveness for having voted against the Trident submarine. I accepted the majority vote. One thing I do know: they did not tell us how much it was going to cost. If they did, they flunked their course in arithmetic, because after understanding we were going to get an $8 million submarine, we have about $200 million in the baby now. What a bathtub. I hope it floats; and it will. It is a great machine, no doubt about that.

The final one was the cruise missile. There is no weapons system that is more sharply debated than the cruise missile.

The cruise missile is not something brand new. As a matter of fact, we had the cruise missile back in the 1950's.

Do you know what happened to the cruise missile? The military thought it was worthless. Yes, Mr. President, for years, better than 15 years, the military technicians said, "Oh, that thing, the cruise missile, that is a World War II apparatus. We do not need any cruise missile."

Then all at once they woke up and found out. They said, "You know, that cruise missile will do everything a manned bomber will do."

Do you know what the argument for the B–1 bomber is? It will fly close to the ground, and the Russians will not be able to detect it in their radar, and it will come in and make its strike before they know what hit them.

Do you know what the cruise missile will do? It will not only fly from here to the Soviet Union unmanned, but you can launch it from a freight car, or a streetcar, or a washing machine. Not only that, it will fly low, and it will skip and jump over all the trees without ever hitting a leaf. At least that is what they say it will do. Of course, they have not tried it, but that is the theory. It has the most sensitive radar, it has the most reliable computers—what a machine. I am intrigued by the cruise missile.

You know, you can put cruise missiles on B–52's, and make them every bit as effective as the B–1, and even more so, but you cannot put a cruise missile on a B–1. How about that? It is the modern miracle weapon, but it will not fit on a B–1. It will fit on a B–52.

The cruise missile has one mission: not to give you a ride to Disneyland, but to put on that missile a bomb, a nuclear warhead, and to deliver it to the target. That is its whole purpose. It is not a free ride, not an excursion, not something for tourists.

What is the purpose of the B–1? The same thing. So what does Mr. Warnke say? He says, "You know, we ought to take a look at all these things. I am not too sure about that cruise missile."

Is he wrong? If he is, I say most of the military has had the same view for years. It is only the last couple of years that the military woke up and said, "Hey, we have a cruise missile; now we can put a radar on it. We have one that will shoot 200 miles, 600 miles, maybe we can make one that will go 2,000 miles, that will really scare them to death."

The PRESIDING OFFICER. The time for morning business has expired.

Mr. HUMPHREY. Now, you would not want to stop me in the middle of the stream, would you?

Mr. STEVENS. Mr. President, I ask unanimous consent that the time for morning business be extended for 1 hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Thank you very much. Observers will notice that morning business in the Senate takes place in the afternoon.

What has Mr. Warnke been saying? He has been saying what 43 Members of the U.S. Senate said about the Trident. I wish Senator McINTYRE were here. There is not a better Senator on defense than Senator McINTYRE, as the Senate knows. Senator STENNIS disagreed with him, and he won, though it was a close vote.

The Senator from Iowa (Mr. CULVER) submitted a resolution that the whole Senate joined in, or a majority, that we hold up on the B–1, and let the new President take a look at it. I voted for the cruise missile. I remember when the Senator from Maine (Mr. HATHAWAY) brought up an amendment to stop the deployment of the cruise missile. I listened to the argument, and I said, "I think you are wrong, Senator," and I voted in the opposite way.

That does not make me a hawk, and my voting against the B–1 does not make me a dove. It just means I am concerned, and I want to learn. And when I hear arguments made about Mr. Warnke, because he has some doubts about the cruise missile, the B–1, or Trident, or because he was opposed to them, I say, so what? So were a lot of people. He is going to get his chance.

I have served in the Cabinet of the United States, and the present distinguished Presiding Officer of the Senate (Mr. MOYNIHAN) has served with Presidents, and been in an advisory capacity to Presidents. The Senator from New York has been very close to three Presidents—four Presidents, in fact—and he knows that when he gets a chance, he gets his word in, but ultimately the President makes the decision. That is what we elect Presidents for, and the National Security Council ultimately will advise the President.

Mr. Warnke, if his nomination is confirmed, will take the positions of his Government, and I want to tell you something: If he was good enough to represent some of the biggest corporations in America in the courts of this land, if he is big enough to represent some of the largest insurance interests in the country in suits that run into the billions of dollars, and they are willing to have him to speak for them—and, oh, let me tell you, when you are negotiating for money, it is almost like negotiating for national security.

Some of the best people in this country, in terms of their so-called standard of values—namely, the business leaders—have hired Mr. Warnke. They said, "Paul, protect us." And he made thousands of dollars in fees.

Then what did he do? He gave it all up to serve this country. He gave it all up to serve the interests of peace. He gave it all up to serve our national security.

That is a real sacrifice. That is why, first of all, I imagine his dear wife said to him, "Paul, you mean to tell me that after having served in Government for years, underpaid and overworked"—and he was—"now you are a lawyer, now you have been doing well, now we have been living well, you are going to go back into that madhouse again?"

I can just hear the argument going on out in the Warnke residence.

Mrs. Warnke did not know some of us were calling up Cy Vance every day and saying, "Don't let him off the hook. He's good; get him down here. Get him."

So he is up here. Let me make it clear, the confirmation is going to be acted on by the Senate Committee on Foreign Relations. We have just had S. 4 passed here on committee jurisdictions. I do not care how many other committees want to peek at it or look at it, but when the votes are counted as to whether he is going to be appointed or not, it is going to come out of the Senate Committee on Foreign Relations, unless we want to change the rules.

As was said by the Senator from Idaho, Mr. CHURCH, and the Senator from Illinois, Mr. PERCY, "Y'all come." In the Southern tradition now, so we know who is in power here: "All you folks, y'all come, come and hear what he has to say."

When it is all said and done, I tell you, I have heard witnesses before that committee, but I have heard very few that were as able and as forthright and as intelligent as the witness Paul Warnke.

I yield to my friend from New Jersey.

Mr. CASE. Mr. President, I do not think the Senator ought to yield, except he has to yield. We have to get him downstairs to meet the Foreign Minister of Peru. If I do not take him with me now, I shall have to do that by myself.

Mr. HUMPHREY. I have to meet the Minnesota Gas and Electric Co. out there first.

Mr. CASE. I ask him to come down, now.

Mr. DANFORTH. Mr. President, I think the Senator from Minnesota has stated with his usual eloquence precisely why the nomination of Mr. Warnke should now be presented to the Committee on Foreign Relations. The reason is that he did, in fact, change his opinions.

Mr. HUMPHREY. Whatever the Senator from Missouri says, I shall respect. The things he says that I disagree with, I shall write him a note.

Mr. DANFORTH. For precisely the reasons stated by the Senator from Minnesota, this nomination should be referred to the Committee on Armed Services, if not for formal action, for at least very intensive interrogation of Mr. Warnke before his nomination is voted on by the Senate.

The reason for this is, as the Senator from Minnesota said, that Mr. Warnke did change his positions, which had been very well known during the course of his testimony before the Committee on Foreign Relations.

As George Will pointed out in his column this morning in the Washington Post, the record of Mr. Warnke had been an open book before the people of this country. His record had been an open book. He had published very extensively in the field. He has stated his position in various open forums as to precisely what he thought the policy of the United States should be with respect to arms limitation.

He has appeared before committees of Congress. He appeared last March 9 before the Senate Committee on the Budget in a debate with Mr. Paul Nitze and described in that appearance, in some detail, precisely what his opinions were on arms negotiation. This past winter, Mr. Warnke wrote an article entitled "Apes on a Treadmill," which has been widely circulated, stating his views on what he believes the most innovative initiative the United States should take should be.

I suggest that I cannot read the minds of Senators who happen to be members of the Committee on Armed Services to determine why they did not attend the meeting of the Committee on Foreign Relations to interrogate Mr. Warnke, but it just might be that while they may have agreed or disagreed with Mr. Warnke's position, at least they believed that they understood with great clarity what Mr. Warnke had been saying and what he was trying to do and what that position was. His position in his "Apes on a Treadmill" article, which he does not call a unilateral disarmament, is at least a unilateral pause by the United

States in its development of strategic weapons to determine what the Soviet Union should do. Now he appears before the Committee on Foreign Relations and announces before the Committee on Foreign Relations that he would not pursue that position while negotiations are underway.

That is a deviation from what his previous position had been, because the "Apes on a Treadmill" article appeared in Foreign Policy with less than a year to go in the interim arms agreement, with SALT II very much approaching the front burner, with America hopefully commencing the negotiation of SALT III. Yet, during the pendency of these very serious negotiations, Mr. Warnke presented to the public in his foreign policy article his position on a unilateral moratorium on America's development of strategic arms.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Missouri yield

Mr. DANFORTH. I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. The Senator from Missouri mentioned a moment ago the Committee on Armed Services. I am a member of that committee. Of course, I cannot speak for the committee, but this nomination is one of such great importance, and one for a position in which the occupant must deal so closely and is so deeply involved in the Nation's weapons systems and the entire national defense programs of the United States, that it seems to me very important that the Committee on Armed Services have an opportunity to interrogate Mr. Warnke as to his beliefs, his thinking, and his philosophy on the matters which he must negotiate for the United States if he is confirmed by the U.S. Senate.

I recognize full well that the Committee on Foreign Relations has jurisdiction. That is under the rules and is appropriate. But I think the Committee on Armed Services would be unwise not to ask and seek to have Mr. Warnke come before that committee so that he can be interrogated by the members of the Committee on Armed Services on just the issues which the Senator from Missouri has been discussing.

I do not know what the committee, as a committee, will do. I can say, insofar as this one member of the committee is concerned, the Senator from Virginia, that I shall urge the committee to have Mr. Warnke before it so that the members of that committee, the ones charged with the responsibility for the national defense of our Nation, for the weapons systems of our Nation, will have an opportunity to go fully into this matter with the nominee and the prospective negotiator with the Soviet Union.

I thank the Senator from Missouri for yielding.

Mr. DANFORTH. Mr. President, I want to clarify one misstatement which I made. I stated that the Nitze article was published in 1976. I have been informed it was published in 1975.

Nevertheless, Paul Nitze yesterday, appearing before the Foreign Relations Committee, stated that he has followed Mr. Warnke's thinking from 1969 through at least March of 1976 when they appeared together before the Senate Budget Committee, that he also was familiar with Mr. Warnke's testimony 2 days ago before the Foreign Relations Committee, and that he believes that there is a departure from Mr. Warnke's views from what they had been over a period of 6 years very consistently to what they were when he appeared before the Foreign Relations Committee.

Therefore, I am of the opinion that the Senate, before the confirmation of this man, at least must know precisely what he thinks.

I do not agree with the Senator from Minnesota who appeared to say that it does not matter who we have as our SALT negotiator and who we have as the President's arms adviser because it is the President who makes the decision. I do not agree with that because I believe that the Senate of the United States does have a role to play in fashioning the foreign policy of this country.

We took a different route a decade ago when the Senate decided it did not have that kind of role to play in enacting the Tonkin Gulf resolution. I think in retrospect, most people believe that was a mistake.

But let us now exercise our responsibility in at least keeping track of what the policy of the United States is going to be in matters relating to our foreign relations and matters relating to disarmament.

The Constitution provides the Senate with but two methods of exercising that authority. One, by the confirmation of Presidential nominees; and two, by the ratification of treaties.

Here we have one of them before us in the foreshadowing of a possible treaty to be negotiated.

I think we have got to enter into this with our eyes open and I suggest it must be referred to the Armed Services Committee.

Mr. GRIFFIN. Will the Senator yield for a comment?

Mr. DANFORTH. Certainly.

Mr. GRIFFIN. Mr. President, I commend the Senator on an excellent statement.

As addition to what he has said, and to make an obvious point, a treaty to be negotiated by this nominee does have to come to the Senate of the United States for ratification by a two-thirds vote. It would be something of a tragedy, I say, in terms of our foreign policy, if a treaty should come back which the Senate could not ratify.

I think it is the better part of wisdom for the Senate to take a close look now at the broad issues involved and, as a partner in the treatymaking process to provide some input at this point.

I hope the administration will realize that, under these circumstances, to send a negotiator who does not have the overwhelming support of the Senate would be a very unwise and questionable thing to do.

Certainly, if the nominee does not go to these negotiations with the support of at least two-thirds of the Senate—and more—he goes to the negotiations under a very severe handicap in view of the kind of test the treaty would await here in the U.S. Senate.

I believe that a full discussion now—with the participation of every Senate committee having any interest—would be very constructive, and would help the administration as we fashion and shape together a policy that will be vitally important, not only to the United States but to the whole world.

I yield to the Senator.

Mr. DANFORTH. Mr. President, just one last comment.

What is involved, I think, is something much more significant than simply a jurisdictional struggle between two committees of the Senate. The committee system, after all, is merely a tool by which the Senate works its will.

But I think what is involved here is the role of the Senate in helping in an informed way to shape the policies of this country with respect to matter as crucially important as arms limitation.

I do believe that we have to go into this knowing precisely what the position of the administration is and precisely what the position of the administration's chief advisory in this field, and arms negotiator, is.

We do not know that at the present time.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. DANFORTH. I yield to the Senator from Virginia.

Mr. HARRY F. BRYD, JR. Mr. President, I am pleased to note that the Senator from Missouri feels this nomination should be sent to the Armed Services Committee. I feel the same way.

I do not believe there is a field of jurisdictional dispute. The Foreign Relations Committee has the nomination before it and I know of no effort to take that away from the Foreign Relations Committee.

The view that I have is that after the Foreign Relations Committee concludes its hearings, then the Armed Services Committee should have an equal opportunity to query the nominee and to proceed in depth to consider his nomination.

That, however, does not mean that the Armed Services Committee by so doing would seek to assume jurisdiction over the confirmation hearings of the nominee.

But I concur in the view expressed by the Senator from Missouri.

I have heard much favorable comment on the Senator from Missouri's interrogation of Mr. Warnke, which was widely televised. I have heard much favorable comment, and while I did not see it myself, I pass that along to the Senator from Missouri, and I congratulate him.

ADDITIONAL STATEMENTS SUBMITTED ON NOMINATION OF PAUL WARNKE

Mr. HASKELL. Mr. President, last year the Washington Post published the transcript of a discussion by four nuclear experts regarding the prospect of nuclear war. The opinion of every participant was that nuclear war in some form would occur before the year 2000. This assessment is not that of a few isolated pessimists, but rather the accepted, if chill-

ing, conclusion of most specialists in the field of nuclear conflict. Recent seminars at Great Britain's Cambridge University and Princeton University reached similar determinations.

The control of nuclear weapons, then, is not simply a matter of curbing expensive and unnecessary weapons systems or of preserving a strategic balance but a question of survival itself. Failure to pursue aggressively every possibility of limiting or reducing atomic weapons may eventually endanger all of humanity.

The Arms Control and Disarmament Agency is directed by law to serve as the President's principal adviser on arms control and disarmament affairs. The director of this agency will play a crucial role in America's future arms control policy. Paul Warnke is eminently well qualified to serve in this capacity. As General Counsel to the Department of Defense and as Assistant Secretary of Defense for National Security Affairs, he achieved a distinguished record of public service on which to assess his future performance. His past performance in the field of arms control indicates his thorough command of this complex and crucial subject. I am gratified that a person of the experience and caliber of Paul Warnke has agreed to serve as Director of ACDA.

During this past week, a concerted effort in opposition to President Carter's nomination of Paul Warnke has been mounted. Charges that Mr. Warnke will negotiate a treaty harmful to the United States are absurd and an affront to a man who has dedicated many years of his life to the welfare of this Nation. Senators who have specific objections to particular aspects of proposed arms limitations should not need reminding that the Senate retains the constitutional obligation to review, debate, and vote on any treaty. We are not being asked to appoint an arms control czar to dictate U.S. policy, but rather to approve the nomination of the individual best suited to search for ways in which to curb the arms race while enhancing American security.

Through neglect, the Arms Control and Disarmament Agency has become moribund and demoralized. I can think of no one more qualified than Paul Warnke to restore the mission and revitalize the personnel of this agency so that it may pursue the urgent task of finding intelligent initiatives to control the spread of nuclear weapons.

Mr. KENNEDY. Mr. President. I find it somewhat difficult to understand the current groundfire of opposition to the nomination of one of this Nation's most respected and knowledgeable foreign policy and arms control professionals for the directorship of the Arms Control and Disarmament Agency.

Paul Warnke has served this Nation in the past as Assistant Secretary for International Security Affairs and has been a frequent adviser and counselor before the Congress.

In every area, he has shown himself to be a man committed to the interest of this Nation, committed to our future and committed to peace.

I find it more than a little disheartening to note that the opposition to this nomination is apparently concentrated on his past statements in support of halting the nuclear arms race.

Apparently his detractors are not so much unhappy with Mr. Warnke as they are with the concept of arms control and with the concept of checking the maddening pursuit of weapons of nuclear destruction.

Well, the President supports arms control. The American people support arms control. And I believe the vast majority of the Congress supports arms control as well.

There are those who also seem to be willing to pull out of context past statements made by Mr. Warnke in order to raise questions about the nomination. Most prevalent seems to be charges of his having supported unilateral disarmament. Not only is that far from the truth but it reflects a kind of smear campaign that we have not seen in many years.

I find it particularly unfortunate as well that an arms control concept which was successfully used in the past is being given such incredibly distorted commentary. Twice within the recent past, temporary moratoria to halt a particular strategic activity have been issued. They have produced responsive action by the Soviet Union. First, President Kennedy at American University in 1963 announced a temporary moratorium on nuclear testing if the Soviet Union followed suit. That temporary and brief hiatus in testing helped produce the partial test ban treaty.

Then again in the late 1960's, at the urging of Senator Pastore, a resolution relating to a moratorium on nuclear proliferation was passed. That resolution and the Presidential support for the concept helped promote positive response from the Soviet Union that led to the negotiation of the Nuclear Nonproliferation Treaty.

So even the concept of temporary restraint by the United States, on the condition that the Soviet Union responds accordingly, is a worthwhile and valid arms control concept.

So the opposition is not only distorting Mr. Warnke's position but it is also distorting the concept of parallel restraint, initiated by the United States, which can have a positive effect, and has had one at least twice in the past.

With regard to Mr. Warnke, I also think it worth noting his strong support for NATO through the years, and I would note his statements in recent testimony support our role in NATO:

> We could not survive as the kind of Nation we are and want to remain in a world in which the population and resources of Western Europe were dominated by a hostile power.
>
> I believe also that the American military contribution to NATO has been a unique one, and one which cannot be replaced.

Those were his words. Yet he also has criticized, I believe correctly, the excessive number of the more than 7,000 tactical nuclear weapons based in Europe.

Criticism of the 7,000 warheads also was expressed by both Senator Pastore and Symington and was the subject of a very critical report by the Joint Atomic Energy Committee.

I would ask unanimous consent to place that testimony in the RECORD.

In addition, I think it is evident from his past testimony and record that his role will be one of providing new life to an agency which has been demoralized over the past 8 years. Funds have been cut. Top people have been purged. Also the agency has been pushed outside the centers of decisionmaking.

The Arms Control and Disarmament Agency has the legal responsibility for commenting on the arms control implications of new weapons systems. We have seen an abdication of responsibility and a total failure to provide to the President the strong and forceful views on arms control that are necessary for intelligent decisionmaking in a nuclear world. The Defense Department is not likely to win laurels as the advocate of arms control when it comes to each year's decisionmaking on new weapons systems.

Yet there also must be a voice of restraint, a voice of caution, a voice of arms control within reach of the President on these matters.

Paul Warnke can provide that voice. It is absolutely critical that this voice be available now to President Carter.

The new negotiations on strategic arms represent a crucial opportunity for the United States and other nations to achieve a turn away from nuclear arms escalation.

The opportunity today is not merely to ratify the levels of Vladivostok but to lower them. The opportunity is not merely to ratify a threshold test ban treaty but to negotiate a comprehensive test ban treaty. The opportunity today is not merely to place a quantitative cap on nuclear weapons but to add a qualitative brake as well.

All one has to do is ask what weapons systems were in existence in 1969 and what weapons systems are being added to stockpiles today to recognize the failure of arms control over the past two administrations.

The ABM treaty and SALT I were important but they did not prevent an ever-escalating flow of resources into nuclear and conventional weapons development. The overwhelming chore of the present administration is to cut through the technical morass and make the political decisions that will permit a negotiated halt to the arms race, and once halted, begin a negotiated process of reducing the stockpiles of death that place dark shadows over the future of all of us.

I also want to emphasize the continuing support and confidence of the President for Mr. Warnke and his reaffirmation of a determination to move aggressively toward further arms control pacts.

I ask unanimous consent that the relevant portion of the President's press conference be placed in the RECORD at this time.

There being no objection, the material

was ordered to be printed in the RECORD, as follows:

STATEMENT OF PAUL C. WARNKE, FORMER ASSISTANT SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY AFFAIRS

Mr. WARNKE. Thank you, Mr. Chairman. As you suggest, sir, I will count on my statement being printed in the record and I will endeavor now to highlight some of the points that I endeavored to make.

First of all, I would like to say that I think very highly of the agreements that were reached with SALT. As a matter of fact, sometimes I think that perhaps I think more highly of these than do the administration spokesmen; but, in my opinion, the Moscow agreements can constitute a very large step toward effective control over strategic nuclear weapons.

ABM TREATY IS PRINCIPAL ACCOMPLISHMENT

The principal accomplishment, in my view, is the ABM treaty. That, to me, constitutes realistic recognition of the fact that no physical defense on any known or foreseeable technology is available against a nuclear attack of any significant size.

Accordingly, both sides have accepted the principle that safety resides not in physical defense but in the certainty that the attacker would be destroyed by the retaliatory strike that the other side would be able to mount.

LOOPHOLES IN INTERIM AGREEMENT

Now, in addition to the ABM treaty, the interim agreement does provide some control over offensive systems. I find the coverage at the present time disappointingly small; and what troubles me, as I point out in my statement, is the possibility that the loopholes that exist in the interim agreement may make that agreement a brake on the offensive arms race, but instead a spur to that race.

So construed, the interim agreement would be at least slightly worse than no agreement at all.

But, entirely apart from the restriction on offensive systems, the ABM Treaty is a major accomplishment; it should serve to put the end to the inordinate expense and the very high risks of the nuclear arms race.

LOGIC INHERENT IN ABM LIMITATION

The question, however, is whether both sides will accept the logic that I find to be inherent in the ABM limitation. In all logic the ABM Treaty should eliminate any fear that the other side can achieve a first-strike capability. Because of the narrow limitations on the ABM system that either side can deploy, each is, in fact, open to nuclear attack even in a second strike. The surviving forces would be far more than sufficient totally to devastate the attackers' side.

NO PURPOSE IN ACHIEVING NUMERICAL SUPERIORITY

Under those circumstances, it seems to me, Mr. Chairman and Senator Cooper, that the continuation of the missile numbers game is in fact a mindless exercise, that there is no purpose in either side's achieving a numerical superiority, which is not translatable into either any sort of military capability or any sort of political potential. That is why, in my opinion, the ceilings that are placed in the interim agreement on both land-based and sea-based missiles should not be the cause for any concern on our part. They do give the Soviets an apparently large mathematical edge. They are permitted, as I read it, some 2,350 missile launchers to our 1,710, but either figure is a flagrant example of military redundancy. In the light of the abandonment of any foreign hope of an ABM defense, either number affords more missiles than the other side affords in the way of targets.

So, accordingly, we should not be concerned about the existing mathematical edge nor should we be concerned about any attempts that the Soviet Union might make to add additional, useless numbers to their already far more than adequate supply.

I suggest in my statement that were the Soviet Union to do this, we might perhaps feel some relief that they have not expended their funds for militarily more meaningful and potentially more mischievous purposes.

INTERIM AGREEMENT PROVIDES SOME CONTROL

Now, I believe that sensibly construed, the Interim Agreement does provide some measure of control which is useful in assuring the survivability of our land-based missile systems for the indefinite future. It does limit, in a qualitative way, the numbers of large missiles that the Soviet Union can construct. It confines them to some 313 instead of the magic number of 500 which at times has been suggested as the figure that would give the Soviets a counterforce capability against our land-based missiles.

With this limitation, it seems to me apparent that even with the Minuteman part of our offensive triad alone, enough Minuteman missiles would survive to inflict unacceptable damage to the Soviet Union. But I believe that a sensible construction of the Interim Agreement requires that we recognize that acceptance of the numerical imbalance is possible because, in fact, numbers are totally irrelevant to our security in the strategic nuclear arms field.

If missile numbers were a valid measure of national strength, then the Interim Agreement would be improvident; but since they are without significance, there is nothing for which we need compensate.

Accordingly, I feel that we should focus on the fact that arms control must not be allowed to become the new medium for fueling the arms race and this, in my opinion, could be the result if the Congress were to accept any one of three arguments which, as I read them, are currently being presented as justification for new strategic weapon systems.

LINKING APPROVAL TO FUNDING OF NEW STRATEGIC WEAPON SYSTEMS

The first and, I think, the most flagrant of these is the argument that approval of the Interim Agreement and the ABM Treaty should be linked to the funding of new strategic weapon systems. It has been suggested by Secretary Laird that the price for Pentagon support of the Moscow accords will be the agreement by Congress to fund the new programs for a manned, strategic bomber and for an underwater-launched missile system which includes a submarine which is more expensive than our nuclear carriers and approximately the same size as the largest Soviet surface ship.

There has also been a suggestion that a submarine-borne cruise missile should now be perfected because of the fact that this is not forbidden by the Interim Agreement.

In my view, if the SALT agreements mean that we must now spend more money to build more strategic weapon systems and continue the offensive arms race, then the SALT agreements should not be approved by the Congress. Instead, they should be sent back to the drawing board with directions that the job be done again and that it be done better this time.

I was gratified to see that President Nixon has asserted that the arms control agreements—the ABM Treaty and the Interim Agreement—should be approved on their merits. He stated in his news conference on June 22 that he would not have signed them unless he believed that standing alone they were in the interest of the United States; but, at the same time, and I feel somewhat inconsistently, he has contended that failure to approve the new offensive weapon programs would seriously jeopardize the security of the United States and jeopardize the cause of world peace.

As I understand his position, it appears to be based on two arguments that differ somewhat from Secretary Laird's contention that the agreements and the new funding for additional weapon systems must be linked.

ACCUMULATION OF ADDITIONAL DEFENSIVE WEAPONS BY SOVIET UNION

The first of these is an argument which I believe is based more on military cosmetics than it is on military capability. President Nixon has emphasized the fact that the Soviet Union proposes to go ahead with programs in areas from which they are not foreclosed under the Interim Agreement. But since both countries are confined to what I regard as token ABM defenses, these new offensive systems add nothing to the Soviet ability to deter or in any way to utilize blackmail against the United States.

In my view, the Soviets have always lagged behind the United States in their appreciation of the realities of nuclear logic. Since I feel that way and since they have now begun to move in a direction which I regard as being the desirable direction, I don't think that we should substitute their judgment for our common sense when it comes to the further accumulation of offensive nuclear weapons.

We should accept, in fact, the reality that the ABM Treaty assures our deterrent for the years to come. We should not yield to the temptation to get back into a numbers race and, as far as any political disadvantage is concerned stemming from the appearance of mathematical superiority, this can be prevented by a sound, rational explanation of our views to our own people, to our allies and to those who might be disposed to be hostile to us.

Since the accumulation of additional offensive weapons by the Soviet Union will give them nothing that they do not now have and will challenge nothing that is important to our national security, it seems to me that we should not, by apparently attributing some military significance to any such gesture, put ourselves at a political disadvantage. This will occur if, and only if, we bad mouth our own strength.

BARGAINING CHIP ARGUMENT

The third argument that has been presented is the so-called bargaining chip argument and that to me poses perhaps the direst potential for continued arms escalation.

We were told for almost three years that we had to deploy an ABM in order to assure success at the first SALT, but as I understand the developments, the delay in reaching an ABM treaty stemmed less from Soviet reluctance to enter into an agreement on defensive systems than it did from our own insistence that a defensive treaty be linked to some measure of control over offensive weapons.

President Nixon noted in his State of the World Message last February that: The Soviet Union wished to work toward an initial agreement limited solely to antiballistic missiles. We considered that so narrow a solution would risk upsetting the strategic balance and might put a premium on the further development of offensive weapons.

Now, if that was the risk then that is what the Interim Agreement should prevent. The Interim Agreement is good if it diminishes that risk. If, in fact, it spurs the arms race, then it is indefensible and it will spur the arms race if we continue during arms control negotiations to take the position that we must escalate the arms race in order to accumulate further bargaining chips.

I think the experience with the ABM Treaty documents justifies this apprehension.

Our decision to go ahead with the ABM deployment, while the impasse continued at Helsinki and Vienna, has just meant more expense and less control. We have continued with deployment of an unneeded ICBM antiballistic missile defense centered in North Dakota. The Soviet Union has gone ahead with its Galosh system which could not possibly defend Moscow and now, in a curious twist, both sides seem to be in a position in which they may end up with an additional ABM system that they never seemed to want before.

The treaty permits us to deploy a command and control ABM around Washington and the Soviets are entitled to build east of the Urals a defense of ICBM missiles. But whether or not they go ahead, it seems to me, sir, that the Congress should reject any further ABM expenditures.

With the completion of the treaty it seems obvious that not even a bargain-chip argument can be advanced as a reason for deploying a system that can provide no effective defense.

In my view, the reason that the Soviet Union and the United States have been able to negotiate and have been able to reach an agreement is because each side has had to recognize the other side's technical potential. Each side must recognize that it is not capable of achieving any sort of meaningful advantage in the strategic weapons field unless the other side is willing to concede that advantage, and nothing in the history of the arms race indicates any such concession or any such prospect of one dropping out of the competition if the competition continues. Neither side need let the other one gain an appreciable advantage and neither side will.

So, if the bargaining-chip argument is valid, and if it is going to be used, what it means is that the continuation of strategic arms limitation talks will lead to agreements to arm rather than agreements on arms control.

SALT AGREEMENTS SHOULD BE CONSIDERED ON THEIR OWN MERITS

As President Nixon has suggested, the SALT agreements should be considered by Congress on their own considerable merits. I think that decisions on new nuclear weapon systems that are now forbidden should be made entirely separate from the consideration of these agreements and should be made with primary emphasis on their implications for effective arms control in the future.

Any program that threatens the retaliatory capability of either side should be rejected. I refer, of course, specially to such things as antisubmarine warfare programs or anything else that might have the same impact as an antiballistic missile defense in appearing to challenge the retaliatory capability of either side.

AGREEMENTS ASSURE TIME FOR SENSIBLE SELF-RESTRAINT

In my view, the major accomplishment of the agreements signed at Moscow is to assure time for sensible self-restraint. No action that the Soviet Union can take, at least for the duration of the Interim Agreement, can threaten our deterrent or in any respect endanger our security.

Accordingly, I would recommend that we announce now that we are withholding any further deployment of nuclear weapons pending further negotiations. The ABM Treaty does not require that, just because it is permitted, we must go ahead and spend further billions on a useless ABM site. What the ABM Treaty does provide is that we need no more MIRVs, no new bombers, no larger submarines to enable us to penetrate a nonexistent Soviet defense.

Instead of bargaining chips, I think our restraint can create the best climate for further progress in arms limitations. Our example can be well publicized and can, and I believe would put great pressure on the Soviet Union to respond in kind.

The agreements reached at Moscow can do much to move the world toward nuclear sanity and I would suggest that any arguments that diminish this bright promise should be taken with at least a grain of salt.

Thank you, sir.

(Mr. Warnke's prepared statement follows:)

PREPARED STATEMENT OF PAUL C. WARNKE, FORMER ASSISTANT SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY AFFAIRS

The SALT agreements as arms control

"On their own merits, the Moscow agreements can constitute a giant step toward effective control over strategic nuclear weapons. The ABM treaty is realistic recognition that no physical defense is possible against a nuclear attack of significant size. By its terms, both of the nuclear superpowers accept the proposition that security against nuclear devastation depends instead on the certainty that an attacker would himself be destroyed by a retaliatory second strike.

"The accompanying Interim Agreement provides some measure of control over offensive missile systems. Though disappointingly permissive, it nonetheless can be a useful beginning toward comprehensive restriction of offensive nuclear weapons. But its utility in real arms control depends upon its explication and acceptance as a means of facilitating further restraint. If, instead, its support is linked to Congressional adoption of crash programs in many of the offensive weapons areas which it does not cover, this Interim Agreement could prove to be slightly worse than no offensive agreement at all.

"Whether or not offensive weapons are restricted, the ABM treaty by itself would constitute the single greatest major accomplishment in controlling the nuclear arms race, with its inordinate expense and incalculable risks, by its adoption, each side will accept the policy that a strategic nuclear exchange, in light of the modern technology of death, spells out only the assured destruction of both. Soviet strategic planners, as quoted by advocates of an American nuclear warfighting capability, have in the past characterized the concept of mutual assured destruction by its acronym—a "MAD policy." Now, however, the SALT ABM treaty attests that, in the nightmare nuclear world, "though this be madness, yet there is method in it."

"In all logic, the restriction on ABM defenses should eliminate any fear that either side may acquire a first strike capability. Thus it should ensure stability and forestall the accumulation of additional offensive weapons. Since each has abandoned any real attempt to defend itself from nuclear attack, the number of warheads that would survive even an all-out first strike would be sufficient totally to devastate the attacker's society. For example, if the Soviet Union, by striking first, could destroy all of our ICBMs and all our bombers, and even if the attack could catch and destroy most of our submarines in port, 10 surviving Poseidon submarines could aim 1,600 warheads at the Soviet Union. They would run out of targets before they ran out of missiles. In thus assuring retaliatory capability, the ABM treaty makes continuation of the missile numbers game a mindless exercise.

"To the extent that the Interim Agreement actually leads toward the limitation of offensive weapons, it can be a desirable complement to the ABM treaty. But to the extent that it is used as an argument for accelerated construction and deployment of new offensive systems, it can only nullify the gains the treaty has achieved and thus disserve the cause of genuine arms limitation. It becomes an agreement to arm—not arms control.

"The ceilings put on ICBMs and SLBMs give a mathematical edge to the Soviets in both land-based and sea-based missiles. In aggregates, they are permitted about 2,350 missile launchers that can reach United States territory while we are restricted to some 1,710 that can be aimed at the Soviet Union from our ICBM silos and missile submarines. But this nuclear edge gives the Soviet Union no practical military capability that we do not have, and that we would not have with far fewer missiles entirely apart from our commanding lead in strategic bombers and deliverable warheads. Elimination of any forlorn hope of ABM defense of populations and facilities makes either ceiling figure a flagrant example of military redundancy. And even if our potential adversary should elect to pour additional resources into additional warheads, we need have no concern. Instead, we might properly feel some gratification that he has not used these funds for more meaningful and more mischievous purposes.

"Sensibly construed, the Interim Agreement is of some value in assuring survival of our land-based missile deterrent for the indefinite future. Limited to no more than 313 large missiles of SS–9 size or greater, and with no testing yet of true MIRV technology, a Soviet counterforce strike would leave enough Minutemen to obliterate the Soviet Union, even without resort to our submarine-launched missiles and our nuclear bombers. It thus lengthens the lead time during which, if we are really serious about nuclear arms control, we can exercise restraint and look for reciprocal action from the Soviet Union. But pursuit of this sound policy requires an explanation of the Interim Agreement which focuses on the fact that we can accept the numerical imbalance because it is in fact totally irrelevant to our security. To suggest instead that this missile surplusage must be offset by the expenditure of additional billions on strategic offensive systems that are outside the parameters of the agreement is inconsistent and self-defeating. If missile numbers were a valid measure of national strength, the Interim Agreement would be improvident. Since they are militarily meaningless, there is nothing for which we need compensate.

"We must not let arms control be converted into a new reason for escalating the arms race. This will be the ironic and tragic result if the Congress accepts any of the three current arguments used to justify new strategic weapons programs.

"The first of these fallacies is that approval of the treaty and Interim Agreement must be linked with new funding of strategic weapons programs to preserve our security. Secretary Laird has told this Committee that the price for Pentagon support of the SALT accords is Congressional approval of proposed programs for a new manned strategic bomber and a new underwater-launched missile system carried by a submarine about the size of the largest Soviet surface ship and more expensive than our most modern attack carrier. Suggested also is a submarine-borne cruise missile. This has little more merit than a nuclear arrowhead shot from a crossbow. If the SALT agreements mean that we must spend more money and buy more weapons for our security, they should not be approved by Congress. Instead they should be sent back to the drawing board with the request that the job be done again and be done better.

"President Nixon has now asserted, however, that the arms limitation agreements should be approved on their merits. He assures us that he would not have signed them unless he believed that "standing alone, they were in the interest of the United States." But at the same time, in his news conference of June 22nd, he has contended that failure to approve the new offensive weapons pro-

grams "would seriously jeopardize the security of the United States and jeopardize the cause of world peace." His position seems to rest on two further arguments that differ somewhat from Secretary Laird's contention that the agreements and new funding must be linked.

"One of these arguments appears to be based on military cosmetics rather than military capability. It is emphasized that the Soviet Union has indicated its intention to go ahead with programs in areas not controlled by the Interim Agreement. With both countries confined to token ABM systems that can defend neither populations nor industrial plants, the only mission for more warheads would be, as Winston Churchill put it, to "make the rubble bounce." The Soviets have always lagged behind us in strategic doctrine. We should not now substitute their judgment for our own common sense. Rather we should accept the fact that the ABM treaty assures our retaliatory deterrent for years to come and we should see that this fact is appreciated by our own people, by our friends, and by those who might feel disposed to be unfriendly.

"Strategic nuclear forces can serve no purpose except to deter an enemy from using his. By this single sensible criterion we have more than enough and cannot fall into an inferior position unless this deterrent is threatened. With the ABM limitation, nothing that can threaten it is remotely in prospect. Whatever else the Soviet Union may do in the offensive nuclear missile area is without military meaning. It can give them a political advantage if, and only if, we appear to concede it to them by depreciating our own strength.

The "bargaining chips" argument is the third risk that arms control may be converted into arms escalation. We were told for almost three years that we had to deploy an ABM in order to assure success at SALT. But the delay in reaching an ABM agreement seems to have stemmed less from Soviet recalcitrance than from our insistence that an ABM limitation be accompanied by limitations on offensive weapons. As noted in President Nixon's State of the World message of February 9, 1972: "The Soviet Union wished to work toward an initial agreement limited solely to antiballistic missiles. We considered that so narrow a solution would risk upsetting the strategic balance, and might put a premium on the further development of offensive weapons." The Interim Agreement can be defended only if in fact it diminishes that risk. If it spurs the arms race, then it is indefensible. It will do so if new offensive nuclear weapons systems are supported as bargaining chips for further negotiations.

"Our decision to deploy an ABM, while the impasse continued, has meant just more expense and less control. Experience shows that nations hoard obsolete weapons just as some wealthy men save string. We are now condemned to continue with our unneeded ABM defense of some Minuteman missiles in North Dakota. The Soviets will probably retain their "Galosh" system that can't defend Moscow. Indeed, we may both end up with an additional mirror image ABM we never seemed to want before. The treaty permits us to deploy a "command and control" ABM around Washington. They are entitled to build, east of the Urals, and away from Soviet populated areas, an ABM defense for some of their missiles. Whether or not they engage in profligate futility, Congress should reject any further ABM expenditures. Not even a "bargaining chip" argument can be advanced now that an effective ABM limitation has been achieved.

"What has led both nations to the bargaining table and what can lead to lasting and comprehensive limitations on offensive weapons is each side's recognition of the other's technical potential. The agreements, presumably, were designed to avoid the costs of converting that potential into weapons that would then be countered and nullified. Neither need—and neither will—let the other achieve a position of appreciable bargaining advantage. To continue to build additional nuclear weapons systems in order to bargain from strength will mean only that the final bargain will be the poorer. In the interim, the existence of negotiations will have been used to spur the arms race. If the "bargaining chip" argument is to prevail, it is questionable that we can continue to afford arms control negotiations.

"As President Nixon has suggested, the SALT agreements should be considered by Congress on their own considerable merits. Decisions on new nuclear weapons systems not now forbidden should be made separately and with primary emphasis on their arms control implications. Those that may threaten the Soviet retaliatory capability should be rejected as inconsistent with the SALT accords. Measures that serve, like the ABM limitation, to protect the mutual deterrent should be favorably considered. Among them are restrictions on further testing and on developments in ASW. They should have top priority in the negotiations that are to follow.

"The major accomplishment of the agreements signed at Moscow is to assure time for the sensible self-restraint that can bring an end to the nuclear arms race. No action the Soviet Union can take at least for the duration of the Interim Agreement can threaten our deterrent or endanger our security. We therefore should announce now that we are withholding any further deployment of nuclear weapons pending further negotiations. The ABM treaty does not mean that, because it is not forbidden, we must spend further billions on useless ABM sites. The treaty does mean that we need no more MIRVs, no new bombers, no larger submarines to penetrate a non-existent Soviet defense.

"Our restraint can, moreover, create the best climate for further progress in arms limitations. This example—which can and should be well publicized— would put pressure on the Soviets to respond in kind and would turn the negotiations themselves into a medium for arms control.

"The agreements reached at Moscow can do much to move the world toward nuclear sanity. Any arguments that diminish their promise should be taken with at least a grain of salt."

Senator SPARKMAN. Thank you very much, Mr. Warnke.

I wonder if the members of the committee would feel that perhaps the best way to proceed is to hear from each one of these people first and then propound questions across the board; otherwise, I am afraid we would never get through today.

Our next witness is Mr. Donald G. Brennan, senior member, professional staff, of the Hudson Institute.

Mr. Brennan, we will be very glad to hear from you, sir.

STATEMENT OF DONALD G. BRENNAN, SENIOR FELLOW, PROFESSIONAL STAFF, HUDSON INSTITUTE

Mr. BRENNAN. Mr. Chairman and members of the committee, it is a pleasure and a privilege for me to appear before you once again. As some of you know, the subject of arms control and disarmament has been a major field of my study for perhaps a dozen years and I am grateful for your invitation to testify on the historic proposed agreements now before you.

Background of witness

A detailed biographical sketch is attached at the end of my statement. Let me mention here that I organized and edited the volume "Arms Control, Disarmament and National Security," often called the bible of arms control, which was endorsed by Senator Fulbright, among others, and I have collaborated with or consulted or testified for many congressional groups and agencies of the executive branch on matters concerning arms control, including at least four prior occasions on which I have presented testimony to this committee. There were the hearings on the establishment of ACDA, on the Partial Nuclear Test Ban, on ABM in the spring of 1969 and on the ratification of the Geneva Protocol on Chemical and Biological Warfare in the spring of last year.

I have supported, in one way or another, every arms control agreement that has been established since World War II. I have also been an active advocate for a dozen years or more of a suitable Soviet-American agreement limiting strategic offensive weapons; such an agreement was a particular focus of my work in the mid-1960s. It is therefore a matter of particular disappointment to me that the proposed agreements now before you are such that I cannot support them.

Difficulties with agreements

The difficulties with the two agreements are quite different; the proposed ABM Treaty does the wrong thing well and the Interim Agreement does the right things badly.

To begin with the ABM Treaty: We and the Soviets have agreed not to defend ourselves, not only against each other but, interestingly, against anyone else, either. I believe that at least on the American side this agreement stems purely from a sophomoric ideology and fashion. Let me elaborate on this point.

Mutual assured destruction posture

The idea has taken hold in the United States that the best route to nuclear peace and security resides in a strategic posture in which we and the Soviets maintain a capability to destroy a large fraction, say, one-quarter to one-half, of each other's population and cities and in which no attempt is made by either side to interfere with the assured destruction capability of the other. Such a posture is often called a "mutual assured destruction posture." It has the property that the obvious acronym for it—MAD—provides at once the appropriate description for it, that is, a "mutual assured destruction" posture as a goal is almost literally mad.

If technology and international politics provided absolutely no alternative, one might reluctantly accept a MAD posture. But to think of it as desirable, for instance, as a clearly preferred goal of our arms control negotiations, as the proposed ABM Treaty automatically assumes, is bizarre.

As some of you probably know, I have often suggested a reduction-to-absurdity proof of the madness of MAD. If a MAD posture were genuinely desirable, we and the Soviets could have an arms control agreement to mine each other's cities. The Soviets could plant large thermonuclear explosives under, say, the first 100 American cities, and we could do the same there. This arrangement would save most of the present troubles and costs of ICBMs, SLBMs, bombers and so on and, of course, would make any and all active defense systems, such as ABM and air defense, completely irrelevant, at least as far as Soviet-American confrontations were concerned. And yet despite the obvious technical effectiveness of a mined-city posture for implementing MAD, I suspect that few of you would care to sell such a program to your constituents.

Your constituents would have the right reaction. Some would describe the reaction as naive or unsophisticated; however, it would in fact represent the wisdom of rejecting a wholly unproved theory when it leads to absurd consequences.

The main theory involved is that a MAD posture is the best way to protect against nuclear war altogether. This theory is reflected in the preamble to the proposed ABM Treaty and in the Letter of Submittal of June 10, 1972, from Secretary of State Rog-

ers: "Effective limits on antiballistic missile systems . . . will decrease the risk of outbreak of nuclear war . . ."

There is, of course, not the slightest shred of evidence in support of this idea. Many nuclear strategists, including those who have achieved the greatest prominence in the field, do not believe it is true. The prevalent popularity of this theory can only be described as a fashion. Yet the government is apparently prepared to gamble that the theory is true and thereby commit us to a MAD posture indefinitely.

The treaty itself contains evidence that the theory is little more than a fashion. If, as is usually argued in support of the theory, stability resides in high hostage levels and the interposition of ABM on both sides would be destabilizing because of reducing those levels, it should be similarly destabilizing if the hostage levels were reduced by direct cuts in offensive force levels. But the same treaty preamble which extols limits on ABM systems, without regard to their technical characteristics, including effectiveness, also has the parties "Declaring their intention . . . to take effective measures toward reductions in strategic arms, nuclear disarmament . . ." This is something less than consistency.

[From the Washington Post, Feb. 10, 1977]

PRESIDENTIAL PRESS CONFERENCE—FEBRUARY 9, 1977

Q. Mr. President, your nominee to head the Arms Control and Disarmament Agency, Paul Warnke, wrote about a year and a half ago that the United States "should try a policy of restraint while calling for matching restraint from the Soviet Union," but Mr. Warnke didn't seem to believe that that had to be guaranteed in advance in an agreement. Is that a view to which you subscribe and can you explain why or why not?

A. I know Mr. Warnke very well. I have met with him several times to discuss his attitude on disarmament matters. I have complete confidence in him. The first two times I asked him to take the job, he turned me down. We tried to find an alternative who is as well qualified as he is that would express my views and those views acceptable to my country. I was unsuccessful in equaling him. He finally agreed to take the job, at my insistence, as a public service.

I believe his views are well considered by me. I have accepted them. I think when the members of the Senate consider what Mr. Warnke stands for, he will be approved overwhelmingly. I obviously believe that we both have to take initiatives, both the Soviet Union and the United States. Most of our discussions will be bilateral in nature. Subsequently I hope to bring in other nations to discuss, for instance, comprehensive test ban questions and others, the European nations who are nuclear powers and also the Chinese. That would come later.

But I believe that Mr. Warnke's proposals are sound. I have no concern about his attitude. There will be instances on nuclear weapons where each country has to take some initiative. But the overall balance of mutual restraint, cutting down on the overall dependence on nuclear weapons is what counts.

I might add one other point, Mr. Warnke's position will be carefully coordinated with my own, working closely with the State Department, Defense Department officials. Our decisions with the Soviets will be made public. We will consult with our allies whenever possible. Any ratification of an agreement with the Soviet Union will obviously require senatorial approval. Even if I or Mr. Warnke or some other person in the negotiation process should make a mistake inadvertently, that mistake would be closely scrutinized by the public, but I have complete confidence in him.

Q. Mr. President, just to follow up a bit on Stan's question, could you tell us, sir, do you believe that there should be a rough parity between the nuclear forces of the Soviet Union and the United States? Do you think we ought to, in the arms negotiations, strive for superior force or do you believe that as long as we have the ability to inflict horrendous damage on them that it really doesn't matter which side has the most bombs?

A. At the present time, my judgment is that we have superior nuclear capability. The Soviet Union has more throw weight, larger missiles, larger warheads. We have more missiles, a much higher degree of accuracy, and also, we have three different mechanisms which are each independently adequate to deliver atomic weapons: airplanes, submarines, and intercontinental ballistic missiles. I think we are superior, in that either the Soviet Union or we could destroy a major part of the other nation if a major attack was made—with losses in the neighborhood of 50 to 100 million people if a large exchange was initiated.

We have the capability, as do the Soviets, to detect the launching of opposing missiles and then I, as President, and the leaders in Russia would have to be faced with the question of how much of a retaliatory attack to make. But in the exchange tens of millions of people would be killed and the threat of this kind of holocaust is what makes it important that we do keep an adequate deterrent capability, and it also is crucial for all of us to remember that it is necessary to have drastic reduction in dependence on atomic weapons.

In almost every major speech that I have made since I have been involved in national politics, I expressly committed, first to stabilize the situation; secondly, to have demonstrable reduction in dependence on atomic weapons and set as our committed long-range goal complete elimination of nuclear weapons from the earth.

I had a meeting this morning with a representative of the People's Republic of China and he told me very clearly that the goal of the Chinese government was to reduce dependence on nuclear weapons to zero.

If we and the Soviet Union can demonstrate an ability to stop the present growth and then to have substantial reductions, I believe then, we can go to the French, British, the Chinese and others and say, "Would you join us in stopping testing and in moving in clearly monitorable ways to reduce dependence on atomic weapons?"

Q. Mr. President, to follow that up, a little bit earlier, if I understood you correctly, you said that you thought that each of the two countries, us and the Soviets, might have to take some initiatives. I am trying to translate that into some other problems we face. Is the United States today prepared to take the initiative perhaps in restraining the development of the cruise missile in order to get something going in the SALT talks?

A. I wouldn't want to single out one particular weapon which is still in the development stage, but I will give you a couple of examples that are symbolic in nature, not too profound. One is that I suggested to the Soviet Union that they let us know and that we let them know before we launch any kind of intercontinental ballistic missile in a test phase. We launch our missiles from Vandenberg Air Force Base. We don't launch them from the standard silos. The Soviet Union does launch missiles from their standard operating silos for these purposes. I think a prior notice that this launch was going to take place—24 hours or 48 hours—would help a great deal.

I have called on the Soviet Union to join us in a comprehensive test ban to stop all nuclear testing for at least an extended period of time, two years, three years, four years. The Soviets are interested in using nuclear explosives to divert the course of a river in northern Russia. I don't think they need to test any more. If they want to put that as a proviso in the agreement, that they would like to go ahead and divert that river, I think that would be something we could negotiate and let us have observers there to learn from them and vice versa. But I think that the initiation of proposals that might be mutually acceptable of this kind is very, very important.

We have two unresolved questions derived from the Vladivostok agreement called SALT II, and that is the cruise missile and the Backfire bomber. I would be willing to go ahead with the Soviet Union, conclude a quick agreement, if they think it advisable, and omit the Backfire bomber and the cruise missile from the negotiations at this stage. And then in the SALT III talks, if necessary, put those two items back in for further discussion.

But I think it is important for us, without any pressure on me, not to proceed too hastily, in a very careful and methodical way to demonstrate to the world that we are sincere.

Q. I am sorry to pursue the subject, but I am. When Mr. Warnke wrote that, he was apparently talking about weapons systems as well as nuclear warheads. He was talking about perhaps restraining the development of a particular weapons system, hoping for reciprocity by the Soviets.

My question is, would you consider saying to the Soviets, say the B–1 or any other weapons system, we are not going to develop it for six months, we want to see something from you in the way of reciprocity?

A. Again, let me avoid reference to a particular weapons system on our side. Let me refer to a weapons system on their side. The Soviets have a missile with limited range, it is not intercontinental in nature, called the SS–20. They have begun to install those missiles in mobile installations where they can move them in a concealed way from one part of an area to another. It makes it very difficult to pinpoint their exact location.

I would like to see the Soviets cease deployment of the mobile missile, even though it is not of the intercontinental type. It is very difficult to distinguish it from the intercontinental missile called the SS–16. If they would agree to a cessation of the use or deployment of the mobile type missiles which could be moved around in different locations before launch, that would be a very important point for us to join them in a mutual agreement. It would mean we would not then perhaps spend the large amounts of money to develop a mobile missile. But if the Soviets should move to a development of that to be moved from one place to another undetected, then that would put a great pressure on us to develop a mobile missile of our own.

I think on both sides there has to be some initiation. But as individual weapons systems are restrained, using initiative, you have got to be sure that the overall balance of deterrent is not disturbed.

Mr. LEAHY. Mr. President, I have been greatly disturbed by the whispering campaign that has begun in opposition to the anticipated nomination of Paul Warnke as director of the Arms Control and Disarmament Agency. Many of our colleagues are ready to condemn him now, before he has the opportunity to complete his testimony. This is patently unfair to both Mr. Warnke and the President.

Thursday of last week, the Washington Post printed an editorial that generally supports the nomination of Mr. Warnke, noting his excellent qualifications for the job and his strong support of a reduction in nuclear weapons. I am looking forward to seeing a person with those views

in the important role of Director of the Arms Control and Disarmament Agency. Yes, it is important that we maintain enough weapons in our nuclear arsenal to deter an attack on the United States. But simply adding weapons to our arsenal does not lead to stability, but instead increases the likelihood of nuclear war. It is only through arms limitation agreements with the Soviet Union that we can guarantee a lasting peace. I believe that Mr. Warnke understands and concurs with this view.

I hope that the Senate will treat Mr. Warnke fairly, by ignoring the unsigned memoranda and whispered rumors that attempt to discredit him. We will have the chance to question him, to explore his background, and to discuss with him his views on nuclear weapons. Let us at least wait until he has had his chance to defend himself before we pass judgment on his nomination.

Mr. President, I ask unanimous consent that the Washington Post editorial on Mr. Warnke be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE WARNKE NOMINATION

The nomination of Paul Warnke as director of the Arms Control and Disarmament Agency puts the right man in the right place at the right time. Mr. Warnke, a former Assistant Secretary of Defense, believes strongly that arms control serves the nation's security. As obvious as it may seem to say so, this is exactly the conviction one wants in the man leading the single government agency charged with arms control. At a moment when a major debate is developing about the Soviet-American strategic equation, it is vital to have in this post someone with the stature, intellectual force and argumentative powers of Paul Warnke to assure that this point of view receives the hearing it deserves at the top of the government.

Now, Mr. Warnke's views, long on the public record, are controversial. He doubts, for instance, that it serves either deterrence or diplomacy to add new arms once a nuclear power has a force sufficient to assure the devastation of any other power that might strike it first. He suspects that the negotiating process itself may sometimes impel, rather than restrain, arms programs. He has asked whether U.S. arms programs do not incite some part of the Soviet-American arms competition. These are matters worthy of rigorous public examination. And in view of the fact that Mr. Warnke, while serving as ACDA director, would evidently also head the administration's team in the SALT talks, another question arises. The government's SALT position will surely reflect a mixing of his views with those of others. Could the American negotiating position be weakened if the Russians knew that the man presenting it personally holds other views?

The Foreign Relations Committee will conduct Mr. Warnke's confirmation hearing. But Sens. Sam Nunn and Henry Jackson, among others, who sit on Armed Services, also wish to question him. That's fine. The different viewpoints on arms control deserve exposition by their strongest proponents. The public, not to speak of the government, will learn from the exchange. It could amount to a kind of pre-negotiation SALT ratification debate that could help the administration prepare for the talks. No one need worry about the burdens such a debate would impose upon Mr. Warnke; he is eminently fit to carry the arms control brief.

Even as public hearings are being prepared, however, an anonymous memo is being circulated that accuses Mr. Warnke of favoring "unilateral" disarmament. We find this characterization of his views inaccurate and scurrilous. And we find the circulation of this sort of anonymous memo a positive disservice to policy debate. This is not the first occasion in which Carter appointment initiatives have been met with this tactic. Are some of the people with reservations about Mr. Warnke so lacking in confidence on the merits that they must resort to sneaky smears?

(This concludes additional statements submitted on the nomination of Paul Warnke.)

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of February 7, 1977, the Secretary of the Senate, on February 7, 1977, received messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

Under authority of the order of the Senate of February 7, 1977, the Secretary of the Senate, on February 8, 1977, received a message from the President of the United States submitting a nomination which was referred to the Committee on Foreign Relations.

Under authority of the order of the Senate of February 7, 1977, the Secretary of the Senate, on February 9, 1977, received a message from the President of the United States submitting a nomination which was referred to the Committee on Foreign Relations.

Under authority of the order of the Senate of February 7, 1977, the Secretary of the Senate, on February 10, 1977, received messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received on February 7, 8, 9, and 10 are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

The following messages from the House of Representatives were received during the adjournment of the Senate:

ENROLLED JOINT RESOLUTIONS AND BILL SIGNED

On February 8, a message stating that the Speaker had signed the following enrolled joint resolution, which was subsequently signed by the President pro tempore:

H.J. Res. 227. Joint resolution making urgent power supplemental appropriations for the Department of the Interior, Southwestern Power Administration for the fiscal year ending September 30, 1977, and for other purposes.

On February 9, a message stating that the Speaker had signed the following enrolled bill, which was subsequently signed by the President pro tempore:

S. 649. An act to authorize payment of salaries of certain members of Senate committee staffs at the rates paid to them on January 4, 1977.

The message also stated that the House has passed without amendment the joint resolution (S.J. Res. 10) to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such Commission.

The message stated further that the Speaker had signed the joint resolution (S.J. Res. 10), supra.

On February 10, the joint resolution (S.J. Res. 10) was signed by the Vice President.

At 2:03 p.m. today, a message from the House of Representatives delivered by Mr. Berry, one of its clerks, announced that the House has passed the following bills and joint resolutions in which it requests the concurrence of the Senate:

H.R. 583. An act to amend chapter 5 of title 37, United States Code, to extend the special pay provisions for reenlistment and enlistment bonuses;

H.R. 692. An act to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency and Small Business set-aside programs;

H.J. Res. 239. A joint resolution extending the filing date of the 1977 Joint Economic Report; and

H.J. Res. 240. A joint resolution to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on February 9, 1977, he presented to the President of the United States the enrolled bill (S. 649) to authorize payment of salaries of certain members of Senate committee staffs at the rates paid to them on January 4, 1977; and

On February 10, 1977, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 10) to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such committee.

HOUSE BILLS REFERRED

The following House bills were each read twice by their title and referred as indicated:

H.R. 583. An act to amend chapter 5 of title 37, United States Code, to extend the special pay provisions for reenlistment and enlistment bonuses; to the Committee on Armed Services.

H.R. 692. An act to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond gaurantee authority; and to improve the disaster assistance, certificate of competency and Small Business set-aside programs; to the Select Committee on Small Business.

JOINT RESOLUTION PLACED ON CALENDAR

The joint resolution (H.J. Res. 239) extending the filing date of the 1977 Joint Economic Report, was read twice by its title and placed on the calendar.

COMMUNICATION RECEIVED BY THE SECRETARY OF THE SENATE

The Secretary of the Senate reported receipt of the following communication:

DEPARTMENT OF STATE,
Washington, D.C., February 7, 1977.

Mr. FRANCIS R. VALEO,
Secretary of the Senate,
U.S. Senate.

DEAR MR. VALEO: I have been asked to reply to your letter of January 28 to Secretary of State Vance forwarding a copy of Senate Resolution 48, relative to the release of Abu Daoud, for transmittal to the Government of France.

In accordance with the wishes of the Senate, copies of the resolution and of the record of the Senate debate on this issue have been transmitted by the Department of State to the Government of France through the French Ambassador in Washington.

Sincerely yours,

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–614. A letter from the Director of the Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, an additional cost of reapportionment for a prior reapportionment for the Southwestern Power Administration making the new total cost to be $6.4 million; to the Committee on Appropriations.

EC–615. A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report of its final determination in respect to the claim case 342–G, the Seneca Nation of Indians, Plaintiff, v. the United States of America, Defendant (with accompanying papers); to the Committee on Appropriations.

EC–616. A letter from the Assistant Secretary of the Navy, Installations and Logistics, reporting, pursuant to law, a proposal to transfer the obsolete guided missile cruiser EX-LITTLE ROCK and the destroyer EX-THE SULLIVANS to the City of Buffalo; to the Committee on Armed Services.

EC–617. A letter from the Secertary of the Army transmitting, pursuant to law, a report of progress of the Army Reserve Officers' Training Corps Flight Instruction Program for the period January 1 through December 31, 1976 (with an accompanying report); to the Committee on Armed Services.

EC–618. A letter from the Acting Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, the report of Department of Defense Procurement from Small and Other Business Firms for July-September 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC–619. A letter from the Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during December 1976 to Communist countries (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC–620. A letter from the Secretary to the Council of the District of Columbia reporting, pursuant to law, that, due to certain omissions, Council Act 1–225 "An act to amend laws of the Council affecting elections and Latino community development" is being re-transmitted for referral and review by Congress; to the Committee on the District of Columbia.

EC–621. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 1–225 "An act to amend laws of the Council affecting elections and Latino community development" (with accompanying papers); to the Committee on the District of Columbia.

EC–622. A letter from the District of Columbia Auditor transmitting, pursuant to law, reports on (1) Department of Human Resources Practices and Procedures and (2) Employment of Mrs. Gladys Yeldell and Mayor's Order 76–22 (with accompanying reports); to the Committee on the District of Columbia.

EC–623. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 1–224 "An act to authorize the Mayor of the District of Columbia to operate a program of resocialization furloughs for the residents of the institutions and facilities of the District of Columbia government operated by the District of Columbia Department of Corrections" (with accompanying papers); to the Committee on the District of Columbia.

EC–624. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 1–222 "An act to correct and abate nuisances on private property" (with accompanying papers); to the Committee on the District of Columbia.

EC–625. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 1–221 "An act to transfer the approval of taxicab insurance rates from the Council to the Superintendent of Insurance" (with accompanying papers); to the Committee on the District of Columbia.

EC–626. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 1–223 "An act to protect the habitability of rental units subject to notices to vacate" (with accompanying papers); to the Committee on the District of Columbia.

EC–627. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–628. A letter from the Chairman, National Advisory Council on International Monetary and Financial Policies, Department of the Treasury, transmitting, pursuant to law, the Annual Report covering the period July 1, 1975 through June 30, 1976 (with an accompanying report); to the Committee on Foreign Relations.

EC–629. A letter from the Secretary of Commerce transmitting, pursuant to law, notice of the President's decision on his granting Federal recognition to "Expo '81," an International General Category I (Universal Exposition proposed to be held in 1981 in the County of San Bernardino, California (with accompanying papers); to the Committee on Foreign Relations.

EC–630. A letter from the Acting Assistant Secretary for Administration, Department of Treasury, transmitting, pursuant to law, a report on the implementation by the U.S. Customs Service of a system of records on importers, brokers, consignees, etc., in accordance with the Privacy Act (with an accompanying report); to the Committee on Government Operations.

EC–631. A letter from the Acting Assistant Secretary of the Interior transmitting, pursuant to law, financial statements of the Colorado River Basin Project for the year ended June 30, 1976 (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC–632. A letter from the Chairman of the Civil Aeronautics Board transmitting, pursuant to law, a report concerning laws administered by the Board or regulatory actions of the Board on the inefficient use of energy (with an accompanying report); to the Committee on Interior and Insular Affairs.

EC–633. A letter from the Deputy Comptroller General of the United States transmitting a draft of proposed legislation recommending the repeal of sections 3478 and 3479 of the Revised Statutes (31 U.S.C. 204 and 205); to the Committee on the Judiciary.

EC–634. A letter from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation, as well as a list of the persons involved (with an accompanying report); to the Committee on the Judiciary.

EC–635. A letter from the Acting Director of the National Science Foundation transmitting a draft of proposed legislation for authorization for appropriations for Fiscal Year 1978 (with accompanying papers); to the Committee on Labor and Public Welfare.

EC–636. A letter from the Deputy Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a follow-up report to the report entitled "Toward a National Manpower Policy" (with an accompnying report); to the Committee on Labor and Public Welfare.

EC–637. A letter from the Deputy Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a follow-up report to the report entitled "Report and Recommendations, May 3, 1974" (with an accompanying report); to the Committee on Labor and Public Welfare.

EC–638. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, reports on (1) report of the General Services Administration, (2) report of the Department of Defense, (3) report of the United States Postal Service, and (4) report of the Department of Housing and Urban Development (with accompanying reports); to the Committee on Public Works.

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions which were referred as indicated:

POM–61. House Resolution No. 4 adopted by the Legislature of the State of New Hampshire expressing disapproval of blanket amnesty; to the Committee on Armed Services:

"HOUSE RESOLUTION NO. 4 EXPRESSING DISAPPROVAL OF BLANKET AMNESTY

"Whereas, millions of members of our armed forces fought and thousands died in the Vietnam conflict; and

"Whereas, they and their families have made tremendous sacrifices on behalf of their country; and

"Whereas, blanket amnesty for draft dodgers and deserters would belittle the sacrifices of those who performed their patriotic duty and would endanger our future national defense; now, therefore, be it

"Resolved by the House of Representatives:

"That no unconditional blanket pardon or amnesty for draft dodgers and deserters ought to be declared.

"Further Be It Resolved, that certified copies of this resolution be forwarded by the secretary of state to the members of the New Hampshire delegation to the United States Congress, the clerk of the United States Senate, the clerk of the United States

House of Representatives, and to the President of the United States."

POM-62. House Joint Memorial No. 2 adopted by the Legislature of the State of Idaho urging the United States Fish and Wildlife Service to withhold designation of any grizzly bear critical habitat outside Yellowstone and Glacier National Parks; to the Committee on Commerce:

HOUSE JOINT MEMORIAL NO. 2

By Resources and Conservation Committee

"A joint memorial stating the findings of the legislature of the State of Idaho for the hearing record of the United States Fish and Wildlife Service proposed designation of critical habitat for the grizzly bear, and directing copies to be sent to persons specified

"Whereas, an overwhelming majority of Idahoans, individually and representing groups, who appeared before hearing officers of the U.S. Fish and Wildlife Service, testified that the Grizzly Bear population for the past 50 years has remained relatively stable, and, in fact, during the last three years has been on the increase; and

"Whereas, it is apparent that the Grizzly Bear lives compatibly with Idaho natural resource uses that include logging, grazing, hunting, fishing, camping, hiking, roads, trails, water developments, organization camps and off-road vehicles; and

"Whereas, there has developed a harmonious existence between the Grizzly Bear and resource users and the majority of those testifying feel that the Grizzly Bear has sufficient biological habitat to maintain its populaiton under existing U.S. Forest Service and U.S. Park Service mangagement programs; and

"Whereas, there is widespread disagreement among students of big game biology as to whether or not the Grizzly Bear is indeed a threatened species and, even so, there has been no sport hunting of the Grizzly Bear in Idaho since 1946; and

"Whereas, it is felt that the biologic aspects of Grizzly Bear management cannot be separated from the social and economic needs of the American public at the present time nor in the future; and

"Whereas, the citizens particularly of Southeastern Idaho have a social and economic life pattern that is dependent upon the federal lands within the proposed Grizzly Bear habitat which includes a major portion of the Lodgepole pine base on the Targhee National Forest with an annual timber yield potential estimated at 22-million board feet with more than 200-million board feet now under contract; and

"Whereas, the above mentioned cut provides nearly all of the raw material to the Idaho Stud Mill in St. Anthony, the Garland Call Pole Company in Idaho Falls, and about 30 small timber product businesses and approximately 250 individual permittees who cut poles, posts and such timber; and

"Whereas, the above-mentioned activity provides a major share of the economic base of Fremont County and a large portion of the pine in the area has been killed by the Mountain Pine Beetle in past years and it is now desirable to have this dead timber removed by commercial operations to eliminate a fire hazard and to permit new timber stands to grow, both of which will work to the benefit of Grizzly Bears as well as other wildlife in the area; and

'Whereas, the Interagency Grizzly Bear Study Team in its report of February 11, 1976, stated that logging modifies the habitat only temporarily and has the potential for improving bear habitat within a short period,

NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Session of the Forty-fourth Idaho Legislature, the House of Representatives and the Senate concurring, that we respectfully urge the U.S. Fish and Wildlife Service to withhold designation of any Grizzly Bear critical habitat outside of the Yellowstone and Glacier National Parks until all of the questions concerning the advisability of such establishment are answered in a scientific and reasonable manner.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the President of the United States, to the Director of the Fish and Wildlife Service for entry in the public hearing record, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to the Secretary of Interior of the United States.

POM-63. House Joint Resolution No. 2 adopted by the Legislature of the State of Indiana providing for the ratification of the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary:

"HOUSE ENROLLED JOINT RESOLUTION NO. 2

"A Joint Resolution providing for the ratification of the proposed amendment to the Constitution of the United States relative to equal rights for men and women

"Whereas, Both Houses of the Ninety-Second Congress of the United States of America, at the second session of such Congress, adopted a joint resolution proposing to amend the Constitution of the United States in the following words, to wit:

"JOINT RESOLUTION

"Proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein). That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

"ARTICLE

"Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

"Sec. 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

"Sec. 3. This amendment shall take effect two years after the date of ratification."

"Be it resolved by the General Assembly of the State of Indiana:

"Section 1. That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the General Assembly of the State of Indiana.

"Section 2. That certified copies of this joint resolution be forwarded by the Governor of Indiana to the Administrator of General Services, as required by section 106b, Title 1, United States Code, as well as to the Secretary of State of the United States and the President of the Senate and Speaker of the House of Representatives of the Congress of the United States."

POM-64. A resolution adopted by the Youngstown City Council, Youngstown, Ohio, urging the National Congress to renew funding of the Runaway Youth Act of 1974, under the Office of Youth Development of the Department of Health, Education and Welfare; to the Committee on Labor and Public Welfare.

POM-65. Senate Joint Resolution No. 4 adopted by the Legislature of the State of Nevada congratulating Jimmy Carter and Walter Mondale on their inaugurations as President and Vice President, respectively, of the United States; ordered to lie on the table:

"Senate joint resolution congratulating Jimmy Carter and Walter Mondale on their inaugurations as President and Vice President, respectively, of the United States

"Whereas, On the 20th day of January, Jimmy Carter and Walter Mondale will be formally inaugurated as President and Vice President, respectively, of the United States; and

"Whereas, these men assume leadership of a nation dedicated to human advancement and the realization of peace and liberty for men and women everywhere; and

"Whereas, On the inauguration day of Jimmy Carter and Walter Mondale, Nevadans will look with concern as these leaders embark the nation on a journey into her third century; a century sure to be filled with unknown challenges and dangers; and

"Whereas, The citizens of the United States, through the elective process, have expressed their confidence and trust in Jimmy Carter and Walter Mondale successfully to direct this nation through these trying times; now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada, jointly, That the members of the 59th session of the legislature of the State of Nevada extend their best wishes and congratulations to Jimmy Carter and Walter Mondale on their inaugurations as President and Vice President, respectively, of these United States; and be it further

"Resolved, That the contents of this resolution be dispatched by telegraph by the legislative counsel to Jimmy Carter and Walter Mondale, and that certified copies of this resolution be prepared and transmitted forthwith by the secretary of state to Jimmy Carter and Walter Mondale; and be it further

"Resolved, That this resolution shall become effective upon passage and approval."

OVERSIGHT HEARINGS ON THE COUNCIL ON WAGE AND PRICE STABILITY—SPECIAL REPORT (REPT. NO. 95-8)

Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs, submitted a special report on oversight hearings on the Council on Wage and Price Stability, together with additional views, which was ordered to be printed.

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing and Urban Affairs has submitted a report based on oversight hearings on the performance of the Council on Wage and Price Stability. It calls for the continuation of the activities of the Council with a somewhat large staff, and rejects mandatory wage and price controls or even standby authority to invoke them.

The most important feature of the U.S. economy in early 1977 is that inflation has been curbed but not yet suppressed. We must not expect to master inflation by the use of monetary and fiscal policies alone. The cost of trying to beat inflation in this way is an intolerably high level of unemployment. So we must supplement these policies by measures that will be applied at the industry level and at the level of the Federal regulatory agencies.

The report states that—

* * * the committee sees no useful purpose in supplying the President or the Council even with standby authority to apply mandatory controls. Our experience with

directives and freezes and orders ought to be enough to show that this is not the way to proceed.

Instead, the report aims at the use of governmental inflation to strengthen the competitive forces in the economy, and proposes that the Council, by objective analysis and public information, should persuade both Government agencies and private industries to avoid actions that are likely to give a push to inflation.

The present size of the Council is ludicrously inadequate to deal with the diverse inflationary problems of a $1.8 trillion economy. And the inflationary impact statements presently required to accompany Federal regulatory proposals fail to provide an adequate evaluation of the potential results of regulation. What is needed then is a requirement that the regulatory agencies should conduct a thorough cost/benefit study of all substantial proposals, and that a strengthened Council should analyze and comment on these studies.

As for developments in the private sector, the Council could contribute to the scaling down of inflationary wage and price demands by publicizing its own objective analyses of their consequences. This is not a call to establish fixed guidelines, but a proposal to mobilize the influence of public opinion in the interest of moderating unjustified increases. The Council's role in the long-term policy of bringing inflation to a halt is an important one, even as an auxiliary to broader policies to solve the inflation problem.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MUSKIE, from the Committee on the Budget:

S. Con. Res. 10. An original concurrent resolution revising the Congressional budget for the United States Government for the fiscal year 1977 (Rept. No. 95–9).

Without amendment:

S. Res. 54. A resolution waiving section 402(a) of the Congressional Budget and Impoundment Control Act of 1974 with respect to the consideration of S. 521, a bill to amend the John F. Kennedy Center Act, to authorize funds for the repair of leaks (Rept. No. 95–10).

By Mr. CANNON, from the Committee on Rules and Administration:

Without amendment:

S. Con. Res. 8. A concurrent resolution authorizing the printing of the committee print entitled "The Accounting Establishment" as a Senate document (Rept. No. 95–11).

S. Res. 53. A resolution authorizing the printing of additional copies of the committee print entitled "NATO and the New Soviet Threat" (Rept. No. 95–12).

S. Res. 65. A resolution authorizing additional expenditures by the Committee on the Judiciary for routine purposes (Rept. No. 95–13).

S. Res. 71. A resolution authorizing additional expenditures by the Committee on Armed Services for routine expenses (Rept. No. 95–14).

With an amendment:

S. Res. 72. A resolution authorizing additional expenditures by the Committee on Armed Services for the procurement of consultants (Rept. No. 95–15) (title amended).

Without amendment:

S. Res. 78. An original resolution authorizing additional expenditures by committees of the Senate for inquiries and investigations during the transition period.

S. Res. 79. An original resolution authorizing the revision and printing of the Senate Manual for use during the Ninety-fifth Congress.

S. Res. 80. An original resolution to pay a gratuity to Sidney and Tillie Rosenthal.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following reports of committees were submitted:

By Mr. HARRY F. BYRD, JR., from the Committee on Armed Services:

W. Graham Claytor, of the District of Columbia, to be Secretary of the Navy.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Richard B. Parker, of Kansas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Richard B. Parker.

Post: Beirut.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, none.

3. Children and Spouses, none; Names: Mr. and Mrs. Kimball Kenway, Mr. and Mrs. Jeffrey Parker, Jill Parker, Richard J. Parker.

4. Parents, Names, Mrs. John A. Robenson, mother, none.

5. Grandparents, Names, decreased.

6. Brothers and Spouses, Names, Maj. Gen. and Mrs. David S. Parker, none.

7. Sisters and Spouses, Names, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

RICHARD B. PARKER.

Subscribed and sworn (or affirmed) before me this 27th day of January A.D. 1977, at Washington, D.C.

[SEAL] STELLA MAKARA.

Commission expires July 31, 1977. (Title) Notary Public.

By Mr. CULVER, from the Committee on Armed Services:

Clifford L. Alexander, Jr., of the District of Columbia, to be Secretary of the Army.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BROOKE (for himself, Mr. SPARKMAN, Mr. TOWER, Mr. CASE, Mr. MCINTYRE, Mr. JAVITS, Mr. MATHIAS, Mr. LEAHY, Mr. HATFIELD, Mr. MCGOVERN, Mr. BUMPERS, Mr. ABOUREZK, Mr. GRAVEL, Mr. DECONCINI, Mr. ANDERSON, Mr. ALLEN, Mr. PEARSON, Mr. EAGLETON, and Mr. HEINZ):

S. 664. A bill to amend the National Housing Act to provide for the insurance of graduated payment mortgages, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. LAXALT:

S. 665. A bill to provide an opportunity to individuals to contribute $1, in connection with the payment of their Federal income tax, to the U.S. Olympic Fund, and for other purposes; to the Committee on Finance.

By Mr. STEVENS (for himself, Mr. DOMENICI, Mr. HATFIELD, and Mr. BURDICK):

S. 666. A bill to allcw Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians, and for other purposes; to the Committee on Governmental Affairs.

By Mr. LAXALT (for himself and Mr. CANNON):

S. 667. A bill to declare certain federally owned land held in trust by the United States for the Te-Moak Bands of Western Shoshone Indians; to the Committee on Indian Affairs.

S. 668. A bill granting the consent and approval of Congress to the California-Nevada Interstate Compact; to the Committee on the Judiciary.

By Mr. STEVENS (by request) (for Mr. GOLDWATER):

S. 669. A bill to help relieve the burden of high property taxes by allowing each homeowner a Federal income tax credit or rebate for property taxes paid for the support of public schools; to the Committee on Finance.

By Mr. GRIFFIN:

S. 670. A bill entitled "The Industrial Safety Encouragement Act of 1977"; to the Committee on Human Resources.

By Mr. BENTSEN:

S. 671. A bill to amend the Federal Aviation Act of 1958 to limit under certain circumstances the discretion of the Civil Aeronautics Board in determining the rate of compensation to be paid to an air carrier for the transportation of mail by aircraft; to the Committee on Commerce, Science, and Transportation.

By Mr. HUMPHREY (for himself, Mr. ROTH, Mr. METCALF, Mr. LUGAR, Mr. JAVITS, Mr. RIBICOFF, Mr. NUNN, Mr. MCGOVERN, Mr. MELCHER, Mr. PERCY, Mr. ANDERSON, Mr. DOLE, Mr. WEICKER, Mr. MCCLELLAN, Mr. MUSKIE, and Mr. BAYH):

S. 672. A bill to provide for the procurement by the General Services Administration of existing solar energy devices for use in government buildings; to the Committee on Environment and Public Works.

By Mr. HASKELL:

S. 673. A bill to limit potential or existent conflicts of interest on the part of elected and appointed officers and employees of the Government, to require financial disclosure, and for other purposes; to the Committee on Governmental Affairs.

By Mr. CURTIS (for himself and Mr. HANSEN):

S. 674. A bill to reinstate the provisions of the Sugar Act of 1948 beginning with calendar year 1978; to the Committee on Finance.

By Mr. BENTSEN:

S. 675. A bill to amend the Internal Revenue Code of 1954 to encourage greater use of insulation and to promote the development of solar and geothermal energy; to the Committee on Finance.

S. 676. A bill to amend the Small Business Act to authorize loans to small business concerns which suffered economic injury as a result of the floating of the Mexican peso; to the Committee on Small Business.

S. 677. A bill to amend the Tariff Schedules of the United States to raise the value limit for personal articles which may be imported duty free by returning residents, and for other purposes; to the Committee on Finance.

By Mr. BENTSEN (for himself and Mr. TOWER):

S. 678. A bill to amend section 1108 of the Federal Aviation Act of 1958 with respect to foreign registered aircraft operated in the United States; to the Committee on Commerce, Science, and Transportation.

By Mr. PEARSON:

S. 679. A bill to provide equal educational opportunities for students in the Nation's elementary and secondary schools; to the Committee on Human Resources.

By Mr. SCHWEIKER:

S. 680. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to employers for wages paid to youths 21 years of age or under or to persons unemployed for 15 weeks or more who have been hired to increase the work force of the employer; to the Committee on Finance.

By Mr. HEINZ:

S. 681. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Allegheny River, Pa., for potential addition to the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. MAGNUSON:

S. 682. A bill to amend the Ports and Waterways Safety Act of 1972; to increase the use of vessels of the United States to carry imported oil; and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. McINTYRE:

S. 683. A bill to amend the Tariff Act of 1930 and the Tariff Schedules of the United States to reduce the burden of paperwork involved in the customs entry process for travelers and goods entering the United States; to the Committee on Finance.

By Mr. PROXMIRE:

S. 684. A bill to establish a Federal Bank Commission to administer all Federal laws relating to the conduct of the banking business both foreign and domestic, including such laws relating to the chartering of banking institutions and their branching activities, bank holding companies and their activities, Edge Act corporations and their activities, and the examination, supervision, and regulation of banking institutions under Federal law; to the Committee on Banking, Housing and Urban Affairs.

By Mr. MATHIAS:

S. 685. A bill to amend the Tax Reform Act of 1976 to conform the termination of date for certain tax deductions for transfers of partial interests in property for conservation purposes with the termination dates of related provisions; to the Committee on Finance.

By Mr. CHURCH (for himself and Mr. WILLIAMS):

S. 686. A bill to provide financial assistance to utility regulatory bodies and electric utilities to carry out energy conservation demonstration projects, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MAGNUSON:

S. 687. A bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution, and for other purposes; to the Committees on Commerce, Science, and Transportation; and Environment and Public Works, jointly, by unanimous consent.

By Mr. MELCHER:

S. 688. A bill to eliminate a restriction relating to certain lands granted to the State of Montana; to the Committee on Energy and Natural Resources.

By Mr. CANNON (for himself and Mr. KENNEDY):

S. 689. A bill to amend the Federal Aviation Act of 1958 to encourage, develop, and attain an air transportation system which relies on competitive market forces to determine the variety, quality, and price of air services, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HASKELL (for himself and Mr. HART):

S. 690. A bill for the relief of the Jefferson County Mental Health Center, Incorporated, and 103 individuals; to the Committee on Finance.

By Mr. CRANSTON:

S. 691. A bill to provide for the preservation and enhancement of critical habitat for migratory waterfowl and other wetlands-dependent migratory birds of the Pacific flyway in the Grasslands area of the San Joaquin Valley, Calif.; to the Committee on Environment and Public Works.

By Mr. HUMPHREY:

S. 692. A bill to provide third-class mailing privileges to Gold Star Wives of America, Inc.; to the Committee on Governmental Affairs.

S. 693. A bill to provide that certain land of the United States shall be held by the United States in trust for certain communities of the Mdewakanton Sioux in Minnesota; to the Committee on Indian Affairs.

By Mr. KENNEDY:

S. 694. A bill to adjust the status of Indochinese refugees to that of lawful permanent residents of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. PROXMIRE (for himself, Mr. BAYH, Mr. BROOKE, Mr. BURDICK, Mr. FORD, Mr. HUMPHREY, and Mr. METZENBAUM):

S. 695. A bill to amend the Defense Production Act of 1950, as amended; to the Committee on Governmental Affairs.

By Mr. PROXMIRE:

S. 696. A bill for the relief of Jae Yoon Sim; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 697. A bill to amend the Clean Air Act in order to establish a National Commission on Air Quality; to the Committee on Environment and Public Works.

By Mr. MELCHER:

S. 698. A bill for the relief of Ivan Mauricio Mas-Jaccard, his wife, Carmen Has-Jaccard, and their children, Clifford Mas-Jaccard and Jonny Mas-Jaccard; to the Committee on the Judiciary.

S. 699. A bill to designate the Veterans' Administration hospital in Miles City, Mont., as the "Mike Mansfield Veterans' Hospital"; to the Committee on Veterans' Affairs.

By Mr. CRANSTON:

S. 700. A bill to amend the Act of October 13, 1949, relating to the conveyance of certain land to the city and county of San Francisco, Calif.; to the Committee on Armed Services.

By Mr. PELL:

S. 701. A bill to provide Federal financial assistance to educational institutions in order to assist such institutions to meet the emergency caused by the high costs of fuel and fuel shortages and harsh weather conditions, and for other purposes; to the Committee on Human Resources.

By Mr. HUDDLESTON:

S. 702. A bill to amend section 1114, title 18, United States Code, so that Federal mine safety inspectors will be protected by criminal statutes; to the Committee on Human Resources.

By Mr. PELL (for himself, Mr. GOLDWATER, and Mr. MATHIAS):

S. 703. A bill to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975, and for other purposes; to the Committee on Rules and Administration.

By Mr. HEINZ (for himself and Mr. BIDEN):

S. 704. A bill to offset the human and economic hardships created by critical shortages of energy supplies of unusually severe weather conditions; to the Committees on Human Resources; Banking, Housing and Urban Affairs; Small Business; and Government Affairs, jointly, by unanimous consent.

By Mr. JAVITS (for himself, Mr. KENNEDY, Mr. SCHWEIKER, Mr. WILLIAMS, Mr. BROOKE, Mr. BELLMON, Mr. PELL, Mr. STAFFORD, Mr. MATSUNAGA, Mr. CRANSTON, Mr. LAXALT, Mr. HUMPHREY, Mr. RANDOLPH, Mr. BAYH, Mr. INOUYE, Mr. HATHWAY, Mr. RIEGLE, Mr. ANDERSON, Mr. METZENBAUM, and Mr. HART):

S. 705. A bill to amend the Public Health Service Act to revise and strengthen the program under that Act for the regulation of clinical laboratories; to the Committee on Human Resources.

By Mr. LAXALT:

S. 706. A bill to amend the Congressional Budget Act of 1974 to limit increases in the levels of total budget outlays and total new budget authority set forth in concurrent resolutions on the budget, except during time of war; to the Committee on Governmental Affairs.

By Mr. JOHNSTON (for himself, Mr. BARTLETT, and Mr. BELLMON):

S. 707. A bill to amend the Mineral Leasing Act of 1920, and for other purposes; to the Committees on Commerce, Science, and Transportation and Energy and Natural Resources, jointly, by unanimous consent.

By Mr. CLARK (for himself, Mr. LEAHY, Mr. ABOUREZK, Mr. PEARSON, Mr. BAYH, Mr. BUMPERS, Mr. BURDICK, Mr. CHURCH, Mr. DECONCINI, Mr. MATHIAS, Mr. GRAVEL, Mr. HART, Mr. HASKELL, Mr. HATHAWAY, Mr. HEINZ, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. INOUYE, Mr. KENNEDY, Mr. MATSUNAGA, Mr. MCGOVERN, Mr. MCINTYRE, Mr. METCALF, Mr. RANDOLPH, Mr. RIEGLE, Mr. STAFFORD, and Mr. ZORINSKY):

S. 708. A bill to amend title XVIII of the Social Security Act to provide payment for rural health clinic services; to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 709. A bill to amend the Consumer Product Safety Act and to aid in the enforcement of Acts implemented by the Consumer Product Safety Commission; to the Committee on Commerce, Science, and Transportation.

By Mr. STEVENSON:

S. 710. A bill to amend the Export Administration Act of 1969; to the Committee on Banking, Housing and Urban Affairs.

S. 711. A bill to establish a Federal Bank Examination Council; to the Committee on Banking, Housing and Urban Affairs.

By Mr. STEVENSON (for himself, Mr. PERCY, Mr. EAGLETON, Mr. DANFORTH, Mr. HUMPHREY, Mr. ANDERSON, Mr. STENNIS, Mr. LONG, Mr. EASTLAND, and Mr. JOHNSTON):

S. 712. A bill to authorize the construction of a replacement lock and dam for Locks

and Dam 26, Mississippi River near Alton, Illinois and Missouri, and for other purposes; to the Committee on Environment and Public Works.

By Mr. STEVENSON:

S. 713. A bill to amend the Internal Revenue Code; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. GRIFFIN):

S. 714. A bill to amend the Clean Air Act to establish certain motor vehicle emission standards, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CASE:

S. 715. A bill to amend the Ports and Waterways Safety Act of 1972 and section 4417 a. of the Revised Statutes in order to further improve port and waterway safety; to the Committees on Commerce, Science, and Transportation.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 716. A bill to amend title 5 of the United States Code to prohibit the consideration of certain matters in the determination of cost-of-living allowances for employees stationed outside the continental United States; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BROOKE (for himself, Mr. SPARKMAN, Mr. TOWER, Mr. MCINTYRE, Mr. JAVITS, Mr. MATHIAS, Mr. LEAHY, Mr. HATFIELD, Mr. MCGOVERN, Mr. BUMPERS, Mr. ABOUREZK, Mr. GRAVEL, Mr. DECONCINI, Mr. ANDERSON, Mr. ALLEN, Mr. PEARSON, Mr. EAGLETON, Mr. HEINZ, and Mr. CASE):

S. 664. A bill to amend the National Housing Act to provide for the insurance of graduated payment mortgages, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

YOUNG FAMILIES' HOUSING ACT

Mr. BROOKE. Mr. President, I am introducing a bill today which is intended to expand homeownership opportunities for young families. Housing costs have continued to rise at an increasingly rapid rate over the past few years, and the proportion of American families who are able to afford a median-priced, new home has declined from 54.7 percent in 1970 to 39.6 percent in 1975—after income tax consideration. The decline over the same period in the proportion of families able to afford existing homes, while less, has also been substantial.

Those who have been most adversely affected by this "affordability problem" have been young families who are seeking to purchase a home for the first time. A just-released budget issue paper by the Congressional Budget Office observes that—

> The first-time home buyer is confronted by the full spectrum of cost increases—changes in sales price, interest rate, property tax, hazard insurance, maintenance and repairs, and heating and utilities.

The Congressional Budget Office study found that the cost of a median-priced new home for first-time homebuyers has on average risen almost twice as fast as their incomes, and that the cost of an existing home has risen 1½ times as fast as their incomes in the period 1970–75.

Potential home buyers must be able to meet substantial downpayment requirements. According to the Congressional Budget Office study, downpayments on median-priced new homes rose almost 1⅔ times as fast as annual income for the first-time home buyer, and more than 1¼ times as fast as income for existing homes.

There is an increasing proportion of families in the 25- to 34-year-old age group seeking to buy their first homes, and these families are finding that they are unable to buy the homes their older brothers and sisters bought just a few years ago. If the trends of the past few years continue, most of these families will be priced out of the homeownership market forever.

Last year, I worked with Dr. Kenneth Rosen of Princeton University to develop a proposal to assist these families in buying a home. I introduced the Young Families' Housing Act last July 22 and 3 days of hearings were held by the Subcommittee on Housing and Urban Affairs of the Banking Committee last August.

The bill I introduced last year established a new FHA-insured mortgage instrument, an "equity-adjusted mortgage," which would reduce monthly payments during the early years of a mortgage and increase those payments proportionately during the later years. The new mortgage instrument, which is similar to a graduated payment mortgage, was structured to take account of the fact that a young family's income and the value of its home is likely to rise over the life of the mortgage.

A second provision of the bill allowed the creation of a new type of tax-exempt savings account—an "individual housing account"—which would allow first-time home buyers to accumulate equity for the downpayment on a house. This savings account, which operates on a similar principle to the individual retirement account, would permit a potential home buyer to deposit up to $2,500 a year to a maximum of $10,000. This amount would be deductible from income for income tax purposes, and the interest income would be exempt from taxation.

Subsequent to our Housing Subcommittee hearings, President Ford announced last September that FHA would initiate an experimental mortgage program which was similar to the approach contained in the bill which I introduced last year. This graduated payment mortgage program will be conducted on an experimental basis by HUD during this year.

The graduated payment mortgage embraces the same principles as the equity-adjusted mortgage, and the mechanics of the instrument may be easier to understand.

The bill which I reintroduce today provides authority for FHA to make its experimental graduated payment mortgage program a permanent program. The second section of the bill, providing for individual housing accounts, remains substantially the same as last year's bill, with a new provision to recapture a portion of the taxes foregone. This would be accomplished by reducing the basis in the house at the time of sale by the amount of the downpayment which derived from our individual housing account.

Homeownership has been the principal way in which American families acquire equity and a stake in our society. If the majority of young families are deprived of the opportunity for homeownership, I believe that we will lose one of the most important stabilizing forces in our society. By enactment of the Young Families' Housing Act, we can restore the possibility of homeownership for these young families.

Mr. President, I feel very strongly that this bill is needed if today's first time homebuyers are to have the same chance that we had to buy a home. I intend to devote as much time and energy as is necessary to assure the passage of this bill, and I hope that my colleagues, including the 17 cosponsors, will work with me to reopen the opportunity for homeownership to our young families.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 664

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Young Families' Housing Act of 1977".

GRADUATED PAYMENT MORTGAGES

SEC. 2. (a) This section may be cited as the "Graduated Payment Mortgage Insurance Act".

(b)(1) The caption of section 245 of the National Housing Act is amended to read as follows:

"GRADUATED PAYMENT MORTGAGES".

(2) Section 245 of such Act is amended—

(A) by inserting "(a)" after "Sec. 245.";

(B) by striking out "on an experimental basis" in the first sentence;

(C) by striking out the second sentence and inserting in lieu thereof the following: "Notwithstanding any other provision of this title, the outstanding principal balance of a mortgage or loan insured pursuant to this section may not at any time exceed (1) 97 per centum of the appraised value of the property covered by the mortgage determined as of the date the mortgage is accepted for insurance, or (2) if the mortgagor is a veteran and the mortgage is to be insured in accordance with the provisions of section 203 of this title, such higher percentage of appraised value as is provided for purposes of determining the maximum mortgage amount eligible for insurance under section 203(b)(2) in the case of veterans."; and

(D) by adding at the end thereof the following:

"(b) To be eligible for insurance under this section, a mortgage or loan shall—

"(1) be executed by a mortgagor or borrower who shall have paid on account of the property at least 10 per centum of the Secretary's estimate of the cost of acquisition in cash or its equivalent;

"(2) have a maturity not to exceed 30 years; and

"(3) meet the requirements of section 203(b) of this title for insurance, except as such requirements are specifically modified by the provisions of this section.

"(c) Any mortgage or loan insured pursuant to this section which contains or sets forth any graduated mortgage provisions (including but not limited to provisions for adding deferred interest to prin-

cipal) which are approved under this section and applicable regulations, shall not be subject to any State constitution, statute, court decree, common law, or rule of public policy limiting the amount of interest which may be charged, taken, received or reserved, or the manner of calculating such interest (including but not limited to prohibitions against the charging of interest on interest), if such statute, court decree, common law, or rule would not apply to the mortgage or loan in the absence of such graduated payment mortgage provisions.".

INDIVIDUAL HOUSING ACCOUNTS

SEC. 3. (a) SHORT TITLE.—This section may be cited as the "Individual Housing Account Act".

(b) ALLOWANCE OF DEDUCTION.—

(1) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 221 as 222 and by inserting after section 220 the following new section:

"SEC. 221. INDIVIDUAL HOUSING ACCOUNTS.

"(a) DEDUCTION ALLOWED.—In the case of an individual, there is allowed as a deduction amounts paid in cash during the taxable year by such individual to an individual housing account.

"(b) LIMITATIONS.—

"(1) MAXIMUM ANNUAL DEDUCTION.—The amount allowable as a deduction under subsection (a) to an individual for any taxable year may not exceed $2,500. In the case of a married couple filing separate returns, the sum of the amounts allowable to each of them under subsection (a) for the taxable year may not exceed such amount.

"(2) MAXIMUM LIFETIME DEDUCTION.—The amount allowable as a deduction under subsection (a) to an individual for all taxable years may not exceed $10,000. In the case of a married individual, the $10,000 amount in the preceding sentence shall be reduced by an amount equal to the sum of the amounts allowed as deductions for all taxable years to his spouse.

"(c) DEFINITIONS AND SPECIAL RULES.—

"(1) INDIVIDUAL HOUSING ACCOUNT.—For purposes of this section, the term 'individual housing account' means a trust created or organized in the United States for the exclusive benefit of an individual, or in the case of a married individual, for the exclusive benefit of the individual and his spouse jointly, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted unless it is in cash, and contributions will not be accepted for the taxable year in excess of $2,500 on behalf of any individual or in excess of $10,000 on behalf of an individual for all taxable years.

"(B) The trustee is a bank (as defined in section 401(d)(1)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section.

"(C) No part of the trust funds will be invested in life insurance contracts.

"(D) The interest of an individual and the balance in his account is nonforfeitable.

"(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(F) The entire interest of an individual or married couple for whose benefit the trust is maintained will be distributed to him, or them, not later than 120 months after the date on which the first contribution is made to the trust.

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, any amount paid or distributed out of an individual housing account shall be included in gross income by the payee or distributee for the taxable year in which the payment or distribution is received, unless such amount is used exclusively in connection with the purchase of a principal residence for the payee or distributee. The basis of any person in such an account is zero.

"(2) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Paragraph (1) does not apply to the distribution of any contribution paid during a taxable year to an individual housing account to the extent that such contribution exceeds the amount allowable as a deduction under subsection (a) if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year.

"(B) no deduction is allowed under subsection (a) with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for the taxable year in which it is received.

"(3) TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.—The transfer of an individual's interest in an individual housing account to his former spouse under a divorce decree or under a written instrument incident to a divorce is not to be considered a taxable transfer made by such individual notwithstanding any other provision of this subtitle, and such interest, at the time of the transfer, is to be treated as an individual housing account of the spouse, and not of such individual. After the transfer, the account is to be treated, for purposes of this subtitle, as maintained for the benefit of the spouse.

"(e) TAX TREATMENT OF ACCOUNTS.—

"(1) EXEMPTION FROM TAX.—Any individual housing account is exempt from taxation under this subtitle unless such account has ceased to be an individual housing account by reason of paragraph (2) or (3). Notwithstanding the preceding sentence, any such account is subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations).

"(2) LOSS OF EXEMPTION OF ACCOUNT WHERE INDIVIDUAL ENGAGES IN PROHIBITED TRANSACTION.—

"(A) IN GENERAL.—If, during any taxable year of the individual for whose benefit an individual housing account is established, that individual engages in any transaction prohibited by section 4975 with respect to the account, the account ceases to be an individual housing account as of the first day of that taxable year. For purposes of this subparagraph the individual for whose benefit any account was established is treated as the creator of the account.

"(B) ACCOUNT TREATED AS DISTRIBUTING ALL ITS ASSETS.—In any case in which any account ceases to be an individual housing account by reason of subparagraph (A) on the first day of any taxable year, paragraph (1) of subsection (d) applies as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(3) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—If, during any taxable year, the individual for whose benefit an individual housing account is established uses the account or any portion thereof as security for a loan, the portion so used is treated as distributed to that individual.

"(f) ADDITIONAL TAX ON CERTAIN AMOUNTS INCLUDED IN GROSS INCOME.—

"(1) DISTRIBUTION NOT USED TO PURCHASE RESIDENCE.—If a distribution from an individual housing account to an individual for whose benefit such account was established is made, and not used in connection with the purchase of a principal residence for such individual, the tax liability of such individual under this chapter for the taxable year in which such distribution is received shall be increased by an amount equal to 10 percent of the amount of the distribution which is includable in his gross income for such taxable year.

"(2) DISQUALIFICATION CASES.—If an amount is includable in the gross income of an individual for a taxable year under subsection (c), his tax under this chapter for such taxable year shall be increased by an amount equal to 10 percent of such amount required to be included in his gross income.

"(3) DISABILITY CASES.—Paragraphs (1) and (2) do not apply if the payment or distribution is attributable to the taxpayer becoming disabled within the meaning of section 72(m)(7).

"(g) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

"(h) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 401(d)(1)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an individual housing account described in subsection (c). For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(i) REPORTS.—The trustee of an individual housing account shall make such reports regarding such account to the Secretary and to the individual for whom the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations.

"(j) REDUCTION OF BASIS.—The basis of any residence acquired with funds withdrawn from an individual housing account shall be reduced by an amount equal to the amount of expenditures made in connection with the acquisition of the residence out of such funds.".

(2) DEDUCTION ALLOWED IN ARRIVING AT ADJUSTED GROSS INCOME.—Paragraph (10) of section 62 of such Code (relating to retirement savings) is amended—

(A) by inserting "or housing" after "Retirement" in the caption of such paragraph, and

(B) by inserting before the period at the end thereof the following: "and the deduction allowed by section 221 (relating to deduction of certain payments to individual housing accounts)".

(c) TAX ON EXCESS CONTRIBUTIONS.—Section 4973 of such Code (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, certain individual retirement annuities, and certain retirement bonds) is amended—

(1) by inserting "INDIVIDUAL HOUSING ACCOUNTS," after "ACCOUNTS," in the caption of such section,

(2) by redesignating paragraphs (2) and (3) of subsection (a) as (3) and (4), and by inserting after paragraph (1) the following:

"(2) an individual housing account (within the meaning of section 221(c)),", and

(3) by adding at the end thereof the following new subsection:

"(d) EXCESS CONTRIBUTIONS TO INDIVIDUAL HOUSING ACCOUNTS.—For purposes of this section, in the case of an individual housing account, the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount allowable as a deduction under section 221(b)(1) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the individual housing account and a distribution to which section 221(d)(2) applies shall be treated as an amount not contributed.".

(d) TAX ON PROHIBITED TRANSACTIONS.—Section 4975 of such Code (relating to prohibited transactions) is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

"(4) SPECIAL RULE FOR INDIVIDUAL HOUSING ACCOUNTS.—An individual for whose benefit an individual housing account is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be an individual housing account by reason of the application of section 221(e)(2)(A) or if section 221(e)(4) applies to such account.", and

(2) by inserting "or an individual housing account described in section 221(c)" in subsection (c)(1) after "described in section 408(a)".

(e) FAILURE TO PROVIDE REPORTS ON INDIVIDUAL HOUSING ACCOUNTS.—Section 6693 of such Code (relating to failure to provide reports on individual retirement account or annuities) is amended—

(1) by inserting "OR INDIVIDUAL HOUSING ACCOUNTS" after "ANNUITIES" in the caption of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 221(i) to file a report regarding an individual housing account at the time and in the manner required by such section shall pay a penalty of $10 for each failure unless it is shown that such failure is due to reasonable cause.".

(f) ADJUSTMENT OF BASIS OF RESIDENCE PURCHASED THROUGH USE OF AMOUNTS IN ACCOUNT.—Section 1016(a) of such Code (relating to adjustments to basis) is amended by inserting after paragraph (20) the following new paragraph:

"(21) in the case of a residence the acquisition of which was made in whole or in part with funds from an individual housing account to the extent provided in section 221(j);".

(g) CLERICAL AMENDMENTS.—

(1) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 221 and inserting in lieu thereof the following:

"Sec. 221. Individual housing accounts.

"Sec. 222. Cross references.".

(2) The table of sections for chapter 43 of such Code is amended by striking out the item relating to section 4973 and inserting in lieu thereof the following:

"Sec. 4973. Tax on excess contributions to individual retirement accounts, individual housing accounts, certain 403(b) contracts, certain individual retirement annuities, and certain retirement bonds.".

(3) The table of sections for subchapter B of chapter 68 of such Code is amended by striking out the item relating to section 6693 and inserting in lieu thereof the following:

"Sec. 6693. Failure to provide reports on individual retirement accounts or annuities or on individual housing accounts.".

(h) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 1976.

By Mr. LAXALT:

S. 665. A bill to provide an opportunity to individuals to contribute $1, in connection with the payment of their Federal income tax, to the U.S. Olympic Fund, and for other purposes; to the Committee on Finance.

UNITED STATES OLYMPIC FUND ACT OF 1977

Mr. LAXALT. Mr. President, our country takes great pride in the ability and accomplishments of its Olympic athletes. We have enjoyed substantial success in the past Olympic competition and hope to continue to enjoy this success long into the future. However, to insure this continued success, we must provide adequate funding necessary for the promotion, administration, and maintenance of our Olympic teams.

In the past, there have not been adequate funds to provide necessary training facilities for the use of our athletes or for the expenses required for them to sustain themselves. Much of the cost of preparing for the games has thus fallen directly on the participants themselves. Not only must the athlete procure his own training facility, but he must also provide for much of his own transportation and living costs. These costs can be very substantial and surely have deterred many qualified athletes.

In order for us to continue our superb representation in the Olympic games, we must provide the funds that will insure that our best athletes are able to participate and that they will have access to adequate training facilities. For this reason, I am today introducing legislation to furnish a checkoff on each individual's tax return for purposes of establishing a "U.S. Olympic Fund." This fund will be used to finance athletes representing the United States in the winter and summer Olympics. Under my proposal, proceeds from the checkoff would be matched two for one by general revenues for a maximum contribution to the Olympic fund of $80 million annually.

For the taxpayer, the Olympic checkoff would function much like the existing Presidential campaign fund. When the taxpayer completes his income tax form there will be a box he can mark if he wishes to contribute $1 to the fund. If the taxpayer does not wish to participate, he simply marks the box which indicates a desire for nonparticipation.

Half of the funds supplied by the fund would be used to pay the transportation, living, and other expenses for the athletes and coaches from the time of selection until the conclusion of the games. The remaining half would be used to purchase necessary training facilities and equipment.

Mr. President, other nations heavily subsidize their Olympic programs. I am certainly not proposing either the lavish funding or the regimentation characteristic particularly of the Communist programs. But, I do believe that our athletes deserve a fair chance. Passage of this bill will upgrade the standards of our Olympic program and enable us to continue to be well represented in this important worldwide program. I urge my colleagues' support for this measure and ask unanimous consent that the text of this measure be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 665

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE.

This Act may be cited as the "United States Olympic Fund Act of 1977".

SEC. 2. DESIGNATION BY TAXPAYERS TO UNITED STATES OLYMPIC FUND.

(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1 of the Internal Revenue Code of 1954, such taxpayer may designate that either—

(1) $1 of any overpayment of such tax for such taxable year, or

(2) $1 of any contribution which the taxpayer forwards in money with such return,

be available to the United States Olympic Fund established by section 3 of this Act.

(b) JOINT RETURN.—In the case of a joint return of husband and wife, each spouse may designate that $1 be available to the fund under subsection (a).

(c) DESIGNATION ON FIRST PAGE OF RETURN.—Space shall be made available for the designations referred to in subsection (a) on the first page of the tax return forms for such tax.

(d) DESIGNATED OVERPAYMENT TREATED AS REFUND.—For purposes of the Internal Revenue Code of 1954, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the date prescribed for filing the return of such tax (disregarding any extension) or, if later, the date the return is filed.

(e) EFFECTIVE DATE.—This section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 3. UNITED STATES OLYMPIC FUND.

(a) ESTABLISHMENT OF FUND.—There is hereby established on the books of the Treasury of the United States a fund to be known as the "United States Olympic Fund" (hereinafter in this section referred to as the "fund").

(b) APPROPRIATIONS FOR AND DEPOSITS INTO FUND.—

(1) GENERAL RULE.—Except as provided in paragraph (2), there is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to twice the amounts designated during such fiscal year to be available to the fund under section 2 of this Act. Such amounts shall remain available to the fund without fiscal year limitation. The amounts appropriated by this subsection shall be transferred monthly to the fund by the Secretary of the Treasury.

(2) LIMITATION.—If, at the beginning of any fiscal year, the amount which has been paid into the fund since the close of the preceding summer Olympic games is in ex-

cess of $80,000,000, no amount shall be appropriated to the fund under paragraph (1) in excess of the amounts designated during such fiscal year to be available to the fund under section 2 of this Act.

(c) REPORTS TO CONGRESS.—The Committee shall submit to each House of the Congress a report at the end of each fiscal year concerning the use during such year of funds provided pursuant to this Act.

(d) EFFECTIVE DATE.—This section shall take effect January 1, 1978.

By Mr. STEVENS (for himself, Mr. DOMENICI, Mr. HATFIELD, and Mr. BURDICK):

S. 666. A bill to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians, and for other purposes; to the Committee on Governmental Affairs.

Mr. STEVENS. Mr. President, in 1934 Congress passed the Wheeler-Howard Act which reformed the administration of Indian affairs. This was no minor act for it made significant reforms which provided not only for the preferential hiring of Indian people into the Bureau of Indian Affairs, but also for preference for subsequent promotion within that organization. For reasons still not entirely clear—possibly because at the time the act was passed Indian people generally lacked the education and experience to move beyond the unskilled jobs for which they were initially hired—the Interior Department did not enforce the provisions of the legislation dealing with Indian promotion rights. With the passage of time, however, these important Indian rights faded into almost total obscurity.

During the same period, talented and highly motivated persons, not eligible for Indian preference, have been recruited into the Bureau of Indian Affairs and the Indian Health Service, which was split off from the BIA in 1954. These persons quite rightly assumed that they, as civil service employees in other agencies, would be able to develop their full career potential within each of these two principal organizations serving the needs of Indian people.

However, times have changed. Indians are no longer satisfied with the menial though necessary jobs which so long have been offered to them. In their restlessness to locate better employment for themselves, while at the same time gaining increasing control over Federal agencies which for so long have been staffed almost exclusively by non-Indian employees, Indian spokesmen have discovered their rights to promotional preference and claimed these as clear Indian rights under the law.

Opponents, dismayed by the implications of this section of the Wheeler-Howard Act, contested the matter in the courts where it consistently has been upheld in favor of the Indians. The most recent and final decision, Mancari against Morton, was upheld by the Supreme Court in an 8-to-0 decision on June 17, 1974.

Some non-Indians, who have found that their BIA and IHS careers have reached a dead end, have been able to take advantage of promotional opportunities outside the BIA and IHS and have continued their careers with a minimum of interruptions. However, for most others it is not so easy. Many BIA and IHS positions have no equivalents in other Federal agencies. This tends to be particularly true of those employees with the longest tenure occupying the higher grades, who have developed unique specialties. Consider, for example, the instance of a person who has worked his way up the career ladder to where he has become the head of a large specialized boarding school serving Navajo Indians.

Or the IHS engineer who has been promoted to a higher than average engineering position by virtue of his talent in organizing Indian communities to develop their own domestic water supply. Neither individual can be promoted to positions to which qualified Indians apply and neither can look forward to furthering their careers elsewhere, except in the most exceptional or fortuitous circumstances. Each can remain in his or her current position, frustrated and possibly undisturbed, until eligible to retire.

In the meantime, ambitious, highly motivated and qualified Indian people must wait in frustration for non-Indians to vacate these types of key jobs. This is not a happy situation for either group, nor one which creates a harmonious atmosphere in which to carry forth the national objective of increasing Indian self-determination through greater Indian control over these two important agencies.

To resolve this conflict, I am introducing this piece of legislation. It will achieve equity for the non-Indian employee by allowing him to retire earlier than normally would be the case. It will release these jobs which qualified Indians are anxious to fill.

This bill would provide increased retirement benefits only to those non-Indians who retire on or before December 31, 1989, after completing 25 years of service, or 20 years of service at age 50. Also, these employees must be employed by the Bureau of Indian Affairs or the Indian Health Service on the date of enactment of this act, and not entitled to annuity under other sections of the civil service retirement, or not entitled to a preference under section 12 of the 1934 Wheeler-Howard Act, or any other provision of the law granting a preference to Indians in promotions or other personnel action.

In order to encourage non-Indian employees to retire at the end of their normal service, the bill provides that an employee's annuity shall be based on 2.5 percent of his average pay for each of the first 25 years of service, or 20 years of service upon reaching age 50, and 2 percent of his average pay for each year thereafter. Thus, there would be little incentive for non-Indians to remain in the Bureau of Indian Affairs or Indian Health Service after his 25- or 20-year period. I feel that this bill will assist those long-term Federal employees now finding their careers at a virtual standstill because of the Indian preference decision.

In order that essential services to Indian people are maintained, my bill provides authority to the Secretaries of the Interior and Health, Education, and Welfare to postpone, for not more than 12 months, the retirement of an employee of their Department, if such postponement is found to be necessary.

During testimony on this bill in the last Congress, we heard administration witnesses concede that nonpreference employees of the Indian Service find themselves in a unique situation with regard to Federal service. For, so long as a qualified Indian applicant is available, these employees do not enjoy equal opportunity for career advancement. Thus, the law, or at least the Government's failure to properly interpret and enforce it for an extended period of time, has had a deleterious effect on these employees.

One of the primary purposes of this bill is to redress that effect. In addition, the bill will further the cause of Indian self-determination by encouraging non-Indians to retire early, thus releasing more middle and higher level positions for qualified Indian applicants.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8336 of title 5, United States Code, is amended by redesignating subsection (h) as subsection (i) and inserting the following new subsection:

"(h) An employee is entitled to an annuity if he (1) is separated from the service after completing 25 years of service before December 31, 1989, or after becoming 50 years of age and completing 20 years of service before December 31, 1989, (2) was employed in the Bureau of Indian Affairs or the Indian Health Service continuously from June 17, 1974, to the date of his separation, (3) is not otherwise entitled to full retirement benefits, (4) is not an Indian entitled to a preference under section 12 of the Act of June 18, 1934 (48 Stat. 986) or any other provision of law granting a preference to Indians in promotions and other personnel actions.

SEC. 2. Section 8339 of title 5, United States Code, is amended—

(1) by inserting in subsection (f), immediately after "subsections (a)–(e)", the following: "and (n)";

(2) by inserting in subsection (i), immediately after "subsections (a)–(h)", the following: "and (n)";

(3) by inserting in subsections (j) and (k)(1), immediately after "subsections (a)–(i)" each time it appears, the following: "and (n)";

(4) by inserting in subsection (l), immediately after "subsections (a)–(k)", the following: "and (n)";

(5) by inserting in subsection (n), immediately after "subsections (a)–(e)", the following: "and (n)"; and

(6) by adding at the end thereof the following:

"(n) The annuity of an employee retiring under section 8336(h) of this title is:

"(A) 2½ percent of his average pay multiplied by so much of his total service as does not exceed 20 years; plus

(B) 2 percent of his average pay multiplied by as much of his total service as exceeds 20 years.".

SEC. 3. (a) Section 8341 of title 5, United States Code, is amended—

(1) by inserting in subsection (b)(1), immediately after "section 8339(a)–(i)", the following: "and (n)"; and

(2) by striking out of subsection (d) "section 8339 (a)–(f) and (i)" and inserting in lieu thereof the following: "section 8339 (a)–(f) and (n)".

(b) Section 8344(a)(A) of such title is amended by striking out "and (i)" and inserting in lieu thereof "(i), and (n)".

SEC. 4. The Secretaries of Interior and Health, Education, and Welfare are each authorized to postpone, for not more than 12 months, the retirement of an employee of their Department under the provisions of this Act, if such postponement is found to be necessary for the provision of essential services to Indian people or to protect essential interests of the United States. Notwithstanding any other provision of this Act, an employee whose retirement is so postponed shall remain eligible for retirement under this Act.

SEC. 5. The amendments made by this Act shall take effect on and apply to employees retiring on or after the date of enactment of this Act.

Mr. DOMENICI. Mr. President, I am pleased to cosponsor legislation introduced today by the distinguished Senator from Alaska that would provide early retirement benefits for non-Indian employees of the Bureau of Indian Affairs and the Indian Health Service. These two groups of Federal employees are the most adversely affected by the national policy of Indian preference in the BIA and IHS that has received special emphasis in recent years. Many of these employees joined the BIA and IHS under entirely different conditions, and have compiled long careers of dedicated public service only to find their way to further promotion and advancement blocked by the policy of Indian preference. I believe that in fairness to these particular career civil servants, we must act now to provide relief from a problem that we have in part created.

I know that my fellow Senators are in agreement with the view that individual effort and achievement, by Indians or non-Indians alike, should be fairly and justly rewarded. However, many non-Indian BIA and IHS professionals are presently being treated in a manner inconsistent with this view, in order that another national policy, Indian preference, might be accommodated.

Various means of relieving this situation are at hand. Vigorous action within the executive branch to implement an effective out-placement program would be of considerable benefit to younger employees, and I urge the President to give prompt attention to this matter. For older employees, whose career investment in BIA and IHS is substantial, early retirement benefits, as incorporated in the legislation we are introducing today, would afford the most realistic and practical solution.

Finally, let me point out that this legislation is not new. A very similar bill passed both Houses of Congres late in the 94th Congress, but was vetoed by President Ford.

Mr. President, I believe that this problem deserves our prompt and serious attention, and I urge the support of my fellow Senators for this legislation.

By Mr. LAXALT (for himself and Mr. CANNON):

S. 667. A bill to declare certain federally owned land held in trust by the United States for the Te-Moak Bands of Western Shoshone Indians; to the Committee on Indian Affairs.

Mr. LAXALT. Mr. President, it has long been a goal of this Congress to provide each citizen the opportunity of a decent standard of living. We continue to strive toward achievement of this goal and have made much progress. Nevertheless, many areas continue to exist where much more work is needed.

In my home State of Nevada, an opportunity has arisen where the initial success of this goal hinges upon attainment of a land base. Today, the Wells Indian Community is attempting to establish a land base which is obviously necessary for the development of a viable community.

The Bureau of Land Management presently holds land in and around the Wells City limits which would enable the 75 members of the Wells Indian Community to begin their community development program. Of first priority is a housing program for the provision of decent homes and is to be followed by community and recreational facilities to enhance economic and community development for these people.

Mr. President, on behalf of my distinguished colleague from Nevada, Senator CANNON, and myself, I am today introducing legislation to declare that 80 acres be held in trust by the United States for the Te-Moak Bands of Western Shoshone, the parent council of the Wells Indian Community. Access to utilities and other services is readily available through the city of Wells. I believe, Mr. President, that particular recognition should be given to the fact that this proposal has been well-received and encouraged by the local, State, and Federal organizations involved.

Mr. President, I ask that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to all valid existing rights-of-way and easements, all right, title, and interest of the United States in and to the following described land, and improvements thereon, are hereby declared to be held by the United States in trust for the Te-Moak Bands of Western Shoshone Indians:

The north half of the southwest quarter of section 4, township 37 north, range 62 east, Mount Diablo base and meridian.

Mr. CANNON. Mr. President, I am joining today with my distinguished colleague, Mr. LAXALT, in submitting a bill to provide the Wells Indian community in Wells, Nev., with approximately 80 acres to be held in trust for their use.

This community numbers about 75 members. At present the group is ineligible for housing assistance and other benefits available to Indians living on land-based reservations or colonies. This proposal has been carefully studied by the city of Wells, the State of Nevada, and the intertribal council in Nevada and all are in agreement on the importance of this effort. Additionally, the Bureau of Land Management and the Bureau of Indian Affairs are supportive of the Indians. I do not anticipate any objections will be found and I hope the Senate will be able to take early action on the bill.

By Mr. LAXALT (for himself and Mr. CANNON):

S. 668. A bill granting the consent and approval of Congress to the California-Nevada Interstate Compact; to the Committee on the Judiciary.

CALIFORNIA-NEVADA INTERSTATE COMPACT

Mr. LAXALT. Mr. President, in 1968, after 13 years of negotiations, commissions representing the States of California and Nevada, agreed upon the terms of an interstate compact which would provide for the allocation of the waters of the Lake Tahoe Basin and the Truckee, Carson, and Walker River Basins to each of the two States. The principal objectives of the commissions were: First, to promote intergovernmental cooperation; second, to enhance economic development in the area; and third, to insure the most orderly, integrated, and comprehensive development, conservation, and control of the water contained within the lake and river basins.

After more than 12 years of negotiations, this commission came forth with a proposed bistate compact, which was subsequently amended and passed by the California Legislature in August of 1970, and by the Nevada Legislature in March of 1971. Although ratified by both legislatures, this compact must, under our Constitution, also be consented to by the Congress. Accordingly, on behalf of my distinguished colleague from Nevada, Senator CANNON, and myself, I submit this proposal for appropriate consideration.

The compact essentially recognizes existing uses and apportions to each of the States those waters not needed to meet existing uses. In the Lake Tahoe basin, each State was allocated a fixed amount of water to provide for existing uses as well as future uses. In the Truckee River basin, after the existing decreed rights of the Pyramid Lake Indians had been recognized, California was allocated a fixed quantity of water for existing uses plus the right to develop a given amount of water for future uses. The remainder of the Truckee River flow was allocated to Nevada for present and future uses. In the Carson-Walker River basins, each State was allocated an amount of water deemed sufficient to provide for existing uses. All water over and above that not needed to meet existing uses was distributed to each State on a percentage basis.

In ratifying the compact, the legisla tures of California and Nevada, added language designed to insure that that compact would not deny anyone rights to

use water, within the allocations granted by the compact, which they might establish under State or Federal law.

Mr. Roland D. Westergard, the State engineer for the Division of Water Resources, Department of Conservation and Natural Resources of the State of Nevada, has prepared a statement on the California-Nevada Interstate Compact which explains the need for the compact and summarizes its major provisions. Mr. President, at this point I ask unanimous consent that Mr. Westergard's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON CALIFORNIA-NEVADA INTERSTATE COMPACT

INTRODUCTION

The California-Nevada Interstate Compact was formulated to provide each of the States of California and Nevada their equitable share of the interstate waters of Lake Tahoe and the Truckee, Carson and Walker River Basins. The compact is intended to resolve many of the problems rising from each state's increasing use of a limited, common water supply. These problems, which finally resulted in the determination to negotiate an interstate compact, first came to public light in the late 1940's when the State Engineers of California and Nevada faced difficulties in the administration of water rights on the Truckee, Carson and Walker River Systems. The principal water using agencies in the lower basins were protesting all new water right applications on these streams which were not supported by long-term carryover storage. These agencies took the position that there was no unappropriated water available from natural flow in excess of their rights.

Need for compact

In 1947–48 an attempt was made to resolve this water right problem in the Lake Tahoe Basin. An investigation of the use of water in the Lake Tahoe watershed was made jointly by the two states in 1948, and results were reported in June 1949. The report concluded that granting applications then pending or those to be filed within the then foreseeable future for use within the Tahoe Basin for domestic purposes and recreational uses would have little effect, if any toward depleting Lake Tahoe to the detriment of downstream users. The report went on to recommend that as regards applications for appropriation of water for domestic and recreational use in the Lake Tahoe watershed, it should be the general policy to continue to grant such applications. Subsequently, the State Engineers of the two states issued permits for water for domestic purposes over the protests of downstream water user organizations.

During the early 1930's, the Lake Tahoe Interstate Water Conference Committee, created by the Governors of Nevada and California, was actively engaged in adjusting conflicting differences raised by the then proposed "Truckee River Agreement". The Federal Government proposed to execute this agreement with Nevada water users as a supplement to the 1915 Truckee River Decree. As a result of the Conference Committee's efforts, provisions were incorporated into the decree establishing a maximum permissible water level for Lake Tahoe of 6229.1 feet above sea level. This maximum stands today and provides protection against avoidable flooding for all the properties adjacent to the Lake. Many other conflicting differences considered by the Committee were not solved at that time. Some of these, such as desirability of a reduction in the fluctuations of the level between maximum and minimum permissible limits, still plague the Lake Tahoe Basin.

In the Carson River Basin, from 1941 through 1949, the California State Engineer provided watermaster service on the West Carson River. In 1950, the State watermaster was replaced by a Federal watermaster acting under a preliminary adjudication and temporary restraining order filed in the case of the *United States v. Alpine Land and Reservoir Company, et al.* This case, initiated in 1925, was being pushed after many years of inactivity, in order that the water rights of the Carson River System would be adjudicated prior to construction of the Washoe Project of the U.S. Bureau of Reclamation.

As to the Walker River Basin, about 1950 there had been changes in membership of the Board of Directors of the Walker River Irrigation District and the Board of U.S. Water Commissioners which administers Decree C–125 of the Federal District Court of Nevada. These Boards instituted a strict administration of the rights defined in the decree affecting the Walker River. The watermaster was required to adhere to the letter of the Decree, causing great distress among users under vested rights, especially users in California. At the same time, the Walker River Irrigation District instituted engineering studies of potential water projects on the Walker River for the benefit of the District lands in Nevada. These would utilize nearly all of the remaining unappropriated waters of this river. Again, this alarmed the Walker River water users in California.

As a result of all of these water conflicts the desirability of an interstate compact between California and Nevada was discussed by the two states. However, it was not until 1955 that legislation was obtained initiating compact negotiations. The legislation received further impetus at that time from the pending authorization of the Washoe Project, a Bureau of Reclamation Project to develop additional waters in the Lake Tahoe, Truckee River and Carson River Basins.

Establishment of commissions

Under similar legislation passed by the legislatures of California and Nevada in 1955, each state established a commission for the purpose of negotiating an interstate compact which would provide for the equitable distribution and use of the waters of Lake Tahoe and the Truckee, Carson and Walker River Basins.

Federal legislation was also passed authorizing these negotiations and providing for the appointment and participation of a federal representative.

Basis of negotiations

In general, provisions of the interstate compact, which were arrived at after nearly thirteen years of negotiations, reflect several basic principles. These can be summarized as follows:

1. Existing rights and beneficial uses are recognized as having the highest priority of use of available waters.

2. Waters not needed to satisfy these recognized existing rights and beneficial uses are to be divided in proportion to water needs of the two states.

3. Uses of water made under federal claims of right in each state are to be considered as benefitting the state in which the use is made and hence are to be charged against the allocation of that state.

Summary of major provisions of compact

Article IV—California-Nevada Interstate Compact Commission

Article IV establishes a permanent commission, provides for the selection of members and provides for the funding for the work of the commission. The ex officio chairman of the commission is a representative of the United States to be chosen by the President of the United States.

Article V—Lake Tahoe Basin

Upon construction and completion of an overflow weir at the source of the Truckee River above the existing structure at the outlet of the Lake, the total annual gross diversion from all sources in the Lake Tahoe Basin shall not exceed 34,000 acre-feet. The State of California is allocated 23,000 acre-feet annually and the State of Nevada is allocated 11,000 acre-feet annually for use within the Basin.

Existing transbasin diversions as of December 31, 1959, from the Lake Tahoe Basin in both states may be continued if such rights were recognized as vested rights under the laws of the state in which the diversion is made. The existing transbasin diversions recognized by the compact are: (1) In California, a diversion from Echo Lake, a tributary of the Upper Truckee River Basin, into the American River Basin in California averaging approximately 1,700 acre-feet per year. (2) A Nevada transbasin diversion is from North Creek (Third Creek), a tributary of Lake Tahoe, into Washoe Valley of 5.5 cubic feet of water per second. (3) A second Nevada transbasin diversion of a maximum of 3,000 acre-feet annually from Marlette Lake for use in Nevada.

These three transbasin diversions recognized by the Compact are historical uses and in existence on December 31, 1959. In Nevada the diversion from North Creek into Washoe Valley was determined by a District Court in Washoe County, Nevada, in 1892. The Marlette Lake diversion represents a part of the water system started in 1872 by the pred ecessors of the Virginia City Water Company to bring water from the Sierras to Virginia City to operate the ore reduction mills of the newly discovered silver bonanza.

Article VI—Truckee River Basin

The first allocation to Nevada is for water for use on the Pyramid Lake Indian Reservation in the amounts provided in the 1944 Truckee River Decree (Final decree in *United States vs. Orr Ditch Company, et. al.*, U. S. District Court for the District of Nevada, Equity No. A–3). This allocation recognizes the authority of the Federal Court Decree to serve an early priority (1859) of water to the Pyramid Lake Indian Reservation of some 30,000 acre-feet annually.

There is allocated to California: 1) The right to divert 10,000 acre-feet of water per calendar year within the Truckee River Basin in California. This water may be stored in reservoirs at times when the flow in the Truckee River at the Iceland gauge exceeds 500 cubic feet per second. This is the provision in the compact to allocate water from the Truckee River for use in California which was not a part of the Truckee River Decree of 1944. 2) The amount of water as decreed to the Sierra Valley Water Company by judgment in the case of the *United States vs. Sierra Valley Water Company* in the U. S. District Court for Northern California. The amount of water decreed to the Sierra Valley Water Company totaled 60 cubic feet per second for irrigation, domestic and stock-watering during the irrigation season of March 15 to September 30 of each year. 3) Six thousand acre-feet of water annually from the conservation yield of Stampede Reservoir having a storage capacity of 225,000 acre-feet. California may divert all or any portion of the said 6,000 acre-feet from Stampede Reservoir directly or by exchange from any source on the Truckee River or its tributaries or from Lake Tahoe. 4) When the 16,000 acre-feet allocated to California is being used or its total use is imminent, California will be permitted to develop additional yields of water for use in California,

either directly or by exchange if all existing beneficial uses in Nevada are recognized. Nevada may share in such additional yield by bearing a proportionate cost of the development. 5) The right to store in Prosser Creek Reservoir a maximum of 30,000 acre-feet of water annually. There is allocated to Nevada all water in excess of the allocations made to California.

Article VII—Carson River Basin

There is allocated to the State of California: 1) The right to divert from the West Fork Carson River for existing non-irrigation uses and for direct irrigation use commencing on March 15 and ending on October 31 of each year or presently irrigable lands determined to be approximately 5,600 acres, an aggregate flow of water equal to a thirty-day average of 3 cubic feet per second per 100 acres or 168 cubic feet per second for the area as a whole but not to exceed a maximum aggregate diversion of 185 cubic feet per second. One unique feature of the Compact is that it provides for the rotation of all or a portion of the flow of the West Fork between California and Nevada users if the flow falls below 175 cubic feet per second. 2) The right to divert from the East Fork Carson River for existing nonirrigation uses and for direct irrigation use commencing on March 15 and ending on October 31 of each year on presently irrigable lands, determined to be approximately 3,820 acres, an aggregate flow of water equal to a thirty-day average of 3 cubic feet per second or 115 cubic feet per second for the area as a whole. 3) The right to store 2,000 acre-feet of water per annum within Alpine County for supplemental use on presently irrigated lands adverse to Lahontan Reservoir.

There is allocated to the State of Nevada: 1) The right to divert water from the Carson River and its tributaries commencing March 15 and ending October 31 of each year at the rate of 3 cubic feet per second per 100 acres for use on presently irrigated lands above Lahontan Reservoir determined to be approximately 41,320 acres. The rate of 3 cubic feet per second per 100 acres is based on a thirty-day average for the area as a whole and shall not exceed 700 cubic feet per second on the East Fork Carson River, 300 cubic feet per second on the West Fork Carson River, and 220 cubic feet per second on the Main Carson below the confluence. 2) The right to divert or store water in Lahontan Reservoir for use on the Newlands Project subject to the diversion for existing irrigation use and to the right of each State to store waters upstream from Lahontan Reservoir.

Both states are allocated the right to store water in existing reservoirs upstream from Lahontan Reservoir to the extent of existing capacities. Present uses of water on National Forest Lands in the Toiyabe National Forest are confirmed and recognized by both states. Additional yields shall be available for development under the currently authorized Washoe Project in excess of existing beneficial uses in Nevada as recognized by Nevada Law. Such additional yields shall be allocated between the State with equal priority, 20 percent allocated to California and 80 percent to Nevada. Each state has the right to participate in any development project by bearing a proportionate cost of such development. In the event a joint development is not feasible or desirable, each state may develop separately its proportionate share of the remaining water. Waters of the Carson River are not to be used outside the Carson River Basin except by exchange of other allocated waters from the Lake Tahoe or the Truckee River Basins.

Article VIII—Walker River Basin

The provisions of the decree in the case of *United States vs. Walker River Irrigation District, et al.*, known as Decree C–125, are recognized and confirmed. 2) The right under Decree C–125 to store 85,000 acre-feet of water from the West Walker River in Topaz Reservoir is recognized and confirmed subject to certain exceptions. The first is that a maximum of 85,000 acre-feet of water less reservoir evaporation may be rediverted for use annually from November 1 through October 31 of the following year. The second is that the maximum rate of diversion to such reservoir is 1,000 cubic feet per second. And third, that water qualified for storage and allowed to pass through the reservoir and not rediverted in Nevada will be deemed to have been held in storage. 3) The right under Decree C–125 to store 57,000 acre-feet of water from the East Walker River in Bridgeport Reservoir is recognized and confirmed subject to certain exceptions. The first being that a maximum of 57,000 acre-feet of water less reservoir evaporation may be rediverted for use annually from November 1 to October 31 of the following year; and secondly, water may be stored upstream from the Bridgeport Reservoir without loss to the quantity allocated for storage in the Bridgeport Reservoir. 4) Each state is allocated an amount for existing diversions and uses of water from the Walker River upstream from the Weber Reservoir and not specifically covered in Decree C–125. The Commission after being established to administer the compact will ascertain the amounts and priorities of such uses.

In addition to the allocation to recognize and confirm the provisions of the Walker River Decree C–125, there is allocated to Nevada for use on the Walker River Indian Reservation a maximum of 13,000 acre-feet for storage in Weber Reservoir and a later rediversion to use and in addition 9,450 acre-feet per year, both allocations to have a priority of 1933. The season for diversion of water to storage shall be from November 1 to October 31 of the following year. The season for diversion of water directly for use shall be from March 1 to October 31 and at a maximum rate of 60 cubic feet per second.

California is allocated the right to divert water from the West Walker River at the time Topaz Reservoir is storing water, if such diversions have no net effect on the Topaz Reservoir storage for the season.

There is allocated to the State of California, 35 percent of unused waters or waters in excess of the amounts allocated or required to satisfy all rights and uses recognized and confirmed. There is allocated to the State of Nevada 65 percent of such unused water. The reregulation of storage waters allocated are not to be considered as the development of "unused water".

Separate development may be undertaken by either state for surface storage of unused water of the West Walker River so allocated. The State Engineer of Nevada and the California Department of Water Resources have been directed to prepare and present a joint report by July 1, 1969. This report is to include a review of all potential developments of unused water of the West Walker River with the benefits to be obtained from each such development.

Article X—Interbasin Transfers of Use

Article X provides that either state may, directly or by exchange, use the allocations of the Truckee River in the Lake Tahoe or Carson River Basin and the waters of the Carson River in the Lake Tahoe or Truckee River Basin. It further provides that Lake Tahoe may be used as a physical facility to accomplish such an exchange.

Article XIII—Fish, Wildlife, and Recreation

This article determines that the use of water for preservation, protection and enhancement of fish, wildlife, and recreation is recognized as a beneficial use.

Article XXI—Nonimpairment of Rights United States

Article XXI provides that, except as provided in Article XXII, the Compact cannot be construed as affecting the obligations of the United States to the Indians and Indian tribes or any right owned or held by or for Indians or Indian tribes subject to the jurisdiction of the United States. Nor shall it affect any rights or powers of the United States or its agencies in or to the waters of the Truckee, Carson or Walker River Basin or the Lake Tahoe Basins or the capacity of the United States to acquire rights in and to the use of those waters. Nor may it be construed as subjecting any property of the United States to taxation by either state. Nor may it be construed as subjecting any property of the United States to the laws of any state to an extent other than the extent to which such laws be applied in the absence of the Compact.

Article XXII—Ratification and Consent

Article XXII provides that the Compact shall be effective as it has been ratified by the legislators of Nevada and California and has been consented to by act of Congress of the United States and that Congress has provided in its consent legislation or by separate legislation that certain provisions of the Compact shall be binding upon the agencies, wards and instrumentalities of the United States.

Consideration of comments and suggestions

In 1965 a provisional draft of Compact was adopted by the two states. This was submitted to all interested agencies for comments and suggestions. Many federal agencies including Interior, Justice, Agriculture, and Commerce responded with comments and suggestions on how the Compact might be improved. Following the receipt of the comments of the federal agencies, California and Nevada spent two more years negotiating. The comments of the federal agencies were considered and utilized, and resulted in many changes in the proposed Compact. In some few instances the two states felt that the suggestions of the federal agencies could not be incorporated in the Compact.

In 1968, following the completion of the present Compact, the two states answered comments of the federal agencies to the 1965 draft. In many cases the suggestions had been adopted and in those instances in which they could not be used, the commission explained the reasons therefor.

Need for compliance by the United States

Those provisions which the two states believe the United States should agree to be bound are found in Article XXIII of the Compact and concern only the total amount of water allocated to each state.

It is of utmost importance for the governing agencies of the United States to understand that the United States is not bound to any particular use within either of the two states nor to any particular development of any future project within the states, but would only be bound with respect to the allocations of water between the two respective states. Consequently, for effective administration and effective allocation, the states of California and Nevada believe most strongly that it is necessary for the United States to consent to enter into a binding contract insofar as Article XXII of the Compact is concerned.

The United States owns or controls almost all the storage and diversion facilities on the Truckee and Carson Rivers and Lake Tahoe. Its failure to agree to the allocations provided in the Compact would nullify the force and effect of the substantive provisions of said Compact. As an example, the United States claims the rights to all water stored in Lake Tahoe between elevations 6223 and

6229.1, or approximately 720,000 acre-feet of water. The Compact provides for use within the Tahoe Basin of 34,000 feet allocated on the basis of approximately ⅔ to California and ⅓ to Nevada. Failure of the United States to agree to this use in each of the states would preclude the development of perhaps one of the greatest recreational resources in the country.

The area to which the compact applies is one which unfortunately cannot claim either a firm or sufficient supply of water for its potential domestic, industrial and recreational development. Thus, present uses are provided for in the Compact in terms of allocation of the water to the respective states with the hope that conservative use may allow some development for the future in these areas.

Should the United States refuse to agree to these allocations and refuse to consent to be bound by them, neither state can plan, develop or assume its individual obligation for what appears to be its future destiny. Certainly presently unused waters that are available and could be developed in the future would entail partnership of the United States as a party to the development. Each of the two states looks to the United States as a partner in such development rather than as a partisan. The waters in excess of present uses have been allocated as between the two states and if the United States as a partner in the development of any future project, which at present appears to be the only realistic approach, were not bound by the allocations of water, the agreements between the two states would be of no effect.

Mr. LAXALT. Mr. President, legislation providing for congressional consent to the compact was first introduced in 1971. Consent bills have been introduced in each Congress since that time. No action has been taken on any of these bills, however, principally because of opposition of Federal agencies to the compact. With the filing of a Federal suit in late 1973 against all of the water users of the Truckee River in Nevada, for the purpose of defining Federal water rights, these Federal agencies have been reluctant to indicate any position with respect to the compact. Personally, I find this distressing given the significance of the compact for our area. Mr. President, I urge that this measure be given consideration by the appropriate committee at the earliest opportunity.

By Mr. STEVENS (by request) (for Mr. GOLDWATER):

S. 669. A bill to help relieve the burden of high property taxes by allowing each homeowner a Federal income tax credit or rebate for property taxes paid for the support of public schools; to the Committee on Finance.

RESIDENTIAL PROPERTY TAX RELIEF ACT OF 1977

Mr. STEVENS. Mr. President, on behalf of the Senator from Arizona (Mr. GOLDWATER) and at his request, I introduce a bill entitled the "Residential Property Tax Relief Act of 1977."

I ask unanimous consent that a statement by Senator GOLDWATER, together with an attachment and the bill itself, be printed in the RECORD.

There being no objection, the material and bill were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GOLDWATER

THE RESIDENTIAL PROPERTY TAX RELIEF ACT OF 1977

As we in Congress begin our consideration of various proposals to stimulate the economy and restore the spending power of consumers, I can think of nothing that would be more welcome to the nation's forty million families who live in owner-occupied homes than relief from the cruel burden of constantly rising property taxes.

For that reason, I am today introducing legislation designed to reduce substantially the property tax of every homeowner in the nation.

My bill includes three major features which direct its benefits primarily to low- and average-income families.

First, the bill will reduce the burden of every homeowner who pays a school tax on his residence by granting him a federal income tax credit up to $150, in addition to the deduction now allowed for real estate taxes.

Second, it will allow elderly homeowners who pay more than 5% of their total income in local property taxes to obtain a federal rebate of those taxes up to $150, even if they pay no income tax.

Third, the bill will provide tax relief for the nation's 10.3 million mobile home dwellers on an equal basis with site-built homeowners.

The national tax credit or rebate is set at $150 because it conforms to the average benefit that States with property tax relief programs for certain groups of their citizens have adopted as reasonable.

The local or State property tax remains a major source of financing for public school education. It provides half of the funds spent annually on public school support, while only 10% comes from federal aid to education. According to the Advisory Commission on Inter-Governmental Relations, $14 billion of all residential property taxes is raised from the take on single-family homes. In addition, there is an estimated quarter billion dollars in State property taxes derived from single-family homes. Neither of these amounts include the tax on mobile homes, which I will discuss in a moment.

The property tax is so burdensome that Professor Richard Netzer has calculated that if the real estate tax were viewed as a sales tax imposed on the rental value of a home, it would have been equivalent to an average tax rate of 21% for 1970. In other words, the property tax, seen as a sales tax on rental value, falls much more heavily on housing than sales taxes do on other commodities in our economy.

I would emphasize that this tax is paid for by the typical American who is already hard pressed to meet the combined burden of federal, State, and local income, personal property, and sales taxes, not to mention utility taxes on electricity, gas, telephone service and other basic necessities of life which many persons must pay. This massive collection of taxes hits especially hard at retired persons. It is also felt severely by the vast majority of salaried workers who are unable to take advantage of tax breaks such as itemized business expenses.

We must reject the myth that property tax relief would benefit only the wealthy. To the contrary, homeowners as a class have average-or below-average incomes.

In its "Residential Finance Survey" for 1970, the U.S. Bureau of the Census reports that family income from all sources was below $15,000 in 74% of the country's 31 million one-family, owner-occupied homes. Forty-five percent of these families had incomes of less than $10,000 and 19 percent had family incomes under $5,000. The findings of this survey are substantiated by nearly idetical statistics included in an analysis by the Internal Revenue Service of 26 million federal income tax returns filed in 1970 which itemized real estate tax deductions.

The actual number of single-family households with moderate and low family incomes is substantially higher. My office has been informed by the Census Bureau that its survey did not encompass any of the nation's four million mobile homes. One of the major attractions encouraging the fast-growing number of mobile homes sales is the ability of modest income families to enjoy home-ownership without being well-to-do; and I am certain that if the incomes of the approximately 8 million people who then lived in mobile homes as their principal residence had been included with the data compiled by the Census Bureau in its 1970 property survey, the burden of the property tax would be seen to fall even more heavily on the poor and lower income families.

As great as the burden of the property tax is upon the typical family, it falls most severely upon the Nation's 6.3 million elderly homeowners. In fact, a tax study made by the staff of the Advisory Committee on Inter-Government Relations in late 1972 concluded that the burden on the elderly is "a national scandal."

Almost 2 million elderly families paid 17%, and in some regions of the country as high as 31%, of their total annual income in real estate taxes. The average elderly homeowner paid over 8% of his income in property taxes, compared with 3.4% of total income for the average American family.

At hearings on property tax relief held by the Senate Subcommittee on Inter-Governmental Relations in 1973, the American Association of Retired Persons presented testimony graphically describing the plight of the Nation's elderly homeowners. For example, letters were introduced into the record from citizen after citizen who complained that they are paying more now for taxes in their retirement than they were paying when they were working. There was a letter from one gentleman who wrote that he had lost his wife of 53 years. This resulted in a reduction in his social security. Yet, at the same time, his property tax was raised 200 percent.

Now, I know there is a movement afoot whereby governments would give loans on homes in order to pay property taxes, which loans become liens against the houses. But I want to state emphatically that this is a callous approach. For most people in the lower income brackets, their residence is their only capital purchase. It represents stability, security, safety and comfort. It is the only thing they really have in case of catastrophe.

Thus, I am totally opposed to allowing the property tax to become the "inheritance tax" on the poor, which is what the tax lien idea would do. It is my belief that governments should look at the total flow of cash income to a household, and if a family cannot pay their tax out of their cash flow, they should not have to liquidate or encumber their residential holding.

Therefore, I have provided in the bill I am introducing today a special rebate of tax payments to the elderly. By this provision, an elderly person or couple, age 62 or older, can file for a federal rebate of all local and State property taxes which exceed 5% of their total income up to a maximum of $150. This rebate would be paid by the federal government regardless of whether or not the elderly taxpayer owes any federal income tax. It is a true rebate directly tied to the homeowner's payment of a real estate tax and not to an individual's payment of income tax.

In addition, I have provided in the bill for recognition as first class citizens for the 10.3 million Americans who now live in mobile homes. Far too often, lawmakers and bureaucrats have overlooked the fact that a growing number of Americans live in mobile homes year around. These government officials fail to realize that one out of every two new single-family houses sold is a mobile, not a fixed site, home.

In all, at least 4.5 million mobile homes are currently used as the year around residences of Americans. There are 350,000 persons who live in 160,000 mobile homes in Arizona alone.

Accordingly, I have provided in the legislation that taxpayers who own mobile homes shall be given the very same tax credit or rebate as the one given to owners of site-built homes. Moreover, the bill insures that any mobile home tax which contributes to the support of public education will entitle them to the tax credit, whether the tax is labeled a personal property tax, a license fee, or whatever.

When the Supreme Court decided in 1973 to uphold the constitutionality of the property tax system of financing public schools, it virtually guaranteed that locally raised dollars will continue to pay a major share of school funds. Although challenges are still being made in a few State courts, it is clear that these cases will not abolish the property tax as a major source of school financing, but merely result in a different mix of Federal, State and local funds.

In conclusion, I fear that the residential property tax will continue to grow faster than the income of the average household. With the adoption by local governments of computerized and annual tax appraisals, the tax on one's home will eat up whatever equity a person may have gained by his purchase. In mny instances, retired persons will no longer be able to afford living in their own homes. Relief is urgently needed and needed now.

I ask that a statement by the Manufactured Housing Institute endorsing my bill be inserted in the RECORD. Following that statement, I ask that the text of the bill appear in the RECORD.

From Manufactured Housing Institute.

To the Honorable Barry Goldwater, U.S. Senate, 440 Old Senate Office Building, Washington, D.C.

DEAR SENATOR GOLDWATER: I appreciate your calling to our attention the introduction of your bill which proposes to grant tax relief for that portion of a homeowner's property tax which is directed to support public education. Though the Manufactured Housing Institute would not claim to speak on behalf of all of the ten million persons who live in mobile homes, we honestly believe that each mobile home resident would sincerely appreciate and support the recognition which your bill gives to our form of housing. In Section 2 (D), recognition is given to the fact that mobile homeowners are currently subject to many different-and sometimes unfair—forms of taxation such as real estate taxes, personal property taxes, excise taxes, ad valorem personal property taxes, license excise taxes, etc.

If the Congress does ultimately approve your proposal as the form of tax relief needed, we believe that it is essential that citizens living in mobile homes be treated on an equal basis as all other types of homeowners. The multiplicity of taxes to which mobile homeowners are frequently subjected is an especially crushing blow in light of the fact that the medium income of mobile home families (according to the 1970 census) is $6,690. And, when we consider that 31.6 percent of those living in mobile homes are 55 years old or older, we can begin to appreciate the dimensions of this burden. Mobile home living is an especially appropriate form of housing for lower and middle income individuals because of the economies which make it possible to produce a complete home in a factory and ship it to a home site for occupancy in many states and localities. But, often, the advantages to this economical life is more than offset by the crushing tax burdens imposed upon the residents.

Again, Senator Goldwater, we appreciate your astute understanding of this problem and wish to commend you for your proposal. If there is anything we can do to further document the need for tax relief on an equitable basis, please do not hesitate to call upon us.

Sincerely,

WALTER L. BENNING,
President.

S. 669

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Residential Property Tax Relief Act of 1977".

SEC. 2. (a) Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 42 as section 43, and by inserting after section 41 the following new section:

"SEC. 42. RESIDENTIAL PROPERTY TAXES PAID FOR SUPPORT OF PUBLIC EDUCATION.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the State and local residential property taxes paid or accrued during the taxable year which are imposed for the support of public elementary and secondary education, but only to the extent that such taxes do not exceed the lesser of—

"(1) $150 ($75, in the case of a married individual filing a separate return), or

"(2) except as provided in subsection (b), the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under the preceding sections of this part (other than sections 31 and 39).

"(b) CERTAIN INDIVDUALS WHO HAVE ATTAINED AGE 62.—In the case of an individual—

"(1) who has attained the age of 62 before the close of the taxable year, and

"(2) who has paid or accrued State and local residential property taxes during the taxable year which are imposed for the support of public elementary and secondary education in excess of 5 percent of his total income for the taxable year,

the limitation contained in subsection (a)(2) shall not apply to the extent of the amount of such excess, reduced by the amount (if any) of the credit allowable for the taxable year under subsection (a). For purposes of this subsection, the total income of an individual includes all items taken into account in determining support for purposes of section 152.

"(c) INCOME TAX BENEFITS NOT TO EXCEED AMOUNT OF RESIDENTIAL PROPERTY TAXES PAID FOR SUPPORT OF PUBLIC EDUCATION.—If the amount allowable (but for this subsection) as a credit under subsection (a) for any taxable year, when added to the amount by which the tax under this chapter for the taxable year is less by reason of the deduction allowed under section 164 for State and local residential property taxes for which credit otherwise allowable under subsection (a), exceeds the total amount of State and local residential property taxes paid or accrued during the taxable year which are imposed for the support of public elementary and secondary education, the amount allowable as a credit under subsection (a) shall be reduced by an amount equal to such excess.

"(d) STATE AND LOCAL RESIDENTIAL PROPERTY TAXES.—For purposes of this section, the term State and local property taxes' means—

"(1) State and local real property taxes (within the meaning of section 164) on property which is comprised primarily of one or more dwelling units, including mobile homes, and the land on which the dwelling unit or units are situated, and

"(2) State and local taxes (other than real property taxes) or license fees on mobile homes.

"(e) DETERMINATION OF AMOUNTS OF RESIDENTIAL PROPERTY TAX PAID FOR SUPPORT OF PUBLIC EDUCATION.—For purposes of subsection (a), the amount of any State or local residential property tax which is imposed for the support of public elementary and secondary education shall be—

"(1) with respect to any residential property tax imposed solely for such support, the amount of such tax; and

"(2) with respect to any residential property tax imposed in part for such support, the portion of such tax—

"(A) designated in the bill for such tax submitted to the taxpayer by the taxing jurisdiction imposing such tax; or

"(B) determination from information set forth in such bill or from information furnished to the taxpayer by such taxing jurisdiction,

as the amount of such tax which is imposed for the support of public elementary and secondary education.

"(f) SPECIAL RULES.—

"(1) TAXES CONSTRUCTIVELY PAID.—Under regulations prescribed by the Secretary or his delegate, the provisions of subsections (d), (e), and (f) of section 164 shall apply to real property taxes with respect to which credit is allowable under subsection (a).

"(2) TRUSTS.—No credit shall be allowed under subsection (a) to a trust.".

(b) The table of sections for such part IV is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Residential property taxes paid for support of public education.
"Sec. 43. Overpayments of tax."

SEC. 3. Section 6401(b) of the Internal Revenue Code of 1954 (relating to excessive credits treated as overpayments) is amended—

(1) by inserting ", 42 (relating to residential property taxes paid for support of public education)," before "667(b)", and

(2) by striking out "31 and 39" and inserting in lieu thereof "31, 39, and 42".

SEC. 4. The amendments made by this Act shall apply to taxable years beginning after December 31, 1976.

By Mr. GRIFFIN:

S. 670. A bill entitled the "Industrial Safety Encouragement Act of 1977"; to the Committee on Human Resources.

S. 670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(b)(4) of the Occupational and Health Act of 1970 is amended by adding at the end thereof the following new proviso:

"*Provided,* That in any case where an employer's failure to comply with any provision of this chapter or any standard promulgated thereunder or to comply with any state statutory, administrative or common law requirement relating to industrial safety causes or contributes to an accident resulting in bodily injury, no provision of any workers' compensation law or similar state statute shall be construed to bar an action or third-party complaint for contribution or indemnification or other relief in the nature thereof under an otherwise applicable statute or principles of common law against such employer by a person liable or alleged to be liable for such injury or to limit recovery in any such action; nor in any action by an employer for subrogation under a workers' compensation law or similar state statute shall the defendant be prevented from raising as a defense the employer's contributory fault where such fault involves failure to comply with the Occupational Safety and Health Act or any standard promulgated thereunder or failure to comply with any state authority,

administrative or common law requirement relating to industrial safety."

By Mr. BENTSEN:

S. 671. A bill to amend the Federal Aviation Act of 1958 to limit under certain circumstances the discretion of the Civil Aeronautics Board in determining the rate of compensation to be paid to an air carrier for the transportation of mail by aircraft; to the Committee on Commerce, Science, and Transportation.

REDETERMINATION OF AIRLINE MAIL RATE COMPENSATION

Mr. BENTSEN. Mr. President, today I am introducing legislation to remedy an inequity in the subsidy program under the Federal Aviation Act as it was administered and subsequently litigated for the year 1966. Because of a rather strange series of events, two airlines—Texas International and Ozark—were treated differently than nine other carriers under the subsidy program for that year.

Mr. President, since 1961 the CAB has given local service carriers subsidy payments for the transportation of mail pursuant to the Federal Aviation Act. The payments are provided on a monthly basis according to a formula based on profits and expenses. Such payments are subject to repayment by a carrier to the Government, if post-fiscal year audits of an airline's books show excess profits. Under this system, income taxes are considered an expense in determining whether or not the carrier had excess profits over the course of the year during which subsidy payments were made. The CAB audits for 1966 were completed in 1967 and showed no excess profits for the nine airlines involved and no paybacks were requested at that time.

Mr. President, things would have been fine if CAB had finalized all of its decisions regarding the 1966 subsidy at that point.

It did, in fact, close six of the cases; however, it failed to dispose of five others. The pending cases included—Texas International, Ozark, Air West, Allegheny, and Piedmont Airlines. The final resolution of four of the cases did not occur until 1970. The Piedmont case was not settled until 1974.

As we all too well remember, those 4 intervening years were recession years. During that period, the airline industry, in particular, suffered heavy losses. As most businesses facing similar circumstances will do, the airline companies carried back the losses on their income tax returns. After the airlines had done so, the CAB finally got around to completing its decisions on the 1966 subsidies issue for all but Piedmont. Rather than basing its ruling on the profits situation as it existed in 1967, the Board chose to recognize the amended tax figure. As a result, the carriers' tax liability, and thus its expense figure, declined causing an increase in its profits. The CAB declared the amended profits level to be excessive and demanded repayment of the subsidies which had been received during the year 1966.

Mr. President, with justification, the four carriers took the matter to court with each of the airlines filing in a different circuit. In two of the cases—those involving Texas International and Ozark—the court decided in favor of the CAB. In the other two—the Allegheny and Air West cases—the courts ruled with airlines. In the latter suits the court stated firmly that the regulatory process would be a shambles if members in the same class were differently treated in an arbitrary manner. Further, in the ninth circuit, the court described the situation as follows:

> Whether a carrier would be forced to return or allowed to keep hundreds of thousands of dollars would turn on fortuitous circumstances, including the order in which the CAB decided to process paper work and the dispatch with which it was processed. The facts of this case failed to demonstrate any reasonable justification for continued adherence to a procedure which did not treat all members of the class equally.

As the court points out, we have a situation in which the administration of justice was impeded by bureaucratic delays and an arbitrary administrative hand.

Given the difference of opinion among the circuits, one might have thought that the CAB would have appealed to the Supreme Court. However, the agency chose instead to allow Air West and Allegheny to keep their money.

Moreover, the CAB then proceeded to settle the *Piedmont* case consistent with the Air West and Allegheny rulings allowing the carrier to keep its subsidies.

Mr. President, what we have here is a 1966 subsidy program that treated nine airlines one way and two another way. We simply cannot ignore the inequity in such a lopsided result. This legislation is offered to correct this glaring inequity.

Mr. President, on occasion we have all come across Federal agency decisions with which we disagree, and I am leery of setting a precedent that opens all such administrative decisions to reversal through legislation. At the same time, however, some agency decisions are so overwhelmingly inequitable that action is clearly needed to insure justice. Faced with no alternative in this instance, I believe that congressional action is clearly warranted if justice is to be achieved.

By Mr. HUMPHREY (for himself, Mr. ROTH, Mr. METCALF, Mr. JAVITS, Mr. RIBICOFF, Mr. NUNN, Mr. MCGOVERN, Mr. MELCHER, Mr. PERCY, Mr. ANDERSON, Mr. DOLE, Mr. WEICKER, Mr. MCCLELLAN, Mr. MUSKIE, Mr. BAYH, and Mr. LUGAR):

S. 672. A bill to provide for the procurement by the General Services Administration of existing solar energy devices for use in Government buildings; to the Committee on Environment and Public Works.

SOLAR ENERGY GOVERNMENT BUILDING ACT

Mr. HUMPHREY. Mr. President, I send to the desk for appropriate reference a bill entitled the "Solar Energy Government Building Act," which I introduce today on behalf of myself and a number of cosponsors.

This bill, Mr. President, will require the Government of the United States to take the initiative in the experimentation and development of the use of solar energy upon Government buildings. This will afford a tremendous cost saving in our fuel bills, and, of course, a great deal of conservation of fossil fuel.

I have just left a conference with the Senator from Illinois (Mr. PERCY), and we launched today what is known as the Alliance to Save Energy. We will discuss that in greater detail at another time, but it represents a cross section of people throughout this Nation: different economic groups, producers, distributors, consumers, developers, environmentalists, labor, capital, management—with the honorary chairmen being the former President of the United States, Mr. Ford, and the Vice President of the United States, Mr. MONDALE.

This piece of legislation, Mr. President, will, I believe, be of immense help in our battle for alternative sources of fuel and energy, and at the same time will be directed toward the very commendable effort on conservation.

Mr. President, the Solar Energy Government Building Act, which I am introducing today, can constitute a milestone in energy development. It is the first bill designed to take a new energy technology to the point where it becomes cost-competitive with conventional energy sources.

My colleagues here are very aware of my intense interest in the rapid utilization of solar energy. This interest is rooted in two strong beliefs: that solar technology can be quickly and relatively cheaply developed; and that solar energy is preferable to environmentally harmful fossil and nuclear energy.

My belief that solar technology could rapidly mature has been sorely tested. I have been disappointed, for example, with the "go-slow" approach to the development of solar energy that has characterized the efforts of the Energy Research and Development Administration.

As you know, Mr. President, Congress has literally had to force an acceleration of solar energy research and development on ERDA. Despite this footdragging, however, we are starting to see good returns from our solar program—returns which confirm that rapid progress can occur in solar energy technology.

For example, the Oil Daily recently headlined a story that solar space heating for homes and offices has now become competitive with electric heat; and in 4 years, it should become cheaper than oil or gas heating, as well. In fact, the story indicates that solar space heating is recovered by homeowners in only one-half the usual 30-year period for home mortgages themselves.

Even more encouraging are some recent developments in the field of photovoltaics.

First are the results of a series of studies performed under contract for the Energy Research and Development Administration—ERDA—by Motorola, RCA, and Texas Instruments. These studies were funded specifically to examine the potential for automation to reduce the current high cost of photovoltaic sys-

tems. The independent conclusion of these three ERDA studies is that existing production technologies have a marked cost reduction potential. The potential is such that photovoltaic costs will become competitive with conventional power sources via automation by the mid-1980's. According to the ERDA contractors, evolutionary development of the photovoltaic industry, and not technological breakthroughs, is the key to future cost competitiveness.

Two additional developments suggest that cost competitiveness can possibly occur even sooner than the mid-1890's.

The first of these is contained in the conclusions of a just completed report for the Federal Energy Administration—FEA—by Spectrolab of California. The report focuses on pure silicon photovoltaic cells. Such cells are used worldwide today for the direct conversion of solar radiation to DC current. The cost is high—roughly $14 per watt of electricity versus $1 per watt currently for nuclear powerplant capacity. But the high cost is due to the labor-intensive, piecemeal production techniques used for the cells and silicon material—used because photovoltaic sales are insufficient to warrant automation of production facilities.

In a true sense, the stage of photovoltaic production technology today is identical to the auto in 1910, the vacuum tube in 1925 or the transistor in 1950. Expensive, but needing only automation to slash costs by a factor of 10 or more.

The FEA study by Spectrolab makes that identical point. The study concludes that production line automation—an assembly line manufacturing only 3.373 megawatts annually, in this case—would reduce photovoltaic cell costs to $1.22 per watt. Adding power systems, storage and encapsulation would raise prices to some $2 per watt.

That is a price only double present nuclear powerplant capital costs. It is a price achieved through the simple application of automated technology—and not much application at that, when we recall by comparison that new powerplants average over 1,000 megawatts capacity. It is a price achieved without the use of inexpensive concentrator systems capable of slashing photovoltaic cell material requirements by a factor of 50 or 100. And, it is a price based on the use of pure silicon photovoltaic cells—far more expensive than impure silicon and other materialls now under evaluation as photovoltaic cell material.

The major criticism of photovoltaics has been that the high cost of pure single crystal silicon prevents them from becoming cost competitive. The FEA study focused on that criticism. However, recent developments in 1976 may render that controversy moot. Two companies, AEG Telefunken of West Germany, and the Solarex Corp. of Rockville, Md., announced that they independently had developed photovoltaic cells using impure semicrystalline silicon.

This development alone should lead to a cost reduction by a factor of 30 in the price of silicon, and thus to a substantial reduction in the cost of photovoltaic systems as well.

Solar energy is, indeed, far closer to economic reality than some of my colleagues, Mr. President, and their constituents realize. What is needed is one major push—a push to insure the rapid commercialization of the most advanced solar technologies; and these are space and water heating, plus photovoltaic electricity generation.

The "Solar Energy Government Building Act" will give solar energy that final push. It has two titles which I will review now:

TITLE I: SOLAR HEATING AND HOT WATER

This title mandates installation of solar space heating and hot water systems in 15,000 GSA or DOD buildings over the coming 6 fiscal years. The purpose: to move these solar technologies from a cottage industry to a mature industry, complete with a nationwide cadre of skilled craftsmen experienced in their application and installation.

This title closely follows recommendations recently presented to the FEA by the Mitre Corp., a well-known consulting firm, in a report entitled, "Solar Energy Government Buildings Program—Policy and Implementation Plan."

This report projects a total Federal outlay for this program of some $598 million. But the actual Federal revenue impact is far smaller, because Federal fuel bills will be reduced by $568 million over the subsequent 20 years. Our oil payments abroad will be cut by some $500 million annually, as well.

This program will not give us something for nothing—but it is as close as any Government program can be to that intriguing situation.

As you, Mr. President, and my colleagues know well, the Congress established a solar heating and cooling demonstration program 2 years ago. The program has been expensive and limited in scope. In fact, only some 250 projects have been funded thus far. But it has achieved its purpose of stimulating the development of a variety of solar space conditioning systems.

It is time to build on this technical infrastructure and the Solar Energy Government Building Act does just that.

TITLE II: FEDERAL PHOTOVOLTAIC

This title, too, is designed to benefit from very recent research findings—the aforementioned FEA-Spectrolab study and a new U.S. Army report.

This title mandates the installation of some 50 megawatts electrical over each of the succeeding 5 fiscal years of photovoltaic electric systems. The purpose: to enable the application to occur of automated production techniques necessary to bring photovoltaic costs down to a competitive level.

To repeat my earlier point, the cost of photovoltaic cells, like transistors for example, are markedly affected by production economies of scale. Government purchases pursuant to this title, under the direction of GSA and DOD, of 50 megawatts electrical annually will enable photovoltaic manufacturers to attain such economies. While not large, a market of this size—mainly for radar and other remote-site uses—is sufficient, according to the FEA-Spectrolab study and other sources, to justify the automation of photovoltaic production lines. And such automation will yield photovoltaic cells, including storage and power systems, in the range of $2 per watt.

Can 50 megawatts electrical of photovoltaic cells at a price of $2 per watt be fruitfully utilized by GSA and DOD? Yes. In fact, a new U.S. Army report to the FEA contends that as much as 100 megawatts electrical annually of such cells could be used just by DOD at a price of $2 per watt and higher. The study is entitled "DOD Photovoltaic Energy Conversion Systems—Market Inventory and Analysis." It indicates that sizable Federal fund savings and improved DOD system reliability will flow from the replacement of remote electric generators with photovoltaic systems. For that reason, no funds are provided for photovoltaic purchases in this title beyond $100 million for the acquisitions during the first fiscal year—1978.

In summary, this act will move solar heating, hot water, and electricity generation into the mainstream—will establish them as economically and technologically viable. It will give our Nation—and indeed the world—a realistic solar option for the first time.

I ask unanimous consent, Mr. President, that the text of the Solar Energy Government Building Act, two articles from the Oil Daily, entitled, "$800 Million Solar Market by 1985?", December 24, 1976, and "Solar Heat Could Become Competitive in 4 Years," January 6, 1977, and an article from the Christian Science Monitor entitled, "Washington Chided on Energy," February 3, 1977, be included at this point in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Solar Energy Government Building Act".

SOLAR ENERGY GOVERNMENT BUILDING PROGRAM

SEC. 2. There is hereby established a solar energy Government building program (hereinafter referred to in this Act as the "program"), which shall be a five year plan program of accelerated procurement and installation of solar systems for hot water, space heating, and electricity production in new and existing Federal buildings, using technologically and technically approved and proved equipment and which shall be composed of the solar hot water and space heating program established pursuant to title I of this Act and the Federal photovoltaic utilization program established pursuant to title II of this Act.

PURPOSES

SEC. 3. The program shall accomplish the following—

(1) accelerate the growth of a commercially viable solar heating industry in order to make solar heating available to the general public as an option which can reduce national consumption of fossil fuel by one

hundred and fifty thousand barrels of crude oil per day;

(2) conserve fossil fuel costs of the Federal Government;

(3) stimulate the general use within the Federal Establishment of life-cycle costing and innovative procurement methods; and

(4) develop program performance data to support policy decisions on future incentive programs with respect to energy.

TITLE I—SOLAR HOT WATER AND SPACE HEATING PROGRAM FOR FEDERAL BUILDINGS

SEC. 101. The Administrator of General Services (hereinafter in this Act referred to as the "Administrator") shall establish a solar hot water and space heating program (hereinafter referred to in this title as the "program"). The program shall be designed to place a solar hot water device and a solar space heating device and appropriate storage systems in fifteen hundred federally owned buildings within six fiscal years following the date of enactment of this Act.

DUTIES

SEC. 102. (a) The Administrator, within one hundred and eighty days of the date of enactment of this Act, and annually thereafter for the immediately subsequent and consecutive five years, shall conduct a survey of Federal buildings to determine the three thousand new and existing structures not previously surveyed which are most suitable for installation of solar hot water and space heating devices within the immediately subsequent and consecutive twelve months. Such structures shall be geographically distributed evenly within the United States so as to stimulate the development of a broad solar energy installation capability throughout the United States.

(b) In determining the most suitable Federal structures for the installation of solar hot water and space heating devices, the Administrator shall use life-cycle costing techniques and endeavor to minimize costs in the selection of Federal structures for installation of solar systems.

(c) Not later than ninety days after the date of enactment of this Act, the Administrator shall determine such performance standards as may be necessary for the development and implementation of standards for solar hot water and space heating applications in Federal structures for the purposes of carrying out the provisions of this title.

GUIDELINES

SEC. 103. (a) The Administrator, with assistance from the Secretary of Housing and Urban Development, the Administrator of the Energy Research and Development Administration, and the Administrator of the Federal Energy Administration, shall establish guidelines for the procurement and installation of solar hot water and space heating devices pursuant to this title.

(b) The Administrator shall promulgate such guidelines as may be necessary for the development of life-cycle costing methodologies required by section 102(b).

PROGRAM MONITOR

SEC. 104. The Administrator shall continually monitor for progress of the Program to assess whether such program should be continued at its initial scale or at an expanded or contracted scale.

REPORT

SEC. 105. The Administrator shall annually report to Congress on the status of the Program, including recommendations for future funding levels necessary to fully implement the target set forth in section 101.

DEPARTMENT OF DEFENSE

SEC. 106. The Secretary of Defense shall ensure that the Federal structures selected for participation in the program which are occupied by personnel of the Department of Defense or which serve a defense-related function will continue to perform any defense-related activities without interference or interruption.

TRAINING

SEC. 107. The Administrator shall determine whether a central training program should be established for the purpose of acquainting appropriate Federal procurement personnel and facility administrators with the most advanced means to utilize solar energy devices and energy conservation practices in the operation and maintenance of Federal structures.

ADVISORY COMMITTEE

SEC. 108. There is hereby established an Advisory Committee on the Solar Energy Government Building Program to assist the Administrator in the establishment and conduct of the program. Such Committee shall be composed of the Secretary of Defense, the Secretary of Housing and Urban Development, the Administrator of the National Aeronautics and Space Administration, the Administrator of the Energy Research and Development Administration, the Administrator of the Federal Energy Administration, and the Postmaster General.

AUTHORIZATION

SEC. 109. There is authorized to be appropriated the sum of $100,000,000, for the purposes of this title, for each of the fiscal years 1978, 1979, 1980, 1981, 1982, and 1983.

TITLE II—FEDERAL PHOTOVOLTAIC UTILIZATION PROGRAM

PROGRAM ESTABLISHMENT

SEC. 201. There is hereby established a Federal Photovoltaic Utilization Program (hereinafter in this title referred to as the "program") for the annual acquisition and use of photovoltaic solar electric systems and associated storage capability, primarily for use by the Department of Defense. Each such acquisition shall include photovoltaic electrical systems capable of producing up to 50 megawatts of electrical energy and shall occur annually. The program established pursuant to this title shall be conducted for a minimum of five years which may be extended by appropriate legislation at the request of the Secretary of Defense.

ADMINISTRATION

SEC. 202. The Administrator with assistance from the Secretary of Defense (hereinafter referred to in this title as the "Secretary") shall administer the program and shall—

(1) insure that the installation of photovoltaic electric systems pursuant to this title shall not interfere with defense-related activities;

(2) prescribe such rules and regulations as may be appropriate to monitor and assess the performance and operation of photovoltaic electric systems installed pursuant to this title; and

(3) report annually to Congress on the status of the program.

PROGRAM FUNDING FORMULA

SEC. 203. (a) The Administrator of the Energy Research and Development Administration shall establish, within 60 days following the date of enactment of this Act, a photovoltaic system evaluation and purchase program to provide such systems as are required by the Secretary to carry out the intent of this title. In acquiring photovoltaic systems pursuant to this title, the Energy Research and Development Administrator shall—

(1) insure that such systems reflect the most advanced technology; and

(2) schedule purchases in a manner which will stimulate the development of a permanent low-cost private photovoltaic production capability in the United States.

(b) The Administrator shall provide all photovoltaic systems for the program established pursuant to this title at a cost equal to their purchase price or at $2 per peak watt array cost of installed capacity at each facility selected to participate in the program, whichever is less.

AUTHORIZATION

SEC. 204. To undertake application-design and engineering activities pursuant to the program established by this title, there are authorized to be appropriated $25,000,000, for each of the fiscal years 1978, 1979, 1980, 1981, and 1982, to the Administrator and $100,000,000 for photovoltaic system acquisition in fiscal year 1978 to the Administrator.

[From the Oil Daily, Dec. 24, 1976]

$800 MILLION SOLAR MARKET BY 1985?

CAMBRIDGE, MASS.—With solar hot water and heating systems now being developed for mass production, Arthur D. Little Inc., projects an annual U.S. market ranging from $800 million to $1.6 billion by 1985. This will be, at a minimum, a twenty-fold increase over the $40–50 million solar market Arthur D. Little is estimating for 1976.

These findings were developed during the just-completed second phase of the Cambridge-based consulting firm's international project to assess business opportunities for solar climate control. Sponsored cooperatively by 50 manufacturers, utilities, energy companies, and venture capital groups from 10 countries, the project's second phase evaluated specific technologies and markets in America, Japan, and Europe. Project sponsors, who have spearheaded the growth of the solar climate control industry, have active industrial interests in the United States, Canada, Japan, France, Germany, Belgium, Denmark, Italy, Spain and Algeria.

According to Arthur D. Little, Inc., market growth over the next nine years will be accelerated by such factors as escalating energy costs, the success of demonstration projects, increasing industrial commitment, and appropriate government incentives. Dr. Peter E. Glaser, Arthur D. Little vice president and director of the solar climate control project, is positive about industry progress to date. "Solar energy systems are becoming a recognized factor in the construction industry. They are no longer just the province of the gadgeteer or the environmental enthusiast."

"Solar climate control fits in with environmental and energy conservation efforts, but its economics in most areas are not yet competitive with other energy sources," Dr. Glaser states. "The current residential market is comprised of home owners with discretionary incomes, motivated either by idealism or the trend-setting desire to be 'first on their block' with a solar collector.

"However, each increase in the price of fuels will further enhance solar climate control as an economically attractive energy alternative, bringing it within reach of the consumer."

The Government's commitment to solar energy demonstration programs, legislation providing energy conservation incentives to home owners and the more than 300 new corporate and utility solar installations have heightened consumer and builder awareness of solar climate control. Moreover, in addition to the many small solar companies entering the market, Dr. Glaser reports that several large corporations are producing solar devices on a limited scale in preparation for major production commitments.

According to Martin M. Glesk, the solar project's marketing consultant, "The proposed federal government tax credit would assume up to 40% of the cost of a new solar system. This legislation, if passed, will give industry decision-makers the push they need to launch serious marketing efforts. Standardization of solar energy technology,

through the efforts of various government agencies and industry associations such as the American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) and the American Society for Testing Materials (ASTM), will also have a positive impact."

Arthur D. Little expects solar water heaters for single family residences will dominate the early market. Initial costs for solar heaters designed to provide 40–70% of hot water requirements will range from $1,000–1,500. Due to the continual need for hot water year-round, life cycle costs will be attractive with payback periods of less than 10 years. Within three to five years solar water heaters could be offered by mass merchandisers.

Solar water heaters are smaller and less complicated than solar space heating systems, making them particularly suited to installation in existing buildings. The more than 70 million existing housing units in the United States represent a large retrofit market opportunity.

According to Arthur D. Little, solar hot water systems combined with space heating capability will also gain market acceptance in the near term.

In southern climates, these combined systems will handle a substantial portion of total heating requirements, but in the Northeast, they may account for only about 25 percent of the combined hot water and space heating load. Although larger systems could provide greater energy savings during the cold northeastern winter their size would not be effectively utilized during the summer months, and it would take longer to amortize their cost.

James C. Burke, technical director of the Arthur D. Little solar project, does not expect direct solar cooling using heat-actuated equipment to be cost-competitive with conventional vapor compression air conditioning equipment in the near term.

"Before solar cooling becomes economically attractive," Burke states, "conventional energy costs will have to be considerably higher, and improvements must be made in the costs and performance of solar equipment."

While solar heating technology is relatively simple in concept and application, and its economics are improving, the widespread acceptance of solar heating systems by the multifaceted construction industry will be less straightforward, Arthur D. Little reports. A consensus must be reached among the diverse groups influencing the decisions to use solar systems.

Home owners, architects, engineers, developers, builders, financial institutions, zoning and code officials all have special requirements which must be met. These groups will be looking to the solar industry for reliable cost effective, and durable solar systems which are architecturally acceptable and can be efficiently integrated into building construction.

[From Oil Daily, Jan. 6, 1977]

SOLAR HEAT COULD BECOME COMPETITIVE IN 4 YEARS

WASHINGTON.—Solar heating of new homes may be economically competitive with oil and gas heating within four years, according to a study by the Energy Research and Development Administration.

The study, released yesterday, also said solar heating is already economically competitive with electric heating in new homes. Within 15 years, the report notes, solar heating might pay for itself through lower fuel costs in new homes.

The ERDA projections, however, are based on the assumption that fuel costs will increase only 10% a year for the indefinite future. They also do not reflect the potential higher rates that consumers might have to pay for standby heating on cloudy days, ERDA officials said.

The study assumes the sun will provide up to 60 or 70% of the heat and hot water for any new home where solar equipment is installed, according to Dr. Henry Marvin, director of ERDA's Solar Energy Division. The homes would need a cloudy day backup system, he noted.

Marvin said the current average cost for solar heating ranges from $4,000 to $12,000 based on a solar collector cost of $20 per square foot. ERDA's goal, he said, is to cut this by 50% by 1980.

Marvin said, "At that price, solar heating could be competitive with all fuels, including natural gas, in most regions of this country."

Solar heating is competitive with electricity at present costs in Atlanta, Bismark, N.D., Boston, Charleston, S.C., Columbia, Mo., Dallas, Grand Junction, Colo., Los Angeles, Madison, Wis., Miami, New York and Washington, according to the study.

[From the Christian Science Monitor, Feb. 3, 1977]

WASHINGTON CHIDED ON ENERGY

(By Louise Sweeney)

WASHINGTON.—The federal government should be leading the country by using solar energy in its own departments, says a congressional chairman who scores five federal departments for their "passivity" on the issue.

"The federal government should take a more active role in leading the country in the way it should go," Rep. Leo J. Ryan (D) of California said at a hearing of the House subcommittee on conservation, energy, and natural resources.

"The impression I get from these hearings is one of a kind of passivity in the face of the extreme cold weather" and current energy crisis, said Mr. Ryan, new committee chairman.

Turning to a spokesman for the General Services Administration (GSA), which oversees construction and maintenance of federal buildings, Mr. Ryan scolded:

"You're landlord for the whole country for the federal government, what are you putting on your roofs [for solar energy], what's going to be going through your pipes?"

Mr. Ryan indicated that the GSA building of one solar energy experiment in Manchester, N.H., was not enough, and suggested that GSA actively investigate solar energy even as a partial energy source in its buildings "like the new HEW [Health, Education, and Welfare] building down the hill—why aren't there any solar energy panels on the roof?"

Jerry J. Fitts, a spokesman for the Department of Housing and Urban Development, noted HUD has so far been involved in 150 solar heating and cooling or hot water projects for 1,500 dwelling units in 41 states and that an additional $4 to $5 million in grants will be awarded by mid-May.

"Australia and Israel are light years ahead of us," he added. His committee is going to act as "a spur or a goad" to get such movement under way. Mr. Ryan added, explaining it would hold hearings twice a year to find out what the various agencies had specifically done in this area.

A spokesman for the Energy Research and Development Administration, Dr. Robert Hirsch, testified about the Mitre Corporation study for ERDA which made headlines recently with its statement that solar heating is economically competitive with electric baseboard heating in 12 U.S. cities. This study of single-residence, middle-class homes has been widely praised, but committee member Rep. Thomas N. Kindness (R) of Ohio criticized it for being too narrow, suggested multi-dwelling or industrial studies would have been more useful and snapped: "I can't see any value in the study at all—$20,000 worth or anything else."

Mr. Fitts also criticized the report's conclusions based on cost "assumptions" of the ERDA study and said its $20 per square foot of solar collector costs was at variance with the median of $28 per square foot the Department of Housing and Urban Development had found in its demonstration projects.

ERDA and HUD have established a national solar heating and cooling center to answer questions from the public and industry about solar energy. The center's toll-free number is 800–523–2929.

A Federal Energy Administration spokesman, John K. Freeman, testified that major solar energy proposals awaited the administration's forthcoming comprehensive energy program.

GSA administrator Jack Eckerd said he thought the federal government should have a crash program for solar energy similar to the Apollo moon shot program.

Mr. ROTH. Mr. President, I am pleased to join Senator HUMPHREY as the prime Republican sponsor of this legislation. He is to be commended for his efforts toward developing solar power as a viable and economic source of energy for the Nation. The seriousness of the natural gas shortage gripping much of the country emphasizes the need for us, as a Nation, to hasten the development of nonpetroleum resources.

The bill focuses on the two areas where solar power can be of the greatest help: first, in space heating and cooling; and second in the generation of electric power.

As some of my colleagues may know, 23 percent of the energy in the United States is consumed for space heating and cooling. If we can substitute solar energy for the current sources of that heating and cooling, there will be enormous energy savings. The technology to put solar heating into place exists today, but the industry, the broad base of skilled workmen, engineers, and architects does not. The purpose of title I of the bill is to provide us with this industry.

Title II has a similar objective, though it focuses on the conversion of solar power into electricity. For a variety of reasons, it seems unlikely that solar energy will be immediately available for generating electricity at large central power stations. One example of the obstacles to use of solar power for large facilities is the size of the photovoltaic array which would be required. For instance, it is estimated that under the very best circumstances—such as the perennially sunny Southwest—it would require 3 square miles of solar collectors to equal the electricity production of an average central power station. Moreover, the ideal sites for such large solar generating plants are often hundreds of miles from the areas needing the electricity. Consequently, the transmission line loss would be extremely high.

But these same handicaps do not burden a technology focused on smaller central power stations. These are practical today. And, through a mandated

Federal use of such stations, we could stimulate the production of photovoltaic cells to a point where they will offer viable alternatives to liquid propane, diesel generators, and the other systems we use for isolated homes and businesses.

Mr. President, it seems apparent to me that we are seeing the beginning of the end of the fossil fuel era. Even the most optimistic reports state that the petroleum resources, principally oil and gas, will be exhausted within decades. Coal, of which we have much greater quantities, will last longer, but it requires vast changes in our technology in order for coal to be produced, transported, and consumed.

Solar energy, on the other hand, is a "here and now" technology. It is already economically viable in sunny areas of the country. It could become economically viable for other areas as well, provided we help. Solar energy for heating and cooling and solar energy for electricity production could release thousands, perhaps millions, of homes, businesses, and industries from their present reliance on oil and gas. Solar energy is not the miracle which will set us free from dependence on foreign oil, but it is certainly a commonsense first step in that direction.

Mr. President, we know what basic technologies will provide the energy systems of the future. One of these is solar energy, and it behooves us to hasten its development. The bill which Senator HUMPHREY and I are introducing will do this.

By Mr. HASKELL:

S. 673. A bill to limit potential or existent conflicts of interest on the part of elected and appointed officers and employees of the Government, to require financial disclosure, and for other purposes; to the Committee on Government Affairs.

FEDERAL CONFLICT OF INTEREST ACT OF 1977

Mr. HASKELL. Mr. President, I am introducing today the Federal Conflict of Interest Act of 1977, to protect public policy from the personal financial interests of governmental policymakers. We need to provide all parts of the U.S. Government with a coherent, consistent, and enforceable code of conduct to insure that positions of public responsibility are neither used nor appear to be used for private gain.

The present patchwork of conflict of interest regulations has been shown to be pathetically inadequate over the past several years. Enforcement of existing regulations has been sporadic, ranging from perfunctory to nonexistent, thus allowing a great many real and potential conflicts of interest to remain undetected and unpunished. The result is growing cynicism and mistrust of both the institutions and the individuals of Government. As Howard Fleiger of U.S. News & World Report has correctly admonished us:

> No greater challenge faces the Carter Administration and the new Congress than that of restoring public confidence in the political character of America.

President Carter took steps before taking office to insure that he and high-ranking officials of his administration did what was necessary to assure their freedom from the appearance of potential misuse of public office. We must continue in that welcome new direction by enacting the kind of Government-wide code of public conduct recommended by the Commission on Executive, Legislative and Judicial Salaries which issued its report in December of last year. The legislation I am introducing today is a significant step toward that goal.

This legislation vests in the Civil Service Commission power to establish standards of proper financial conduct for officers and employees of the executive and legislative branches, and guidelines for use by executive agencies and congressional committees in enforcement of those standards. Its adoption would bring about badly needed uniformity of rules and standards of conduct, consistency of enforcement procedures, and a significant and necessary degree of external monitoring of that enforcement.

In the case of Members of Congress, public disclosure of our personal financial interests is a precondition to living up to the fundamental principle that public office should not be used for private gain. With public disclosure, with everything out on the table, our constituents will have the basis on which to make a reasoned judgment of our integrity and our use of our public responsibilities.

But we must go beyond public disclosure to insure that some authority outside of Congress is empowered to audit our disclosure statements to insure their accuracy and honesty. We have passed the point when the public will swallow a scheme in which Congress simply polices itself. It should be noted that the Peterson commission on salaries to which I have referred found substantial merit in the idea of creating a new authority charged with auditing and enforcement responsibilities.

In the 94th Congress I introduced legislation creating an independent Commission on Ethics responsible for enforcing a code of conduct on a Government-wide basis. That proposal met with a good deal of general support, but many Members balked at the idea of setting up a wholly new piece of Government machinery. I thus modified my original proposal to vest in the Civil Service Commission many of the responsibilities of the original independent Commission.

There is general feeling that the Civil Service Commission is at present underutilized, and that its special authority could, indeed, be enhanced to perform some of the monitoring and auditing functions necessary to convince the public that we really mean business. The legislation I am introducing today places realistic demands on the Commission, and does not attempt to remove primary front-line responsibility for enforcing standards from the Congress or from the individual executive agencies. It does provide a needed outside guarantee of stringency of that enforcement. I am hopeful this legislation will receive careful attention in the weeks ahead.

Public officials today are commonly believed to be taking personal advantage of their public positions. However mistaken that belief may be in the case of the great majority of officeholders and career public servants, it is a belief firmly entrenched in the public mind. And, let us face it, it is a belief not without substantial basis in fact. It is a belief bred of an extraordinary series of scandals involving public officials, and only some very stiff measures will be adequate to dispel it.

Perceptions are in some ways the lifeblood of public and political life. The appearance or suspicion of conflict of interest or of personal aggrandizement is just as damaging as the reality. As an editorial in the New York Times recently reminded us:

> Surely the ancient principle must apply: Justice should not only be done, but should also be seen to be done.

If justice is going to be seen to be done, I think we need to get down to some very basic principles which ought to dictate our approach to public life. I believe this legislation speaks to those principles in a realistic and effective way.

By Mr. CURTIS (for himself and Mr. HANSEN):

S. 674. A bill to reinstate the provisions of the Sugar Act of 1948 beginning with calendar year 1978; to the Committee on Finance.

Mr. CURTIS. Mr. President, today I am introducing legislation to reinstate the provisions of the Sugar Act of 1948.

Sugar today is the world's most depressed commodity. In January, for example, the nearest world futures contract closed at 7.5 cents a pound, at least 4 cents below cane sugar production costs.

Further, record forecasts for both world beet and cane sugar show a production increase of 6.5 million tons over 1976.

Since the expiration of the Sugar Act in 1974 we have failed to provide any remedy for low domestic prices to farmers. Prices paid to farmers who produce beets and cane have fallen drastically. Sugar beet growers this year will receive only $21 a ton versus $45 last year, and a comparable price drop has affected sugarcane growers. Present prices are far below the cost of production of both beet and cane farmers. Unless sugar farmers have assurance of a fair return, they will have no incentive to continue sugar production, and our country could lose its domestic sugar supply.

This would force the American housewife and other U.S. consumers to depend almost entirely on foreign sources for sugar, just as American consumers are overdependent on foreign oil, coffee, and certain strategic materials. We do not want American consumers to be at the mercy of foreign sugar suppliers.

My concern, therefore, is not only for American farmers but equally for consumers and those workers who depend on the sugar industry for jobs.

Without sugar production, sugar plants would close down, resulting in loss of jobs and economic depression in sugar-producing communities. Sugar factories are very expensive, and, once a plant closes down in an area, it seldom reopens.

In those areas where sugar farmers could switch to other crops, such a

switch could cause disruption in farm prices for the alternative crops. In some areas, there is no alternative crop for sugar growers.

Mr. President, under the provisions of this bill a determination of how much sugar will be needed by consumers in the continental United States is made each year. The determination is announced during October for the following year and must be revised as the year progresses to achieve the price objective in the act. This establishes the amount of foreign sugar that may be imported and the amount of domestic sugar that may be marketed in the United States during the year. After the overall requirements have been determined, each domestic and foreign area supplying the United States with sugar is assigned a quota or share of the U.S. market.

Mr. President, I am a strong advocate of the free market system and would prefer to let the price of sugar be determined in the marketplace rather than rely on quotas. Nevertheless, in the case of this commodity, we cannot change existing world marketing practices.

In reality, the world free market price is actually a residual or marginal price at which only a small part—about 12 percent—of the world's sugar production is sold.

Most sugar is consumed in the countries where it is produced and usually the growers and processors in these countries are paid a much higher price for their product than the world market price.

The quota system serves to eliminate both the extremely high prices for sugar, which would hurt U.S. consumers, and the extremely low prices that could be disastrous to U.S. producers. While assuring U.S. consumers an adequate supply of sugar, the U.S. system also enables the United States to carry out the role of a good neighbor to many foreign sugar-producing areas, particularly in the Western Hemisphere. The program assures these areas of a stable market for their sugar at remunerative and stable prices with a resulting favorable impact on an extremely important sector of their foreign trade.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 674

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Sugar Act Extension of 1977".

SEC. 2. Section 412 of the Sugar Act of 1948 is amended by inserting "(a)" after "Sec. 412." and by adding at the end thereof the following new subsection:

"(b) Notwithstanding the provisions of subsection (a), the powers vested in the Secretary under this Act are reinstated effective January 1, 1978, except that, for purposes of making the determination under section 201 and establishing quotas under section 202 for the calendar year 1978, such powers are reinstated effective October 1, 1977. Such powers shall terminate on March 31 of the year of termination (after the date of the enactment of the Sugar Act Extension of 1977) of the tax imposed by section 4501(a) of the Internal Revenue Code of 1954, except that the Secretary shall have power to make payments under title III under programs applicable to crop years preceding the calendar year in which such tax so terminates."

SEC. 3. (a) Section 4501 of the Internal Revenue Code of 1954 (relating to manufacturers excise tax on sugar) is amended by adding at the end thereof the following new subsection:

"(c) Reinstatement of Tax.—Notwithstanding the provisions of subsection (b), the tax imposed under this subchapter shall apply to the manufacture or use of sugar or articles composed in chief value of sugar after December 31, 1977, except that no tax shall be imposed on such manufacture or use after June 30 of the first year commencing after the effective date of any law (enacted after the date of the enactment of the Sugar Act Extension of 1977) limiting payments under title III of the Sugar Act of 1948, as amended, or with respect to unsold sugar held by a manufacturer on such date or sugar or articles composed in chief value of sugar held in customs custody or control on such date.".

(b) The second sentence of section 4501 (b) of such Code is amended by striking out "or June 30 of the first year commencing after the effective date of any law limiting payments under title III of the Sugar Act of 1948, as amended, whichever is the earlier date,".

Mr. HANSEN. Mr. President, I am pleased to cosponsor with my colleague from Nebraska, Senator CURTIS, a bill to reinstate the provisions of the Sugar Act of 1948.

The reason for introduction of this legislation is this: sugar producers in the United States are spending more to produce their crops than they are receiving for them. They are losing money, and no one can continue a business for very long under such circumstances.

Sugar beet producers in Wyoming and other States are getting this year less than half what they got last year for their crops. Sugar cane growers face a similar problem.

In order to address the problem of unfair competition from cheaper foreign sugar, former President Ford issued an order last summer tripling the tariff on imported sugar. At that same time, the Senate Finance Committee, on which I serve, approved a resolution directing the U.S. International Trade Commission to conduct an investigation of the sugar market to determine whether quotas should be imposed for imported sugar. That investigation is still ongoing. But beyond these steps, what we need is a national sugar policy aimed at insuring a dependable, reasonably priced supply for American consumers, and an opportunity for a living wage for American producers.

Without such a policy, domestic producers will go out of business and we will become increasingly dependent on foreign sources for sugar, just as we have done with respect to oil, coffee, and other materials.

By Mr. BENTSEN:

S. 675. A bill to amend the Internal Revenue Code of 1954 to encourage greater use of insulation and to promote the development of solar and geothermal energy; to the Committee on Finance.

INSULATION, SOLAR ENERGY, AND GEOTHERMAL ENERGY TAX INCENTIVES

Mr. BENTSEN. Mr. President, the current energy crisis demonstrates the need for greater energy conservation by both individuals and businesses and the importance of developing alternative sources of energy. Last year, as part of the comprehensive tax reform legislation, the Senate approved temporary tax incentives to encourage greater use of insulation and to stimulate the development of solar and geothermal energy. Unfortunately, these important provisions were dropped from the bill during the House-Senate conference. I am today reintroducing these provisions which were formulated by the Senate Finance Committee after lengthy hearings and markup.

My bill includes four incentives.

First, individual taxpayers would be entitled to a refundable credit against income tax for certain insulation expenses such as the costs of purchasing and installing weatherstripping or storm windows. The credit would equal 30 percent of the first $750 of eligible insulation expenses for a maximum credit of $225. The credit would be effective until the end of 1979.

Second, individual taxpayers would be allowed a refundable income tax credit for solar and geothermal energy equipment. The credit would equal 40 percent of the first $1,000 of qualified expenditures, plus 25 percent of the next $6,400 for a maximum credit of $2,000. The credit would be available for equipment which uses solar or geothermal energy to heat or cool a building or to provide hot water for the building. With respect to solar energy, the equipment must meet the performance criteria prescribed under the Solar Heating and Cooling Demonstration Act of 1974. Geothermal energy equipment would be defined pursuant to the 1970 Geothermal Steam Act. This credit would be effective through 1981.

Third, the 10-percent investment tax credit would be made available until 1982 for insulation which is installed in business properties.

Fourth, a 20-percent investment tax credit would be provided until 1982 for the costs of solar and geothermal equipment.

Mr. President, a substantial portion of our domestic energy consumption is used to heat or cool residences. Currently, about 20 percent of our domestic consumption, or about 6 percent of total world demand, is used in the United States for residential purposes.

Because of the substantial energy savings that may be effected by proper insulation of homes, this legislation includes a refundable tax credit to give homeowners and tenants an incentive to conserve energy by immediate installations of insulation to reduce heat loss in the winter and to reduce heat gain in the summer. It is estimated that this tax credit will save between 50,000 and 100,000 barrels of oil per day by 1980. In addition, significant energy savings can be

achieved through greater insulation efforts by business.

Solar and geothermal energy represent a major area of possible future fossil fuel conservation and should, over a period of time, substantially aid in meeting the problem of decreasing fossil fuels. At the same time, it must be acknowledged that the solar and geothermal equipment industries are still fledgling industries. In view of this, there is a need to encourage these industries through tax incentives.

The provisions I am introducing today would be temporary so that Congress will have an opportunity to carefully evaluate the effectiveness of the incentives after a few years.

Mr. President, I urge my colleagues to enact these important energy incentives.

By Mr. BENTSEN:

S. 677. A bill to amend the Tariff Schedules of the United States to raise the value limit for personal articles which may be imported duty free by returning residents, and for other purposes; to the Committee on Finance.

Mr. BENTSEN. Mr. President, I have been concerned for some time that insufficient attention has been paid to one of the most important facets of our foreign policy, our bilateral relationship with Mexico. Too low a priority has been given to political and economic developments in Mexico and their impact on the 2,000-mile-long border our countries share. As one who was born and reared in the Rio Grande Valley, I am all too aware of the implications of ignoring the serious problems that are arising along the border as a result of actions taken—or not taken—by Washington and Mexico City.

Mr. President, I hope that each of the new administrations in Washington and Mexico City will focus on working to improve our bilateral relationship.

A number of problems between our countries are festering and must be addressed urgently. The most recent difficulty along the border has arisen out of Mexico's faltering peso and the devaluation which has stimulated serious economic depression, resulting in the loss of thousands of jobs and hundreds of millions of dollars in exports and retail sales. Official figures show retail sales from Brownsville and Matamoros to Chula Vista and Tijuana have dropped 60 to 75 percent, according to the area. Dozens of merchants in border communities in both Mexico and the United States have either gone broke or have gone deeply into debt. Unemployment in most of these areas is expected to rise 20 to 25 percent unless remedies are found.

The best solution to the peso devaluation problem is to strengthen the economies of each of the countries involved. The sooner stability in the Mexico peso is restored, the better chance we will see for a long-term improvement in the economic situation along the border. And the sooner our own country pulls out of the recession, the better chance we will have to reduce the increasingly serious rates of unemployment and low productivity along the border.

Mr. President, although each Government must find the strength and courage to take the tough steps necessary to solve its own internal problems, there are things we can do to help each other out.

I am today introducing legislation to raise the exemption on duty-free personal imports in order to increase the amount of merchandise U.S. tourists can bring back from Mexico. The main effect of this legislation, which a number of U.S. mayors along the border have asked me to support, will have the effect of making more dollars available to Mexicans to spend in this country, thereby stimulating retail purchases along the border. It will also have the effect of reducing Mexico's whopping $2.5 billion trade deficit with the United States.

In addition, Mr. President, I am introducing a second bill, which would authorize the Small Business Administration to provide up to $10 million of direct loans to small businessmen who have suffered substantial economic injury as a result of the devaluation of the Mexican peso. The terms of these loans would be the same as other SBA direct loans which are currently provided at 6⅝ percent. These loans will make it easier for small businessmen, hard hit by this devaluation, to cope with the crisis.

Devaluation of the Mexican peso has meant disaster for the economies of U.S. border cities just as surely as if they had been hit by a flood or any other natural calamity. This legislation will provide some needed relief for this serious economic problem.

I urge my colleagues to promptly enact this important legislation.

By Mr. PEARSON:

S. 679. A bill to provide equal educational opportunities for students in the Nation's elementary and secondary schools; to the Committee on Human Resources.

NATIONAL EDUCATIONAL OPPORTUNITIES ACT OF 1977

Mr. PEARSON. Mr. President, the goal of our national education policy should be to assure equal access to the best possible education for all our children within the framework of a unified school system. Busing does little to reach this goal. Neighborhood agreement on redrawn district lines, a federally assisted planning council made up of local parents and a concentrated compensatory education program to equalize resources among schools come much closer. But the legislative focus continues to center on busing, ignoring the mechanisms for conciliation and cooperation.

I have supported most proposals identified as probusing, in the belief that the transportation of students would rectify unjust policies of racial isolation without unnecessary additional injury to the public welfare. In some situations it may be that busing has a solely palliative effect. But many of our cities have demonstrated the painful evidence that such is not always the case. Assessing this evidence at its worst, it indicates that busing stimulates the flight of white students to private schools or to public schools in suburbs outside the economic reach of most blacks. So, in fact, busing may militate against integration. The evidence shows no measurable improvement in the quality of the education available to blacks and some indicators suggest it has lowered the standards of education avaliable to all children. Our busing experience shows little contribution to racial harmony and, in fact, has produced strains and divisions within our communities.

Though I do not believe that decades of injustice can be remedied without significant and painful readjustment, this evidence alone might be sufficient cause for abandoning involuntary busing. But what is more troubling is that busing, as an issue, has obscured its objectives.

Busing has come to represent the end it was intended to serve. Racial isolation, opportunity for educational improvement, and even deliberate segregation have been overshadowed by the legislative battles over busing. The focus in Congress has been on busing in and of itself. We have just not been addressing the continuing problems busing was initially designed to solve.

To me, desegregation is not merely required by law, it is a moral and social imperative. The chosen means for obtaining that end blinds us. Debate over busing must give way so desegregation may be readdressed. In this Chamber, I have heard the search for an "alternative to busing" treated as if there were some magical tool long awaiting invention. This is merely another example of the folly that has led us to our present condition. There is no single alternative other than to confront the underlying reality to which the courts have been reacting in their resort to the busing remedy.

Mr. President, Alexander Bickel, an esteemed constitutional legal scholar, recognized the congressional dilemma and offered sound advice:

> Congress and the President should address themselves not to the courts but to the problems of primary and secondary education. These problems—affecting many private as well as public schools—include poor educational results as well as racial isolation. Busing and racial balance won't solve them in most places. And there is no panacea that will solve them everywhere. Hence no categorical national policy is possible. What is possible is federal help for coherent, well-planned local efforts to improve primary and secondary education.

Professor Bickel backed that advice up with a concrete legislative proposal. His proposal became the skeleton of a bill introduced in the past by Mr. PREYER of North Carolina. Representative PREYER has worked with this legislation for some time, improving and updating its provisions. The bill I offer today is a companion to Mr. PREYER's proposal. I am convinced that the bill directly addresses the obstacles to equality and quality in education. I am confident a majority of the Members of both Houses will be similarly persuaded.

The principal advantage of this legislation is found in its recognition of local solutions to local problems. Each State would be required to submit a plan to the Secretary of Health, Education, and Welfare within 1 year. The plan would be developed in consultation with a State advisory council and with local educa-

tional agencies. These councils would be appointed by the Governor and be constructed so that the parents of public school children make up a majority of its members, with a proportionate representation by minority-group parents. Each State plan would have to assure that substantial progress is made each year and that the defined goals for equal educational opportunity are met within 5 years. Should the Secretary of HEW find that there is a failure to comply substantially with the requirements of State plans, the Secretary would be required to end Federal financial assistance under the act.

The bill specifies three components, at least two of which would have to be included in a State plan. A State which places primary and substantial emphasis on the second component listed would be eligible for supplemental funds.

First. A majority/minority transfer plan on both an intradistrict and interdistrict basis. This provision would offer a student the opportunity to enroll in a school outside the district in which he resides. The school district to which he is transferred would be compensated for added expenditure of local funds.

Second. A school district reorganization plan. This could include, on the one hand, redrawing zone boundaries within districts, pairing and clustering schools, and establishing magnet schools; and on the other, cooperative arrangements between districts for common use of existing school facilities and for construction of new joint facilities.

Third. An approved, concentrated compensatory education program. Expenditures under this program would be made only in schools with at least 25 percent low-income enrollment. The State would have to insure that average per pupil expenditures in schools or school districts participating in such a program would increase with the proportion of low-income students in these schools or school districts.

Additionally, the act would define the desegregated unitary system, in conformity with court decisions, and repeat the requirement that all States maintain unitary systems.

Also, the act would grant any student the right to transfer voluntarily from a school in which his race is a majority to one in which it is the minority within his school district. Such a right is enforceable through a civil action, and a denial of that right would also constitute a violation of the Civil Rights Act.

The bill would further require equalization of resources among schools within a district in eight very specific ways, such as pupil-teacher ratio, class size, school building and materials, teacher quality, and textbooks.

To assist States in developing and implementing State plans, the bill would authorize $200 million in fiscal year 1978 and $400 million in each of the following 4 fiscal years. In fiscal year 1978, 85 percent would go to States according to the proportion of the Nation's minority-group children each State contains. In the succeeding years, 65 percent of any appropriations would be similarly apportioned to qualifying States as basic grants, 30 percent as supplemental funds, and 5 percent to public and private agencies to assist the States in implementing and evaluating the plans.

Mr. President, we have divided ourselves bitterly over the busing of children to achieve racial balance when we should address ourselves to the real question: How to provide each child equal access to a quality education. The bill I introduce addresses just that problem. It makes available resources to provide quality education to those who are in the best position to judge whether or not their children do, in fact, have access to quality educational resources. Those persons are parents, local and State school officials. And I state unequivocally that local control of public schools does not mean that the Constitution of the United States can be ignored. Local control of schools under this bill will no longer be a code word for local discrimination.

We cannot supplant busing unless we correct the underlying problems that prevent a new and more compatible design for desegregation from emerging. Until the instruments for conciliation are in place, until the mechanisms and resources for community cooperation are set to work, there is little hope for the informed consent essential to successful voluntary action.

By Mr. SCHWEIKER:

S. 680. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to employers for wages paid to youths 21 years of age or under or to persons unemployed for 15 weeks or more who have been hired to increase the work force of the employer; to the Committee on Finance.

NEW JOBS TAX CREDIT ACT

Mr. SCHWEIKER. Mr. President, I send to the desk for appropriate reference a bill to amend the Internal Revenue Code of 1954 to provide an income tax credit to employers for wages paid to youths 21 years of age or under or to persons unemployed for 15 weeks or more who have been hired to increase the work force of the employer.

Mr. President, although the unemployment rate declined in January to 7.3 percent, there were still nearly 7 million workers unemployed in this country. This figure is appalling enough in itself. But upon closer examination it becomes clear that certain groups suffer disproportionately from the ravages of high unemployment. More than one-third of those unemployed in January were between the ages of 16 and 21. This means that 2,408,000 young people were being denied the chance to work during a critical developmental stage—their early years in the job market.

In addition, a substantial portion of unemployment is long term. There had been 2,283,000 individuals out of work for 15 weeks or more in January. If you add the number of older workers unemployed for 15 weeks or more to the unemployed between the ages of 16 and 21, you arrive at a devastating figure of roughly 4 million. Nearly 60 percent of the jobless in this country are either young or have been unemployed for over 15 weeks.

As we continue our discussions of the most effective strategies to reduce unemployment and to stimulate a sluggish economy, I believe we must attend very closely to the needs of those groups hardest hit by adverse economic conditions—youths and the long-term unemployed. Members of these groups will not benefit as substantially as other unemployed workers from implementation of traditional fiscal and monetary policies. These individuals are plagued by disadvantages such as inexperience and a lack of readily marketable skills which will not disappear with increases in aggregate demand. In the past we have attempted to neutralize these disadvantages through job training and public service employment programs designed to facilitate transitions to regular employment in the private sector. President Carter proposes to continue this approach and to expand training and youth programs under CETA by 346,000 positions and public service employment by 415,000 jobs. I have consistently supported CETA and believe that the programs authorized by that act can play an important role in our battle against unemployment.

However, I believe we must begin now to recognize the limitations of these programs. They should not be relied upon as our primary weapon against the problems of youth and long-term unemployment. Even under the ambitious and expensive program proposed by President Carter, millions of youths and long-term unemployed workers would be left with neither jobs nor training. At the very best, with 761,000 new slots, only a fraction of the roughly 4 million unemployed youths and long-term unemployed workers would be reached by the Carter program. What does the President propose we do with those who would be left unserved?

I will continue to support much-needed training programs under CETA. But I believe the funds President Carter has earmarked for an additional 415,000 public service jobs, over and above the 310,000 we have now under titles II and VI of CETA could be put to better use. We owe it both to those who would be left unserved by the Carter program and to the American taxpayers to explore new approaches to old problems.

The bill I introduce today embodies a new approach both to the problems of youth and long-term unemployment. This New Jobs Tax Credit Act would provide employers with an income tax credit of 20 percent up to $2,000 for wages paid to youths 21 years of age or under, or to persons unemployed for 15 weeks or more, who have been hired as additions to an employer's work force over a previously established base level. The credit would be available during taxable years 1977 and 1978 and an employer could receive the credit for 12 months for each eligible new employee. In addition, if an employer had insufficient tax liability to subtract the full credit, he would receive the credit as a tax refund.

Our ultimate objective should be to put people to work in the private sector where they can contribute most significantly to the economic well-being of this Nation. I believe we must begin to do more than pay lip-service to the value of private sector participation. Certainly we must do more than provide employers with a choice between a credit equal to 4 percent of social security payroll taxes or a 2 percent increase in the investment tax credit, as President Carter has proposed. In my view this is woefully inadequate.

By providing employers with a substantial tax credit for hiring the hard-to-employ, we would allow the employer to enjoy considerable savings in wage costs. These savings would neutralize the disadvantages brought to the workplace by youths and the long-term unemployed and would enable employers to provide these workers with the experience and training they so desperately need. President Carter's plan to more than double the number of public service jobs is an unimaginative, worn-out proposal which at best creates temporary government jobs at high costs with little assurance of permanent employment. I believe strongly that we should seek, to the greatest extent possible, to provide work experience and training through the private rather than the public sector. An individual hired as a result of the new jobs tax credit would stand a far better chance of keeping the regular long-term job that a CETA employee or trainee can only hope to obtain.

The cost of a tax credit job, aside from its other inherent advantages, would compare favorably with the cost of a public service job. And I believe the level of the credit would be sufficient to stimulate substantial hiring. It should be noted that the income tax credit would reduce the effective rate of the minimum wage to $1.84 an hour for employers while still providing the new employees with at least the $2.30-an-hour minimum wage in covered industries.

Mr. President, I believe the innovative approach of this New Jobs Tax Credit Act deserves careful consideration as we begin a serious review of the various proposals before us. I hope that my colleagues will study this bill, offer their suggestions, and ultimately act favorably on it as part of a concerted effort to remedy the economic ills which afflict this Nation.

By Mr. HEINZ:

S. 681. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Allegheny River, Pennsylvania, for potential addition to the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

Mr. HEINZ. Mr. President, I am today introducing legislation to authorize a study of a portion of Pennsylvania's Allegheny River for possible inclusion in the National Wild and Scenic Rivers System.

A similar bill was once offered by my distinguished predecessor, Senator Hugh Scott, and was passed by the Senate in 1975. Unfortunately, the House did not take action on the bill.

The Upper Allegheny River currently retains most of its natural environment, free from intruding developments. One of the remarkable scenic values of this segment of river is its more than 60 islands. A variety of birds and game animals inhabit the timber and shrub cover on these islands.

In addition to the islands, the natural beauty and usefulness of the river is enhanced by 147 creeks and streams emptying into it. All of the creek valleys are heavily forested, and the Pennsylvania Fish Commission stocks many of the streams with trout. The crucial economic value of sport fishing to this area has been documented in a report prepared for the State Department of Environmental Resources by Henry Bramer from the Pittsburgh firm of Datagraphics, Inc.

According to George Reese, member of the board of directors of the Allegheny River Protective Association, the economic health of the greater part of the river corridor is chiefly dependent upon recreational activities such as fishing, hunting, boating, and camping. Thus, the existing natural environment is a basic source of the Allegheny River's economic strength.

The need for protection from adverse use has been answered to a large extent by the policies of the department of environmental resources, the practices of the State fish commission, and the Western Pennsylvania Conservancy, all of whom are working successfully to curtail developments which detrimentally affect the ecological balance of this river system. These separate efforts could be integrated and extended by an overall management provided by the National Wild and Scenic Rivers System.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 681

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 5 of the Wild and Scenic Rivers Act (82 Stat. 906), as amended, is further amended by adding at the end thereof the following:

"(59) Allegheny, Pennsylvania: The main stem from Kinzua Dam downstream to East Brady."

By Mr. MAGNUSON:

S. 682. A bill to amend the Ports and Waterways Safety Act of 1972; to increase the use of vessels of the United States to carry imported oil; and for other purposes; to the Committee on Commerce, Science, and Transportation.

TANKER SAFETY ACT OF 1977

Mr. MAGNUSON. Mr. President, I introduced for appropriate reference a bill entitled "The Tanker Safety Act of 1977." The bill is a very complex bill, and is also the result of quite lengthy hearings on this very, very important matter.

There have been several bills introduced in the Senate and in the House on this matter. But, as the Senator from Alaska knows, this is another bill which is sort of the consensus of the Commerce Committee after all the hearings and research on the bill.

The bill itself is an attack upon the problem of oil pollution throughout the domestic and international waters. I do not know whether we will have too many further hearings on the bill because we have covered practically the whole subject, but I expect we can get it out of the Commerce Committee and quickly expedite the matter, and get it on the floor because the matter is urgent.

This bill has been prepared in response to the hearings conducted last month by the Senate Commerce Committee into the recent tanker accidents in and around U.S. waters. The bill has two basic goals: First, to provide for increased safety of all tankers operating in U.S. waters; and second, to increase the share of U.S. vessel participation in the carriage of imported oil.

The general conclusion of the Commerce Committee hearings, which I chaired, was that more can and should be done to improve tanker safety in our waters. The Ports and Waterways Safety Act of 1972 is the basic statute for this purpose. That act empowers the Secretary of Transportation to control tightly vessel traffic in U.S. navigable waters and to prescribe standards for the design, construction, operation, and manning of vessels carrying oil and hazardous materials in bulk. Despite the sweeping powers afforded the Secretary under the act, the U.S. Coast Guard, which is responsible for developing policy under the act, has been reluctant to move quickly and independently. The Coast Guard claims that "foreign policy considerations" prevent full use of their powers under the Ports and Waterways Safety Act.

For the past 4½ years since the enactment of the Ports and Waterways Safety Act, the Commerce Committee has closely monitored the sporadic unfolding of rules and regulations by the Coast Guard. In March of last year, during oversight hearings, I indicated that regulations applicable to tankers in the domestic U.S. trade did not go as far as Congress had intended. In addition, the Coast Guard seemed to be relying heavily on the industry it was supposed to regulate in drawing up these rules.

Moreover, it appeared as though the Coast Guard has deferred to international standards even though the United States had ample legal authority to establish standards more stringent than those agreed upon internationally. In short, the cause of tanker safety can be advanced much farther by more aggressive policies.

Shortly after the Coast Guard issued rules applicable to foreign tankers in December, this country witnessed a most incredible series of tanker accidents. The Nation watched as a foreign-flag vessel, miles off course, split apart and polluted one of the Nation's most important fishing grounds. Shortly thereafter, another completely disappeared in the same area. Another, as a result of the unconscionable greed of its owners, tried to carry one

more last cargo rather than sailing empty to meet its date with the scrapyard, and then went adrift at sea. The crew of this vessel headed for the nearest church upon reaching port under a Coast Guard tow. For a few weeks, the entire oil transportation system seemed to be reaching a breaking point.

But those of us who have followed this subject know that these events were not highly unusual, but were rather part of a short-term upsurge in the general growth in tanker accidents. Last year was the worst year on record for tanker accidents, even without the *Argo Merchant*, the *Golden Jason*, and the others. And it is bound to get worse, unless strong measures are taken to reduce the steadily rising risk of vessel accident.

The first thing this Nation must do is prescribe the most stringent standards for vessel safety it can reasonably devise. And we should do it without waiting for any international body to act. We must assert our national interest in clean beaches and unspoiled natural resources in terms strong enough to bring about meaningful change. I believe that the bill I am introducing today is a step in that direction.

The bill has two main features. Title I is entitled the "Ports and Waterways Safety Act Amendments of 1977." Title II would create the Equitable Cargo Share Act of 1977. Both will improve tanker safety in our waters.

The Ports and Waterways Safety Act amendments expand and strengthen the basic act. In particular, congressional intent is spelled out more clearly in a new "declaration of policy" provision. The amendments create a new 200-nautical-mile "maritime safety zone" in which discharges of oil and hazardous materials are prohibited, traffic control systems are to be set up, and expanded enforcement can occur. The amendments also establish minimum requirements for tankers in addition to those prescribed by regulation by the Secretary of Transportation. These include: Dual radar, collision avoidance systems, the latest navigation systems, retrofitting of segregated ballast and gas inerting systems, double bottoms or double hulls for new tankers, back-up boilers, and others.

Also created by the amendments would be: a program of preventing substandard vessels from entering U.S. waters or loading cargo in U.S. ports; an improved national program of inspection and enforcement; more stringent rules for federally licensed pilots; authority for the Secretary to issue more improved manning and personnel requirements; and creation of a cadre of "maritime safety officers" to enforce the provisions of the act.

Mr. President, this legislation will make U.S. vessel safety legislation among the toughest in the world.

Title II of the bill deals with another chronic problem which has contributed to a lowered level of safety in our waters. Testimony before the Commerce Committee established the fact that approximately 85 percent of all maritime accidents are caused by human error. Some conclude from this statistic that nothing much can be done to combat this problem. I strongly disagree. One thing we can do is to require improved technology to assist the personnel on the ship. This is accomplished in title I of this bill. The other thing we can do is increase the quality of the crews of the vessels operating in our waters. By increasing the share of oil cargoes carried by U.S. vessels, we can be assured that oil tankers are manned and operated in a manner which best protects the marine environment. And with more U.S. vessels will come greater accountability for pollution. If we continue to rely on foreign vessel crews who care little about taking extra safety precautions necessary to protect U.S. waters, then more accidents will occur.

Therefore, Mr. President, title II contains provisions to increase the U.S. vessels' share of oil cargoes to 30 per cent. With no international control over manning of tankers and with so many nations doing little—except what the vessel owner wants—we are at the mercy of flag-of-convenience vessels. By reducing our dependence on these vessels, we correspondingly increase our control over tanker safety.

The Senate Commerce Committee is making the issue of improved tanker safety one of its top priorities in this Congress. I plan further hearings in the next few weeks on this issue and on bills introduced to deal with this subject.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Tanker Safety Act of 1977".

TITLE I—AMENDMENTS TO THE PORTS AND WATERWAYS SAFETY ACT

SECTION 1. SHORT TITLE.

This title may be cited as the "Ports and Waterways Safety Act Amendments of 1977".

SEC. 2. DECLARATION OF POLICY AND DEFINITIONS.

The Ports and Waterways Safety Act of 1972 (33 U.S.C. 1221 et seq.) is amended by inserting the following new section after the short title and immediately before title I:

"SEC. 2. FINDINGS, PURPOSES, AND POLICY.

"(a) FINDINGS.—The Congress finds and declares the following:

"(1) Navigation and vessel safety and protection of the marine environment are matters of major national importance. Increased vessel traffic in the Nation's ports and waterways creates substantial hazard to life, property, and the marine environment of the United States.

"(2) International standards for navigation and vessel safety and protection of the marine environment are incomplete and fail to provide adequate protection of the marine environment of the United States. The Federal Government should seek to require more stringent such standards for all vessels operating in the navigable waters of the United States.

"(3) Standards developed under this Act shall incorporate the best available technology. Such standards shall be required unless clearly shown to create undue economic hardship and such hardship is not outweighed by environmental benefits.

"(4) Increased regulatory and enforcement efforts by the Federal Government are necessary to reduce the possibility of vessel or cargo loss, or damage to life, property, or the marine environment of the United States.

"(b) PURPOSES.—It is therefore the purposes of Congress in this Act—

"(1) to authorize a comprehensive regulatory and enforcement program for increased navigation and vessel safety and enhanced protection of the marine environment;

"(2) to direct that the Federal Government establish stringent standards for the design, construction, equipment, maintenance, alteration, repair, operation, and manning of all vessels which operate in the navigable waters of the United States;

"(3) to create a 200-nautical mile maritime safety zone for the purpose (A) of preventing discharges of oil or hazardous materials from vessels and (B) providing for increased navigation safety;

"(4) to establish a program of preventing any substandard vessel from entering the navigable waters of the United States; and

"(5) to provide for an improved program of vessel inspection and enforcement.

"(c) POLICY.—It is further declared to be the policy of the Congress in this Act—

"(1) to maintain without change the existing territorial jurisdiction of the United States for all purposes other than navigation and vessel safety and protection of the marine environment, as provided for in this Act;

"(2) to authorize no impediment to, or interference with, recognized legitimate uses of the high sea, except as necessary for navigation and vessel safety and protection of the marine environment, as provided for in this Act; and

"(3) to support and encourage continued active United States efforts to obtain international agreements concerning navigation and vessel safety and protection of the marine environment.

"SEC. 3. DEFINITIONS.

"As used in this Act, unless the context otherwise requires:

"(1) The term 'discharge' means any spilling, leaking, pumping, pouring, emptying, or dumping, however caused, in unlawful quantities or at an unlawful rate.

"(2) The term 'domestic trade' means trade between ports or places in the United States, its territories or possessions, either directly or via a foreign port, including trade on the navigable waters of the United States.

"(3) The term 'foreign trade' means any trade other than the domestic trade.

"(4) The term 'foreign vessel' or 'vessel of a foreign nation' means any vessel documented under the laws of any nation other than the United States.

"(5) The term 'hazardous material' means any material or substance which is—

"(A) inflammable or combustible;

"(B) designated a hazardous polluting substance under section 12(a) of the Federal Water Pollution Control Act (33 U.S.C. 1162); or

"(C) in a quantity or form which may pose an unreasonable risk to health and safety, or property, when transported in commerce.

"(6) The term 'high seas' means all waters beyond the territorial sea of the United States and beyond the territorial sea of any foreign nation, to the extent that such sea is recognized by the United States.

"(7) The term 'marine environment' means the coastal zone, defined in section 304(1) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(1); the seabed, subsoil, natural resources, and waters of the territorial sea of the United States; the waters and fishery resources of any zone over

which the United States asserts exclusive fishery management authority; the waters of the high seas; and the seabed and subsoil of and beyond the Continental Shelf.

"(8) The term 'maritime safety zone' means the maritime safety zone established by section 301.

"(9) The term 'navigable waters of the United States' means the waters of the Untied States, including inland waters and the territorial sea.

"(10) The term 'oil' means oil of any kind or in any form, including, but not limited to, petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes other than dredged spoil.

"(11) The term 'person' means any individual (whether or not a citizen or national of the United States), or any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State), and any Federal, State, local, or foreign government or any entity of any such government.

"(12) The term 'public vessel' means a vessel which—

"(A) is owned, or chartered by demise, and operated by the United States or any foreign government; and

"(B) is not engaged in commercial service.

"(13) The term 'Secretary' means the Secretary of Transportation.

"(14) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and any other commonwealth, territory, or possession of the United tSates.

"(15) The term 'United States', when used in the geographical context, means all the States thereof.

"(16) The term 'vessel' means every description of watercraft or other artificial contrivance used as a means of transportation through or on water.

"(17) The term 'vessel of the United States' means any vessel documented under the laws of the United States.".

SEC. 3. NAVIGATIONAL AND VESSEL SAFETY AND PROTECTION OF THE MARINE ENVIRONMENT.

Title I of the Ports and Waterways Safety Act of 1972 (33 U.S.C. 1221–1227) is amended to read as follows:

"TITLE I—NAVIGATION AND VESSEL SAFETY AND PROTECTION OF THE MARINE ENVIRONMENT

"SEC. 101. VESSEL TRAFFIC CONTROL.

"(a) IN GENERAL.—The Secretary is authorized and directed, in the ports, harbors, the navigable waters of the United States, and the waters of the maritime safety zone, to—

"(1) establish, operate, and maintain vessel traffic systems or services, in accordance with section 103;

"(2) require any vessel, which operates within waters subject to any vessel traffic system or service, to utilize or comply with any such system or service, including requiring the installation and use of any electronic or other device necessary for such utilization or compliance;

"(3) control vessel traffic by—

"(A) specifying times of entry, movement, or departure;

"(B) establishing vessel traffic routing schemes;

"(C) establishing vessel size and speed limitations and vessel operating conditions; and

"(D) restricting operation, in any hazardous area or under hazardous conditions, by any vessel which has particular operating characteristics or capabilities, in a manner deemed necessary for safe operation under the circumstances; and

"(4) direct the anchoring, mooring, or movement of any vessel when necessary to prevent damage to or by that vessel or her stores, cargo, supplies, or fuel.

The Secretary shall publish and distribute any relevant information with regard to actions taken under this section to all interested persons, including foreign citizens.

"(b) EXCEPTIONS.—This title shall not apply to—

"(1) any vessel of any foreign nation that is in transit through the waters of the maritime safety zone, and that is destined for any port or place outside the United States; or

"(2) any vessel of any foreign nation that is in transit through navigable waters of the United States which form a part of any international strait, and that is destined for any port or place outside the United States.

"SEC. 102. WATERFRONT SAFETY.

"The Secretary is authorized and directed to take such action as is necessary to prevent damage to, or the destruction or loss of, any dock, bridge, or other structure on or in the navigable waters of the United States, or any structure on land or in any shore area immediately adjacent to any such waters, including, but not limited to—

"(1) establishing procedures, measures, and standards for the handling, loading, unloading, storage, stowage, and movement on any such structure, including the emergency removal, control, and disposition, of any oil or hazardous material;

"(2) prescribing minimum safety equipment requirements for any such structure to assure adequate protection from fire, explosion, natural disasters, and other serious accidents or casualties;

"(3) establishing water or waterfront safety zones, or other measures for limited, controlled, or conditional access and activity when necessary for the protection of any vessel, structure, waters, or shore area; and

"(4) establishing procedures for inspection to assure compliance with minimum safety requirements for structures.

"SEC. 103. CONSIDERATIONS BY SECRETARY.

"The Secretary shall, in carrying out his duties and responsibilities under this title, take into account all relevant factors concerning navigation and vessel safety and protection of the marine environment, including, but not limited to—

"(1) the scope and degree of the risk or hazard involved;

"(2) vessel traffic characteristics and trends, including traffic volume, the sizes and types of vessels involved, potential interference with the flow of commercial traffic, the presence of any unusual cargoes, and other similar factors;

"(3) port and waterway configurations and variations in local conditions of geography, climate, and other similar factors;

"(4) the proximity of fishing grounds, oil and gas drilling operations, or any other potential or actual conflicting activity;

"(5) environmental factors;

"(6) economic impact and effects;

"(7) existing vessel traffic control systems and services; and

"(8) local practices and customs, including voluntary arrangements and agreements within the maritime community.

"SEC. 104. PILOTAGE.

"(a) IN GENERAL.—The Secretary may require pilots on any self-propelled vessel of the United States engaged in the foreign trade and any foreign vessel, operating in the navigable waters of the United States in areas and under circumstances where a pilot is not otherwise required by State law, or in waters of the maritime safety zone. Such pilot shall be required until the State involved establishes a requirement for a pilot in any such area or under the circumstances involved.

"(b) QUALIFICATIONS.—(1) Section 4442 of the Revised Statutes is amended by deleting the entire section and inserting in lieu thereof the following new language:

"'(a) The Commandant of the United States Coast Guard is authorized and directed, in accordance with subsection (b) of this section, to establish eligibility requirements for the issuance of a license to pilot any steam vessel.

"'(b) No person may be issued a license to pilot any steam vessel unless he—

"'(1) is at least 21 years of age;

"'(2) is of sound health and has no physical limitations which would hinder or prevent the performance of a pilot's duties;

"'(3) agrees to have a thorough physical examination each year while holding a pilot's license;

"'(4) demonstrates, to the Commandant's satisfaction, that he possesses the requisite general knowledge and skill to hold a pilot's license;

"'(5) maintains adequate knowledge of the waters to be navigated as a pilot;

"'(6) demonstrates, to the Commandant's satisfaction, his ability to handle any vessel of the type and size which he may be endorsed to pilot; and

"'(7) meets any other requirement which the Commandant considers reasonable and necessary.

"'(c) No license to pilot any steam vessel shall be valid for a term longer than 3 years. Upon expiration of any such license, the holder may reapply for an additional term and may be reissued a license if he meets the requirements under subsection (b) of this section.

"'(d) The Commandant may revoke or suspend any license to pilot any steam vessel upon satisfactory evidence of—

"'(1) negligence;

"'(2) unskillfulness;

"'(3) failure to adhere to any requirements for a license;

"'(4) willful violation of tiltle 52 of the Revised Statutes; or

"'(5) other just cause related to the performance of pilot duties.

"'(e) For the purposes of this section, the term—

"'(1) "coastwise vessel" means a vessel which is enrolled and licensed for domestic trade and operate solely between ports or places in the United States; and

"'(2) "seagoing coastwise vessel" means any coastwise vessel which operates in waters in which the International Rules of the Road must be observed.'.

"(C) UNIFORM STANDARDS.—The Secretary shall develop, and shall seek adoption by the States of uniform, minimum standards relating to the regulation of pilotage at least equal to those required of federally licensed pilots.

"SEC. 105. INVESTIGATORY POWERS.

"(a) The Secretary, or the National Transportation Safety Board, may investigate any incident, accident, or act which—

"(1) results in any loss or destruction of, or damage to, any structure or vessel; or

"(2) affects, or may affect, the navigation or vessel safety or environmental quality of the ports, harbors, and navigable waters of the United States, or the waters of the maritime safety zone.

"(b) In any such investigation, the Secretary or the Board may issue subpenas to require the attendance of any witness and the production of any document or other evidence relating to any such incident, accident or act. If any person refuses to obey any subpena, the Secretary or the Board may request the Attorney General to invoke the aid of the appropriate district court of the United States to compel compliance. Witnesses may be paid fees for travel and attendance at such rates not exceeding those allowed in a district court of the United States.

"SEC. 106. PROHIBITION.

"No vessel shall enter or operate in the navigable waters of the United States, or load cargo in, or destined for, any port or place in the United States if such vessel—

"(1) has a record of accidents or serious repair problems which, as determined by the Secretary, creates reason to believe that such vessel may be unsafe or create a threat to the marine environment; or

"(2) fails to comply with any applicable regulation issued under this Act or other law or treaty.

No such vessel shall enter or operate in the navigable waters of the United States, or load cargo in, or destined for, any port or place in the United States, unless and until the owner of such vessel proves, to the satisfaction of the Secretary, that such vessel is (A) no longer unsafe or a threat to the marine environment, or (B) complies with the applicable regulation, as appropriate.

"SEC. 107. APPLICATION OF TITLE.

"This title shall not be applicable to the Panama Canal. The authority granted to the Secretary under sections 101 and 102 shall not be delegated with respect to the Saint Lawrence Seaway to any agency other than the Saint Lawrence Seaway Development Corporation. Any other authority granted the Secretary under this title shall be delegated to the Saint Lawrence Seaway Development Corporation to the extent the Secretary determines such delegation is necessary for the proper operation of the Seaway.".

"SEC. 4. VESSELS CARRYING CERTAIN CARGOES IN BULK.

Section 201 of the Ports and Waterways Safety Act is amended to read as follows:

"SEC. 201. Section 4417a of the Revised Statues of the United States (46 U.S.C. 391a) is amended to read as follows:

"SEC. 4417a. (1) APPLICABILITY.—Except as provided in subsection (2), this section shall apply to any vessel—

"'(A) regardless of tonnage, size, or manner of propulsion;

"'(B) whether self-propelled or not;

"'(C) whether carrying freight or passengers for hire or not;

"'(D) which is documented under the laws of the United States or which enters the navigable waters of the United States; and

"'(E) which carries oil or any hazardous material in bulk.

Any such vessel shall be deemed to be a steam vessel for the purpose of title 52 of the Revised Statutes of the United States and shall be subject to the provisions thereof.

"'(2) EXCEPTIONS.—This section shall not apply to—

"'(A) any public vessel;

"'(B) any vessel having on board oil or any hazardous material for use only as stores, fuel, or in drums, barrels, or other packages;

"'(C) any vessel of not more than 500 gross tons documented in the service of oil exploitation which are not tank vessels and which would be subject to this section only because of the transfer of fuel from fuel supply tanks of such vessel to offshore drilling or production facilities; or

"'(D) any vessel of any foreign nation that is in transit in navigable waters of the United States which form a part of any international strait and that is destined for any port or place outside the United States.

"'(3) SAVING CLAUSE.—Nothing contained in this section shall be deemed to amend or modify the provisions of section 4 of Public Law 90-397 with respect to certain vessels of not more than 500 gross tons.

"'(4) STANDARD-SETTING AUTHORITY.

"'(A) The Secretary shall establish, for any vessel to which this section applies, such additional standards governing the design, construction, alteration, repair, manning, and maintenance of any vessel as may be necessary for increased navigation and vessel safety and enhanced protection of the marine environment, including, but not limited to, standards with respect to—

"'(i) superstructures, hulls, cargo holds or tanks, fittings, equipment, appliances, propulsion machinery, auxiliary machinery, and boilers;

"'(ii) the handling or stowage of cargo, the manner of such handling or storage of cargo, and the machinery and appliances used in such handling or stowage;

"'(iii) equipment and appliances for life saving, fire protection, and prevention and mitigation of damage to the marine environment;

"'(iv) requirements for the manning of such vessels and the duties and qualifications of the officers and crew, in accordance with subsection (7);

"'(v) improvements in vessel maneuvering and stopping ability and other features which reduce the possibility of collision, grounding, or other accidents;

"'(vi) the reduction of cargo loss in the event of a collision, grounding, or other accident; and

"'(vii) the reduction or elimination of discharges during ballasting, deballasting, cargo handling, or other such activity.

"'(B) In establishing such standards, the Secretary shall give due consideration to the kinds and grades of cargo permitted to be on board any such vessel.

"'(5) MINIMUM STANDARDS.—In addition to any standards prescribed by the Secretary pursuant to paragraph (4), or any other law, any vessel to which this section applies, shall, after January 1, 1978, be equipped with—

"'(A) a radar system with short-range and long-range capabilities and with true-north features;

"'(B) a collision avoidance system;

"'(C) a loran-C long-range navigation aid;

"'(D) satellite navigation capability;

"'(E) a transponder which can automatically report position and identification;

"'(F) adequate communications equipment;

"'(G) a fathometer;

"'(H) two gyrocompasses;

"'(I) up-to-date charts;

"'(J) a segregated ballast system and a gas inerting system, if such vessel carries oil in bulk and is of a size in excess of 20,000 deadweight tons;

"'(K) a double bottom fitted throughout the cargo length of such vessel or a double hull, if the construction of such vessel is contracted for, or actually commenced, after June 30, 1977;

"'(L) a redundant propulsion source; and

"'(M) shaft horsepower in the ratio of 1 horsepower to each 2½ deadweight tons.

"'(6) CERTIFICATE OF COMPLIANCE.—(A) No vessel, to which this section applies, shall enter the navigable waters of the United States unless such vessel has been issued a certificate of compliance by the Secretary. The Secretary shall issue such certificate if, after an inspection pursuant to section 403 of the Ports and Waterways Safety Act, as amended, he determines that such vessel is in compliance with—

"'(i) the provisions of title 52 of the Revised Statutes of the United States, and

"'(ii) the rules and regulations applicable to such vessel under this section, or any other law or treaty.

"'(B) The Secretary shall issue such a certificate to any vessel of a foreign nation, to which this section applies, if such nation has issued to such vessel a valid certificate of inspection recognized under law or treaty by the United States.

"'(C) No vessel may carry any kind or grade of cargo unless its certificate of compliance is endorsed to allow such carriage. No such endorsement may allow any vessel to carry any material prohibited by subsection (3) of section 4472 of this title.

"'(D) A certificate of compliance, or an endorsement, issued under this subsection shall be valid for a period of time not to exceed 1 year, as specified by the Secretary. Such certificate or endorsement shall be revoked if the Secretary finds that the vessel involved no longer complies with the conditions upon which such certificate or endorsement was issued.

"'(7) MANNING AND TRAINING REQUIREMENTS.—The Secretary shall prescribe standards for the manning of any vessel subject to the provisions of this Act and the duties, qualifications, and training of the officers and crew thereof. Such standards shall include, but need not be limited to:

"'(A) Instruction in vessel and cargo handling and vessel navigation under normal operating conditions in coastal and confined waters and on the high seas.

"'(B) Instruction in vessel and cargo handling and vessel navigation in emergency situations, under accident or potential accident conditions.

"'(C) License qualifications by specific class and size of vessels.

"'(D) Measurement of qualification for licenses by use of simulators developed for the training of marine oriented skills.

"'(E) Health and physical fitness criteria for all personnel.

"'(F) Periodic retraining, and special training for upgrading positions, changing vessel class or size, or assumnig new responsibilities.

"'(G) Determination of licenses, conditions of licensing, and period of licensing by reference to experience, amount of training completed, and regular performance testing.

"'(H) Recordation of safety and/or pollution control violations on licenses.

"'(I) Suspension of personnel with an unsatisfactory record of compliance with safety and pollution control standards.'".

SEC. 5. NAVIGATIONAL SAFETY AUTHORITY OF THE UNITED STATES.

The Ports and Waterways Safety Act of 1972 (33 U.S.C. 1221 et seq.) is amended by adding the following new title:

"TITLE III—MARITIME SAFETY AUTHORITY OF THE UNITED STATES

"SEC. 301. MARITIME SAFETY ZONE.

"There is established a zone contiguous to the territorial sea of the United States to be known as the maritime safety zone. The inner boundary of the maritime safety zone is a line coterminous with the seaward boundary of the territorial sea of the United States, and the outer boundary of such zone is a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured.

"SEC. 302. MARITIME SAFETY AUTHORITY.

"The United States shall exercise authority in the maritime safety zone to assure navigation and vessel safety and protection of the marine environment by—

"(1) prohibiting any discharge, by any vessel (except a public vessel), of any oil or hazardous material;

"(2) enforcing the provisions of any international agreement to which the United States is a party concerning navigation and vessel safety or protection of the marine environment;

"(3) prescribing vessel traffic control, pursuant to section 101; and

"(4) inspecting any vessel destined for any port or place in the United States, pursuant to section 401.

"SEC. 303. EFFECTIVE DATE.

"This title shall take effect January 1, 1978.".

SEC. 6. INSPECTION AND ENFORCEMENT.

The Ports and Waterways Safety Act of 1972 (33 U.S.C. 1221 et seq.) is amended by adding the following new title:

"TITLE IV—INSPECTION AND ENFORCEMENT

"SEC. 401. MARITIME SAFETY OFFICERS.

"(a) AUTHORIZATION.—The Secretary may authorize any person to serve as a maritime safety officer with the powers set forth in subsection (b).

"(b) POWERS.—Any person authorized by the Secretary under subsection (a) to serve as a maritime safety officer may, with or without a warrant or other process—

"(1) arrest any person, if he has reasonable cause to believe that such person has committed an act prohibited by section 402;

"(2) board and inspect any vessel which is subject to the provisions of this Act;

"(3) order any vessel to operate or anchor in a manner he directs if—

"(A) he has reasonable cause to believe such vessel does not comply with any regulation issued under this Act or any other applicable law or treaty;

"(B) by reason of weather, visibility, sea conditions, or the condition of such vessel, its equipment or its cargo, he is satisfied that such directive is justified in the interests of safety;

"(4) enter and inspect any shore area, place, or premises, containing any dock, bridge, or other structure, which is subject to the provisions of this Act;

"(5) execute any warrant or other process issued by any court of competent jurisdiction; and

"(6) exercise any other lawful authority.

"SEC. 402. PROHIBITED ACTS.

"It is unlawful—

"(1) for any person—

"(A) to violate any provision of this Act or any regulation issued pursuant to this Act;

"(B) to refuse to permit any officer authorized to enforce the provisions of this Act (as provided for in section 401) to board any vessel, or enter any shore area, place, or premises, under such person's control for purposes of inspection pursuant to this Act;

"(C) to discharge any oil or hazardous material into the waters of the maritime safety zone from any vessel subject to the provisions of this Act;

"(D) to fail to report any discharge of oil or hazardous material into the waters of the maritime safety zone to the United States Coast Guard;

"(E) to refuse to obey any lawful directive of a maritime safety officer pursuant to section 401; or

"(F) to resist a lawful arrest for any act prohibited by this section;

"(2) for any vessel subject to the provisions of this Act—

"(A) to operate in the navigable waters of the United States, or in the waters of the maritime safety zone, as appropriate, while not in compliance with any provision of this Act or any regulation issued pursuant to this Act;

"(B) to discharge any oil or hazardous material into the waters of the maritime safey zone; or

"(C) to fail to comply with any lawful directive of a maritime safety official pursuant to section 401.

"SEC. 403. INSPECTION.

"(a) NATIONAL PROGRAM.—(1) The Secretary shall establish a national program for inspection of any vessel subject to the provisions of this Act. Each such vessel shall be inspected at least once each year. Any such vessel over 10 years of age shall undergo a special structure inspection, as determined by the Secretary.

"(2) An inspection may be conducted by—

"(A) a maritime safety officer appointed by the Secretary pursuant to section 401; or

"(B) any agent of a qualified inspection organization approved by the Secretary.

"(3) The owner of any vessel inspected by a maritime safety officer shall reimburse the Secretary for the cost of such inspection.

"(4) No vessel may be issued a certificate of compliance under section 4417a(6) by the Secretary unless he determines that such vessel is in compliance with the requirements of such section. If any vessel does not so comply, the Secretary shall notify the owner of such vessel and indicate how such vessel may be brought into compliance.

"(b) VESSEL DOCUMENTS.—(1) Any vessel subject to the provisions of this Act shall have on board such documents as the Secretary deems necessary for inspection or enforcement under this Act, including, but not limited to, documents indicating—

"(A) the kind, grade, and approximate quantities of any cargo on board such vessel;

"(B) the shipper and consignee of such cargo;

"(C) the points of origin and destination of such vessel; and

"(D) the name of any person with an ownership interest in such vessel and the name of an agent in the United States authorized to accept legal process.

"(c) RECIPROCITY.—The Secretary may accept, as evidence of compliance with the provisions of this Act, any certificate or document issued by any foreign nation pursuant to any treaty, convention, or other international agreement to which the United States is party.

"SEC. 404. PENALTIES.

"(a) CIVIL PENALTY.—(1) Any person who is found by the Secretary, after notice and an opportunity for a hearing in accordance with section 554 of title 5, United States Code, to have committed an act prohibited by section 402 shall be liable to the United States for a civil penalty. The amount of the civil penalty shall not exceed $25,000 for each violation. Each day of a continuing violation shall constitute a separate offense. The amount of such civil penalty shall be assessed by the Secretary, or his designee, by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require.

"(2) Any person against whom a civil penalty is assessed under paragraph (1) may obtain review thereof in the appropriate court of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary. The Secretary shall promptly file in such court a certified copy of the record upon which such violation was found or such penalty imposed, as provided in section 2112 of title 28, United States Code. The findings and order of the Secretary shall be set aside by such court if they are not found to be supported by substantial evidence, as provided in section 706(2) of title 5. United States Code.

"(3) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court has entered final judgment in favor of the Secretary, the Secretary shall refer the matter to the Attorney General of the United States, who shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

"(4) The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under his subsection.

"(b) CRIMINAL PENALTY.—(1) A person is guilty of an offense if he willfully and knowingly commits any act prohibited by section 402.

"(2) Any offense described in paragraph (1) is punishable by a fine of not more than $50,000, or imprisonment for not more than 6 months, or both; except that if in the commission of any such offense the person uses a dangerous weapon, engages in conduct that causes bodily injury to any officer authorized to enforce the provisions of this Act (as provided for in section 401), or places any such officer in fear of imminent bodily injury, the offense is punishable by a fine of not more than $100,000, or imprisonment for not more than 10 years, or both.

"(3) There is Federal jurisdiction over any offense described in this section.

"(c) IN REM LIABILITY.—Any vessel subject to the provisions of this Act and found to be in violation of this Act shall be liable in rem and may be proceeded against in the United States district court for any district in which such vessel may be found.

"(d) INJUNCTION.—The United States district courts shall have jurisdiction to restrain violations of this Act or regulations issued hereunder, for cause shown.".

SEC. 7. MISCELLANEOUS PROVISIONS.

The Ports and Waterways Safety Act of 1972 (33 U.S.C. 1221 et seq.) is amended by adding the following new title at the end thereof.

"TITLE V—MISCELLANEOUS PROVISIONS

"SEC. 501. REGULATIONS.

"The Secretary is authorized to issue regulations to carry out the purposes and provisions of this Act, in accordance with the provisions of section 553 of title 5, United States Code. Such regulations shall provide for full consultation and cooperation with all other interested Federal agencies and departments (in particular the Environmental Protection Agency and the Department of Commerce), and the States, and for consideration of views presented by any members of the general public, including representatives of the maritime community, environmental groups, consumer organizations, and persons concerned with navigation and vessel safety and protection of the marine environment.

"SEC. 502. REPORT.

"Within 6 months after the end of each fiscal year, the Secretary shall submit to the Congress (1) a report on the administration of the Ports and Waterways Safety Act during the fiscal year; (2) a summary of inspection and enforcement activities; and (3) recommendations to the Congress for any additional legislative authority necessary to improve navigation and vessel safety and protection of the marine environment.

"SEC. 503. SAVINGS CLAUSE.

"Regulations previously issued under statutory provisions repealed, modified, or amended by this Act shall continue in effect as though promulgated under the authority of section 4417a of the Revised Statutes of the United States (46 U.S.C. 391a) or the Ports and Waterways Safety Act, as amended by this Act, until expressly abrogated, modified, or amended by the Secretary. Any proceeding under section 4417a or the Ports and Waterways Safety Act for a violation which occurred before the effective date of this

Act may be initiated or continued to conclusion as though such section or Act had not been amended hereby.

"SEC. 504. INTERNATIONAL AGREEMENTS.

"(a) TRANSMITTAL OF REGULATIONS.—The Secretary shall transmit regulations promulgated under this Act to the appropriate international organizations or forums for consideration as international standards.

"(b) NEGOTIATIONS.—The Secretary of State—

"(1) shall enter into negotiations, in cooperation with the Secretary of Commerce, with any adjacent or opposite foreign nation to establish the boundaries of the maritime safety zone in relation to any such nation;

"(2) shall enter into negotiations, in cooperation with the Secretary, with Canada and Mexico, and any other neighboring nation, to establish compatible vessel standards and vessel traffic control systems in appropriate areas and circumstances; and

"(3) may enter into such other negotiations as may be necessary and appropriate to further the purpose, policy, and provisions of this Act.

"SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Secretary, for the purpose of carrying out the provisions of this Act, such sums as may be necessary.".

TITLE II—INCREASED USE OF UNITED STATES VESSELS

That this title may be cited as the "Equitable Cargo Share Act of 1977".

SEC. 2. CARGO SHARE PROGRAM.

Section 901 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1241), is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Commerce shall take such steps as are necessary to assure that a quantity equal to not less than 20 percent of the gross tonnage of all oil transported on ocean vessels (whether transported directly from the original point of production or indirectly from such point to and from any intermediate points used for storage, refining, processing, packaging, unloading, or reloading of oil) for import into the United States shall be transported on privately owned United States-flag commercial vessels (to the extent that such vessels are available at fair and reasonable rates for such vessels), and to insure fair and reasonable participation of such vessels in such transportation from all geographical areas in which such oil is produced or refined or both. With respect to any period beginning after June 30, 1978, the quantity of such oil required to be transported on privately owned United States-flag commercial vessels shall be equal to not less than 25 percent of the gross tonnage of all oil transported on ocean vessels for import into the United States, and for any period beginning after June 30, 1980, such quantity shall be equal to not less than 30 per cent of such gross tonnage; except that if (1) the Secretary of Commerce finds and determines 6 months prior thereto, in the exercise of his sole discretion, that the tonnage of privately owned United States-flag commercial vessels, including vessels on order and scheduled to be ready for commercial service by such date, will be adequate to carry such quantity; and (2) in the event that such tonnage is not found to be adequate to carry such quantity, there shall be carried on such vessels the basic 20 percent requirement together with any excess over such requirement, but not to exceed the applicable percent requirement, for which such Secretary finds that adequate tonnage will be available.

"(2) The Secretary of Commerce may by rule establish a system of reasonable classification of persons and imports subject to the provisions of this subsection, and such Secretary shall treat all persons in the same such classification in substantially the same manner. If any person alleges—(A) that he has been incorrectly classified under any such rule;

(B) that there is no reasonable basis in fact for any such classification; or

(C) that as a consequence of any agency action,

he is or may be treated substantially differently from any other person in the same classification, such person may request, and, upon a reasonable showing, obtain, a hearing in accordance with section 554 of title 5, United States Code. Upon an agency decision, such person may request judicial review in the United States Court of Appeals for the District of Columbia. The scope of such review shall be governed by section 706 of title 5, United States Code.

"(3) The Secretary of Commerce is authorized to grant credits toward the fulfillment of the requirements of paragraph (1) of this subsection in the case of oil transported by privately owned United States-flag commercial vessels, over 100,000 deadweight tons, between foreign ports until such time as an oil discharge facility, capable of discharging fully laden vessels of over 20,000 deadweight tons, is in operation on any coast of the United States; except that the Secretary of Commerce shall take all reasonable steps to assure that the authority provided in this paragraph not encourage, directly or indirectly, the construction, operation, or maintenance of a fleet of privately owned United States-flag commercial vessels different in numbers, types, or sizes than the fleet that would otherwise result.

"(4) As used in this subsection—

"(A) 'oil' means crude oil and the following products refined or derived from crude oil: unfinished fuels, gasoline, kerosene, aviation fuels, naphtha, cracking stocks, distillate heating oil, diesel oil, and residual oils;

"(B) 'privately owned United States-flag commercial vessel' are vessels of United States registry (or if at any time documented under the laws of any foreign nation, then documented under the laws of the United States for not less than the 3 previous years), built in the United States, which are not more than 20 years old or which have been reconstructed and are not beyond their economic lives (as determined by the Secretary of Commerce), and with respect to which the owner or lessee thereof has entered into a capital construction fund agreement with such Secretary pursuant to which such vessel shall be replaced at the end of its 20-year life, or at the end of its extended economic life in case of reconstruction, and such agreement includes a mandatory deposit schedule to finance such replacement; and

"(C) 'United States' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(5) Each department, agency, or other instrumentality of the United States which is affected by any obligation imposed under this subsection, and any officer or employee thereof, shall take all appropriate action to assure compliance with such obligation and with regulations which shall be issued by the Secretary of Commerce to implement and enforce the provisions of this subsection. Each citizen of the United States and each person subject to the jurisdiction of the United States shall comply with such obligation and any applicable regulations issued by such Secretary under this subsection.

"(6) The Secretary of Commerce shall review, evaluate, and report annually to the Congress and the President on the implementation of the provisions of this subsection and the effectiveness of such provisions. Each such report shall include, but not be limited to, a study of (1) the adequacy and availability of construction and reconstruction facilities in the United States for the vessels needed to meet the provisions of paragraph (1) of this subsection and (2) the reasonableness of the prices charged and delivery dates for the construction and reconstruction of such vessels."

SEC. 3. EXCEPTIONS FOR SMALL REFINERS.

The provisions of this Act shall not apply to any further refiner whose total refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refiner) does not exceed 30,000 barrels per day; except the total quantity of such oil imported by or for such refiner does not in any year exceed the rated refining capacity of such refiner.

SEC. 4. LICENSE FEES.

License fees payable pursuant to Presidential proclamation for imports of crude oil imported into the United States shall be reduced by 15 cents per barrel for a period of 5 years from the date of enactment of this Act if the Secretary of the Treasury determines—

(a) such crude oil is transported by privately owned United States-flag commercial vessels; and

(b) the amount resulting from the nonpayment of such license fees is passed on to the ultimate consumers of such crude oil in whatever form it is when ultimately consumed.

By Mr. McINTYRE:

S. 683. A bill to amend the Tariff Act of 1930 and the Tariff Schedules of the United States to reduce the burden of paperwork involved in the customs entry process for travelers and goods entering the United States; to the Committee on Finance.

CUSTOMS PAPERWORK REDUCTION ACT OF 1977

Mr. McINTYRE. Mr. President, as most of my colleagues know, for the past 7 years I have been very much involved in efforts to eliminate the Federal paperwork burden imposed upon businesses and individuals by the Federal Government. My Subcommittee on Government Regulation of the Small Business Committee has conducted a wide range of hearings on the various problems affecting small businesses' ability to comply with Federal reporting and recordkeeping requirements. Out of our hearings have grown many suggestions and legislative concepts. One such piece of legislation, to establish a Commission on Federal Paperwork, was passed by the Congress and signed by the President. I serve as its cochairman.

A major goal of the Commission is to minimize the paperwork burden imposed by Government on the American public, while at the same time to assure that Government's needs for information are met.

We have one opportunity in the area of international travel. The legislation which I am introducing today, known as the Customs Paperwork Reduction Act of 1977, will cut paperwork in international trade and travel.

This bill would simplify the procedures we use to classify merchandise imported

for the personal use of international travelers. By changing these procedures, I believe that inordinate amounts of processing time now involved in Customs inspections can be greatly reduced. This processing time today has created an aggravating bottleneck in Customs' offices. It is based on unnecessary redtape and poses an undue burden on all travelers.

My bill will apply a flat 10-percent rate of duty for all personal goods, valued under $500, brought into the country by international travelers. We anticipate that there would be a threefold increase in the number of travelers the U.S. Customs Service processes with a minimum increase in inspection personnel. By even the roughest calculation, if this new rate allowed each visitor passing through Customs to save an average of 5 minutes processing time, both travelers and Government inspectors would share in an estimated 3 million hours time savings.

To the weary traveler, cutting 5 minutes out of a Customs line is very significant. No sleepy traveler wants to stand waiting to go through Customs. He wants to go home.

The second section of this legislation is also important from the viewpoint of the Paperwork Commission. It would raise the limit of informal entry of commercial shipments into the United States from $250 to $500. The $250 limit was set by congressional action in 1953. This proposed increase is intended to reflect, in an approximate way, the inflationary changes in value of products from 1953 to 1977—a 24-year span with no adjustment.

This portion of the legislation will result in major cost savings for businessmen in America who import small quantities of merchandise. Present laws require formal entry documents to be filed for such shipment over $250. This change will reduce, by at least 200,000 filings per year, the more complicated formal documents—thus eliminating large amounts of paperwork. The resulting savings are estimated to be $6 million annually—$5 million in brokers' fees and surety bonds, and $1 million to the Government in simplified processing savings.

As these statistics indicate, this single legislative item serves the immediate needs of both travelers and small businesses.

The third section of the legislation provides that the same type of statistics can be collected for goods valued between $250 and $500, imported commercially under informal entry procedures, as is presently required for goods entering under formal procedures, to which the Customs Service has assented.

I urge my colleagues in the Senate to act on this legislation quickly and let us proceed to reduce paperwork where possible. This bill is a positive action which will have a significant impact in reducing unnecessary reporting on our citizens, small businesses and our foreign guests.

I ask unanimous consent that the text of the Customs Paperwork Reduction Act of 1977 and an analysis prepared by the Commission on Federal Paperwork be inserted in the RECORD at this point.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Customs Paperwork Reduction Act of 1977".

SEC. 2(a) Schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by redesignating "Part 6" as "Part 7", changing the phrase "Part 6 headnote" to "Part 7 headnote", and inserting a new part 6 to read:

" PART 6.—NONCOMMERCIAL IMPORTATIONS OF LIMITED VALUE

Part 6 headnote:			
	1. For the purposes of this part the rates of duty for articles provided for in this part shall be assessed in lieu of any other rates of duty except free rates of duty on such articles.		
	Articles for personal or household use, or as bona fide gifts, not imported for sale or for the account of another person:		
S69.00	Accompanying a person, arriving in the United States and valued in the aggregate (exclusive of duty-free articles) not over $500 fair retail value in the country of acquisition	10% of the fair retail value	10% of the fair retail value

(b) The amendment made by this section shall take effect with respect to persons and articles arriving in the United States on or after the thirtieth day following the date of enactment.

Sec. 3. Sec. 498(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1498(a)(1)), as amended, is hereby further amended by striking "$250" and substituting "$500", and by adding the following after the semicolon:

"Provided however that such regulations shall require the submission, as part of any declaration with respect to any shipment of merchandise which exceeds $250 in aggregate value, of an accurate statement specifying kinds and quantities of all articles imported in such shipment and the value of the total quantity of each kind of article."

ANALYSIS OF THE CUSTOMS PAPERWORK REDUCTION ACT OF 1977

Section 2(a) would amend the Tariff Schedules of the United States (19 U.S.C. 1202) by redesignating Part 6 of Schedule 8 as Part 7 and introducing a new Part 6 dealing with noncommercial importations of limited value. The new provision would apply to articles intended for personal or household use and not for resale, and not imported for another person, if valued not over $500 fair retail value and accompanying a person arriving in the United States. In such circumstances, a flat rate of duty of 10 percent of fair retail value would be assessed in lieu of any other rate of duty except a free rate of duty. The flat rate would not apply to commercial entries nor to articles in any shipment not accompanying the person.

The proposed Part 6 contains a controlling headnote and a new rate provision. Headnote 1 to the new Part provides that the rate of duty for articles provided for in the Part shall be assessed in lieu of any other rates of duty except free rates of duty on such articles. For example, if a returning resident brought in articles worth $700, $200 of which were free of duty as antiques, the flat rate or duty provided in the proposed amendment would apply to articles valued at only $400 ($700 less $100 tourist exemption, less $200 duty-free articles).

The basic prerequisite for classification if imported articles in the Part, as stated in the superior heading to the proposed provision, is that such articles are intended for personal or household use and not for sale or other commercial use.

Proposed new item 869.00 provides for a flat rate of duty of 10 percent of the fair retail value of the article accompanying a person arriving in the United States and valued in the aggregate (exclusive of duty-free articles) not over $500 fair retail value in the country of acquisition. The average rate of duty now assessed on the wholesale value of articles arriving in passengers' baggage is approximately 15 percent. The 10 percent rate of duty on retail value would represent an equivalent rate.

Under existing law, the classification and rate of duty on an imported article is not affected by the commercial or noncommercial nature of its importation with certain minor exceptions, the most notable of which are the personal exemptions for residents and nonresidents, and the provisions granting free entry of unsolicited gifts, the value of which does not exceed $10. A returning resident is entitled to an exemption from duty for articles accompanying him of up to $100 aggregate value ($200 from the insular possessions of the United States). Dutiable articles over the $100 limitation are subject to duty at the rate prescribed in the applicable provisions of the Tariff Schedules of the United States.

The application of tariff classification procedures to merchandise imported by persons arriving into the United States for personal use requires an inordinate amount of processing time, compared to the amount of duty collected, and creates an aggravating bottleneck in the processing of persons entering the country.

The proposed legislation would contribute substantially to the elimination of this bottleneck without adverse effects on customs revenue collections. It would establish a single rate of 10 percent of fair retail value for use in assessing and collecting duty on persons arriving into the United States. Very few passengers fall outside the $500 limitation.

Application of the 10 percent flat rate of duty will enable Customs to process an anticipated threefold increase in dutiable declarations in coming years with a minimum increase in Customs inspectional personnel. The time expended under existing law in determining the classification of such noncommercial importations and in computing the amount of duty owed would be available for more thorough baggage inspections and more effective enforcement of laws prohibiting the importation of narcotics, dangerous drugs, and other contraband.

Section 2(b) sets forth the effective date of the amendment as the 30th day following the date of enactment.

Section 3 would amend section 498(a)(1) of the Tariff Act of 1930, as amended (19 U.S.C. 1498(a)(1)), to increase from $250 to $500 the maximum aggregate value of shipment which may, in accordance with rules prescribed by the Secretary, be entered through informal entry procedures.

Informal entry may be made under a simpler procedure than that required for a formal entry. The informal entry document may be filled out by the customs officer for the importer, no bond is required, and there is no formal appraisement of the goods which are evaluated by the customs officer who examines and releases the merchandise to the importer or prepares a mail entry for collection of duty by the U.S. Postal Service. Liquidation is accomplished by the payment of duties by the importer or the release of

the merchandise to the importer by customs or the postmaster when goods are free of duty and internal revenue tax. Information concerning such entries is furnished to the Import Statistics Section, Foreign Trade Division, Bureau of the Census.

The Customs Service will establish procedures whereby Customs will submit to the Census Bureau a statistical copy with each commercial informal entry valued between $250 and $500 with the 7-digit TSUSA reporting number, countries of origin and exportation, quantities, entered and transaction values, transportation charges, and if appropriate, the equivalent value. The documents will be submitted directly to Census according to the small schedule applicable to formal entries.

This section is designated to achieve administrative and operational efficiencies by granting customs officers greater operational flexibility and will contribute substantially to the effort of the U.S. Customs Service to decrease the backlog of unappraised and unliquidated formal entries.

Furthermore, the change will permit significant improvement in the reliability of formal entry data. A reduction in formal entries of approximately 200,000 per year is expected to result from this proposed amendment. While this will result in some loss of statistical data on imports, the estimated savings in time, money, and manpower is believed to outweigh the loss.

A change in the value figure from the original figure of $100 to $250 was made by the Customs Simplification Act of 1953 (67 Stat. 157) based on the value of the dollar at the time the informal entry procedure was first specifically authorized by the Congress in 1922. This proposal to increase the value to $500 like the earlier change reflects in an appropriate way the change in the value of the dollar from 1953 to today.

By Mr. PROXMIRE:

S. 684. A bill to establish a Federal Bank Commission to administer all Federal laws relating to the conduct of the banking business, both foreign and domestic, including such laws relating to the chartering of banking institutions and their branching activities, bank holding companies and their activities, Edge Act corporations and their activities, and the examination, supervision, and regulation of banking institutions under Federal law; to the Committee on Banking, Housing and Urban Affairs.

FEDERAL BANK COMMISSION ACT OF 1977

Mr. PROXMIRE. Mr. President, I am today introducing for reference to the Committee on Banking, Housing and Urban Affairs, a bill to establish a Federal Bank Commission. This bill is substantially identical to S. 2298 which I introduced in the 94th Congress but to which I have added significant new provisions designed to strengthen the role of the States in bank regulation and thereby the dual banking system; and to strengthen the role of the Federal Reserve in obtaining bank supervisory information which it may need to conduct the monetary policy of the Nation. The statements I made on the floor of the Senate in introducing that bill on September 5, 1975, are fully applicable to this legislation. Under the bill, the Federal Bank Commission would administer all Federal laws relating to the conduct of the banking business both foreign and domestic, including such laws relating to the chartering of banking institutions and their branching activities, bank holding companies and their activities, Edge Act corporations and their activities, and the examination, supervision, and regulation of banking institutions under Federal law.

The Office of the Comptroller of the Currency would be abolished and all of its functions and personnel transferred to the Federal Bank Commission. Similarly, all of the functions and personnel of the Federal Deposit Insurance Corporation would be transferred to the Commission and its Board of Directors abolished. However, the FDIC would be retained as a corporate entity within the Commission and under the sole control of the Commission for the accounting purpose of holding the insurance fund established to protect commercial bank depositors and which now total in excess of $6 billion. In this regard the relationship between the Commission and the FDIC would be similar to the relationship between the Federal Home Loan Bank Board which supervises and regulates federally insured savings and loan associations and the Federal Savings and Loan Insurance Corporation which insures the deposits in such institutions. Finally, all of the supervisory and regulatory authority of the Federal Reserve Board would be transferred to the Commission. The Federal Reserve would retain supervisory and regulatory authority over interest rate ceilings, and margin requirements and retain the authority to make loans to banks through the "discount window." Relieving the Federal Reserve Board of bank and bank holding company supervisory responsibility will enhance its ability to concentrate on conducting the monetary policy of the Nation which is its primary responsibility.

Unsafe or unsound conditions in our banking system have proliferated in the past 15 years as banks have changed their orientation toward go-go banking, a high profile syndrome and high profits. In the process the capitalization of our Nation's banks has declined precipitously since 1960, particularly among the largest banks. The numbers of problem banks—banks which are categorized by regulatory authorities as possibly requiring aid from their shareholders because of their condition or banks which are in danger of failing—have increased in size and in numbers. Massive credits are extended by banking institutions to persons having insider relationships with banks: officers, directors, or stockholders and the companies they control.

Last year, after public disclosure that there existed large numbers of problem banks in the banking system, the Congress requested the General Accounting Office to audit the three bank regulatory agencies to find out how well they were exercising their bank supervisory and regulatory responsibilities. GAO filed its report with the Senate Banking Committee on January 31, 1977. In my view, the GAO report reveals that regulatory permissiveness, fostered by the split in Federal bank regulatory authority, has been the principal reason why a substantial number of the Nation's banks in the banking system have deteriorated.

In its report, the GAO found that during the period 1971–75, the number of problem banks increased from at least 352 to 607 with the number of problem banks whose deposits exceeded $100 million increasing from 13 to 83. GAO data shows that the numbers and size of bank failures have also increased recently. For example, during the past 4 years bank failures have averaged $937 million in deposits each year, an increase of 21 times over the average of $45 million in deposits at failed banks during the previous 13 years. Moreover, the recent failures were the largest in the history of the Nation. I refer, of course, to the failures of the Franklin National Bank, the U.S. National Bank, the Security National Bank and Hamilton Bankshares, Inc. The assets of each one of these banking organizations exceeded a billion dollars.

Why, Mr. President, are the numbers of problem banks and bank failures increasing? The answer I believe is poor Government regulation. GAO found that bank examiners in most cases identify bank problems 2 years before banks fail; and the primary cause of the bank failures were bad management practices—not economic conditions. But the bank regulatory agencies, GAO found, delayed requiring banks to correct their problems until it was too late, even though problem banks exhibit many of the types of problems which can be cured by tough enforcement action. But the banking agencies failed even to communicate clearly to bank managements the needed corrective measures.

Mr. President, the principal problem with bank regulation is the hydra-headed bank regulatory structure at the Federal level which moves in three separate directions. GAO hit home when it said in its report that no mechanism exists to insure that the agencies act in concert to operate effectively and efficiently. For example the GAO notes that:

First. The three agencies do not have common criteria for determining which banks should be treated as problem banks or for taking enforcement action against problems which are discovered by examiners.

Second. Each of the agencies is developing its own separate monitoring and early warning system to improve bank examinations.

Third. Loans to corporations in which banks regulated by each of the three agencies participate are reviewed and treated differently by each of the three agencies even though essentially only one extension of credit is involved.

Fourth. The agencies operate separate and to a large extent duplicate computer systems.

Fifth. There is no procedure for coordinated examinations of holding companies and their subsidiary banks regulated by three different agencies.

Sixth. Separate systems for enforcing the consumer protection laws are in effect at the agencies.

Seventh. Loans to the same foreign borrowers are treated differently by the agencies. Time and money are wasted by the agencies in separate examinations of foreign branches and subsidiaries.

Eighth. The agencies maintain three separate examiner training centers. As a result three separate government disciplines are brought to bear on common bank problems.

The Comptroller charters and supervises national banks. But deposits in those banks are insured by the FDIC and all national banks are required to be members of the Federal Reserve. The Federal Reserve regulates State-chartered banks which choose to become members of the Federal Reserve. But deposits in such banks are insured by the FDIC. The FDIC insures all federally insured banks but supervises only those State-chartered banks which are not members of the Federal Reserve. The Federal Reserve regulates all bank holding companies regardless of which of the three agencies regulates the principal banking subsidiaries of the bank holding company. None of these agencies will invade the bureaucratic turf of the other agencies even though the consequences of poor regulation by one agency will be felt by the other agency. For example, the Federal Reserve has loaned billions of dollars to national banks in distress which are supervised by the Comptroller. This has complicated monetary policy and misallocated bank reserves to speculative uses. The FDIC has had to underwrite the losses of banks which are regulated by the other agencies in the amount of hundreds of millions. The FDIC and the Comptroller have had banks which they supervise deteriorate to the point of distress because of poor regulation of their holding companies by the Federal Reserve.

Former Vice-Chairman of the Federal Reserve, J. L. Robertson testified before the Senate Banking Committee that there is an "institutional reluctance among the regulators to pull the rug out from under their own banks." This institutional reluctance arises in part from the ability of banks to switch regulators. It also arises from the fact that the greater the number of banks regulated the greater the justification for a bigger bureaucracy. When this is combined with the fact that the Federal banking agencies derive their funds not from Government appropriations but from private assessments on the banks they regulate with no congressional oversight the results are pernicious. Even without actual charter switching former Governor Bucher testified that the subtleties of divided authority are always with the agencies whenever they made a decision. Thus, in my view, instead of tough regulation we get Government bureaucrats living high off the hog in plush offices and traveling first-class with their wives around the country to attend bankers association meetings. Only by eliminating this institutional reluctance to take action will we ever have any hope of bringing decent government to the banking field.

In a speech to the American Bankers Association, the distinguished Chairman of the Federal Reserve Board stated with respect to the structure of bank regulation at the Federal level that:

> I am inclined to think that the most serious obstacle to improving the regulation and supervision of banking is the structure of the regulatory apparatus. That structure is exceedingly complex. * * * At the Federal level, every bank whose deposits are insured is subject to supervision and regulation, but authority is fragmented. The Comptroller of the Currency charters and supervises national banks. The Federal Reserve System supervises State chartered member banks, regulates activities of Edge Act corporations, regulates all bank holding companies, and controls the reserves and other operating features of all member banks. The Federal Deposit Insurance Corporation insures nearly all banks, but supervises only State-chartered banks that are non-members of the Federal Reserve. The FDIC also has certain regulatary powers that apply to insured non-member banks.
>
> Those of you who have been intimately concerned with regulatory matters will realize that I have oversimplified, that our system of parallel and sometimes overlapping regulatory powers is indeed a jurisdictional tangle that boggles the mind.
>
> There is, however, a still more serious problem. The present regulatory system fosters what has sometimes been called "competition in laxity." Even viewed in the most favorable light, the present system is conducive to subtle competition among regulatory authorities, sometimes to relax constraints, sometimes to delay corrective measures, I need not explain to bankers the well-understood fact that regulatory agencies are sometimes played off against one another. Practically speaking, this sort of competition may have served a useful purpose for a time in loosening overly cautious banking restrictions imposed in the wake of the Great Depression. But at this point, the danger of continuing as we have in the past should be apparent to all objective observers.
>
> I recognize that there is apprehension among bankers and students of regulation concerning over-centralized authority. Providing for some system of checks and balances is the traditional way of guarding against arbitrary or capricious exercise of authority. But this principle need not mean that banks should continue to be free to choose their regulators. And it certainly does not mean that we should fail to face up to the difficulties created by the diffusion of authority and accountability that characterizes the present regulatory system. * * * Some will doubtless conclude that the proper approach lies in improved coordination among the multiple bank regulatory agencies, together with harmonization of divergent banking laws. My own present thinking, however, is that building upon the existing machinery may not be sufficient, and that substantial reorganization will be required to overcome the problems inherent in the existing structural arrangement.

I am in agreement with this statement of Chairman Burns. The ability of banks to pick and choose their regulators as Chairman Burns says means that they have the ability to play off one Federal agency against the other. This results in poor and ineffective regulation and an inability of the Federal Government to deal with the tough issues because the bank agencies compete with one another to see which can regulate the least. Such competition in laxity has resulted in low public confidence in the bank regulatory agencies. The public is no longer willing to continue to be served by regulation at the lowest common denominator level among Federal agencies. Competition in laxity can only be eliminated by eliminating its base of operations: The threefold fragmented division of regulatory authority, into a single agency.

The benefits of a single bank regulatory agency, such as the Federal Bank Commission, which eliminates the competition in laxity among the three bank regulatory agencies would be enormous. Former Governor Holland of the Federal Reserve listed four such benefits as follows:

> (a) Such an agency would bring about uniformity in Federal regulation, supervision and examination of banks. In addition it would result in uniformity on decisions concerning merger and branching applications.
>
> (b) * * * such a consolidation would eliminate some duplication of efforts and lead to a more efficient use of supervisory and examination personnel. It would also remove any problems arising out of consultations between the agencies and resulting delays in decision-making.
>
> (c) We also believe there could be advantages from the development of consistent data which would permit fuller analysis of the banking industry as a whole and permit more prompt identification of developments which might affect the stability of the banking system.
>
> (d) Finally, the consolidation of three Federal agencies into one would preclude the possibility of banks changing their organizational status in order to obtain more favorable treatment from a different Federal supervisor.

Former Chairman Wille of the Federal Deposit Insurance Corporation listed eight as follows:

First. Simplification of administration; improved internal and external communication.

Second. Elimination of conflicting goals.

Third. Economy and efficiency of operation.

Fourth. Elimination of actual or potential policy conflicts.

Fifth. Facilitating the handling of failing banks.

Sixth. Improved regulation of bank holding companies, their affiliates, and certain other bank relationships.

Seventh. Gains to banks and bank customers from a single Federal agency.

Eighth. Adjusting to a rapidly changing environment.

This bill will also strengthen the hand of the Federal Reserve in conducting monetary policy. The Federal Reserve Board's testimony before the Senate Banking Committee was that the Board needs the bank supervisory responsibility discipline in order to be able to conduct monetary policy. Serious disagreement with this view was taken before the committee by former Vice Chairman of the Federal Reserve Robertson who served at the Board for 20 years and by former Governor Bucher.

This legislation places a member of the Federal Reserve directly on the five-man Federal Bank Commission. Thus under this bill the Federal Reserve will have more direct input into bank supervision and regulation than it now has; and, under the bill, the Board will have more direct and immediate access to such information than it now has. Thus, under the theory of the Federal Reserve, this bill should enhance the Board's ability to conduct monetary policy.

One of the most important features of this bill are the provisions designed

to strengthen the dual banking system of the Nation under which we have federally chartered and regulated banks which compete side by side with State chartered and regulated banks. Two essential features of this system must be strengthened if we are to retain a viable dual banking system. First, Federal insurance should not be used as a veto to the chartering of State banks. Second, State supervisory functions should not be co-opted by the Federal Government either by design or by default as it is in too many cases.

Section 312(d)(2) requires the Federal Bank Commission to grant insurance to institutions chartered by a State whose operations are adequate to assure a safe and sound banking system. This provision is designed to eliminate the veto power now enjoyed by the FDIC over State chartered banks and to assure that the Federal Bank Commission which will also charter national banks will not favor the chartering of national banks in any State over the State banking system. Under the current fragmented regulatory authority there is no doubt that the Comptroller of the Currency has historically sought to induce State chartered banks to switch to national charters, particularly among the larger banks. This bill will put an end to this practice.

Section 312(d)(2) also provides that where State examiners make adequate examinations of State chartered banks the Federal Bank Commission may suspend Federal examinations and reimburse the State supervisory authority for the cost of examination. This provision will give the State's supervisory authorties the economic means to upgrade their supervisory positions.

Finally, section 4(a) of the bill provides that at all times, one member of the Federal Bank Commission shall be an individual who has had direct State bank regulatory experience. There is no counterpart to this provision in the present law and as a practical matter direct State supervisory experience is not a quality which is sought by the bank regulating agencies. This provision will insure that State experience will have a direct representation in all bank supervision in the Nation thereby strengthening the dual banking system.

This bill will also subject the Federal Bank Commission to periodic performance audits by the General Accounting Office and require the Commission's yearly expenditures to be with limitations set by an appropriations act of the Congress.

I ask unanimous consent that the section-by-section analysis of the bill along with the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Bank Commission Act of 1977".

FINDINGS AND PURPOSES

SEC. 2. (a) Congress finds that—

(1) the existing structure of regulation of banking institutions under Federal law, consisting primarily of the Federal Reserve System with respect to member State banks, bank holding companies, and Edge Act corporations, the Comptroller of the Currency with respect to the domestic and foreign activities of national banks, and the Federal Deposit Insurance Corporation respecting insured State banks which are not members of the Federal Reserve System, if reorganized, will better insure the safe and sound operation of the commercial banking system of the Nation in the future;

(2) a safe and soundly operated banking system is basic and necessary to support the commercial and industrial needs of the Nation and that the line between banking and commerce and industry should be preserved; and

(3) the Federal Reserve System will be better equipped to fulfill its primary responsibility to conduct the monetary policy of the Nation by having one of its members serve on the Federal Bank Commission which will have authority to examine and supervise all federally chartered and insured banking institutions and bank holding companies.

(b) It is therefore hereby declared to be the policy of the Congress—

(1) to provide for the uniform, fair, impartial, and efficient administration of Federal banking laws by eliminating present overlapping jurisdictional authority and fragmentation of responsibility which has led to conflicts of policy resulting in inadequate supervision and regulation of banking institutions in foreign and domestic activities and in uneven application of laws dealing with mergers and acquisitions under Federal law;

(2) to preserve and strengthen in principle the dual banking system by consolidating authority over the administration of Federal banking laws in consonance with that principle and providing significant new authority for the State regulatory system; and

(3) to enable the Federal Reserve System to concentrate its efforts solely upon its primary responsibility to conduct the monetary policy of the Nation by relieving the Federal Reserve of the additional burdens of functioning as an administrative tribunal and supervisory agency.

ESTABLISHMENT OF THE COMMISSION; QUORUM

SEC. 3. There is established a Federal Bank Commission (hereafter in this Act referred to as the "Commission") which shall consist of five members, four of whom shall be appointed by the President, by and with the advice and consent of the Senate. One of such members shall be designated at the time of appointment to chair the Commission. One member of the Commission shall be designated by the Chairman of the Board of Governors of the Federal Reserve System from among the members of the Board of Governors of the Federal Reserve System and shall serve as a member of the Commission without additional compensation. Three members of the Commission shall constitute a quorum for the conduct of business.

QUALIFICATIONS OF MEMBERS; TERMS OF OFFICE

SEC. 4. (a) The members of the Commission shall be appointed without reference to political affiliation. In selecting members of the Commission, the President and the Chairman of the Board of Governors of the Federal Reserve System shall consider solely the fitness of any individual to perform the office with due regard to the financial, economic, and legal matters on which the Commission must exercise its statutory responsibilities. At all times, one member of the Commission shall be an individual who has had direct State bank regulatory experience.

(b) The members shall be initially appointed for terms expiring on June 30 of the second, third, fourth, and fifth years beginning after the effective date of this section, as designated by the President at the time of nomination. Any member appointed after the initial appointments have been made shall be appointed for a term expiring seven years after the expiration of the term for which his predecessor was appointed, except that the term of a member appointed to fill a vacancy (other than a vacancy in the chair) shall expire at the end of the term for which his predecessor was appointed. A vacancy in the chair may be filled either as other vacancies or by appointing a member of the Commission to chair the Commission, by and with the advice and consent of the Senate, for the remainder of the term for which he was appointed as a member, and by appointing a new member for the unexpired portion of the previous occupant of the chair. A member shall not continue to serve after the expiration of his term, except that any member appointed to fill a vacancy of not more than two years' duration shall be eligible to serve a full term.

(c) A member of the Board of Governors who is designated to serve on the Commission may not serve more than seven years as a member of the Commission and may not serve as chairman. The Chairman of the Board of Governors of the Federal Reserve System may not serve as a member of or chairman of the Commission.

FUNCTIONS TRANSFERRED TO THE COMMISSION

SEC. 5. (a) All bank examining and other banking supervisory functions, except functions dealing with the examination and supervision of any Federal Reserve bank, of the Board of Governors of the Federal Reserve System and the several Federal Reserve banks are transferred to the Commission.

(b) All functions of the Board of Governors of the Federal Reserve System under the Bank Holding Company Act, the Banking Act of 1933, the Securities and Exchange Acts (except those dealing with margin requirements) the Consumer Credit Protection Act, the Bank Merger Act, and the Edge Act, are transferred to the Commission.

(c) All functions of the Comptroller of the Currency are transferred to the Commission, except that any such functions which relate to currency issue and redemption are transferred to the Secretary of the Treasury.

(d) All functions of the Board of Directors of the Federal Deposit Insurance Corporation are transferred to the Commission.

CERTAIN INTERESTS AND EMPLOYMENT PROHIBITED

SEC. 6. (a) No member of the Commission may hold or vote stock in or be an officer, director, or employee of any bank, trust company, bank holding company, or any other company or institution subject to the jurisdiction of the Commission. Each member, before entering upon his duties, shall certify in writing under oath that he is in compliance with this requirement and such certification shall be filed with the Commission.

(b) The prohibition contained in subsection (a) except for involuntary stock acquisitions shall also apply to any former member for two years after termination of his term whether or not he served the full term of his appointment.

EXECUTIVE FUNCTIONS VESTED IN THE COMMISSION; DELEGATION OF FUNCTIONS BY THE COMMISSION; REVIEW BY THE COMMISSION

SEC. 7. (a) The Commission is vested with all administrative powers including the power to appoint and supervise employees and the distribution of business among members, employees, and administrative units.

(b) Subject to the provisions of chapter 5 of title 5, United States Code, and to the remaining subsections of this section, the Commission may, in its discretion, by published order or rule, delegate any function to one or more Commissioners, employees, or administrative law judges.

(c) The Commission shall review any action taken at a delegated level—

(1) upon the application of any institution whose status as a national bank or as an institution whose deposits are insured by

the Federal Deposit Insurance Corporation is terminated by such action;

(2) upon the application of any person removed from office as a director or officer of any bank by such action;

(3) upon the application of any institution against which a cease and desist order has been issued;

(4) upon the affirmative vote of any Commissioner upon an application for review by any person adversely affected by such action; or

(5) upon the affirmative vote of any Commissioner that the Commission review such action on its own motion.

The Commission shall by regulation prescribe reasonable time limits and procedural rules respecting such review.

(d) The Commission shall not delegate its rulemaking functions or any function of making regulations of general applicability, but the Commission may delegate the function of making statements or orders of particular applicability or interpretation or implementation of policies expressed in statute law or in the published rules or regulations of the Commission.

(e) Action taken at the delegated level shall be deemed as action of the Commission for all purposes, including appeal and review, if the Commission declines to review such action, or if no review by the Commission is sought pursuant to the Commission's rules for seeking review.

REPORTS TO CONGRESS

SEC. 8. The Commission shall make a report to the Congress of its activities and recommendations as soon as practicable after the close of each calendar year.

AUTHORIZATION

SEC. 9. (a) There are authorized to be appropriated out of the funds of the Federal Deposit Insurance Corporation as operating costs and expenses not to exceed $5,000,000 for the purpose of defraying all of the costs and expenses of the Commission until the effective date of section 5. Any funds remaining unexpended at that time shall revert to the Federal Deposit Insurance Corporation.

(b) The Federal Bank Commission shall make expenditures for office space, employees' salaries and expenses, travel and other administrative expenses, including payments to State authorities under the provisions of section 10(g) of the Federal Deposit Insurance Act, but such expenditures shall not exceed the limitation provided for such expenditures for that year in an appropriation Act, except expenditures of the Commission for loans to, the purchase of assets of, or deposits in insured banks, or for the payment of insured deposits.

SEC. 10. (a) The Board of Governors of the Federal Reserve System, by published order or rule, shall designate the rules and regulations for which it will retain jurisdiction and authority after the transfer of functions pursuant to section 5.

(b) Any rules and regulations of the Board of Governors of the Federal Reserve System which are not designated by the Board pursuant to subsection (a) and which are in effect immediately prior to the effective date of section 5 of this Act shall thereafter remain in effect until withdrawn by the Federal Bank Commission or superseded by such rules and regulations as it may prescribe.

SEC. 11. All rules and regulations of the Comptroller of the Currency which are in effect immediately prior to the effective date of section 5 shall thereafter remain in effect until withdrawn by the Federal Bank Commission or the Secretary in the case of rules and regulations concerning currency issue or redemption or superseded by such rules and regulations as the Commission or the Secretary may prescribe.

SEC. 12. All rules and regulations of the Federal Deposit Insurance Corporation or the Board of Directors thereof which are in effect immediately prior to the effective date of section 5 of this Act shall thereafter remain in effect until withdrawn by the Federal Bank Commission or superseded by such rules and regulations as it may prescribe.

SEC. 13. Any reference to the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, or the Comptroller of the Currency in any rule or regulation remaining in effect pursuant to section 10(b), 11, or 12 after the effective date of section 5 of this Act shall where appropriate be deemed after such date to be a reference to the Secretary of the Treasury, or the Federal Bank Commission.

SEC. 14. The Comptroller of the Currency shall transmit to the Board of Governors of the Federal Reserve System the original organization certificates of the Federal Reserve banks.

SEC. 15. The Board of Governors of the Federal Reserve System and the several Federal Reserve banks shall transfer to the Federal Banks Commission all records kept by them in connection with functions transferred to the Commission by this Act, except that the Board or the banks may transfer copies of any such records for which they anticipate a continuing need in connection with other functions.

SEC. 16. (a) The Secretary of the Treasury, on the basis of prior consultation with the Comptroller of the Currency, shall designate and assume control of the personnel, property, records, and funds which were employed, held, or used for currency issuance or redemption functions of the Office of the Comptroller of the Currency immediately prior to the effective date of this section.

(b) All funds and property held by the Comptroller of the Currency immediately prior to the effective date of this section which are not designated pursuant to subsection (a) of this section are transferred to the Federal Deposit Insurance Corporation. All records of the Comptroller of the Currency and all personnel employed under him immediately prior to such date, unless designated pursuant to subsection (a) of this section, are transferred to the Federal Bank Commission.

SEC. 17. All records and all officers and employees (other than the Board of Directors) of the Federal Deposit Insurance Corporation are transferred to the Federal Bank Commission.

SEC. 18. The Board of Governors of the Federal Reserve System, after consultation with the Federal Bank Commission and with the appropriate officials of the several Federal Reserve banks, shall designate by name the employees of the Board of Governors and the employees of each bank who are engaged in the performance of functions transferred to the Federal Bank Commission by or as a result of this Act and who will not be transferred to other duties with the Board or the bank. Such designations shall be made, as far as practicable, before the effective date of section 5 of this Act, and all authority to make such designations shall expire six months after that date. The Board of Governors shall certify to the Federal Bank Commission the name of each employee designated pursuant to this section, together with such other information as may be necessary to enable the Commission to comply with section 19(a), and shall so notify in writing each such employee.

SEC. 19. (a) The Federal Bank Commission shall make, to each employee designated pursuant to section 18, a written offer of full-time employment not limited as to tenure—

(1) commencing in the same locality as such employee's employment with the bank or the Board, as the case may be;

(2) commencing immediately upon the termination of his employment with the bank or the Board;

(3) at a rate of pay which, for the first year of his employment with the Commission, shall not be less than the rate at which he is being paid at the termination of his employment with the bank or the Board; and

(4) with retirement rights to be determined in accordance with his election under subsection (b) of this section.

(b) Any acceptance of an offer of employment made pursuant to subsection (a) of this section shall be in writing in such form as the Board of Governors may prescribe, and shall include, at the election of the employee, either—

(1) an expression of such employee's intention to retain whatever rights he may have acquired under the retirement plan for employees of the Federal Reserve System, and to have none of his service giving rise to such rights counted as creditable service for the purposes of chapter 83 of tite 5, United States Code, or

(2) effective upon the commencement of such employment, his application for withdrawal from membership in the retirement plan for employees of the Federal Reserve System and his assent to the payment to the Secretary of the Treasury of any funds (other than a refund of additional contributions with interest thereon) which would otherwise be due him from the said retirement plan upon such withdrawal.

(c) The Board of Governors and the several Federal Reserve banks shall act as agents of the Federal Bank Commission to transmit offers and receive acceptances under this section.

(d) Any employee to whom an offer is made pursuant to subsection (a) may accept such offer at any time within the sixty-one-day period which begins on the date on which he receives such offer. Any employee who, because of illness or other cause which in the judgment of his employer (the Federal Reserve bank concerned or the Board of Governors, as the case may be) is reasonable, fails to accept such offer within such sixty-one-day period may thereafter accept such offer within such reasonable time as his employer may allow, but in no event later than one year after his receipt of such offer.

(e) Wherever applicable the Federal Bank Commission shall treat employees from the Comptroller of the Currency and the Federal Deposit Insurance Corporation on the same basis as employees from the Federal Reserve Board in applying these provisions.

SEC. 20. (a) With respect to each person who accepts an offer of employment made pursuant to section 19(a) and elects the option described in clause (2) of section 19(b), the Board of Governors of the Federal Reserve System shall pay to the Secretary of the Treasury, as an agency contribution for the credit of the civil service retirement and disability fund, an amount determined by the Civil Service Commission as equal to 6½ per centum of the total salary of such person for any service after June 30, 1957, to December 31, 1969, plus 7 per centum of the total salary of such person for any service after December 31, 1969; which is made creditable service by the chapter 83 of title 5, United States Code. Any person with respect to whose service payment is required to be made by this section shall be deemed, for the purposes of the chapter 83 of title 5, United States Code, to have performed such service while subject to that Act.

(b) The Board of Governors of the Federal Reserve System, on behalf of itself and the Federal Reserve banks, shall certify to the Civil Service Commission such information respecting service and pay of employees who accept offers of employment with the Federal Bank Commission pursuant to section 19 as may be required by the Civil Service Commission to enable it to determine the rights and benefits of such employees under the chapter 83 of title 5, United States

Code, and to determine the amount of the payments to be made by the Board of Governors pursuant to subsection (a) of this section.

(c) So much of the payments required to be made by subsection (a) of this section as is attributable to service performed in the employ of the Board of Governors of the Federal Reserve System shall be made from funds derived from assessments pursuant to the third paragraph of section 10 of the Federal Reserve Act, and so much of such payments as is attributable to service performed in the employ of the Federal Reserve banks shall be made from funds derived from a special assessment which is hereby authorized to be made upon each such bank in the amount of the payments due with respect to service performed in the employ of that bank.

SEC. 21. The Secretary of the Treasury is authorized to receive for the credit of the civil service retirement and disability fund any payment made to him by the Federal Reserve banks. Any payment received by the Secretary of the Treasury under authority of this section shall be deemed, for the purposes of chapter 83 of title 5, United States Code, to be a sum deposited by the assenting employee.

SEC. 22. (a) Section 5314 of title 5, United States Code, is amended by striking out clause (19) and clause (30).

(b) Section 5315 of title 5, United States Code, is amended by striking out clause (58) and inserting in lieu thereof the following:

"(58) Members, Federal Bank Commission.".

(c) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"(62) Chairman, Federal Bank Commission.".

(d) Section 5363 of title 5, United States Code, is amended by striking out "sections 248, 481, and 1819" and inserting in lieu thereof "section 248".

SEC. 23. The provisions of this Act become effective on the date of enactment of this Act, except that sections 5, 16, 17, and the provisions of title II shall take effect upon the expiration of one year following such date of enactment.

TITLE II—CONFORMING AMENDMENTS

SEC. 201. The following sections of the Revised Statutes of the United States are repealed:

(1) Section 325 (12 U.S.C. 2, relating to the appointment and term of office of the Comptroller of the Currency).

(2) Section 326 (12 U.S.C. 3, relating to the oath and bond of the Comptroller).

(3) Section 327 (12 U.S.C. 4, relating to Deputy Comptrollers).

(4) Section 328 (12 U.S.C. 8, relating to the employment of clerks by the Comptroller).

(5) Section 329 (12 U.S.C. 11, prohibiting the Comptroller from having an interest in a national bank).

(6) Section 330 (12 U.S.C. 12, relating to the seal of the Comptroller).

(7) Section 331 (12 U.S.C. 13, relating to the assignment of rooms to the Comptroller).

(8) Section 333 (12 U.S.C. 14, requiring an annual report by the Comptroller).

SEC. 202. Section 324 of the Revised Statutes (12 U.S.C. 1, relating to issuance of national currency and Federal reserve notes) is amended by striking out "shall be called the Comptroller of the Currency and".

SEC. 203. So much of the provisions of the Treasury Department Appropriations Acts of February 17, 1922, 42 Stat. 375) and January 3, 1923 (42 Stat. 1096) relating to the Office of the Comptroller of the Currency as reads "The Comptroller of the Currency may designate a national bank examiner to act as chief of the examining division in his office." (12 U.S.C. 7) is repealed.

SEC. 204. Subsection (b) of section 209 of the Act of March 4, 1923, entitled "An Act to provide additional credit facilities for the agricultural and livestock industries of the United States; to amend the Federal Farm Loan Act; to amend the Federal Reserve Act; and for other purposes" (12 U.S.C. 9 and 10) is repealed.

SEC. 205. The last sentence of section 5133 of the Revised Statutes (12 U.S.C. 21, relating to formation of national banking associations) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", and (2) by striking out "his" and inserting "its".

SEC. 206. Section 13 of the Act of September 8, 1959, entitled "An Act to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes" (12 U.S.C. 21a, relating to amendments to articles of association) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", and (2) by striking out "his" and inserting "its".

SEC. 207. Section 5134 of the Revised Statutes (12 U.S.C. 22, relating to the organization certificate) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 208. Section 5135 of the Revised Statutes (12 U.S.C. 23, relating to acknowledgment and filing of the certificate of organization) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", (2) by striking out "who" and inserting "which", and (3) by striking out "his" and inserting "its".

SEC. 209A. Section 5136A(e) of the Revised Statutes (relating to participation by national banks in lotteries, 12 U.S.C. 25a) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 210. The paragraph designated "Seventh" (relating to investment securities and corporate stocks which national banks may invest in) of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by striking out "Comptroller of the Currency" both times it appears therein and inserting "Federal Bank Commission" the first time and "Commission" the second time.

SEC. 211. Section 5168 of the Revised Statutes (12 U.S.C. 26, requiring a determination by the Comptroller before an association may commence business) is amended (A) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", and (B) by striking out "Comptroller" each time it appears and inserting "Commission".

SEC. 212. Section 5169 of the Revised Statutes (12 U.S.C. 27, relating to issuance of the certificate of authority to commence banking) is amended (A) by striking out "Comptroller" each time it appears and inserting "Federal Bank Commission" the first time, and "Commission" each remaining time, (B) by striking out "him" and inserting "it", (C) by striking out "is hand and" and inserting "its", (D) by striking out "his" in the last sentence and inserting "its", and (E) by striking out "he" and inserting "the Commission".

SEC. 213. Section 2 of the Act of May 1, 1886, entitled "An Act to enable national banking associations to increase their capital stock and to change their names or locations" (12 U.S.C. 30, relating to change of name or location) is amended (A) by striking out "Comptroller of the Currency" each time it appears and inserting "Federal Bank Commission" the first time, and "Commission" each remaining time, (B) by striking out "Comptroller" and inserting "Commission", and (C) by striking out "his" and inserting "its".

SEC. 214. Section 5154 of the Revised Statutes (12 U.S.C. 35, relating to conversion of State banks into national banks) is amended (A) by striking out "Comptroller of the Currency" each time it appears and inserting "Federal Banking Commission" the first time and "Commission" each remaining time, (B) by striking out "Comptroller" each time it appears and inserting "Commission", (C) by striking out "his" and inserting "its", and (D) by striking out "he" and inserting "it".

SEC. 215. (a) Subsection (b) of section 5155 of the Revised Statutes (12 U.S.C. 36, relating to branches of national banks) is amended by striking out "Comptroller of the Currency" each time it appears therein, and inserting "Federal Bank Commission" the first time, and "Commission" each of the remaining times.

(b) Subsection (c) of such section is amended by striking out "Comptroller of the Currency" both times it appears therein, and inserting "Commission".

(c) Subsection (e) of such section is amended by striking out "Comptroller of the Currency" and inserting "Commission".

SEC. 216. Section 5138 of the Revised Statutes (12 U.S.C. 51, relating to the minimum capitalization of a national bank) is amended by striking out "Comptroller of the Currency" both times it appears and inserting "Federal Bank Commission" the first time and "Commission" the second time.

SEC. 217. Section 301 of the Act of March 9, 1933, entitled "An Act to provide relief in the existing national emergency in banking, and for other purposes" (12 U.S.C. 51a, relating to the issuance of preferred stock), is amended (A) by striking out "Comptroller of the Currency" both times it appears and inserting "Federal Bank Commission" the first time, and "Commission" the second time, (B) by striking out "said Comptroller" and inserting "the Commission", and (C) by striking out "his" both times it appears and inserting "its".

SEC. 218. The first sentence of subsection (a) of section 302 of the Act of March 9, 1933 (12 U.S.C. 51b(a), relating to dividends on preferred stock), is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 219. Section 345 of the Banking Act of 1935 (12 U.S.C. 51b–1, relating to impairment of capital of a national bank) is amended by striking out "Comptroller of the Currency" both times it appears, and inserting "Federal Bank Commission" the first time, and "Commission" the second time.

SEC. 220. Section 5205 of the Revised Statutes (12 U.S.C. 55, relating to impairment of capital of a national bank) is amended (A) by striking out "Comptroller of the Currency" both times it appears therein and inserting "Federal Bank Commission" the first time, and "Commission" the second time, (B) by striking out "him" the second time it appears therein and inserting "the Commission", and (C) by striking out "Comptroller" and inserting "Commission".

SEC. 221. Section 5142 of the Revised Statutes (12 U.S.C. 57, relating to increase of capital) is amended (A) by striking out "Comptroller of the Currency" each time it appears and inserting "Federal Bank Commission" the first time, and "Commission" each remaining time, (B) by striking out "said Comptroller" and inserting "Commission", and (C) by striking out "his" each time it appears and inserting "the Commission's".

SEC. 222. Section 5143 of the Revised Statutes (12 U.S.C. 59, relating to reduction of capital by national banks) is amended by striking out "Comptroller of the Currency" all three times it appears and inserting "Federal Bank Commission" the first time, and "Commission" the last two times.

SEC. 223. Subsection (b) of section 5199 of the Revised Statutes (12 U.S.C. 60(b), relating to approval of dividends exceeding current profits) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 224. The last sentence of section 5210

of the Revised Statutes (12 U.S.C. 62, relating to lists of shareholders) is amended (A) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", and (B) by striking out "him" and inserting "the Commission".

SEC. 225. The last sentence of section 22 of the Banking Act of 1933 (12 U.S.C. 64a, relating to individual liability of shareholders) is amended by striking out "Comptroller of the Currency" both times it appears and inserting "Federal Bank Commission" the first time, and "Commission" the second time.

SEC. 226. The Act of February 25, 1930, entitled "An Act authorizing receivers of national bank associations to compromise shareholders' liability" (12 U.S.C. 67) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 227. Section 5145 of the Revised Statutes (12 U.S.C. 71, relating to election of directors) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 228. Section 31 of the Banking Act of 1933 (12 U.S.C. 71a, relating to number of directors of national banks and State member banks) is amended (1) by striking out "Comptroller of the Currency, the said Comptroller" and inserting "Federal Bank Commission, and the Commission".

SEC. 229. The last sentence of section 5147 of the Revised Statutes (12 U.S. C. 73, relating to the oath of directors) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", and (2) by striking out "his" and inserting "its".

SEC. 230. Section 32 of the Banking Act of 1933 (12 U.S.C. 78, prohibiting certain types of interlocking directorates) is amended by striking out "Board of Governors of the Federal Reserve System" and "Board" and by inserting "Federal Bank Commission" in their place.

SEC. 231. The clause entitled "Ninth," of section 5202 of the Revised Statutes (12 U.S.C. 82, relating to liabilities of national banks) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 232. (a) Paragraph (8) of section 5200 of the Revised Statutes (12 U.S.C. 84, relating to limitations on loans by a national bank to one borrower) is amended by striking out "Comptroller of the Currency, with the approval of the Secretary of the Treasury" and inserting "Federal Bank Commission".

(b) Paragraph (9) of such section is amended by striking out "Comptroller of the Currency" and inserting "Commission".

(c) Paragraph (10) of such section is amended (1) by striking out "Comptroller of the Currency" and inserting "Commission", and (2) by striking out "he" and inserting "the Commission".

SEC. 233. (a) The first section of the Act of September 28, 1962, entitled "An Act to place authority over the trust powers of national banks in the Comptroller of the Currency" (12 U.S.C. 92a) is amended by striking out "Comptroller of the Currency" each time it appears and inserting "Federal Bank Commission" the first time and "Commission" each remaining time.

(b) Subsection (1) of such section is further amended by striking out "him" and inserting "the Commission".

(c) (1) The second sentence of subsection (j) of such section is further amended (1) by striking out "himself" and inserting "itself", and (2) by striking out "his" and inserting "its".

(2) The last sentence of such subsection is further amended by striking out "he" and inserting "it".

SEC. 234. (1) The first sentence of section 2 of the Act of September 28, 1962 (12 U.S.C. 92a (note)), is amended by inserting immediately after "by the Board of Governors of the Federal Reserve System" the following: "or before the date of enactment of this amendatory clause by the Comptroller of the Currency".

(2) Such section is further amended by striking out the second sentence.

SEC. 235. Section 5239 of the Revised Statutes (12 U.S.C. 93, relating to penalties for certain violations) is amended by striking out "Comptroller of the Currency, in his own name," and inserting "Federal Bank Commission".

SEC. 236. Section 12 of the Act of March 14, 1900 (12 U.S.C. 101, relating to delivery of circulating notes to national banks), is amended by striking out "Comptroller of the Currency" each time it appears and inserting "Secretary of the Treasury".

SEC. 237. Section 3 of the Act of October 5, 1917 (12 U.S.C. 103, relating to denominations of national bank notes), is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 238. The first sentence of section 5172 of the Revised Statutes (12 U.S.C. 104, relating to the printing of national bank notes) is amended (1) by striking out "the Comptroller of the Currency shall, under the direction of", and (2) by striking out the comma immediately after "Secretary of the Treasury" the first time it appears and inserting "shall".

SEC. 239. Section 5 of the Act of June 20, 1874 (12 U.S.C. 105, relating to the printing of charter numbers on national bank notes), is amended (1) by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury", and (2) by striking out "the Secretary of the Treasury" and inserting "he".

SEC. 240. Section 5173 of the Revised Statutes (12 U.S.C. 107, relating to custody of plates and dies for national bank notes) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 241. (a) The first sentence of section 5174 of the Revised Statutes (12 U.S.C. 108, relating to examination of plates, dies, and other material for the printing of national bank notes) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

(b) The second sentence of such section is amended by striking out "by the Comptroller of the Currency and approved".

SEC. 242. Section 3 of the Act of June 20, 1874 (12 U.S.C. 121, relating to redemption of national bank notes and disposition of notes unfit for use), is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 243. The first section of the Act of June 13, 1933, entitled "An Act to provide for the redemption of national bank notes, Federal Reserve bank notes, and Federal Reserve notes which cannot be identified as to the bank of issue" (12 U.S.C. 121a) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 244. Section 6 of the Act of July 14, 1890, entitled "An Act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes" (12 U.S.C. 122, relating to the redemption of circulating notes) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 245. (a) The first sentence of section 5184 of the Revised Statutes (12 U.S.C. 124, relating to the destruction of national bank notes unfit for use) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

(b) The second sentence of such section 5184 is amended (1) by striking out "four" and inserting "three", and (2) by striking out "one by the Comptroller of the Currency,".

SEC. 246. Section 5226 of the Revised Statutes (12 U.S.C. 131, relating to protest of notes of national banks) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 247. Section 5227 of the Revised Statutes (12 U.S.C. 132, relating to investigation by a special agent) is amended (1) by striking out "Comptroller of the Currency, with the concurrence of the", (2) by striking out the comma immediately after "Secretary of the Treasury", and (3) by striking out "comptroller" both times it appears and inserting "Secretary".

SEC. 248. Section 5228 of the Revised Statutes (12 U.S.C. 133, relating to continuing business after default in payment of circulating notes) is amended by striking out "Comptroller" and inserting "Secretary of the Treasury".

SEC. 249. Section 5229 of the Revised Statutes (12 U.S.C. 134, relating to notice to holders of national bank notes) is amended (1) by striking out "Comptroller" both times it appears and inserting "Secretary of the Treasury" and (2) by striking out ", in such manner as the Secretary of the Treasury shall, by general rules or otherwise, direct,".

SEC. 250. Section 5230 of the Revised Statutes (12 U.S.C. 137, relating to sale of bonds at auction) is amended by striking out "Comptroller" and inserting "Secretary of the Treasury".

SEC. 251. Section 5231 of the Revised Statutes (12 U.S.C. 138, relating to private sale of bonds) is amended by striking out "Comptroller" and inserting "Secretary of the Treasury".

SEC. 252. The last sentence of section 5191 of the Revised Statutes (12 U.S.C. 143, relating to nonmember banks outside the continental United States) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", (2) by striking out "Comptroller" and inserting "Commission".

SEC. 253. Section 5192 of the Revised Statutes (12 U.S.C. 144, relating to reserves of nonmember banks outside the continental United States) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 254. Section 5185 of the Revised Statutes (12 U.S.C. 151, relating to organization of associations to issue gold notes) is repealed.

SEC. 255. (a) Section 5211 of the Revised Statutes (12 U.S.C. 161, relating to the reports of condition) is amended (1) by striking out "Comptroller of the Currency" each time it appears and inserting "Federal Bank Commission" the first time, and "Commission" each remaining time, and (2) by striking out "Comptroller" each time it appears and inserting "Commission".

(b) The second, fifth, and sixth sentences of subsection (a) of such section and subsections (b) and (c) of such section are amended (1) by striking out "he" each time it appears and inserting "it", (2) by striking out "his" each time it appears and inserting "its", (3) by striking out "him" each time it appears and inserting "it", and (4) by striking out "himself" and inserting "itself".

SEC. 256. Section 5213 of the Revised Statutes (12 U.S.C. 164, relating to penalty for failure to make reports) is amended (1) by striking out "Comptroller of the Currency" both times it appears and inserting "Federal Bank Commission" the first time, and "Commission" the second time, and (2) by striking out "into the Treasury of the United States" and inserting in "accordance with section 9(b) of the Federal Bank Commission Act".

SEC. 257. Section 5160 of the Revised Statutes (12 U.S.C. 168, relating to taking up bonds) is amended by striking out "Comptroller" and inserting in lieu thereof "Secretary of the Treasury".

SEC. 258. Sections 5162, 5163, 5164, 5165, 5166, and 5167 of the Revised Statutes (12

U.S.C. 170 through 175, miscellaneous provisions regarding United States bonds held in trust for national banks) are amended (A) by striking out "Comptroller of the Currency" each time it appears and inserting "Secretary of the Treasury", and (B) by striking out "comptroller" each time it appears and inserting "Secretary".

SEC. 259. Section 9 of the Act of July 12, 1882, entitled "An Act to enable national-bank associations to extend their corporate existence, and for other purposes" (12 U.S.C. 178, relating to withdrawal of notes) is amended by striking out "of the Comptroller of the Currency and the approval".

SEC. 260. Section 5220 of the Revised Statutes (12 U.S.C. 181, relating to voluntary dissolution) is amended by striking out "Comptroller of the Currency" each time it appears and inserting "Federal Bank Commission" the first time, and "Commission" each remaining time.

SEC. 261. Section 5221 of the Revised Statutes (12 U.S.C. 182, relating to notice of intent to dissolve) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 262. Section 5222 of the Revised Statutes (12 U.S.C. 183, relating to deposit of money to redeem outstanding circulation) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 263. Section 5224 of the Revised Statutes (12 U.S.C. 185, relating to reassignment of bonds and redemption of notes) is amended by striking out "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 264. The first section of the Act of June 30, 1876, entitled "An Act authorizing appointment of receivers of national banks, and for other purposes" (12 U.S.C. 191, relating to grounds for appointment of a receiver) is amended (1) by striking out "Comptroller" and inserting "Federal Bank Commission", and (2) by striking out "he" and inserting "the Commission".

SEC. 265. (a) The first paragraph of section 5234 of the Revised Statutes (12 U.S.C. 192, relating to default in payment of circulating notes) is amended (2) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission" and (2) by striking out "Comptroller" each time it appears therein and inserting "Commission".

(b) The second paragraph of such section is amended (1) by striking out "Comptroller" each time it appears therein and inserting "Commission" each time, and (2) by striking out "he" both times it appears and inserting "it" the first time and "the Commission" the second time.

SEC. 266. Section 5235 of the Revised Statutes (12 U.S.C. 193, relating to notice to present claims) is amended (1) by striking out "Comptroller" and inserting "Federal Bank Commission", and (2) by striking out "he" and inserting "the Commission".

SEC. 267. Section 5236 of the Revised Statutes (12 U.S.C. 194, relating to dividends on claims and distribution of assets) is amended (1) by striking out "Comptroller" and inserting "Federal Bank Commission", (2) by striking out "him" each time it appears and inserting "the Commission", and (3) by striking out "his satisfaction" and inserting "the satisfaction of the Commission".

SEC. 268. Section 5237 of the Revised Statutes (12 U.S.C. 195, relating to certain suits to enjoin the Comptroller) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", (2) by striking out "Comptroller" and inserting "Commission", and (3) by striking out "his direction" and inserting "the direction of the Commission".

SEC. 269. (a) (1) The first sentence of subsection (a) of section 3 of the Act of June 30, 1876, entitled "An Act authorizing the appointment of receivers of national banks, and for other purposes" (12 U.S.C. 197) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

(2) The last sentence of such subsection is amended—

(1) by striking out "Comptroller and the receiver, or the Federal Deposit Insurance Corporation where the Corporation has been appointed receiver of the bank," and inserting "Commission and the receiver (or the Commission alone where the Commission has been appointed receiver)";

(2) by striking out "Comptroller and such receiver, or either of them, or the Federal Deposit Insurance Corporation" and inserting "Commission and such receiver, or either of them";

(3) by striking out "Comptroller and such receiver, or the Federal Deposit Insurance Corporation, as the case may be," and inserting "Commission and such receiver (or the Commission alone where the Commission has been appointed receiver)"; and

(4) by striking out "Comptroller and such receiver or the Federal Deposit Insurance Corporation" and inserting "Commission and such receiver (or the Commission alone where the Commission has been appointed receiver)".

(b) (1) The paragraph designated "Second" of subsection (b) of such section is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

(2) The paragraph designated "Third" of such subsection is amended by striking out "Comptroller of the Currency, or the Federal Deposit Insurance Corporation if continued as receiver of the bank under subsection (a) of this section" and inserting "Federal Bank Commission".

SEC. 270. Section 29 of the Banking Act of 1933 (12 U.S.C. 197a, relating to resumption of business by a closed bank with the consent of the depositors) is amended (A) by striking out "Comptroller of the Currency" and inserting "Federal Banking Commission", (B) by striking out "Comptroller" each time it appears and inserting "Commission", and (C) by striking out "his" and inserting "its".

SEC. 271. (a) The first section of the Act of March 29, 1886, entitled "An Act additional to an Act entitled 'An Act to provide a national currency secured by a pledge of United States Bonds, and to provide for the circulation and redemption thereof,' passed June third, eighteen hundred and sixty-four" (12 U.S.C. 198, relating to purchase by receiver of bank property) is amended by striking out "Comptroller of the Currency" both times it appears therein and inserting "Federal Bank Commission" the first time and "Commission" the second time.

(b) Section 2 of such Act (12 U.S.C. 199, relating to approval of receiver's request to purchase bank property) is amended to read as follows:

"SEC. 2. Such request, if approved by the Commission, shall be allowed in such amount as the Commission, in its judgment, may determine."

(c) Section 3 of such Act (12 U.S.C. 200, relating to payment for bank property purchased by a receiver) is amended (A) by striking out "said Comptroller of the Currency" and inserting "Federal Bank Commission", (B) by striking out "as may be recommended and", (C) by striking out "Comptroller of the Currency direct, with the approval of the Secretary of the Treasury," and inserting "Commission", and (D) by striking out "he" and inserting "the Commission".

SEC. 272. Section 202 of the Bank Conservation Act (12 U.S.C. 202, defining the term "bank") is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 273. Section 203 of the Bank Conservation Act (12 U.S.C. 203, relating to conservators) is amended (A) by striking out "he" and inserting "the Federal Banking Commission", (B) by striking out "Comptroller of the Currency" both times it appears therein and inserting "Commission" each time, and (C) by striking out "Comptroller" and inserting "Commission".

SEC. 274. Section 204 of the Bank Conservation Act (12 U.S.C. 204, relating to examination of banks in the hands of conservators) is amended (1) by striking out "Comptroller of the Currency" both times it appears and inserting "Federal Bank Commission" the first time and "Commission" the second time, and (2) by striking out "him" and inserting "the Commission".

SEC. 275. Section 205 of the Bank Conservation Act (12 U.S.C. 205, relating to termination of conservatorships) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", (2) by striking out "he" both times it appears therein and inserting "the Commission" each time, and (3) by striking out "his" and inserting "its".

SEC. 276. The first sentence of section 206 of the Bank Conservation Act (12 U.S.C. 206, relating to withdrawals and deposits during conservatorship) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", (2) by striking out "Comptroller" each time it appears and inserting "Commission", and (3) by striking out "his" and inserting "its".

SEC. 277. Section 207 of the Bank Conservation Act (12 U.S.C. 207, relating to consent of depositors and creditors in reorganizations) is amended (1) by striking out "Comptroller of the Currency" both times it appears, and inserting "Federal Bank Commission" the first time and "Commission" the second time, and (2) by striking out "he" and inserting "the Commission".

SEC. 278. Section 208 of the Bank Conservation Act (12 U.S.C. 208, relating to desegregation of deposits after termination of conservatorship) is amended (1) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", and (2) by striking out "Comptroller" and inserting "Commission".

SEC. 279. Section 209 of the Bank Conservation Act (12 U.S.C. 209, relating to applicability of certain other provisions of law) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 280. Section 210 of the Bank Conservation Act (12 U.S.C. 210, providing that the Act is not to impair powers conferred by other laws) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 281. Section 211 of the Bank Conservation Act (12 U.S.C. 211, relating to rules and regulations) is amended (2) by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission", (2) by striking out ", with the approval of the Secretary of the Treasury,", and (3) by striking out "he" and inserting "the Commission".

SEC. 282. (a) The proviso in subsection (a) of section 2 of the Act of August 17, 1950, entitled "An Act to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes" (12 U.S.C. 214(a)) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

(b) (1) The third sentence of subsection (b) of such section is amended by striking out "Comptroller of the Currency, who" and inserting "Federal Bank Commission which".

(2) The fourth and fifth sentences of such subsection are each amended by striking out "Comptroller" and inserting "Commission".

SEC. 283. (a) The Act of November 7, 1918, entitled "An Act to provide for consolidation

of national banking associations" (12 U.S.C. 215 through 215b) is amended by striking out "Comptroller" each place it appears, and inserting "Commission".

SEC. 284. Paragraph (3) of section 3 of such Act (12 U.S.C. 215b(3)) is amended to read as follows:

"(3) 'Commission' means the Federal Bank Commission; and".

SEC. 285. (a) Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended—

(1) by striking out "and of each member bank" in subsection (a); and

(2) by striking out "Comptroller of the Currency" and "Comptroller" in subsection (d) and inserting "Secretary of the Treasury" and "Secretary" in their place.

SEC. 286. Section 111 of Public Law 93-495 (12 U.S.C. 250) is amended by striking "the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation" and inserting "the Federal Bank Commission".

SEC. 287. Section 6 of the Federal Reserve Act (12 U.S.C. 288) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 288. Section 321, title 12, United States Code, is amended by striking out in the third paragraph relating to branches of State member banks "except that the approval of the Board of Governors of the Federal Reserve System, instead of the Comptroller of the Currency," and inserting "with the approval of the Federal Bank Commission", and by striking out, in the last sentence, "Board" and inserting "Commission", and by striking out "(except within the District of Columbia)".

SEC. 289(a). Section 324, title 12, United States Code, is amended by striking out "; except that any reference in any such provision to the Comptroller of the Currency shall be deemed for the purposes of this sentence to be a reference to the Board of Governors of the Federal Reserve System"; and by striking out "Reserve bank of which they become a member" and inserting "Federal Bank Commission" in the second sentence; and by striking out "Reserve bank" and inserting "Federal Bank Commission" and striking out "the Board of Governors of the Federal Reserve System" and inserting "it" in the third sentence; and by striking out "Federal Reserve bank" in the fourth sentence and inserting "Federal Bank Commission"; and by striking out "Board of Governors of the Federal Reserve System" and "Board" in the fifth sentence and inserting "Federal Bank Commission" and "Commission".

SEC. 289(b). Section 325, title 12, United States Code, is amended by striking out "Board of Governors of the Federal Reserve System or of the Federal reserve bank" and inserting "Federal Bank Commission"; and by striking out "Board of Governors of the Federal Reserve System" and inserting "Commission".

SEC. 289(c). Section 326, title 12, United States Code, is repealed.

SEC. 289(d). Section 327, title 12, United States Code, is amended by striking in the first sentence "to the Board of Governors of the Federal Reserve System" and "of the Board of Governors of the Federal Reserve System" and "board" and by inserting in place of the word "board" the "Federal Bank Commission".

SEC. 289(e). Section 329, title 12, United States Code, is amended to read as follows:

"No bank shall be admitted to membership unless it is approved for deposit insurance under the Federal Deposit Insurance Act by the Federal Bank Commission. The capital stock of a State member bank shall not be reduced except with the prior consent of the Commission.".

SEC. 289(f). Section 330, title 12, United States Code, is amended by striking "of the board" after "regulations" in the second sentence.

SEC. 289(g). Section 331, title 12, United States Code, is amended by striking out "upon hearing by the Board of Governors of the Federal Reserve System".

SEC. 289(h). Section 333, title 12, United States Code, is amended by inserting "of the Federal Bank Commission" before "with the conditions of membership" in the last sentence.

SEC. 289(i). Section 334, title 12, United States Code, is amended in the first paragraph by striking "Federal Reserve bank of its district and to the Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission" and by striking each reference to "Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission"; in the second paragraph by striking "its Federal Reserve bank or the Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission"; and by striking "Federal Reserve bank and the Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission"; and by striking Board of Governors of the Federal Reserve System and inserting "Federal Bank Commission"; and in the third paragraph by striking ", by direction of the Board of Governors of the Federal Reserve System; and by striking "Federal Reserve Bank of the district in which such member bank is located" and by inserting "Federal Bank Commission".

SEC. 289(j). Section 338, title 12, United States Code, is amended by striking out each reference to the "Board of Governors of the Federal Reserve System" and inserting "Federal Bank Commission" in their place.

SEC. 289(k). Section 339, title 12, United States Code, is amended by striking out "Board of Governors of the Federal Reserve System" and inserting "Federal Bank Commission".

SEC. 290-291. The fourth paragraph of section 4 of such Act (12 U.S.C. 341) is amended by striking out "Comptroller of the Currency" and inserting in lieu thereof "Board of Governors of the Federal Reserve System" and by striking out "Comptroller of the Currency" in such paragraph and inserting in lieu thereof "Secretary of the Treasury".

SEC. 292. Section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission".

SEC. 293. Section 24A of the Federal Reserve Act (12 U.S.C. 371d) is amended by striking out "Comptroller of the Currency" and "Board of Governors of the Federal Reserve System" and inserting "Federal Bank Commission".

SEC. 294. Section 22(d) of the Federal Reserve Act (12 U.S.C. 375) is amended by striking out each reference to the "Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission".

SEC. 295. Section 22(g) of the Federal Reserve Act (12 U.S.C. 375a) is amended by striking out "Board of Governors of the Federal Reserve System" and inserting "Federal Bank Commission".

SEC. 296. Section 20 of the Act of June 16, 1933 (12 U.S.C. 377) is amended by striking out each reference to the "Board of Governors of the Federal Reserve System" and inserting "Federal Bank Commission"; and by striking out "Federal Reserve Bank" and inserting "Commission".

SEC. 297. The eighth paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 418) is amended by striking out "the Comptroller of the Currency shall, under the direction of" and by inserting the word "shall" after the words "Secretary of the Treasury" where they first appear.

SEC. 298. The ninth paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 419) is amended by striking out "Comptroller of the Currency" and by inserting "Secretary of the Treasury".

SEC. 299. The tenth paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 420) is amended by striking "Comptroller of the Currency" and inserting "Secretary of the Treasury".

SEC. 300. Section 5240 of the Revised Statutes (12 U.S.C. 481) is amended—

(1) by striking out "Comptroller of the Currency" and "Comptroller" and by inserting "Federal Bank Commission";

(2) by striking out in the first paragraph, next to last sentence, the words "he" and "his" and inserting "it" and "its" in their place;

(3) by striking out "with the approval of the Secretary of the Treasury" both times it appears;

(4) by inserting "as are not insured by the Federal Deposit Insurance Corporation" after "expense of examination of such affiliates" in the second paragraph;

(5) by striking "whose compensation is and shall be paid from assessments on banks or affiliates thereof shall be without regard to the provisions of other laws" and inserting "shall be under the provision of all other laws";

(6) by striking out the first sentence of the second paragraph; and

(7) by adding at the end thereof: "Any funds derived from such penalties shall be deposited in the Federal Deposit Insurance Corporation.".

SEC. 301. Section 5240 of the Revised Statutes (12 U.S.C. 482) is amended by striking out the third and seventh paragraphs and inserting in lieu thereof the following: "The Federal Bank Commission shall fix the salaries of all bank examiners and make a report thereof to the Congress.".

SEC. 302. The paragraph of section 5240 of the Revised Statutes relating to special examinations of member banks of the Federal Reserve System (12 U.S.C. 483) is repealed.

SEC. 303. The last paragraph of section 21 of the Federal Reserve Act (12 U.S.C. 486) is amended by striking out "Board of Governors of the Federal Reserve System" or "Comptroller of the Currency" and by striking out "said Board or Comptroller, respectively," and by inserting "Federal Bank Commission" in their place.

SEC. 304. Section 5208 of the Revised Statutes (12 U.S.C. 501) is amended by striking out "Comptroller of the Currency" and inserting "Federal Bank Commission"; and by striking out "Board of Governors of the Federal Reserve System" the second time it appears and inserting "Federal Bank Commission".

SEC. 305. Section 2 of the Federal Reserve Act (12 U.S.C. 501a) is amended by striking out "under the direction of the Board of Governors of the Federal Reserve System"; and by striking out "Comptroller of the Currency in is own name" and inserting "Federal Bank Commission".

SEC. 306. The first six paragraphs of section 25 of the Federal Reserve Act (12 U.S.C. 601) is amended by striking out each reference to the "Board of Governors of the Federal Reserve System" and inserting in lieu thereof "Federal Bank Commission".

SEC. 307. The seventh paragraph of section 25 of the Federal Reserve Act (12 U.S.C. 602) is amended by striking out each reference to the "Comptroller of the Currency" and "Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission" in their place.

SEC. 308. The eighth paragraph of section 25 of the Federal Reserve Act (12 U.S.C. 603) is amended by striking out each reference

to the "Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission" in their place; and by adding at the end thereof the following: "The Board of Governors of the Federal Reserve System shall assign to the Federal Bank Commission all of its rights under any such agreement executed prior to the effective date of the Federal Bank Commission Act.".

SEC. 309. The tenth paragraph of section 25 of the Federal Reserve Act (12 U.S.C. 604a) is amended by striking out "Board of Governors of the Federal Reserve System" and by inserting "Federal Bank Commission" in their place.

SEC. 310. Section 25(a) of the Federal Reserve Act (12 U.S.C. 611–631) is amended by striking out each reference to the "Board of Governors of the Federal Reserve System" and "Comptroller of the Currency of the United States" and by inserting "Federal Bank Commission" in their place; and by adding at the end of the matter relating to stockholders' meetings, books and records, and examinations (12 U.S.C. 625) the following: "All payments received by the Federal Bank Commission shall be paid into the Federal Deposit Insurance Corporation."

SEC. 311. Section 22(a) of the Federal Home Loan Bank Act (12 U.S.C. 1442) is amended by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission".

SEC. 312. (a) The Federal Deposit Insurance Act (12 U.S.C. 1811–1831) is amended as follows:

(1) Strike out section 2 (12 U.S.C. 1812) and insert in lieu thereof the following:

"MANAGEMENT

"SEC. 2. The management of the Federal Deposit Insurance Corporation shall be vested in the Federal Bank Commission.".

(2) In section 3 (12 U.S.C. 1813)—

(A) In section out the word "Corporation" in subsections (g) and (i) and insert in lieu thereof "Federal Bank Commission";

(B) strike out subsection (k) and insert in lieu thereof the following:

"(k) The term 'Commission' means the Federal Bank Commission.";

(C) strike out "Board of Directors, after consultation with the Comptroller of the Currency and" and insert in lieu thereof "Federal Bank Commission after consultation with"; and

(D) strike out subsection (q) and insert in lieu thereof the following:

"(q) The term 'appropriate Federal banking agency means the Federal Bank Commission.".

"CONVERSIONS, MERGERS, AND CONSOLIDATIONS

"SEC. 4. A State bank, resulting from the conversion of an insured national bank, shall continue as an insured bank. A State bank, resulting from the merger or consolidation of insured banks, or from the merger or consolidation of a noninsured bank or institution with an insured State bank, shall continue as an insured bank.".

(3) Strike out section 5 (12 U.S.C. 1815) and insert in lieu thereof the following:

"APPLICATIONS

"SEC. 5. Any National or State bank may apply to the Commission to become an insured bank. Before approving any such application, the Commission shall give consideration to the factors enumerated in section 6 of this Act, and shall determine upon the basis of a thorough examination of such bank, that its assets in excess of its capital requirements are adequate to enable it to meet all of its liabilities to depositors and other creditors as shown on the books of the bank.".

(4) In section 6 (12 U.S.C. 1816), strike out "Board of Directors" and insert in lieu thereof "Commission".

(5) The first sentence of section 7(a)(1) (12 U.S.C. 1817(a)(1)) is amended to read as follows: "Each insured bank shall make to the Commission reports of condition which shall be in such form and contain such information as the Commission may require.".

(6) Such section is further amended by striking out "Corporation" and "Board of Directors" each place either term appears and inserting in lieu thereof "Commission".

(7) Section 7(a)(2) of such Act is amended to read as follows:

"(2) The Commission may accept any report made by or to any State banking supervisory agency and may furnish to the Board of Governors of the Federal Reserve System or any Federal Reserve bank, reports of examinations and reports of condition made or accepted by the Commission. The Commission may furnish to any State banking supervisory agency reports of examination and reports of condition made or accepted by the Commission with respect to any bank under the jurisdiction of such State agency.".

(8) The first sentence of section 7(a)(3) of such Act is amended to read as follows: "Each insured bank shall make to the Commission four reports of condition each year upon dates selected by the Commission.".

(9) In section 7(a)(6), strike out "Board of Directors, after consultation with the Comptroller of the Currency and" and insert in lieu thereof "Commission after consultation with".

(10) In paragraphs (5) and (6) of subsection (b) of such section, strike out "Board of Directors" and insert in lieu thereof "Commission".

(11) In the last sentence of subsection (b)(6), strike out "Corporation" and insert in lieu thereof "Commission".

(12) In subsection (c), strike out "Board of Directors" each place it appears and insert in lieu thereof "Commission".

(13) Strike out paragraph (5) of subsection (j)(b)(1) Section 8(a) of such Act (12 U.S.C. 1818(a)) is amended—

(A) by striking out each reference to the "Corporation" and "Board of Directors" and by inserting "Federal Bank Commission" in their place;

(B) by striking out in the second sentence "Comptroller of the Currency in the case of a national bank or a district bank", "and to the Board of Governors of the Federal Reserve System in the case of a State member bank"; and

(C) by striking out in the third sentence "the Comptroller of the Currency in the case of a national bank, or the Board of Governors of the Federal Reserve System in the case of a State member bank as the case may be".

(2) Such section is amended—

(A) by striking out in subsection (b)(3) "(other than a bank)" and "in the same manner as they apply to a State member insured bank"; and by striking out in subsection (e)(1) "State" and "(other than a District bank)";

(B) by repealing subsection (e)(2); and by striking out in subsection (e)(3) "State" and "(other than a District bank" each time they appear; and by repealing subsection (e)(4);

(C) by striking out in subsection (e)(5) "State" and "(other than a District bank)";

(D) by repealing subsection (e)(6);

(E) by repealing subsection (e)(7);

(F) by striking out in subsection (f) "or (e)(7)" each time it appears, and by inserting "or" after "(e)(1)";

(G) by striking out in subsection (g)(1) "(2),";

(H) by inserting "or";

(I) by striking out "(4), or (7)";

(J) by striking out in subsection (g)(2) "Comptroller of the Currency" and by inserting "Federal Bank Commission";

(K) by striking out in subsection (h) "or Board of Governors of the Federal Reserve System"; and

(L) by striking out in subsection (j) "(e)(7)".

(3) The first sentence of subsection (o) of such section is amended to read as follows: "Whenever the insured status of an insured bank shall be terminated by action of the Federal Bank Commission its membership in the Federal Reserve System shall terminate and in the case of a national bank a receiver for the bank shall be appointed by the Federal Bank Commission.".

(4) Subsections (p) and (q) of such section are amended by striking out each reference to "Corporation" and "Board of Directors" and by inserting in lieu thereof "Federal Bank Commission".

(c) Section 9 of such Act (12 U.S.C. 1819) is amended—

(1) by striking out the first sentence of paragraph Fourth and inserting "To sue and be sued, complain and defend, through the Federal Bank Commission, in any court of law or equity, State or Federal";

(2) by striking out "Board of Directors" in the fourth sentence of paragraph Fourth and inserting "Federal Bank Commission";

(3) by striking out in paragraph Fifth "appoint by its Board of Directors such" and "in this chapter" and inserting "act through such personnel as the Federal Bank Commission may designate. The Federal Bank Commission shall have power to appoint such" and "by law" in their places and inserting after "compensation" in the first sentence "in accordance with chapter 51 and subchapter III of chapter 53 of title 5, United States Code";

(4) by striking out in paragraph Sixth ", by its Board of Directors," and inserting "upon approval of the Federal Bank Commission";

(5) by striking out in paragraph Seventh "by its Board of Directors," and inserting "under authority of the Federal Bank Commission,";

(6) by striking out from paragraph Eighth "To" and inserting "The Federal Bank Commission may"; and by adding at the end of paragraph Ninth "under the authority of the Federal Bank Commission"; and

(7) by amending paragraph Tenth to read as follows:

"Tenth. The Federal Bank Commission may prescribe such rules and regulations as it may deem appropriate in the performance of its functions.".

(d)(1) Section 10 of such Act (12 U.S.C. 1820) is amended—

(A) by striking out each reference to the "Board of Directors" and "Board of Directors of the Corporation" and "Corporation" and by inserting "Federal Bank Commission" in their places;

(B) by amending the first sentence of subsection (b) to read as follows: "The Federal Bank Commission shall appoint examiners who shall have power, on behalf of the Commission, to examine any insured bank or any bank making an application to become an insured bank, whenever in the judgment of the Federal Bank Commission an examination is necessary,"; and

(C) by repealing the second sentence to subsection (b).

(2) Such section is amended by adding at the end thereof the following:

"(f) The Commission shall adopt rules and regulations which provide for the insurance under section 5 of State-chartered banks not members of the Federal Reserve System based solely upon the grant of a charter by any

State which the Commission finds to be a State whose operations and management of supervisory authority over State-chartered banks is adequate to assure the safety and soundness of banks within its jurisdiction and a State in which due consideration is given in the granting of bank charters to the factors enumerated in section 6.

"(g) During any period in which examinations made by a State banking supervisory authority are, in the judgment of the Commission, adequate to determine the condition of any State nonmember insured bank, the Commission may suspend the making of Federal examinations of State nonmember banks in such State and in lieu thereof accept reports of examinations made by or on behalf of the State agency. No such supervision shall affect the right of the Commission to make special examinations of individual banks in such State at any time. Copies of any report of an examination made or accepted by the Federal Bank Commission may, in the discretion of the Commission, be furnished to the State authorities having supervision of the bank examined, to officers, directors or the receiver of such bank, and to any other proper persons. The Commission shall have authority to enter into contracts with such State supervisory authorities to implement the purposes of this subparagraph and to reimburse such State supervisory authorities for part or all of the cost of examinations of State nonmember insured banks from Federal Deposit Insurance Corporation funds.".

(e)(1) Section 11(a) of such Act (12 U.S.C. 1821) is amended by striking out "Corporation" and inserting "Federal Bank Commission". Subsection (c) of such section is amended to read as follows:

"(c) Notwithstanding any other provision of law, the Federal Bank Commission shall not appoint a receiver other than itself of any insured bank except for the appointment of a conservator pursuant to the Bank Conservation Act.".

(2) Subsection (d) of such section is amended—

(A) by striking out from the first sentence "Corporation" and inserting "Federal Bank Commission" in its place;

(B) by striking out from the second sentence "Corporation" and "itself for its own account" and inserting "Federal Bank Commission" and "the Corporation" in their places;

(C) by striking out from the third sentence "Corporation" and "Corporation itself or" and inserting "Federal Bank Commission" and "Federal Bank Commission or Corporation" in their places;

(D) by striking out each reference to the "Corporation" in the last sentence and by inserting "Federal Bank Commission" in their places and by striking out "or the Comptroller of the Currency".

(3) Subsection (e) of such section is amended by striking out each reference to the "Corporation" and inserting "Federal Bank Commission" in their place.

(4) Subsection (f) of such section is amended by striking out ": *Provided*, That the Corporation" and inserting ". The Federal Bank Commission"; by striking out "where the Corporation" and by inserting "where the Federal Bank Commission".

(5) Subsection (h) of such section is amended by striking out "Corporation" and inserting "Federal Bank Commission".

(6) Subsection (i) of such section is amended by striking out each reference to the "Corporation", "Board of Directors of the Corporation" and "Comptroller of the Currency" and inserting in their place the "Federal Bank Commission".

(7) Subsection (k) of such section is amended by striking out each reference to the "Board of Directors" and "Corporation" and "Comptroller of the Currency" and by inserting "Federal Bank Commission" in their places; and by striking out ", without certification to or approval by the Corporation".

(8) Subsection (l) of such section is amended by striking out "Board of Directors" wherever it appears and "Comptroller of the Currency" and by inserting "Federal Bank Commission" in their place.

(f)(1) Section 12(a) of such Act (12 U.S.C. 1822) is amended by striking out "Corporation" and by inserting in lieu thereof "Federal Bank Commission" each place it appears.

(2) Subsection (c) of such section is amended by striking out "Board of Directors" and inserting "Federal Bank Commission".

(g)(1) Section 13(c) of such Act (12 U.S.C. 1823(c)) is amended by striking out "Corporation" the first time it appears and "Board of Directors" each time it appears and by inserting "Federal Bank Commission" in their place.

(2) Subsection (d) of such section is amended by striking out "in its discretion" in the last sentence and by inserting "in the discretion of the Federal Bank Commission" and by striking out "Corporation" the last time it appears and by inserting "Federal Bank Commission".

(3) Subsection (e) of such section is amended by striking out "Board of Directors" and by inserting "Federal Bank Commission".

(h) Section 14 of such Act (12 U.S.C. 1824) is amended by striking out "Board of Directors of the Corporation" and by inserting "Federal Bank Commission".

(i)(1) Section 17(a) of such Act (12 U.S.C. 1827(a)) is amended by striking out "Corporation" and inserting "Federal Bank Commission" and by adding at the end thereof "which report shall include a report on the operations of the Corporation".

(2) Subsection (b) of such section is amended to read as follows:

"(b) The Comptroller General of the United States shall, under such rules and regulations as he shall prescribe, audit the Federal Bank Commission. In making the audit, representatives of the General Accounting Office shall have access to books, accounts, records, reports, files, and all other papers, things, and property belonging to or in use by the Commission, including reports of bank examinations and related papers, from whatever source. Such representatives shall also be afforded full facilities for verifying transactions and activities with balances or securities held by depositaries, fiscal agents, and custodians.".

(3) Subsection (c) of such section is amended to read as follows:

"(c) The Comptroller General shall report to the Congress on the results of his audit work relating to the Federal Bank Commission. A copy of each report made under this subsection shall be sent to the President of the United States, and to the Commission. In addition to any other matters the report shall include such comments and recommendations as the Comptroller General may deem advisable including recommendations for attaining a more economical and efficient administration of the Commission, and the report shall specifically show any program, financial transaction, or undertaking observed in the course of the audit which in the opinion of the Comptroller General has been carried out without authority of law.".

(j)(1) Section 18(a) of such Act (12 U.S.C. 1828(a)) is amended by striking out "Board of Directors" each time it appears and by inserting "Federal Bank Commission"; and by striking out "Corporation may recover for its use" and by inserting "Federal Bank Commission may recover for the Corporation".

(2) Subsection (c) of such section is amended by providing that "In every case the responsible agency shall be the Federal Bank Commission"; and by striking out "Corporation" and by inserting "Federal Bank Commission" in subparagraph (1) and in subparagraph (2) by striking out "be—" and all of section (A), (B), and (C) and by inserting "in every case be the Federal Bank Commission"; and in subsections (4) and (6) by striking out "and the other two banking agencies referred to in this subsection" and "and the other two banking agencies" each time they appear; and in subsection (a) by striking out "Each of the responsible agencies" and by inserting "the Federal Bank Commission" and striking out "responsible agency" and inserting 'Commission".

(3) Subsections (d), (e), (f), and (h) of such section are amended by striking out "Corporation" each time it appears and by inserting "Federal Bank Commission".

(4) Subsection (g) of such section is amended by striking out each reference to the "Board of Directors" and "Corporation" and by inserting "Board of Governors of the Federal Reserve System" in their place.

(5) Paragraph (2) of subsection (l) of such section is amended to read as follows:

"(2) No insured bank shall convert into an insured State bank if its capital stock or its surplus will be less than the capital stock or surplus, respectively, of the converting bank at the time of the shareholders' meeting approving such conversion, without the prior written consent of—

"(A) the Federal Bank Commission if the resulting bank is to be a district bank or a State nonmember insured bank; or

"(B) Board of Governors of the Federal Reserve System if the resulting bank is to be a State member bank.".

(k) Section 19 of such Act (12 U.S.C. 1829) is amended by striking out "Corporation" and inserting in lieu thereof "Federal Bank Commission".

(l) Section 21 of such Act (12 U.S.C. 1831) is amended by striking out "Board of Directors" and inserting in lieu thereof "Commission".

SEC. 313. (a) The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by striking out "Board" and "Federal Reserve Board" and inserting in lieu thereof "Commission".

(b) Section 2(f) of such Act is amended to read as follows:

"(f) 'Commission' means the Federal Bank Commission.".

(c) Section 3(b) of such Act is amended by striking out "to the Comptroller of the Currency, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a national banking association or a District bank, or"; and by striking out "the Comptroller of the Currency or" each time it appears therein.

(d) Section 9(c) of such Act is amended by striking out "the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or".

SEC. 314. (a) Subsection (a) of the first section of Public Law 87–856 (12 U.S.C. 1861(a)) is amended to read as follows:

"(a) The term 'Federal supervisory agency' means the Federal Bank Commission.".

(b) Section 5(b) of such Act is amended to read as follows:

"(b) The assurances required by subsection (a) of this section shall be given to the Federal Bank Commission.".

SEC. 315. Section 2 of the Bank Protection Act of 1968 (12 U.S.C. 1881) is amended—

(1) by striking out clause 1 and inserting in lieu thereof the following:

"(1) the Federal Bank Commission with respect to any insured bank other than a bank described in clause 2.

"(2) the Board of Governors of the Federal Reserve System with respect to Federal Reserve banks and State member banks,"; and

(2) by striking out clause 3.

SEC. 316. (a) Section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a) is amended—

(1) by striking out "Board of Governors of the Federal Revenue System" and inserting in lieu thereof "Federal Bank Commission"; and

(2) by striking out "such Board" each place it appears and inserting in lieu thereof "the Federal Bank Commission".

(b) Section 19(f)(2)(A) of such Act is amended by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission".

(c) Section 19(f)(2)(B) of such Act is amended by inserting "State" immediately before "member".

(d) Section 19(f)(4) of such Act is amended by striking out "Board of Governors of the Federal Reserve System" and inserting in lieu thereof "Federal Bank Commission".

SEC. 317. Section 3(a)(34) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)) is amended—

(1) in subparagraph (A)(i) by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission";

(2) in subparagraph (A)(iii) by striking out "Federal Deposit Insurance Corporation" the first place it appears therein and inserting in lieu thereof "Federal Bank Commission";

(3) in subparagraph (B)(i) by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission";

(4) in subparagraph (B)(iii) by striking out "Federal Deposit Insurance Corporation" the first place it appears therein and inserting in lieu thereof "Federal Bank Commission";

(5) in subparagraph (C)(i) by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission";

(6) in subparagraph (C)(iii) by striking out "Federal Deposit Insurance Corporation" the first place it appears therein and inserting in lieu thereof "Federal Bank Commission";

(7) in subparagraph (D)(i) by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission".

(8) in subparagraph (D)(iii) by striking out "Federal Deposit Insurance Corporation" and inserting in lieu thereof "Federal Bank Commission";

(9) in subparagraph (F)(i) by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission"; and

(10) in subparagraph (F)(iii) by striking out "Federal Deposit Insurance Corporation" and inserting in lieu thereof "Federal Bank Commission".

SEC. 318. Section 321(b) of the Trust Indenture Act of 1939 (15 U.S.C. 77iii(b)) is amended by striking out "Comptroller of the Currency" and inserting in lieu thereof "Federal Bank Commission".

SEC. 319. Section 12(i) of the Securities Exchange Act of 1934 (15 U.S.C. 781) is amended—

(1) by striking out "Comptroller of the Currency", "Board of Governors of the Federal Reserve System" and "Federal Deposit Insurance Corporation" each place they appear and inserting in lieu thereof "Federal Bank Commission."

SEC. 320. (a) Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended by adding at the end thereof the following:

"(5) The term 'Commission' means the Federal Bank Commission.".

(b) Section 105 of such Act is amended by striking out "Board" each place it appears and inserting in lieu thereof "Commission".

(c) Section 106(d), section 107(a), section 107(b), section 107(c), section 107(d), section 107(e) of such Act are each amended by striking out "Board" each place it appears and inserting in lieu thereof "Commission".

(d) Section 108(a)(1)(A) of such Act is amended by striking out "Comptroller of the Currency" and inserting in lieu thereof "Commission".

(e) Section 108(a)(1)(B) of such Act is amended to read as follows:

"(B) State member banks of the Federal Reserve System by the Board.".

(f) Section 108(d) of such Act is amended by striking out "Board" each place it appears and inserting in lieu thereof "Commission".

(g) Sections 109, 110, 112, 114, 121, 122, 123, 125(a), 125(d), 126, and 127(a) of such Act are amended by striking out "Board" each place it appears and inserting in lieu thereof "Commission".

(h) Section 130(f) of such Act is amended by striking "Board" each place it appears and inserting in lieu thereof "Commission", and by striking out "Federal Reserve System" and inserting in lieu thereof "Commission".

(i) Section 143 of such Act is amended by striking out "Board" and inserting in lieu thereof "Commission".

(j) Section 161 of such Act is amended by striking out "Board" and inserting in lieu thereof "Commission".

(k) Section 163(b) of such Act is amended by striking out "Board" and inserting in lieu thereof "Commission".

(l) Section 167(b) of such Act is amended by striking out "Board" and inserting in lieu thereof "Commission".

(m) Section 171 of such Act is amended by striking out "Board" and inserting in lieu thereof "Commission".

SEC. 321. (a) Section 621(b)(1)(A) of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by striking out "Comptroller of the Currency", "Federal Reserve Board" and "Federal Deposit Insurance Corporation" and inserting in lieu thereof "Federal Bank Commission".

SEC. 322. (a) Section 702(c) of the Equal Credit Opportunity Act (15 U.S.C. 1691) is amended to read as follows:

"(c) The term 'Commission' means the Federal Bank Commission.".

(b) Section 703, section 704(d), and section 706(f) of such Act are each amended by striking out "Board" each place it appears and inserting in lieu thereof "Commission".

(c) Section 70(a)(1)(A), (B) and (C) of such Act is amended by striking out "Comptroller of the Currency", "Board" and "Federal Deposit Insurance Corporation" and inserting in each place "Federal Bank Commission".

(e) Section 704(c) of such Act is amended to read as follows:

"(c) Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under subsection (a), the Commission shall enforce such requirements. For the purpose of the exercise by the Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this title shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.".

SEC. 323. Each reference to the "Comptroller of the Currency", the "Board of Governors of the Federal Reserve System" and the "Federal Deposit Insurance Corporation" in title 18 of the United States Code shall be deemed a reference to the "Federal Bank Commission".

SECTION-BY-SECTION ANALYSIS

Section 1. This section provides a short title for the bill: The Federal Bank Commission Act of 1977.

Section 2. This section provides the basic findings and policy declarations relating why this legislation is necessary. Congress finds that the existing structure of regulation of banking institutions under Federal law if reorganized will better insure the safe and sound operation of the commercial banking system. Congress finds that a safe and sound banking system is necessary to support the industrial needs of the Nation. Congress finds that the Federal Reserve System will be better equipped to fulfill its primary responsibility to conduct the monetary policy of the Nation by having one of its members serve on the Federal Bank Commission. The Congressional policy enunciated is to preserve and strengthen the dual banking system; and to provide for uniform, fair, impartial and efficient administration of Federal banking law.

Section 3. Establishes a Federal Bank Commission consisting of a Chairman and four other members, four appointed by the President by and with the advice and consent of the Senate, and one designated by the Chairman of the Federal Reserve. This section also provides that at all times one member of the Commission shall be an individual who has had direct state bank regulatory experience.

Section 4. Provides that the members of the Commission shall be appointed without reference to political affiliation and with due regard to the financial, economic, and legal matters on which the Commission must exercise its statutory responsibilities. Terms of office for members of the Commission are five years.

Section 5. All functions of the Comptroller of the Currency (except those dealing with currency issue and redemption which are transferred to the Secretary of the Treasury) are transferred to the Commission. All functions of the Board of Directors of the Federal Deposit Insurance Corporation are transferred to the Commission. All bank examining and other supervisory functions of the Federal Reserve System along with the Federal Reserve's responsibilities under the Bank Holding Company Act, the Consumer Credit Protection Act, Clayton Act, and Securities Acts (except those dealing with margin requirements) are transferred to the Commission.

Section 6. This section prohibits any Commissioner from holding stock in or being an officer, director, or employee of any institution subject to the jurisdiction of the Commission. These prohibitions apply to any Commissioner for two years after termination of his or her term except for involuntary stock acquisition.

Section 7. This section vests in the full Commission all administrative powers including the appointment and supervision of Commission employees. The Commission is empowered to delegate one or more of its functions and provision for review is made for any action taken at the delegated level. The Commission may not delegate its policy making functions.

Section 8. This section requires the Commission to make an annual report to the Congress.

Section 9. This section provides funds for the Commission to operate during the preparation and planning period referred to in Section 8 and for yearly Congressional appropriations ceilings for administrative expenses.

Section 10. This section requires the Federal Reserve System to designate the rules relating to its functions which it will retain after the effective date of the transfer of its functions to the Commission. All Federal Reserve Rules relating to transferred functions remain in effect until withdrawn or superseded by rules of the Commission.

Section 11. This section provides for the carrying forward of the rules of the Comptroller of the Currency until withdrawn or superseded by rules of the Commission.

Section 12. This section provides for the

carrying forward of the rules of the Federal Deposit Insurance Corporation until withdrawn or superseded by the rules of the Commission.

Section 13. This section provides that rules of the Federal Reserve System, Comptroller of the Currency and Federal Deposit Insurance Corporation which remain in effect after the transfer of functions to the Commission shall be deemed rules of the Commission.

Section 14. This section provides that the Comptroller of the Currency shall transmit to the Board of Governors of the Federal Reserve System the organization certificate of the Federal Reserve banks.

Section 15. This section provides that the Federal Reserve System shall transfer records to the Commission relating to functions transferred to the Commission.

Section 16. This section transfers from the Comptroller of the Currency to the Secretary of the Treasury all property, records, and funds held for currency issuance or redemption functions. All other records are transferred to the Commission and all other property and funds held by the Comptroller are transferred to the Federal Deposit Insurance Corporation which continues as an entity under the control of the Commission.

Section 17. All records, officers and employees of the Federal Deposit Insurance Corporation are transferred to the Commission.

Section 18. This section provides for the transfer of employees from the Federal Reserve System to the Commission.

Sections 19, 20 and 21. These sections provide terms upon which Federal Reserve employees shall be employed by the Commission.

Section 22. This section among others makes provision for Commission employees to be covered by rules applicable to other government employees.

Section 23. This section provides for effective dates for various provisions of the Act. The Commission is established immediately and a period of one year is provided before the actual functions of the three agencies are transferred to the Commission.

Conforming Amendments Sections 201–323. These sections amend the sections of statutory law which are necessary to effectuate the transfer of authority from the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation to the Federal Bank Commission.

The Office of the Comptroller is abolished and all of its powers are transferred to the Commission. The Federal Deposit Insurance Corporation continues as a finanical entity for insurance purposes under the control of the Commission; and, all of its powers are transferred to the Commission. The Federal Reserve System continues as an entity to conduct the monetary policy of the Nation, and all of its supervisory and regulatory powers are transferred to the Commission. The Conforming Amendments with three exceptions are not designed or intended to change the substantive law which currently applies to national banks, member State Banks of the Federal Reserve System or non-member State insured banks under the jurisdiction of the FDIC. These provisions are designed solely to effectuate the transfer of statutory responsibility now exercised by the three bank regulatory agencies to the Commission under the findings and policies set forth in Section 2 of the bill.

The three areas in which significant changes have been made in the law are as follows:

1. Section 9(b) requires the Commission to make expenditures for office space, employees' salaries and expenses, and travel and other administrative expenses within yearly appropriations ceilings set by the Congress. This section is designed to bring the Commission within the Congressional appropriations review process. The Federal Reserve System, the Comptroller of the Currency and the Federal Deposit Insurance Corporation are now exempt from that process. The exemption is retained for expenditures by the Commission for payments to insured depositors and payment made in connection with liquidating or failing banks.

2. Section 312 contains amendments which would make clear that all of the Commission's activities are subject to full auditing by the Government Accounting Office. The GAO is required by these provisions to submit an audit of the Commission's activities each year to the Congress.

3. Section 312 also contains two provisions designed to strengthen the dual banking system. First, the Commission would be required to insure any state chartered bank whose supervisory authority operated in a manner to assure the safety and soundness of banks within its jurisdiction. Second, the Commission could accept state bank examinations in lieu of its own examinations of state chartered banks and reimburse the state authority for all or part of the cost of such examinations.

By Mr. MATHIAS:

S. 685. A bill to amend the Tax Reform Act of 1976 to conform the termination date for certain tax deductions for transfers of partial interests in property for conservation purposes with the termination dates of related provisions; to the Committee on Finance.

Mr. MATHIAS. Mr. President, one of the most constructive provisions of the Tax Reform Act of 1976 is section 2124 (e), which recognizes for income, gift and estate tax purposes the reduction in market value of land when a conservation or preservation easement for a period less than perpetuity is granted by the owner to a governmental or charitable body. Such easements are vital for purposes of environmental protection and historic preservation. It is rarely practicable to make them perpetual, as the law required before the 1976 act. When not recognized by the tax law, easements are actually subjected to tax penalties—that is, a gift tax is imposed on a charitable donation—and thus are rendered impossible. Section 2124(e) of the 1976 act, one of the provisions originated by our former colleague, J. Glenn Beall, recognizes easements of 30 years or more in duration.

However, the provision as enacted contains an expiration date of June 14, 1977, while all the other related provisions of Senator Beall's amendment have dates of June 14, 1981. I am placing in the record a letter from Senator Beall to me dated December 29, 1976, which explains the discrepancy was due to inadvertence and the June 14, 1981, date should have applied to section 2124(e) as well.

Obviously a trial period of less than 9 months from the date of enactment is wholly inadequate to amass experience sufficient for review, and could not have been rationally intended. Most affected persons will not even learn of the provision until it is too late. Thus, the incorrect date renders this salutary provision virtually useless.

It is important that this mistake be corrected as quickly as possible. I am informed that donee organizations in my own State, including agencies of the State government, are expecting more offers of easements than their facilities can handle before the deadline. I am sure the same problem will exist in other States. Negotiation, drafting, and approval of easements take time. Under the gun of the June 14, 1977, expiration date, mistakes will be made and wholly unnecessary burdens will be imposed. The solution is prompt correction of the mistake by changing the expiration date of section 2124(e) to June 14, 1981, in conformity with the related provisions. I am today introducing this bill to accomplish that result.

I ask unanimous consent that the letter I referred to be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON
LABOR AND PUBLIC WELFARE,
Washington, D.C., December 29, 1976.

Hon. CHARLES MCC. MATHIAS, JR.,
Russell Senate Office Building, Washington, D.C.

DEAR MAC: Enclosed please find a draft bill which would make a small technical change in the Historic Structures Tax provision which was incorporated into the Tax Reform Act of 1976.

During the Senate consideration of Amendment No. 1905, I indicated that "as a member of the Budget Committee, I believe that tax expenditures should be periodically reviewed by the Finance Committee just as other federal programs are reauthorized from time to time." Thus, I provided for a 5-year termination date on the provisions of Amendment No. 1905. Inadvertently the last provision in the amendment which was entitled "Transfers of Partial Interests in Property for Conservation Purposes" carry a termination date of June 14, 1977. This should have read "June 14, 1981". The enclosed legislation would correct this error.

I would appreciate it if you would introduce this measure early in the 95th Congress. I would expect that there will be legislation passed early in the 95th Congress making technical corrections in the Tax Reform Act of 1976, and I would hope that this proposal could be included at that time.

With best wishes, I am

Sincerely yours,

J. GLENN BEALL, JR.

By Mr. CHURCH (for himself and Mr. WILLIAMS):

S. 686. A bill to provide financial assistance to utility regulatory bodies and electric utilities to carry out energy conservation demonstration projects, and for other purposes; to the Committee on Energy and Natural Resources.

ENERGY SAVINGS DEMONSTRATION ACT

Mr. CHURCH. Mr. President, on behalf of myself and Senator WILLIAMS I introduce for appropriate reference the Energy Savings Demonstration Act.

Our recordbreaking cold wave has dramatically emphasized the necessity to develop a comprehensive national energy policy. Equally important—as President Carter stressed in his fireside chat—our Nation must make every effort to conserve energy and cut back on wasteful consumption.

All Americans have been affected in one form or another by rising energy costs. But recent information brought to the attention of the Senate Committee on Aging—of which I am chairman—makes it clear that older Americans have been especially hard hit.

We have received reports about elderly persons in the Midwest and elsewhere who now pay $200 to $300 a month to

heat their homes. Yet, they are struggling on limited social security checks.

The average social security benefit for a retired worker is $218 a month. In the case of an elderly couple, monthly benefits average $372.

The net impact is that many older Americans do not have the sufficient margin between income and outgo to withstand these enormous heating costs.

In addition, health care problems intensify the energy cost squeeze for aged and aging Americans. Quite frequently, this affects their tolerance to lower room temperatures to reduce energy costs.

Prior hearings conducted by the Committee on Aging have revealed that older Americans are among those experiencing the greatest deprivation and hardship because of rising energy costs. Several important points were made at those hearings, including:

The aged poor spend a much higher proportion of their income on energy than other groups, although their consumption is less.

Everyday necessities—such as cooking and heating—account for the bulk of the elderly poor's energy costs.

Low-income older Americans pay a higher per unit cost for electricity and natural gas than other groups.

A comprehensive and coordinated national energy policy is urgently needed.

President Carter will soon make recommendations to implement this objective. But in the meantime, important preliminary steps can be taken to provide the body of information for making key decisions in developing an all encompassing energy policy, as well as to promote conservation and stabilize energy costs.

The Energy Savings Demonstration Act can help to test out a number of concepts to provide the underpinnings for a national strategy.

First, the bill would authorize demonstration projects concerning peak pricing, effective load management techniques, lifeline rates, and other innovative approaches to make energy costs more equitable and less burdensome. Some pilot projects have already yielded useful data, but much more remains to be done.

Under the lifeline approach, for instance, consumers would be guaranteed a basic amount of electricity at a fixed rate to meet their everyday needs. Higher charges would be imposed for consumption above this level.

I am fully aware that the lifeline service may benefit some consumers, while posing problems for others. But these problems—such as the impact upon farmers, rural cooperatives, and others—can be addressed in a thoughtful and systematic manner. And perhaps solutions can be developed to take into account their special needs.

Peak pricing would encourage consumers to use energy during the hours of the day and the seasons when demand is lower. Rates, for example, would be lower during the evenings or weekends. But during higher demand periods, consumers would pay more for their energy.

Second, the bill would examine several ongoing alternatives to protect individuals when their power is turned off or about to be terminated.

Finally, the Energy Savings Demonstration Act would provide the means to obtain effective information upon which to make sound judgments. Studies would be authorized on consumption patterns by age, income, and region. This information is essential for an effective national policy, but is not now available.

During the past 3½ years, heating costs have increased at about three times the overall inflationary rate. From June 1973 to December 1976, home heating fuel oil costs rose by 100 percent. Residential natural gas rates leaped forward by more than 93 percent and with no end in sight.

Utility costs also increased at an accelerated rate. Electricity rates jumped by 46 percent in the past 3½ years. This is nearly 1½ times the increase in the Consumer Price Index, the Government's inflation yardstick.

The energy crisis is clearly one of our most pressing problems today. It requires immediate and thorough attention. I strongly believe that the Energy Savings Demonstration Act can provide essential data for developing effective solutions to come to grips with this dilemma. It is, however, just one of the steps which should be taken. I am also examining ways to provide emergency help to older persons and others in need of immediate assistance to relieve suffering and even to assure survival.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at the close of my statement.

An article in the New York Times describes in human terms the harsh impact of the energy shortage on the elderly and poor.

Mr. President, I ask unanimous consent that this account entitled "A Harsh Winter Lashes Elderly and Poor," be printed in the RECORD together with the text of the Energy Savings Demonstration Act.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Savings Demonstration Act."

FINDINGS OF FACT AND DECLARATION OF POLICY DEFINITIONS

SEC. 2. As used in this Act—

(1) "Administrator" means the Administrator of the Federal Energy Administration;

(2) "electric utility company" means any person, who owns or operates facilities used for the generation, transmission, or distribution and sale of electric energy for use other than resale;

(3) "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, and the Trust Territories of the Pacific.

(4) "State regulatory commission" means the agency, commission, or establishment of any State, which has the responsibility for establishing and administering rules and regulations relating to the operation of and rates charged by an electric utility company; and

(5) "applicant" means an electric utility company, State regulatory commission, or other person that the Administrator approves for assistance under section 4(a) of this Act.

ENERGY SAVINGS DEMONSTRATION ASSISTANCE

SEC. 3. (a)(1)(A) The Administrator is authorized to provide financial assistance to State regulatory commissions, electric utilities, and such other appropriate persons as the Administrator in his discretion may approve, to enable them to initiate electric utility rate structures and load management demonstration projects involving life-line service rates, peak-load pricing and management and other proposals to realine the pricing structure of electric utilities to provide an equitable distribution in allocation of costs for electrical energy between and among all consumers of such energy.

(B) Such demonstration projects shall consider—

(i) the groups or interests which would be benefited thereby;

(ii) the effects of realining the pricing structure of electric utility rates upon consumers and other special interests;

(iii) the effect of specific utility rate structures or pricing programs on specific interest groups or consumers of electric power including, but not limited to, farmers, residential homeowners, industrial users, and such other persons as the Administrator may include; and

(iv) measures which might be taken to overcome any undesirable effects of such structures or programs on such groups or concerns.

(C) In implementing the provisions of this paragraph the Administrator shall consult with—

(i) the Department of the Interior;

(ii) the Department of Labor;

(iii) the Department of Housing and Urban Development;

(iv) the Federal Power Commission;

(v) the Energy Research and Development Administration;

(vi) the Community Services Administration; and

(vii) the Administration on Aging, Department of Health, Education, and Welfare.

(2) The Administrator is authorized to provide financial assistance to State regulatory commissions, State governments, or general or special purpose units of local government or nonprofit organizations to study alternative financing schemes, including, but not limited to, emergency grants, loans, and deferred payment schedules to protect or assist consumers who because of their financial circumstances are in jeopardy of losing their access to or use of electrical power which is generated by an electric utility company or which is subject to the regulation of a State regulatory commission or both.

(b) Assistance may be furnished under this section only pursuant to an application submitted by an application and approved by the Administrator. In such application the applicant shall—

(1) certify that it is an eligible applicant within the meaning of this Act;

(2) describe, in such form and detail as the Administrator may by regulation require, a program for the development of an electric utility rate structure or load management demonstration project if the applicant seeks financial assistance under subsection (a)(1), or an appropriate program of study if the applicant seeks financial assistance under subsection (a)(2); and

(3) furnish such assurances as the Administrator may require to assure that funds made available under this Act will be in addition to and not in substitution for, the

amount of funds made available to any such applicant from other sources.

REPORTS

SEC. 4. Not later than the last day in December in each year following the date of enactment of this Act the Administrator shall transmit to the Congress a report containing a statement of the progress made under this Act and recommendations as to the need for and types of further Federal legislation.

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. There are authorized to be appropriated not to exceed $10,000,000 for fiscal year 1978 and not to exceed $15,000,000 for fiscal year 1979 for the purpose of carrying out the provisions of section 3 of this Act.

[From the New York Times, Feb. 2, 1977]

A HARSH WINTER LASHES ELDERLY AND POOR

(By Murray Schumach)

The two tired women in the basement of the church were symbols of the city's worst victims of the bitter winter—the elderly and the poor.

They were also evidence of how community groups and aroused neighbors, more than overburdened and often impersonal city agencies, have often become the last hope of the helpless trapped in sub-freezing weather in apartments without heat or water.

The two women—the younger with two little children—had turned up one night last week at the Bethel Gospel Tabernacle, at 110-25 New York Boulevard, in Jamaica, Queens, after the city had discontinued it as a shelter for dozens of the poor and elderly.

"The city said the program was finished," said the Rev. Roderick Caesar, who founded the church more than 40 years ago. "The social workers left. The Red Cross left. The police left."

When the women and the children came one night, Mildred Williams, a member of the congregation, received them.

"We just couldn't turn them away into the cold," she said. "We had to take them in. This is what Jesus wanted. You can't just preach what Jesus wanted. You have to put it in practice."

She removed cots and blankets from cartons, made the beds and slept in the church with the women and two children instead of going home. In the morning, with another church worker, Harold Johunn, she cooked food and fed the guests.

"We are not doing this for any glory," said Mr. Johunn. "We thank God we are able to do this."

In some parts of the city, community groups are fighting to save not only people and apartments, but even entire neighborhoods. The freeze has converted tension and hostility between tenant and landlord into open warfare.

The tenants, sometimes with ice in hallways and falling ceilings, say they are fighting for survival. Landlords, some of them with no more identity than a corporate name and a post office box number, say they can no longer afford to pay for the services they need to supply.

At the city's headquarters of the Central Complaint Bureau in Harlem, Doretha Powell, the director, consulted records and reported that in January her office received 128,313 complaints, compared with 92,376 last January. There were days last month, she said, when the 45 operators in her office were handling as many as 1,800 calls an hour.

"What gets to you," she said, "is the elderly and the poor. Particularly the elderly."

The inevitable lesson of the frigid weather in New York City is that unless there is close cooperation between city agencies and community groups, apartment houses that now are home to thousands of people will be abandoned by Spring.

It is in this context that the story of the two women in the Queens church—they asked that their names be withheld—is so significant.

The older woman, pale and weak-voiced, talked haltingly of her experience. She and her brother have lived since the 1920's in a two-story house that they inherited from their parents. For a number of years they rented one floor to tenants. This helped to pay off the mortgage. Then, as the neighborhood declined, they could no longer get tenants. In 1972 her older brother lost his job as an elevator operator when the elevator was automated. He was not old enough for Social Security.

"We have been living on our savings," she said. "We are trying to keep off welfare."

To economize, they did not make needed repairs. They could not afford fuel. The house became freezing. Her brother did the meager shopping in a nearby store.

"I stayed in bed to keep warm and to keep from being sick," she said. "My brother used to sit by the oven."

One night she noticed that his feet looked strange. He was taken to Queens General Hospital. She said frostbite had been followed by gangrene and some of his toes might have to be amputated.

"Off and on I slept at the hospital," she said. "There was this pastor there. He brough me here. They've been very nice. It's the first time I've ever slept anywhere except our house. We're trusting in the Lord."

The younger woman, occasionally petting the year-old child in the stroller or the 3-year-old boy who was munching on cookies and seemed happy and energetic, said:

"There was just no heat and the landlord didn't seem to care any more. I didn't know where to go. Then someone told me about this church. So we got out of the house in the night and just came here."

At 44 West 175th Street, the Bronx, the ice on the hall door was at least 6 inches thick and the ice on the floor was thicker than on the sidewalk. As heat went off and apartments became vacant, vandals began removing pipes. Floods poured down the stairs and through floors and ceilings. Plaster rained down on tenants and the steps were icy.

This used to be a sturdy apartment house that, under ordinary maintenance, could have lasted many years. Now a van was outside and a tenant was having furnishings put into storage. Over the mail boxes was a notice from Con Edison that it intended to cut off service to the building by Feb. 18 if the landlord did not pay the bill.

In one of the apartments, Edward McKenzie said that the only reason there was heat at the moment was that he had turned on the boiler after fuel had been received by order of the city. A representative of the landlord had demanded he give up keys to the boiler room.

People from the Morris Heights Neighborhood Improvement Association had shown him how to operate a boiler. His mother added that the $185 a month rent had been paid through February.

"We can't go anywhere," said her son. "This is the scene. All the work that was done in this apartment—even the locks—was by me. We get no service at all."

Still, this was a fortunate part of the building. Only the upper floors on the other side had been flooded.

Annie Davis lived on the ground floor of that other side. A boy was sweeping plaster from the floor. Large chunks of ceiling were missing. The gas stove was going full blast.

"We don't have any hot water," she said. "We have to heat the water on the stove. And we have to pay the bills for that gas."

In the street nearby, women and children were fetching water from a hydrant because there was no water in their buildings.

The desperate conditions this winter have spurred the Morris Heights neighborhood group to step up organization of buildings into tenant groups.

Betty Terrell, president of the organization, said it had organized about 110 buildings, of which about 50 were "active." The organization tries to find apartments for tenants who are leaving buildings that are being abandoned.

It is possible, merely by walking through this area, which several years ago was a solid neighborhood, to tell which buildings are operated by tenant groups. They are usually the ones without broken windows and with heat.

In such buildings most of the tenants pay the rent to the tenant group, which buys the fuel, hires repairmen and painters. Sometimes arrangements are worked out with fuel companies so that tenant groups pay about half the fuel money during the winter and the rest during the summer, when fuel needs are low.

Mary Heath is the head of such a tenant group, where painters were working in apartments, paid by the tenant group. She and her husband, Andrew, have been in their building eight years.

They fled from the South Bronx when that neighborhood crumbled.

"I'm one of the last of the old tenants," she says. "The Jewish people moved to Co-Op City."

There are three tenants in the apartment house who still pay rent to the landlord.

"They are afraid," she says. "But if the people don't band together in this neighborhood we will soon have nothing but abandoned buildings."

Daniel Savino, director of the Emergency Service Division of the City's Housing Development Administration, says:

"We are only a stopgap, trying to keep buildings going a little bit longer."

Many landlords, he says, are trying to force buildings to be vacated on the assumption that they can get them rehabilitated and rent them at much better rents. There are also tenants, he says, who damage buildings on the assumption that the city will relocate them in better apartments.

"We just can't keep up with the demands," he says. "Contractors are completely saturated with jobs and we are a week behind. The contractors who work for us also have private customers."

How an aroused neighbor can be more effective than city agencies in helping the elderly was illustrated by a woman who had moved to the Bensonhurst section of Brooklyn from Canada and was looking for furniture. She saw an advertisement in a neighborhood paper that an elderly couple was preparing to move to Florida and wanted to sell furniture.

She called on them and arranged for the purchase. But while there she realized that both were sickly. She kept in touch with them by phone.

"They did not have food," she said. "He was recovering from open heart surgery and she was diabetic and anemic. The grocer wouldn't make deliveries unless they purchased $20 or $30."

She telephoned a nearby church. The priest said he could do nothing. She rebuked him and called the priest in her own parish who said he would arrange to have the couple cared for. She also called the Salvation Army, which responded at once, bringing food.

"What would have happened to these two people," she wondered, "if I hadn't been looking for furniture?"

By Mr. MAGNUSON:

S. 687. A bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution, and for other purposes; to the Committees on Commerce, Science, and Transportation; and Environment and

Public Works, jointly, by unanimous consent.

NATIONAL OIL POLLUTION LIABILITY AND COMPENSATION ACT OF 1977

Mr. MAGNUSON. Mr. President, I introduce for appropriate referral a bill entitled "National Oil Pollution Liability and Compensation Act," a very important bill. Long hearings have been held, and the bill is a result of the consensus of the Commerce Committee.

I also ask unanimous consent that the bill be jointly referred to the Committee on Commerce, Science and Transportation, which is now the new name, and the Environmental and Public Work Committee.

The PRESIDING OFFICER. Without objection——

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, has this clearance been agreed to by the chairmen of the respective committees?

Mr. MAGNUSON. Yes, and we will work out the details.

The PRESIDING OFFICER. Does the Senator withdraw his objection? Is there objection? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, this bill, I believe, offers a solution to the present and evergrowing problem of compensation for damages and cleanup costs resulting from oil pollution caused by supertankers and oil facilities. Ever since the catastrophe of the *Torrey Canyon*, in March of 1967, there has been much international concern with the dangers associated with the transportation, producing, and handling of oil and petroleum products. However, the more recent disaster of the *Argo Merchant* has reignited our national interest in solving these problems.

Foreseeably, we, as a nation, face a substantial increase in the transportation and handling of oil along with an increase in the size of the tankers and facilities used. With this in mind, it is apparent that the time for action is growing short. It is incumbent upon Congress to enact a meaningful and comprehensive law governing oil pollution liability and compensation. The existing law with respect to liability and compensation for oil pollution damages and cleanup costs is inconsistent, inadequate, and inequitable.

Currently, an owner and operator of an oil tanker or facility are subject to three narrow bases of liability for an unlawful discharge of oil. The first basis of liability, of an owner or operator for oil pollution, is controlled by the limitation of Liability Act of 1851. That act, in essence, states that the liability of the owner of any vessel, for damage done without his privity or knowledge, shall be limited to the value of the owner's interest in that vessel and her freight. However, after enactment of that law the Supreme Court decided that the value of the vessel and freight are to be calculated after the collision or accident has taken place. Therefore, if a vessel discharges its entire cargo of oil, but is totally destroyed, a damaged claimant could recover nothing. Any recovery sought from the owner of a polluting vessel, whether based on a Federal or State statute or a common law action, is limited by the dictates of this 1851 law.

The second basis of liability, to which an owner or operator may be subject, is created by the Federal Water Quality Improvement Act, as amended by the Federal Water Pollution Control Act Amendments of 1972. But this law is limited. It imposed strict liability upon the owners and operators of polluting vessels for the expenses incurred by the Federal Government in the removal of spilled oil. The FWQIA set an upper limit of liability of $14 million if the discharge was not shown to be the result of willful negligence or willful misconduct within the privity and knowledge of the owner or operator. If there was such a showing of negligence or misconduct there would be no limitation of liability.

Further, the FWQIA provided that if an owner or operator could show that the discharge was caused solely by an act of God, an act of war, negligence on the part of the U.S. Government, an act or omission of a third party without regard to the third party's fault, or a combination of any of these causes, then liability would be avoided. Nothing, as a result of these laws, has been done to improve the position of the injured property owner whose recovery of damages is still confined by the Limitation of Liability Act.

The last basis of liability, to which an owner or operator may be subjected, is the common law action on a tort theory of trespass, negligence, or nuisance. The tort theory of liability for a discharge of oil is patently inadequate for the reason that any recovery allowed will be limited by the value of the vessel and its freight after the accident.

Mr. President, my intention in introducing this legislation is to attempt to eradicate the existing inequities, and to minimize the environmental risks to our navigable and ocean waters, that arise from the transportation, production, and handling of oil. This bill, in my opinion, will create an incentive for all persons dealing with oil to take the necessary and appropriate steps to prevent any discharge of oil. It establishes, for the first time, a strict liability standard for damages as well as cleanup costs resulting from a discharge of oil. This legislation creates a single and all-inclusive compensation fund to pay for all the damages and cleanup costs. The fund will then provide an adequate amount of money and an expeditious procedure to compensate those injured by a discharge of oil. Further, the fund will be used for the restoration and rehabilitation of any of our natural resources that are damaged or destroyed by oil pollution.

Mr. President, in conclusion I must add that lately I have been approached by a number of people who have told me how amazed they are by all the recent oil tanker accidents. My only response to such a statement is that I am amazed that there have not been many more of these disasters. Mr. President, I believe that unless we act now on this legislation there will be many more tanker mishaps of an even greater magnitude.

I ask unanimous consent that the bill be printed in its entirety at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Oil Pollution Liability and Compensation Act of 1977".

SEC. 2. DECLARATION OF POLICY.

(a) FINDINGS.—The Congress finds and declares the following:

(1) The transportation, production, and handling of oil in, on, or near navigable and ocean waters create environmental risks, and may impair the rights of shoreline property owners and harm the general health and welfare of citizens of the United States.

(2) The damages and cleanup costs resulting from oil pollution are matters of major national concern.

(3) Existing law with respect to liability and compensation for oil pollution damages and cleanup costs is inconsistent, inadequate, incomplete, inefficient, and inequitable.

(4) The legal rules applicable to oil pollution liability and compensation need to be rationalized and reformed to assure that adequate and timely compensation is available for oil pollution from all sources.

(b) PURPOSES.—It is therefore declared to be the purpose of the Congress in this Act to—

(1) enact a comprehensive national law governing oil pollution liability and compensation;

(2) maximize the incentive for all persons producing, transporting, or handling oil to take all steps necessary or appropriate to prevent the discharge of oil;

(3) establish a strict liability standard for damages and cleanup costs resulting from the discharge of oil;

(4) create a single and all-inclusive compensation fund to pay for all damages and cleanup costs resulting from such a discharge:

(5) provide adequate funds and an expeditious procedure to compensate those injured by such a discharge; and

(6) provide for the restoration and rehabilitation of any natural resources damaged or destroyed by such a discharge.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) The term "barrel" means 42 United States gallons at 60 degrees Fahrenheit.

(2) The term "claim" means a claim for compensation under this Act for damages or cleanup costs suffered by a claimant as a result of a discharge of oil.

(3) The term "claimant" means any person who presents a claim for compensation under this Act for damages or cleanup costs resulting from a discharge of oil.

(4) The term "cleanup costs" means all actual costs of any person incurred in—

(A) removing or attempting to remove oil, or

(B) taking other measures to prevent, reduce, or mitigate oil discharge damages to public health or welfare, including public or private property, shorelines, beaches, or natural resources.

(5) The term "damages" means the damages for which compensation may be claimed as set forth in section 6, but does not include cleanup costs.

(6) The term "discharge" includes any spilling, leaking, pumping, pouring, emptying, or dumping of oil, however caused, in unlawful quantities or at an unlawful rate.

(7) The term "facility" means a structure or group of structures (other than a vessel or vessels which are not an integral part of any such structure or structures) used for the purpose of transporting, producing, processing, storing, transferring, or handling oil.

(8) The term "fund" means the National

Oil Pollution Compensation Fund established pursuant to section 4.

(9) The term "guarantor" means any person that provides a guarantee to, or surety bond for, the owner or operator of a vessel or a facility, in accordance with section 9.

(10) The term "incident" means any occurrence, or series of occurrences, involving one or more vessels, an onshore or offshore facility, or any combination thereof, which results in a discharge of oil.

(11) The term "insurer" means any person that provides insurance for the owner or operator of a vessel or a facility, in accordance with section 9.

(12) The term "natural resources" means land, fish, wildlife, biota, air, water and other such resources owned, managed, held in trust, or otherwise controlled by the Federal Government (including the fishery resources of the fishery conservation zone established by section 101 of the Fishery Conservation and Management Act (16 U.S.C. 1811)), any State or local government, or any foreign government.

(13) The term "navigable waters" means the waters of the United States, including the territorial sea.

(14) The term "ocean waters" means all waters beyond the navigable waters.

(15) The term "offshore facility" means any facility, other than an onshore facility, subject to the jurisdiction of the United States.

(16) The term "oil" means oil of any kind (except animal or vegetable oils) or in any form, including petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes other than dredge spoil.

(17) The term "onshore facility" means any facility located in, on, or under any land (other than submerged land) within the United States.

(18) The term "operator" means—

(A) with respect to a facility, any person operating such facility, whether by lease, permit, contract, license, or other form of agreement; and

(B) with respect to a vessel, any person operating or chartering by demise such vessel.

(19) The term "owner" means, with respect to any facility or vessel, any person owning, or having any financial interest in, such facility or vessel.

(20) The term "person" means an individual, a public or private corporation, partnership or other association, or a government entity.

(21) The term "Secretary" means the Secretary of Transportation.

(22) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and any other commonwealth, territory, or possession of the United States.

(23) The term "vessel" means every description of watercraft or other artificial contrivance used as a means of transportation through or on water.

SEC. 4. NATIONAL OIL POLLUTION COMPENSATION FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a National Oil Pollution Compensation Fund. The fund shall be jointly administered by the Secretary and the Secretary of the Treasury in accordance with the provisions of this Act.

(b) CONTENTS.—(1) The Secretary of the Treasury shall collect from the owner of each facility a fee, not to exceed 3 cents per barrel—

(A) when oil is loaded on or off a vessel at such facility, and

(B) when oil is transferred from a well to a pipeline or a vessel.

All collections shall be deposited in the fund. Any oil upon which a fee has been levied and collected under this paragraph shall not be subject to a subsequent such levy and collection.

(2) Any person obligated to pay any fee under paragraph (1) who fails to pay all or part of such fee, shall be liable to the Secretary of the Treasury for—

(A) the amount of the fee;

(B) interest at prevailing rates on such fee, from the date on which the payment is due; and

(C) a civil penalty not to exceed $10,000. The Attorney General shall, upon the request of the Secretary of the Treasury, commence a civil action in the name of the fund against any person who fails to pay any such amount. All amounts received under this paragraph shall be credited to the fund.

(3) The Secretary of the Treasury shall, by regulation, establish the amount of the fee required under paragraph (1). Such Secretary may from time to time adjust such amount to assure that the fund has total assets of not more than $200,000,000.

(4) All moneys recovered by right of subrogation, pursuant to section 7, shall be credited to the fund.

(c) INVESTMENT.—The Secretary of the Treasury may invest any portion of the moneys in the fund that the Secretary determines is not immediately required to meet the obligations of the fund. Such investments shall be made only in interest-bearing special obligations of the United States. Any such obligations that are issued to the fund may be redeemed at any time, in accordance with the terms of the special issue and regulations promulgated by such Secretaries. The interest on, and the proceeds from the sale of, any such obligations shall be credited to the fund.

(d) INSUFFICIENCY.—If the money available in the fund is not sufficient to pay any amount which the fund is obligated to pay under this Act, the Secretary shall issue to the Secretary of the Treasury notes or other obligations (only to such extent and in such amounts as may be provided for in appropriation Acts) in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury prescribes. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States on comparable maturities during the month preceding the issuance of such notes or other obligations. Any sums received by the Secretary through such issuance shall be credited to the fund. The Secretary of the Treasury shall purchase any notes or other obligations issued under this paragraph, and for this purpose such Secretary may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act (31 U.S.C. 774 et seq.), as now or hereafter in force. The purposes for which securities may be issued under that Act are extended to include any purchase of notes or other obligations issued under this subsection. The Secretary of the Treasury may at any time sell any of the notes or other obligations so acquired under this subsection. All redemptions, purchases, and sales of such notes or other obligations by the Secretary of the Treasury shall be treated as public debt transactions of the United States.

(e) DISBURSEMENTS.—Amounts in the fund shall be disbursed solely for the following purposes:

(1) Administrative and personnel expenses of the fund, after appropriation in an appropriation bill.

(2) The payment of any amount which the fund is obligated to pay under this Act.

(f) RECORDKEEPING.—Each person liable to pay any fee levied under subsection (b)(1) shall keep such records and furnish such information as the Secretary shall by regulation prescribe.

SEC. 5. LIABILITY.

(a) VESSELS.—Notwithstanding any other provision of law and except as provided in subsection (d)(1), the owner and operator of a vessel shall be jointly and severally liable in accordance with this subsection, without regard to fault, for damages and cleanup costs which result from a discharge of oil. Such liability shall not exceed (1) $150 for each gross ton of any vessel which does not carry oil in bulk; or (2) $300 for each gross ton, or $30,000,000, whichever is less, of any vessel which carries oil in bulk, except that if it can be shown—

(A) that such discharge was the result of gross negligence or willful misconduct, within the privity and knowledge of the owner or operator; or

(B) that such discharge was the result of a violation of applicable safety standards or regulations,

such owner or operator shall be jointly and severally liable for the full amount of such damages and cleanup costs.

(b) FACILITIES.—Notwithstanding any other provision of law and except as provided in subsection (d)(1), the owner and operator of any facility shall be jointly and severally liable in accordance with this subsection, without regard to fault, for damages and cleanup costs which result from a discharge of oil. The Secretary shall establish, by regulation, the limits of liability for various classes of facilities, except that such limits shall not exceed $100,000,000. In establishing such limits the Secretary shall take into account the size, type, location, storage and handling capacity, and other matters affecting the size and possibility of an oil discharge from such class of facilities.

(c) FUND.—The fund shall be liable, except as provided in subsection (d)(2), for all damages and cleanup costs resulting from a discharge of oil which are not compensated under subsections (a) and (b) or any other provision of law.

(d) DEFENSES.—(1) The owner or operator of a facility or a vessel shall not be liable for any claimant's damages or cleanup costs under subsection (a) or (b) if such owner or operator can establish that such damages or cleanup costs were solely the result of—

(A) an act of war;

(B) the negligence or willful act of such claimant;

(C) an act or omission of a third party; or

(D) a natural phenomenon of an exceptional, inevitable, and irresistible character.

(2) The fund shall not be liable under subsection (c) if it establishes that the damages or cleanup costs of any claimant were caused solely by such claimant's negligence or willful act.

(e) INTEREST.—(1) The owner or operator of a vessel or a facility, and the fund, shall be liable to any claimant for interest on any amount paid to such claimant by such owner, operator, or fund under subsection (a), (b), or (c). Such interest shall cover the period beginning on the date upon which the claim presented and ending on the date upon which the claim was paid. Such interest shall not cover any period beginning after the date upon which the owner, operator, or the fund offers to the claimant an amount equal to or greater than the amount finally paid in satisfaction of the claim and ending on the date upon which the claimant accepts such offer. If the owner, operator, or the fund, within 60 days of the date upon which the claim was presented, offers to the claimant an amount equal to or greater than the amount finally paid in satisfaction of the claim, the owner, operator, or the fund shall be liable for interest only from the date upon which the offer was accepted by the claimant to the date upon which payment is made to the claimant.

(2) The interest provided for in paragraph (1) shall be calculated by the Secretary as the average of the highest rate for com-

mercial and finance company paper of maturities of 180 days or less, obtaining on each of the days for which interest must be paid.

SEC. 6. RECOVERABLE DAMAGES.

Damages may be recovered under this Act for each of the following items of loss:

(1) The value of any loss, at the time such loss is incurred, with respect to any real or personal property damaged or destroyed as a result of a discharge of oil.

(2)(A) The cost of restoring, repairing or replacing any real or personal property damaged or destroyed as a result of a discharge of oil;

(B) any income necessarily lost during the time such property is being restored, repaired, or replaced; and

(C) any reduction in the value of such property thereafter, by comparison with its value prior to such discharge.

(3) Any loss of income or impairment of earning capacity resulting from any damage to or destruction of real or personal property, including natural resources, as a result of a discharge of oil.

(4) Any loss of tax, royalty, rental, or net profits share revenue by the Federal Government or any State or local government, for a period of not to exceed 1 year, resulting from a discharge of oil.

SEC. 7. SUBROGATION.

(a) GENERAL.—Any person or Government entity, including the fund, who shall pay compensation to any claimant for damages or cleanup costs resulting from a discharge of oil, shall be subrogated to all rights, claims, and causes of action such claimant has under this Act or any other law.

(b) ACTION TO RECOVER.—Upon request of the Secretary, the Attorney General may commence an action on behalf of the fund to recover any compensation paid by the fund pursuant to this Act. Such an action may be commenced against any owner or operator, or against any other person or government entity who is liable, pursuant to any law, to the compensated claimant or to the fund, for the damages for which the compensation was paid.

SEC. 8. CLAIMS PROCEDURES.

(a) IN GENERAL.—The Secretary shall prescribe, and may from time to time amend, regulations for the filing, processing, settlement, and adjudication of claims for damages and cleanup costs resulting from a discharge of oil.

(b) NOTIFICATION.—(1) Whenever the Secretary receives a claim from any claimant he shall notify the owner and operator of any facility or vessel involved. Such owner or operator may, within 10 days after the date of receipt of such notification, deny the allegation of damages set forth in such claim, or deny liability for damages for any reason set forth in section 5(d)(1).

(2) Any denial made pursuant to paragraph (1) shall be adjudicated in accordance with the provisions of subsection (f).

(c) PUBLICATION OF PROCEDURES.—(1) If a denial is not made pursuant to subsection (b)(1), the owner and operator (or such owner's or operator's insurer or guarantor) shall advertise, in accordance with regulations promulgated by the Secretary and in any area where damages may occur or cleanup costs may be incurred, the procedures under which claims may be presented to such owner, operator, insurer, or guarantor. The Secretary shall publish the text of such advertisement, in abbreviated form if necessary, in the Federal Register. If any person fails to make any advertisement so required, the Secretary shall do so, and such owner, operator, insurer, or guarantor shall pay the costs of such advertisement.

(2) If a denial is made pursuant to subsection (b)(1), the Secretary shall advertise and publish procedures under which claims may be presented to the Secretary for payment by the fund.

(3) Any advertisement made under this subsection shall commence no later than 15 days after the date of notification required pursuant to subsection (b)(1) and shall continue for a period of not less than 30 days. Such advertisement shall be repeated thereafter in such modified form as may be necessary, but not less frequently than once each calendar quarter for a total period of 5 years.

(d) PRESENTATION.—(1) Any claim presented—

(A) to any person under paragraph (3); or

(B) to the Secretary for payment from the fund under paragraph (4),

shall be presented within 1 year after the date the cleanup costs were incurred or the date of discovery of any damages for which such claim is made, except that no such claim may be presented after the end of the 5-year period beginning on the date on which advertising was commenced pursuant to subsection (c).

(2) All of the damage and cleanup cost claims of a single person that arise from one incident shall be presented to the Secretary shall be presented in one form, which may be amended to include new claims as they are discovered. Damages or cleanup costs which are known, or reasonably should be known, and which are not included in the claim at the time compensation is made, shall be deemed to have been waived.

(3) Except as provided in paragraph (4), all claims shall be presented—

(A) to the owner and operator of the vessel or facility involved; or

(B) to such owner's or operator's insurer or guarantor.

Any person to whom a claim has been presented pursuant to this paragraph shall promptly notify the claimant of such claimant's rights under this Act and notify the Secretary of receipt of such claim.

(4) Any claim which has been presented to any person pursuant to subsection (b)(1) may be submitted to the Secretary for payment from the fund, if such person—

(A) has not accepted liability for such claim for any such reason;

(B) submits to the claimant a written offer for settlement of the claim, which the claimant rejects for any reason; or

(C) has not settled such claim by agreement with the claimant within 60 days after the date on which such claim was presented, or advertising was commenced pursuant to subsection (c), whichever is later.

In the case of a claim which has been presented to any person under paragraph (3) and which may be presented to the Secretary under this paragraph, such person shall, within 2 days after a request by the claimant, transmit such claim directly to the Secretary together with such other supporting documents as the Secretary may by regulation prescribe. Any such claim shall be deemed presented to the Secretary for payment by the fund.

(e) CLAIMS ADMINISTRATION.—The Secretary may use the facilities and services of private insurance and claims adjusting organizations in administering this section and may contract to pay compensation for such facilities and services. A payment to a claimant for single claim in excess of $100,000, or two or more claims aggregating in excess of $200,000, shall be first approved by the Secretary.

(f) DISPUTE SETTLEMENT.—If any of the following matters are in dispute, such dispute shall be submitted to the Secretary who shall cause such matter to be adjudicated pursuant to the provisions of this section:

(1) Upon the petition of a claimant, in the case of a claim which has been presented to the Secretary for payment by the fund, and in which the Secretary—

(A) has, for any reason, denied liability for such claim; or

(B) has not settled such claim by agreement with such claimant within 90 days after the date on which—

(i) such claim was presented to the Secretary, or

(ii) advertising was commenced pursuant to subsection (c), whichever date is later.

(2) Upon the petition of an owner and operator (or such owner's or operator insurer or guarantor) who is or may be liable for damages or cleanup costs under this Act—

(A) any denial made pursuant to subsection (b)(1); and

(B) the amount of any payment, or proposed payment, by the fund which may be recovered from such owner, operator, insurer or guarantor.

(g) HEARINGS.—(1) The Secretary shall promptly refer any matter submitted for adjudication pursuant to subsection (f) to an administrative law judge. Such judge shall promptly adjudicate the case and render a decision in accordance with section 554 of title 5, United States Code.

(2) For purposes of any hearing conducted pursuant to this subsection, the administrative law judge shall have the power to administer oaths and subpena the attendance and testimony of witnesses and the production of books, records, and other evidence relative or pertinent to the issues presented for determination.

(3) A hearing conducted under this subsection shall be conducted within the judicial district of the United States within which the matter in dispute occurred, or, if such matter occurred within two or more such districts, in any of the affected districts or, if such matter in dispute occurred outside any district, in the nearest such district.

(h) DISPERSAL.—Upon a decision by the administrative law judge under subsection (g), and in the absense of a notice of intent to petition for judicial review, any amount to be paid from the fund shall be certified to the fund by such judge. The fund shall promptly disburse such amount. A decision rendered under subsection (g) shall not be reviewable by the Secretary.

SEC. 9. FINANCIAL RESPONSIBILITY.

(a) EVIDENCE.—Financial responsibility may be established by any one, or any combination, of the following methods:

(1) An insurance policy.

(2) A guarantee.

(3) A surety bond.

(4) Qualification as a self-insurer.

Any bond filed shall be issued by a bonding company authorized to do business in any State.

(b) VESSELS.—(1) The owner or operator of any vessel over 300 gross tons shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility sufficient to satisfy the maximum amount of liability applicable to that vessel under section 5(a). The Secretary shall certify to such owner or operator that the requirements of this subsection have been complied with.

(2) The Secretary of the Treasury shall refuse the clearance required by section 4197 of the Revised Statutes of the United States (46 U.S.C. 91) to any vessel subject to this subsection, which does not have a valid certificate of compliance issued by the Secretary under paragraph (1).

(3) The Secretary, in accordance with regulations promulgated by him, shall—

(A) deny entry to any port or place in the United States or navigable waters; and

(B) detain at the port or place in the United States, from which it is about to depart for any other port or place in the United States,

any vessel subject to this subsection which, upon request, does not produce a valid certificate of compliance issued by the Secretary under paragraph (1).

(c) FACILITIES.—The owner or operator of each facility shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility sufficient to satisfy the maximum amount of liability applicable to such facility under section 5(b).

(d) DIRECT ACTION.—Any claim under this Act may be asserted directly against any insurer or guarantor of an owner's or operator's liability under this Act. In defending any such claim, any insurer or guarantor—

(1) shall be entitled to invoke all rights and defenses which would be available to the owner or operator under this Act;

(2) but shall not be entitled to invoke any other defense which he might have been entitled to invoke in proceedings brought by the owner or operator against him.

(e) PREEMPTION.—No owner or operator of a facility or vessel who establishes and maintains evidence of financial responsibility in accordance with this section shall be required under any State law, rule, or regulation to establish any other evidence of financial responsibility in connection with liability for the discharge of oil from such facility or vessel. Evidence of compliance with the financial responsibility requirements of this section shall be accepted by a State in lieu of any other requirement of financial responsibility imposed by such State in connection with liability for the discharge of oil from such facility or vessel.

SEC. 10. TRUSTEE OF NATURAL RESOURCES.

The Secretary, or the authorized representative of any State, shall act on behalf of the public as trustee of the natural resources to recover for damages to, and the clean-up of, such resources. Sums recovered shall be used to restore, rehabilitate, or acquire the equivalent of such natural resources by the appropriate agencies of the Federal Government, or such State.

SEC. 11. CONSOLIDATED ACTIONS.

(a) ACTIONS BY ATTORNEY GENERAL.—The Attorney General may act on behalf of any group of damaged persons the Secretary determines would be more adequately represented as a group in the recovery of claims under this Act. Sums recovered shall be distributed to the members of any such group.

(b) OTHER ACTIONS.—If, within 90 days after the date of a discharge of oil, the Attorney General fails to act on behalf of a group the members of which may be entitled to compensation under this Act, any member of such group may maintain a consolidated action to recover such damages on behalf of such group. Failure of the Attorney General to act in accordance with this subsection shall have no bearing on any action maintained under this subsection.

(c) NOTICE.—If the number of members of any such group exceeds 1,000, publishing notice of the action in the Federal Register and in local newspapers serving the areas in which the damaged persons reside shall be deemed sufficient to fulfill the requirement for public notice established by rule 23(c)(2) of the Federal Rules of Civil Procedure.

SEC. 12. FOREIGN CLAIMS.

Claims for compensation of damages and cleanup costs may be made under this Act by any citizen of a foreign nation or by any foreign nation if such damages or cleanup costs resulted from a discharge of oil originating from—

(1) a facility located in the United States or subject to the jurisdiction of the United States; or

(2) a vessel incident occurring in waters subject to the jurisdiction of the United States.

SEC. 13. JUDICIAL REVIEW.

(a) GENERAL.—Any person who suffers legal wrong or who is adversely affected or aggrieved by any decision of an administrative law judge under section 8(g) may, not later than 60 days after the date of publication of such decision, petition for judicial review of such decision in the United States court of appeals for the circuit in which the damage occurred or cleanup costs were incurred, or in the United States Court of Appeals for the District of Columbia.

(b) ATTORNEYS FEES.—In any case in which (1) the person responsible for the discharge of oil, or (2) the fund seeks judicial review under this section, attorneys' fees and court costs shall be awarded to the claimant if the decision of the administrative law judge is affirmed.

SEC. 14. JURISDICTION AND VENUE.

(a) JURISDICTION.—Except as provided in section 13, the district courts of the United States shall have original jurisdiction over all controversies arising under this Act, without regard to the citizenship of the parties or the amount in controversy.

(b) VENUE.—Venue shall lie in any Judicial district (1) wherein the cleanup costs were incurred or the damage complained of occurred, or, if such costs were incurred or such damage occurred outside of any district, in the nearest district, or (2) wherein the defendant resides, may be found, or has its principal office. For the purposes of this section, the fund shall be deemed a resident of the District of Columbia.

SEC. 15. PUBLIC ACCESS TO INFORMATION.

(a) GENERAL.—Copies of any communication, document, report, or information transmitted between any official of the Federal Government and any person concerning liability and compensation for damages or cleanup costs resulting from a discharge of oil shall be made available to the public for inspection, and shall be available to the public upon identifiable request, for the purpose of reproduction at a reasonable cost.

(b) RELEASE.—Nothing contained in this section shall be construed to require the release of any information of the kind described in subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

SEC. 16. ANNUAL REPORT BY SECRETARY.

Within 6 months after the end of each fiscal year, the Secretary shall submit to the Congress (1) a report on the administration of the fund during such fiscal year and (2) recommendations for such additional legislative authority as may be necessary to improve the management of the fund and the administration of the liability provisions under this Act.

SEC. 17. RELATIONSHIP TO OTHER LAW.

(a) STATE LAW.—(1) Except as provided in section 9(e), this title shall not be interpreted to preempt the field of liability or to preclude any State from imposing additional requirements or liability for damages and cleanup costs, within the jurisdiction of such State, resulting from a discharge of oil.

(2) Any person who receives compensation for damages or cleanup costs pursuant to this Act shall be precluded from recovering compensation for the same damages or cleanup costs pursuant to any State law. Any person who receives compensation for damages pursuant to any State law shall be precluded from receiving compensation for the same damages or cleanup costs under this Act.

(b) FEDERAL LAW.—In the case of conflict or inconsistency, the provisions of this Act shall supersede all other provisions of Federal law.

SEC. 18. CONFORMING AMENDMENTS.

(a) TRANS-ALASKA PIPELINE ACT.—The Act of November 17, 1973 (87 Stat. 586), the Trans-Alaska Pipeline Authorization Act, is amended as follows:

(1) Subsection (b) of section 204 of such Act is amended, in the first sentence, (A) by inserting after the words "any area" the words "in the State of Alaska"; (B) by inserting after the words "any activities" the words "related to the Trans-Alaska Oil Pipeline"; and (C) by inserting at the end of the subsection the following new sentence: "This subsection shall not apply to cleanup costs covered by the National Oil Pollution Liability and Compensation Act of 1977.".

(2) Subsection (c) of section 204 of such Act is repealed.

(b) INTERVENTION ON THE HIGH SEAS ACT.—Section 17 of the Act of February 5, 1974 (88 Stat. 10), the Intervention on the High Seas Act, is amended to read as follows:

"SEC. 17. The fund established under section 4 of the National Oil Pollution Liability and Compensation Act of 1977 shall be available to the Secretary for actions taken under section 5 of this Act.".

(c) FEDERAL WATER POLLUTION CONTROL ACT.—Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1321) is amended as follows:

(1) Subsection (a) is amended by replacing the period following clause (14) thereof with a semicolon and adding a new clause (15) to read as follows:

"(15) 'person in charge' means the individual having immediate operational responsibility.".

(2) Paragraph (1) of subsection (c) is amended by (A) deleting the comma after the words "contiguous zone" and inserting in lieu thereof the words "or from an artificial island or fixed structure operating under authority of the Outer Continental Shelf Lands Act," and (B) adding after the word "vessel," the words "artificial island or fixed structure,".

(3) Clause (II) of paragraph (2) of subsection (c) is amended by inserting after the words "of this section" the words "or the fund established under section 4 of the National Oil Pollution Liability and Compensation Act of 1977, as appropriate,".

(4) Subsection (d) is amended by deleting all after the words "incurred under this subsection" and inserting in lieu thereof "shall be reimbursed from the fund established under subsection (k) of this section or the fund established under section 4 of the National Oil Pollution Liability and Compensation Act of 1977, as appropriate. Any expense incurred thereunder for which reimbursement may be had from the fund established under subsection (k) of this section shall be recoverable from the owner or operator of the vessel in accordance with subsection (f) of this section.".

(5) Subsections (f), (g), (h), (l), and (o) are amended by inserting after the word "oil" wherever it appears the words "(other than oil as defined in section 3(16) of the National Oil Pollution Liability and Compensation Act of 1977)".

(6) Subsection (f) is amended, in the last sentence of paragraph (1), by inserting a comma after the word "vessel" and by adding immediately thereafter "or against any insurer or guarantor of an owner's or operator's liability under the National Oil Pollution Liability and Compensation Act of 1977".

(7) Subsection (g) is amended, by inserting in the last sentence, after the word "party" the words "or against any insurer or guarantor of an owner's or operator's liability under the National Oil Pollution Liability and Compensation Act of 1977".

(8) Subsection (k) is amended to read as follows:

"(k) There is hereby authorized to be appropriated to a revolving fund to be established in the Treasury not to exceed $35,000,000 to carry out the provisions of subsections (c), (d), (i), and (l) of this section respecting discharges or imminent discharges of oil

and hazardous substances. Any other funds received by the United States under this section respecting such discharges shall also be deposited in this fund for these purposes. All sums appropriated to, or deposited in, the fund shall remain available until expended.".

(9) Subsection (l) is amended by deleting the period at the end of the second sentence and by inserting in lieu thereof the words "respecting discharges or imminent discharges of oil.".

(10) Paragraph (1) of subsection (p) is amended by deleting the words "Any vessel over 300 gross tons, including any barge of equivalent size, but not including any barge that is not self-propelled and that does not carry oil or hazardous substances as cargo or fuel," and inserting in lieu thereof the words "Any non-self-propelled barge over 300 gross tons that carries oil (other than oil as defined in section 3(16) of the National Oil Pollution Liability and Compensation Act of 1977) or hazardous substance,".

(11) Subsection (p) is amended by deleting the words "vessel" or "vessels", wherever they appear, and inserting in lieu theerof "barge" or "barges", respectively.

(d) DEEPWATER PORT ACT.—The Deepwater Port Act of 1974 ((Public Law 93-627), 88 Stat. 2126) is amended as follows:

(1) In section 4(c)(1) strike "section 18 (l) of this Act;", and insert in lieu thereof "section 9 of the National Oil Pollution Liability and Compensation Act of 1977";".

(2) Subsections (b), (d), (e), (f), (g), (h), (l), (j), (l), (n), and clause (1) of subsection (m) of section 18 are deleted.

(3) Clause (3) of subsection (c) of section 18 is amended by striking "Deepwater Port Liability Fund established pursuant to subsection (f) of this section.", and inserting in lieu thereof "fund established under section 4 of the National Oil Pollution Liability and Compensation Act of 1977.".

(4) Subsection (k) of section 18 is amended to read as follows:

"(c) This section shall not be interpreted to preclude any State from imposing additional requirements, not inconsistent with the provisions of the National Oil Pollution Liability and Compensation Act of 1977, for any discharge of oil from a deepwater port or a vessel within any safety zone.".

(5) Subsections (c), (k), and (m) of section 18 are redesignated (b), (c), and (d), respectively, and clauses (2), (3), and (4) of subsection (m) are redesignated (1), (2), and (3), respectively.

SEC. 19. AUTHORIZATION OF APPROPRIATIONS.

(a) SECRETARY.—There is authorized to be appropriated to the Secretary for administration of this Act $10,000,000 for the fiscal year ending September 30, 1978; $5,000,000 for the fiscal year ending September 30, 1979; and $5,000,000 for the fiscal year ending September 30, 1980.

(b) THE FUND.—There are also authorized to be appropriated to the fund from time to time such amounts as may be necessary to carry out the purposes of the applicable provisions of this Act.

By Mr. CANNON (for himself and Mr. KENNEDY):

S. 689. A bill to amend the Federal Aviation Act of 1958 to encourage, develop, and attain an air transportation system which relies on competitive market forces to determine the variety, quality, and price of air services, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AIR TRANSPORTATION REGULATORY REFORM ACT OF 1977

Mr. CANNON. Mr. President, I am sending to the desk a bill entitled "The Air Transportation Regulatory Reform Act of 1977," cosponsored by Senator KENNEDY.

Mr. President, this bill provides a framework for a major restructuring of the regulatory system which regulates the Nation's domestic airlines. It is designed to change the direction of regulation rather than abolish it. The intent of this bill is to revitalize the airline industry with competition so as to make it reasonably profitable and efficient which will make the system more responsive to the public's need for a variety of air transport services at reasonable fares.

Our airline system today is showing all the signs of incipient failing health. Poor earnings over the years, wasteful service competition, rigid price regulation and restrictive entry policies have created an airline system which basically provides good service—but often wasteful service, without returning a fair profit to the airline companies themselves and service in many instances which is excessively priced. If the current regulatory pattern continues—one founded 38 years ago when the industry was struggling to get onto its feet—my fear is that our airline system will go the way of the railroad industry with enormous Federal bailouts required and finally Government ownership.

Fortunately, there is still time to take remedial action. The cornerstone of this bill is to encourage and promote efficiency rather than waste. The keys to efficiency are pricing freedom without the rigidities of CAB control and the opportunity for new entry which will promote competition, increase efficiency and hopefully provide the public with service alternatives containing an array of services at prices reflecting the quality of service.

The bill is the product of weeks of hearings my Subcommittee on Aviation held last year and is similar to S. 3830, a bill I introduced last September on the issue of regulatory reform in air transportation and reflects my best present judgment on where the system should be directed in the future.

In reviewing this legislation, I point out to my colleagues that one area of considerable interest in the regulatory reform debate is the future of airline service to small communities. While the bill does not appear to deal with the problem specifically, we will develop specific provisions on this issue following hearings I plan to hold beginning March 21.

While I strongly support this bill, my views are not cast in stone, and I am anxious to explore with Government leaders, with industry, and with members of the public whether this bill is the best available vehicle to reform the regulatory system which governs our domestic airlines system. I think our hearings in March will provide an appropriate forum which will prepare the subcommittee for developing a final bill this spring.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Air Transportation Regulatory Reform Act of 1977".

AMENDMENTS TO FEDERAL AVIATION ACT OF 1958

SEC. 2. Except as otherwise specified, wherever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or provision, of the Federal Aviation Act of 1958, as amended.

TABLE OF CONTENTS

SEC. 3. The table of contents for titles I, IV, VIII and X of the Act is amended to read as follows:

"TITLE I—GENERAL PROVISIONS

"Sec. 101. Definitions.
"Sec. 102. Declaration of policy: The Board.
"(a) Interstate and overseas air transportation.
"(b) Foreign air transportation.
"Sec. 103. Declaration of policy: The Administrator.
"Sec. 104. Public right of transit.
"Sec. 105. Federal preemption.

"TITLE IV—AIR CARRIER ECONOMIC REGULATION

"Sec. 401. Certificates issued by the Board.
"(a) Certificates or exemption required.
"(b) Application for certificate.
"(c) Notice of application.
"(d) Issuance of certificate.
"(e) Terms and conditions of certificate.
"(f) Effective date and duration of certificate.
"(g) Continuing requirements, suspension or revocation.
"(h) Transfer of certificate prohibited.
"(i) Certain rights not conferred by certificate.
"(j) Termination or suspension of service.
"(k) Compliance with labor legislation.
"(l) Requirement as to carriage of mail.
"(m) Application for new mail service.
"(n) Insurance and bonding.
"Sec. 402. Permits to foreign air carriers.
"(a) Permit required.
"(b) Issuance of permit.
"(c) Application for permit.
"(d) Notice of application.
"(e) Terms and conditions of permit.
"(f) Authority to modify, suspend, or revoke.
"(g) Transfer of permit.
"Sec. 403. Tariffs of air carriers.
"(a) Filing of tariffs required.
"(b) Observance of tariffs; rebating prohibited.
"(c) Notice of tariff changes.
"(d) Filing of divisions of rates and charges required.
"Sec. 404. Rates for carriage of persons and property.
"(a) Carrier's duty to provide service, rates, and divisions.
"(b) Discrimination.
"Sec. 405. Transportation of mail.
"(a) Postal rules and regulations.
"(b) Mail schedules.
"(c) Maximum mail load.
"(d) Tender of mail.
"(e) Foreign postal arrangement.
"(f) Transportation of foreign mail.
"(g) Evidence of performance of mail service.
"(h) Emergency mail service.
"(i) Experimental airmail service.
"(j) Free travel for postal employees.
"Sec. 406. Rates for transportation of mail.
"(a) Authority to fix rates.
"(b) Ratemaking elements.
"(c) Payment.
"(d) Treatment of proceeds of disposition of certain property.

"(e) Statement of Postmaster General and carrier.
"(f) Weighing of mail.
"(g) Availability of appropriations.
"(h) Payments to foreign air carriers.
"SEC. 407. Accounts, records, and reports.
"(a) Filing of reports.
"(b) Disclosure of stock ownership.
"(c) Disclosure of stock ownership by officer or director.
"(d) Form of accounts.
"(e) Inspection of accounts and property.
"SEC. 408. Consolidation, merger, and acquisition of control.
"(a) Filing required.
"(b) Power of the Attorney General.
"(c) Certificates.
"(d) Exemptions.
"SEC. 409. Repealed.
"SEC. 410. Loans and financial aid.
"SEC. 411. Methods of competition.
"SEC. 412. Pooling and other agreements in foreign air transportation.
"(a) Filing of agreements in foreign air transportation required.
"(b) Approval by Board.
"SEC. 413. Form of control.
"SEC. 414. Legal restraints.
"SEC. 415. Inquiry into air carrier management.
"SEC. 416. Classification and exemption of carriers.
"(a) Classification.
"(b) Exemptions.
"SEC. 417. Special operating authorizations.
"(a) Authority of Board to issue.
"(b) Terms of authorization.
"(c) Procedure.
"TITLE VIII—OTHER ADMINISTRATIVE AGENCIES
"SEC. 801. The Department of State.
"SEC. 802. Weather Bureau.
"TITLE X—PROCEDURES
"SEC. 1001. Conduct of proceedings.
"SEC. 1002. Complaints to and investigations by the Administrator and the Board.
"(a) Filing of complaints authorized.
"(b) Investigations on initiative of Administrator or Board.
"(c) Entry of orders for compliance with Act.
"(d) Power to prescribe rates.
"(e) Standards for Board ratemaking.
"(f) Removal of discrimination in foreign air transportation.
"(g) Suspension of rates.
"(h) Power to prescribe divisions of rates.
"(i) Power to establish through air transportation service.
"(j) Suspension and rejection of rates in foreign air transportation.
"SEC. 1003. Joint boards.
"(a) Designation of boards.
"(b) Through service and joint rates.
"(c) Jurisdiction of boards.
"(d) Power of boards.
"(e) Judicial enforcement and review.
"SEC. 1004. Evidence.
"(a) Power to take evidence.
"(b) Power to issue subpena.
"(c) Enforcement of subpena.
"(d) Contempt.
"(e) Deposition.
"(f) Method of taking depositions.
"(g) Foreign depositions.
"(h) Fees.
"SEC. 1005. Orders, notices, and services.
"(a) Effective date of orders; emergency orders.
"(b) Designation of agent for service.
"(c) Other methods of service.
"(d) Suspension or modification of order.
"(e) Compliance with order required.
"(f) Form and service of orders.
"SEC. 1006. Judicial review of orders.
"(a) Orders of Board and Administrator subject to review.
"(b) Venue.
"(c) Notice to Board or Administrator; filing of transcript.
"(d) Power of Court.
"(e) Findings of fact conclusive.
"(f) Certification of certiorari.
"SEC. 1007. Judicial enforcement.
"(a) Jurisdiction of court.
"(b) Application for enforcement.
"SEC. 1008. Participation in court proceedings.
"SEC. 1009. Joinder of parties.
"SEC. 1010. Procedures for title IV applications.".

DEFINITIONS

SEC. 4. Section 101 of the Act is amended—

(a) by striking out paragraphs (35) and (36);

(b) by redesignating paragraphs (13) through (32), (33), and (34), and (37) and (38) as paragraphs (15) through (34), (36) and (37), and (38) and (39), respectively; and

(c) by inserting in the appropriate places the following new paragraphs:

"(13) 'Charter air transportation' means charter trips, including inclusive tour charter trips combining air transportation and land arrangements, advance booking charter trips whereby air transportation is sold on an advance purchase basis, and other charter trips under regulations prescribed by the Board."

"(14) 'Charter trip' means air transportation performed under regulations prescribed by the Board in which the entire capacity of an aircraft has been engaged for the movement of persons, property, or mail by one or more persons, each of whom has engaged a substantial portion of such capacity. Board regulations shall not restrict the marketability, flexibility, accessibility or variety of charter trips except to the extent required by the public convenience and necessity, and shall in no event be more restrictive than those regulations regarding charter air transportation in effect on the date of enactment of this provision.

"(35) 'Scheduled air transportation' means flights in regular route service which are not charter trips.".

DECLARATION OF POLICY

SEC. 5. Section 102 of such Act is amended to read as follows:

"DECLARATION OF POLICY: THE BOARD

"Interstate and Overseas Air Transportation

"SEC. 102. (a) In the exercise and performance of its powers and duties under this Act with respect to interstate and overseas air transportation, the Board shall consider the following, among other things, as being in the public interest, and consistent with the public convenience and necessity:

"(1) The maintenance of an efficient air transportation system responsive to the present and future needs of the public, of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense.

"(2) The encouragement, development and attainment of an air transportation system which relies on competitive market forces to determine the variety, quality, and price of air services.

"(3) Reliance on actual and potential competition to provide a variety of efficient and innovative low-cost transportation services.

"(4) The encouragement of new carriers;

"(5) The provision of a variety of adequate, economic, and low-cost services by air carriers without unfair or deceptive practices.

"(6) The promotion of safety in air commerce.

"Foreign Air Transportation

"(b) In the exercise and performance of its powers and duties under this Act with respect to foreign air transportation, the Board shall consider the following, among other things, as being in the public interest, and in accordance with the public convenience and necessity:

"(1) The encouragement and development of an air-transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense.

"(2) The regulation of air transportation in such manner as to recognize and preserve the inherent advantages of, assure the highest degree of safety in, and foster sound economic conditions in, such transportation, and to improve the relations between, and coordinate transportation by air carriers.

"(3) The promotion of adequate, economical, and efficient service by air carriers at reasonable charges, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices.

"(4) Competition to the extent necessary to assure the sound development of an air-transportation system properly adapted to the needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense.

"(5) The promotion of safety in air commerce.

"(6) The promotion, encouragement, and development of civil aeronautics.".

FEDERAL PREEMPTION

SEC. 6. Title I of the Act is amended by adding at the end the following new section:

"FEDERAL PREEMPTION

"SEC. 105. No State including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the District of Columbia, the territories or possessions of the United States, political subdivision of a state, or political agency of two or more states, shall enact any law, regulation, or standard relating to rates, routes, services, or other matters regulated by the Board in interstate, overseas or foreign air transportation or the transportation of mail by aircraft. Nothing in this section shall be construed to limit the authority of any state or political subdivision over intrastate air transportation or intrastate air carriers."

CERTIFICATE OR EXEMPTION REQUIRED

SEC. 7. Subsection 401(a) of such Act is amended to read as follows:

"Certificate or Exemption Required

"(a)(1) No air carrier shall engage in any air transportation unless there is in force a certificate issued by the Board authorizing such air carrier to engage in such air transportation or unless under another provision of this Act such air carrier is exempted from obtaining a certificate.

"(2) An air carrier holding or applying for any certificate under this Act or exempted from any provision of this Act may hold or apply for any additional certificate or exemption under this Act.

NOTICE OF APPLICATION

SEC. 8. Subsection 401(c) of the Act is amended to read as follows:

"Notice of Application

"(c)(1) Upon the filing of any application for a certificate to engage in interstate or overseas air transportation, the Board shall give due notice thereof to the public by posting a notice of such application in the office of the secretary of the Board and to such other persons as the Board may by regulation determine. Any interested person may file with the Board a written protest or memorandum of opposition to or in support

of the issuance of a certificate. The Board shall dispose of such application in accordance with procedures set forth in section 1010 of this Act.

"(2) Upon the filing of any application for a certificate to engage in foreign air transportation, the Board shall give due notice thereof to the public by posting a notice of such application in the office of the secretary of the Board and to such other persons as the Board may by regulation determine. Any interested person may file with the Board a protest or memorandum of opposition to or in support of the issuance of a certificate. Such application shall be set for a public hearing, and the Board shall dispose of such application as speedily as possible.".

ENTRY

SEC. 9. Subsection 401(d) of such Act is amended to read as follows:

"Issuance of Certificate for Scheduled Passenger Service

"(d)(1) In the case of an application for a certificate to engage in scheduled interstate or overseas passenger air transportation, the Board shall issue a certificate authorizing the whole or any part thereof (or, in the case of an application for a temporary certificate, for such periods as the Board may specify) if it finds that the applicant is fit, willing and able properly to perform such transportation, and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder, unless the Board finds that such transportation is not consistent with the public convenience and necessity.

"Issuance of Certificate for Foreign Air Transportation

"(2) In the case of an application for a certificate to engage in foreign air transportation, the Board shall issue a certificate authorizing the whole or any part of the transportation covered by the application (or, in the case of an application for a temporary certificate, for such periods as the Board may specify) if it finds that the applicant is fit, willing, and able properly to perform such transportation, and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder, and that such transportation is required by the public convenience and necessity; otherwise such application shall be denied.

"Issuance of Certificate for Charter Passenger Service

"(3) In the case of an application for a certificate to engage in charter interstate or overseas passenger air transportation, the Board shall issue a certificate authorizing the whole or any part thereof (or, in the case of an application for a temporary certificate, for such periods as the Board may specify) if it finds that the applicant is fit, willing, and able properly to perform such transportation, and to conform to the provisions of this Act and the rules, regulations and requirements of the Board hereunder, unless the Board finds that such transportation is not consistent with the public convenience and necessity.

"Issuance of Certificate for All-Cargo Service

"(4) In the case of an application for a certificate to engage in interstate or overseas all-cargo air transportation, the Board shall act in accordance with the following provisions:

"(A) Upon the effective date of this paragraph but before January 1, 1979, the Board shall issue a certificate authorizing the whole or any part thereof (or, in the case of an application for a temporary certificate, for such periods as the Board may specify) if it finds that the applicant is fit, willing, and able properly to perform such transportation, and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder, unless the Board finds that such transportaion is not consistent with the public convenience and necessity; and

"(B) Beginning January 1, 1970 and thereafter, the Board shall issue a certificate authorizing the whole or any part thereof (or, in the case of an application for a temporary certificate, for such periods as the Board may specify) if it finds that the applicant is fit, willing, and able properly to perform such transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder.

"(5)(A) Proceedings upon applications for a certificate under paragraphs (1), (3), and (4)(A) of this subsection shall be governed by the following provisions:

"(i) Any person applying for the certificate shall have the burden of proving that it is fit, willing and able properly to perform the transportation applied for, and to conform to the provisions of this Act, and the rules, regulations, and requirements of the Board;

"(ii) Any person opposing the issuance of a certificate shall have the burden of proving that the proposed transportation is not consistent with the public convenience and necessity;

"(iii) The Board may not find that the proposed transportation is not consistent with the public convenience and necessity unless such a finding is supported by a preponderance of the evidence;

"(iv) Any reviewing court shall apply its independent judgment when reviewing on an agency record a Board decision that a preponderance of the evidence supports a finding that the proposed transportation is not consistent with the public convenience and necessity;

"(B) In determining whether applications for a certificate under paragraphs (1), (3) and (4)(A) of this subsection are consistent with the public convenience and necessity, the Board shall be guided by the following standards:

"(i) The issuance of a certificate is consistent with the public convenience and necessity if to do so would result in new, innovative or more efficient methods of operations in air transportation or in significant reduction in rates, fares or charges below rates, fares or charges in effect in the markets in question or in comparable markets;

"(ii) The issuance of a certificate is not consistent with the public convenience and necessity if to do so would tend to create undue economic concentration in the airline industry, or would lead to excessive domination in any section, region or market of the country by a single firm, the effect of which would, over a period of time, lessen competition;

"(iii) In considering whether to issue a certificate, diversion of revenue or traffic from another air carrier is not of itself a factor that is inconsistent with the public convenience and necessity.

"Issuance of Certificate for Dormant Authority

"(6)(A) If an air carrier holding nonstop authority to engage in scheduled interstate or overseas air transportation between any two points listed on its certificate does not exercise that authority by providing such transportation pursuant to published flight schedules for a minimum of 5 round trips per week for at least 180 days during the immediately preceding 12-month period, upon application the Board shall issue a certificate authorizing such transportation to any applicant that is fit, willing, and able properly to perform such transportation, and to conform to the provisions of this Act and the rules, regulations, and requirements of the Board hereunder. The number of certificates issued pursuant to this paragraph for any pair of points shall not exceed the number of certificates issued for such pair of points pursuant to other provisions of this Act that are not being used as provided in the first sentence of this paragraph. If the Board must choose among qualified applicants for authority to serve one pair of points, the Board shall make its selection in conformity with subsection 102(a).

"(B) Upon the filing of any such application, the Board shall promptly give notice thereof to the public by posting a notice of such application in the office of the secretary of the Board and to such other persons as the Board may by regulation determine. Any person seeking the same authority pursuant to this paragraph shall file an application for such authority within 30 days of the date on which notice of the initial application was published. If no additional application is received within the 30-day period, and if the initial applicant holds a certificate issued by the Board, the Board shall issue its final order granting the authority within 60 days of the date on which notice of the application is published. If, at the end of the 30-day period after notice of the initial application is published, more than one application has been filed for the same authority, or if any applicant does not hold a certificate under this Act, the Board shall issue its final order in accordance with the procedures and deadlines set forth in section 1010 of this Act.

"Issuance of Certificate for Restricted Discretionary Service

"(7) Any air carrier may apply to the Board during the month of January under this paragraph for a restricted discretionary certificate to serve additional pairs of points not then included in such air carrier's certificate or certificates, if any. Unless the Board shall find the applicant is not fit, willing, and able properly to perform such transportation or to conform to the provisions of this Act and the rules, regulations and requirements of the Board hereunder, the Board on or before April 1 of the same year in which the application was filed shall issue a restricted discretionary certificate authorizing the applicant to engage in scheduled passenger air transportation between additional pairs of points except as follows:

"(A) For any carrier which operated in excess of twenty-five billion available seat-miles in interstate and overseas scheduled air transportation during the preceding calendar year, (i) such carrier may file an application under this paragraph beginning on the first day of the second January following the effective date of this paragraph, (ii) the number of additional pairs of points for each year shall not exceed one, and (iii) the cumulative air miles between such points for each year shall not exceed 2,000 statute miles;

"(B) For any carrier certificated by the Board under any section of this Act which has operated passenger service pursuant to that authority for at least 12 months and is not a carrier described in subparagraph (7)(A) of this subsection, or for any air carrier engaging in intrastate air transportation which is certificated or licensed by a state regulatory authority and operated in excess of one hundred million available seat-miles in scheduled passenger air transportation in

the previous calendar year, (i) such carrier may file an application under this paragraph beginning on the first day of the first January following the effective date of this paragraph, (ii) the number of additional pairs of points for each year shall not exceed four, and (iii) the cumulative air miles between all the points for each year shall not exceed 4000 statute miles;

"(C) If the Board receives more than one application for a restricted discretionary certificate to serve one pair of points pursuant to this paragraph, the Board shall authorize no more than one applicant to serve such pair and it shall make its selection among qualified applicants (i) on or before July 1 of the same year in which the applications were filed, (ii) by giving preference to applicants described in subparagraph (7)(B) of this subsection over those described in subparagraph (7)(A) of this subsection, and (iii) in conformity with section 102 of the Act;

"(D) An applicant pursuant to this paragraph may not apply for a restricted discretionary certificate to serve any pair of points for which a restricted discretionary certificate has been granted pursuant to this paragraph within the preceding two calendar years;

"(E) An applicant under this paragraph may specify alternative choices which the Board must consider should the applicant's preferred choices not be granted.

"(F) Air carriers providing service under this paragraph shall not with respect to such service—

"(i) increase any fare, rate or charge for that service except upon sixty days notice filed with the Board, and the Board may, if the public interest so requires, order an air carrier filing such notice not to implement the proposed increase for a period not to exceed one hundred and eighty days, except that the Board shall allow the proposed increase to be implemented if and to the extent it is reasonably designed to provide revenues for increases in costs incurred since the implementation of the then effective rate, fare or charge, or (ii) substantially reduce the level of capacity between any two points except upon sixty days notice filed with the Board, and the Board may, if the public interest so requires, order the carrier not to implement the proposed substantial capacity reduction between such points for a period not to exceed one hundred and eighty days, except that the Board shall allow the proposed reduction to be implemented if and to the extent it is reasonably designed to adjust capacity to reflect a decline in demand for air service between such points that occurred since the then current level of capacity was initially offered;

"(G) Any carrier engaging continuously for eighteen consecutive months in scheduled passenger air transportation pursuant to authority conferred in this paragraph and with respect to which the Board has not suspended a proposed fare increase or a proposed substantial capacity reduction under subparagraph (7)(F) of this subsection, may apply to the Board for a certificate conferred pursuant to paragraph (1) of this subsection authorizing unrestricted nonstop scheduled air transportation between such points. Within thirty days of the date of application, the Board shall grant such application and issue the certificate as requested unless the Board determines that the applicant has not conformed to the provisions of the Act with respect to the service in question. Breaks in service occasioned by labor disputes in which the carrier has acted in good faith or by factors beyond the control of the carrier shall not destroy the continuity of services rendered before or after the break in service, but such periods of time shall not be counted toward meeting the requirement that service be offered for eighteen consecutive months."

TERMS AND CONDITIONS OF CERTIFICATES

SEC. 10. Subsection 401(e) of such Act is amended to read as follows:

"(e)(1) Each certificate issued pursuant to paragraphs (d)(1), (d)(6) and (d)(7) of this section to engage in interstate or overseas scheduled passenger air transportation shall specify the terminal points and intermediate points, if any, between which the air carrier is authorized to engage in air transportation and the service to be rendered. Each such certificate shall authorize the holder to carry and transport mail and cargo on flights operated pursuant to the certificate.

(2) Each certificate issued under paragraph (d)(2) of the section to engage in foreign air transportation shall, insofar as the operation is to take place without the United States, designate the terminal and intermediate points only insofar as the Board shall deem practicable, and otherwise shall designate only the general route or routes to be followed. Any air carrier holding such a certificate for foreign air transportation shall be authorized to handle and transport mail of countries other than the United States. The Board may attach to the exercise of the privilege granted by the certificate, or amendment thereto, such reasonable terms, conditions and limitations as the public interest may require, except on flights operated in scheduled foreign air transportation an air carrier may engage in scheduled interstate or overseas air transportation between any United States coterminal points named in its certificate for such foreign air transportation.

"(3) Each certificate issued under paragraph (d)(3) of this section to engage in interstate or overseas charter passenger air transportation shall designate the terminal and intermediate points only insofar as the Board shall deem practicable and otherwise shall designate only the geographical area or areas within or between which the service may be rendered. Each such certificate shall authorize the holder to carry and transport mail and cargo on flights operated pursuant to the certificate.

"(4) Each certificate issued under paragraph (d)(4) of this section to engage in interstate or overseas all-cargo air transportation shall designate the terminal or intermediate points, if any, only insofar as the Board shall deem practicable and find to be required by the public convenience and necessity, and otherwise shall designate only the geographical area or areas within or between which service may be rendered. Each such certificate shall authorize the holder to carry and transport mail on flights operated pursuant to the certificate.

"(5)(A) The Board may attach to the exercise of the privileges granted by each certificate issued under paragraphs (d)(1), (d)(3), (d)(4), (d)(6) or (d)(7) of this section to engage in interstate or overseas air transportation, or any amendment to such a certificate, such reasonable terms, conditions and limitations as the Board finds to be required by the public convenience and necessity, except that the Board may not impose on any new certificate, or amendment to a new or existing certificate, a closed door restriction.

"(B) Within 30 days after the effective date of this provision, the Board shall eliminate all closed door restrictions attached to any existing certificate.

"(6) Upon application of any carrier seeking the removal of any term, condition or limitation attached to a certificate to engage in interstate or overseas air transportation, or upon the application of any carrier which provides scheduled interstate or overseas air transportation between pairs of points seeking the lifting of any intermediate stop requirement imposed because the points are named in separate route certificates, or upon its own initiative, the Board within 90 days of any such application or initiative shall eliminate the term, condition, limitation or requirement, unless the Board determines that the public convenience and necessity requires the term, condition, limitation or restriction to be retained.

"(7) No term, condition, or limitation of a certificate shall restrict the right of an air carrier to add to or change schedules, equipment, accommodations, and facilities for performing the authorized transportation and service as the development of the business and the demands of the public shall require.

"(8) No air carrier shall be deemed to have violated any term, condition, or limitation of its certificate by landing or taking off during an emergency at a point not named in its certificate or by operating in an emergency, under regulations which may be prescribed by the Board, between terminal, intermediate points, or geographical areas other than those specified in its certificate.

"(9) Any air carrier other than a charter air carrier may perform charter trips pursuant to regulations prescribed by the Board, including off-route charter trips not to exceed in any calendar year 3 percent of the total number of revenue plane miles operated by such carrier in scheduled air transportation during the previous calendar year. Such percentage limitation may be increased as the Board from time to time finds in the public interest."

EFFECTIVE DATE AND DURATION OF CERTIFICATE

SEC. 11. Subsection 401(f) of the Act is amended to read as follows:

"Effective Date and Duration of Certificate

"(f) Each certificate shall be effective from the date specified in the certificate and shall continue in effect until suspended or revoked, or until the Board shall certify that operation under the certificate has ceased."

CONTINUING REQUIREMENTS, SUSPENSION OR REVOCATION

SEC. 12. Subsection 401(g) of the Act is amended to read as follows:

"Continuing Requirements, Suspension and Revocation

"(g)(1) Every holder of a certificate shall be under a continuing obligation to maintain its fitness, willingness, and ability to perform air transportation which it is authorized to perform by its certificate and which it holds itself out to the public as performing, and to conform to the provisions of this Act, and the rules and regulations thereunder.

"(2) The Board may by order, entered after notice and hearing on the record, suspend or revoke any certificate for failure of the holder to fulfill the requirements as set forth in paragraph (1) of this subsection: *Provided*, That no such certificate shall be suspended or revoked, except as provided in paragraph (3) of this subsection, unless the holder thereof fails to comply, within a reasonable time to be fixed by the Board, with an order of the Board commanding obedience to the requirements of paragraph (1) or to the order (other than an order issued in accordance with this provision), rule, or regulation found by the Board to have been violated.

"(3) If the Board determines that the failure of a carrier to fulfill the requirements as set forth in paragraph (1) of this subsection requires, in the interest of the rights, welfare, or safety of the public, immediate suspension of such carrier's certificate, the

Board shall temporarily suspend such certificate without notice or hearing, for not more than thirty days.

"(4) Upon temporarily suspending a carrier's certificate pursuant to paragraph (3) of this subsection, the Board shall immediately enter upon a hearing on the record to determine whether such certificate should be suspended or revoked and, pending the completion of such hearing, the Board may further temporarily suspend such certificate for additional thirty-day periods aggregating not more than an additional sixty days.

"(5) If a carrier whose certificate has been suspended pursuant to paragraph (3) of this subsection removes the disability which occasioned the emergency suspension, the Board shall immediately terminate the suspension of such certificate and may terminate any pending proceeding commenced under paragraph (4) of this subsection, but nothing in this paragraph shall preclude the Board from conducting proceedings pursuant to paragraph (2) of this subsection or from imposing on such carrier a civil penalty for any violation of the provisions of this title or the regulations or orders of the Board thereunder."

TRANSFER OF CERTIFICATE PROHIBITED

SEC. 13. Subsection 401(h) is amended to read as follows:

"Transfer of Certificate Prohibited

"(h) No certificate may be exchanged, sold or transferred by any means, except transfers incidental to transactions specified in and in compliance with the provisions of section 408 of this Act."

TERMINATION OR SUSPENSION OF SERVICE

SEC. 14. Subsection 401(j) of such Act is amended to read as follows:

"Termination or Suspension of Service

"(j)(1) No air carrier shall terminate any interstate or overseas air transportation service required by its certificate except upon a minimum of 90 days notice filed with the Board and served upon each community directly affected by such termination. The Board may, upon complaint or upon its own initiative, suspend such termination for a period not to exceed 360 days after notice is filed with the Board, in order to allow arrangements to be made for alternative service. The Board may, by regulation or otherwise, authorize such temporary suspension of service as may be in the public interest.

"(2) No air carrier shall abandon any route or part thereof, for which a certificate to engage in foreign air transportation has been issued by the Board, unless, upon the application of such air carrier, after notice and hearing, the Board shall find such abandonment to be in the public interest. Any interested person may file with the Board a protest or memorandum of opposition to or in support of any such abandonment. The Board may, by regulations or otherwise, authorize such temporary suspension of service as may be in the public interest.".

INSURANCE AND BONDING

SEC. 15. Subsection 401(n) is amended to read as follows:

"Insurance and Bonding

"Insurance

"(n)(1) Each air carrier shall comply with regulations issued by the Board governing the filing and approval of policies of insurance or plans for self-insurance, in the amounts prescribed by the Board, conditioned to pay, within the amount of such insurance, amounts for which the certificate holder may become liable for bodily injuries to or the death of any person, or for loss of or damage to property of others, resulting from the operation or maintenance of aircraft.

"Bonding

"(2) The Board may, by regulation or otherwise, require any air carrier to file a performance bond or equivalent security arrangement, in such amount and upon such terms as the Board shall prescribe, to be conditioned upon such air carrier making appropriate compensation to travelers and shippers by aircraft, as prescribed by the Board, for failure on the part of such carrier to perform air transportation services in accordance with agreements to do so."

NOTICE OF CHANGES

SEC. 16. Amend subsection 403(c) to read as follows:

"Notice of Tariff Change

"(c)(1) No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff of any air carrier except after reasonable notice, as the Board shall determine by regulation, of the proposed change filed, posted, and published in accordance with subsection 403(a) of this section. Such notice shall plainly state the change proposed to be made and the time such change will take effect.

"(2) If the effect of any proposed tariff change would be to institute a rate, fare, or charge that is not within the range of fares which the Board is prohibited by law from suspending under section 1002, then such proposed change shall not be implemented except after sixty days' notice filed in accordance with regulations prescribed by the Board.

"(3) In exercising its power to suspend tariffs under subsection 1002(g), the Board shall file and deliver the statement in writing of its reasons for such suspension, as required under subsection 1002(g), at least thirty days before the time when the affected tariff would otherwise go into effect."

FEDERAL SUBSIDY PROGRAM

SEC. 17. There shall be a federal subsidy program under this Act. The program shall be designed and administered to provide adequate air service to those communities which require but cannot otherwise obtain access to a national air transportation network.

MERGERS, AGREEMENTS, CONTROL RELATIONSHIPS AND POWER TO CONFER ANTITRUST IMMUNITY

SEC. 18. (a) Section 408 of the Act is amended to read as follows:

"CONSOLIDATION, MERGER, AND ACQUISITION OF CONTROL

"Filing Required

"SEC. 408. (a) Every person desiring to engage in any of the following transactions shall file a notification of such transaction with the Attorney General, containing such information as the Attorney General by regulation may require, at least 30 days prior to the effective date of such transaction:

"(1) the consolidation or merger, of the properties, or any part thereof, of two or more air carriers, or of any air carrier and any other common carrier or any other person engaged in any other phase of aeronautics, into one person for the ownership, management, or operation of the properties theretofore in separate ownerships;

"(2) the purchase, lease, or contracting to operate the properties, or any substantial part thereof, of any air carrier, by any other air carrier, any person controlling an air carrier, any other common carrier, or any person engaged in any phase of aeronautics;

"(3) the purchase, lease, or contracting to operate the properties, or any substantial part thereof, of any person engaged in any phase of aeronautics, by any air carrier or person controlling an air carrier;

"(4) the acquisition of control of any air carrier in any manner whatsoever, by any other air carrier or any person controlling an air carrier, any other common carrier, any person engaged in any phase of aeronautics, or any other persons, or

"(5) the acquisition of control of any person engaged in any phase of aeronautics otherwise than as an air carrier, by an air carrier or person controlling an air carrier.

"Power of the Attorney General

"(b) If the Attorney General reasonably believes that a transaction which is the subject of a notification filed pursuant to subsection (a) may violate the antitrust laws, he shall notify the Board, the parties to the transaction, and other interested persons of this fact within 30 days. If such notice is given the transaction shall be stayed for 60 days or until the disposition of any proceedings brought by the Attorney General. Within 60 days following notice by the Attorney General he may institute a suit for relief under the antitrust laws in an appropriate district court. The Board may intervene as of right as a party or as an amicus curiae, in any such suit brought by the Attorney General.

"Certificates

"(c) If any transaction specified in subsection (a) goes into effect, the Board shall issue as a matter of course any certificates required by section 401 of this Act.

"Exemptions

"(d)(1) The Attorney General may by regulation determine that a class of transactions specified in subsection (a) does not affect the control of an air carrier directly engaged in the operation of aircraft in air transportation, does not result in creating a monopoly, and does not tend to restrain competition. Such a class of transactions shall be exempt from the premerger notification provision of subsection (a).

"(2) The Attorney General may, in individual cases, terminate the waiting period specified in subsection (b) of this section and allow any person to proceed with any transaction subject to this section, and promptly shall cause to be published in the Federal Register a notice that the Attorney General does not intend to take any action within such period with respect to such acquisition."

(b) Section 409 of the Act is repealed in its entirety.

(c)(1) The side heading of section 412 of such Act is amended to read as follows:

"POOLING AND OTHER AGREEMENTS IN FOREIGN AIR TRANSPORTATION

"Filing of Agreements in Foreign Air Transportation Required"

(2) Section 412(a) is amended by inserting the term "foreign" between the terms "affecting" and "air transportation".

(d) Section 414 of the Act is amended by striking the last letter "s" in the word "section", by striking "408," by striking "409,", and by striking the word "or" where it first appears.

EXEMPTION AUTHORITY

SEC. 19. (a) Section 416(b)(1) is amended to read as follows:

"Exemptions

"(b)(1) The Board, from time to time and to the extent necessary, may (except as provided in paragraph (2) of this subsection) exempt from the requirements of this title or any provision thereof, or any rule, regu-

lation, term, condition, or limitation prescribed thereunder, any person or class of persons if it finds that the exemption is consistent with the public interest."

"(b) Section 416(b) is amended by adding at the end the following new paragraph:

"Commuter Air Transportation

"(3) Any air carrier that engages in interstate or overseas air transportation solely with aircraft having a capacity of less than fifty-six passengers or 18,000 pounds of property shall not be required to obtain a certificate if that carrier conforms to such financial responsibility and reporting requirements as the Board may by regulation impose. The Board shall by regulation increase the passenger or property capacities specified in this paragraph when the public interest so requires. Air transportation pursuant to this paragraph is not subject to section 403, 404, 405(b), (c) and (d), except for the provisions regarding joint fares and through rates."

PRESIDENTIAL AUTHORITY

SEC. 20. Title VIII of the Act is amended by repealing in its entirety and by redesignating Section 801 of the Act is repealed, and sections 802 and 803 of the Act as sections 801 and 802, respectively.

RATES, FARES AND CHARGES

SEC. 21. (a) Subsection 1002(d) of the Act is amended to read as follows:

"Power to Prescribe Rates

"(d) Whenever, after notice and hearing on the record, upon complaint, or upon its own initiative, the Board shall determine that any individual or joint rate, fare, or charge demanded, charged, collected, or received by an air carrier for interstate or overseas air transportation, or any classification, rule, regulation or practice affecting such rate, fare, or charge, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, the Board shall determine and prescribe the maximum or minimum lawful rate, fare, or charge thereafter to be demanded, charged, collected or received, or the lawful classification, rule, regulation, or practice thereafter to be made effective: *Provided however*, That (i) the Board may not find any rate, fare, or charge in interstate or overseas air transportation to be unjust or unreasonable on the basis that it is too high unless the rate, fare, or charge is, with respect to determinations before January 1, 1980, more than 10 percent higher, or after December 31, 1979, more than 20 percent higher than the rate, fare, or charge in effect for the service at issue one year prior to the filing of the rate, fare or charge; (ii) a rate above direct costs may not be found to be unlawful on the basis that it is too low, and the Board may not require an air carrier to charge, demand, collect, or receive compensation in excess of that carrier's direct costs for the service at issue. 'Direct Costs' means the direct operating costs of providing service to which a rate, fare, or charge applies, and shall not include such items as general and administrative expenses, depreciation, interest payments, amortization, capital expenses, costs associated with the development of a new route or service, and other costs which do not vary immediately and directly as a result of the service at issue."

STANDARDS FOR BOARD RATEMAKING

(b) Subsection 1002(e) is amended to read as follows:

"Standards for Board Ratemaking

"(e) In exercising and performing its powers and duties under subsection (d) of this section the Board shall take into consideration, among other factors—

"(1) the criteria set forth in subsection 102(a) of this Act;

"(2) the need in the public interest for adequate and efficient transportation of persons and property by air carriers at the lowest cost consistent with the furnishing of such service;

"(3) the quality and type of service required or preferred by the public in each market;

"(4) the need of each carrier for revenue sufficient to enable such air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier service;

"(5) the effect of rates upon the movement of traffic;

"(6) the desirability of a variety of price and service options such as peak and off-peak pricing or other pricing mechanisms to improve economic efficiency; and

"(7) the desirability that individual air carriers determine prices in response to the particular competitive market conditions experienced by the individual carrier."

SUSPENSION OF RATES

(c) Subsection 1002(g) is amended by striking the last period and inserting the following provisos: "; *Provided further*, That the Board may not suspend any proposed tariff because of a proposed rate fare or charge contained in the tariff unless the Board is authorized under subsection 1002 (d) of this Act to find the proposed rate fare or charge unlawful; *Provided further*, That the Board may not suspend any proposed tariff on the basis that a proposed rate, fare or charge contained in the tariff is too low unless the Board, after notice and hearing, first finds there to be a substantial probability that:

"(1) the proposed rate, fare or charge will be found by the Board to be unlawful under subsection 1002(d); and

"(2) the complaining party will suffer substantial injury if the proposed rate fare or charge is not suspended pending the full hearing and final order under subsection 1002(d); and

"(3) the complaining party has no adequate alternative remedy other than suspension to compensate any substantial injury if the proposed rate fare or charge is not suspended."

POWER TO ESTABLISH THROUGH AIR TRANSPORTATION SERVICE

(d) Amend subsection 1002(i) to read as follows:

"Authority to Establish Through Air Transportation Service

"(i) The Board shall, whenever required by the public convenience and necessity, after notice and hearing, upon complaint or upon its own initiative, establish through service and the maximum joint rates, fares, or charges for interstate or overseas air transportation, or the classifications, rules, regulations, or practices affecting such rates, fares or charges, and the terms and conditions under which the through service shall be operated."

FINDINGS OF FACT CONCLUSIVE

SEC. 22. Subsection 1006(e) is amended by striking the word "The" where it first appears and inserting in lieu thereof the following: "Except as provided in subparagraph (d)(5)(D) of section 401, the".

PROCEDURES FOR TITLE IV APPLICATIONS

SEC. 23. Title X of such Act is amended by adding at the end thereof the following new section 1010:

"PROCEDURES FOR TITLE IV APPLICATIONS

"SEC. 1010. (a) Whenever an application pertaining to interstate or overseas air transportation is filed with the Board pursuant to title IV of this Act, the Board shall, within 30 days of receipt of such application, determine whether the public interest requires that the application be set for a public oral evidentiary hearing.

"(b) If the Board determines that a public oral evidentiary hearing is not required, the Board shall issue an order, within 90 days of its decision not to set the application for such hearing, (1) granting or denying the application, or (2) dismissing the application. If the Board fails to make its decision within the time prescribed by this subsection the application shall be deemed granted as applied for. Any order of dismissal under this section shall be deemed a final order subject to judicial review.

"(c) If the Board determines that the application or petition should be set for a public oral evidentiary hearing, such hearing shall be conducted in accordance with the applicable provisions of title 5 of the United States Code. In such a hearing, the Administrative Law Judge or other presiding officer shall issue an initial or recommended decision within 150 days of the date of the Board's decision that the application be set for public hearing. Within 60 days of the date the initial or recommended decision of the Administrative Law Judge is issued, the Board shall make its final order with respect to such application. If the Board does not act within the 60-day time period, the initial or recommended decision of the Administrative Law Judge shall become the final decision of the Board, subject to judicial review.

"(d) Where the application raises one or more issues of unusual complexity or difficulty the Board may issue an order with a statement of the reasons therefor, extending for not more than 30 days the time period within which the Administrative Law Judge is required to issue an initial or recommended decision. In addition, the Board may extend any deadline stated in this section if delay results from the failure of an applicant to comply in a timely manner with procedural requirements of the Board, but the extension shall be for a period of time not to exceed the time of such delay.

"(e) The Board shall adopt rules pursuant to this section that:

"(1) set forth the standards to be applied in making the determination required by subsection 1010(a); and

"(2) establish expedited procedures to be followed in proceedings conducted under subsection 1010(b). The procedures shall provide for adequate notice and opportunity for all interested persons to file appropriate written evidence and arguments; and

"(3) define and limit the types of factual evidence the Board will deem relevant and material, and prescribe how that evidence shall be presented."

EFFECTIVE DATE

SEC. 24. The Air Transportation Regulatory Reform Act of 1977 shall become effective 6 months after the date of its enactment.

AIR TRANSPORTATION REGULATORY REFORM ACT OF 1977: SECTION-BY-SECTION SUMMARY

Sec. 2. Amendment to the Federal Aviation Act of 1958. This section provides that amendatory language refers to the Federal Aviation Act of 1958, as amended, ("Act") unless otherwise specified.

Sec. 3. Table of Contents. This section amends the Act's table of contents to conform to the changes made by this bill.

Sec. 4. Definitions. This section amends

section 101 of the Act to define "charter air transportation," "charter trip" and "scheduled air transportation." The effect of these new definitions is to guarantee by statute the availability of flexible and marketable charter trips, and to remove any legal cloud hanging over liberal charter rules.

Sec. 5. Declaration of Policy. This section amends section 102 of the Act by revising the policy the Board must follow when regulating domestic ("interstate and overseas") air transportation. Foreign air policy remains unchanged. The new domestic policy places significantly greater emphasis on maximum competition. The new domestic policy statement reads as follows:

"(a) In the exercise and performance of its powers and duties under this Act with respect to interstate and overseas air transportation, the Board shall consider the following, among other things, as being in the public interest, and consistent with the public convenience and necessity:

"(1) The maintenance of an efficient air transportation system responsive to the present and future needs of the public, of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense.

"(2) The encouragement, development, and attainment of an air transportation system which relies on competitive market forces to determine the variety, quality, and price of air services.

"(3) Reliance on actual and potential competition to provide a variety of efficient and innovative low-cost transportation services.

"(4) The encouragement of new carriers.

"(5) The provision of a variety of adequate, economic, and low-cost services by air carriers without unfair or deceptive practices.

"(6) The promotion of safety in air commerce.

Sec. 6. Federal Preemption. This section amends Title I of the Act by adding a new section 105 that makes explicit the Board's authority to exercise exclusive jurisdiction over interstate and foreign air transportation. This section is not intended to change the state-federal relationship over matters not regulated by the Board or to allow federal interstate transportation.

Sec. 7. Certificate or Exemption Required. This section amends subsection 401(a) of the Act to make it clear that there is no statutory bar to air carriers performing or applying for authority to perform different classes of service, whether through certificates, exemptions or both. At one time the Board was of the view that a supplemental carrier could not also hold a scheduled certificate. This and similar multi-authority situations are explicity authorized by this section.

Sec. 8. Notice of Application. This section amends subsection 401(c) to distinguish between domestic applications and foreign applications. In the former situation this section provides that special procedures must be followed (see sec. 23, section 1010).

Sec. 9. Entry. This section substantially changes the substantive and procedural provisions governing the entry of new and existing carriers into domestic markets. It amends section 401(d) of the Act to conform to and fully implement the new domestic policy guidelines of section 102. Entry into foreign markets remains substantially unchanged. The major new provisions of FAA section 401 (d) of the Act are summarized as follows:

First, applications to perform domestic scehduled passenger service, domestic charter passenger service, or domestic all-cargo service before January 1, 1979, must be approved if the applicant is "fit, willing and able" and if the proposed service is "consistent" with the "public convenience and necessity." Applications for all-cargo authority beginning January 1, 1979 must be approved if the applicant is fit, willing, and able.

Second, Board proceedings upon applications to perform domestic scheduled passenger service, domestic charter passenger service, or domestic all-cargo service before January 1, 1979, must follow strict guidelines, specified in Section 401(d)(5): The party opposing the application has the burden of proving that the proposed transportation is not consistent with the public convenience and necessity; a Board's finding to that effect must be supported by a preponderance of the evidence and any reviewing court must use its independent judgment in reviewing the agency record on that finding; in addition to the definition of "public convenience and necessity" put forth in the new section 102, factors in applications that are consistent with the public convenience and necessity include the introduction of new air service, lower fares, and increased efficiency. Factors inconsistent with the public convenience and necessity include the tendency to create a monopoly or excessive concentration. The tendency to divert business from a carrier as a result of new entry is not itself a factor inconsistent with the public convenience and necessity.

Third, the Board must authorize service to applicants who are "fit, willing and able" to perform service in markets where nonstop service is already authorized but not performed.

Fourth, existing carriers are authorized to add automatically several new points to existing routes annually. Extremely large carriers have less flexibility under this provision than smaller carriers. This provision does not become effective until the first January following the effective date of this Act. Service performed under this provision is restricted as to rate increases and capacity reductions, but continuous service for 18 months entitles the carrier to a conventional certificate that is not specially restricted.

Sec. 10. Terms and Conditions of Certificates. This section amends subsection 401(e) of the Act to forbid the imposition of closed-door restrictions, require the removal of existing closed-door restrictions including those imposed on U.S. carriers performing domestic portions of foreign flights, and requires expeditious review and removal of all other existing restrictions that are not required by the public convenience and necessity, and require the Board to slightly increase off-route charter authority for scheduled carriers.

Sec. 11. Effective Date and Duration of Certificate. This section amends subsection 401(f) of the Act concerning effective dates of certificates.

Sec. 12. Continuing Requirements, Suspension or Revocation. This section amends FAA subsection 401(g) of the Act to modernize the Board's certificate suspension procedures and criteria.

Sec. 13. Transfer of Certificates. This section amends subsection 401(h) to prohibit transfers of certificates unless incidental to mergers that are performed in accordance with the provisions of FAA section 408 of the Act.

Sec. 14. Termination or Suspension of Service. This section amends section 401(j) of the Act to require 90 days notice to cease service and allow the Board to suspend service terminations for 360 days pending the arrangement of alternative service.

Sec. 15. Insurance and Bonding. This section amends subsection 401(n) of the Act to allow the Board to promulgate appropriate liability insurance and bonding regulations applicable to all classes of carriers.

Sec. 16. Notice of Tariff Changes. This section amends FAA subsection 403(c) of the Act to require tariff changes to be announced according to rules promulgated by the Board.

Sec. 17. Federal Subsidy. This section requires a federal subsidy program under the Act, so that small communities which require but cannot obtain adequate air service will receive adequate air service. The details of this program are to be specified at a later date.

Sec. 18. Mergers, Agreements, Control Relationships, and Power to Confer Antitrust Immunity. This section amends sections 408, 409 and 412 of the Act by repealing Board authority to confer antitrust immunity for domestic transactions, requiring premerger notification of the Justice Department by air carriers, and repealing obsolete provisions regarding interlocking relationships under FAA section 409.

Sec. 19. Exemption Authority. This section amends subsection 416(b) of the Act to allow the Board greater leeway in granting exemptions and to allow commuter airlines to operate larger aircraft without being required to obtain a certificate.

Sec. 20. Presidential Authority. This section repeals section 801 of the Act.

Sec. 21. Rates, Fares and Charges. This section amends section 1002 of the Act to allow significant pricing flexibility and to substantially reduce the Board's power to prescribe air fares. First, air carriers do not need Board authority to reduce fares to the level of their direct costs, or to raise fares as much as 10% through December 31, 1979, and 20% thereafter. Second, Board ratemaking standards are changed to require the Board to consider competitive market principles. Third, the Board's suspension authority is significantly restricted. The Board can in no event suspend rate changes falling within the zone described above (direct costs—10%/20%), and cannot suspend, pending full determination, proposed rate decreases that are claimed to fall below the direct costs standard unless there is a substantial probability that it will be found to be unlawful and the complainant will be serously injured if it is not suspended.

Sec. 22. Findings of Fact Conclusive. This section amends FAA subsection 1006(e) of the Act to conform to subparagraph 401(d)(5)(D) concerning the scope of judicial review of negative Board decisions on entry applications.

Sec. 23. Procedures For Title IV Applications. This section adds a new section 1010 to Title X of the Act to provide for expedited and streamlined procedures for the Board to follow when considering route and entry applications. This provision requires the Board in most cases to act within 120 days, if no hearing is required, and 240 days, if a hearing is required. Failure to act results in the application being automatically granted.

Sec. 24. Effective Date. This section provides that the bill takes effect 6 months after the date of enactment.

Mr. KENNEDY. Mr. President, I am pleased to join Senator CANNON in sponsoring the Air Transportation Act of 1977, a bill to reform Federal airline regulation. Senator CANNON and I have worked closely together over the past several weeks to develop joint legislation to allow airlines to compete in price, as well as service, to create an environment so that new and existing firms can offer air service in markets of their choice without undue regulatory constraints, and to provide a regulatory framework that relies primarily on competitive market forces to provide lower fares and better air service.

There is a clear consensus among Government officials, independent economists, consumer groups, and experts on the airline industry who have considered Federal economic regulation of the airlines: Federal regulation has stifled competition and needlessly raised the price of air travel. The conclusion reached is that regulation should be drastically redirected to encourage competition, innovation and lower prices. During the past Congress, Senator CANNON and I in the Senate, and Congressman GLENN ANDERSON in the House, and others have proposed different bills to meet this objective. The Air Transportation Regulatory Reform Act of 1977 takes account of the massive evidence developed over the last 3 years at hearings held by various subcommittees in both Houses of Congress and strikes an appropriate balance among the various approaches so far suggested.

The Civil Aeronautics Board fixes the prices of plane tickets, bestows the right to market air service on particular routes to chosen carriers, and exempts airlines from the antitrust laws. Recent congressional hearings and studies undertaken by several executive branch agencies have demonstrated what the consumer has long suspected: Federal economic regulation increases the cost of flying, and provides no tangible increase in convenience or safety. In short, the present form of price-and-profit regulation of the airline industry harms the consumer. Let me cite some specific examples:

In California, where airlines flying within State boundaries are not governed by the CAB's price regulations, travelers are paying about half of what we pay for airplane tickets in other parts of the country. While the traveler flying the 456 miles between San Diego and San Francisco pays $31.75 on the intrastate carrier, those of us on the east coast flying the 399 miles between Boston and Washington pay $51 for a coach seat on the CAB-regulated airlines.

In 1968 a newly formed company in Texas asked the State regulatory authority for permission to begin commercial air service within the State. After 3 years of legal battles with the federally regulated carriers—who argued that proposed operations would harm the airline industry and the public—Southwest Airlines began offering convenient service at lower fares within Texas' vast borders. Today the CAB-regulated air fare between Dallas and Houston is $35, but Southwest flies that route for $23.15 in the day and only $13.89 on evenings and weekends.

Both Boeing and Lockheed showed my Administrative Practice and Procedure Subcommittee how the planes they manufacture could be flown profitably at air fares much lower than they are now. With an all-coach seating configuration, for example, cross-country flights on jumbo jets that are 50 to 70 percent full could be ticketed for less than $100 and still turn a profit. The current fare is $187. In fact, World Airways, a charter airline, has repeatedly applied to—and been turned down by—the CAB for permission to fly scheduled service between the east and west coasts for half the regular fare.

Midway Airlines—a newly formed company—and Texas' Southwest Airlines recently proposed low-fare scheduled service from Chicago's Midway Airport to 14 other cities, including Kansas City, St. Louis, Buffalo, Las Vegas, and Detroit. Today, a morning flight between Chicago and St. Louis costs $40. That same flight would cost $25, and an evening or weekend flight would cost only $15—provided, of course, that Midway and Southwest get the green light from the regulators sitting in Washington, D.C.

This low-fare service is safe. The three intrastate airlines in Texas and California combine 41 years of operating experience without a fatality. Safety is regulated by the Federal Aviation Administration, not by the CAB.

Low-fare service is also convenient. Flight frequencies have actually increased on low-fare routes. And the lower fares cannot be explained away by arguing that CAB airlines have higher costs. When compared to the CAB carriers, the sophisticated low-fare airlines pay comparable wages to their union employees, pay more for jet fuel, about the same for jet planes, and perhaps a little less for salaried executives. They fly in rain as well as shine, get charged for landing at airports, and maintain their aircraft fleets to meet the same FAA standards imposed on the CAB carriers.

Then why the lower rates? The answer is that the relative competitive freedom given to intrastate airlines led those companies to try different types of air service at different prices. These airlines lower their fares, compete with the automobile, the bus and the train for passengers who would travel anyway, attract many other people who would not have traveled but for the lower fare, put more people in their planes than the CAB carriers, and spread the operating costs over a much greater number of passengers. The companies stay profitable, and that pleases stockholders. The fares stay low, and that pleases travelers. The Government can thus stay out of the airline business, and that should please the taxpayers.

The federally regulated airlines operate much differently. Airline fares are determined by a rigid formula. When Continental Airlines—one of the mavericks in the industry—asked to reduce its basic economy fares from their current 10 percent to a proposed 15 percent below the prices dictated by the CAB formula, the Board not only turned the company down but ordered it to cancel the 10 percent reduction as well. So much for price competition.

Since 1938, the 16 original trunk carriers have shrunk through merger to 10 trunk carriers and control 90 percent of the air travel market. Since 1950 there have been 80 applications by new firms for admission to this exclusive club, but none have been granted, and only 5 percent were even given the courtesy of a formal hearing.

With entry foreclosed and prices sky high, the airlines still are not earning excess profits. Prevented from competing in price, the big airlines channel their competitive energies into costlier service and chase the travel dollars with champagne in coach, steaks for breakfast, and lavish scheduling.

Scheduled service is frequent, but planes fly across the country half-empty. As one observer noted, the businessman might be pleased to find the seat next to him empty until he learns that he is paying not only for the seat he is sitting in but the seat his briefcase is resting on as well.

Airlines should be given the ability and incentive to compete in price, as well as service. Firms able to raise the necessary capital and meet safety and environmental standards should be allowed to enter and participate in the industry. The antitrust laws should apply in full force to corporations that sell seats on airplanes. Our nation's economy is based on the effective operation of a free and competitive open market.

Forty years ago, a then infant airline industry, dependent on a largely undeveloped technology, prevailed upon a depression weary Congress to shield airlines from the risks of our economic system. In doing so, however, Congress has deprived consumers of that system's benefits. Rigid regulation is decidedly inappropriate for the 1970's. In the case of the airlines, more competition means not only better service and lower prices, but less government bureaucracy.

The last Congress and administration began the task of returning the business of air travel to the mainstream of our economic system. This Congress and our new President should make the completion of that task the number one item on the regulatory agenda. The bill we are introducing today is the appropriate legislative vehicle to reform airline regulation. I urge my colleagues to support it and pave the way for its early passage.

By Mr. HASKELL (for himself and Mr. HART):

S. 690. A bill for the relief of the Jefferson County Mental Health Center, Inc., and 103 individuals; to the Committee on Finance.

Mr. HASKELL. Mr. President, I am today reintroducing, for myself and my colleague from Colorado, Mr. GARY HART, a private bill for the relief of the Jefferson County Mental Health Center. The center is a nonprofit hospital in Lakewood, Colorado, which provides outstanding service to three of our counties. Unfortunately, the center has become entangled in a series of misunderstandings with the IRS which can only be resolved by legislation. The matter has been reviewed by Commissioner Alexander's office and they have advised me that they have no objection to this remedy.

In brief, the problem centers around the payment of social security taxes by the center. As you may know, nonprofit organizations which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code are not usually covered by the social security program, unless the organization elects to be included. A form SS-15 must be filed with the IRS waiving the exemption from coverage.

The Jefferson County Mental Health Center and its employees elected to be covered, the form was filed, and FICA taxes were deducted and paid starting in 1963. However, in the course of an IRS program evaluation, it was determined that the waiver form had never been filed.

The center was told by the IRS on February 28, 1975, that it had been improperly withholding the FICA tax, that the amounts so withheld should be returned to the employees, and that the center would be promptly reimbursed by the IRS. The center proceeded to locate the 133 employees involved and reimbursed them out of its own funds for the $17,128 withheld. Shortly after that, however, the center was informed by the IRS that the waiver form had been located and that the IRS would not reimburse the funds. Of course, it was impossible to get the money back from the employees, who had by then spent the money or were no longer employed by the center.

Unfortunately, the IRS cannot remedy what it admits is an unfortunate mistake for all concerned because it does not have the authority to expend funds without a legal obligation to do so or a statutory authorization. The Commissioner has acknowledged the dilemma and has agreed that he will not object to the bill which I am introducing today. The bill provides that the Secretary determine the amounts withheld and subsequently reimbursed and then treat those amounts as overpayments of tax which are then reimbursable to the center. I understand that this is acceptable to all concerned.

An identical bill is being introduced in the House by my colleague, Congressman WIRTH. I am hopeful that the matter can be acted upon very soon, as the center has expended a great deal of money which they desperately need to continue the vital public services to Lakewood and the surrounding areas which it has selflessly provided for many years.

Finally, Mr. President, a bill introduced by Mr. Ottinger was passed last year which sets general legislative guidelines for these problems in the future, since misunderstandings of this nature have happened to others. However, the Jefferson County Center situation is unique in that they expended their own money in reliance on the directives of the IRS, and it is not covered by the Ottinger bill, Public Law 94-563.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 690

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the waiver certificate filed by the Jefferson County Mental Health Center, Incorporated (taxpayer identification number 84-047417), under section 3121(k)(1)(A) of the Internal Revenue Code of 1954 (relating to waiver of exemption by organization) shall be deemed not to have been filed with respect to the one hundred and three individuals named in section 6 of this Act with respect to the period from January 1, 1972, through the last day of the calendar quarter in which the date of enactment of this Act occurs.

SEC. 2. The Secretary of the Treasury or his delegate, upon proof reasonably satisfactory to him that repayment has been made to the one hundred and three individuals named in section 6 of this Act by the Jefferson County Mental Health Center, Incorporated, of sums representing the amount of taxes imposed on such individuals under section 3101 of the Internal Revenue Code of 1954 (relating to rate of tax) and deducted and paid by the Jefferson County Mental Health Center, Incorporated, under section 3102 of such Code (relating to deduction of tax from wages) during the period specified in the first section of this Act, shall consider such sums paid to such employees as overpayments of tax under section 6413(b) of such Code (relating to overpayment of certain employment taxes) and shall approve a claim for a refund, credit, or adjustment filed prior to or within ninety days of the date of enactment of this Act by the Jefferson County Mental Health Center, Incorporated, under sections 6402 of such Code (relating to authority to make credits or refunds) or 6611 (a) or (b)(2) of such Code (relating to interest on overpayments).

SEC. 3. (a) Any period of limitations for filing a claim for credit or refund under section 6511 of the Internal Revenue Code of 1954 (relating to limitations on credit or refund) shall be waived with respect to any claim for refund, credit, or adjustment made by the Jefferson County Mental Health Center, Incorporated, under section 2 of this Act.

(b) Section 6514 of such Code (relating to credits or refunds after a period of limitation) shall not apply to any such claim.

SEC. 4. (a)(1) A certificate of waiver by the Jefferson County Mental Health Center, Incorporated, under section 3121(k)(1)(A) of the Internal Revenue Code of 1954 shall apply to one hundred and three individuals named under section 6 of this Act and the Jefferson County Mental Health Center, Incorporated, after the last day of the quarter in which this Act is enacted.

(2) Notwithstanding the provisions of section 3121(k)(1)(B)(iii) of such Code, the Jefferson County Mental Health Center, Incorporated, may not elect to have such certificate of waiver apply to any of the one hundred and three individuals named in section 6 of this Act for the period specified in the first section of this Act.

(b) The certificate of waiver filed by the Jefferson County Mental Health Center, Incorporated, under section 312(k)(f)(A) of such Code, or any prior corresponding provision of law, shall be inapplicable, under the provisions of this Act, only with respect to the one hundred and three individuals named in section 6 of this Act and only for the period specified in the first section of this Act.

SEC. 5. (a) The period for which any of the one hundred and three individuals named in section 6 of this Act received a repayment of the tax imposed on such individuals under section 3101 of the Internal Revenue Code of 1954 shall not be considered in any determination of eligibility for benefits under the Social Security Act. This subsection shall not apply to the determination of eligibility for benefits under the Social Security Act for any individual named in section 6 of this Act or the family of such an individual if the individual died, became disabled, or reached the age of sixty-two during such period.

(b) The provisions of this Act shall not be construed to affect the consideration given to any period of employment prior to or after the period specified in the first section of this Act in the determination of eligibility for benefits under the Social Security Act.

SEC. 6. The one hundred and three individuals affected by this Act are as follows:

Name	*Social security number*
Assafi, Ines	xxx-xx-xxxx
Bucklew, Beverly	xxx-xx-xxxx
Burr, Janet	xxx-xx-xxxx
Casey, William	xxx-xx-xxxx
Chapman, Stephen	xxx-xx-xxxx
Dunham, Martha	xxx-xx-xxxx
Gilchrist, Kay	xxx-xx-xxxx
Hughes, Mary	xxx-xx-xxxx
Hyatt, Aven	xxx-xx-xxxx
Jones, Alice	xxx-xx-xxxx
Satterfield, William	xxx-xx-xxxx
Moore, Reid	xxx-xx-xxxx
Moriarty, Patrick	xxx-xx-xxxx
Rewey, Helen	xxx-xx-xxxx
Rich, Nancy	xxx-xx-xxxx
Unsell, Margaret	xxx-xx-xxxx
Auten, Cyndi	xxx-xx-xxxx
Blackmore, Merihelen	xxx-xx-xxxx
Braden, Eric	xxx-xx-xxxx
Cranston, Connie	xxx-xx-xxxx
Dines, William	xxx-xx-xxxx
Benz, Ann Charlotte	xxx-xx-xxxx
Hrynkow, Ron	xxx-xx-xxxx
Mansfield, Lorita	xxx-xx-xxxx
Olson, Keith	xxx-xx-xxxx
Persson, Berdell	xxx-xx-xxxx
Porter, William	xxx-xx-xxxx
Sheehan, Daniel	xxx-xx-xxxx
Winters, Billy R	xxx-xx-xxxx
Parker, Ginger Joy	xxx-xx-xxxx
Kempton, Phyllis	xxx-xx-xxxx
Gerali, Virginia	xxx-xx-xxxx
Holmboe, Chris	xxx-xx-xxxx
Hendrix, Carmella	xxx-xx-xxxx
Ridge, Linda	xxx-xx-xxxx
Tobias, Lester	xxx-xx-xxxx
Dawson, Lynn	xxx-xx-xxxx
Dea, Timothy	xxx-xx-xxxx
Graham, Patricia	xxx-xx-xxxx
Means, Zetta	xxx-xx-xxxx
Nicoletti, John	xxx-xx-xxxx
McClain, Rodella	xxx-xx-xxxx
Psenicka, Lee	xxx-xx-xxxx
Nalley, Michael	xxx-xx-xxxx
Martin, Sandra	xxx-xx-xxxx
Olson, Roxeen	xxx-xx-xxxx
Mitchell, Vickie	xxx-xx-xxxx
Edwards, Lee	xxx-xx-xxxx
Mansfield, Maura	xxx-xx-xxxx
Martin, Sherry	xxx-xx-xxxx
Gordon, Sharon	xxx-xx-xxxx
Alder, Nancy	xxx-xx-xxxx
Ferney, Nancy	xxx-xx-xxxx
McLean, Anne	xxx-xx-xxxx
Miller, E. Pat	xxx-xx-xxxx
Ramirez, Cathy	xxx-xx-xxxx
Clark, Josephine	xxx-xx-xxxx
Grace, LaRose	xxx-xx-xxxx
Donovan, Carey	xxx-xx-xxxx
Pomerantz, Jay	xxx-xx-xxxx
Shoemaker, James	xxx-xx-xxxx
Neptune, Belmont	xxx-xx-xxxx
Siefkin, Diane	xxx-xx-xxxx
Cornish, Susan	xxx-xx-xxxx
Evans, Chris	xxx-xx-xxxx
Fleming, Glennys	xxx-xx-xxxx

Harris, Virginia	xxx-xx-xxxx
Koback, Patricia	xxx-xx-xxxx
Briggs, Gayle	xxx-xx-xxxx
Vollmer, Betsy	xxx-xx-xxxx
Myrant, John	xxx-xx-xxxx
Peterson, Stephanie	xxx-xx-xxxx
Godfrey, Susan	xxx-xx-xxxx
Thomas, Georgia	xxx-xx-xxxx
Zaranka, Judy	xxx-xx-xxxx
Camp, Gay-Leigh	xxx-xx-xxxx
Igle, Diane	xxx-xx-xxxx
Marshall, George	xxx-xx-xxxx
Turner, Deanne	xxx-xx-xxxx
Meiners, Cathy	xxx-xx-xxxx
Murray, Bonnie	xxx-xx-xxxx
Ferrigno, Bea	xxx-xx-xxxx
Fisher, Nettie	xxx-xx-xxxx
Allen, Dan	xxx-xx-xxxx
Long, John	xxx-xx-xxxx
Dunn, Diane	xxx-xx-xxxx
Mathews, Joan	xxx-xx-xxxx
Butts, Janet	xxx-xx-xxxx
Cavaleri, Joann	xxx-xx-xxxx
Seitz, Anita	xxx-xx-xxxx
Germer, William	xxx-xx-xxxx
Dotsch, Marcella	xxx-xx-xxxx
Lee, Christie	xxx-xx-xxxx
Wolf, Debra	xxx-xx-xxxx
Nelson, Betty	xxx-xx-xxxx
Warner, Richard	xxx-xx-xxxx
Dudden, JoEtta	xxx-xx-xxxx
Munn, Becky	xxx-xx-xxxx
Litzenberger, Judy	xxx-xx-xxxx
Rullman, Alene	xxx-xx-xxxx
Liem, Charles	xxx-xx-xxxx
Gibbens, Gary	xxx-xx-xxxx
Singleton, Vickie	xxx-xx-xxxx

By Mr. CRANSTON:

S. 691. A bill to provide for the preservation and enhancement of critical habitat for migratory waterfowl and other wetlands-dependent migratory birds of the Pacific flyway in the grasslands area of the San Joaquin Valley, Calif.; to the Committee on Environment and Public Works.

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to provide for the permanent preservation and enhancement of critical waterfowl habitat in the grasslands area of the San Joaquin Valley in the State of California.

This legislation is identical to H.R. 2865 introduced in the House by Congressmen BERNIE SISK and HAROLD JOHNSON.

Mr. President, the grasslands area of the San Joaquin Valley is one of the most important wintering areas for waterfowl in the Pacific flyway and the Nation. The area supports about 50,000,000 waterfowl use-days annually.

There are two national wildlife refuges in this portion of the San Joaquin Valley, but over half of the managed waterfowl lands are controlled by private property owners such as the members of the 46,000-acre Grassland Water District.

In 1954, Congress reauthorized the Central Valley project to incorporate fish and wildlife conservation as a specific project purpose. The 1954 act also authorized the Secretary of Interior to deliver water to public agencies in the grasslands area for the purpose of developing and maintaining suitable habitat for migratory waterfowl at a charge not to exceed the prevailing rate for class 2 agricultural water.

The Grassland Water District purchases water from the Central Valley project in accordance with the provisions of the 1954 act.

While this law has been fairly successful in preserving lands in the Grassland Water District for waterfowl conservation, there are growing economic pressures on the landowners to convert their lands to more economically attractive uses. There are strong indications that this conversion will occur unless there are additional economic incentives for the private owners to maintain their land for waterfowl.

I understand the grasslands area is so important to waterfowl that the Secreary of Inerior would move to acquire the private lands of the Grassland Water District, using existing authority, if the landowners diverted their property from wildlife conservation. However, a land acquisition program would be very costly to the Federal Government and would adversely impact State and local tax rolls.

The legislation I am introducing today is designed to provide an incentive to private property owners to maintain their waterfowl habitat by providing a continued water supply at no cost to them. The bill amends the 1954 act by removing the charge for Central Valley project water delivered to the Grassland Water District.

The bill also authorizes the Secretary of Interior to enter into the necessary contracts to obtain this objective.

Mr. President, both the House and Senate passed this legislation last year, but final action was not completed before Congress adjourned. I hope that the 95th Congress can move forward to enact this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of August 27, 1954 (68 Stat. 879), is amended by deleting the last sentence of section 6 and inserting in lieu thereof the following: "If and when available, such water shall be delivered from the Central Valley project to the contracting entity, and the cost of furnishing the water shall not be reimbursable or returnable under the Federal reclamation laws: *Provided,* That, in order for the delivery of such water to continue on a nonreimbursable or nonreturnable basis:

"(a) The public organizations or agencies contracting with the Secretary of the Interior, excluding the State of California, shall deliver annually to the United States Fish and Wildlife Service (hereinafter referred to as the 'Service'), at no cost to the United States, not less than three thousand five hundred acre-feet of water during the period October 1 through November 30, inclusive, and not less than four thousand acre-feet of water during the period May 1 through September 30, inclusive, if available: *Provided,* That such amounts of water and times of delivery may be changed upon approval of the Secretary of the Interior; and

"(b) The public organizations or agencies, excluding the State of California, shall construct, operate, and maintain any water conveyance facilities necessary to deliver the water referred to in section 6(a) of this Act to a point or points within the boundaries of such public organization or agency as designated by the Service, or to such points as may be mutally agreed upon by the public organization or agency and the Service. The Service shall be responsible for delivering the water from such point or points to appropriate locations within lands under its jurisdiction; and

"(c) Any contract entered into by the Secretary of the Interior and any public organization or agency pursuant to this Act shall provide that in the event the public organization or agency for any reason fails to carry out the obligations imposed upon it by said contract or by this Act, the rights of use of any facilities referred to in subsection (b), and the rights to all water contracted for by the organization or agency pursuant to this Act shall revert to the Secretary of the Interior for migratory waterfowl purposes in accordance with the laws of the State of California; and

"(d) In accordance with existing or future contracts, the use of lands located within the boundaries of the public organizations or agencies shall be restricted by covenents requiring that such lands be used only for the purpose of waterfowl and wildlife habitat conservation or other uses as may be mutually agreed upon by the public organizations or agencies and the Service.".

SEC. 2. The Act of August 27, 1954 (68 Stat. 879), is further amended by adding at the end thereof the following new section:

"SEC. 8. The Secretary is hereby authorized to negotiate amendments to existing contracts to conform said contracts to the provisions of this Act.".

By Mr. HUMPHREY:

S. 693. A bill to provide that certain land of the United States shall be held by the United States in trust for certain communities of the Mdewakanton Sioux in Minnesota; to the Committee on Indian Affairs.

MDEWAKANTON SIOUX INDIAN LANDS

Mr. HUMPHREY. Mr. President, I am today introducing legislation which will change the land status of the Mdewakanton Sioux Indian lands on the Shakopee, Prairie Island, and Lower Sioux Reservations in Minnesota.

The legislation is intended to convert the title of these lands from the "United States of America" to the "United States of America in trust for" the respective organized communities.

By making this change, the tribal governments of these reservations will have jurisdiction over these lands, allowing them to participate in State and Federal programs which will assist them in their efforts to achieve self-determination.

Resolutions by the tribal councils of the affected communities have been passed requesting that the title of these Mdewakanton Sioux lands be changed in order that they may manage their own affairs.

I urge early action on this legislation

which would make these tribes eligible for participation in Federal programs and to allow them to better govern themselves.

By Mr. KENNEDY:

S. 694. A bill to adjust the status of Indochinese refugees to that of lawful permanent residents of the United States, and for other purposes; to the Committee on the Judiciary.

ADJUSTING THE STATUS OF INDOCHINA REFUGEES

Mr. KENNEDY, Mr. President, I am introducing today special legislation to provide refugees from the Indochina Peninsula with the opportunity to adjust their nonimmigrant status to that of permanent resident alien.

Specifically, the bill provides that the status of refugees from Vietnam, Cambodia, and Laos may be adjusted by the Attorney General if, first, the alien makes an application for such adjustment; second, the alien is otherwise eligible to receive an immigrant visa and is otherwise admissible to the United States; and, third, the alien has been physically present in the United States for at least 2 years.

The bill further provides that "the Attorney General shall establish a record of the alien's admission for permanent residence as of April 15, 1975, or the date of the alien's arrival in the United States, whichever date is later"; and that adjustments of status under this bill are exempt from the statutory numerical ceiling on the annual admission of aliens for permanent residency. The bill also exempts refugees who adjust their status from the payment of any fees.

The bill closely follows similar special legislation previously enacted in behalf of refugees from Hungary and Cuba, and it is also in accord with the treatment of the several thousand refugees who regularly enter the United States in conditional entry status under the annual immigration ceiling and refugee provisions of the Immigration and Nationality Act, as amended. The bill reflects consultations with others in Congress, officials in the executive branch, and representatives of the voluntary resettlement agencies associated with the American Council of Voluntary Agencies and the American Immigration and Citizenship Conference in New York.

Mr. President, nearly 2 years have passed since the first Indochinese refugees began arriving on our shore, and current estimates suggest that over the coming months and years at least 160,000 men, women, and children will be eligible for adjustment of status under the proposed legislation. The bulk of these people—currently some 145,000—have been paroled into the United States by the Attorney General, following consultations with the leadership and the Judiciary Committees of the Senate and the House, under section 212(d)(5) of the Immigration and Nationality Act, as amended. The remainder, some 15,000 persons, are nationals of Vietnam, Cambodia, or Laos who entered the United States as nonimmigrants prior to the events which brought about the collapse of their governments in 1975, and who were, upon application as refugees, granted permission to remain in this country indefinitely.

Given the severe limitations of present law in providing refugee parolees with opportunities for adjustment of status, there are some very practical legislative reasons for the special measure I propose today. And I should add, Mr. President, that I am hopeful the limitations of present law will be studied and remedied during the course of this Congress, so as to avoid the need for special legislation in behalf of other refugee groups in the future.

But the justification for the proposed legislation goes far beyond the mere constraints of present law. Enactment of this bill is a logical extension of the Indochinese refugee program, established by Congres in 1975, and it is also an important ingredient in accomplishing the full objective of this program, which is to help the refugees help themselves to become productive members of their adopted communities across our land.

Providing the new arrivals from Vietnam, Cambodia, and Laos with the opportunity for regular immigrant status is simply another step to help them on their difficult road of adjusting their lives in a new land.

As we know from our experience with other groups, removing refugees from the limbo status of parolee helps to give them a greater sense of belonging in our society, and it also helps to encourage them in learning and assuming the responsibilities of eventual American citizenship. And I would like to emphasize this point; because for any refugee family the sense of belonging, which is conferred by permanent resident status, helps to dispel some needless anxieties over the future and is an important psychological boost in coping with the many problems in building new lives.

For many of the refugees, adjustment of status will also facilitate durable employment. And it will help to open up new job opportunities for those who are unemployed or underemployed. In many skills and professions, for example, State licensing laws often require citizenship or permanent residency for job applicants, and most Indochinese refugees do not qualify.

The situation varies from State to State, but it generally is posing problems for many refugees. And the same is true for possible job and service opportunities in many Federal and local government agencies and in most firms under Government contract.

Moreover, in some States adjustment of status will ease the burden of tuition fees among refugee students, who are now required to pay nonresident rates, because of their immigration status as parolees. Adjustment of status will also facilitate the membership of refugees in labor unions, professional groups, and other organizations.

In short, Mr. President, adjustment of status will help to bring the refugees into the mainstream of our society and speed the process of normalizing their lives in the communities in which they live.

As the latest report to Congress by the HEW Refugee Task Force states:

> The refugee resettlement program continues to move forward. However, economic self-sufficiency, job training, English fluency and other acculturation needs to be supported by a change from the status of parolee. As parolees or persons in indefinite voluntary departure status, they cannot aspire to citizenship, are barred from employment opportunities, and, perhaps most important of all, have a prevailing sense of rootlessness.

And the report goes on to say that adjustment of status "would do much to bolster (the refugees) morale," and it would "hasten the time when they will become full and productive members of American society."

Mr. President, as all Americans know, the new arrivals from the Indochina Peninsula entered this country in very trying and difficult circumstances—more trying and difficult, perhaps, than those attending any other recent movement of people to our country. But like those who came before them, these new arrivals are hard working and conscientious and, as chairman of the Subcommittee on Refugees, I can report to the Senate that they are making important strides in adjusting to a new life in a new land. Enactment of the bill I am introducing today would be appropriate recognition of their efforts. And it would also be a significant contribution toward helping the refugees help themselves and toward bettering the welfare of the refugee families and the communities in which they live.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 694

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the status of any alien who is a native or citizen of Vietnam, Laos, or Cambodia or whose last habitual residence was in Vietnam, Laos, or Cambodia, and who has been inspected and admitted or paroled into the United States, may be adjusted by the Attorney General, in his discretion and under such regulations as he may prescribe, to that of an alien lawfully admitted for permanent residence if—

(1) the alien makes an application for such adjustment;

(2) the alien is otherwise eligible to receive an immigrant visa and is otherwise admissible to the United States for permanent residence; and

(3) the alien has been physically present in the United States for at least two years.

SEC. 2. Upon approval of an application for adjustment of status under the first section, the Attorney General shall establish a record of the alien's admission for permanent residence as of April 15, 1975 or the date of the alien's arrival in the United States, whichever date is later. The provisions of this Act shall be applicable to the spouse and child of any alien described in the first section, regardless of their citizen-

ship and place of birth, who are residing with such alien in the United States.

SEC. 3. In the case of an alien otherwise eligible for permanent residence under any provision of this Act, the exclusion grounds specified in paragraphs (14), (15), (20), and (21) of Section 212(a) of the Immigration and Nationality Act shall not be applicable.

SEC. 4. When an alien is granted the status of having been lawfully admitted for permanent residence pursuant to the provisions of this Act, the Secretary of State shall not be required to reduce the number of visas authorized to be issued under the Immigration and Nationality Act, and the Attorney General shall not be required to charge the alien any fee.

SEC. 5. Except as otherwise specifically provided in this Act, the definitions contained in the Immigration and Nationality Act shall apply in the administration of this Act. Nothing contained in this Act shall be held to repeal, amend, alter, modify, effect, or restrict the powers, duties, functions, or authority of the Attorney General in the administration and enforcement of the Immigration and Nationality Act or any other law relating to immigration, nationality, and naturalization. The fact that an alien may be eligible to be granted the status of having been lawfully admitted for permanent residence under this Act shall not preclude him from seeking such status under any other provision of law for which he may be eligible.

By Mr. PROXMIRE (for himself, Mr. BAYH, Mr. BROOKE, Mr. BURDICK, Mr. FORD, Mr. HUMPHREY, and Mr. METZENBAUM):

S. 695. A bill to amend the Defense Production Act of 1950, as amended; to the Committee on Governmental Affairs.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1977

Mr. PROXMIRE. Mr. President, today I am offering a much needed revision to the Defense Production Act of 1950. I ask that this bill be referred jointly to the Government Operations and Banking Committees on tomorrow. This bill would correct one of the most serious lapses in current law. It would inhibit conflicts of interest by those Government employees who award and supervise the billions of dollars in contracts and grants that the Government awards each year.

I have introduced similar legislation many times since I first came to the Senate nearly 20 years ago. However, the need for such legislation has never been more pressing that it is today. Never before has the Federal Government been responsible for awarding more money to American industry. Never before has it been more important that this money be spent wisely.

With the tight budgetary constraints, and the efforts of the new administration to balance the budget, it is vital that we make every effort possible to assure that the taxpayers get fair value for their tax dollars.

Considering the decrease of citizens' faith in the Government, it is important that we take every step we can to reestablish trust. One way we can do this is to exercise vigorous oversight of Federal programs. Another equally critical way is to assure that no Federal employee will be placed in a situation where he might feel tempted to favor his own private economic interests over the interests of the Government and the taxpayers in achieving maximum efficiency.

PRIOR STUDIES

This bill would go a long way toward attainment of this goal. It would prohibit the most insidious type of conflict of interest—that which occurs when a Government official responsible for supervising the Government's contractual obligations is faced with the knowledge that he might improve his opportunities for lucrative employment outside the Government by providing some assistance to the company over whose programs he exerts some responsibility.

This can happen in many ways that might never be noticed in the normal course of events. An individual could approve a minor relaxation in specifications that might affect a contractor's profits by millions of dollars. Or he could approve reimbursement for an improvement that should be paid for by the contractor. Or he could approve the acceptance of substandard products.

The Joint Committte on Defense Production found such examples when it investigated the procurement of the Navy's Condor missile. The committee found that several individuals within the Department of Defense had exerted unusual influence on behalf of the contractor, up to the point of advising the contractor on how to lobby for continued congressional appropriations. In this case, the effort was aimed at assuring the survival of a controversial program and assuring that the normal operational tests would not be too severe.

FITZHUGH REPORT

The Fitzhugh Commision, and many present and former government officials, have pointed to the danger of conflict of interests. In its report, issued nearly 7 years ago, the Fitzhugh Commission concluded with regard to certain types of contracting officers that:

First, the temptation to curry favor with the contractor in the expectation of future and hopefully lucrative employment is present. In this regard, one of the on-site surveys of the Civil Service Commission reported allegations that the plant representative (responsible for protecting the government's interest) at a major aircraft company had failed to pursue the Government's interest diligently in a number of instances in the hope of gaining post-retirement employment with the company, and he was in fact subsequently employed by that defense contractor.

A number of years ago, an Air Force officer argued the same point in a memorandum to his superior:

In formulating a broad management improvement plan for Minuteman, I believe you should consider the problem posed by the mass migration of Air Force officers into the management ranks of contractors with whom they have dealt. The Air Force Plan Representative who revoked our clearances at Autonetics is now a division manager at Autonetics. His predecesor, equally protective of the contractor's interest, is also now employed by North American Aviation. The program officer who blocked access by the Minuteman Program Control Office to Autonetics contract negotiation records is now employed by North American Aviation. The immediate superior of the project officer who was excluded from Autonetics' plant is now employed by Autonetics. The officer cited to me as responsible for killing the cost reduction project I contracted to perform at Autonetics is now employed by North American Aviation . . . It is perfectly clear to me that these same officers studiously avoided any action which might offend their ultimate employer.

Close analysis reveals that this pattern is common throughout the Government contracting community. Two recent independent studies confirm this problem. One, by the Council on Economic Priorities, reveals that, during a 5-year period, nearly 300 individuals left the employment of a single Government agency to accept employment with contractors over whose programs they had exerted significant responsibility.

Another study, by Common Cause, confirms that this is a serious problem in other Federal agencies. Mr. President, I ask unanimous consent to enter an excerpt from the CEP study in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PROCUREMENT

Procurement officials can affect decisions in favor of a contracter without violating any law. There is general agreement that this can be done in two ways:

1) While on active duty, military or civilian DOD personnel with procurement authority may make decisions favorable to a certain contractor or to industry in general: production shortcomings may be overlooked, favorable contract terms written, or recommendations may be made for procurement from a specific contractor in preference to another.

2) After retirement, a person may exercise his knowledge of DOD procedures or personal friendships with active duty officers for the benefit of his employer.

Obviously, in the second instance, it would be necessary for the transferee to hold a position, formally or informally, in sales or customer liaison. Conflict of interest legislation has on the whole aimed to control this type of abuse. Nevertheless, all employment transfers of retirees to the defense industry deserve scrutiny. A high-ranking position with the company is not the only important matter. In its grossest sense, any position held with a contractor by a former procurement official could be considered a payoff; the conflict would have existed while the official was on active duty. Viewing the situation this way is particularly pertinent, if only because it has been generally neglected by legislation.

The office

Procurement officers at the DOD exercise control over vast sums of money. Some major weapons programs are funded at over $100 million per year. There are numerous stages in the procurement process wherein decisions favorable to a contractor can result in the payment of hundreds of thousands of dollars. In Arming America, J. Ronald Fox, a former Assistant Secretary of the Army for procurement, professor at the Harvard Business School and consultant to military contractors, pointed out some of the factors that may lead to unconscious favoritism toward contractors by procurement officials:

"A military officer who is a capable manager but who is eventually passed over for promotion to the rank of general or admiral may use his skills after retirement from

the service in a position in private industry. Despite the urgent need for competent acquisition managers within the military, there are at present few incentives for qualified officers to remain in the service after 20 years. The defense industry, on the other hand, provides a compelling incentive for a knowledgeable officer to leave the service: rewarding salary scale and career status. The availability of jobs in industry can have a subtle, but debilitating effect on an officer's performance during his tour of duty in a procurement management assignment. If he takes too strong a hand in controlling contractor activity, he might be damaging his opportunity for a second career following retirement. Positions are offered to officers who have demonstrated their appreciation for industry's particular problems and commitments." [9]

In its survey of DOD-industry employment interchanges for the period July 1968 through June 1973, CEP found ample evidence that this is a potentially troublesome area. Although, as has been mentioned, a large majority of former military personnel exhibited no possibility of having exerted influence on behalf of a contractor, evidence of potential abuse was found to exist for over one-quarter of all reporting transferees from the DOD (379 out of a total of 1,406).

A description of some of these instances might demonstrate this point: *

Lieutenant Colonel Richard Auger, the former commander of the Burlington Army Ammunition Plant, responsible for maintaining surveillance of contractor performance, accepted employment a week after his retirement in January 1970 with Chamberlain Manufacturing Company, the operator of that arsenal.

Nearly every major systems contractor has hired former DOD plant representatives who immediately before their retirement had been in the position of evaluating the performance of their present employers (for a discussion of plant representatives, see p. 21). At least two Air Force Boeing plant representatives, Major Roy Boyd and Colonel Albert Lehner, accepted employment with that company. Major James Drumgool, former Air Force G.E. plant representative and Lieutenant Colonel John Rigling, former Syracuse Defense Contract Administration Service director, were hired by G.E. (for a discussion of the Defense Contract Administration Service, see Appendix I). Lockheed hired Edward Currie and Commander Richard Allen, two former Navy Lockheed plant representatives. McDonnell Douglas hired two Navy McDonnell Douglas plant representatives, Captain John Kane and Lieutenant Commander Harold Simpson, and also hired Major John Bennett, a former Air Force officer who had served as chief of the Defense Contract Administration Service office at its St. Louis plant. Grumman hired one former Navy Grumman plant representative, Commander William Burgess, Rockwell International hired Captain Donald Walton, a Navy plant representative from the Columbus, Ohio, plant. Hughes Aircraft hired Robert Lucas, who had served as chief of the Air Force plant representative's office at a Hughes plant. Westinghouse hired Lieutenant Commander Edgar Lewis, a Navy plant representative who had served as project manager for Westinghouse's controversial and costly Mk48 torpedo project. Philco Ford hired Major Ronald Wright, a Marine Corps officer who had served as technical representative from the Naval Electronics Laboratory on a Philco project.

General Howell Estes, the former commander of the Military Airlift Command, upon his retirement was appointed Executive Vice President of World Airways, a major military charter flier.

Colonel Rob Greenley, a former Air Force program director for Remotely Piloted Vehicles (RPVs), a major new development effort, accepted employment upon retirement with Lear Siegler and Northrop, two of the companies most active in RPV development.

Rockwell International, prime contractor for the B–1 Bomber, hired Lieutenant Colonel Henry Gaynor, chief of the Air Force B–1 Configuration Identification Division upon his retirement. It also hired two former officials of the Air Force Contract Management Division. One, Colonel Thomas McGuire, had been Comptroller—prime financial overseer—of the Los Angeles office, and the other, Colonel Robert Mitchell, had been Special Assistant to the Division Commander for Minuteman management. His special duties had involved administration of Minuteman guidance and control system development. Rockwell's Autonetics Division, post-retirement employer of Colonel Mitchell, is the producer of Minuteman guidance and control systems.

Colonel Joseph Smith, who served as chief of the Production Requirements Division of the Defense Communications Planning Group, development agency for the controversial "automated battlefield," was hired upon his retirement by Honeywell, a major automated battlefield contractor.

Air Force Colonel Robert Gruetzmacher, who commanded the Aerospace Defense Command DEW Line office, directed operation of the DEW Line, and monitored performance of the operating contractor, ITT Arctic Services, was hired by ITT upon his retirement from the Air Force.

Air Force Brigadier General McLean Elliott, who had served as Assistant Director of Defense Research and Engineering with responsibility for budget planning and programming for DOD test ranges, was hired several weeks before his retirement by Kentron Hawaii (a subsidiary of LTV), operator of one of the major missile test ranges.

Boeing, prime contractor for the Airborne Warning and Control System (AWACS), hired Colonel William Jones, former AWACS project director of engineering, upon his retirement from the Air Force.

Rockwell International hired Brigadier General Robert Meyer, who had held two positions in which he could affect Rockwell operations. The first was the position of Air Force Director of Procurement Policy. Subsequently, he served as Director of Aircraft and Missiles in the Office of the Assistant Secretary of Defense for Installations and Logistics. His duties in this job included monitoring the production status of Army, Navy and Air Force aircraft and missile programs and recommending action where appropriate. The B–1, a Rockwell project, is potentially the largest aircraft procurement project ever.

Raytheon, prime contractor for the Hawk anti-aircraft missile, hired Colonel Harry Buzzett, Hawk program manager, upon his retirement from the Air Force. It also hired Lieutenant Colonel Eugene Naegele, former research and development coordinator in the Air Defense and Missiles Division of the Army Chief of Research and Development.

Gould, ultimate winner of a competition with Westinghouse to build the Mk48 torpedo, hired Navy Captain Charles Almy, who had served as Director of the Naval Ordnance Systems Command Torpedo Division and Mk48 Torpedo project officer.

General Electric, a producer of antisubmarine warfare (ASW) systems, hired two Navy captains on the same day who had worked in management positions in the Navy's antisubmarine warfare development structure. One, Thomas Auger, had been Director of the Submarine Systems Engineering Group and Director of the Advanced Submarine Systems Division in the ASW Systems Project Office, procurement agency for ASW systems. The other, Charles Helme, had served as Director of Technical Appraisals and Requirements in the Office of the Director of ASW Programs.

The TACFIRE artillery fire direction system, a complex computer system, has been one of the most widely criticized defense systems in the past few years because of the apparent inability of Litton, its contractor, to control costs or build a system that works. Litton hired Lieutenant Colonel John Harte, former Deputy Director of the TACFIRE system and Major Francis O'Leary, a former TACFIRE deputy who had been responsible for translating Army requirements into technical language.

CONFLICT OF INTEREST IS A SITUATION

Mr. PROXMIRE. Mr. President, I am not arguing that the individuals did anything wrong in each of these cases. What I am saying is that the potential for wrongdoing exists and is aggravated by the number of Government contracting officials who pass through the revolving door into private industry.

An official responsible for a Government contract is faced with this temptation every day. And the opportunity for lucrative employment that is so well documented by the Fitzhugh commission and others makes this temptation much stronger.

Conflicts of interest are not only created by the act of wrongdoing, they are encouraged by the situation of temptation. Conflict-of-interest law cannot catch every person in the act of wrongdoing, but it should give assurances that people are not placed in a situation of temptation. This conclusion was best expressed by the New York City Bar Association:

A conflict of interest does not necessarily presuppose that . . . the official will in fact resolve the conflict to his own personal advantage rather than the government's. If a man is in a position of conflicting interests, he is subject to temptation however he resolves the issue. Regulation of conflicts of interest seeks to prevent situations of temptation from arising . . . Perhaps the individual's personal interest in the matter would not affect his discharge of his official duty; but the experience of centuries indicates that the contrary is more likely, and that affairs should be so arranged as to prevent a man from being put in such an equivocal position.

This is exactly what my legislation will do. It does not say that individuals will be punished only if they take an action to the detriment of the Government,

* CEP has chosen to provide the names of these individuals as examples only. As a matter of policy, CEP considers the problem discussed here to be primarily structural—the responsibility of contractors and the Government—and not solely the responsibility of these individuals. Contractors hiring practices and the inadequacy of conflict of interest legislation are the major concerns of CEP. There is no evidence, except when mentioned elsewhere as being in apparent violation of the criminal selling statute, of any willful violation of the law. The names of those personnel in apparent conflict are available to the public at the CEP New York office.

[9] J. Ronald Fox, Arming America: How the U.S. Buys Weapons, Harvard University Press, 1974, pp. 460–461.

because such actions are often much too difficult to disclose and prove. Rather, it says that, to the maximum extent possible, Government procurement officials will not be placed in a situation where they are subject to the temptation that could be exerted by the anticipation of a lucrative job outside the Government.

It accomplishes this goal by a very simple means. My legislation stipulates that officials will be temporarily prohibited from accepting employment with any firm over whose contracting programs they exerted substantial authority. Therefore, by removing the possibility of an immediate reward, it improves the chances that such officials will act in an objective manner, without regard for the opportunity for personal gain.

SECTIONAL EXPLANATION

The first section of this bill prohibits the acceptance of any compensation by a person who took part in the design, development, award, or administration of a Government contract, for a 2-year period, with any contractor working on that contract. It further prohibits, for an additional 3 years acceptance of employment that was directly funded by decisions made by that person. These provisions would prevent Government officials from creating jobs for themselves or creating a job opportunity through their official decisions.

The section also prevents procurement officials from making decisions which affect a current financial interest, by prohibiting them from holding stock in contractors affected by their official decisions, and, for the first time, legislatively establishes the principle that Government officials should not accept benefits from contractors, in the form of entertainment, gifts or transportation, unless specifically authorized by departmental directive.

The second section establishes a Conflict of Interest Review Board, to be independent of the major governmental purchasers of supplies. The creation of this Board fulfills two purposes. First, it provides a central focal point to allow consistent application of the law throughout the Federal Government. Second, it allows for the provision of advice to individuals who are uncertain whether proposed employment would violate the intent of this act, and allows for exceptions to the provisions of this act in extraordinary circumstances.

The Board will be made up of the Chairman of the Civil Service Commission, who will serve as chairman, the Attorney General, and the Comptroller General. These persons were selected because of the prior expertise of their agencies in conflict-of-interest law enforcement and to minimize the cost to the Government of this new body. All three of the Board members are currently involved in review of selected conflict-of-interest matters, so the need to assemble a new, large support staff is largely obviated.

This section also spells out the procedures that must be followed and the criteria that must be met in order to allow the Board to meet to consider granting an advisory opinion. Formal notice must be provided both before any such hearings and after a decision is made to assure that such decisions will not be made in back rooms, away from public notice. Interested parties must be allowed to present testimony, to assure that all points of view will be heard.

The Board must present a statement of findings of fact with its opinion, and must keep its record of hearings available for public inspection, so that record of the Board's deliberations and precedents will be available.

This Board will be an advisory group, not an investigative or enforcement agency or a judicial body. It will not be authorized to conduct independent inquiries into the conduct of Government personnel, which might raise the specter of harassment and might require a large expenditure of money. However it will be authorized to bring independently discovered information to the attention of appropriate enforcement authorities.

The concept of a central conflict of interest advisory group has been endorsed by numerous organizations and individuals, including, perhaps most notably, the Blue Ribbon Defense Panel, or Fitzhugh Commission, which in 1970 recommended a very similar structure empowered to grant advisory opinions on matters of law or regulation.

The third section of the conflict bill provides for disclosure by both officials coming to the Government from Government contractors and those leaving the Government to accept employment with contractors. It is similar to legislation which already applies this disclosure requirement to NASA and Department of Defense personnel. It sets no substantive prohibitions but simply requires that any person passing through the revolving door must submit a report describing his duties. These reports, like the ones currently filed with DOD and NASA, would be available for public inspection, and an annual summary would be prepared for the Congress.

LOOPHOLES IN CURRENT LAW

It may seem difficult to believe, but there is no provision of law which in any way prohibits or controls the type of employment restricted by this bill. All of the conflict-of-interest laws which relate to former Government employees seek to control an equally serious, but totally different problem, which is the use by a former Government employee of his retained influence with those who are still employed by the Federal Government.

I agree that the potential for damage in this regard is great. Yet, if Congress is concerned about the use of influence by a former Government employee, how much more concerned should it be about the potentially much greater influence that a person currently employed by the Government can exert on behalf of a potential employer. The legislation which I am proposing is much more reasonable and goes much further toward protecting the Government's and the taxpayers' interests.

I must point out, though, that this legislation will not have the effect of denying future employment to individuals simply because they worked for the Federal Government. The limitation applies only to officials who exerted procurement authority over some contractor, thus removing most Government employees from its restrictions.

Even those to whom the law applies would not be denied the right to seek employment with all Government contractors. The bill simply states that such individuals could not accept employment during a limited period from that single contractor or small group of contractors over which that person had exerted significant authority as a Federal employee. Nothing would stop that person from seeking employment with another company in the same industry, where he would be allowed to make use of his skills.

This bill is the product of intensive discussions among more than a dozen persons from my office, the Joint Committee on Defense Production, other congressional offices, and private organizations. I believe that the product of those meetings is a useful piece of legislation. The same bill will be introduced in the House by Representative CHARLES BENNETT, who has been concerned about ethical standards in Government for many years.

Mr. President, I would like to take note of the cosponsors of this bill, Senators BROOKE, BURDICK, FORD, HUMPHREY, METZENBAUM, and particularly Senator BAYH who has worked closely with me on this legislation. And I would like to call attention to the remarks by my friend and distinguished colleague from Ohio (Mr. METZENBAUM) who also has examined this problem carefully.

Mr. BAYH. Mr. President, I rise today to join with the distinguished senior Senator from Wisconsin (Mr. PROXMIRE), in the introduction of legislation amending the Defense Production Act by adding a new title designed to enhance greatly our efforts to curtail the so-called "revolving door syndrome" in Government service. The need for prompt and effective action in this direction is all too clear both from the standpoint of restoring public trust and respect in Government and to make certain that procurement decisions are not tainted by possible future financial gains.

Senator PROXMIRE has for many years endeavored to inform the public of existing and potential conflicts of interests surrounding officials of the Federal Government and high ranking employees of major Government contractors.

Despite the untiring efforts of my distinguished friend and colleague, apparent and potential conflicts of interest in connection with Government service remain a major unresolved problem. It is heartening that President Carter has endeavored to set high ethical standards as preconditions for appointees in his administration. To insure full terms of service for top ranking officials in the

executive branch and to remove in a commonsense way the appearance and reality of conflicts of interests.

Despite this laudable action by the President, there remains a need to take action of a permanent character to prevent to the maximum extent possible the exploitation of public trust for private gain. In just one area, for example, the total number of former high level private contractor personnel working in the Department of Defense has grown dramatically in recent years, increasing by 65 percent during fiscal year 1975. In addition, the number of former senior DOD officials working for private defense contractors increased by a like percentage that same year.

The bill which is being introduced today is aimed specifically at that small minority of appointed Federal officials and employees who would use Federal positions of trust and responsibility as springboards to lucrative jobs with private industry.

This legislation prohibits a former Federal contracting officer from accepting compensation for any contractor or subsidiary as long as the officer remains a Federal employee. It also places a 2-year moratorium on employment by such a company of a former Federal contracting officer who was associated with Federal procurement contracts during his last 3 years of Government service. A 5-year moratorium is placed on acceptance of employment in a position which was the result of his contracting activities. The bill proposes criminal penalties for violation of the statute.

A Conflict of Interest Review Board is also established to provide a means for former Government employees to obtain guidance in considering employment with firms which hold Federal contracts. The Board would issue advisory opinions on the applicability of the act on a case-by-case basis. The Chairman of the Civil Service Commission, serving as Chairman, the Attorney General of the United States, and the Comptroller General would comprise the Board's membership.

The final section of this legislation establishes a reporting requirement for all Government employees accepting employment with companies having contracts with the agencies for which they worked or coming from Federal contractors to work for agencies holding contracts from their prior employer. These disclosure procedures pertain to contracts over $1 million as opposed to the $10 million triggering figure which is already required for NASA and DOD personnel. This Conflict of Interest Review Board would receive these reports instead of the employing agency and is required to review compliance with this provision. Reviews under this section would also be reported to the Congress.

It is clear that the time for substantive action is here. It is time that we move decisively to end abuses by those few persons who would, for personal gain, exploit their Government office and experience. The American people will not tolerate inaction on this vital issue which is so essential to reestablishing that invaluable working relationship between Government and people.

While this is a significant first step we must not be complacent about the need for other comprehensive measures designed to insure absolute honesty and integrity at all levels of the Federal Government. I urge my colleagues to join with us in this endeavor.

Mr. METZENBAUM. Mr. President, I am pleased to be a cosponsor of the bill entitled Defense Production Act Amendments of 1977 which my distinguished colleague from Wisconsin, Senator PROXMIRE, has introduced today. Senator PROXMIRE has explained admirably the bill's provisions and why its passage is so important. I would like to add only that this bill, by imposing on procurement personnel an extended time period during which they may not work for defense contractors, strengthens the chances for honest and objective Defense Department management.

Defense Department purchases account for 66 percent of all taxpayer dollars which are spent on Government procurement. In 1976 this amounted to $46 billion. I know that the taxpayers in my State and throughout the Nation want assurance that this money is being spent only if the item is needed, and the price is right. Unfortunately, far too often this has not been the case in the past, resulting in the sacrifice of needed dollars for other military purposes and our domestic needs.

Pentagon procurement personnel is charged with the responsibility for watching over billions of dollars. Their commitment to good management and integrity must be beyond question. But as long as so many thousands of them are permitted to jump directly from Government jobs to much better paying jobs with defense firms, the taxpayers of this Nation have reason to question their objectivity.

We need to guarantee that when procurement officials are negotiating a defense contract for the Government, they will not be thinking about a possible new job after retirement with the defense firm sitting across the table. I want our procurement officials to watch for mismanagement and come down hard on firms which waste our money.

This bill prohibits procurement personnel from working for contractors for a period of 2 years, lessening the temptations which presently invite possible compromise, and it sets up machinery to enforce that ban. I hope my colleagues will join me in voting for this bill when it reaches the floor.

By Mr. BENTSEN:

S. 697. A bill to amend the Clean Air Act in order to establish a National Commission on Air Quality; to the Committee on Environment and Public Works.

NATIONAL COMMISSION ON AIR QUALITY

Mr. BENTSEN. Mr. President, I am today introducing the National Commission on Air Quality Act, a measure to establish a National Air Quality Commission under the authority of the Clean Air Act. This is the same legislation that passed the Senate last year, but was cancelled by the failure of the conference report to gain congressional approval.

I believe it is particularly appropriate that this legislation be introduced the day hearings begin on this year's version of the Clean Air Act, for it is an absolutely essential component of that legislation.

Although the entire provision establishing the Commission is important, I want to concentrate on one section, the one establishing a study on photochemical oxidants and the extent to which hydrocarbons contribute to their levels in the atmosphere.

Mr. President, I have been a member of the Public Works Committee for 6 years, and in that time, we have had repeated hearings on the Clean Air Act. Although several provisions of the act are questionable, I know of no other provision producing a greater degree of uncertainty than that establishing National primary and secondary standards for oxidants.

Mr. President, to resolve these doubts, to clarify the problem and the possible means for its solution, and to give credence to whatever effort may be required, I am proposing in this legislation that the National Commission on Air Quality be charged with the responsibility of analyzing the problem. My bill requires the Commission, within a 2-year period, to analyze and describe the various pollutants commonly referred to as a "photochemical oxidants"; enumerate those which should be regulated and from which the American people should be protected; recommend strategies for their attainment; determine what effect the control of hydrocarbons will have on oxidant formation and concentrations; and clarify the degree to which background levels of oxidants contribute to those concentrations.

The problem is important in Texas and throughout the Nation. In Texas, there are a couple of cities that have some very serious problems on the control of oxidants, and we are willing to pay the price that has to be paid to have the clean air that we want in our State and in our country. In fact, Mr. President, the Houston Chamber of Commerce, on its own initiative, has invested over $1 million for a Houston area oxidant study, which will explore in depth the unique problems with oxidant control in the Houston-gulf coast area. This indicates the level of concern in my part of the country over this section of the Clean Air Act.

The oxidant problem is a complex one, and we are a long way from the days in 1971 when EPA suggested that controlling hydrocarbon emissions would allow us to control oxidant levels. Many persons intimately involved in this subject charge that far too little is known about the precise relationship between hydro-

carbons and oxidants. They ask whether a major reduction of hydrocarbons will result in a significant, or even appreciable, decrease in photochemical oxidant readings. I am not convinced that we now have a truly accurate answer to that question.

And yet, that answer affects much of the clean air strategy for urban America. Stringent transportation controls have already been proposed to reduce hydrocarbon emissions in a number of our largest cities. For instance, 1973, EPA proposed sweeping plans for a number of Texas cities, including requirements that vehicle miles traveled in Houston be reduced by 75 percent; and in Dallas by 66 percent.

Such reductions were to be accomplished by a number of means, one of which was the rationing of gasoline. The impact of such controls and the reaction of the people to them can easily be imagined.

Furthermore, my State has already adopted stringent controls for the control of hydrocarbon emissions from stationary sources. During the last 3 years, it has reduced hydrocarbon emissions from stationary sources—refineries, petrochemical plants, and the like—in Houston by no less than 85 percent. Yet the hydrocarbon reduction has had no appreciable affect on the oxidant level. Charles Barden, administrator of the board, told the Senate last year that:

> We have seen no effect whatsoever on oxidant reductions and we have seen very little effect on reducing visibility problems.

Mr. Barden went on to say:

> It is not now possible scientifically to determine the degree of control needed to attain the photochemical oxidant standard or even to state with certainty that the standard is attainable.

Mr. President, I believe the American people will comply with laws which they understand and which they believe are fair. But the uncertainty over the linkage between hydrocarbons and oxidants has put the rationale behind the oxidant control program in serious doubt. Public acceptance would not be possible to obtain.

There are, in fact, too many imponderables in the whole equation creating oxidant levels. We do not know, for example, how much of the oxidant problem is caused by background sources—vegetation, altitude, air currents—that may be beyond the control of man. One scientist, Dr. Peter Coffey of the New York State Department of Environmental Conservation, reported that oxidant readings on White Mountain, a 4,900-foot peak in the Adirondacks, frequently were above the national standard. Others have said that air samples in the middle of the Gulf of Mexico may also exceed the standard.

What we are dealing with there, then, is a standard very much in dispute and a control strategy that may not achieve it in any case. And what could be the economic consequences if we proceeded on our present course? EPA has indicated that it intends to enforce section 110 of the 1970 act, which provides that no new major hydrocarbon emitting sources should be built in areas that are not attaining the national standards for oxidants. That means that no refinery, no petrochemical complex, no offshore or onshore petroleum transfer point, or any other major hydrocarbon-emitting facility could be constructed. Continued economic growth in Houston would thus be all but precluded.

I believe our Government has more sense than to follow such a policy, particularly when the background data is vague and contradictory.

The Air-Quality Commission study should restore a level of sanity and good sense to national environmental policy. It will answer questions that have perplexed scientists and Government officials for many years. It will include input from the States themselves, which have often been overlooked in the establishment of Federal laws having a direct effect on them. I commend this measure to my colleagues for their consideration, and I shall be working to assure that it is part of any Clean Air Act that moves through this Congress.

By Mr. CRANSTON:

S. 700. A bill to amend the act of October 13, 1949, relating to the conveyance of certain land to the city and county of San Francisco, Calif.; to the Committee on Armed Services.

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to amend the conditions under which the Secretary of the Army conveyed certain lands under his jurisdiction to the city and county of San Francisco.

Mr. President, the land in question comprises 42 acres immediately south of the San Francisco Zoo. In 1949, by act of Congress, this property was conveyed to the city and county of San Francisco for park and recreation use only.

San Francisco has now determined that this property is the best site for its southwest water pollution control plant. The city urgently needs such a sewage treatment facility in order to meet and comply with Federal, State, and local pollution control regulations.

A little over a year ago, San Francisco voters passed a ballot resolution which favored this location for a new southwest treatment plant, I understand that the Army supports the city's plans for this site.

But because of the restrictions on the deed, San Francisco needs an amendment to the 1949 act conveying the property to the city. The legislation I am introducing today amends Public Law 81–354 to permit the city and county of San Francisco to use the former Army property for other than park purposes. Both the city and county have requested the legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco", approved October 13, 1949 (63 Stat. 844), is amended by striking out "for public park and recreational purposes," and inserting in lieu thereof "for public purposes,".

SEC. 2. The Secretary of the Army shall issue such written instructions, deeds, or other instruments as may be necessary to bring the conveyance made to the city and county of San Francisco, California, under authority of the Act of October 13, 1949 (63 Stat. 844), into conformity with the amendment made by the first section of this Act.

By Mr. PELL:

S. 701. A bill to provide Federal financial assistance to educational institutions in order to assist such institutions to meet the emergency caused by the high costs of fuel and fuel shortages and harsh weather conditions, and for other purposes; to the Committee on Human Resources.

EMERGENCY EDUCATIONAL ASSISTANCE ACT

Mr. PELL. Mr. President, today, I am introducing the Emergency Educational Assistance Act. This is a bill designed to help schools, colleges, and universities across the Nation deal with the increases in fixed expenses due to the cost of energy.

I have talked, over the past 2 weeks, about the cutbacks school systems have been forced to make in their programs this winter. These reductions have hurt the education of hundreds of thousands of students. Furthermore, the financial reserves of elementary, secondary, and postsecondary institutions throughout the Nation have been strained to the limit. This is something that will hurt not for just 1 year but for many years ahead.

I want to emphasize once again the losses that we are suffering this winter because of energy wasteful buildings, inefficient operating techniques, and spiraling fuel costs. Even without the increased demand for fuel, which this unusually cold spell has produced, there would be more money spent on energy than ever. Last year school districts actually cut their energy use a fraction, yet the amount public schools spent on energy rose over 40 percent. Public schools spent an estimated $514 million more on fuel than they did the year before. At current salary rates, that represents the salary of 43,000 teachers. It is a shocking figure.

There are scores and hundreds of examples that I could use to further illustrate what I am saying, but I think the issue has been well enough publicized. Every Member of this body is well aware of the crisis facing us.

What I want to do today is to stress the importance of this bill to every Senator. It is crucial to all of our States because school budgets are the largest item on virtually every local budget. Thus, taxpayers are directly affected by the losses which I have mentioned.

What is hopeful is that there are easy ways for us to make improvements and that, more immediately, we can start to save through the quick implementation of some very low-cost programs. School administrators and college administrators report that commonsense programs can be put in practice which can cut energy use by 20 to 30 percent. Nationwide, such savings, if put into effect, could save millions of dollars for each State.

Three years ago I held a hearing on the subject of the effects of the energy crisis on education. At that time the Nation was reacting to the Arab oil embargo, and the effects were severe. Now we are not under any embargo, but the situation is worse. Needs are greater. Expenses are higher. Everywhere we look the situation is deteriorating.

Dr. Helen Wise, then president of the National Education Association, testified before my subcommittee at that time. She said that she felt this problem was crucial and that the Federal Government should lead the way in energy conservation. She offered the help of her association, and said that the National Education Association would support all reasonable and effective means to conserve energy in the operation of schools, so long as such measures were not inconsistent with insuring that pupils get a full year of schooling and that contracts of school employees were honored. Her recommendation was not heard, and what we see now is a combination of school closings and teacher layoffs. Also, the voice of education has not been listened to in Federal councils.

The result has been a disaster for education.

It is alarming that the Federal Government has done so little in this regard. Most of the energy agencies established in Washington are busy running studies and conducting, often duplicating, rather esoteric work. What is doubly saddening is that schools and education in general have been given a low priority. Nothing has been done. This is unthinkable when we realize that education is one of the largest energy consuming sectors of the economy. Over 10 percent of the energy this Nation consumes is spent in the educational sector, and so we will not only save schools but we will help save the Nation when we cut the waste out of this area.

I am also doing this because I think that we must take action now rather than suffer, as we have often done, and wait for better weather. I waited once for the Government to act and nothing happened. Now I will go ahead on my own. Our schools will not be able to stand much more delay, and I will not sit and watch students shortchanged for the mistakes we make. I urge the Members of the Senate to support the bill. I welcome cosponsors, and I offer my help to anyone who is concerned with this issue. Above all else, though, we must move ahead.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 701

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Educational Assistance Act".

STATEMENT OF FINDINGS

SEC. 2. (a) The Congress finds that—

(1) educational institutions throughout the Nation need emergency assistance to continue delivering educational services to students in the face of the increased costs of operating school facilities;

(2) the maintenance and operation of elementary, secondary and post-secondary school facilities is extraordinarily costly and the proportion of expenditures used for physical plant has increased faster than that of any other educational expenditure;

(3) many older school facilities can be remodeled or renovated so that the cost of their operation can be reduced;

(4) school and university administrators can be helped through technical assistance to reduce the operating costs of school facilities;

(5) educational personnel throughout the Nation can benefit from a demonstration program which shows how specific remodeling, renovation and management projects can produce savings; and

(6) the emergency now facing many States, localities, and educational institutions, due to the continuing rise in fixed expenses, threatens the quality of education throughout the Nation.

(b) It is the purpose of this Act (1) to make basic grants to educational institutions to enable them to undertake measures to make school facilities more efficient to operate, (2) to make demonstration grants to State agencies and educational institutions for projects which show great promise of meeting the needs described in subsection (a) of this section and (3) to provide technical assistance to such agencies and institutions.

BASIC GRANTS AUTHORIZED

SEC. 3. (a) The Commissioner shall in, accordance with the provisions of this Act, make basic grants to educational institutions to pay the Federal share of the costs related to energy conservation measures undertaken by any such institution, including the cost of insulation, remodeling, and renovation of school facilities.

(b) For the purpose of making such grants, there is authorized to be appropriated $300,000,000 for the fiscal year 1978 and for each of the succeeding fiscal years ending prior to October 1, 1981.

ALLOTMENTS FOR BASIC GRANTS

SEC. 4. (a) (1) From the sums appropriated pursuant to section 3(b), the Commissioner shall allot not more than one percent among Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands according to their respective needs.

(2) From 80 percent of the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to such 80 percent as the population of the State bears to the population of all States.

(3) The remainder of the sums appropriated under section 3 (b) shall be available to the Commissioner for making basic grants under this Act.

(b) (1) The amount by which any allotment to a State for a fiscal year under subsection (a) exceeds the amount which the Commissioner determines will be required for such fiscal year for applications approved under section 6 within such State shall be available for reallotment to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly realloted among the States whose proportionate amounts were not so reduced. Any amounts realloted to a State under this subsection during a fiscal year shall be deemed part of its allotment under subsection (a) for such year.

(2 In order to afford ample opportunity for all educational institutions in a State to submit applications for assistance under this title, the Commissioner shall not fix a date for reallotment, pursuant to this subsection, of any portion of any allotment to a State for a fiscal year which date is earlier than 90 days prior to the end of such fiscal year.

(3) Notwithstanding the provisions of paragraph (1) of this subsection, no portion of any allotment to a State for a fiscal year shall be available for reallotment pursuant to this subsection unless the Commissioner determines that the applications for assistance under this Act for basic grants which have been filed by educational institutions in that State for which a portion of such allotment has not been reserved (but which would necessitate use of that portion) are applications which do not meet the requirements of this Act or which set forth programs or projects of such insufficient promise for achieving the objective of this Act that their approval is not warranted.

(c) The population of a State and of all States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him from the Department of Commerce.

USES OF BASIC GRANTS

SEC. 5. Payments made for basic grants under this Act to any educational institution may be used in accordance with applications approved under section 6(b) by that institution for the Federal share of the cost related to energy conservation measures undertaken by that institution including the costs of insulation, remodeling and renovation of school facilities of that institution.

APPLICATIONS

SEC. 6. (a) Payments may be made for basic grants under this Act only upon application to the Commissioner at such time, in such manner, and containing or accompanied by such information as the Commissioner may reasonably require. Each such application shall—

(1) provide assurances that because of—

(A) the high cost of energy,

(B) the energy shortage, or

(C) unusually harsh and persistent adverse weather conditions,

the applicant is in need of assistance;

(2) provide a full description of the energy conservation measures to be taken by that institution, and assurances that payments made under this Act for basic grants will be used for the purposes set forth in section 5;

(3) set forth policies and procedures to assure the Federal funds made available for basic grants under this Act for any fiscal year will be used so as not to supplant the level of State and local funds that would otherwise be available for the purposes described in section 5;

(4) provide that effective procedures will be adopted for evaluating the effectiveness of the assistance given for basic grants under this Act;

(5) provide that fiscal control and fund accounting procedures will be established as may be necessary to ensure the proper disposal of, and accounting for Federal funds paid to the educational institution under this Act; and

(6) provide that reasonable reports will be furnished in such form and containing such information as the Commissioner may rea-

sonably require and such records will be kept and access furnished thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) Applications for financial assistance for basic grants under this Act may be approved by the Commissioner only if—

(1) the application meets the requirements set forth in subsection (a); and

(2) the application has been submitted to the appropriate State agency for comment before being submitted to the Commissioner.

(c) Amendments of an application shall, except as the Commissioner may otherwise provide, be subject to approval in the same manner as the original application.

DEMONSTRATION PROJECTS

SEC. 7. (a) The Commissioner is authorized to make grants to State educational agencies, State energy offices, other appropriate State agencies, local educational agencies, and institutions of higher education for demonstration projects which involve the development and use of energy conservation measures which show unusual promise of promoting the objectives of this Act.

(b) To the extent practicable the Commissioner shall approve applications for payments under this section in such manner as will most nearly provide an equitable distribution of financial assistance among the States.

(c) No payment may be made under this section unless the Commissioner determines that the payment is to be used for a project for which assistance is necessary because of the high cost of energy, the shortage of energy, or unusually harsh and persistent adverse weather conditions.

(d) No payment may be made under this section unless an application is submitted to the Commissioner at such time, in such manner, and containing or accompanied by such information as the Commissioner may reasonably require. Each such application shall include provisions that—

(1) assure that the project will be economically feasible;

(2) set forth the rate of return based upon the energy management component of the project compared with the rate of return based upon the remodeling or renovation component of the project; and

(3) describe whether it is feasible to use the results of the project in other communities.

(e) There are authorized to be appropriated to carry out the provisions of this section $50,000,000 for the fiscal year 1978 and for each of the succeeding fiscal years ending prior to October 1, 1981.

TECHNICAL ASSISTANCE

SEC. 8. (a) The Commissioner is authorized to make grants to State educational agencies, State energy offices, other appropriate State agencies, local educational agencies, and institutions of higher education to pay the Federal share of the cost of providing technical assistance for energy conservation measures.

(b) Such technical assistance may include—

(1) the temporary employment of specially qualified personnel necessary for—

(A) the planning and implementation of energy conservation or energy management projects including energy use evaluations, and

(B) the planning and development of remodeling, renovation, repair, replacement, or insulation projects;

(2) the conduct of specialized studies on the implementation of building management or maintenance projects;

(3) the conduct of feasibility studies on energy management and energy remodeling or renovation projects; and

(4) the conduct of energy use evaluations.

(c) No payment may be made under this section unless the Commissioner determines that the payment is to be used for technical assistance which is necessary because of the high cost of energy, the shortage of energy, or unusually harsh and persistent adverse weather conditions.

(d) No payment may be made under this section unless an application is submitted to the Commissioner at such time, in such manner and containing or accompanied by such information as the Commissioner may reasonably require. Each such application, in the case of a local educational agency, shall contain provisions designed to assure that the technical assistance for which assistance is sought will, to the greatest extent practicable, be shared with private elementary and secondary schools in the school district of such agency.

(e) There are authorized to be appropriated to carry out the provisions of this section $150,000,000 for the fiscal year 1978 and for each of the succeeding fiscal years ending prior to October 1, 1981.

PAYMENTS

SEC. 9. (a)(1) From the amount allotted to each State under section 4(a) the Commissioner shall pay to each educational institution within such State having an application approved under section 6(b), an amount equal to the Federal share of the cost of carrying out the application of such institution.

(2) The Federal share of the cost of carrying out the application of an educational institution for basic grants under section 6 shall be 50 percent for any fiscal year.

(b)(1) From the amounts appropriated pursuant to section 7(e) the Commissioner shall pay to the agency, office or institution having an application approved under section 7(d) the Federal share of the cost of carrying out its application.

(2) The Federal share of the cost of carrying out the application of an agency, office or institution for demonstration grants under section 7 shall be 66⅔ percent in any fiscal year.

(c)(1) From the amount appropriated pursuant to section 8(e) the Commissioner shall pay to any agency, office or institution having an application approved under section 8(d) an amount equal to the Federal share of the cost of carrying out its application.

(2) The Federal share of the cost of carrying out the application of an agency, office or institution for technical assistance under section 8 shall be 50 percent for any fiscal year.

(d) Whenever the Commissioner determines that an educational institution with an approved application for a basic grant under section 6(b) or an educational institution with an approved application for technical assistance under section 8 is suffering from extreme financial need and cannot, because of the limitation of federal financial assistance to 50 percent of the cost of the approved application, carry out the project described in that application the Commissioner may waive such limitation and may pay the full cost of carrying out the approved application.

WITHHOLDING

SEC. 10. Whenever the Commissioner, after reasonable notice and opportunity for hearing to any agency, office or institution receiving assistance under this Act, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section 6(b) or section 7(d) or section 8(d), the Commissioner shall notify the agency, office or institution that further payments will not be made to the agency, office or institution under this Act until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied no further payments shall be made to the agency, office or institution under this Act.

ADMINISTRATION

SEC. 11. (a) Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction.

(b) Prior to the promulgation of any regulations under this Act for the submission and approval of applications, the Commissioner shall consult with mechanical contractors, professional engineers, business officials of elementary and secondary schools and institutions of higher education, officials having responsibility for energy conservation and energy use in such schools and institutions, and officials of the Federal Energy Administration and the Energy Research and Development Administration.

(c) In administering the provisions of this Act the Commissioner is authorized to use the services and facilities of any agency of the Federal government and any other public or nonprofit agency or institution in accordance with appropriate agreements and to pay for such services either in advance or by way of reimbursement as agreed upon.

DEFINITIONS

SEC. 12. As used in this Act—

(1) The term "Commissioner" means the Commissioner of Education.

(2) The term "educational institution" means any local educational agency and any institution of higher education.

(3) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(4) The term "institution of higher education" means an educational institution in any State which (A) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (B) is legally authorized within such State to provide a program of education beyond secondary education, (C) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (D) is a public or other nonprofit institution, and (E) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, (i) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (ii) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (A), (B), (D), and (E). For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(5) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools of a city, county, township, school

district, or other political subdivision of a State, or such combination of school districts or counties as recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(6) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(7) The term "school facilities" includes classrooms and related facilities of an elementary school, secondary school, or an institution of higher education, and initial equipment, machinery, and utilities necessary or appropriate for educational purposes; but does not include athletic stadiums, or structures or facilities intended primarily for athletic exhibitions, contests, or games or other events for which admission is to be charged to the general public.

(8) The term "State" includes in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(9) The term "State educational agency" means the State board of education or other agency or officer primarily, responsible for the State supervision of public elementary or secondary schools, or if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

By Mr. HUDDLESTON:

S. 702. A bill to amend section 1114, title 18, United States Code, so that Federal mine safety inspectors will be protected by criminal statutes; to the Committee on Human Resources.

Mr. HUDDLESTON. Mr. President, today I am reintroducing legislation to make it a Federal crime to assault or threaten Federal mine safety inspectors. This bill gives mine inspectors no new or additional authority. It merely extends to them the same protections under Federal law already afforded many other Federal employees in other departments carrying out similar security or safety functions.

The Federal Coal Mine Health and Safety Act of 1969 requires that every operating coal mine in the United States must be inspected several times a year. To make these inspections, the Mining Enforcement and Safety Administration, MESA, at the Department of the Interior employs some 1,400 coal mine safety inspectors with authority to assess violations and, where violations are particularly dangerous, to order the mine operation shut down until the condition is abated.

This is dangerous work—in many ways as dangerous as mining itself. And, for the inspector there is the added danger of abuse from one of a few operators who unfortunately still consider themselves above the law. In its report on a comparable bill last year, the Labor and Public Welfare Committee found that since 1972 there have been 31 documented cases of assaults upon or threats to Federal mine inspectors while in the performance of their duties. Absent the protection which would be afforded by this bill inspectors are now instructed to withdraw from a mine where they meet resistance, thus endangering the miners who continue to work until a court order can be obtained to continue the inspection.

These assaults and threats are a serious problem to everyone concerned. They are an intolerable hazard to the inspectors; a threat, to the health and safety of working miners who are denied, however temporarily, the protections of the Coal Mine Health and Safety Act; and an affront to the vast majority of coal operators who are honestly and responsibly trying to meet Federal safety standards.

The exact language of this bill has been approved by the Senate twice in the past past—first as part of the strip mining bill vetoed in 1975, and most recently as a separate bill which I introduced in March of last year. It is urgently needed, and I strongly request that it be considered and passed at the earliest possible date.

By Mr. PELL (for himself, Mr. GOLDWATER, and Mr. MATHIAS):

S. 703. A bill to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975, and for other purposes; to the Committee on Rules and Administration.

Mr. PELL. Mr. President, in 1975, the Congress enacted the Overseas Citizens Voting Rights Act, intended to increase participation in Federal elections by U.S. citizens living abroad.

That act, which I had the pleasure of cosponsoring with the distinguished senior Senator from Maryland (Mr. MATHIAS) and the distinguished senior Senator from Arizona (Mr. GOLDWATER) and others, was effective for the first time during the 1976 Federal elections and resulted in a very substantial increase in overseas voter participation in a democratic process.

Our experience in the 1976 elections also indicates, however, that improvements in the 1975 act are necessary to assure maximum overseas voter participation. For that reason, I am today introducing, with the distinguished senior Senator from Maryland (Mr. MATHIAS) and the distinguished senior Senator from Arizona (Mr. GOLDWATER) a bill to improve the administration and operation of the Overseas Citizens Voting Rights Act of 1975.

The Subcommittee on Privileges and Elections expects to hold hearings early in March, at which time the subcommittee will review the operation of the Overseas Citizens Voting Rights Act, and will welcome comments on the bill introduced today.

January 2, 1976, marked the culmination of the efforts of many of my colleagues and myself when the President signed into law the Overseas Citizens Voting Rights Act of 1975 (P.L. 94-203) to guarantee the constitutional right to vote, and to provide uniform procedures for absentee voting in Federal elections in the case of citizens residing outside of the United States.

Now that we have the elections of 1976 behind us, we must take a close look to determine whether this new law achieved the purpose for which it was intended—enfranchising our citizens who, for one reason or another, reside outside the country—and what changes might be required or recommended to improve the law's administration and operation.

The bill I am introducing today will improve the administration and operation of the law in many respects. First of all, it will vest the authority and responsibility for collecting and disseminating absentee voting information to citizens overseas in the President's designee under the Federal Voting Assistance Act of 1955 (50 U.S.C. 1451-1476), who is now the Secretary of Defense. The enforcement of the Overseas Citizens Voting Rights Act is vested in the Department of Justice and should remain there. No one, however, was given the responsibility of collecting and diseminating relevant information to citizens covered by that law. The Federal Voting Assistance Division of the Department of Defense, acting as the President's designee under the Federal Voting Assistance Act of 1955, has been performing this informational function for over 20 years for military personnel and since 1968 for civilians temporarily residing overseas. It would appear, therefore, that they could perform the same function for all overseas citizens at a minimal increase in manpower and expense.

The bill would also amend the 1975 act to facilitate the performance of this function and assure uniformity with the duties of the President's designee under the 1955 act. For example, the bill would authorize utilization of the same ballot application and free airmail postage provisions presently contained in the Federal Voting Assistance Act of 1955 for all citizens residing overseas. The President's designee under the 1955 act, furthermore, would be given the authority to revise the absentee registration and ballot application forms currently recommended for use under the 1955 act by military personnel and civilians temporarily residing abroad, and to develop a single form which could also be used by citizens covered by the Overseas Citizens Voting Rights Act. As under the 1955 act these forms will only be recommended for adoption by the States, not mandated.

In addition, the bill provides that any balloting material sent from the United States to persons covered by either act or returned by them to this country, shall be sent by priority airmail or by the most expeditious postal service available. The bill specifically states that such balloting material may be sent by civilians overseas from an overseas Armed Forces post office. Because of the often severe time limitations, the need to provide for the most expeditious form of transportation of balloting material is obvious. Toward the same end, the bill directs the Postmaster General to publicize and notify appropriate State election officials of the availability of free postage and the expedited mail delivery of balloting material. Section 9 of the bill would provide the necessary authorization of appropriations for the Postal Service to fulfill its responsibilities for handling the additional election materials for citizens covered by the Overseas Citizens Voting Rights Act.

Finally, section 4 of the bill provides that the exercise of any right to register or vote in Federal elections by any citizen outside the United States, and the retention by that citizen of any State or district as his or her voting residence or voting domicile solely for this purpose, shall not affect the determination of his or her place of residence or domicile for purposes of any tax imposed under Federal, State or local law.

A similar section was part of S. 95, as it passed the Senate in the 94th Congress, but was eliminated from the bill by the House of Representatives. One of the primary reasons large numbers of overseas citizens have declined to vote in elections back home has been the fear that they would be subjected to State taxation. Accordingly, I believe this provision is necessary to clarify their tax status.

The bill introduced today attempts to resolve a number of problems which arose during the 1976 elections. It is anticipated that other problems will be reviewed during hearing before the Subcommittee on Privileges and Elections, and will be addressed in legislation reported by the subcommittee where appropriate.

I ask unanimous consent that the text of the bill be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 702

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd) is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(4) 'official postcard' means a postcard application for registration to vote and for an absentee ballot in the form provided in section 204(c) of the Federal Voting Assistance Act of 1955 (50 U.S.C. 1464 (c)).".

SEC. 2. Section 4 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd-2) is amended by adding at the end thereof the following new subsection:

"(c) In carrying out the provisions of this section, it is recommended that each State—

"(1) accept any official postcard which is duly executed by any person who meets the requirements in section 3 of this Act as a simultaneous application for registration under such State's election laws and for an absentee ballot under such State's absentee balloting laws;

"(2) if a special application is required for registration by mail, provide that the necessary forms will be sent with the absentee ballot and may be returned with it;

"(3) authorize and instruct the State or local election officials, upon receipt of any official postcard application or any other application for registration to vote or for an absentee ballot, to mail immediately to the applicant a ballot, instructions for voting and returning the ballot, and a self-addressed envelope; and

"(4) provide that there be printed across the face of each envelope in which a ballot is sent two parallel horizontal red bars, each one-quarter inch wide, extending from one side of the envelope to the other side, with an intervening space of one-quarter inch, the top bar to be one and one-quarter inches from the top of the envelope, and with the words 'Official Election Balloting Material—via Air Mail', or similar language, between the bars; that there be printed in the upper right corner of each such envelope in a box, the words 'Free of U.S. Postage, Including Air Mail'; that all printing on the face of each such envelope be in red; and that there be printed in red in the upper left corner of each State ballot envelope an appropriate inscription or blanks for return address of sender.".

SEC. 3. The Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd) is amended—

(1) by redesignating sections 5, 6, 7, and 8 as sections 7, 8, 9, and 10, respectively; and

(2) by inserting immediately after section 4 the following new sections:

"CURRENT ABSENTEE VOTING INFORMATION

"SEC. 5. (a) The Presidential designee under section 201 of The Federal Voting Assistance Act of 1955 (hereafter in this Act referred to as the 'Presidential designee') shall request, annually or more often when appropriate, each State to furnish him with information on the current absentee registration and voting procedures of each State pertaining to citizens entitled to vote in Federal elections under this Act. Such information shall include election dates, officers to be elected, other matters to be voted on, any provisions under such State's law requiring the removal of the name of any person from such State's voter registration roll (for whatever reason), information related to the number of absentee voters in a State, and any other information relevant to Federal elections. Where consistent with their respective duties, the Attorney General and the Federal Election Commission shall assist the Presidential designee in collecting such information. The Presidential designee shall make available such information to any person who meets the requirements in section 3 of this Act, the Department of Justice, the Department of State, and any other appropriate department or agency of the Federal Government in a position to assist in the dissemination of such information. The Attorney General, the Secretary of State, and the head of any such department or agency are authorized to reprint such information and are directed to assist and cooperate with the Presidential designee in distributing such information to such persons.

"(b) The Presidential designee shall publicize, in the manner best designed to reach the persons meeting the requirements in section 3 of this Act, the right of such persons to vote in Federal elections and the procedures available to such persons to enforce that right, as provided in this Act.

"PRINTING AND TRANSMITTING OF POSTCARDS; FREE POSTAGE; PUBLICITY

"SEC. 6. (a) The Administrator of General Services shall cause to be printed and distributed to the Department of Justice, the Department of State, and any other appropriate department or agency of the Federal government official postcards for use in accordance with the provisions of this Act as directed by the Presidential designee. Such departments or agencies shall deliver or make available such postcards to persons meeting the requirements in section 3 of this Act no later than August 15 immediately before any general Federal election for use in such election. To the extent practicable, such postcards shall also be made available at appropriate times to such persons for use in special or primary Federal elections.

"(b)(1) The Postmaster General, the Attorney General, the Secretary of State, and the head of any other appropriate department or agency of the executive branch shall facilitate the transmission of balloting material, including official postcards, absentee ballotts, voting instructions, and envelopes for the return of such ballots, to and from persons meeting the requirements of section 3 of this Act.

"(2) Any balloting material sent from the United States to any person meeting the requirements of section 3 of this Act shall be sent by priority airmail or by the most expedited postal service available.

"(3) Any balloting material sent to the United States by any person meeting the requirements of section 3 of this Act shall be returned by priority airmail or by the most expedited service available, wherever practicable. Such material may be mailed from any Armed Forces post office in an overseas area established as provided in section 406 of title 39, United States Code. In the case of ballots executed outside the United States by any person, such ballots may be segregated from other forms of mail and placed in special bags marked with special tags printed and distributed by the Postmaster General for this purpose.

"(C) Official postcards, ballots, voting instructions, and envelopes for the return of such ballots, whether transmitted individually or in bulk, shall be free of postage, including airmail postage, in the United States mails.

"(d) In order to encourage the maximum use of the procedures set forth in this Act, the Postmaster General shall publicize, in the manner best designed to reach persons meeting the requirements in section 3 of this Act, and notify all appropriate State election officials regarding the availability of free postage and expedited mail delivery of balloting material under this Act.".

SEC. 4. Section 9 of the Overseas Citizens Voting Rights Act of 1975 (42 U.S.C. 1973dd-5), as redesignated by this Act, is amended—

(1) by inserting "(a)" immediately before "Nothing";

(2) by adding at the end thereof the following:

"(b) The exercise of any right to register or vote in Federal elections by any citizen outside the United States and the retention by such citizen of any State or district as his voting residence or voting domicile solely for the purpose of exercising such right shall not affect the determination of such citizen's place of residence or domicile for purposes of any tax imposed under Federal, State, or local law.".

SEC. 5. Section 202 of The Federal Voting Assistance Act of 1955 (50 U.S.C. 1462) is amended by inserting immediately after "voting procedures," the following: "any provisions under such State's law requiring the removal of the name of any person from such State's voter registration roll (for whatever reason), information related to the number of absentee voters in a State,".

SEC. 6. Section 203 of the Federal Voting Assistance Act of 1955 (50 U.S.C. 1463) is amended—

(1) by striking out "and" at the end of paragraph (2); and

(2) by striking out paragraph (3) and inserting in lieu thereof the following new paragraphs:

"(3) the Postmaster General and the heads of the departments and agencies concerned to facilitate the transmission of balloting materials to and from persons to whom this Act is applicable. Any balloting material sent from the United States to such persons shall be sent by priority airmail or by the most expedited postal service available. Any balloting material sent to the United States by such persons shall be returned by priority airmail or by the most expedited service available, wherever practicable. In the case of ballots executed outside the United States by any such person, such ballots may be segregated from other forms of mail and placed in special bags marked with special

tags printed and distributed for this purpose; and

"(4) the Postmaster General, in order to encourage the maximum use of the procedure set forth in this Act, to publicize, in the manner best designed to reach persons to whom this Act is applicable, and to notify all appropriate State election officials regarding the availability of free postage and expedited mail delivery of balloting material under this Act.".

SEC. 7. Section 204 of the Federal Voting Assistance Act of 1955 (50 U.S.C. 1464) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding the provisions of subsections (a) and (b), the Presidential designee shall design for purposes of carrying out the provisions of this Act and the Overseas Citizens Voting Rights Act of 1975 a single form of postcard application for registration to vote and for an absentee ballot. The Presidential designee is empowered to promulgate such form by regulation and upon adoption of such form, subsections (a) and (b) of this section shall have no effect."

SEC. 8. (a) Section 2401(c) of title 39, United States Code, is amended—

(1) by inserting after "title" a comma and the following: "the Overseas Citizens Voting Rights Act of 1975,"; and

(2) by striking out "Act" immediately before the period and inserting in lieu thereof "Acts".

(b) Section 3627 of title 39, United States Code, is amended by striking out "or under the Federal Voting Assistance Act of 1955" and inserting in lieu thereof "under the Federal Voting Assistance Act of 1955, or under the Overseas Citizens Voting Rights Act of 1975.".

Mr. MATHIAS. Mr. President, I am delighted to join with Senators PELL and GOLDWATER in introducing a package of amendments to the Overseas Citizens Voting Act of 1975, and the Federal Voting Assistance Act of 1955.

As my colleagues may recall, the passage of the Overseas Citizens Voting Act of 1975 was the result of a bipartisan effort, in which the distinguished senior Senators from Rhode Island and Arizona and I were at the forefront. The enactment of this important legislation removed the major impediments to the participation in Federal elections of thousands of American citizens living abroad and signaled Congress intent to end discrimination against private citizens overseas seeking access to the Federal franchise.

The Overseas Citizens Voting Rights Act clearly represented a major advance in the efforts of civilian Americans to secure the franchise in Federal elections. The experiences of the recent election, however, indicate the need for further refinements in the law. The bill which we now introduce is in part a result of the problems encountered by Americans seeking to vote in the 1976 Presidential and congressional elections.

Perhaps the most important provision in the proposed bill is section 4, which would clarify the Federal and State tax status of Americans voting pursuant to the provisions of the Overseas Citizens Voting Rights Act of 1975. A similar provision was contained in the Senate-passed version of S. 95, but was dropped at the insistence of the House. At the time that the Senate completed final action on S. 95, I indicated my dissatisfaction over the deletion of this provision. I stated then that Congress in the future might well want to incorporate this provision into Federal law to insure that the fear of State taxation did not discourage a significant number of Americans living overseas from participating in the electoral process.

The bill we are introducing today seeks to deal with the principal problems that have developed since the first experience with the act in the 1976 election. I pledge my best efforts to extend the full exercise of the right to vote to all our citizens, whether at home or abroad.

Mr. PELL. Mr. President, I ask unanimous consent that a statement by the Senator from Arizona (Mr. GOLDWATER), who is a cosponsor of this bill, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GOLDWATER

IMPROVING VOTING PROCEDURES FOR OVERSEAS CITIZENS

I am delighted to join today with the distinguished Chairman of the Senate Subcommittee on Privileges and Elections, Mr. Pell, in introducing legislation to correct the last remaining barriers to voting by Americans who are outside the United States.

There has been sizable advances in extending voting opportunities for Americans who cannot be in the country on Election Day. The Federal Voting Assistance Act of 1955 was the first major step in obtaining absentee registration and balloting privileges for United States citizens who cannot be physically present in the State of their voting domicile at the time of the election.

Then, in 1970, an amendment which I offered together with several other Senators, including the now senior Senator from Rhode Island, mandated uniform absentee registration and balloting rights for American citizens, who wish to vote for President and Vice-President, wherever they may be in the world. This provision, section 202 of the Voting Rights Act Amendments of 1970, helped to increase the number of absentee ballots cast in the 1972 Presidential election by 26% over the 1968 election.

Finally, two years ago, we enacted a new law aptly named the Overseas Citizens Voting Rights Act of 1975. I was privileged to cosponsor that proposal. It had the effect of extending the vote to all Americans outside the United States in Congressional, as well as Presidential, elections. It also cleared up a problem which had arisen under the 1970 law when some States refused to permit Americans abroad to vote unless they were rich enough to maintain two homes, one in the State and one abroad, during their absence.

Thus, the basic work has been accomplished of establishing uniform rights of voting and registering absentee for all Americans outside the country, whether for temporary or lengthy reasons and regardless of whether they continue to maintain an abode in their former State. Unfortunately, these laws have not been enough.

Citizens now have the technical right to register and vote by absentee ballot, but many thousands of them are effectively denied the franchise by administrative failures. Letter after letter has poured into my office documenting the fact that citizens who badly wanted to vote did not even receive an acknowledgment of their request for an absentee ballot. Other citizens receivd ballots, but too late to do them any good. In one county alone, Brevard, Florida, 600 absentee ballots arrived too late to be counted in the November 2nd general election. Most of these ballots arrived only one day too late and all were returned within a week after the polls closed.

It was not the fault of the voters. The absentee ballots were not mailed to them until October 18, leaving only two weeks for distributing the ballots overseas to voters and getting them back. Multiply the deprivation of votes in the case of these 600 citizens, who properly applied for and returned ballots, by the 3,099 counties and parishes throughout the nation, and you can see that the outcome of many elections may have been affected by procedural defects.

The bill we are introducing today is designed to correct as many of these administrative problems as possible. The legislation will serve as the basis for hearings out of which I anticipate many additional suggestions will be forthcoming which we can incorporate in a later version of the bill.

In short, the bill recommends a single application form for all elections, general, primary and special. It expedites the sending of ballots and balloting material, provides for free mailing in U.S. mails of ballot materials to and from the voter, and allows any citizen overseas, military or civilian, to use Armed Forces Post Office facilities. All such mail will be given priority handling treatment. Moreover, the bill seeks to prevent State governments from imposing income taxes on absentee voters for no reason other than the fact that they should exercise their right to vote.

I realize there are other features that may have to be included in the bill if it is to cover all the problems that have been brought to my attention. I will assist in having these additional issues raised at the hearings. For example, the hearings will allow consideration of the possibility of extending the deadlines for receiving absentee ballots in each State until a week after Election Day in situations where ballots have not been printed and distributed at least 20 days before the election. Or, in the alternative, the hearings might explore a uniform requirement that no changes in ballots be made within 20 days of an election. This would give State elections offices time to have absentee ballots printed and mailed to voters early enough to be returned by their usual statutory deadlines.

I am not concerned about the power of Congress to act in this field. It is well established that Congress can regulate federal elections, Congressional, as well as Presidential. The case of Buckley against Valeo is but the latest of several decisions by the Supreme Court to recognize broad Congressional power to legislate in connection with federal elections. Moreover, it is well established that both the right to vote and the freedom to travel are directly secured by the Constitution and can be protected by Congress.

There are over one million United States citizens, who may enjoy a greater certainty of obtaining an absentee ballot and having that ballot count under the legislation we are introducing today. If the bill were to be amended to extend the ballot receipt date or to prohibit changes in the ballot after the 20 days preceding an election; it might benefit over five million citizens. These Americans have a distinct and a direct interest in federal elections even if they are outside the United States.

If we in Congress truly wish to accomplish election reform, I suggest we act promptly to pass legislation which can help guarantee the vote to these millions of citizens who are fully qualified to vote, but are disenfranchised by mere administrative technicalities or failings. We can accomplish this reform immediately and simply by a statute of Congress, rather than a Constitutional Amendment. I urge that we act favorably upon this proposal.

By Mr. HEINZ (for himself and Mr. BIDEN):

S. 704. A bill to offset the human and economic hardships created by critical shortages of energy supplies of unusually severe weather conditions; to the Committees on Human Resources; Banking, Housing, and Urban Affairs; Small Business; and Governmental Affairs, jointly, by unanimous consent.

ENERGY AND WEATHER EMERGENCY ADJUSTMENT ASSISTANCE ACT OF 1977

Mr. HEINZ. Mr. President, in recognition of the grave human and economic hardships that have been created by recent shortages of critical energy supplies and unusually severe weather conditions, I am introducing the "Energy and Weather Emergency Adjustment Assistance Act of 1977." The distinguished Senator from Delaware (Mr. BIDEN), who shares my concern for those whose livelihoods have been threatened by the emergency conditions that persist across our Nation, joins me in sponsoring this legislation.

The ravages of this winter have been plain for all to see. Large and small businesses have been forced to close or curtail their operations. Hundreds of thousands of workers have been laid off from their jobs. The budgets of local governments have been depleted by expenditures to meet the exigencies of the energy and weather emergency.

The "Energy and Weather Emergency Adjustment Assistance Act of 1977" is designed to provide quick relief to working people, businesses, and communities through a combination of cash assistance, grants and loans. It is modelled after the adjustment assistance provisions in the Trade Act of 1974, and the bill addresses itself to the need for preventing this emergency from slowing the long term economic recovery.

Title I of this legislation creates adjustment allowances for working people who have been laid off because their companies have been adversely affected by energy shortages or severe weather conditions. These workers will be eligible to receive up to 85 percent of their average weekly salaries for each week during their first 3 months of unemployment, and up to 70 percent of their salaries during the second 3 months they are unemployed. If lay-offs are likely to be of a permanent nature, workers will be entitled to an additional allowance to defray the costs of participating in qualified training programs or job searches. Of course, the amount of any worker's weekly adjustment allowance would be reduced by the compensation he receives from unemployment insurance plans.

Title II of the bill is designed to help businesses cope with the effects of the weather and energy crisis. Under this legislation, severely impacted firms could receive grants to help repair physical damage caused by severe weather conditions or fuel shortages. Small businesses would be eligible to receive low-interest loans to help them meet their operating expenses, and thus headoff the potential tragedy of bankruptcy. Larger firms can, apply for loan guarantees to help insure that the current emergency does not destroy their ability to compete in the marketplace.

The third title of the Energy and Weather Emergency Adjustment Assistance Act is specifically geared to help already overburdened local governments offset the drains on their treasuries caused by bad weather or by energy shortages. This bill provides grants to help local communities repair damage to public facilities and to help them defray the costs of renting or purchasing equipment and supplies for emergency purposes. Additionally, communities would be eligible to receive low-cost loans to help make up temporary losses of tax revenues and to restore themselves to preemergency conditions.

This bill is clearly an emergency measure. It is warranted because a clear emergency exists in many parts of our country. I have been concerned about the way government and bureaucracy reacts to emergencies and to the human suffering that they engender. It is obvious to me that under dire conditions like those we are now experiencing, we cannot afford to proceed with business as usual. We need to act quickly and compassionately to help people face the personal and economic threats posed to them by difficult times.

Mr. President, I ask unanimous consent that the text of the Energy and Weather Emergency Adjustment Assistance Act of 1977 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 704

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Energy and Weather Emergency Adjustment Assistance Act of 1977".

TITLE I—ADJUSTMENT ASSISTANCE FOR WORKERS

PART A—CERTIFICATION OF ELIGIBILITY

SEC. 101. A petition for a certification of eligibility to apply for adjustment assistance under this title may be filed with the Administrator of the Federal Disaster Assistance Administration (hereinafter in this title referred to as the "Administrator") by a group of workers or by their certified or recognized union or other duly authorized representative.

SEC. 102. The Administrator shall certify a group of workers as eligible to apply for adjustment assistance under this title if he determines—

(1) that a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated,

(2) that sales or production, or both, of such firm or subdivision have decreased absolutely, and,

(3) that critical shortages of energy supplies or unusually severe weather conditions contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

SEC. 103. At the time of submitting a petition under section 101 of this title, or within six months thereafter such petition has been submitted, a group of workers may further petition the Administrator to further certify that a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm are likely to become totally separated on a permanent basis.

SEC. 104. (a) As soon as possible after the date on which a petition is filed under sections 101 or 103 of this title, but in any event not later than 15 days after that date, the Administrator shall determine whether the petitioning group meets the requirements of this title for certification of eligibility and shall issue a certification of eligibility to apply for assistance under this title covering workers in any group which meets such requirements. Each certification shall specify the date on which the total or partial separation began or threatened to begin.

(b) Whenever the Administrator determines, with respect to any certification of eligibility he may have issued under paragraph (a) of this section, that a substantial change of circumstances causes such certification to be no longer warranted, he shall terminate such certification and notify the affected group of such termination.

PART B—ADJUSTMENT ASSISTANCE ALLOWANCES

SEC. 105. Payment of an adjustment allowance shall be made to an adversely affected worker covered by a certification under section 104(a) of this title who files an application for such allowance for any week of unemployment which begins after the date specified in such certification, if the following conditions are met—

(1) Such worker's last total or partial separation before his application under this part occurred—

(A) on or after the date, as specified in the certification under which he is covered, on which total or partial separation began or threatened to begin in the adversely affected employment, and,

(B) before the termination date (if any) determined pursuant to section 104(b) of this title;

(2) Application for an adjustment allowance is made by such worker within three months of the time the certification under which he is covered had been issued; and,

(3) Such worker had, in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of $50 or more a week in adversely affected employment with a single firm or subdivision of a firm.

SEC. 106. For each week during the first three months a worker is entitled to receive an adjustment allowance under section 105 of this title, he shall receive 85 percent of his average weekly wage (but not in excess of the weekly manufacturing wage), reduced by—

(1) Remuneration received for services performed during the time of his entitlement, and,

(2) Any amount of unemployment compensation he receives or would receive if he applied for such compensation.

SEC. 107. For each week during the second three months a worker is entitled to receive an adjustment allowance under section 105 of this title, he shall receive 70 percent of his average weekly wage (but not in excess of the weekly manufacturing wage) reduced by—

(1) Remuneration received for services performed during the time of his entitlement, and,

(2) Any amount of unemployment compensation he receives or would receive if he applied for such compensation.

SEC. 108. Unless a worker is covered by a certification resulting from a petition made under section 103 of this title, he shall not be entitled to receive an adjustment allowance under this part for a period of time exceeding six months.

SEC. 109. (a) An adversely affected worker covered by a certification resulting from a petition made under section 103 of this title shall, upon application, be entitled to a fur-

ther adjustment allowance, in addition to any allowance provided for by sections 106 and 107 of this title, if the following conditions are met—

(1) Such order is entitled to receive an adjustment allowance under section 105 of this title, and

(2) He has received final or tentative notice from his employer that he has ceased to be employed at the firm or subdivision of the firm from which he had been separated.

(b) An adversely affected worker entitled to a further adjustment allowance under this section shall receive financial assistance to defray the cost of participating in a qualified training program and to offset 80 percent of the costs incurred in searching for new employment. The allowance provided under this section shall be made available to a worker for a period not to exceed twelve months after the date he first collected such allowance, and in no event shall any worker collect any allowance under this section if he has been suitably reemployed. The amount of allowance paid to any adversely affected worker under this section shall be reduced by the amount of any similar Federal or State benefits to which such worker may already be entitled.

SEC. 110. For the purposes of this part, the Administrator shall delegate his authority to the Secretary of Labor.

TITLE II—ADJUSTMENT ASSISTANCE FOR FIRMS

PART A—CERTIFICATION OF ELIGIBILITY

SEC. 201. A petition for a certification of eligibility to apply for adjustment assistance under this title may be filed with the Administrator of the Federal Disaster Assistance Administration (hereinafter in this title referred to as the "Administrator") by a firm or its representative.

SEC. 202. The Administrator shall certify a firm as eligible to apply for adjustment assistance under this title if he finds—

(1) A significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated.

(2) that sales or production, or both, of such firm have decreased absolutely, and,

(3) that critical shortages of energy supplies or unusually severe weather conditions contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

SEC. 203. As soon as possible after the date on which a petition is filed under section 201 of this title, but in any event not later than 15 days after that date, the Administrator shall determine whether the petitioning firm meets the requirements of this title for certification of eligibility and shall issue a certification of eligibility to apply for assistance under this title covering any firm which meets such requirements. Each certification shall specify the date on which critical shortages of energy supplies or unusually severe weather conditions began to contribute importantly to disrupting the operations of an adversely affected firm.

SEC. 204. Whenever the Administrator determines, with respect to any certification he may have issued under section 203 of this title, that a substantial change in circumstances causes such certification to be no longer warranted, he shall terminate such certification and notify the affected firm of such termination.

PART B—ADJUSTMENT ASSISTANCE ALLOWANCES

SEC. 205. An adversely affected firm covered by a certification issued under section 203 of this title shall, upon application to the Administrator, be paid a sum to defray 80 percent of the cost of repairing any damage done to its physical plant if—

(1) Such damage was caused by critical shortages of energy supplies or unusually severe weather conditions,

(2) Such damage occurred after the date, as specified in the certification under which the firm is covered, on which critical shortages of energy supplies or unusually severe weather conditions began to contribute importantly to disrupting the operations of the adversely affected firm, and,

(3) Financial resources for repairing such damage are not readily available from the operating budget of the adversely affected firm. In no case shall payments under this section to any firm exceed $50,000.

SEC. 206. (a) An adversely affected firm covered by a certification issued under section 203 of this title and meeting the definition of a "small business" under the Small Business Act shall, upon application to the Administrator, be granted a loan to be used for operating expenses, including payment of salaries, payments of fuel bills and contributions to unemployment insurance programs, if:

(1) Such firm may be unable to maintain a competitive market position without the aid of such loan, and,

(2) such firm may reasonably be expected to pay back such loan within a period not to exceed 25 years.

(b) The interest on a loan issued under this section shall not exceed four percent per annum.

(c) Any loan made to a firm under this section shall not reduce or otherwise affect any grants or other assistance under this title.

SEC. 207. (a) An adversely affected firm covered by a certification issued under section 203 of this title but not meeting the definition of a "small business" under the Small Business Act, shall, upon application to the Administrator, be granted a guarantee of loans it might negotiate if—

(1) such loans could not be secured without the benefit of a guarantee,

(b) such loans are necessary for the firm to maintain a competitive market position, and,

(3) there is reasonable assurance that such loans will be repaid.

(b) The rate of interest on loans which are guaranteed under this section shall be no higher than the maximum interest per annum that a participating financial institution may establish on guaranteed loans made pursuant to section 636 (a) of Title 15 of the United States Code.

(c) The Administrator shall make no guarantee of a loan having a maturity in excess of 25 years, including renewals and extensions.

(d) Any guarantee of a loan made under this section shall not reduce or otherwise affect any grants or other assistance under this title.

SEC. 208. (a) For the purposes of this part, the Administrator shall delegate his authority to the Administrator of the Small Business Administration in dealing with any firm meeting the definition of a "small business" under the Small Business Act.

(b) For the purposes of this part, the Administrator shall delegate his authority to the Secretary of Commerce in dealing with any firm that does not meet the definition of a "small business" under the Small Business Act.

TITLE III—ADJUSTMENT ASSISTANCE FOR COMMUNITIES

PART A—CERTIFICATION OF ELIGIBILITY

SEC. 301. A petition for certification of eligibility to apply for adjustment assistance under this title may be filed with the Administrator of the Federal Disaster Assistance Administration (hereinafter in this title referred to as the "Administrator") by a local government or its representative.

SEC. 302. The Administrator shall certify a local government as eligible to apply for adjustment assistance under this title if he determines—

(1) the number of unemployed people in the area over which such local government has jurisdiction has increased by 10 percent as a result of critical shortages of energy supplies or unusually severe weather conditions, or,

(2) such local government has made extraordinary expenditures amounting to 5 percent of its operating budget as a result of critical shortages of energy supplies or unusually severe weather conditions.

SEC. 303. As soon as possible after the date on which a petition is filed under section 301 of this title, but in any event not later than 15 days after that date, the Administrator shall determine whether the petitioning local government meets the requirements of this title for certification to apply for assistance under this title covering the local government which meets such requirements. Each certification shall specify the date on which critical shortages of energy supplies or unusually severe weather conditions began to cause the number of unemployed persons to increase in the areas under such local government's jurisdiction or began to cause such local government to make extraordinary expenditures.

SEC. 304. Whenever the Administrator determines, with respect to any certification of eligibility he may have issued under section 303 of this title, that a substantial chance of circumstances cause such certification to be no longer warranted, he shall terminate such certification and notify the affected local government of such termination.

PART B—ADJUSTMENT ASSISTANCE ALLOWANCES

SEC. 305. An adversely affected local government covered by a certification issued under section 303 of this title shall, upon application to the Administrator, be paid a sum to defray 90 percent of the cost of repairing damage to public facilities caused by critical shortages of energy supplies or unusually severe weather conditions, if such damage occurred after the date, as specified in the certification under which the local government is covered, on which critical shortages of energy supplies and unusually severe weather conditions began to cause the number of unemployed persons to increase in the areas under such local government's jurisdiction or began to cause such local government to make extraordinary expenditures. In no event shall a payment to a local government made under this section exceed $150,000.

SEC. 306. An adversely affected local government covered by a certification issued under section 304 of this title shall, upon application to the Administrator, be paid a sum to defray 75 percent of the cost of purchasing or renting equipment or supplies if such purchases or rentals were necessitated by critical shortages of energy supplies or unusually severe weather conditions, and if such purchases or rentals were necessitated by circumstances arising after the date, as specified in the certification under which the local government is covered, on which critical shortages of energy supplies and unusually severe weather conditions began to cause the number of unemployed persons to increase in the areas under such local government's jurisdiction or began to cause such local government to make extraordinary expenditures. In no event shall a payment to a local government made under this section exceed $90,000.

SEC. 307(a). The Administrator is authorized to make loans to any local government which has been certified under section 303 of this title and which may suffer a substantial loss of tax and other revenues as a result of critical shortages of energy supplies or unusually severe weather conditions.

(b) The amount of any loan made under this section shall be based on the local gov-

ernment's need for financial assistance to carry out its governmental activities, and shall not exceed 30 percent of the annual operating budget of the local government.

(c) The interest charged on any loan made under this section shall not exceed 2 per centum per annum. No loan shall be made under this section unless there is a reasonable expectation that a local government will pay back such loan within a period not to exceed 25 years.

(d) Any loans made under this section shall not reduce or otherwise affect any grants of assistance under this title.

SEC. 308. For the purposes of this part, the Administrator may delegate his authority to the Secretary of Commerce.

TITLE IV—GENERAL PROVISIONS

SEC. 401. There are authorized to be appropriated for fiscal year 1977 and fiscal year 1978 such sums as may be necessary to carry out this Act.

SEC. 402. This Act shall date effect 15 days after the date of enactment.

SEC. 403. The authority of the Administrator to certify groups of workers under Part A of Title I of this Act, firms under Part A of Title II of this Act, and local governments under Part B of Title III of this Act shall expire 9 months following the date on which this Act becomes effective.

Mr. STEVENS. Mr. President, I ask unanimous consent that a bill introduced earlier by the Senators from Pennsylvania and Delaware, providing energy and weather adjustment assistance be referred jointly to the Committees on Human Resources; Banking, Housing, and Urban Affairs; Small Business; and Governmental Affairs.

The PRESIDING OFFICER. Without objection, is is so ordered.

By Mr. JAVITS (for himself, Mr. KENNEDY, Mr. SCHWEIKER, Mr. WILLIAMS, Mr. BROOKE, Mr. BELLMON, Mr. PELL, Mr. STAFFORD, Mr. MATSUNAGA, Mr. CRANSTON, Mr. LAXALT, Mr. HUMPHREY, Mr. RANDOLPH, Mr. BAYH, Mr. INOUYE, Mr. HATHAWAY, Mr. RIEGLE, Mr. ANDERSON, Mr. METZENBAUM, and Mr. HART):

S. 705. A bill to amend the Public Health Service Act to revise and strengthen the program under that act for the regulation of clinical laboratories; to the Committee on Human Resources.

CLINICAL LABORATORY IMPROVEMENT ACT OF 1977

Mr. JAVITS. Mr. President, as the author of the Senate-passed Clinical Laboratories Improvement Act of 1976 (S. 1737) in the 94th Congress, I introduce the Clinical Laboratory Improvement Act of 1977 (S. 705).

The bill is cosponsored by 19 Senators: Senators KENNEDY, SCHWEIKER, BROOKE, BELLMON, PELL, STAFFORD, MATSUNAGA, CRANSTON, LAXALT, HUMPHREY, RANDOLPH, BAYH, INOUYE, HATHAWAY, RIEGLE, WILLIAMS, ANDERSON, METZENBAUM, and HART.

The bill, as did the cited Senate-passed bill in 1976, extends and expands the existing program of mandatory licensure to all laboratories—the 14,000 independent and hospital based clinical laboratories, and 50,000 to 80,000 medical labs in physicians' offices—soliciting and accepting specimens for laboratory analysis, to insure that these laboratories meet quality assurance standards and to prevent fraud and abuse.

A companion bill is being introduced in the House by the chairman of the Health and Environment Subcommittee, Congressman PAUL ROGERS of Florida.

The bill responds to the problems which compromise—both in economic and human terms—the quality and efficacy of laboratory testing, a key element in health care for all Americans.

Mr. President, there are problems:

When a patient dies, a child develops severe retardation, or when cancer in a patient goes undiagnosed, all because a laboratory test was incompetently conducted or read;

When key laboratory personnel—medical technologists—testify to the need for employee protection provisions in law so they can come forward freely to tell us in Congress the truth about the quality and accuracy of lab work, and the fraud and corruption in laboratory business.

Mr. President, there is also and in addition larceny in the laboratory and it must be stopped:

When, according it to a U.S. Senate subcommittee, there is rampant fraud in clinical laboratories;

When, because "certain criminal elements are involved in the purchase of laboratories," there is a major fraud investigation in New York City by the U.S. attorney's office.

When the Government Accounting Office—GAO—the investigatory arm of Congress—reports that its examination in four states and the District of Columbia shows physician markups of 151 percent in their billing to medicare and medicaid for patient lab work done at independent lab services.

These are not isolated instances. The litany of shocking truths about clinical labs is documented in testimony on problems of Medicaid fraud and abuse before the House Subcommittee on Oversight and Investigations; the Senate Subcommittee on Long-Term Care—report on fraud and abuse among clinical laboratories; and the hearings before the Health Subcommittee of the Senate Human Resources Committee.

This is a problem which cries out for reform, and I believe the bill I introduce today, which is substantially similar to last year's Senate passed bill, marks an historic milestone in a national commitment to provide quality laboratory testing and honest laboratory business administration.

Mr. President, I have indicated previously the bill I introduce today is almost identical to the Senate passed bill of last year and I would note that the first and principal recommendation of the staff report prepared for the Special Committee on Aging is:

1. The Clinical Laboratories Improvement Act of 1976 should be enacted at the earliest possible opportunity.

The key provisions of the bill:

First. Extend and expand the existing program of mandatory licensure to all laboratories (except those under the jurisdiction of Federal agencies other than the Department of Health, Education, and Welfare) soliciting and accepting specimens for laboratory analysis, with an exemption upon application for biomedical and behavioral research laboratories;

Second. Authorize the Secretary to promulgate standards and regulations to assure the quality, accuracy, and precision of laboratory testing in consultation with appropriate professional organizations concerning the development and implementation of such standards; and authorize the Secretary of Health, Education, and Welfare to license those laboratories meeting quality assurance standards;

Third. Authorize the Secretary to delegate his licensure authority to States implementing laboratory quality assurance programs at least equal to the Federal program;

Fourth. Authorize the Secretary or enforcing State to take necessary actions to revoke or suspend licenses, against laboratories not meeting the quality assurance standards;

Fifth. Authorize the Secretary of Health, Education, and Welfare to establish an Office of Clinical Laboratories, to establish a uniform regulatory program for all laboratories subject to Federal jurisdiction;

Sixth. Authorize the Secretary to exempt physicians' office laboratories where physicians file with the Secretary an attested application, including but not limited to a description of the qualifications of nonphysician laboratory personnel, the quality and type of tests conducted, and the score of proficiency testing examinations taken by such personnel; or as an alternative to an application for exemption from the standards, a physicians' office laboratory shall be exempt if it agrees to participate in approved proficiency testing programs;

Seventh. Authorize the Secretary to waive from the personnel standards laboratories located in rural areas;

Eighth. Authorize the Secretary and an enforcing State to utilize the services of private, nonprofit entities for the provision of inspection and proficiency testing services;

Ninth. Authorize $15,000,000 annually to permit the Secretary to provide technical and financial assistance to States to establish or administer laboratory quality assurance programs;

Tenth. Authorize the Secretary to inspect laboratories;

Eleventh. Authorize the Secretary to seek revocation of a laboratory's license where it is found that the laboratory has engaged in kickbacks, bribes, or false, fictitious, or fraudulent billing practices; with a penalty for such conduct of a maximum $25,000 fine or 5 years' imprisonment; and

Twelve. Prohibit discrimination by any licensed laboratory against any employee who has become involved in any activity concerning allegations that the laboratory is in violation of this section.

The major differences between the bill I introduce today and the Senate passed bill are:

First. In lieu of the individual physician office lab submitting a detailed application for exemption from the national standards, such labs would be exempt from the standards if they participated in a proficiency testing program approved by the Secretary of the Department of Health, Education and Welfare.

Second. Provision is made for an exemption from the national standards for any clinical lab in which the tests or procedures are primarily for biomedical or behavioral research, as contrasted to patient care.

From these laboratories have come many of the recent important advances in the diagnosis of disease, and that process should be encouraged in every way consistent with the public welfare and safety. Since the time of the Senate passed bill, attention has been called to the special requirements of these research laboratories. Frequently staffing patterns and educational background of personnel are different in research laboratories; therefore the Senate passed bill might have inhibited the transfer of their research-proven ideas to clinical diagnosis and care. The bill I introduce requires the Secretary to formulate special procedures for the regulation of those clinical laboratories which engage in biomedical and behavioral research so that they may continue their vital function.

Third. Strengthened antifraud and abuse provisions—by increasing the maximum penalty for such criminal conduct to a maximum fine of $25,000 or 5 years' imprisonment.

Fourth. Requiring satisfactory performance by the lab on periodic proficiency testing and that such testing include "blind" proficiency testing—a system whereby the laboratory is not informed that its proficiency in the examination of specimens is being tested.

Mr. President, laboratory testing occupies an increasingly important place in both diagnostic and preventive medicine. Right now we perform 4.4 billion tests a year at a cost, for the tests alone, of some $12 billion as of 1975. By 1980 we estimate 8.8 billion clinical tests annually, at a cost of about $15 billion. Yet mounting evidence indicates that the quality of much laboratory testing falls far short of adequacy.

We are dealing with the health and lives of millions of Americans—every American is entitled to protection from inaccurate and unreliable lab tests, and many of these in turn result from a failure to regulate the laboratories.

Lack of effective Federal control is in great measure due to the bureaucratic problems attendant on Federal responsibility for assuring the quality of laboratory activities—there are three different agencies responsible for administering the program—and the record demonstrates unequivocally that one agency did not know what the other was doing. There is no uniform and meaningful regulation and control.

Mr. President, when I testified at the hearings before the Subcommittee on Health and the Environment of the House Committee on Interstate and Foreign Commerce respecting clinical lab legislation, I was asked about the interagency laboratory agreement that negated allegedly the need for the legislation. I responded I had little faith in its becoming meaningful.

Mr. President, I ask unanimous consent that the full text of that portion of the hearing be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Excerpt]

Mr. FLORIO. The last point is that there are those who are opposed to the whole concept of legislative involvement in this matter on the basis of the fact that the administration is in the process of dealing with this matter through the interagency laboratory agreement. I wonder if you might give us a few of your thoughts on why this administrative approach is not a viable approach, the administrative approach.

Senator JAVITS. The difficulty with the interagency approach is that nothing happens. The whole thing seems to be frozen. That is true also of the administration's supposed report on this subject.

Mr. FLORIO. Are you familiar with the fact that it took two years to put together the Medicare independent laboratory standards?

Senator JAVITS. Exactly right.

Mr. FLORIO. Is this probably what we should not expect with regard to the interagency interplay?

Senator JAVITS. And more.

Mr. FLORIO. Thank you very much.

Senator JAVITS. More of the same.

Mr. JAVITS. Mr. President, the accuracy of my response and the fact that we should not rely on such interagency cooperation—given the long history of bureaucratic backbiting and infighting—was regrettably just recently brought to public attention in a memo dated January 24, 1977, whereby the Center for Disease Control, responsible for interstate licensure under the Clinical Laboratories Improvement Act of 1967—applicable only to 900 large commercial labs—has balked at assignment of its licensure power to the medicare process.

My colleagues may recall that as the Senate prepared for hearings on a revision of CLIA 1967, my Senate-passed bill of the last Congress, HEW announced an interagency agreement among the Center for Disease Control, CDC; Bureau of Health Insurance, medicare; and Bureau of Quality Assurance, adviser to BHI.

Moreover, there had been other attempts at interagency cooperation but they too had broken down. The new effort was in direct response to our bill and was based on the assumption that no agency had any insuperable objection to nailing down an agreement with a redelegation of powers.

I believe the memo, which will be included in the RECORD at the conclusion of my remarks, establishes conclusively the need for the bill's proposed Office of Clinical Laboratories to establish a uniform regulatory policy.

This bill's fundamental goal is laboratory improvement—which State and Federal governments foster, professional associations sponsor, laboratory directors attempt to achieve, and upon which our public health depends.

Expanding licensing procedures, tougher enforcement policies, coordinated efforts by State and Federal offices, as provided in the bill, will help reduce the abuses I have mentioned today as well as those earlier documented by the Senate committees. I believe that we can now begin our attack on these vicious practices perpetrated on the public.

Yet until this bill is enacted into law I am concerned that widespread laboratory improvement remains illusory.

Mr. President, I ask unanimous consent that the CDC memo of January 24, 1977, and the full text of the bill be printed in the RECORD.

There being no objection, the bill and memo were ordered to be printed in the RECORD, as follows:

S. 705

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Clinical Laboratory Improvement Act of 1977".

FINDINGS

SEC. 2. The Congress finds that—

(1) clinical laboratory testing is a vital element of health care throughout the Nation;

(2) health care in this Nation will only be effective and of high quality if procedures utilized for testing by clinical laboratories assure accurate and reliable results;

(3) it is essential to the public interest that the health and welfare of consumers of health care be protected by requiring that all clinical laboratories comply with uniform standards to assure accurate and reliable testing by laboratories;

(4) testing in clinical laboratories which do not comply with such standards can be performed at less expense and thus such laboratories are able to compete unfairly with the clinical laboratories which do comply with such standards;

(5) requiring compliance with standards to assure accurate and reliable testing by clinical laboratories which operate in interstate commerce without provision for requiring compliance with such standards by other clinical laboratories will discriminate against and depress interstate commerce and adversely burden, obstruct, and affect such commerce; and

(6) all clinical laboratory testing is either in interstate commerce or substantially affects such commerce and regulation by the Secretary in cooperation with the States as contemplated by the amendment made by this Act is appropriate to prevent and eliminate burdens upon interstate commerce, to effectively regulate interstate commerce, and to protect the health and welfare of consumers of health care.

AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT

SEC. 3. Section 353 of the Public Health Service Act is amended to read as follows:

"REGULATION AND LICENSING OF CLINICAL LABORATORIES

"SEC. 353. (a) DEFINITIONS.—As used in this section—

"(1) The terms 'laboratory' and 'clinical laboratory' mean (A) a facility for the biological, microbiological, serological, chemical, immuno-hematological, radioimmunological, hematological, biophysical, cytological, pathological, or other examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, man, or (B) a facility for the collection, processing, and transmission of such materials for such purposes,

other than a facility exclusively engaged in the collection, processing, or transmission of human whole blood or its components.

"(2) The term 'interstate commerce' means trade, traffic, commerce, transportation, transmission, or communication between any State, territory, or possession of the United States, the Commonwealth of Puerto Rico, or the District of Columbia, and any place outside thereof, or within the District of Columbia.

"(b) NATIONAL STANDARDS.—(1) Within one hundred and eighty days of the date of the enactment of the Clinical Laboratory Improvement Act of 1977, the Secretary shall publish proposed national standards for clinical laboratories. Within one year after such date of enactment, the Secretary shall promulgate such standards with such modifications as the Secretary deems appropriate and such standards shall take effect upon their promulgation. Standards under this subsection may be amended from time to time.

"(2)(A) National standards promulgated under paragraph (1) for clinical laboratories shall be designed to assure consistent performance by clinical laboratories of accurate and reliable laboratory tests and other procedures and services and shall—

"(i) require clinical laboratories subject to the standards to maintain appropriate quality control programs,

"(ii) require such laboratories to maintain such records, equipment, and facilities as may be necessary for the proper and effective operation of such laboratories,

"(iii) require satisfactory performance by such laboratories on periodic proficiency tests developed in accordance with paragraph (3)(C),

"(iv) to the extent necessary to insure the accuracy and reliability of performance of tests by such laboratories, prescribe qualifications for directors and supervisory personnel of such laboratories, laboratory technical personnel, and any other laboratory personnel, which qualifications shall (I) not be limited to education requirements but shall include as alternative requirements appropriate training, experience, and examination requirements, (II) include requirements designed to insure the continued competence of laboratory personnel, and (III) take into account improvements in technology utilized in laboratory testing,

"(v) contain adequate provisions for the enforcement of the standards, including provisions for inspections and monitoring, and

"(vi) include such other requirements as the Secretary determines necessary to assure consistent performance by such laboratories of accurate and reliable tests and other procedures and services.

"(B) Standards prescribed under subparagraph (A) for clinical laboratories may vary on the basis of the type of tests, procedures, or services performed by such laboratories or the purposes for which such tests, procedures, or services are performed.

"(C) The Secretary shall, in accordance with subsection (c), administer and enforce the national standards promulgated under paragraph (1).

"(3) Within one year of the date of the enactment of the Clinical Laboratory Improvement Act of 1977, the Secretary in consultation with appropriate professional organizations shall (A) develop job-related proficiency and practical examinations (including reasonabe standards for determining successful completion of such examinations) for personnel in clinical laboratories which examinations reflect the nature of the work performed by such personnel, (B) develop mechanisms designed to assure the continued competence of such personnel, and (C) develop standards for the proficiency testing of clinical laboratories which standards (i) shall require such tests to be administered at least annually to all laboratories subject to the national standards in effect under paragraph (1), and (ii) shall include a requirement for a system for the testing of a laboratory's proficiency in the examination of specimens under which system the laboratory is not informed that its proficiency is being tested (commonly referred to as 'blind proficiency testing').

"(c) APPLICATION OF NATIONAL STANDARDS.—(1) National standards for clinical laboratories in effect under subsection (b) shall, except as provided in paragraph (2) and subsection (h)—

"(A) apply to each clinical laboratory which is engaged in business in interstate commerce, and

"(B) apply to any other clinical laboratory which is located in a State which (as determined under subsection (d)) does not have primary enforcement responsibility for the regulation of clinical laboratories.

"(2)(A) The Secretary upon request of a State which has primary enforcement responsibility for the regulation of clinical laboratories shall authorize such State to regulate, under the standards of the State described in subsection (d)(1)(A)(i), clinical laboratories located or doing business within the State, as determined by the State, which are described in subparagraph (A) of paragraph (1).

"(B) During the two-year period beginning on the date that national standards first take effect under subsection (b) such standards shall not apply to clinical laboratories which are not engaged in business in interstate commerce.

"(C) During the two-year period beginning on the date that national standards for clinical laboratories first take effect under subsection (b) (or, in the case of a clinical laboratory which is not engaged in business in interstate commerce, during the two-year period beginning on the date such standards are first made applicable to such laboratory), the provisions of such standards prescribing qualifications for supervisory or other personnel shall not apply to a clinical laboratory which—

"(i) the Secretary determines is located in a rural area (as defined by the Secretary) in which individuals with the qualifications prescribed by such provisions are not available,

"(ii) performs services solely for hospitals and licensed physicians, dentists, or podiatrists (or any combination of such practitioners) located within such a rural area, and

"(iii) provides the Secretary satisfactory assurances that it will take such actions as may be necessary to train individuals to meet such qualifications or to employ individuals with such qualifications.

"(D)(i) Upon such conditions as the Secretary may by regulation prescribe, the Secretary may, upon application, exempt from the national standards for clinical laboratories any clinical laboratory—

"(I) which is located in the office of, and operated by, a licensed physician, dentist, or podiatrist, or a group of such practitioners, and

"(II) in which the only tests or procedures which are performed are tests or procedures performed by such a practitioner in connection with the treatment of his patients.

"(ii) Upon such conditions as the Secretary may by regulation prescribe, the Secretary may, upon application, exempt from the national standards for clinical laboratories any clinical laboratory—

"(I) which is located in the office of, and operated by, a licensed physician, dentist, or podiatrist, or a group of not more than five such practitioners and in which the only tests or procedures which are performed are tests or procedures performed in connection with the treatment of the patients of such practitioner (or practitioners), and

"(II) in which the only tests or procedures which are performed are tests or procedures described in clause (i)(II) of this subparagraph and routine tests or procedures, as determined by the Secretary, or only such routine tests or procedures.

An application for the issuance of an exemption under this clause shall be attested to by the applicant and shall include an estimation of the number and a specification of the type of tests and procedures conducted in the laboratory for which the application is submitted, a description of the qualifications (including the educational background, training, and experience) of personnel who are not physicians, dentists, or podiatrists and who participate in the conduct of tests and procedures, the collection of specimens, and the transmission of specimens; a specification of the quantity and type of tests and procedures conducted by such personnel; the type of proficiency testing (if any) participated in by such personnel and the scores received in such testing; and a description of the quality control programs in effect in the laboratory for which the application is submitted. If the Secretary finds, after reasonable notice and opportunity for a hearing, that a laboratory granted an exemption under clause (i) or this clause is not a laboratory which is described by subclauses (I) and (II) of clause (i) or this clause, as the case may be, or that the owner or operator of such laboratory was guilty of misrepresentation in obtaining the exemption, the Secretary shall by order published in the Federal Register withdraw the exemption granted such laboratory.

"(iii) The national standards for clinical laboratories shall not apply to any clinical laboratory described in subclauses (I) and (II) of clause (ii) if the laboratory participates in a proficiency testing program approved by the Secretary and if the laboratory has submitted to the Secretary in accordance with this clause notice of its participation in such a program. The notice required by this clause shall be made in such form and manner as the Secretary shall prescribe and shall be submitted to the Secretary at such times as the Secretary may prescribe. The Secretary may not approve a proficiency testing program for purposes of this clause unless the program has entered into an agreement with the Secretary to provide information to the Secretary respecting the results of the proficiency tests administered under such program.

"(iv) The Secretary shall, upon application, exempt, on such terms and conditions as may be appropriate, from the national standards for clinical laboratories any laboratory in which the tests or procedures which are performed are primarily tests or procedures for biomedical or behavioral research.

"(3) Except as authorized under subsection (d), no State or political subdivision may adopt or continue in effect requirements (other than licensing requirements applicable to directors, supervisory personnel, technologists, or technicians in clinical laboratories and requirements applicable to clinical laboratories under a certificate of need program) which—

"(A) are applicable to clinical laboratories, and

"(B) are different from or in addition to the national standards for clinical laboratories in effect under subsection (b).

"(4) Any clinical laboratory which is engaged in business in interstate commerce shall, during the period beginning on the date of the enactment of the Clinical Laboratory Improvement Act of 1977 and ending on the date such laboratory is required to have in effect a license issued under this section, as amended by such Act, comply with the licensing requirements in effect under this section before such date of enactment.

"(d) PRIMARY ENFORCEMENT RESPONSIBILITY.—(1)(A) For purposes of this sec-

tion, a State has primary enforcement responsibility for the regulation of clinical laboratories described in paragraph (2) during any period for which the Secretary determines (pursuant to regulations prescribed under paragraph (3)) that such State—

"(i) has adopted (I) standards applicable to clinical laboratories which are no less stringent than the national standards in effect under subsection (b), and (II) a system for the licensure of laboratories which meets the requirements of subparagraph (B) of this paragraph and which includes provisions respecting applications and submissions to health systems agencies, which provisions are no less stringent than the provisions of paragraph (1)(B) of subsection (e) and includes provisions respecting the suspension, revocation, and eligibility for licenses which provisions are no less stringent than the provisions of paragraph (2) of subsection (e),

"(ii) has adopted and is able to implement adequate procedures for the enforcement of such State's standards, including such monitoring and such inspections as the Secretary may require by regulation,

"(iii) will keep such records and make such reports with respect to its activities under clauses (i) and (ii) as the Secretary may require by regulation,

"(iv) if it permits exemptions from the requirements of its standards which meet the requirements of clause (i)(I), permits such exemptions under conditions and in a manner which are no less stringent than the conditions and the manner in which exemptions are or may be granted under subsection (c)(2),

"(v) has adopted and can implement adequate procedures for the effective and timely control of health hazards which may result from an activity of a clinical laboratory within the State, and

"(vi) has designated a single agency of the State to enforce its standards and to administer its system for licensure of clinical laboratories.

"(B) For the purpose of primary enforcement responsibility under this subsection, a State system for the licensure of clinical laboratories—

"(i) shall prescribe that licenses issued under such system shall be valid for such period (but not in excess of twenty-four months) as is prescribed under the system, and may require a fee for the issuance or renewal of a license in an amount (not in excess of $500) determined under the system;

"(ii) may provide for variances in such fees based on the volume of tests or procedures performed by the clinical laboratories subject to such fees; and

"(iii) shall provide that licenses issued for a clinical laboratory shall specify the categories of tests and procedures which such laboratory may perform.

"(2) The clinical laboratories subject to regulation by a State which has primary enforcement responsibility are—

"(A) clinical laboratories (other than clinical laboratories described in subsection (h)) which are located within such State and which are not engaged in business in interstate commerce, and

"(B) if authorized under subsection (c)(2)(A), any other clinical laboratory (other than a clinical laboratory described in subsection (h)) engaged in business in interstate commerce and located or doing business within the State, as determined by the State.

"(3)(A)(i) The Secretary shall, by regulation (proposed within one year of the date of the enactment of the Clinical Laboratory Improvement Act of 1977), prescribe the manner in which a State may apply to the Secretary for a determination that the requirements of paragraph (1) are satisfied with respect to the State, the manner in which the determination is made, the period for which the determination will be effective, and the manner in which the Secretary may determine that such requirements are no longer met. The Secretary shall, at least every two years, review the clinical laboratory regulatory activities of a State with primary enforcement responsibility to determine if the State continues to meet the requirements of paragraph (1).

"(ii) Regulations under this subparagraph shall require that before a determination of the Secretary that the requirements of paragraph (1) are not met or are no longer met with respect to a State may become effective, the Secretary shall notify such State of the determination and the reasons therefor, shall provide an opportunity for public hearings on the determination, and, in the case of a determination that such requirements are no longer being met by a State, shall prescribe the period within which such State must comply with such requirements to retain its primary enforcement responsibility. Such regulations shall be promulgated (with such modifications as the Secretary deems appropriate) within ninety days of the publication of the proposed regulations in the Federal Register. The Secretary shall promptly notify in writing the chief executive officer of each State of the promulgation of regulations under this subparagraph. Such notice shall contain a copy of the regulations and shall specify a State's authority under this section when it is determined to have primary enforcement responsibility for clinical laboratories.

"(B) When an application is submitted in accordance with the Secretary's regulations under subparagraph (A), the Secretary shall within ninety days of the date on which such application is submitted (i) make the determination applied for, or (ii) deny the application and notify the applicant in writing of the reasons for the denial.

"(e) LICENSES.—(1)(A) The Secretary shall establish a system for the licensure of clinical laboratories subject, as determined under subsection (c), to national standards in effect under subsection (b). A license issued under such system for a clinical laboratory (i) shall specify the categories of tests and procedures which such laboratory may perform, and (ii) shall be valid for such period (but not in excess of twenty-four months) as the Secretary may prescribe. A fee may be required by the Secretary for the issuance or renewal of a license in an amount not to exceed $500. The Secretary may prescribe variances in such fees based on the volume of tests or procedures performed by the clinical laboratories required to be licensed.

"(B) The system established under paragraph (A) shall require the following as a condition to the issuance or renewal of a license under the system:

"(i) The submission of an application in such form and manner as may be prescribed by the Secretary.

"(ii) A determination by the Secretary that the applicant meets the national standards in effect under subsection (b).

"(iii) The submission by the applicant to the Secretary and to the health systems agency serving the area in which the applicant is located of (I) an accurate itemized schedule of all current rates the applicant charges (including such a schedule of rates for common groupings of tests) for the laboratory services it provides, and (II) such information as may be necessary to disclose any contractual relationships in effect between the applicant and physicians and other health professionals respecting the laboratory's services and the terms of any contracts between the applicant and such persons.

"(C) From the information submitted in accordance with subparagraph (B)(iii) a health systems agency may not disclose—

"(i) the identity of any person for whom an applicant for a license performed services except in response to a request of an officer or employee of the United States or a State made in accordance with regulations of the Secretary and in connection with the functions or duties of the officer or employee in the enforcement of this section or of a Federal or State criminal law; and

"(ii) any contractual relationship described in subclause (II) of such subparagraph, except that, in accordance with regulations promulgated by the Secretary, the health systems agency may disclose (I) a contractual relationship between the applicant and any physician for the performance of services if the applicant receives compensation under title XVIII of the Social Security Act or under a State plan for medical assistance approved under title XIX of such Act for the performance of clinical laboratory services, and (II) any contractual relationship described in such subclause (II) in response to a request of an officer or employee of the United States or a State made in connection with the functions or duties of the officer or employee in the enforcement of this section or a Federal or State criminal law.

"(2)(A) If the Secretary finds, after reasonable notice and opportunity for hearing to the owner or operator of a clinical laboratory licensed under this subsection, that—

"(i) such laboratory is not in compliance with applicable national standards in effect under subsection (b), or

"(ii) such laboratory has (I) failed to comply with reasonable requests of the Secretary for any information or specimens, or work on specimens, the Secretary deems necessary to determine the laboratory's continued eligibility for its license under this subsection or continued compliance with applicable national standards in effect under subsection (b), or (II) refused a request of the Secretary or any Federal officer or employee duly designated by him for permission to inspect, under subsection (l), the laboratory and its operations and relevant records at any reasonable time,

the Secretary may revoke such laboratory's license for the remainder of its term or may limit or suspend such laboratory's license until the owner or operator of such laboratory has demonstrated to the satisfaction of the Secretary that the laboratory is in compliance with such national standards or such requests will be complied with, as the case may be.

"(B) If the Secretary finds, after reasonable notice and opportunity for a hearing to the owner or operator of a clinical laboratory licensed under this subsection, that such owner or operator—

"(i) has been guilty of misrepresentation in obtaining the license;

"(ii) has engaged or attempted to engage in, or represented himself as entitled to perform, any laboratory test or procedure or category of tests or procedures not authorized by the license;

"(iii) has engaged in a billing practice under which charges for laboratory services provided a patient, on whose behalf reimbursement (in whole or in part) for such charges is provided under a program receiving Federal financial assistance, are made at a higher rate than charges for comparable services provided a patient for whom such reimbursement is not made;

"(iv) has offered, paid, solicited, or received any kickback or bribe in the form of money or any other thing of value in connection with the provision of clinical laboratory services; or

"(v) has engaged in any false, fictitious, or fraudulent billing practice for the purposes of obtaining payment under any program the funds for which are provided in whole or in part by the United States,

the Secretary may revoke such license for the remainder of its term or may make such persons ineligible to apply for a license under

this subsection for such period (not to exceed two years) as the Secretary may prescribe, or take both such actions. A billing practice which results in different charges for the same laboratory services solely because of differences in administrative costs related to receiving reimbursement for the provision of such services shall not be considered a billing practice described in clause (iii).

"(C) Any owner or operator of a clinical laboratory who is convicted under paragraph (1) or (2) of subsection (j) of this section or under section 1877(b) or 1909(b) of the Social Security Act after the date of enactment of the Clinical Laboratory Improvement Act of 1977 for a violation occurring after such date shall not be eligible to apply for a license under this subsection for a clinical laboratory during the ten-year period beginning on the date such person's conviction became final and the license of the laboratory involved in such violation shall be revoked.

"(f) JUDICIAL REVIEW.—(1) Any person aggrieved by any final action taken under subsection (e)(2) of this section may at any time within sixty days after the date of such action file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business for judicial review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. The Secretary thereupon shall file in the court the record on which the action of the Secretary is based, as provided in section 2112 of title 28, United States Code.

"(2) If the petitioner applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon a hearing in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original action, with the return of such additional evidence.

"(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action, or to set it aside in whole or in part, temporarily or permanently. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

"(4) The judgment of the court affirming or setting aside, in whole or in part, any such action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

"(g) AGREEMENTS.—(1) The Secretary and any State which has primary enforcement responsibility for the regulation of clinical laboratories may enter into agreements with qualified public or nonprofit private entities which, as determined by the Secretary or such State, as the case may be, have adopted laboratory standards at least as stringent as those in effect under subsection (b) (or in the case of agreements to be entered into by such a State, at least as stringent as those in effect in such State under subsection (d)) under which agreements such entities would—

"(A) make such inspections as the Secretary or such State may require to determine if clinical laboratories are in compliance with applicable standards,

"(B) administer (i) such proficiency tests as the Secretary or such State may require for clinical laboratories, or (ii) such examinations of laboratory personnel as the Secretary or such State may require, or

"(C) do any combination of the activities described in subparagraphs (A) and (B).

"(2) If the Secretary has entered into an agreement under the first sentence of section 1864(a) of the Social Security Act for the enforcement of the requirements of section 1861 of such Act with respect to clinical laboratories by a State which does not have primary enforcement responsibility for the regulation of clinical laboratories, the Secretary may enter into an agreement under this subsection with such a State for the enforcement within such State of the requirements of national standards in effect under subsection (b) with respect to clinical laboratories not subject to the requirements of such section 1861.

"(h) FEDERAL CLINICAL LABORATORIES.—(1) Federal clinical laboratories under the jurisdiction of the Secretary shall be subject to national standards in effect under subsection (b) and any other Federal clinical laboratory in a State shall be subject to such standards unless (A) the laboratory is under the jurisdiction of any of the Armed Forces of the United States or the Administrator of Veterans' Affairs, or (B) the agency which has jurisdiction over such laboratory has in effect standards for such laboratory which are no less stringent than the national standards in effect under subsection (b).

"(2) The Secretary shall bring the national standards in effect under subsection (b) to the attention of the Secretary of each military department and the Administrator of Veterans' Affairs so that such standards may be considered and applied as appropriate by such Secretaries and Administrator to clinical laboratories under their jurisdiction.

"(i) INJUNCTION.—Whenever the Secretary has reason to believe that continuation of any activity by a clinical laboratory required to be licensed under this section by the Secretary would constitute a significant hazard to the public health, he may bring suit in the United States district court for the district in which such laboratory is situated to enjoin continuation of such activity and, upon proper showing, a temporary injunction or restraining order against continuation of such activity pending issuance of a final order by the court shall be granted without bond.

"(j) PROHIBITED ACTS.—(1) Any person who solicits, or any owner or operator who accepts, directly or indirectly, any specimen for a laboratory test or other laboratory procedure by a clinical laboratory which is required to have in effect a license issued by the Secretary under subsection (e) and which does not have such a license in effect or which is not authorized by its license to perform such test or procedure, shall be fined not more than $10,000 or imprisoned for not more than one year, or both.

"(2) Any owner or operator of a clinical laboratory, or any employee thereof, who willfully engages in any false, fictitious, or fraudulent billing practice for the purpose of obtaining payment for laboratory services provided under title XVIII of the Social Security Act, a program established pursuant to title V of such Act, or a State plan for medical assistance approved under title XIX of such Act shall be fined not more than $25,000 or imprisoned for not more than five years, or both.

"(3) No clinical laboratory which is required to have in effect a license issued by the Secretary under subsection (e) or a license issued by a State with primary enforcement responsibility for the regulation of clinical laboratories and which does not have such a license in effect may—

"(A) receive a grant, contract, or other form of financial assistance under this Act, or

"(B) charge or collect for laboratory services for any entity which receives a grant, contract, or other form of financial assistance under this Act.

The charges of such a laboratory may not be included in determining Federal payments under title XVIII or XIX of the Social Security Act.

"(k) EMPLOYEE PROTECTION.—(1) No employer may discharge any employee or otherwise discriminate against any employee with respect to the employee's compensation or the terms, conditions, or privileges of his employment solely because the employee (or any person acting pursuant to a request of the employee) has

"(A) commenced or caused to be commenced a proceeding under this section or a proceeding by a State in carrying out its primary enforcement responsibility;

"(B) testified or is about to testify in any such proceeding; or

"(C) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carryout the purposes of this section.

"(2)(A) Any employee who believes that the employee has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within thirty days after such alleged violation occurs, file (or have any person file on the employee's behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the 'Secretary') alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

"(B)(i) Upon receipt of a complaint filed under subparagraph (A), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within thirty days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting on behalf of the complainant) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within ninety days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by clause (ii) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for agency hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

"(ii) If in response to a complaint filed under subparagraph (A) the Secretary determines that a violation of paragraph (1) has occurred, the Secretary shall order (I) the person who committed such violation to take affirmative action to abate the violation, (II) such person to reinstate the complainant to the complainant's former position together with the compensation (including back pay), terms, conditions, and privileges of the complainant's employment, (III) the award of compensatory damages, and (IV) where appropriate, the award of exemplary damages. If such an order is issued, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal

to the aggregate amount of all costs and expenses (including attorney's fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

"(3)(A) Any person adversely affected or aggrieved by an order issued under paragraph (2) may obtain review of the order in the United States court of appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code.

"(B) An order of the Secretary, with respect to which review could have been obtained under subparagraph (A), shall not be subject to judicial review in any criminal or other civil proceeding.

"(4)(A) Whenever a person has failed to comply with an order issued under paragraph (2)(B), the Secretary shall file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts of the United States shall have jurisdiction to grant all appropriate relief, including injunctive relief and compensatory and exemplary damages. Civil actions brought under this paragraph shall be heard and decided expeditiously.

"(B) Any nondiscretionary duty imposed by this subsection is enforceable in mandamus proceeding brought under section 1361 of title 28, United States Code.

"(5) Paragraph (1) shall not apply with respect to any employee who, acting without direction from the employee's employer (or any agent of the employer), deliberately causes a violation of any requirement of this section or of a clinical laboratory regulatory requirement of a State with primary enforcement responsibility.

"(l) INSPECTION AUTHORITY.—(1) For purposes of enforcement of this section, officers, employees, or agents designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized to enter and inspect, at reasonable times and in a reasonable manner, any clinical laboratory in a State which is subject to national standards in effect under subsection (b). A separate notice shall be given for each such inspection, but a separate notice shall not be required for each entry made during the period covered by the inspection. Such an inspection may extend only to relevant equipment, materials, containers, records, files, papers (including financial data, sales data, and pricing data), processes, controls, facilities, and all other things in the clinical laboratory bearing on whether it is being operated in compliance with this section.

"(2) Upon completion of any such inspection and prior to leaving the premises, the officer, employee, or agent making the inspection shall give to the owner, operator, or agent in charge a preliminary report which summarizes any conditions or practices observed by him which, in his judgment, indicate a violation of national standards in effect under subsection (b). He shall also prepare a written final report of his findings and send it to such owner, operator, or agent within thirty days of the completion of the inspection.

"(3) No officer, employee, or agent designated by the Secretary to enter a laboratory and conduct an inspection pursuant to this subsection shall be required to obtain a search warrant from any judicial officer prior to entering any laboratory and conducting any inspection which is authorized by this subsection.

"(m) GRANTS AND TECHNICAL ASSISTANCE.—(1)(A) The Secretary may make one grant to any State to assist it in meeting the costs of meeting the requirements of clauses (ii) through (vi) of subsection (d)(1)(A) if the State meets the requirements of clause (i) of such subsection and provides assurances satisfactory to the Secretary that within one year from the date the State receives such grant it will have primary enforcement responsibility for the regulation of clinical laboratories as determined under subsection (d).

"(B) In addition to the payments made to States under title XVIII of the Social Security Act for the enforcement of standards applicable to clinical laboratories under such title, the Secretary may also make grants to States with primary enforcement responsibility to assist them in meeting the cost of administering and enforcing their programs for the regulation of clinical laboratories.

"(2) The amount of any grant made under this subsection shall be determined by the Secretary.

"(3) No grant may be made under this subsection unless an application therefor has been submitted to and approved by the Secretary. Such application shall be submitted in such form and contain such information as the Secretary may reasonable require.

"(4) For the purposes of making payments under grants under this subsection there are authorized to be appropriated not to exceed $15,000,000 for the fiscal year ending September 30, 1978, and for each of the succeeding fiscal years.

"(5) The Secretary may provide technical assistance to States to assist them in meeting the requirements of subsection (d).

"(n) ADVISORY COUNCIL.—There is established in the Department of Health, Education, and Welfare an advisory council on clinical laboratories which shall advise, consult with, and make recommendations to, the Secretary with respect to—

"(1) national standards promulgated under this section,

"(2) the implementation and administration of this section, and

"(3) coordination between the Federal and State clinical laboratory regulatory programs for the purpose of avoiding duplicate enforcement.

The advisory council shall be composed of individuals who, as a result of their training, experience, or attainments, are well qualified to assist in carrying out the functions of the advisory council. The membership shall include representatives of nationally recognized laboratory accrediting bodies; directors of State laboratory licensing programs; owners, operators, or directors of laboratories; members of professional and other associations concerned with laboratories and laboratory personnel; representatives of laboratories which are engaged in research; representatives of hospitals; and members of the public; and as ex officio members the designated representatives of the Secretary of Health, Education, and Welfare, the Secretary of Defense, and the Administrator of Veterans Affairs. The Secretary shall make appointments to the advisory council in such a manner that the membership is fairly representative of the interests described in the preceding sentence. Members of the advisory council to be appointed from the public shall be individuals who are not employed by, or do not receive (either directly, or through a spouse) any income from, clinical laboratories or any entity which is a supplier of clinical laboratories. Section 222(b) shall apply with respect to members of the advisory council.

"(o) ADMINISTRATION OF SECTION.—The Secretary shall establish, within the Department of Health, Education, and Welfare, an Office of Clinical Laboratories the purpose of which shall be—

"(1) to establish a uniform regulatory policy for the administration of the functions authorized under this section and the laboratory certification and regulatory functions presently administered under this Act, the Federal Food, Drug, and Cosmetic Act, and titles XVIII and XIX of the Social Security Act, and

"(2) to provide guidance with respect to the laboratory component of other health programs administered and enforced by the Secretary.

"(p) ANNUAL REPORT.—Not later than January 1, 1979, and January 1 of each succeeding year the Secretary shall make a report to the Congress (1) respecting the accuracy and reliability of tests and procedures performed by clinical laboratories during the preceding fiscal year, and (2) evaluating the effect of the costs and pricing of clinical laboratory tests and procedures on the overall cost of health care services and the relation of the costs of such tests and procedures to the costs of the health care services for which the tests and procedures are conducted.".

AMENDMENTS TO SOCIAL SECURITY ACT

SEC. 4. (a) Part A of title XI of the Social Security Act is amended by adding after section 1131 the following new section:

"PROCEDURES FOR DETERMINING REASONABLE COST AND REASONABLE CHARGE

"SEC. 1132. In determining the amount of any payment for a clinical laboratory service (other than such a service which is provided by a clinical laboratory which is located in a hospital and which provides services primarily in connection with the furnishing by the hospital of other inpatient or outpatient services) furnished under title XVIII, under a program established pursuant to title V, or under a State plan for medical assistance approved under title XIX, no reimbursement will be available for any element of the cost or charge for such service to the extent that such element is—

"(1) a commission (other than a commission paid to an employee of a clinical laboratory in the course of its usual and customary business) or finder's fee, or

"(2) an amount payable for any facility (or part or activity thereof) under any rental or lease arrangement, where such amount (A) is unrelated or disproportionate to the market value of the facility (or part thereof), or (B) is, directly or indirectly, determined, wholly or in part, as a per centum, fraction, or portion of the charge or cost attributed to the laboratory service.".

(b)(1) Section 1902(a)(23) of the Social Security Act is amended by inserting "(A)" before "has entered into" and by inserting before the semicolon at the end the following: ", or (B) has made arrangements through a competitive bidding process or otherwise for the purchase of laboratory services referred to in section 1905(a)(3), if the Secretary has found that (i) adequate services will be available under such arrangements, (ii) such laboratory services will be provided only through laboratories which during the three-year period beginning on the date of enactment of the Clinical Laboratory Improvement Act of 1977 meet the requirements of section 1861(e)(9) or paragraphs (10) and (11) of section 1861(s) and after the expiration of such period are licensed in accordance with section 353 of the Public Health Service Act, and (iii) charges for services provided under such arrangements are made at the lowest rate charged (determined without regard to administrative costs which are related solely to the method of reimbursement for such services) for comparable services by the provider of such services, or, if charged for on a unit price basis, such charges result in aggregate expenditures not in excess of expenditures that would be made if charges were at the lowest rate charged for comparable services by the provider of such services".

(2) Section 1902(a)(28) of such Act is amended by inserting before the semicolon

the following: ", and provide that any laboratory services paid for under such plan must be provided by a laboratory which during the three-year period beginning on the date of enactment of the Clinical Laboratory Improvement Act of 1977 meets the requirements of section 1861(e)(9) or paragraphs (10) and (11) of section 1861(s) and after the expiration of such period is licensed in accordance with section 353 of the Public Health Service Act".

(3) Section 1902(a)(30) of such Act is amended by inserting before the semicolon the following: "and, in the case of laboratory services referred to in section 1905(a)(3), such payments do not exceed the lowest amount charged (determined without regard to administrative costs which are related solely to the method of reimbursement for such services) to any person or entity for such services by that provider of laboratory services, and in the case of laboratory services billed for by a physician or laboratory but performed by another person or entity which is not in the employ of the physician or laboratory, do not exceed the lowest amount charged to any person or entity for the service plus, at the option of the State and if it is determined to be reasonable under regulations prescribed by the Secretary, a nominal charge for any necessary professional service performed by the physician".

(c)(1)(A) The second sentence of section 1861(s) of the Social Security Act is amended to read as follows: "No diagnostic test performed in any laboratory shall be included in paragraph (3) unless such laboratory meets applicable Federal or State licensing requirements under section 353 of the Public Health Service Act.".

(B)(i) Paragraphs (12) and (13) of section 1861(s) of such Act are redesignated as paragraphs (10) and (11), respectively.

(ii) The first sentence of section 1864(a) of such Act is amended by striking out "the requirements of paragraphs (10) and (11) of section 1861(s)" and inserting in lieu thereof "the requirements of section 1861(e)(9) and the second sentence of section 1861(s)".

(2)(A) Section 1861(e) of such Act is amended—

(i) by striking out "and" after the semicolon at the end of paragraph (8);

(ii) by redesignating paragraph (9) as paragraph (10); and

(iii) by inserting after paragraph (8) the following new paragraph:

"(9) meets applicable Federal or State licensing requirements under section 353 of the Public Health Service Act with respect to any laboratory (as defined in subsection (a)(1) of such section 353) which is a part of the institution; and".

(B) Section 1861(j)(15) of such Act is amended by inserting after "physical facilities thereof" the following: "(including applicable Federal or State licensing requirements under section 353 of the Public Health Service Act with respect to any laboratory which is a part of the institution)".

(C)(i) Subparagraphs (C) and (D) of section 1814 (a)(2) of such Act are each amended by striking out "and (9)" and inserting in lieu thereof "and (10)".

(ii) Section 1861(f)(2) of such Act is amended by striking out "(3) through (9)" and inserting in lieu thereof "(3) through (10)".

(iii) Section 1861(g)(2) of such Act is amended by striking out "(3) through (9)" and inserting in lieu thereof "(3) through (10)".

(iv) Section 1865(a)(4) of such Act (prior to its redesignation by subsection (e)(1)(B) of this section) is amended by striking out "pursuant to paragraph (9)" and inserting in lieu thereof "pursuant to paragraph (10)".

(3) The first sentence of section 1864(a) of such Act is amended by inserting before the period at the end thereof the following: "; except that the Secretary may not make an agreement with a State under this sentence for the purpose of determining whether a laboratory meets the requirements of the second sentence of section 1861(s) or the requirements of section 1861(e)(9) (or include provision for such purpose in any such agreement) unless either such State has primary enforcement responsibility for the regulation of clinical laboratories, as determined under section 353 of the Public Health Service Act, or the State provides assurances satisfactory to the Secretary that it will implement procedures for the enforcement of such requirements".

(4)(A) The amendments made by paragraphs (1) and (2) of this subsection shall become effective on the date on which the national standards for clinical laboratories take effect under section 353(b) of the Public Health Service Act (as amended by section 3 of this Act); except that such amendments shall not apply to laboratories specified in section 353(c)(2)(B) of the Public Health Service Act during the two-year period beginning on such date.

(B) The amendment made by paragraph (3) of this subsection shall become effective four years after the date of the enactment of this Act.

(d)(1) The first sentence of section 1865(a) of the Social Security Act is amended—

(A) by striking out "and" at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) by inserting the following immediately after paragraph (3):

"(4) paragraph (9) thereof, and".

(2) The second sentence of such section is amended—

(A) by inserting immediately before "or imposes" the following: ", or imposes standards with respect to laboratories which the Secretary (and the applicable State agency designated in accordance with section 353(d)(1)(A)(vi) of the Public Health Service Act, in the case of any laboratory in a State which has primary enforcement responsibility under section 353(d) of such Act) determines are at least equivalent to the national standards for clinical laboratories in effect under section 353(b) of such Act,";

(B) inserting ", section 1861(e)(9), immediately after "section 1861(e)(6)"; and

(C) by striking out "paragraph (4)" each time it appears and inserting in lieu thereof "paragraph (5)".

(3) The third sentence of such section is amended by inserting immediately after "the Secretary" the following: "(and the applicable State agency designated in accordance with section 353(d)(1)(A)(vi) of the Public Health Service Act, to the extent that licensing requirements for laboratories under section 353 of such Act, as specified in section 1861(e)(9) or 1861(j)(15) of this Act, are involved, if the institution or agency is located in a State which has primary enforcement responsibility under section 353(d) of such Act)".

PENALTIES FOR DEFRAUDING MEDICARE AND MEDICAID PROGRAMS

SEC. 5. (a) Section 1877 of the Social Security Act is amended—

(1) in subsection (a) thereof, by striking out "shall be guilty" and all that follows and inserting in lieu thereof the following: "shall (i) in the case of such a statement, representation, concealment, failure, or conversion by any person in connection with the furnishing (by that person) of items or services for which payment is or may be made under this title, be guilty of a felony and upon conviction thereof fined not more than $25,000 or imprisoned for not more than five years or both, or (ii) in the case of such a statement, representation, concealment, failure, or conversion by any other person, by guilty of a misdemeanor and upon conviction thereof fined not more than $10,000 or imprisoned for not more than one year or both.";

(2) in subsection (b) thereof—

(A) by inserting "or arranges for the furnishing of" immediately after "Whoever furnishes";

(B) by inserting "(in cash or in kind)" immediately after "kickback or bribe";

(C) by inserting "or arrangement for the furnishing" immediately after "in connection with the furnishing";

(D) by striking out "rebate of any fee or charge" and inserting in lieu thereof "rebate of any fee, charge, or portion of any payment, in cash or in kind,";

(E) by inserting "or arrangement for the furnishing" immediately after "another person for the furnishing";

(F) by striking out "misdemeanor" and inserting in lieu thereof "felony";

(G) by striking out "$10,000" and inserting in lieu thereof "$25,000"; and

(H) by striking out "one year" and inserting in lieu thereof "five years"; and

(3) in subsection (c) thereof—

(A) by striking out "misdemeanor" and inserting in lieu thereof "felony";

(B) by striking out "$2,000" and inserting in lieu therof "$25,000"; and

(C) by striking out "6 months" and inserting in lieu thereof "five years".

(b) Section 1909 of such Act is amended—

(1) in subsection (a) thereof, by striking out "shall be guilty" and all that follows and inserting in lieu thereof the following: "shall (i) in the case of such a statement, representation, concealment, failure, or conversion by any person in connection with the furnishing (by that person) of items or services for which payment is or may be made under this title, be guilty of a felony and upon conviction thereof fined not more than $25,000 or imprisoned for not more than five years or both, or (ii) in the case of such a statement, representation, concealment, failure, or conversion by any other person, be guilty of a misdemeanor and upon conviction thereof fined not more than $10,000 or imprisoned for not more than one year or both.";

(2) in subsection (b) thereof—

(A) by inserting "or arranges for the furnishing of" immediately after "Whoever furnishes";

(B) by inserting "(in cash or in kind)" immediately after "kickback or bribe";

(C) by inserting "or arrangement for the furnishing" immediately after "in connection with the furnishing";

(D) by striking out "rebate of any fee or charge" and inserting in lieu thereof "rebate of any fee, charge, or portion of any payment, in cash or in kind,";

(E) by inserting "or arrangement for the furnishing" immediately after "another person for the furnishing";

(F) by striking out "misdemeanor" and inserting in lieu thereof "felony";

(G) by striking out "$10,000" and inserting in lieu thereof "$25,000"; and

(H) by striking out "one year" and inserting in lieu thereof "five years"; and

(3) in subsection (c) thereof—

(A) by striking out "misdemeanor" and inserting in lieu there of "felony".

(B) by striking out "$2,000" and inserting in lieu thereof "$25,000", and

(C) by striking out "6 months" and inserting in lieu thereof "five years".

(c) The amendments made by this section shall apply only to offenses committed after the date of the enactment of this Act.

STUDY RESPECTING REQUIREMENTS FOR LABORATORIES AND LABORATORY PERSONNEL

SEC. 6. The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary"), in cooperation with appropriate public and private entities, shall conduct a study of (1) existing voluntary certification standards and

State licensure laws for clinical laboratory supervisors, technologists, and technicians; (2) qualifications of entities that certify such personnel as qualified to perform laboratory procedures in clinical laboratories licensed under section 353 of the Public Health Service Act, (3) existing and proposed public and private mechanisms to determine the continued competence of such personnel, (4) existing laboratory proficiency testing methods used to evaluate the performance of clinical laboratories, and (5) the relationship of requirements for such personnel and of clinical laboratory proficiency testing requirements with clinical laboratory performance.

(b) The study required by subsection (a) shall include—

(1) an assessment of the need for certification of such personnel pursuant to national standards and for assurance of their continued competence;

(2) development of national standards which the Secretary determines should be used as guidelines for entities which certify such laboratory personnel with consideration of the need for increased geographic and career mobility of such personnel;

(3) a determination of the numbers of technical laboratory personnel who would meet standards developed by the Secretary under paragraph (2) and a projection of the numbers of such personnel in the calendar years 1980, 1985, and 1990; and

(4) an analysis of the effect on the costs of laboratory tests and procedures and quality of such tests and procedures of a requirement that a laboratory may not be licensed under section 353 of the Public Health Service Act unless its personnel met standards developed by the Secretary under paragraph (2).

(c) Within two years of the date of the enactment of this Act the Secretary shall submit to the Congress the results of the study conducted pursuant to subsection (a) and recommendations for legislation which the Secretary considers necessary.

REPORT ON EXEMPTIONS

SEC. 7. The Secretary of Health, Education, and Welfare shall report to the Congress a summary of the information received by the Secretary under applications submitted under section 353(c)(2)(D)(ii) of the Public Health Service Act (as amended by this Act) during the three-year period beginning on the date national standards take effect under section 353(b) of such Act (as amended by this Act) and, on the basis of such information, make recommendations (1) as to whether clinical laboratories granted exemptions under clause (ii) of section 353(c)(2)(D) of such Act (as amended by this Act) should be required, as a condition to their exemption, to have laboratory procedure manuals, participate in laboratory proficiency testing programs, and maintain quality control programs prescribed under such standards, and (2) as to whether such section 353(c)(2)(D) should otherwise be revised. Such report shall be submitted within three months of the expiration of such period.

STUDY OF FINANCIAL ARRANGEMENTS MADE BY HOSPITALS FOR CLINICAL LABORATORY SERVICES

SEC. 8. (a) The Secretary shall conduct a study of the financial arrangements entered into by hospitals, reimbursed for the provision of health services under title XVIII of the Social Security Act or a State plan for medical assistance under title XIX of such Act, for the provision of clinical laboratory services by persons who provide such services in such hospitals to determine if such arrangements are in the public interest. Such study shall include an examination of—

(1) arrangements between hospitals and providers of clinical laboratory services under which the fee for the provision of such services is based on a percentage of the gross revenues received by the providers for such services,

(2) leasing arrangements for facilities and equipment entered into by hospitals and providers of such services, and

(3) arrangements by hospitals for salaries and other forms of compensation for the providers of such services.

(b) Within six months of the date of enactment of this Act such study shall be completed and a report made to the Congress setting forth the findings of the study and recommendations of the Secretary for such corrective legislation as the Secretary determines to be necessary.

[Memorandum]

PUBLIC HEALTH SERVICE,
CENTER FOR DISEASE CONTROL,
January 24, 1977.

To: The Deputy Assistant Secretary for Health ES/PHS.

From: Director, Center for Disease Control.

Subject: Redelegation of Responsibility for Regulation of Clinical Laboratories—ACTION.

ISSUE

Documents redelegating responsibility for regulations of clinical laboratories are currently being prepared in PHS. I am recommending that thes documents not be forwarded to the Secretary for signature.

DISCUSSION

The subject redelegation is intended to fomally implement the interagency agreement entered into by the Center for Disease Control (CDC), the Bureau of Quality Assurance (EQA) of the Health Services Administration (HSA), and the Bureau of Health Insurance (BHI) of the Social Security Administration (SSA) on September 30, 1975. For a number of years preceding this latest agreement, CDC has, by every means under its control, sought to implement such agreements in good faith. The clear implication of the September 1975 interagency agreement is that all three agencies [CDC, BHI (SSA), and BQA (HSA)] would agree in the development, intepretation, and application of these standards. Since September 30, 1975, we have attempted with considerable diligence to make this latest arrangement effective.

I have reluctantly come to the conclusion that further attempts to implement this agreement, or to delegate to BHI the responsibility for applying national standards for interstate laboratories through the State agency system, will result in unacceptable degradation in the quality of services now required under the Clinical Laboratories Improvement Act of 1967 (CLIA '67). This is evidenced by the plans and actions taken by BHI in the last few months, which have been in direct conflict with the advice and positions of CDC with respect to both new and old regulations and interpretation.

I, therefore, withdraw my previous approval of the redelegation document package.

It is extremely unfortunate and distressing to me to reach this conclusion. It has become apparent that the programs, goals, and orientation of the Public Health Service with respect to clinical laboratory regulation are so disparate from those adopted for Medicare that they cannot be reconciled. Following are examples of disparity:

1. BHI has agreements with State agencies under which they examine laboratories and then make findings and recommendations to their regional office. The present system of examination assumes a degree of flexibility of local judgment and use of the concept of "substantial compliance" which makes the uniform enforcement of CLIA '67 standards impossible. We had assumed that this concept would not be applied to interstate laboratories under redelegated authority; however, BHI has indicated their intent to apply the same system to all laboratories under their authority.

2. BHI is required by Title XVIII to deem that the accreditation of hospitals by the Joint Commission on the Accreditation of Hospitals (JCAH) is equivalent to a finding that all facilities, including laboratories, meet the certification standards for Medicare. The intent of BHI, as expressed in proposed draft regulations, is essentially identical for those hospital laboratories required to be licensed under CLIA '67 (Interstate). These regulations would evaluate the institution overall and would not evaluate the laboratory alone as is required under CLIA '67. CDC has examined the JCAH standards and made a finding that they are not equivalent to those of CLIA '67.

3. BHI, even in cases in which the State agency has indicated the necessity and a desire to apply standards more effectively, interprets its own regulations in the most lenient way. This has resulted in numerous instances in which the personnel requirements are applied more leniently by BHI than by CDC. Indeed, this is an expressed philosophy of BHI regulation, and it is apparent that they mean to apply it to the interstate laboratories.

4. In many instances in which the State agency or BHI has incorrectly certified certain personnel in meeting requirements, BHI has refused to change the previous decision, resulting in many laboratories staffed with personnel who do not meet CLIA '67 personnel standards.

5. BHI has recently made a decision to allow cytopathology screening to be done away from the laboratory without supervision, contrary to the recommendation of both CDC, State agency, and the Medical Laboratory Services Advisory Committee, and ad hoc consultants advisory to CDC; and, indeed, contrary to the advice of their own General Counsel.

6. Recently, BHI has refused to provide in their proposed examination procedure, a format for specific objective recording of determinations of non-compliance with standards, which is essential for effective enforcement of the regulations under CLIA '67. For example, BHI regards the requirement for inquiry as to records to be a non-essential whereas CDC has found it to be required for effective legal enforcement.

7. In many instances, both State agencies and BQA regional office personnel have been overruled either by regional office BHI or headquarters action, For example, States will find laboratories staffed by directors or technical staff who do not meet requirements, or will find noncompliance with certain quality control provisions, and will recommend decertification. The BHI regional office representative overrules this recommendation, in many instances. In one State, this led to the transfer of this responsibility to the State laboratory.

If my recommendation is accepted, CDC will continue to implement the Interstate Clinical Laboratory Standards to the best of our ability and to cooperate with BHI and BQA by advice and assistance to any extent desired or requested.

If redelegation is carried out, it will be incumbent upon us to immediately and vigorously apply the monitoring function described therein, and to publicly demonstrate the degree to which the State agency system is failing to apply appropriate and applicable standards, not only to interstate laboratories but to Medicare hospital and independent laboratory.

RECOMMENDATION

I recommend that you not forward the redelegation documents to the Secretary for signature.

DAVID J. SENCER, M.D.,
Assistant Surgeon General.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor the Clinical Laboratory Improvement Act of 1977 intro-

duced today by my good friend and colleague Senator JAVITS, the ranking minority member of my committee, who in 1967 authored the original Clinical Laboratory Improvement Act. This bill is substantially similar to the Senate-passed bill of the 94th Congress. A companion bill is being introduced in the House by PAUL G. ROGERS, chairman of the House Subcommittee on Health and the Environment.

The clinical laboratory industry now costs the American people almost $9 billion a year. By 1980, approximately 8.8 billion clinical laboratory tests will be conducted annually at a cost of about $15 billion to the American people. Because the work of clinical laboratories is so integrally connected with the care of patients, without high quality laboratory services America's health care system is in jeopardy. While the Clinical Laboratory Improvement Act of 1967 resulted in improved quality of laboratory performance, the law covered only the large interstate laboratories, less than 10 percent of all laboratories throughout the country. In addition, the American people have had to depend upon a variety of other sources including State governments, individual laboratories, and individual practitioners to assure the quality and reliability of laboratory work. There is even a jurisdictional dispute within the Federal bureaucracy. I am convinced that this patchwork system of regulation does not adequately serve either the doctor or his patient. The time has come for the public and private sectors to develop a system which will better meet the public need. That is what my bill is all about.

During the past several years, my Health Subcommittee has repeatedly committed itself to developing mechanisms to insure quality health care and to stabilize health care costs. This bill helps to achieve both goals with respect to laboratory testing.

Reports of clinical laboratory ineptitude appear much too frequently. We have learned of a distressing litany. Many laboratories, for example, have never been inspected, dirty and broken laboratory equipment is being used by inexperienced technicians, reagents are unlabeled and outdated, and patient specimens are being tested with used unwashed pipettes.

During hearings held in the last Congress before my Health Subcommittee, we learned that although high volume laboratories may be more proficient than smaller laboratories—such as those found in doctors' offices and medicare certified laboratories—the level of quality was still undesirable. For example, 7.6 percent of the interstate laboratory determinations, 16.5 percent of laboratory tests prepared by other large laboratories, and 26 percent of the sample lab work done in medicare reimbursed labs were incorrect. Almost one out of five microbiological determinations, then, are inadequate. This is poor medical care and it is expensive medical care. It should no longer be tolerated.

This bill now commands our attention. The American health care consumer often finds it impossible to evaluate and judge the quality of laboratory testing which he receives. He has no influence on his physician's choice of laboratory; nor has he any indication of relative costs. Tests which cost $10 in one lab cost $45 in another. It is true that lower charges may be attributed to automation, but even among the larger, automated labs there are incredible price variations. In addition, there is growing evidence of fraud and abuse within the clinical laboratory field particularly in connection with the medicaid program.

We are also troubled by the fact that physicians themselves recognize the low quality of laboratory results. They respond to this situation by reordering tests or by dividing specimens into two samples and sending them to different laboratories for concurrent analysis. The problem of cost is further exacerbated because subclinical illnesses remain undetected and, on the other hand, because false positives result in unnecessary medical treatment.

The bill I am submitting will correct many of these excesses. By establishing an Office of Clinical Laboratories in HEW, the bill addresses the issues of inconsistent and irregular regulation and the jurisdictional dispute within the Federal bureaucracy. It further broadens the jurisdictional perimeter to licensure and establishment of quality standards for all laboratories and not just those in interstate commerce. The bill authorizes the Secretary to delegate his licensure and enforcing authority to States implementing quality assurance programs at least equal to the standards established by the Secretary. It authorizes the Secretary to consult with appropriate professional organizations concerning the development and implementation of quality assurance standards. It authorizes $15,000,000 annually to permit the Secretary to provide technical and financial assistance to States to establish or administer quality assurance programs. The bill permits the Secretary to seek revocation of a laboratory's license where it is found that the laboratory has engaged in kickbacks, bribes, or false, fictitious, or fraudulent billing practices; and to impose a $25,000 fine and a maximum of 5 years in prison.

My committee will hold hearings on the bill in March. Those interested in presenting testimony should contact Robert Wenger at 224–7675.

Mr. SCHWEIKER. Mr. President, as ranking minority member of the Senate Health Subcommittee, I am pleased to join with my colleague Senator JAVITS in introducing the Clinical Laboratory Improvement Act of 1977.

The new legislation, substantially similar to the bill I cosponsored with Senator JAVITS and other colleagues on the Health Subcommittee last session which passed the Senate overwhelmingly, extends and expands existing law regarding clinical laboratory licensure. It is aimed at preventing fraud and abuse in the laboratory and insuring high-quality laboratory performance.

Last session, the Health Subcommittee conducted hearings on clinical laboratory regulation. Testimony we received made the following four points clear:

First. The American health care system is becoming increasingly dependent upon the services of clinical laboratories. They perform 4.4 billion tests a year, at a cost to Americans of some $12 billion. By 1980, it is estimated that there will be 8.8 billion clinical lab tests annually, at a cost of approximately $15 billion.

Second. There is mounting evidence that the quality of laboratory testing is inadequate and that better means of insuring laboratory proficiency are needed.

Third. There is a lack of effective Federal control in this area due to bureaucratic difficulties. Three different agencies are responsible for administering the present clinical laboratories program, and the record shows that often one agency does not know what the other is doing.

Fourth. There are serious problems of fraud and corruption within the clinical laboratory business.

Reliable high-quality clinical laboratory work is vital to the provision of high quality health care for Americans. I believe this bill responds well to the problems we have found in the clinical laboratory business and is essential legislation if we are to achieve quality performance by laboratories, establish uniform regulatory policy in this area, and protect the American people from the dire consequences of fraudulent practices and faulty performance by some clinical laboratories.

I want to commend Senator JAVITS for the leadership he has shown in the development of this badly needed legislation, and I am hopeful that the Senate will act promptly on this important bill.

By MR. LAXALT:

S. 706. A bill to amend the Congressional Budget Act of 1974 to limit increases in the levels of total budget outlays and total new budget authority set forth in concurrent resolutions on the budget, except during time of war; to the Committee on Governmental Affairs.

Mr. LAXALT. Mr. President, despite the complaints about high cost and low quality of Government services, the public sector in all developed countries is big and getting bigger, raising potential threats to both private initiative and individual freedom. What is more, because Government's complexity, seeming capriciousness, and sheer impersonal size made it a favorite target for politicians of every philosophical stripe in the last election, it is particularly important that we now begin translating our words into action.

I believe Americans can influence the way in which decisions that control their lives are made. They can overcome their frustrations and begin to exercise a greater degree of control over individuals and institutions on their payroll. But, the they can only do so if they effectively limit the growth of their Government.

For this reason, I am today introducing an amendment which would compel the Congress to face the issue of Govern-

ment growth head-on. But, rather than an attempt to stop Government expansion completely, my proposal would keep the Congress from approving budgets which allow the public sector to grow at the expense of the private sector. To accomplish this, it would prohibit either House of Congress from approving in peacetime a concurrent budget resolution in which the percentage increase in total outlays and new budget authority over the last resolution exceeded the average annual rate of growth in gross national product over the previous 3 years.

In my opinion, the full promise of the Budget and Impoundment Control Act of 1974 has not been realized. In its first year of operation, the new congressional budget process has shown clear signs of giving the Congress an effective mechanism for equating income and outgo. But it has yet to begin curbing the outrageous size of Federal budget deficits, which was one of the principal intentions of its originators. In my judgment, only an overall ceiling will suffice to complete the construction of the congressional budget process as intended by its founders and end the current string of oppressive deficits.

To avoid strait-jacketing the Federal Government, my amendment limits the growth in Federal spending by a 3-year average annual rate of growth in gross national product. To use only the previous year's figures would reduce flexibility required for legitimate countercyclical economic stabilization techniques to be employed. For example, in a recessionary period, somewhat higher spending levels may result automatically from programs such as unemployment compensation and food stamps. But, given the historical duration of business cycles, a three year average should be sufficient to smooth out such fluctuations in economic activity sufficiently to allow this necessary flexibility.

As the following table indicates, one need only look at the last 5 years to see the utility of my proposal for curbing the growth of Government. In actual outlays, the period from fiscal 1972 through fiscal 1976 saw a whopping 61 percent growth in the size of the Federal budget. During this period, the so-called "Great Society" programs truly came on line spearheading an increase in the budget from $231.9 billion in outlays in fiscal 1972 to $373.5 billion in fiscal 1976.

During this period, had my proposal been in effect, the budget would still have grown to accommodate the increased demands on our society and our expanding population. But, my formula would have restricted Government growth to the ability of the private sector to pay for it. Under my proposal, the Federal budget would still have grown more than 50 percent, from $226.2 billion in fiscal 1972 to $353.9 billion in fiscal 1976, but the taxpayers of this Nation would have been saved more than $60 billion over the 5-year period and almost $20 billion in fiscal 1976 alone.

Effect of Laxalt Budget Proposal—Fiscal Year 1972–1976

[In billions of dollars]

	Actual outlays	Permitted outlays	Difference
1972	231.9	226.2	5.7
1973	249.9	246.5	3.4
1974	271.9	246.5	2.7
1975	324.6	295.2	29.4
1976	373.5	353.9	19.6
Total 5 years	1,451.0	1,390.2	60.8

The present piecemeal budgetary process will no longer suffice. Government will continue to grow under the present system as long as those who profit from its growth have a much more intense interest in each program's continuance than taxpayers do in stopping it. Only by taking a broader, overall view and amending fundamental legislation, can we provide hard-pressed taxpayers with relief and restrict the every-increasing encroachment of the public sector on our free enterprise system and perhaps ultimately our personal liberties.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 706

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 301(a) of the Congressional Budget Act of 1974 is amended by adding at the end of such section the following new sentence: "Except during any war declared by the Congress, the appropriate levels of total budget outlays and total new budget authority for a fiscal year shall not exceed the appropriate levels of total budget outlays and total new budget authority, respectively, for the preceding fiscal year, increased by a percentage equal to the average annual percentage increase in the gross national product during the three calendar years preceding the beginning of such fiscal year.".

SEC. 2. (a) Section 304 of the Congressional Budget Act of 1974 is amended by striking out "which revises" and inserting in lieu thereof "which, subject to the last sentence of section 301 (a), revises".

(b) The first sentence of section 310 (a) of such Act is amended by striking out "or revises" and inserting in lieu thereof "or, subject to the last sentence of section 301 (a), revises".

By Mr. JOHNSTON (for himself, Mr. BARTLETT, and Mr. BELLMON):

S. 707. A bill to amend the Mineral Leasing Act of 1920, and for other purposes; to the Committees on Commerce, Science, and Transportation and Energy and Natural Resources, jointly, by unanimous consent.

COAL PIPELINE ACT OF 1977

Mr. JOHNSTON. Mr. President, today I am introducing S. 707, which amends the Mineral Leasing Act of 1920.

One of the lessons of this winter's natural gas crisis is that our Nation must proceed immediately to the development and use of our great coal resources. This morning, the Committee on Energy and Natural Resources began hearings on S. 7, the Surface Mining and Reclamation Control Act of 1977. This act will provide the ground rules for development of much of the coal in the Western States. Just as the Senate is now considering legislation concerning the production of coal, we must begin immediately to consider legislation concerning the distribution of coal. My region, for instance, can not become less reliant on natural gas and more reliant on coal until the distribution systems needed to deliver large quantities of coal are developed.

A distribution system which deserves serious consideration is the coal slurry pipeline. Such a pipeline would carry crushed coal in a water solution to the point of use. At the point of use the coal would then be separated from the water solution. However, such a pipeline is not feasible until legislation is adopted giving the pipeline the power of eminent domain for the acquisition of rights-of-way.

The bill I am introducing today grants the power of eminent domain to coal slurry pipelines; provides that a certificate of convenience and necessity must be issued by the Secretary of Interior as a prerequisite to the construction of such a pipeline; provides that only a carrier holding a certificate of public convenience and necessity from the Secretary of Interior may exercise the power of eminent domain; and provides that such pipelines will be subject to the same regulation by the Interstate Commerce Commission as are other pipelines. This act specifically does not, in any way, affect existing State, Federal or interstate compact jurisdiction over water resources.

Mr. President, our Nation can no longer avoid hard policy decisions concerning the development and distribution of coal. We must plan now for the orderly production, distributions, and utilization of coal. I urge the Senate to act promptly on this legislation.

Mr. President, I ask unanimous consent that the text of S. 707 be printed in the RECORD.

S. 707

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Coal Pipeline Act of 1977".

DEFINITIONS

SEC. 2. As used in this Act—

(a) "carrier" means any carrier of coal by coal pipeline that is subject to any of the provisions of this Act;

(b) "Department" means the Department of the Interior;

(c) "Secretary" means the Secretary of the Department of the Interior;

(d) "right-of-way" includes necessary land or other property for the location of pipelines, pumping stations, pressure apparatus, tanks, or other stations, equipments, or appurtenances required for the proper operation of a coal pipeline or pipelines; and

(e) "control" means the power to exercise control by whatever means: any person who (1) is a director of a carrier or of any other person, or (2) owns in excess of 5 per centum of the voting stock (or any like evidence of participation) of a carrier or of any other person shall be deemed to have the power to exercise control of such carrier or other person, as the case may be.

RIGHTS-OF-WAY ON FEDERAL LANDS

SEC. 3. Subsection 28(a) of the Mineral Leasing Act of February 25, 1920, as amended by the Act of November 16, 1973 (87 Stat. 567), is further amended by inserting the word "coal" between "natural gas," and synthetic".

EMINENT DOMAIN

SEC. 4. (a) Except as provided in subsection (b), when any carrier cannot acquire by negotiation the right-of-way required to construct, operate, and maintain any proposed coal pipeline or pipelines, such carrier may acquire the same by the exercise of the power of eminent domain in the district court of the United States for the district in which such property is located or in the courts of the State in which such property is located.

(b) The power of eminent domain shall not be exercised to acquire (1) lands owned by the United States or by any State, or (2) lands held in trust by the United States for an Indian or Indian tribe.

(c) Nothing in this section shall be construed to permit acquisition of any right to use or develop water through the exercise of the right of eminent domain.

CERTIFICATION OF PUBLIC CONVENIENCE AND NECESSITY

SEC. 5. (a) The power of eminent domain granted pursuant to this Act may be exercised only by a carrier holding a certificate of public convenience and necessity issued by the Department of the Interior. The Secretary is authorized to issue such a certificate if the Secretary finds, with respect to the particular project of the carrier as to which said power is sought, that the project is in the national interest and provides the capacity necessary to fulfill the requirement of a common carrier of coal, as determined by the Secretary. In addition to other factors customarily considered in determining common carrier status in the case of pipeline common carriers, the Secretary shall consider contracts for the carriage of coal which are in existence or proposed as of the date of the application for certification and may also consider such contracts for such carriage as may reasonably be anticipated, at the time of issuance of the certificate, to be entered into after such date. In determining the size of the pipeline to be certificated, the Secretary shall take into account the resultant cost to ultimate consumers of services or products affected by such transportation.

(b) In making the findings required in (a) of this section the Secretary shall consider and make independent findings on the extent to which the project—

(1) would help meet national needs for coal utilitization, considering, among other matters, alternate routes or means of transportation of coal and the relative costs of such alternative routes or means;

(2) may be impeded or delayed unless granted the power of eminent domain;

(3) involves disruption to the environment, as compared with disruption from other routes or modes of transportation or other methods of utilization of the coal resources involved; and

(4) considers the balance between the energy needs of the area to be benefited by the project and the water requirements and other impacts on the area from which the coal is to be transported.

The Secretary's findings as to whether a project is in the national interest shall be based on the record as a whole taking into consideration each of the criteria set forth in this subsection.

(c) The Secretary shall require as a condition of issuance of a certificate of convenience and necessity under this Act that any pipeline for which such certificate is issued be constructed, operated, and maintained as a common carrier as provided in the Interstate Commerce Act. Any violation of such condition shall be enforced as provided in such Act, and nothing in this paragraph shall be construed to limit, impair, or otherwise affect any provision of such Act.

(d)(1) No carrier granted the power of eminent domain under this Act shall transport any coal mined by it or under its authority or which it may own in whole or in part, or over which it may have any control, direct or indirect.

(2) The prohibition contained in subsection (d)(1) shall not apply to the construction, ownership, and operation of a feeder line for the purpose of gaining access to a coal pipeline by any person who would otherwise be ineligible if—

(A) the carrier has declined a formal request to construct, own, and operate the feeder line;

(B) the owner of the feeder line will operate the line as a common carrier for any excess capacity in the feeder line; and

(C) the Secretary has determined that an exemption from subsection (d)(1) is in the public interest.

(3)(A) No certificate of public convenience and necessity may be issued to any carrier which controls, is controlled by, or is under common control with any person which uses or will use coal transported by the carrier or which supplies coal to the pipeline and (B) no carrier granted the power of eminent domain under this Act may control, be controlled by, or be under common control with any such person.

(4) The penalties and enforcement provisions of section 8 shall not apply to this subsection, but whenever, on the basis of any information available to it, the Interstate Commerce Commission finds that any carrier or other person is in violation of paragraph (1) or (3)(B), it shall notify such carrier or other person. If such violation extends beyond the thirtieth day after the date of such notice, the Commission shall, after notice and opportunity for hearing, issue an order requiring such carrier or other person to comply. Failure to obey any such order shall be subject to the same penalty as provided for in section 16(8) of the Interstate Commerce Act (49 U.S.C. 16(8)).

(e) No certificate of public convenience and necessity may be issued to any person engaged as a common carrier in interstate transportation of coal by any mode unless such person enters into a compact with the Secretary within two years from the date of enactment of this Act providing means whereby rights-of-way across the lines of such person may be acquired by a carrier on terms customarily employed with reference to other types of pipeline. Any Federal court of competent jurisdiction may entertain a suit by an interested party to enforce the provisions of such compact.

(f) If the Secretary determines, in the course of the consultations and findings required by subsection (b) or the hearings required by section 6 that the project right-of-way may be utilized for additional uses compatible with operations of the project line, the Secretary may, in his discretion, require as a condition to the grant of a certificate of public convenience and necessity that the particular project right-of-way be subject to such compatible uses.

(g) The Secretary shall require the additional use described in subsection (e) only if he by rule (1) finds—

(A) the additional use is a compatible use, and

(B) conditioning the issuance of the certificate upon the availability of the right-of-way for the additional use is in the public interest, and

(2) establishes reasonable provisions for the payment of compensation for the additional use to the person otherwise entitled to the exclusive use.

PROCEDURE

SEC. 6. (a) Applications for a certificate of public convenience and necessity under this Act shall be filed with the Department pursuant to such regulations as it may prescribe. Each carrier applying for a certificate shall reimburse the Department for administrative and other costs incurred in processing the application as the Secretary shall prescribe.

(b) A certificate authorized by section 5 may be issued only after public notice and public hearings in accordance with this section.

(c) The carrier shall publish, in accordance with regulations promulgated by the Secretary, notice that it has filed an application for a certificate of public convenience and necessity under this Act in a newspaper of general circulation in each county in which the project will be located. The notice shall, among other things, specify to the greatest extent practicable the land which would be subject to the power of eminent domain.

(d) The Secretary shall publish in the Federal Register a notice of the receipt of each application under this Act.

(e) The Secretary shall hold at least one public hearing in each State in which the project involved will be located. Any interested person may present relevant material at any hearing. After all hearings in each State are concluded, the Secretary shall hold at least one public, formal adjudicatory hearing in accordance with the provisions of section 554 of title 5, United States Code, in the District of Columbia at which the Federal Energy Administration and the Environmental Protection Agency shall, and other Federal, State and local agencies may, participate.

ANTITRUST REVIEW

SEC. 7. (a) The Department shall not issue any certificate pursuant to section 5 of this Act unless it has received the advice of the Attorney General of the United States and the Federal Trade Commission that such action would not restrain trade, further monopolization, substantially adversely affect competition, or otherwise create or maintain a situation in contravension of the antitrust laws. The issuance of a license under this Act shall not be admissible in any way as a defense to any civil or criminal action for violation of the antitrust laws of the United States, nor shall it in any way modify or abridge any private right of action under such laws.

(b)(1) Nothing in this section shall be construed to bar the Attorney General or the Federal Trade Commission from challenging any anticompetitive situation involved in the operation of a coal slurry pipeline.

(2) Nothing contained in this section shall impair, amend, broaden, or modify any of the antitrust laws.

(3) As used in this section, the term "antitrust laws" includes, but is not limited to, the Act of July 2, 1890, as amended; the Act of October 15, 1914, as amended; the Federal Trade Commission Act (15 U.S.C. 41 et seq.); and sections 73 and 74 of the Act of August 27, 1894, as amended.

ENFORCEMENT AND PENALTIES AND JUDICIAL REVIEW

SEC. 8. (a) At the request of the Secretary the Attorney General may institute a civil action in the district court of the United States for the district in which the affected operation is located for a restraining order or injunction or other appropriate remedy to enforce any provision of this Act or any regulation or order issued under the authority of this Act.

(b) If any carrier shall fail to comply with any provision of this Act, or any regulation or order issued under the authority of this Act, after notice of such failure and expiration of any period allowed for corrective action, such person shall be liable for a civil penalty of not more than $5,000 for each and every day of the continuance of such failure. The Secretary may assess and collect any such penalty.

(c) Any person who knowingly and willfully violates any provision of this Act, or any regulation or order issued under the authority of this Act, or makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or both.

(d) Whenever a carrier violates any provision of this Act, or any regulation or order issued under the authority of this Act, any director, officer, or agent of such corporation or entity who authorized, ordered, or carried out such violation shall be subject to the same fines or imprisonment as provided for under subsection (c) of this section.

(e) Petitions for judicial review shall be filed in the court of appeals of the United States for the circuit in which the pipeline's originating point of coal transportation is located.

CONSTRUCTION OF LAW

SEC. 9. Nothing in this Act shall be construed—

(1) as affecting in any way any existing law governing appropriation use, or diversion of water, or any Federal, State, or private right to water;

(2) as expanding or diminishing Federal or State jurisdiction, responsibility, or interests in water resources development or control;

(3) as displacing, superseding, limiting, or modifying any interstate compact or the jurisdiction or responsibility of any legally established joint or common agency of two or more States or of two or more States and the Federal Government; or

(4) as superseding, modifying, or repealing, except as specifically set forth in this Act, existing laws applicable to the various Federal agencies which are authorized to develop or participate in the development of water resources or to exercise licensing or regulatory functions in relation thereto.

REGULATIONS

SEC. 10. The Secretary is authorized to promulgate such rules and regulations as he deems necessary to carry out the purposes of this Act.

UNDERGROUND CONSTRUCTION

SEC. 11. All coal pipelines subject to this Act shall, to the maximum extent practicable, consistent with environmental protection, safety, and good engineering and technological practices, be buried underground.

RELATIONSHIP TO INTERSTATE COMMERCE ACT

SEC. 12. Except where otherwise provided by this Act, the provisions of part I of the Interstate Commerce Act (24 Stat. 379) as amended (49 U.S.C. 1–40) shall be applicable to coal pipelines subject to this Act.

SEC. 13. Subsequent to the passage of this Act, no person shall engage in the transportation of coal by slurry pipeline without first obtaining a certificate of public convenience and necessity under sections 5 and 6 of this Act unless such person enters into a compact with the Secretary within two years from the date of enactment of this Act providing means whereby rights-of-way across the lines of such person may be acquired by a carrier on terms customarily employed with reference to other types of pipeline. Any Federal court of competent jurisdiction may entertain a suit by an interested party to enforce the provisions of such compact.

Mr. STEVENS. Mr. President, I ask unanimous consent that a bill introduced earlier by the Senator from Louisiana (Mr. JOHNSTON), for himself and Mr. BARTLETT and Mr. BELLMON, on coal slurry pipelines be referred jointly to the Committees on Commerce, Science, and Transportation and Energy and Natural Resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. CLARK (for himself, Mr. LEAHY, Mr. ABOUREZK, Mr. BAYH, Mr. BUMPERS, Mr. BURDICK, Mr. CHURCH, Mr. DECONCINI, Mr. GRAVEL, Mr. HART, Mr. HASKELL, Mr. HATHAWAY, Mr. HEINZ, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. INOUYE, Mr. KENNEDY, Mr. MATSUNAGA, Mr. MCGOVERN, Mr. MCINTYRE, Mr. METCALF, Mr. RANDOLPH, Mr. RIEGLE, Mr. STAFFORD, Mr. ZORINSKY, Mr. PEARSON, and Mr. MATHIAS):

S. 708. A bill to amend title XVIII of the Social Security Act to provide payment for rural health clinic services; to the Committee on Finance.

Mr. CLARK. Mr. President, today Senator LEAHY, and I are joined by 24 cosponsors in introducing legislation giving rural Americans greater access to primary health services.

The bill would change an existing medicare regulation that prohibits reimbursement to clinics that lack full-time physicians. It would allow the use of medicare funds for small, rural health clinics that use physician extenders to provide primary care and treatment to citizens who generally lack other sources of basic health care.

During field hearings by the Senate Rural Development Subcommittee over the last year—in Vermont and Iowa—we learned that this medicare policy represents the single most serious obstacle to health services for rural Americans.

As we all know, rural America is losing its primary care physicians. The country doctor has disappeared with the horse and buggy. Many of the doctors who still practice are approaching retirement, leaving thousands of small communities and millions of Americans with no alternative but to travel many miles to larger cities to receive health services.

Furthermore, despite a recent trend among medical school graduates to practice in family medicine, the overwhelming majority of young physicians are not attracted to remote rural areas. They correctly recognize that solo practice in a small rural community often means overwork, fewer opportunities for professional consultation and continuing education, and lack of access to well-equipped hospitals.

Thousands of communities throughout the country are relying upon the services provided by physician extenders in rural health clinics. The populations of these areas are insufficient to financially support a full-time physician, but they are able to support a small primary care clinic staffed by a primary care provider with back-up supervision by a physician.

Most of these practitioners, or physician extenders, are nurse practitioners or physician's assistants. Reports and studies have come to near-unanimous agreement that they not only provide high quality health care, but they are also likely to locate in smaller communities.

The clinics where the extenders work have several benefits. First, the extenders tend to emphasize preventive health care. They educate patients about proper nutrition and other self-help techniques, in order to prevent the necessity for care by a physician or hospital personnel. In these remote areas, where one extender is responsible for the health of hundreds or even thousands of people and where physician and hospital care is not readily accessible and costly to use, maintaining good health is a necessity.

Second, rural health clinics become the first step of a health system. Most extenders are, and should be, linked to a physician and to a hospital to which they can refer patients with critical health problems. Other patients with routine problems are not required to go to a physician, and they are thereby saved the extra cost of transportation and physician care. As a result, extender-staffed clinics are cost-efficient and make sense in terms of the organization of a health system.

However, rural Americans receiving care in these primary care clinics are penalized because medicare will not reimburse for extender services unless a physician is physically present during the provision of health services. The effect of this policy is to completely exclude from reimbursement the satellite clinics which are increasingly prevalent in rural areas. While physicians do provide general supervision of the extender services, they naturally are unable to physically oversee those services on an hour-to-hour basis.

I ask unanimous consent that a chart illustrating how the medicare program discriminates against rural America be reprinted in the RECORD.

There being no objection, the table

was ordered to be printed in the RECORD, as follows:

Amount of part B medicare benefits paid per beneficiary by state: Fiscal 1976

	Benefits	Percent of population rural, 1970
State:		
D.C.	$439.02	0
Hawaii	334.53	16.9
California	325.45	9.1
New York	293.83	14.4
Nevada	284.35	19.1
Arizona	251.24	20.4
Florida	250.94	19.5
Mass.	241.67	15.4
R.I.	236.98	12.9
Michigan	220.28	26.2
Colorado	215.78	21.5
Connecticut	214.92	22.6
Oregon	211.34	32.9
Maryland	210.66	23.4
Ohio	210.40	24.7
Montana	160.49	46.6
Alaska	156.26	51.6
N.C.	154.47	55.0
Maine	154.22	49.2
N.H.	147.98	43.6
Indiana	146.82	35.1
Arkansas	146.21	50.0
S.C.	143.16	52.4
Nebraska	142.59	38.5
Illinois	137.28	17.0
Idaho	136.91	45.9
Iowa	131.91	42.8
Kentucky	130.91	47.7
S.D.	124.74	55.4
Wyoming	113.05	39.5

SOURCES.—Bureau of the Census and Office of Research and Statistics, Social Security Administration.

Mr. CLARK. This chart ranks States by the average amount of medicare medical insurance benefits paid to each beneficiary in fiscal 1976. While none of the 15 highest ranking States have populations that exceed one-third rural, all but one of the 15 lowest ranking States have significant rural populations.

The range of benefits between States is extraordinary. Average benefits in the District of Columbia, which is 100 percent urban, are 3.5 times as large as those in South Dakota, which is 45 percent urban.

There are several possible explanations for the evident urban bias of the medicare program. But surely one important reason is the fact that rural health clinics using extenders are not remibursable.

This medicare policy conflicts with several Federal health programs that support the training of nurse practitioners and physician's assistants. The Federal Government also provides start-up grants to health clinics that utilize extenders through the Appalachian Regional Commission, rural health initiative, and migrant health centers programs.

Secretary of Health, Education, and Welfare Joseph Califano identified this problem in a report to President Carter entitled "American Families: Trends, Pressures, and Recommendations". Among several examples of policies that Secretary Califano considered to have an adverse impact on American families was the "narrow range of medical benefits and health personnel which are reimbursable under medicaid and medicare."

Califano stated:

The Appalachian Regional Commission sponsors "physician extender clinics" in isolated rural areas but Medicare reimbursement is not permitted.

He also cited the examples of the HEW's rural health initiative and Robert Wood Johnson Foundation clinics, which face financial problems because of the medicare extender policy.

The policy not only discriminates against rural citizens in communities that have such clinics, it also discourages the establishment of additional clinics in medically underserved areas. I recently received a letter from a resident of the town of Albert City, Iowa—population 183—typical of communities across the Nation that are searching for some solution to their lack of health services. The letter, which I ask unanimous consent be printed, summarizes the problems as follows:

It now seems financially impractical for these doctors to hire a physicians assistant, thereby leaving the Albert City community without any medical services whatsoever. It seems most confusing to a rural community trying to secure medical services when a department of the government, mainly HEW encourages rural health care through a physicians assistant type of service and on the other hand disallows payment of Medicare funds.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ALBERT CITY ELEVATOR,
Albert City, Iowa.

Hon. DICK CLARK,
Russell Building,
Washington, D.C.

DEAR SIR: The small rural community of Albert City, Iowa, is located in Northwest Iowa, approximately 35 miles from Storm Lake, Iowa, which is the county seat and also where the hospital serving our community is located. For several years, efforts have been made by our community organizations to secure the services of medical service for our community. During the last six months we have made an arrangement with a group of doctors from Storm Lake to establish a Satellite Clinic in our town, providing us with part time medical services. As of February 1st, these doctors, as a result of losing some doctors in their practice will be unable to serve our community any longer. Therefore, again leaving us without medical service for our community.

However, we have been successful in recruiting a physicians assistant to move to the Albert City community as of February 1, 1977, working in conjunction with and for the Storm Lake doctors. The physicians assistant is to live in Albert City and to provide full time coverage with back up and supervisory service from the Storm Lake doctors on a part time basis.

Now for the problem. The problem has come up, due to HEW regulations forbidding payments to a physicians assistant of Medicare or Medicaid funds. It now seems financially impractical for these doctors to hire a physicians assistant, thereby leaving the Albert City community without any medical services whatsoever. It seems most confusing to a rural community trying to secure medical services when a department of the government, mainly HEW encourages rural health care through a physicians assistant type of service and on the other hand disallows payment of Medicare funds.

It is therefore imperative and most urgent for this law to be changed in order that our community is able to recruit and secure the services of this type of medical service for our community. Your early and urgent assistance in this matter will be much appreciated by the Albert City community.

If there is any way that we can provide other supportive assistance in securing proper legislation, feel free to call on us. I remain

Sincerely Yours,
BRUCE G. ANDERSON,
Member of The Albert City Clinic Committee.

Mr. CLARK. Mr. President, the bill we are introducing today would amend title XVIII of the Social Security Act to allow medicare, part B, reimbursement for the primary health services provided by rural clinics. Payment would be based on the costs associated with the provision of these services. This would avoid the fee-for-service reimbursement mechanism that encourages expensive crisis care, and at the same time permit reimbursement for health-related costs of operation.

The reimburseable services would consist of all primary care services and supplies that would be covered if they were furnished by a physician, in addition to others that are provided by a physician extender.

Clinics would be required to meet several criteria beyond providing primary health services in order to qualify for medicare reimbursement. Among the requirements are:

First, an arrangement for the regular review by physicians of all medical services;

Second, the preparation by the supervising physician and physician extender of medical orders for care and treatment;

Third, the availability of physicians for referral and consultation purposes and for advice and assistance in emergencies;

Fourth, clinical records for all patients;

Fifth, arrangements for referral or admission of patients into hospitals;

Sixth, written management policies;

Seventh, procedures for storing, administering, and dispensing of drugs; and

Eighth, procedures for utilization review.

All of the above requirements are intended to insure that medicare dollars are used to provide high-quality health services to beneficiaries. They also promote the existence of a health system involving clinics, physicians, and hospitals.

The bill addresses the problem where it is most acute—in rural areas. While there are undoubtedly medically needy Americans living in large cities, these people are more likely to have access to such alternatives as extender-staffed clinics with full-time supervising physicians, hospital outpatient clinics, and federally sponsored health maintenance organizations and neighborhood health centers.

Our definition of "rural" is broad enough to include all areas in the United States that would be generally accepted as rural in size and by nature. Only communities of 50,000 or more inhabitants, and their closely settled "fringes," would be excluded because they would be considered urban.

The other prerequisite would be that the area's supply of medical services is insufficient to meet the needs of its residents. At the minimum, this definition would include all rural areas that have been designated by HEW as "medically underserved." Using our definition of rural, at least 35 million Americans live in areas that would qualify for reimbursement.

This bill uses the term "physician extender" to signify the types of primary health providers that work in rural health clinics. While this currently is the most generally used term, we ought to explore other possible ways to clearly denote the concept of a primary health practitioner. The bill would define "physician extender" as one who is certified as an adult-family nurse practitioner by the American Nursing Association or as a physician's assistant by the National Commission on Certification of Physician's Assistants. Nothing in the bill would supercede any State law or policy regarding either the use of extenders or the provision of health services.

We are hopeful that the Senate Finance Committee will soon give its close attention to this matter, perhaps as a part of its consideration of changes in the mode of reimbursement under medicare. Rural Americans are looking to Congress for assistance, and the principle of equity demands that we respond promptly to their pleas.

I ask unanimous consent that this bill be printed in the RECORD, in addition to a transcript of a recent segment of the CBS Evening News, that brilliantly illustrates the basic problems of rural health care.

There being no objection, the bill and transcript were ordered to be printed in the RECORD, as follows:

S. 708

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1833 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i) With respect to rural health clinic services, payment shall be made, on behalf of an individual, on the basis of costs reasonably related to providing such services or on the basis of such other tests of reasonableness as the Secretary may find appropriate. The provisions of subsection (b) shall not apply to this section.".

(b) Section 1861 of such Act is amended by adding at the end thereof the following new subsection:

"(aa)(1) The term 'rural health clinic services' means such services and supplies as would otherwise be covered (under subsection (s)(2)(A)) if furnished as an incident to a physician's professional service, and such additional services provided by a physician extender, furnished by a rural health clinic to an individual as a primary care patient.

"(2) The term 'rural health clinic' means a facility which—

"(A) is primarily engaged in providing rural health clinic services;

"(B) has an arrangement with one or more physicians under which provision is made for the regular review by such physicians of all medical services furnished by physician extenders;

"(C) provides for the preparation by the supervising physicians and physician extenders of medical orders for care and treatment of clinic patients, and the availability of such physicians for such referral and consultation for patients as is necessary, and for advice and assistance in the management of medical emergencies;

"(D) maintains clinical records on all patients;

"(E) has arrangements with one or more hospitals for the referral or admission of patients requiring inpatient services or such diagnostic or other specialized services as are not available at the clinic;

"(F) has written policies to govern the management of the clinic and all the services it provides;

"(G) has appropriate procedures or arrangements, in compliance with applicable State and Federal law, for storing, administering, and dispensing drugs and biologicals; and

"(H) has appropriate procedures for utilization review.

For purposes of this title, such term includes only a facility which is not located in an urbanized area (as defined by the Bureau of the Census) where the supply of medical services is not sufficient to meet the needs of individuals residing therein (including such rural areas as are designated by the Secretary as areas having medically underserved populations under section 1302(7) of the Public Health Service Act, and clinics that receive a majority of their patients from rural medically underserved areas).

"(3) The term 'physician extender' means a physician assistant, nurse practitioner, nurse clinician, or other trained practitioner who is certified as a physician's assistant by the National Commission on Certification of Physician's Assistants or its successor, or who is certified as an Adult-Family Nurse Practitioner by the American Nursing Association or its successor, and who is legally authorized to provide any physician services, as defined in section 1861(q), in the jurisdiction in which such services are provided.".

(c) Section 1862(a)(3) of such Act is amended by striking out "in such cases" and inserting in lieu thereof "in the case of rural health clinics, as defined in section 1861(aa)(2), and in other cases".

(d)(1) Section 1861(s) of such Act is amended—

(A) by striking out "and" after the semicolon at the end of paragraph (8);

(B) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and";

(C) by inserting after paragraph (9) the following new paragraph:

"(10) rural health clinic services."; and

(D) by redesignating paragraphs (10), (11), (12), and (13) as paragraphs (11), (12), (13), and (14), respectively.

(2) Section 1864(a) of such Act is amended by striking out "paragraphs (10) and (11)" and inserting in lieu thereof "paragraphs (11) and (12)".

(e) Section 1122(b)(1) of the Social Security Act is amended by inserting after the term "health care facility" the following: "(including a rural health clinic as defined in section 1861(aa)(2) of this Act)".

(f) The amendments made by this Act shall apply to services rendered on or after the first day of the third calendar month which begins after the date of enactment of this Act.

(g) Nothing in the amendments made by this Act shall be construed as superceding any State law regarding the use of physician extenders and the provision of health services.

CBS EVENING NEWS WITH MORTON DEAN

DEAN. Some of the good life in rural America is not so good anymore. The reason—the country doctor is an endangered species. Joan Snyder, CBS News, Clairfield, Tenn., reports.

JOAN SNYDER. He drives many miles a day over winding mountain roads to reach the people who need him. Jesse Walker, a country doctor practicing in Appalachia, a rare breed. The problem is: his kind of doctor is much too rare.

JESSE WALKER, M.D. Here in this section, I think it's about the same as it is all over the country. We have a problem getting not only doctors but other professionals also to come to the rural areas.

SNYDER. Government figures show that 35-million Americans living in rural areas are medically under-served, with too few doctors or none at all.

The little town of Walnut, Mississippi, has a fully equipped clinic, but it's silent and empty. The town can't find a doctor to work here. Since the last doctor left, after only a brief stay, this part of northeastern Mississippi has been among 700 areas defined as having a critical shortage of health care, many of them unable to attract doctors because of their isolation, lack of cutlural and educational facilities, and the long working hours of a country practitioner.

GATHA JUMPER [Chmn, N.E. Mississippi Devel. Corp.]. Some people get here sick and they don't have anywhere to turn to. And we need doctors here to treat our sick just like they do anywhere else in the United States.

SNYDER. But this year, in one of the neediest areas, Appalachia, the situation may get even worse. Thirty-nine health care clinics are coming to the end of a five-year funding period, provided by the government's Appalachian Regional Commission, and may be forced to shut down if they can't find money elsewhere. That would leave some of the most isolated and impoverished Americans without medical attention, like the more than 4,000 people served by two clinics in eastern Tennessee and Kentucky—coal mining country—where many mines have played out, deepening the poverty of the residents whose shacks often have no running water or indoor plumbing.

Many Appalachians have chronic diseases like heart trouble, diabetes and respiratory infections. Before the clinics opened people had to drive long distances over the mountains to find medical care—a difficult or impossible trip in bad weather. Clinic patients are afraid those days will return.

QUESTION. And how would you feel if the clinic had to close down?

Mr. JANICE HUDDLESTONE. Well, I'd feel bad about it because people up in here just wouldn't have no way of being doctored and, you know, getting medicines.

SNYDER. That's what worries the people who work at the Clear Fork Clinic in Tennessee and the Laurel Fork Clinic in Kentucky, both of which will run out of funds this April. The original idea was to make all 200 Appalachian regional clinics self-sufficient at the end of five years. But for many, it hasn't worked out that way, partly because the patients can afford to pay only low fees— as little as six dollars a visit. Another major financial problem has been the government's controversial policy of not paying the clinics for visits by Medicare patients unless a physician is on the premises—like Dr. Walker who works part-time at both the Tennessee and Kentucky clinics. But since there aren't enough doctors to go around, many patients are treated by what are called physician-extenders, who have medical training but no M.D.—like physician's assistant Chuck Ward, a former medical corpsman in Vietnam, who works at the Clear Fork Clinic.

One clinic service is home visits.

CHUCK WARD. Have you been having any dizziness at all?

ROY KING. Um-hmm.

SNYDER. Sally King, who has been treated for severe asthma attacks, worries about the future.

SALLY KING. Well I feel wonderful to know that we have medical care close if we—you know, in emergency. It's—It's a—an awful dreadful thing to think that you might die just for the need of medical help.

Dr. WALKER. I frequently tell doctors that if they're interested in providing service to people that really need it, that this is the

place to come and that they can get a lot more satisfaction out of that than they can dollars, sometimes.

SNYDER. To help solve the medical crisis in rural areas, the Appalachian Regional Commission is hoping for legislation this year that would provide Medicare compensation to physician-extenders. It's also been proposed that Medicare and Medicaid payments to physicians—now a good deal lower in rural than in urban areas—be raised to attract more doctors to needy areas and that more young people from rural areas be recruited for medical schools, so that they can return as country doctors.

But as they search for more government or foundation money, time is running out for the struggling clinics of Appalachia.

Mr. LEAHY. Mr. President, it is with great pleasure that I join the distinguished senior Senator from Iowa in introducing legislation to allow medicare reimbursements to cover the reasonable costs incurred by rural primary health care clinics. I think it is important to emphasize that in formulating this measure we took great care to assure that these health services are of high quality, including requirements that relate to the nature of the clinics and the training and supervision of the health practitioners involved.

The Health Manpower Act of 1976 contained a number of provisions to help alleviate the shortage of physicians and other health professionals in many parts of rural America. In addition, the Department of Health, Education, and Welfare has initiated a number of innovative projects for improving health care delivery in those areas. Notable in that regard is the increased use of nurse practitioners who treat patients under the supervision of physicians in nearby communities.

However, I have serious doubts whether we here in Washington can design and impose any system of health care on any community in Vermont or Appalachia or Wyoming, if that commitment and support does not exist at the local level.

It is a lesson all of us in Washington should have in mind as we try to solve the broad national crisis of maldistribution of primary care facilities.

One direction we should move in is to break down some of the barriers erected by the Federal Government which tend to discourage local efforts to provide rural care.

One perfect example of a barrier is the current policy of medicare prohibiting reimbursement to nurse practitioners and other physician extenders unless a doctor is physically on site.

This policy obstructs the access of many elderly and impoverished rural Americans to the health care they need. In some cases, it has forced badly needed clinics to close down. In others, they do not open in the first place, because of the threat of having to close down 1, 2, or 3 years after developmental funding runs out.

Let me cite one example of how this policy adversely affects an otherwise successful clinic.

Grand Isle County, which is an island community of 3,750 people between northern New York State and Vermont, connected at the north and south by roads to Vermont, had no primary care facility for years.

In 1974 the Champlain Islands Health Center was established primarily through the efforts of a local consumer health council and the visiting nurses association.

The key elements of the health center are: First, consumer involvement and governing responsibilities; second, utilization of nurse practitioners as primary care givers with physician backup and audit; third, an active volunteer organization, providing 24-hour telephone coverage; fourth, nurse practitioners who have been able to handle well over 90 percent of the cases, the remainder being trained elsewhere in the health system; and fifth, a cost effective system because nurses and physicians alike are used to their full potential.

The main problem at the center is long-range financing. To date, they have been able to put together a mix of funding primarily through foundation and Government developmental grants. When those sources dry up in a year or two, the center may be forced to close unless there is a change in the Federal reimbursement policy.

In that particular case I am glad to report that representatives of the center and the New Hampshire/Vermont Blue Cross/Blue Shield working cooperatively with my office were able to fashion a pilot reimbursement project for residents in the islands who carry Blue Cross. Periodically they calculate the percentage of patient population their members make up, and reimburse that percentage of the clinic's operating costs.

While this was a dramatic step in the right direction, it does not answer the larger health problems for rural America. The bill we have introduced today will go far toward that end by making medicare reimbursement available to rural health clinics.

Without reform of medicare to compensate these clinics adequately for the services they provide, hundreds of them, in rural communities throughout the Nation may be forced to close thereby denying millions of Americans the quality, accessible health care they require and desire.

REIMBURSEMENT AND THE RURAL HEALTH CLINIC

Mr. CHURCH. Mr. President, I am joining Senators CLARK and LEAHY in introducing legislation which will result in a more equitable reimbursement policy for physician extenders in serving in rural health clinics in order to help provide adequate health care treatment in the rural sections of our country which are medically underserved.

The Congress has intermittently discussed national health insurance proposals in the past decade. Throughout those discussions, I have repeatedly warned that financial access to the health care system in itself will not solve the health problems of Americans. Financial access without physical access means little.

We are beginning to come to grips with this problem of physical access. The first graduates of the National Health Service Corps program are now making their way to medically-underserved areas. But the question as to how many of these young physicians will remain in these communities after their obligation is fulfilled goes unanswered. Clearly, this program alone cannot begin to handle the immediate need for health care delivery in rural areas.

Therefore, the addition of the physician extender to the health care delivery system holds special promise for rural areas. These health care practitioners—physicians assistants, nurse practitioners, MEDEX, and similarly trained individuals—have provided the necessary link to health care access in rural communities throughout the Nation. Unfortunately, medicare reimbursement procedures do not recognize the enormous potential value of such personnel.

Under current provisions, the medicare program will not reimburse services provided by physician extenders in a clinic setting unless a doctor is present. Some communities can support a rural health clinic, but they have not been able to attract a full-time physician. Rural elderly persons receiving care from these clinics find that even though they are dutifully paying their monthly part B medicare premium—physicians services—they are denied reimbursement for their treatment at the clinic. Under the legislation offered today, medicare reimbursement would be given for care provided by a certified physician extender in a clinic setting with periodic review by a licensed physician.

To my way of thinking, this would correct an injustice in the medicare program without jeopardizing the quality of care for persons in rural areas. It is widely accepted that certain health care procedures generally associated with physician visits can be competently performed by persons with less professional training. The certified health care practitioner undergoes a degree of education and testing commensurate with the responsibilities undertaken. Further, this individual has direct access to a physician as well as to a hosptal nearby.

In Idaho, medicare reimbursement policy has been a major obstacle to the provision of care for elderly persons in rural areas. If medicare is to serve all persons in all geographic areas with some degree of equity, it is high time for corrective action.

Mr. President, I hope that the Senate Finance Committee will give prompt and favorable consideration to this proposed change in the medicare reimbursement system.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 709. A bill to amend the Consumer Product Safety Act and to aid in the enforcement of acts implemented by the Consumer Product Safety Commission; to the Committee on Commerce, Science, and Transportation.

CONSUMER PRODUCT SAFETY

Mr. MAGNUSON. Mr. President, I introduce for myself and Mr. PEARSON, by request, a bill to amend the Consumer Product Safety Act and to aid in the en-

forcement of acts implemented by the Consumer Product Safety Commission.

I ask unanimous consent that the letter of transmittal, the text of the bill, and the separate views and legislative recommendations of Commissioner R. David Pittle be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 7(b) of the Consumer Product Safety Act (15 U.S.C. 2056(b)) is amended by—

(a) inserting "(1)" immediately after "(b)",

(b) redesignating subparagraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C) and (D) respectively, redesignating "(A)" and "(B)" in newly redesignated subparagraph (D) as "(i)" and "(ii)" respectively and striking out the words "paragraph (4)(B)" in the last sentence and inserting in lieu thereof "subparagraph (D)(ii)."

(c) striking out the words "under this Act" in the first sentence and inserting in lieu thereof "as described in paragraph (1)(A) of subsection (a)", and

(d) adding at the end thereof the following new paragraph (2):

"(2) A proceeding for the development of a consumer product safety standard as described in paragraph (1)(B) of subsection (a) shall not be subject to the requirements of this section unless the Commission determines that the public interest requires otherwise."

SEC. 2. (a) Section 7(c) of the Consumer Product Safety Act (15 U.S.C. 2056(c)) is amended to read as follows:

"(c) Notwithstanding subsection (b), if the Commission determines that (1) there exists a standard which has been issued, adopted or proposed by any other Federal agency or by any other qualified agency, organization or institution, and (2) such standard, with such non-material modifications as the Commission determines are necessary, if promulgated under this Act, would eliminate or reduce the unreasonable risk of injury associated with the product, then it may, in lieu of proceeding under subsections (b) through (g) of this section, publish such standard as a proposed consumer product safety rule."

(b) Section 7 of such Act (15 U.S.C. 2056) is amended by

(1) redesignating subsections (d), (e) and (f) as (e), (f) and (g), respectively; and

(2) adding a new subsection (d) as follows:

"(d) If the Commission determines that an existing standard, other than a standard which meets the requirements of subsection (c)(2), with appropriate modification, if promulgated under this Act, would eliminate or reduce the unreasonable risk of injury associated with the product, then the Commission shall proceed under subsections (b) through (g) of this section; except that the invitation under subparagraph (D)(ii) of subsection (b)(1) may be limited to such appropriate modification of the existing standard."

(c) Section 9(a) of such Act (15 U.S.C. 2058(a)) is amended by striking out "(e)(1)" and "(F)" in the first sentence of paragraphs (1) and (2) and inserting in lieu thereof "(f)(1)" and "(g)" respectively.

SEC. 3. Section 5 of the Federal Hazardous Substances Act (15 U.S.C. 1264) is amended by adding the following new subsections:

"(c) Any person who is found by the Commission, after written notice and an opportunity for a hearing in accordance with section 554 through 557 of title 5, United States Code, to have violated any of the provisions of section 4 of this Act or sections 403(n), 502(p) and 602(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(n), 352(p), and 362(f)) shall be liable to the United States for a civil penalty not to exceed $2,000 for each such violation. Each distinct unit of product in violation of such provisions constitutes a separate offense for such purpose except that the maximum civil penalty shall not exceed $500,000 for any related series of violations. The Commission shall maintain a transcript of such hearing conducted pursuant to this subsection. The amount of such civil penalty shall be determined and assessed by the Commission, by written notice. Any civil penalty under this subsection may be compromised by the Commission, and may be deducted from any sums owing to the United States to the person charged.

"(d) Any person against whom a violation is found under subsection (c) may obtain review in the court of appeals of the United States for the circuit in which such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing notice of appeal in such court within thirty days from the date of such assessment and by simultaneously sending a copy of such notice by certified mail to the Commission. The Commission shall promptly file in such court a certified copy of the record upon which such violation was found and such penalty assessed as provided in section 2112 of title 28, United States Code. The finding of the Commission shall be set aside if found to be unsupported by substantial evidence, as provided by section 706(2)(E) of title 5, United States Code.

"(e) In determining the amount of such penalty, the Commission shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, and history or prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

"(f) If any person fails to pay an assessment of a civil penalty after it has become final and unappealable, or after the appropriate court of appeals has entered final judgment in favor of the United States, the Commission shall recover the amount assessed in the district court for the district in which such person resides or has his principal place of business. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review."

SEC. 4. The Act to require certain safety devices on household refrigerators shipped in interstate commerce (15 U.S.C. 1211) is amended by—

(1) redesignating sections "3", "4", and "5"; as sections "4", "5", and "6" respectively;

(2) striking the words "Secretary of Commerce" in newly redesignated section 4 thereof; and

(3) inserting the following new section 3 after section 2 thereof:

"SEC. 3. (a) Any person who is found by the Commission, after written notice and an opportunity for a hearing in accordance with section 554 through 557 of title 5, United States Code to have violated any of the provisions of the first section shall be liable to the United States for a civil penalty not to exceed $2,000 for each such violation. Each distinct unit of product in violation of the first section constitutes a separate offense for such purpose except that the maximum civil penalty shall not exceed $500,000 for any related series of violations. The Consumer Product Safety Commission shall maintain a transcript of such hearing conduct pursuant to this subsection. The amount of such civil penalty shall be determined and assessed by such Commission, by written notice. Any civil penalty under this subsection may be compromised by such Commission, and may be deducted from any sums owing by the United States to the person charged.

"(b) Any person against whom a violation is found under subsection (a) may obtain review in the court of appeals of the United States for the circuit in which such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing a notice of appeal in such court within thirty days from the date of such assessment and by simultaneously sending a copy of such notice by certified mail to the Consumer Product Safety Commission. Such Commission shall promptly file in such court a certified copy of the record upon which such violation was found and such penalty assessed as provided in section 2112 of title 28, United States Code. The finding of such Commission shall be set aside if found to be unsupported by substantial evidence, as provided by section 706(2)(E) of title 5, United States Code.

"(c) In determining the amount of such penalty, the Consumer Product Safety Commission shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

"(d) If any person fails to pay an assessment of a civil penalty after it has become final and unappealable, or after the appropriate court of appeals has entered final judgment in favor of the United States, the Consumer Product Safety Commission shall recover the amount assessed in the district court for the district in which such person resides or has his principal place of business. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review."

SEC. 5. Section 30(b) of the Consumer Product Safety Act (15 U.S.C. 2079(b)) is amended by adding the words "as amended," after the words "Federal Trade Commission Act,".

SEC. 6. Section 27 of the Consumer Product Safety Act (15 U.S.C. 2076) is amended by adding the following new subsection:

"(m) Payments to participants in Commission proceedings related to rulemaking and in Commission adjudicatory proceedings may be made without regard to section 3648 of the Revised Statutes of the United States (31 U.S.C. 529)."

SEC. 7. Section 4(g)(1) of the Consumer Product Safety Act (15 U.S.C. 2053(g)(1)) is amended by adding after "a Director of Epidemiology", the words "a Director of Compliance".

WASHINGTON, D.C., *January 18, 1977.*

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the provisions of Section 27(k)(2) of the Consumer Product Safety Act (15 U.S.C. 2076(k)(2); P.L. 92–573), I am pleased to enclose herewith the legislative recommendations of the Consumer Product Safety Commission to the Congress.

Section 1 of the bill would amend section 7(b) of the Consumer Product Safety Act (CPSA) to provide that consumer product safety standards consisting of requirements for labeling, warnings or instructions not be subject to the requirements of section 7 unless the Commission determines that the public interest so requires. This amendment would grant the Commission needed flexibility in its regulatory development program

by giving the Commission the option of omitting the detailed procedures of the offeror process or section 7 where the standard involving only labeling requirements and where the Commission concludes that use of the offeror process is unnecessary. Such a conclusion would be warranted, the Commission believes, where it is already aware of the specifications of an appropriate proposed labeling standard or believes that its staff can readily and more efficiently develop the proposed labeling standard. Regardless of whether the offeror process is utilized, promulgation of the standard would be subject to the public notice and comment procedures of section 9 of the Consumer Product Safety Act and 5 U.S.C. 553.

Under section 7(c) of the CPSA, the Commission may propose, without modification, an existing standard in lieu of accepting an offer under section 7 to develop a standard. Section 2(a) of the bill would amend section 7(c) to provide that existing standards which the Commission determines are appropriate for promulgation under the CPSA with certain non-material modifications, may be proposed directly by the Commission without having to go through the formality of inviting the public to recommend an existing standard or offer to develop one. This amendment would simplify the Commission's procedures where an appropriate standard exists. It would also enable the Commission to make non-material modifications of the existing standard so that it conforms with the format for a federal mandatory standard established by the Commission. In determining, under section 2(a) of the bill, whether an existing standard is, with non-material modification, appropriate for promulgation, the Commission will take into account, among other things, the degree to which the public participated in the development of the existing standard. Where the Commission concludes that the degree of public participation was inadequate, it will, in promulgating the standard under section 9, take several steps to insure meaningful public participation.

Section 2(b) of the bill would provide that when in the Commission's judgment an existing standard, with some material changes, would adequately protect the public from unreasonable risk of injury, CPSC would use the offeror process but the invitation to prospective offerors could be limited to such modifications as the Commission determines are necessary. The provision would permit the Commission to properly focus the effort undertaken by the offeror where a standard already exists so as to avoid unnecessary expenditure of Commission and offeror resources.

Sections 3 and 4 of the bill would, respectively, establish civil penalty authority under the Federal Hazardous Substances Act (FHSA) and the Refrigerator Safety Act. Under the present FHSA (and by extension, the Poison Prevention Packaging Act (PPPA)) the Commission is limited in enforcement matters to recommending that the Department of Justice seek criminal penalties or close the case. The amendments to the FHSA would give the Commission an additional option in tailoring a sanction to fit an offense and would provide the deterrent and flexibility needed to address the many gradations of violation with which the Commission must deal on a daily basis.

Section 5 of the bill addresses the problem of the limited options available to the Commission in enforcement of the Flammable Fabrics Act (FFA). Those options are to seek criminal penalties if a willful violation can be established or initiate a lengthy administrative proceeding leading to the issuance of a cease and desist order. We construe the Consumer Product Safety Act as granting to us all the authority that the Federal Trade Commission had in administering the FFA. Further, we believe that the amendments to the Federal Trade Commission Act, which would have been applicable to the FFA if it were still administered by the FTC, should be available to this Commission. The provisions of section 5 would constitute a clear statement that the Commission possesses the more efficient and stringent civil penalty authority the Congress has recently given the Federal Trade Commission, and which this Commission believes is necessary in enforcing the FFA.

Proposed text of the bill is attached. It is the hope of the Commission that the Congress will give favorable consideration to this recommended legislation.

Sincerely,

S. JOHN BYINGTON,
Chairman.

WASHINGTON, D.C., *January 26, 1977.*

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On January 18, 1977, I forwarded to you, pursuant to section 27(k)(2) of the Consumer Product Safety Act (15 U.S.C. 2076(k)(2)), a draft bill containing certain legislative recommendations of the Consumer Product Safety Commission.

Enclosed herewith is a revised version of that bill, containing two additional proposed amendments to the Consumer Product Safety Act.

Section 6 of the revised bill would amend section 27 of the Consumer Product Safety Act (15 U.S.C. 2076) to authorize advance payments for participants in Commission proceedings. The Comptroller General of the United States has ruled that the Commission has authority to provide financial assistance to those participants in its proceedings (1) who represent an interest that can reasonably be expected to contribute substantially to a full and fair determination of the issues in a proceeding and (2) who are indigent or otherwise unable to finance their participation in a proceeding. The Comptroller General has also stated that 31 U.S.C. 529 prohibits the making of advance payments of public money absent specific statutory authorization to do so, and that payments for participation in agency proceedings must thus be made on a reimbursement basis.

The Commission agrees with the Comptroller General's expressed view that ". . . the inability to make advance payments might in some cases impede or prevent the Commission (in this decision, the Federal Communications Commission) from obtaining desired participation . . ." Participants for whom the Commission authorizes financial assistance in a particular proceeding might well have to forfeit such assistance and not participate in the proceeding whenever they are unable to meet their ongoing costs, pending reimbursement by the Commission. Since participants are authorized to receive financial assistance in part because of their lack of financial resources, such occurrences could be common. Accordingly, the Commission is recommending an amendment authorizing advance payments to participants in Commission proceedings.

Section 7 of the revised bill would amend section 4(g)(1) of the Consumer Product Safety Act (15 U.S.C. 2053(g)(1)) to provide that appointment by the Chairman of the Director of Compliance would be subject to Commission approval.

Sincerely,

S. JOHN BYINGTON,
Chairman.

WASHINGTON, D.C.,
January 25, 1977.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On January 18, 1977 the Consumer Product Safety Commission forwarded to you in accordance with the provisions of Section 27(k)(2) of the Consumer Product Safety Act (15 U.S.C. 2076(k)(2)) the CPSC legislative recommendations to the Congress. Because I disagree with a portion of these recommendations, I have decided to submit an alternative provision for consideration by the Congress. My provision is included as an attachment to this letter.

The Commission's proposed legislation contains three separate changes: (i) a modification of the "offeror" process set forth in Section 7 of the CPSA (15 U.S.C. 2076 *et seq.*), (ii) the establishment of civil penalty authority under the Federal Hazardous Substances Act (FHSA) (15 U.S.C. § 1261 *et seq.* and the Refrigerator Safety Act (RSA) (15 U.S.C. §1211 et seq.) and (iii) a clarification of the civil penalty authority under the Flammable Fabrics Act (FFA) (15 U.S.C. § 1191 *et seq.*) I stand in complete accord with the Commission's proposed actions with respect to civil penalty authority under the FHSA, RSA, and FFA. However, I have major reservations with respect to the Commission's proposed language amending Section 7.

As I understand the proposals for modifying Section 7, the majority would do several things: (a) Section 1 of the bill would amend Section 7(b) of the CPSA to provide that consumer product safety standards consisting solely of requirements for warnings or instructions would not be drafted under the offeror process unless the Commission were to determine that the public interest so required, (b) Section 2(a) of the bill would amend Section 7(c) to provide that existing standards which the Commission determines are appropriate for promulgation under the CPSA, with certain *non*-material modifications, may be proposed directly by the Commission without having to go through the formality under the offeror process, of inviting the public either to recommend an existing standard or to offer to develop one and (c) Section 2(b) of the bill would provide that when in the Commission's judgment an existing standard, with some modification, would adequately protect the public from unreasonable risk of injury, the CPSC would be required to use the offeror process only to make those modifications of the existing standard which would be "material."

Before discussing my alternative proposals for amending Section 7, I would briefly describe the offeror process, its origins, and some of my criticisms of it.

When Congress established the Consumer Product Safety Commission, it required the Commission to follow the basic rulemaking provisions of the Administrative Procedure Act (APA) for setting safety standards. These provisions, set forth in Section 553 of the APA, are utilized by most Federal regulatory agencies and have been repeatedly found by the courts to comport with the strictest notions of constitutional due process. Section 9 of the CPSA is essentially the same as Section 553 of the APA, with one additional requirement. However, in addition to the basic APA provisions, Congress added an additional set of requirements for standards setting in the Consumer Product Safety Act. These additional requirements—the offeror process—are set forth in Section 7 of the Act.

Under the offeror process, the CPSC is generally prohibited from drafting standards by itself. Instead, the CPSC must publicly invite persons outside of the Commission to offer to develop a standard for the agency. These persons, called offerors, may be any interested member of the public including industry or consumer groups. Only after an offeror has completely drafted a standard and submitted it to the CPSC may we, if we believe it to be inadequate, alter it.

Once the offeror has completed its draft and the CPSC has reviewed and possibly made revisions to the standard, the CPSC then must either propose and promulgate the standard in accordance with Section 9 of the CPSA or withdraw the proceeding.

Thus, the offeror process, is in effect, "pre-rulemaking rulemaking."

One exception to the requirement that the CPSC utilize the offeror process arises with respect to existing standards. A person responding to an invitation for offerors, in lieu of applying to be an offeror, may submit for CPSC consideration an existing standard (e.g., an industry voluntary standard) which covers the consumer product for which the agency proposes to develop a consumer product safety standard. Should the Commission decide that the existing standard, if promulgated under the CPSA, would eliminate or reduce the unreasonable risk of injury associated with the product, then it may, instead of utilizing an offeror, propose the standard as a proposed consumer product safety standard in accordance with Section 9 of the CPSA.

The history of the offeror process is somewhat murky. Based on several conversations with persons involved in its development, I have concluded that it is a compromise approach to government rulemaking that resulted from disagreements betwen two divergent interest groups. One group of interests felt that government should generally defer to industry in standards setting. They preferred that government take industry voluntary standards and adopt them as mandatory standards. In contrast, the other group felt that industry could not stringently regulate itself and tried to minimize industry dominance of standards setting.

The present offeror process contains elements traceable to each group. Under Section 7, the offeror may be any interested person or group thus providing both industry and consumers opportunities to direct the development of standards. Furthermore, the offeror must provide the opportunity for public participation (including representatives of consumers and consumer organizations) during the development of such standard.

While I admire the inventiveness of the drafters of the offeror process, I should reemphasize that they crafted the process as a compromise solution to a conflict over basic rulemaking approaches. They had virtually no experience to indicate that the process would work. In short, it was an experiment and should not be considered sacrosanct.

What are the possible advantages of the offeror process? Many people initially felt that it would be a less costly way for the government to develop standards than reliance on "in-house" capabilities. Regretfully, this proposition would be accurate only if the CPSC relied solely on industry offerors. I would personally find such a situation unacceptable. On the other hand, to obtain consumer offerors, the CPSC must, in my judgment, spend substantial amounts of money. For example, Consumers Union, the only consumer offeror utilized thus far was paid $260,000 to manage the development of a draft standard on lawnmowers. Similar management costs are, to my mind, going to be required each time a standard is developed under the direction of a consumer offeror. Moreover, regardless of who the offeror is, these costs do not reflect the considerable research, redrafting, and rationale development undertaken by Commission staff after the offeror's submission. This has been the case for each of the proposed standards thus far developed under Section 7. Therefore, I do not believe that any major cost advantages exist through the use of this process.

The other major rationale behind the offeror process is that of increased "public participation." This notion arises because of the fact that under Section 7 procedures the Commission must rely on offerors who are members of the public rather than the agency itself to develop consumer product safety standards. Many people, including myself, believe that involvement of the "public" in the early, basic development of standards could produce significantly better standards than reliance solely on the traditional APA procedures. However, I hold this belief with major qualifications.

First, I do not believe that simply any "public" is adequate for standards development. Under the offeror system an industry group is a member of the public and, if accepted by the CPSC, may draft a standard for its own products. To some observers, this situation is similar to a fox setting visitation hours to a chicken coop. It is my view that while substantial industry involvement is essential in standards development, it is unwise for the CPSC to permit industry dominance of the process. The offeror procedures are susceptible to this type of dominance simply because industry has an extreme advantage in resources. That the Act requires that consumer participants be invited to participate on an offeror development team means little if these participants cannot obtain adequate technical expertise. Unless consumer involvement in the offeror process is equal in quality to industry involvement, I do not believe the phrase "public participation" is very meaningful.

Second, I do not believe that the offeror process contains the only feasible method of providing for public participation. In fact, it may be one of the most cumbersome, least effective ways of doing so. Yet the law requires that the CPSC utilize this process and only this process. I believe the Commission should be free to experiment with alternative forms of public participation.

I have additional concerns about the offeror process. I am skeptical about the ability of the process to produce standards on an expeditious basis. At the time of passage of the Consumer Product Safety Act, it was the judgment of Congress that 210 days after the Commission invites offers to develop a consumer product safety standard (including 90 days for the chosen offeror to prepare a draft standard) the Commission should receive the draft standard from the offeror, analyze it, and be in a position either to withdraw the standard's development or to propose the standard in the *Federal Register* substantially in accordance with Section 553 of the APA. The Congress recently extended the time period for offeror development by 60 days to permit the offeror 150 rather than 90 days to develop a draft standard. Frankly, based on our experience to date, I suspect that even this extension of time will be insufficient for most offerors.

In addition, I cannot avoid the view that the offeror process is as much a source as a solution to the problem of delay in standards development. There are several inherent periods of delay in the offeror process which seem unavoidable and which are relatively unproductive: (a) there is the period between the time the Commission decides that an unreasonable risk exists and the time the notice inviting offers is actually published in the *Federal Register*. This "pre-notice" period is subject to no time constraints; (b) there is the period after the notice is published in which the Commission receives and evluates offers to develop proposed safety standards. This period has averaged over 60 days; (c) there is the "start-up" period in which the offeror fully organizes the participants and becomes familiar with the current thinking of the Commission regarding work to be done. This period obviously is at the expense of productive time; (d) finally, there is the period after the submission of the draft standard in which the Commission must analyze and, if necessary, rewrite portions of the draft standard that are inadequate. Based on our experience to date, this period will be quite long. These delays trouble me because it is of primary importance that standards development proceed quickly.

Many observors are quick to point out that the Commission's evaluation period after an offeror has submitted a draft standard usually has taken as long as or longer than the offeror's development period. This is seen as evidence that the offeror system functions no more slowly than when the government drafts standards. I question this view. It is my judgment that much of the CPSC delay after the offeror's work is complete is directly attributable to the fact that the offeror has proposed either inadequate requirements or requirements that lack any legally sustainable technical rationale.

This point leads directly to my final concern about the offeror process. While it may be premature to assess the whole process on the basis of the several proposed standards submitted so far, I am deeply concerned about the ability of the offeror process to produce high quality standards. It is my judgment that several of the proposed standards submitted by past offerors were nothing more than "warmed-over" versions of voluntary standards initially determined to be inadequate by the Commission. Another proposed standard, while apparently innovative, obviously suffered from extreme haste resulting from the offeror's effort to meet statutory deadlines. And in almost every offeror proceeding, the Commission has found; it necessary to request CPSC staff to do additional background work and make substantial changes in the draft standard.

With this background established, I now turn to my misgivings about the majority's proposals.

First, I fail to see the value of amending Section 7 to provide for bypassing the offeror process simply to develop a standard consisting solely of requirements for warnings or instructions. Aside from the fact that the CPSC has never had occasion to develop such a standard, there already is a mechanism outside of the offeror process for requiring warnings or instructions. Under Section 27 (e) of the CPSA, the Commission may, by rule, require any manufacturer of consumer products to provide to prospective purchasers such performance and technical data related to safety as the Commission determines necessary to carry out the purposes of the Act. The CPSC General Counsel has concluded that Section 27(e) generally gives sufficient authority to the CPSC to require cautionary warnings or instructions. Given this interpretation, I am unable to see the benefit of Section 1 of the majority's proposed bill.

Second, and most important, I do not believe that the Commission should seek greater flexibility in Sections 2(a) and 2(b) of the bill to adopt existing standards without seeking similar flexibility to modify the offeror process when circumstances might dictate. Adding flexibility only in the one area is illogical and invites an undue temptation for the Commission to rely on existing standards rather than incur the expense and delay of the more innovative rulemaking required when starting with a clean slate.

In my view, the Commission should not rely primarily on adopting existing standards. Most existing standards relevant to CPSC activities are industry voluntary standards. While there has been significant upgrading of these standards in recent years, I still find many of them to be lacking in the stringency, clarity and comprehensiveness that should be the hallmark of good mandatory safety standards. Moreover, I remain to be convinced that these standards reflect a proper balancing of industry and consumer views.

This last point is extremely important to me. The fact that a nongovernmental group drafted an existing standard should not lead one to conclude that the standard incor-

porates an adequate degree of "public participation." The majority's letter of transmittal implicitly concedes this point when it states that "in determining, under Section 2(a) of the bill, whether an existing standard is, with non-material modification, appropriate for promulgation, the Commission will take into account, among other things, the degree to which the public participated in the development of the existing standard." While I agree with the spirit of the majority's intentions as expressed in their *letter*, I am struck by the extreme flexibility of the majority's approach as set forth in its proposed *bill*. The bill is silent regarding whether or not there must be "public participation." The bill does not require the CPSC to reject existing standards where public participation was inadequate or nonexistent nor does it set minimum standards for the type or degree of public participation necessary for an existing standard to be acceptable. It does not even require the Commission to make findings regarding whether or not the public participated during the drafting of an existing standard.

Even if one assumes that the Commission's letter of transmittal forms a strongly binding part of the bill's legislative history, the Commission retains very broad flexibility. The only course of action to which the letter commits the Commission where it concludes that the degree of public participation was inadequate in the development of an existing standard is that the CPSC will, "in promulgating the standard under Section 9, take several steps to insure meaningful public participation." No details are provided regarding what the "several steps" will be. This obviously permits great flexibility.

My point in highlighting the flexibility of the majority's bill with respect to adopting existing standards is not so much to criticize it as to contrast it with the extreme rigidity of the offeror process.

As I read the majority's bill, the CPSC could decide that an existing standard drafted by an industry group was an acceptable standard. It could do so even though the industry group excluded consumers from its drafting work. If the CPSC wanted to provide greater consumer participation before adopting the standard, it could convene a public meeting or meetings to discuss the standard. The CPSC could provide funding to consumers to assist them in evaluating the standard. Assuming that no major objections were raised to the standard, the CPSC could then proceed to adopt the standard in accordance with Section 9 of the CPSA.

By contrast, if the CPSC staff—rather than an industry group—were to develop the exact same standard even after extensive public meetings and consultation with industry and consumer groups, the Commission would be barred from taking any action to implement that standard until it had gone through the entire set of offeror procedures.

Extreme flexibility for adopting industry standards coupled with extreme rigidity in developing governmental standards (regardless of the degree of public participation) does not, in my opinion, serve the public interest well. I urge the Congress to provide the same degree of flexibility to the CPSC to modify the offeror process as it does to permit the CPSC to adopt existing standards.

One cannot help but note that the CPSC has been in existence for over three and one-half years. I know of very few people who believe that the offeror process has functioned smoothly or effectively during that time. My colleagues believe that the offeror process can be improved to the point where it will be expeditious and useful. I have sufficient reservations on this point that I am reluctant to endorse legislation that continues to tie us to the process.

The legislation I have proposed is fairly simple. It permits the CPSC to modify the offeror process if it believes circumstances require it to do so and retains the important base element of public participation. This gives the CPSC flexibility to experiment with other methods of providing public participation presently barred by the majority's proposal.

I hope that you will give favorable consideration to my proposal.

Sincerely,

R. DAVID PITTLE, Ph. D.,
Commissioner.

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(1) Section 7(b) of the Consumer Product Safety Act (15 U.S.C. 2056(b)) is amended by (1) amending "(1)" between "(b)" and the word "A" in the first sentence of this paragraph and (2) by adding the following section.

(b)(2) Upon a finding that the procedures set forth in paragraph (b)(1) should be modified for the development of a particular consumer product safety standard, the Commission may, in lieu of those procedures, adopt alternative procedures (including proposal by the Commission and promulgation in accordance with Section 9). Such finding shall be published in the *Federal Register* and shall state:

(1) the manner in which the procedures set forth in paragraph (b)(1) will be modified;

(2) the reasons (e.g., the degree of technical complexity involved in the problem to be addressed, the Commission staff's experience and expertise regarding the problem, the period of time determined by the Commission to be appropriate for the development of the standard, or other factors) for modifying the procedures set forth in paragraph (b)(1); and

(3) the steps the Commission will take to include interested persons (including representatives of consumers and consumer groups) to participate in the development of the consumer product safety standard.

(2) Section 7(d)(1) of the Consumer Product Safety Act (15 U.S.C. 2058(a)) is amended by inserting "(b)(2) or" between the word "subsection" and "(c)" in the first sentence of the paragraph.

(3) Section 9(a) of the Consumer Product Safety Act (15 U.S.C. 2058(a)) is amended by inserting "(b)(1), (b)(2)," between "7" and "(c)" in the first sentences in paragraphs (1) and (2).

By. Mr. STEVENSON:

S. 710. A bill to amend the Export Administration Act of 1969; to the Committee on Banking, Housing and Urban Affairs.

U.S. EXPORT CONTROL AUTHORITY

Mr. STEVENSON. Mr. President, I am today introducing a bill to insure that U.S. export controls are based on a firm legal foundation and that they are implemented in accordance with the intent of the Congress. It would repeal the ability of the executive branch to rely on the Trading With the Enemy Act to deal with matters governed by the Export Administration Act. It provides that upon enactment, orders, rules, and regulations issued under the Export Administration Act may not be implemented under the authority of section 5(b) of the Trading With the Enemy Act. And it further provides that upon reenactment of the Export Administration Act, orders issued under the Trading With the Enemy Act to extend regulations previously issued under the Export Administration Act shall be null and void.

Mr. President, this legislation is needed in order to end uncertainty over the authority to regulate exports and to preserve the right of the Congress to determine U.S. export policy. At present, the legal foundation for the exercise of export controls is murky. The basic U.S. export control statute—the Export Administration Act—expired last September. However, regulations issued under that statute were reissued under the alleged authority of the Trading With the Enemy Act. But there is a serious question whether the Trading With the Enemy Act provides an adequate basis for such action.

The Trading With the Enemy Act is a broad, generalized, blanket grant of authority to the President to regulate transactions involving property in which any foreign government or national has an interest. It is to be used only in times of national emergencies. Its use when no real national emergency exists to carry out the policies of the Export Administration Act is of doubtful legality, is questionable as a matter of policy, and is a source of uncertainty in the exporting community. Its use raises serious question about the ability of the Congress to control executive branch discretion. And its invocation undermines the right of the Congress to prescribe U.S. export policy and to insist on conformity with the law.

The Export Administration Act is the basic U.S. export control statute. It sets forth U.S. export control policy in great detail. Among other things, it prescribes policy and procedures for regulating exports to protect the domestic economy from shortages, to further U.S. foreign policy objectives, to protect the national security, and to counter foreign boycotts against countries friendly to the United States. It is the statute which is intended to govern U.S. export control policy and practice on a regular and continuing basis.

The Trading With the Enemy Act, by contrast, is emergency legislation. It is intended to be used in times of war or national emergency. Since it is intended to give the President broad discretion to deal with true national emergencies, it contains little elaboration of specific goals and standards of procedure.

Mr. President, the bill I am introducing today would end the practice of relying on the Trading With the Enemy Act to carry out the policies of the Export Administration Act. It would make it clear that the Congress insists on use of the Export Administration Act, with all its specific standards, guidelines, and procedures to regulate U.S. exports. It would restore the power of the Congress to determine what U.S. export policy is to be. And it would end the temptation to veto or block Export Administration Act amendments, because of the availability of the Trading With the Enemy Act fallback.

This bill is not intended to deprive the President of the ability to protect the national security in times of national emergency. On the contrary, it is intended to remove uncertainty about the legality of Presidential action and to insure that such action is in conformity

with the requirements and intent of the law.

One of the difficulties with the present situation is exemplified by present antiboycott efforts. The Export Administration Act explicitly provides that it is U.S. policy to oppose restrictive foreign trade practices or boycotts imposed on countries friendly to the United States and to encourage and request U.S. exporters to refuse to take any action in support of such boycotts. The act further provides that exports may be controlled or restricted in order to effect these policies and establishes penalties for violations, as well as procedures for enforcement of rules and regulations promulgated to achieve these goals.

When the Export Administration Act expired last September, regulations implementing the antiboycott provisions of the Export Administration Act were reissued under the Trading With the Enemy Act. But the Trading With the Enemy Act, enacted in 1917, makes no mention of any antiboycott policy. U.S. exporters who are required to comply with these antiboycott regulations raise legitimate questions about the authority to compel such action. Similar questions could arise with respect to export restraints imposed, or monitoring operations begun, for domestic economic purposes. Clearly it would be preferable to insist on the use of the Export Administration Act, the statute that Congress intended for such purposes, rather than the vague and imprecise authority of the Trading With the Enemy Act.

Mr. President, an important issue is at stake: Once a statute has been enacted to deal with a specific matter, with guidelines, standards, criteria, and goals to govern Executive action, should the executive branch be permitted to rely on a different statute to accomplish similar objectives? The answer is no. Otherwise, why should Congress go through the exercise of review and revision of laws intended to govern Executive action if the Executive is free to deal with the same matter without the benefit of those laws? Executive action pursuant to generalized authority on matters Congress intends to govern by specific statute makes a mockery of the legislative process. It undermines the authority of the Congress to insist on compliance with the law. And because the Trading With the Enemy Act is used to justify all actions authorized by the Export Administration Act, bills to amend that act may be vetoed, or the act may be allowed to expire, with impunity. Congress, thereby, effectively delegates its responsibility to legislate to the executive branch.

Mr. President, this bill leaves intact the President's authority under the Trading With the Enemy Act to control foreign assets in times of war or national emergencies. The wisdom of retaining that statute for those purposes is a matter for future consideration. This bill merely insures that the Export Administration Act—the statute which is intended to govern export regulations—is in fact the statute which governs the exercise of that authority.

I ask unanimous consent that the bill be printed in the RECORD:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 710

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of the Export Administration Act of 1969 is amended—

(1) by inserting "(a)" after "Sec. 14."; and

(2) by adding at the end thereof the following:

"(b) After the date of enactment of this subsection, orders, rules, or regulations implementing the policies set forth in section 3 may not be implemented under the authority of section 5(b) of the Trading with the Enemy Act. Any order, rule, or regulation which was promulgated under the authority of section 5(b) of the Trading with the Enemy Act, on or after the date referred to in subsection (a) but prior to the date of enactment of this subsection, and which continued or reinstated any order, rule, or regulation which, prior to the date referred to in subsection (a), implemented the policies set forth in section 3 shall be null and void.".

By Mr. STEVENSON:

S. 711. A bill to establish a Federal Bank Examination Council; to the Committee on Banking, Housing and Urban Affairs.

FEDERAL BANK EXAMINATION COUNCIL ACT

Mr. STEVENSON. Mr. President, I am reintroducing today a bill to create a Federal Bank Examination Council. I introduced this bill last year after hearings in the Banking Committee disclosed that the lack of coordination among the bank regulatory agencies was impairing the regulatory process.

The General Accounting Office has just completed an extensive study of Federal bank regulation which confirms those concerns. The study documents numerous deficiencies in existing regulatory practices. Many of the defects are traceable to the absence of uniform standards and procedures among the three bank regulatory agencies. Many are traceable, too, to the failure of the regulatory agencies to coordinate their activities. "Competition in laxity" aptly summarizes the situation.

Mr. President. The Federal Bank Examination Council established by this bill would help rectify the deficiencies in the present system. The Council would be composed of the Comptroller of the Currency, a member of the Board of Directors of the Federal Deposit Insurance Corporation and a member of the Federal Reserve Board. The bill would authorize the Council to establish uniform Federal bank examination standards and procedures and recommend further improvements in bank supervision.

At present the three bank supervisory agencies—the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Federal Reserve System—each determine their own bank examination standards, use their own bank examination forms, independently train their own bank examiners, and follow different procedures for supervising banks. The lack of uniformity in Federal bank examination forms and procedures complicates the collection of data on the banking system. It adds to the reporting burden on banks, especially banks which are subsidiaries of multibank holding companies. Inconsistency of Federal bank examination standards produces discrepancies in the identification and supervision of problem banks. And the absence of coordinated bank supervisory procedures hampers the agencies in coping with bank failures.

Recently failed large national banks were supervised by the Comptroller's Office; were subsidiaries of bank holding companies supervised by the Federal Reserve System; and had deposits insured by the FDIC. All three agencies necessarily become involved in almost all cases of large bank failures. The Federal banking agencies have no coordinated system for early identification of banks and bank holding companies that encounter difficulty and for close supervision where there is a risk of failure. There is no standing mechanism for joint supervisory followup when banks are identified as problem banks by one or more of the three agencies. The rapidity with which the condition of a bank can change requires improved capability for the Federal agencies to act jointly and expeditiously. The Federal Bank Examination Council established by this bill would be responsible for working out cooperative arrangements among the three Federal agencies for identifying and supervising problem banks and for dealing with bank failures.

Experts on bank supervision have recommended that the three Federal agencies set up a computerized bank information network. The Federal Bank Examination Council could examine that recommendation as well as others that have been made to insure timely, accurate information on the condition of banks. It is especially important that the three Federal agencies not adopt information systems which are mutually incompatible or incomprehensible. The Comptroller of the Currency is presently implementing recommendations made by the consulting firm of Haskins & Sells for improvements in his office. The Council would review the actions underway and contemplated in the Comptroller's Office to determine whether the new procedures will be compatible, or can be rendered compatible with those of the FDIC and Federal Reserve System, and whether these changes should be adopted by all three agencies.

The Federal Bank Examination Council could also work toward a better relationship between State and Federal bank supervisory agencies. Most banks in this country are State chartered, subject to examination and supervision by State banking offices. Most State-chartered banks are insured by the FDIC and many are members of the Federal Reserve System, and thereby subject to examination and supervision by one of those two Federal agencies. The duplication of effort by State and Federal bank examiners could be reduced, perhaps even eliminated in many States, if Federal procedures could be established for the certification of State bank supervisory agencies. The Conference of State Bank Supervisors testified before the Banking Committee on March 19, 1976, that—

Capabilities of State banking departments have reached the point where the Conference believes that a State banking department upon filing a request with the . . . (FDIC) for authority to conduct its own examination of all State-chartered banks within its borders, should be granted this responsibility by the . . . (FDIC) in the absence of a clear showing by the . . . (FDIC) that the State banking department does not possess the capability necessary to warrant being certified.

Certification on a statewide scale is next to impossible given the absence of uniform examination standards and procedures at the Federal level. State banking agencies are forced to choose one of the three Federal agencies as a model for bank examination procedures or to establish an idiosyncratic State system.

The bill provides for formation of a liaison committee of State bank supervisory agency representatives which would work with the Federal Bank Examination Council to promote uniformity in State and Federal bank examination standards and procedures. The liaison committee and the Council could consider the possibility of certification and other measures to encourage the growth of efficient State bank supervisory agencies.

Creation of the Federal Bank Examination Council would leave unchanged the present Federal bank regulatory structure, but would not preclude changes in that structure in the future. Indeed, experience with the Federal Bank Examination Council should help to indicate whether structural changes are necessary, and if so, what those changes should be. The Council would move ahead in an area where change is clearly needed. Former Governor Holland of the Federal Reserve Board testified before the Banking Committee on December 8 last year that there is strong support at the Board for creation of a Council to focus on: "efficient and uniform modernization of bank examination and vigorous and consistent follow-up procedures when bank weaknesses are revealed."

The expenses of the Federal Bank Examination Council would be shared equally by the three Federal banking agencies, each of which is supported by assessments on the banks it examines, not by appropriated funds. Assessments on the banks need not increase. On the contrary, the costs of the Council should be more than offset by savings realized through standardization of examination forms and procedures, joint training of bank examiners, certification of State bank supervisory agencies, and other measures to reduce the duplication of effort and increase efficiency in the Federal bank supervisory process.

By creating a Federal Bank Examination Council with authority to establish uniform Federal bank examination standards and procedures, this bill would take a much needed practical approach toward resolving the problems which have arisen in bank supervision. Equally important, it would do so without altering the existing Federal regulatory structure and without eroding the dual banking system. If a Federal Bank Examination Council had been in existence, I believe we would have had fewer problem banks and fewer bank failures in recent years, and those failures which were unavoidable could have been dealt with more smoothly. We should adopt this bill now so that the Council will be in place to coordinate the Federal response to whatever difficulties may arise in the banking system in the future, as well as to improve the deficiencies already identified.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 711

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Bank Examination Council Act".

PURPOSE

SEC. 2. It is the purpose of this Act to establish a Federal Bank Examination Council which shall prescribe uniform standards and procedures for the Federal examination of banks by the Comptroller of the Currency, Federal Deposit Insurance Corporation, and the Federal Reserve System, and which may make recommendations to promote uniformity in bank supervision. The Council's actions shall be designed to promote consistency in such examinations and to insure progressive and vigilant bank supervision.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "Federal banking agencies" means the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation; and

(2) the term "Council" means the Federal Bank Examination Council.

ESTABLISHMENT OF THE COUNCIL

SEC. 4. There is established the Federal Bank Examination Council which shall consist of the Comptroller of the Currency, the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, and the Chairman of the Board of Governors of the Federal Reserve System, who shall be the Chairman of the Council. The Chairmen of the Board of Directors of the Federal Deposit Insurance Corporation and of the Board of Governors of the Federal Reserve System shall serve until their successors are appointed to the Council and may, from time to time, designate other officers or employees of their respective agencies to carry out their functions as members of the Council. Each member of the Council shall serve as a member without additional compensation, but shall be entitled to expenses incurred in carrying out his official duties as such a member.

EXPENSES OF THE COUNCIL

SEC. 5. One-third of the costs and expenses of the Council, including the salaries of its employees, shall be paid by each of the Federal banking agencies. Annual assessments for such shares shall be levied by the Council based upon its projected budget for the year, and additional assessments may be made during the year if necessary.

FUNCTIONS OF THE COUNCIL

SEC. 6. (a) The Council shall establish uniform standards and procedures for the examination of banks to be applied by the Federal banking agencies (including a uniform examination report form), and may make recommendations for uniformity in other supervisory matters.

(b) The Council shall conduct schools for examiners and assistant examiners employed by the Federal banking agencies. Such schools shall be open to enrollment by employees of State bank supervisory agencies under conditions specified by the Council.

(c) The Council shall develop uniform reporting systems for banks, bank holding companies, and nonbank subsidiaries.

(d) Not later than April 1 of each year, the Council shall prepare an annual report for the preceding year on its activities.

STATE LIAISON

SEC. 7. To encourage the application of uniform examination standards and procedures by State and Federal bank supervisory agencies, the Council shall establish a liaison committee composed of five representatives of State bank supervisory agencies which shall meet at least twice a year with the Council. Members of the liaison committee shall receive a reasonable allowance for necessary expenses in attending meetings.

ADMINISTRATION

SEC. 8. (a) The Chairman of the Council is authorized to carry out and to delegate the authority to carry out the internal administration of the Council, including the appointment and supervision of employees and the distribution of business among members, employees, and administrative units.

(b) In addition to any other authority conferred upon it by this Act, in carrying out its functions under this Act, the Council may utilize, with their consent and to the extent practical, the personnel, services, and facilities of the Federal banking agencies and Federal Reserve banks, with or without reimbursement therefor.

(c) In addition, the Council may—

(1) subject to the provisions of title 5, United States Code, relating to the competitive service, classification, and General Schedule pay rates, appoint and fix the compensation of such officers and employees as are necessary to carry out the provisions of this Act, and to prescribe the authority and duties of such officers and employees; and

(2) obtain the services of such experts and consultants as are necessary to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 9. This Act shall become effective ninety days after the date of its enactment.

By Mr. STEVENSON (for himself, Mr. PERCY, Mr. EAGLETON, Mr. DANFORTH, Mr. HUMPHREY, Mr. ANDERSON, Mr. STENNIS, Mr. LONG, Mr. EASTLAND, and Mr. JOHNSTON):

S. 712. A bill to authorize the construction of a replacement lock and dam the locks and dam 26, Mississippi River, near Alton, Ill., and Mo., and for other purposes; to the Committee on Environment and Public Works.

LOCKS AND DAM 26

Mr. STEVENSON. Mr. President, today I introduce legislation to authorize the construction of a new dam and single 1,200-foot lock to replace the existing locks and dam 26 at Alton, Ill., on the Mississippi River. The bill in most respects is the legislation approved by the Senate Public Works Committee last year. The authorization was reported to the Senate as part of the Omnibus Water Resources Development Act of 1976, but was deleted by the Senate because time did not permit it to fully consider the issue. To avoid jeopardizing the entire act, the Senate agreed to drop the authorization for locks and dam 26 with assurances that it would be taken up again at the earliest possible time in this Congress.

The need for a new lock and dam has been under discussion for many years. We have been inundated with studies dating back to 1964. It would not be hard

for anyone to build a cast for either side; all you have to do is pick your study and choose your statistics. The studies provide no clear-cut answers—and certainly they have not produced a common ground on which to agree. The positions are too entrenched by economics to permit consensus. And no more studies will produce—as if by magic—a compromise between competing economic interests. But there is one thing on which we should agree: The issue has been studied to death and neither side is going to convince the other. It is time to make a decision.

The debate is bogged down. But when all the rhetoric is stripped away, the facts remain. They are so simple and obvious that they are sometimes overlooked in self-serving scrambles to quote statistics and engineering theories. The facts are that the existing dam is in disrepair and the locks are inadequate to meet the traffic.

Locks and dam 26 was built in 1938 with an expected life span of 50 years and a maximum tonnage capacity of 73 million tons annually.

The dam was constructed on a site that has proved unstable. It has pilings sunk into a sand foundation. Consequently, there is a constant shifting and periodic cracking in the dam. Since the structure is just south of the confluence of the Mississippi and the Illinois Rivers, the heavy waterload has pushed the dam downstream by as much as 1 inch. The lock walls have shifted vertically toward the river—up to 1 foot in some places.

Theoretically, the existing locks can handle 73 million tons per year. Actually the tonnage is somewhat lower. Last year little more than 60 million tons of cargo transited the facility, and it is rapidly approaching full utilization.

Traffic is projected at 85 million tons in 10 years. Even if the existing facility was in good repair and could be counted on to operate efficiently and safely, it could not handle demand 10 years from now.

There is no escaping the reality that a larger lock is needed. A single 1,200-foot lock will have a capacity of only 86 million tons—an increase that will barely handle 1985 traffic.

With these facts in mind—and given the inevitability of traffic increases and the limitations of the existing facility—something must be done and soon. Each year's delay in the construction of a new lock and dam could raise the cost by $25 million.

Some claim that with extensive investments and repair, locks and dam 26 can be rehabilitated to meet traffic needs for the next 50 years. That possibility leaves me with little enthusiasm. It is too dangerous. An independent engineering review conducted by the General Accounting Office confirmed that the safest rehabilitation proposal would cost $341 million—almost as much as a new lock and dam. And this does not take into account operation and maintenance costs which could well make the final price tag higher. Other, less costly rehabilitation proposals were rated as uncertain, or theoretically feasible but based on assumptions that were not proven, and involving an unknown degree of risk. In some instances the cost estimates and proposed work were described as insufficient or too optimistic. The commerce of the Midwest—the economy of the world's most highly developed industrial and agricultural region—is too important to have its future hang on an uncertain or risky rehabilitation scheme.

Locks and dam 26 is a major commercial intersection of the central United States, serving essential traffic on the Mississippi, the Gulf Intracoastal Waterway, the Illinois, Missouri and Ohio Rivers. I for one would want to err, if err it is, on the side of prudence in dealing with the future of L. & D. 26. Cheaper is not better if that means subjecting $5 billion worth of midwest productivity, the value of the commerce through L. & D. 26 last year, to an "unknown degree of risk." How much more will it cost if the system fails? How would the Midwest deliver its goods to market in this Nation and the world? The recurring boxcar shortages during peak harvest periods already demonstrate that other modes cannot pick up the slack.

This year's extended subzero freeze is a good example of what we can expect if the system at L. & D. 26 fails. Barges are frozen in the rivers, causing a disruption of transportation services. Vital fuel supplies—fuel oil for homes and factories and coal for power plants—are not being delivered upstream.

In the final analysis this argument is not about the condition of locks and dam 26. It is an argument between competing modes of transportation for economic advantage. A modest 13-million-ton increase in capacity at Alton will not force the railroads to the brink of bankruptcy. Nor do I believe that we should aid the Nation's railroads by forcing an unnecessary and artificial constraint on their competitors by water. A new lock and dam at Alton will take 8 to 10 years to construct. That is more than enough time for the railroads to adjust to any transition, and more than enough time for the Congress to adopt a user fee system, if necessary, to offset any competitive disadvantages and pay costs of construction and operation. In the long run the financial condition of the railroads is dependent on factors other than 13 million tons of water cargo.

I am sympathetic to the railroads. I sit on the Senate subcommittee that has jurisdiction over railroad legislation. I want to do all I can to assure their well-being. But I draw the line when it is argued that we should perpetuate inefficiences in water transportation in order to aid railroads. It is bad economics and bad public policy.

The bill I am introducing is a limited proposal aimed at addressing all major concerns and criticisms about a new lock and dam.

We will hear the same arguments as last year: That this is the first step toward sneaking in a 12-foot channel on the Upper Mississippi River; that this is a back-door approach for a multibillion dollar replacement of all locks and dams on the Upper Mississippi and Illinois Waterway; and that a new lock and dam will not eliminate the bottleneck but only move it upstream. These objections received widespread circulation and are the product of misinformation and distortion. And so it is important to set the record straight and understand exactly what a new lock and dam at Alton will mean.

A new lock and dam will not mean a 12-foot channel on the Upper Mississippi River. The legislation I am introducing expressly prohibits it, and forbids any Federal official from even studying the possibility of deepening the channel. Every Member who supports a new lock and dam 26 opposes a 12-foot channel. The costs are prohibitive and the environmental damage too great.

I am not indifferent to the condition of the Mississippi River. My home is on the shores of the Mississippi. I know that river and love it. It is possible for the region to prosper and for the river to be preserved. This bill includes an idea advanced last year by our former colleague, Vice President MONDALE, to create an Upper Mississippi River Council for the express purpose of making certain that the environment and economics are given equal consideration in determining the uses of the river. The Council is charged with drawing up a master plan for the Upper Mississippi to make certain there is a proper balance between environment and economics.

This bill is not a back-door route to a multibillion dollar investment. The costs involved are simply those of replacing L. & D. 26. The multibillion dollar figure has been advanced time and again and makes no sense. Under the provisions of this bill, there will be a moratorium on all construction activities on the Upper Mississippi until the Congress adopts a master plan for the river. Even then, no construction to expand the capacity of the river can be undertaken unless specifically authorized by the Congress. A single 1,200-foot lock at Alton will not push the bottleneck upstream. Existing capacity at Alton is 73 million tons. A 1,200-foot lock will raise it to 86 million tons. The combined capacity of the two rivers upstream from Alton is 108 million tons—more than enough to handle any increase in traffic credited to a new lock at Alton. The one lock and dam downstream can handle about 140 million tons. The new lock at Alton will set the upper limit of tonnage for the entire system at 86 million tons out of a possible 108 million tons upstream.

These are the facts about locks and dam 26. It is in a state of disrepair and inadequate to meet the needs of the Middle West, and therefore, the Nation. The legislation is clear cut. There will be no 12-foot channel and no costs other than those involved at Alton. And if commodity projections hold true, there will be more than enough cargo for the rails and the barges. I am convinced that two locks will in time be needed at Alton. But I

have reluctantly come to the conclusion that the climate is such that we cannot authorize both now. I am willing to postpone consideration of a second lock in order to obtain authorization for the one lock and dam that is essential now. And if competing modes of transportation are unfairly affected, I would support a system of user fees. Indeed, this may be necessary in any event to finance the construction and operation of such projects as Locks and Dam 26.

Mr. ANDERSON. Mr. President, it is an honor for me to join Senator STEVENSON, along with Minnesota's Senior Senator, HUBERT H. HUMPHREY and our other colleagues from the Upper Mississippi River basin, in introducing S. 712, to authorize the construction of a replacement structure for locks and dam 26 on the Mississippi River near Alton, Ill.

As the Senate is aware, the issue of locks and dam 26 was a major one in the 94th Congress and prompted several legislative proposals, including one by Vice President MONDALE that contained many of the provisions in S. 712.

Mr. President, the issue of the upgrading of locks and dam 26 is not a new one to me. As Governor of Minnesota, I followed this project closely for several years.

This bill meets three very critical needs. It provides for the upgrading of an old facility. All parties to this issue agree that locks and dam 26 must be improved soon. Second, the project will ultimately relieve a chronic river commerce bottleneck that costs Minnesota shippers millions of dollars each year and delays delivery of important energy supplies. Third, it will impose a moratorium on any further expansion of the Upper Mississippi barge corridor, except for the new lock and dam at Alton.

Senator STEVENSON's bill prohibits any Federal activity aimed at building or even planning a 12-foot navigation channel. I am opposed to a 12-foot channel. It would have a disastrous effect on the ecology of the Upper Mississippi River. S. 712 directs that wildlife habitat lost through the construction at Alton be replaced on an acre-for-acre basis. It imposes a moratorium on all construction activities on the Upper Mississippi River until the Congress adopts a master plan for the river. It prohibits any expansion of the Upper Mississippi's traffic capacity unless specifically authorized by Congress.

I do not believe that the construction of a single 1,200-foot lock will adversely affect the ecology of the Upper Mississippi system, nor will it work a competitive hardship on the railroads and trucking industry which carry freight along the river corridor. These ill effects will occur only if we permit expansion beyond the current 9-foot channel or if we authorize further expansion above Alton. The bill I am cosponsoring explicitly forbids these projects.

The benefits to Minnesota commerce, which depends heavily on the Mississippi River, from this bill will be quite substantial. But S. 712 is more than a public works authorization bill. It is also designed to protect the environment of the Upper Mississippi River, in what I consider a foolproof manner.

Most arguments advanced against a new locks and dam 26 assume that this project is a thinly disguised wedge that will ultimately lead to the construction of a 12-foot navigation channel on the Upper Mississippi River all the way to Minnesota's Twin Cities.

After an extensive review of this project, I have concluded that this assumption is not correct. Neither are the predictions that a new locks and dam 26, constructed pursuant to this legislation, is simply stage one of a multibillion-dollar program that will irrevocably modify other Upper Mississippi locks to accomodate deep draft barges that require a 12-foot channel for navigation.

S. 712 does not authorize an environmentally disastrous 12-foot channel; S. 712 explicitly forbids it. Under our proposal not one Federal dollar can be spent even to plan or design a 12-foot channel unless Congress specifically authorizes it.

I recognize the long-standing and legitimate concerns of many conservation organizations regarding the protection of the Upper Mississippi River. I share the conclusion of my colleague, Senator STEVENSON, that this session the Congress must address the issue of Locks and Dam 26 expeditiously and with sensitivity to the environment. S. 712 is the vehicle and I request the conservation groups to carefully analyze the protections in this bill.

In my judgment, short of amending the U.S. Constitution, there is no more effective way of preventing the 12-foot channel. S. 712 also forbids any new construction on the Upper Mississippi River until the Congress itself adopts a master plan for the use of the river and its environs, and, even then no construction can commence in the absence of a specific act of Congress.

I believe these are effective restrictions which give the environment a clear parity with the economic needs of those who depend upon the barge traffic that flows up and down the river.

The railroad and trucking industries have expressed fears that a new lock at Alton will work a severe competitive hardship on them since they depend on trade within the Upper Mississippi corridor. I believe this one project will not have a measurable effect on the railroad and trucking industries whose economic health is as essential to Minnesota's economy as a healthy barge industry.

Mr. President, Senator STEVESON's bill represents a successful effort to recognize our region's economic and environmental needs. That is why I have added my name to it.

By Mr. STEVENSON:

S. 713. A bill to amend the Internal Revenue Code; to the Committee on Finance.

INVESTMENT TAX CREDIT

Mr. STEVENSON. Mr. President, today I am reintroducing a bill to insure that the investment tax credit is made available in all the circumstances intended by Congress. The measure is identical to one I introduced last year during debate on the Tax Reform Act.

I have no great brief for the investment tax credit but believe that as long as it is law, its benefits should be made available equitably and to all the beneficiaries intended by Congress.

A transaction has been called to my attention in Illinois where the credit is not available despite the fact that the transaction meets all the substantive tests for investment tax credit treatment.

This case involves the Chicago South Suburban Mass Transit District and the Illinois Central Railroad. In 1969, Illinois Central and Chicago South Suburban entered into an agreement calling for South Suburban to purchase 130 commuter rail cars and deliver them to Illinois Central in return for an approximate $13 million cash payment. The $13 million was to be used by the South Suburban Transit District to pay its one-third share of the total purchase price, with the remaining two-thirds to be paid for with a grant from the Federal Government under the Urban Mass Transit Act.

The transaction was completed during the period 1971 to 1973. When Chicago South Suburban took delivery of the cars from the manufacturer, Illinois Central made its $13 million payment to South Suburban, and South Suburban turned the cars over to Illinois Central. Since the Urban Mass Transit Act barred Illinois Central from taking title to the cars, they were transferred to Illinois Central under a lease, despite the fact that Illinois Central funds, not South Suburban funds, were used to pay the one-third local share of the total purchase price. Because Illinois Central is technically a lessee rather than a purchaser, it is not eligible for an investment tax credit for its $13 million investment, and because Chicago South Suburban is a nontaxable governmental entity, there is no investment tax credit for it to take or pass through to Illinois Central.

The result is, I believe, unintended and inconsistent with the purposes of the law. Illinois Central stands in the same shoes as a purchaser of new equipment and clearly should be treated as such for purposes of the investment tax credit. Its outlay of millions of dollars for new equipment is exactly the kind of behavior which the investment tax credit seeks to encourage in order to stimulate economic activity. In addition, the purchase of modernized railroad commuter equipment directly advances the Urban Mass Transit Act's goal of improving mass transit systems.

Mr. President, this amendment to the Internal Revenue Code would be retroactive to August 1, 1971, in order to insure that it covers this particular transaction. I do not know of other circumstances in which it would apply, though there may be some. The estimated revenue loss is $900,000.

Mr. President, after bringing up this measure last year as an amendment to the Tax Reform Act, I withdrew it at the

request of Senator LONG, who indicated that the Finance Committee would like to study it further. I hope that the Finance Committee will take swift action on it in this Congress in order to rectify an inequitable result at the earliest opportunity.

By Mr. RIEGLE (for himself and Mr. GRIFFIN):

S. 714. A bill to amend the Clean Air Act to establish certain motor vehicle emission standards, and for other purposes; to the Committee on Environment and Public Works.

CLEAN AIR ACT AMENDMENTS

Mr. RIEGLE. Mr. President, yesterday the Environmental Pollution Subcommitte chaired by the distinguished Senator from Maine, Senator MUSKIE, began to reconsider the Clean Air Act amendments debated at length last year by both the House and Senate. As many Members will recall, the amendments were denied final passage in the last days of the 94th Congress due to the Senate's failure to act on this legislation before Congress adjourned in October.

Last year's controversy centered on the schedule of auto emission control standards recommended by the bill's conference report for model year 1978 and for the years following. The controversy continues, and I am concerned that the Clean Air Act amendments will again be jeopardized by prolonged argument on this particular issue.

The debate over auto emissions standards is a complex one. In the last session of Congress, the House approved, on September 15, the schedule of auto emission standards introduced by Representatives JOHN D. DINGELL of Michigan and JAMES T. BROYHILL of North Carolina—and supported by EPA Administrator Russell Train—by a vote of 224 to 169. However, far stricter—as well as technologically and financially impractical—sets of standards were imposed on the automobile manufacturers by the Senate and by the final conference report on the Clean Air Act amendments. To the great concern of everyone in our economy who depends on the auto industry—particularly the auto companies who operate on a tight timetable in their yearly production cycles—no acceptable solution was agreed upon before Congress adjourned on October 1.

The death of the Clean Air Act Amendments Conference Report of 1976 in a Senate filibuster the final day of the 94th Congress left in place the statutory 1970 Clean Air Act auto emissions standards for 1978. These stringent standards for the model year 1978 cannot be met. The EPA, auto makers, both the House and Senate 1976 bills, and the conference report all endorse carrying the 1977 statutory levels into 1978. Foreign and domestic auto companies are equally convinced that the technology is simply not yet available to meet the standards in the original legislation.

The extension of the 1977 standards, however, died with the rest of the Clean Air Act amendments, and we now have a situation in which the auto companies are being asked to meet 1970 standards impossible to meet in time for production of their model year 1978 cars. Production of the 1978 cars must begin this summer, and test runs on these vehicles are being conducted now. But the manufacturers are running test vehicles at the emission levels recommended in the conference report, without any assurance that Congress will enact these standards in place of the original 1970 levels.

If Congress does not act, the manufacturers will be unable to start production of the 1978 models. This means a virtual shutdown of the auto industry, and with unemployment running at 7.9 percent nationally and at 9 percent in Michigan, such a shutdown would cause unnecessary damage to the industry.

An early legislative solution must be worked out to permit the production of the 1978 cars and also of cars in upcoming years. To alleviate this situation, I am today introducing the Mobile Source Emission Control Amendments of 1977. I am pleased to be joined in this effort by my good friend and colleague from the State of Michigan, Senator GRIFFIN, and I am pleased to report also that an identical bill (H.R. 2380) has been introduced in the other body by Representatives DINGELL and BROYHILL.

The mobile source emission control amendments contains the emissions standards recommended by Representatives DINGELL and BROYHILL last year. It is supported by Environmental Protection Agency—EPA—Administrator Russell Train and its scientific value is documented in the attached report entitled, "Analysis of Some Effects of Several Specified Alternative Automobile Emission Control Schedules," dated April 8, 1976. This report was prepared jointly by the Environmental Protection Agency, the Department of Transportation, and the Federal Energy Administration. It clearly shows the advantageous fuel and consumer savings of the mobile source emissions schedule. In addition, it shows that there are no appreciable air quality or health losses under our bill when compared to the auto exhaust standards in the 1976 Clean Air Act Amendments. Also attached is a summary of this report.

Briefly, the mobile sources bill phases in stricter air pollution control standards at a rate that will permit manufacture of fuel efficient automobiles, provide better job security for auto and related industry workers, and reduce air pollution; 1977 standards are maintained through 1979, tightened in 1980, and reduced to their lowest levels in 1982. This extension and phase-in of standards is critical to the U.S. economy, to the auto industry, and most notably to the millions of Americans employed in auto-related businesses. Part of my goal is to halt job dislocation in the auto industry and still improve the ambient air quality in the country. I believe that this emissions schedule will have a far more acceptable impact than that recommended by last year's conference report.

In addition, this bill is proven to be the most balanced in terms of continued clean air improvements, auto fuel efficiency, lower consumer costs, job production and protection, auto model availability, and would not lock out other potential engine emission control technology in research for today's cars or future models. Excellent progress has been made in reducing auto pollution standards at present levels—1977 levels—and we continue to make progress as older, high-polluting vehicles are replaced.

Present standards, for example, represent approximately an 83-percent reduction in hydrocarbon and carbon monoxide emissions and a 38-percent reduction in nitrous oxides emissions relative to uncontrolled autos. Continued replacement of obsolete high-polluting cars with low-emission new cars will reduce mobile source related air pollution well into the 1980's regardless of whether more stringent standards are adopted. The added air quality benefits obtained from moving to tougher standards are minute in comparison to the fuel and dollar cost that would be required. One recent study, dated March 22, 1976, performed by Prof. S. Fred Singer, department of environmental sciences, University of Virginia, for the National Science Foundation, concludes that the benefits and cost of achieving 1975 standards are about equal and the cost will exceed benefits—by as much as $13 billion—as tighter standards are adopted.

With respect to cost—in 1979, the conference committee standards would cost $255 more per car and would result in a 6-percent fuel economy penalty compared to the 1977 standards; this is equal to 27 million barrels of oil in the first year. In 1981, the recommended standards would cost $350 million more than the Dingell standards, and would result in an 8-percent fuel economy penalty over the Dingell standards, equal to 36 million barrels of oil in the first year. As well as ruling out the most promising engine alternatives now being developed—including the stratified charge, the diesel and the turbine—the increased prices, reduced model offerings, reduced fuel economy, and poorer driveability of cars meeting the conference report's standards would result in a loss of 1 million car sales per year, which is equivalent to a loss of 90,000 jobs in the auto industry and 140,000 more jobs in supporting industries. That is a total of 230,000 jobs lost.

It is apparent, Mr. President, that the standards for the years beyond 1980 are of equally vital concern to auto manufacturers. The car builders must meet exhaust emission test, but also must comply with the new mandatory fuel economy mileage standards of the Energy Policy and Conservation Act for the model years 1978 through 1985. It takes more time than the conference report

permits to be able to develop these systems adequately.

In addition to the auto emissions standards in the attached summary of the mobile source emission control amendments of 1977, the bill includes other emissions control sections affected by the Clean Air Act. These sections, as outlined, are essentially identical to the House-passed bill and the conference report of 1976. Errors in the conference report have been corrected and language refined. This bill meets the intent of the law and resolves other emissions issues as Congress intended in the amendments last year before the conference report died in the Senate filibuster.

Only the automobile high altitude emission control section has undergone any major revision from the conference report by the additional requirement that EPA hold new hearings and initiate new rulemaking proceedings regarding standards to be met by auto in operating in high altitude areas.

None of the controversial stationary source emission control provisions of the conference report of 1976 are included. Those issues can be handled in separate legislation so that urgent congressional response to auto-related mobile source controls will not be delayed. The mobile source emission control amendments we have introduced properly and expeditiously respond to the need for changes in the law.

Let me conclude, Mr. President, by emphasizing the severe economic consequences we will have to bear if the emission standards advocated in the 1976 conference report are adopted over those advocated by Representatives DINGELL, BROYHILL, EPA Administrator Russell Train, Senator GRIFFIN, and myself. To date we have not been totally successful in dealing with the turmoil of the country—7.9 percent of the Nation's work force is unemployed, 9 percent of Michigan's work force is unemployed, and fully 20 percent of Detroit's work force is unemployed.

Further, almost 10 percent of Michigan's work force is employed by the auto companies and this is equally true of other auto manufacturing States. These are the people for whom the conference report will cause continued economic problems.

The conference committee report works against the consumer and against energy conservation. In comparison to the mobile sources bill, it has serious implications for the U.S. economy which needs all the economic stimulus it can get. It would create higher prices, significantly waste gasoline, offer no real added health or air quality benefits, and result in higher maintenance costs to consumers.

In addition—and this is especially pertinent this winter—it would waste such large amounts of fuel under its tighter standards that to meet our national energy needs we would have to experience more damage to the environment through added oil drilling, construction of pipeline, and even added strip mining. It would result in wastefulness that would lead to greater demands for imported crude oil at the OPEC cartel's higher prices.

Michigan and the country as a whole cannot afford this unnecessary waste of energy. This winter's weather has rendered a state of emergency in Michigan and has caused untold economic damage and financial loss throughout the State. Other States are suffering equally disastrous problems. This bill will help avoid further discomfort and expense.

I urge my colleagues to support the Mobile Source Emission Control Amendments of 1977 as a best way to balance concerns of consumer needs, fuel efficiency, employment, and a healthy environment.

Mr. President, I ask unanimous consent that the materials I referred to above be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION SUMMARY OF MOBILE SOURCE EMISSION CONTROL AMENDMENTS OF 1977

SECTION 1—SHORT TITLE

SECTION 2—LIGHT-DUTY MOTOR VEHICLE EMISSIONS

This is the same Dingell-Broyhill provision which was overwhelmingly adopted by the House on September 15, 1976, by a vote of 224–169. It provides that automobiles manufactured during model years 1978 and 1979 meet the same emissions standards applicable for model year 1977, that is—1.5 gpm hydrocarbons, 15.0 gpm carbon monoxide, and 2.0 gpm oxides of nitrogen. For model years 1980 and 1981 the standards are .9 gpm HC, 9 gpm CO, and 2.0 gpm NO_x. For 1982, and subsequent model years the standards require a full 90 percent reduction in emissions of carbon monoxide and hydrocarbons from the levels emitted in model year 1970. However, in regard to oxides of nitrogen, the EPA Administrator is required to set a standard for the 1982 and 1983 model years (and, at his discretion, later model years) at a level which he determines to be technologically practicable taking into account the cost of compliance, the need for such standards to protect public health and the impact of such standards on fuel consumption.

Thus, applicable Federal standards under this provision would be as follows:

	HC(gpm)	CO(gpm)	NO_x(gpm)
1978–79	1.5	15	2.0
1980–81	.9	9	2.0
1982 and thereafter	.41	3.4	(1)

[1] Adm. set by EPA.

SECTION 3—TAMPERING

This section broadens the existing prohibition of the Clean Air Act against knowing removal or tampering with emission controls to cover any person engaged in the business of repairing, servicing, selling, leasing, or trading motor vehicles or engines or who operates a fleet of motor vehicles, and specifies the penalties for violations. This section also provides that the prohibition does not require use of manufacturer parts for maintenance or repair.

SECTION 4—TESTING BY SMALL MANUFACTURERS

This section which originated in the House and was accepted by the House and Senate Clean Air Conference during the 94th Congress, limits certification testing for vehicle manufacturers with projected annual sales of 300 or less to 5,000 miles or 160 hours.

SECTION 5—HIGH ALTITUDE PERFORMANCE ADJUSTMENTS

This section, which includes the same provision approved by the House and adopted by the Conference, exempts the adjustments of emission control systems of high altitude vehicles from the anti-tampering provision of existing law, if the adjustment does not adversely affect emission performance. The manufacturer is required to submit to the Administrator adjustment instructions.

In addition, this section adds a new provision which authorizes EPA to conduct a new rulemaking proceeding to determine the most appropriate method of implementing the Act's mobile source emission requirements for model year 1978 and thereafter with respect to light duty vehicles intended for principal use in high altitude areas. EPA is directed to consider the economic impact of any such regulation upon consumers, franchised dealers and the manufacturers, the state of the art of emission control technology, and the probable impact of such regulation on air quality in the affected areas.

SECTION 6—WARRANTIES AND MOTER VEHICLE PARTS CERTIFICATION

This section provides that the performance warranty under the existing Clean Air Act shall not be invalidated on the basis of the use of parts that have been certified in accordance with regulations which EPA shall promulgate within two years.

This section further provides that the performance warranty mandated by law shall be for a period of 18 months or 18,000 miles, which ever first occurs. It also requires notification in the manufacturer's maintenance instructions that maintenance or repair may be performed using certified parts.

SECTION 7—PARTS STANDARDS: PREEMPTION OF STATE LAW

When the parts certification program provided for in Section 6 is finally implemented, the States, except California, are preempted from adopting or enforcing any requirement applicable to the same aspect of the part.

SECTION 8—SULPHUR EMISSIONS STUDY

This section originated in Senate and was adopted by the Conference. The Administrator is required to conduct a study of emissions of sulfur compounds from motor vehicles and aircraft. Health and welfare effects of such emissions are to be reviewed and alternative control strategies are to be analyzed. This study will be reported to Congress by January 1, 1978.

SECTION 9—DEFINITION OF EMISSION CONTROL DEVICE OR SYSTEM

This section defines, for the purposes of Section 207, the term "emission control device or system" to mean catalytic converters, thermal reactors, or other components installed on or in a vehicle for the purpose of reducing auto emissions.

SECTION 10—RAILROAD LOCOMOTIVE EMISSION STANDARDS

Both the Senate and House passed a similar locomotive emission provision during the 94th Congress. This section is essentially the same as proposed by the Senate and agreed to by the Clean Air conferees. It amends existing law by adding a new provision which provides that the Administrator must promptly begin study and investigation of the air quality impacts of emissions from railroad locomotives, and of the technological feasibility of controlling such emissions. The Administrator must publish this study and propose emission standards reflecting the

degree of emission reduction achievable through the application of the best available technology taking into account the cost of compliance.

Within 90 days of proposal and after public hearings, the regulations must be promulgated, to become effective when the Administrator determines in consultation with the Secretary of the Department of Transportation that the requisite technology is available for application, taking into account the cost of compliance within such period.

After such regulations become effective, the Federal emission standards are preemptive.

SSECTION 11—ADMINISTRATIVE PROCEDURES AND JUDICIAL REVIEW

This section establishes comprehensive procedures for informal rulemaking under the Clean Air Act, which would apply in lieu of the Administrative Procedure Act. The section (a) specifies the rules and actions to which such procedures will apply; (b) provides for establishment of a rulemaking docket for each of these rules or actions; (c) describes the material and data that are required for inclusion in the record and mandates that the Administrator must base any rule or other action solely on the information and data contained in the record; (d) establishes the procedures for participation in the rulemaking process, including cross-examination on material issues of disputed fact; (e) provides the standards of judicial review, including the "substantial evidence" test; (f) modifies certain deadlines for promulgation of rules; and (g) extends to 60 days the period of petitioning for judicial review of any such rule.

SECTION 12—AUTHORIZATIONS

This bill authorizes annual appropriations of $200,000,000 for fiscal year 1978, 1979, and 1980.

ANALYSIS OF SOME EFFECTS OF SEVERAL SPECIFIED ALTERNATIVE AUTOMOBILE EMISSION CONTROL SCHEDULES

This analysis is the product of a coordinated effort among the U.S. Department of Transportation, the Environmental Protection Agency, and the Federal Energy Administration to compare certain specific effects of several schedules for implementing more stringent automobile emission control standards. This analysis was prepared in response to a request to the Economic Policy Board, Executive Office of the President, by letter of March 19, 1976, from Congressman John D. Dingell.

The specific emission control schedules are set forth in detail in Appendix A. For convenient reference, the schedules are identified in this analysis as follows:

Schedule and brief description of schedule

DT: Amendment offered by Rep. John D. Dingell, and earlier suggested by EPA Administrator Train.

A-C: A combination of two similar schedules considered by House Interstate and Foreign Commerce Committee.

B: Schedule contained in the current Senate Public Works Committee Bill, S. 3219.

D: Schedule adopted by House Interstate and Foreign Commerce Committee (Brodhead Amendment) H.R. 10498.

E: Extension of present Federal standards indefinitely for analytical purposes.

ANALYTICAL ASSUMPTIONS

Any analysis of this type must make a number of assumptions. Two assumptions were necessary to permit the comparison of the effects on fuel economy of the various emission control schedules. These assumptions deal with anticipated changes in average vehicle weight and with the mix of vehicle size-classes sold, each of which factors has a significant effect on fuel economy.*

1. It has been assumed that major vehicle weight reduction programs will occur regardless of which emission control schedule is imposed. The projection of vehicle weight trends through model year 1985 used in this analysis is set forth in Appendix B. It is based on the announced plans of manufacturers to introduce lighter weight cars through the end of the 1970's and an assessment of engineering design practicality for the later years. It is not a judgment or prediction that manufacturers will in fact produce cars in accordance with the projection of average weight.

2. Average fuel economy of the new fleet depends not only on the weight of individual cars offered for sale, but also on the mix in which such models are sold. For the purpose of this analysis it has been assumed that the model mix listed below (which approximates the anticipated 1976 model year sales), will continue through 1985, i.e.: 40 percent full-size cars (6 passenger capacity); 30 percent medium-size cars (5 passenger capacity); 30 percent small-size cars (4 passenger capacity).

Cars in each size class in 1985 would be lighter in weight than cars in the same class in 1976 and would accommodate its designated number of passengers in reasonable comfort. The actual sales mix in future years will be determined by consumer desires, manufacturer's decisions, and actions by the Federal government. Nevertheless, this assumption about the sales mix of cars is reasonable for the purposes of this analysis.

In addition, one must recognize that there is considerable uncertainty in making predictions of the impact of technology that is not currently in use. Thus, with the exception of Schedule E, estimates for all emission control schedules are given in terms of a lower and an upper range, by reference to the fuel economy effects.

For schedule E, which would extend indefinitely the currently applicable emission standards, the assumptions used are spelled out in Appendix C. The low range estimates assume use of technology that is already in production, is being certified for use in 1977 cars, or has otherwise been extensively tested and demonstrated to be feasible by the auto industry. It tends to undervalue the technological improvements that may be made and used in the later years. The high range estimates assume that each manufacturer will be able to make full use of all promising technology that is potentially available even though such technology requires further development, comprehensive testing, and reduction to commercial production practice before it can be fully judged to be available, and thus it presents benefits that may not actually be achieved in the years under consideration. Appendix D gives a detailed discussion of emission control technologies assumed to be used for each range of estimates.

Finally, in each case in which a schedule provides for administrative discretion in establishing the NO_x standard that must be met, this analysis has assumed that the least stringent permissible NO_x standard would be established.

SECTION 1. FUEL ECONOMY IMPACTS OF THE SEVERAL SCHEDULES FOR EMISSION CONTROL

Estimated fuel economy impacts are presented in terms of miles per gallon for the new car fleet for each model year (Table 1a) and of percentage differences of fuel economy for each schedule relative to Schedule DT (Table 1b), rounded to the nearest full percent. New car fleet average fuel economy was 14 mpg in 1974 and 15.8 mpg in 1975.

Table 1c presents the lifetime fuel consumption of the new car fleet by model year for the DT schedule. It also presents the differences in lifetime fuel consumption in each model year for each schedule with the DT schedule as reference. Plus numbers represent consumption greater than Schedule DT and minus numbers represent savings in fuel. The analysis has assumed that the average car is driven 100,000 miles and that the annual new car fleet is 10 million cars. By comparison, the nation's automobile fleet today consumes approximately 75 billion gallons of gasoline annually, or about 5 million barrels of oil per day. As a perspective on the magnitude of these amounts, note that about 2 million barrels per day are expected to flow through the Alaskan pipeline when in full operation.

These tables reflect only the use of gasoline engine powered vehicles. The use of diesel engines in place of a small fraction (10 percent to 20 percent by 1985) of gasoline engines would result in a small but significant improvement in fuel economy and a resulting reduction in fuel consumption of 4 percent to 7 percent by 1985 over the improvements predicted for gasoline engines alone. The corresponding reduction in lifetime new car fleet fuel consumption for the 1985 model year cars ranges between 1.5 and 2.4 billion gallons. Table D-3 of Appendix D shows the impact of diesel vehicle on new car fleet average fuel economy.

* "Fuel economy" throughout this analysis refers to fuel economy based on the EPA composite city-highway driving schedule.

TABLE 1a.—ESTIMATED FUEL ECONOMY OF NEW CAR FLEET IN MILES PER GALLON BY MODEL YEAR, FOR EACH SCHEDULE OF EMISSION CONTROL

Model year	Emission control schedule								
	Low range				High range				Reference E
	DT	A-C	B	D	DT	A-C	B	D	
1976	17.6	→			17.6	→			17.6
1977	18.4	→			19.0	→			19.0
1978	20.7	19.7	20.7	20.7	21.1	20.9	21.1	21.1	21.1
1979	21.8	20.8	19.8	21.8	22.2	22.2	21.8	21.2	22.2
1980	21.7	20.6	20.2	20.6	23.1	22.9	22.4	22.9	23.1
1981	23.0	22.0	21.6	22.0	24.5	24.5	24.0	24.5	24.5
1982	23.3	23.3	23.0	23.3	25.9	25.9	25.6	25.9	25.9
1983	24.6	24.6	24.2	24.6	27.2	27.2	27.2	27.2	27.2
1984	26.2	26.2	25.6	26.2	28.8	28.8	28.8	28.8	28.8
1985	27.0	26.7	26.6	25.7	29.7	26.7	29.7	26.7	29.7

TABLE 1b.—PERCENTAGE FUEL ECONOMY DIFFERENCE OF NEW CAR FLEET, BY MODEL YEAR COMPARING EACH SCHEDULE TO SCHEDULE DT

Model year	Low range				High range			
	A-C	B	D	E	A-C	B	D	E
1976								
1977				+3				
1978	−5			+2	−1			
1979	−5	−9		+2		−2		
1980	−5	−7	−5	+6	−1	−3	−1	
1981	−4	−6	−4	+7		−2		
1982		−1		+11		−1		
1983		−2		+11				
1984		−2		+10				
1985	−5	−1	−5	+10	−10		−10	

TABLE 1c.—LIFETIME NEW CAR FLEET FUEL CONSUMPTION—TOTAL FOR SCHEDULE DT AND DIFFERENCES FOR OTHER SCHEDULES RELATIVE TO SCHEDULE DT, FOR LOW RANGE AND HIGH RANGE, BY MODEL YEAR

[In billions of gallons]

Model year	Low range projections					High range projections				
	Fuel consumption	Consumption differences				Fuel consumption	Consumption differences			
	DT	A-C	B	D	E	DT	A-C	B	D	E
1976	56.82	0	0	0	0	56.82	0	0	0	0
1977	54.35	0	0	0	−1.72	52.63	0	0	0	0
1978	48.31	2.45	0	0	−.92	47.39	.46	0	0	0
1979	45.87	2.21	4.64	0	−.82	45.05	0	.82	0	0
1980	46.08	2.46	3.42	2.46	−2.79	43.29	.38	1.35	.38	0
1981	43.48	1.97	2.82	1.97	−2.66	40.82	0	.85	0	0
1982	42.92	0	.56	0	−4.31	38.61	0	.45	0	0
1983	40.65	0	.67	0	−3.89	36.76	0	0	0	0
1984	38.17	0	.89	0	−3.45	34.72	0	0	0	0
1985	37.04	1.87	.55	1.87	−3.37	33.67	3.78	0	3.78	0

SECTION 2. HEALTH BENEFITS

Tables 2a and 2b present the air quality effects of the emission control schedules while Tables 2c, 2d, and 2e present selected health effect indicators associated with HC, CO, and NOx, respectively, for the schedules. This analysis draws upon the recent comprehensive report on air quality and health consequences of changing automobile emission standards prepared by EPA for the Air Quality, Noise, and Health Panel of the Task Force on Motor Vehicle Goals Beyond 1980.

A high degree of stringency of stationary source control for automotive related pollutants was assumed in the analysis as was the imposition of programs such as inspection and maintenance to ensure minium deterioration of emission control over the lifetime of the car. Less optimistic assumptions would have produced less air quality improvement and a higher level of health effects. However, since the same set of assumptions has been applied to all schedules, the relative ranking of the emission control schedules in terms of air quality and health effects would probably not be affected.

There are two points that should be kept clearly in mind in considering the results presented here. First, it should be noted that the health effects indicators represent only a partial listing of the effects from high air pollution levels and are not intended to represent a statement of gross benefits from pollution control. Their primary significance is in the context of relative differences between emission control schedules.

Second, there is a high degree of uncertainty in making both air quality and health impact projections. The data base is limited and in some cases still subject to scientific debate, and the methodologies are subject to additional development. As a result the estimates below may well be too high or too low, and they may vary relative to each other.

Table 2a presents projections of the percentage reduction in ambient concentration of mobile source related air pollutants in 1990 in comparison with base years in the early 1970's for the DT emission control schedule. It also presents the percentage point differences for the other schedules relative to the DT schedule. Plus numbers indicate improvements in air quality while negative numbers indicate relatively poorer air quality. For all schedules, there is improvement in the oxidant and carbon monoxide air quality relative to the base years.

Table 2b summarizes the number of air quality control regions that are projected to exceed the national primary ambient air quality standard for each pollutant in 1990 for each emission control schedule.

Table 2c gives the projected numbers of aggravation of heart and lung disease in elderly patients, incidents of eye irritation, and excess headaches in 1980, in 1990, and for the total period from 1980 through 1990 due to oxidants which is controlled through reductions in hydrocarbon emissions. The effects in 1980 are predominantly due to the cars in use in 1980 which, for the most part, reflect less stringent hydrocarbon emission standards than the standards in the schedules considered in this analysis. The 1990 numbers are associated with the cars that are produced to meet the specific emission control schedule. There are other health effects of oxidants than those listed.

Table 2d presents some health effects indicators of ambient carbon monoxide; specifically, excess cardiac deaths and excess person hours of disability. As with oxidants, the health effects in 1980 are due to the older cars still on the road in that year. The 1990 health indicators reflect the cars that meet the standards in the emission control schedules.

Table 2e gives health effect indicators of oxides of nitrogen emissions in 1980, 1990, and cumulated for the period from 1980 through 1990. The health effect indicators are lower respiratory disease (chest colds, bronchitis, croup, pneumonia) in children and days of restricted activity due to lower respiratory disease in children. Even though the oxides of nitrogen emissions from automobiles decline relative to the peak year, oxides of nitrogen from other sources are projected to increase even more rapidly so that the health effect indicators are projected to increase from 1980 to 1990 for all emission control schedules considered in this analysis.

TABLE 2a.—PERCENTAGE REDUCTION IN POLLUTANT CONCENTRATIONS IN 1990 FROM BASE YEAR FOR SCHEDULE E AND PERCENTAGE POINT DIFFERENCES FOR OTHER SCHEDULES RELATIVE TO SCHEDULE DT

Pollutant	Percentage reduction schedule DT	Differences relative to schedule DT: schedules (percent) —			
		A-C	B	D	E
HC (Oxidant)	41	0	1	1	−5
CO	81	0	2	0	−5
NO_x	−17	13	9	11	−12

TABLE 2B.—NUMBER OF AIR QUALITY CONTROL REGIONS EXCEEDING AMBIENT AIR QUALITY STANDARD IN 1990 FOR EACH EMISSION CONTROL SCHEDULE

Pollutant	Emission control schedule				
	DT	A-C	B	D	E
HC (Oxidant)	31	31	30	31	32
CO	0	0	0	0	3
NO_x	8	8	8	8	9

TABLE 2c.—SELECTED HEALTH EFFECT INDICATORS FOR HYDROCARBON EMISSION (OXIDANT EFFECTS) IN 1980, IN 1990, AND CUMULATIVE FROM 1980 THROUGH 1990 FOR EACH EMISSION CONTROL SCHEDULE

Time period and emission control schedule	Projected health consequences		
	Aggravation of heart and lung disease in elderly patients (thousands)	Eye irritation (thousands)	Headache (thousands)
Base year	43	2,160	3,200
1980:			
DT	35	1,750	2,650
AC	34	1,725	2,630
B	33	1,700	2,600
D	36	1,775	2,680
E	36	1,800	2,700
1990:			
DT	9	525	1,000
AC	9	510	1,000
B	9	500	1,000
D	9	510	1,000
E	13	690	1,200
Cumulative 1980-90:			
DT	177	9,700	15,000
AC	176	9,700	15,100
B	175	9,400	14,800
D	177	9,700	15,000
E	210	10,900	17,100

TABLE 2d.—SELECTED HEALTH EFFECT INDICATORS FOR CARBON MONOXIDE EMISSIONS IN 1980, 1990, AND CUMULATIVE FROM 1980 THROUGH 1990 FOR EACH EMISSION CONTROL SCHEDULE

Time period and emission control schedule	Projected health consequences	
	Excess cardiac deaths (units)	Excess person hours of disability
Base year	20.0	330,000
1980:		
DT	1.4	32,000
A-C	1.4	31,000
B	1.4	20,000
D	1.4	23,000
E	2.0	33,000

TABLE 2d.—SELECTED HEALTH EFFECT INDICATORS FOR CARBON MONOXIDE EMISSIONS IN 1980, 1990, AND CUMULATIVE FROM 1980 THROUGH 1990 FOR EACH EMISSION CONTROL SCHEDULE—Continued

Time period and emission control schedule	Projected health consequences: Excess cardiac deaths (units)	Projected health consequences: Excess person hours of disability
1990:		
DT, A-C, B, D, E	0	0
Cumulative impact between 1980 and 1990:		
DT	5	83,000
A-C	5	80,000
B	5	67,000
D	5	83,000
E	5	110,000

TABLE 2e.—SELECTED HEALTH EFFECT INDICATORS FOR OXIDE OF NITROGEN EMISSIONS IN 1980, IN 1990, AND CUMULATIVE FROM 1980 THROUGH 1990 FOR EACH EMISSION CONTROL SCHEDULE

Time period and schedule	Projected health consequences: Excess attacks of lower respiratory disease in children (thousands)	Projected health consequences: Excess days of restricted activity from lower respiratory disease in children (thousands)
Base year	700	1,900
1980:		
DT	740	2,000
A-C	740	2,000
B	740	2,000
D	740	2,000
E	760	2,100
1990:		
DT	880	2,300
A-C	730	2,000
B	770	2,100
D	750	2,000
E	1,450	3,900
Total impact between 1980 and 1990:		
DT	8,100	21,000
A-C	7,350	19,800
B	7,550	20,400
D	7,450	20,100
E	11,100	30,000

SECTION 3. CONSUMER COST IMPACTS

The estimate for impact in terms of consumer costs is presented in terms of differences (in 1975 dollars) between each emission control schedule and schedule DT, for the low range and high range estimates. The cost differences are presented as undiscounted lifetime cost per vehicle, which consists for the sum of additional new car cost (sticker price), lifetime maintenance cost, and lifetime fuel costs at 60 cents per gallon for gasoline, assuming the average car is driven 100,000 miles during its life. Table 3a presents these estimates for the low range; Table 3b presents these estimates for the high range. Negative numbers represent cost savings. Appendix E is a discussion of the assumptions and methodology used in obtaining these results. For perspective, these costs should be compared to the lifetime cost of an average 1976 passenger car of approximately $16,700.

Table 3c presents the undiscounted lifetime costs for the entire new car fleet in each model year, parallel to Tables 3a and 3b, assuming 10 million cars in each model year. Note that the numbers in Table 3c are exactly 10,000,000 times greater than the numbers in Tables 3a and 3b. It is useful to note that the aggregate lifetime cost of the 1976 model year fleet, at 10 million cars, would be about 167 billion dollars. Undiscounted costs tend to over value costs incurred in later years relative to first costs. Discounting at a 10 percent rate and using the typical schedule of miles driven as a function of age of car would change the numbers in all three tables to some extent but probably would not change the relative rankings between emission control schedules.

COMPARISON OF INCREMENTAL LIFETIME COST PER VEHICLE[1] FOR EACH EMISSION CONTROL SCHEDULE RELATIVE TO SCHEDULE DT

EMMISSION CONTROL SCHEDULE

Model year	Table 3a (low range) A-C	B	D	E	Table 3b (high range) A-C	B	D	E
1976	(1)	(1)	(1)	(1)	0	0	0	0
1977	(1)	(2)	(2)	−$103	0	0	0	−$20
1978	$197	0	0	−55	$83	0	0	−20
1979	183	$328	0	−49	55	$124	0	−20
1980	147	540	$147	−217	63	266	$63	−55
1981	$118	$504	$118	−$210	$40	$236	$40	−$55
1982	0	369	0	−209	0	217	0	−100
1983	335	375	335	−283	70	190	70	−100
1984	335	388	335	−257	70	190	70	−100
1985	462	368	447	−252	357	190	277	−100

[1] Base.

[2] Same as 1976.

TABLE 3c.—COMPARISON OF INCREMENTAL LIFETIME COST OF NEW CAR FLEET[1] FOR EACH EMISSION CONTROL SCHEDULE RELATIVE TO SCHEDULE DT

EMISSION CONTROL SCHEDULE

[In billions of dollars]

Model year	Low range A-C	B	D	E	High range A-C	B	D	E
1976	(2)	(2)	0		0	0	0	0
1977	(2)	(2)	0	−1.03	0	0	0	−.20
1978	1.97	0	0	−.55	.83	0	0	−.20
1979	1.83	3.28	0	−.49	.55	1.24	0	.20
1980	1.47	−5.40	.147	−2.17	.63	2.66	.63	−.55
1981	1.18	5.04	1.18	−2.10	.40	2.36	.40	−.55
1982	0	3.69	0	−2.09	0	2.17	0	−1.00
1983	3.35	3.75	3.35	−2.83	.70	1.90	.70	−1.00
1984	3.35	3.88	3.35	−2.57	.70	1.90	.70	−1.00
1985	4.62	3.68	4.47	−2.52	3.57	1.90	2.77	−1.00

[1] All costs expressed in 1975 dollars, undiscounted.

[2] Base.

[3] Same as 1976.

APPENDIX A

EMISSION CONTROL SCHEDULES

The table below presents the emission standards assumed to be applicable to new cars in each model year for the analysis provided in this report

Schedule and brief description of schedule[1]

DT: Amendment offered by Rep. John D. Dingell, and earlier suggested by EPA Administrator train

A-C: A combination of two similar schedules considered by House Interstate and Foreign Commerce Committee

B: Schedule contained in current Senate Public Works Committee Bill, S. 3219.

D: Schedule adopted by House Interstate and Foreign Commerce Committee (Brodhead Amendment) H.R. 10498

E: Extension of present Federal standards indefinitely for analytical purposes.

Model year	Emission control schedule—HC/CO/NO_x, grams per mile: D(T)	A-C	B	D	E
1976	1.5/15/3.1	1.5/15/3.1	1.5/15/3.1	1.5/15/3.1	1.5/15/3.1
1977	1.5/15/2	1.5/15/2	1.5/15/2	1.5/15/2	1.5/15/3.1
1978	1.5/15/2	.9/9/2	1.5/15/2	1.5/15/2	1.5/15/3.1
1979	1.5/15/2	.9/9/2	.4/3.4/2	1.5/15/2	1.5/15/3.1
1980	.9/9/2	.4/3.4/2	.4/3.4/1	.4/3.4/2	1.5/15/3.1
1981	.9/9/2	.4/3.4/2	.4/3.4/1	.4/3.4/2	1.5/15/3.1
1982	.4/3.4/2	.4/3.4/2	.4/3.4/1	.4/3.4/2	1.5/15/3.1
1983	.4/3.4/2	.4/3.4/1.5	.4/3.4/1	.4/3.4/1.5	1.5/15/3.1
1984	.4/3.4/2	.4/3.4/1.5	.4/3.4/1	.4/3.4/1.5	1.5/15/3.1
1985	.4/3.4/2	.4/3.4/.4	.4/3.4/1	.4/3.4/4	1.5/15/3.1

[1] As applicable, for purposes this analysis, it has been assumed that in all cases the least stringent NO_x standard would be granted by waiver.

APPENDIX B

ASSUMPTIONS FOR AVERAGE WEIGHT OF CARS, BY MODEL YEAR

In this report estimates for fuel economy impacts of different emission standards have been normalized to reflect consistent treatment of the vehicle weight in each emission control schedule. It has been assumed that vehicle weight would successfully be reduced by the auto companies as a part of their ongoing weight reduction programs, and that the model mix of cars sold would remain steady at 40 percent large-size (6 passenger), 30 percent mid-size (5 passenger), and 30 percent small-size (4 passenger).

The average new car test weight in each model year which results from these assumptions is:

N.B.—Test weight is curb weight plus 300 pounds.

Average test weight

Model year:	
1976	3,820
1977	3,700
1978	3,600
1979	3,500
1980	3,410
1981	3,310
1982	3,220
1983	3,130
1984	3,040
1985	2,950

APPENDIX C

BASIS FOR ESTIMATE OF NEW CAR FUEL ECONOMY FOR EMISSION CONTROL SCHEDULE E

Emission control Schedule E, which assumes an indefinite extention of the present Federal standards of 1.5 g/mi HC, 15 g/mi CO, and e.1 g/mi NO_x, provides the most reliable basis for projecting fuel economy improvements because of the large amount of available test data. Even with Schedule E, there is still a range of estimates for fuel economy in the future because of the uncertainty about the actual choices manufacturers will make as to the technology to be used in their production cars.

The technical staff developed upper range and lower range fuel economy projections for Schedule E. The average, or mid-range, projection was then used as a reference case to estimate the effects of the other emission control schedules. Table C gives the three fuel economy projections. Each projection includes the assumptions about weight changes and model mix described above. The lower range estimate assumes that engines will be improved by 1985 to the point where all are as good as the best engines produced in model year 1975 and that upgraded transmissions featuring a lock-up clutch on the torque converter will be introduced in the early 1980s and used throughout the new car fleet by 1985. It also assumes some reduction in engine size to increase average efficiency with a corresponding increase in the time required to accelerate from 0 to 60 mph; (that is, 15 seconds as a representative figure for the whole new car fleet) and the phased-in use of oxidation catalysts with 70 percent conversion efficiency at 50,000 miles.

The upper range estimate assumes that the engines are improved to the "best 1975" level by 1978, that there is an increase in the average efficiency of engines, a greater increase in the 0 to 60 mph acceleration time by 1985 than that used in the low range projections, and the use of electronic engine controls.

TABLE C.—PROJECTIONS OF NEW CAR FLEET FUEL ECONOMY BY MODEL YEAR FOR SCHEDULE E WITH DIFFERENT TECHNOLOGY ASSUMPTIONS

[Miles per gallon]

Projection	Model year—									
	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Lower range	17.6	18.5	19.4	20.3	21.0	22.1	23.1	24.4	25.7	27.0
Upper range	17.6	19.4	22.8	24.1	25.2	26.9	29.7	30	32	32.5
Mid-range (used in analysis)	17.6	19.0	21.1	22.2	23.1	24.5	25.9	27.2	28.8	29.7

APPENDIX D

ASSUMPTIONS ON UTILIZATION OF TECHNOLOGY TO MEET MORE STRINGENT EMISSION STANDARDS FOR LOW-RANGE AND HIGH-RANGE PROJECTIONS

It was noted in the body of the report that different assumptions had been made for the *low range* and the *high range* fuel economy projections for each of the increasingly more stringent emission schedules, in each model year, and that these assumptions differed in terms of the degree to which advanced technology that currently may require further development would be utilized and the impacts of that technology on fuel economy.

Substantial additional successful development will be needed before all the technology discussed for the high range will be suitable and available for production. Therefore, the degree of uncertainty associated with the fuel economy projections for the high range is large. There is also a degree of uncertainty associated with the low range since it assumes the use of reasonably well developed and demonstrated technology and makes no allowance for improvements in fuel economy due to emission control technology which is now only in the early stages of development.

This appendix discusses the assumptions about the emission control technology and displays in Figures D–1 and D–2 the differences in application of these technologies for each of the two ranges. Finally, there is a discussion of the impact of diesel powered vehicles.

TECHNOLOGY FOR THE LOW RANGE PROJECTIONS

The low range fuel economy projections for the various emission control schedules use the concept of Emission Control Impact (ECI), which is defined here as the percentage difference between the fuel economy at one emission standard and the fuel emisison standard and the fuel economy at 1.5 HC, 15 CO, 3.1NO_x (emission control schedule E).* Negative values for ECI indicate a relative loss in fuel economy. Table D–1 displays the ECI values for each emission standard under consideration as a function of model year for cars in the 4000 lb. inertia weight class. (An x in Table D–1 for an emission standard and a model year indicates that no such ECI value was needed for any of the emission control schedules in this analysis.) The procedure used to develop the entries for Table D–1 is discussed.

The next step in the generation of the low range projections is to generalize the ECI values in Table D–1 for the 4000 inertia weight car to the total new car fleet. This generalization is done by multiplying the ECI value for any model year by the ratio of average test weight for that model year (from Appendix B) to 4000 lb. This process reflects the effect of weight upon ECI. The table of ECI values that results is then matched against the emission control schedules (Appendix A) to produce Table D–2, which presents the Emission Control Impact value for the entire new car fleet in any model year for each emission control schedule other than schedule E, which is the reference schedule. Table D–2 is used with the mid-range fuel economy projection for emission control schedule E from Appendix C to calculate for each model year the low range fuel economy projections presented in Section 1, Table 1a.

The starting point for the Emission Control Impact estimates of Table D–1 was the estimates of the effect of emission standards upon fuel economy reported by GM[1] for their 3500–4500 pound cars. These values were considered to be representative of present practice.

Next, these Emission Control Impacts are adjusted to account for the impact of the recent change in specifications of the durability test fuel. The fuel specification change results in improved oxidation catalyst durability, representing an improvement from 55 percent to about 70 percent oxidation catalyst efficiency at 50,000 miles. A two percent improvement in average fuel economy is assumed to result from the retuning of all engines in the new car fleet at the current emission levels, and a four percent improvement for the lower emission standards. It is assumed that a two-year phase-in period is sufficient for such engine retuning. Additional effects upon fuel economy of further developments in emission control technology beyond those indicated in Figure D–1 are not included in these low range projections. Also, the initial drop in fuel economy and improvement in later years that commonly occurs when emission standard levels are changed has not been included.

The emission control technology assumed representative in this low-range case for each emission standard is shown in figure D–1 (not reproduced). For the .4/3.4/2 case, an option exists to add the switched-out start catalyst to the emission control system. If this is done, it would improve the estimated ECI by two percentage points and increase the incremental automobile retail price by $50. No additional maintenance within 50,000 miles is assumed.

*Note that in the body of the report all comparisons are made with respect to schedule DT.

[1] Reference GM comments on JPL Report "Should We Have A New Engine?" dated November 1975.

TABLE D1.—LOW RANGE EMISSION CONTROL IMPACTS FOR 4,000 LB CAR[1]

Standard	Model year— 1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
1.5/15/3.1	0	0	→							
1.5/15/2	X[2]	-3	-2	→						
0.9/9/2	X	X	-7	→						
0.4/3.4/2	X	X	X	-12	→					
0.4/3.4/1.5	X	X	X	X	-12	→				
0.4/3.4/1	X	X	X	X	-14	→				
0.4/3.4/0.4	X	X	X	X	X	X	X	X	X	-18

[1] Estimated percentage point differences in fuel economy at various emission standards by reference to fuel economy at 1.5/15/3.1 standard in each model year.

[2] X—standard not applicable.

TABLE D2. LOW RANGE EMISSION CONTROL IMPACTS FOR NEW CAR FLEET

[Estimated percentage point difference in fuel economy for each emission control schedule referenced to the fuel economy for schedule E for the new car fleet in each model year]

Model year	Emission control schedule D(T)	A	B	D
1976	0	0	0	0
1977	-2.9	-2.9	-2.9	-2.9
1978	-1.9	-6.5	-1.9	-1.9
1979	-1.8	-6.3	-10.8	-1.8
1980	-6.2	-10.6	-12.4	-10.6
1981	-5.9	-10.1	-11.8	-10.1
1982	-9.6	-9.6	-11.2	-9.6
1983	-9.4	-9.4	-11.2	-9.4
1984	-9.2	-9.2	-10.8	-9.2
1985	-9.0	-13.5	-10.5	-13.5

TECHNOLOGY FOR THE HIGH RANGE PROJECTIONS

The underlying assumption for the high range projection of fuel economy for the different emission control schedules is that by 1978 all engine types would be improved in efficiency to the level of the best engine types produced in 1975 and that these engines will be designed and engineered to give their best fuel economy at emission standards of 1.5/15/3.1 and above while using 91 RON unleaded gasoline and the basic emission control system.

The basic emission control system utilized to meet emission standards in the range between 1.5 HC, 15 CO, 3.1 NO_x and 0.41 HC, 3.4 CO, and 1.0 NO_x consists of monolith oxidation catalyst, air injection, high energy ignition and proportional exhaust gas circulation (EGR). This basic emission control system offers a degree of emission control that is significantly greater than the minimum required to meet the standards at 1.5 HC, 15.0 CO, and 3.1 NO_x, and thereby permits the adjustment of engine parameters for improved fuel economy at the less stringent emission levels within the stated range of standards.

At 1.5 HC, 15 CO, 3.1 NO_x optimal fuel economy may be achieved through the use of the basic technology identified if a good EGR system that is truly proportional to engine load is used, such as back pressure modulated EGR which controls the EGR rate in proportion to the exhaust system pressure. In 1975 and 1976 few vehicles utilized this system (manifold vacuum modulated units were used) and optimum fuel economy was not achieved. The use of the better EGR systems in 1977 and subsequent years is expected to provide for continued fuel economy improvements of up to 10 percent relative to 1976. Additional improvements are possible at this emission control level, and at more stringent levels, with use of electronic engine controls.

To maintain optimal fuel economy calibration in the lower part of the range of standards, additional emission control hardware must be added to the basic system. GM and other investigators have shown that good fuel economy and stringent NO_x control down to 1.0 gm/mile NO_x can be maintained through a delicate balance of EGR rate, air/fuel ratio (A/F) and spark ignition timing, in some specific engines, although HC emissions increase as NO_x decreases. The key to maintaining good fuel economy and NO_x control involves the use of HC control measures that are complementary to the basic catalyst technology. The emission control components useful at various emission standards levels are discussed below. Figure D-2, which displays the emission control technologies used at the different emission standards, may be helpful in understanding the schedules and relationships.

At 1.5 HC, 15 CO, 2.0 NO_x the basic emission control is used, except EGR modulation, is accomplished electronically to obtain the optimum fuel economy level. In some cases modulation of the air injection rate electronically may also be required. The development of these techniques is required before they can be used, but it is assumed that development and application is completed within the next few years.

At 0.9 HC, 9.0 CO, 2.0 NO_x the basic emission control system is also used. The recalibrated A/F, EGR rate, and timing needed for NO_x control and optimum fuel economy result in HC emissions that are greater than can be handled by the primary oxidation catalyst, so exhaust port liners and a start catalyst need to be added to the basic technology at this emission control level to treat the excess HC and maintain optimum fuel economy. The port liners conserve heat in the exhaust gas and thus permit continued combustion of HC (and CO) in the exhaust system. The start catalyst is is a small exidation catalyst located very close to the exhaust mainfold. The size and location of this catalyst permits rapid warmup during cold-start of the engine (much faster than the larger main catalyst located much farther from the engine) which results in more complete oxidation of HC during cold start. (The cold start contributes a significant fraction of the HC emissions.)

At 0.41 HC, 3.4 CO, 2.0 NO_x, more stringent HC control is required. Either improved catalysts with higher conversion efficiencies, or improved fuel metering such as electronically modulated carburetors would provide the more stringent HC control. These carburetors would reduce HC by cutting off fuel during decelerations and more precise fuel metering during accelerations. Since the conventional carburetor goes extremely rich under both these conditions. Such carburetors require development.

At 0.41 HC, 3.4 CO, 1.5 NO_x and 0.41 HC, 3.4 CO, and 1.0 NO_x the same systems as used for 0.41 HC, 3.4 CO, and 2.0 NO_x is employed except that reoptimization of EGR rate, A/F ratio, and ignition timing to keep good fuel economy results in even more excess HC. To simultaneously achieve good fuel economy and emissions control requires the use of improved catalysts (conversion efficiency of 75 percent at 50,000 miles) and improved fuel metering. A catalyst change at 25,000 miles may be required to achieve good fuel economy for some engines that have difficult emission control problems.

At the 0.41 HC, 3.4 CO, 0.4 NO_x level a three-way catalyst system or a dual catalyst would be required. While good fuel economy has been demonstrated for both systems in some prototype test cars, 50,000 mile durability of the catalyst remains to be demonstrated.

Fuel economy penalties of up to 10 percent may be expected in the first year of application and catalyst change could be required. However, with maturity (3-5 years) these systems are expected to achieve optimum fuel economy.

Thus, the successful development of the above technologies could significantly minimize, if not eliminate, the emission control impact, at least down to the emission control level of .41/3.4/1.0. The emission control impact of further NO_x reductions to 0.4 gm/mi is more uncertain, but successful development at the 3-way and/or dual catalyst systems could also minimize the fuel economy impact.

IMPACT OF DIESEL POWERED VEHICLES

The technologies described above for both the high and low range and the resultant fleet average fuel economy and fuel consumption do not include consideration of using diesel engine vehicles. Diesel powered vehicles are now being marketed in the U.S. in small numbers. In view of the impetus for greater average fuel economy due to the new fuel economy standards, it is reasonable to assume that diesel vehicles will be used in greater numbers in the future unless their development nad use is impeded by low NO_x standards or non-competitive costs.

Assuming 10 percent market penetration by diesel engine powered cars by 1985 and applying this estimate to the low range fuel economy estimates given in Table 1a, average fuel economy would be about ⅓ MPG higher in model year 1980 and about 1 MPG higher in model year 1985. Assuming a 20 percent value for diesel engine market penetration by 1985, and applying it to the high range fuel economy projections given in Table 1a, the average fuel economy in model year 1980 would be ½ MPG higher and in model year 1985 about 1.5 to 2 MPG higher. Table D-3 gives the projected new car fleet average fuel economy for each emission control schedule based on these assumptions about diesel engine market penetration.

The lifetime new car fleet fuel consumption figures corresponding to Table 1c would be lower, i.e., about 2% lower in 1980 and 4% to 7% lower in 1985. Fuel savings in the 1985 new car fleet due to the use of diesel engine would range from 1.5 to 2.4 billion gallons. This analysis assumes that diesel vehicle fuel economy will be 25% greater than the improved gasoline engine vehicle fuel economy in 1985 based on the fact that most diesel engine vehicles are presently about 25% better than the best 1976 gas engines. There are other potential problems (such as odor, particulate levels, and noise) which diesel engines may need to overcome before full market penetration can be achieved. In addition, it must be noted that NO_x standards of 1.0 g/mi and below may affect the fuel economy of the heavier cars with diesel engines and may well preclude the development and application of the diesel engine for the heavier cars.

TABLE D-3.—NEW CAR FLEET FUEL ECONOMY PROJECTIONS WITH DIESEL ENGINE CARS INCLUDED, FOR EMISSION CONTROL SCHEDULES AND MODEL YEARS 1976 THROUGH 1985

[In miles per gallon]

Model year	Low range projection (10 percent diesel in 1985)					High range projection (20 percent diesel in 1985)				
	D(T)	A	B	D	E	D(T)	A	B	D	E
1976	17.6	←	→			17.6	←	→		17.6
1977	18.4	←	→			91.0	←	→		19.1
1978	20.8	19.8	20.8	20.8	21.2	21.2	21.0	21.2	21.2	21.2
1979	22.0	21.0	20.6	22.0	22.4	22.6	22.6	22.1	22.6	22.6
1980	22.0	20.9	20.5	20.9	23.3	23.5	23.3	22.8	23.3	23.5
1981	23.4	22.4	22.1	22.4	24.8	25.1	25.1	24.6	25.1	25.1
1982	23.9	23.9	23.3	23.9	26.3	26.7	26.7	26.5	26.7	26.7
1983	25.4	25.4	25.0	25.4	27.7	28.3	←	→		28.3
1984	27.1	27.1	26.6	27.1	29.5	30.2	←	→		30.2
1985	28.0	26.8	27.6	26.8	30.4	31.2	28.8	31.2	28.8	31.2

APPENDIX E

ASSUMPTIONS OF THE INCREMENTAL CONSUMER COST IMPACTS OF ALTERNATIVE EMISSIONS REDUCTION SCHEDULES

Section 3 of this report summarized the impact of total lifetime consumer costs per car and for the total new car fleet for the alternative emissions reduction schedules relative to Schedule DT. As with any estimate of future costs, the estimates are subject to uncertainty, especially concerning periods further in the future.

Table E–1 summarizes the technology assumptions (from Section 3) and estimated equipment and maintenance costs at the different emission levels for the low and high ranges. The major source for the cost estimates was the 1975 Emissions Control Status Report, submitted on April 5, 1976.[1]

Equipment costs were estimated under the assumption that all technologies (and therefore costs) for the 1.5/15/3.1 base case are included in *all* schedules and thus are not incremental. For the high range case, this means that some advanced technologies (such as electronic spark control) are included in the base case and appear in each of the alternative schedules, including the DT schedule.

TABLE E-1.—TECHNOLOGIES AND COSTS ASSUMED FOR ANALYSIS

Emission levels (HC/CO/NO_x)	Low range: Technologies assumed	Low range: Incremental cost estimates [1] Sticker price	Low range: Maintenance [2]	High range: Technologies assumed	High range: Incremental cost estimates [1] Sticker price	High range: Maintenance [2]
1.5/15/3.1	Oxidation catalyst, high-energy ignition, proportional EGR.	Base		Monolith catalyst, high-energy ignition, proportional EGR, electronic spark control.	Base	
1.5/15/2.0	Same as Base	0	0	Base plus electronic EGR, electronic air	$20	0
0.9/9/2.0	Base plus air injection	$25	$25	Base plus:		
				Port liners	(5)	0
				Start catalyst	(50)	0
					55	0
0.41/3.4/2.0	Same as above	25	25	Above plus improved fuel metering or improved catalysts.	(15)	(25)
					70	25
0.41/3.4/1.5	Above plus:			Above plus electronic EGR, electronic air	(20)	(50)
	Start catalyst	(50)			90	75
	3-way catalyst (replaces oxidation catalyst)	(30)	[3] (150)			
	Improved fuel metering	(15)	(40)			
			[4] (30)			
		(95)	(220)			
	Increment	120	245			
0.41/3.4/1.0	Same as above	120	245	Above plus 3-way catalyst (replaces oxidation catalysts.	(30)	[5] (50)
					120	125
0.41/3.4/0.4	Same as above	120	260	Same as above	120	125

[1] All costs are incremental to the base case and are expressed in undiscounted 1975 dollars.
[2] Lifetime maintenance costs (100,000 mi.)
[3] One 3-way catalyst change.
[4] 3 oxygen sensor changes.
[5] 3-way catalyst change on ⅓ of the cars.
( ) Indicates unit cost estimates.

SUMMARY OF THE DOT/EPA/FEA EMISSION CONTROL ANALYSIS

The interagency auto emission control analysis updates our understanding of the energy costs and air quality benefits of implementing more stringent federal emission standards. The report focuses on alternative emission reduction schedules for the period 1977–1985. Three schedules in the report are of special relevance to upcoming floor debate in the House on the Clean Air Act Amendments, H.R. 10498. Those schedules are: 1) standards offered by Congressman William Brodhead and adopted by the Interstate and Foreign Commerce Committee in the bill as reported, 2) a set of less stringent standards proposed by EPA Administrator Russell Train, and which will be offered by Congressman John Dingell, and 3) standards proposed by Congressman Henry Waxman which are more stringent than those of Mr. Brodhead.

	Brodhead: As adopted in H.R. 10498	Brodhead: NO_x waiver	Train, as proposed by Dingell	Waxman: As proposed in 3/18 press conference	Waxman: NO_x waiver
1977	1.5/15/2		1.5/15/2	1.5/15/2	
1978	1.5/15/2		1.5/15/2	.9/9/2	
1979	1.5/15/2		1.5/15/2	.9/9/2	
1980	.4/3.4/2		.9/9/2	.4/3.4/.4	1.5
1981	.4/3.4/.4	2.0	.9/9/2	.4/3.4/.4	1.5
1982	.4/3.4/.4	2.0	[1] .4/3.4/2	.4/3.4/.4	1.0
1983	.4/3.4/.4	1.5	[1] .4/3.4/2	.4/3.4/.4	1.0
1984	.4/3.4/.4	1.5	[1] .4/3.4/2	.4/3.4/.4	1.0
1985	.4/3.4/.4	[2]	[1] .4/3.4/2	.4/3.4/.4	[2]

[1] 1982 NO_x on Dingell/Train will be set administratively. The 2.0 NO_x is assumed for purposes of analysis.)
[2] No waiver.

The interagency study assumes that the average car is driven 100,000 miles and that new car sales will average 10 million units per year through 1985. Fuel economy per car is projected to improve with successive model years.

A final assumption is that "in each case in which a schedule provides for administrative discretion in establishing the NOx standard that must be met, this analysis has assumed that the least stringent permissable NOx standard would be established." This last assumption is potentially troublesome, in that it minimizes the potential fuel and economic penalty associated with discretionary standards.

For example, the Brodhead standard provides for a 1981–1984 NOx emission of .4 gm/mi, with administrative authority to raise the standard to as high as 2.0 gm/mi, if the more stringent standard is determined to be impractical or unachievable.

Question: Should an analysis of the Brodhead standards assume a NOx standard of .4 gm/mi, 2.0 gm/mi, or something in between? The interagency study uses 2.0 gm/mi. This results in a lower fuel and economic cost calculation than if .4 had been assumed.

Working with staff from the interagency

study to evaluate the case in which auto manufacturers are required to achieve a 1.0 gm/mi NOx emission under Brodhead from 1981–1984, and under Waxman from 1980–1984, our review of the interagency analysis leads to the following conclusions:

FUEL ECONOMY IMPACTS

The 1977–1985 Brodhead standards (as incorporated in H.R. 10498) would create additional engine demands and cause consumption of as much as 9.27 billion gallons of gasoline more than under Dingell/Train standards. Over a nine year period, this amounts to 67,000 barrels of oil per day. The Waxman standards would result in 14.89 billion gallons greater gasoline consumption than under Dingell/Train.

CONSUMER COST IMPACTS

In addition to increased operating fuel costs, more stringent standards require more expensive emission control equipment and maintenance. These costs are ultimately paid by the car purchaser/owner. The interagency study concludes that new car costs, lifetime maintenance costs, and lifetime fuel at 60 cents per gallon for gasoline, would total as much as 22.3 billion more under the Brodhead standards than under Dingell/Train. Waxman standards could cost consumers $29.67 billion more than Dingell/Train. Accounting for inflation would increase these added costs to roughly $30 bilion for Brodhead and $41 billion for Waxman.

AIR QUALITY BENEFITS

Estimates of air quality and health consequences of changing automobile emission standards in the interagency study were derived from a recent comprehensive report prepared by EPA for the Air Quality, Noise, and Health Panel of the Task Force on Motor Vehicle Goals Beyond 1980. Relative to mobile source related air pollutants in the 1970's, the Dingell/Train auto emission standards are projected to reduce hydrocarbons (HC) in 1990 by 41 percent and carbon monoxide (CO) by 81 percent. Nitrogen oxides (NOx) are expected to increase by 17 percent. Ambient levels of hydrocarbons and carbon monoxide are predicted to be no lower under either the Brodhead or Waxman standards than under Dingell/Train. The Brodhead standards would dampen the increase in nitrogen oxides to 6 percent, while the Waxman standards would lead to only a 4 percent increase.

Exactly 31 air quality control regions are expected to exceed ambient air quality standards in 1990 under all three auto emission standards.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 716. A bill to amend title 5 of the United States Code to prohibit the consideration of certain matters in the determination of cost-of-living allowances for employees stationed outside the continental United States; to the Committee on Governmental Affairs.

Mr. INOUYE. Mr. President, I rise today to protest an inequity being imposed upon some of our American military men and their dependents and to propose a bill for their relief.

Thirty years ago the Congress enacted a law to provide the payment of a cost-of-living allowance, COLA, to certain Federal employees in Alaska, Guam, the Virgin Islands, Hawaii, and U.S. possessions. The purpose of this bill was not to penalize Federal employees who were stationed in U.S. posts where the cost of living was far higher than on the mainland. Basically, the system uses Washington, D.C. as a reference point and then attempts to compensate Federal employees for their higher cost of living, if any, up to a maximum of 25 percent of their basic pay.

To carry out this program the Civil Service Commission annually conducts surveys in metropolitan Washington, D.C. and in the areas entitled to the allowance. It then evaluates and adjusts the respective COLA's accordingly.

This year the Civil Service Commission adopted some changes in computing the cost-of-living allowances in Hawaii. Without going into the details of these survey changes, the net result is that the Civil Service Commission reduced and later eliminated the COLA for those employees who had Federal housing and access to commissary and exchange facilities. To those employees that had neither of these benefits the Civil Service Commission raised their COLA to 17.5 percent.

The principal victims, and the Civil Service estimates there are some 15 percent of all Federal employees directly affected, of this new and arbitrary ruling are veterans and their dependents. I would have no argument that the provision of housing or commissary and exchange privileges, given as a direct result of Federal employment, are grounds for some reduction in a cost-of-living allowance. However, benefits earned as a result of military service should be entirely separate from salary received as a civilian employee. For their service to their country, whether it be as disabled war veterans, retired military personnel, active-duty personnel or their dependents, our counrty has seen fit to compensate these individuals with access to commissary and post exchanges. These privileges were earned. They were awarded by Congress irrespective of the financial conditions of the individual recipients. It was not, and is not, the intent of Congress that our military personnel and their dependents be penalized by the administrative decision of a Government agency for benefits they accrue because of other Government service.

Under the Civil Service ruling any general schedule employee who has access to the commissaries or exchanges in Hawaii must forfeit the 17½-percent COLA. You now have a situation where two people, working side by side, doing the same job will receive vastly different salaries. For example a $10,000-a-year worker with a 25-percent State and Federal tax burden will be taking home without COLA $7,500. The same worker with COLA will have a take-home pay of $9,250. What added service has the second worker performed to qualify for this added income?

I would, in addition to disputing the justification for this reduction, also dispute the accuracy of the Civil Service's calculations. While some savings are, indeed, made by purchasing in commissaries and exchanges I cannot see how, with any reasonable stretch of the imagination, the Civil Service can determine that a person with an aftertax income of $7,500 is going to save $1,750 by such purchases. Many with commissary privileges find it inconvenient to shop there by reason of location alone.

At a higher level of income, the Department of Labor estimates that a family with a gross income of $22,500 would spend $6,851 for food, clothing, and personal care items; that is, those items available in commissaries and PX's. One might contend that commissary and PX shopping will save the purchaser between $650 and $1,000 a year on these items. But, the new penalty on workers at their level is not $650, not $1,000, not even $2,000 but rather almost $4,000.

Further, the Civil Service Commission has restricted its punitive action only to those with access to commissaries and PX's. This means that those Federal employees who are the children of those with these privileges or living with the recipients of these benefits will continue to receive them indirectly and also receive their COLA bonus.

I believe the Civil Service Commission has gone too far. In its zeal to create a more equitable system it has, indeed, created a less equitable one. It has, without proper authority, penalized those whom Congress has seen fit to reward for service to their country. It has penalized them to a degree far beyond the potential benefits that accrue to them as a result of these purchasing privileges. And lastly, the Civil Service Commission has not closed any of the loopholes so that those who receive their benefits indirectly are treated in the same manner.

There are two major issues to deal with. The first relates to whether persons having commissary and PX privileges as a result of benefits given to them by Congress should be singled out and penalized by a Government agency without congressional authorization. The second issue relates to the Commission's methodology in determining the monetary value of these benefits.

The bill that I am introducing will restore to these people the benefits to which they are entitled. I would expect that the hearings on this bill would also demonstrate that the Civil Service Commission has mistakenly overvalued the monetary benefits of commissary and PX privileges.

I urge that the appropriate committee begin hearings as soon as possible so that the Congress can undo the wrong that has been done to those whom we most especially wanted to reward.

Mr. President I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 5941 of title 5, United States Code, is amended by adding at the end thereof the following new sentence: "No determination of any rate of any allowance or of any area, group, or class to which such rate applies which is made under regulations prescribed pursuant to this subsection shall include any consideration of whether or not an employee has access to any commissary or exchange facilities unless that access is derived from the individual's employment as a civilian Federal employee.

SEC. 2. (a) Subject to subsection (b), the amendment made by the first section of this

Act shall apply with respect to pay periods beginning after October 31, 1976.

(b) In the case of any pay period beginning after October 31, 1976, and before the date of the enactment of this Act, any amount payable by reason of the amendment made by the first section of this Act shall, if application therefor is made not later than the end of the 180-day period beginning on the date of the enactment of this Act, be paid in a lump sum.

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. MUSKIE, the Senator from Kentucky (Mr. FORD), the Senator from Indiana (Mr. LUGAR), and the Senator from Nebraska (Mr. ZORINSKY) were added as cosponsors of S. 2, a bill to require authorizations of new budget authority for Government programs at least every 5 years, to provide for review of Government programs every 5 years, and for other purposes.

S. 38

At the request of Mr. STEVENS (for Mr. MCCLURE), the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 38, to repeal the Gun Control Act of 1968.

S. 57

At the request of Mr. MUSKIE, the Senator from Minnesota (Mr. ANDERSON), was added as a cosponsor of S. 57, a bill to amend the Federal Water Pollution Control Act Amendments of 1972.

S. 146

At the request of Mr. STEVENS (for Mr. GOLDWATER), the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 146, to amend the Social Security Act.

S. 170

At the request of Mr. HUMPHREY, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 170, the Comprehensive Youth Employment Act of 1977.

S. 172

At the request of Mr. STEVENS (for Mr. BARTLETT), the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 172, to amend the Social Security Act.

S. 182

At the request of Mr. KENNEDY, the Senator from Delaware (Mr. BIDEN), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Vermont (Mr. LEAHY), the Senator from Maryland (Mr. MATHIAS), and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of S. 182, the Federal Tanker Safety and Marine Antipollution Act of 1977.

S. 185

At the request of Mr. CHURCH, the Senator from New Jersey (Mr. WILLIAMS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Missouri (Mr. EAGLETON), the Senator from Rhode Island (Mr. PELL), and the Senator from Arkansas (Mr. BUMPERS) were added as cosponsors of S. 185, to amend the Social Security Act.

S. 201

At the request of Mr. BURDICK, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 201, to amend title 39 of the United States Code.

S. 225

At the request of Mr. PROXMIRE, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 225, the Credit Union Modernization Act of 1977.

S. 256

At the request of Mr. PEARSON, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 256, relating to increased supplies of natural gas.

S. 265

At the request of Mr. MCINTYRE, the Senator from Iowa (Mr. CLARK), and the Senator from California (Mr. CRANSTON) were added as cosponsors of S. 265, the Elderly and Handicapped Persons Transportation Act of 1977.

S. 290

At the request of Mr. CHILES, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 290, to establish a Federal Commission on Ethics.

S. 303

At the request of Mr. STEVENS (for Mr. MCCLURE), the Senator from Delaware (Mr. BIDEN), the Senator from Georgia (Mr. NUNN), and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 303, relating to pay increases for Members of Congress.

S. 308

At the request of Mr. LEAHY, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 308, to rescind certain budget authority.

S. 396

At the request of Mr. DOMENICI, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 396, a bill to provide full medicare coverage of beneficiaries temporarily out of the United States.

S. 481

At the request of Mr. DOMENICI, the Senator Montana (Mr. MELCHER), the Senator from Michigan (Mr. RIEGLE) and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of S. 481, a bill to amend the Age Discrimination in Employment Act.

S. 504

At the request of Mr. STEVENS (for Mr. MCCLURE), the Senator from North Carolina (Mr. HELMS) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 504, the Jobs Creation Act of 1977.

S. 530

At the request of Mr. HANSEN, the Senators from Mississippi (Mr. EASTLAND and Mr. STENNIS) were added as cosponsors of S. 530, to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce.

S. 551

At the request of Mr. HUMPHREY, the Senator from Michigan (Mr. RIEGLE) and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 551 a bill to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes.

S. 604

At the request of Mr. JAVITS, the Senator from Pennsylvania (Mr. HEINZ) and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of S. 604, to amend the Emergency Unemployment Compensation Act.

S. 610

At the request of Mr. HOLLINGS, the Senator from New Hampshire (Mr. DURKIN) was added as a cosponsor of S. 610, relating to operating costs of mobile offices in the home States of Senators.

S. 615

At the request of Mr. HANSEN, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 615, to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65.

SENATE JOINT RESOLUTION 16

At the request of Mr. HATFIELD, the Senator from Utah (Mr. HATCH) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of Senate Joint Resolution 16, to restore citizenship rights of Mr. Jefferson Davis.

SENATE CONCURRENT RESOLUTION 5

At the request of Mr. GRIFFIN, the Senator from Oklahoma (Mr. BARTLETT), the Senator from Oklahoma (Mr. BELLMON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Wyoming (Mr. HANSEN), the Senator from California (Mr. HAYAKAWA), the Senator from Alaska (Mr. STEVENS), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of Senate Concurrent Resolution 5, a concurrent resolution pertaining to persons missing in action in Vietnam.

SENATE RESOLUTION 78—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES

(Placed on the Calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 78

Resolved, That, (a) in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with their jurisdiction under rule XXV of the Standing Rules of the Senate, the following standing committees are authorized from March 1, 1977, through June 30, 1977, in their discretion (1) to employ personnel, (2) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (3) to make expenditures from the contingent fund of the Senate, as follows:

(A) Committee on Agriculture, Nutrition,

and Forestry, not to exceed $120,000, of which amount not to exceed $4,000 may be expended for the procurement of services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(B) Committee on Armed Services, not to exceed $220,000, of which amount not to exceed $7,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(C) Committee on Banking, Housing, and Urban Affairs, not to exceed $314,000.

(D) Committee on the Budget, not to exceed $706,000, of which amount not to exceed $22,750 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(E) Committee on Energy and Natural Resources, not to exceed $240,000, of which amount not to exceed $14,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(F) Committee on Environment and Public Works, not to exceed $339,000, of which amount not to exceed $1,750 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(G) Committee on Finance, not to exceed $131,000, of which amount not to exceed $5,250 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(H) Committee on Foreign Relations, not to exceed $420,000, of which amount not to exceed $21,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(I) Committee on Human Resources, not to exceed $712,000, of which amount not to exceed $22,750 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(J) Committee on the Judiciary, not to exceed $1,533,000, of which amount not to exceed $25,700 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(K) Committee on Rules and Administration, not to exceed $207,000, of which amount not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(L) Committee on Veterans' Affairs, not to exceed $115,000, of which amount not to exceed $21,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(b) In holding hearings, reporting such hearings, and making investigations as authorized by section 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with their jurisdiction under rule XXV of the Standing Rules of the Senate, the following standing committees are authorized from February 11, 1977, through June 30, 1977, in their discretion (1) to employ personnel, (2) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (3) to make expenditures from the contingent fund of the Senate as follows:

(A) Committee on Commerce, Science, and Transportation, not to exceed $880,000, of which amount not to exceed $134,500 may be expended for the procurement of services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(B) Committee on Governmental Affairs, not to exceed $1,072,000, of which amount not to exceed $76,500 may be expended for the procurement of services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 2. (a) In carrying out its duties and functions under Senate Resolution 58, Eighty-first Congress, agreed to February 20, 1950, the Select Committee on Small Business is authorized from March 1, 1977, through June 30, 1977, in its discretion (1) to make expenditures from the contingent fund of the Senate not to exceed $85,000, of which amount not to exceed $875 may be expended for the procurement of services of individual consultants, or organizations thereof, (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended); (2) to employ personnel; (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency; (4) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same condtions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946; and (5) to provide assistance for the members of its professional staff in obtaining specialized training, in the same manner and under the same conditions as any such standing committee may provide that assistance under section 202(j) of such Act.

(b) In carrying out its duties and functions under Senate Resolution 400, Ninety-fourth Congress, agreed to May 19, 1976, the Select Committee on Intelligence is authorized from March 1, 1977, through June 30, 1977, to expend from the contingent fund of the Senate not to exceed $491,000, of which amount not to exceed $12,000 may be expended for the procurement of the services of individual consultants. or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(c) (1) In carrying out its duties and functions under section 104 of Senate Resolution 4, Ninety-fifth Congress, agreed to February 4, 1977, the Special Committee on Aging is authorized, from March 1, 1977, through June 30, 1977, to expend from the contingent fund of the Senate not to exceed $191,000, of which amount not to exceed $7,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(2) Section 104(a)(2) of Senate Resolution 4, Ninety-fifth Congress, is amended by striking out "and for purposes of sections 133(g), 134, and 202 of the Legislative Reorganization Act of 1946,".

(d) In carrying out its duties and functions under Senate Resolution 281, Ninetieth Congress, agreed to July 30, 1968, the temporary Select Committee on Nutrition and Human Needs (as extended by section 106 of Senate Resolution 4, Ninety-fifth Congress) is authorized, from March 1, 1977, through June 30, 1977, to expend from the contingent fund of the Senate not to exceed $160,000, of which amount not to exceed $8,750 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(e) In carrying out its duties and functions under Senate Resolution 109, Ninety-fourth Congress, agreed to March 31, 1977, the temporary Select Committee to Study the Senate Committee System is authorized, from March 1, 1977, until its expiration, to expend from the contingent fund of the Senate not to exceed $50,000, of which amount not to exceed $9,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. (a) The amount made available for each committee under the first section and section 2 of this resolution shall be added to the amount which was made available for such committee by resolution for the year ending February 28, 1977, and which is unexpended at the close of February 28, 1977, and such total amount shall remain available for such committee through June 30, 1977 (or, in the case of the temporary Select Committee to Study the Senate Committee System, until its expiration).

(b) Amounts authorized to be expended from the contingent fund of the Senate under this resolution by each committee shall be paid upon vouchers approved by the chairman of such committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

(c) Of the total amount made available under this resolution for the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on Commerce, Science, and Transportation, the Committee on Governmental Affairs, the Committee on the Judiciary, and the Committee on Rules and Administration, the chairman of each such committee is authorized to allocate such amounts as he deems appropriate for subcommittees of such committee. Upon making any such allocation, such chairman shall notify the Committee on Rules and Administration and the Secretary of the Senate.

SEC. 4. It is the sense of the Senate that—

(1) each committee, in selecting members of its staff to be retained on the staff of such committee and its subcommittees after June 30, 1977, should, to the greatest extent practicable, retain those members of its staff to whom section 703(d) of Senate Resolution 4, Ninety-fifth Congress, applies rather than retaining or employing individuals who were not members of its staff on February 11, 1977; and

(2) in the event a member of the staff of a committee to whom such section 703(d) applies voluntarily leaves the staff of such committee before June 30, 1977, the vacancy caused thereby shall not be filled unless such committee expects to fund the vacant position from funds made available to it pursuant to section 133(g) of the Legislative Reorganization Act of 1946 for the period beginning on July 1, 1977.

SEC. 5. Subject to the provisions of section 705 of Senate Resolution 4, Ninety-fifth Congress, the amount of any accrued surplus available to any Senator under section 108 of the Legislative Branch Appropriation Act, 1976, at the close of February 28, 1977, shall be available to that Senator during the period beginning on March 1, 1977, and ending on September 30, 1977, for the purpose specified in section 705(a) of such resolution.

SENATE RESOLUTION 79—ORIGINAL RESOLUTION REPORTED AUTHORIZING REVISION AND PRINTING OF THE SENATE MANUAL

(Placed on the Calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

Resolved, That the Committee on Rules and Administration be, and it is hereby, directed to prepare a revised edition of the Senate Rules and Manual for the use of the Ninety-fifth Congress, that said Rules and Manual shall be printed as a Senate document, and that two thousand additional copies shall be printed and bound, of which one thousand copies shall be for the use of the Senate, five hundred and fifty copies shall be for the use of the Committee on Rules and Administration, and the remaining four hundred and fifty copies shall be bound in full morocco and tagged as to contents and delivered as may be directed by the Committee.

SENATE RESOLUTION 80—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

S. RES. 80

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Sidney Rosenthal, father of Harold W. Rosenthal, and Tillie Rosenthal, mother of Harold W. Rosenthal, an employee of the Senate at the time of his death, a sum to each equal to two months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 81—SUBMISSION OF A RESOLUTION RELATING TO THE EXPULSION OF GEORGE KRIMSKY BY THE SOVIET GOVERNMENT

(Referred to the Committee on Foreign Relations.)

Mr. BAYH (for himself, Mr. CASE, Mr. HAYAKAWA, Mr. LUGAR, Mr. METCALF, Mr. PERCY, Mr. RIEGLE, Mr. STONE, and Mr. SCHWEIKER) submitted the following resolution:

S. RES. 81

Whereas the Helsinki Declaration pledges both the United States and the Soviet Union to the principle that:

The legitimate pursuit of their professional activity will neither render journalist liable to expulsion nor otherwise penalize them. If an accredited journalist is expelled, he will be informed of the reasons for this act and may submit an application for re-examination of his case.

Whereas harassment of accerdited correspondents does not facilitate progress in areas of vital interest to both the United States and the Soviet Union and does not contribute to an atmosphere which will encourage greater regulation of political and military competition;

Whereas such action requires appropriate steps to be taken by the United States government in order to protect the internationally recognized rights of American correspondents;

Resolved, That it is the sense of the Senate that—

1) the expulsion of Mr. George A. Krimsky is contrary to the spirit of the Helsinki Deeclaration respecting the rights of journalists;

2) such a decision serves only to obstruct the implementation of the free flow of information provisions contained in the Helsinki Declaration;

3) such action only invites and justifies steps of a reciprocal nature by the United States government;

4) the United States government and the U.S.S.R. should seek in a cooperative spirit greater communication in this area in order to prevent similar events of a counterproductive nature from occuring in the future and

5) the Secretary of the Senate transmit a copy of this resolution to the President of the United States in order that the Department of State may convey this view directly to General Secretary Leonid Brezhnev of the Central Committee of the Communist Party of the Soviet Union.

Mr. BAYH. Mr. President, I rise today to submit a resolution protesting the recent action by the Soviet Government in the explusion of Mr. George Krimsky of the Associated Press. In response, our Department of State has ordered TASS correspondent Mr. V. I. Alekseyev to leave this country.

Mr. President, I believe deeply that we must improve our relations with the Soviet Union. To use their phraseology we should seek ways of "deepening détente." But as I have said many times in this Chamber and to my constituents in Indiana, détente must be a two-way street. In order for a policy of relaxation of tensions to have a lasting success and provide benefit to the people of both our countries the U.S.S.R. must be made aware of how genuinely we are committed to fundamental human rights principles. It is therefore in a spirit of cooperation—in the true "spirit of Helsinki"—that we must put the Senate on record regarding this matter. This can be done in a way which will not damage our efforts to broaden as well as deepen détente. Such an effort will make us no less steadfast in adherence to basic principles expressed in a constructive way.

I ask unanimous consent for the New York Times article of February 5 and Washington Post editorial of February 8 to be printed at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 5, 1977]

SOVIET EXPELS AP REPORTER; HARASSES OTHER NEWSMEN

(By David K. Shipler)

Moscow, February 4.—The Soviet Foreign Ministry today ordered a correspondent of The Associated Press to leave the country within a week. It was the first expulsion of an American journalist in seven years, and it underscored the rising Government pressure directed against the Western press here in recent months.

The correspondent, George A. Krimsky, has been known as one of the most tenacious reporters in the Moscow press corps. With a good command of the Russian language and many Russian friends, he has been particularly active in reporting activities by dissidents in a period when Soviet authorities are strengthening efforts to curb the dissident movement.

Mr. Krimsky was one of three reporters accused last spring by the weekly Literaturnaya Gazeta of working for the Central Intelligence Agency. He and the two others—Alfred Friendly Jr., then with Newsweek, and Christopher S. Wren of The New York Times—denied the charge and asserted that the Government was attempting to cut them off from Soviet sources.

Mr. Friendly, whose assignment was scheduled to end, left Moscow last summer. Mr. Krimsky and Mr. Wren remained.

AP REFUSED TO WITHDRAW KRIMSKY

On Jan. 24, the press department of the Foreign Ministry summoned David Mason, bureau chief of The Associated Press, asked him why Mr. Krimsky was still here and suggested that he should be withdrawn. The Associated Press refused.

Two days ago, Literaturnaya Gazeta renewed the C.I.A. charges against the three correspondents in an article that focused on Mr. Krimsky and mentioned the others only in passing. Mr. Krimsky was accused of having given a Russian informant special coupons available only to foreigners for use in special stores where goods are better and prices lower than in regular Soviet shops. Mr. Krimsky denied the charge.

Meantime, other forms of harassment were used. While he was covering a dissident demonstration in December, the tires on his car were slashed. Last week, his Russian maid was blocked by a policeman as she came to his apartment and was told she could no longer work for him.

Some other correspondents have also felt pressure. Soviet acquaintances have been interrogated by the K.G.B., the security police, and told to stay away from the Americans. Official interviews and permission to travel within the country have been denied from time to time.

Yesterday, the tires on a car belonging to David Satter, an American who works for The Financial Times of London, were slashed in front of the police-guarded foreigners' compound where he lives; he had met with two dissidents in his apartment.

RAIL OFFICIAL CANCELED WREN INTERVIEW

Last week, a Ministry of Railroads official canceled a scheduled interview with Mr. Wren because he said he had been told by the Foreign Ministry about the espionage charges in Literaturnaya Gazeta.

Emil Svelis of United Press International the only American correspondent based in Leningrad, has had particular difficulties since he arrived several weeks ago to open an office as part of a reciprocal arrangement in which Tass, the Soviet press agency, has opened an office in San Francisco.

According to colleagues of Mr. Svelis, he has been followed almost constantly, his wallet was stolen and his car was tampered with in a manner potentially dangerous. As he was meeting with dissidents at a hotel, a good tire was replaced with a bald one and the wheel was put back on with only two nuts replaced and those not properly tightened.

Mr. Svelis noticed the change before he drove off and reported it to nearby policemen, who then interrogated him for several hours.

The colleagues said that his wife, Charlotte, a secretary at the United States Consulate, had called a taxi one evening to take her home. It took her instead to a dark and deserted warehouse district, where the driver turned into a side street, switched off the engine and smiled at her silently. Then out of the shadows, two men appeared, entered the taxi and smiled at her for a long time. Finally the driver took her home.

Such harassment of the foreign press had been suspended for several years, during the bloom of detente and the approach and aftermath of the European security conference in Helsinki in August 1975. The last American

newsman to be expelled was John Dornberg of Newsweek, in 1970.

The Helsinki document, signed by the Soviet Union and 34 other states, declares; "The legitimate pursuit of their professional activity will neither render journalists liable to expulsion nor otherwise penalize them. If an accredited journalist is expelled, he will be informed of the reasons for this act and may submit an application for re-examination of his case."

Valentin A. Khazov, deputy chief of the Foreign Ministry's press department, told Mr. Mason and William Brown, political counsellor at the United States Embassy, that Mr. Krimsky was being expelled for espionage and currency violations.

American officials were understood to have told the Russians that the move against the correspondent "might possibly lead to unpleasant consequences."

"Normally, the State Department likes to reciprocate and expel a Soviet reporter in retaliation, one diplomat explained. But in the past, he said, American news organizations have opposed such tactics. Speaking of the Russians, he declared "the only language these people understand is the language of reciprocity, and I think we ought to apply it across the board."

PROTEST BY PRESIDENT OF AP

Keith Fuller, president and general manager of the Associated Press, said in a statement:

"The expulsion of George Krimsky, in our view, is a flagrant violation of the Helsinki agreement as it pertains to news reporters carrying out their mission.

"We would submit George Krimsky's news dispatches to any fair-minded third party for comparison with any other Western journalist's work within the Soviet Union.

"He did make friends with many Soviet citizens because of his language facility and his Russian heritage. He is an American, of course, but of Russian descent.

"From the facts before me, I can discern only that his sin was to be an aggressive reporter in the Soviet Union today where the rising voices of Soviet dissidents seem to be unnerving those responsible for his expulsion."

[From the Washington Post, Feb. 8, 1977]

A SOVIET STEP BACKWARD

The Soviet Union took a step backward by expelling Associated Press correspondent George Krimsky, the first American journalist it has ousted since 1970. He was accused of currency violations and espionage; actually he was kicked out for his effective coverage of the Soviet dissident movement. The Soviet expulsion can only deepen American wariness toward a regime that, for all its pretensions of self-esteem, obviously still does not feel enough confidence in itself to permit either independent speaking by a handful of its own citizens or independent reporting by Westerners not under its thumb. Chalk up yet another victory for the prevalence of the KGB mentality in the Kremlin.

The State Department, giving notice, retaliated by expelling a TASS correspondent from Washington. The reprisal apparently puts the United States in the embarrassing position of ignoring as the Russians ignored, the Helsinki provision by which both states pledged to respect journalists engaged in "legitimate pursuit of their professional activities." But the Department had no alternative if the working conditions and tenures of the remaining American journals in Moscow were to be at least minimally protected. American news organizations are, properly, embarrassed at receiving this sort of official patronage. To reject it, however, is to let the Kremlin restrict and intimidate the American press corps intolerably. It is some consolation that, unlike Moscow, Washington did not act against a journalist because of what he wrote.

The ouster of Mr. Krimsky is serious enough. What is more troubling is the suggestion it carries of a Soviet determination to challenge the new administration to a test of wills. It is not hard to imagine voices in Moscow demanding a prompt demonstration that the Kremlin will not tolerate American interest, beyond a certain point, in Soviet dissidents—such as the "concern" the State Department expressed yesterday for detained activist Alexander Ginsburg. In Washington, there are voices demanding that the United States take each Soviet human-rights offense as a political challenge to be met with a firm response. Unless treated with great care on both sides, the situation could get quickly and badly out of hand.

SENATE CONCURRENT RESOLUTION 10—ORIGINAL CONCURRENT RESOLUTION REPORTED REVISING THE CONGRESSIONAL BUDGET FOR FISCAL YEAR 1977

(Placed on the Calendar.)

Mr. MUSKIE, from the Committee on the Budget, reported the following concurrent resolution:

S. CON. RES. 10

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $346,800,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $9,700,000,000;

(2) the appropriate level of total new budget authority is $467,000,000,000;

(3) the appropriate level of total budget outlays is $415,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $68,200,000,000; and

(5) the appropriate level of the public debt is $718,300,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $109,200,000,000.
(B) Outlays, $100,100,000,000.
(2) International Affairs (150):
(A) New budget authority, $7,900,000,000.
(B) Outlays, $6,800,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,500,000,000.
(B) Outlays, $4,400,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $18,800,000,000.
(B) Outlays, $17,200,000,000.
(5) Agriculture (350):
(A) New Budget authority $1,600,000,000.
(B) Outlays, $3,000,000,000.
(6) Commerce and Transportation (400):
(A) New Budget authority, $17,300,000,000.
(B) Outlays, $16,000,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $14,300,000,000.
(B) Outlays, $10,000,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,400,000,000.
(B) Outlays, $23,200,000,000.
(9) Health (550):
(A) New budget authority $40,600,000,000.
(B) Outlays, $39,500,000,000.
(10) Income Security (600):
(A) New budget authority, $166,300,000,000.
(B) Outlays, $139,300,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority $18,900,000,000.
(B) Outlays, $18,100,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,500,000,000.
(B) Outlays, $3,600,000,000.
(13) General Government (800):
(A) New budget authority $3,500,000,000.
(B) Outlays, $3,500,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $7,600,000,000.
(B) Outlays, $7,700,000,000.
(15) Interest (900):
(A) New budget authority $37,900,000,000.
(B) Outlays, $37,900,000,000.
(16) Allowances:
(A) New budget authority, $800,000,000.
(B) Outlays, $800,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, $16,100,000,000.
(B) Outlays, $16,100,000,000.

AMENDMENTS SUBMITTED FOR PRINTING

EXECUTIVE REORGANIZATION ACT—S. 626

AMENDMENT NO. 38

(Ordered to be printed and referred to the Committee on Governmental Affairs.)

Mr. METCALF. Mr. President, I submit an amendment in the nature of a substitute to S. 626, the executive reorganization bill, which was introduced last Friday by the chairman of the Government Operations Committee, Mr. RIBICOFF, on behalf of the administration.

This amendment would restore to the President the specific authority to submit reorganization plans which was incorporated in the old reorganization act that Congress allowed to lapse in 1973. In no way would the President's flexibility for proposing his governmental reorganization be inhibited. However, the amendment would change the legislative procedure for permitting the reorganization plans to go into effect, by assuring the House and Senate of the opportunity to act jointly, up or down, within a time certain—90 days. Under the old act's procedure, the President's plan would become the law of the land, unless either House rejected it within 60 days.

Mr. President, as I testified before the Senate Government Operations Committee recently, I believe the old act's aproach of allowing the President to abolish, transfer, or consolidate statutory agencies and functions by a plan which will become law if Congress does nothing is an unreasonable shift of powwer to the President. It is a gun to the head of Congress. It puts committees and Members in an impossible situation

for appraising the substantive impact of the statutory changes. But worse, it is legislation by inaction, or inattention, and this is my opinion, runs counter to article I of the Constitution.

My amendment, Mr. President, would preserve the opportunity for expeditious plans. It would extend the period for legislative action to 90 days, with a requirement for discharge of a resolution of approval from committee after 60 days. When the committee has reported the resolution or has been discharged, it would be in order for any Member to move to proceed with the consideration of the resolution, and such motion would be highly privileged. There would be no amendments. A joint resolution of approval must come to a vote up or down within the 90-day period. I have included a provision which was enacted into law under the Trade Act of 1974, which would control the time in the Senate so the deadline could be met. If the joint resolution is approved it goes to the President for signature as is the usual constitutional practice. If either House declines to take up and act on the resolution, or having done so, rejects the resolution of approval, then of course, the plan fails.

Mr. President, I ask unanimous consent that my remarks before the Senate Government Operations Committee on February 8, 1977, be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

EXECUTIVE REORGANIZATION: WHAT ROLE FOR CONGRESS?

Mr. Chairman and Members of the Committee, last Friday, President Carter asked the Congress to reinstate the executive reorganization authority which we allowed to be terminated in 1973. This is very broad authority permitting the President by plan to transfer, abolish or consolidate any Federal agency or function unless either House disapproved his plan within sixty days.

The President has made executive branch reorganization one of his first priorities, and that should be supported. But is this approach, covering such a broad scope of the government, the proper way to go about the task?

This is not a partisan matter. The future role and responsibility of the Congress is involved.

Therefore, before we rush to redelegate these powers, some basic questions must be raised. I would appeal to my colleagues that they reserve judgment on this legislation until these questions are resolved.

Is not this procedure, in effect, an unreasonable delegation of legislative power? The plan is sent up, and each House has only sixty days to study it and move it through the legislative process, or the President's plan becomes the law of the land. Members are not permitted to amend his plan either in committee or on the floor, if indeed it ever gets there. It is all or nothing. If there is any part of the plan a Member does not like, he must live with it, or carry the larger burden of obtaining a vote of rejection on the entire plan.

Is this what the framers of the Constitution had in mind when they provided that all legislative powers be vested in the Congress? Article I, Section 8 sets forth specific powers for the formulation of government policies by the Congress, and in the last paragraph, it is the legislature that is empowered to make all laws for "carrying into execution" those policies and any other powers vested by the Constitution in the government.

Under Article II of the Constitution, the President advises the Congress as to what measures he feels are necessary. The burden is on him to get the Congress to consider his proposals. Congress then asserts its legislative prerogative to perfect or improve the legislation. After legislation is passed, it goes to the President who may either sign it or veto it.

With the President's executive reorganization act approach, this Constitutional process would seem to be reversed. The President makes the changes to be accepted or disapproved by the Congress under a strict time restraint. The burden of proof is shifted from the President to Senate and House legislators who may oppose his plan. There is no opportunity to perfect the plan by amendment, indeed not even a requirement that there be a majority vote on the plan by either House. As a result, major functions and agencies, which were created by the deliberative process of legislation, may be wiped out or redirected virtually overnight without appropriate legislative consideration and enactment.

I raise these issues because I feel they go to the heart of the doctrine of separation of powers. The Congress appropriates the money for executive administration; it establishes the substantive laws of our government; it provides the means by which the President executes those laws, and it provides a check and balance against the arrogation of undue power by the Executive. My concern is that the breadth of authority delegated to the President under his proposed reorganization act—with its time constraints and restriction on amendments—will seriously upset the balance of power which we in Congress have so vigorously sought to achieve in recent years. The memories of the recent past—of Vietnam, Watergate, impoundments, the use and abuse of the veto power—are still very much with us. We have just begun to recover our balance of power with such measures as the War Powers Act and the Congressional Budget and Impoundment Control Act. Would the delegation, once again, of executive reorganization authority to the President be a step in the direction of losing the balance we have worked so hard to achieve?

This matter was of serious concern to our present majority leader (Mr. Byrd) when he introduced his own version of an executive reorganization act in the 93rd Congress (S. 936, 93rd Cong., 21 February 1973, Cong. Record p. 4791). Among other things, that bill required that no reorganization plan submitted by the President could become effective unless there was a concurrent resolution approving the plan, adopted by majority vote of the two Houses. "I feel," said Senator Byrd, "that it is important that the Congress approve reorganization plans on the basis of their merit and after full debate, not just allow them to go into effect if either House does not take formal action to disapprove them."

The Senator went on to argue his position in persuasive terms:

"My bill is a major step toward recovering some of the initiative the legislative branch has lost to the executive. It will aid in restoring to Congress its responsibility for discharging the duty of overseeing the conduct of the executive departments. It will strengthen the authority of the Congress over the administrative bureaucracy in the face of increasing executive encroachment on Congress' constitutional authority. And it will, through its provision for affirmative approval of plans, safeguard against ill-considered and hasty action by the executive and default approval by a busy or an apathetic Congress.

"Congressional control and oversight of the executive departments and agencies constitute one of our most important functions. It is the means by which the Congress is assured that its policies are being faithfully carried out, by which it may hold executive officers to an accounting for their stewardship, and by which it learns the effects of legislative policies and is thus able to make necessary statutory revisions. I believe that the bill which I introduced today will go a long way toward accomplishment of these objectives."

A similar response has come over the years from the Chairman of the House Government Operations Committee (Mr. Brooks) who just last Friday announced his opposition to any reinstitution of the old reorganization act authority and suggested as an alternative his own bill. Congressman Brooks stated:

"We have lived through a time when we saw what can happen when Congress makes broad delegations of its powers to a President. I do not want any President to have the opportunity to abuse our governmental process . . . Only now are we beginning to restore the balance that should exist between the legislative and executive branches."

Chairman Brooks' bill would permit the President to submit reorganization plans to Congress, but it would require the approval of both the House and Senate before the plan could become law. The bill contains provisions to assure a vote on the plan within a specified time, and it also provides authority for the President to change his plan after he has submitted it to the Congress.

Other Members of Congress have outright opposed the delegation of executive reorganization authority to the President, and perhaps this option deserves more serious consideration then those modified versions of the approach which I have mentioned.

Certainly major reorganization plans should come before the Congress as regular legislation. Even the President's bill prohibits the abolition, creation or consolidation of executive departments. But what is a major reorganization; and what is a minor one? These distinctions are not made in the Administration's proposal.

Whether the subject be energy or health or environment or housing, under this legislation, the President could transfer the whole or a part of any agency (including any independent regulatory agency), and the whole or any part of its statutory functions, to the jurisdiction of another agency.

Indeed, under his bill, he could transfer out, or abolish, any agency within a department, and any function within a department, except that he could not convey or abolish the entire department, or all of its functions.

The President would also be permitted to consolidate statutory agencies and functions, including some but not all the functions of a department.

He could authorize a governmental official to delegate his legislatively created powers to another official or agency.

He could change the name of any agency or the title of its head, as well as such name and title with respect to any newly created agency.

I urge my colleagues to reflect on these extraordinary powers. You don't have to create or abolish or consolidate departments—as the Persident's bill rightly prohibits—in order to effect a major reorganization under this proposed authority. You need only merge or consolidate statutory agencies and functions into a superagency, including functions that are now in the departments and in the independent regulatory agencies.

Whether major or minor in scope or subject matter, any such sweeping reorganization as contemplated in this legislation could

cause confusion and frustration among relevant Senate and House committees, and the sheer weight of it may be too much to get a resolution of disapproval out to the floor of either House in sixty days. In any event, the entire membership of either House would not be assured of responding to the plan, up or down.

But this wide-ranging reorganization authority over statutory agencies and functions is not the only thing questionable about the President's proposal.

In the message and bill that he sent to the Congress on Friday, he included some additional items to strengthen his power over the reorganization plans and his pressure on the Congress.

First, he has provided that the President can amend his plan within thirty days after sending it to the Congress, but there are not similar provisons for either House to amend it, if in fact it even reaches the floor. He provides for a negotiation mechanism between the relevant substantive committees and the President, which may not be satisfactory to members who are not privy to the negotiations.

Second, he would repeal the requirement of the old reorganization act, that the President could send up only one plan during a thirty-day period, and provide for the submission of any number of plans. This, he says would "speed up the reorganization process," that the President could send on only one plan during a thirty-day period, and provide for the submission of any number of plans. This, he says would "speed up the reorganization process" by forcing Congress to deal with more than one plan at a time. No doubt it would have that effect, but it would also increase the pressure on the Congress to do its work within the sixty day periods attached to each plan. It could put us in a virtual straight-jacket. As statutory agencies and functions will almost always be involved in these plans, this could in effect, be disruptive and, indeed, destructive of our legislative prerogatives.

Third, the President would remove the existing limitation that each reorganization plan must be limited to one "logically consistent" subject. He proposes that his plans be allowed to cover more than one subject—how many is not clear—and when you combine this authority with the submission of additional plans within the thirty day period, you have utter chaos.

Finally, he would extend all of this reorganization authority for four years. This would bind the next Congress, and provide us with very little opportunity to halt the measure if it turned out unsatisfactory in the meantime.

As a member of the Senate Government Operations Committee, I intend to take a very hard look at this legislation proposed by the Administration. I urge my colleagues to do likewise. We should consider warnings issued by the Majority Leader and study his legislative suggestions. We should review the legislative history, and see what Congress may be giving up by the adoption of this reorganization procedure. And we should think above party and personal ideology, and consider in the final analysis, the Constitution which we have all taken the oath to defend and protect.

Mr. METCALF. Mr. President, we were told at the hearings by the Director of the Office of Management and Budget that the one-House veto feature of the President's bill is a "time-tested procedure" under which reorganization plans have been submitted since 1949. I do not find that argument persuasive or indeed, relevant, to the legislative situation today. I thought the point had been brought home to us in the Congress in the early 1970's, that the erosion of our prerogatives which we permitted to occur during the 1950's and 1960's was wrong—wrong in the field of foreign affairs, wrong in the field of fiscal affairs, and wrong in the vitally important field of organization of the Government. We have sought to repair the damage in some degree, and we have been moving in the right direction. There have been those who have suggested that this reassertion of congressional authority would be a temporary phenomenon, that we would lapse back into the role of a passive body, reacting to an active Presidency, as soon as both branches were once again under the control of the same party. I believed, and I know my colleagues believed, it would not be so.

Yet we have before us in this reorganization plan proposal the first test of our resolve and we are about to fail it. The vote on this issue is not, or should not be, a vote of confidence or no confidence in our new President. I have the highest trust in his goals and his abilities. But this partisan support cannot justify ceding to him the leading role in the legislative process in this area of our national life.

I have studied the Attorney General's opinion to the President concerning the constitutional aspects of this reorganizational proposal. That opinion may be persuasive with respect to the principal issue to which virtually all its points are addressed; namely, whether the one-House veto provision deprives the President of any of his constitutional authority. While I am prepared to accept the Attorney General's view on that issue, I cannot accept it on the issue of whether Congress is deprived of any of its influence and responsibilities.

I, therefore, urge this body, Mr. President, not to return to the ways of the 1950's and 1960's, but to continue our reassertion of the proper role of the Congress in the governmental process. We have, and we must exercise, not merely the right to disapprove any change in the law, but the responsibility to consider and fully enact such change. We must have procedures which can be adopted to give priority to the President's reorganization proposals, and to expedite our deliberations concerning them. The bill I am introducing would achieve these ends. It would differ from the President's proposal in that it would require, rather than merely permit, action by both Houses of Congress before the law can be changed.

Mr. President, I ask unanimous consent that the full text of my amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 38

Strike out all after the enacting clause and insert the following:

That (a) section 905(b) of title 5, United States Code, is amended by striking out "April 1, 1973" and inserting in lieu thereof "April 1, 1979".

(b)(1) Section 906(a) of such title is amended to read as follows:

"(a) Except as otherwise provided under subsection (c) of this section, a reorganization plan is effective at the end of the first period of 90 calendar days of continuous session of Congress after the date on which the plan is transmitted to it if, between the date of transmittal and the end of the 90-day period, the Congress passes a joint resolution stating in substance that it favors the reorganization plan.".

(2) Section 906(b) of such title is amended by striking out "60" and inserting in lieu thereof "90".

(c) Section 909 of title 5, United States Code, is amended to read as follows:

"§ 909. Terms of resolution

"For the purpose of sections 908–914 of this title, 'resolution' means only a joint resolution of the Congress, the matter after the resolving clause of which is as follows: 'That the Congress favors the reorganization plan numbered —— transmitted to Congress by the President on ——, 19—.', the blank spaces therein being appropriately filled, but does not include a joint resolution which specifies more than one reorganization plan.".

(d)(1) Section 911 of such title is amended to read as follows:

"§ 911. Discharge of committee considering resolution

"If the committee to which a resolution with respect to a reorganization plan has been referred has not reported it at the end of 60 calendar days of continuous session of Congress after its introduction such committee shall be automatically discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.".

(2) Section 912(a) of such title is amended by inserting "automatically" before "discharged".

(e)(1) Chapter 9 of such title is further amended by adding at the end thereof the following new section:

"§ 914. Requirement of vote in each House; procedure after one House receives a resolution from the other House

"(a) A vote on final passage of a resolution shall be taken in each House on or before the 90th calendar day of continuous session of the Congress after date of transmittal of the reorganization plan to which it relates.

"(b) If, prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same reorganization plan from the other House, then—

"(1) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(2) the vote on final passage shall be on the resolution of the other House.".

(2) The analysis of chapter 9 of such title is amended by adding at the end thereof the following new item:

"914. Requirements of vote in each House; procedure after one House receives a resolution from the other House.".

YOUTH EMPLOYMENT ACT—S. 503

AMENDMENT NO. 39

(Ordered to be printed and referred to the Committee on Human Resources.)

Mr. HAYAKAWA. Mr. President, I am submitting today an amendment to S. 503, the Youth Employment Act which has been referred to the Labor and Public Welfare Committee. Nearly one out of five teenagers in the labor market is presently out of work. In my judgment this is an intolerable situation. The difficulties young people experience in

finding and holding jobs are not only important because of the immediate losses associated with joblessness; there is the additional risk that the experience of unemployment may impair the personal, economic, and social development of young people and cause frustrations whose deleterious effects can never be erased. There are many labor experts who will agree that increases in the minimum wages have substantially contributed to the deterioration in the teenage labor market.

By contrast, many foreign countries have legal provisions, collective bargaining agreements, or traditions which permit them to pay youth less than adults, often in a fixed percentage. These provisions have been reflected in their low youth unemployment rates. My amendment today follows this example.

On the basis of personal observations, I have reached the conclusion that there are many jobs which remain vacant, because the employers regard the costs generated by minimum wages as too high. I consequently expect that my amendment, once enacted, will contribute to the improvement of the present youth job market.

I ask unanimous consent that my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 39

On page 4, line 11, insert "70 percent of" after the word "than".

On page 12, between lines 6 and 7, insert the following new subsection:

"'(b) Notwithstanding any other provision of this Act a youth employed in a job for which assistance is given under this title shall be paid wages which shall not be less than 70 percent of the minimum wage which would be applicable to employment under the Fair Labor Standards Act of 1938 if section 6 of that Act applied to the youth and he were not exempt under section 13 of that Act.".

On page 12, line 7, strike out "(b)" and insert in lieu thereof "(c)".

ADDITIONAL DISTRICT COURT JUDGES—S. 11

AMENDMENT NO. 40

(Ordered to be printed and referred to the Committee on the Judiciary.)

JUDICIAL CONFERENCE DISTRICT COURT JUDGESHIP RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, on January 10, 1977, I reintroduced as S. 11 the omnibus district court judgeship bill which was passed by the Senate in the 94th Congress (S. 287) and which would authorize the appointment of 45 additional district judges in various judicial districts. In my introductory statement on S. 11, I made reference to the fact that the Judicial Conference of the United States was completing action on the 1976 quadrennial survey of judgeship needs by the various Federal courts. The Judicial Conference, on February 9, 1977, transmitted to the Congress its recommendations for the creation of 107 additional district judges in various judicial districts. The total number recommended by the Judicial Conference includes the 45 district judgeships approved by the Senate in the last Congress and also represents the Judicial Conference's recommendations that an additional 62 district judges be authorized by the Congress.

Mr. President, in order that these recommendations of the Judicial Conference may be studied and considered by the Senate, I am today submitting an amendment to S. 11, which amendment contains the entire 107 additional judges requested by the Judicial Conference. As I stated in my introductory statement to S. 11, the judicial statistics for fiscal year 1976 may justify far more than the 45 new positions contained in S. 287 which was considered in the last Congress. The Conference's recommendations will be studied by the Committee on the Judiciary and evaluated in the light of the three-part statistical standard which was used by the committee during the last Congress to measure the workload of the judges in each court. Because the Congress has not authorized any new judgeships since 1970, notwithstanding a sizable increase in judicial business, final action on judgeship bills should be a high priority in the 95th Congress. To this end, I have also inserted into today's RECORD a notice that the Committee on the Judiciary will commence hearings on S. 11, the printed amendment to that bill and upon any other district court judgeship bills, commencing on February 21, 1977. By this early consideration of this legislation, the Committee on the Judiciary hopes to report an omnibus district court judgeship bill for early consideration by the full Senate.

Mr. President, because these hearings will commence on the first day following a nonlegislative day, I ask unanimous consent that my amendment to S. 11 be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 40

Strike out all after the enacting clause and insert in lieu thereof the following: That:

(a) The President shall appoint, by and with the advice and consent of the Senate, two additional district judges for the northern district of Alabama, one additional district judge for the middle district of Alabama, three additional district judges for the district of Arizona, two additional district judges for the eastern district of Arkansas, one additional district judge for the northern district of California, three additional district judges for the eastern district of California, one additional district judge for the central district of California, two additional district judges for the southern district of California, two additional district judges for the district of Colorado, one additional district judge for the district of Connecticut, one additional district judge for the northern district of Florida, three additional district judges for the middle district of Florida, five additional district judges for the southern district of Florida, five additional district judges for the northern district of Georgia, one additional district judge for the southern district of Georgia, two additional district judges for the northern district of Illinois, one additional district judge for the eastern district of Illinois, one additional district judge for the northern district of Indiana, one additional district judge for the southern district of Indiana, one additional district judge for the southern district of Iowa, one additional district judge for the district of Kansas, two additional district judges for the eastern district of Kentucky, four additional district judges for the eastern district of Louisiana, one additional district judge for the middle district of Louisiana, one additional district judge for the western district of Louisiana, two additional district judges for the district of Maryland, four additional district judges for the district of Massachusetts, three additional district judges for the eastern district of Michigan, two additional district judges for the western district of Michigan, one additional district judge for the district of Minnesota, one additional district judge for the eastern district of Missouri, two additional district judges for the western district of Missouri, one additional district judge for the district of Nevada, one additional district judge for the district of New Hampshire, one additional district judge for the district of New Jersey, one additional district judge for the district of New Mexico, one additional district judge for the northern district of New York, one additional district judge for the eastern district of New York, one additional district judge for the eastern district of North Carolina, one additional district judge for the middle district of North Carolina, one additional district judge for the northern district of Ohio, one additional district judge for the southern district of Ohio, one additional district judge for the western district of Oklahoma, one additional district judge for the eastern and western districts of Oklahoma, two additional district judges for the district of Oregon, two additional district judges for the middle district of Pennsylvania, four additional district judges for the district of Puerto Rico, three additional district judges for the district of South Carolina, one additional district judge for the district of South Dakota, one additional district judge for the middle district of Tennessee, three additional district judges for the northern district of Texas, one additional district judge for the eastern district of Texas, five additional district judges for the southern district of Texas, one additional district judge for the western district of Texas, two additional district judges for the eastern district of Virginia, two additional district judges for the western district of Virginia, one additional district judge for the eastern district of Washington, one additional district judge for the western district of Washington, one additional district judge for the southern district of West Virginia, and one additional district judge for the western district of Wisconsin.

(b) The existing district judgeship for the eastern and western districts of Kentucky, heretofore provided for by section 133 of Title 28 of the United States Code, shall hereafter be a district judgeship for the eastern district of Kentucky only, and the present incumbent of such judgeship shall henceforth hold his office under section 133, as amended by this Act.

(c) One of the two existing district judgeships for the northern, eastern, and western districts of Oklahoma, heretofore provided for by section 133 of Title 28 of the United States Code, shall hereafter be a judgeship for the northern district of Oklahoma only, and the other such judgeship shall hereafter be a judgeship for the western district of Oklahoma only. The more senior of the present incumbents in those two present judgeships shall henceforth serve only in the western district, and the more junior of the two shall henceforth serve only in the northern district. Both such present incumbents shall henceforth hold their offices under section 133, as amended by this Act.

(d) The existing district judgeship for the

eastern and western districts of Washington, heretofore provided for by section 133 of Title 28 of the United States Code, shall hereafter be a district judgeship for the western district of Washington only, and the present incumbent of such judgeship shall henceforth hold his office under section 133, as amended by this Act.

(e) In order that the table contained in section 133 of Title 28 of the United States Code will, with respect to each district therein, reflect the changes in the number of judgeships made by section 1 of this Act, such table is amended to read as follows:

Districts	Judges
Alabama:	
Northern	6
Middle	3
Southern	2
Alaska	2
Arizona	8
Arkansas:	
Eastern	3
Western	1
Eastern and Western	2
California:	
Northern	12
Eastern	6
Central	17
Southern	7
Colorado	6
Connecticut	5
Delaware	3
District of Columbia	15
Florida:	
Northern	3
Middle	9
Southern	12
Georgia:	
Northern	11
Middle	2
Southern	3
Hawaii	2
Idaho	2
Illinois:	
Northern	15
Eastern	3
Southern	2
Indiana:	
Northern	4
Southern	5
Iowa:	
Northern	1
Southern	2
Northern and Southern	1
Kansas	5
Kentucky:	
Eastern	5
Western	3
Louisiana:	
Eastern	13
Middle	2
Western	5
Maine	1
Maryland	9
Massachusetts	10
Michigan:	
Eastern	13
Western	4
Minnesota	5
Mississippi:	
Northern	2
Southern	3
Missouri:	
Eastern	4
Western	5
Eastern and Western	2
Montana	2
Nebraska	3
Nevada	3
New Hampshire	2
New Jersey	10
New Mexico	4
New York:	
Northern	3
Eastern	10
Southern	27
Western	3
North Carolina:	
Eastern	3
Middle	3
Western	2
North Dakota	2
Ohio:	
Northern	9
Southern	6
Oklahoma:	
Northern	2
Eastern	1
Western	4
Eastern and Western	1
Oregon	5
Pennsylvania:	
Eastern	19
Middle	5
Western	10
Puerto Rico	7
Rhode Island	2
South Carolina	8
South Dakota	3
Tennessee:	
Eastern	3
Middle	3
Western	3
Texas:	
Northern	9
Eastern	4
Southern	13
Western	6
Utah	2
Vermont	2
Virginia:	
Eastern	8
Western	4
Washington:	
Eastern	2
Western	5
West Virginia:	
Northern	1
Southern	3
Northern and Southern	1
Wisconsin:	
Eastern	3
Western	2
Wyoming	1

(f) In addition to the five additional district judges for the southern district of Florida provided in subsection (a) of this section, the President shall also appoint, by and with the advice and consent of the Senate, one other additional district judge for that district. Any vacancy occurring in the office created by this subsection five years or more after it is created shall not, however, be filled.

SEC. 2. The Director of the Administrative Office of the United States Courts is authorized to place a total of 15 positions in grades 16, 17, and 18 of the General Schedule, in lieu of the 4 supergrade positions authorized by existing law and 3 positions allotted by the Civil Service Commission.

SEC. 3. Such sums as may be necessary to carry out the purposes of this Act are hereby authorized to be appropriated.

NOTICES OF HEARINGS

EMERGENCY EDUCATIONAL ASSISTANCE ACT

Mr. PELL. Mr. President, I wish to announce that the Subcommittee on Education of the Committee on Human Resources will hold a hearing on the Emergency Educational Assistance Act on February 14, 1977, at the Goff Junior High School in Pawtuckett, R.I.

Any persons wishing to submit written statements for the hearing record should contact Mrs. Jean S. Frohlicher, counsel, Subcommittee on Education, room 4230 Dirksen Senate Office Building, Washington, D.C. 20510—telephone 202–224–7666.

OMNIBUS DISTRICT COURT JUDGESHIP BILL

Mr. McCLELLAN. Mr. President, I wish to announce that open public hearings have been scheduled by the Committee on the Judiciary on S. 11 and printed amendment No. 40 to that bill, providing for additional district court judgeships.

The hearings will be held on February 21 and 22, in room 2228 Dirksen Senate Office Building, commencing at 10 a.m. each day. Additional days of hearings as may be necessary will be announced by the committee.

All persons who wish to testify or submit a statement for inclusion in the RECORD should communicate, as soon as possible, with Paul Summit, 2204 Dirksen Senate Office Building—telephone 4–3281—or Bill Westphal, 6306 Dirksen Senate Office Building—telephone 4–3618.

SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. PELL. Mr. President, as chairman of the Subcommittee on Privileges and Elections, I wish to announce that the subcommittee has scheduled a hearing on the authorization of the Federal Election Commission for fiscal year beginning October 1, 1977, for Thursday, March 3, 1977.

This hearing will be held in room 301 Russell Senate Office Building on March 3, 1977, beginning at 10 a.m.

Further information can be obtained from the office of the subcommittee, room 310 Russell Senate Office Building, 224–5647.

SELECT COMMITTEE ON INTELLIGENCE

Mr. INOUYE. Mr. President, I wish to announce that the Select Committee on Intelligence will hold hearings on Tuesday, February 22, 1977, on the nomination of Adm. Stansfield Turner to be Director, Central Intelligence. The hearing will begin at 10 a.m. The location will be announced later.

Any party interested in appearing or filing a statement regarding this nomination should advise the committee. The committee's office number is 224–1700.

SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. PELL. Mr. President, as chairman of the Subcommittee on Privileges and Elections, I wish to announce that the subcommittee has scheduled a hearing on the operation of the Overseas Citizens Voting Rights Act of 1975—Public Law 94–203—and S. 703, a bill to improve the operation and administration of the act, for Tuesday, March 8, 1977.

The hearing will be held in room 301, Russell Senate Office Building, on March 8, 1977, beginning at 10 a.m.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Privileges and Elections, room 310, Russell Senate Office Building, Washington, D.C. 20510—AC 202—224–5647.

ON S. 7—SURFACE MINING LEGISLATION

Mr. METCALF. Mr. President, the Subcommittee on Minerals, Materials and Fuels held a hearing on February 7, 1977, to learn the position of the Carter administration on S. 7, the Surface Mining Control and Reclamation Act of 1977.

This bill is a modified version of H.R. 25, the bill vetoed by President Ford in May, 1975. Interior Secretary Cecil Andrus and FEA Administrator John O'Leary both testified in strong support of S. 7 and offered modifications.

"I assure you," Secretary Andrus said, "that the administration is committed to helping you pass such legislation and to careful administration of the program the legislation provides."

Mr. O'Leary echoed these sentiments when he stated:

We strongly favor tough surface mining legislation.

This show of support for S. 7 from two key Federal officials is most encouraging. I intend to give their suggestions close scrutiny and I ask unanimous consent that the testimony of Messrs. Andrus and O'Leary be printed in the RECORD at the close of my remarks.

Mr. PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. At this time, I also wish to announce that three additional hearing dates have been set for the Subcommittee on Minerals, Materials and Fuels to receive comments on S. 7.

On March 1, 1977, selected coal operators or their spokesmen have been invited to present their views on the steep slope provisions of the bill, as applying to the Appalachian coal fields.

On March 2, 1977, certain citizen groups and individuals representing environmental concerns in the same region will have an opportunity to appear and testify.

On March 3, 1977, various surface mine operators, coal consumers, and environmental groups will be heard on the probable effects of S. 7 on Western coal surface mining operations and environment.

All three hearings will begin at 10 a.m. in room 3110, Dirksen Senate Office Building. All other parties interested in submitting written testimony on S. 7 should submit their views by March 3, 1977.

For further information those interested can call Norman Williams at 224–5249.

STATEMENT OF CECIL D. ANDRUS, SECRETARY OF THE INTERIOR

Mr. Chairman and members of the committee: I strongly endorse the enactment of comprehensive surface mining control legislation. Your committee has worked on, and the Congress has passed, such legislation during the past two Congresses. A Presidential signature on it is long overdue and I am glad to see it placed at the top of your agenda. Drawing on your past efforts and expertise, this Administration looks forward to a new law under which an effective surface mining control program can be carried out.

Increasing this Nation's ability to produce and use coal in order to decrease our reliance on imported oil and scarce natural gas is essential. With sound environmental safeguards, surface mining will be an acceptable way to produce much of this coal.

Fortunately, coal is abundant in this country. We can afford to be particular about where and how we mine it, consistent with conservation of the resource. We can afford to declare certain areas off limits to strip mining because of other important resource values, and we can insist on ending the abuses which historically have been associated with coal strip mining.

Prompt establishment of new ground rules for surface coal mining is essential both for a sound environmental policy and a sound energy and economic policy. Despite recent improvements in state and Federal programs, a uniform approach, approved by the Congress, needs to be adopted:

To assure a high level of environmental protection;

To provide for sound management of our land resources;

To eliminate competitive economic pressures on states to lower their reclamation standards; and

To provide the coal industry with firm guides for its future development.

In reaffirming my support of this legislation, I would like particularly to mention some of its fundamental components, which have been developed in the last few years of debate and compromise on this legislation:

First, that reclamation is required to fully restore strip mined land to at least its original productivity.

Second, that the burden is on the operator, not the government or citizen, to demonstrate affirmatively that reclamation according to the law will be achieved.

Third, that certain areas will be off limits to strip mining because of other important resource values, preserving the option for society later to determine whether the coal is worth the sacrifices associated with mining by surface methods.

Fourth, that citizens will have meaningful opportunities to participate in the implementation of the law—through availability of information, hearings and opportunities for citizen suits.

Last, that abandoned, unreclaimed mines will be reclaimed using money from production fees.

In approaching this legislation, I want to see a bill which will make for an effective and efficient program without an undue burden on the economy. More specifically, the following principles should govern:

No arbitrarily imposed losses of coal production should result from the program.

It should not result in significant unemployment.

No substantial consumer impacts should result.

It should assign responsibilities to State and Federal governments appropriately.

It should not adversely affect competition.

No unreasonable administrative burdens and governmental costs should be imposed.

In general, I believe the legislation before you meets these tests.

I hope you will agree with me, however, that if we can improve the bill, we should not be deterred from this by past history and, in any event, several issues remain to be resolved.

How to protect the owners of surface interests in lands where the Federal government owns and might lease coal for surface mining is an issue of central concern. Some recognition is certainly appropriate to protect the interests of individuals who have, in many instances, created by their own labor a working ranch or farm and who may be faced with serious losses if Federal leases are issued. I am not prepared to support a blanket prohibition of surface mining in the split ownership situation, however. Many hours of your time were spent in the last Congress trying to resolve this difficult issue. The bill which finally passed conferred a right to consent on a specified class of surface owners. To avoid large windfalls, it also specified compensation which could be paid for consent. The concept of this provision in the vetoed bill would appear preferable to an outright prohibition. At this point, I can only suggest that we remain open to reaching the most reasonable possible solution of the problem and I will be ready to work with you to this end.

A second question is the protection of alluvial valley floors. I fully support such protection. My staff advises me, however, that it would be desirable to clarify the alluvial valley floor prohibition somewhat and to make specific allowance for the continued operation of approved mines already producing coal.

As I mentioned, a basic feature of S. 7 which I support is its provisions for remedying the historical environmental neglect of lands already mined and now abandoned. Some estimates are that a million and a half acres of land have been disturbed by all coal mining.

As you consider the bill's provisions for abandoned land reclamation, however, let me urge you to focus on highest priority needs. A tremendous amount of reclamation work must be done to repair the scars and correct the continuing environmental harm from mines where responsibility for reclamation has ended and we must assure that our limited resources will be used to produce the greatest good possible.

Another issue of some concern is the assignment of responsibility for the surface mining reclamation program on Federal lands between the States and the Federal government. S. 7 is directed toward the accommodation of arrangements worked out in the last year. I would urge that you make those arrangements, like other portions of State programs, subject to review and approval by the Secretary, rather than election by the States. Other issues will also need resolution. The Department's legislative report, which you have, addresses most of these specifically and I will be happy to answer any questions about them you may have. My staff will also work with you in making whatever changes will improve the bill. As we plan and undertake preparation for implementation of the program, we will keep you fully advised and remain open to your advice.

Coal constitutes over 85 percent of our hydrocarbon energy reserves and there can be no question that coal will provide a significant proportion of our energy needs for years to come. But as coal production increases, the environmental and land use problems it entails will also increase. We just cannot afford to permit historical mining practices to continue, particularly since environmentally sound mining can meet the Nation's energy and economic needs. The pollution of some 11,000 miles of streams by acid mine drainage, extensive siltation, the loss of forest and agricultural lands from productive capacity, the destruction of wildlife habitat, burning mine waste dumps, and health and safety hazards must all be controlled. Major impacts on land use and water resources are associated with many surface mines and these must be dealt with carefully.

The framework provided by S. 7 to deal with surface coal mining reclamation is sound. I want to work with you to make needed improvements expeditiously and produce a bill for President Carter to sign. I assure you that the Administration is committed to helping you pass such legislation and to careful administration of the program the legislation provides.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., February 4, 1977.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department concerning S. 7, the "Surface Mining Control and Reclamation Act of 1977."

We strongly support enactment of such legislation. A new law to control surface mining of coal and provide for reclamation of mined lands is badly needed and the legislation your Committee has before it is well conceived to meet that need. Its expeditious passage is a high priority of President Carter.

S. 7 would provide for a cooperative surface coal mining regulatory program with responsibility for implementation being shared between the States and the Secretary of the Interior. Strong reclamation performance standards and permit requirements would assure that both State and Federal mined land would be fully reclaimed and that the environment would be protected. On the other hand, under mechanisms provided by the bill, the production of needed coal could continue under national standards in a reasonable manner. Public participation in decisions about surface coal mining would be provided for. Full development of needed information would be required or encouraged to serve as a basis for effective and reasonable regulation of surface mining operations. Through S. 7's bonding and enforcement provisions, actual compliance with the standards and requirements would be assured.

In addition to the reclamation regulatory program, the bill provides for reclamation of lands already damaged by past mining. Financed in S. 7 through a fee levied against Federal coal, the bill provides both for reclamation of rural lands through the Department of Agriculture and for acquisition and reclamation of abandoned and unreclaimed mined lands and for alleviation of problems related to mining.

The effects of inadequately controlled surface coal mining are well known. Among them are destruction or diminiution of the utility of land, erosion and land slide, flooding, water pollution, destruction of fish and wildlife habitat, loss of natural beauty, property damage, health and safety hazards, and adverse social impacts.

Increasingly in the future, the Nation's energy needs will depend on coal mining. Current trends indicate that more and more of this mining will be by surface methods. Federal and other western lands will be called on to supply surface-mined coal, in many instances for the first time. Against this background, the need for legislation such as S. 7 is urgent.

In developing and carrying out an effective and efficient surface coal mining control and reclamation law, the Department will work closely with the Congress. President Carter has indicated that he would have signed the surface mining legislation passed by the last Congress, but vetoed. The President is prepared to approve similar legislation and has directed us to work with Congress in resolving remaining major issues and developing whatever changes in introduced bills may appear advisable to improve them.

Protection of surface owners of land where the Federal Government owns and proposes to lease coal was a particularly difficult issue for the last Congress. Section 423(e) of S. 7 changes the surface owner consent provision finally developed and included in the vetoed bill. That provision afforded a right to consent to specified individuals and limited the amount that could be obtained by such an individual if he does consent. The amount specified had three components to be determined by appointed appraisers: (1) the fair market value of "the surface estate," (2) certain specified losses and damages, and (3) and additional reasonable amount limited to the lesser of the item (2) losses or $100 per acre. If this provision were adopted, the language of item (1) should be clarified so that it would apply to the fair market value of the "surface estate based on its use for agricultural purposes and exclusive of the value of minerals or the right to consent under this section." Clarified in this way, that type of provision is preferable to Section 423(e) of S. 7 which prohibits surface mining of Federal coal where the surface is owned by a non-Federal party.

The bill will place on small mine operators a heavy administrative and operating burden. Several changes may be desirable to limit this burden, including:

Directing the regulatory authority to undertake the development of some of the information required to obtain a mining permit;

Financing this work in part from the reclamation fee collected pursuant to section 301(b)(3);

Permitting reduced application fees;

Omission of certain permit application data as determined by the regulatory authority and in some instances requiring less data; and

Modifying the bond release administrative provisions by limiting the scope of the notice to be given and providing an informal procedure for release.

Departmental staff can work with your Committee in providing specific amendments to accomplish these changes.

A related matter concerns the schedule provided by the bill for implementation of the program. We recommend application of performance standards to new mines beginning six months after enactment and to existing mines beginning after one year. In addition, it appears desirable to have applications for permanent permits made only after a State or Federal program is approved. The regulatory authority's determination whether to issue a permit could not be delayed longer than six months after application is made (or a specified time after enactment of the bill). Tying the permanent permit application procedure to approval of a State or Federal program in this fashion is administratively preferable to provisions of S. 7 which require permit applications twenty months after enactment, whether or not a program has been approved.

A related matter concerns the requirement of Federal inspections of non-Federal mines beginning 135 days after enactment. While we recognize the desirability of Federal "back-up" enforcement of reclamation requirements principally intended to be a State responsibility, we are concerned that State incentives to carry out that responsibility not be weakened. A full program of regular Federal inspections might weaken those incentives and encourage States to withdraw from the regulatory program. To reduce this possibility, we suggest that Federal "back-up" inspections be provided only where there is an indication of specific need—that is, when the Secretary receives information giving reason to believe that there are violations of the Act's requirements.

With respect to the abandoned land reclamation program set forth in Title III, we recommend that the fees assessed against currently mined coal be made applicable to all coal—not merely coal derived from Federal land and should be in addition to royalties now received from Federal land. In addition, the Administration would like to work further with the Congress to determine whether the provisions of section 305 relating to secondary impacts of mining are best suited to meeting problems posed by abandoned mine lands. It is important that resources of the abandoned land reclamation program be directed to matters of highest priority and that past environmental damage be remedied effectively and expeditiously. To this end, consideration of the requirement that fifty percent of the fees collected for the fund be initially allocated to the State from which they are derived may warrant modification to allow more flexibility in directing resources to areas of greatest need.

An important purpose of this legislation is to protect fish, wildlife and other ecological values. In developing and implementing this program we intend to assure that these values are appropriately recognized.

Section 410(b)(5) recognizes the need for special protection of alluvial valley floors. These areas are essential to the agricultural base of the Nation and the economic life of many parts of the West. We support this protection. Some modification appears desirable, however, to clarify the provision and to provide for the continued operation of mines currently producing coal. To accomplish this we recommend amending section 410(b)(5) to read:

(5) the proposed surface coal mining operations, if located west of the one hundredth Meridian west longitude would—

(A) not interrupt, discontinue, or prevent farming on alluvial valley floors that are irrigated or naturally subirrigated but, excluding undeveloped rangelands which are not significant to farming on said alluvial valley floors and those lands that the regulatory authority finds that if the farming that will be interrupted, discontinued, or prevented is of such small acreage as to be of negligible impact on the farm's agricultural production, or,

(B) not adversely affect the quantity or quality of water in surface or underground water systems that supply these valley floors in (A) of subsection (b)(5):

Provided, this paragraph (5) shall not affect those surface coal mining operations which in the year preceeding the enactment of this Act (1) produced coal in commercial quantities, and (2) were located within or adjacent to alluvial valley floors or had obtained specific permit approval by the State regulatory authority to conduct surface coal mining operations within said alluvial valley floors.

We believe that administration of provisions of S. 7 relating to judicial matters may also be improved. With respect to citizen suits seeking to compel the Secretary or a regulatory authority to perform an act or duty under the Act which is not discretionary, it may be appropriate to specify that the citizen suit provision shall constitute the exclusive remedy to assure that the Secretary or regulatory authority will receive sixty days notice except for situations involving an imminent threat to the health or safety of the plaintiff or would immediately affect a legal interest of the plaintiff. This will allow the Secretary opportunity to remedy any failure that may in fact exist without the necessity for suit.

In addition, a provision of the Clean Air Act similar to section 426(a)(1) of S. 7 has been the subject of much needless litigation concerning the specification of "the appropriate" United States Court of Appeals. We recommend that this be clarified by providing that review of actions relating to State programs for a State shall be by the Court of Appeals for the Circuit in which the State is located. Review of orders or decisions of national scope under section 426(a)(2) should be in the U.S. Court of Appeals for the District of Columbia.

Finally, we endorse the provision of section 423(d) which contemplates the application of State programs to Federal lands. This should, however, be carried out by agreement between the States and the Secretary of the Interior rather than at the sole election of a state. To this end, several changes appear desirable. It should be clarified that States with cooperative agreements will be permitted to retain their regulatory function, with appropriate modification, prior to the approval of a State program, that the Department retain its statutory duty to receive and approve mining plans, and that the designation of lands unsuitable for mining will continue to be an Interior responsibility. It should also be specified that the election

of the State will be subject to the Department's review and approval as are other aspects of the State program.

This Administration is firmly committed to the prompt enactment of good surface mining and reclamation legislation. To accomplish this we are prepared to work closely with the Congress, both with respect to the modifications outlined above and to other improvements that may appear advisable as the Congress acts on the measure. More importantly we will continue that close relationship in implementing an effective program. The harm left in the wake of past surface mining must be ended promptly. Enactment of legislation such as S. 7 in the near future is a high priority both of President Carter's energy policy and his environmental policy.

The Office of Management and Budget has advised that enactment of legislation conforming to the views set forth above would be in accord with the program of the President and it has no objection to the presentation of this report.

Sincerely,

CECIL D. ANDRUS,
Secretary.

STATEMENT OF JOHN F. O'LEARY, ADMINISTRATOR, FEDERAL ENERGY ADMINISTRATION

Mr. Chairman and Members of the Subcommittee: I appreciate the opportunity to appear today to discuss the pending Federal surface mining legislation. The need for tough surface mining regulations is long overdue. The lengthy debate on this issue has obscured the important environmental goals which can and must be achieved. The President has repeatedly stated his position that Federal surface mining legislation is essential and that the time for its adoption is now. I am personally in complete agreement with this view.

Coal is one of our oldest and most plentiful sources of energy. Unfortunately, in many parts of our country its production and use has occurred without proper regard for its impact on our environment. Scenic areas have been lost. Our air and water have been fouled by failure to act in an environmentally responsible manner. We must put these days behind. The cost of reclamation is not high and we should not be misled to believe that concern for our enviromnent and the production of energy are incompatible.

The Winter of 1976–1977 has dramatically pointed out the Nation's need for sound, well reasoned, energy programs. Senate Bill-7 along with the similar legislation which has been introduced in the House of Representatives (H.R. 2) is in my judgment, an important step in the right direction of balancing environmental and energy objectives.

The urgency of our energy situation dictates that the American people establish priorities and move rapidly towards adopting new goals and standards. The "Surface Mining Control and Reclamation Act of 1977" reflects this national commitment. The task now is to enact legislation which will guarantee that our growing energy needs are not pursued at the expense of our natural environment.

The need for minimum national performance standards is further illustrated by recent State actions. Some coal producing States have adopted new surface mining legislation. Others have recently improved their laws. Those States which have enforced stringent reclamation standards have been able to maintain a viable coal industry. But competitive pressures among States have sometimes resulted in the failure to enact more stringent laws and have often led to less vigorous enforcement.

Time has come to establish national performance standards and to establish an enforcement program to make sure these standards are met.

Traditional reliance on oil and gas for most of our energy requirements must change to reflect the realties of our current energy situation. We need to establish a firm basis for coal to play an expanded role in meeting our Nation's energy needs. Coal producers must be able to proceed with a clear understanding of their responsibilities.

Coal represents the most important domestic source of energy for the United States in the near term. U.S. coal production in 1976 was 665 million tons and is expected to increase to over 1 billion tons in 1985. Our coal reserves, used wisely and in conjunction with environmentally sound standards, will provide us with a reliable domestic energy source for many years to come.

The Federal Energy Administration is committed to the timely passage of this needed legislation. We have carefully reviewed the proposed legislation, and there are just a few areas of concern, which merit attention.

First, S. 7 would prohibit surface mining of Federal coal where private surface ownership exists.

The purpose of this feature is to protect legitimate surface owner interests. I believe that the protection of such interests is essential, but I would urge you to consider an approach which would adequately safeguard surface owners' rights without enacting an overall ban.

A second provision of the Senate version which warrants further review is the alluvial valley floor section. We recognize the importance of alluvial valley floors to the economic viability of farming and ranching operations in the West and, therefore, to traditional Western lifestyles. Those areas which are conducive to agricultural activities should be protected and, therefore, sources of water to such areas need to be maintained.

It is our view that mining operations located adjacent to or in proximity of alluvial valley floors which will not have a significant adverse impact on water sources supplying alluvial valley floors, and meet other requirements of the legislation, should be permitted. We believe that the provison dealing with this matter could be subject to unintended interpretation. We would, therefore, prefer an alluvial valley floor provision which is unambiguous and would not lead to needless and lengthy litigation.

We strongly favor enactment of tough surface mining legislation. We do recognize that there are procedural and administrative changes that may be necessary in order to improve the workability of the regulatory structure to be implemented under such legislation. These matters, of course, should be discussed between the agencies charged with administering such legislation and the appropriate committees of Congress.

I would be pleased to answer any questions.

ADDITIONAL STATEMENTS

DO NOT GO GENTLY . . .

Mr. RIBICOFF. Mr. President, every year Americans who would like to keep working and who are able to work are forced to retire at age 65. The assumption that 65 is the appropriate retirement age for all flows from our social security system. This system encourages forced retirement by denying benefits to those men and women over 65 who continue to work. Senator GOLDWATER has introduced, and I have cosponsored legislation to repeal this inequitable retirement test.

In yesterday's New York Times magazine Harvey Shapiro had an excellent article about the evils of forced retirement. I should like to share that article with my colleagues. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DO NOT GO GENTLY . . .

(By Harvey D. Shapiro)

"It just doesn't make any sense to me," Mike Shapiro says bitterly over his afternoon cup of coffee at Chef's Cafe. "The Social Security Administration says it's running out of money and has to keep raising payroll taxes to support all the old folks. Meanwhile there's plenty of us old-timers hanging around who'd like to earn our own living, and they won't let us keep on working. . . . It just doesn't make any sense," he says again, pausing to let his coffee cool.

For years Mike Shapiro was the kind of employee who came to work early and went home late without putting in for overtime. When he turned 65, he was forced to retire. "It's an awful thing to do to a person," he says. Still vigorous and active at 76, Shapiro lives modestly on his Social Security and a small pension in Superior, Wis. Although he once took peculiar pride in being the first one up on his block weekday mornings, in recent years he has learned to sleep late. "Otherwise," he says wistfully, "the days seem too long."

Like hundreds of thousands of other older Americans, Mike Shapiro considers himself more a victim than a beneficiary of compulsory retirement, the practice of making employees retire when they reach some predetermined age, regardless of whether they are willing and able to continue working. The retirement age varies—it's 55 for New York City firefighters, 56 for air traffic controllers, 70 for Harvard professors, and 65 for most people. According to a 1975 survey by Louis Harris & Associates, for 61 percent of those working, age rather than ability will dictate when they must retire. And for many older people, their later years are like their earliest ones: they find society unwilling to entrust them with any meaningful tasks.

Several forces have come together to make compulsory retirement a common employer policy. Because older workers often receive higher wages and more benefits than younger workers doing the same job, companies are eager to oust them when times are tough. Then, too, many employers are convinced they couldn't keep talented employees without the prospect of promotions guaranteed by scheduled retirements.

This generational conflict is especially intense these days because members of the post-war baby boom are now in the labor force, dramatically swelling the ranks of younger workers eager to move up. Moreover, the women's movement has brought more and more women into the job market. While the female population of the United States has climbed 52 percent since 1947, the number of working women has risen 123 percent. Finally, minorities and women who were once restricted to dead-end jobs now have court-supported access to promotions. But as Illinois State Representative Alan Greiman notes, "They all see their paths blocked by 63-year-old white males who, they think, will keep on working forever if they're not forced to retire."

Because the issue of mandatory retirement cuts across the generations, the labor movement has had enormous trouble in dealing with it. In September 1975, the AFL–CIO Executive Council declared that "organized labor has opposed and will continue to oppose unilateral imposition of compulsory retirement by employers." But "unilateral" is a crucial word. Many union leaders have signed contracts permitting employers to retire high-salaried older workers in order to provide more jobs for younger workers.

Until this century, older people often kept on working as long as they could, and many never completely retired. But by the 1920's

the growth of corporate employers first permitted and then required everyone to quit working at the same time. Adapting the rules to fit individual situations became too troublesome for the bookkeepers. Creation of the Social Security system in 1935 enshrined mandatory retirement at 65—a figure the United States Social Security Administration is reported to have borrowed from Germany, where Otto von Bismarck arbitrarily chose 65 as the age of eligibility for that country's first social welfare system in 1889. As a result, the proportion of men and women over 65 still working has dropped from 68 percent in 1890 to 22 percent in 1974.

Not only has compulsory retirement become widespread, says Carin Clauss, associate solicitor of the United States Department of Labor, "there is a growing trend toward compelling retirement prior to 65." Currently, more than 11 million Americans are locked into pension plans allowing them to be retired as early as age 55 at the employer's discretion.

Those who have thought about forced retirement recognize that it flies in the face of overwhelming scientific evidence about the increasing vigor and longevity of older Americans. There is no evidence that an average person's skills decline abruptly, nor is there proof that everyone ages at the same rate. There is no way of telling how long a person can do good work—or even when he or she will do it. When Prof. Ben Duggar retired from the University of Wisconsin at age 70, for example, he had a mildly distinguished academic career. After retirement, however, he became a consultant to Lederle Laboratories, where, at the age of 73, he isolated an antibiotic he called Aureomycin and then another called tetracycline, which has become the world's most widely prescribed antibiotic.

Most government and university research shows that employees from 65 to 70 and even up to 75 generally perform as well as younger workers in jobs not requiring heavy physical labor. While younger workers usually have more education and learn more rapidly, older employees are more likely to display better judgment and have stable work habits. "Most of the handicaps of oldness in our society are social, conventional and imaginary," says Dr. Alex Comfort, a gerontologist. "The physical changes are trifling by comparison."

The idea that retirement is necessary so that older people can "take it easy" in their twilight years is increasingly irrelevant in this era of desk jobs. Furthermore, says the American Medical Association, which has opposed mandatory retirement at 65 on health grounds, "There is ample clinical evidence that physical and emotional problems can be precipitated or exacerbated by denial of employment opportunities." According to the National Center for Career Life Planning, forced early retirement ranks ninth—after the deaths of various family members and divorce—among 40 major stress-producing events in life.

Supporters of compulsory retirement point out that that rule allows elderly employees whose work has not been satisfactory to leave in dignity. "It means nobody has to face saying, 'You can't cut it anymore,' " says Donald J. Povejsil, vice president of personnel and administration at Westinghouse Electric Company. He adds, "Any other method of retiring people would be extremely difficult to manage."

Dr. Arthur S. Flemming, United States Commissioner on Aging and chairman of the Commission on Civil Rights, contends that mandatory retirement is simply a "lazy person's device for dealing with difficult personnel decisions." He goes on: "Certainly a manager would have to make some difficult decisions without compulsory retirement, but a good manager should always be making those kinds of decisions as he tries to raise the quality of his work force."

As for employers' fears that they would face endless legal wrangling if they had to establish standards to determine when each older worker should retire, Commissioner Flemming says that this will not happen. "It's much easier to apply tests at that end of a career," he says, "since the employer knows the person and his or her work. While hiring always involves some guesswork, termination can be based on actual performance on the job."

Flemming's convictions have been borne out by a number of firms without mandatory retirement rules. At Paddock Publications in Arlington Heights, Ill., which employs 300 people, "it is working out very well," says executive vice president Robert Y. Paddock Sr. "Most of the time an employee feels ready to retire just about when we begin to think they're ready." He cites the case of an advertising salesman in his early 60's whose track record seemed to be worsening. Before the advertising manager could say anything, Paddock notes, "The man kind of lost interest in his work and retired." Paddock, which publishes nine daily and six weekly newspapers for Chicago suburbs, has several employees in their 70's, including some who were hired at 65 after retiring from jobs elsewhere. Robert Paddock, who is in his late 50's, says, "When I retire at about 80, maybe things will change, but I like the way we do it right now."

Most of the jobs not subject to mandatory retirement rules are at small organizations like Paddock, where the boss knows everybody and can respond humanely to individual situations. But big companies can also get along without mandatory retirement. At United States Steel, for example, compulsory retirement rules affect only 19,000 office workers out of a total work force of 172,000. The bulk of the firm's employees can keep on working as long as they can pass annual medical examinations geared to the nature of their jobs, says C. T. Spivey, vice president of personnel.

Even if an employee's medical examination raises questions, Spivey says, "We get the union in and find another job for him if he want to keep working." At one of the company's plants near Pittsburgh, for example, an older worker recently moved from "second helper" in the open hearth department to the more sedentary job of "weigher" because of medical problems. Similarly, a worker who operated a bulldozer outdoors found his arthritis was bothering him more as he got older, but he didn't want to retire, so he transferred to an indoor job as a repairman.

Spivey says the bulk of United States Steel's employees retire as soon as they put in 30 years and are eligible for a pension, but the firm has no problems in finding work for those who want to stay on. The record-holder is Henry Baude, who retired as a price clerk on August 31, 1973, at the age of 77, after completing 61 years with the company. But United States Steel has had several other 60-year veterans.

An absence of mandatory retirement rules not only works successfully throughout the steel industry, but also at such varied large companies as Walt Disney Productions, the Bankers Life and Casualty Insurance Company, as well as the state governments of Illinois and Pennsylvania. Says John B. Martin legislative counsel to the American Association of Retired Persons and its affiliate, the National Association of Retired Teachers, "We're not arguing against early retirement. We say an employee ought to have some options. If he wants to retire early—fine. If he wants to continue working—fine. What we're dealing with essentially is the concept of freedom of choice."

The current lack of flexibility in work schedules is hardly a necessity. When they have to, employers can adapt on a massive scale. In retailing, for example, as stores have begun to remain open 12 hours a day or seven days a week in an era of 40-hour workweeks, store managements have been receptive to varied schedules permitting some people to work full time, some part time and some overtime. There's no reason why other employers couldn't adapt in a similar fashion. The automakers, for example, who are plagued with absenteeism on Mondays and Fridays, could bring in retirees to work on those days. Allowing older workers who remain fit and productive to make adjustments in their workdays, workweeks or workyears could lengthen their working career.

There is increasing organization and militancy among the elderly opposed to mandatory retirement. "Because of inflation, more and more older people are realizing that without employment they're just not going to make it economically," says John B. Martin. "Retirement will mean a descent into near poverty." But the complaint goes beyond economics. "This is really a moral issue," says Dr. Flemming, "because personnel policies requiring retirement at a given age without regard to an individual's abilities are in direct conflict with our Judeo-Christian concept of the dignity and worth of each human being."

Persons over 65 make up 14.8 percent of the registered voters and politicians are becoming attuned to "senior power." Major battles over retirement policies are beginning to be played out in courthouses and legislative bodies as well as offices across the country. Since the courts have been the cutting edge in overturning employment practices that discriminated against minorities and women, some senior citizens have hoped legal action would aid them as well. But last spring, the United States Supreme Court dismissed an age discrimination suit filed by Lt. Col. Robert Murgia, who was forced to resign from the Massachusetts State Police when he reached the mandatory retirement age of 50, even though a rigorous medical examination had shown him to be in excellent health. The Murgia case was the latest of several unsuccessful attempts to challenge the constitutionality of compulsory retirement in the courts. Thus, Carin Clauss says, "The only way to get rid of compulsory retirement rules altogether would seem to be through legislation."

Several bills to end compulsory retirement were introduced in the United States Congress in the last few years. Representative Paul Findley, Republican of Illinois, first introduced a bill to end mandatory retirement in 1974; it disappeared rather quickly after it was introduced, but when he offered a similar bill in 1976, it gained 99 co-sponsors, ranging from liberal Democrats like Bella Abzug to conservative Republicans like John Rousselot of California. Moreover, Findley's bill was endorsed by Dr. Arthur S. Flemming and former Secretary of Labor Willard Wirtz. Although the bill didn't get out of committee, Representative Findley says he was encouraged by the increasing support and introduced the bill on the first day of the 95th Congress in January.

There are similar stories at the state level. In Illinois, a bill to abolish compulsory retirement passed the House of Representatives by a vote of 117 to 21 before it was killed in the upper house. Illinois Representative Alan Greiman introduced his bill again this year, and he reports increasing interest in such legislation in California, Pennsylvania and other states.

In New York, a bipartisan group of 52 Assemblymen and 21 State Senators introduced a similar bill last spring. That bill disappeared in committee, but was introduced last month. In a statement explaining the bill, Assemblyman Thomas R. Fortune, the chairman of the State Assembly committee on the aging, described mandatory retirement as unjust and economically unsound. He noted that such

restrictions contradicted the principle behind prohibitions against sex and race discrimination in employment. "A person should only be forced to leave a job if that person cannot perform the assigned tasks," he said. "Under no circumstances should a person be removed because of physical characteristics that are irrelevant to job performance."

A Department of Labor official is not optimistic about legislative changes on compulsory retirement, however. Business and labor leaders can be expected to support the status quo, he says, and "there is strong unreasoned opposition on Capitol Hill to any tinkering with retirement right now because of ERISA." ERISA—the Employee Retirement Income Security Act of 1974—reformed the rules governing pension plans to help retirees, but it also increased the costs and complexity of maintaining pensions and was followed by a record number of plan liquidations. Thus, the Department of Labor official says older Americans don't have enough supporters at the present time to pass legislation banning compulsory retirement, although there's a good chance of passing a law to increase the mandatory retirement age from 65 to 68 or 70.

Ironically, the growing conviction that change is not far off is based on the plight of the young rather than the old. Though younger workers have generally assumed their interest lay in getting older workers to retire, the economics of the situation are working in the other direction now. As the retired elderly population grows in size, the balance between workers and retirees in tilting precariously. While there were seven workers paying Social Security taxes for every person collecting benefits in 1955, there were only four in 1960 and less than three in 1975. Within 50 years, there will be less than two Americans working for each Social Security beneficiary.

Since those working support those who are retired under Social Security, to raise enough money to pay all those retirees, Social Security taxes will have to rise to 25 percent of average incomes in a few years unless some changes are made. By the same token, private pensions are devouring huge sums that might have been available for wages. United States Steel spent over $200 million on its pension fund last year, and like many employers it is now supporting more people through its pension plans than its payrolls.

In November, former Treasury Secretary William Simon recommended raising the age at which people can retire and claim benefits in order to ward off bankruptcy of the Social Security system. If enough people think about the whopping deductions Social Security and pension costs are already taking out of their paychecks, they will conclude it is costing too much to discriminate against older workers. That may turn out to be a very persuasive argument for letting older people keep on working as long as they can. There's an even more persuasive reason for improving the treatment of the elderly. The elderly are the only outcast group all of us can expect to join.

ALL-AMERICAN GAS PIPELINE PROPOSAL

Mr. HANSEN. Mr. President, you may have noticed an editorial in the February 5 edition of the Washington Post in criticism of the all-American gas pipeline proposal. In all fairness, the attached rebuttal should also be brought to the public's attention so that both sides of the issue are properly aired.

The final decision on a pipeline route to transport natural gas from Alaska's North Slope to the lower 48 is a complex one which will require a great deal of thought and study. The Post editorial oversimplified many of the factors upon which the final decision will be based. The rebuttal which I place in the RECORD today points out some of the inconsistencies raised by the editorial. I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EL PASO CO.,
February 7, 1977.

EDITOR,
The Washington Post,
Washington, D.C.

DEAR EDITOR: Your lead editorial of February 5th supporting a trans-Canadian route for Alaskan natural gas includes a criticism of El Paso's "All-American" proposal which is not only factually incorrect but also misleading to your readers on a very important issue.

You assert that one of El Paso's "serious defects" is that our plan "would deliver the gas to the wrong part of the country. The North Central states need the gas, not the Southwest."

The EL Paso proposal is specifically designed to deliver Alaskan gas to the West, Midwest, and the Northeast—and other areas of the country—by utilizing the existing excess capacity of the pipelines already delivering gas to those markets—in fact the same markets proposed by Arctic Gas.

Judge Litt's decision—which you support—clearly affirms El Paso's nation-wide delivery capability. Although numerous quotes demonstrate this important capability, one will suffice (from his overall conclusion):

"El Paso, too, has a viable plan which technically can be built in an environmentally sound manner and which can deliver natural gas to all U.S. markets." (emphasis added).

Indeed, as a result of the critical shortage in the East and Southeast, gas from California, on only a few days notice is reaching those areas today by use of the El Paso system, clearly demonstrating the work-ability of our proposal to utilize existing pipelines to serve all parts of the country.

You go on to observe that "A lot of the politics of the final decision will revolve around this regional interest." It is unfortunate that the basic factual error in your editorial will serve to inflame those regional political interests.

The gravity of the high level of unemployment in our economy requires a response to the assertion that the El Paso project finds support for the "bad reason—jobs." The record indicates that the El Paso project will provide 750,000 man-years of employment for U.S. workers versus 250,000 man-years for U.S. workers by the proposed project to be constructed principally through Canada. Your editorial is the first suggestion that this constitutes "make-work."

It is regrettable that your editorial may lead some Americans to misunderstand their choices on such an important issue.

Very truly yours,
HOWARD BOYD, *Chairman.*

U.N. CONFERENCE ON WATER

Mr. KENNEDY. Mr. President, in recent years there has been a commendable effort to target our foreign assistance on programs that help the poorest segment of a developing nation's population. The Congress mandated this in the Foreign Assistance Act, and it has guided our foreign assistance policy since.

But in our effort to give first priority to programs that help the rural and urban poor, there has been a tendency to think primarily in terms of agricultural and health programs. These are obviously essential elements in any developmental effort. Increasing food production has naturally assumed a high priority in the wake of the world food crisis in 1974.

However, it is sometimes forgotten that a crucial element that links both agricultural and health development is water. The effective use of water is essential not only to increased food production, it is also estimated that sickness around the world would fall by 80 percent if people in the less developed nations could be given pure drinking water.

Next month the United Nations has scheduled a conference on water, due to open in Mar del Plata, Argentina, on March 14. There are some indications that this conference is not being considered by many governments as important as the world food or population conferences. Yet, as the distinguished economist Barbara Ward points out in a recent essay, nothing so directly affects the health and well-being of the poorest of the poor than water.

For too long, programs of water development have been targeted for industrial development—dams for electricity that may increase the gross national product but fail to raise the standard of living among the poorest segments of the Third World. As Barbara Ward points out, the question of water is of crucial importance to the international community, and it is essential to development in the Third World.

Mr. President, I am confident that the new administration will give this issue the priority it deserves, and to actively support the purposes of the forthcoming United Nations Conference on Water. I hope our delegation to the Conference will reflect this priority, and represent the highest levels of our Government.

It should give us pause to note Barbara Ward's finding that if the world spent just one-tenth of what it spends on military armaments each year, the human race might have clean water and enough to eat by the beginning of the next century. This is surely worth the $30 billion that may be required—especially when the world spends over $300 billion for arms.

Mr. President, I commend to the attention of Senators the essay by Barbara Ward on water, published in this week's Economist, and two related newspaper articles. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Economist (London), Feb. 5, 1977]

WATER: ARIADNE'S LIQUID THREAD

(By Barbara Ward)

The United Nations conference on water, due to open at Mar del Plata, Argentina, in March, has rather the look of a stepchild among UN ventures. The sum set aside for it—$400,000—is 20 times less than the sum proposed for the science and technology conference in 1979. It had no executive head until Mr. Mageed of Sudan bravely stepped in as secretary-general only nine months before the opening day. Now there is doubt

whether governments will bother to send ministers.

It is, of course, true that world water supplies cannot run out. The trouble is that their distribution is uneven and that the rich, hardly by coincidence, are well watered and thus perhaps uninterested. Must we then conclude that a useful but rather aimless exchange of information is all that will come out of Mar del Plata? That is certainly possible, even likely. But there is one reason for believing that something more urgent and with more purpose could result. It is that, after 25 years of a widely practised conventional wisdom towards development, its strategies are now increasingly seen to be deficient. Breakneck industrialisation with highly capital-intensive technology and without constraints on pollution or on the saving of resources has had top priority. It has been largely financed by squeezing the rural sector: investment policies tend to put only a 20% share of capital into the countryside, although it usually provides half the nation's wealth and contains at least three quarters of the population. And it has gone hand in hand with neglect of such critical social services as sanitation, on the grounds that they are of undefinable value to gnp.

Even when investment has taken place in rural areas and has been directly concerned with water, it has too often retained what might be called the "industrialising bias". A number of dams were built simply for hydroelectric power for industry. Many more had irrigation as part of their aim, but the dam could be fully built before a single farmer's channel had been dug and could have been in existence 10 years without agreement on water costs, distribution, types of cultivation and the institutional arrangements for financing, storing, moving and selling the food produced. Only rarely have serious efforts been made to calculate how larger expanses of water would affect more people directly or indirectly through schistosomiasis, filariasis, river blindness, all the worm infestations and malarial infections. No one contrived to work out a satisfactory economic equation to balance the disablement of a peasant—a "surplus" peasant at that—against so many kilowatt hours of assured power.

Even when technical change has come to the rural areas not "wholesale" with the big dams but "retail" in all the varieties of improved seed, fertilisers, tubewells and tractors of the "green revolution", large farmers alone have tended to command the capital or the influence needed to secure the new opportunities. Thus have the rural poor become more "surplus" than ever. When one recalls that in many countries virtually all the gains of growth have been absorbed by the top 10% of the people—the new successful urban groups—that the poorest 10% are poorer than ever, that they are none the less likely to double in number by, say, 2010, it is not hard to see elements of explosion, violence and collapse in so unbalanced a strategy.

So the UN water conference has to devise proposals for action which recognise that a greatly increased emphasis on water can be one of the main strands in a new, more equitable and hence less politically and socially disruptive pattern of development. Whichever aspect of inadequacy one picks out—the lack of emphasis on safe water, sanitation and health, the enormous neglect of agriculture, the unplanned, pellmell urbanisation and the careless wastes and pollutions of new technologies—water can be Ariadne's thread through the labyrinth.

MAKE A CLEAN START

If we begin with clean reliable water, the most widely accepted estimate is that about 30% of third-world city dwellers lack it. So do at least three quarters of the poor lands' country people (excluding China). Moreover, sewage treatment is often allowed to lag even when the point of density of human settlement has been reached at which the removal of excrement and wastes generally is a precondition of the water remaining safe. Sewage disposal must go with supply once scattered dwellings and small hamlets are left behind.

There is not simply one universal and infallible way of providing urban water systems and sanitation schemes. Each country, each region, each city has to evolve its own strategy. But, after 20 years of diligent though scattered work on water systems and sanitation in developing countries, a number of principles of action have emerged which do appear to have some general validity.

The first principle, in equity, is to give priority to the needs of those with no safe water at all—a third of them third-world city dwellers. Improvements can include giving individual households or groups of households access to a protected well. But this does not cut out water-carrying for the family. That leaves wide open the risk of contamination and the transfer of the faecal diseases—typhoid, dysentry, infantile gastroenteritis.

The safest way of securing safe water for all is to provide communities as soon as possible with piped water and a treatment plant. Provided latrines are dug and night-soil disposed of, full-scale sewage treatment can wait rather longer—in fact, some of central Tokyo is still served by cesspits and the so-called "honey carts" which clear them. In choosing when to install modern sewerage, developing countries must balance immediate security against the probable emergence of new and better technologies later.

Once the piping system is installed, the authorities are able to choose between a variety of installations and a variety of charges. This flexibility makes it possible to give priority to those who have no safe water at a price that is not too far out of line with what they can afford. Standpipes distributed through the settlement are the cheapest alternative; then a tap in each house; and lastly the western ideal and normal practice—multiple taps and (admittedly very wasteful) flush-toilets in the house.

According to estimates made in the late 1960s and based upon experience of cities in east Africa, the differences in annual costs between providing 30% of the people with some form of piped water (while improving wells for another 30%) and bringing piped water to 90% of the people were just under $300,000. Water charges that increase sharply with the number of taps in the house and the amount of water used in both house and garden can be used as subsidies to the general water rate. Water would then become not simply the greatest single insurance against disease. It would represent a genuine redistribution of income in societies where wealth is grossly skewed. However, it is also true that a well trained inspectorate and self-regulating taps—the Fordilla valve, for instance—will be needed to prevent a possible abuse of the new, safe water.

In such matters as where standpipes should be sited, it will be necessary to consult the local people. This brings us to a second principle. Unless the provision of safe water and sanitation is accompanied by some critical community changes, its benefits will be sharply diminished. Sometimes they will cease to exist at all. First among institutional changes is thus to bring in the local people and to get their help in constructing the new water system and to train responsible people for the normal tasks of maintenance.

Good health, small families

This should include simple instruction in hygiene—of the type carried on in Chinese settlements by the local health committee and women health workers. In this way parents can be taught the importance of hand-washing after using the latrine and of face-washing to avoid trachoma. It can encourage citizens not to leave water slopping about the standpipes, to become happy assembly points for mosquitoes or worm-breeders. It can help—perhaps its most important function—to persuade parents whose first three children have not died of gastro-enteritis that they are now unlikely to do so and that a family of limited size is in their profound self-interest.

Yet unless there are policies which give—as in Peru—security of tenure to squatter settlements, which encourage self-help in building homes and providing services and which also give a new degree of support to small businesses—workshops, cafes, mini-industries—the water may flow but the settlers are likely to do little to maintain it. Sick, disillusioned, indifferent or, on the contrary, ambitiously on the move, a great body of squatters hardly see their settlements as more than dumping-grounds or staging-posts. So why care? It can become mere waste to give assured water supplies to highly provisional communities.

In fact, in accepting the goal of clean water for all by 1990—the resolution formally accepted at the Habitat conference at Vancouver last June—governments have committed themselves to a policy which ceases to accept the squatter tide as a self-settling phenomenon. On the contrary, it takes decisions—about the location and tenure of communities, the migrants' use of land, sites and services, access to work and so on.

Yet there is a paradox. Suppose that the major drive in providing clean water—and the social conditions which alone are likely to make the service effective—follow the urban bias of the past two decades and are concentrated on the present shanty towns. The result could be a sharp increase in the attractions of existing megalopitan areas, an even more rapid movement out of the rural districts and an even greater pressure of urban unemployment. For all its difficulties, to get water to everybody in third-world cities is in a sense easy. The difficult task at Mar del Plata will be to see that the agricultural sector begins to get its needed share of attention, skills and investment.

BUT FOOD DOES NOT GROW IN TOWNS

In redressing this imbalance, the role of water—whether of safe water for people or enough water for fields or for protection against waterborne diseases—is central. And it will quickly be discovered that, just as an effective water policy for cities demands social changes, the need is no less urgent in the country side. If the developing world is to achieve the annual food growth target put forward at the Rome food conference in 1974—4% a year for the next 15 years—a large part will have to come from introducing or improving irrigation. Land with reliable rainfall is largely used up. Even where, as in parts of Latin America and tropical Africa, there is still land to develop, the uncertainty of rainfall makes assured storage and distribution of water a precondition for lasting success.

But the prospects are far from unhopeful. One root of reassurance is, strangely enough, the inefficiency of so many contemporary irrigation schemes. Restoring them to full use was picked out as a high priority for investment at Rome. It should be repeated at Mar del Plata. Relining worn channels to prevent seepage, pumping out excessive ground water and increasing the channels' flow to reverse the trend to salinity, replanting eroded catchment areas—every one of these policies has been adopted in the Indus valley scheme, fostered by the World Bank in the 1960s, and in field after field the grain grows again and the white scrofulous saline soil gives way.

Such measures, together with new irrigation schemes, are not technically difficult.

Most of them are highly labour-intensive. So are many of the best methods of eradicating waterborne disease. For instance, cleaning the banks of rivers, lakes and channels of their snail population and relining them not only helps to break the snail-parasite-man-water-snail cycle, it is the best possible education the workforce can receive in the value of preventive measures. One of the chief lessons of China's decentralised, small-scale, labour-intensive, conservative-minded irrigation techniques is that, in all such schemes, a key element is "learning by doing". Only working on the project, argue the Chinese, gives a lasting understanding of the reasons for bank linings, tree brakes, control of water flow and so forth.

Moreover, many new irrigation techniques are waiting to be tried out in thousands of suitable but still traditionally watered acres. The differences in output tell the story: 4,585 lbs. per acre of rice in Japan, 1,225 in Brazil; 3,510 in Taiwan, 945 in India. The Japanese, by long tradition, have devised their irrigation systems so that each field can be served separately. This gives the farmer (who is a "big man" if he has five acres) more flexibility in the choice of crop. It also ensures that all the acres are served. Too often, in gravity irrigation, the farmers on the lower slopes find their supplies blocked by the men above.

In the desert areas of Israel, underground irrigation has been introduced. A porous pulsating pipe carries water and fertiliser directly to the roots of the plants. The method cuts evaporation, saves at least half the water and fertiliser and, above all, keeps humans from constant bodily contact with water—by far the most effective defense against most waterborne disease. The technique is now being tried out in California.

The Chinese, the Japanese and the Israeli experiments illustrate a further point. Whether they are based on traditional techniques or on innovations, all are backed by strong cooperative or communal organization that gives the individual farmworker the advantages of scale and access to all the services—credit, fertiliser, marketing—which he could not reach on his own. In short, they are an alternative version of the green revolution but based, particularly in China and Taiwan, on labour and co-operation rather than on large tractors and workless villages.

Since in parts of Asia and Africa, if all land were redistributed, the farmer's average holding would not be much above one hectare (2½ acres), the co-operative or communal framework is a precondition of success. It can be argued that it is virtually the only way to create enough wealth and work on the land to slow down the drive to the cities and at the same time to meet a nation's rising needs for food.

Take the towns to the country

This framework also suggests the possibility of a reinforcing policy. If one adds up all the services—credit, fertiliser, packaging, storage, transport, garages, repair shops, education, technical advice, health centers—which are entailed by greater and more labour-intensive use of water in farming, one is all but driven to the conclusion that scattered farmers and small villages, unrelated to larger centers, will simply be unable to carry the programme through. Again the pattern is significant. In Denmark, Taiwan and Israel the number of market and service centres, increasingly tailored to suit farmers' needs, is of the order of one centre to 10 or 15 villages. A report published in 1970 showed Indonesia to have one centre to 355 villages and India to have one centre to 185 villages.

This suggests that the urban-agricultural confrontation is in many ways spurious. What is required is the kind of urbanisation that enhances and stabilises rural life, offers decentralised towns which can provide not only services for farmers but also health, education, work and opportunity to all the rural people's children. In the third world, a decentralised urban system geared to the development of productive farming, to a growing labour-intensive industrial sector serving basic needs, and especially geared perhaps to the farmers' children's rising aspirations, could provide a sort of map to indicate the places where safe water, sanitation and the amenities of proper conservation should be introduced. It would be perhaps the most effective and productive way of reversing the anti-rural bias of the past two decades.

But there would be other benefits. Take, for instance, pollution. The chief danger to water is its infection with organic wastes and—once industrialisation sets in—with various forms of chemical poisoning. That could be minimised in the new system. Or take erosion. One of the chief dangers offered by water is that, in areas of seasonal flooding, it erodes the land. Topsoil is still one of the chief (and most valuable) forms of detritus dumped in estuaries or carried off to the sea. That too could be reduced.

Some of the answers to these problems have been described—reforestation of catchment areas, planting trees to check wind erosion, protecting and cleaning banks and canals. One should add the use of all human and animal excrement for manure; this at least reduces the chances of it passing raw into the waters. But the solution has not so far been entirely satisfactory. Now, however, technology is beginning to provide inexpensive machines that can meet both the main water problems simultaneously. Small digestors, like India's gobar gas plants, treat organic wastes (including human excrement), so that methane gas is provided for cooking, heating and pumping, while the residue provides fertiliser.

But the gobar gas plant and comparable small machines are still protection, as it were, at the "retail" level. If the industrial sector is to grow—as it must—and if the cities, large and small, are not to remain sinks of waterborne disease, the communities have to move on to "wholesale" activities. The more effective safeguards of water made possible by western standards of sanitation should be the goal. But when one says goal, it is necessary to remember that here, too, standards are changing and improving and the third world is beginning to have a range of choice unknown even 10 years ago.

The hopeful thing is that with rising energy costs and the large savings in energy that can be achieved in recycling scrap metals, the markets for metallic wastes are improving. At the same time, nations like Holland and cities like Leningrad have long been using organic wastes as compost. The most recent development is to separate protein from the organic wastes, mix it with chopped straw and sell it directly as animal feed—another possibility enormously encouraged by rising pressures on food supplies and prices.

The latest treatment systems under experiment in North America and Europe are based upon this perception of wastes turned back into materials. And since, once sold, they earn steady income for the municipal plants—Dusseldorf has made a regular profit for some years—one of the nagging doubts, "all this is too expensive for the poor lands," could, with suitable economic help at the investment stage, turn out to be groundless.

CAN WE AFFORD IT?

Here, of course, we encounter the $64 billion question for Mar del Plata: can the targets of clean water for all people, of adequate water for farming, of pollution control and conservation—the three areas of priority—realistically be afforded by the world community? Actually, it is nearer to a $30 billion-a-year question, since present UN estimates suggest that clean water and sanitation for all by 1990 will cost $9 billion a year, two thirds of it for water, while the needed investment in agriculture—which of course, includes not only water but such other basic needs as fertiliser, mechanisation, credit—was estimated at the Rome food conference to be of the order of $25 billion a year. Subtract the double-counting for water and the total is about $30 billion.

These look formidable figures until one remembers two things. First, modern sanitation systems not only produce social goods—like health and well-being and a new parental approach to family size. They also give increasing promise of providing fertiliser, cheapening the use of power in industry and even technically making a profit for municipal authorities. Similarly, there is no more basic human need to be satisfied than food, and at times no more disinflationary force than not having to depend upon world grain markets driven to crazy peaks by Russian harvest failures or North American droughts. On both counts, the investment is counter-inflationary.

Then one can compare this $30 billion in largely productive investment with the $300 billion spent each year on arms. For just one tenth of the world's most inflationary and unproductive expenditure, the human race might have clean water and enough to eat by the beginning of the twenty-first century.

The fortunate cannot even be sure that a doubling of the poorest hungriest, most disease-ridden peoples of this planet in not much more than a couple of decades may not be a threat at least as worth considering as the threats on which $300 billion a year for arms are now being spent. Suppose both threats were considered together and steady, supervised 10% cuts in arms-spending were progressively transferred to investment in water and food. After all, in 1973 the Russians did propose a very modest version of this programme, but there was no western response. Yet if the proposals were taken up again and expanded to a full 10%, mankind might sharply improve its chances of survival. It would even deserve to do so.

[From the Christian Science Monitor, Dec. 14, 1976]

SAFE WATER FOR THE WORLD?

(By Louise Sweeney)

WASHINGTON.—Safe drinking water could be provided to all of the world's people by 1990 if governments made pure water a global priority.

This is the conclusion of the International Institute for Environment and Development, which just concluded a three-day conference here.

Half of the world's population has only contaminated water to drink, according to a report released Monday following this symposium.

"Here in the U.S., there is water for all—you simply open the faucet every day and have pure clean water—but half the population of the world doesn't have clean water to drink," said institute spokesman Enrique Penalosa of Colombia.

"High mortality rates are due to lack of pure drinking water; low life expectancy is a consequence of lack of pure water. Governments are investing huge amounts for the education and training of people who die young because of contaminated water," said Mr. Penalosa, who was secretary general of the recent UN habitat conference.

Still Mr. Penalosa suggested, "It is possible to provide pure water for all mankind by 1990 if the right political decisions are taken."

The bill for such "water for all" would be $6 billion per year for water supplies and $3 billion per year for related sanitary treatment every year for 14 years.

The institute, a nonprofit organization funded by private foundations, UN agencies, and some governments, suggests that safe drinking water could be provided in the third world, where the greatest need is, for $3 annually for every person there. Ninety percent of such money would be allocated domestically, only 10 percent internationally, according to the institute.

The cost to "the rich" countries contributing that 10 percent would be only 30 cents a person, the institute suggests. Appropriating that money would be a question of reordering priorities, according to the institute, which says that currently $100 per person in the "developing world" is spent on military arms.

India, Zaire, and Iraq are typical of those countries where people suffer most from contaminated drinking water, according to another institute spokesman, Robert Stein. The group's figure indicates that one third of those people living in rural communities—or roughly one billion people—do not have clean, safe water, and that 150 million of those in cities do not either. They also note that there is a water scarcity in 25 percent of the globe and that people in Asia and Africa suffer most from the lack of good water.

The institute's findings, in addition to being announced publicly, are being sent to the UN Secretary-General for consideration in the UN water conference in Mar Del Plata, Argentina, March 14–25. The institute is trying to arouse more governmental interest in the water problem on the part of industrial nations who have not as yet become sufficiently involved in the issue or the Mar Del Plata Conference, according to institute spokesmen. The just-concluded three-day symposium which resulted in the findings included experts from 15 countries.

[From the Baltimore Sun, Oct. 20, 1976]

CLEANER WATER IN POOR NATIONS HELD HEALTH KEY

GENEVA.—Sickness around the world would fall by 80 per cent if people in poor countries could be given pure drinking water, according to estimates by World Health Organization (WHO) experts here.

The experts say that more than 1.2 billion persons, one-third of the world's population, in developing countries lack safe drinking water supplies and more than 1.4 billion have no sanitary waste disposal facilities.

The results include diseases that have crippled entire populations in some regions, such as a killer disease borne by a water snail which infests the Nile.

Cholera, typhoid, diarrhea, dysentery, malaria and intestinal worm infections are among the illnesses transmitted through water.

More insidious is a general weakening of the population causing high infant death rates and making people prone to disease.

THE STORY OF A DISILLUSIONED VETERAN

Mr. GRIFFIN. Mr. President, as we all know, President Carter's first official act was to grant a blanket pardon for all Vietnam-era draft evaders.

I felt then—and feel just as strongly today—that this was an unwise and ill-considered decision.

From the mail that is coming into my office, it is clear that countless Americans feel the same way.

President Carter's action has not brought the country together; nor has it healed the wounds of Vietnam. On the contrary, his pardon has reopened old wounds and rekindled understandable bitterness shared by many veterans and their families.

Of those who have written to me on this issue, close to 98 percent have expressed opposition to the Carter blanket pardon.

Detroit television station WJBK conducted a poll on the pardon issue the week before President Carter was sworn into office. Of the 995 viewers who responded 82 percent registered opposition to President Carter's position.

Judging from my mail alone, it seems clear that public sentiment is still overwhelmingly against the kind of blanket pardon President Carter has granted.

Among the letters I received last week was one from retired Air Force M. Sgt. Thomas J. McPhee of Detroit, who served this country with honor in World War II, Korea, and Vietnam.

His letter was unforgettable, because it was accompanied by a large box. Inside I found 17 medals that had been awarded to Sergeant McPhee during his 25 years of military service.

The array included a Distinguished Flying Cross, a Purple Heart, an Air Force Commendation Medal, several Air Medals, and nearly a dozen other decorations from three wars that the sergeant had once worn with pride.

But no longer. Today, Sergeant McPhee is a bitter and disillusioned man; he cannot bear to wear them any longer.

Although his letter is stronger than some, the anger it expresses is not unique.

I ask that Sergeant McPhee's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR SENATOR GRIFFIN: When I joined the service in 1945 it was mostly through a sense of duty. My father served in World War I and my only brother died in a Japanese prison camp. In those days and for many years to come the profession of arms was an honorable profession. I now find that honor is just a word between "hollow" and "horse****" in the dictionary.

I spent almost all my 25 years in the service as a combat aircrew member in The Strategic Air Command. I flew as a gunner on B–45s over Korea (and Red China) during the Korean War and on B-52s over North and South Vietnam during the Vietnamese War. I could have avoided both wars by making it known that I was a "sole surviving son". I chose not to do so because I was led to believe that courage was a virtue. I now know that it is also simply a word in the dictionary. You can find it between "Cop-out" and "cowardice".

Along the way I collected many awards and decorations. In my ignorance I was proud of them. I naively believed that they were awarded for valor and honorable service. President Carter's amnesty declaration made me realize that they were really sucker badges. I was suckered into two wars by the foolish idea that as an American, it was expected of me. I now find that all the heroes are in Canada and will no doubt be welcomed with a ticker tape parade upon their triumphant return to this country. I am enclosing these so-called "awards and decorations" with the request that you pass them on to the president so that he may use them on the Canadian border. At one apiece, they should decorate fifteen or twenty valiant war resisters.

I used to be proud of the fact that I was a retired soldier. I signed my name: Thomas J. McPhee, MSgt (Ret),—but no more. If anyone should ask me the source of my income I shall conceal the fact that I draw military retirement pay by claiming to be a smuggler. There is less of a stigma attached to that.

If there is a Vahalla I pray that those whom have earned a place there will forgive me for having voted so stupidly.

THOMAS J. MCPHEE,
Smuggler.

IMPACT OF POPULATION TRENDS ON THE UNITED STATES

Mr. HUMPHREY. Mr. President, I would like to share with my colleagues an article in the New York Times of February 6, 1977, by Robert Reinhold, which investigates the impact of population trends on our society.

Mr. Reinhold states that while the average age of an American citizen is now 28.9 years, it is likely to increase to 37.9 years old—that is an 8.4 year increase by the year 2030. Although it is difficult to forecast all of the consequences of this trend, it seems unlikely that any aspect of American life—the economy, housing styles, education, musical taste, land use, recreation, manufacturing, medical care, retirement practices, even politics—will be unchanged in an "older" American society.

For several years, the average number of children born to each family has decreased below the replacement level of 2.1 to 1.8 in recent years. The level in 1957 was 3.7 children for each family.

At the same time, improved medical care has increased the numbers surviving into old age. The declining death rate means a steady expansion of the numbers of the aged. If recent trends continue, the Census Bureau has predicted that 17 percent of all Americans, or one in every six, will be over 65 by the year 2030, compared with one in 10 today.

With these trends in mind, we should begin to be aware of what this will mean for the future in terms of our society. The implications for our social security system is one important question.

Mr. President, I ask unanimous consent that this informative article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WIDE CHANGES IN ECONOMY AND WAYS OF LIFE EXPECTED AS MEDIAN AGE OF AMERICANS RISES

(By Robert Reinhold)

WASHINGTON, Feb. 5.—Slowly, almost imperceptibly, but with inexorable force, America's population is undergoing a profound transformation that could alter nearly every facet of its way of life.

Low fertility and mortality rates have combined to produce a population that, while increasing for many decades, will probably have a larger proportion of elderly people and a smaller proportion of the young.

After decades of the rising influence of the "youth culture," the pendulum is swinging back. By the year 2030, the median age of Americans will be 37.3, or 8.4 years older than it is today, if American women continue to bear so few children and the death rate continues to drop. Federal Government figures to be released in a few weeks will show that fertility rates dropped in 1976 to a new low for the fifth year in a row.

Although it is hazardous to forecast the consequences of this trend, it seems unlikely that any aspect of American life—the economy, housing styles, education, musical taste, land use, recreation, manufacturing, medical care, retirement practices, even politics—will be untouched.

While the full brunt of the trend will not be felt for years, harbingers abound:

Levi Strauss, the jeans maker whose ads with psychedelic and sexual overtones were the commercial embodiment of the youthful culture of the 1960's, has made subtle changes in its pitch. The company now promotes sportswear with a fuller cut, for that 1965 college boy who can no longer squeeze into his size 30 Levis.

Dropping school enrollments have forced educators to close schools and colleges and to search for new "markets." Montgomery County in Maryland, which lost 4,500 students this year and expects to see another drop of 4,500 in the fall, recently closed seven public schools. Columbia University in New York recently announced a major move into adult education.

Faced with declining sales of baby food, the Gerber Products Company has diversified and now makes such products as vaporizers and shampoo. It is also testing adult foods such as ketchup and peanut spreads, as well as single-serving foods for the elderly. As it is, company officials privately estimate that as much as 10 percent of its baby food is actually consumed by the elderly.

The FM rock radio stations that emerged in the 60's are still thriving, but the sponsors are selling condominium apartments and suburban homes as well as phonograph records and acne remedies.

Social Security officials are calling for a thorough revamping of the retirement pay system, because they fear that soon there will not be enough young people working to support the swollen ranks of retired elderly. There are now 31 Social Security beneficiaries for every 100 workers. By the middle of the next century, it is estimated, the figure will rise to 50. If, so, Social Security taxes may have to rise to 35 percent of the taxable payroll.

THE UNDERLYING STATISTICS

Underlying the predictions of an aging population are some statistical facts of life.

The fertility rate of American women continues to slide dramatically. For the first 11 months of 1976 the rate was 65.7 births for each 1,000 women in the childbearing ages (15 to 44), down from 66.7 in 1975. At the crest of the postwar "baby boom" in 1957, the figure was 122.7; the previous low was 75.8, set in 1936 during the Depression.

Even the absolute number of babies born remains extremely low, in comparative terms. About 3,159,000 babies were born during the 12 months that ended last November, the same as during the comparable period of 1975. During the baby boom years, with a far smaller population, over four million babies a year were born.

For several years now the crucial "total fertility rate," of the average number of children born to each family, has sagged below the "replacement level" of 2.1. This is the figure at which the population would, after some decades, cease to grow. From 3.7 children for each family in 1957, the total fertility rate went to 1.8 in 1975.

At the same time, improved medical care has swelled the numbers surviving to old age, pushing the death rate to new lows almost every year. It stood at 8.9 deaths for each 1,000 people in 1975, and advance indications are that it will be at least that low in 1976.

The declining death rate means a steady expansion of the ranks of the aged. If recent trends persist, the Census Bureau has projected, 17 percent of Americans, or one in every six, will be over 65 by the year 2030, compared with one in 10 today.

STABILITY BY 2030

Under these projections, excluding the imponderable of immigration, population would stabilize by about 2030 with 46 million people over age 65, twice as many as today. This means, for example, that the number of women over 65 would be about equal to the number of girls under 15. Or, to put it another way, the median age of Americans will have climbed from 28.9 this year to 37.3 in 2030. The median age was 16 in 1800.

These projections—they are not predictions—assume that fertility will remain low. Human fertility is notoriously unpredictable, and a handful of experts foresee a modest rise a few years from now. But most American demographers feel the low fertility rates will continue because of the availability of effective contraception, liberalized abortion and divorce laws, postponement of marriage and the changing role of women. One key barometer of future fertility, the average number of children young women expect to have, slid from 3.1 births for each woman in 1967 to 2.4 in 1976.

All of this has rekindled some old fears of "demographic stagnation" and economic distress. Alfred Sauvy, the French demographer, portrays an aging society as one that would "slide towards inevitable decadence, like a tree with too much foliage for there to be any young growth." He has conjured up a dreary image of a "population of old people ruminating over old ideas in old houses."

Few American population experts, most of whom have labored hard for population stability, or "zero population growth," share the pessimism of Mr. Sauvy. Like Thomas J. Espenshade, an economist at Florida State University who works on population trends, most concede that the transition to an older society will cause some painful social and economic dislocations but believe the ultimate effect will not be damaging.

DEFERRED IMPACT

The full impact of the transition to an older society will be deferred because the ranks of baby boom children, born between 1947 and 1961, are now moving through young adulthood. But as they reach middle age and retirement years, if the low birth rate continues, the composition of society will change dramatically. It will become more like the stable older population of Sweden and less like the young, rapidly growing population of Mexico.

Will an older society reflect Alfred Sauvy's sad image of decadence, stagnation and rivalry between the generations? Or will it result in more stability, as forecast by advocates of zero population growth?

The consequences of population shifts are difficult to predict because styles of life are affected also by taste, innovation and other unpredictable factors.

But it seems safe to assume that a country dominated by the old will need less baby food, toys, teachers and maternity wards. Conversely, demand should rise for retirement homes, medical care, recreational facilities and entertainment suiting the tastes of the elderly. Political styles too may be altered, with the elderly controlling close to a third of the vote.

A LIFE SPAN GAP

The problem of widowed women may well be exacerbated. Unless medicine drastically cuts the death rate of men, the gap in life span between men and women is likely to widen, even though both will live longer. Some have suggested, only half jokingly, that bigamy be legalized for elderly men.

American business does not seem especially worried about the aging trend. Some product and service lines will suffer, but on the whole industrial leaders are optimistic. Vernon Johnson, director of corporate planning at General Mills, which markets not only cereals but also toys, games, sportswear and other products, says that the trend to smaller families will free more "discretionary" income for such goods as games and clothing.

But if individual industries adapt, what about the economy as a whole? Will an older population be as productive? What will happen to income, consumption, demand for goods? Will there be less mobility? Will a population that has ceased to grow create enough economic growth to encourage investment in capital goods and maintain full employment? Will companies and institutions become more dominated by old people who may be unwilling or unable to change? In short, will the economy stagnate?

Economists differ on these questions, but in general American experts are sanguine. The arguments are extremely complex, but the consensus seems to be that any possible decline in average worker productivity in an older society would not be as damaging as continued population growth.

ADVANTAGES PREDICTED

Indeed, many see clear advantages. Joseph J. Spengler of the University of North Carolina finds little reason to fear unemployment and says productivity should rise because the capital previously used to train new workers could be used to build more factories and machines.

Other economists believe both per-capita income and consumption would rise in a stable population. Professor Espenshade of Florida State, for example, has tried to foresee the economic impact of a changing age composition by examining consumption patterns in stable and growing populations. He found the net difference negligible, with the reduced spending for food and necessities offset by greater consumption of discretionary products and services, such as leisure pursuits.

A major concern is that an older society will have less mobility, occupational and geographic. With nearly all workers expected to live at least to the end of their working years, ambitious talented young people may find their way blocked by an older leadership. At the same time, there may be a shortage of labor able to move from one place to another because older people are usually less adaptable.

Such concerns have spawned much talk of altering the "entry" and "exit" ages for workers. Some have suggested earlier retirement to make way for the young, but others talk about postponing it because men and women will live longer with health intact.

WORRY ABOUT DULLNESS

A less tangible concern is that an older society might be less creative, less innovative, more conservative. Without the pressure of large waves of young people, it is argued, a society would become gray and dreary. Critics of this theory say that countries with older populations, like Sweden, are not particularly conservative.

Of greater immediate concern is the matter of dependency. A stable population would have the same proportion of people in the working ages (18 to 65), compared to the dependent young and old, as it does today—about three workers to every two dependents. However, the preponderance of dependents would shift to the elderly group, who are far more costly to care for than the young.

Today, the United States provides poorly for retired people. What will happen when their number doubles? In a 1972 report to the Commission on Population Growth and the American Future, Lincoln Day of the United Nations' statistical office put it this way:

"To worry about the supposed behavioral consequence of an aging, or more aged, population, is to divert attention from the real issue: how to incorporate a higher proportion of old people into society in a socially and emotionally meaningful way."

The "graying of America" has given Dr. Robert N. Butler, head of the National Institute on Aging, reason to hope that "this may be the time when humankind uses a little forethought."

REPORT ON U.S. PARTICIPATION IN INTERNATIONAL ORGANIZATIONS

Mr. PERCY. Mr. President, earlier this week the Committee on Government Operations released a report on U.S. Participation in International Organizations. This report was based upon a year long study by the staff of the Committee.

The report points up a number of important aspects of international organizations and U.S. participation in them. Some of the major areas covered include:

The size and scope of international organizations.

The proliferation of international organizations and duplication of effort among them.

Inefficiencies and lack of evaluation of activities undertaken by many of these organizations.

The problems of formulating and coordinating U.S. policy toward international organizations because of the many U.S. agencies with interests in and involvement with them.

The problems of recruitment of U.S. nationals for work in international organizations.

The size of staffs and personnel compensation of employees of various international organizations.

Mr. President, I think this background information will serve as a good basis for hearings later this year by the Government Operations Committee. Other committees of Congress may well be interested in reading the report also for information on international organizations which are participated in by U.S. agencies under their jurisdiction.

Many international organizations serve useful purposes in many worthwhile fields and U.S. participation in them is in our national interest. Our intention in pointing out various weaknesses in them is not to say that we feel the United States should withdraw from them, but rather to build them into more effective institutions to better meet the many growing problems the world faces today.

I look forward to further studies on this most important area and to the hearings that will be held later this year.

IMMIGRATION

Mr. KENNEDY. Mr. President, the growing problems and future course of our national immigration policy and practice is continuing to generate a good deal of congressional and public interest. Some modest progress was made last year with the enactment of the Immigration and Nationality Act Amendments of 1976, and hopefully this Congress will continue the effort.

In this connection, I would like to share with Senators and readers of the RECORD the foreword I prepared for the current issue of the San Diego Law Review, which also contains a number of useful articles and commentaries on new immigration regulations and recent legislation, the labor certification requirement for intending immigrants, and current issues relating to deportation, including the right to counsel in deportation proceedings.

Mr. President, I commend the Law Review to Senators, and ask unanimous consent that the text of my foreword on current legislative issues be printed in the RECORD.

There being no objection, the foreword was ordered to be printed in the RECORD, as follows:

FOREWORD

(By Hon. EDWARD M. KENNEDY*)

Immigration policy should be generous; it should be fair; it should be flexible. With such a policy we can turn to the world, and to our own past, with clean hands and a clear conscience. Such a policy would be but a reaffirmation of old principles. It would be an expression of our agreement with George Washington that "the bosom of America is open to receive not only the opulent and respectable stranger, but the oppressed and persecuted of all nations and religions; whom we shall welcome to a participation of all our rights and privileges, if by decency and propriety of conduct they appear to merit the enjoyment." [1]

When John F. Kennedy became President in January 1961, he pledged to the American people that he would earnestly work for immigration reform, and his leadership in this area contributed significantly to the passage of the 1965 Immigration Act.[2]

This Act abolished the discriminatory national-origins quota system from the statute books and substituted a new system for distributing visas on a first-come, first-served basis. Exclusive of immediate relative and other "special immigrant visas," 120,000 visas were made available annually for applicants in the Western Hemisphere and 170,000 visas for applicants in the Eastern Hemisphere.

The Act of 1965, clearly a benchmark in the history of American immigration policy, was a victory for the forces of common sense and decency. The Act broadened equality of opportunity, a central theme in American history. And it stands with other legislation of the 1960's in the field of civil rights, poverty, education, and health as a reaffirmation of our nation's continuing pursuit of justice and fair play.

More than a decade has passed since the Act of 1965 became effective, and, in the main, it has served our country and its traditions well. However, the Act was only the beginning of an important task. It failed to resolve issues relating to immigration from Western Hemisphere countries. It did not include a comprehensive policy for admitting refugees. It did not deal with needed reform in areas such as deportation, naturalization, and citizenship. And in many respects the Act fell short of the desired flexibility in immigration policy and practice recommended by the executive branch and supported by many members of Congress.

In 1965 there was a general recognition that new legislation would soon be needed. But the continuing reform effort was quickly stalled, and it has remained so until this day, despite a good deal of legislative activity in Congress and growing pressures from the private sector. The only important exception is the Immigration and Nationality Act Amendments of 1976,[3] which passed the Senate and House of Representatives during the waning hours of the 94th Congress, and was only recently signed into law. The principal provisions of this new law involve Western Hemisphere immigration. Among other things, the law extends to the Western Hemisphere the seven preference categories and the annual 20,000 per country visa limit, currently applicable to the Eastern Hemisphere. It also extends to natives of Western Hemisphere countries the opportunity to adjust their status in the United States on the same basis as natives of Eastern Hemisphere countries. Finally, the new law provides that Cuban refugees in the United States who adjust their status to permanent resident aliens under the Adjustment Act of 1966[4] will not be charged to any numerical ceiling. The provision on Cuban refugees merely confirms legislatively a long overdue administrative action taken by the Attorney General in September of this year.

Although the Act of 1976 was rushed through Congress with little debate or consultation and with no opportunity for amendments, its principle provisions are clearly an effort to help fulfill the intent of the 1965 Immigration Act. No expert observer objects to bringing visa applicants in both the Eastern and Western Hemispheres under the same system and set of rules. Nevertheless, the Act of 1976 is not as noncontroversial as its authors and supporters suggest. For example, contrary to the House report on the legislation, there is no "general consensus" that the annual limit of 20,000 visas per country should be imposed on Mexico, or even on Canada. Legitimate concern has been expressed by some members of Congress and many private immigration experts over the possible ramifications of this provision.

Some concern also exists over other provisions of the new law. The modifications in the labor certification procedure in section 212(a)(14)[5] of the present law is one such provision. And another is what some observers are calling the "punitive" language in the adjustment of status provisions. This language bars from adjustment of status those aliens in nonimmigrant status, other than immediate relatives, who accept "unauthorized employment." And widespread congressional and public concern has been demonstrated over the new law's failure to make any changes in the refugee provisions of the current statute.

Reforming the immigration and naturalization laws has always been a slow and difficult process. Hopefully the Immigration and Nationality Act Amendments of 1976 will contribute to this reforming process in terms of both the Act's limited and controversial contents and what it portends for the tremendous task that remains.

This task involves several matters of public concern: first, refining the new policy and system established in 1965, including the treatment of refugees; second, reviewing and reforming all other provisions of the basic immigration statute, including those dealing with nationality and naturalization; third, finding more feasible alternatives for dealing with the problem of undocumented and out-of-status aliens; fourth, humanizing the administrative practices and procedures of the immigration and naturalization law; and fifth, bringing more order into the structure and decision-making process of the scattered bureaucracy which interprets and implements the law.

In refining the new policy and system established in 1965 and further developed through the Immigration and Nationality Act Amendments of 1976, Congress should consider at least these items: allocating up to 35,000 or 40,000 visas annually to both Mexico and Canada on a temporary, if not permanent basis; modifying the definition of various preference categories, including, for example, granting preference status to the parents of permanent resident aliens; restructuring the preference system by changing the percentage allocation of visas to each preference category, by better utilizing the unused visas in any one category to meet excessive demands in other categories, by rearranging the order of the various preferences, and, perhaps, by combining some existing preference

Footnotes at end of article.

categories; and removing the distinction between the Eastern and the Western Hemisphere by establishing a worldwide immigration ceiling and preference system after a transition period of perhaps three years.

In this connection, one of the most glaring deficiencies of the existing preference system and law—a deficiency which is contrary to our international commitments and to our national traditions and interests—concerns the admission of refugees. Of fundamental importance is a new definition of a refugee. Present law and practice emphasize the plight of people who "have fled (I) from any Communist or Communist-dominated country or area, or (II) from any country within the general areas of the Middle East."[6] A new definition is suggested in legislation I introduced in the last Congress:

"The term "alien refugee" means (i) any alien (I) who is outside the country of his nationality or who, not having a nationality, is outside the country of his habitual residence, and who is unable or unwilling to return to such country because of persecution or well-founded fear of persecution on account of race, religion, nationality, membership of a particular social group or political opinion, or (II) who has been uprooted by catastrophic natural calamity or military operations and who is unable to return to his usual place of abode, and (ii) the spouse and children of any such alien, if accompanying or following to join him."

A definition along these lines not only conforms with the traditional humanitarian concerns of the American people but also gives meaning to our country's 1968 accession, with two reservations, to the United Nations Protocol Relating to the Status of Refugees. If such a definition was the law, admitting refugees from Chile, for example, would become a simple matter of humanitarian practice, instead of an issue for heated debate.

A legislative change in the definition of a refugee should also include the granting of immigrant visas to eligible applicants, instead of according them "conditional entry" status. There should also be a substantial increase in the number of visas allocated for refugee admissions within the preference system. In accordance with a new policy stressing flexibility in dealing with the homeless, the Attorney General should be specfically authorized, following consultations with Congress, to exercise his parole power in section 212(d)(5) of the basic immigration statute to bring into the United States additional refugees "for emergent reasons or for reasons deemed strictly in the public interest." He should also be authorized to adjust the status of such refugees to that of permanent resident aliens. This change would avoid the need for special legislation such as that which was previously enacted for Hungarian and Cuban parolees and which is currently required for the more than 140,000 new arrivals from the Indochina Peninsula.

Legislation to refine the new immigration policy and system established in 1965 must be a matter of early priority after the 95th Congress convenes on January 4, 1977. And serious legislative considerations must also begin over *all* other aspects of the basic immigration statute.

The basic statute's provisions on nationality and naturalization, for example, have been largely ignored by the executive branch and Congress since the 1952 codification and amendment of the immigration laws. Many of these provisions, as well as others in the basic statute are products of a harsher period in our country's history and have no place in the public policy of a free society. Moreover, for various reasons, including judicial decisions which have significantly altered the basic statute over the years, many provisions are either inoperable or no longer invoked. Certain provisions dealing with deportation are a good example. It is not surprising, therefore, that in 1976 an overwhelming number of experts view the basic immigration and nationality statute—the Act of June 27, 1952[7]—as an anachronism in the public policy of the United States. They strongly believe that legislative clarifications of the basic statute, and serious efforts to update and overhaul it, are long past due.

A serious and comprehensive review of the basic immigration statute, with the goal of legislative reform, is not an easy task. Given the history of legislation in this area and the complexity of the issues involved, revision will require much time and deliberation. Nevertheless some modest but important amendments are undoubtedly possible in the months ahead. An amendment to liberalize the English language requirements for citizenship, a generally recognized need, is a good example. Also possible is some truly meaningful and compassionate legislation to deal with the problem of undocumented aliens. And perhaps progress can be made even in meeting some less recognized needs, such as enacting a meaningful statute of limitation on deportation and establishing a board of appeals, especially for denial cases involving the family members of United States citizens and permanent resident aliens. These two objectives, among others, are important elements in an equitable policy. They were once a part of the law, and they should be restored.

However, despite the potential for piecemeal review and reform, the fact remains that a truly serious and comprehensive review is needed. Nothing really has approached such an effort since the congressional hearings and public debate which accompanied the passage of the Immigration and Nationality Act of 1952 and the subsequent work of President Truman's Commission on Immigration and Naturalization.[8]

Expert views expressed in the *San Diego Law Review* and elsewhere have justifiably sought to encourage a new effort, and the process should begin in the next Congress with the full cooperation of the executive branch. In this regard, the Judiciary Committees of Congress and the appropriate offies in the executive branch probably can do a great deal. But serious consideration should also be given the creation of a special commission to make a complete study of all matters pertaining to American immigration and naturalization policy and practice and to make findings and recommendations for accomplishing the long sought goal of general reform. The composition and structure of the Select Commission on Western Hemisphere Immigration, which was established by the Immigration Act of 1965, suggest a pattern for creating a new commission on general policy and reform.

Immediate and longer-term legislative reform is of fundamental importance in updating our national immigration and naturalization policy. We must not lose sight of this goal. But early remedies are also needed to meet the growing deficiencies in current administrative practices and procedures. In addition greater order in the structure and decisionmaking process of the scattered bureaucracy which interprets and implements the law is called for. Many problems which have been addressed in this *Law Review*, and the kinds of problems recently associated with establishing and implementing special measures for victims of the conflict in Lebanon, underscore the urgent needs in this area of public concern. And the need for some immediate action is generally recognized by a broad segment of people involved in immigration and naturalization matters.

To humanize the administration of the law, to bring a greater sense of understanding and compassion for those affected by the law, and to bring a better balance between the police and service functions of the Immigration and Naturalization Service are some immediate goals.

Immigration is deeply ingrained in the American tradition; it is one of the oldest themes of our history. Today, as in the past, the pressures for immigration to the United States are greater than those for any other country. To many thousands of families and individuals in all parts of the world the United States remains a beacon of hope, opportunity, and freedom.

Americans recognize the importance of our immigrant heritage, and its contributions to the building of our country and the sustaining of our free society. There is little doubt that in 1976 the overwhelming number of our citizens accept immigration as a continuing part of our Nation's historical process—for humanitarian, cultural, economic, and personal reasons.

Although we must have laws and limitations, we must also maximize equal opportunity for everyone. And we must remain "generous," "fair," and "flexible" in the implementation of our laws and in the treatment accorded new arrivals in our land.

Through its symposia on immigration law, the *San Diego Law Review* is providing a valuable forum for discussing important matters of public policy and concern. The editors deserve our appreciation, our thanks, and our encouragement for continuing their service to the American people.

FOOTNOTES

*United States Senator from the Commonwealth of Massachusetts, Senator Kennedy is a member of the Committee on the Judiciary and is Chairman of its Subcommittee on Refugees and a member of its Subcommittee on Immigration and Naturalization; he was Senate floor manager of the Immigration Act of 1965.

[1] J. KENNEDY, A NATION OF IMMIGRANTS 82-83 (rev. ed. 1964).

[2] 79 Stat 911–22 (codified in scattered sections of 8 U.S.C.).

[3] Pub. L. No. 94–571, 90 Stat. 20703 (Oct. 20, 1976).

[4] Cuban Refugee Act of November 2, 1966, 80 Stat. 1161.

[5] 8 U.S.C. § 1182(a)(14) (1970).

[6] The Immigration and Nationality Act § 203(a)(7), 8 U.S.C. § 1153(a)(7) (1970).

[7] 8 U.S.C. § 1101 *et seq.* (1970).

[8] The Commission was established by Executive Order after Congress failed to sustain President Truman's veto of the Immigration and Nationality Act of 1952. The Commission's report of its study and recommendations, *Whom We Shall Welcome*, was sent to the President on January 1, 1953.

PROJECT SEAFARER

Mr. GRIFFIN. Mr. President, earlier this week, Congressman PHIL RUPPE of Michigan and I released the text of a letter we sent to President Carter.

The letter calls attention to a commitment made by Mr. Carter to the people of Michigan's Upper Peninsula during the closing days of his campaign for the Presidency.

Whether right or wrong, it is obvious that Mr. Carter has already made a decision that Project Seafarer, the low-frequency submarine communications network proposed by the Navy, will not be located in the Upper Peninsula. He made a flat commitment that, if the people in the area are against it, Seafarer will not be built there—regardless of national defense or other considerations.

Since local public opinion is overwhelmingly opposed, frankly, I see no reason to prolong the agony or to spend

additional millions of dollars on environmental studies that relate to a northern Michigan site. Under the circumstances, it would be better for all concerned if the Defense Department now shifted its attention to other possible sites in the country where Seafarer could be built, if it is needed.

I ask unanimous consent that the text of our letter and the campaign statement made by Mr. Carter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., February 1, 1977.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: You will recall that on October 25, 1976, in response to inquiries regarding your position on Project Seafarer (an extremely low-frequency submarine communications network proposed by the Navy), you said:

"If I am elected, Project Seafarer will not be built in the Upper Peninsula (of Michigan) against the wishes of the citizens."

As you may know, citizens in five of the eight counties that would be affected, did have an opportunity on May 18 to register their wishes in a referendum on the issue; and they voted by a margin of 3 to 1 against locating Project Seafarer in the Upper Peninsula. More recently, on November 2, in a referendum held along with the Presidential election, citizens in the other three affected counties expressed their wishes, and they voted by a margin of more than 4 to 1 against locating Project Seafarer in the Upper Peninsula.

In your October 25 statement you appropriately pointed out that:

". . . even if this particular system is shown to be needed, there are other places where it can be built, including land owned by the federal government which is already dedicated to military use."

In view of the fact that it clearly would be "against the wishes of the citizens" to build Project Seafarer in the Upper Peninsula of Michigan; and since, as you have indicated, "there are other places where it can be built" if the Defense Department determines that it's necessary, we now strongly urge that Northern Michigan be eliminated and removed from consideration as a site for this project.

Your prompt attention to this matter would be deeply appreciated.

With best wishes,

ROBERT P. GRIFFIN,
U.S. Senator.
PHILIP E. RUPPE,
Member of Congress.

[Text of a statement, dated Oct. 25, 1976, by Jimmy Carter, as reported in the Oct. 26 issue of the Bessemer (Mich.) Pick and Axe]

The Navy's proposed ELF submarine communication system should not be built in Michigan's Upper Peninsula against the wishes of the people who live there. The people of the Upper Peninsula have made their opposition to Project Seafarer known through referenda, and I have discussed the project with Fran Brouillette, the Democratic candidate for Congress from the 11th Congressional District.

I share the concern of Fran Brouillette and those who voted on Project Seafarer that the effects of this system on the environment and our people have not been adequately studied or evaluated. I share the concerns of property owners in the Upper Peninsula that this project will jeopardize their investment in their homes, farms, and land. I do not feel the Navy or Department of Defense have been open or forthright about the effects of Project Seafarer, and I intend to change that if elected.

The Navy has yet to satisfactorily demonstrate the military necessity of Project Seafarer. But even if this particular system is shown to be needed, there are other places where it can be built including land owned by the federal government which is already dedicated to military use.

If I am elected, Project Seafarer will not be built in the Upper Peninsula against the wishes of the citizens. And I want to be able to count on Fran Brouillette's support in Congress on this decision.

CHARTING THE PREVIOUSLY UNCHARTABLE—THE AMAZON AND MODERN TECHNOLOGY

Mr. HUMPHREY. Mr. President, earlier this week there appeared an exceptionally intriguing article in the Washington Post concerning efforts of the Brazilian Government to chart the vast expanses of the Amazon jungle.

To date, 936,000 square miles of the Amazon have been mapped, utilizing modern aerial radar technology followed up by on-the-ground spot checks by technicians. The region thus far charted is:

. . . comparable to an aerial survey stretching from the tip of Maine to the tip of Florida and extending westward a bit past the Mississippi River.

And what has been found thus far?

Radar maps produced by the survey indicate that the Brazilian region is dotted with potentially valuable deposits of minerals such as bauxite, iron ore, tin ore, manganese, limestone and even gold, diamonds and radioactive substances—which no one knew were there before. The radar maps show that some of the Amazon's tributaries and mountains—which have been routinely marked in on globes and atlases all over the world for years—actually are miles away from where mapmakers thought they were.

The survey maps also tell which parts of the Amazon jungle may be best suited for farm settlements and highways, which parts should be used for large-scale timber and cattle raising, and which parts for ecological or economic reasons—would best be left alone. Detailed reports accompanying the maps note that much of the development in the region so far has been the wrong kind in the wrong place.

Mr. President, the important aspect of this undertaking is not only discovery of new mineral wealth, potential farmland and cattle raising country, but discovery of how the Brazilian Government had made serious mistakes in their development planning in the past. What is being achieved with modern technology will allow the Government to not only minimize those mistakes but also avoid them in the future.

There are many vast uncharted regions on the face of this planet which should lend themselves to the use of the same technology. I believe we should follow very closely what is happening in Brazil for it could be a precursor to similar uses of technology elsewhere.

Mr. President, I ask unanimous consent that the article, entitled "Radar Discloses Untapped Riches in Amazon Jungle," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 7, 1977]

RADAR DISCLOSES UNTAPPED RICHES IN AMAZON JUNGLE

(By Bruce Handler)

RIO DE JANEIRO.—For the first time in its history, Brazil is finding out what really exists in its myth-shrouded Amazon jungle. An accurate profile of this region—which is vast, remote and largely uninhabited, yet potentially rich in natural resources—is beginning to emerge from an ambitious aerial radar survey organized by the Brazilian government.

This undertaking could help Brazil develop the Amazon jungle in a rational and intelligent manner and move the huge country closer to its goal of becoming a major developed nation.

The aerial survey, which has cost some $25 million in the past six years, has produced an incredible amount of new data about the region. It also has revealed how Brazil wasted large amounts of time and money, both foolishly and destructively, on poorly thought-out Amazon development schemes in the past.

Radar maps produced by the survey indicate that the Brazilian region is dotted with potentially valuable deposits of minerals such as bauxite, iron ore, tin ore, manganese, limestone and even gold, diamonds and radioactive substances—which no one knew were there before. The radar maps show that some of the Amazon's tributaries and mountains—which have been routinely marked in on globes and atlases all over the world for years—actually are miles away from where mapmakers thought they were.

The survey maps also tell which parts of the Amazon jungle may be best suited for farm settlements and highways, which parts should be used for large-scale timber and cattle raising, and which parts for ecological or economic reasons—would best be left alone. Detailed reports accompanying the maps note that much of the development in the region so far has been the wrong kind in the wrong place.

"People have spoken of the Amazon jungle as everything from a green hell to the breadbasket of the world," says Otto Bittencourt Netto, technical director of the project. "But we who have been working there all this time don't dare to make a single affirmative statement about that region yet."

The radar maps are compiled from images collected by a Caravelle jet airliner that has been methodically crisscrossing the Amazonian skies at 32,000 feet, at a speed of 530 miles per hour.

The radar information is then checked on the ground by technicians who are lowered into the otherwise inaccessible jungle by Brazilian air force helicoters. More than 40 people have been killed during the mapping project, most of them in helicopter crashes.

To date, 960,000 square miles of Brazil's Amazon region have been charted with radar maps—comparable to an aerial survey stretching from the tip of Maine to the tip of Florida and extending westward a bit past the Mississippi River.

Some of the survey's findings have been classified by the Brazilian armed forces—such as maps of Brazil's borders with French Guiana, Surinam, Guyana and Venezuela. This could aggravate fears that Brazil harbors inperialistic designs on the rest of the continent, although Brazil insists that it has no dreams of expansion.

Much of the radar survey information is available to the public and some has even been distributed overseas. Report No. 10, which has just released, is typical. It covers a rectangular section of jungle measuring 113,500 square miles—equal in size of the

state of Arizona—which includes the important cities of Manaus and Santarem, long stretches of the Amazon and Tapajos rivers and a major part of the new and much-ballyhooed Transamazon Highway.

A look at highlights of the report shows the region's potential richness as well as the bad planning and lack of coordination that has occurred there already:

The radar has picked up indications of nearly 25 important minerals in this section, including what appear to be commercially exploitable deposits of bauxite, iron ore, gypsum and rock salt. Several mining companies, foreign as well as Brazilian, are actively interested in starting up projects, the report says.

Large expanses of land beneath the jungle foliage in this section are swampy and "do not offer favorable conditions for the planning and execution of highway projects."

Yet this is precisely where an important part of the multimillion-dollar Transamazon Highway—rushed into construction several years ago during a euphoric period of nationalism—goes through and frequently suffers major washouts.

Much of the soil in the section is, according to Report No. 10, "acidic and of low nutrient content, which seriously limits its productivity." Yet this is where Brazil tried to get millions of homesteaders and small farmers to settle and make new lives. The radar survey explains, in part, why the Amazon homesteading drive flopped.

The aerial survey did detect one large strip of fertile farmland in this section, but the report noted that and this is now being cleared for grazing. This, it predicted, will cause erosion and permanently ruin the land for farming—and possibly bring about the frequently theorized "Amazon desert."

On the other hand, the radar spotted large areas in the section that seem of little use for farming but apparently would sustain cattle ranches. The report said there are no cattle on these lands now.

Many of the tributaries of the Amazon River that run through the section are navigable all year and serve as the cheapest and most efficient means of transportation and commerce in the region, as opposed to highways, the report said. But it added that few of the towns and settlements along these tributaries have bothered to build river ports, docks or even rudimentary stairways for loading and unloading boats.

The Brazilian government now seems willing to try to correct past mistakes. The radar project grew from a minor geological survey in the Ministry of Mines and Energy because federal officials were impressed with its early work. Now the government has told the project's directors to extend the radar aerial mapping and reporting to the rest of the country.

FINANCIAL STATEMENT OF SENATOR PEARSON

Mr. PEARSON. Mr. President, today I am placing in the CONGRESSIONAL RECORD a schedule of the 1975 income and taxes of my wife and myself, along with a balance sheet of our assets and liabilities as of December 31, 1976.

I am taking this action, because I believe it is in the public interest that all high-level Government officials in the legislative, executive, and judicial branches make a complete public financial disclosure.

The Senate passed legislation in the last Congress which would have required a comprehensive public financial disclosure by all high-ranking Government officials. I supported that legislation. Unfortunately, the bill died in the House. However, I am hopeful that a similar proposal will be enacted promptly by the 95th Congress.

I ask unanimous consent that the schedule of income and taxes and the balance sheet referred to above be printed in the RECORD.

There being no objection, the financial statement was ordered to be printed in the RECORD, as follows:

HON. JAMES B. AND MARTHA M. PEARSON FINANCIAL REPORT, DECEMBER 31, 1976

ASSETS

Cash & investments:	
Cash in Checking Accounts	$8,100
Cash in Savings Accounts	28,600
Cash—Certificates of Deposits	16,000
Morrison-Gregg-Mitchell-Partnership	5,000
Webb-Pearson Cattle Co	8,558
Pearson Blind Trust	50,196
Total	116,454
Real estate:	
Personal Residence	40,000
Farm Land 40 Acres	24,000
Farm Land 80 Acres	48,000
Total	112,000
Less Mortgage Payable	34,080
Net Real Estate	77,920
Business:	
American Indian Art	35,000
Other assets:	
Farm Equipment	13,900
Household & Personal Items	25,000
Personal Automobiles	7,000
Total	45,900
Total Assets	275,274

LIABILITIES

Mid American Bank—Note	16,000
Misc. Monthly Bills	1,200
Total	17,200

NET WORTH

Hon. James B. & Martha M. Pearson	258,074
Total Liabilities & Net Worth	275,274

HON. JAMES B. AND MARTHA M. PEARSON SCHEDULE OF INCOME AND INCOME TAXES FOR THE CALENDAR YEAR 1975

Income:	
United States Senate—Salary	43,025
Dividends Earned	2,137
Interest Income	1,728
Gain on Sale of Real Estate (Installment Sale)	3,639
Partnership Income	4,303
Honorariums	3,500
State Tax Refund (Previously over paid)	295
Profit on Business—Dealer in Indian Art	3,891
Farm Loss	(4,888)
Total Income	57,630
Income taxes:	
Federal Income and Self-Employment Tax	14,936
State Income & Intangibles Taxes	1,778
Total Income Taxes	16,714

SOLAR ENERGY AND NATURAL GAS

Mr. CRANSTON. Mr. President, California and the Nation appear to be entering a new and critical period with regard to our energy supply and air pollution problems. Industrial and automobile-caused air pollution presents a serious problem not only in California's major urban areas, but also in many rural regions where trees and some agricultural crops are now showing undeniable signs of pollution-induced discoloration and disease.

Unfortunately, California is also facing another problem of serious short-range economic consequences. The natural gas which fuels industry and provides homes with much of their power is in short supply. At the same time, the seriousness of the air pollution situation means that fuels such as oil and coal cannot be substituted for natural gas without violating air pollution standards and increasing the hazards to human—as well as agricultural—health.

In a recent article in the Los Angeles Times, Dr. Barry Commoner of Washington University examined this problem in some detail. Dr. Commoner contends that the removal of oil price controls will not be an economically viable means of providing a replacement fuel for natural gas. By using National Petroleum Council and Federal Energy Administration statistics, Dr. Commoner projects that the increase in oil production made possible by allowing the price of oil to rise from $7 per barrel to $11 would be only 10 billion barrels of oil in the period between 1975 and 1988. The marginal cost of this oil, however, would be $390 billion, or $39 per extra barrel.

Dr. Commoner's comments may be of interest not only to Californians, but to all of us who are concerned about the future role of energy in our economy. Therefore, Mr. President, I ask unanimous consent that the article, "Solar Energy Could Avert Crisis in Southern California," which appeared in the February 6 issue of the Los Angeles Times, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOLAR ENERGY COULD AVERT CRISIS IN SOUTHERN CALIFORNIA

(By Barry Commoner)

Even with their thermostats set at 65 degrees to help conserve natural gas for shivering Easterners, people in California have difficulty visualizing the extent of the energy crisis. But energy problems will increasingly affect the economy of the state, particularly in Southern California.

A report prepared recently by TRW, Inc., for the California Energy Resources Conservation and Development Commission paints a grim picture for Southern California:

Industry, most commercial establishments and homes depend heavily on natural gas.

The supply is dwindling, so that by 1980 natural gas will be denied to some industries and curtailed for residential users.

Any feasible substitute for natural gas, chiefly oil, would worsen the already serious air pollution problem in Southern California. The choices open to industrial managers facing the loss of their essential natural gas supply in the next few years therefore depend on whether they can expect relaxation or stringent enforcement of air quality standards.

If air pollution enforcement is relaxed to allow substitution of a more polluting fuel, the industrial manager will find that the cost of that fuel will determine whether his

operation is still profitable. If the industry cannot afford to replace natural gas or to modify its operation, the only alternative is to shut down.

If air pollution enforcement is maintained, the only alternative is to delay action, presumably in the hope that the standards will eventually be relaxed as the threatened shutdown of the industry approaches.

This is a picture of the strategy that industrial management hopes to use to meet the expected depletion of natural gas supplies. The message of industry is clear: Relax pollution standards, or by 1980 industry in Southern California—and a few years later in the rest of the state—will be forced to go elsewhere.

When you examine all the facts about the energy problem, it becomes clear that we do not need to choose between jobs and environmental quality. There is a way to get the needed energy that will protect both the environment and the economy. In fact, a new energy policy that is guided by a proper understanding of efficient energy production and environmental quality is the one sure way to stabilize the economy, to reduce inflation and to increase employment.

The present natural gas supply for Southern California comes by pipeline from fields in Texas and California. It is a limited amount which will eventually "run out." And it is cetrainly true that substitution of oil for natural gas would worsen pollution; compared to natural gas, oil produces about 15 times more nitrogen oxides, 50 times more particulates, and 1,000 times more sulfur oxides.

With both oil and natural gas, the real problem is the eventual reality of "running out." But what does "running out" of an energy supply really mean? What determines the amount of oil and natural gas that will be produced and how long these supplies will last?

"The U.S. Energy Outlook," published by the National Petroleum Council in 1971, and subsequent Federal Energy Administration studies that were largely based on it, examined the cost of finding and producing the dwindling domestic supplies of oil and natural gas, their selling prices, and profitability.

These reports show that if the price of domestic oil were held to $7 per barrel (in 1973 dollars), U.S. ccmpanies would be expected to produce about 70 billion barrels between 1975 and 1988. If the price were allowed to reach $11, the companies could afford to invest in more intensive exploration efforts and more costly production techniques and could then produce about 80 billion barrels in that period. Thus, the country could have an additional 10 billion barrels of oil—if we were willing to finance the extra production by paying an additional $390 billion for it. This amounts to $39 per barrel for the extra oil.

All these calculations are based on meeting the companies' need for profit, usually an expected 15% return on assets. When the price is too low to yield this profit, the companies lack the incentive to find and produce larger amounts of oil and natural gas. In other words, we are not so much running out of gas and oil as we are running out of the corporations' willingness to accept a declining profit, or the country's willingness to accept a higher price.

All this means that the industries of Southern California will "run out" of natural gas and face shutdowns when the price is higher than they are willing to pay. It also means that their willingness to substitute oil or some other fuel, rather than shut down, will depend on the cost of the alternative supply.

Switching to oil cannot solve the economic crisis resulting from the declining supply of natural gas—because oil too is a dwindling resource. Thus, the switch to oil would only worsen the environmental situation, without improving the economic problem—the rising price of fuel—which is the real measure of the economic crisis.

Another possible solution appears at first glance to solve the energy problem in Southern California without worsening air pollution—importing liquefied natural gas (LNG) from Alaska or Indonesia. Again, we must examine the *cost* of the alternative to decide its feasibility.

The estimated price of LNG delivered to the Los Angeles area is considerably higher than the expected price of domestic natural gas. Moreover, because of its technological immaturity and the anticipated costs of minimizing the huge dangers involved in handling and using it, LNG will become an *increasingly costly* alternative to domestic natural gas. Like the oil alternative, LNG is not a viable solution.

To see a way out of this dilemma, we must return to the fundamentals of energy production: What we need is energy at a *stable* cost, and to accomplish this, the source must be *renewable* (and therefore not subject to diminishing returns) and the technology *mature* (and therefore not vulnerable to unexpected increasing costs).

There is, of course, only one renewable energy source available to us—the sun. Can solar energy substitute for the intense use of natural gas in Southern California? Are the available technologies economically competitive and mature?

The answer is yes. Two solar technologies which are economically competitive with the expected price of natural gas in Southern California and which are technologically mature can already take care of most of the natural gas demand in the area.

The first is the production of methane (the essential ingredient of natural gas) from organic wastes. This is a solar technology because the sunlight that falls on California is photosynthetically transformed by plants into various kinds of organic compounds—cellulose and other constituents of wood, the sugars in fruit and other foods, the protein and fat of meat. All of these materials are easily and efficiently converted to methane, most of them by biological processes that have little or no environmental impact.

The advantages of methane production are many. It would help to reestablish ecological balance in California agriculture, and at the same time reduce agricultural costs, since the residual sludge from this process is an excellent, inexpensive nitrogen-rich fertilizer —which could reduce the present high rate of consumption of inorganic nitrogen fertilizer. Since this fertilizer is made from natural gas, the production of methane would help to relieve the demand for natural gas. Similarly, methane generation is an ideal, ecologically sound way to cope with two major urban problems—disposal of garbage and sewage.

Thet most important factor, however, is that the methane derived from all these materials, as well as sewage and manure, will constitute a *renewable* fuel. It will be availabe in about the same amounts from year to year.

How large are the potential resources for methane production in California? I estimate from the most recent report by J. A. Alich of the Stanford Research Institute that organic wastes now produced annually in California can yield about 200 billion cubic feet of methane. In 1975 this amount of methane would have supplied the needs met by natural gas for all electric power production in California and all of the major industrial uses of natural gas in the Los Angeles metropolitan area.

But even if the price of solar methane were stable, might it be so high that it would be uncompetitive with the nonrenewable sources, such as LNG (with all the necessary precautions built in, and paid for) for a long time?

Cost figures worked out by the RAND Corp. for the production of methane from available organic wastes are in the range of $1–2 per 1,000 cubic feet. This compares quite favorably with the expected cost of Alaskan LNG, which RAND predicts to be $1.50–2.25. What about the large capital investment? Methane technologies are simple and mature.

The second method of meeting the coming natural gas crisis in California is the direct use of solar energy for heating now, and for cooling in the not-so-distant future.

One of the unfortunate myths about solar energy is that the necessary technologies are yet to be developed, and are simply too expensive to be practical. But the fact is that solar technology can help significantly and immediately to solve California's natural gas crisis. The simple solar collector, a metal or glass-covered box painted black inside, traps sunlight and converts it to heat, which can then be readily transferred to a moving stream of water or air and used for space heat, or hot water.

A few weeks ago the Energy Resource and Development Administration, which has been no great booster of solar energy, announced the results of a study showing that solar heat is, today, economically competitive with electric heat in a number of cities, including Los Angeles.

What would the widespread use of solar collectors mean for Southern California and the entire state? About 30 percent of the present use of natural gas in California are for space heat and hot water, 60–70 percent of which can be handled by ordinary solar collectors. Therefore, substitution of solar heaters would reduce overall demand for natural gas significantly—by about 20 percent of the present total demand. The main problem to be solved is in financing the initial investment at reasonable interest rates.

Methane production from wastes could meet about 30 percent of the present natural gas demand, 55 percent using special fast-growing hardwood crops. Solar collectors for space heat and hot water could meet 20 percent of the demand. Together, these solar techniques could meet about 75 percent of the present demand for natural gas. With the addition of fairly simple energy conservation practices, the solar alternative could free California from the threat of economic catastrophe that is inherent in its present dependence on natural gas.

If the serious energy problems of Southern California could be solved by development of solar energy sources, why hasn't this alternative been pursued more vigorously? This is the same question that arises in connection with the absence of a sensible national energy policy.

Until now energy policy has been determined by industrial management. Industrial managers are motivated in the choice of product, the design of production technology, or the choice of fuel, by profitability. The present policies, which are characterized by the rising price of energy, have thus far yielded good profits to management. But these policies are shortsighted. While they have been profitable in the short run, they have led to the economically catastrophic escalation of energy prices. They have left industry, and the workers who depend on it, vulnerable to the disruptive effects of uncertainties in the future supply and price of energy.

It is perhaps not very surprising that industry has so badly mismanaged the energy problem. We already know how poorly industry has handled the environment problem—creating products and production methods that ignored the effects on the environment in the workplace and outside of it. In the terminology of the "free market" these are all considered "externalities." Such externalities affect workers, consumers, and society as a whole, but do not enter into the computation of profit, "the bottom line,"

until the damage is done and penalties mandated by legislation must be paid.

In this sense, the energy crisis is itself an externality—a fault imposed on society by the failure of the famous "invisible hand" of the free market to govern successfully the national production and use of energy.

Should we expect Washington to do the job? The federal government is accustomed to solutions to externalities—whether unemployment, environmental degradation or energy problems—that only try to soften the worst symptoms—for example, regulations that attempt to "control" workplace hazards, long after the boardroom decisions that created these hazards in the first place have been made and built into the factory. But there is no way to patch up the energy crisis. It will rapidly turn into an economic disaster unless *fundamental* steps are taken.

I am convinced that the opportunity for a solar solution is not only technologically and economically sound; it is also politically realistic. President Carter has already emphasized the importance of solar energy and conservation and has been critical of excessive dependence on nuclear power. He has reminded us that we would do better to rely less on highly centralized, federal attempts to solve our problems and more on our own creative efforts and initiative.

The energy problem is a unique and enormously important opportunity to move in this new direction. And one place to start this new movement is right here in Southern California.

THE AMERICAN SPIRIT—AS LAWRENCE WELK SEES IT

Mr. YOUNG. Mr. President, I was very pleased to read in the January 24 issue of U.S. News & World Report an article entitled "The American Spirit—As Lawrence Welk Sees It."

This article, in a condensed way, gives some of Lawrence Welk's ideas of how to help our young people and how to preserve and strengthen our free enterprise system.

As a band leader, Lawrence Welk is undoubtedly one of the greatest and most successful of all big band leaders. What is unique about him is that his whole band is really what he terms "his musical family."

Lawrence Welk has a tremendous interest in these young people. They work hard to become perfectionists and they achieve great success. Mr. Welk, I note from this article, believes that learning how to work and become a success can and should start at a very early age and his ideas have proven successful.

Through the profit system Mr. Welk so strongly believes in, members of his band share Lawrence Welk's band profits.

I, along with every North Dakotan, am very proud of Lawrence Welk. He is our most admired and respected native son. As indicated in this article, he started work at an early age. He was raised on a farm and when he was very young he had to work extremely hard to make ends meet.

I know personally that his great ambition is to save the free enterprise system and one of the best ways to accomplish this is with his own profit sharing idea with all of his employees.

Lawrence Welk's television programs have been most successful with a huge viewing audience. Untold millions of people like his kind of musical entertainment.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AMERICAN SPIRIT—AS LAWRENCE WELK SEES IT

(Lawrence Welk, who started out in 1927 with a four-piece band in Yankton, S.D., has been a television entertainer for more than two decades. In a conversation with *U.S. News & World Report,* he discusses his concerns about this country and reflects on the public's changing tastes in music:)

"A LOT OF INFLUENCE IS EXERTED BY SMALL TOWNS"

One of the greatest things about this country is that there is a lot of influence exerted on all of us by small towns. There is an honesty and faith about people from rural areas that has had an effect on the entire country, including the cities. Many of the people who live in the cities came from small towns.

I grew up on a farm outside a small town in North Dakota, and I remember the feeling of freedom we had there. You learn to rely on yourself, and it is this same spirit that has made this country great.

FARMERS GAVE US OUR BACKBONE

There is also an underlying toughness about Americans that comes from our farming experience. It can be very hard to try to keep a farm going—I know very well. I grew up on one, and there were years when we had no rain and we had no crops.

When I was a litle boy, prairie fires would come and burn up all the crops, and it was all we could do to plow around the house and save our home. Under those conditions, you have to make the best of a bad situation, and that's what farmers have been doing for centuries.

We owe a lot to the values our farmers have given us.

AMERICANS HAVE LOST SOME OF THEIR "WILL TO WIN"

Unfortunately, over the years, some of our will to win has slipped away from us.

Part of the problem is that lots of young people never have to work or even get the opportunity to work. It's too bad that the child-labor laws, which originally were passed to stop employers from taking unfair advantage of working children, have helped to produce a society in which so few people seem to know how to put in a full day of work.

We need some new kind of education to teach young people how important it is to them and their country to work hard.

TOO MUCH INTERFERENCE FROM WASHINGTON

If we don't change before long, we're going to have a country controlled from Washington, D.C. There will be more people on the public payroll operating out of Washington than are really working and paying taxes out here in the rest of the country.

This is one thing that worries me about the future of America. The biggest danger in this trend is that we'll end up surrendering a lot of our freedoms to the bureaucrats.

FREE-ENTERPRISE SYSTEM IN DANGER

We are still operating under the free-enterprise system, but it is not as effective as it used to be. And that is too bad, because it helped provide the vitality which made this country strong. Now it's under attack, partly because the unions are so powerful.

I have been able to come from poverty to the wonderful position I'm in today because of the free-enterprise system, but it is questionable whether anyone could follow in that same path today because of all the obstacles that have been set up.

"SENSIBLE MUSIC WILL LAST"

The kind of music that will last in America is sensible music: songs that have a melody and harmony that everybody understands. Rock and roll already has tamed down somewhat, and the type of music we play on my television program is attracting more and more young people.

America doesn't like extremes for very long, and our music reflects this.

CUTTING GOVERNMENT PAPERWORK

Mr. McINTYRE. Mr. President, since October 1975 I have served as Cochairman of the Commission on Federal Paperwork, established by Congress. This Commission provides invaluable service to the Members of the Senate, the House of Representatives, and the agencies in the Federal Government. Its work should have a lasting impact.

Recently the magazine, Government Executive, published a lengthy article on the operation of the Commission. I ask unanimous consent that this article, "Ripping Paperwork Out by the Roots," by John F. Judge, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RIPPING PAPERWORK OUT BY THE ROOTS

(By John F. Judge)

How about a Congressionally-created Commission that hit the ground running from the moment of birth, caused legislation to be created (directly and through amendments), earned the respect and cooperation of the Senate, House, Executive Branch, State, and Local governments, and business and industry yet still has almost 10 months to go in its two-year life.

That is an accurate description of the Commission on Federal Paperwork—created by Congress in October, 1975 and, incredibly misnamed from its conception.

For one thing, the term paperwork goes far beyond what is normally assumed to be paper. The involvement is paper, of course, but also data processing, and all of the microform technology—the gathering, storage, retrieval and use of information. It means contracting, procurement and all of the many functions of government other than salaries, pensions and some hard goods.

It is not merely forms management, although this is a critical element.

REVOLUTION COMING

Instead, the Commission, and its Director, Warren Buhler, are convinced that the solution to the paperwork problem will fundamentally change the way Congress and the entire Executive Branch operates.

Because that is the only effective method to eliminate existing, and block the creation of new paperwork obstacles.

For paperwork is the one single obstacle to a responsive government. It is what happens when Government tries to work for and with the citizens, businesses, and state and local governing bodies. And paperwork has so clogged this crucial relationship that a growing number of its victims are now convinced that the Federal Government is a failure. That it is not working.

This is nothing new. It is the growth of the disease that frightens. Rep. Frank Horton, (R-N.Y.), Commission chairman, says that Federal redtape and paperwork has increased by a factor of five in the last 10 years—without checking and coordination.

Buhler has uncovered more ammunition. Defense and Space agency officials readily admit that their contracting procedures gen-

erate 10 percent more paperwork than exists in normal commercial contracting.

Governors are on the record as being perfectly happy with 10 percent less Federal funding if the onerous paperwork could be removed. (Some states and cities have turned Federal aid back because the administrative costs—including paperwork—exceed the funding involved or take such a bite that the programs are all but destroyed.)

State Highway experts all across the U.S. have told the Commission that Federal paperwork is 25 percent of their program costs.

"We have been using the General Services Administration's estimate that Federal paperwork costs are about $40 billion," says Buhler. But a strong case can be made that the true amount is considerably higher."

NO MORE FILE CABINETS?

Last October, the Commission brought together more than 100 career Federal employees who hold management awards for suggestions that cut more than $1.4 billion from the cost of running government.

Their conclusion, after a two-day brainstorming session; more than 30 percent of the current Federal paperwork should be eliminated.

A good portion of the Commission's success to date stems from the fact that *everyone* in Government—Congress and the bureaucracy—fully realize that there is a growing problem, and something must be done.

An indication of the depth of this awareness is that no one at the brainstorming sessions thought a suggestion involving a moratorium on the purchase of new filing cabinets was facetious.

Buhler saw no reason to emulate other past Federal commissions by studying the problem and issuing a report—instead he took a highly activist approach. "We moved out into the agencies, to the affected individuals, businesses and local governments at once. We work with all of them, using their capabilities to resolve specific problems and then learn from these operations what the root causes really are."

And it is this learning curve that is leading to the conviction that the cure will involve basic changes in both the organization and the process of Government.

CONGRESSIONAL MIDWIFERY

The Commission has, from the start, sought to thoroughly define what is meant by paperwork—and found that, in addition to the reports obviously needed by Government, the concept includes record-keeping requirements and information dissemination, and Acts such as the new pension reform program and new credits programs.

In the case of pension reform, the legislation was created because of abuses of the pension rights of employees. "Congress," says Buhler, "set up standards and evolved an administration to carefully monitor pension activities.

"What happened?

"The administration of the program became so difficult and embroiled in paperwork that people were refusing to continue pension plans already in existence and even refusing to set up new ones.

"So the rights of employees were again being harmed, but for a different reason."

The classic approach is still being followed, but with a vengeance. A problem comes to Washington, D.C.; the Government throws money at it and thinks everything is solved. All that really happens is that the problem has been driven back across the D.C. city line.

"Congress has to go beyond just passing legislation and take the next step. The legislature has to ask if the program is really delivering the intended services. That is the step we at the Commission focus on."

Buhler drives one more nail in here. "If you think about it, Government, today, is not focusing on this step and is really not equipped to manage it."

The Commission expects to reach solutions by closing in on this step—seeking effective techniques to deal with the problems that arise in the relationship between the Government and the citizens.

Buhler is doing this by concentrating on specific problems with all comers—government agencies, states, local governments, industry and private individuals.

In so doing, the Commission defines the relationships, learns the costs (bit by bit) and keeps building routes through the paperwork clog. Buhler is not trying to eliminate all paperwork, just the wrong kind.

In dealing with its sources, the Commission listens and works with the source to define and then alleviate the burden. "There is very little resistance to us because government people want to get rid of the paperwork problem themselves."

LEAPING OFF THE EDGE

One example is the Federal Power Commission. The agency is instituting a new computer system which has a "terrific potential for cutting costs and improving their information network.

"But the FPC went at it without giving consumer groups, the industry it regulates and the various state public utility bodies full opportunity to work in the development of the system.

"So industry is up in arms claiming that some of the requested data is far too costly to gather. (The FPC, in one instance, wants to know the locations of all the sales meters in the U.S. down to the minute in geographical coordinates.)

"Another element is that some of the information is not kept by the firms in the manner desired by the FPC system. And the consumer groups have no idea as to what the information system of the FPC will be in a few years and they are worried—because the FPC decisions will be based on this manipulated data out of their huge computer system.

"We are meeting with all of the affected parties and talking about the data bits involved. Is this mundane? Of course it is. Is it necessary? It is everything. It is what the FPC will be basing its decisions on and the involved costs to the public are fantastic."

One of the issues the Commission wants to develop with the FPC is that the regulatory body is using formal rule-making processes to develop the information system.

"When you talk to the data managers and comptrollers being affected you find that they do not know what a formal rule making process is—they are caught up in an overcomplicated legalistic system when what they want to do is sit down with the FPC and try to work out the information structure.

"The FPC is heading into a big mess in the next few years."

There is a big problem in energy. So many different government bodies are all after the same information but asking for it in different ways so that they get back a "slew of different numbers."

"Then the industry is accused of lying. I don't know about that, but I do know that you cannont expect the same answers if you ask different questions."

WRONG ASSUMPTIONS

The Commission has uncovered some fairly fascinating aspects of the government's insatiable appetite for information. The vast majority of such requests do not carry civil or criminal compliance penalties. But Buhler has found that the victims—the taxpayer, the businessman, the professional man, the citizen—all think that the requests are demands with the full force of the Federal Government behind them.

"They get the idea that if they don't fill out and return some Commerce Department survey that the Army, Navy, Marines and the IRS will descend on them."

And, Buhler notes, "there are so many instances where we have found information flowing into Washington and into warehouses."

Paperwork clogging is not unique to the Federal complex. It also clogs local government—but they are within easy reach of the victim.

"Someone," says Buhler, "estimated that paperwork costs business upwards of $124 billion a year—and a large part of this is driven by Federal requirements."

It is not all bad—the Commission singles out the Environmental Protection Agency as now going through a zero-based analysis of their paperwork and "they are handling it well."

Social Security is aonther gleam of light in the darkness. That agency is working with the Commission in structuring their computer system so that re-creation of the file is not necessary—as it is now—when benefits are claimed in one region while the individual entered the system years ago in a distant region. "This is one area where complicated and confusing paperwork hits those least able to handle it."

The Commission has been busy. "We have made, to date, some 236 recommendations and about 220 are actual paperwork savings while others are more a case of encouraging someone to look at a problem.

"Quantifying is difficult but one group has already documented more than $100 million and the City of San Diego expects to cut 40% from their administrative costs."

And the Commission is involved with about 130 of the Fortune "500" companies in paperwork studies. A number of these firms had never looked at the problem before.

Buhler has no plans to ask for any extension of the Commissions statutory life. "We will go out of business as planned in October, 1977."

But the same high-powered legislation that created the Commission also binds the Office of Management and Budget to report every six months for two more years, on exactly what has been done with the Commission recommendations.

"We cannot depend on this," says Buhler, "we have to prove that things can be done about this morass. We have to give people the tools and put pressure on them to use them."

What Buhler and the Commission are doing is treating information as a resource and showing that, once identified, the normal management tools of budget, appropriation and other controls can be brought to bear to end, finally, the burden.

In so doing, the Commission should point the way for a Federal Government to once again start doing things for the people—instead of to them.

THE UNITED STATES AND SOUTHERN AFRICA

Mr. PERCY. Mr. President, the people of southern Africa are watching for signs of whether the United States will pursue and strengthen the initiatives that were begun last year in regard to Rhodesia, Namibia, and South Africa.

The New York Times points out how—

Secretary Kissinger committed American diplomacy in favor of black rule in Rhodesia, in favor of independence for Namibia and firmly against the hateful and suicidal policies of "apartheid" and "homelands" by which South Africa has tried to keep blacks segregated, disfranchised and impoverished for all time.

The Times continues—

That exercise now seems to have faltered and white and black throughout the region are looking to Washington for a way out. The black nationalists of Rhodesia and neighboring nations have stoked up a guerrilla war that the white Government of Ian Smith may be containing militarily but is clearly losing economically. The blacks are also keeping alive the threat of greater Soviet involvement.

Ian Smith has stated that the five points put to him by Secretary Kissinger last fall were a basis of discussion and not a firm commitment on anyone's part. The Geneva Conference and Ambassador Ivor Richards round of meetings have since shown that new proposals are needed.

The Times' editorial concludes that—

If the counsel of peaceful change is still to be heeded, the United States must now match deeds to hopes and buttress the British intervention in Rhodesia . . . American action must be orchestrated . . . if even more painful choices are to be averted.

Mr. President, so far only a few modest steps have been taken. The State Department has criticized Ian Smith's approach to negotiations. Senator HUMPHREY and Senator CLARK have introduced a bill, which I strongly support, to repeal the Byrd amendment. We must also continue to find ways to use our economic influence in South Africa to persuade that government that it is in its deepest self-interest to put further pressure on Ian Smith. It must also be impressed on the Government of South Africa, for its own sake as well as every moral consideration, that the time has come to reform its own internal racial policies as a matter of national interest in stability, harmony, and peace. Ambassador Andrew Young is in southern Africa now to emphasize the high priority the Carter administration plans on finding a just and lasting solution.

Mr. President, I ask unanimous consent to include in the RECORD the full text of the January 27, 1977 editorial, "Southern Africa Begs to Know."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOUTH AFRICA BEGS TO KNOW

Even while we debate the range of our concern—and stake in—human rights abroad, events crowd in upon us, most poignantly this week from southern Africa. The United States has now been cast as the last hope of moderate forces throughout that region as they seek to avoid a vicious racial conflict whose poison would quickly spread to our own multiracial society. The struggle touches our humanity and our domestic harmony, interests that far transcend the objectives of also containing Soviet influence.

The world has failed, through years of moral pressure and some economic sanctions, to persuade the Government of Rhodesia, representing 275,000 whites, to yield political power to its six million blacks. It has failed to persuade the white Government of South Africa to yield clean political and economic control over South-West Africa—the large region it governed as "trustee"—to 900,000 indigenous blacks who wish to become independent Namibia. And it has largely failed to persuade the Government elected by four million white South Africans to begin to share power with 16 million blacks and riches that are historically theirs.

We have been adjusting our official posture toward these conflicts in recent months, but all sides wonder now whether the Carter Administration has the courage of the evolving American conviction.

As the Portuguese grip in southern Africa suddenly collapsed in 1974–75, the tides of black power and nationalism spilled inevitably southward. Henry Kissinger's abortive attempt to resist Soviet—and Cuban—interference in Angola and to shape its black government was the first recognition of danger ahead. When that failed in a Vietnam-weary Congress, Mr. Kissinger last turned the American position in a few short weeks to a path from which there is no longer any escape.

He committed American diplomacy in favor of black rule in Rhodesia, in favor of independence for Namibia and firmly against the hateful and suicidal policies of "apartheid" and "homelands" by which South Africa has tried to keep blacks segregated, disfranchised and impoverished for all time. With great skill—and perhaps too many vague promises—he brought black and white Rhodesians into negotiations so as to avoid war and gain time. It was a devilishly difficult game because it required pressuring South Africa on the one hand while also enlisting South African pressure on the white Rhodesians. It depended on everyone's desire to find a transition to black rule and willingness to let the British manage the transition.

That exercise now seems to have faltered and white and black throughout the region are looking to Washington for a way out. The black nationalists of Rhodesia and neighboring nations have stoked up a guerrilla war that the white Government of Ian Smith may be containing militarily but is clearly losing economically. The blacks are also keeping alive the threat of greater Soviet involvement. The embattled white regimes of Rhodesia and South Africa, meanwhile, cannot wholly believe that in the end the United States would undermine their outposts of "Western" and "anti-Communist" civilization.

If the counsel of peaceful change is still to be heeded, the United States must now match deeds to hopes and buttress the British intervention in Rhodesia. Discouraging Mr. Smith from a deal with relatively tame black leaders was a proper start yesterday. Rejoining the United Nations embargo by halting purchases of Rhodesian chrome would be a further step, well worth the fight it would take in Congress. Pressing further on sensitive economic nerves in South Africa, badly wanting Western investment now, should bring the double benefit of additional threat against Rhodesia and incentive for more rapid domestic change.

Andrew Young, President Carter's friend and new representative to the United Nations, will tour the area next week. He knows the pressure points and his moderate, black voice will carry enormous weight. But American action must be orchestrated in his support if even more painful choices are to be averted.

PROTECTING AMERICA'S FOOD AND FIBER

Mr. HUMPHREY. Mr. President, last Friday my colleague, Senator JOHN CULVER, of Iowa, presented testimony to the Committee on Agriculture and Forestry during field hearings in Iowa on the upcoming farm bill. Iowa, like my own State of Minnesota, faces growing uncertainty over next year's production prospects in the face of the continuing drought. Senator CULVER's testimony focused on two programs which are of great importance in light of this condition, the Federal Crop Insurance Corporation and the agricultural conservation program. I ask unanimous consent that Senator CULVER's statement be printed in the RECORD so that we might all benefit from his views as we prepare for this important farm and food legislation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN C. CULVER

Mr. Chairman, S. 272, the Food and Agriculture Act of 1977, promises to be one of the most important pieces of legislation to come before the Congress this year. I am glad to have the opportunity to present these comments to the Committee as we begin the process of shaping new legislation to meet the needs of the nation's farmers and consumers.

The bill, as it is, incorporates in its provisions what I consider a very positive change in policy by basing commodity loan rates and target prices on farmer costs of production. I was also very pleased to see the attention given to our agricultural research system. While I have reservations about some of the specific provisions of this title (Title VIII) of the bill, a comprehensive review of Federal policy for agricultural research is long overdue. The last such review took place over twenty years ago, in 1955, when numerous fragmented programs were consolidated under amendments to the Hatch Act of 1887. I hope that the proposals in S. 272 will stimulate as positive a contribution to our agricultural research needs as did that act of twenty-two years ago.

There are two issues, however, which I consider of vital importance to Iowa and to the nation which are not sufficiently addressed by this bill as it stands. These are disaster assistance and soil conservation. Senator Talmadge, Chairman of the Committee on Agriculture and Forestry and author of the Food and Agriculture Act of 1977, mentioned the need of action in both of these areas when he introduced S. 272. I would like to urge the entire Committee to pursue these areas vigorously and incorporate the needed changes into the Food and Agriculture Act of 1977.

The need for quick action in these areas is accentuated by the current drought conditions in the Midwest and by the accelerated pace of soil erosion in recent years. At a time when there is still considerable uncertainty over the world's ability to produce enough food to meet its needs, we cannot afford either to leave today's farmer unprotected in the face of natural disasters or to leave tomorrow's farmers and consumers unprotected in the face of a diminishing supply of topsoil.

About a month ago I submitted testimony before the House Agriculture Committee's Subcommittee on Conservation and Credit which was chaired by then Representative, now Secretary of Agriculture Bob Bergland. The Subcommittee was examining the need for new legislation in the area of disaster relief. I would like to reiterate one point that I made in that testimony: that this nation cannot afford to lay on the farmer the full burden of carrying the risks of natural disasters in agriculture. The lost income consequent to such disasters undermines the farmer's ability to invest in both the conservation practices and the machinery and equipment necessary to insure ample food supplies in the future. In addition, I believe that our society has a responsibility to help alleviate undue hardships suffered by victims of natural disasters, farmers or nonfarmers.

The Federal Crop Insurance Corporation has been providing just such assistance since 1939. The Corporation has operated since that time out of an original authorization of $100 million in capital stock. In addition to this original authorization, $6 million annually from 1939 to 1941 and $12

million annually from 1941 to present have been appropriated to help cover the administrative costs of the program. Annual administrative expenses above these levels have been paid out of capital stock. All insurance losses over the years have been paid out of participating farmers' insurance premiums.

At present the Federal Crop Insurance Corporation has $2 billion in coverage on crops grown by farmers in 1,467 counties. The participation rate in those counties, based on eligible acreage, was 13 percent in 1976. This percentage would have gone higher had the Corporation not been forced to cease accepting new applications for insurance in much of the drought affected area of the Midwest in August and September of 1976. Had new policies been issued at the time, substantial losses would have been a near certainty. The Corporation would then have been forced to raise the premiums for all policy holders in order to cover the expected losses. This would have been unfair to those farmers who had carried crop insurance and paid their premiums throughout both the good years and the bad.

A portion of the blame for this action also falls on the Congress. The $12 million annual appropriation for administrative expenses has long been insufficient to cover the actual administrative expenses of the program. Operating expenses for the Federal Crop Insurance Corporation in 1976 were about 20 million dollars, or about 22 percent of total outlays. This compares favorably to private insurance companies where administrative expenses average 33 to 35 percent of total outlays. Because the annual Federal contribution to program operating expenses has not been raised above the $12 million authorized in 1941, the Corporation has almost depleted the original $100 million in capital stock. At this time there is only $10 million of that $100 million left, and if projected administrative expenses for 1977 ($22.5 million) are accurate, that $10 million will not be sufficient to meet the Corporation's needs. Without swift action this year the program's service to the nation and to the farmers covered and desiring to be covered by crop insurance will be seriously jeopardized.

A related program is the Disaster Payments Program authorized by the Agriculture and Consumer Protection Act of 1973. I urge the Committee to reassess the equity considerations involved in this program. Currently the program is rife with inequities both between different farmers and between different crops, arising from inconsistent and ill-designed eligibility criteria. Archaic acreage allotments have undermined eligibility for many of the nation's most productive farmers. Cotton producers who are prevented from planting cotton may qualify for disaster payments, then proceed to plant and harvest another cash crop, whereas corn and wheat producers are restricted, and I think rightly so, to replanting a noncash conserving crop in order to remain eligible for disaster payments. Soybeans, the third largest cash crop in the country, are not even eligible for disaster payments.

On the other hand, crop insurance is available on a broad range of crops, including soybeans, and is both a more effective and more equitable means of providing protection to the nation's farmers. Federal Crop Insurance Coverage provides payments which approximate a farmer's direct costs plus overhead. Disaster payments provide much less protection and at a much greater cost to the taxpayer. If we took only a portion of the money spent in the Disaster Payments Program and put it into the Federal Crop Insurance Corporation, we could not only vastly increase the protection afforded American farmers, but also substantially reduce the inequitable treatment inherent in our present disaster relief programs. Perhaps then the Corporation could reopen its doors to those farmers who are presently unprotected without penalizing those who have long subscribed to crop insurance.

On the topic of soil conservation, several members of this Committee have expressed their support for a bill which would limit the Agricultural Conservation Program's cost-sharing assistance to "enduring" conservation measures and eliminate support for annual practices. The need for long-term conservation measures is undisputed. In Iowa alone two-thirds of the state's 27 million acres of cropland are not sufficiently protected against erosion. Much of this unprotected land desperately needs to be laid out on the contour and terraced.

Still, such long-term measures alone will not do the job. Mr. Bill Greiner, the Iowa Director of the Department of Soil Conservation, has pointed out that contouring a field with a two to five percent slope will double the life of its topsoil. Building terraces on the contour will add another 42 years to a topsoil life of 72 years without terraces. But if a farmer contours, terraces, and uses the best-known tillage and soil management practices, that original topsoil will last over 2,000 years, long enough to make new topsoil to replace that which is lost.

If we should take any lesson from these figures it is that soil conservation is more than permanent structures. It is more than long-term agreements. Soil conservation is a way of farming that includes both enduring structures and annual practices. Some of these practices impose costs on the farmer year after year while providing him with little or no return in the short run. If this Congress bans cost-sharing on all annual conservation practices, benefits from the investment in "enduring" measures would also be substantially undermined. In the end we would spend more money for less protection than we have now.

In response, many argue that the annual practices being made ineligible for cost-sharing are primarily production practices, and as such the farmer should pay for them. To the extent that this is true, I am in full agreement. But such is not the case with many of the practices currently supported by the Agricultural Conservation Program on an annual basis. Even in cases where the farmer derives some contribution to this annual production, that contribution is often insufficient to cover his costs of implementing the practice. The Agricultural Conservation program is a cost-sharing program, not one in which the government covers the full cost. If the farmer derives immediate benefits from the practices on which the government has cost-shared, I hope that the Committee, in its deliberations, will assess those benefits in light of the contribution to cost that the farmer has made. More important, I hope that the Committee will assess the Agricultural Conservation Program primarily in light of the contribution its activities make to the conservation of the soil. Practices which do not make meaningful contributions to soil and water conservation should not be eligible for assistance under this program. But we must be careful not to disqualify practices which are vital to the preservation of the nation's soil and water resources solely because they must be repeated each year.

There is one final point that I would like to make on this issue which reaches beyond soil conservation alone to the broader set of programs for agriculture. Soil conserving structures on the land are expensive. They are often beyond the means of the small farmers even with government cost-sharing on 50 percent of the cost. Yet, with assistance, the small farmer can afford to implement some of the less expensive annual soil conserving practices. Eliminating eligibility for cost-sharing on annual soil conserving practices effectively eliminates the small farmer from participation in the program. Eliminating any farmer's opportunity to cooperate in this important program is neither in the interest of soil conservation nor in the interest of America's farm families.

Mr. Chairman, I thank you again for this opportunity to present my views on these important issues, and I commend you for insuring, by these hearings, that the views of many other Iowans will also be available to the Committee and the full Congress in their deliberations on the Food and Agriculture Act of 1977.

PERMANENT JOBS FOR AMERICA'S FUTURE—THE REPUBLICAN ECONOMIC PACKAGE

Mr. HEINZ. Mr. President, as a cosponsor of the economic recovery program developed by Senate Republicans, I want to emphasize my strong support for this legislation. The development of this compassionate and sensible approach was a cooperative effort among all the Republican Members of the Senate, and I particularly want to compliment my colleagues for their hard work and superb work product.

It is apparent that our economy has begun a natural and broadly based economic rcovery which must be sustained. It is equally apparent that we need both long- and short-term economic packages to maintain this recovery and to provide for continued improvement in the unemployment rate. The net cost of the economic package which we are introducing is $21.1 billion over a 2-year period, versus the $27 billion price tag of President Carter's economic program. The returns of this package are calculated to produce employment and growth rates at better than the 6-percent unemployment rate and the 6-percent growth rate suggested by President Carter and others as appropriate economic goals for the same period of time.

The Republican program directly addresses what is the core of our economic problem—hard core unemployment—while the President's program is less specifically targeted at this most difficult problem. It is relatively easy to propose measures to deal with recession-caused unemployment, but that represents only the surface of our economic difficulties. Permanent recovery demands permanent—as well as carefully targeted—programs, such as those we are proposing today.

First, the reduction in corporate tax rates included in our program would have the particular impact of stimulating small business, while at the same time giving some form of tax relief to all corporations. Since most service-oriented businesses are relatively small and labor intensive, this proposal would have an especially favorable impact on the rate of unemployment.

Second, our proposal to give credits for employers who hire the hard-core unemployed is another specific incentive to reduce joblessness. Approximately 3 percent of the currently unemployed population consists of persons facing particular difficulties in finding a job and acquiring marketable skills and experience. A tax credit focused on in-

dividuals who have been unemployed for 26 weeks or longer, such as that proposed by Mr. BAKER, would channel benefits directly to those most in need of work experience and earned income, precisely the groups that need the most special attentions but are shortchanged by the President's proposal.

Third, it is important that a tax cut be a permanent one, rather than the temporary rebate suggested by President Carter. Studies have been done which show that temporary rebates do not provide stimulus to sales of major durables or nondurables.

Fourth, another specific proposal to reduce unemployment is our bill providing accelerated depreciation for investment in high unemployment areas. Such an incentive would encourage businesses to increase activity in particularly impacted areas. Again, benefits would be funneled directly to those most in need of work experience and earned income.

Fifth, we have talked frequently about the disproportionate share of the unemployed represented by youths between the ages of 16 and 24. The Republican proposal provides for a comprehensive program of manpower services for youth, including work experience, on-the-job training, classroom training, and public service employment, under a newly introduced CETA title VII, the Youth Employment Act.

Sixth, this program also introduces a stock ownership proposal, designed to stimulate stock purchases by lower- and middle-income investors. Maximum tax benefits in this proposal would focus on persons earning less than $20,000, but would also benefit those people in the $20,000 to $40,0000 income bracket.

Finally, this legislation provides for a tax credit designed to encourage residential insulation—specifically, for a refundable credit of 30 percent of the first $750 insulation expenditure, including thermal windows and storm doors. Such a proposal not only has economic implications, but also takes a long-overdue step toward a Federal response to the problem of energy conservation. Legislation similar to this was approved by both House and Senate at different times during the 94th Congress. The proposal has wide acceptance, and we should act on it soon.

There are two other aspects of the proposed program I feel are not high priority at this time. They are the increase in the tax exclusion for dividends and the exclusion from income for some interest earned on savings accounts.

With respect to the exclusion for dividends, it is my view that such a move will neither significantly increase investment nor make our total tax burden more equitable. It is true that the double taxation of dividends at the corporate and personal levels is a serious problem, but that should be dealt with comprehensively, not in a piecemeal fashion as part of a jobs/economic stimulus program. We should carefully look into the dividend problem by itself and develop a permanent solution for it.

With respect to the interest exclusion, I feel it would be counterproductive at this time to encourage this form of consumer saving when we are simultaneously trying to stimulate consumer spending in order to boost production. This is not a consistent policy approach, although at another time an interest exclusion might well be an appropriate policy tool.

In summary, the Republican economic recovery package provides, at a lower cost to the American taxpayer, more jobs to the American people than does the package submitted by President Carter, and it does that by dealing comprehensively with structural unemployment through narrowly targeted programs. Solving structural problems is much more difficult than a broader policy of stimulus, but it is an approach more in line with the Nation's real needs and it is one which will provide more permanent economic recovery in all sectors at a lower cost.

JOHN W. HUNTINGTON

Mr. RIBICOFF. Mr. President, John W. Huntington, a former Mayor of West Hartford, Conn., died Thursday, December 23, 1976, in the Hartford Hospital after a long illness. He was 66.

John Huntington was a close and longtime friend of mine and he will be deeply missed by all of us who knew him and benefited from his wisdom, judgment, and companionship. Mrs. Ribicoff and I extend our most heartfelt sympathies to John's widow, Patricia Shaffer Huntington, and to other members of his family.

John Huntington was an architect—a much respected and brilliant architect with the Hartford firm of Huntington and Darbee—and a dedicated and resourceful patron of the arts. In both these pursuits, he distinguished himself, bringing to these efforts rare ability and excellent taste. Be it in the design of a building or arrangements for an exhibit of paintings, if John Huntington was involved all of us knew that the public interest would be served—and that the project would be reflective of John's grace and good manners and decency.

John Huntington, architect and patron of the arts, was also active in local politics. He was that unique blend of person who, while engaged in a career outside government, works unselfishly at the local level to make our democratic system work. It is such a combination of citizen-politician who breathes new life and vigor and idealism into American Government and politics. Without such men and women, our system could not succeed.

John Huntington was a Democrat. As a member of the Connecticut House of Representatives, as a Congressman, as Governor and as a U.S. Senator, I turned to John many times for advice and support. As the saying goes, John Huntington was a good Democrat, loyal to his party, a source of strength to his party's candidates and officeholders. John himself, a councilman in West Hartford for 10 years, was only the second Democratic mayor in his town's history.

But the lesson of John Huntington's life as a citizen-politician was not his party affiliation—for the John Huntingtons of this democracy serve in both the Republican and Democratic Parties, and they are found in great numbers among political independents as well. The legacy John Huntington leaves us is not one of party or partisanship but rather one of dedication to public service, dedication to the noble principle that all Americans, no matter what their views, or walk of life or vocation, have the opportunity to serve and the responsibility to exercise their talents for their community.

West Hartford and my State of Connecticut have lost a rare public servant. John Huntington will be missed by all of us.

Mr. President, I ask unanimous consent that John Huntington's obituary from the December 24, 1976, Hartford Courant; letters to the editor in the December 30, 1976, West Hartford News from Harry D. Kleinman, West Hartford Democratic town chairman; a resolution in commemoration of John Huntington adopted January 27, 1977, by the West Hartford Democratic town committee; and an article from the Hartford Courant of February 4, 1977, concerning the town committee's resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Hartford (Conn.) Courant, Dec. 24, 1976]

J. W. HUNTINGTON, ARCHITECT, 66, DIES

Architect John W. Huntington, a lifelong arts patron, and politically active Democrat and former mayor of West Hartford, died Thursday at Hartford Hospital after a long illness. He was 66.

A senior partner in the former Hartford architecture firm of Huntington and Darbee, he was elected in 1971 to the College of Fellows of the American Institute of Architects (AIA)—the second highest honor the professional organization bestows.

Huntington retired from political office that same year after serving a decade on the West Hartford Town Council, including two years—1967–1969—as mayor. He was only the second Democratic mayor in the town's history.

"It his been a rewarding, usually interesting, sometime exciting experience," Huntington said of his council career on retirement, "but after 10 years the rewards and excitements seem to lessen. Unless one can do a job with passion, one isn't doing it well. This is the case with me."

During his council tenure, Huntington helped win approval of plans for the new Hall High School. He was in the minority with Democrats who unsuccessfully opposed plans to build the Westfarms Mall shopping center, claiming it would destroy residential lands.

Although he had bowed out of personal political campaigning, Huntington remained active in the Democratic party. Just three months ago, he and his wife were hosts of a fund-raiser at their 159 Bloomfield Ave. home for Secretary of the State Gloria Schaffer's U.S. Senate campaign against incumbent Lowell P. Weicker.

Huntington demonstrated great personal interest in the arts and owned a collection of contemporary paintings, drawings and graphics. He was a fellow in perpetuity of the Wadsworth Atheneum, having donated money and, with other family members, a pair of portraits by the artist John Trumbull to the museum's collection.

Huntington was a member of the Atheneum's board of directors from 1949 until his death and once served as president, from 1972 to 1974.

He was a founding director of the Hartford Stage Company and its first president, having served from 1964 to 1968. Since 1968, he had been chairman of the company's board of directors.

AS ARTISTIC FORCE

Paul Weidner, the company's producing director, credits Huntington as a major force in establishing the stage group financially and artistically. Huntington took special pains to insure the board did not interfere in the artistic policy of the theater, said Weidner, who termed Huntington's death "the passing of an era."

Huntington, the son of the late Robert W. Huntington, a former president of Connecticut General Life Insurance Co., was graduated from Kingswood School, from Yale University in 1932 and from Columbia University School of Architecture in 1936. He began his professional career with the architectural firm of Harrison and Fouilhoux and later worked as an associate architect with the U.S. War Department on the design of the Pentagon and as chief engineer in the Signal Corps.

At the end of World War II, he established a practice in Hartford, his birthplace. His major architectural projects include St. Mark's Chapel at the University of Connecticut, for which he received the AIA's bronze medal in 1956, renovations to the Wadsworth Atheneum in 1967–69, Hartford College for Women, the Children's Museum in West Hartford and the Suffield Academy gymnasium.

He was a past president of the Children's Museum, a patron of the Hartford Symphony Orchestra, trustee of the Noah Webster Foundation, the Hartford Art School and the Horace Bushnell Memorial, former vice president of the Connecticut Commission on the Arts, member of the Hartford Club and corporator of Hartford Hospital and the Institute of Living.

He leaves his wife, Mrs. Patricia Shaffer Huntington, two sons, John W. Huntington Jr. of Chicago and Derek U. Huntington of Cambridge, Mass.; a daughter, Mrs. Sara Ohly of New Haven, and a grandson.

A memorial service will be conducted Thursday at 2 p.m. at Trinity Church, Sigourney Street, Hartford. Pratt Funeral Home, Hartford, is in charge of arrangements. Memorial contributions may be sent to the Wadsworth Atheneum or the Hartford Stage Company.

RESOLUTION

Whereas, John W. Huntington of West Hartford, Connecticut died on December 23, 1976; and

Whereas, John W. Huntington for almost his entire adult life was a towering symbol of integrity, intelligence and devotion in political service to his community; and

Whereas, John W. Huntington took his positions on the significant issues of his time with care and with concern, and then never retreated from seeking to achieve those high goals he set for himself and his party; and

Whereas, John W. Huntington was known as a gentleman by ally and opponent alike no matter how heated a political battle became, and one whose sound thinking and enthusiastic support for public education were of the greatest significance at a crucial time in the history of the development of West Hartford; and

Whereas, John W. Huntington unstintingly and continuously used his enormous talents to help those less fortunate than himself, and as only the second Democratic mayor in the history of West Hartford, honored the Democratic Party by his record of achievement;

Now, therefore, be it resolved by the Town Committee of the Democratic Party of West Hartford that this Committee express its deepest sympathy to the family of John W. Huntington and that it also express the appreciation of all members of the West Hartford Democratic Party for his countless meaningful contributions for a better life to be shared by all the people.

[From the West Hartford (Conn.) News, Dec. 30, 1976]

OUR TOWN IS BETTER BECAUSE HE SERVED

To the Editor:

John Huntington was a rare person whose passing at the height of an outstanding life and career leaves a void in our community and our state.

Every facet of our lives has been the beneficiary of his creative activity.

In politics he identified himself with the Democratic Party in West Hartford when it was not expedient to do so. He served as councilman and mayor of West Hartford—where he brought integrity, dedication and compassion to West Hartford.

His accomplishments as an architect are seen in the beauty of the structures that he so skillfully designed.

His vigorous identification and leadership with the entire spectrum of the cultural and civic life of our community do not have to be restated.

But with all that he did—and did so well—he was in the truest meaning a gentleman, courteous and considerate and concerned about the welfare of his fellow citizens.

He represented the type of person whom we too rarely see, but whom we sorely need—pro bono publico.

Our community is the better because John Huntington was one of us.

HARRY H. KLEINMAN.

[From the Hartford (Conn.) Courant, Feb. 4, 1977]

TRIBUTE PAID BY DEMOCRATS TO HUNTINGTON'S MEMORY

WEST HARTFORD.—The Democratic Town Committee has adopted a resolution praising former Mayor John W. Huntington, who recently died after a long illness.

The resolution was unanimously adopted by the committee. It was drafted by former Town Councilman Robert Krechevsky, said Committee Chairman Harry H. Kleinman.

It states Huntington, "was a towering symbol of integrity, intelligence and devotion of public service to his community."

"John W. Huntington unstingily and continuously used his enormous talents to help those less fortunate than himself," it says.

Huntington was praised for work he did for the Democratic Party in town.

UNDERSTANDING OIL PRICE RESTRAINT

Mr. PERCY. Mr. President, the Washington Star on January 7 carried an excellent article by Charles Bartlett entitled "More to Saudi Strategy Than Deference to U.S." The article presents an astute analysis of the recent effort by Sheikh Yamani of Saudi Arabia to hold down oil price increases.

The Saudi's position must be interpreted not only as a friendly gesture toward the West but also as a new and active interest in the health of both industrialized and developing economies. Arab investments in Western nations make it advantageous for them, as well as for us, to insure financial stability.

Mr. Bartlett also points out that now is the time for demagoguery to end on the energy issue. The Nation needs courageous and foresighted leadership if we are to deal wisely with energy concerns. We vitally need to practice energy conservation. Effective leadership in this field must come from both the Congress and the White House.

Mr. President, I commend Mr. Bartlett for his cogent editorial, and ask unanimous consent that it may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MORE TO SAUDI STRATEGY THAN DEFERENCE TO U.S.

(By Charles Bartlett)

A serious miscalculation will result if the Carter administration misreads the OPEC split on oil prices as a deferential gesture instead of as an act of concern for the West's economic weakness.

This point is being strongly made by Sheikh Yamani, the Saudi Arabian petroleum minister, in the wake of his lonely stand against the 10 per cent price rise. He is candid in conceding that his strategy was partly aimed at influencing Washington's negotiating positions in regard to the Middle East and the developing nations. But there was more to it.

All agree that Yamani was sincerely anxious to avoid disrupting the fragile recovery of the Western industrial nations. "We are extremely alarmed" by the possibility of another recession, he has been saying, and worried by the Communists' potential in France, Italy and Spain. The Saudis do not want different regimes to come to power in those countries.

In a New Year's message to his people, West German Chancellor Helmut Schmidt chided them for their apprehensions when the Arabs began investing in German industry. "Today we consider it an advantage," he said, "that our most important oil suppliers can pragmatically learn through their participation in our industry what the tightening of the oil-price screw means for us and our economy." Schmidt contends that nothing will again be as it was before the oil price crisis of 1973 launched "a profound process of change."

The new president of the European Commission, Roy Jenkins, recalls that four years ago the small nations of Europe feared the dominance of four large nations: Italy, France, Great Britain and West Germany. Two years later they had only Germany and France to fear. Now, as Jenkins puts it, "Germany is alone in a condition quite different than the others."

As Yamani points out, the industrial states have not made "any tangible progress" in saving energy despite the erosion of their economic power since 1973. Outgoing Secretary of the Treasury William Simon says his greatest regret of the past four years is that American oil policy is still shaped more by political demagoguery than by economic principles.

He does not disagree with Yamani who attributes the West's failure to "a lack of effective political leadership."

Jimmy Carter's urgent need to embrace a responsible energy policy will severely test his penchant for politically popular positions. Ford aides were annoyed during the campaign to discover that a major piece of Carter's energy policy had been lifted intact from unreleased papers of Ford's Energy Resources Council. And even then, Carter limited his advocacy to the moves that would not pinch the public.

The impending hassle to induce Congress to consolidate energy activities into one agency is an important reform. The fragmentation of the legislators' responsibility for energy policy is one reason why Congress has never attained a responsible posture. But as

Frank Zarb, the outgoing energy chief, points out, reorganization will not produce more oil or solve the energy problem.

Zarb and Elliot Richardson, who chairs the ERC, have produced a paper which details the administration's proposals in conservation and energy development. They did this to illuminate the issues as well as to discourage the Democrats from putting Carter labels on Ford proposals.

The galling act is that "effective leadership" on the energy front will oblige Carter to concede the validity of Ford initiatives which were rejected by the previous Democratic Congress. This is an awkward step for a new President, but the fragility of the Western economies makes it crucial. The time for political games on the energy front is past.

AMERICA'S FARM POLICY: A FARMER'S PERSPECTIVE

Mr. CHURCH. Mr. President, a recent issue of the Idaho Statesman contained an article written by John Hiler, a Mountain Home farmer and businessman. Mr. Hiler presents a very interesting view of our Nation's agricultural policies. Inasmuch as Congress will soon be called upon to deal with the farm programs which are scheduled to expire this year, I commend this article to my colleagues as a valuable source of insight into the farmer's perspective.

I ask unanimous consent that the article by Mr. Hiler be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Idaho Statesman]

SURVIVAL MAY DEPEND ON DEFINITE FARM POLICY

(By John Hiler)

MOUNTAIN HOME.—Across Idaho and across the nation, the food producers (farmers) of America are on the move. Moving off the land and into town, which is the direct result of a national policy to disregard six per cent of the population and place them at the mercy of the wolves of exploitation and bureaucracy.

In Idaho, the farm auction companies are booked solid through March, 1977, as agriculture suffers the consequences of a request by the people of America and the world to produce great amounts of food so others could afford to live. The call was answered by American agriculture with a tremendous outpouring of produce never before seen in our history, and now John Q. Farmer will be made to pay for his mistake—the mistake of listening to the appeal of a secretary of Agriculture who said, "Plant more because we can use it all"; of listening to the appeal of a hungry world, and most of all to his own inborn American desire to do the job which once and for all puts his business on a paying basis without bureaucratic influence and control. And when he had done the job he was asked to do—the Russians had been fed, the import oil bill had been paid and there was plenty for all—he is told, "We all have what we want—oil, big profit percentages, higher wages. Now you find your way out of the dilemma of over production."

More is involved here than whether a few or many American farmers survive or fall by the wayside. The real question is whether or not American agriculture remains as this nation's "ace in the hole" for the future. The simple growth of world population through the next 24 years foresees a shortfall of food by the year 2000, and that is with agricultural production at a pace comparable with present expansion. The whole series of recent events gives one the uneasy feeling that someone, somewhere knows more than we do about the future of food and what its real power in the world will be.

As finite world resources are used and become more valuable because of scarcity, the use of these resources will be channeled into the areas of definite need for human survival. Those who control the basic means of survival will have the power that money cannot buy. This places money not as the ultimate goal but only as a tool to reach the final control and power, any government or known force notwithstanding. A scary theory and hopefully only imaginative, but possibly food for thought.

Here in our own state, agriculture fills the roll of primary industry helping to stabilize our economy through times of national recession and only recently providing us with a sure buffer from national unemployment and related economic misadventures. But, day by day, we see and hear stories of people losing jobs because of no snow or motel closures.

If 100 farmer-food producers are forced to leave the land because of low prices received for products sold and high prices for products purchased, the overall effect will be formidable.

Idaho's agriculture has lost approximately $100 million this year. There is no other industry in the state which could stand this loss and there is no real assurance that agriculture can stand it. The bitter frustration is knowing it is all so unnecessary. A farmer-food producer can stand the chances he must take with the weather and acts of God and make do with what is left. But, when he knows that he has been and is being used, his frustration knows no bounds. The price of wheat drops by half, but the price of bread doesn't decrease. The price of beef drops by one-third or more, but where is the comparable drop at the local supermarket? In fact, some of these prices have risen as the middleman gets his "pound of flesh."

While we are on the subject of food production and agriculture, we should clarify an important point. Food is produced by men and women who till the soil and grow the crops. Food processors are merely collection points, cleaners, packers. Their job is important but if no food arrived at their front door, they would be out of business.

The ultimate consumer could survive without them, though maybe not so nicely. Unfortunately, without those who work and till the six inches or so of dust covering the surface of this planet, survival for billions would be impossible.

The American farmer-food producer asks for no more than an opportunity to produce his products and receive a fair share of its real value on the market. The problem is complex, but a nation which can spend a billion dollars to place a man and a golf ball on the moon and a television camera on Mars should be able to come up with some answers here on Earth.

A definite agriculture policy and plan must be developed and this matter must have national priority. To say it is not "that" important is foolish talk. We will all see the importance of American agripower in the near future.

If America loses this battle we may have lost our last real means of our independence. For as we become more and more dependent on the rest of the world for other raw materials—and we are becoming more dependent as our own nonreclaimable resources are used up—we become more susceptible to outside influence. The recent oil embargo is sure proof of our dependence. If we would place agriculture exports in the priority with arms exports, I think we would be a long way down the road to solving the problem.

And if the problem is not solved or is swept under the table, or is left in the hands of bureaucrats to bungle, it is just possible that when America and the world again call on American agriculture to produce because we must have it, a feeble voice will answer out of some dark corner—"We can't, our life blood is gone—taken away by a nation more concerned with toys than truth."

Or the other answer from those in a position of power, "Yes, we have the food, but what will you give us for it? Money is not acceptable."

Possibly the question will soon be at hand.

ETHICS, SUGAR-PILLS AND PAY RAISES

Mr. PERCY. Mr. President, the recent proposal for a pay raise for Members of Congress, Federal judges, and other top-level Government officials has created the usual swirl of controversy among the public and a round of editorials by the press. Emotions run high as arguments such as "public service should be its own reward" to threats of a large-scale exodus of public officials are offered for consumption. The real issues here, unfortunately, have been clouded by a general feeling of anger on the part of average citizens that the pay raise will go through automatically, without a vote in the Congress to approve it. I regret that this is the case. I support the pay raise and I have no hesitation about standing up in the Senate to vote for it. The salary recommendations of President Ford in his last budget, endorsed by President Carter, were based on the fact that the officials covered in the proposal have had a pay increase of only 5 percent in the last 8 years, during which time the cost of living went up by 60 percent—a decrease of 35 percent in real wages.

There are many reasons why people seek public office and high-level Government appointments but few of them are money. I can say with a high degree of certainty that no one in this body, for example, ran for the Senate because of the income. But, no one should be penalized financially because he has chosen a career such as this, which involves the maintenance of two homes and the cost of family travel between them just for starters. We would not want to have a situation where well-qualified people of modest means—particularly younger ones—are precluded from running for office because of the financial burden.

I am deeply cocerned about the situation of our Federal judges. Some of our best have resigned to resume private practice because judicial salaries do not keep up with the cost of living. It is becoming increasingly difficult to find well-qualified candidates to replace them because of the often substantial salary cuts that occur upon leaving private life.

Mr. President, it is important to the quality of the judiciary and of the top policy and management positions in Government that this pay increase take place. More importantly, however, is the fact that the pay proposal has been coupled with a strong recommendation for a new core of public conduct for these officials, which would restrict outside earned income and require disclosure of financial data. The Senate has al-

ready responded to this recommendation by ordering a special committee to draft a code of public conduct for Members, officers, and employees of the Senate in time for consideration by the full Senate on March 1. I strongly support the adoption by the Senate of a Code of Ethics at the earliest possible time.

At this point, I would like to commend the Chairman, Mr. Peter Peterson, and members of the Commission on Executive, Legislative, and Judicial Salaries for their thorough examination of Federal salary problems and for their outstanding suggestions for a code of public conduct. Chairman Peter G. Peterson tackled a difficult situation and has presented us with a set of recommendations that should be followed in all three branches of Government.

The Washington Post recently published an editorial entitled "Taking the Sugar Without the Pill" in which some doubt is expressed about the likelihood of an ethics proposal actually being enacted. I am more optimistic. The Government Operations Committee, on which I serve as ranking Republican, will be working on S. 555, the Public Officials Integrity Act which states that it is the policy of the United States to have uniform requirements for public financial disclosure applicable to high-level officials in all three branches of Government. I think we have before us a genuine opportunity to clean up our own house and help restore to the American people their faith in their own Government.

Mr. President, I ask unanimous consent that the Post editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 6, 1977]

TAKING THE SUGAR WITHOUT THE PILL

News stories seldom fit together as well as two that appeared on page A3 of this paper last Friday. One story said that, according to a Louis Harris poll, the public rated Congress' ethical standards as lower than those of any other public officials, consumer groups or—so help us—the press. Next to that was a story that showed one reason why: It told how the House leadership, by artful scheduling, has pretty well foreclosed a floor vote on the pending $12,400 congressional pay raise before it takes effect automatically on Feb. 20. The congressional raise is part of a package that would also increase the salaries of federal judges and top officials of the executive branch. Legislators who oppose an increase for themselves, and any who are willing to endorse it, may do so at a hearing. But no congressman is going to be required to vote himself 29 per cent more pay and take the heat from his constituents.

The Senate has behaved almost as shabbily. Sen. James B. Allen (D-Ala.) did bring up a disapproval motion on Wednesday, but it was tabled by a 56–42 vote. By doing that, those 56 senators did all that was needed to keep their raise on track without the embarrassment of actually voting for it. If braced by their constituents, they can take refuge in parliamentary double-talk: Wednesday, they can say, was not quite the right time to debate the issue. Oddly enough, if members of both houses play this game carefully, the right time for an honest yes-or-no vote will never be found.

This is of a piece with the recent news about House Ethics Committee Chairman John J. Flynt's resistance to removing Rep. F. L. Sikes (D-Fla.) from a powerful chairmanship despite his reprimand for conflict-of-interest violations last year. And then there are the tales about the murky finances of House Majority Leader Jim Wright (D-Tex.), who has used thousands of dollars in campaign contributions to pay off personal debts—apparently without technically violating any law. All this perpetuates the impression of cynicism as a way of congressional life.

Ironically, all this is happening just as that impression is getting a little out of date. A large majority of House Democrats did vote to take away Mr. Sikes' chairmanship. Far more significantly, a special House commission led by Rep. David R. Obey (D-Wis.) is finishing work on tough ethics rules that would, among other things, require full financial disclosure by representatives and their spouses, put strict curbs on outside earned income and abolish private office accounts. Speaker Thomas P. O'Neill Jr. (D-Mass.), whose style often seems reminiscent of "The Last Hurrah," is nonetheless said to be fully committed to a strong new code and has already bolstered the ethics committee's membership. Over in the Senate, a special panel chaired by Sen. Gaylord Nelson (D-Wis.) has also started to devise new rules.

These initiatives are just what the independent Peterson commission had in mind when it concluded that members of Congress could most effectively justify a reasonable pay increase for themselves by coupling it with full disclosure and real curbs on corrupt and questionable practices. The pay raise, so the theory went, would make the ethics code more palatable, like a sugar-coated pill. The ways things are going now, however, the members are going to get the sugar *without* having to swallow the pill. We would like to believe that solid majorities for real reforms do now exist, and that House and Senate leaders are determined enough to overcome all the resistance that remains. But there is only one way for Congress to convince anybody on that score—and that is for it to swallow a strict ethics code.

COLD WEATHER EMPTIES LOW-INCOME POCKETS

Mr. HUMPHREY. Mr. President, the cold weather has cast an economic chill over the eastern half of the United States. Businesses have been closed, schools shutdown, and hundreds of thousands thrown out of work. Discomforting to much of the Nation, the cold has meant economic tragedy for low-income Americans. With average fuel bills running 50 percent ahead of last year, there is an urgent—often desperate—need to get more money into low-income hands. Last week I and a number of other Senators sent a letter to President Carter asking him to speed funds directly to many local communities.

According to a Library of Congress study prepared at my request, the harsh winter will take an extra $139 from the pocketbook of every American household. Where the winter has been most severe, expenses will run well ahead of average. Heating bills of over $100 a month are not uncommon. Compare that to the $225 average payment for a social security recipient. A married couple on social security will average around $338. But that is cold comfort when food, fuel, shelter, and other bills have to be met.

Or take a family of four trying to survive on the minimum wage. At the current $2.30 per hour minimum wage, that family would have a gross annual salary of $4,784. Even if the proposed earned income tax credit were to be included, this would raise the gross figure to only $425 per month. Two weeks out of work, four mouths to feed, fuel bills taking an extra jump—I can tell you right now I would not want to be in a Minnesota winter in those circumstances.

Not everyone lives on social security or minimum wage incomes, but millions of Americans do. The Government has got to step in and get money to the communities and the individuals that need it most. As things stand now, we are counting on local merchants, grocery stores and small oil dealers to meet urgent needs with credit they do not have. They should not be asked to do a job they are ill prepared to handle.

Nor will the bad news end with the first breath of warm weather. The unusual shift in winter weather has affected agriculture all across the country. Frost in the South and drought in the Midwest and California promise to drive up food prices for the rest of the year. For millions of Americans, the bad news has just begun. The Government can move quickly to put funds into the right hands through existing community agencies, the Social Security Administration, and the Internal Revenue Service. The time to move is right now.

LAX NUCLEAR CONTROLS

Mr. PERCY. Mr. President, recent attempts by foreign governments to obtain a paper describing a workable nuclear device are alarming. Even more alarming is the fact that this paper was written by a Princeton engineering student, John Aristotle Phillips, that Phillips received vital information over the phone, and that the Energy Research and Development Administration, ERDA, referred at least one foreign embassy official to Phillips.

For a paper last spring, Phillips decided to see if he could design an atomic bomb from unclassified information. With the help of an employee of the E. I. duPont de Nemours Co., who gave him necessary information over the phone, Phillips succeeded. Astounded, his professor sent the paper to several nuclear experts who labeled the proposed device workable. The story was widely reported in the press, and until recently the paper—which had been distributed to a number of people—was unclassified.

Both Pakistan and France have tried unsuccessfully to obtain copies of Phillips' paper. The Pakistani Embassy contacted ERDA, which suggested that Phillips be approached directly. ERDA asserts that they make no attempt to control any studies not done by their agency, and that they had referred the Pakistanis to Phillips since "no law was broken." The Pakistanis asked Phillips for a copy of his paper, suggesting that it would be worthwhile, but were denied. Iqvas Butt, a Pakistani information minister, admitted that his Government is pursuing nuclear development, but said it was for peaceful purposes. When asked how the Pakistanis would use a nuclear bomb design for peaceful purposes,

Butt asserted that Pakistan is "not interested in making the bomb."

It seems likely now that Phillips' paper will not fall into the wrong hands. But what if this student had been less responsible, or the paper had been found and copied without his knowledge? What if a sophisticated terrorist group had set out to obtain the details of Phillips' design? Significant amounts of the deadly plutonium are unaccounted for in the United States alone, and it has been estimated that Phillips' device could be built for only a few thousand dollars.

But the failure to carefully guard Phillips' paper is only part of the problem. The fact that an amateur was able to design a workable nuclear device with the use of unclassified information obtained from public documents and a casual telephone conversation is the real danger. As Phillips told a New York Times reporter:

I think I've demonstrated that it doesn't do any good to prevent dissemination of information, because it's already out. The only way to stop proliferation of nuclear weapons now is to restrict the distribution of plutonium and uranium.

As extensive hearings before the Senate Government Operations Committee and other congressional forums during the 94th Congress revealed, existing controls are far short of adequate, and little time remains to fashion effective international restraints.

John Phillips hopes that his work "will cause people to stop and think, and then do something about the dangers of nuclear proliferation." I sincerely hope so, too.

GOVERNMENT AND THE NATION'S RESOURCES

Mr. CRANSTON. Mr. President, the National Commission on Supplies and Shortages recently issued a report entitled "Government and the Nation's Resources" based upon its 2-year study of the adequacy of our national raw material resources.

Created in 1974 by Public Law 93–426, the Commission set forth to study four major sets of concerns related to our growing apprehension about the economic impact of severe materials interruptions or shortages. These major concerns focused on: First, the extent of resource exhaustion; second, the ramifications of our growing dependence on imported materials; third, the adequacy of Government mechanisms to deal with materials shortages; and fourth, the adequacy of the private market mechanism to cope with shortages or supply interruptions.

The Commission consisted of two Members of the U.S. Senate, two Members of the House of Representatives, four senior administration officials, and five private citizens. The Chairman is a Californian—Dr. Donald Rice, president of the Rand Corp. The two Senate Members are my former colleagues, Senators Tunney and Brock.

Mr. President, I believe the findings and recommendations of the Commission are worthy of review by the Congress and the public. Accordingly, I ask unanimous consent to have printed in the RECORD the executive summary of the Commission's report, which contains its principal recommendations, together with a list of the Commission membership.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE SUMMARY

The National Commission on Supplies and Shortages, created by Public Law 93–426, was directed to report to the President and the Congress on a variety of issues. Four sets of concerns prompted the establishment of the Commission:

Concerns about resource exhaustion spawned by the continuing debate over how much of various raw materials lie within the earth's crust and how much of that stock can be extracted without irreparable damage to the planet;

Concerns about this country's growing dependence upon imported materials, coupled with uncertainty that we will be able to obtain adequate supplies of raw materials at reasonable prices in the face of the demonstrated ability of certain foreign producer nations to restrict supply and raise price;

Concerns about the adequacy of current mechanisms within the Government for dealing with materials problems and for assuring that such issues are adequately integrated into broader national and international policies;

Concerns about the ability of market mechanisms to deal with shortages and incipient shortage situations without causing undue hardship.

The Commission has addressed all four areas.

With regard to the first, our review of the evidence convinces us that resource exhaustion is not a serious possibility within the foreseeable future. Though estimates of world resources of most commodities seem to indicate that only a few years supply is on hand, those figures should be viewed in their proper context. To the mining industry, reserves are like food in the pantry. They no more represent the ultimate stock of raw materials available to them than does the stock of food in a pantry represent the ultimate quantity available to a family. However, we should not be unconcerned about the world resource picture. If population growth is not checked and if our energy supplies are not made more adequate and more secure, serious problems will eventually result. Issues such as these, not worries about the current quantity of raw materials in our "pantry," should occupy our attention.

With regard to import dependence, the Commission believes that the growth in petroleum imports has helped to foster a misconception. Except for petroleum, our dependence has increased only modestly. Unless we decide for environmental reasons to limit the growth of mineral production in this country or to increase our self-sufficiency through major Government support programs (a policy this Commission does *not* favor), the outlook is for a continued gradual growth in our imports. It should be pointed out, however, that this country's level of dependence presently is substantially below that of most other industrialized countries.

Rather than become overly worried about dependence, we should consider the issues recently raised by the Third World countries concerning the production and sale of raw materials and work with them toward viable solutions. And we must also be prepared to protect ourselves against the effects of actual or threatened supply disruptions. The Commission believes that limited economic stockpiles are an appropriate tool for this purpose.

Our evaluation of the current adequacy of Government institutions led us to conclude that improvements are both warranted and feasible in several areas. Materials data collection, data analysis, and policy analysis capabilities must be strengthened at the departmental level and integrated with broader policy concerns. A sectoral analysis capability must be established within the Executive Office of the President. Finally, the amount of long-range, comprehensive policy planning must be increased. The latter should be accomplished by increasing the volume and quality of such work now done within existing governmental units, by finding innovative ways to tap the substantial capabilities of private sector institutions, and through experimentation with new institutional forms.

A more detailed summary of our major findings, conclusions, and recommendations follows.*

THE WORLD'S RESOURCE BASE

The controversy persists about how long the world's natural resources will last. While "catastrophists" forecast doom within the next century unless economic growth is halted, the "cornucopians" insist that the earth can support increasing affluence if we use our resources efficiently, control population growth, and secure adequate energy.

The geologic, economic, and demographic evidence indicates that no physical lack of resources will seriously strain our economic growth for the next quarter century and probably for generations thereafter. Judging by past trends, the estimates of most reserves will increase; for the few cases in which crustal exhaustion is remotely likely, there will be sufficient warning for adjustments. It is important that no public or private action inhibit the adjustment process.

However, such problems as population control, the North-South confrontation, and energy supplies require closer monitoring of trends in resource availability. In the past, markets have been relied on to generate the signals for a desired pattern of resource development. But longer lead times and larger capital requirements for plant construction and product development, and the possibility of unexpected events in an increasingly interdependent world may require a more sophisticated, more responsible role for Government in interpreting and supplementing market signals.

INTERNATIONAL MARKET CONSIDERATION

A review of nonfuel mineral consumption and import data does not show that import dependence in general has taken on an alarming dimension or character. Neither embargoes nor OPEC-like cartels of nonfuel minerals producers effectively threaten the American economy.

Collusion can be effective for few, if any, nonfuel minerals; its economic impact would be transitory and light in comparison with the effects of OPEC.

It does not appear that either this Nation or the world is in any immediate danger of undergoing a squeeze on nonfuel minerals comparable to the oil crisis of 1973–74. Rather, any concern should be about smaller and more specific risks and vulnerabilities. Aside from keeping national security in mind, we need to ask whether undue or unnecessary costs may in particular instances be imposed on the United States by foreign suppliers, or by events otherwise beyond this country's control. Although many materials markets are not fully competitive, monopoly pricing of most minerals is limited by various market forces. Our policies on international trade and investment and on domestic competition offer opportunities to strengthen these forces.

One way to quiet the concerns generated by import dependence is to negotiate interna-

* Not all recommendations are supported in every detail by all Commissioners. See the body of the main report for supplementary views.

tional rules covering export agreements. We believe that an international convention on export controls is a worthwhile negotiating objective.

Commodity agreements between producers and consumers have been made for some commodities and contemplated for others in order to protect both groups. The Commission doubts that many more such agreements can be successfully negotiated. The desire of producers for higher prices would be opposed by consumer countries; negotiations would be time-consuming.

Obstacles to international investment could lead to permanently higher real costs for minerals. Public policies that minimize such obstacles deserve close attention. The objective of those policies would not be to reduce dependence on imports; rather it would seek to avoid misallocation of resources and added costs resulting from uneconomical investment patterns.

A number of policies would reduce noncommercial risks facing investors in foreign enterprises. The Commission favors multilateral investment guarantees against political and currency risks for investments in the production of natural resources. The Commission also supports attempts to codify internationally acceptable investment behavior and guidelines for Government policies toward foreign and multinational investors. The Commission favors an increase in the capital of the International Finance Corporation of the World Bank.

THE EXPERIENCE OF 1973–74

The shortages of 1973–74 were both widespread and severe. Our examination of the period reveals three major causes of those shortages. First was the worldwide surge in demand that began in 1972. Although the causes of that boom have not been satisfactorily explained, U.S. inflation, balance of payments deficits, and fluctuations in currency exchange rates surely must be given weight. The consequences of the boom are more visible. When resource supplies became tight in the United States, this country could not relieve the pinch with relatively cheap imports as it had done in the past, because imports had become a very expensive safety valve.

The second major cause of the shortages was insufficient productive capacity in the materials industries. Evidence on the growth of our gross capital stock reveals a dramatic decline in growth rates for the materials-processing industries during 1966–73 relative to previous periods. In addition, capital formation in the materials-processing industries was much below growth rates in all other industries. One reason for this sluggish growth was that industry was still working off excess capacity that had been built up during the period from the Korean War to the mid-1960s. Other factors which made domestic investment in capacity expansion unattractive were an overvalued dollar, uncertainty about compliance with newly enacted environmental legislation, and uncertainty surrounding changes in the price control regulations.

The third factor contributing to the severity of the shortages during this period was a "shortage mentality." People became convinced that shortages were going to occur and, by their efforts to protect themselves or profit from expected price increases, helped create them, domestically, the shortage mentality manifested itself in inventory buildups. This hypersensitivity to materials supplies was caused in part by some spot shortages which arose due to price controls, and also by knowledge that the economy was reaching full capacity, by the events in the oil industry in late 1973, and by uncertainty surrounding floating exchange rates. The shortage mentality occurred not only in the United States, but in many foreign countries as well—the phenomenon was international. The shortage mentality and the behavior it generated helped create the shortages that were observed during 1973–74, artificially extended the economic boom that accompanied them, and contributed substantially to the severity of the recession that followed.

Our analysis of the period shows that the magnitude of the Government's influence over the materials industries—sometimes subtle, sometimes direct—was not fully appreciated. It is essential that Government policies be consistent and exert a stabilizing influence on the economy. This cannot happen unless the Government understands the effects of its actions, not only on the economy as a whole, but on important segments of it.

IMPROVING MATERIALS DATA AND ANALYSIS

The Government needs improved food and materials information systems to manage intelligently its increasing economic and social role and to respond to our growing international interdependence. The Commission believes that the Government must enhance its understanding of the role of materials in our economy by sectors and industries, and must upgrade its food and materials data and analysis systems.

Data must be more accurate, explicit, and objective; better early warning of impending problems must be developed; the relation between information and policy must be strengthened; an integrated overview of food and materials issues must be developed; and a better understanding of the relationships between commodities, energy, and the environment must be fostered.

The Commission offers a set of guidelines for improving data and analysis in the Federal Government:

"Data collection and data analysis should be separated from programmatic and promotional responsibilities and be placed in separate high-level organizations of comparable status (preferably Bureaus); their credibility should be fostered through open access, frequent reporting, and other institutional safeguards; they should respond to the needs of users; statistical standards should be upgraded; and the limitations of the data (including sampling errors, uncertainty, and assumptions) published with the data.

"Policy analysis should be separated from data collection and data analysis, and from programmatic and promotional responsibilities; it should be made public whenever possible; it should be encouraged at various levels within line departments; policy analysts should work from comparable and consistent data; and policy analysts at higher levels should reconcile conflicting analyses."

The Commission favors the upgrading of data and analysis capabilities for food and materials in the line agencies and in the Executive Office of the President, with primary emphasis on the line agencies. The Commission believes that approach preferable to creating an independent agency for data and analysis and preferable to improvements only within the line agencies or only within the Executive Office of the President.

The Commission reviewed in detail the data collection, data analysis, and policy analysis activities within the key food and materials agencies. The following observations and recommendations are made:

Department of Agriculture. The basic domestic data and analysis activities are strong and serve as a model to other agencies. But the growing role played by foreign developments is inadequately reflected in the Department's data collection, data analysis, and policy analysis activities. Foreign agricultural data are collected by agricultural attaches to U.S. embassies who combine data collection and analysis with export promotion activities. This jeopardizes the objectivity of both the data and analysis. *The Commission recommends* that the Foreign Commodity Analysis Unit be transferred out of the Foreign Agricultural Service and made a part of the Economic Research Service. *The Commission also recommends* that the policy analysis function in Agriculture—the Office of Planning and Evaluation—be restored to the Office of the Secretary or established at an Assistant Secretary level.

Department of Commerce. The Department does excellent macroeconomic forecasting in its Bureau of Economic Analysis, but is less proficient in forecasts for individual industries. In the Office of Business Research and Analysis (OBRA), commodity specialists collect and analyze data and make forecasts. The same Office is an integral part of the Bureau of Domestic Commerce, which has important program and promotional responsibilities. *The Commission recommends* a more complete separation of functions. This objective could be achieved by creating a third bureau, in addition to the Bureau of the Census and the Bureau of Economic Analysis, which might be called the Bureau of Industry Affairs, under the Office of the Chief Economist. The industry analysis and forecasting functions now performed by OBRA should be transferred to this new Bureau.

Department of the Interior. The Bureau of Mines, located within Interior, is the Government's prime source of data and analysis on mineral reserves, production, and use, and on domestic and foreign mineral industries. The Bureau's commodity specialists collect, tabulate, and analyze data, and prepare forecasts. Past steps to separate data collection from analysis and to elevate supply-demand forecasting have proved inadequate.

The Commission recommends a more complete separation of data collection and data analysis. This could be achieved by creating a new bureau, tentatively called the Bureau of Resources Data and Analysis, to consolidate Interior's data collection and analysis for minerals and materials. This Bureau would include relevant parts of the Bureau of Mines, Bureau of Land Management, and the Geological Survey. Its sole responsibility would be to serve as the Government's primary source of data and analysis on natural resources, including estimates of resources and reserves.

It has become increasingly vital that we know in detail about foreign mineral demand, production, and reserves. Only with such information can domestic policies be formed intelligently. The Department of the Interior's current effort in this regard is inadequate. The most important of the Commission's recommendations calls for a substantial strengthening and restructuring of the minerals attache program.

Department of Natural Resources. The Commission believes that the creation of a Department of Natural Resources (or Department of Energy and Natural Resources) would be sound and sensible and that the Nation should move toward its eventual establishment. But this will take time. Our recommendations for improving the Department of Commerce and the Department of the Interior are intended as interim steps in this direction.

Office of Management and Budget. The Statistical Policy Division (SPD) administers the Federal Statistical Program, including setting of standards for data collection and analysis in the non-regulatory agencies. *The Commission recommends* that the SPD should assure that needed time series are not discontinued through the action of any single agency maintaining them; that statistical standards are improved for program data, for analysis and for forecasting; that the statistical errors and data limitations are published; that published data not adhering to Federal statistical standards state so clearly; and that a program be set up to analyze the accuracy and comprehensiveness of data collected under the Federal Statistical Pro-

gram. The SPD already has sufficient authority to carry out these improvements.

General Accounting Office. The Regulatory Reports Review Group reviews the reporting forms for the regulatory agencies, but lacks the authority for approving forms or ensuring the quality and comparability of data. *The Commission recommends* that P.L. 93–153 be amended to give GAO analogous authority standards, approve reporting forms, approve new data requests, and reduce data redundancy.

GAO should coordinate its standards with OMB for Government-wide compatibility and comparability of statistics for commodities and materials.

Organizations Outside the Federal Government. It is a proper function of the Government to encourage its own intellectual competition. *The Commission recommends* that the research and policy analysis arms of the Departments concerned with materials provide ongoing support to nongovernmental analytical research groups.

The Need for Adequate Funding for Departmental Statistical Activities. The Commission recommends that both Congress and the President assure adequate funds for effective food and materials data and analysis. Such funding is critical to attracting quality people. In the final analysis, it is the quality of the people within the information system that determines the quality of its performance.

BRINGING A BROADER PERSPECTIVE TO GOVERNMENT POLICY

Government policies developed without an understanding of their effect on specific industries and on other policies often create serious problems. This is particularly true of policies affecting the key materials-producing industries.

The recommendations pertaining to the line agencies and departments should increase the quantity and quality of information for private and public decisionmaking. More is needed. The improved information must be integrated into a comprehensive picture of how Government policies combine to affect basic industry and the broad national interest.

The Commission recommends that a small group of industry and sectoral specialists be created within the Office of Management and Budget to monitor industries and sectors; develop a framework for analyzing the comprehensive effects of proposed major Federal policy actions; and monitor basic data collection, data analysis, and policy analysis activities of the line agencies and departments. *The Commission also recommends* that the Council of Economic Advisers build up its industry and sectoral analysis capabilities.

The Commission believes that the Government must do more longer-term comprehensive policy planning, but that its current structure is ill-adapted to such planning. *The Commission recommends* that the President and the Congress work together to devise and implement procedures for multi-year budgeting. *The Commission strongly endorses* efforts to restructure the committees of the Congress to permit more effective consideration of complex and interrelated policy issues. In order to try out an institutional form favorable to comprehensive long-term planning, the Commission's Advisory Committee proposes an independent entity within the executive branch, which might be called the National Growth and Development Commission, to select intermediate or long-range policy issues of national significance for comprehensive analysis. *The Commission recommends* that the Advisory Committee's proposal be seriously considered, but only if undertaken as part of a broader effort to draw also on the important skills of the private sector and to increase the quantity and quality of policy analysis performed within existing Government agencies.

ECONOMIC STOCKPILING

Recent threats of commodity market disruptions, which followed the oil embargo and oil price increases by foreign producers, have stimulated discussions of and proposals for economic stockpiling. The Commission examined the potential for stockpiles which could protect the United States economy from short-run imbalances of three kinds:

Sudden and severe disruptions in materials supply;

Sharp price increases by foreign cartels or monopolies;

Cyclical fluctuations in demand or supply.

The Commission was primarily concerned with defining the conditions under which stockpiling is an effective instrument of policy. It found that the objectives of stockpiling must be precisely determined; and that the interaction between public stockpiles and private inventories, a phenomenon usually ignored, is complex and has important policy implications.

The Commission found that a public stockpile of certain imported critical materials is a worthwhile insurance against sudden and severe supply disruptions and that domestic economic stockpiles held in cooperation with major consuming nations could deter cartels of foreign producers. *The Commission recommends* that stockpiles not be used to stabilize domestic prices.

The Government maintains a Strategic and Critical Materials Stockpile for defense-related purposes. That stockpile has recently been slated for substantial expansion. If this expansion is carried out, *the Commission recommends* that the Strategic and Critical Materials Stock Piling Act be amended to permit the use of the Strategic Stockpile in the event of a severe disruption in the supply of a critical material, and that the President be required to issue rules for such contingencies. The present policy of using the Strategic Stockpile as a *de facto* economic stockpile, subject only to the vaguest guidance and control, is unwise and should be discontinued.

Should the Strategic Stockpile not be built up, *the Commission recommends* establishing a separate, limited economic stockpile. *The Commission recommends* that Congress explicitly prohibit the use of any public stockpile to subsidize a domestic industry or to influence domestic prices in the absence of an actual or threatened severe supply disruption.

The Commission also examined issues related to grain stockpiling. We *recommend* that the United States should actively promote international discussions leading to negotiation of a multilateral grain stockpiling agreement.

RECYCLING

Use of recycling as a source of supply can reduce the escalating capital requirements and environmental degradation which accompany the exploitation of lower-grade virgin resources. It can also reduce energy demands and import dependence. Sizable amounts of some major materials are already recycled, but as a percentage of total consumption recycling has been static or declining in America, and only a small portion of post-consumer waste is recycled. Not all of the materials that the Nation consumes can be economically recycled, but present rates of recycling can be increased substantially to supply a limited, but important, fraction of our total needs for materials.

The term "urban ore" has been applied to the materials used up and discarded by consumers. Some economic considerations discourage the recycling of "urban ore" in much the same way that similar considerations discourage the exploitation of virgin ore deposits. In addition, a number of Government practices deviate from the principle that the rate of recycling should reflect informed decisions made on the basis of the true cost of materials. The 94th Congress acted to eliminate such practices as discrimination against recycled materials in procurement specifications, possible discrimination against recyclables in regulated freight rates, and a variety of institutional barriers which cause localities to miss recycling opportunities. *The Commission recommends* that Congress take further action to implement the true-cost-of-materials principle. It should internalize the cost of disposing of materials by means such as mandatory deposits on beverage containers, excise taxes on non-returnable containers, and product disposal charges on other consumer packaging and on paper. Due to the absence of compelling evidence for its continuation, *the Commission recommends* repeal of the percentage depletion allowance for minerals. *The Commission recommends* that Congress avoid actions that are contrary to the true-cost-of-materials principle—such as new tax subsidies to the consumption of recycled materials, or extensive Federal funding of systems to recover resources from waste.

MATERIALS RESEARCH AND DEVELOPMENT

The Commission examined the current national effort to support materials research and development. We found that the dimensions of this effort are poorly understood at present and that it is severely hampered by the lack of an effective mechanism for viewing the numerous existing and proposed Federal activities as a coherent whole. Consequently, it is impossible to determine whether the national materials R&D effort and the Federal activities within it are appropriate to the Nation's needs.

Given this, the Commission believes that priority should go to improving the management of the current Federal materials R&D program. Limited, though encouraging, progress has recently been made in this direction. Additional efforts are needed. The missing mechanism described above must be developed, not just for materials, but for all aspects of Federal R&D that cut across major institutional lines. The newly-created Office of Science and Technology Policy (OSTP) should take the lead in developing this mechanism (probably as part of the budget process). It must also develop a better linkage between Federal applied research efforts and the needs of the ultimate consumers of the output of this research—materials producers and materials users. In doing this, we believe that OSTP should develop a close working relationship with, and draw heavily upon, the capabilities of the groups of industry and sectoral specialists whose establishment we have proposed. Finally, the Commission believes that a more active United States role internationally in providing a sharper focus for analysis and assessment work now being carried on through the Organization for Economic Cooperation and Development would be appropriate; steps should also be taken wherever possible to encourage the international coordination of actual research and development activities.

NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES, WASHINGTON, D.C.

Donald B. Rice, President, The Rand Corporation (Chairman).

Bill Brock, United States Senator (Tennessee).

Alan Greenspan, Chairman, Council of Economic Advisers.

Hendrik S. Houthakker, Professor of Economics, Harvard University.

George Kozmetsky, Dean, College of Business Administration and Graduate School of Business, University of Texas.

James T. Lynn, Director, Office of Management and Budget.

Thomas M. Rees, Member, U.S. House of Representatives (23rd District, California).

L. William Seidman, Assistant to the President for Economic Affairs.

William E. Simon, Secretary of the Treasury (Vice Chairman).

J. William Stanton, Member, U.S. House of Representatives (11th District, Ohio).

Phillip H. Trezise, Senior Fellow, The Brookings Institution.

John V. Tunney, United States Senator (California).

Nat Weinberg, Director, Special Projects, UAW (Retired).

AN INDEPENDENT JURIST

Mr. PERCY. Mr. President, Lesley Oelsner of the New York Times wrote an article on February 5, entitled "Stevens Is Proving To Be a 'Wild Card' on High Court." Ms. Oelsner writes perceptively concerning Supreme Court Justice John Paul Stevens.

Justice Stevens is an independent jurist. He neither adheres to nor is described by easy labels. He is neither "conservative" nor "liberal," "reactionary" nor "radical." Rather, he studies the law and the cases, and votes his conscience. Can we ask more of a Supreme Court Justice?

As Ms. Oelsner points out, Justice Stevens is sometimes unpredictable. But this is because the issues facing the High Court are complex; there are no easy answers. Fidelity to American jurisprudence requires diverse responses to diverse problems.

When Justice Stevens was sworn in on December 19, 1975, we from Illinois were proud of him and confident that he would do an outstanding job. We have every reason to remain proud of him today.

Mr. Chairman, I thank Ms. Oelsner for her fine essay on Justice Stevens, and ask unanimous consent that it may be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

STEVENS IS PROVING TO BE A "WILD CARD" ON HIGH COURT

(By Lesley Oelsner)

WASHINGTON, February 5.—At the Supreme Court one day, in the chambers of one of the nine Justices, the talk turned to a pending case and then to its possible outcome.

One Justice guessed how eight of the nine votes would go. Then he gave up guessing. It was impossible to predict, he said, because, "it's four to four, and we're down to the wild card."

"The wild card" was John Paul Stevens, the Court's newest justice, and by most counts, its least predictable member.

Justice Stevens was sworn in at the Court on Dec. 19, 1975, President Ford's choice to fill the vacancy left when William O. Douglas retired for poor health; he began hearing cases the next month, January 1976.

EMERGED AS MARKEDLY INDEPENDENT

In his first year on the Court, Justice Stevens has emerged as a markedly independent Justice, unaligned to any particular bloc or ideology. He has voted sometimes with the Justices considered to be the Court's most conservative, other times with those regarded as the most liberal.

He has emerged, as well, as somewhat more willing than some of his colleagues to be an activist judge, both in terms of being willing to consider novel cases and issues, and in terms of his reading of certain constitutional guarantees.

And he has turned out to be not at all hesitant to make his views known. He has written numerous opinions, both dissenting and concurring, that various experts analyze as reflecting a "case by case" approach rather than a single articulated theory. The experts also consider them somewhat uneven, being often very craftsmanlike and persuasive but sometimes notably less so.

It is too early to predict what caliber Justice he will ultimately be and what influence he will eventually have, or even where he is heading on some specific issues.

But his opinions and votes so far give some hints. He is already widely regarded as one of the more able Justices.

His independent and individualistic approach sharply contrasts with that of several of his colleagues. At the same time, and even though some find him unpredictable, he already has considerable sway on the Court.

Essentially, Justice Stevens is a nondoctrinaire member of a Court that is marked by several Justices who either often seem result-oriented or who appear to espouse some noticeable legal ideologies.

The current Court is conservative leaning, with the thrust sparked by the four Justices appointed by Richard M. Nixon: Chief Justice Warren E. Burger, Harry A. Blackmun, Lewis F. Powell Jr. and William Rehnquist.

On the other end, there are two relatively liberal-leaning Justices, William J. Brennan Jr. and Thurgood Marshall.

NOT RESULT-ORIENTED

Justice Stevens has stood out because, like two other Justices, Potter Stewart and Byron R. White, he cannot be identified with either side; he has not espoused a clear legal or political ideology; and, unlike the four Nixon appointees, he was not selected for the Court because of his political views.

Noted as a "judge's judge" when he served on the United States Court of Appeals for the Seventh Circuit in Chicago, he was chosen by President Ford as a safe appointment that would have no trouble being confirmed by the Senate.

The voting blocks at the Court, however, are not absolute. The four Nixon appointees, for example, differ in degree and do not always vote together. There is thus a broad middle range, composed of everybody between Justices Rehnquist and Burger on the one side and Justices Brennan and Marshall on the other.

Also, there is not at the moment any one noticeable intellectual leader on the Court. As a result, according to one Court insider, leadership, to the extent that there is any, rests generally within the middle range, of which Justice Stevens is considered a part.

VOTED TO UPHOLD DEATH PENALTY

Justice Stevens's opinions and votes seem a decidedly mixed bag. He voted to uphold the death penalty as a constitutionally permissible penalty at least for murder. He voted with the majority to limit the power of Federal courts to review allegations of Fourth Amendment violations by inmates who have been convicted in state court trials.

However, he dissented from the majority's decision last fall that pregnancy can be excluded from employee disability insurance plans, and from last year's decision upholding a statute that made homosexual conduct a crime, saying that the Court should have heard arguments on the issue.

Some broad themes do emerge, however. In criminal cases, for example, Justice Stevens tends to vote with the current conservative majority on search and seizure issues.

On racial questions, there also seems to be a pattern, though not so strong. The current major Supreme Court case on race, Washington v. Davis, decided last year, concluded that a statute or official act that had a disproportionate burden on blacks was not necessarily unconstitutional; that to be unconstitutional, there had to be proof of discriminatory purpose.

Justice Stevens concurred in that opinion but wrote a separate opinion in which he said, in effect, that the line between discriminatory effect and discriminatory purpose was not so clear as the majority opinion might indicate. In some areas, his opinions and votes have been so contradictory that it is impossible to say at the moment where Justice Stevens is headed. The First Amendment is one such area.

BIENNIAL SENATORIAL SUITE-SELECTION PROCESS ENDS

Mr. CANNON. Mr. President, at 2:30 Tuesday afternoon, February 8, the biennial Senatorial suite-selection process came to an end, 3 months to the day after it began.

I am pleased this complicated job has been completed in record time. The Rules Committee and its staff had the full cooperation from Senators in making their choices, despite the arduous details involved.

The actual moves into suites will take more time, owing to our extremely tight space situation. Each suite must be painted and made ready for its new occupant, and we do not have spare suites which Senators may occupy while permanent quarters are being put in shape. This is why several Senators are occupying less than their full entitlement of rooms while the moves are under way. I know it is inconvenient for them and their staffs and we are doing all we can to speed the process. Ten moves are now complete. Thirty-seven lie ahead, and a schedule for their dates is being furnished by the Superintendent's office to those affected.

MOVING FORWARD ON ENERGY POLICY

Mr. PERCY. Mr. President, the New York Times carried two excellent articles by C. L. Sulzberger on November 11, 1976, and December 12, 1976. The articles wisely point out that we must decrease energy demand in this country.

Conservation, as Mr. Sulzberger knows, is our best hope. We must redesign cars, buildings, and indeed the very basic elements of our lifestyle using the most efficient technology available. Conservation requires both a short- and long-term effort. Unfortunately, it is too easy to become complacent concerning the energy situation after an immediate crisis passes.

We cannot allow ourselves to forget the harsh experiences of the 1973 oil embargo or the 1977 natural gas shortage. The Nation is doomed to further bouts of unemployment, discomfort, and confusion which an energy shortage brings unless we curb our excessive demands for energy by utilizing it more efficiently.

Mr. President, these articles are very worthwhile reading, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CAN THE WORLD EXIST UNTIL 1984?

(By C. L. Sulzberger)

PARIS.—The insouciant insanity with which the industralized countries of the West regard the worsening energy crisis, which can

quite easily undermine and destroy the entire fabric of free society, is possibly the most frightening problem—both long-range and short-range—to face what we happily refer to as democratic civilization.

I happened to be in Inner Mongolia when the Arab oil-producing cartel first applied its petroleum embargo in 1973, hoping thereby to assist in the Egyptian-Syrian war against Israel. On learning about this abrupt but by no means unexpected move, my first reaction in Huhehot, that Chinese province's capital, was:

"Thank heavens. Now for the first time, because of *force majeure*, the ridiculously overdeveloped world will have to cease manufacturing millions of outsized automobiles that drink gasoline like thirsty dinosaurs and use less than 10 percent of that fuel for purposes of propulsion.

"Now there will be smaller, more efficiently powered automobiles so that our cities will become less polluted and more habitable. And architects will be condemned to design buildings whose windows open and shut so that one isn't doomed to be overcooled in summer and overheated in winter according to the exaggerated and economically wasteful eccentricities of temperature dictators."

How wrong I was. Within a remarkably short time, after the nations of the "developed" world had accepted the demands of OPEC (the Organization of Petroleum Exporting Countries) and more than tripled the price they paid for black gold, they were restructuring their foreign trade and inflation programs to accept this new "fact of life."

Not long afterward another optimistic glow shimmered off visions of vast new resources expected from the fossilized fuels of Alaska and British-Norwegian North Sea wells. Meanwhile, such suddenly over-affluent producing countries as Saudi Arabia and Kuwait couldn't even start to approach sensible planning on investment or utilization of unimaginably large sums of money flowing in, thus wrecking their own economies with incalculable inflation and corruption.

At the same time, excess fabrication and use of motor vehicles in oil-consuming lands—mostly oversized vehicles with impracticably greedy engines—continue to make life increasingly unbearable. Political leaders lack the wisdom, courage and determination to alter a way of life that is already more outmoded than the horse-and-buggy was when is vanished.

Nobody is quite sure of the probable results of the next producer-consumer confrontation when OPEC meets this winter and decides on future prices. It certainly has the whip hand because, apart from military equipment, most of its members are overstocked with goods unbalanced populations are not yet ready to consume.

Emile van Lennep, Dutch Secretary-General of the O.E.C.D. (Organization for Economic Cooperation and Development, representing the world's 24 leading consumers including the U.S.A.) assures me:

"By 1984, no matter what happens, we will be back in a more serious crisis than ever before—unless really major conservation efforts are made. Hitherto we have been inclined to see the problem in terms of more energy production. The reality is that there should be more conservation."

He outlines this in terms of avoiding meaningless waste of fuel on antiquated types of vehicles, traffic-paralyzed cities, buildings unnecessarily and artificially isolated from nature's normal seasons (which prevail in most developed lands). Governments fail to lead their countries to sensible solutions in time.

"Already there is an accepted habit of distinguishing between 'merit' goods like energy sources or food and 'demerit' goods like tobacco or alcohol, which are relatively more highly taxed," he says, "It wouldn't hurt, as a starter, to begin thinking of gasoline as a demerit product subject to special levies.

"Within less than a decade—whatever happens, in terms of Alaskan, North Sea or other production sources—we are going to be hit harder than ever. It is going to take time to develop new transportation means like public vehicles, special aircraft, rapid trains, vast car parks outside cities, railway stations at airports instead of metropolitan centers.

"We have to plan for this entire social revolution in a series of interlinking phases: (1) how to keep things going until 1984; (2) then, the years after that date when there is less oil and when environmental and pollution problems are immensely worse; (3) then the time when we can make do with new technological methods requiring less fuel consumption; (4) and, finally, the more distant future when brand new energy sources like the sun become economically practicable."

POWER, POLLUTION, AND PARALYSIS
(By C. L. Sulzberger)

LONDON.—The most dire and inescapable problem facing the contemporary world concerns allocation, use and price of energy. Moreover, its ridiculous aspect is that enough time remains for every nation involved—developed, industrial, consuming lands; developing oil-rich lands; underdeveloped lands, poor in both petroleum and industry—to agree on formulas for sharing available resources and needs.

Right now everyone seems to be moving along once again as if the 1973 OPEC petroleum embargo had never occurred. Adjustments have been made to price increases of between 300 and 500 percent, even if these have had such extraneous effects as to put the supersonic Concorde aircraft virtually out of business because of the unanticipated exorbitant price of fuel.

The United States and other Western countries have done nothing worth mentioning about improving automobile engines so that more than 10 percent of their fuel produces motion while the rest blows off in waste or pollution. They continue to manufacture cars too large to squeeze into their burgeoning cities.

They install in these monsters motors so powerful that only fear of the law induces their drivers to observe imposed speed limits. They design and construct vast skyscrapers whose windows don't open so that they must depend on energy-consuming air conditioning, freezing occupants in summer, baking them in winter, according to dictatorial thermostats.

I recently discussed this in Brussels with various concerned persons including Viscount Etienne Davignon, Belgian chairman of a special European Community committee; Sir Christopher Soames, External Relations Commissioner of the Community, and Joseph Luns, Secretary General of NATO. All are alarmed.

Viscount Davignon says: "Until 1973 we lived in a dream world based on low-cost energy over which we had no control. What would we have done with statesmen who allowed us to depend for our military security on weapons over more than half of which we had no control? The 1973 oil crisis should have shaken us up but it was a missed opportunity for sane, coordinated reaction."

It produced, instead, hysterical competition among nations dependent on energy imports, regardless of price. Finally, in 1975, there was an accord to conserve fuel by decreasing consumption. But what happened? Sir Christopher comments: "It is disappointing that the brave words of the United States on energy conservation now seem to have been forgotten and have led to nothing. Both the U.S. and Europe should have come up with more effective programs."

The United States is unquestionably No. 1 on the list of offenders. Almost self-sustaining in petroleum a decade ago, its imports are leaping up together with its profligate overconsumption on frequently useless projects. Viscount Davignon says: "Americans, on a per capita basis, use twice the energy of Europeans and at half the price"—largely because of Washington's insistence on holding down fuel taxes.

Mr. Luns adds glumly: "NATO is worried about the energy position. The allies don't seem to realize how imperative it is to conserve fuel. Although some of our partners, like France and Holland, have taken steps, far from enough is being done. This is immensely grave. Until there is a settlement, we can always be subject to price blackmail by producers."

Such a move is not expected right away. An imminent OPEC meeting is counted on to keep the next price rise moderate. But for how long? And, as far as that goes, do even producer-countries benefit from the sudden multiplication of their wealth?

Saudi Arabia is swamped in so much money that it cannot even budget short-term or long-term use of billions in a dollar inflow not even dreamed of when the 1970's began. Why can't some of this idle wealth be loaned at cheap interest rates to industrial users of oil (who supply producers with manufacturing equipment) and at least partly donated in grants to the impoverished, undeveloped lands?

Meanwhile, the West is in a position to help Saudi Arabia solve its major short-term problems of importing fresh water in empty supertankers to store in reservoirs and educating a new technological class to start sharing in the industrial growth of their own country and perhaps in joint administration of user concerns abroad—provided these are not politically subverted.

Yet none of these dreams and projects—urgent as they are—can or will be solved without active American participation and a forward-looking, imaginative U.S. energy policy. Therefore, as Viscount Davignon says (and here he speaks for much of the world): "We hope a top priority of the Carter Administration will be this."

WORKER INCENTIVES: HIGHER WAGES WITHOUT INFLATION

Mr. HUMPHREY. Mr. President, the record shows my longstanding concern with unemployment in the United States. But too often, people forget that I also am on the frontlines in the battle against inflation. And a big part of that battle can be won in individual businesses and factories by increasing labor productivity. When productivity rises fast enough, wages can go up and prices down at the same time.

A recent Wall Street Journal article reported on some experiences in tying wage increases directly to gains in productivity. Before introducing the incentive program, the companies involved had to work out a satisfactory definition of a fair day's work and the base pay. Beyond the base pay, raises came out as a result of increased productivity.

In six different plants scattered around the country, the experiment resulted in an average productivity gain of 57 percent. On the average, wages went up by 21 percent, prices down by 33 percent.

The idea of incentive wages frightens lots of people. Not that they shun work,

but they remember the sweat shops that ran on piece rates and thrived on rate breakers. But incentive pay does not have to take that course. With union guidance and participation, the incentive plans can benefit the workers without turning the clock back to the 19th century.

Mr. President, I do not know if wage incentives can be easily designed for all types of work. But they appear to be one more promising avenue in our fight against inflation.

Mr. President, I ask unanimous consent that an article on "Worker Incentives," by Emanuel Weintraub be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WORKER INCENTIVES

(By Emanuel Weintraub)

If you mention incentives, bonuses, stock options or any other similar terms to the average corporate executive he'll have no difficulty understanding their value to the upper levels of management. They somehow make the adrenalin flow quicker, they motivate managers to greater levels of achievement and productivity.

But what about the rank and file? The relentless struggle against inflation by industry as well as state and municipal government, clearly underscores the need for a serious new look at productivity incentives at that level.

As President Ford pointed out in his economic report to Congress this month, productivity since 1966 has risen only 2.1 percent a year, compared with an annual average of 3.3 percent in the postwar years until 1966. That shrinkage in growth of output per man hour, the report warned, means reduced potential for economic growth.

But evidence exists that substantial productivity gain can be achieved by workers through the use of incentives.

The key is to use incentives as a non-inflationary wage increase, linking them squarely to productivity improvement, which has the effect of actually driving down costs.

Just a few years ago we were told that workers were unproductive because of "Blue Collar Blues"—the result of dull, boring and repetitive jobs. But an ensuing rash of strikes among teachers, nurses, policemen and other civil servants—hardly engaged in repetitive assembly line jobs—put a crimp in that theory.

During that period of labor strife, a survey of several thousand blue collar workers in tightly structured jobs showed that workers ranked their needs in the following order: more job security; equality of pay; more and different fringe benefits and more leisure time.

Their needs and motivation follow the laws of human nature. But how can the economic expectations of the work force be met without adding fuel to the fire of inflation? Higher wages. Higher productivity. Lower direct labor costs. Are they impossible dreams?

To show that the dream is possible, take a few examples of recent productivity improvement programs designed and implemented in the private sector. Much like their counterpart at the corporate level, financial rewards at the rank-and-file level proved to be a substantial motivating element.

Workers somehow found a "second wind" and became more productive when they knew that there was a direct link between compensation and performance. In two of the six installations at which programs were instituted the work force was non-union. In the remainder they were covered by union contracts.

[In percent]

Location	Wages	Productivity	Labor Costs*
East Tennessee	+15	+43	−28
Philadelphia	+29	+48	−26
South Georgia	+16	+75	−53
Metropolitan N.Y.	+21	+51	−21
Central Tennessee	+13	+60	−47
Central Virginia	+3	+66	−25
Average	+21	+57	−33

*Per unit.

What unlocks or triggers the average 57 percent of hidden productivity found in the six cases? What factors must be taken into consideration before attempting to take such steps?

First, a productivity standard must be established that defines just what is a fair day's work. Conceptually, this is the performance that can be achieved by an individual who is properly trained and performing at a normal pace. This takes into consideration unavoidable delays and interruptions, and the need for personal and fatigue time during the work day. It is usually accomplished by using an organized system of standards development.

Second, one must answer the question: Is there a consensus in management that reasons as follows—if a worker produces more than a fair day's work, should he be entitled to more than a fair day's pay?

Third, does management recognize that higher productivity levels are really attainable? Performance standards are historic. The traditional rationale focuses on what has been done, rather than on how much could be done.

The crucial elements, therefore, are like the legs of a stool that give support to each other.

Once standards are developed and quantified, and agreed upon by various levels of management as fair and equitable, a reward must be developed for those who meet the standards. At this point the workers become involved—they have a right to know how the standards were established and to agree that the reward for extra performance is equitable.

The key is more money, or its equivalent, for more productivity. In some instances the reward or increased productivity is more time time off while still earning the same, or more, pay.

As an example, one company sought to install a productivity incentive program at a warehouse and distribution center. A major producer of consumer goods (boxed apparel), the company was seeking to reduce costs and increase productivity at its 150,000 square foot facility.

Several factors contributed to management's decision to install incentives. Direct labor costs per unit were being driven up by mandated union contract increases. This was coupled with individual raises given to certain employees who felt their productivity levels entitled them to more compensation.

Because of the cyclical nature of the workload in the warehouse and distribution center, periodic shipping peaks had to be met, or orders would be cancelled. Extra performance was required from the work force during the peak periods. But the work force did not feel it shared in any of the gains generated by extra effort, except through overtime pay.

Even overtime has its complications. As cancellation dates came closer, a percentage of the work force was uninterested in putting in extra hours for more money. Yet management would gladly pay the price to avoid cancellations, complaints from customers, and resultant loss of profits due to nonshipment.

Against this backdrop, an incentive was devised for the functions of receiving and inspecting, stock put-away, order pick, check and pack, and ship. Standards were developed that reflected the work content for each category of work.

In receive and inspect, workers were put on a group incentive because the group had more than one function to perform. In put-away, pick and check and pack, workers were all compensated by individual incentive because their output could be so monitored. In ship, which involved a number of interchangeable functions, workers were also paid on a group incentive because of the interdependence of the functions. Clerical, computer and supervisory personnel were not included in this plan.

As a result of the program, the 40 employees involved raised unit productivity to 91 uints an hour from 60. Average hourly earnings rose by $1.05, to $4.995 an hour, but the average cost to process a unit through these functions fell to 13.6 cents from 17.2 cents a unit.

During the implementation period the additional incentive of peer pressure was added in as some workers tended to outpace, and thus earn more than, others.

Will incentives work in any kind of job? Chances are they will, whether in the typing or clerical pool or in the factory or warehouse. Performance bonuses can be linked to reduction of scrap and improvement of quality. Similarly, incentives can drive down costs in our hospitals, which employ an extensive labor force performing such nonmedical functions as food services and housekeeping.

Undoubtedly functions performed by municipal employees can be more productive. In fact, this area may well require it even more than the private sector, as its growth has been more rapid than that of the private sector.

Since 1974, state and local government employment rose 7.76 percent while that of the private sector rose 1.24 percent. Federal employment increased by less than 1 percent. State and local governments alone added more employees than the entire private sector between 1974 and 1976—889,000 versus 821,000.

If we were to establish realistic performance standards and create adequate performance incentives, there is no doubt that substantial improvements in services could be achieved. Additionally, major reductions in costs could be accomplished while offering participating employees substantial increases in wages.

An average 57 percent increase in productivity in the private and public sectors generated by incentives could enable us to cut the work week or increase wages and output, or both, without fueling inflation.

Workers are protected by Federal and state social programs, as well as unions. But clearly, the time for a new and careful look at productivity-related incentives has arrived.

THE DEPARTMENT OF JUSTICE: THE LEVI LEGACY

Mr. PERCY. Mr. President, recently former Attorney General Edward H. Levi spoke before the Los Angeles County Bar Association. In his address he outlined some of his accomplishments as well as some unfinished business of his term as Attorney General. After what was in my view a superb performance as Attorney General, Mr. Levi has left an agenda for his successor. I would like to share some of his thoughts with my distinguished colleagues.

Mr. Levi's concern for individual liber-

ties has been an integral part of his personal and professional life and was perhaps the hallmark of his stewardship at the Department of Justice. His stance regarding surveillance in foreign intelligence cases is as good an example as any of his attitudes in this regard. As Attorney General, he personally reviewed all applications for wiretaps that were not supported by judicial warrants. Mr. Levi did not consider this process a mere formal exercise, but rather studied each request carefully in order to weigh the Government's need for the information it might receive against the degree of intrusion into the privacy of an individual. Speaking of his 23 months as Attorney General, Mr. Levi stated that—

> Under no circumstances are warrantless wiretaps or electronic surveillance directed against any individual without probable cause to believe he is a conscious agent or collaborator of a foreign power. . . . A year and one-half ago I publicly stated that there were no outstanding instances of warrantless taps or electronic surveillance directed against American citizens. There are still none today.

During his tenure, Mr. Levi attempted to articulate guidelines for investigative activities of the Federal Bureau of Investigation. He reports that—

> The Bureau is now operating under detailed guidelines in its domestic security and foreign intelligence and counter-intelligence investigations.

These guidelines have brought a significant drop in the number of domestic security investigations. One should note that in July 1973, the FBI had over 21,000 open domestic security cases. By September 1976, the caseload—and corresponding expenditure of resources and intrusions into individual privacy—was down to 626.

Mr. Levi also expressed his concern for defining the discretionary authority of Federal prosecutors. As he accurately pointed out in his speech, the decisions of Federal prosecutors regarding when they will prosecute and grant immunity is often as important as the statutes they enforce. To insure consistency, Mr. Levi directed the Justice Department to undertake the first complete revision in over 20 years of the U.S. Attorneys' Manual. This effort will doubtless lead to a substantial improvement in the quality of Federal prosecution and decisionmaking.

Attorney General Levi squarely faced the problems of racial integration, especially in our schools. His approach was thoughtful and reasoned. He firmly believes in the necessity of removing State-supported segregation in any form. Whether analyzing school desegregation, employment discrimination, or related issues, Attorney General Levi has contributed a calm and scholarly voice to the discussion in an emotion-packed area of the law.

At this point, I would like to highlight Mr. Levi's views on the issue of whether busing of schoolchildren is an appropriate legal tool for breaking down segregated public education patterns. While he agrees that it is a necessary and legitimate means for integrating education, he also asks us to look at the effect busing has on communities and the children it most clearly affects. In his Los Angeles County Bar Association speech, Mr. Levi urged us to recognize that—

> Our society cannot in the long run rely on artificial arrangements created and maintained only by judicial decree. The drastic remedies necessary in this area must be designed to allow a transition . . . to more permanent and natural arrangements.

Mr. President, I would like to mention here several areas in which Mr. Levi performed great service, but which he does not discuss in his speech. Mr. Levi was responsible for changing a Justice Department policy which I felt was particularly offensive to commonsense standards of decency. Over a year ago I read a story in the Washington Post which reported that Federal agents broke down the door of the wrong apartment looking for narcotics. Then realizing their mistake, they broke down the door of the "right" apartment, but found no drugs. The agents paid to replace the first door, but not the second, despite the fact that there was no evidence of crime in the second apartment.

I was shocked to find that this decision was based on a long-standing Justice Department policy. When Federal agents made a mistake those harmed were automatically reimbursed for their losses. But when misinformation, possibly passed on by dishonest or vindictive informants, led the police to make a mistake, the Department would deny responsibility and refuse any reimbursement. After I wrote to Mr. Levi and he undertook a review of Department of Justice rules on this question, the policy was changed. Federal agents will now repair the damage they do in carrying out a legal search in all those cases where no evidence of criminal activity is found. To my mind the new policy enunciated by the Department of Justice is in line with the simple principles of fairness understandable to all Americans.

The resolution of this problem indicates a great deal about Ed Levi. It shows that he is receptive to change, unlike many lawyers who cling so doggedly to precedent. It shows that he concerns himself with the nuts-and-bolts problems of the operation of our criminal justice system as well as grand long-range ideas for reform. It also demonstrates that Ed Levi cares about people and their problems in a very profound way.

Mr. President, the Permanent Subcommittee on Investigations, on which I am the ranking Republican, has oversight in the drug enforcement field. The Senators on the subcommittee have long sought to change the focus of the efforts of the Drug Enforcement Administration—DEA—from minor street operations to the major dealers. Attorney General Levi and DEA Administrator Peter Bensinger joined us in this effort. The cooperation in this area between the executive and legislative branches in many ways sets an example for others in Government. I commend Mr. Levi for his important role.

Finally, as Attorney General, Ed Levi was personally very helpful to me when I recommended the names of individuals to the President for appointment to the Federal bench. His counsel and advice were invaluable. In this way, he helped me immeasurably in my effort to refer only individuals of the highest quality to the President.

Mr. President, I have known Ed Levi for many years and I have only the greatest admiration for his performance as Attorney General. During his term, he consistently chose the high road, never allowing himself to be accused of playing politics with his sensitive and powerful office. Much like President Ford, Ed Levi helped restore public faith in official institutions at a time when that was desperately needed.

I also have the highest personal regard for my friend Ed Levi. In public and private life, he continues to show his compassion, insight, dedication, and well-intentioned concern for his fellow man. All America owes him thanks for what he has done.

Mr. President, I ask unanimous consent that the text of Edward Levi's address before the Los Angeles County Bar Association of November 18, 1976, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE EDWARD H. LEVI

I welcome the opportunity to talk with you briefly about some unfinished items on the Department of Justice agenda. It is the nature of a living system of law that there always is an unfinished agenda. The items change, of course; some problems do get solved; others perhaps always will remain. Reviewing the agenda—something we do in one sense every day in the Department—is a way of thinking about priorities for the future. In this talk I will be able to touch upon only a few such items, such as the development of electronic surveillance policy, the formulation of FBI guidelines, the reconsideration of prosecutorial discretion and the clarification of anti-discrimination law. There are many facets of these and other important items I will have to ignore. In my view one paramount concern must always guide our way. This is the keeping of the faith in the essential decency and even-handedness in the law, a faith which is the strength of the law and which must be continually renewed or else it is lost. This has been a central principle which my colleagues and I have kept as our first concern. In a society that too easily accepts the notion that everything can be manipulated, it is important to make clear that the administration of federal justice seeks to be impartial and fair and that these qualities are not inconsistent with being effective. Related to this is a willingness to confront hard problems. Some of these problems relate to questions of administration of the law where discretionary limits have been inadequately defined or enforced. Others involve the evolution of a guiding legal theory where conflicting legal doctrines, ambiguously stated, respond inadequately to the solution of social problems. Still others may raise issues which must be explored in depth if our constitutional system is to receive the care it deserves. With respect to this last kind of issue, the Department, as you will recall, in the *Buckley* v. *Valeo* election case went to the extreme of filing in the United States Supreme Court two briefs—one which we termed a pure amicus brief discussing the issues on both sides. This move was not exactly unprecedented, but it was highly unusual. I like to think, however, that it was

highly proper and in our best traditions, even in our adversary system.

One area in which the process of rethinking began very early concerns the standards and procedures by which intelligence agencies should operate. I vividly recall that quite late in the afternoon on my first day as Attorney General this issue arose immediately. Just as I was settling into my chair and observing the handsome wood paneling of the office, an FBI agent appeared at my door without announcement. He put before me a piece of paper asking my authorization for the installation of a wiretap without court order and he waited for my approval. For close to 40 years the Department of Justice had been called upon to undertake electronic surveillance in certain cases without prior judicial approval. But I thought it was a bit unusual that I was expected to sign so automatically, if that really was the expectation. I asked the agent to leave the request with me—I think, perhaps, to his surprise—so that I could consult other officials in the Department.

This experience was one of many that led us to explore immediately the question of how procedures could be perfected in this world of inevitable secrecy. Important steps in the process of reconsidering electronic surveillance and other intrusions in foreign intelligence cases had already been taken before I became Attorney General. I want to stress that. But it has received a great deal of our attention ever since.

The Department of Justice undertakes electronic surveillance in this kind of case without a prior judicial warrant because the curious shape of the law as it reacted to necessities of our time includes an assumption that it will. The statute providing for judicial warrants for electronic surveillance in criminal cases—the Omnibus Crime Control and Safe Streets Act of 1938—expressly reserves from its requirements surveillances conducted pursuant to the constitutional power of the President to collect foreign intelligence information. The Supreme Court and the United States Courts of Appeals which have considered the matter have either held that the Fourth Amendment does not require a warrant for electronic surveillance instituted to collect foreign intelligence or have reserved the question. In the leading Supreme Court case—the *Keith* case decided in 1972, which held that the Fourth Amendment required a warrant in cases in which there was no significant foreign involvement—Justice Powell emphasized that "this case involved only the domestic aspects of national security. We have expressed no opinion as to the issues which may be involved with respect to the activities of foreign powers or their agents." Justice Powell's statement was set against a background in which such surveillances were undertaken, were known—I would say expected—to have taken place over many years. Shortly after the *Keith* decision Attorney General Elliot Richardson reaffirmed the practice. In a September 12, 1973, letter to Chairman J. W. Fulbright of the Senate Foreign Relations Committee, Attorney General Richardson wrote: "I believe there will continue to be situations which justify the conduct of electronic surveillance for the purposes of national security. This surveillance is carried out to meet the obligations of the President as both Commander-in-Chief and as the Nation's instrument for foreign affairs. I will continue to attempt to ensure that a genuine national security interest is, in fact, involved whenever we invoke this power and that we operate within the limits set by Congress and the courts."

Foreign intelligence warrantless electronic surveillance has been a matter touched upon by legislation, passed upon or avoided by courts, and has been the responsibility of the Executive. Our belief was that a more coherent policy, expressed in judicial decisions, legislation, executive regulation or some better combination of these elements, was required. An understanding of the use of Presidential power in this area and the development of procedures to direct its use have been made more difficult because of the secrecy which has prevailed about the practice for 35 years. Open and informed public discussion has been difficult. Much of the secrecy is necessary. Against this background we consciously took every available opportunity to the extent proper to discuss publicly our policies with respect to electronic surveillance. It may be useful to reiterate them now. Under the standards and procedures established by President Ford, the personal approval of the Attorney General is required before any non-consensual electronic surveillance may be instituted within the United States without a judicial warrant. All requests for surveillance must be made in writing by the Director of the FBI and must set forth the relevant justifying circumstances. Both the agency and the Presidential appointee initiating the request must be identified. It is the policy of the Department that all requests now come to the attention of the Attorney General only after they have been extensively reviewed by the FBI, an official in the Criminal Division, and a special review group established within the Office of the Attorney General. In addition, a committee composed of four Presidential appointees in the Department is consulted on cases which present new factual situations. Each request, before authorization or denial, receives my personal attention. Under no circumstances are warrantless wiretaps or electronic surveillance directed against any individual without probable cause to believe he is a conscious agent or collaborator of a foreign power. The probable cause must exist before the electronic surveillance is used. A year and one-half ago I publicly stated that there were no outstanding instances of warrantless taps or electronic surveillance directed against American citizens. There is still none today, although if the proper showing were made such a surveillance would be possible.

As discussions with interested congressional committees continued and as our own thinking developed, it was determined that legislation providing a warrant mechanism shaped to meet the particular problems of foreign intelligence, fitting constitutional standards and offering a measure of reassurance to the public could be drafted. The President, after consultation with members of Congress, proposed legislation early this year to provide a procedure for the issuance of warrants for foreign intelligence electronic surveillance. This legislation, after considerable negotiation and alteration by the Department of Justice and Senate leaders, overwhelmingly passed both the Senate Judiciary Committee and the Senate Intelligence Committee. The Congress adjourned before enacting this significant legislation. Of course I don't know whether it will ever be enacted or not.

There is not time today to describe the bill in detail, but let me sketch briefly its basic features. It provides a mechanism by which the Attorney General can apply for an electronic surveillance warrant to one of seven district court judges designated by the Chief Justice. The judge may grant the order if he finds first that there is probable cause to believe the target of the surveillance is a foreign power or an agent of a foreign power and second that a named Presidential appointee confirmed by the Senate has certified that the information sought is foreign intelligence information that cannot feasibly be obtained by less intrusive techniques. The judge must also be satisfied with minimization procedures, and the surveillance can continue no longer than 90 days without his renewed approval.

During the course of negotiations between the Department and the two Senate Committees and between the Department and intelligence agencies in the executive branch, several specific concerns were worked out by revision of the bill. While it had been argued that no electronic surveillance of citizens or permanent resident aliens should be undertaken without a showing of probable cause of a criminal violation, the committees ultimately recognized that this notion was unworkable. Foreign spying such as espionage to obtain trade secrets or information about industrial processes may not be a federal criminal violation under the espionage law. Foreign terrorism directed at private individuals or property might not, under current law, be federal crimes. Yet these acts vitally affect the nation's interests when they are undertaken here pursuant to the direction of a foreign power.

The ultimate form of the bill, like its original draft, follows the implied suggestions of Justice Powell in the Almeida-Sanchez and Keith cases that special procedures and probable cause standards can be fashioned to meet unique circumstances. The judge is given the responsibility for determining whether there is probable cause to believe the subject of the surveillance is a foreign power or agent. The appropriate executive official is given the responsibility of certifying that the information sought is foreign intelligence information. This distinction is based on a regard for whether a judge or an executive official with responsibility for foreign relations or foreign intelligence ought to be held accountable for the decision. The bill provides for executive accountability where judicial determination would be inappropriate, but it gives the judge the duty to determine whether the executive certification has been given, and it always places upon the judge the determination that there is probable cause to find the existence of the requisite foreign agency.

In the version which was reported to the Senate, the bill contained provisions which come very close to requiring probable cause of a crime before electronic surveillance can be directed against an American citizen or permanent resident alien. But the standard adopted avoids the risk to basic human liberties that would exist if the espionage laws were broadened to meet the need for electronic surveillance.

The development of the legislation has, I believe, helped to clarify the Department's own policy. By its safeguards, the legislation would give to our citizens the assurance that electronic surveillance activities in the United States would not be conducted unless an independent magistrate were to find that the application submitted by executive officials met strict legislative standards. I hope another legislative effort will go forward.

In a different area there is under way, as you know, a unique effort to articulate guidelines for the investigative activities of the Federal Bureau of Investigation. This is a major effort, to which Director Kelley and the Bureau have given the utmost cooperation, to guide investigative conduct, to be realistic about the exercise of discretion and to impose special controls to guide sensitive decisions. As a consequence, the Bureau is now operating under detailed guidelines in its domestic security and foreign intelligence and counter-intelligence investigations. As a result of the guidelines and of the Bureau's own reassessments, the number of domestic security investigations has dramatically dropped in the past few years. In July, 1973, the FBI had more than 21,000 open domestic security cases. By September of this year that number had been reduced to 626.

Guidelines concerning background employment investigations done at the request of the White House and at the request of congressional committees and judges have not yet been formally put into effect, but are already being substantially followed by the Bureau. As a protection against abuses of the past, these guidelines require that the person investigated must give his permission. Currently, a committee within the department is working on guidelines concerning cooperation with foreign police and other overseas aspects of the Bureau's work, organized crime, the handling of informants, and the government loyalty-security or, as it is sometimes called, employment suitability program. Because of the unprecedented nature of this effort to establish articulate standards to shape such crucial decisions as under what circumstances an investigation may be opened, the process has taken a great deal of time and work. But I hope that this important task will continue to move forward within the Department and in cooperation with Congress as it begins to attempt to clarify the Bureau's intelligence jurisdiction.

Like the important decisions about when and how to investigate a criminal allegation, prosecutorial decisions such as when to charge an accused, when to bargain for a guilty plea, when the federal government will prosecute an individual already prosecuted in state court for a related offense, and when to grant immunity in exchange for testimony have been largely uncontrolled by articulated standards and procedures. It is, I believe, time for a reconsideration of the practice in these areas. It is a highly controversial area subject to considerable misunderstanding. The Department, through task forces, has begun to look into this issue. A thorough revision of the U.S. Attorneys' Manual, the first complete revision in more than 20 years, is nearing completion. The manual sets forth the allocation of duties between U.S. Attorneys' offices and the Department's litigating divisions and describes the procedures that control the federal prosecutor's work. The revision of the manual will soon be completed and is a major achievement. But much remains to be done before the reformulation of policy is completed.

I turn now to a different area of the Department's concern, one in which the Department shares with other legal institutions and the society as a whole the most difficult responsibility. The law against discrimination has matured in a period marked by recognition of scarcity and complexity as the dominant economic and social facts. Some have perceived in its evolution a movement from the principle of equality of opportunity to a requirement of equality of result. This, like all capsule descriptions, distorts a complicated reality.

In principle the law demands, not equality of result, but equality of treatment, without regard to race, color, religion, national origin and sex. This I take to be the point of the Supreme Court's continued adherence to the de jure-de facto distinction in Keyes and other school desegregation cases; of its statements in those cases that the existence of schools attended predominantly by persons of one race is not in itself unconstitutional racial discrimination; and of the Court's recent holding in Washington v. Davis that intent to discriminate remains a necessary element to a claim of unconstitutional employment discrimination by government. Indeed, although the Court in Davis suggested the possibility of a distinction between constitutional and statutory claims, this also appears to be the point of the language of the Civil Rights Act. Title VII, for example, makes it an "unlawful employment practice . . . to discriminate against any individual . . . because of . . . race, color, or national origin . . .," a form of language that looks, in its ultimate legal standard, to causation and purpose, and not to effect alone.

But this seemingly fixed principle rides in both theory and practice on a world of ambiguity. On the point of principle itself, on the one side, some courts have held, both as a constitutional and statutory matter, that persons cannot be given preferences, simply because they are members of a minority group that has suffered injustices in the past, over others who are not. On the other side, there are those who have argued with the greatest conviction that neutral action, against a background of injustice in the past, can itself be a form of discrimination—that the Constitution and laws can recognize no distinction between action purposefully designed to achieve and enforce discrimination, and ostensibly neutral action that knows, accepts, and fails to act to avoid the consequences in the operation of the schools or in the granting of jobs, of a long history of discrimination by all parts of our society.

The confusion on principle is fueled by the reality of the law in practice. Justice Stevens made the point in his concurring opinion in the Davis case that the continued insistence on the element of intent could, in practice, have no consequence at all, that everything would depend on the proof required to establish the forbidden purpose. He was speaking to a problem pervasive in this area of the law. Thus, in the Keyes case, the Supreme Court held that, once the plaintiff in a school desegregation suit proves that there has been intentional discrimination as to some schools in a district, a rebuttable presumption arises that it has affected the district as a whole.

In litigation under Title VII, concerning unlawful discrimination in employment, the plaintiff makes out a prima facie case by showing that the proportion of minority persons hired varies from their proportion in the work force, or that employment tests have a disproportionate effect on minority members, thus casting on the defendant the burden of proving absence of discrimination or that tests are job-related, burdens that, in fact, are seldom overcome. The result can be, in practice, that to avoid a prima facie case, the employer must seek to attain a statistical parity that Title VII expressly states it does not require, by means of preferences that Title VII itself forbids. As Justice Stevens pointed out, these evidentiary rules derive from the difficulty, common in the law, of proving intent and purpose directly, rather than by inference from effect. But the willingness to infer intent rests as well, I think, on a suspicion that discriminatory purpose often may be concealed by appearances of neutrality, and a conviction that indifference to effect and discriminatory purpose are not very far apart.

The same problems have operated in the efforts to remedy school segregation. In the *Swann* case, the Supreme Court stated the goal: "The objective today remains to eliminate from the public schools all vestiges of *state-imposed* segregation." The command is addressed to the necessity not only of preventing present acts of discrimination but also of eliminating present consequences of past discrimination—the patterns of racially identifiable schools that resulted from past unlawful acts. The problem, however, is complicated by the recognition that, to some extent and in some, particularly urban, areas, such patterns may have stimulated the growth of racially identifiable neighborhoods; use of the neutral principle of neighborhood school assignment—the national norm—would, where discrimination had been practiced, merely perpetuate its effects for some indefinite future time. Moreover, there is the conviction that if the segregation that exists was not entirely caused by official acts with respect to the schools, it is in any event the product in major part of the whole history of public and private acts that have occurred in our society, and that the impact on the schools, whatever its origin, requires remedy. This complex of factors has led a number of courts to cut through the knot, to convert the Keyes presumption as to intent into an assumption that all racial imbalance among the schools in a district is the consequence of unlawful acts and to order, as a remedy, that all schools reflect the racial balance of the district as a whole.

This form of remedy, like the remedy of goals or quotas in the employment discrimination context, has attractions: it necessarily ensures that all vestiges of discrimination have been removed, and that, for the duration of the order, discrimination will be impossible. But it also has costs—in the operation of the schools, in the disruption of neighborhood responsibilities and community building, and in the view of the child as a member of a group rather than as an individual.

In the past two years, the Department of Justice has attempted, through both litigation and proposed legislation, to address this disunion between principle and practical effect. The positions taken in the litigation and in the central design of the legislation are identical. If the purpose of a school desegregation decree, as the Court repeatedly has said, is to remove the consequences of official acts intended to achieve and to enforce segregation in the schools, then the effort must be made to determine as precisely as possible what these effects have been. The assumption is that, in the separation of races, other factors may have been at work that may or may not have been illegal, and if illegal, perhaps can be better dealt with through remedies directed specifically at them. In particular, to the extent that separation results from discrimination in housing, remedies must be provided to deal with that problem directly. As the Supreme Court said, schools cannot bear the burden of remedying all of the racial injustice in our society. Instead, the remedy in school desegregation cases must be to recreate, as nearly as possible, the situation that would have existed had unlawful segregation of the schools not occurred.

In both litigation and the legislative proposal, the Department has tried to suggest procedures of adjudication and review to ensure that the remedy will at once be rightly limited to the violation found and yet, within the limitation, be effective. The Department's position recognizes that transportation of students to schools distant from their homes can be proper and, in some instances, a constitutionally mandated remedy for unlawful acts. But the legislation and the Department's brief in Pasadena also make the point that our society cannot in the long run rely on artificial arrangements created and maintained only by judicial decree. The drastic remedies necessary in this area must be designed to allow a transition, as soon as possible, to more permanent and natural arrangements, and the decree should provide necessary minimum standards that give as much room as possible to voluntary action.

The purpose of these efforts has been, not a reversal in the law, but its elaboration and clarification. No one in the Department believes that its approach is an easy, or easily implemented, answer for a problem that continues after two decades. Its presentation at least gives a focus to thought and discussion about the reality of what we are doing as a society and about what we want to do. A thinking society, struggling for racial justice, requires that that effort be made. In the short and in the long run community involvement and understanding are the most important ingredients to a solution.

There are other unfinished items that deserve attention. Our criminal justice system

cannot be truly strong, effective and just until we rebuild the foundation on which it rests—the panel law itself. Our present federal criminal law is riddled with inconsistencies and uncertainties. Similar conduct is often treated with gross disparity, offending the precept of fairness and equality. To cite but one example, robbery of a post office carries a maximum term of 10 years while robbery of the federally insured bank next door renders the offender liable to a 20-year maximum sentence. Many of the most important features of our penal law are not adequately codified; for example, the law of defenses, the requisite state of mind for culpability and for conspiracy offenses. These gaps in the code assume the existence of a kind of common law. But the development of this common law has never been complete. The inevitable result is that our penal law is defined by the discretion of the prosecutor. The treatment can be uneven and uncertain. As Professor Wechsler has written, the promise of the penal law "as an instrument of safety is matched only by its power to destroy. . . . The law that carriers such responsibilities should surely be as rational and just as law can be. Nowhere in the entire legal field is more at stake for the community, for the individual."

The significant effort to codify the federal criminal code made progress during the last session of Congress. We have frequently expressed the view that the provisions relating to the disclosure of government information were too restrictive. Compromises were reached on this and other issues which had caused controversy. We must not assume that this project of restatement of law, which is in one of the most important traditions in the evolution of our law, is an impossible task. It is, instead, an opportunity for testing and reevaluating those elements of the criminal law that trouble us and in some instances recodifying existing law where our efforts to improve it are stymied either by our lack of knowledge or our philosophical differences. In this spirit, I believe, with the continuel cooperation of the organized bar, the project can be completed to the lasting benefit of our society and its legal system.

Similarly, the question of sentencing practices and the device of parole need to be reconsidered. The element of chance must, to the extent it is possible, be removed from the system both because our sense of decency demands it and because the deterrent force of the criminal justice system depends upon such a reform. The deterrent theory of punishment does not require severe punishment. It requires a certainty that punishment will follow the crime, a certainty that has been greatly eroded. It has also been argued that the rehabilitative function of imprisonment will be enhanced by a sense of certainty about the term to be served. In such a situation entry into rehabilitative programs would truly be voluntary and the chances of success increased. In the past year the Department of Justice has taken the first step toward sentence reform by suggesting the creation of a sentencing commission to draft standards to control the discretion of judges in the sentencing decision. We have also proposed the imposition of mandatory minimum sentences for certain heinous crimes, with exceptions from the requirement made in certain mitigating circumstances. We have also suggested that it is time to discuss whether the parole device has outlived its usefulness.

Other serious problems confront us, such as the strategy for controlling illegal immigration while at the same time protecting the rights of individuals in our richly multiethnic society. I know this has been an issue of considerable importance to your association. As we proceed in reformulating our policy we must recognize that there is some limit to the number of immigrants we should accept and, above all, as your report on the subject emphasizes, that our immigration law should be fair and enforceable. The emphasis should be placed upon prevention of illegal entries rather than on finding and expelling those who have already entered and made a life in this country. The integrity of the immigration law depends upon strong and decent preventive measures. We must remember that we face the problem of unlawful immigration because we remain the world's best hope. Unauthorized immigrants are responding to the same human impulses that motivated each of our forebears. We must address the illegal alien issue in a manner compatible with our democratic values and our tradition as a nation of nations.

As the agenda of the Department is inevitably unfinished, I suppose it is also always boundless. There are so many other issues—the problem of gun violence, terrorism, the overloaded criminal justice system—that demand attention. And there are other imperfections that will take their place on the agenda in the future.

As I have indicated we have felt that part of the restoration of faith in the administration of federal justice involves the willingness to confront difficult problems, both of administration and of law, and to seek out for discussion and resolution those areas in which the law was ambiguous or in conflict. The preservation and renewal of our basic national values requires of all of us this openness to discussion and this duty of inquiry as well as impartiality of administration. It is the responsibility and joy of the Bar, of all of us as lawyers, to continue the essential work of the evolving unfinished agenda of the law.

CALIFORNIA'S WATER CRISIS: A RUINOUS DISASTER

Mr. CRANSTON. Mr. President, the immediacy of the disaster wrought by extreme cold weather in the Eastern half of the Nation has obscured the severe hardship caused by the same capricious weather pattern in the Western part of the United States. I speak of the drought.

The year 1976 was the third driest for California in this century, drastically depleting California's water reserves. To date, 1977 has proved drier and is predicted by many to end as the driest in the century. California's water resource experts now estimate that even if an unusual amount of rain falls in California during the remainder of our rainy season, the lack of snow buildup and the ability of the ground to absorb water at only a limited rate—not to mention the already low levels of stored water—it will not add up to a supply sufficient to sustain California's agricultural and municipal needs.

The State of California is already hard at work on water conservation measures and on location of new water supplies.

Already being contemplated are reductions of municipal water supply by 25 percent to the East Bay region and 10 percent to San Francisco and by 75 percent to agricultural users. Since much of California's electricity is drawn from waterpower, rolling blackouts are already being contemplated for the months ahead.

While crop losses have already amounted to some $250 million and livestock losses have already amounted to between $350 and $400 million, already existing agricultural stabilization and conservation service programs will help to alleviate some of the economic pressure that poor crop yield and crop loss will cause.

However, other Federal programs either do not exist or are not being interpreted by the Federal agencies in a manner which will provide sufficient—if any—relief to California victims.

Thus, I am particularly concerned that during both executive and legislative consideration of relief measures for victims of the Eastern freeze, we should place equal emphasis on California's drought, a disaster the effects of which will persist and will affect most Americans long after the East has thawed out.

The full impact has yet to hit California—and the Nation—in terms of food shortages and increased food prices and unemployment. California officials are currently at work making quantitive projections on these ramifications.

We must bear carefully in mind that the financial ruin that drought can cause may well be as great as that caused by the more sudden and spectacular physical ruin caused by storm, fire, earthquake, and flood.

California Governor Brown has made application for several assistance programs to alleviate some of the hardship caused by this drought.

The first application went to the Federal Disaster Assistance Administration on January 12, 1977, for an agricultural stabilization and conservation service program for the emergency livestock feed program and the agricultural transport assistance program for the following 23 counties: Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Lassen, Mariposa, Mendocino, Merced, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Stanislaus, Sutter, Tehama, Trinity, Tuolumne, Yolo, and Yuba. The FDAA authorized money on January 20 for the feed subsidy only. This subsidy program covers less than half of the actual cost of feeding cattle. It also assumes a surplus of feed supply. Since the request for livestock and feed transport money was not approved, the lack of an alternative coupled with a feed shortage has meant an increase in the price of feed. For purposes of keeping feed costs down and salvaging the foundation herds, I believe that the transport subsidy should be approved. The State of California is attempting to win this approval and is in the process of collecting additional supporting data.

Subsequent to the application for the 23 counties listed above, the State of California requested emergency assistance on January 24, 1977, for another 17 counties. These counties are: Alameda, Contra Costa, Fresno, Inyo, Los Angeles, Madera, Marin, Mono, Napa, San Benito, San Bernardino, San Mateo, Santa Clara, Sierra, Solano, Sonora, and Tulare. The application was approved by the FDAA and the ASCS on February 2 for 14 of the 17 counties: Los Angeles, San Bernardino, and Mono Counties had rain after the application was made. Once again, the request was approved for the feed subsidy only.

Very severe economic loss for California's recreation industry has resulted from the drought. Mostly small businesses are affected, with ski resorts especially hard hit by the lack of snow. On January 24, the State of California made application to the Small Business Administration for low-interest loans for resort hotels and supporting businesses which are facing severe economic hardship and even bankruptcy as a result of the drought. The 15 counties included in this application are: Alpine, Amador, Calaveras, El Dorado, Lassen, Mono, Napa, Nevada, Placer, Plumas, San Bernardino, San Joaquin, Shasta, Tehama, and Tuolumne. Since their financial losses are as real as they would have been had disaster resulted in a loss of fiscal facilities. I strongly support speedy approval of this urgent request.

On the question of long-term solution, I believe we must urgently seek alternative water resources as strongly as I believe we must search for alternative energy solutions. If we develop the capacity to reclaim water from the sea and brakish water at reasonable cost, drought would be minimized. California's experimental desalinization program in Orange County was discontinued by shortsighted budget considerations under the Nixon-Ford administrations. Equipment for California's project remains in place. This and similar programs should be revitalized and provided with continuous funding until a system has been perfected which will be able to provide water supplies that make drought a catastrophe of the past.

Water conservation must also be pursued. A $500,000 California State application to the Environmental Protection Agency for an experimental conservation program was approved in the amount of only $50,000. This kind of shortsightedness simply will not do.

Future solutions notwithstanding, the Federal Government must have the proper mechanisms for compensating drought's victims until drought no longer poses threat of disaster.

On January 10, 1977, the Senator from South Dakota (Mr. ABOUREZK) introduced S. 120, legislation to extend assistance under the Disaster Relief Act to individuals, business and local governments which have been severely adversely affected by drought. Some of the highlights of this bill include conservation assistance, water transportation assistance, individual and family grants, mortgage and rental assistance, school district relief and low interest Small Business Administration loans.

I am pleased to have cosponsored this legislation. I hope that the Senate will move expeditiously to enact this measure which will help provide relief not only to California but to the many other Western States which have been so devastated by drought.

COMPULSORY RETIREMENT

Mr. BROOKE. Mr. President, in this country we are faced by an ever-increasing number of older Americans who want to work past the standard retirement age of 65, and are more than physically and mentally able to do so. It has been forcefully argued that to continue to force them into retirement when they still want or need to work is cruel and discriminatory. This is an issue which Congress should and must give attention to. I would like now to draw the attention of my colleagues to an article on this subject which appeared in the New York Times Magazine of February 6 and ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DO NOT GO GENTLY . . .

(By Harvey D. Shapiro)

"It just doesn't make any sense to me," Mike Shapiro says bitterly over his afternoon cup of coffee at Chef's Cafe. "The Social Security Administration says it's running out of money and has to keep raising payroll taxes to support all the old folks. Meanwhile, there's plenty of us old-timers hanging around who'd like to earn our own living, and they won't let us keep on working. . . . It just doesn't make any sense," he says again, pausing to let his coffee cool.

For years Mike Shapiro was the kind of employee who came to work early and went home late without putting in for overtime. When he turned 65, he was forced to retire. "It's an awful thing to do to a person," he says. Still vigorous and active at 76, Shapiro lives modestly on his Social Security and a small pension in Superior, Wis. Although he once took peculiar pride in being the first one up on his block weekday mornings, in recent years he has learned to sleep late. "Otherwise," he says wistfully, "the days seem too long."

Like hundreds of thousands of other older Americans, Mike Shapiro considers himself more a victim than a beneficiary of compulsory retirement, the practice of making employees retire when they reach some predetermined age, regardless of whether they are willing and able to continue working. The retirement age varies—it's 55 for New York City firefighters, 56 for air traffic controllers, 70 for Harvard professors, and 65 for most people. According to a 1975 survey by Louis Harris & Associates, for 61 percent of those working, age rather than ability will dictate when they must retire. And for many older people, their later years are like their earliest ones: they find society unwilling to entrust them with any meaningful tasks.

Several forces have come together to make compulsory retirement a common employer policy. Because older workers often receive higher wages and more benefits than younger workers doing the same job, companies are eager to oust them when times are tough. Then, too, many employers are convinced they couldn't keep talented employees without the prospect of promotions guaranteed by scheduled retirements.

This generational conflict is especially intense these days because members of the post-war baby boom are now in the labor force, dramatically swelling the ranks of younger workers eager to move up. Moreover, the women's movement has brought more and more women into the job market. While the female population of the United States has climbed 52 percent since 1947, the number of working women has risen 123 percent. Finally, minorities and women who were once restricted to dead-end jobs now have court-supported access to promotions. But as Illinois State Representative Alan Greiman notes, "They all see their paths blocked by 63-year-old white males who, they think, will keep on working forever if they're not forced to retire."

Because the issue of mandatory retirement cuts across the generations, the labor movement has had enormous trouble in dealing with it. In September 1975, the AFL–CIO Executive Council declared that "organized labor has opposed and will continue to oppose unilateral imposition of compulsory retirement by employers." But "unilateral" is a crucial word. Many union leaders have signed contracts permitting employers to retire high-salaried older workers in order to provide more jobs for younger workers.

Until this century, older people often kept on working as long as they could, and many never completely retired. But by the 1920's the growth of corporate employers first permitted and then required everyone to quit working at the same time. Adapting the rules to fit individual situations became too troublesome for the bookkeepers. Creation of the Social Security system in 1935 enshrined mandatory retirement at 65—a figure the United States Social Security Administration is reported to have borrowed from Germany, where Otto von Bismarck arbitrarily chose 65 as the age of eligibility for that country's first social welfare system in 1889. As a result, the proportion of men and women over 65 still working has dropped from 68 percent in 1890 to 22 percent in 1974.

Not only has compulsory retirement become widespread, says Carin Clauss, associate solicitor of the United States Department of Labor, "there is a growing trend toward compelling retirement prior to 65." Currently, more than 11 million Americans are locked into pension plans allowing them to be retired as early as age 55 at the employer's discretion.

Those who have thought about forced retirement recognize that it flies in the face of overwhelming scientific evidence about the increasing vigor and longevity of older Americans. There is no evidence that an average person's skills decline abruptly, nor is there proof that everyone ages at the same rate. There is no way of telling how long a person can do good work—or even when he or she will do it. When Prof. Ben Duggar retired from the University of Wisconsin at age 70, for example, he had a mildly distinguished academic career. After retirement, however, he became a consultant to Lederle Laboratories, where, at the age of 73, he isolated an antibiotic he called Aureomycin and then another called tetracycline, which has become the world's most widely prescribed antibiotic.

Most government and university research shows that employees from 65 to 70 and even up to 75 generally perform as well as younger workers in jobs not requiring heavy physical labor. While younger workers usually have more education and learn more rapidly, older employees are more likely to display better judgment and have stable work habits. "Most of the handicaps of oldness in our society are social, conventional and imaginary," says Dr. Alex Comfort, a gerontologist. "The physical changes are trifling by comparison."

The idea that retirement is necessary so that older people can take it "easy" in their twilight years is increasingly irrelevant in this era of desk jobs. Furthermore, says the American Medical Association, which has opposed mandatory retirement at 65 on health grounds, "There is ample clinical evidence that physical and emotional problems can be precipitated or exacerbated by denial of employment opportunities." According to the National Center for Career Life Planning, forced early retirement ranks ninth—after the deaths of various family members and divorce—among 40 major stress-producing events in life.

Supporters of compulsory retirement point out that that rule allows elderly employees whose work has not been satisfactory to leave in dignity. "It means nobody has to face saying, 'You can't cut it anymore,' " says Donald J. Povejsil, vice president of personnel and administration at Westinghouse Electric Company. He adds, "Any other method of

retiring people would be extremely difficult to manage."

Dr. Arthur S. Flemming, United States Commissioner on Aging and chairman of the Commission on Civil Rights, contends that mandatory retirement is simply a "lazy person's device for dealing with difficult personnel decisions." He goes on: "Certainly a manager would have to make some difficult decisions without compulsory retirement, but a good manager should always be making those kinds of decisions as he tries to raise the quality of his work force."

As for employers' fears that they would face endless legal wrangling if they had to establish standards to determine when each older worker should retire, Commissioner Flemming says that this will not happen. "It's much easier to apply tests at that end of a career," he says, "since the employer knows the person and his or her work. While hiring always involves some guesswork, termination can be based on actual performance on the job."

Flemming's convictions have been borne out by a number of firms without mandatory retirement rules. At Paddock Publications in Arlington Heights, Ill., which employs 300 people, "it is working out very well," says executive vice president Robert Y. Paddock Sr. "Most of the time an employee feels ready to retire just about when we begin to think they're ready." He cites the case of an advertising salesman in his early 60's whose track record seemed to be worsening. Before the advertising manager could say anything, Paddock notes, "The man kind of lost interest in his work and retired." Paddock, which publishes nine daily and six weekly newspapers for Chicago suburbs, has several employees in their 70's, including some who were hired at 65 after retiring from jobs elsewhere. Robert Paddock, who is in his late 50's, says, "When I retire at about 80, maybe things will change, but I like the way we do it right now."

Most of the jobs not subject to mandatory retirement rules are at small organizations like Paddock, where the boss knows everybody and can respond humanely to individual situations. But big companies can also get along without mandatory retirement. At United States Steel, for example, compulsory retirement rules affect only 19,000 office workers out of a total work force of 172,000. The bulk of the firm's employees can keep on working as long as they can pass annual medical examinations geared to the nature of their job, says C. T. Spivey, vice president of personnel.

Even if an employee's medical examination raises questions, Spivey says, "We get the union and find another job for him if he wants to keep working." At one of the company's plants near Pittsburgh, for example, an older worker recently moved from "second helper" in the open hearth department to the more sedentary job of "weigher" because of medical problems. Similarly, a worker who operated a bulldozer outdoors found his arthritis was bothering him more as he got older, but he didn't want to retire, so he transferred to an indoor job as a repairman.

Spivey says the bulk of United States Steel's employees retire as soon as they put in 30 years and are eligible for a pension, but the firm has no problems in finding work for those who want to stay on. The record-holder is Henry Baude, who retired as a price clerk on August 31, 1973, at the age of 77, after completing 61 years with the company. But United States Steel has had several other 60-year veterans.

An absence of mandatory retirement rules not only works successfully throughout the steel industry, but also at such varid large companies as Walt Disney Productions, the Bankers Life and Casualty Insurance Company, as well as the state government of Illinois and Pennsylvania. Says John B. Martin, legislative counsel to the American Association of Retired Persons and its affiliate, the National Association of Retired Teachers, "We're not arguing against early retirement. We say an employee ought to have some options. If he wants to retire early—fine. If he wants to continue working—fine. What we're dealing with essentially is the concept of freedom of choice."

The current lack of flexibility in work schedules is hardly a necessity. When they have to, employers can adapt on a massive scale. In retailing, for example, as stores have begun to remain open 12 hours a day or seven days a week in an era of 40-hour workweeks, store managements have been receptive to varied schedules permitting some people to work full time, some part time and some over-time. There's no reason why other employers couldn't adapt in a similar fashion. The automakers, for example, who are plagued with absenteeism on Mondays and Fridays, could bring in retirees to work on those days. Allowing older workers who remain fit and productive to make adjustments in their workdays, workweeks or workyears could lengthen their working career.

There is increasing organization and militancy among the elderly opposed to mandatory retirement. "Because of inflation, more and more older people are realizing that without employment they're just not going to make it economically," says John B. Martin. "Retirement will mean a descent into near poverty." But the complaint goes beyond economics. "This is really a moral issue," says Dr. Flemming, "because personnel policies requiring retirement at a given age without regard to an individual's abilities are in direct conflict with our Judeo-Christian concept of the dignity and worth of each human being."

Persons over 65 make up 14.8 percent of the registered voters and politicians are becoming attuned to "senior power." Major battles over retirement policies are beginning to be played out in courthouses and legislative bodies as well as offices across the country. Since the courts have been the cutting edge in overturning employment practices that discriminated against minorities and women, some senior citizens have hoped local action would aid them as well. But last spring, the United States Supreme Court dismissed an age discrimination suit filed by Lt. Col. Robert Murgia, who was forced to resign from the Massachusetts State Police when he reached the mandatory retirement age of 50, even though a rigorous medical examination had shown him to be in excellent health. The Murgia case was the latest of several unsuccessful attempts to challenge the constitutionality of compulsory retirement in the courts. Thus, Carin Clauss says, "The only way to get rid of compulsory retirement rules altogether would seem to be through legislation."

Several bills to end compulsory retirement were introduced in the United States Congress in the last few years. Representative Paul Findley, Republican of Illinois, first introduced a bill to end mandatory retirement in 1974; it disappeared rather quickly after it was introduced, but when he offered a similar bill in 1976, it gained 99 co-sponsors, ranging from liberal Democrats like Bella Abzug to conservative Republicans like John Rousselot of California. Moreover, Findley's bill was endorsed by Dr. Arthur S. Flemming and former Secretary of Labor Willard Wirtz. Although the bill didn't get out of committee, Representative Findley says he was encouraged by the increasing support and introduced the bill on the first day of the 95th Congress in January.

There are similar stories at the state level. In Illinois, a bill to abolish compulsory retirement passed the House of Representatives by a vote of 117 to 21 before it was killed in the upper house. Illinois Representative Alan Greiman introduced his bill again this year, and he reports increasing interest in such legislation in California, Pennsylvania and other states.

In New York, a bipartisan group of 52 Assemblymen and 21 State Senators introduced a similar bill last spring. That bill disappeared in committee, but was introduced last month. In a statement explaining the bill, Assemblyman Thomas R. Fortune, the chairman of the State Assembly committee on the aging, described mandatory retirement as unjust and economically unsound. He noted that such restrictions contradicted the principle behind prohibitions against sex and race discrimination in employment. "A person should only be forced to leave a job if that a person cannot perform the assigned tasks," he said. "Under no circumstances should a person be removed because of physical characteristics that are irrelevant to job performance."

A Department of Labor official is not optimistic about legislative changes on compulsory retirement, however. Business and labor leaders can be expected to support the status quo, he says, and "there is strong unreasoned opposition on Capitol Hill to any tinkering with retirement right now because of ERISA." ERISA—the Employee Retirement Income Security Act of 1974—reformed the rules governing pension plans to help retirees, but it also increased the costs and complexity of maintaining pensions and was followed by a record number of plan liquidations. Thus, the Department of Labor official says older Americans don't have enough supporters at the present time to pass legislation banning compulsory retirement, although there's a good chance of passing a law to increase the mandatory retirement age from 65 to 68 or 70.

Ironically, the growing conviction that change is not far off is based on the plight of the young rather than the old. Though younger workers have generally assumed their interest lay in getting older workers to retire, the economics of the situation are working in the other direction now. As the retired elderly population grows in size, the balance between workers and retirees is tilting precariously. While there were seven workers paying Social Security taxes for every person collecting benefits in 1955, there were only four in 1960 and less than three in 1975. Within 50 years, there will be less than two Americans working for each Social Security beneficiary.

Since those working support those who are retired under Social Security, to raise enough money to pay all those retirees. Social Security taxes will have to rise to 25 percent of average incomes in a few years unless some changes are made. By the same token, private pensions are devouring huge sums that might have been available for wages. United States Steel spent over $200 million on its pension fund last year, and like many employers it is now supporting more people through its pension plans than its payrolls.

In November, former Treasury Secretary William Simon recommended raising the age at which people can retire and claim benefits in order to ward off bankruptcy of the Social Security system. If enough people think about the whopping deductions Social Security and pension costs are already taking out of their paychecks, they will conclude it is costing too much to discriminate against older workers. That may turn out to be a very persuasive argument for letting older people keep on working as long as they can. There's an even more persuasive reason for improving the treatment of the elderly. The elderly are the only outcast group all of us can expect to join.

THE MIDDLE EAST AND IRAN

Mr. RIBICOFF. Mr. President, Senator HOWARD H. BAKER, JR., Senators CANNON,

EAGLETON, GLENN, FORD, CULVER, BUMPERS, PEARSON, GRIFFIN, BELLMON, LAXALT, and myself were members of a delegation to Austria, Israel, Jordan, Egypt, Iran, and Great Britain as provided by Senate Resolution 523. The purpose of the mission was to study and report on foreign policy and security issues with particular attention to problems of nuclear proliferation.

In light of the forthcoming trip to the Middle East by Secretary of State Vance, the delegation has decided to issue the first part of our report on the Middle East and Iran ahead of the second part concerning nuclear energy and proliferation. Secretary Vance's mission comes at an important time. Both Arab countries and Israel are looking to the United States for leadershrip to find peaceful solutions to the problems of the Middle East.

Mr. President, I ask unanimous consent to have the first part of our delegation report printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DELEGATION REPORT TO THE SENATE ON SECURITY AND FOREIGN POLICY INTERESTS PER SENATE RESOLUTION 523

I. INTRODUCTION

Senate Resolution 523 of August 26, 1976 authorized a special delegation of Members of the Senate to visit the Middle East and Europe to conduct a study of security and foreign policy interests with particular emphasis on worldwide nuclear proliferation. Co-chairmen of the delegation were Senator Abraham Ribicoff and Senator Howard H. Baker, Jr. The delegation included Senators Cannon, Eagleton, Glenn, Ford, Culver, and Bumpers; and Senators Pearson, Griffin, Bellmon, and Laxalt. The group left Washington on November 5th and returned on November 23rd 1976. The itinerary provided working sessions in Austria, with the International Atomic Energy Agency, and in Israel, Jordan, Egypt, Iran, and the United Kingdom.

II. THE PROSPECTS FOR PEACE IN THE MIDDLE EAST

Israel

The Senate delegation spent from November 7th to 11th in Israel. Ambassador Toon provided a briefing upon arrival and supported the delegation throughout its stay. Meetings were held with Prime Minister Rabin, Foreign Minister Allon, Defense Minister Peres, former Prime Minister Golda Meir, Commerce and Industry Minister Bar-Lev, Armed Forces Chief of Staff Mordechai Gur, Members of the Knesset, professors at Hebrew University, and many other Israeli officials. The group visited the Golan Heights and visited a kibbutz as well as seeing parts of Jerusalem and the surrounding area.

The prospects for a Middle East peace settlement

The predominant apprehension in Israel is a sense of insecurity and fear of continued hostility and attack from terrorists or from Israel's neighbors. In the context of the World War II holocaust and Israeli involvement in four wars since then, insecurity is a fact of life. Israeli officials repeat in different ways that Arab nations are not prepared to recognize Israel's right to exist as a nation. Terrorist attacks and statements that Israel should be destroyed contribute to an outlook skeptical of compromise and lowering the guard. Saul Bellow described that sense of insecurity in his recent book *To Jerusalem and Back:* "The subject of all this talk is, ultimately, survival . . . one fact of Jewish life unchanged by the creation of a Jewish state: you cannot take your right to live for granted. . . ."

The delegation had several discussions about possible movements towards a peace settlement in 1977. Prime Minister Rabin described Israeli policy as having two parts. The first is to move to peace through negotiations. The second is to reach intermediate goals—some steps toward peace—if real peace cannot be achieved. Rabin did not see the step-by-step approach and the general Geneva conference approach as mutually exclusive; both could be tried at the same time. The Prime Minister paid tribute to Secretary of State Kissinger's peace efforts in the Middle East and expressed readiness to work with the new Carter Administration. He thought that 1977 would bring a peace initiative and said that Israel was willing to cooperate.

More important than the various models for eventual settlement, according to the Prime Minister, is the necessity of agreeing to the purpose of the exercise. The danger of negotiating without agreement on the meaning of the world "peace" and on the desired end of negotiations is that unfulfilled expectations could be created which might lead to another war. Rabin stated that an impediment to beneficial negotiations is that no Arab country will deal directly with Israel. In respect of the Palestinian issue, Prime Minister Rabin thought that reconciliation was necessary for peace. He said that one could not make a third country out of Jordan and Israel.

Prime Minister Rabin described the peace process as one of giving up land and receiving in return papers and words. For such an exchange to work, it must be translated into action on the ground supporting a peace settlement. Rabin amplified his concept of "peace" in the Middle East by noting that Israel has never had boundaries accepted by its neighbors. Equally important to the legal structure of a peace settlement are the practical implications involved. And key to the practical implications are that once boundaries have been agreed upon, they should be open boundaries between Israel and Arab countries allowing for the free movement of people and goods. In contrast to this concept of peace Rabin observed that the Arab concept frequently included total withdrawal of troops from occupied territories without a settlement, and agreement to co-exist without reconciliation. Rabin said that not all territories would be returned; Jerusalem would never revert to Arab control. In response to a question regarding settlements in occupied territories, the Prime Minister said that settlements were confined to deserts and strategic belts. He stated that it was "indispensable" to integrate settlements into Israel's strategic system.

Foreign Minister Allon listed three main obstacles to peace in the Middle East:

(1) The Arab refusal to recognize Israel's right to exist;

(2) Recognition by Arab countries that Israel should be able to defend itself;

(3) The Palestinian question, which must be solved through negotiations.

Nonetheless, he expressed confidence that if negotiations could be started, progress could be made.

Problems of Nonproliferation

Before leaving Washington some members of the delegation asked Israeli authorities if it would be possible to visit the Dimona research facility in Israel. The Government of Israel denied the request. The reasons for the denial were that Dimona is a national security facility, that Israeli policy is to restrict access to Dimona and that no American has been admitted since 1969, and that the facility has neither been built nor assisted by the United States. After arriving in Israel the request was repeated on behalf of some members of the delegation and again denied. This denial was dramatized, by the press far beyond its actual significance. Most of the delegation did not wish to visit Dimona because they lacked the technical expertise to make such a visit worthwhile. The delegation received no information as to whether Israel has nuclear weapons or not.

Prime Minister Rabin discussed the link between nuclear energy and the danger of nuclear weapons proliferation. He told the delegation that Israel "would not be the first to introduce atomic weapons in an Arab/Israeli conflict" and stated that Israel was not now reprocessing uranium.

Technical level discussions produced no response to the question whether Israel has ever reprocessed uranium. The Prime Minister cited a series of reasons for his belief that there are no effective controls against proliferation: India has exploded a bomb; France is cooperating with Iraq, Iran, and Pakistan on technology which could produce bombs; Libya was irresponsible and would try to obtain nuclear weapons; centrifuge enrichment will be possible in about ten years, thereby enabling completely hidden weapons production. Rabin was not confident that Arab countries which have signed the Non-Proliferation Treaty would abide by it. Although the NPT was signed without conditions, according to Rabin certain Arab countries have stated that their adherence does not apply to their relations with Israel. Furthermore, Rabin said he was skeptical that the International Atomic Energy Agency could be effective at controlling proliferation. Foreign Minister Allon cited the presence of the Soviet Union and the PLO at the IAEA as reasons for his lack of confidence.

Relations With the United States

Prime Minister Rabin reviewed a series of points concerning American aid to Israel and the role of the United States in the Middle East. He saw American military support for Israel as a stabilizing factor in that it demonstrates to Arab countries that the use of armed force is not productive. Foreign Minister Allon urged the delegation to consider U.S. aid an investment for the United States in the Middle East. He said that the United States is unable to act in its own interests and relied on Israel in various instances, citing Israeli efforts to prevent a PLO takeover of Jordan in 1970 and the recent defense of Christians in Lebanon as examples. Allon informed the delegation that Israel will request $1.5 billion in military aid and $800 million in economic assistance for fiscal year 1978.

Foreign Minister Allon expressed apprehension about the wisdom of sales of substantial numbers of highly sophisticated weapons to Arab countries. Asked specifically about sales of arms to Saudia Arabia and the presence of Americans to help Saudi economic development, Allon worried that the build-up of military equipment might eventually be used for the wrong purposes either because of a change of government or transfer to another country.

Relations With South Africa

The delegation asked what the dangers are of closer Israeli-South African relations, and whether Americans might be more reluctant to support Israel should those ties become closer. Foreign Minister Allon replied that as Jews, Israelis opposed apartheid. Of South Africa's total trade, the Israeli share has been less than half of one percent. With respect to diplomatic relations and commerce, the Israeli role is insignificant compared to Western Europe and North America, he said.

Moreover, there is extensive, it covert, trade between Black Africa and South Africa. Israel had been criticized for its military relations with South Africa. Thus far the largest equipment sold has been artillery units and patrol boats. Allon pointed out

that Western countries have sold tanks, destroyers, and fighter aircraft; but he agreed that relations with South Africa are a problem for Israel in the United States and Europe.

Domestic and Economic Affairs

There is a significant gap between what Israel produces and what it spends. With a Gross National Product of between $10 and $11 billion in 1976, the gap will be about $4½ billion. Over half of the deficit is to be filled by aid from the United States and another quarter by contributions from Jewish communities abroad. Financing the shortfall provides short-term relief, but Israeli officials are trying to cut consumption and lower living standards to reduce the significant dependence on external aid.

There is disagreement among both American and Israeli economists on the health of Israel's economy. Since 1973, Israel's GNP has been relatively stable. Because external receipts enter the budget but not the Gross National Product, Israel is in the peculiar position of having a national budget larger than its GNP. Forty percent of the 1976 budget was defense and twenty percent was debt payment. Disagreement centers on the size of the defense budget, the little room left for productive investment, and how well the economy is progressing absent the unusual proportion of defense costs and the relatively high percentage of foreign funds mainly used for defense and debt service.

Israel's development strategy concentrates on the industrial sector because most of the available land and water already are being used (1.6 billion cubic meters of water are produced each year by desalting from the sea.) The local market is small—less than 4 million people—so industrial ventures must export right from the start. Athough regional marketing is a problem, Europe and Africa are potential markets. Israel has a preferential agreement with the European Common Market, and about 75 percent of its exports go to Europe. In 1975 84 percent of exports were industrial products. In an effort to boost exports, Israel has paid premiums in productive jobs related to exported goods. Simultaneously, the salaries of 20,000 top public service employees have been cut. Prime Minister Rabin said that Israel has not done enough to get rid of unemployment, but that progress has been made—at the cost of a 35 percent inflation rate.

Israeli officials told the delegation that Israel is making efforts to attract foreign capital. Investments from foreign sources are evaluated according to the contribution in capital, the amount of technological transfer, and the potential for marketing outlets implied by the venture. Israel assured the right to repatriate products and to maintain the dollar value of investment in relation to devaluations of the Israeli Pound.

Israel's energy demand grows about 1½ times the GNP growth rate, a fact explained by the abundance of processing industries. Today Israel is almost completely dependent on oil and natural gas as energy sources. The Abu Rudeis oil fields seized in 1967 produced about 50,000 barrels per day in 1967 and, according to the Israeli Government, about 100,000 barrels per day in 1975 when the fields were returned to Egypt as part of the Sinai Agreements. Israel estimates that the Abu Rudeis fields produced about 55 percent of Israel's oil consumption during the period they were held. The cost of the oil from these fields when they were returned was about $185 million per year. Oil imports now are at the rate of 150,000 barrels per day, costing about $650 million per year. Local production accounts for only about 1 percent of total consumption. The energy strategy is to import coal and to construct nuclear power stations. A possible projection of energy sources in 1986 offered by the Minister of Commerce and Industry was 70 percent oil and natural gas; 17 percent coal; 9 percent nuclear power; and 4 percent other sources. The coal would be imported from the United States, South Africa, and Australia. The nine percent of total energy produced by nuclear power assumes that Israel's first nuclear power plants will be constructed at Nizamin, on the coast of the Mediterranean Sea.

The delegation asked Prime Minister Rabin what the volumes of immigration and emigration were. He replied that from 1970 to 1973 about 30,000 people entered Israel as immigrants each year. At present the immigration rate is about 12,000 a year. Emigration rates were not given.

Jordan

The Senate delegation flew directly from Tel Aviv to Amman, Jordan on November 11th for lunch and discussions with King Hussein. The flight took only 25 minutes, rather than the more than three hours required for the normal route via Cyprus: a reminder of one of the benefits which could result from peace in the Middle East. Ambassador Thomas R. Pickering briefed the delegation. Talks with the King covered a wide range of mutual interests.

The Middle East

King Hussein reviewed a number of issues concerning the prospects for peace in the Middle East, relations among Arab nations, and Lebanon. A basic point was that at the Cairo and Riyadh meetings Arab leaders realized that their people expect progress towards peace after the American elections, and that they will need to be ready. The new relationship between Cairo and Damascus is of great importance, and the King hoped that it would grow stronger. Jordan's relations with Syria have evolved to a state of beneficial cooperation in several areas, including development planning, water use, education, sharing a possible common power grid, and closer military ties. Politically, the Syrians and Jordanians had frequent meetings and almost daily contacts.

The King described hardships facing Syria including pressure from the Soviet Union: cutting off spare parts and new equipment, refusing to overhaul engines, and withdrawing advisers. Syria's role in Lebanon was costly in economic terms. King Hussein praised Syria for having prevented the formation of a radical tier of states in the Middle East including Iraq, Lebanon, and possibly Syria itself (had the regime in Damascus changed hands because of involvement in Lebanon). King Hussein expressed confidence in President Sarkis of Lebanon, described him as an able man, and hoped that Sarkis could draw on the strength of Lebanon's younger people.

King Hussein said that Jordan's relations with Egypt, Saudi Arabia, and Syria are excellent. All four countries are looking ahead to renewal of the Geneva talks. The step-by-step approach to peace has reached its end with Sinai II, and at Cairo the participating countries talked of moving toward a full settlement. The basic formula of the talks would be territory for peace. Jordan is eager to reclaim the territory it lost in 1967. If peace is approached in terms of the return of territory along the lines of Resolutions 242 and 338 with the political recognition of Israel, there would be no limit to what could be agreed. The King suggested that the question of face-to-face or indirect talks could be resolved.

The Arab countries were all prepared to sit down at Geneva with Israel, starting out in face-to-face negotiations with the United States involved in the process. He judged that the Soviets would probably like to be a party to the talks and that Soviet participation probably is unavoidable.

Since the Rabat conference the Palestine Liberation Organization and not Jordan could negotiate the status or the West Bank. Only the PLO could make concessions. King Hussein said that if Jordan were to recover the West Bank it would place the area under international auspices and hold a referendum. The King believed that there are still strong links between Jordan and the West Bank and that the people would want some relationship to Jordan.

King Hussein said that the PLO had become involved in the Lebanese conflict—one which had no relation to the PLO or its cause. PLO involvement became a source of new suspicion and questioning about the PLO's future intentions. Perhaps some Palestinians now hope that a more representative leadership will emerge in the phase to come. The King said that Palestinians now question the conduct of the PLO and how it relates to the problems of the Palestinian people. He saw the future leadership of the PLO as an open question.

Jordan's Military Development

King Hussein set forth two problems facing the Jordanian military: the need to reorganize armed forces, and the need to upgrade equipment to compensate for the sophisticated weapons Jordan's neighbors have received.

Regarding reorganization of Jordan's armed forces, King Hussein informed the delegation that a study was underway to improve the use of manpower. One possibility to enhance efficiency would be formation of a standing army consistent with national manpower requirements with a larger reserve force to be called up in an emergency. Jordan has started a national service system and has experimented with training people in frontier areas in basic defense skills.

Jordan will carry out its planned Hawk anti-aircraft missile program and make some other, limited equipment changes. The Air Force plans to add some interceptors such as the F–5 to replace older F–104 aircraft. The M–48 tanks and the Centurions would be converted to diesel power systems, and 105mm guns would replace the present 90mm. There may be some other minor changes such as the addition of helicopters to the Jordanian special forces.

Domestic Affairs and Economic Development

In reviewing the development of Jordan, King Hussein stressed the importance of the five-year development plan and the need to use scarce manpower for productive purposes.

He discussed the growth of the Jordan Valley and the contribution of American aid to its progress. The service sector of the economy, education, health, natural resource development, agriculture, and small industries were all priority areas of attention. King Hussein stressed the need to spread the benefits of development and avoid having one segment of society benefit from the Government's efforts. In response to a question regarding the possible use of nuclear power for desalinization purposes, King Hussein affirmed that the Arab nations support developing a nuclear-free zone in the Middle East.

Egypt

The delegation arrived in Egypt on November 11th and departed on the 15th. The Senators had extensive discussions with President Sadat and with Deputy Prime Minister and Minister of Foreign Affairs Fahmy. Working sessions were held with Deputy Prime Minister and Minister of Electricity Ahmad Sultan, Minister of State for Scientific Research and Atomic Energy Abd Al-Mabud Gubeili, and other Egyptian officials. Throughout the stay Ambassador Eilts was available for consultations with the delegation, and was extremely helpful in sharing his extensive knowledge of Egypt.

THE PROSPECTS FOR A MIDDLE EAST PEACE SETTLEMENT

President Sadat foresaw friendly and productive relations between Egypt and the United States during the Carter Administration. Having read of President Carter's approach to foreign policy as being based on the concept of world order and the same moral principles as characterized the American people, Sadat was optimistic that the excellent relations presently existing between our two countries would continue. He asked the delegation to tell President Carter that 1977 must be the year to reach a peace settlement. Both President Sadat and Foreign Minister Fahmy made the same point stressed by the Israelis: the United States would have a key role in any future peace process.

But Sadat emphasized the need to move quickly towards peace now that there is a serious chance for progress. He asked that the United States consult Egypt as well as Israel in whatever steps it takes.

The Egyptians said that all parties on the Arab side—Syria, Jordan, Egypt, and the PLO—are prepared to go to Geneva to discuss peace. There appeared to be a willingness to blur the position of the PLO: rather than accord it a status as government in exile, the Arabs were prepared to consider it part of an overall "umbrella" delegation or negotiating group.

Discussions with Sadat and Fahmy covered new ground in that both said that Egypt would start peace negotiations without preconditions. Changes in position or possible concessions are often mentioned in a list of unaltered positions—or are stated and then left out of subsequent discussions. In this context the willingness to start talks without preconditions was an important departure from previous Arab positions and presents an opportunity to move forward. Both Sadat and Fahmy said that no previous assurances were required for negotiations to restore territories, to end belligerency, in respect of the PLO, the status of Jerusalem, or for the future of conventional arms and nuclear weapons in the area but all of these issues would have to be negotiated thoroughly at Geneva. In effect, the Egyptians agreed to talk and set forth an agenda but did not attach conditions to the agenda.

Discussions with the Egyptian leadership set peace negotiations in a rather optimistic context. Perhaps the most important factor is that for the first time Arab leaders are willing to recognize the right of Israel to exist as an independent and secure Jewish state. Such recognition and an eventual settlement would probably involve some kind of international guarantee, and President Sadat has no objections to giving Israel whatever security guarantees it wants—United Nations, American, or other. Egypt would want for itself the same guarantees given to Israel. The two main issues which must be resolved eventually to bring about a peace agreement are territorial adjustment and the future of Palestinians.

President Sadat sketched a possible approach to peace. First, all parties would meet in Geneva for the purpose of reaching a peace agreement. Secondly, the state of belligerency would be officially ended. Third, Israel would withdraw from land seized after 1967 and a Palestinian state would be created on the West Bank. Finally, the status of the Golan Heights and other issues would be settled. Foreign Minister Fahmy explained Egyptian thinking on the distinction between a peace agreement and diplomatic relations.

A peace agreement accepting the existence of an independent and secure state was possible, but normal diplomatic relations or joint ventures with Israel would require more time and could be done in future years. President Sadat observed that in the Arab culture it is extremely difficult to have face-to-face discussions with an adversary, but that negotiations such as those resulting in the Sinai agreements were productive, and that direct contact could be practiced in the future by Egyptians and Israelis. Foreign Minister Fahmy suggested that the American reluctance to extend diplomatic recognition to Peking while relations were improved underscored the point that recognition is not a precondition to progress.

The Egyptian side expressed skepticism as to the likelihood of Israel's responding favorably to the possibility of peace talks. If the United States did not move quickly on a global peace package at Geneva, Foreign Minister Fahmy predicted that the Israelis would delay throughout 1977. Moreover, he said that the Israeli side would probably insist that the Arabs end the state of belligerency before talks begin. President Sadat insisted that a settlement between Arabs and Israel was possible, but he feared that Israel would try to impose a solution on her neighbors. Another possible obstacle would be Israeli insistence on open borders—which Sadat saw as not practical and not essential to a peace agreement.

President Sadat reviewed briefly the situation in Lebanon. He regretted the tragedy of the Lebanese conflict and the quagmire into which Syria had stepped. It was time to start anew by supporting President Sarkis of Lebanon and by placing the Arab forces in Lebanon under his command. Conflicts between Egypt and Syria over Lebanon were now part of the past, and President Sadat hoped that the worst was over and that Lebanon would rebuild.

Regarding the PLO, President Sadat said that before the 1974 Rabat conference he had tried to include King Hussein in the representation of Palestinians, but the Palestinians themselves were opposed. Today the PLO was divided into various sects and located in different countries. Yassir Arafat was the most moderate of PLO leaders, and Egypt would continue to accord him its support.

In late December President Sadat said that he and Syrian President Assad had agreed that the time had come for the Palestinians to set up a government linking a West Bank-Gaza state with Jordan. There were indications that some Palestinian groups might have been persuaded to accept such concessions toward a peace settlement. The Israeli reaction was cautious with Prime Minister Rabin reaffirming that the only Palestinian representatives his government would meet with at Geneva would be those attending as members of the Jordanian delegation.

Foreign Minister Allon was a bit more optimistic, praising the suggestion as a possible "turning point".

Points Regarding Relations Between Egypt and the United States

The candid and constructive talks with President Sadat and Foreign Minister Fahmy underscored the importance to Egypt of ties with the United States after a disruptive break with the Soviet Union. President Sadat expelled Soviet technicians in 1972 and cancelled the treaty of friendship in early 1976. He described his relations with the Soviets as still "strained." During the week prior to the delegation's arrival Soviet Foreign Minister Gromyko had met with Foreign Minister Fahmy; President Sadat said that the meeting produced nothing more than a communique stating that "each side had expressed its opinion." The Soviet withdrawal had brought some serious difficulties in the shortages of spare parts and other readjustments. President Sadat contrasted the Soviet refusal to reschedule debts with the American provision of $750 million in aid during 1976. Nonetheless, he thought that Egypt had suffered in military terms. After the 1973 war Israel had been rearmed and given sophisticated weapons. Syria was given tanks and planes. By contrast Egypt had to date not received any American military equipment. President Sadat appealed to the U.S. Congress to help him, arguing that our two countries were now friends and that President Sadat had proved himself to the United States in many ways including the placing of American technicians in the Sinai and in Suez.

Foreign Minister Fahmy was especially blunt in criticizing the ability of the Israeli lobby to go behind American administrations to obtain whatever it wanted from Congress. One example cited was President Nasser's acceptance of the Rogers Plan (former Secretary of State William P. Rogers) which Sadat said had been defeated by Israeli pressure on Congress. He feared that if President Carter were to present a peace proposal, Congress would "shoot it down." He noted that the Arabs don't have as powerful a lobby. Fahmy stated that the fact that the United States, and especially the Congress, backed Israel "completely" with military equipment meant that Israel had no fear of the United States and could produce atomic bombs. He stated that American nuclear scientists visited Israel two or three times per year, some of them on a personal basis. Fahmy was especially bitter about the fuel-air cluster bombs promised to Israel in the closing days of the U.S. presidential campaign. He observed that even American allies did not have such weapons and handed the delegation a recent article from the Christian Science Monitor describing the fuel-air bomb. The Foreign Minister stated that both the United States and Egypt should have the courage to move ahead with efforts but that such progress should not be complicated by American provision of lethal arms to Israel.

Domestic Affairs and Economic Development

President Sadat reviewed the progress in managing the Egyptian economy since the low point following the October 1973 war. Although Sadat was optimistic and determined to bring improvements, most American analysts believe that the economy is in poor shape: little investment, no growth, and general stagnation. A main step to attract investment and promote growth was Sadat's 1974 declaration of an "Open Door" policy. The policy was designed to encourage foreign investment consistent with Egypt's development plans. Egypt preferred investment shared with Egypt which brought new technology. President Sadat noted that the First National City Bank and Chase Manhattan had both established offices in Egypt. There had recently been private sector investments in cement and there were prospects for ventures in agro-industries. Nonetheless, progress under the "Open Door" has been scant and popular expectations of progress are likely to bring increasing difficulties as in the riots in mid-January 1977.

President Sadat reviewed some of the financial assistance Egypt had received since 1973. Immediately after the war Arab countries had provided some financial assistance, and a recently created $10 billion development fund had received $2 billion thus far. Sadat expressed thanks for the $750 million in aid provided by the United States in 1976. Egypt's immediate problem is a large sum of short-term loans at high interest rates; efforts were underway to try to convert them to medium and long-term obligations. President Sadat recognized the need to reorganize the Egyptian Government and to improve financial management and had taken steps in this regard just prior to the delegation's arrival. He expressed confidence that management would be improved and that revenues from the Suez Canal, from aid donors, and from foreign investment would be used productively. The main concentration until 1980

would be on expanding irrigation and mechanization and introducing new technology in the agriculture sector.

The first moves by the new economic management were consistent with advice given by the International Monetary Fund, the major Arab donors, and the United States. Faced with large deficits and price distortions, the Government raised prices by cutting off subsidies on a series of consumer items including those closest to the people: butane gas, bread, tea, and cigarettes. After the riots in several cities in mid-January the subsidies were restored. The forceful reaction by rioters demonstrated the precarious economic situation and the fact that the "Open Door" and cooperation with the West have not brought economic benefits anticipated.

The January 1977 riots involved denunciations of President Sadat and suggest that he will be under even greater pressure to prove the benefits of his economic policies, his room to maneuver has been restricted.

A discussion with Foreign Minister Fahmy relating Egypt's need to press forward with its economic development to the cost of national security was especially prophetic. Fahmy told the delegation that most Egyptians live on sweetened tea and one piece of bread each day. Egypt's population would double to about 75 million people by the year 2000. With so many people living in such extreme poverty, Fahmy said that it was essential to reach a peaceful solution. Egypt had to place resources now dedicated to defense to feed, house, and educate the Egyptian people. The recent violent reaction to price increases for those basic staples underscored Fahmy's message. Both the critical need to bolster a weak economy and the wisdom of reinforcing President Sadat's efforts to find peace argue strongly for an end to the harmful no war, no peace situation in the Middle East.

Conclusions Regarding the Middle East

Discussions such as those this delegation had with leaders of the Middle East are but part of the ongoing exchange of positions and testing of new policies. There were two basic points which represented changes on the Arab side. Though stated in other words, omitted, or amended in subsequent statements, the changes were significant. The first was the willingness to accept the existence of an independent and secure Jewish state in Israel. The second was President Sadat's statement that all parties involved with peace negotiations on the Arab side are prepared to begin talks without preconditions. Subsequent exchanges between the two sides suggest that both points remain alive.

The presence of a relatively moderate group of Arab leaders accepting the existence of Israel, and willing to talk, suggests that a peace initiative should follow this propitious state of affairs. There is distance between the Arabs and Israelis over the presence of Palestinians at peace talks, whether to go to Geneva, and the other issues. At the same time there are possible ways to accommodate the pride of positions taken while seizing the moment to move ahead. Regarding the role of Palestinians, there are a number of possibilities: inclusion in an "umbrella" delegation of the Arab side, agreement to include Palestinians after substantive negotiations have begun, or inclusion initially at a working group level with full representation after various substantive issues have been settled. It should be possible to find an acceptable approach to such present obstacles. President Sadat has said that a strong American role would be welcomed, and Israel has indicated that it would trade territory for peace.

Many Middle East leaders were eager for the United States to assume a leading role and stressed that American initiative was imperative to start a serious movement towards peace. All sides agreed that no serious progress would take place without an American lead. The exchange of positions by statements and by talking with intermediaries simply measures the potential for progress. For talks to start and for concessions to be made, it is clear that the United States will have to take a leading role in bridging the gap and moving both sides forward.

Successful negotiations will require flexibility on several issues. The main issue will be boundaries. Between the position sometimes stated by Arab countries that all land occupied during and after the 1967 war must be returned and equally forceful Israeli positions that the same land must be retained will lie the possibility for accommodation. The most useful principle of accommodation would be to allow Israel to have militarily defensible borders and to yield non-strategic territory.

For Israel, negotiations will mean looking beyond short-term security and heavy dependence on American military assistance to long-term security and recognition by neighboring countries that the resulting agreement was a just one. For the Palestinians it will mean renunciation of terrorism and recognition of Israel's right to exist as a Jewish state in return for territory, or the chance to establish a Palestinian state. For Egypt and Syria, peace will involve regaining territories in return for recognizing Israel's right to exist, renunciation of use of force, and acceptance of a system of guarantees.

The continuation of a no-war, no-peace situation in the Middle East prevents Israel, Egypt, and other countries from concentrating attention and resources to their economies. In Israel the high rate of inflation, abnormally high taxes, labor disruptions, declines in living standards and salary cuts, and problems of industrial development present a somber economic picture. In Egypt the lack of investment, economic stagnation, weak development management structure, and large external debt all demand strong corrective measures. The scope for diverting resources from defense to domestic investment is small in both countries if the threat of war continues. The following data give some appreciation for this argument. Egypt's per capita income during 1975 was $310 (World Bank estimate). The U.S. Government estimates that in 1975 and 1976 Egypt spent $40 per capita on defense. Israel's per capita income in 1975 was $3,580 (World Bank estimate), and per capita defense expenditures for the same two years were about $1,100 each year. During 1975 and 1976, by U.S. figures, Egypt spent about 20 percent of its Gross National Product on defense—an enormous proportion for a poor country. Israel spent about 35 percent—which is among the highest in the world. The prospects for worsening economic situations in Egypt and Israel argue both for serious concessions in moving towards a peace settlement and for a strong American effort to take the lead.

All parties expect the United States to take the lead in the Middle East. Several leaders underscored the view that timing was crucial: conditions for movement towards peace are presently favorable and the United States should move quickly in order to maximize this opportunity. Not to put forward a plan early in 1977 would be to ignore a chance for peace. The basic commitment to a peaceful settlement stated by Prime Minister Rabin for Israel and offered by the Arab side by President Sadat stands as a significant signal despite the subsequent resumption of rhetoric and nuances in the Middle East. Any serious peace initiative will have to be developed despite the ongoing exchanges of public statements. An American involvement in a peaceful settlement is inevitable. There will be requests for international guarantees which may include use of American resources. Such costs will have to be weighed against the cost of future wars and the increasing danger of devastation with new weaponry. The benefits of a peace agreement with guarantees outweigh the risks of an accelerated arms race and another war.

III. UNITED STATES POLICY TOWARDS IRAN

Strategic and political considerations

The delegation spent from November 15th to the 20th in Iran meeting with Government officials and Americans in Teheran, Isfahan and Shiraz. Discussions were held with Ambassador Helms and several members of the embassy staff, His Imperial Majesty the Shahanshah, Prime Minister Hoyevda, Vice Minister of War General Toufanian, President of the Iranian Atomic Energy Organization Dr. Etemad, and regional and city officials in Isfahan and Shiraz. The extensive and growing relationship between the United States and Iran has several facets, including cooperation in strategic interests, investment and trade (especially the sale of oil by Iran and defense and non-military equipment by the United States) and lately the issue of human rights. The delegation reviewed these issues within the limits of time available.

Strategic considerations and arms sales

The difficulty of coming to grips with American policy towards Iran is that two major strategic factors are paramount: Iran has a 1200 mile border with the Soviet Union, and Iran is among the largest purchasers of American arms. The strategic importance of the Soviet threat and the need for a rational, orderly arms export policy are underlying factors which require assessment.

Strategically Iran is an important friend in a critical and unstable part of the world. Iran needs support to maintain its integrity free of Soviet influence. Iran was subject to Soviet pressures after World War II and has since maintained a strong posture of pro-Western resistance to the Soviets. In 1971 the British withdrew from the Gulf, making some sort of adjustment—another Western reinforcement or a stronger Iran—a necessary compensation. Iran is concerned with a number of potential problems within the region: the Arab/Israeli conflict, Iraq and its possible threat to Iran with use of Soviet arms, and the uncertain state of affairs in Afghanistan. These factors plus the need to protect the oil lifeline from the Gulf oil producers through the Straits of Hormuz to the Western world all draw attention to the strategic importance of Iran.

The Straits of Hormuz have become a point of exceptional importance in the Western world's dependence on the Persian Gulf area for energy. The delegation made a flight over the Straits to gain a sense of the geographical configuration through which a loaded tanker exits the Gulf every eleven minutes. The passage has a minimum width for navigational purposes of about 20 nautical miles with a preferred channel of only a few miles. During calendar year 1975 about six billion barrels of oil were shipped through the Straits, or about 16.6 million barrels per day to world oil markets. During 1975 about 7.5 percent of total American oil consumption passed through the Straits. The proportion increased dramatically during 1976 to roughly 18 percent of total American consumption. During 1975 about 52 percent of Western Europe's oil consumption and 75 percent of Japan's came through the Straits. The proportions for Europe and Japan did not change markedly during 1976. Iran provides the defense capacity which overseas the security of the Hormuz Straits.

The American decision to arm Iran after the British withdraw from the Gulf and as a corollary to the Nixon Doctrine was an alternative to a greater American presence. In a broad strategic sense, the weakness of the Southern flank of NATO to the West and the paucity of pro-American strength stretching to East Asia makes Iran especially important to the United States. In light of Iran's strategic value, the question of the nature of military relations that should exist requires consensus within the United States.

The Iranian response to these questions was presented to the delegation. Iranian officials strongly believe that ties with the United States should be solidified through continued arms sales, American investment, and a broad range of cooperation. Iran sees itself as a sovereign equal who supports the West and deserve American backing.

In light of Soviet military strength and Iranian memory of previous Soviet occupation, Iran does not dismiss the possibility of a Soviet attack. Iranians suggest that proxy attacks are possible, such as one from Iraq with Soviet weapons. A competent and well armed Iranian defense force is required to discourage possible aggression. Finally, the role of paramount regional power is suggested as being inherently in the American interest.

American failure to agree upon the strategic importance of Iran will make all the more difficult the second set of decisions including arms sales. What constitutes the appropriate American role of reliable supplier of modern military equipment to this important friend. A recent Senate Foreign Relations Committee report made the important point that the initial strategic or "front end" aspects of arms sales receive considerable attention. The maintenance, training, and other absorptive factors—the "back end"—receive less, and the report concluded that Iran was having problems absorbing military assistance. That those conclusions were disputed by some in Iran is less important than the need for a coherent arms export policy to fit our strategic/military posture towards Iran. If Iran is deemed both critical and threatened, then "back end" backups can be tolerated and extra expense to alleviate them may be in order; the reverse is equally true.

The decision by President Nixon in July 1972 allowing Iran to decide what it needed for its defense invited a long shopping list. In effect, defense industries acted without official U.S. guidelines in supplying arms. Iranian officials defend the weapons systems requested and point out that they pay cash unlike other countries receiving American equipment. Iranian military officials do not suggest what the limits are to the kinds and numbers of weapons they need. Iran has F-4 and F-5 aircraft, and in 1972 agreed with the United States to purchase the F-14 with the Phoenix missile. Iran has received approval to buy the F-16 and has requested the F-18L, and the Airborne Warning and Control System (AWACS). Whether these systems should be sold is beyond the work of this delegation. These systems were discussed, but each is a complex matter requiring thorough study. The point is that the United States will have to deal with these requests from an essential ally and important friend while deciding specific cases within broad strategic and arms sales policies. The absence of such policies will make agreement on sales of nuclear reactors all the more difficult.

Oil exports and economic relations

The focal point of the Iranian economy is the export of oil and the importation of the means to diversify the economy and develop structures not dependent on oil. Believing Iran's ability to export oil is limited to less than thirty years, the Shah has launched an ambitious economic development program financed by the investment of oil revenues. The United States and other Western countries are especially involved in the infrastructure and manufacturing aspects of Iranian development efforts.

Prime Minister Hoyveda estimated that 19 percent of Iran's imports excluding arms purchases are from the United States. The Prime Minister told the delegation that the non-oil economic sectors had grown by 22 percent in constant prices during the past three years. He stressed that while national security is important to Iran, defense is still only 13 percent of the Gross National Product.

The delegation raised the question of the price of oil and the then forthcoming OPEC meeting (December 1976) to consider an increase in oil prices. One Senator asked what the effect of the projected 15 percent price increase would be on countries such as Italy and the United Kingdom, and how 15 percent could be justified since inflation in many countries such as the United States is less than 15 percent. Prime Minister Hoyveda replied that it was not oil which put Italy and the United Kingdom in their present economic difficulties. Iran, Hoyveda said, strongly supported the concept of tying the price of oil to an international measure of inflation through an indexing system. Another Senator urged Iran to defer a decision to increase the price of oil in order to give the new American President a chance to consult with Iran and other oil-producers on oil prices within the context of controlling world-wide inflation.

Human rights

The members of the delegation were cognizant of and concerned about human rights issues in Iran, especially alleged instances of torture. While there are limits to what one sovereign state should say to another about internal affairs, the growing importance of American economic and security cooperation with Iran add importance to questions about human rights and any other potential stumbling blocks to close relations.

The delegation regretted that neither the focus of its mandate nor availability of in-country time allowed pursuit of this important issue in significant depth. Nonetheless, this subject was raised in discussions with the Shah and with Iranian officials and Americans in Iran.

Senator Griffin preferred the following language on the matter of human rights in Iran:

"The members of the delegation were aware of, and deeply concerned about, charges of torture and other abuses of human rights in Iran. However, neither the focus of our mandate nor the availability of in-country time allowed us to give this important subject the serious attention we felt it warranted.

"Because we were unable to investigate firsthand the various charges that have been made concerning the violation of human rights in Iran, we have refrained from drawing conclusions on this subject in our report. In our view, the matter is much too important, and the charges too serious, to be dealt with in a casual manner.

"Nevertheless, members of the delegation did express their deep concern for human rights in conversations with the Shah. The issue was also raised by individual Senators in discussions with other Iranian leaders and with Americans in Iran."

Other groups have reported on this question, most recently the State Department's report to the House Committee on International Relations of December 31, 1976. Recent developments give cause for both optimism and dismay. On the one hand the Government of Iran has received discreet, official American representations on this sensitive internal matter and has received delegations from the UN Human Rights Commission and the International Commission of Jurists (both in 1975). The Government and the Shah himself appear responsive to international concern. On the other hand accounts of torture by the security police (SAVAK) continue to be reported in the press and denied by Iranian officials. According to Iran and the State Department terrorist opposition to the Government from both the right and left persist.

A fair measure of human rights in Iran must place achievements in human rights alongside allegations of violations. In both the context of Persian history and compared with other countries in the region, the present Government of Iran is a regime of economic and social progress. Under the Shah a national system of elected representatives has been established. While the important decisions still are made by the executive, the creation of a two-chamber parliament and its assumption of some duties is a positive step towards popular participation. The June, 1975, elections for the two houses have been cited as a marking point in evolution towards more complete democracy. The delegation met with elected officials in the cities of Isfahan and Shiraz, where accounts of urban elections and officials being turned in and out of office resembled city politics in many places. The "Shah-people" revolution of the past two decades has involved extensive and basic changes in all aspects of life. Land reform since 1962 has affected about a third of all Iranians. A health corps started in 1964 has sent 9,000 corpsmen to rural areas. A literacy corps created in 1963 has engaged 100,000 Iranians to bring literacy to villagers. A basically agricultural extension and development corps has involved 24,000 participants. Voting rights were revised in 1962 extending the right to vote to Iranians who had never voted, and in a drastic break with the past gave the vote to women. Education is free through high school and there are financial support programs for higher education. Through the considerable social change a middle class is emerging. Many of the positive goals of human rights movements are being reached through the rapid development of Iran.

Awareness of human rights issues will continue to be a part of the American approach to foreign policy. The question of how much progress in human rights the United States should expect of an important, sovereign friend sharing out strategic interest is difficult. Many of Iran's neighbors are also accused of human rights violations but lack strong records of accomplishments, and do not support the United States. The delegation believes that human rights issues and movement towards political and civil liberties will affect the way we view Iran. Such issues must necessarily be part of the American approach to foreign policy in this part of the world and deserve further scrutiny in the future.

Meeting with American communities in Iran

The number of Americans residing in Iran has increased in recent years to roughly 25,000. The delegation had two open meetings to receive the thoughts and advice of the American communities, one in Isfahan and the other in Shiraz. A few hundred Americans attended both the Isfahan and Shiraz meetings. Those attending were mainly students and employees of American corporations, both defense industries and non-defense.

A number of issues were raised. The most prominent and deeply resented issue was the recent change in the Tax Reform Act of 1976 and its treatment of overseas Americans. The Act reduces to $15 thousand a year (from $20 or $25 thousand) a year the amount of income an overseas taxpayer is permitted to exclude from his reported earnings. Furthermore, foreign taxes paid on the amount excluded cannot be applied as a credit against U.S. income taxes as previously. Making the tax change retroactive to the preceding Jan-

uary was strongly condemned as an unfair way of digging tax money out of those not present and unable to speak for themselves. Several speakers argued that taxing the allowances intended to adjust for overseas living would simply add to the cost of products sold and thereby result in lost contracts for American bidders.

The two American communities said that they enjoyed living in Iran, liked the Iranians and in general had good working relations in their host country. One complaint heard on various occasions was the difficulty of voting in the United States while living overseas. Americans informed the delegation that they had trouble obtaining information on elections in the United States and in casting ballots from overseas addresses. Among the other points made were the need to help a pro-American friend, the perception that talk in Congress of cutting off arms sales to Iran frightens people and the Government, and the judgment that Iran was making serious progress towards economic development despite inadequate infrastructure and unfamiliarity with much of the technology being imported. One speaker noted that because Iran was moving so quickly, the country lacked the "old hand" or "master sergeant" who had experience in managing technology. He judged that such experience would be attained and American corporations would assume a lower profile. Many students spoke Farsi and were closer to the citizens of these two cities than others. Some students criticized the distance and lack of communication they alleged existed between American corporation employees and Iranians. The allegations were disputed. Both the delegation and participants in these two exchanges concluded that such open meetings overseas were an excellent way to share perspectives with American representatives.

ADDITIONAL VIEWS OF SENATORS CULVER AND EAGLETON

The Delegation's report on Iran raises important issues without resolving them. It says that we need a consensus on our military relations, that the absence of a policy on conventional arms sales makes it harder to deal with the question of nuclear reactors, and that human rights issues deserve discussion.

We agree on the need for consensus, for a clear arms sales policy, and for close attention to human rights issues. Accordingly, we offer our own assessment of what U.S. policy on these matters should be.

Background of U.S. Policy: Since World War II the United States has been closely associated with Iran. For more than three decades we have provided military equipment by grant or by sale. The United States was intimately involved in the Shah's coming to power, and official policy has been to strengthen and support him ever since.

This close association is said to serve some important American interests, not least because of Iran's oil supplies and its geopolitical situation which contributes to stability in the Middle East and acts as an obstacle to Soviet expansion toward the Persian Gulf. In addition, we enjoy special intelligence facilities in Iran. We believe that the new Administration should fundamentally review these premises without accepting them uncritically. For example, we should consider the risk that massive arms sales may not contribute to regional stability and a continued flow of oil—if such sales increase rivalries and instability within or among nations of the area or if they lead to conflicts which halt the flow of oil.

Despite this foundation of mutual interests, our relations with Iran today are far too dependent on a highly personalized relationship with the Shah. In fact, U.S. policy over the past twenty years under Administrations of both political parties has held and continues to hold that the Shah's responsiveness to our interests depends in large part on our continuing to reassure him, and to make clear to other countries that American relations with him and Iran are extraordinarily close and intimate.

We question this reliance on interpersonal harmony and on expressions of goodwill rather than on the solid foundation of mutual interests where they exist and the inherent right to disagree when broader U.S. interests must be served. We want cordial relations with the Government and people of Iran, but this must not be our sole objective nor the barometer of good policy.

During the past quarter century, the United States has provided Iran with about $15 billion in arms transfers, more than to any other country except South Vietnam. In addition, we furnished economic development assistance, especially in the 1960s, which helped Iran to make rapid and sustaining growth. Today Iran's current and potential wealth are great, and its military forces are preeminent in its region.

Americans are in Iran in large numbers to help carry out the wide range of official agreements and private contracts which are strengthening Iran both militarily and economically. It has been estimated that the present figure for Americans in-country, 31,000, will grow to 50–60,000 by 1980. The growing numbers in recent years have led to cultural adjustment as well as personal security problems, which are likely to increase rather than diminish in the years ahead.

A specific example of the friction that will surely increase if more Americans are required in Iran for technical support is in the area of housing. There is a significant housing shortage throughout Iran with 3-bedroom apartments renting for $2,000/month in Teheran. Some Iranians blame the influx of U.S. personnel for their high costs. Americans in some cases are being compensated by their corporations for these exorbitant prices but this recoupment capacity gives the American technicians an unfair advantage in bidding for the available housing. The danger here is that an "Ugly American" sentiment may intensify, even among middle-class Iranians, as a result of this continuing inflation.

Not only are American officials advising Iranians in many aspects of government, but also a new class of retired military personnel has emerged and has taken key posts. It is unclear whether these new networks provide valuable continuity or merely perpetuate profitable contracts.

Problems with current policy: The most troubling aspect of current U.S. policy is the large volume of highly sophisticated weaponry which we are selling from our own arsenals. These sales dominate our present relations with Iran because of both their magnitude and perceived importance.

Although the United States over the years has provided new weapons to modernize Iran's forces, the floodgate really opened only in 1972, when President Nixon decided to sell the Shah virtually any conventional weapons he desired and exempted such sales from normal bureaucratic scrutiny. In recent years, according to unclassified sources, Iran has expanded the number of men in its Army by 50 percent; the Navy has more than doubled; and the Air Force has quadrupled in personnel and doubled in the number of combat aircraft. Qualitatively, Iran has improved its military potential dramatically with the acquisition of the latest and best American equipment such as our F–14 fighters with Phoenix missiles.

These sales raise serious questions as to the ability of Iran to absorb them economically and to operate them with adequate numbers of trained personnel. But these sales have also occurred at a time when our own forces are short of some equipment items which are being shipped abroad before U.S. units are at full strength.

Until recently the absence of thorough review of these sales within the U.S. Government thwarted the raising of these important issues. Even now, the Congress has not been provided the overall policy review promised by the Ford Administration as a basis for assessing future sales.

We believe that there has been insufficient recognition of the possible long-term dangers of the policy of massive sales. These dangers include the unwitting transfer of highly advanced technology, the threat posed by any sudden change in government to a less pro-American regime, the uncritical acceptance of Iran's internal policies and external designs which is inferred from these sales, and the high prices which American consumers must pay for oil from Iran and other OPEC nations in order that they may continue to expand their military forces. There is also a danger that expanded sales may create an unhealthy mutual dependence in which U.S. arms manufacturers come to rely excessively on such sales and U.S. forces need them to reduce unit costs. The Iranians in turn may require costly and extensive technical support and may resent any shortfalls in anticipated U.S. help. Such dependence may thus create pressures for closer links and ever-rising sales.

We believe that the purported advantages of arms sales must be carefully weighed against these general dangers as well as the particular disadvantages of specific sales programs.

The Iran we visited in November 1976 is a society slowly emerging from extreme underdevelopment. Despite a high degree of social and economic activity, Iran is still decades away from acquiring the infrastructure necessary to absorb the influx of foreign ideas and technology. Dr. Haibatolah Khakzar, President of the Iran College of Science and Technology, described the major obstacle to social and economic change in a recent interview with the Christian Science Monitor:

"Our biggest problem is giving students who have had no experience with technology some engineering sense. They are hardworking and clever, and they have a good background in mathematics and physics but most of them come from working class or poor families in rural areas of the country that are beginning to change for the first time in centuries. Since these young people have no experience with technology, they have no feeling for it."

Without joining the issue of Iran's strategic importance to the United States, we feel that the sale of vast quantities of sophisticated weaponry to an emerging nation with limited technical expertise raises profound questions about the U.S. role. With few exceptions we found the military forces of Iran unable to effectively utilize the American weapons purchased for them without an excessive degree of U.S. technical assistance. It is our view that equipment received which cannot be operated and maintained by Iranian forces would do little to enhance Iran's war-time defensive capability were the United States to remove its citizens at the outset of hostile actions.

We seriously question the position expressed to us by the Iranian Government that a continuation of unrestricted arms sales to Iran is in U.S. and Iranian interests.

Further, it is our view that any deterrent value derived from the acquisition of sophisticated weaponry is largely vitiated by the inability of the Iranan military to properly utilize and maintain the equipment and by the uncertainty of the U.S. war-time commitment. Iran's security will be diminished rather than strengthened if the acquisition of advanced weapons dissipates the personnel and economic resources which might other-

wise be devoted to its most urgent defense needs and its most likely military contingencies.

During our visit, we were advised that, contrary to the general perception that the U.S. will sell any weapon to Iran, a number of requests for exotic systems have been rejected by the Defense Department. A subsequent check indicated that these requests included systems which seemed to exceed Iran's self-defense requirements; e.g., troop-carrying vessels, landing craft, and anti-ship missile defense system and highly sensitive U.S. systems not available for foreign sales even to NATO countries. While it is reassuring that some minimal restraint has been imposed in the past by the U.S. Government, these requests raise troubling questions about Iran's broader military aspirations.

Of particular concern to Iranian and American officials was the acquisition by Iran of the F–14 aircraft. This sophisticated system, which Iran was able to purchase from the Grumman Company production line even before the U.S. Navy received its required quantity, in many ways represents the microcosm of the problems which will surround proposed future purchases of sophisticated aircraft, assurances to the contrary notwithstanding.

We agree with the observation in the staff report of the Subcommittee on Foreign Assistance of the Committee on Foreign Relations in its excellent July 1976 report that the F–14 is "not very useful to Iran in the probable contingencies that it might face." Perhaps the most serious problem is maintenance. The F–14 is a highly complex system which is exceedingly difficult, even for our own Navy, to maintain. According to Navy records, the operational availability of the F–14 remains at 30 percent or less. These problems are compounded in a country such as Iran.

In addition to complexity, the F–14 also raises important issues of safeguarding U.S. technology. There are, of course, no guarantees that an Iranian F–14 pilot would not drift across the 1,200-mile border with the Soviet Union. Our technological secrets might also be lost if an F–14 were downed in regional combat, as could have happened when an Iranian F–4 was lost during counterinsurgency activities in Oman. Since the U.S. expended great sums of money to recover an F–14 from the depths of the North Atlantic, it is clear that the compromise of the Navy's front line fighter and its Phoenix missile would be a major loss. Our concern over incremental technology transfer must pale against the possibility of such a loss. Yet, nowhere did we find that this risk-factor played a significant part in the decision to sell sophisticated weaponry to Iran.

Certain proposed future sales of military equipment to Iran will in our view compound the current difficulties. Iran has, for example, indicated an interest in purchasing the Airborne Warning and Control System (AWACS). This system contains some of the most sophisticated and esoteric electronic gear in use anywhere in the world. It is also the most expensive aircraft system ever produced.

In justifying his desire to purchase AWACS, the Shah emphasized the importance of surveillance along his 1,200-mile border with the Soviet Union. He stated that a look-down radar and tracking system was essential for this purpose. AWACS is a Boeing 707 packed with radars, computers and communications systems. It is clear that the sale of AWACS to Iran will entail a major commitment of American personnel. AWACS represents the most sophisticated state of the electronic engineer's art and contains the most modern, and most sensitive, electronic equipment. If it is to remain operable, the Boeing Company and the Air Force will have to provide technical assistance to Iran for the life of the system.

Iran's announced desire to purchase the F–18L raises additional questions about U.S. arms sales policy. The F–18L is a land-based version of the F–18A, to be built for carrier use by the Navy. It is a derivative of the Northrop Company's twin-engined F–17 which lost a competition with the General Dynamics F–16, chosen to be the Air Force's lightweight fighter.

If Iran is allowed to purchase the F–18L, it will have five fighter aircraft systems with their separate logistics systems to maintain. The F–18L, it is argued, would be used in a close air support role, thereby freeing the F–16 for the air superiority mission. The expensive F–14 apparently would then be able to avoid contact with enemy aircraft in support missions, as it would be used in a stand-off air defense role. Of course, each of these new systems can perform multiple missions. Clearly, justifications which place each aircraft in an exclusive role ignore the cost and logistical benefits derived from keeping to a minimum the different types of aircraft. While the Shah feels that cost is no barrier in these calculations, it seems clear that his government has not given adequate attention to the requisite and indispensable manpower needed to operate, maintain and service such highly complex equipment.

Policy Recommendations: We do not wish to renounce all ties to Iran or to end our arms sales, but we believe that our relations can and should be put on a different, less personalized, more enduring basis.

There is no question about the need for this nation to retain friendly relations with Iran. But this should be in the context of a more rational and consistent foreign policy, based on our own standards, ethical values, and national interests. We should not become too closely and secretly intertwined with any nation, to the extent of catering to that regime at the expense of our own interests and standards.

We have made available to Iran our most sophisticated technology and weaponry. This results in the deepening of our future commitment and makes it necessary to furnish an ever-increasing contingent of technicians and advisors to assist in the operation of the equipment we have sold.

Allies we are and should remain, but, just as we hopefully learned from our Vietnam experience, it is not in our national interest to become too deeply and submissively involved in the affairs of Iran or any other nation to the extent that we are cemented in and can't control our commitments or extricate ourselves if it becomes in our interest to do so.

The dilemma which we face was pointed out two decades ago by Walter Lippmann in his prescient critique of a rigid containment policy. Lippmann noted that, for this policy to succeed, "we must stake our own secuity and the peace of the world upon satellites, puppets, clients, agents about whom we know very little. Frequently they will act for their own reasons, and on their own judgments, presenting us with accomplished facts that we did not intend, and with crises for which we are unready. The 'unassailable barriers' will present us with an unending series of insoluble dilemmas. We shall have either to disown our puppets, which would be tantamount to appeasement and defeat and the loss of face, or must support them at an uncalculable cost on an unintended, unforseen and perhaps undesirable issue."

We cannot presume to judge the threat assessment which another nation makes, nor the policies which it may adopt to preserve its security. Without doubt, any nation must be concerned about the intentions and capabilities of its neighbors, as Iran properly is. But neither can the United States neglect its own responsibility to examine its own interests, especially before we transfer highly sophisticated weapons abroad, and the global hierarchy of values and policies which we profess. In the case of arms sales, we can expect and demand clearer justifications from purchasing nations and better proof that new weapons will be properly and efficiently used.

We do not seek to dictate a particular internal political arrangement to Iran or any other nation, but neither can we praise or ignore the current situation in Iran. From the evidence available to us, we believe that Iran is an authoritarian nation whose internal policies often appear antithetical to American values. Serious allegations of repression, violations of human rights, and even torture have been made and are now under increasing scrutiny by international bodies, by American organizations concerned with international human rights, and by Congress itself under the provisions of recent arms sales legislation. The State Department's recent report to Congress on human rights even said that "one cannot discount the reports" of use of torture and that the U.S. Government in the past two years has discussed the human rights situation in Iran with its government. Furthermore, by the Shah's own admission, his secret police (SAVAK) actively watches Iranians living in the United States. And other published reports suggest that these agents act in ways which appear to violate the laws of the United States.

Again, it is not for us to prescribe how Iranians should live or what their government should be. That is their business, not ours. But the United States should refer to its own values and standards of conduct in determining the character of its relations with a government and leader who do not subscribe to those values and standards.

Since the United States does not approve many of Iran's internal practices, we must avoid or minimize actions which have the effect or clear implication of supporting or strengethening these undesirable practices. So long as Iran acts in a way contrary to our own values, we must maintain an arms-length relationship, based only upon cold calculations of national interest and without hypocritical declarations of warm friendship.

The touchstone of U.S. policy should be U.S. national interests. In this regard, it appears to us that there is considerable evidence that the Shah himself conducts his foreign affairs far more from his perception of his own interests than from reassurances of friendship. He has not hesitated to take the lead in pushing OPEC to increase oil prices, despite our urgings against his doing so and our arguments as to the effect of these price rises on our own economy and on the economies of the developing countries and Western Europe. The Shah nationalized Americal oil interests in 1973 over our protests. And also over our protests, he has even recently returned a Soviet defector to the USSR.

These actions suggest to us that the Shah will rebuff or respond to our interests in Iran according to whether he believes they will serve his interests. We should therefore act according to our own interests. Where our policy objectives coincide with those of Iran, we can and should cooperate fully. But where we differ, we cannot subordinate our disagreements to ritual demonstrations of friendship or declarations of "special relationships." Arms sales, for example, must not be undertaken as tokens of commitment or proof of close relations, but rather only when both sides benefit.

With regard to arms sales, we recommend that future sales be conditioned in three ways. (1) No additional sales should be made

of equipment in which U.S. forces are short of authorized levels unless procurement for American units at a faster rate would clearly be inefficient. (2) The Congress must be assured that, for all sales, Iran has the technical, economic, and personnel capacity to absorb and utilize the equipment effectively without substantial participation of U.S. personnel. In any event, there should be no diversion of large numbers of U.S. technical personnel from work essential to the readiness of U.S. forces. (3) There must be adequate safeguards against the transfer of advanced American technology to other nations, either by industrial espionage or defection.

In addition, we believe that many of the existing pressures for arms sales, and for subsequent bureaucratic approval of such sales by U.S. government, would be reduced if the personnel chiefly responsible for in-country planning and Washington-level review were, to the greatest extent possible, civilians in background, with no particular allegiance to a specific Service or weapons program.

While our direct observations and our comments have been largely confined to Iran, the largest single purchaser of our weapons, we recognize that this problem is global and that any ultimate solution will require the cooperation of many nations. Accordingly, we are encouraged by the announced policy of President Carter to review these sales more closely and to seek international discussions on ways to limit these sales. This policy is in line with Congressional declarations and can lead to a more stable and safer world.

ADDITIONAL VIEWS OF SENATOR CANNON

MILITARY SALES

This part of the report will deal with military sales to Iran. The subject has been controversial for some time and was accordingly explored by members of the delegation.

The matter was first discussed with Ambassador Helms at his initial Embassy briefing. It was later brought up with the Iranian Prime Minister at his meeting with the delegation and then finally with the Shah when he hosted the delegation.

Although a minority view, the feeling was expressed that Iran was buying weapon systems beyond their capability to support and that the country would metaphorically speaking sink from the sheer weight of the items being purchased.

American arms sales to Iran, especially the F-14, have been a subject of great controversy in key circles within the United States. The agreement to sell the F-14 and other sophisticated military equipment to Iran seems, like discussions of previous arms sales agreements to Iran, to be taking place in almost total isolation from the broader historical and strategic context in which the decision was made.

The prevailing United States strategic doctrine, with its notion of an American drawback from some areas of the world, is largely a naval doctrine—except for Western Europe—as far as direct U.S. commitment is concerned. It calls for a greater degree of burden-sharing by America's allies and friends in their own defense and American help in creating independent power centers that could maintain local stability. Congress has generally approved of this policy but in the case of Iran, it has come in for some very persistent criticism in regard to the transfer of modern weaponry. One of the most significant developments which convinced the Shah of the need for strengthening his military forces was the 1958 coup in Iran which installed the radical regime of Colonel Kassem—an event viewed in Iran with alarm as a harbinger of future changes to come.

Iran's arms modernization goes back to the Kennedy administration when negotiations already were under way to modernize Iran's armed forces. From Iran's point of view, an important event was the Indo-Pakistani war of 1965. The Shah was convinced that the failure of the United States to assist Pakistan or allow Iran to aid Pakistan with arms received from the United States meant that Iran would have to acquire the capability to fend for itself in local conflicts. It was at this time that negotiations began for what was then clearly the most sophisticated aircraft in the world, the F-4 Phantom.

The British withdrawal from Aden in 1967 strengthened Iranian conviction that a British decision to withdraw from the Gulf was near. The conclusive development which persuaded them that the time for the swift modernization of Iran's armed forces had come, was Britain's decision of 1968 to withdraw its forces east of Suez by 1971.

In regard to President Nixon's decision in 1972 to sell the F-14 and other sophisticated weaponry, it should be pointed out that the first F-4's were delivered to Iran in late December of 1968, approximately 11½ months after the announcement of Britain's decision to withdraw from the area. Hence from the Iranian side it is easy to discern a close relationship between the Shah's perception of the developing security situation in the area and the required military forces deemed necessary for coping with it.

It is worth noting, too, that the negotiations for and the delivery of the F-4 took place well before the great leap in oil prices. Indeed, some 15 months before President Nixon's visit to Teheran in May 1972, there were three squadrons of F-4's already on delivery to Iran and a total of eight squadrons delivered by 1974. The F-4's delivered during the Nixon administration were therefore a natural follow-on of the original sales agreement by the Johnson Administration.

Congress was well aware of these sales and there was little criticism of them even though at that time, in terms of the then existing aircraft technology, the F-4 was in a relative sense as sophisticated an aircraft as the F-14 is today. (Technologically the F-4 should be compared with the MIG-21, just as the F-14 corresponds more with the MIG-23 and the even more sophisticated MIG-25). In fact, at the time the F-4 was delivered to Iran in 1968 no one else outside Europe had received this aircraft; e.g., the F-4 was not delivered to Israel until 1969.

The F-14 was considered by both the Nixon Administration and the Shah as a fairly natural evolution in arms sales policy between the two countries.

There are many complex historical and strategic factors to be considered in any assessment of U.S. decisions on arms transfers to the Middle East in general and the Persian Gulf area in particular.

Iran occupies a key strategic position in the Middle East controlling the air lanes from Europe to the East, has a long coastline along the Persian Gulf through which moves a large percentage of the Free World's oil supply, and has long land borders with the Soviet Union, Iraq, Turkey, Afghanistan, and Pakistan.

Iran has been developing a modern military force during the last five years. Iranian leadership intends to put Iran in a position to defend its interests with its own resources and not be forced to rely on outside assistance in a crisis.

For Iranian leaders, the willingness of the United States to remain a reliable supplier of military equipment to meet the threats which they perceive to their security is extremely important. United States' willingness in this area is evidence of our continuing interest in them as a sovereign state with important national interests parallel to our own, a sign that we are concerned about their national integrity and an indication that the United States will not abandon its traditional friends while other countries continue to arm their allies.

The strategic, political, and economic importance of the Persian Gulf countries to the United States and its Western allies is high and growing. Western Europe and Japan will remain dependent upon Gulf oil for years to come, and our own dependence upon this oil is increasing, not diminishing. From a strategic point of view, we have a clear interest in preventing the Soviet Union from exercising political, economic, or military influence over the area. Moreover, our commercial interests in the area run into the many billions of dollars.

Iran is subject to a number of threats. Perhaps the most tangible threat to Iran concerns the vulnerability of her oil economy. If the flow of Iranian oil to the Western world were significantly reduced owing to military conflict, or the threat of military conflict, the political and economic impact would be grave.

The Soviet Union is significant, as Iran shares a long border with the Soviet Union, and most Iranians regard the Soviet Union as a potential adversary. The Iranians are also fearful of Soviet support of some of their neighbors especially Iraq, Afghanistan, and India.

The sale of new military aircraft to Iran not only strengthens U.S.-Iranian relations but also is viewed by other countries of the region as firm evidence that the United States will maintain a steady policy in support of its friends in this critical part of the world.

In the regional context, it would improve Iran's ability to carry out in the latter part of the 1980's and 1990's the major security missions on which we agree: serving as a center of strength and stability in the area; withstanding Soviet designs in the region which are carried out directly or through surrogates; and joining with Saudi Arabia in providing a strong defense for the Persian Gulf area.

Other countries of the region with which we maintain close and friendly relations have not voiced any objections to our proposed sale of new aircraft and it is not believed that it will have any adverse impact on our relations with them. In fact, it could have a salutary impact, inasmuch as regional stability should be enhanced.

The Iranian aircraft procurement proposals should not have a destabilizing effect on the Persian Gulf region. The government of Iran views new aircraft procurement as essential to its Air Force modernization program. The Soviet Union has several bases near the Iranian border which are capable of supporting the most advanced fighter aircraft in the Soviet inventory. These bases are within fighter operational range of the major industrial and population centers of Iran. Iraq currently possesses one of the Soviet's most advanced fighter aircraft—the MIG-23, as well as the supersonic BLINDER bomber. The current weapons system being purchased by Iran is the F-14 with its Phoenix missile. Iran has presently 18 F-14's delivered out of a total buy of 80 and all are expected to be delivered by July 1978. Their rate of delivery has been two a month for the first year and will be three a month for the following year. The delegation inspected the F-14 unit at Isfahan and found an air of activity involving the building of a new air base as well as flying training. They are presently flying eight sorties a day. Each sortie is about 1½ hours' duration.

A separate classroom building to house a Field Training Detachment was in being and an Air Crew Systems Building to house air crew systems was also being completed. It

accommodates three training systems—an operational flight trainer, a mission trainer (for radar operators) and a cockpit procedures trainer. The base and facilities are patterned after the U.S. Naval Station at Miramar and although still in a formative stage they appeared to be catching up.

One of the actions taken to enhance the F–14 operation was to stockpile all spare parts for the F–14 at Isfahan. Normally, Mirabad airport in Teheran which is where their Materiel Management Control Center is located is used to stock spare parts. The concept for maintaining the F–14 is the black box technique. Each sub-assembly is contained in a quick disconnect unit which can be easily replaced. Hence when a malfunction occurs the unit can be unplugged and repaired under shop conditions.

From the standpoint of maintenance capability, Iran has instituted a system which could develop into an outstanding and innovative setup. They have created a sort of super enlisted man known as a Homafar. He is a notch above our warrant officer, is paid the same as an Iranian Major, yet is not an officer. The unique feature is that he is enlisted for eleven years which should be the envy of the U.S. Air Force. Retention has always been a problem in our military forces. With a four-year enlistment very short utilization is experienced since the first year is spent in technical training, the second year as a journeyman to acquire on the job experience resulting in only the last two years being productive.

In contrast, Iran takes an educated individual and enlists him for eleven years. He is sent through language training, then through technical training, first at Grumman in Bethpage, New York, and then through the Technical Training Center at Chanute Air Force Base. This results in a highly trained technician with great potential because of his retainability. All in all the F–14 program is well planned and should be successful. The F–14, however, is not as controversial as the F–16, F–18–L, and AWACS, which are also being eyed by the Iranians to bring them militarily into the twentieth century. A discussion of each of these proposed weapon systems follows. The sale of the F–16 to Iran should be thought of in the context of the continuing plans of the government of Iran to modernize its Armed Forces, the history of our relations with that country and the important interests we have in the area.

First, the addition of the F–16 is a complement to, but not a substitute for, the capabilities of the F–14/Phoenix weapon system. Consequently, it does not represent an escalation in weaponry. Secondly, the government will need replacement or attrition aircraft for the older F–5 aircraft in the Imperial Iranian Air Force (IIAF).

The F–16 aircraft is capable of augmenting the IIAF F–14 primarily in an air defense role and, in addition, performing all the combat roles; i.e., air defense and close air support, currently performed by the IIAF F–5.

Thirdly, an assessment of the increased military capability provided by the F–16 aircraft must consider the time necessary for pilots and ground crew personnel to become proficient in operating and maintaining the aircraft. The delivery of the aircraft would not have an immediate impact because of the time required to become operationally effective.

Consequently, the sale of the F–16 will increase the military capabilities of Iran by the mid-1980's. It is estimated that the government of Iran will need approximately 3,000 trained maintenance personnel and 240 pilots to operate and maintain 160 F–16 aircraft. Sufficient personnel to support the program are available if Iran uses pilots and technicians that are presently supporting other military aircraft but which have to be replaced during the 1980's. It is anticipated that the IIAF will retrain/upgrade these personnel to fill the F–16 program manpower requirements.

At program activation, a facilities survey team and weapon system planning team (total: approximately 15 personnel) will be sent to Iran for approximately three months.

To support the program in the long term, it is estimated that about 1,000 contractor personnel and four U.S. Government personnel will be required. The contractor technician's duration will be from two to four years. Plans call for four U.S. Government personnel to serve as liaison of the cooperative logistics program on an indefinite basis. These estimates depend on support decisions to be made in the future by the government of Iran and on the progress of the program.

The proposed sale of F–16 aircraft to the government of Iran will have no adverse operational impact upon U.S. readiness posture or on the USAF F–16 program with the European Participating Governments (Belgium, Denmark, The Netherlands, Norway), providing the Iranian F–16 program is implemented and supported as proposed. However, based on historical experience with similar programs, the Iranian F–16 program will require special management to ensure that early production resources are properly allocated to the United States Air Force, the European Participating Governments and the Iranian Air Force. Fifteen per cent of each of the F–16 aircraft to be sold to Iran will be manufactured by U.S. Allies, the European Participating Governments, in accordance with our agreement with them.

The effect of introducing the F–16 in multiple operating locations simultaneously will place special demands upon the early support arrangements—spares and maintenance. This support is to be supplied by the prime contractor—not the Department of Defense. The contractor states that he can support this program.

Under the proposed program, the government if Iran will provide necessary funding for tooling required to provide additional stocks over and above U.S. Air Force requirements. This added production capacity could be considered a positive contribution to the U.S. readiness in the event of an emergency.

The details on how DOD proposes to implement the program follows. The program involves 160 F–16 aircraft and support equipment. Of the total, 136 are the single-seat F–16A and 24 are the two-seat F–16B. The configuration of the aircraft will be the same as that of the U.S. Air Force F–16 with the exception of nonreleasable systems such as nuclear weapons delivery.

The first phase of the sale is to provide 5 aircraft for continental U.S. training of Iranian instructor pilots. The aircraft will be located at a U.S. Air Force tactical training location for approximately 6 months. Maintenance support at this location will be provided exclusively by U.S. Air Force personnel.

The second phase will provide 160 F–16 aircraft in Iran. (155 operational aircraft plus the 5 training aircraft). The in-country support functions will be performed by a team composed of contractor personnel and the initial Iranian cadre trained in the United States. Functional areas will include organization, avionics, muntions, and field maintenance in addition to maintenance administration. The approximate number of personnel per skill level area is as follows: 1,000 apprentice level personnel; 1,400 journeymen level; and 400 supervisory level personnel for a total of about 2,800 people.

The F–16 should be significantly easier to absorb by Iran because it is relatively simple to maintain and operate.

The design-to-cost concept under which the F–16 was developed resulted in a much less complex airplane than its predecessors in Iran, the F–4 and F–14. The F–16 requires only one crewman compared to two crew members required by the F–14 and F–4. The maintenance manhours per flight for the F–16 are expected to be ⅓ to ½ those required to maintain the F–14 and F–4. Built-in test capability and automatic test equipment also replace skilled technicians.

The Air Force foresees no adverse impact on current aircraft procurement/production schedules provided the program is implemented and supported as proposed. The sale should have favorable impact on the U.S. Air Force program since the purchase of these F–16 aircraft by the government of Iran should reduce the unit cost per aircraft and will provide a pro rata share recoupment of research and development costs.

Various reports have indicated the concern of Congress over military acquisitions by Iran. The F–16 sale to Iran will receive close management support and control in the Department of Defense. Over the past year our management of activities in Iran has improved. The Department of Defense states it will stay on top of the F–16 program in every respect.

In summary, the F–16 program for Iran is structured to take into account the threat, their future fighter requirements and logical delivery schedule without an adverse effect on U.S. Air Force and NATO Consortium programs. The government of Iran was briefed by the DOD in early September 1976, on total program requirements and recognizes the increased program risk and costs associated with the early availability of the aircraft. After the acquisition of the first 160 F–16's Iran initially contemplated buying another 140 F–16's for a total procurement of 300 aircraft. This follow-on buy could of course be assimilated much easier because of the experience gained in implementing the initial purchase. There has been no U.S. Government decision, as yet, to offer the 140 additional aircraft to the Government of Iran.

F–18L program

Purchase of the F–18L would enable the IIAF to use the F–16 as an air superiority fighter, as replacement for the F–5 leaving the close air support role to the F–18L to replace the F–4. Although all aircraft can be used in multiple roles, they are each individually best suited for specific missions. The F–14, for example, with its standoff capability to detect an enemy aircraft 100 miles out is ideally suited for Fleet or Country defense—yet can also be used for close support—but it would be foolish to risk such an expensive weapon system for close support missions. Hence the reason for the U.S. Navy acquiring 800 F–18A's.

The procurement of 250 F–18L aircraft by Iran will result in a significant impact both militarily and economically. In the long term it initiates a program to provide a low cost, high performance, twin engine tactical fighter. In the short term it will modernize and greatly enhance the capabilities of the Imperial Iranian Air Force (IIAF) by replacing F–4 aircraft while realizing substantial savings for Iran and the United States Government.

The F–18L compared with the F–4 which it would replace in Iran is expected to be 40% lighter at takeoff and has 40% more thrust, 75% more lift, up to 3 times the mission radius, and about twice the combat performance in terms of maneuverability and available energy.

In addition to doubling the present capability provided by the F–4, the F–18L will bring the IIAF substantial gain reliability and maintainability over the current F–4. This in turn contributes to lowering operating and support costs as well as reducing the required maintenance/support level.

In the presence of the Navy program for procurement of 800 F–18's, and without interference to that program, the F–18L pro-

gram should bring substantial benefits to the Navy program (and thence to the U.S. Government) through reduced cost in the production and overhead as well as earlier confirmation of reliability and maintainability. Assuming that Northrop delivers 1,000 F–18L's to overseas customers, the savings realized by the USN F–18A program could be as much as $700 million. Also, the program value of F–18L overseas sales of 1,000 aircraft would amount to $8 billion, would bring a favorable balance of trade impact of $7 billion, and would provide additional U.S. Government tax receipts of $5 billion. Finally, and of great importance domestically, it would provide an average of 57,000 additional jobs per year.

In summary, the purchase of 250 F–18L aircraft by Iran will:

Double the IIAF capability attributable to the current F–4 force which will be replaced.

Reduce maintenance and support manpower by possibly 2,300 men below the level presently required for the IIAF F–4 force.

Initiate a F–18L overseas sales program to help modernize the air forces of our allies which could save $700 million for the USN F–18 program, contribute to a favorable trade balance by $7 billion, and provide 57,000 U.S. jobs per year when sales reach the first 1,000 aircraft. All of this would be obtained at no cost to the U.S. Taxpayer.

Initial action is necessary which will determine all the F–18L program elements before commitment on the part of either the U.S. Government or the Government of Iran for 250 F–18L aircraft. For this purpose a letter of offer is being contemplated for a $6 million (plus) effort on the pre-program engineering, price and availability planning over a period of four to six months. This effort neither obligates the U.S. Government to offer any hardware for sale nor does it obligate the Government of Iran to purchase any hardware; however, it does respond substantively to the request from the Government of Iran and provide the basis for subsequent development of a letter of offer for 250 F–18L aircraft. This second letter of offer, assuming U.S. Government and Government of Iran program approval, will be prepared at a later date and Congress will be notified in accordance with current statutes.

The Navy plans to buy 800 F–18A's being built by the aerospace team of McDonnell-Douglas and Northrop at the McDonnell-Douglas plant in St. Louis.

But Northrop executives are hopeful of selling hundreds more of the Iranian version, F–18L, to other countries as well.

It will cost about $250 million to tailor the Navy's F–18 to the Shah's needs, according to Pentagon sources. The F–18 is being built for the Navy for about $6 million a copy in FY 75 dollars.

The F–18L for the Shah would be lighter than the Navy's version since it would not have to be built to withstand the impact of landing and catapult takeoffs from aircraft carriers. The Iranian version would serve as a light bomber, replacing the Shah's squadrons of F–4's in the early 1980's.

The F–18L would not be the hottest plane in the Shah's inventory, since he already has bought the Grumman F–14 Tomcat, which is probably the most sophisticated fighter plane in the world, and has also ordered the General Dynamics F–16.

With the Navy's Phoenix air-to-air missile to hit airplanes 60 miles away and the F–16 to fight other planes close in, the Shah by buying the F–18L would be filling in what he sees as the need to support ground troops with a light and relatively inexpensive fighter bomber.

General Hassan Toufanian, Iran's Vice Minister of War in Charge of Arms Procurement, wrote Defense Secretary Donald H. Rumsfeld on September 12, 1976, that "the Imperial Iranian Air Force has a requirement to replace existing McDonnell-Douglas F–4 Phantom aircraft with a modern aircraft. Operational phase should commence in 1982. We have determined that Northrop's land-based derivative of the U.S. Navy F–18 will best fulfill this requirement."

The Navy would charge Iran a pro rata share for every F–18L to cover part of the cost of developing the basic airplane.

AWACS

The final weapon system discussed by the delegation to enhance Iran's military capability was AWACS, commonly referred to as E–3A.

It is a 707 Boeing Transport with a large radome on top, configured to provide an Airborne Warning and Control System of outstanding capability. The inside of the aircraft is identical to the arrangement found in a ground-based Air Defense Control Center, with its multiple radar scopes and communications systems. It, however, has far greater seeing capacity than a ground-based radar since most ground-based radars are limited by the horizon. Conversely, airborne radars can see over mountains and into valleys, over and around hills, and into neighboring borders of adjacent countries. Further, AWACS has a lookdown capability, seeing the enemy's order of battle by viewing all moving targets in the air—both enemy and friendly. With this intelligence the AWAC's controllers are able to vector their defense fighters against all intruders. In a fight for the Straits of Hormuz this would be an important capability.

AWACS has been a research and development item in the U.S. Air Force since the early 1970's and this phase of the program is nearing completion. The U.S. Air Force has funding approval for 19 production E–3A planes through FY 77 plus advanced procurement funds for 6 more to be requested in FY 78. The Air Force plans to buy 31 new AWACS and also intends to rebuild 3 of the R & D models to operational configuration for a total U.S. buy of 34 aircraft. The first production AWACS will be received by the Air Force in March 1977 and deliveries will be made at a rate of one every two months thereafter. NATO countries are also very seriously considering AWACS. The present NATO radar warning, command, and control function is performed by a series of ground-based radars stretching along the NATO border with Eastern Europe. They are extremely vulnerable since they are in fixed well-known sites. It is estimated that they would be destroyed in the first minutes of any future war. AWACS is much less vulnerable since it can operate 150 to 200 miles behind the battle area. With capability to see enemy aircraft and/or missiles and its lookdown capability to see to the curvature of the earth resulting in extended ground-level coverage, its utilization in future conflicts is mandatory. It unquestionably has tactical advantages in performance, survivability, and flexibility over ground-based systems.

The question of NATO interest was brought up by the delegation—and the following applies. The NATO ministers met on December 8, 1976, to discuss the purchase of AWACS and the decision was deferred until their next meeting in 1977.

Secretary Rumsfeld who attended the meeting said that a positive climate prevailed and that all governments agreed that a new early warning system was a necessity for the alliance. A question, however, of how much each member should pay developed. The United States had planned to pay about $800 million and the West Germans were asked to pay $600 million. The United Kingdom had allocated $450 million to build a smaller airborne system into their older Comet jets but expressed a willingness to switch to the American system. The Germans felt they should not be required to pay more than the British.

Accordingly, the ministers agreed to call a meeting of financial experts some time in January 1977 and then to meet later to endorse their decision.

The plan for NATO involves 27 planes. The American Air Force plans to acquire 34 such aircraft for the United States. The estimated total cost for the 27 NATO planes is $2.4 billion. The ministers' communique called for increases in defense spending by allied governments in view of stepped-up expenditures by the Soviet Union.

Iran is also considering the acquisition of AWACS. In Iran's case with its 1200 miles of Soviet borders, AWACS would be the payoff for not only protecting its big investment in military aircraft but also in their proper and effective utilization. It matters little to possess an outstanding weapon if proper command and control can't be exercised. In today's environment of sophisticated weapon systems the ability to see what one's enemy is doing is crucial to the outcome of any air battle. In Iran's case because of its mountainous terrain and that of adjacent countries, AWACS capability is all the more critical.

From the standpoint of acquisition, Iran is still studying the cost, schedules of availability, and other details relating to the program.

Suffice it to say, considerable interest exists, and from the delegation's majority viewpoint, Iran could support this weapon system. In fact, Iran is already maintaining 707's and the delegation was flown in an Iranian 707 to Isfahan, Sheraz, and over the Hormuz Straits. Iran has twelve of these 707's configured with KC–135 booms and wingtip hose and drouge refueling pods. Since the AWACS E–3A is basically a Boeing 707 Iran already has a capability to maintain this type of aircraft.

The total air defense modernization plan for Iran includes: new modern ground-based radars; airborne early warning; or new ground installations for improved command and control.

The ground radars are being upgraded by the Seek Sentry system. However, total coverage is impossible since:

Low altitude intruders can approach in the uncovered areas between sites, below the radar horizon, and in the areas shadowed by terrain;

The large ocean areas to the south are uncovered, thus making it difficult to maintain effective control of the Persian Gulf, Arabian Sea, and northern Indian Ocean for both defensive purposes and for ensuring the safety of oil exports and maritime imports.

The airborne surveillance capability achievable with the F–3A would supplement ground radars by filling the coverage gaps and extending both the low altitude and high altitude coverage; and in combination with the ground based sites, would provide continuous coverage. In the active defense role the E–3A would provide an overall picture of the air situation to the battle commander. In addition, the E–3A would provide close control via voice communication and/or digital links for the F–4, F–14, F–16, and F–18L aircraft. A second application of close control from E–3A involves control of tanker/fighter rendezvous for refueling operations in the areas remote from ground control sites.

The E–3A also can improve SAM operations significantly.

While the E–3A involves quite complex subsystems, major strides have been made in

simplifying maintenance and repair operations.

CONNECTICUT, VIRGINIA SCHOOL COUNSELORS ENDORSE COMPREHENSIVE YOUTH EMPLOYMENT ACT OF 1977

Mr. HUMPHREY. Mr. President, since I introduced the Comprehensive Youth Employment Act of 1977 on January 11, I have received a number of encouraging letters endorsing the bill. Two of these have come recently from the Connecticut School Counselor Association and the Virginia Personnel and Guidance Association. Both organizations represent counseling and guidance personnel who have day-to-day experience with the tragic problem of high unemployment among our Nation's young people. They are on the front line and know firsthand what must be done to help our young people in the job market.

I am pleased to have these two organizations endorse the Comprehensive Youth Employment Act of 1977, and I ask unanimous consent that their letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JANUARY 25, 1977.

Hon. HUBERT H. HUMPHREY,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR HUMPHREY: The Connecticut Personal and Guidance Association strongly supports and applauds your efforts to enact S170-Comprehensive Youth Employment Act. Connecticut Counselors have been keenly aware of the need for Federal legislation to address the problems and needs of unemployed youth. Our State has experienced a prolonged and unhealthy period of unemployment. (It's still hovering around 10% and will not change much over the next 18 months.)

The youth of our State would benefit from such a coordinated approach of assisting both out of school youth and in school youth. The need for closer ties between school and the private economic sector fostered through this legislation will have an immediate effect in curtailing some of the severe social and economic problems which exist in the population centers of Connecticut.

Counselors are in need of a great deal of assistance in obtaining accurate, realistic occupational information to share with their students. We are pleased that this Bill will address the need for more career guidance services to assist in the career planning and decision making for our youngsters. Our only concern is the need to ensure that certified counseling personnel are included in the provisions of S170. This will enable communities to tap the many counselors whose skills are currently under utilized.

You can be assured that the members of CPGA will be watching the progress of this Bill and will be in contact with our State Senators to encourage support of S170.

I thank you on behalf of the youth and counselors in the State of Connecticut for being responsive and caring.

Sincerely,

ROBERT L. SANDAGATA.

JANUARY 26, 1977.

Hon. HUBERT H. HUMPHREY,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR HUMPHREY: I am very interested in S. 170, the comprehensive Youth Employment Act. I am writing in behalf of the Virginia Personnel and Guidance Association (VPGA). Our membership represents counselors and Student Services professionals in Virginia.

VPGA certainly concerns itself with all legislation affecting youth in the Commonwealth of Virginia.

Unemployment has a profound effect on the motivation of individuals. Youth old enough to join the work force but denied the opportunity can be very negatively affected at this crucial stage in their developmental process.

The section of S. 170 establishing a National Occupational Information and Career Guidance Service is enthusiastically endorsed. Hopefully, if the bill is passed, this service will be easily accessed by inner city youth who have the most obvious need. A job program without counseling would be ineffective.

VPGA is willing to provide support for S. 170. We join you in your concern for today's unemployed youth.

Sincerely,

THEODORE P. REMLEY, Jr.,
Virginia Personnel and Guidance Association, Government Liaison Worker.

CONVERTING COAL TO OIL AND NATURAL GAS

Mr. FORD. Mr. President, "while shortages and distribution problems interrupt oil and natural gas supplies, the Nation * * * sits on a great coal lode and shivers because it lacks the capacity to use it effectively"; this is the message of an editorial in the Friday, February 4, 1977, issue of the Washington Star.

As the editorial points out:

The technology for converting coal into oil and gas has been available for decades, but it takes money—large amounts—the plants are so expensive—estimated at $1 billion each—that probably not even the largest companies are going to get involved without Federal help.

The debate last year in Congress was over legislation to authorize Federal loan guarantees to private companies to build demonstration plants to convert coal to oil and natural gas. This measure was introduced by Senator JENNINGS RANDOLPH; it has been reintroduced by him this year as S. 429, the Synthetic Fuels Act of 1977.

As our colleague from West Virginia declares:

This is not a time to be timid. It is a time for commitment to the future. Greater Federal incentives are needed to cut the gordian knot of economics for the first generation of pioneer synthetic fuels plants in this country.

Senator RANDOLPH's bill will provide the incentives to develop synthetic fuels to serve our homes and industries. The Synthetic Fuels Act of 1977 is a long-range answer. This bill encourages the development of plants to convert coal to oil and gas, and we have an abundant supply of coal. It is time for us to recognize the seriousness of this problem and the necessity to find solutions. Conversion is expensive, but this alternative is essential for the health and welfare of the Nation. For this reason I urge the Senate to move forward with dispatch in the enactment of this legislation.

I ask unanimous consent that the Star editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Feb. 4, 1977]

SITTING ON THE MOTHER LODE

The bitter cold has produced some bitter ironies. One described in a New York Times article the other day involved a mother and her retarded son living atop a huge coal deposit in southwestern Pennsylvania but freezing because they lacked oil for the furnance.

Coal has all but disappeared as a home-heating fuel. A spokesman for the National Coal Association says there is not a single coal dealer left in the District of Columbia. Even the association had to give up on coal heat last year and convert the heating system in its building on 17th Street to electricity.

Of the 665 million tons of coal produced last year, two-thirds went to electricity-generating plants and most of the remainder steel plants. Less than 5 million tons were was used by large industries, principally used by homes and small commercial establishments.

While shortages and distribution problems interrupt oil and natural gas supplies, the nation, like the family in Pennsylvania, sits on a great coal lode and shivers because it lacks the capacity to use it effectively. The United States has enough coal reserves to last an estimated five centuries. Oil and natural gas reserves are figured only in decades.

Is there any chance of going back to coal for heating in a significant way? Not likely. Aside from being dirtier than natural gas, oil and electricity, firing a heating plant with coal requires more physical exertion. There also are environmental factors to consider. But there are ways to make better use of coal; the problem has been the lack of national effort to exploit the vast supply.

The technology for converting coal into oil and gas has been available for decades. The Nazi air force used gasoline made from coal when the allies closed off Germany's oil supplies during World War II. The problem now is twofold: to reduce the cost of conversion to make the synthetic product competitive with natural oil and gas, and to produce it in a manner that is environmentally acceptable.

That takes money—large amounts—but Congress has been slow to recognize a governmental responsibility. Only recently has Congress provided sizable amounts for research, and some would argue that even these sums are small compared to the huge allocations for many other programs. Last year the Energy Research and Development Administration was given $375 million for work on transforming coal into gases and liquids and in finding better ways of burning coal for heat and electricity.

The big argument in Congress last year was over legislation to authorize federal loan guarantees to private companies to build demonstration plants to convert coal to oil and gas. Although supported by the Ford administration, the AFL-CIO and business groups, the legislation was defeated by a coalition of fiscal conservatives and environmentalists.

The fact is that the plants are so expensive—estimated at $1 billion each—that probably not even the largest companies are going to get involved without federal help. Not only is the construction cost high, but profits on production probably would be many years away. Even with natural gas and oil prices rising rapidly, it is not expected that the synthetic products from coal would be competitive for a decade or more.

In introducing a loan guarantee bill in the last Congress, Sen. Jennings Randolph of West Virginia said: "This is not a time to be timid. It is a time for commitment to the future. Greater federal incentives are needed

to cut the Gordian Knot of economics for the first generation of pioneer synthetic fuel plants in this country."

Perhaps the frigid weather will produce some congressional action this year. Or will Congress, and the nation, continue to sit and shiver on the mother lode of fuel?

UNITED STATES RETAINS EXTRADITION RIGHTS UNDER THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, over the years that the Genocide Treaty has been a topic of discussion, one major argument has repeatedly come up. This argument deals with the question of whether Americans could be tried with genocide in foreign courts. I take this opportunity to clarify the facts of this issue.

At this time, Americans in a foreign country can be tried for charges ranging from robbery, to shoplifting, to genocide. The Genocide Convention does not extend foreign jurisdiction at all. Actually, the Genocide Convention protects the rights of Americans abroad.

According to Mr. George Aldrich, the Deputy Legal Adviser for the Department of State:

> The negotiating record of the Genocide Convention makes clear that trial for acts committed in a foreign country could be held in the state of which the defendant is a national.

Under the Genocide Treaty, the United States retains the right of extradition. This clause can only be to the advantage to Americans in foreign countries. In this way, we may provide Americans added protection of their rights. Presently, this safeguard does not exist.

Mr. President, I firmly believe that the time has come for the Senate to ratify the Genocide Convention. The sooner this task is accomplished, the sooner Americans' rights will be protected in foreign countries. I call upon colleagues for immediate approval of this important human rights treaty.

HUMAN RIGHTS

Mr. KENNEDY. Mr. President, I call the attention of colleagues to a developing pattern of concern and of commitment to human rights in our foreign policy by the Carter administration that deserves our recognition and our full support.

Last September 29, just prior to the termination of the previous session of the Congress, I joined with Senators CRANSTON, CLARK, and ABOUREZK to examine briefly the human rights record of the prior administration.

It was a disappointing and gloomy analysis that exposed a basic failure to understand American ideals and the American people. It was that failure—in supporting the junta in Greece for so many years, in placing low priorities on the needs of refugees in Vietnam and Bangladesh, in embracing a bloody coup in Chile and its repressive aftermath—that produced a deep breach between our Government and the American people.

As Senator CLARK quoted from a participant in a town meeting on foreign policy:

> People seem to be saying, we know what kind of people we are, but does the government know?

Now it appears that the Government does know and the President has taken the lead in reflecting that knowledge from the moment he took office.

The President said on taking office:

> Our commitment to human rights must be absolute . . .

Since then, visible actions have reinforced that statement.

When we informed the new State Department that the previous administration had invited as a distinguished visitor a Chilean Air Force officer who had participated in the mock trials of political prisoners and reportedly been involved in the actual process of interrogation and torture, the visit was cut short and the individual sent home.

The State Department issued a strong public statement of support for human rights advocates in Czechoslovakia within days of taking office.

Similarly, the Department issued a vigorous and forthright declaration on behalf of Soviet dissident, Andrei Sakharov.

These statements plus the President's own reiteration of support for human rights last night evidence the impressive and laudatory breaks with past foreign policy that lend hope for a new foreign policy that incorporates as a high priority the values and ideals of the American people.

Obviously, there are many items on the agenda of human rights and humanitarian concerns yet to be achieved.

Strengthening the Coordinator for Human Rights and Humanitarian Affairs, submitting for ratification many of the human rights covenants which have been gathering dust for so many years, revising our immigration laws to make us once more the citadel of hope for political refugees from repression of the left or the right, insuring that our aid does not help dictatorial regimes maintain in power—these are all in the future.

However, the corner appears to have been turned and I want to commend President Carter and the new administration for having taken these steps and offer my pledge of support for further progress in raising human rights concerns to a high level of priority in our foreign policy decisionmaking.

JOINT ECONOMIC COMMITTEE REORGANIZED UNDER NEW LEADERSHIP

Mr. HUMPHREY. Mr. President, one of the many beneficial effects of the Senate reorganization is that the hearings and debates have induced a number of committees to examine their roles and functions to see whether their effectiveness can be improved. The Joint Economic Committee, in the current spirit of self-examination, has implemented a major modification of its subcommittee structure.

The JEC, under the able leadership of its new chairman, Representative RICHARD BOLLING, has taken two major steps. First, by merging several subcommittees, the number has been reduced from nine to five. Second, three subcommittees will be headed by cochairmen.

This innovation has the double advantage of cutting down on the number of subcommittees while at the same time permitting a greater sharing of the workload of the committee.

I add that all of us on the Joint Economic Committee take great pride in the support that was expressed for the JEC during the recent hearings in the Senate Rules Committee. In addition, numerous individuals and spokesmen for private groups wrote to the Rules Committee in support of the JEC.

One interesting aspect of this outpouring of support is that it came from so many different kinds of groups. Of course, the Joint Economic Committee is a nonlegislative committee. It has no natural constituency, as do many of the legislative committees. It is remarkable, therefore, that support for the JEC was voiced by spokesmen for business, including major corporations and small business, labor, urban and farm organizations, the Congressional Black Caucus, the U.S. Chamber of Commerce, and many others. Among the individuals who wrote letters to the Rules Committee urging that the JEC be continued were seven former chairmen of the Council of Economic Advisers, including: Arthur Burns, Walter Heller, Leon Keyserling, Paul McCracken, Arthur Okun, Raymond Saulnier, and Herbert Stein.

I am particularly pleased that the Senate Rules Committee, after hearing the testimony and reviewing the evidence concerning the role of the JEC pursuant to the Employment Act of 1946, saw fit to praise the JEC in its final report. In addition, the report also expressed the hope that the oversight jurisdiction of the Joint Committee on Defense Production would be transferred to the JEC. I hasten to add that neither the chairman of the JEC nor myself initiated the suggestion that this jurisdiction be transferred.

I consider the actions of the Senate Rules Committee and the Senate to be a vote of full confidence in the work of the Joint Economic Committee. As former chairman of the JEC and presently vice chairman, I am deeply gratified and very proud of these actions.

Mr. President, I ask unanimous consent that an excerpt from the report of the Senate Committee on Rules and Administration, entitled "Committee Systems Reorganization Amendments of 1977," be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

JOINT ECONOMIC COMMITTEE

The Committee on Rules and Administration reviewed the Select Committee on Committee's recommendation that all joint Congressional committees to be abolished and that the functions, duties, and responsibilities of these joint committees be assumed by the standing committees of the Senate. While the Rules Committee agrees that some joint committees could be eliminated, it felt that unilateral abolishment of all would not be in the best interests of the Senate. One such exception is the Joint Economic Committee.

The Rules Committee found, during the course of its hearings on Senate Resolution 4, that since 1946 the Joint Economic Com-

mittee has rendered valuable service to the Congress. Because it does not have any legislative responsibilities, the JEC has been able to provide the Congress with careful, long-range economic analyses which cannot be provided by the legislative committees of the Senate because of the lack of time.

The Joint Economic Commitee has led the way in providing the Congress with alternatives to the budget, national employment, and overall economic policies of the Executive Branch. A strong, viable research organization must be continued in the Congress if the balance of power is to be maintained between the Congress and the Executive Branch. The Committee on Rules and Administration believes that the Joint Economic Committee has performed this function well in the past and that it should continue to do so in the future. The Rules Committee sees no reason why the JEC should be eliminated, and urges the Senate to provide it with continued support.

For purposes of committee assignment limitation under this resolution, the Joint Economic Committee shall be considered as a "third committee assignment."

NASA HELPS HOMEOWNERS DETECT HEAT LOSSES

Mr. FORD. Mr. President, this past week President Carter asked the American people to accept "mutual sacrifices" to conserve energy. While I certainly agree with the need to make some real sacrifices for energy conservation's sake, we can also save energy by being smarter than we have in the past, not just by doing without.

For example, NASA is participating in a space age program to help residential homeowners determine if their homes are adequately insulated. The agency uses a low-flying airplane equipped with a camera that can "see" warm spots on the ground. This thermal scanner, when flown in an airplane, can cover many square miles of residential neighborhoods in just a few hours. Rooftops of homes with too little insulation will stand out on the photographs, so homeowners can examine the pictures to see how their own home looks compared to the others.

I have already written several gas utility associations to inform them of the very successful thermal scanning experiments already carried out in several cities. It is my hope that these associations will serve as the intermediary between local gas utilities and NASA to encourage the use of thermal scanning and proper insulation in other cities. NASA now has the names of private companies prepared to carry out thermal scanning in various areas of the country.

Because of the artificially low price of natural gas, insulation is even more economical for homes heated with oil and especially for those heated electrically. Hence, the utility of thermal scanning is not limited to advising homeowners who heat with gas. To the contrary, other homeowners can benefit even more.

Mr. President, I ask unanimous consent to have printed in the RECORD a NASA statement about their latest plans to use thermal scanning for energy conservation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NASA TO HELP HOMEOWNERS DETECT HEAT LOSS

Excessive loss of household heat creates financial hardship for homeowners and is a waste of precious fuel. But how do you determine whether your home is losing too much heat?

NASA's Lewis Research Center has agreed to participate in programs in Cleveland, Ohio and Springfield, Ill. designed to demonstrate the feasibility of using an airborne infrared scanner to identify residential heat loss.

At the request of Cleveland's Department of Community Development, a NASA C-47 aircraft will fly over demonstration areas on the city's east and west side. These special demonstration residential areas were selected from target areas designed by the Cleveland City Council. Residents there are eligible for low-interest winterization and rehabilitation loans from Housing and Urban Development.

The infrared thermal scanning unit onboard the aircraft flying at 1,000 feet is able to view a one-half mile wide swath. Data are recorded on magnetic tape and later processed into a picture-like image.

The thermal infrared image shows hot areas as white, warm areas as gray and cool areas as black. It is possible to determine which homes are losing too much heat by the degree of brightness of rooftops.

When this demonstration flight has been completed, residents of the target areas may go to their local community center or other specified area to view the imagery and to hear about the Cleveland Winterization Program. If a homeowner finds that his home is losing too much heat he will have the opportunity to apply for a low interest block grant rehabilitation loan through the Department of Community Development.

Springfield, Ill. has asked that Lewis also demonstrate this remote scanning system as part of their rehabilitation and winterization program being done in cooperation with HUD. Both cities will reimburse NASA for its role in their studies.

An energy conservation program has been in effect at all NASA centers for the past several years. Lewis has used the thermal infrared technique to scan all NASA centers in the country, checking for energy loss from roofs, ventilator fans and central heating steam distribution lines.

During the winter of 1975–76 Lewis Research Center conducted aerial thermal IR scans of NASA field centers which have resulted in an estimated $235,000 direct energy savings for NASA. This estimate is based on a recent field center survey of repairs, structural changes, and operating procedures initiated to eliminate excessive heat losses discovered by the IR scans. Since the entire IR scanning program, including data processing, cost only $94,000, it is estimated that another $230,000 has been saved by using aerial thermal scans instead of the more costly conventional heating system surveys. Total saving to NASA is about $350,000 in the first year of the energy conservation program.

At the Lewis Center the thermal scan showed several areas where heat was being lost. For example, underground steam lines were losing heat due to degeneration of insulation. Engineers found that several rooftop ventilating fans could be selectively turned off after hours to conserve building heat.

At the National Space Technology Lab in Bay St. Louis, Miss., the primary concern was to locate heat loss in more than 13 miles of underground high temperature hot water lines. The conventional spot check method, including excavation at selected locations, would have cost an estimated $100,000. Thermal scanning of the total heating system cost $7,000, resulting in a savings of about $93,000.

The goal of Lewis' participation is to make people aware that excellent, cost-effective infrared scanning technology exists and to encourage other states and cities to make use of commercial infrared scanners to help implement national energy conservation programs.

LINKAGE THEORY OF FOREIGN POLICY MAY BE DISCARDED IN NAME BUT SOVIETS HAVE TO TAKE INTO ACCOUNT U.S. PERCEPTIONS OF POLICY

Mr. CASE. Mr. President, during the past administration, the so-called linkage theory was an element of our foreign policy in dealing with the Soviet Union.

The basic concept was that the Soviet Union's actions on one issue or in one part of the world should not be viewed independently—nor would America's responses. Thus the Soviet Union's actions in intervening in the Angola conflict and the Middle East caused a general increase in skepticism about Moscow's overall intentions toward the West. In Congress, there were efforts to link trade concessions with a lowering of emigration barriers by the Soviet Union. In what seemed to be an effort to avoid upsetting the overall policy of détente, however, Secretary of State Kissinger preferred using quiet diplomacy in dealing with Moscow's violations of human rights and declined to use economic pressures against the Russian-Cuban involvement in Angola. In these instances linkage restrained the United States.

The new administration is discarding the label of linkage. President Carter was asked at his news conference Tuesday about the human rights issue and the following exchange took place:

Q. Mr. President, there have been a series of actions taken recently by the Soviet Union including the expulsion of American journalists and the arrests of Alexander Ginsburg, actions that we have taken issue with in one form or another. How concerned are you that by being outspoken on issues of human rights we may jeopardize possibly our relations with the Soviet Union on other matters?

A. This brings up the question that is referred to as linkage. I think we come out better in dealing with the Soviet Union if I am consistently and completely dedicated to the enhancement of human rights, not only as it deals with the Soviet Union, but all other countries. I think this can legitimately be severed from our inclination to work with the Soviet Union, for instance, in reducin deepndence upon atomic weapons and also seeking mutually balanced force reducing dependence upon atomic weapons and also seeking mutually balanced force reductions in Europe.

I don't want the two to be tied together. I think the previous administration, under Secretary Kissinger. Thought there ought to be linkage and if you mentioned human rights or if you failed to invite Mr. Solzhenitsyn to the White House that you might endanger the progress of the SALT talks.

I don't feel that way.

But, Mr. President, no matter how much one might wish otherwise, the impact of linkage cannot be disregarded completely as a psychological aspect of foreign policy. Neither the administration nor the Soviet Union will be able to ignore important linkages that exist in the minds of Americans.

We, and the Soviet Union must take

into account what I would call the perceptions of policy.

American perceptions of Soviet policies cannot be ignored in dealing with such important matters as SALT agreements, trade, and human rights. Our perceptions of Soviet violations of human rights cannot help but affect our attitudes when it comes to trade credits and SALT negotiations.

The Soviets should understand that how they treat their own people will, in fact, affect our assessment of how they may deal with other nations.

Events in the Soviet Union during the past week have been a harsh reminder that Moscow has chosen to disregard key elements of the 1975 Helsinki accord which they and other members of the Warsaw Pact signed along with NATO nations. The latest disturbing incident occurred with the reports this morning of the detention of Yuri Orlov, head of a Moscow group of Soviet citizens monitoring their government's compliance with the Helsinki accord.

Other causes for concern are the ouster of an Associated Press correspondent and the arrest of Alexander Ginzburg, a leading dissident and writer who already has served 7 years in prison.

I ask unanimous consent to have printed in the RECORD a description of the situation compiled by the staff of the Helsinki Commission.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF THE SITUATION

Mr. Orlov, according to press reports today, was picked up by Soviet police after telling a news conference yesterday that 1977 could see a return to Stalinism in the Soviet Union.

He previously had been detained last month while on his way to a news conference with foreign journalists in Moscow.

For the first time in six years, the Soviets have expelled an American journalist, George Krimsky of the Associated Press. Last spring, Mr. Krimsky was one of three reporters accused in the *Literaturnaya Gazeta* of working for the Central Intelligence Agency. These charges were denied by all the reporters and it is clear that they were singled out because of their excellent knowledge of Russian, extensive contacts and friendships with non-official Soviets, and coverage of dissident activities.

On January 24, the press department of the Foreign Ministry summoned David Mason, bureau chief of the Associated Press, asking why Mr. Krimsky was still in Moscow and suggesting that he be withdrawn. The Associated Press refused. The *Literaturnaya Gazeta* renewed the C.I.A. charges against the three correspondents in an article on February 3 which, however, focused on Mr. Krimsky, accusing him also of having given a Russian informant special coupons available only to foreigners for use in special shops which are better than stores for ordinary Soviet citizens. This charge was also denied by Mr. Krimsky. The official charges against Mr. Krimsky are espionage and currency violations.

In a statement, Keith Fuller, president and general manager of the Associated Press, said:

"The expulsion of George Krimsky, in our view, is a flagrant violation of the Helsinki agreement as it pertains to news reporters carrying out their mission."

"From the facts before me, I can discern only that his sin was to be an aggressive reporter in the Soviet Union today where the rising voices of Soviet dissidents seem to be unnerving those responsible for his expulsion."

In retaliation for the Soviet expulsion of George Krimsky, the United States ordered the expulsion of Vladimir I. Alekseyev, correspondent for Tass in Washington.

The past few days have witnessed a further intensification of the Soviet campaign against domestic critics in Moscow and in the Ukraine.

Last summer a group of civil rights leaders organized the Public Group for Implementation of the Helsinki Agreements in the USSR which has issued a series of reports which document Soviet violations of the human rights provisions of the Final Act.

In January, in addition to detaining Yuri Orlov, the KGB searched the apartments of other leading dissidents, Alexander Ginzburg, Lyudmila Alekseyeva, Lidiya Voronina and Mr. Ginzburg's mother. Later, at a press conference, Mr. Ginzburg said that plainclothes police had planted 1,000 West German marks and about 100 dollars in cash in his mother's apartment. This action indicated that the authorities were preparing a possible criminal charge against Mr. Ginzburg on these grounds, since the possession of foreign currency by Soviet citizens is illegal.

This impression is strengthened in an article in *Literaturnaya Gazeta* of February 2, 1977, in which Mr. Ginzburg was attacked for his dissident activities and accused of illegal currency transactions. In response to this, a news conference was held in the Ginzburg apartment where he disclosed the details of a financial aid operation, the Russian Social Fund, set up by Alexander Solzhenitsyn to assist hundreds of Soviet political prisoners and their families. In their December search of his apartment, Mr. Ginzburg said that the KGB had taken 5,000 roubles from him in his capacity as administrator of this fund. In total, the fund has spent the equivalent of $360,000: in the second half of 1974, 120 prisoners or their families were helped; in 1975, 720 prisoners or their families got support, in 1976 about 630 prisoners or families received financial aid. Ginzburg attributed the decline in support to the release of some prisoners and to growing police pressure on some families to refuse help because it would be the worse for the prisoners.

The Russian Social Fund was started with money that the Solzhenitsyn family left behind in the USSR and supported by royalties from "Gulag Archipelago" sent into the USSR through legal transfers, with the Soviet government skimming off a third in taxes and passing on the rest to Mr. Ginzburg in rubles. When the authorities realized what was going on, they blocked further payments.

Yet, the fact that fully one quarter of the money to help political prisoners, $93,000, has come from people within the USSR points up a very significant change in Soviet political consciousness: political prisoners are no longer regarded as pariahs as they were in Stalin's heyday, rather, as people needing moral and financial support. It is perhaps the Soviet understanding of the importance of this new independence from the official government line on political prisoners—that they are all criminals and connected with foreign espionage organizations—which is determining Soviet actions against Ginzburg.

On February 4, he went out to make a phone call (since his telephone had been removed) and never came back. His wife called the KGB and was told that Ginzburg is being held in his place of exile, the city of Kaluga, 90 miles southwest of Moscow.

On February 7, the State Department said that it had informed the Soviet Union the the United States was "watching with concern" the situation of Alexander Ginzburg. More than 200 dissidents in the Soviet Union signed an appeal on the same day in support of Alexander Ginzburg, saying he is in bad health and that imprisonment endangered his life.

On Saturday, the Soviets ordered another member of the Orlov Group, Lyudmila Alekseyeva, to leave the Soviet Union by February 21, 1977. And in the Ukraine, the KGB moved against the group there monitoring Soviet compliance with the Helsinki accords—they arrested Mykola Rudenko, the 57 year-old poet who was the leader of this group and Oleksiy Tykhy, a school teacher in Donetsk. On the same day, they made house searches of two other members of this group, and during the arrest of Mr. Rudenko, the KGB forced Raisa Rudenko to strip naked as a humiliation before taking her into custody—she was released after being told that her husband was under arrest. These events were announced at an Orlov Group press conference in Moscow.

There are as yet no reported specific charges against Yuri Orlov, Alexander Ginzburg, Mykola Rudenko or Oleksiy Tykhy—except their forthright stand for civil liberties in the Soviet Union today.

DR. EDMUND URBANSKI

Mr. MUSKIE. Mr. President, Dr. Edmund Urbanski, a distinguished Latin Americanist, has recently retired from Howard University after a successful academic career spanning 35 years.

Dr. Urbanski has to his credit several books in Spanish and English currently used in American and Canadian universities. He has also represented the U.S. academic community in several International Congresses of Americanists and Hispanists.

Dr. J. David Suarez-Torres, a professor of Spanish at Georgetown University, has written a tribute to the scholarly achievements of his colleague. I ask unanimous consent that the tribute be printed in the RECORD.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

TRIBUTE

Dr. Edmund Stephen Urbanski is among the recently retired faculty members of the Washington, D.C., academic community. A keen student of Latin America, his academic career comprised thirty-five years of teaching and research in various institutions, started at the National University of Mexico and ended at Howard University. Before entering the academic life, he was engaged in other intellectual activities for ten years.

The retired scholar is the author of six books in Spanish, one in English, and one in Polish. He also wrote numerous articles and essays on Indianist and Hispanic topics, published in scholarly journals in the United States, Canada, Latin America, and Europe.

Professor Urbanski represented the United States at various international Congresses of Americanists and Hispanists, and on three occasions was elected their discussion leader (Madrid, 1964; Mar del Plata, 1966; and Mexico, 1968). He achieved intercontinental reputation mostly through his last two Spanish studies: ***Anglo-American and Hispanic America*** (Madrid, 1965), and ***Hispanic America, Her Races and Civilizations*** (New York, 1973), which were favorably reviewed in sixteen countries in seven languages.

The author propounded in them an unorthodox concept that Spanish America has not one but several civilizations, molded by her various ethno-cultural groups. This novel

concept has been accepted by most scholars in the United States, Latin America, and Europe.

The retired scholar has been also known for his pioneering, comparative research in Anglo-American and Hispanic American cultures.

Born in Poland (1909) and educated in Europe, the United States, and Spanish America, Professor Urbanski was favored with six research grants, and traveled extensively in three continents. He was honored by various U.S. and foreign academic associations. The following ones favored him awards: the Instituto Interamericano (1965), the Anthropological Association of Canada (1966), the Peruvian Instituto de Estudios Humanos (1966), the Colombian Academia de Historia de Santander (1969), the National Hispanic Honor Society (1970), the Portuguese Centro Cultural, Literario e Artistico (1973), and the International Social Science Honor Society (1974).

Interested in community affairs, Dr. Urbanski also participated actively in the programs of the Club de las Americas, the Anthropological Society of Washington, and the Inter-American Council.

During this retirement, Dr. Urbanski plans to continue his Latin American research on the early notions of the New World as perceived in th 16th and 17th century Iberian cartography, which most likely will take him again to Spain and Portugal. Curiously enough, this Maryland resident scholar spent the early part of his retirement aboard the U.S.S. Nimitz in the Atlantic.

Prof. J. DAVID SUAREZ-TORRES,
Georgetown University.

NEED FOR EFFECTIVE BRIDGE PROGRAM

Mr. CULVER. Mr. President, one of the most critical problems facing travelers and commuters today is the unacceptably high number of deficient bridges on highways and roads throughout our Nation. Many of these bridges are simply unsafe and should be repaired or replaced immediately, but it is becoming more and more obvious that the demands far outstrip the available financial resources.

Currently, $180 million is authorized annually for the special bridge replacement program through fiscal year 1978 for work on structurally deficient or functionally obsolete bridges on Federal-aid highways. Though this program has provided some necessary relief, we must realize that a much greater commitment of both Federal, State, and local funding is urgently needed. The U.S. Department of Transportation has classified over 34,600 bridges on Federal highways as deficient, and it will cost over $10 billion to replace them. And that does not even address the public investment which will be required to reconstruct deteriorating bridges off the Federal system.

In my own State of Iowa, for instance, there are over 900 bridges on the Federal-aid system which have been classified as deficient, a figure that places Iowa 13th among the 50 States in terms of the numbers of bridges that must be replaced. In addition, Iowa has posted over 10,400 bridges on local road systems for less than the legal loads, and it will cost over $550 million to replace them.

In recognition of this growing problem, I, along with several of my colleagues, including the distinguished chairman of the Public Works Committee, Senator RANDOLPH, recently introduced legislation to expand the special bridge replacement program. This bill, the Bridge Replacement and Rehabilitation Act of 1977, would increase the authorization of the special bridge replacement program from $180 million to $600 million annually and would require that not less than 15 percent of such funds allocated to each State may be used on bridges under the sole authority of counties.

In July 1976, President Ford recognized the importance of highway safety by a Presidential proclamation. Each of the 12 months of the National Bicentennial Highway Safety Year has been designated as a time to focus on specific safety problems, and February 1977 is the Safer Bridges Month. In accordance with this proclamation, the American Road Builders' Association has devoted this month's issue of its magazine to a discussion of unsafe bridges.

Several articles in this periodical underscores the need for more realistic funding for bridge replacements, especially in rural areas, and demonstrate the progress that has been made in certain States. I ask unanimous consent that these selected articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FARMERS VIEW OF BRIDGE SITUATION

A small town newspaper editor in eastern Missouri, who had received data from The Road Information Program on the condition of the state's bridges, decided to interview some of the farmers in his county.

"Now you're looking into something that'll help all of us farmers. You bet, I'll be glad to show you some of the bridges in my area," was one response.

The editor was shown several bridges surrounding the farm and he agreed that all were structurally weak.

"We've got bridges over here that'll just scare you to death," the farmer said, and added, "and the sad part about it, is that all of them aren't that old. Even some recently built bridges are not worth a damn."

One of the "new" bridges was constructed from used materials. Several of the iron supports for the bridge deck had holes rusted completely through.

"Farmers are having to go to larger equipment in an effort to keep up. Yet we're expected to continue to farm and pay taxes, and get to our land by crossing bridges designed for horse and mule farming. It just doesn't make any sense.

"Look at this," the farmer said, thrusting a stick through a rusted hole. "How would you like to cross this bridge with a semi loaded with corn? It'd be a real thrill to ride a semi grossing 80 or 90,000 pounds to the bottom of that creek, wouldn't it?

"I used to worry about my equipment, but now I'm worried about myself. Heck, you can always repalce equipment," he said.

"Man, there's thousands of acres of farm and pasture land that must be served by these bridges. There's no other way to get to them and we're expected to haul cattle, crops and machinery across them. Maybe if someone got killed crossing one of them, they'd wake up."

One bridge the pair inspected was at least 18 inches to two feet lower at one end. Consequently, over a foot of mud and silt had washed down onto the bridge deck.

"There's no way I'd put a tractor across that, let alone a truck load of corn. Now you know why we get excited out here in the rural areas when nothing gets done," the farmer said, shaking his head.

In Indiana, another farmer complained. "The bridge inspection was made last November (1975) and they found the bridge to be unsafe and closed it the same day . . . and my house sits on one side of the creek and my farm on the other. It's required me to drive six miles a day to get back and forth until about three or four weeks ago. The county did cut the creek banks and put stone in for me so we could get the farming done this Spring without having to make that long drive.

"When we were harvesting it required making eight to 10 trips a day of six miles each to haul gasoline to the combines and take care of the grain so it got pretty expensive."

MINNESOTA'S BRIDGE PROGRAM

(By Keith V. Benthin, Bridge Engineer, Minnesota DOT)

The near collapse of a major bridge over the Mississippi River near Wabasha, Minn. a few years ago, emphasized the need and importance for a continuing program for inspection and replacement of bridges. In this instance one of the river piers collapsed from beneath the structure. The bridge remained in place and was subsequently repaired. We were fortunate that no one was injured or killed.

Occurring in the same time frame as the Silver Bridge collapse between Ohio and West Virginia, however, brought a remote concern closer to home.

Minnesota had at that time a loosely written bridge inspection law which varied from effective to useless, primarily dependent on the concern of the various individuals charged with making the inspections. The Silver and Wabasha bridge incidents awakened new interest in the state legislature. Our bridge inspection law was revised to incorporate the major features included in a bill then going through Congress. This state legislation also required annual bridge inspections on all pubic bridges in Minnesota, and designated the authorities responsible in each jurisdiction to carry them out.

As a result of the above action and reinforced by the Federal Bridge Inspection Law which was subsequently passed, Minnesota proceeded with its implementation. Included were bridge inspection and rating training sessions, uniform inspection procedures and reports, and centralized inventory reporting. For the first time we now had complete and uniform data available on the computer for every public bridge in Minnesota.

Using the information now available, criteria was set up to identify deficient bridges on the various road systems. Deficiencies were identified in the broad categories of load carrying capacity, structure condition, roadway width, and horizontal and vertical clearance. Having identified the deficient bridges from the centralized computer inventory file and making use of other information from needs studies, along with some engineering guidelines and assumptions, it was now possible to compile a statewide tabulation of actual bridge needs.

The accompanying table shows these results—4,403 deficient bridges with a current estimated replacement cost of more than $611 million dollars. In addition to this staggering sum, we projected that these needs will accumulate at a rate in excess of $35 million per year as other bridges become deficient due to age and deterioration.

Highway system	Bridges on system [1]	Deficient bridges [1]	Estimated cost	Percent of total cost	Average cost per bridge
Trunk highways	3,397	503	$268,188,000	43.9	$533,000
County State-aid highways	3,572	1,027	147,640,000	24.1	144,000
Municipal State-aid streets	229	61	28,302,000	4.6	464,000
County roads	1,477	500	34,845,000	5.7	70,000
Township roads	3,913	2,077	103,842,000	17.0	50,000
City streets	477	180	25,689,000	4.2	143,000
Miscellaneous (parks, etc.)	109	55	3,108,000	.5	57,000
Total	13,174	4,403	611,614,000	100.0	

[1] Only structures of 20 feet or more in length are considered as bridges. Deficient bridges are those structures which do not meet minimum standards in 1 or more of the following categories: Load—less than legal load-carrying capacity; condition—has progressed toward an advanced state of deterioration which will lead to posting or high maintenance costs; width—too narrow to safely carry current traffic; clearance—insufficient horizontal clearance to safely carry current traffic or less than legal vertical clearance.

It was evident the problem would not disappear, but only become more massive and costly. What was needed was a systematic long-range replacement program. With other highway needs increasing and highway funding falling behind inflation, additional funding for a bridge replacement program would be necessary.

Although helpful, the Federal Bridge Replacement Program to date has not been funded at a level which could be expected to make a dent in the needs. Even if this funding level had been increased dramatically, a large share of the replacement needs were not on systems eligible for Federal funding.

In previous years, attempts had been made to obtain bonding for replacement of specific critical bridges in the state. Although these attempts were seriously considered by the legislature, little real assistance had resulted. Based on preliminary information from the bridge inventory, attempts had been made to obtain a $200 million replacement bill in the 1974 session. Although these attempts were unsuccessful, 11 joint senate-house transportation committee meetings at several locations throughout the state were scheduled to explore the bridge problem.

By fall of 1975 the highway department had completed and updated the statewide bridge needs tabulation totaling $611 million. At the same time all bridges were rated for priority using information from the computer inventory and utilizing a system similar to the FHWA sufficiency index. Lists of deficient bridges in each county with a breakdown by road system were developed. Summaries of this data along with background information were included in a pamphlet which was distributed to interested citizens, organizations and members of the legislature. At the outstate transportation committee meetings, local deficient bridges were identified and shown with pictures and slides.

A bill providing for $600 million in bridge bonding over a 12-year period was introduced in the 1976 legislative session. After countless hearings, referrals, gathering of additional information, and much verbiage, a compromise bill was passed as the last major order of business. On April 20, 1976, it was signed into law by the governor.

The major provisions of the Bridge Replacement Act are as follows: $50 million in funding is provided, half out of general revenue and half in special bonding; $25 million is directed to bridge replacements or reconstructions on the state Trunk Highway System, $13.5 million to the county systems, $4 million to the Municipal Street systems, and $7.5 million to the township road systems. The act also calls for the Commissioner of Transportation to develop rules, standards, criteria, and specifications for administration of the program in cooperation with the road authorities of political subdivisions.

The commissioner's rules have been developed, using existing standards and criteria where possible. The hearing process to implement the rules is now in progress, with adoption now expected the first part of 1977. As proposed, these rules provide for the local units of government, acting through their county board or city council, to select deficient bridges in their jurisdiction which can be brought to early contract. The deficient bridge candidates are then referred to the appropriate regional planning commission or metropolitan council for review for consistency with long-term development plans and guides. They are then sent to the Commissioner of Transportation to determine priority for funding, based on general considerations included in the act. The procedure for state highway selections is similar, except that the department makes the initial selections.

We anticipate the entire authorization of $50 million will be committed by the end of 1977. It is also anticipated that legislative action will be taken to extend the financing of the program at the rate of $50 million annually until the replacement program is complete. We believe that if significant progress is made on actual replacement of deficient bridges on all road systems in Minnesota, funding to complete the program will be provided.

As time goes on, however, we must not forget about the other bridges that will become deficient due to age and deterioration. With yearly bridge inspection and computer processing of data, we now have the capability of identifying deficiencies so we can develop an ongoing replacement program. With such a program, Minnesota can avoid similar deficient bridge backlogs in the future.

The figures below are estimated 1975 costs to bring all bridges in the state up to current minimum standards as described below. No allowance has been made for cost increases between the estimate date and actual construction date, or for any increased yearly need as additional bridges become deficient due to yearly aging. Also not included in these figures are design and approach grading costs. These two items could conceivably total as much as the structure itself, depending upon the individual situation.

A Near Tragedy in Iowa

A school bus carrying students home from school in central Iowa last Spring crossed a bridge over a small stream while a man stood in the roadway taking pictures.

The man was putting together a slide presentation for the Iowa Good Roads Association to use in an attempt to get the Iowa Legislature to authorize more road and bridge construction funds.

The next morning, about the time another bus was scheduled to travel the route, the bridge collapsed and a pickup truck fell through to the stream below. The driver was shaken but unhurt.

How the advertising agency representative had selected that route and that bridge for his photos was not sheer coincidence. The superintendent of schools had suggested the road and bridge saying it had been a headache for the county and residents living along the route for some time.

One female resident, driving home the night before, also had a scare.

"It was raining real hard," she said. "I got the front wheels across the bridge, but the back wheels went down. I had enough speed to get across," She described the gap that had opened between the bridge and roadway.

When she arrived home she warned her husband "not to go flying" across the bridge when he went to work. It's a good thing he knew about it because even with advance information he barely stopped in time at the bridge.

A teenager on his way to school in a pickup truck wasn't so lucky shortly before eight the next morning. His vehicle fell through the gap and came to rest on its side at the bottom of the ditch. He had not seen the gap.

"One more bus across that bridge and we would have lost a load of kids down the river," one mother said.

The Ohio Struggle for More Road Bridge Funds

(By Howard Bovard, Executive Secretary, County Engineers Association of Ohio)

Convincing the voters in Ohio of the sorry condition of most of the state's bridges has been a continuing educational program for more years than many of those involved care to remember. However, the high point of the effort (perhaps it should be called the low point) was in 1975 when a $1.75 million bond issue was soundly defeated, in spite of an all-out effort by a large number of groups and individuals. The issue was actively and financially supported by the Ohio Contractors Ass'n.; The County Engineers Ass'n., of Ohio; The Ohio State Ass'n. of Township Trustees & Clerks; The County Commissioners Ass'n. of Ohio; and the International Union of Operating Engineers, Local 18. Numerous other groups joined the effort as the campaign progressed.

It was originally hoped that the constitutional amendment would be put on the ballot through a vote of the legislature. However, time ran out. So it was decided to put it on the November 1975 ballot by means of petition.

Petitions were circulated by hundreds of interested parties and a traveling exhibit was put on the county fair circuit. A tour through the exhibit provided information concerning all four issues and attendants were on hand to secure signatures.

In addition, a three-ring binder entitled "Ohio Counties One by One . . . the Problem of Inadequate Secondary Roads and Bridges" was produced. It contained maps, statistics, and photographs detailing road and bridge conditions on state, county, and township systems in all 88 counties in Ohio. This information was supplied by each of Ohio's 88 county engineers. A 92-page booklet containing a digest of the same information was included with the binder, inserted in a front pocket.

This format was used so that every state legislator, on a given date, found a personally inscribed copy of the binder on his desk. Personal copies were also delivered to all Ohio Senators and Congressmen in Washington.

Also, an over run of the smaller booklet made it possible to do a mailing to all newspapers, and radio and TV stations in Ohio, which generated a great deal of publicity throughout the state.

In Ohio, the most pressing need for funding attention at the local level is for bridge improvements. Ohio's county engineers are responsible by statute, for the upkeep of all structures on county roads, township roads, municipal extensions, and bridges over navigable streams. This, of course, creates a tremendous financial burden on the county engineers' roads. Most county engineering budgets are strained by regular administrative and operating expenses, plus routine

maintenance work. The few choices for additional funding are: increased license fees and gasoline taxes, Federal monies, or special state financing.

"Ohio Counties One by One" did its job of serving as an educational vehicle. The massive petition drive put all four constitutional amendments on the ballot.

As part of a "total blueprint for Ohio," the Transportation referendum was one of four. It was designed to provide $400 million to townships, counties, cities, and villages for long overdue capital improvements. It was estimated $1.75 billion in state money would attract $3.25 billion in Federal funds through highway, public transportation, and other Federal programs. The Federal share, would have more than paid for the interest on the bonds. To finance this program the state gasoline tax would have been increased 9/10 of a cent per gallon over a 30-year period.

All four issues, the others being Industrial Incentives, Housing Support, and City and Village Redevelopment, were promoted under the banner of "500,000 New Ohio Jobs," with an estimate that transportation improvements would account for 100,000 of them. For instance, there are more than 8,000 Ohio bridges rated unsafe by engineers. There would have been funds for inner city street improvements and street lighting, improvements in county airports, access roads to state parks, and bike paths. And funds would have been allocated for passenger rail service connecting the major cities in the state.

An all-media advertising campaign was established to promote the passage of all four issues. In addition, an extensive information program was launched throughout the state to generate interest in the road and bridge problem.

The county maps indicating each location of an unsafe bridge were widely used by newspapers throughout the state. In most instances some of the dots on the map were illustrated by actual photos taken locally by the papers.

Most news stories emphasized that roads and bridges, especially at the county and township levels, are deteriorating annually. In the entire state more than 8,000 structures need immediate replacement or repair.

Using prevailing construction figures it was estimated the total statewide expenditure for this massive repair and replacement program would exceed $750 million. In addition, more than $2 billion more would be needed to upgrade the roads to adequate standards.

The cost to Ohio's car owners was explained in this manner. If a car gets 13 miles to the gallon, and is driven 10,000 miles a year, which is considered the national average; then the program would cost the owner $6.92 per year, less than the price of one tankful of gasoline.

In 1961, local Ohio governments—counties, municipalities, and townships—received their last increase in state-collected transportation funds. That action added $16 million to local funds by removing the cost of the Highway Safety Department from the registration fee and adding it as a cost to be paid from the gasoline tax by the Ohio Department of Highways.

In the subsequent 14 years since 1961, the cost to local governments for street and highway improvement programs had grown faster than income. It now takes the total amount of state-collected highway taxes received by local governments simply to maintain their existing road systems. All replacement and reconstruction of streets, bridges, and highways must be accomplished with local taxes or assessments, including various bonds and notes. Such local funds had reached the end of the road.

"The Sorry State of Southwestern Ohio Bridges," as the story was headlined in the Hamilton Journal-News, surveyed five counties with a total of 2,041 bridges. County engineers reported 369 of them old and weak with reduced load limits. Seventeen had collapsed during the past five years, and nine had been closed. The shocking question in the story was, "Will it take another Ohio River Silver Bridge tragedy to make people aware of the situation?"

"Although the voters turned down the bond issue for statewide transportation improvements," said Karl Rothermund, Executive Director, Ohio Contractors Ass'n., "I firmly believe our campaign made them aware of the critical road and bridge situation. Perhaps our next effort will meet with more success."

A bill has been introduced into the 112th General Assembly. If it passes, license fees would be increased from $10 to $25 per year, excluding the permissive tax enacted by some counties and cities.

In Seneca County, during the campaign to pass the bond issue, two persons were killed on narrow bridges and two bridges collapsed because trucks failed to obey posted weight limits. "More of these things are going to start falling down and people are going to be killed or hurt," said County Engineer Earl W. Van Ho.

Fortunately, some voters do realize the need for additional funds and are willing to assume the financial responsibility. Miami County Engineer Art Haddad, an ARBA Director, in testimony before the Transportation Committee of the Ohio House of Representatives, explained how the voters in his county, recognizing that a critical situation existed relative to the condition of bridges, in 1951, voted themselves a five-year, one-mill real estate levy for replacement, repair, and maintenance of bridges on county and township roads, and a municipal street system for which the county is responsible.

A real estate levy was the only means available with which to finance these much-needed improvements. Haddad's department has worked with diligence to keep faith with the public to up-grade all the bridges within its jurisdiction. And, apparently the people of Miami County approve of the effort, because they have renewed the five-year levy four times since the original passage, the last time by a majority of 67 percent.

A man who can speak to the road and bridge problem from all angles is David L. Weir, newly-appointed Director of The Ohio Department of Transportation, former Assistant Director of ODOT and Ashtabula County Engineer for 10 years and, also, an ARBA Director. As 1972 President of the County Engineers Assn. of Ohio, Weir worked long and hard on legislation to increase motor vehicle registration fees which is the main source of local highway revenues in Ohio. He also participated in discussions on raising the fuel tax which would have provided increased revenues for the Ohio Department of Transportation. Unfortunately, it wasn't accomplished then, nor has it been since.

In his present position Weir is working with community leaders and legislators to accomplish as much as possible with the limited funds available.

"Through their vote, 86 percent of the people in Ohio said they did not have a transportation problem that needed funding," says Weir. "Since the people have spoken, The Ohio Department of Transportation is now trying to do the best we can with what we have. We work to obtain the best construction and maintenance programs for the dollars that come into the department. As a result, we have reduced more than 900 original projects that needed funding to 426 projects, with priorities placed on each. This is where our time and effort is now being concentrated, to obtain the best match between federal and state dollars."

The County Engineers Association of Ohio is continuing to work toward increased funding for secondary roads and bridges. The Association's recently-retired Executive Secretary, Merle Paul, stated, "We must rededicate our aims of our Association toward the revitalization of the local road system and the removal and replacement of nearly 9,000 substandard bridges on that system."

The C.E.A.O.'s new president, Delaware County Engineer Fred Stults, has served as chairman of the association's legislative committee for the past three years. His efforts to secure the necessary funding will continue.

Says Stults, "Our only reliable source for increased funds must come from license plate fees. Ohio still is 48th in rank of the cost of this fee. Indiana, for example, has a $12.25 registration fee, plus a tax based on the age and value of the car, and plates for a four-year-old car can cost more than $90."

He noted that in Arizona, it is not unusual for license plates to run as high as $150. "Even with a large increase in the fee in Ohio," he said, "it would be, comparably, a real bargain."

The Association will be proposing a license tag bill in this year's General Assembly. The fee will be based on car weight, the heavier car, of course, paying the higher fee. The small and energy-saving cars will be taxed at a lower figure to encourage the gas-savings inherent in less weight.

Certain auto manufacturers have recognized this factor by reducing the weight of some full-sized cars by as much as 15 percent. It is hoped Ohio lawmakers and the general public will soon recognize the critical needs of the state's local roads and bridges. Perhaps, before long, they will realize that even if they do not pay for road improvements, they already are paying these costs in higher costs of transportation, higher frequency of accidents and death, and higher insurance rates, as all costs of operation increase.

JOHN GARDNER—AN UNCOMMON CITIZEN

Mr. PROXMIRE. Mr. President, for a number of years John Gardner has been chairman of Common Cause, the citizen's lobby. Now he has decided to retire on the grounds that every institution should renew itself at regular periods and that a new person with new ideas would enhance both the policies and the life of this amazing organization.

And it is an amazing organization. Until Common Cause and Ralph Nader arrived on the scene, there were almost no lobbies which routinely supported the public interest.

Common Cause has especially pushed the cause of good government, of clean elections, and of higher public ethics. And it arrived on the scene at the right time. An organization of ordinary citizens, who had no particularly narrow cause to lobby for, and the awareness on the part of both the public and more and more people in both elected and appointive office of the need for civic reform, happily coincided.

The results have been both far reaching and amazing. There has been a major reform in campaign funding. The general level of ethical conduct among government officials is at a much higher level. One reason why the latter may not always seem to be so is that because of Common Cause and others the public now

requires a much higher standard of conduct than ever before. We are now seeing exposés of actions which until now went unexposed or were accepted.

In any case, in a wide range of activities—lobbying, public funding, ethical conduct, campaign activities, urban problems, environmental questions like the SST, and many others—Common Cause has helped to revolutionize the nature of government conduct and to raise the level of both public debate and action.

To say that is to say a very great deal. And one man who has led Common Cause during its birth and growth, John Gardner, deserves much of the credit for leading it in the right direction and for the great successes it has had.

Mr. President, I ask unanimous consent that an editorial entitled "The Causes of an Uncommon Citizen" from the Washington Post for February 9, 1977, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CAUSES OF AN UNCOMMON CITIZEN

John Gardner's announcement that he would retire this spring as chairman of Common Cause bore a typical touch of high-minded understatement. "Every organization must renew itself," he said of the news that led others to envision the removal of a major institution from the public scene. It is not an institution, however, that is leaving the scene, merely a single citizen. And the significance of the event rests precisely upon that fact.

Mr. Gardner's public works since he left Lyndon Johnson's Cabinet nine years ago might be undervalued if seen as merely the extension of one prominent man's life work. Squads of public spirited citizens have moved through the upper reaches of the American Government, but only one went on to lead not one but two great experiments on the nation's toughest terrain—the quality of our urban life and of our political system.

At the height of the nation's urban trauma, he lent his talents, prestige and energies to the creation of the National Urban Coalition, and to a concept of city social problems through coalitions of the powerful and the excluded.

And out of that experience came two further insights that led to the creation of Common Cause. The first was that the murky nexus between money and politics had to be dragged into the light of day if ordinary citizens were to aspire to an honest deal from government. The second was that conventional power blocs, even those of the traditional "good guys," would fall apart on such issues and that some other base was needed. Hence the direct-mail, grass-roots lobby, now widely emulated.

It is no accident that Congress changed enormously in the seven years of Common Cause's life. And the changes began even before Watergate. The seniority system is not nearly as rigid as before. The new campaign financing law, whatever its defects, is on the books. A stiff code of ethics is now moving through the Senate and House. Even without the code, conflicts of interest became substantially more sensitive issues on Capitol Hill than ever before.

John Gardner has demonstrated that urban problems can be addressed in community-wide efforts. And he demonstrated that a citizens' lobby can successfully compete with the conventional lobbies. But there has been more than civics lesson in this phase of his career. Above all he has demonstrated that one citizen can indeed make a difference if he cares enough for the common cause.

OPPOSITION TO PAY RAISE

Mr. MUSKIE. Mr. President, I opposed the pay raise when the question came before the Senate.

The question is not whether Government officials merit the proposed increase or whether adjustments are needed to keep pace with the cost of living. The issue is one of national leadership.

We are emerging from a period in which our Government has recorded the highest deficit in our history. We are attempting to regenerate an economy which has kept millions of Americans out of work. At the same time as we are seeking to boost the economy, we are attempting to avoid the peril of a new inflationary cycle.

The average Maine family experiences, every day, the effects of inflation, and a weak economy. Its members cannot adjust their incomes to deal with the problem and they feel powerless to alter the situation.

Our citizens are looking to us for leadership in restoring the Nation's economic health, and improving their circumstances. Yet Congress gave up an opportunity to show the people that we are willing to stand with them in our effort to break out of our economic troubles.

The Peterson Commission, created by President Ford and charged with making recommendations about salary increases for officials at the highest levels of the three branches of government, has documented the problems of recruiting the most qualified Americans for those positions at current pay levels. The salaries in question have only been increased once—a 5-percent increase—since 1969. Private wages went up 70 percent in the period.

Nevertheless, I believe that Congress must be willing to show restraint at a time when we are asking the American people to show restraint while we struggle out of the worst recession in four decades.

During my campaign for reelection, I told Maine people I would work to improve economic opportunities in our State. I made that my number one priority. Congress had the chance to demonstrate that is still our first priority by rejecting the pay raise. Instead, by allowing the raise to go into effect, Congress will have to pay an enormous price in public confidence.

This is why I opposed the pay raise.

WHAT AMERICA MEANS TO KAREN JORDE

Mr. BURDICK. Mr. President, I am pleased to bring to the attention of my colleagues the accomplishments of a talented young constituent of mine, Miss Karen Jorde of Grand Forks, N. Dak.

In a recent oratorical contest sponsored by the Veterans of Foreign Wars, Miss Jorde submitted the winning oration for the State of North Dakota. Her views are certainly thought provoking and I would now like to share with you her winning entry entitled "What America Means To Me."

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the oration was ordered to be printed in the RECORD, as follows:

WHAT AMERICA MEANS TO ME

(By Karen Jorde)

The melting pot of the world, a system that works in the face of a national nightmare, seemingly endless unbroken prairies, hot dogs, baseball, apple pie and Mom! This is America, the country more poets songwriters and novelists have described than any other nation. If you look you will find these things here, but you'll also find something more, because America isn't a country made of swan songs and Rose petals, it's made of people. It was built, very simply, on an immigrants dream of what could be!

356 years ago a small band of people risked everything they possessed, because they had a single-minded determination to worship freely.

156 years later the people of 13 unimportant colonies had a new idea, a country where everyone could be his own person, owing nothing to any earthly prince. 'Pure lunacy' it was said, but they fought for it long and hard, surprisingly enough, they won, it's been working ever since.

I can't lay claim to any ancestor of mine who was one of those people. But, I'm proud to say that I come from a new breed of people who were raw, independent and every bit as determined as the people who struggled for freedom before them. They were the pioneers. They came here on dirty little ships where disease played havoc with human life and often destroyed it. Yet they made it! It's estimated that 8.8 million people immigrated to America in the first decade of the 20th century alone.

These people were the misfits, poor and forgotten of the European world. But, they held within them the power to dream. I am a part of those people, a part of their dreams; the house I live in, the school I attend, the community which I was born in are all a part of their hopes. Countries such as ours, however, aren't built just on visions either. They're built because of the sacrifices of people who believe.

I owe my very existence to those people. I owe a debt to the future generations of America. I accept the responsibility to continue to work for and preserve the concept of individual freedom. For this reason I agree with Washington Post editor, Ben Bradlee who said ". . . if you let anyone take one bite out of your freedom, they'll take it all." The fight for freedom wasn't a battle won long ago and then forgotten. No, it's a never ending full-scale war.

Today unfortunately, there are some people who have lost faith in the principles of our nations founding. These people are fools and history will record them as such. I know we have problems to solve. But I still believe in America. Millions of other Americans do also. My faith in America is renewed each time I remember the vision of the immigrants who settled here. Years later the inspirational words of Martin Luther King captured the essence of this country and what it means to me, when he said, "When the architects of our republic wrote the magnificent words of the constitution and the declaration of independence, they were signing a promisory note to which every American was to fall heir. This note was a promise that all men would be guaranteed the unalienable rights of life, liberty, and the pursuit of happiness . . . I am not unmindful that some of you have come here out of great trials and tribulations . . . even though we face the difficulties of today and tomorrow, I still have a dream."

Like Martin Luther King and millions of other Americans, so do I.

AMERICA'S FAMILY FARMERS

Mr. LEAHY. Mr. President, few segments of our society have been ignored so much in recent years as the family farmers of America—the millions of families who still produce the bulk of our food and fiber. The fact is that small farms still comprise nearly a third of the land, 44 percent of the tractors, and 25 percent of the cattle. They are the place of residence for more than half of the total farm population.

Despite those who predict—and even encourage—the demise of the family farm, they are and must remain a strong and integral part of our national life.

An article entitled "The Quiet Farmers Agribusiness Ignores" which appeared in the December issue of Organic Gardening and Farming demonstrates that the small family farming is still viable. It also points out that the increased use of organic materials can be an effective method of stemming agriculture's increasing dependence on petrochemicals while at the same time promoting soil conservation and protecting the environment.

Mr. President, I believe that the views expressed in the article should be kept in mind by all of us as we consider the formulation of new agricultural policy and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE QUIET FARMERS AGRIBUSINESS IGNORES

(By Gene Logsdon)

It's easy to drive right past Dick Lessig's little farm in Hancock County, Ohio, and not notice it at all. Like thousands of other small farms, there's nothing exceptional about Lessig's place by the standards we use to measure "progress" and "status." At first meeting him, you'd say there's nothing exceptional about the man either. Together, they're just a plain, simple, 100-acre farm, a traditional old white barn and farmhouse, a line of old farm equipment, and a farmer more concerned with his team of horses than the price of corn in Chicago.

Agribusiness does not think Dick Lessig really exists. The champions of "get big or get out of farming" have predicted his demise for so many years that they have had to go ahead and bury the coffin—empty. Indeed, the number of small farmers is probably rising now, though there is no way to tell, because agribusiness, unable to predict the stubborn creature out of existence, has deftly tried to define him into nonentity. Only farms with high gross income and "full-time" operators are real farms, according to its criteria.

"It's how much you net, not how much you gross that matters," says Lessig, smiling as usual. "And if you check it out, you'll find that many of the big farmers are only part-time farmers, too." (I checked with a large accounting firm, Barnes and Misick, doing business with farmers in central Ohio, and received verification that many, if not most, large farmers have off-farm income from another job, another business or another investment.)

Can a man make a decent living on a small farm? "Oh, I think he can," says Lessig. "You might want to get a little off-farm work to tide you over the rough spots. You might have to accept a so-called lower standard of living, by urban standards. But there are still many farmers who derive a good living from 30 to 40 dairy cows and 100 acres. You don't hear about them because they are quite self-reliant and don't spend a lot of money for all the things farm advertisers tell them they have to have."

Mention the word agribusiness to Lessig and his smile disappears. "I don't like that word. Have you noticed how farm magazines are substituting 'agribusinessman' for 'farmer'? I don't think agribusiness really favors the farmer. It favors big business. Power is what the game is about. Agribusiness would prefer to deal with just a few farmers who are heavily indebted to it, not a bunch of small independent farmers who won't fall in line so easily. Before it is all over, we'll be like Russia, with the only really efficient food production on small, private holdings."

Small farmers like Lessig are attracted to more natural programs of crop production, away from chemicals. "It's for two reasons, I guess," he says. "First of all, on a small farm, you can succeed only by keeping costs way down. You have to think about how not to spend cash. I use less chemicals and all the manure and natural fertility I can get because I think it means keeping more of the money I do make. But also, I'm convinced that the technology of bigness today is a step backwards. I believe that the old ways were far better for everyone, and I've done it both ways." Lessig squeezed his preschool daughter, Heidi, who was sitting on his lap. "The world she will live in will have far lesser quality to it than what I have been fortunate enough to experience."

Some small farmers have turned completely away from chemical technology for similar reasons. I've gone to total organic farming," says young Johnny Adams in Bucyrus, Kansas. "I can't get the yields organically yet that we were getting with chemicals, but I just couldn't enjoy farming chemically. If you are close to the soil, you have no trouble switching to organic methods once you see what anhydrous ammonia does to soil life."

Other young farmers with mixed feelings about chemical agriculture still hang on the fence, wondering if they could succeed with natural methods. Mention organic farming to brothers Dan and Leonard Hostettler of Mineral Springs, Arkansas, and their eyes sparkle with interest. "We've been engaged in custom farming with our father, and now are starting our own farm. We'd like to do it right organically and avoid the waste and hectic pace we often observed in large-scale farming." The Hostettlers tried an acre of sweet-corn for retail sale last year as an experiment. "We sold all the corn in one day," says Leonard. "So we think a roadside stand or pick-your-own business might make a small, organic farm profitable. We know a grower in Indiana who does all right with blueberries."

SMALL FARM ECOLOGY IN MISSOURI FOR 50 YEARS

Missouri farmer Gene Poirot has been practicing and preaching sound ecological farm management for most of his 76 years and is still going strong. Thousands of visitors stream through his farm in Golden City, Missouri—congressmen, educators, students, sportsmen, farmers—to see why Poirot has won a whole fistful of soil and water conservation awards. "I was a life-long friend and co-worker of the late Dr. William Albrecht, agronomist at the University of Missouri. We proved on my farm that his theories, though snubbed and ignored by agribusiness, were correct. Albrecht was very critical of the way chemical fertilizers were and are being used—not against them, but against the excessive way they are applied to stimulate plant growth for quick profit, rather than to restore mineral imbalances in the soil. Albrecht also maintained that the use of pesticides was an act of desperation in a dying agriculture, that insects and disease were the symptoms of a failing crop, not the cause of it. That kind of talk is not relished by the powers that be. Albrecht's methods—which are my methods, too—would put too many agribusinesses out of business if adopted universally."

When Poirot started farming in 1922, he faced a monumental task. "The soil was so poor my first corn crop barely made the seed back. There was nothing there to build organic matter. I added minerals in any form I could get. I developed a process for making artificial manure out of straw and water. I built ponds for irrigation. Nature had been so mistreated here she had to be helped before she could help herself. Now, with fertility restored and organic matter accumulating rather than depleting, we use less fertilizer, not more. And we have controlled insects biologically for 40 years."

In place of a worn-out farm, Poirot's acres today teem with life. Crops yield seven times what they did in the 20's. Herds of healthy cattle roam the pastures—"disease-free for 32 years, ever since we got the soil minerals balanced properly." The water running through his farm in Coon Creek is clear and full of fish. "In 1922 we seined two miles of the creek and netted only 64 pounds of fish. Today you can easily catch more than that in one afternoon with hook and line in one hole."

Wildlife workers count nearly 30,000 ducks wintering on his ponds and feeding on corn left after harvest. In 1922 there were no ducks. There were no geese then either, but now 8,000 winter on the farm every year. "According to local records, there were no deer here for 100 years," says Poirot. "But in 1970 a doe joined our cattle herd and gave birth to a fawn.

"These benefits of wildlife, soil and water conservation—and the ultimate benefit of a healthier humanity—are by-products of good restoration farming," he continues. "They come as rewards, you might say, but my first reason for farming this way *is to save money.* Hedge fences are cheaper than steel posts; ponds are cheaper than wells; biological insect control cheaper than insecticides; sweet clover cheaper than chemical nitrogen; feeding hay in the pasture cheaper than hauling it to the barn and back, and hauling the manure out. And each practice in restoration farming results in many other benefits. The ponds produce great amounts of fish protein. The water in the pond becomes rich in fertilizer value from the fish manure. The hedge fences shelter birds which eat insects, and insects which eat other insects. The more works for you."

The Environmental Protection Agency has been so impressed with Poirot's farm that it has made a movie about it. It's a pretty film but doesn't really do justice to Poirot's methods, and he is insisting it be redone. Insiders at EPA tell me the film has had tough sledding because EPA officials "don't want to offend agribusiness."

OPTIMISTIC FUTURE FOR SMALL FARMERS

The future? Small farmers and organic farmers remain optimistic in the face of predictions of their demise. They point to the precarious financial position many large commercial farms are in. "To expand, many farmers have borrowed more money than they can possibly pay off in a lifetime, and they freely admit it. They bank on inflation to keep them alive. A depression would wipe out many of them overnight," points out Ralph Engelken, who's farmed 700 Iowa acres organically for 18 years. "But more to the point, when you are paying $100 to $150 per acre *just in interest* on a large farm you can't afford any setback. You have to keep on using chemicals whether you need them or not, just for insurance. You certainly can't afford to risk a changeover to healthy soil

which might mean a couple of years of lower yields. But if you don't change over—well, I just think that if you keep going for more and more chemicals, eventually you will go broke."

"I'm kind of old-fashioned," says Paul Lewis, a small organic farmer in Louisburg, Kansas. "I think we're going to see more small farms in the future because of labor. Despite all the fancy big machinery, the big farms still have to hire labor, and that's a real problem in agriculture. Good labor is hard to find and cheap labor can cost you more money than good labor. Remember how everyone got excited 15 years ago about cow pools, giant dairies where thousands of cows would be milked? Most of those experiments didn't work because hired help that will take care of cows *profitably* is extremely hard to find. Even when big farmers can find someone to do the work for them, it runs their cost of production up. If you think food is expensive now, did you ever think what would happen if we got union labor in all of farming? The small farmer doing his own work is much more efficient."

Other farmers point to the apparent limits of chemical efficiency as well. "There's a point beyond which pesticides won't pay," says E. J. Dietrick, president of Rincon-Vitova Insectaries in California, a firm offering biological pest control to farmers for $10 an acre. "Most of my work now is with big agribusiness farms like Hunt-Wesson Foods. They are learning you can't bludgeon nature into line with 100 percent chemical control. It costs too much money."

What small farmers emphasize most of all is the happiness they derive from their way of life. Roger Williams, who makes a good living on an 80-acre Wisconsin farm, says in Countryside, the up-and-coming magazine that addresses itself specifically to the small commercial farmer: "Anybody can do whatever he really wants to do, including making a living on a small farm. A lot of people have the impression that a small farmer is a poor, hard-up fellow using far-out methods and living in rustic, primitive surroundings. I feel they're wrong." But, points out Williams, money-making is not the small farmer's main interest in life. He likes to spend a lot of time with his family. He enjoys little things like the nesting birds, the geese passing overhead. There's something about the first flock of geese in the spring. Maybe other farmers wouldn't care, but if I were in a tractor cab instead of working with my horses, I'd miss the geese.

"With a bigger farm, you're dependent upon many people and many others depend on you. I like the idea of being free. I think I'm as free as I can be."

EQUAL RIGHTS AMENDMENT

Mr. BAYH. Mr. President, the national board of directors of the Girl Scouts of the United States of America has, for the first time in its history, taken a stand on a political issue—on January 30, the board voted to endorse the equal rights amendment.

As we move closer to the final ratification of this amendment, with the actions of the Nevada and North Carolina State Legislatures earlier this week, I am especially pleased that the Girl Scouts have taken this stand.

The equal rights amendment is a crucial step toward full equality of opportunity for all Americans, and I congratulate the Girl Scout board for its action.

COMPETITION IN TELECOMMUNICATIONS

Mr. HART. Mr. President, in a statement in last Friday's RECORD, I discussed the important telecommunications policy issues raised by the Consumer Communications Reform Act (S. 530), or the Bell bill as it has become generally known.

Telecommunications is being revolutionized as a result of innovations like microwave, satellite transmission, fiber-optics and computer switching. An important trend is the convergence of communications with computers in data communication networks which promise to play a vital role in many sectors of our economy. However, the statutory framework for the regulation of foreign and interstate communications is still the Communications Act of 1934, the product of the technological environment of 40 years ago.

The task before us is to introduce cohesive planning for our future telecommunications needs, beginning with a thorough overhaul of the 1934 act to redefine the public interest in this area. The Bell bill, which appears to equate the public interest with the special interests of the telephone industry's dominant monopoly, A.T.&T., is merely one of many possible approaches we might consider.

Far from establishing a presumption in favor of monopoly in the industry as the Bell bill would do, I believe that our starting point in the debate on the future of our telecommunications policy should be support for the contribution that competition has made in the two limited areas of the industry where it has been authorized by the FCC.

It is our general experience in this country, that consumers gain most from an unfettered free market. I have seen no convincing evidence that, apart from the public telephone network, the telecommunications industry should be an exception.

Today, I wish to draw my colleagues' attention to two new articles on the Bell bill. One, "Ma Bell's Consumer Reform Bill" from the January 1977 issue of Consumer Reports, is an excellent general introduction to this issue. It also indicates that the title of this industry-written legislation is a misnomer. Calling a fox a bunny rabbit does not make it a bunny rabbit. Calling an industry bill a consumer bill does not make it a consumer bill.

Indeed, not one consumer group has so far come out in support of the Consumer Communications Reform Act. The Board of Directors of the Consumer Federation of America stated its opposition to the bill in a resolution adopted on December 2, 1976. It said, in part:

The proposed Consumer Communications Reform Act should therefore not be approved since it seeks to reverse some existing FCC precedents promoting beneficial competition, and does not address the problems of regulatory failure, citizens access and the communication services needs of the average consumer. CFA, therefore, opposes the "Bell bill" and any similar legislation.

CFA urges review by Congress of communications policy issues as related to the needs of the consumer-user as well as the producer. Congressional overview and investigation should be concerned particularly with small town and rural users, and long range national telecommunications policy.

Another consumer group, Congress Watch, testified against the bill at the hearings held last September by the House Subcommittee on Communications.

I am also inserting in the RECORD "The Bell Bill—Is It Inevitable?" an editorial column by Datamation editor John L. Kirkley from the February 1977 issue of this leading computer industry journal, which reflects some widespread fears about the effects of the Bell bill on data communications.

I ask unanimous consent that the article from Consumer Reports and the editorial by John Kirkley be printed in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From Consumer Reports, January 1977]

MA BELL'S CONSUMER REFORM BILL

In recent years, the American Telephone & Telegraph Co. has, for the first time, experienced the rigors of competition in a tiny corner of its vast empire. As a result of a series of rulings by the Federal Communications Commission, a number of smaller companies have been permitted to provide private business lines between cities and to sell the equipment attached at either end of telephone lines—telephones, answering machines, switchboards, and other such "terminal equipment." In the limited areas where they are allowed to compete with established phone companies, these new telecommunications firms have captured about 5 per cent of the market.

Having tasted competition, AT&T judges it bad—bad for AT&T, and, in the company's view, bad for consumers. To protect itself and everyone else from the consequences of free enterprise, the company's lawyers and other interested parties in the industry have composed a piece of legislation that was introduced in the last session of Congress and will be introduced again in the new Congress. Consumers should know what the bill says—and what it means.

Here are the main provisions of the "Bell bill," as it has come to be called:

1. The Bell bill declares that Congress finds it "contrary to the public interest" for regulators to authorize "lines, facilities, or services of specialized carriers which duplicate the lines, facilities, or services of other telecommunications common carriers" (meaning the established telephone companies).

2. The bill shifts from the Federal Communications Commission to the 50 states the power to decide what may and what may not be hooked up to telephone lines.

3. The bill requires those who would provide private phone service to businesses to prove that their services do not duplicate services that existing phone companies already provide or could provide in the future; that the competition would not force existing phone companies to increase rates; and that private lines would not impair the technical effectiveness of the telephone network.

4. The bill would permit existing phone companies immunity from antitrust suits so that they could buy up those competitors

that the bill would force out of business. (The stated reason for this provision: to protect the customers of the former competitors.)

5. The bill would permit the phone company to charge as little as it wishes for its services, provided its charges equal or exceed the "incremental" costs of providing the services.

In effect, the bill guarantees existing phone companies the monopoly they already enjoy and insures them a monopoly in future telecommunications technology. At the same time, the bill weakens or eliminates the very government regulation made necessary by a lack of competition.

AT&T calls its bill the "Consumer Communications Reform Act"—a title that's either ironic or imaginative, depending on your point of view. If the Bell bill becomes law, consumers in some states will probably lose their right, only recently acquired, to buy and attach extension telephones and answering machines of their choice, not the company's.

But the bill's long-run consequences for consumers are far more serious than that. A telecommunications monopoly would eliminate choice in telecommunications systems to come. The most important of these for consumers are information terminals attached to home phone lines. The terminals could make possible electronic mail, checkless financial transactions, remote shopping, electronic fire and burglary alarms, electronic informational and entertainment programs, electronic newspapers, and much more.

AT&T's mammoth size and reach insure the respectful attention of legislators. The company had assets of $89-billion in 1975, two-and-one-half times those of the Exxon Corp., the largest industrial corporation in the United States. AT&T controls the Bell System, which includes 25 telephone companies providing 82 per cent of the nation's phone service; Western Electric Co. (manufacturing arm of the system); and Bell Telephone Laboratories (research and development). The Bell System employs one million persons, had operating revenues of $29.6-billion in 1975, and operates in all states except Alaska and Hawaii. Thus, AT&T is an economic and political force to be reckoned with in virtually every congressional district. Small wonder, then, that soon after the Bell bill was introduced in 1976, more than one-third of the House and Senate, liberals and conservatives alike, had enlisted as sponsors.

AT&T can also claim the support of the 1618 "independent" telephone companies, most of them small, some cooperatively or municipally owned. Five holding companies dominate the independent sector: General Telephone and Electronics Corp.; United Telecommunications, Inc.; Continental Telephone Corp.; Central Telephone and Utilities Corp.; and Mid-Continent Telephone Corp. Although the independents provide 18 per cent of the nation's telephone service, they're not really competitors of AT&T. In fact, the independents rely on AT&T for long-distance service, and the revenue from that service acts as a subsidy from AT&T to some of the smaller independents.

WHAT MA BELL IS REALLY AFTER

The competition that the Bell bill is really aimed at is from a small group of electronic firms that, in the future, could challenge AT&T in the growing field of private business communications and terminal equipment. It was there that competition was first forced on AT&T.

In 1968, the Federal Communications Commission ended phone companies' exclusive right to provide all extension telephones, answering machines, automatic dialers, switchboards, computer terminals, and anything else attached to the end of a telephone line. In a decision concerning the Carterfone—a device that links mobile telephones to the regular phone system—the FCC stated that phone companies could not arbitrarily prevent customers from buying and connecting the telephone equipment of their choice. The effect of the decision was to stimulate the growth of a competitive telephone-equipment business. Consumers for the first time could buy extension telephones and answering machines, often at a fraction of what it would cost to lease similar equipment from the phone companies.

Phone companies responded by convincing state regulators to require installation of a connecting device (an "authorized Protective Connecting Module," or APCM) between customer-owned equipment and telephone lines. The APCM supposedly protects the telephone network from electrical damage that, the phone companies contend, can be inflicted by terminal equipment. (The FCC says there never has been a documented case of system harm from customer-owned equipment.)

The APCM requirement raises the price of owning terminal equipment. In states where the device can be purchased, it adds $30 to the price of an answering machine, for example. In states where the APCM can only be leased from phone companies, monthly charges range from about $4 to $13, according to the FCC. Either way, it is an unnecessary expense imposed on consumers by phone companies.

The FCC dealt with the APCM problem in what are known as its Registration Decisions of 1975 and 1976. The FCC adopted a program whereby manufacturers or users could have the FCC review and certify their equipment to assure it would not harm the telephone network. APCM's would not be required for properly certified equipment. (The WCC's certification program has been challenged in court and therefore has not yet gone into effect.)

Although competition for terminal equipment and private business lines is minuscule now, AT&T is worried about the future. AT&T claims it earns high profits in those markets and uses the profits to subsidize residential telephone service, keeping rates to consumers low. AT&T asserts that the competitors will skim those profits, thus forcing telephone companies to raise phone rates by as much as 75 per cent.

The FCC challenges those assertions. After examining the phone companies' supporting data and studies, the FCC concluded that established telephone companies will not only hold their own against the new competitors but will gain a greater share of dollar volume in the future.

The FCC found no evidence that profits from the lease of terminal equipment subsidize residential service, as Bell asserts. Rather, the commission said, there was evidence that the reverse was true—that profits from residential service actually subsidizes losses in terminal equipment, permitting Bell to offer such equipment below cost in hopes of driving out the competition. (The New York Public Service Commission determined that one carrier in that state was losing $225-million a year on terminal equipment. Regulators in Massachusetts and Vermont made similar findings.) The second area of competition, interstate private-line service for businesses, is another money-loser for the phone companies, the FCC contends.

Ironically, the logic of the FCC's findings suggests that AT&T and the other phone companies could provide residential service at *lower* rates if only they'd pull out of the equipment and private-line business.

DESTROYING COMPETITION AND REGULATION

In light of the FCC's expert findings, one might well wonder what benefit there is for AT&E *or* for consumers in the "Consumer Communications Reform Act." One need look no further than the preamble. The preamble says the Bell bill would "reaffirm the intent of Congress with respect to the structure of the common carrier telecommunication industry. . . ." Or, as the FCC translates it, the bill would give the blessings of Congress to a "vertically integrated" (meaning monopolized) telephone industry structure. Yet the legality of the existing AT&T monopoly is the subject of a pending Justice Department antitrust suit that seeks to separate Western Electric, AT&T's equipment manufacturer, from the Bell System, AT&T's operating companies. The Bell bill would, in effect, end the suit.

Another section of the Bell bill, as already noted, would strip the FCC of power to regulate terminal equipment; regulation would be turned over to the states. In some states, that shift would wipe away any chance for consumers and businesses to buy and attach equipment without need for the unnecessary and expensive "protective module" previously required by state regulators at the insistence of phone companies. Moreover, if states began to set their own individual technical standards for terminal equipment, it's likely that only AT&T would have the resources to qualify as a national marketer. States could even turn back the clock to the time when you couldn't use any auxiliary telephone equipment unless it was leased from the phone companies. North Carolina and Nebraska have already indicated their desire to do just that. (North Carolina regulators recently attempted to prohibit consumers from placing plastic covers on the phone books, since the covers were "foreign attachments" to the phone system.)

Companies that provide private-line services for businesses would fare no better under the Bell bill, since to enter the market they would have to prove to the FCC that their service was one that phone companies neither already provided nor could provide in the future. That's an impossible burden of proof. They'd be forced out. As we've seen, however, the Bell bill provides a decent burial for fallen competitors; AT&T would be allowed to buy them up with immunity from antitrust prosecution.

The section of the legislation that prohibits the FCC from rejecting phone company rates that are "too low" sounds like AT&T wants to offer bargains the government doesn't permit. Actually, the bill would merely legalize the illegal monopolistic practice of "predatory pricing"—*temporarily* pricing a product or service below actual cost so as to drive out competition. The Bell bill also requires the FCC, and, by extension, state regulators, to retain a rate-making accounting method favored by Bell. The method makes it impossible to ascertain phone companies' costs for individual services, thus preventing regulators from judging charges.

THERE MAY BE A BRIGHT SIDE

The Bell bill can serve a useful purpose if it focuses public attention on important but neglected telecommunications issues. One of these is subsidization.

AT&T controls long-distance telephone circuits and pools the revenue from their use. Long-distance revenues are then apportioned among individual phone companies by formulas negotiated between the phone companies and Bell. Many independent phone companies receive reveneues from the pool out of all proportion to their costs in handling long-distance calls. The long-distance revenues account for 35 to 70 per cent of the independents' total income. Bell thus subsidizes the independents.

The subsidies help stabilize and integrate the nation's telephone network. They allow the survival of such small rural phone companies as Arizona Telephone, with 850 customers, and Absaraka Cooperative Telephone Co. in North Dakota, with only 35 subscribers. And that's all to the good. But CU believes the problem of providing reasonably

priced vital services where private industry can't do it profitably is one to be solved by a politically accountable body, not by a monopoly taxing one class of customer to support another.

If, as the FCC and several state regulatory bodies suggest, phone companies use high profits from monopoly services, such as residential phones, to offset losses in competitive services, such as switchboards and intercity private lines for businesses, that represents another form of subsidy—one in which consumers are subsidizing business users.

A bigger issue in Bell's bid for monopoly is the future of telecommunications itself. More than 50 per cent of the labor force and more than 50 per cent of the gross national product are devoted to the production, processing, or distribution of information. Explosive growth is expected as computers are increasingly tied to telecommunications circuits.

A tidy distinction could once be made between data processing (computers) and communications. But with their growing interdependence, the distinction is blurring. One of the subsidiaries of IBM, the computer giant, is part of a consortium that plans to offer private-line circuits by satellite. RCA and Western Union also plan to go heavily into the satellite communications business. It should be noted that the FCC specifically prohibited AT&T from competing in satellite private-line service for a period of three years, to give the new competition a chance to get off the ground. AT&T considers this unfair. AT&T further argues that, as a regulated company required to provide certain services to all comers regardless of profitability, it is at a disadvantage against companies that could provide private-line communications to, say, only the 100 biggest corporations in the country but not to nonprofit organizations and small businesses serving consumers.

AT&T's arguments are not without merit; the shape and organization of new communications technology is no more likely to work out in the public interest if determined by competition between IBM, RCA, and Western Union than if determined by AT&T alone.

But if the Bell bill wins in Congress, AT&T need not worry about IBM, RCA, Western Union, or anyone else. It will have a perpetual monopoly over telecommunications. Then AT&T alone will decide what most of the information systems of the future will be. Industrial monopoly in the past has meant high prices, delayed innovation, inefficiency, and few options for buyers. Competition has meant the opposite, and, appropriately regulated, it's the preferred choice here.

[From Datamation, February 1977]

THE BELL BILL—IS IT INEVITABLE?

(By John L. Kirkley)

Among AT&T's not inconsiderable assets ($85.9 billion), there's one you will not find listed on any balance sheet: an overwhelming amount of chutzpah.

This fine old Jewish word translates roughly as incredible gall, a monumental arrogance that permits those who posses it to attempt things that ordinary folk would find inconceivable.

Like, for instance, asking the Congress of the United States to turn its back on our free enterprise system of competitive business and endorse monopoly instead.

Ma Bell's Consumer Communications Reform Act, the now notorious Bell Bill, proposes precisely this. It is a bold attempt by AT&T to kill off present and potential competitors in the domestic private line and terminal equipment marketplace, a move designed to reaffirm Bell's total communications monopoly now and for all time. As added insurance, the legislation also would set up a thicket of regulatory barriers to any potential rivals, large or small. A key provision would turn interconnection regulatory powers over to the states, a move that will fragment jurisdictions, frustrate users from establishing networks that use services other than Bell's, and encourage the development of different interconnect standards from state to state.

If the Bell bill is passed the best the communications-oriented dp manager can hope for is more expense, more headaches, and an abrupt slackening in technical innovation—a characteristic not only of AT&T but all monopolies. He will be forced to accept Bell's solutions to his problems all in Bell's good time. (For example, Bell's Data Under Voice digital transmission service over its existing lines surfaced only after Datran began offering digital transmission over special microwave lines.)

Because the states will have jurisdiction over interconnect, the dp manager's and the data communications manager's dream of a transparent interstate network will die aborning. Instead, interstate communications on anything other than Bell sanctioned equipment may be like shipping goods on the old railroad lines in Europe where different gauge tracks met in misaligned chaos at each country's borders.

A chill will be cast over the entire data communications marketplace, freezing out Bell's competitors and bringing a glacial slowness to the rate of technical innovation.

Like the glacier, AT&T prefers slow, massive movements, grinding everything in its path. If the skirmishes at the Federal level—in Congress and in the Justice Dept.—wear on over the next five to ten years, it's all to Bell's advantage. In the meantime, they will have achieved their objectives de facto, quietly establishing a data communications stranglehold in each of the 50 states, an end run spearheaded by the Dataspeed 40/4 and the new Transaction Network Service.

But unlike the glacier, AT&T's maneuvers are not inevitable.

Specific legislation to counter the Bell bill is needed now. Those in Congress who wish to reaffirm competition must move from the defensive to the offensive and propose legislation that protects and fosters a free and open marketplace.

The bill should define classes of regulation and clarify just what is meant by a common carrier. The total communications marketplace should be defined and the unregulated portions of that marketplace must be clearly delineated. And this means a fresh look at the Federal Communications Commission and the extent of its authority and responsibility.

Our crazy-quilt approach to federal and state jursdictions also needs a good airing with federal supremacy being cleanly established.

The FCC should be directed to determine which unregulated markets Bell can enter, and to be sure that Bell enters them only under the strictures of maximum separation—an arm's length arrangement preventing any cross subsidization and cross tying between the monopolistic parent and Bell's unregulated offispring.

Without an immediate push for landmark legislation of this kind, Bell will undoubtedly win this war of attrition as the press and the general public's interest wears thin . . . and the Justice Dept., the FCC and the data communications industry slowly capitulate under the inexorable pressure.

PUBLIC POLICY AND RURAL AMERICA

Mr. LEAHY. Mr. President, as you know I have been very concerned about the health of our rural areas and with improving the lot of people who live in small towns and rural areas. I represent a largely rural State, and I serve on the Agriculture Committee's Subcommittee on Rural Development.

Last fall, Rural America, Inc. sponsored the Second National Conference on Rural America in Des Moines, Iowa. In one of the opening speeches, Rural America Chairman Clay Cochran described the problems confronting rural areas. Pointing to the vast array of Federal programs which ignore or discriminate against rural people, Cochran called for the formation of a Presidential Commission on Rural America. Mr. President, I believe it is an idea which is worthy of serious consideration by the Senate, and I ask unanimous consent that Mr. Cochran's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

PUBLIC POLICY AND RURAL AMERICA

(By Clay L. Cochran)

AMERICA WAS PROMISES

"America was promises. . .
East were the
Dead kings and the remembered sepulchres:
West was the grass.
The groves of the oaks were at evening.
Eastward are the nights where we have slept.
And we move on; we move down;
With the first light we push forward
We descend from the past as a wandering
people from mountains.
We cross into the day to be discovered . . .
America was always promises . . .
America is promises to Us
To take . . . with love but Take.
Oh believe that."

—Archibald MacLeish.

America Has Always Been Promises,

We Americans think of ourselves in many ways. Sometimes as in the moving words on the Statute of Liberty, "Send me your poor, your huddled masses, yearning to be free . . ." and those words echo on to imply a society of freedom and democracy and equal opportunity. Then we reflect that despite the promises and the seemingly infinite resources, for 240 years we nourished the fester of human slavery, and we are sobered.

Sometimes we think of ourselves as the people who carved "equal justice under law" across the marbled temple of our highest court, and that is certainly a promise, not a fact.

We think of ourselves as free, and in some sense many of us have been. We were free of a hereditary nobility with all its stupidities and waste. We were free to loot the native American of one of the richest pieces of geography on earth and we did not include him in our freedom since he was neither white nor Christian—and, he was in the way.

LAND WAS LIBERTY

Implicitly we thought the land was liberty, and it was, because it was opportunity. We took the land from the Indian sometimes by killing him inadvertently with our diseases and our whiskey and sometimes by treacherous legalisms and bad faith and ultimately with gun power and starvation. But the land was liberty and opportunity. With it, the gutter sweepings of Europe became sturdy yeomen and citizens and ceased to tug their forelocks in respect to the privileged.

America was promises. The promises were based on the land and the riches that flowed from the land and the exploitation of one of the richest natural heritages on the earth—from the buffalo hides to the forests. . . .

America was promises, although they never came true for many—the Indians were shamelessly and shamefully killed, displaced and degraded and the Blacks were enslaved and then only partially freed and the Mexican-Americans were pushed back onto the poor lands and ultimately layered into the exploited agricultural work force.

AFTER THE LAND

In time the land was all fenced in and belonged to somebody, and much of it had been ruined. We turned to the frontier of technology and industry and that was promises.

Along with the promises went incredible waste and the rise of empire, the international drive for power and wealth parading noble sentiments into which we poured our lives and resources to enrich a few.

THE USE OF INANIMATE ENERGY MAKES US RICH

With the riches of the continent, with the new tools of science and technology, millions of us came to live as royally as ancient kings in commanding the good things of life. Some of us became sturdy souls and really believed that all men were created equal if they get a decent break in life. We did not yearn to touch the hem of the robes of royalty or tug our forelocks to power . . . and this was good.

BUT NOT EVERYBODY HAS BEEN FREE OR RICH

But throughout our history there has been a nearly incredible maldistribution of income and wealth which has plagued us, giving rise to anger and alienation—and to myths and slogans designed to comfort us all and justify the arrogance of those who owned the toll gates through which so much of opportunity and wealth poured. Some came to believe and have the schools teach that the number of competent "managers" born to each generation was limited biologically and society must pay dearly for this God-Wrought talent lest it sulk in its tent and rob us of the good things it could produce with our sweat and its divine capacities . . . and there were robber barons who preached and believed that "the government of this country is best left in the hands of those to whom God in His infinite wisdom has given the property of the country" and asserted that "I can hire the working class to kill the other half" if need be.

BUSINESS AS A SYSTEM OF POWER

For at least half our history, the big businessman was king, and the so-called "free market" was his kingdom. Woe be to the common folk who challenged either the king or his kingdom. Beneath the gloss of unprecedented wealth the Supreme Court would outlaw child labor laws on the grounds that freedom of contract was sacred to the free market *and* the businessman and no state legislature could deny a child of 4 years the right to contract her labor to an employer.

Reliance on the market and its presumed natural beneficience prevented us from challenging the idea that living in a city of 15 million might not be the best of all possible worlds, and thereby led us to believe that sooner or later everybody would move to the city and live happily ever after. What matter if in the process, many millions of us have lost a sense of community and thereby lost much of our own identity and the ability to rely on our neighbors for love and security.

TECHNOLOGY AS A FAITH

Not content with technology as a blessing and a contrivance of man, the monkey's cousin, we went on a technology kick which led us to believe that we were gods, that we could manipulate nature and the earth as we saw fit, for our greater riches and glory. In time we came to believe that we could recreate the earth as our own fish barrel in which we could shoot fish forever with no ill consequences.[1]

Under the spell of these sentiments, for they are not worthy of being called thoughts, we maintained not only a class system and a caste system, but we looted rural people to enrich the cities. Were the cities not the flowers of our civilization and the bigger and richer and dirtier they were the more glorious our civilization?

We came to consume 40% of the world's energy each year, lavishing it on 6% of the world's population and this became a way of life, utterly unsustainable but nevertheless a way of life. In the midst of this incredible flow of energy, unprecedented technological knowhow and a massive accumulation of capital we found ourselves plagued by insecurity, losing our sense of community, gutting our natural home while many millions of our own people live in ignorance and appalling poverty—to say nothing of the tidal wave of population rolling outward across the earth in our direction.

ECOLOGISM—KNOWLEDGE COMES IN MANY WAYS

Little by little we learned, first that the whooping crane was threatened and few cared, not knowing that he was a symbol of the incredible damage we were doing to the earth . . . and then slowly but surely we learned that we were consuming a staggering proportion of the world's energy and the supplies were not infinite.

Their misuse was threatening the land and the water was so polluted the lakes were dead or dying. The sovereign sea, instead of purifying, dumped sewage and garbage on our finest beaches, even those frequented by the most privileged. The pollution not only made the air a stench so acid it dissolved rock, but it is carcinogenic. We are increasingly concerned that the great killer cancer which tortures and kills both the privileged and the degraded may flow largely from and be grim punishment for what we have done to the earth and the land and the air and the water which we thought were free and would nourish us forever . . .

And now we are troubled and largely leaderless because the divine rights of our uncrowned kings are challenged by nearly every fact at hand. We sense that many of our most cherished beliefs are questionable if not downright nonsense. But habits of thought and action are powerful forces and cause us to peer uneasily at proposed solutions which challenge our inherited views. This is not new, this conscious and subconscious and stubborn insistence that what we were taught to believe must be true. To ideas for change we listen vaguely and are afraid until one morning we awake and say "what else is there to do?"

A NEW BEGINNING

Soon we will have a new man in the White House and new faces in key positions all through government, executive and legislative, and our moral assignment is to lay down certain things on which we insist. To pass out a press release in the form of a manifesto is not the way. We must not only know where we are headed and show how to get there, we must continue to organize to that end.

The first thing we must do is to reshape our goals so that we can live and live well within our limited resources. Our plans must be made with full regard to the interests and welfare of all concerned, including the interests and welfare of small town and rural people.

We must insist that Federal legislation and policies be rewritten to give people in the non-urbanized areas equal benefits. That is no small task because most Congressmen, most administrators and most citizens do not understand how ubiquitous discrimination is. We need research and, based on what we already know or can dig out, we need to know to educate ourselves and the rest of the public.[2]

As a part of this we need a select Committee of the Congress—one or both houses—on Rural America, a kind of TNEC for rural people with enough funds to document the need in an orderly fashion and means of meeting those needs from housing to strengthening the family farm. We need to know who owns rural America and how they got it and how to get resources back into the hands of more people.

And if the Congress fails to respond or if it sets up a committee on just agri-business and not all of rural America, we need a Presidential Commission to do the proper study. We need this because we need the facts on law and policy and need and hurdles to be made. Rural America, our organization, does not have the resources to do this and it must be done.

We need to continue to press all rural groups into integrating their efforts and working together for the common good.

Rural America may not be the group to do much of this. We hope we are, but regardless of how it is done or by whom it is done, we need to pull together all the talent and leadership we have to the end that rural people cease to be passive in the face of change.

There is evidence all about us that this is under way.

This is the Second National Conference on Rural America.

There is a rural caucus in the House of Representatives broader than any we have ever had which must be strengthened and fed and encouraged, and, if necessary, harrassed if it is wrong-headed now and then.

We need to convert the Department of Agriculture into a Department of Rural Affairs which is concerned with all rural people and not just commercial farmers who have become a very small part of the nation and even of rural people. (Commercial farmers are only 3½% of the total population and about 13% of rural population by the narrowest definition of rural.)

We should use every device we can come by to see that every program of government is shaped and reshaped to serve rural people to conserve our resources, and open new opportunities.

In other words, we need a movement of which all of us have been a part in some sense a long time, but the parts have been scattered and unintegrated.

There is nothing in our program which will hurt the people of the cities, and there should be nothing in the future that will hurt them. The people of the cities are in deep trouble themselves and need help.

What we assert basically is that we are all a part of a whole and that the Federal officials and other government officials should see it that way and take action. We have powerful allies in the cities, and those allies are just as important to working family farmers and rural coops as they are to the non-farmer.

Abraham Lincoln once said "a nation cannot live half slave, half free". Neither can it live with vast portions of our people feeling that America may be promises, but not for them.

[1] I know because for several decades I believed that man and his technology could order this planet, if not the universe, as though it were—not a garden—but a hydroponic tank totally under our control.

[2] Toward a Platform for Rural America, Report of the First National Conference on Rural America, April, 1975, is only the beginning.

THE CONCEPT OF ECOLOGY

The most revolutionary idea of our time is the concept of ecology, the idea that man is not in command of the universe but is only one tiny part of a vast system of life, of networks or chains of life, and that we cannot control nature nor can we recreate the universe or even our small planet or even a small part of our small planet which is man's only habitat. And from the recognition, sobering as it may be, and hard to swallow, comes the opportunity for survival and for continuing to make promises come true; but only if we are willing to make peace with nature and learn and understand and feel. Above all we may come to the time when the brotherhood of man, the brotherhood of the tiger and the looter, could give way to a far deeper and more pervasive idea in which we learn that in this ecological system we are a part of all there is, and that we can survive only if we can grasp this perception and act on it.

So here in rural America we are not the tattered remnants after a century of "hemorrhaging" and the loss of many of the brightest and best and the subservience that comes from being told we were "left behind" and little more than a womb to be emptied each generation to feed the glories of the cities. There are from 54 to 80 million people [3] in what we call rural America. By the narrowest definition there are nearly as many people in the villages and the hinterlands as our 153 largest cities [4] . . . and if we are to fulfill America's promises to the rich *and* the poor, to the black and the red and brown and to the degraded anglos, if we are really to be "one nation indivisible with liberty and justice for all", we pick up the road from the concept of ecology and push on to something we might call civilization.

The ramifications of such a view of man and his universe sets forces in motion that run in all directions like the waves that roll outward when a rock is tossed into the water.

We work our way out of this present mess together, or not at all.

The cavalier assumption that we can continue to write laws and policies and administer programs as though rural people were the leftovers from yester-year's feast has to go. The discrimination against rural people in nearly every program of government and industry has to go. The idea that the cities can blossom and their luxuries shame the ancients while we turn rural America into a strip mine, a few giant agribusiness conglomerates poisoning and the land and the water and the people, and a great womb from which we empty the brightest and the best each generation is silly and unsupportable. Simply put, the concept of ecology is that we are all in this thing together . . . not only Americans but the rest of the earth, and an injury to one is an injury to all—an old Wobbly slogan.

NO BLUE PRINTS

There is no blue print for where we go from here, "men will die for a dream fluttering in the wrist" and may even survive the same way.

The grandiose schemes all falter—but if we can rightly conceive of our place in the universe and understand the nature of our garden—and be intelligent enough and humble enough to take our place in an infinitely complex system of life—the details can be had.

Each of us has to start where he is—and that is here and where we live and work—and above all it is in our heads—and oddly enough—most odd of all—ecologism brings us back to much of our most cherished—and violated—wisdom.

Who is to say what bird may sing.

[3] Population outside urbanized areas and outside towns of 25,000 or more.

[4] 153 largest cities, 55 million—towns of 2,500 and the hinterland, 54 million.

REORGANIZATION OF SENATE COMMITTEE SYSTEM

Mr. BAYH. Mr. President, the Senate spent several days debating a major reorganization of its committee system last week. This reorganization is the first comprehensive restructuring of the Senate committee system in 30 years, and many would say that it is long overdue. Since passing the legislative reorganization Act of 1946, the Senate has made piecemeal changes in the committee system from time to time, but growing inefficiency throughout the legislative process has necessitated major reforms such as those contained in Senate Resolution 4, as amended.

The major reason for the stymying of effectiveness in the Senate has been the proliferation of subcommittees during the last two decades. In 1947, for example, the 15 standing committees of the Senate had 44 subcommittees. Today the 18 standing committees have 140 subcommittees, an increase of more than 300 percent. Add to that total the 34 subcommittees of the various select, special, and joint committees, and one is faced with a potentially chaotic legislative maze. This proliferation of subcommittees takes its toll in fragmentation of jurisdiction, uncoordinated public policy, wasteful duplication of efforts, and impossible demands upon the schedules of individual Senators.

The reforms contained in the legislation we passed on Friday will take a major step forward in correcting this problem. Under this legislation, we will significantly reduce the number of select and joint committees, and by limiting the number of subcommittee assignments for each Senator to three per major committee and two per third committee, begin the necessary control over the proliferation of subcommittees.

Fragmented subject jurisdiction is perhaps the second most significant impediment to an efficient Congress. Fragmentation of jurisdictions in major policy areas has reduced the effectiveness of the Senate in developing systematic, coordinated, and comprehensive policies and oversight. The restructuring of jurisdictions for energy, environment, transportation, and international economics contained in the reform package goes a long way toward ending the confusion in these complex national policy areas.

The Senate has gone about this reform in a responsible and thoughtful way. I have supported the efforts to retain the Veterans' Committee, the Select Committee on Small Business, and the Select Committee on Aging. Each of these committees serve a very special constituency whose needs deserve the special attention and focus accorded by independent committee status.

I also am very pleased that the Senate accepted a compromise on the retention of the Select Committee on Nutrition for a 1-year period so that it can complete its valuable studies on a national nutrition policy begun in 1974. There is no other agency in the Federal Government or the Congress doing this important work. I am only sorry the Senate chose not to extend this committee for a longer duration.

I have received many letters from postmasters in Indiana who were concerned over the absorption of the Post Office and Civil Service Committee by the newly created Governmental Affairs Committee. I weighed the retention of an independent Post Office and Civil Service Committee very carefully. I agreed to support this merger only after I had received adequate assurances that the needs of the nearly 700,000 postal employees would be given the same just care and attention as part of the Governmental Affairs Committee. One way that the good faith of the Governmental Affairs Committee can be shown in this regard is the transfer of the ranking majority and minority members from Post Office and Civil Service to Governmental Affairs so that they can continue to provide their valuable oversight to the Postal Service.

Reform of the Senate committee system has been long overdue. With Friday's action on Senate Resolution 4, the Senate can now move forward with the many pressing problems facing this Nation in an efficient and timely manner.

KEEP ON TRACKIN'

Mr. MUSKIE. Mr. President, Warwick M. Tinsley, Jr., Maine State conservationist, has recently brought to my attention an ambitious effort by a group of Maine high school students to improve their school athletic grounds. Forty forestry and conservation students at Medomak Valley High School in Waldoboro, Maine, found a remedy to a field drainage problem that had rendered the school's athletic fields useless each spring.

Assisted by the Soil Conservation Service and Time and Tide Resource Conservation and Development Council—an organization of midcoastal Maine civic-minded citizens—the students provided the labor for the construction of a drainage system which drained off water at the rate of 5 gallons every 4 minutes in the dry season.

I am proud of the efforts of the students at Medomak Valley High School, and equally proud that Soil Conservation, a nationwide publication of the U.S. Department of Agriculture, detailed the story in the November issue. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Soil Conservation, November 1976]

KEEP ON TRACKIN'

(By Doris Laber)

(Bogged down with a wet track, students and teachers at a Maine high school picked up shovels—and knowledge—as they put in a tile line with the help of a soil and water conservation district, school officials, and an RC&D council.)

Away.
Away.
Away.

That's how the track and field schedule for Medomak Valley High School in Waldoboro, Maine, has read every spring since the school opened in 1968. All meets have been held away.

"It's been an unbearable situation," Athletic Coach Arthur Dyer declared. "During most springs it has been so wet that a person walking on the track would leave footprints 2 to 4 inches deep.

The 100 boys and girls on teams had to compete—and even practice—on opponents' fields or neutral grounds. The entire student body was limited to indoor physical education classes each spring.

A remedy was found through student and teacher involvement in a special project of the Time and Tide Resource Conservation and Development (RC&D) area.

School officials found that the field drainage problem met the requirements for an RC&D measure. This could provide funds for the engineering design and materials.

The local sponsors—the Knox-Lincoln Soil and Water Conservation District (SWCD) and the school administrative district—would have to pay for labor and equipment, estimated at $4,000.

That left the project on the verge of bogging down as thoroughly as anyone who dared to venture out on the track.

Then Medomak students decided to pitch in and work for what they wanted. Their labors—in a learning situation—became the answer to the budget problems.

Under a detailed plan, 40 forestry and conservation students were released from classes for a week to prepare the area for backhoe work. Their teacher, Douglas Meservey, led the project. Meservey, a supervisor of the Knox-Lincoln SWCD, spent a week onsite with the students. He also was on call for assistance needed by other teachers supervising the job.

The athletic director and coaches were freed from regular duties to assist when needed. Other classroom teachers supplemented the team.

SWCD technician Raynold Holmes served as project director to see that the drainage system was installed according to specifications. He was "the thread of continuity for the program," said Meservey.

After lessons from Holmes in using a level, the students set grade stakes for the backhoe operator to follow.

Because of earlier work by students, they had use of a backhoe and operator at no charge. Students in building trades classes had built a storage shed for the town, so the town loaned them the equipment—the only heavy equipment used in the project besides gravel trucks.

After the trench was dug with the backhoe, students shaped the trench bottom to a grade of 1½ inches per 100 feet. They wielded shovels, spades, and wheelbarrows and carefully put gravel under and over 3,400 feet of title.

"The students were very conscientious," Meservey said. "Some areas were done and redone to get the job right."

The work was completed in the "dry" season. Even then, students figured that the completed system was draining off water at the rate of 5 gallons every 4 minutes—enough to fill more than five railroad tank cars in a month.

The track is now resurfaced with finely crushed stone and the disturbed areas have been reseeded.

Improvements are not limited to the track. The school plans to set up sites for javelin, shotput, high jump, and broad jump in the infield and in nearby areas outside the track. Also, some of the soil displaced by the tile line has been used to fill potholes in the soccer and baseball fields.

Not the least of the improvements is that considerably less mud should be tracked into the school. "And that makes for good relations between maintenance and administrative people," said Dyer with a grin.

Come spring, the teams expect to play a full schedule, with 4 weeks added to their spring sports season.

And, at last, the programs will be listing games at "Home."

JOHNNY POPHAM RETIRES

Mr. HOLLINGS. Mr. President, during the debate on the confirmation of Griffin Bell to be Attorney General, I referred to a conversation I had with Johnny Popham. For the past 18 years, Mr. Popham served as the managing editor of the Chattanooga Times and in the late 1940's and early 1950's, my beginning days in politics, he was the New York Times stringer covering the South. Popham covered a Mississippi meeting in Jackson back in 1948. With the racial feeling of whites running high and the incidence of the Dixiecrat Party, the audience was totally white with "lynch" in their eyes. Earlier this year, he was asked to be the speaker at a similar statewide meeting. He related how the audience was totally integrated with black civic leaders, black business leaders, black educators, and black officials. Here some 28 years later, one could see the dramatic change in Mississippi and in America. Mississippi has more black elected officials than any other State in America and Plains, Ga., was sending a native son to Washington to be President. Johnny exclaimed with wonderment and pride:

Where else but in the United States could such a social change take place over a similar period.

Popham is a man full of history and one of the few outstanding journalists that has stuck with his profession.

He retired from that profession on January 31. I ask unanimous consent at this time to have printed in the RECORD an article on Johnny Popham and an editorial comment, both of which appeared in the Chattanooga Times, on the day of his retirement. I am sure many of my colleagues know Johnny Popham personally and will find these articles enjoyable. I hasten to add that I doubt Johnny is going to disappear in retirement; we shall be hearing from him in the future.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Chattanooga Times, Jan. 30, 1977]

A RARE BREED: "DOLLOPS OF SORGHUM SYRUP SPAT FROM A GATLIN GUN"

Many men have tried to adequately describe in words and in print the man who has served this newspaper as managing editor for the past 18-plus years.

Most have failed miserably, for he is a rare breed. He is one of a kind, the likes of which isn't apt to hit the scene again for many years, if ever.

Claude Sitton, editor of The Raleigh News and Observer, came closer to capturing the real John N. Popham than any other.

The following excerpts from Sitton's column of May 19, 1974, entitled "Dixie's Cracker-Barrel Demosthenes."

"The Southern cracker-barrel tradition has given birth to countless story tellers of note. But a stubby Tennessee newspaper editor is perhaps the first around whom a duly constituted forum has been organized. This John N. Popham Seminar met quietly in Raleigh several weekends back. Its conveners issued no bulletins from behind the closed doors of the meeting room at the Velvet Cloak, which is just as well.

LOT OF TALK

"Their explanation, casting credibility to the winds, was that since Popham does in fact descend from the lord high chief justice of that name who sent Sir Walter Raleigh to the headsman, local reaction would be unpredictable at best. As was true of everything else about the seminar, it was a lot of talk.

"Whatever Popham's antecedents, time and circumstance have combined to make him a walking, talking encyclopedia of the Southern mystique. Born in Virginia, son of a regular Marine Corps officer, he grew up around bases scattered from here to China.

"Those years (when Popham was southern regional correspondent for The New York Times) found Popham trading jokes with Georgia's Herman Talmadge one week and dodging rotten tomatoes with Henry Wallace and his Progressives the next. It was not uncommon for a governor attending the Southern Governors' Conference to interview Popham before being interviewed by Popham's colleagues. Popham knew the South's Negro leaders better than they knew each other. And his acquaintances were by no means limited to the high and the mighty. No reporter was surprised when a shadetree mechanic back in some Appalachian cove asked after Popham's health.

MAN MATCHES LEGENDS

"The man comes as close as most to matching the legend. An elfin figure with a twinkle of Irish con in his eyes, Popham affects a fashionably shabby Brooks Brothers appearance. His attire is invariably topped off by one of two ageless hats, felt for winter, straw for summer. The hat parts company with his salt-and-pepper GI cut only for church and, presumably, for sleep.

"But the vintage Popham emerges only after midnight in some setting such as the Velvet Cloak. After his competitors have surrendered in silence, Popham comes alive. Eyes popping, eyebrows arching, knuckles cracking—all in furious concentration on the tale at hand—Popham launches into a soaring soliloquy.

"His delivery and Tidewater accent approximate nothing so much as dollops of sorghum syrup spat from a Gatling gun. This tidal wave of sound has been known to levitate a listener who, transfixed by the onrush of oratory, rises up on tiptoes, wide-eyed and open-mouthed. Not even strong men fortified by strong drink can stand against Dixie's cracker-barrel Demosthenes."

BILL CASTEEL.

[From the Chattanooga Times, Jan. 31, 1977]

JOHN POPHAM'S RETIREMENT

With the retirement, effective today, of John Popham as managing editor of The Times, this newspaper relinquishes the services of a man of a remarkable array of talents.

He is an excellent reporter with a keen sense of the news that is important today and will be significant in the shaping of tomorrow. He is a speaker of rare eloquence who astounds audiences with his command of the language. He is and has been, through his own interpretative writing and his oversight of material published in the news columns of The Times, a strong force in the creation of the New South. His influence and energies have been particularly felt in the

field of higher education through his untiring work with and through a number of regional organizations.

John Popham is not indispensable to this operation; no person is. His responsibilities will be ably picked up and carried on by Harry Young as the new managing editor.

But today we of The Times pay tribute to one who has been a valued associate and a warm friend for almost 20 years and invite our readers to join us. Fortunately for us and for the community in which he has been so active, he will remain close by, as busy and quite likely as voluble as ever. Our hope is that he will have many relaxing years of retirement in which to enjoy both working and talking.

CIVILIAN MANPOWER CEILINGS IN DEPARTMENT OF DEFENSE

Mr. BAYH. Mr. President, on January 31 Senator MATSUNAGA and I introduced S. 544, legislation which will exempt industrially funded personnel from Department of Defense civilian manpower ceilings. In my statement of introduction, I noted several persuasive arguments in favoring passage of this measure. In the January 31, 1977, issue of Aviation Week and Space Technology there appears a very important article on the work at the Naval Avionics Facility in Indianapolis.

I call this article to the attention of my colleagues because it describes work at an industrially funded facility and points to some of the difficulties presented to operations there by continued insistence on manpower ceilings which are unrelated to workload. A reduction in force of some 900 workers has resulted since 1968 at the facility in Indianapolis.

The work that my constituents are doing at NAFAC in Indianapolis and at the Naval Weapons Support Center at Crane, Ind., is vital to our overall defense efforts. It is likewise vital that we support defense manpower management policy that provide us with maximum utilization of the defense dollar.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

AVIONICS UNIT HANDLES SPECIAL NEEDS

(By Philip J. Klass)

INDIANAPOLIS.—Naval Air Systems Command's Naval Avionics Facility Indianapolis has a capability and a mission that are unique not only within the Navy but also within the Defense Dept.

With activities that range from exploratory development to pilot production, the facility is the equivalent of a medium-size defense electronics company. But it exists to handle specialized needs of the command and other Navy and Defense agencies rather than to make a profit.

One of the facility's most important functions is the result of its expertise in modern avionics manufacturing and quality control techniques needed for large-scale production. But the facility itself has no mission to compete with industry for large-scale production.

For a weapon such as the Walleye electro-optical-guided glidebomb, developed by the Naval Weapons Center, the facility functions as a pilot production facility to work out manufacturing and design problems before the weapon is transitioned to industry for large-scale production.

At the same time, the facility itself may develop a complex avionics fire control system, such as the new AWG-21 for use with the Navy/General Dynamics AGM-78 anti-radiation missile when the command is dissatisfied with the system developed by a defense contractor and when there is not sufficient time or money to begin a new outside program.

The facility operates financially as if it were an independent defense electronics contractor. It responds to problems or prospective projects posed by the command or other Navy or Defense agencies by submitting a proposal that includes both a timetable and cost figure. The latter may be either a fixed price or a cost-plus type.

Unlike many other Navy and Defense centers that receive "block funding" to support their activities and facilities, the facility must recover its fixed and variable costs by prorating them to each job it bids, as would a defense contractor.

There is one significant difference, however. Whereas a defense contractor who continued to meet its customer's needs could look forward to an expanding business, the facility has experienced a 26% cutback in size from approximately 3,400 people in 1968 to its present 2,500 figure because of Defense Dept.-imposed manpower ceilings and reductions.

The Indianapolis facility began as a defense contractor operation during World War 2, building Norden bombsights. The 6,000 employes were predominantly manufacturing personnel. In 1945, the Navy took over operation and it was named the Naval Ordnance Plant Indianapolis.

During the intervening years the emphasis has shifted to build up the facility's engineering and technical staff, which now includes almost 600 professionals. It is almost entirely a civilian operation, with only eight naval officers, headed by Capt. Grant F. Haggquist, Jr., the commanding officer.

Approximately 80% of the facility's activities are devoted to its parent command's needs, with most of the remainder being performed for other Navy commands. For example, the facility is responsible for overhaul-maintenance of about half of the inertial guidance systems for Polaris and Poseidon missiles.

Originally it was planned that overhaul would be performed by the inertial guidance system prime contractor, General Electric. But in early 1960, General Electric was threatened with a strike, forcing the Navy to seek an alternate overhaul facility quickly.

In April, 1950, the facility was selected and funded to build the necessary super-clean room facilities and begin training personnel at GE. By September, the facilities were complete, and the first inertial guidance system was received for overhaul in early October. Less than two weeks later, this system was shipped out, according to Charles R. McDaniel, Polaris/Poseidon/Trident program manager for the avionics facility.

Since that time, the avionics facility has shared the overhaul operations with GE to assure supply to the fleet.

The Air Force recently became a customer of the facility as a result of the avionics facility's key role in the Navy Electronic Systems Command's standard electronic module program. The objective of this program is to encourage contractors to design new shipboard systems around the use of a growing catalog of standard plug-in circuit modules whose high reliability already has been demonstrated.

The avionics facility functions as the design review center for contractor-proposed new standard module designs to determine if the circuit function can be performed by an existing catalog module. If not, the facility determines whether the new function has sufficient future potential to be designated a standard for entry into the catalog, according to Ronald Huss, standard electronic module program manager here.

Earlier, the facility was assigned by the Naval Electronics Laboratory Center to design several experimental shipboard radars using standard modules and modular microwave plumbing designs. Prototype models were delivered in 1976.

When the Air Force Avionics Laboratory decided to evaluate the possible use of standard modules in airborne avionics equipment, and selected the widely used vacuum-tube vintage APN-159 weather radar as a demonstration testbed, it turned to the facility to perform the standard module redesign.

Beyond redesigning the APN-159 to make it an all solid-state, standard module-built radar, except for the transmitter magnetron, the facility was asked to add built-in test provisions. Two prototypes of the new airborne weather radar recently were delivered to the USAF Avionics Laboratory and one of these is scheduled for flight test soon, according to Huss.

When USAF's Tactical Air Command needed a new generation of mobile ground-based weather radars, USAF's Electronic Systems Div. also turned to the naval avionics facility to build six preproduction units, also utilizing standard module construction.

When the Walleye was developed in the mid-1960s by the Naval Weapons Center, the avionics facility developed the manufacturing technology and processes, production drawings, and test procedures—collectively referred to as the "data package"—that would go out to prospective bidders when the Walleye was ready for large-scale production.

When Martin Marietta was selected, and later when Hughes Aircraft was brought in as a second source, facility engineers and manufacturing specialists worked closely with the contractors, both at the avionics facility and in the contractor plants.

The avionics facility prides itself on its competence in preparing data packages that can smooth the transition from newly developed weaponry to large-scale production, according to John D. Hague, technical director.

When the facility assigns a project engineer to a new program, it is a cradle-to-grave assignment that includes subsequent assistance to a defense contractor selected for large-scale production and still later handling any problems that may arise in fleet use.

The pilot production run here not only serves to work out manufacturing problems but also to obtain meaningful quality control data on test specifications and component tolerances.

Inspection/test measurements taken during pilot production are carefully analyzed to determine which tolerances are critical and may seriously affect yield, according to Donald Cheak, quality assurance division manager.

These in turn are examined by facility engineers to determine which can be relaxed without adverse performance effects or where design changes are needed to enhance yield.

The pilot production run here also is used to devise procedures for balancing the manufacturing lines and to develop realistic cost estimates for subsequent large-scale production.

This not only provides the command and other Navy and Defense agencies with a benchmark for estimating future program costs, but it better enables defense contractors to submit realistic bids without unnecessary "contingency padding," according to Hague.

An additional benefit is that the avionics facility data package, based on well-documented experience, enables greater participation by small businesses whose low-overhead

operations offer production economies to the Navy.

To encourage small business participation, the facility intentionally selects modest-cost test equipment for its pilot production (companies on a rental basis rather than using more complex and costly automatic check-out facilities according to Hague.

When the government orders an industry-developed weapon or avionics system into production at the developing contractor, it usually purchases a data package to enable the government to seek an alternative production source later if this proves desirable.

But the contractor lacks the incentive to provide a data package that may be used later by a competitor to win follow-on production. Where the original contractor has developed proprietary manufacturing processes, he may be reluctant to provide full details in the data package supplied to the government.

Because the avionics unit has a positive motivation to see that its data packages are sufficiently detailed and specific to enable even small business to handle follow-on production, it is being assigned by the parent command to examine data packages supplied by defense contractors to assure their completeness.

For example, the command recently selected Control Data Corp. to design and build the AYK–14 airborne digital computer, which the command intends to be a widely used standard for airborne applications.

By 1980, the command plans to buy AYK–14 computer modules on a competitive basis. To assure the data package that Control Data Corp. will supply is sufficiently detailed for this purpose, the avionics facility has been assigned to monitor its preparation. Additionally, the unit has been designated as the software support facility for the AYK–14, which will handle future software modifications during fleet use, according to Mickey H. Kinkade, deputy program manager.

The Walleye has returned to the facility as part of the Navy program to modernize the sizable number of weapons in the inventory so they can cope with more heavily defended targets.

The modernization includes the addition of longer wingspan aerodynamic surfaces to provide increased glide range and maneuverability and the addition of a pilot-controlled data link.

With the original Walleye, guidance was accomplished by aiming the television camera in the nose on the target and engaging the contrast tracker prior to launch. This required that the aircraft approach the target close enough for the pilot to discern the specific target of interest and the weapon tracker to discriminate between the target of interest and other possible nearby objects.

With the new Walleye-2 design, the TV camera in the weapon transmits back the imagery it is viewing, and the pilot at any time can take over control to re-aim the weapon as it nears the target.

The new design was developed by Naval Weapons Center with the avionics facility serving as the system engineer for the data link portion. The Indianapolis facility is now modifying the Walleye guidance section for a pilot-production quantity of the weapons, including installation of the data link, much of which is purchased from small avionic companies.

Using the experience gained in this pilot run, the facility will prepare the data package for industry bid, probably in 1978, for the modification and retrofit of large numbers of Walleyes.

Three prospective bidders—Hughes Aircraft, Martin Marietta and Rockwell—are monitoring the effort.

The AWG–21 fire control system, intended for the Navy/Grunmman A–6E aircraft, illustrates another key mission capability at the facility. The AWG–21 will be used with the General Dynamics AGM–78 anti-radiation missile to monitor emissions from surface/shipboard radars, analyze the signals and assess the relative threat of each, and display this data for the A–6E weapons control officer.

When he has selected the threat radar against which the missile is to be launched, the AWG–21 will transmit to the missile the data on the threat radar characteristics so the AGM–78 can lock onto its signals.

In the summer of 1973, the command assigned the avionics facility to develop the AWG–21 after concluding that a system designed by a defense contractor for the same mission was too unreliable and costly. Within nine months, the facility had delivered one preproduction prototype for flight evaluation, according to Fred Macreno, Jr., the AWG–21 program manager.

One reason the facility was able to respond so quickly was that the digital data processor used in the AWG–21 was designed around the use of available standard electronic modules. Of the 100 used in the data processor, 66 are standard catalog items, while the remainder are special designs originated at the facility, according to Macreno.

The radio-frequency portion of the system also was designed to make maximum use of off-the-shelf hardware. The AWG–21 console-control unit also makes use of the cathode-ray-tube display used in the APR-25/36 radar warning system.

The Indianapolis facility now is in pilot production on an undisclosed quantity of the AWG–21 systems, and one of the systems is now undergoing operational evaluation. The facility-developed data package is being verified during the pilot production run for release to prospective industrial bidders if the command decides to proceed into production.

On those occasions when a contractor to the command defaults or goes bankrupt, the facility steps in to fill the void. For example, in the late 1960s, a radar transponder developed for use in target drones by the Naval Research Laboratory was turned over to a small company for production without having undergone pilot production at the facility.

Shortly after the contractor delivered first preproduction units for qualification testing, it became insolvent. The avionics facility had to complete the program. It found contractor data incomplete and qualification tests showed design deficiencies in the transponder prototypes.

During the next several years, the facility produced an improved version of the transponder to meet urgent fleet needs while simultaneously upgrading the design and developing a complete data package so the transponder could later be put up for bid by industrial contractors. In another instance, a small contractor went bankrupt before delivery, and the facility was required to transfer the partially completed ultra-high-frequency direction-finder receivers and parts to its own facility.

Quality of workmanship was so bad that considerable rework was required. Yet within three months, the avionics facility began to ship qualified receivers, and within 10 months, it had completed the job.

The parent command turns to the facility also when the fleet encounters problems with older avionics equipment that has been out of production for many years. Under these conditions, the facility resorts to what Hague calls "selective surgery."

"Typically, we find that approximately 85 percent of our reliability problems involve only 15 percent of the circuitry," Hague explained. "Our philosophy is to locate that troublesome 15 percent and fix it rather than throw out the whole subsystem."

Often this involves developing in-house a solid-state circuit that can replace a vacuum-tube circuit on a few plug-in cards. With such selective surgery, Hague adds, "we protect the Navy's existing investment in spare parts and training. Insofar as the end-user is concerned, the equipment still operates in the same manner."

Although most prospective projects are submitted to the facility for its bid-proposal, "we have a quick-reaction capability that can be turned on simply by a telephone call from [Naval Air Systems Command]," according to Cdr. Frank Woods, executive officer. The command also turns to the facility for programs where it may be difficult to write definitive specifications that would be needed if the job were submitted for industry competition.

One typical example was the Aries program, which originally began in late 1969 as a project to upgrade the capabilities of the Navy's Lockheed C–121 Ferret (electronic intelligence) aircraft. The guidelines were only loosely defined: work with the fleet user to determine what is needed and what can be provided using off-the-shelf hardware at minimal cost, according to Cornelius Gallagher, Aries program manager.

By the early 1970's, the Navy had decided that it would be more cost-effective to substitute a new aircraft, the Lockheed P–3, and the Aries version was designated the EP–3E.

A hot mock-up was built here at the facility to demonstrate system operability, and the facility subsequently supplied a team of engineers to work with Lockheed to install and test the Elint system on the aircraft. The avionics facility will soon take over responsibility for overhaul of Aries system elements, according to Gallagher.

The present availability of a large catalog of different standard electronic module circuit functions and the facility's in-house background with modules enables the facility here to provide the quick-reaction design and pilot-production needed by the fleet.

For example, several years ago the Navy was experiencing reliability problems with the telemetry adapter used in the Poseidon missile and asked the facility to analyze the problem and come up with a fix.

The resulting design, built from standard module circuits, has proved to be so reliable that it is now used in all Poseidon test flights, and its cost is about one-half that of the previous design, according to McDaniel.

When the command needed a handful of shipboard check-out systems for testing multiple and triple-ejection bomb rack wiring, it asked the Indianapolis facility to design and build the equipment. Again, standard module construction was used.

When Naval Sea Systems Command was experiencing problems with a mechanical scan switch for shipboard sonar, it turned to the avionics facility to design an electronic-lower noise version using standard module construction. The facility built several models to demonstrate feasibility, and now similar systems are being built by defense contractors.

If the interior and exterior of the facility could easily be mistaken for that of a medium-size defense electronics contractor, discussions with managers reveal a sharply defined difference.

Where a defense contractor's objectives are satisfied if it has major production contracts that will extend for many years, management prefers the challenge of new tasks. It is uncomfortable if asked to manufacture items that it believes can be handled by outside contractors.

The facility has extremely modern in-house facilities for producing both thin-film and thick-film hybrid microcircuits, which are needed for its in-house system designs and pilot production. These include

such things as interactive computer terminals for generating microcircuit layout and artwork, and laser trimmers for precise adjustment of resistor values.

But the facility does not aspire to acquire the capability to fabricate semiconductor microcircuit chips, although it has considered this possibility in the past, technical director Hague acknowledges. The reason is that the investment would be too high, the technology obsolescence rate too fast, and the facility could not hope to compete with commercial semiconductor producers.

In addition to the facility's activities as a quick-reaction design and pilot-production operation, it has acquired other assignments that can profitably make use of its "hands-on" engineering and manufacturing skills.

For example, engineers are responsible for supervising the qualification testing of avionics equipment purchased by the parent command, usually at the contractor's plant, according to Ross Eckel, manager of the equipment evaluation division. Eckel also is responsible for in-house environmental test facilities, which are used to evaluate designs or contractor products where the latter lacks the required facilities.

SOVIET NAVAL CAPABILITY

Mr. HART. Mr. President, national defense is a subject of interest and concern for every Member of the Senate, whether or not he is a member of the Senate Armed Services Committee. Similarly, national defense is a complex and difficult subject for us all, including this member of the Armed Services Committee. It is in particular a difficult area in which to establish priorities between the many competing claims and needs, claims and needs which inevitably exceed our available resources.

Yet, I believe it is possible to see through the fog—and often the smokescreen—of the competing claims of the military services, and to establish certain priorities. If we examine the reasons for which we have our various types of military forces—sea, land, and air—it becomes clear that these reasons relate to our geography, our economic needs, and our foreign policy requirements. It also becomes clear that in all three categories, seapower relates most directly to our fundamental national needs.

Our geography is that of an island. Canada and Mexico are important friends, allies, and trading partners, but the majority of our border is shoreline, and our primary orientation has been and continues to be transoceanic. America was settled from overseas, and its ties continue to be primarily with nations lying across the seas. Our history was heavily influenced by transoceanic concerns even during our periods of nominal isolation.

The 20th century has increased our involvement in the affairs of other continents—not always happily—and our political, cultural, and economic links with and reliances on Europe, Asia and Africa are stronger today than ever before.

These transoceanic relationships are, naturally, dependent on free use of the seas as avenues for communication and commerce. Our earliest history as a nation was in large part the story of our struggle to establish our rights to freedom of the seas, a struggle against the dominant seapower of Great Britain.

The hemispheric element of our policy in the 19th century was carried out under the implicit protection of that same British seapower, which was the foundation of the Monroe Doctrine; America alone did not have the power to prevent European intervention in the Americas. The first requirement we have faced in our relationships with Europe and Asia in this century has been the establishment of American or allied control of the seas.

The economic relationship between the United States and Europe, Asia and Africa has been and continue to be a strong argument for naval power. The beginning of the 19th century found us deploying warships to the Mediterranean to protect American commerce. Throughout that century our Navy's predominant task was stationing cruisers and later fleets in distant waters to give protection and support to American commercial enterprise. The 20th century has seen our economic dependence on imports and exports increase steadily, until today our national economic life would virtually cease without the raw materials we import. These imports for the most part come by sea, they are vulnerable to destruction at sea, and they must be protected by naval power.

Much of the formal justification for the size and type of our military forces derives from the need to support our foreign policy. It is clear that our existing foreign policy commitments depend on our ability to use the seas freely. Our allies and our adversaries lie overseas, and we must use the sea lanes to reinforce the former and offer effective deterence to the latter. Our NATO allies would have little hope of receiving the reinforcement and resupply they require in time of crisis, or the raw materials their economies need at all times, if the sea lanes were under hostile control.

Our most important Pacific ally, Japan, is even more dependent on the sea than is Europe. It would be difficult, if not impossible, for the United States to support its diplomacy beyond North America without freedom of the seas.

As important as seapower is today in supporting our present foreign policy commitments, its future importance may be even greater. The world is changing rapidly, and it is difficult to foresee what our foreign policy will be 20, even 10, years ahead. The emergence of a Europe responsible for its own defense could have a profound impact on our foreign policy, as could the emergence of a major North-South axis in world affairs. Even 10 years could find us placing materially greater importance on relations with countries outside Europe, and outside our current structure of alliances.

How does this relate to naval power? As the history of Great Britain shows, naval power is an extremely flexible instrument of foreign policy. In the course of one century, the 19th, Britain demonstrated that sea power could be used to support three very different foreign policies: a continental policy, which Britain pursued during the struggle with Napoleonic France; an isolationist policy, which characterized Britain's relations with the Continent during several periods, and which, thanks to the dominance of British seapower, could be seen as "splendid isolation," and a policy of worldwide imperialism. This same type of flexibility could be of critical importance to the United States if we should find ourselves in an era of rapidly shifting international alinements and interests.

The importance of freedom of the seas to America is clear. And as long as there are hostile forces in the world, freedom of the seas can only be assured by adequate naval power. That hostile forces exist is apparent from the continuing effort of the Soviet Union to expand its own naval power, in a challenge comparable in many ways to that offered to Great Britain by Imperial Germany in the early part of this century. Driven by the new Tirpitz, Admiral Sergei Gorshkov, the Soviet Union, a nation with no defensive requirement for a blue-water navy, has built and deployed a worldwide naval presence. Just as Britain had no choice but to see the German naval program as an indication of aggressive intentions, so we cannot fail to be concerned by the growth of Soviet naval power.

To understand the nature and extent of the Soviet naval challenge, it is necessary to go beyond the question of comparative number of ships. Such a comparison can easily mislead in either direction; some are overly alarmed by the Soviet's great superiority in total numbers of warships, while others unduly negate Soviet capabilities by pointing out American superiority in total tonnage or in certain classes of ships, such as aircraft carriers.

To understand what the Soviet Navy really is, and what it can possibly do, it is necessary to study its capabilities in individual mission areas. Four such areas seem central in terms of both United States and Soviet mission requirements: defense of the Soviet homeland; cutting the sea lanes on which the United States and NATO depend; crisis confrontation; and the use of the navy as a tool for political influence.

It appears that the original impetus behind the Soviet naval build-up was concern for defending the Soviet homeland. In the 1950's, the United States began deploying nuclear armed aircraft on aircraft carriers. These aircraft had as their mission strategic strikes against the Soviet Union, in event of a nuclear war. To defend against this threat, the Soviets devised a new concept: anticarrier warfare. This concept held that it did not require aircraft carriers to fight other aircraft carriers; surface ships, land-based aircraft, and submarines, armed with antiship cruise missiles, could be used to inflict disabling damage on American aircraft carriers approaching the Soviet Union. As early as 1960, Soviet submarines based in Albania were conducting anticarrier exercises in the Mediterranean. In 1962, the first Soviet cruiser armed with antiship missiles, the *Kyuda*, entered service.

The Soviet anticarrier capability de-

veloped rapidly following the *Kyuda* class cruisers, of which four were built. In 1967, the *Kresta I* class cruiser entered service; again, four were built. The *Whisky Twin Cylinder* class cruiser missile submarine joined the Soviet Navy in 1960; again, follow-on classes were built, and the *Charlie* class, which can launch its missiles while submerged, is still being constructed.

Today, the Soviets have a very substantial anticarrier capability. With 43 cruise missile armed major surface units, 70 cruise missile armed submarines, and about 285 missile-equipped. Additions to all three elements of this force continue to be made, recent examples being the aircraft carrier *Kiev*, the first Soviet warship launched since 1968 to carry long-range antiship missiles, and the highly capable "Backfire" bomber.

However, just as the Soviets began deploying substantial anticarrier forces, the nature of the threat to the Soviet homeland changed drastically. In 1960, the first U.S. *Polaris* strategic missile submarine went to sea. By 1967, 41 *Polaris* submarines were in service. The strategic importance of carrier-borne aircraft was rendered insignificant by the deployment of the U.S. strategic submarine force, and the large Soviet investment in anticarrier forces lost much of its importance in terms of the mission of defending the homeland.

The Soviets quickly moved to extend their concept of defending the homeland from U.S. strategic naval forces by developing a significant antisubmarine warfare capability. Admiral Gorshkov has stated that ASW is one of the two main missions of the Soviet navy, along with anticarrier warfare. The *Kresta I* cruiser, which entered service in 1967, was identified as Bolshoi Protivolodocheuney Korabl'—large antisubmarine ship—in contrast to the "Raketuy Kreyser"—rocket cruiser—designation of its predecessor, *Kyuda*. It carries an antisubmarine helicoper, which the *Kyuda* does not have. The following *Kresta II* class may have as its main armament a dual purpose antisubmarine/antiship missile, in place of the long-range antiship missiles of the *Kresta I, Nine Kresta II* class ships have been built, with one more under construction. The *Kresta II* has also been supplemented by a larger BPK, the *Kara*-class cruiser, of which four are now in service with more building.

The clearest indication of the Soviet concern with strategic ASW was the introduction into the fleet in 1967 of the helicopter cruiser *Moskva*. This ship, which is a unique Soviet design, carries 18 ASW helicopters, and is exclusively an ASW ship. At 17,000 tons and its sister ship, *Leningrad*, are among the largest units in the Soviet fleet.

Again, however, just as the Soviets began achieving a substantial ASW capability—they now have 68 large antisubmarine surface units, plus substantial land and sea-based ASW aviation forces—their capability was outdated by U.S. technological improvements. The 1,200-mile range of the Polaris missiles on our first SSBNs compelled our submarines to approach the shores of the Soviet Union to launch their missiles, and the Soviet ASW forces could hope to operate effectively in those coastal seas. But by 1964, we had deployed the Polaris A–3 missile with a range of 2,500 miles, rendering it possible for our submarines to have firing positions far enough away from the shores of the Soviet homeland so that ASW dependent on surface ships and land-based aircraft would be largely ineffective. The new Trident missile will make this type of ASW even less feasible.

Thus, the Soviet capability to defend the homeland from U.S. sea-based strategic forces has advanced little, if at all, over the past 20 years, despite enormous effort and expenditure on the part of the Soviets. Has the Soviet effort all been wasted? As I will discuss below, it has not been wasted, because ships built for one purpose have been found useful for other missions. Indeed, throughout the modern history of naval warfare, ships have seldom been used for the purpose for which they were built.

Have the Soviets given up their attempt to defend the homeland? It appears that they have not. Admiral Gorshkov continues to give high priority to the strategic ASW mission. As I noted in my report to the Armed Services Committee on U.S. Naval Forces in Europe, the Soviet Union appears to be undertaking a significant research and development program in the area of strategic ASW. They may be exploring ways to detect submerged submarines from satellites. The SSN–X–13 missile, which is now in an uncertain development status, may have been intended as a strategic ASW weapon. While the U.S. SSBN force is virtually invulnerable today, we must not presume that it will remain invulnerable, given the extent of the Soviet commitment to homeland defense.

A final element of the homeland defense mission of the Soviet Navy is strategic deterrence. The Soviet actually had strategic ballistic missile submarines at sea 3 years before the first U.S. *Polaris*. These submarines, of the *Zulu* and later *Gulf* classes were not powerful systems—carrying only three missiles of very limited range—but they were evidence of early Soviet recognition of the potential of strategic missile submarines. The U.S. *Polaris* was far superior to the early Soviet SSBNs, and it was not until 1968, when the first *Yankee* class Soviet SSBN appeared, that the Soviets achieved approximate qualitative parity with the United States in this field.

However, the Soviet produced 34 "Yankees", each carrying 16 ballistic missiles, in the short time of 7 years. In 1972 the first *Delta* class SSBN was acknowledged, which is to date the largest type of submarine in the world. The later takes up to 16 SSN–18 missiles, with a range of 4,200 miles, exeeding the range of our Poseidon by over 1,700 miles. Not until 1979, when the first U.S. Trident submarines enters service, will the United States have a submarine launched ballistic missile of approximately equal range. Today, the Soviets have over 17 *Delta* class or *Delta*-class derivatives in service with more building. In this aspect of homeland defense, the Soviets have forged rapidly and substantially ahead, and their efforts have been highly effective.

This brings us to the second apparent mission of the Soviet Navy: interdiction of the sea lanes between Europe and North America in event of a NATO war. It is in relation to this apparent mission that the Soviet submarine force raises great concern.

The Soviet Union has always had a major navy in terms of its submarine force. In 1939, the Soviets had 180 submarines, not only far more than Germany, but enough to make the Soviet submarine force the world's largest. Despite the fact that this numerically powerful force achieved little in World War II, the immediate post-war Soviet naval building program continued to emphasize submarines. By 1950, the Soviets were producing the highly capable whiskey class attack submarine, which was based heavily on the technology of the German type XXI boat of World War II. New types were introduced rapidly in the 1950's, with submarines being built at a peak rate of almost 90 units in 1 year. Total strength of the Soviet submarine force reached well over 400 units.

In 1958, the first Soviet nuclear attack submarine of the November class, was launched. Of equal importance in 1960 the Soviets launched their first submarine armed with antiship cruise missiles. While the Soviets continue to build convetional attack submarines tdoay, they have built and continue to build nuclear attack submarines and both nuclear and conventional cruise missile boats. While numerical comparisons are only useful as illustrations, it is interesting to note that the Soviet navy today has a total of about 335 submarines, about three times the number of U.S. submarines.

What does this submarine fleet give the Soviet Union in terms of capabilities in specific mission areas? As I have already noted, their SSN force is an important and effective element in the Soviet strategic force. But what of the attack submarine force?

The capability of the attack submarine force, both for attacks on other warships and on merchant shipping, would appear to be considerable. Soviet nuclear powered attack submarines are the world's fastest. They have the services of highly sophisticated, increasingly satellite-based reconnaissance and command, control, and communications—C3—systems. Only the Soviet Union today possesses attack submarines which can launch antiship missiles while submerged. Soviet conventional submarines are also highly capable, taking advantage of modern battery technology to achieve submerged speeds and ranges in excess of those of the World War II U-boats.

In addition, it appears that the Soviet submarines will have the support of aircraft and surface ships which the German U-boats lacked. Soviet land-based naval aircraft will provide reconnaissance and ASW protection for Soviet submarines close to home waters. I noted earlier that the Soviets have made a substantial investment in large, capable

antisubmarine surface ships. While these ships have only marginal capability against the U.S. SSBN's which were their intended target, they are now available to provide tactical ASW support to Soviet submarines in home waters and possibly in areas where NATO intends to undertake ASW barrier operations. It has been suggested that the *Kiev*, the Soviets first aircraft carrier, is also the world's first counter antisubmarine warfare—ASW—ship, being intended to operate against NATO surface, air and submarine ASW forces in the area of the Iceland-United Kingdom gap. Unquestionably, the *Kiev*, the other Soviet ASW surface ships, and Soviet naval aviation can operate so as to increase substantially the capability of the Soviet attack submarine force.

Finally, to gage the capability of the Soviet attack submarine force it is necessary to look at the present qualitative balance between the attack submarine and antisubmarine forces. ASW has made substantial advances since the days of the battle of the Atlantic against the German U-boats. Modern passive sonars have impressive long-range detection capabilities. Onboard aircraft enable surface ships to strike at submarines at long ranges, and land-based ASW aircraft can also pursue distant submarine contacts. While no submerged U-boat was ever sunk by another submarine, NATO's submarine force is dedicated largely to ASW, and it is perhaps our most effective ASW tool. The centralized, satellite-based reconnaissance and C3 system on which the Soviet submarines depend could become vulnerable to destruction.

However, despite these advances in ASW, the qualitative balance on the whole seems to have shifted in favor of the submarine. In World War II, a German U-boat had to spend most of its time on the surface; submerged, its maximum speed was only about 8 knots, and its sustained speed only about 3 knots. Most submarines destroyed by ASW forces were caught on the surface. The destroyer, with a speed of about 30 knots, had a 10-to-1 speed advantage over the U-boat in any sustained engagement. Today, the modern, nuclear-powered attack submarine has no need to surface at all. It can sustain its top speed indefinitely, and that top speed is often faster than the speed of an opposing destroyer.

Even the modern conventional submarine has a high underwater speed and good endurance, and its extreme quietness makes its detection very difficult. Whereas the U-boats had to depend on their own very limited reconnaissance capability, the Soviet submarine force is supported by sophisticated outside means of reconnaissance and targeting. The development by the Soviet Union of cruise missile submarines has given the submarine effective standoff weaponry, so that it can lie outside a convoy's defenses and strike at the ships within.

Thus, it seems that the Soviets have a highly capable, large fleet of attack submarines. What do they intend to do with them? This is more of an open question than is suggested by Defense Department plans to organize convoys for a new Battle of the Atlantic. It is alledged that the main mission of the Soviet submarine fleet is the disruption of NATO's sea lines of communications, but it is not clear that the Soviets see it this way. It can be argued that their submarines will be devoted more to what Admiral Gorshkov gives as the two main missions of the Soviet navy—anticarrier warfare and strategic ASW—than to attacks on convoys.

Also, it would appear logical for the Soviets to commit their submarine forces to tactical missions directly supporting the ground forces' mission of winning a short war in Europe, rather than to the "long war" task of attacking convoys.

Possible short war tasks could include the interception and destruction of any carrier or amphibious task groups attempting to reinforce NATO's northern or southern flanks. It would appear consistent with Soviet operational practices, where mass is heavily emphasized, for the submarine force to be concentrated on these "short war" tasks, at least until it became clear that a longer war is in the offing.

Does this mean that the Soviets do not have the capability to attack the NATO sea lines of communication? No. Clearly, they have that capability. If a NATO conflict were to develop into a long war, their submarine force might be dedicated to this mission. Also, they might use their submarine force to interdict other SLOC's in other parts of the world, as elements of crisis management in a non-NATO scenario. We must be concerned about the Soviet capability to attack the sea lines of communication.

But we should not make the frequent error of automatically inferring intentions from capabilities, and risk missing the real mission assignments of the Soviet submarine force. Recognition of the real missions may somewhat degrade the U.S. Navy's relevance to the defense of NATO in a short war, both by reducing the requirement for Atlantic escort forces and by suggesting that operations with the Marine Corps on the flanks of Europe may not be feasible. But we must design and size our forces to real requirements, rather than designing the requirements to fit existing or preferred types and sizes of forces.

The third major mission area of the Soviet Navy which must be examined is that of crisis confrontation. Perhaps the most dramatic evidence we have seen of the growth of Soviet naval capabilities was the Soviet confrontation of the U.S. Sixth Fleet in the Eastern Mediterranean during the October 1973 Arab-Israeli War. Admiral Zumwalt, among others, has voiced doubt that the United States would have prevailed had the face-off between the Sixth Fleet and the Soviet Fifth—Mediterranean—Squadron gone to the shooting stage. My own recent visit to the Sixth Fleet made it clear to me that our capability in an encounter with the Soviet Fifth Squadron in the Eastern Mediterranean is marginal at best, particularly if the crisis does not involve our NATO allies. While our capability is substantially better in other areas of the world, the Soviets have shown an ability to move forces into these areas when a crisis develops.

The Soviet crisis confrontation forces stand as an example of the fact that ships are seldom used for exactly what they are built for. The Soviet Union developed its anticarrier capability for the mission of defending the homeland.

Then, with the advent of *Polaris*, the U.S. aircraft carriers ceased to be an important strategic force element. But the Soviets recognized that those safe carriers remain the backbone of U.S. capabilities in crisis confrontations, and that the anticarrier capability of the Soviet Navy could be equally useful in managing those crises. It is the anticarrier capability which is the heart of the Soviet crisis confrontation capability today.

How great is the Soviet capability in a crisis confrontation? Some argue that a major distinction must be made between the Soviet's capability in the eastern Mediterranean, where they have the support of land-based aircraft, and in other areas where that support is lacking. There is no question that the support of land-based aviation greatly increases Soviet capability in the eastern Mediterranean. But focusing too heavily on that element of their force could cause us to miss certain other elements of their overall capability.

The essence of the Soviet capability in a crisis confrontation, in the framework of their anticarrier concept, is their concept of the so-called "D-Day Shoot Out." This concept is based on the idea of a coordinated, surprise, preemptive strike by Soviet naval forces against the U.S. naval forces present in a crisis area. Because of the inherent advantages that accrue to the attacker, particularly if he has at least tactical surprise, and of the way Soviet ships are designed to maximize initial firepower, the Soviet capability in this scenario is considerable even outside the range of land-based aviation. If the Soviets can knock out of action the U.S. aircraft carriers present in the crisis area, through a massive coordinated strike of missiles, torpedoes, and gunfire, they may be able to achieve their political objective in the scenario. Because the United States today has only a small number of carriers, the number which the Soviets must knock out of action in any individual confrontation is likely to be small. Of course, the Soviets then risk an escalation beyond the local confrontation, but diplomatic actions might be able to minimize this risk in certain cases.

Again we face the question, do the Soviets intend to use their forces this way? Probably, they do not. Since the objective in a crisis confrontation is local and limited, and is defined basically in diplomatic rather than military terms, the Soviet objective is probably more one of deterrence than of actual conflict. It appears that they hope to neutralize one of the principal U.S. crisis management tools—the threat of naval intervention—by counterposing the threat of Soviet counterintervention, either against the U.S. forces directly or against the client the United States is seeking to support. It appears probable that they would be very reluctant to see the crisis go to a stage involving direct action by Soviet against U.S. forces. Nonetheless, the possibility of such a confrontation could

diminish the utility of U.S. naval forces in a crisis, thus advancing Soviet objectives.

This brings us to the closely related fourth mission responsibility of the Soviet navy: spreading Soviet political influence. The crisis confrontation with U.S. forces is one way that this mission is performed by the Soviet navy. The disposition of the Soviet fleet off the Libyan coast during the coup against King Idris was an example of the political use of the navy. The support given by the Soviet navy to the Angolan operation is another example. While actual Soviet power projection capability is small—only the aircraft carrier *Kiev* can project air power, and the Soviet naval infantry force is only about one-tenth the size of the U.S. Marine Corps—the utility of Soviet naval forces in the political role is evident. Soviet warships make frequent port visits in third world areas, and provide clear examples of Soviet power and capability to those nations. It is clear that naval forces are a useful tool for the Soviet Government in projecting the image of the Soviet Union as a world power; despite its lack of projection forces, the Soviet Navy seems to carry out this mission in a satisfactory manner.

In sum, then, the Soviets seems to have developed substantial naval capabilities in certain areas. While their efforts to defend the Soviet homeland from U.S. sea-based strategic retaliatory forces do not seem to have achieved significant results thus far, we must be concerned about continuing Soviet research and development work in the area of strategic antisubmarine warfare. The anticarrier capability developed for the strategic role has meanwhile become an important element in the Soviet capability in crisis confrontation scenarios, and the aircraft and surface ships originally built for strategic ASW would appear to be useful for tactical ASW and CASW in support of the Soviet submarine fleet.

It is not clear that the impressive Soviet capability in attack submarines is, in fact, dedicated to a battle for the Atlantic. However, that submarine force would be a powerful tool for preventing U.S. naval or amphibious action on the flanks of NATO in a European conflict. Should a NATO conflict last longer than expected, the force could then be directed toward interdicting NATO sea supply lines. It could also be used for the interdiction of sea lines of communication in a non-NATO scenario.

The Soviet capability to use naval forces as tools of crisis management and political influence has increased markedly, and must give us concern. It is not clear that the Soviets could not achieve their political objectives in a crisis confrontation with U.S. naval forces, either as the result of the outcome of an actual naval engagement or, more probably, by deterring U.S. actions against third powers. Areas in which this could occur include the eastern Mediterranean, where the United States has major foreign policy commitments. Soviet naval forces also serve under noncrisis conditions to protect the image of the Soviet Union as a world power.

All in all, these Soviet naval capabilities add up to a new dimension of Soviet military capability, a dimension not present even 20 years ago. Some of the improvement in Soviet capabilities are merely quantitative; others provide the Soviets with entirely new capabilities.

Should the United States attempt to respond to these new or improved Soviet naval capabilities? As I noted at the beginning, we are by nature dependent on the sea, which the Soviet Union is not. If we lose the ability to use the seas freely, our economy and our foreign policy is imperiled. So, in general terms, I do believe we need to respond.

We must act so as to preserve our strategic deterrence forces from possible destabilization in the event of a major improvement in Soviet strategic ASW capability. We should recognize that the Soviet surface navy is not intended for a Jutland-type action against the U.S. Navy, but that many elements may have potentially useful abilities to support the Soviet submarine fleet. If we are to undertake naval or amphibious action in support of our allies on the flanks of NATO, we should recognize that the Soviet naval capabilities in those areas are very substantial. If the Soviet submarine fleet is dedicated to this mission, at least during the initial 30 days of a NATO conflict, then we may need to improve our capabilities to project forces into these areas. We need to respond to the Soviet capability in the "D-Day Shoot Out" crisis confrontation scenario, in terms of being able to deny the Soviets both their military and their diplomatic goals. And we have to learn to live with the fact that Soviet naval forces will be active in peacetime in promoting Soviet political interest around the world.

The remaining question is, how do we respond? In the latter part of this month the administration of President Carter is to present the Congress with its revised naval shipbuilding program and overall naval budget. Through the past and present fog of statements by our naval authorities as to what our Navy needs and where it wants to go, it is only the shipbuilding program which stands as a clear indication of the answers to these questions. The administration of President Carter may have substantially different ideas on these issues from those reflected not only in the current shipbuilding budget for fiscal year 1978, but, even more importantly, in the present shipbuilding 5-year defense plan. I hope to offer some thoughts on the question of what our response should be once the details of the Carter administration programs are before us.

THE NATIONAL PRAYER

Mr. CHILES. Mr. President, over 3,500 guests, leaders of the United States and over 170 other nations of the world gathered in Washington, D.C., on January 27, 1977, for the National Prayer Breakfast at the Washington Hilton.

This annual event, which is sponsored by the Senate and House prayer breakfast groups, marks a time for us to gather in a spirit of fellowship and reaffirm our mutual dependence on God. It is a public opportunity to demonstrate that we are a nation founded on spiritual principles and that our strength derives from our adherence to God's way.

Mr. President, I think many can benefit from the words of the several speakers at the National Prayer Breakfast as did those of us who were in attendance.

Accordingly, I ask unanimous consent that the program and transcript of the breakfast be printed in the RECORD, and I commend these remarks, and the spirit in which they were delivered, to all.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL PRAYER BREAKFAST PROGRAM

Opening song, "Eternal Father" The Sea Chanters.

Presiding, the Honorable Marjorie S. Holt, Chairman, National Prayer Breakfast Committee.

Opening Prayer, the Honorable Julian M. Carroll, Governor of Kentucky.

Call to Fellowship, the Honorable Charles H. Percy, U.S. Senate.

Introduction of Head Table and Statement, the Honorable Marjorie S. Holt, U.S. House of Representatives.

Greetings from the House of Representatives, the Honorable Gunn McKay, U.S. House of Representatives.

Old Testament reading, the Honorable Jennings Randolph, U.S. Senate.

Greetings from the Senate, the Honorable Peter V. Domenici, U.S. Senate.

New Testament reading, General David C. Jones, Chief of Staff, U.S. Air Force.

Prayer for National Leaders, the Honorable Burt O. Lance, Director of Management and Budget.

Message, the Honorable James Wright, Majority Leader, U.S. House of Representatives.

The President of the United States.

Closing Song, "Seek Ye First" The Sea Chanters.

Closing Prayer, the Honorable Harold E. Hughes, U.S. Senate (Retired)

OPENING PRAYER: THE HONORABLE JULIAN M. CARROLL

May we bow our heads in prayer. Father of us all, as we come to you on this day of national prayer we would first ask that you forgive us for our failure to seek your daily blessing, even after two centuries of your blessings in this nation our needs are many. We thank you for a nation of believers and we thank you for the believers in other parts of our world.

But, Father, even among your believers we have many who lack the faith which gave birth to this nation and birth to Thy nations around the world. We recognize that from our beginning as a free people that our Declaration of Independence is declared this nation's dependence upon Your divine providence, and Your sacred trust.

We pray this day that You would renew the faith of all our people and the peoples of the world and strengthen us sufficiently to meet the challenges before us. We pray especially that you would comfort, that you would inspire, that you would guide your devoted public servant, Jimmy Carter, in all his days of service, the people of America. Bless his family.

We extend the same prayer to those who carry the burdens of leadership in his cabinet, and extend further your hand of comfort and divine guidance to members of Congress, and the other public leaders of America and the world.

That for all of us Your will might be done. Amen.

CALL TO FELLOWSHIP: THE HONORABLE CHARLES PERCY

To members of the Supreme Court, to members of the President's cabinet, my distinguished colleagues in Congress, and to members from the United Nations, and from Washington, in what we consider to be the greatest diplomatic corps in the world, and friends, we welcome you here to this fellowship breakfast.

As we gather today for the 25th Annual National Prayer Breakfast, at the dawn of America's third century, on the threshold of a new administration, and during the first weeks of Congress, we are all reminded again of the foundation of strength and fortitude that supports our great democracy.

The cornerstone of this democracy, built over the last 200 years in times of plenty and joy, as well as in times of want and trouble, is our national spirit of conciliation and understanding in pursuit of common goals.

This spirit guides us today as we join in prayer seeking divine guidance as individuals and as a nation for the days ahead. We pray for a continuation of the spirit of democracy that places the orderly and just resolution of differences in our communities, in our states, and in our nation, above all other objectives.

The United States is a nation with our foundation built on the national motto, "In God We Trust." Because we strive to be guided to the higher order we strive to stand as a beacon of freedom, justice, and equality for all the world.

The birth of America signaled a great migration of people, seeking a new home where they could worship and govern freely. The authors of the Constitution turned to God for guidance and strength, asking for His help in their effort to build a nation that would endure.

We seek that same guidance and strength today. The last day has been a tumultous time in America, but today we sense positive feeling among the people. Our President and the nation's Congress are seeking a renewed dedication to our basic principles. The American people are longing to, and have begun the process of reasserting trust in our leaders.

Together with God's help we pray that we shall be successful in reaffirming our principles, and thus be worthy of the public trust given to us.

In the President's Inaugural Address he said, "This inaugural ceremony marks a new beginning, a new dedication within our government, and a new spirit among us all. A President may sense and proclaim that new spirit but only the people can provide it."

I think, and I believe we all feel, that we can take this great concept, even one step further. There is a majestic difference between the inspiration evoked by a great idea and making that great idea a reality. Together we must work diligently to make the realities of our actions as noble as the ideas we profess.

Or as James Dickey said in his inaugural poem, "Lord, let us shake with purpose."

We must undertake this task with the realization that our power stems from the people we seek to serve and above all from our maker.

Reverend Billy Graham, the inspiration you provided to our prayer breakfast groups and to this nation and to the world, and every member of the clergy here today, all of us would profess that you are engaged in the noblest of all professions, to help man better understand his relationship with His maker.

That those of us here in government and in politics and in international affairs are privileged to engage in what I would consider the second noblest of all professions, the attempt to have man better understand his relationship with his fellow man. And may we take our inspiration and our admonition from Proverbs. "Trust in the Lord with all thine heart, and lean not unto thine own understanding. In all thy ways acknowledge Him and He shall direct thy path." In this spirit let us join in fellowship.

OPENING STATEMENT: THE HONORABLE MARJORIE HOLT

In every continent, over 100 countries, and all 50 States, over 100,000 servicemen and women are sharing this moment with us at breakfast at 1,000 military installations and ships. We are so pleased that they are able to be with us through the American Forces Radio and Television Service.

Here we recognize our common need for understanding and peace among us. How difficult it is, even within our own families, to resolve our differences of philosophy and economics and religion and politics, and how much greater are our difficulties when we try to cope with cultural differences, physical differences, language dissimilarities, with our varied backgrounds, and all those things that divide us.

But when we come here in a spirit of love and a desire to understand that each one has his own problems to deal with, his cross to bear, we have a much better chance to overcome these difficulties.

You know, ever since God said to man fill the earth and subdue it and have dominion over every living thing that moves on the earth, we've been struggling to work in brotherhood and sisterhood. We in the United States have come through great trials as we have ended our 200 years as a country and now as we're going into our third century, as Senator Percy said, there is abroad in this land a thirsting after unity and love and understanding.

And we believe that this morning will be a step in that direction. One of the most exciting things about being here is the thought that we represent small, intimate groups meeting weekly all over the world, to pray for God's strength and guidance. Think of it, think of what a source of energy that is. So I think that's why we feel the excitement here, the power here today. This once a year meeting is just a small glimpse, a very small portion of an effort that goes on constantly around the world.

Praise the Lord that the spirit of truth and understanding may prevail among us always. As the prophet Micah said, "It shall come to pass in the latter days that the mountain of the house of the Lord shall be established as the highest of the mountain and shall be raised above the hills, and all the nations shall flow to it, and many people shall come and say, Come, let us go up to the mountain of the Lord, to the house of the God of Jacob that He will teach us His ways, and we will walk in His paths: for the law shall go forth of Zion, and the word of the Lord from Jerusalem."

GREETINGS FROM THE HOUSE OF REPRESENTATIVES: THE HONORABLE GUNN MCKAY

Marjorie, Mr. President, Mrs. Carter, and guests all. The poet put it well when he said "prayer is the sole, sincere desire uttered or unexpressed." I bring you greetings from the Congress of the United States and the House of Representatives prayer breakfast group who meet each Thursday morning as each of you in various places do on occasion. And I think it's well that we join unifiedly here together as leaders of this great nation and of other nations to set an example, to the world of faith which is best expressed, I suppose, in the injunction of Paul to Timothy when he said "wherefore I put thee in remembrance of that gift that you stir up that gift that is with thee, which was before in your ancestors," and I am paraphrasing slightly, "and which we have in our ancestors". And our forebearers expressed it constantly, the phrases such as God and nature's God. And in that final hour of decision when the declaration was established they said, "resting our souls in the divine providence we pledge our lives, our fortunes and our sacred honor, understanding very well the balance need in the human existence for not only the spiritual or the physical, and striving for titles and glory, but also the need for spirituality in the souls of human beings to make them balance, and of course, for the need of assistance and inspiration."

We in the Congressional prayer breakfast have had some glorious experiences. We vicariously have heard and seen profiles in courage. As our members have affiliated with one another and have tried to follow perhaps best expressed the reason for prayer breakfasts, when the Saviour speaking to Peter, when He was asking him if he loved Him and so forth, and He said, "Peter, the devil hath desire for thy soul but I have prayed for thee, and when thou becomest converted, strengthen thy brethren." We have seen some examples in the House of Representatives where a member of the prayer breakfast has taken a brother in trouble and has assisted him to recovery with a great firm reliance on a divine being.

Not only that, you as you are here today with foreign dignitaries. We have had some of the great leaders of the world in our homes. My wife and I enjoyed the experience of having an electrical engineer from Manila, the President of the Indonesian Oil Company, the minister of that whole country in our home, with his wife. As well as the gentleman and businessman from Australia, from Barbados, from Ukraine in Russia, and other places. So that we get that unification of faith and to understand each other, the purpose is to strengthen one another that we might, as was the charge, make one another fellow citizens with the saints and no more strangers.

The counsel then comes strong to each of us and we rejoice with you in our greetings to you, in the final statement that the Savior gave, "if you would know whether this is My work or of Him who sent Me, do it and ye shall know."

OLD TESTAMENT READING: THE HONORABLE JENNINGS RANDOLPH

President and Mrs. Carter, sisters and brothers, I hold the Scripture in my right hand. This was a Holy Bible given to me by my mother when I was just a boy of 12, and I'm going to read the 100th Psalm from this Bible, a very short psalm.

On the fly leaf of this Bible my mother said these words, "Each for the other and both for God." I think that must be the feeling of all of us who are here today as we sit one with the other, but all with God.

"Make a joyful noise unto the Lord, all ye lands, serve the Lord with gladness, come before His presence with singing, know ye that the Lord, He is God. It is He that hath made us and not ourselves. We are His people and the sheep of His pasture. Enter into His gates with thanksgiving and into His courts with praise. Be thankful unto Him and bless His name for the Lord is good, His mercy is everlasting and His truth endureth to all generations." Thus endeth the reading of the 100th Psalm. What a lesson.

GREETINGS FROM THE SENATE: THE HONORABLE PETER DOMENICI

Mr. President, Mrs. Carter, distinguished guests and brothers, I bring greetings from the Senate prayer group. While I have been in the Senate for only a short time, I have great confidence today as I stand before you because I feel the strength of my brothers who have sent me to greet you, and with whom I pray often. Several years ago a distinguished United States Senator was nearly mortally wounded right here in Washington by an assailant's bullet. You and I and thousands in this land have heard Senator John Stennis often.

He has given us a living testimonial of

the power of prayer. He has told us that he personally felt the power and can attest to its greatness, in fact, the great Senator Stennis has said that without our prayers and that power he is sure that he would no longer be with us. We tapped a great power, the power of the Almighty, during a crisis.

Today, one of our distinguished United States Senators, Dewey Bartlett of Oklahoma, is recovering in New York City from a serious cancer operation. He has told us personally that he will be well and that he feels the power of our plea to the Almighty.

We have found it easy to tap that dimensionless power for him, as we did for Senator Stennis, and as we have done and as you have done for others before them. The example of these two men, and us, show us that the power of the Almighty is real, and can be tapped by each of us, if we will.

Mr. President, you are as aware as we are of an energy crisis, but I submit there is no power crisis. The problems confronting our families as institutions, our children as they grow and they confuse society, our country as it attempts to solve economic difficulties, and our world as it gropes for peace, may appear as hard to overcome as those near mortal wounds to Senator Stennis, and that drastic tumor that Senator Bartlett now battles.

But the limitless power of the Almighty can sweep before it every problem, no matter how great, no matter how complex, and indeed no matter how small. We have this assurance on the Word of the Master, and occasionally we believed it and heeded it.

The Senate prayer group hopes that you will all leave here today committed to the proposition that that great dimensionless power for good surrounding us will be tapped by each of you as you solve your own problems, our problems, America's problems, and mankind's problems. Thank you.

NEW TESTAMENT READING: GENERAL DAVID C. JONES

President Carter, Mrs. Holt, ladies and gentlemen. I bring you greetings from the Pentagon fellowship group. The reading of the New Testament I have selected from the New Living Bible portions of Chapter 13, Paul's first letter to the Corinthians.

"If I had the gift of prophesy and knew all about what is going to happen in the future, knew everything about everything, but didn't love others, what good would it do."

"If I had the gift of faith so that I could speak to a mountain and make it move, I would still be worth nothing at all without love."

"Love is very patient and kind, never jealous or envious, never boastful or proud, never haughty or selfish or rude."

"It is never glad about injustice, but rejoices whenever truth wins out."

"All the special gifts and powers from God will some day come to an end, but love goes on forever."

"Now we know so little, even with our special gifts, and the preaching of those most gifted is still so poor. But when we have been made perfect and complete, then the need for these inadequate special gifts will come to an end and they will disappear."

It is like this: "when I was a child I spoke and thought and reasoned as a child does. But when I became a man my thoughts grew far beyond those of my childhood, and now I have put away the childish things."

"In the same way we can see and understand only a little about God now, as if we were appearing as a reflection in a poor mirror. But someday we are going to see Him in His completeness, face to face. Now all that I know is hazy and blurred, but then I will see everything clearly, just as clearly as God sees into my heart right now. There are three things that remain: faith, hope, and love. And the greatest of these is love." Thus endeth the reading of the New Testament.

Thank you.

PRAYER FOR NATIONAL LEADERS: THE HONORABLE BURT O. LANCE

Let us be in prayer for our national leaders. Our gracious Heavenly Father, allow all of us to pray for all of the leadership of the United States of America. Everyone in a position of leadership is in a special place with many time heavy and awesome responsibilities.

Let us realize that the power to carry out the responsibilities and duties we have comes from Thee. Along with the power and strength we receive from Thee we also receive other charges and duties and obligations. Let us hear one or two of them. "Of those to whom much is given, much is expected."

"Inasmuch as you have done it unto one of the least of these, My brethren, you have done it unto Me." "What doth the Lord require of thee except to do justly, to love mercy, and walk humbly with thy God."

Our Father, let us hear and understand Thy words, and let us live by them each and every day. We would pray for Thy special blessings on Thy servant, President Carter, to guide, direct, and protect him and let nothing make him afraid. Let us pray for Vice President Mondale as he travels around the world, hoping to bring us closer together to the people.

Bless the President's cabinet; bless all of the people in government; bless the Chief Justice of the United States and all the members of the judiciary; bless the members and the leadership of the Congress of the United States, and all of their deliberations.

Bless the military leadership of this nation, and all of the people in the military; bless the governors of the fifty states and the leadership of the rest of the world.

Finally, Father, let the words "In God We Trust" be more than just a motto. Let those words become a reality and a way of life for us all. All of this we ask in the name of Jesus Christ, Amen.

Mrs. HOLT. And now, Mr. President, Mrs. Carter, ladies and gentlemen, it gives me great pleasure to present to you a man who has given our nation more than twenty years of dedicated service as a member of Congress. During those years he has received many major national responsibilities, and among them most recently he was elected to serve as the Majority Leader of the House of Representatives. The Honorable James C. Wright of Texas.

SPECIAL MESSAGE: THE HONORABLE JAMES WRIGHT

Thank you, Marjorie, and thanks to all of you for the privilege of participating in this great event.

I'd like to begin by reading a few words from St. Paul's letter to the Philippians, in which he said, "Even as it is meet for me to think this of you all, because I have you in my heart . . ." and a few pages later concludes by saying "The grace of our Lord, Jesus Christ, be with you all".

That doesn't relate particularly to anything I have to say here today. But I just thought, Mr. President, it would be nice for some of these others to know that St. Paul apparently came from our part of the country.

I regret to say, however, that he couldn't have been from Texas because he wrote on another occasion, "I have learned in whatsoever state I am to be content."

Jennings Randolph has read from the fly leaf of a Bible given to him when he was a boy by his mother. Apparently my father knew me better than I thought he did, because on Christmas of 1938 when he gave me this Bible he wrote in its fly leaf, "Dear Jim, there are portions of this book which you will never understand. . . ."

But then he continued, "Don't let that worry you. Those passages which leave no room for doubt comprise the only rules of life. Conform to them and you will have nothing to fear, from either God or man".

So listen with me, if you will, to some words that leave little room for doubt. They were written about 3400 years ago and yet they bear such a marvelous relevance to our time that they could have been written for us. They appear in the eighth chapter of the book of Deuteronomy.

"For the Lord thy God bringeth thee into a good land, a land of brooks and water, of fountains and depths that spring out of the valleys and hills . . . a land where in thou shalt eat bread without scarceness, thou shalt not lack anything in it. . . .

"When thou hast eaten and are full, then thou shalt bless the Lord, thy God, for this good land that He hath given me. . . . Lest when thou hast eaten and art full, and hast built goodly houses and dwelt therein; and when thy herds and thy flocks multiply, and thy silver and thy gold is multiplied, and all that that has multiplied; then thine heart be lifted up . . . and thou say in thine heart, my power, the mite of my hand hath gotten me this wealth. But thou shalt remember that it is the Lord, thy God, that giveth thee power to get wealth. . . .

"And it shall be that if thou do at all forget and follow after other gods and bow down before them and worship them, I testify against you this day, that you shall surely perish. . . . Even as nations which the Lord destroyeth before your face, so shall ye perish."

But then let us listen to some words of reassurance, the comfort of the promise that was given to Solomon and recorded in the second book of Chronicles.

"If my people, which are called by my name, will humble themselves and pray, and seek my face, and turn from their wicked ways, then will I hear from Heaven, and will forgive their sin, and will heal their land."

There can be no doubt that the people of ancient Israel thought of themselves as living in a very special relationship with God. To them it was He who had blessed them, He who enjoined them, He who forgave them, and He who held them accountable. And this applied both to the corporate life of the community as a whole and to the personal lives of the individual inhabitants.

In the United States we similarly have made some pretense at being a covenant nation. Our charter document begins with the declaration that we hold these truths to be self-evident, and all men are endowed by their creator with certain unalienable rights, and ends with an expression of profound reliance upon divine providence.

We open our sessions in the House and the Senate daily with a prayer. The Supreme Court daily begins its sessions with a supplication by the bailiff, "God save the United States and this honorable Court". Our coinage bears the emblem "In God We Trust." We speak of ourselves as one nation under God, indivisible. On occasions I am not completely sure whether this is religion or religiosity, humility or presumption.

It was genius in Israel's religion that not even the king was exempt from the demands of God. And the living heart of its faith was that God confronts each person in a very personal way.

In my view the most appealing and sympathetic character of the Old Testament was David. He was at once both heroic and human, combining elements of the noble and the plebian in his make-up. Yet he was not without his fault.

Once, we are told, David became enamored of another man's wife, and conceived a child by her. When all else failed, he gave orders to his general that the woman's hapless husband be placed in the forefront of the hottest battle and that the troops retire from him so that he be smitten and die.

But there was in Israel a prophet named Nathan who upon learning of these events came to confront the king. Because the king also was a judge, Nathan presented a case involving two neighbors.

According to the story as Nathan told it to David, the two neighbors lived side by side, the one extremely wealthy and the other utterly impoverished, having in his possession only one little ewe lamb which he considered almost as a member of the family.

But when a distinguished guest came to visit the wealthier of the two neighbors, he, rather than taking of his own plentiful flocks and herds to prepare for the table, instead stole the one little lamb from his impoverished neighbor and slaughtered it for his guest.

You can almost imagine that the veins stood out in David's neck. You can imagine that he pounded the table at the unconscionable thought, because he said, "As the Lord liveth, the man who has done that thing shall surely die".

And the prophet calmly replied, "Thou art the man."

Each of us finds it very easy to criticize the activities of others. Yet how many of us would be surprised if in the midst of such criticism the presence of God should come upon us and we'd be told, "Thou art the one."

It seems to me that the religious experience primarily boils down to a recognition by each human of those four words which God said to David through Nathan.

First of all He says, thou art a sinner. You're a sinner. Oh, we have denied that, but our denials only serve to betray our sick pride.

Once I had dinner with a man who spent most of the evening telling about all the times he'd been wronged by churchmen, and how often he'd been treated honorably by non-churchmen. Finally he came to the climax toward which he seemed to have been working when he said, "I don't belong to any church and I'm just as good as anybody who does."

Well, that may have been true. But somehow I could not avoid comparing him in my mind with a man who many centuries before had caught a vision of God in the temple and had cried out, "Woe is me for I'm undone. I am a man of unclean lips and I live in the midst of people of unclean lips."

Only he who has not seen God can be blind to his own sins. Let any one of us come to the end of the day and look back over all the things that he's said he didn't mean, the cutting words we shouldn't have spoken, the parts we played that were insincere or unreal, the cowardice displayed instead of bravery, and we'll be confronted in that moment by one whose word is: "You're a sinner."

Scarcely has this had time to sink into our consciousness when God confronts us, as He did David, also through Nathan, with a second word: "You are forgiven."

We can cheapen that if we will and make it sticky and sentimental. But it is truly a terrible thing to be forgiven. It strips us of all our assurances and breaks down all our defenses.

If a person seeks to get even with you for some real or imagined wrong you may have committed against him, the natural instinct is to prevent his retaliation, forgetting all about your own guilt in the bargain. But if he forgives you, then your pride is broken, so that you can make proper and fitting amends.

When the Nazis forced the Jews in Denmark to wear the Star of David on their clothing as a sign that they were to be despised and dishonored, the king of Denmark and his family embroidered that identical emblem on their royal garments and wore it as a badge of honor.

Do you not suppose it would have made some difference to you, if you had been a Jew in Denmark, that your king shared your suffering?

And so it is in a sort of mysterious way that those of us who claim to follow Christ have come to believe that God was through Christ assuming the suffering and guilt of humankind and reconciling the world to Himself.

That is the experience of religion: to know that you're a sinner but that forgiveness is yours. It's free.

There has been a lot of talk recently about amnesty and pardon for people who've done things that some of us don't approve of. Well, what is the religious experience except that of a complete pardon? Each of us ultimately must find that in the scales of perfect justice he has been tried and convicted, found guilty, sentenced, and then not paroled but unconditionally pardoned.

Well, that is a point at which some might have the religious experience to stop. But it cannot stop there. God has this further word for us. He says: "You are responsible."

That has been true ever since Cain was held responsible for his brother's death in spite of his cynical question, "Am I my brother's keeper?" And it's true today.

All of us find it very easy to condemn those whom we consider responsible for the troubles of the world. Let's be honest with ourselves. Is there not a sense in which we all are responsible?

We flail away at those people who brought on this energy shortage. And then of course, we overheat our houses in the winter and overcool them in the summer, and drive our big cars at 75 miles an hour when we think nobody's looking.

We say what a shame it is that powerful forces of selfish people can create inflation. And then we spend money we don't have, to buy things we don't need, sometimes to impress people we don't really like. God says, now look, we're responsible.

The religious experience is accepting some measure of the responsibility as an individual for the troubles we see around us. John Woolman began the anti-slavery crusade in this country by refusing to write out a bill of sale for a slave owned by his employer. That is how most great movements start—by one person becoming convinced that something is wrong and that he is responsible.

G. K. Chesterton wrote:

"The Christian Social Union here was very much annoyed,

It seems there was some duty that we never should avoid,

So we sing a lot of hymns to help the unemployed."

Well, of course we all know that social problems aren't solved merely by singing hymns. They are solved ultimately when enough people are convinced that they individually are responsible.

God doesn't leave us there, either. He has one final word. He says: "You are able."

A sure sign of sickness of a generation is the oft heard disclaimer, well there isn't anything I could do about it. How does that compare with the word of Paul who said, "I can do all things through Christ, who strengthens me."?

More than 3,000 people are here today from more than 100 nations. Do we dare to believe that we are able to usher in a new age? Do we dare believe that we could be the grain of mustard seed or the leaven for the loaf?

Please do not retort with a self-abnegating statement of the weakness of human nature. Of course it goes against the grain of human nature to replace hate with love and fear with faith. But simply to plead the weakness of human nature as an excuse not to change is to resign ourselves to Lady MacBeth's lament that all of our tomorrows must lead fools the way to dustry death. That is not an act of humility, but a denial of the power of God to work miracles through fallible human flesh.

God says, you are able. You have the power; it's here; reach out and take it. Let me ask each of us to do something right now. Reach out to both sides, get hold of the hand of the person there. Now we are all in touch, all connected together, all of us. And this chain of physical contact represents humanity.

God says we have the power to make a change. Let's let it begin.

You who are black: can you forgive me for my arrogance? I ask your forgiveness. God says you have the power to grant it.

You who are white: can you forgive them who are black for their occasional anger? God says we have the power to forgive, we of whom so much is forgiven. He asks us both to forgive and to love.

Republicans and Democrats, those of us who embroil one another in such a torrid turmoil of debate, my friend the Minority Leader John Rhodes, contentious and disagreeable people though we are; can we love one another? Can we forgive one another our past excesses of dialogue? Can we be reconciled as brothers? Hawks and doves of the Vietnam era: can we close that sordid chapter and turn that soiled page face down? Can we repeat together the prayer of Aristophones among the ruins of the Greek temples destroyed in the Peloponnesian War?

"From the mumur and subtlety of suspicion
With which we vex one another
Give us rest.
Make a new beginning;
Mingle once again among the nations
With the alchemy of love;
And with some finer essence of forbearance,
Temper our minds."

We make this prayer together in the spirit of Him who says, we're sinners but we're forgiven; we're responsible but He will supply the power to meet that responsibility.

So then perhaps together not just the United States but all the world could do as we were admonished last Thursday in the Inaugural Address. May we resolve that we shall "learn together and laugh together, and work together, and pray together, confident that in the end we will triumph together in the right."

Mrs. HOLT. Thank you for that wonderfully inspiring message. Oh, what a power we do have, isn't this amazing. Now, it's my great honor, ladies and gentlemen, to present the President of the United States.

REMARKS OF THE PRESIDENT

Jim Wright's comments made me proud to be a brother with him; to be an American, to be a child of God, and I think what he said exemplifies the finest aspirations of those who are assembled here this morning. And, Jim, I thank you for what your talk meant to me.

The first time I came to this Prayer Breakfast was in 1967. One of the attributes to which many have referred this morning is one that I had in great abundance then more than I do now, and that's humility. I had just been defeated in my first campaign for Governor, and I thought in response to some of the things Jim said I'd talk about humility this morning.

The first draft of my inaugural speech did not include the reference to Micah's admonition about justice and mercy and humility. But, I had chosen instead II Chronicles 7:14, which Congressman Wright quoted this morning. "If My people, who are called by My name, shall humble themselves and pray and seek My face, and turn from their wicked ways, then will I hear from Heaven and forgive their sins and heal their land."

When my staff members read the first draft of my speech they rose up in opposition to that verse. The second time I wrote my inaugural draft I had the same verse in it and

they came to me in mass and said the people will not understand that verse. It's as though you, being elected President, are condeming the other people of our country, putting yourself in the position of Solomon and saying that all Americans are wicked.

So correctly or wrongly I changed it to Micah, and I think this episode, which is true, is illustrative of the problem we face. Sometimes we take for granted that an acknowledgement of sin, and acknowledgement of the need for humility permeates the consciousness of our people. But it doesn't.

But if we know that we can have God's forgiveness as a person, I think as a nation, it makes it much easier for us to say, God, have mercy on me, a sinner, knowing that the only compensation for sin is condemnation; then we just can't admit an error or a weakness or a degree of hatred or forgo pride.

We as individuals and we as a nation insist that we're the strongest and the bravest and the wisest, and the best. And in that attitude we unconsciously but in the all pervasive way cover up and fail to acknowledge our mistake, and in the process forgo an opportunity constantly to search for a better light, for a better country.

Paul Tillich said that religion is a search for a closer relationship with God and our fellow man, and to lose the inclination to search to a great degree we will lose our own religion. And as those of us who are followers of Christ know, the most constantly repeated admonition from Christ was against pride.

Sometimes it's easier for us to be humble as individuals than it is for us to admit that our nation makes mistakes. In effect, many of us worship our nation. We politicians, we leaders, in that sometimes excessive degrees of patriotism equate love of others with love of ourselves.

We tend to say that because I am a congressman, because I am a governor, because I am a senator, because I am a cabinet member, because I am president, of the people, and because I love the people, and because I represent them so well, then I can justify their love myself.

We tend to take on for ourselves the attributes of the people we represent. But when the disciples struggled among themselves for superiority in God's eyes, Jesus said "Whosoever would be chief among you, let him be his servant."

And although we use the phrase, sometimes glibly, public servant, it's hard for us to translate a concept of a President of the United States into a genuine servant.

Another theologian that I read very often who could penetrate the pride of a nation in the most effective way and try to analyze what democracy was, said a kind of prideful thing, but I think it brings to us a consciousness of our own capability.

"Man's capacity for justice makes democracy possible, but man's capacity for injustice makes democracy necessary." If we as leaders of our nation can search out and extract and discern and proclaim a new spirit, derived not from accumulative goodness or badness of people, which is only equal to individual goodness or badness, not even to the noble concept of our nation which is superlative without doubt, but from the ultimate source of goodness and kindnes and humility and love. And that's from God.

Then we can indeed be good leaders and servants, we can indeed be strong enough and sure enough to admit our sinfulness and our mistakes. We can indeed be constantly searching for a way to rectify our errors and let our nation exemplify what we as individuals ought to be in the eyes of God. But that's a hard thing to do.

One of the books that made a great impression on me was *The Ugly American*. Written a number of years ago about people from our own country who in a sense of unwarranted superiority, would travel around the world and despise others, in an ostentatious way, because they were not Americans.

I haven't traveled as much as I would like, 10 or 12 foreign countries, but I've seen in my own travels a respect of us, a respect for our nation, because of the same vision of our forefathers who inspired us. But at the same time quite often a deep sense of disappointment that we don't live up to those original hopes and expectations and ideals.

Not too long ago I was in South America with my wife, and we had a chance to learn firsthand about the deep sense of religion there. We saw the impact of our own missionaries. When people could speak fluent English because missionaries had been there. An elevator operator in Manaos, Brazil.

And I visited the equivalent of their speaker of the house, and that evening in his home we spent time on our knees, worshiping the same God. I preached one evening in a church in Rio de Janeiro and a couple of years later my wife and I were in what's thought to be the tomb of Christ, by ourselves, and a woman came up behind me and looked at me in a strange way and said, "Don't I know you from somewhere." And I said, "no ma'am, I don't think so." And she said, "I think you preached in my husband's church in Rio.", and it was the pastor's wife. And the sense of communion that we can have under God throughout the world ought to convince us that we are not superior, that we ought constantly to search our national and human individual consciousness and strive to be better, which doesn't mean more powerful and autocratic, but more filled with love and understanding and compassion and humaneness and humility.

Within the last week my wife and I and Vice President Mondale, and Joan, have shaken hands with literally thousands of people; members of Congress and the diplomatic corps, people who worked with us in the campaign, and distinguished visitors from around the world.

The last receiving line we met was of the military officers of our country from the chairman of the Joint Chiefs of Staff down through a very large representative group of enlisted persons. And afterwards one of the news people who had the cameras focused on us all the time, said, "Have you noticed any difference among the receiving line groups?" And I said, "Yes, I have, a very strange difference. My wife and I both noticed it. A tremendous and startling proportion of the military people, when they passed by me, said, 'God be with you. We remember you in our prayers.' " Much more from the military, the symbol of our nation's strength, than from any other group, all fine people.

So a search for peace, I believe, can only be successful if we recognize a commonality of the aspirations of human beings throughout the world, and if we remember that cumulative humility ought never to be equated to dominant national pride.

CLOSING PRAYER: THE HONORABLE HAROLD HUGHES

Mr. President and Mrs. Carter, our distinguished guests and ladies and gentlemen. What a wonderful morning of sharing in the spirit of God in our midst, and since we are gathered together in our national prayer breakfast let us take a moment to really prepare our hearts for prayer as we bring to a close this morning's hour of praise, faith, worship and hope.

It is customary in the fellowship group here and around the world in which we meet and study the Scripture, to pray together to God Almighty that we join hands in our closing prayer and that we lift up the needs of those in our midst and all things.

I would ask you in this closing prayer if around each table and where you are if you would join hands in a circle of prayer, as you were there, and let us indeed bow our heads and within the next minute or two if any of you feel that of God, all tables, not just one, lift up a prayer to God and I will close as the Lord does lead....

Our dear Father in Heaven, we are indeed grateful this morning that once again we can gather together in freedom from the lowest to the highest, in a worldly sense, and unite as brothers and sisters. We thank Thee for those that Thou has brought to us from the nations of Your creation in this world, to come as the guests of this, our country, that we might be bound together in spirit, with the President of the United States, and our brother, Jimmy Carter. That we might be bound in spirit with the First Lady of our great nation, and our sister, Rosalyn Carter. We thank Thee, dear Lord, for their love for one another and for the Holy Spirit you have implanted in their family, as an example before this country and the world. We thank Thee, oh God, that fearlessly this man and this lady can accept the responsibility of public position and as fearlessly live by the faith that they have received by Your grace.

We thank Thee, oh God, that Thou hast bound us together in this nation in Thy spirit and that by Thy own word Thou art in our midst this morning. We lift up our hearts as a nation for those in the world who might think that we are their enemies.

Dear God, help them to know the intent of our heart is to live in peace and to walk by the teachings of Thy Son, Jesus Christ. Help us to be forgiving as a nation of those who may in any way intend harm against us.

We pray for their leaders that wisdom might be given them, and by that wisdom they can know and trust the leadership you have raised in this country. We pray for that wisdom in our own nation and those who are our friends that we can in like manner be bound by the truth of Thy word and have Thine intent in our hearts. And dear God, we pray as a people that You will grant us a great compassion for the poor, not just of this nation but of the world, for the hungry today who cry out as we eat so bountifully, that we might truly be called to sacrifice.

We pray for the suffering of the world and the illness that we might be called to share in that which You have given us, and that Thy healing power might pour out in their midst.

Dear God, we pray especially for those who are lost, oh God, Thou didst come into the world to save the sinner, and we are all sinners, so help us God that we might reach to those in need. And now, oh God, have mercy upon us and forgive our sins once again because we dare to come before Thee, because we have received Thy Son, Jesus Christ, and accepted the blessing that the shedding of His blood has paid the debt and that it is solved.

We are grateful, God. And now dear Father, we praise Your holy name. We lift up our hearts in joy and in peace, and we say thank you, for this wonderful opportunity of sharing the word You have given us as the truth of Your creation.

And now, dear Father, pour out a blessing on our President and his lady, upon the and the parliaments of the world that are members of the Congress of the United States present, upon the judges and judiciary who must make decisions of importance in the lives of many, upon the rulers and kings of Your creation that they might indeed be Thy servants, and bless and meet the individual needs of every person here whose heart may cry out to Thee now with special problems.

Care for us, protect us from evil, and keep us close to Thee until we meet together again. In the name of Jesus Christ of Nazareth, our Lord and Saviour, we pray. Amen.

TAXPAYERS PAY FOR LOBBYING BY DEFENSE CONTRACTORS

Mr. PROXMIRE. Mr. President, I recently wrote Secretary of Defense Harold Brown on the subject of putting an end to auditing policies which allow defense contractors to be reimbursed for their

lobbying efforts in Congress and the Department of Defense. I understand such a policy change is under consideration by the Pentagon.

My letter of January 26 recommended that the Secretary accept the suggestion of the Defense Contract Audit Agency that contractors not be allowed to be reimbursed for lobbying expenses.

A series of audit reports provided to the Joint Committee on Defense Production indicate that many aerospace corporations have attempted to charge the taxpayers for such items as salaries and expenses of Washington-based lobbyists. The joint committee's report on the behind-the-scenes lobbying effort on the Condor missile program documents just how intense the contractor lobbying efforts can be.

The current practice sets up a vicious circle. Contractors get generous allotments from the Government to produce weapons systems. But rather than using all of it for production of these weapons systems, they siphon some of it off to lobby for even more money.

The Defense Contract Audit Agency has stated:

We found no recognizable benefit to Government contracts (in contractor lobbying efforts) since the Department of Defense and other executive agencies make determinations of policy and program needs, and justify their own requirements for appropriations. Attempts by contractors to influence legislation favoring procurement of their products can be inimical to DoD policies as well as program determinations.

There is enough favoritism and behind-the-scenes influence on large defense contracts as it is without the added insult of having the taxpayer pay for the bill.

Mr. President, I ask unanimous consent that my letter to the Secretary of Defense be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JOINT COMMITTEE ON DEFENSE PRODUCTION,
Washington, D.C., January 26, 1977.

Hon. HAROLD BROWN,
Secretary of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: This committee has been reviewing reports on Washington office operations of major defense contractors prepared by the Defense Contract Audit Agency. One recommendation expressed by the Agency in several of these reports was that contractor claims for reimbursement of lobbying expenses be denied on the grounds that such expenditures are prohibited by Section 1913 of Title 18, United States Code, which states:

"No part of the money appropriated by any enactment of Congress shall be in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation."

This committee has not yet been informed of any decision on this policy recommendation, but I understand that such a decision is currently under consideration. I strongly urge that you rule in favor of the recommendation made by the DCAA, and find that such lobbying expenses are unallowable. It is my belief that Congress intended, in enacting this legislation, to prohibit such cost claims by government contractors. In essence, what must be decided in order to determine the applicability of this Act is whether appropriated funds, as defined by this Act, include monies, obtained by your Department through appropriation, which are passed on to corporations through the device of a government contract. I believe that the Act does apply in this situation.

However, your policy decision need not be based exclusively on your decision as to the applicability of this Act. Even if it were decided that this Act did not expressly prohibit such reimbursements, I would nevertheless strongly urge that you rule in favor of the DCAA recommendations.

I do not believe that the DOD should, as a matter of policy, reimburse contractors for their lobbying activities. The Department of Defense itself spends a great deal of time and money for the purpose of maintaining liaison with Congress and supporting DOD budget requests. Therefore, the department should not be paying from its weapons acquisition funds for additional unofficial and selective lobbying by contractors in support of specific weapons programs. In this regard, I endorse the DCAA recommendation, which stated:

"We found no recognizable benefit to Government contracts (in contractor lobbying efforts) since the Department of Defense and other executive agencies make determinations of policy and program needs, and justify their own requirements for appropriations. Attempts by contractors to influence legislation favoring procurement of their products can be inimical to DOD policies as well as program determinations."

I too cannot see how contractor lobbying programs have any connection with performance of a government contract. I strongly urge you to rule against the cost allowability of such contractor cost claims. Please inform this committee of your ultimate decision on this matter.

Sincerely,
WILLIAM PROXMIRE, *Vice Chairman.*

COMPUTERS AND REPRESSION

Mr. KENNEDY. Mr. President, in the last few years there has been considerable discussion of the potential threat that computer information systems pose to individual privacy. A recent article prepared for publication by Computer Decisions indicates that American computer systems are being used in Latin America as tools of repressive regimes. They are used in Chile to keep track of the opposition, those considered leftists or suspects, according to the article. Computer printouts are used in other Latin American police states to cross-check data provided by detainees. The United Nations, according to this exposé, found that the Ville Grimaldi in Chile, one of the main torture centers, has extensive communications equipment.

Reports of torture in Latin America indicates one of its major purposes is to generate more information on friends and acquaintances, information that will now be fed into computers.

The authors of the article, Hesh Weiner and Laurie Nadel, deserve high marks for a difficult and important piece of investigative journalism.

The previous administration informed my staff that they would not make available the details of whether American computer firms have been selling computers to foreign secret police agencies, unless I first agreed to keep the information confidential.

I find this point of view, based on a misguided Department of Commerce intent to protect the competitive position of the individual computer firms, highly questionable. I intend to not only request of the current administration a review of this situation but also to examine the possibility of legislation.

I believe that if the U.S. Government is licensing the sale of computers for these purposes to foreign governments, then not only the Congress but the American people have a right to know this information.

Also, when the Congress has initiated and the President signed legislation barring all forms of military support to the Government of Chile, including commercial arms sales, then it seems clearly contrary to our intent to provide additional equipment, such as computers, to be used for the purpose of tracking down opponents of the regime.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WOULD YOU SELL A COMPUTER TO HITLER?
LATIN AMERICAN DICTATORSHIPS ARE USING COMPUTERS AS TOOLS OF REPRESSION. IT APPEARS THAT AMERICAN EQUIPMENT MAKES IT POSSIBLE TO AUTOMATE "THE FINAL SOLUTION"

(By Laurie Nadel and Hesh Wiener)*

Would you sell a computer to Hitler?

You remember Hitler. He maimed, tortured and killed millions of people. They were, as far as he was concerned, enemies of the state. That, he felt, was enough.

Some people escaped. But imagine if Hitler had had a computer to keep track of his victims and intended victims. Log in. Type give me the names of 20 Jews and 30 Catholics in Berlin. And . . . but why go on? Hitler died a long time ago. These things don't happen any more. Or do they?

There are countries on this earth with governments so cruel that you can't find words to condemn their actions. And these governments carry out their missions, it seems, with the aid of computers. American computers.

In Chile, Uruguay, Argentina or Brazil an agent of the secret police can come to your door and ask you detailed questions about one of your friends—or even about someone you hardly know. If you do not answer satisfactorily, you may be threatened or taken away.

If you are taken away by the secret police, you may be tortured. According to a United Nations report, you could be hung upside down in a vat of urine or forced to eat vomit until your memory improves. If it doesn't, what follows will make you wish you had drowned in the tank which you were hanging. You may be told that your loved ones will be treated even more harshly, although you probably can't imagine what more harshly means.

Like all modern police forces, secret police agencies have the latest in crime information systems, as sophisticated as their governments can afford. For example, according to a knowledgeable refugee, the Chilean government's computer systems store complete information about "the opposition, those considered leftists or suspects. The computer has all the facts." In South America, such

*Ms. Nadel is a journalist who worked for UPI and Newsweek in Peru and Chile. The authors thank Tom Mechling, editor of the newsletter Washington Watch for pointing out the need for a thorough investigation of this topic.

systems are running on American computers—the United States is the technological supplier of choice in this hemisphere.

The American computer manufacturers that supply Latin American governments with computers say they are not aware that their machines are used by the secret police. But they do concede that it is not possible for them to control how their machines are used by their customers. Most vendors say that they can not take responsibility for the ultimate use to which their products are put.

"We are in a position similar to a car manufacturer," says IBM's director of information, Dan Burnham. "If General Motors sells you a car, and you use it to kill someone, that doesn't make General Motors responsible.

"Once the manufacturer sells the automobile, there's no guarantee it won't be used to commit a crime."

Control Data Corp.'s vice president Roger G. Wheeler, speaking for that company, concedes the responsibility of a manufacturer, especially a manufacturer of computers of awesome capacity. CDC, alone among American mainframe vendors, has a corporate policy governing the sale of its machines.

"Our own sense of responsibility," says Wheeler, "would not permit us to provide a computer system for any purpose that abridges human rights and dignity."

Asked whether IBM has a similar policy, Dan Udell, an IBM public relations officer, said that "IBM's official policy is to act in accordance with U.S. national policy in dealing with all countries."

IBM has substantial interests in Latin America. In Brazil, for example, IBM's factory in Sao Paulo makes System 370s. In Argentina, IBM builds high-speed line printers. In Uruguay, IBM has an enormous service bureau and data center. In Chile, IBM has no plants but does have a data center in Santiago.

It is in Santiago that the DINA, Chile's secret police, is headquartered. In the old offices of the Pan American Bank, an eight-story building, the DNA directors oversee their work. Sources say that there are computers in this building, computers of American manufacture, which may well be linked to other DINA offices and police organizations by Chile's sophisticated telecommunications complex.

Communications links in Chile include a modern ITT telephone system said to be as good as any in the United States, an extensive microwave network for long distance communications, satellite links and government radio channels.

These facilities enable the DINA to keep in touch with its more specialized offices.

On José Arietta street, on the outskirts of the Chilean capital, is a building officially known as Villa Grimaldi, commonly called the Palace of Laughter. It is here that victims of the secret police may be taken for torture. Ultimately, victims are sent to concentration camps or prisons, of which there are many in Chile. Villa Grimaldi, according to United Nations sources, has extensive communications equipment.

The use of computers by the secret police in Chile was first brought to public attention by the National Council of Churches. Reports received by the council indicated that an American computer was destined to become a tool of the DINA.

NCC representatives went to an IBM shareholders' meeting on April 28, 1975, with the hope that they could halt IBM's planned installation of a 370/145 at the University of Chile in Santiago. They claimed that the system would be used by the police agencies of that country, not the university.

"The Chileans did purchase a 145," IBM's Burnham explains, "and they told us they weren't doing it for intelligence purposes," IBM decided to trust the Chileans.

"If I was the Chilean military junta, I wouldn't put my computer in the University of Chile," reasons Burnham. However, he says, he does "understand the generals have taken over the university."

The National Council of Churches is more definite on this issue than any IBM spokesman. William Wipfler, the Latin-American director of NCC, feels that IBM does indeed have a responsibility in this matter.

"We called the attention of IBM to the repeated violations of human rights in Chile and asked them to reconsider their plans to install the 145."

The National Council of Churches backed their pleas with proxies totalling 200,000 shares of IBM stock.

"The question is not whether they would sell computers to Hitler," says Wipfler, "but whether they would sell gas chambers to Hitler. Either way you're giving him weapons. When you know who Hitler is, you can't pretend you don't know what he's doing with your equipment."

Frank Cary, IBM chairman, spoke at the 1975 meeting in response to the church group's protest.

"We don't think the installation of a computer on the campus of the University of Chile has any sinister implications at all."

Sinister, according to Washington journalist Tom Mechling, is hardly the word. "The University of Chile would be a real Machiavellian place to put the thing. On the basis of what I've learned from extremely reliable sources, I'm very much convinced that that computer is being used for name, rank and serial number. These people who say they don't know what it's being used for suffer from the Eichmann syndrome. They claim they're only carrying out orders."

But IBM did send Dan Udell down to Santiago.

"We checked it out in detail. It's used for payroll, for processing student aptitude tests, for enrollment statistics and applications to college. To the best of our knowledge there are no other applications."

Perhaps the 145 at the University of Chile is not used by the secret police. But there is another, more direct link between the university and the Chilean secret police, a link typical of those that connect various Chilean institutions.

The leading computer service bureau in Chile is ECOM (for Empressa Nacional de Computacion), an organization that provides extensive computer support to the government. This relationship is a long-standing one, according to a Chilean refugee now living in England. But, our source indicates, that relationship now includes computer support for DINA operations.

The president of ECOM is René Peralta, a former official of the Chilean Navy. He is also the former head of computation at the University of Chile, the very organization now training people in the use of a 370/145. The chairman of ECOM is an active general in the Chilean Army.

Our source claims that the systems at ECOM include modern powerful American computers. The services provided by ECOM include teleprocessing; the software there is capable of running database applications.

On May 20, 1975, General Pinochet, head of Chile's military junta, dedicated a 370/145 at the Technical University. This computer has been linked to other campuses by telex lines, according to Chilean sources.

The Technical University system is one of several shared by the Chilean Association of University Computing Centers. Among the members of this association are the University of Chile, Catholic University, University of Concepcion and ECOM.

Today, the Technical University is headed by Army Colonel Reyes. Commenting on this, an informed exile said "interrelationships between the universities and the military are natural" in Chile.

In addition to Peralta, there is another figure whose name comes up whenever computers and repression in Chile is discussed. He is Patricio Léniz, a former civil engineer who, according to informed sources, was a key software man on the computer projects of the DINA.

Patricio Léniz is the brother of Fernando Léniz, former minister of the military junta ruling Chile, Fernando Léniz is also the former chairman of *El Mercurio*, Chile's right-wing newspaper.

Further substantiation of the DINA's use of computers comes from refugees' accounts of mass arrests in Chile. Those rounded up surrender their identification cards which are quickly processed. Suspects are separated from the detainees and ID cards are soon returned to those freed. The rapid checking of names against police files requires an on-line computer facility. Other stories from individuals detained by police corroborate the rapid checking of dossiers.

IBM is not the only American manufacturer that sells computers to Chile. Burroughs also sells machines there. Neil Jackson, Burroughs director of communications, said that the Chileans have one older machine which Burroughs sold them in 1970. This, he points out, was three governments ago.

Jackson's statement conflicts with a report that there are Burroughs mainframes at the Technical University, the Catholic University and at the government's service bureau, ECOM.

Jackson stated that "Burroughs's official policy is that we never comment on the political affairs of any of the 120 countries with which we do business, including our own."

Suppose a B3500 is now used for police purposes? "Obviously we hope it's not," said Jackson. "We're not aware of any use by any of our customers for any purposes that violate human rights."

Refugees from other Latin-American police states also tell of the use of computer printouts during interrogations to cross-check data provided by detainees. According to these exiles, dossiers are shared among the police forces of Argentina, Chile, Uruguay and Brazil.

The most detailed report of the use of computer-generated information during a police interrogation comes from a clergyman. He entered Uruguay and was picked up by the police there for questioning. During the ordeal the police tried to get him to talk about a Catholic priest they were investigating.

When detained for questioning, the clergyman was presented with a computer printout describing the details of the career of his colleague. On the printouts were all the addresses at which the sought-after priest had lived, his salary at each point in his career, his telephone numbers and his relations with other Catholics in Uruguay.

The interrogated clergyman said that the most incredible thing about the questioning was that, as far as he could tell, the man the police sought had never been in Uruguay.

This printout, a church spokesman claims, could not have been stolen from the personnel files of the Catholic church, it must have come from some police computer system. Police in Latin America, he said, keep close tabs on many priests.

The idea of using computing equipment to support police activities in Latin America has been promoted by the United States government. During the early years of this decade the Agency for International Development (AID) provided South American police forces with weapons training and data processing equipment under its "public safety" programs.

In an AID document describing U.S. assistance to the government of Venezuela,

contract 529–11–710–022, U.S. officials report that "the technical groundwork has been laid for the country's public safety agencies, through electronic data processing and related processes, to pool their identification and intelligence data in a central location for more efficient coordination and rapid distribution of relevant facts and leads."

AID's Office of Public Safety, in a report on its assistance to Brazilian authorities, specifically lists IBM systems among police equipment shipped to that country.

Is this practice continuing? An AID official said that that agency no longer provides police equipment to Latin states. But AID does "provide computers to Chile."

The computers are included with moneys earmarked for activities other than "public safety." An AID official said that a recent grant for agriculture included a "computer component." He added that there is no practical way for AID personnel in Washington to check on the ultimate use to which such a computer is put. Informed sources state that the Chilean Institute of Agriculture building in Calle Belgrado, Santiago, is a center of communications for the DINA.

Evidence that Latin American authorities use computers for repression is abundant. Yet there seems to be no way for either computer manufacturers or humane governments to halt this activity.

What little hope there is for a change in these practices may lie with the United Nations, a body limited to persuasive power.

The United Nations has been concerned about the possible use of computers as an aid to police in dictatorships. The proposed United Nations code of ethics states:

"It would seem imperative for computer experts to have some training in human rights concepts and in certain aspects of the law.

"In computer-based decisionmaking, the computer user should bear in mind the need to protect and promote the rights of the individual."

Can the United Nations actually halt the use of computers by police states? Can it prevent automation of "the final solution?"

"The U.N. has no methods of enforcing its principles," says Leonore Hooley, a United Nations human rights officer.

"We operate on the principle of nonintervention in the internal affairs of countries."

Meanwhile, the Chilean government published a booklet last year. It is entitled "Universities and Development" and is written by Sergio Maldonado. In that booklet is a statement about a familiar figure:

"Hitler, a politician of the highest rank, knew how to majestically interpret the aspirations of the German people at a propitious moment. In a short time, he was able to raise them up so they could regain their place among world powers."

THE UNITED NATIONS FINDINGS

In the movie *Casablanca*, Rick (Humphrey Bogart) is standing over a corpse with a smoking gun is his hand. The French police inspector calls into headquarters.

"Major Strassler has been shot," he says. "Round up the usual suspects."

That scene is a daily occurrence in countries like Chile.

On October 8, 1976, the United Nations published a report developed by its Economic and Social Council entitled "Protection of Human Rights in Chile." The report details some activities of the DINA, Chile's secret police. Here are excerpts from that report:

The DINA is the organization which allegedly has assumed responsibility for selective repression. Its functions, according to the preambular provisions of decree-law No. 521, which established it, consist in giving the government of Chile "immediate and permanent assistance . . . to provide it with the systematic and duly processed information it may need to do justice to its decisions in the field of national security and development."

Villa Grimaldi, or "the palace of laughter," as this center is known to many persons, houses most of the DINA's organization and a communications center. The communications center includes antennae and equipment for high frequency communication, which makes it possible to communicate with people throughout the world, as well as VHF antennae and equipment which makes possible rapid communication between the center and the President of the Republic, and with vehicles and operating groups in action. It is the DINA's largest torture center and at times has allegedly held between 120 and 150 political prisoners.

The outstanding features of the detention area of Villa Grimaldi are the following: a prisoner's area, a workroom, accommodation for staff, a *parrilla* area, guardhouses and bathrooms, tiny cubicles smaller than telephone booths where prisoners are locked up with their hands and feet tied, the tower for special tortures and punishment, and the pool, which is used for torture. The following methods of torture are being frequently applied during interrogation:

The *submarino* (submarine). The detainee is bound hand and foot and lowered into a drum of nauseating liquid (urine, sewage water, petroleum), thereby provoking temporary asphyxiation. This method is said to have been applied in Villa Grimaldi utilizing a swimming pool attached to this center;

The *patoma* (pigeon), which consists of tying the prisoner's hands behind him, then hanging him up by them; his feet are often also tied. Then the prisoner is beaten or given electric shocks. This method is also used with the prisoner suspended in a tub or in the pool at Villa Grimaldi, and electric current is applied to the water;

Driving vehicles over the hands and feet of prisoners, causing multiple fractures, or over other parts of the body, causing death;

Programmed beating in one part of the body to cause insanity: constant beating of the head, armpits, bare feet, groin;

Sexual outrages, including rape and the use of animals specially trained for sexual depravation;

Pau deArara. This consists of tying the hands and feet together and hanging the prisoner from a stick with his calves tightly bound to it. The prisoner is turned and electric shocks and blowtorch flame are applied to genitals, mouth, head, etc., and blows to all parts of the body;

Applying alcohol and electric shocks to torture or gunshot wounds;

Breaking bones of the fingers, feet, arms and legs with blows or "levers;"

Acid burns on the eyes, testicles, vagina or other parts;

Forced ingestion of vomit;

Electric shocks in a chair. This method is allegedly commonly used because it is quick and easily applied. Prisoner's homes and places of work are often used.

Special booths which are smaller than a telephone booth and barely large enough to hold a seated person. The prisoner, in chains, is left in the booth for an indefinite period of time and taken out for interrogation or further torture;

Cold-blooded extraction of teeth;

Pulling the nails from fingers and toes, and burning the most sensitive organs of the body with cigarettes or directly by fire;

Simulated hanging or firing squads;

Psychological pressure, such as arresting and torturing the prisoner's immediate relatives, in particular his wife and children. The children are sometimes later placed in Carabinero orphanaques.

In Colonia Dignidad prisoners have allegedly been subject to different "experiments" without any interrogation to dogs trained to commit sexual aggressions and destroy sexual organs of both sexes; to "tests" on the limits of resistance to different methods of torture (resistance to beating, electricity, hanging, etc.); to experiments designed to drive detainees insane through administration of drugs to prolonged periods of isolation and other inhuman conditions. It is noteworthy that in this camp prisoners allegedly hear nothing from their captors other than the orders for torture. In Colonia Dignidad there appears to be a torture center of a particular kind in a specially equipped place underground: there are small, completely soundproof, hermetically sealed cells for prisoners. Leather hoods are placed over the prisoners' heads and stuck to their faces with chemical adhesives. In these cells torturers allegedly carry out interrogation over a closed-circuit radio system, with the detainees naked and tied to their berths while electric shocks are applied.

GERMAN SYSTEM PROTECTS PEOPLE

The most designed police information system in the world is Berlin's criminal police information network. This recently-installed system uses special hardware and software to protect the rights of citizens while it speeds police and court work.

When an arrest is made, the arresting officer is required to enter relevant data on a workstation terminal at his local precinct house. But before he can log on the system, the officer must insert his machine-readable identification card into a reader. Only when complete and correct data is presented at the terminal will it be forwarded to a central system which again checks for errors and creates or updates a file which automatically produces documents for the police force. Later, reports are generated for prosecutors and jurists should court action be necessary.

A detective making an inquiry about a suspect must follow a similar procedure. The officer's identification card is checked against records to assure that the action is within the officer's jurisdiction.

Any illegal action is detected by the system which also produces summary reports of proper as well as improper activities for review by police authorities. Further, data can be made available to defense attorneys and other appropriate parties during the preparation of a legal case or during an actual trial. No party can receive data beyond that mandated by law.

The terminals, which have hardwired programs, were built by Nixdorf Computer. They contain a special processor, printers, identification card readers and communications hardware. The mainframe that guards the data base is a Siemens system. Training for all users is performed by police personnel.

There are currently 79 of the Nixdorf terminals online, and many more can be accommodated as needed. The mainframe can be altered, too, because the terminal is intelligent enough to match any new protocols that might be established.

While the system was installed to cut the amount of paperwork officers must complete in the course of dealing with routine crimes, the approach taken by the police of Berlin demonstrates that an effective criminal information system can also be designed to insure justice, security and accuracy. It is expected that the Berlin system will be adopted by other police forces in Germany and in other countries as well.

STATEMENTS SUBMITTED BY REQUEST

(By request of Mr. STEVENS for Mr. GOLDWATER, the following statements and the material attached thereto are printed in today's RECORD:)

DOES THE PRESIDENT HAVE THE POWER TO GRANT AMNESTY?

Mr. GOLDWATER. Last month, when the Senate had under consideration the Allen Resolution, expressing the sense of the Senate in opposition to a general Presidential pardon of Vietnam-era draft evaders, I expressed my hope that sometime during the debate we ought to clear up the question of whether or not the President has the power to grant amnesty.

Not being a lawyer, but as a student of history and the Constitution, I think the question should be aired as to whether or not the Constitution gives the President the right to grant a pardon and not the right to give amnesty. After all, the Constitution nowhere uses the word "amnesty".

Although the power of amnesty has been asserted before, it has been a subject of controversy since it first appeared in our legal terminology. The word "amnesty" was not even used until the Civil War. Presidents Lincoln and Johnson were the first to use the term amnesty in their proclamations, and to be accurate they referred to both the Constitution and to an Act of Congress as the basis of their authority. Thus, an argument can be made that any power of amnesty exercised by these Presidents was pursuant to Congressional grants of authority and do not represent strong precedents for an independent amnesty power of the President.

Two broad questions appear to have been raised by legal scholars about the amnesty power. Some question has been raised that amnesty may be an *exclusive* power of the legislature. A stronger contention has been put forward that amnesty is a power shared concurrently by the President and the Congress.

Critics of Presidential amnesty argue that it is no mere chance that the Constitution does not use the word "amnesty." They say that this was not an oversight by the Framers, but intentional.

The argument goes that the Framers were well-versed in English law and knew that there was a clear distinction between "pardon" and "amnesty" in England. The King could grant a pardon, but only Parliament could award amnesty.

Since English rules and English conceptions are accepted by our courts as being authoritative in construing the pardon clause of the Constitution, this view holds that amnesty is an exclusive power of Congress.

The proponents of the view that Congress *shares* the amnesty power concurrently with the President base their theory largely on a Supreme Court decision. The case which they cite, *Brown* v. *Walker* (16 U.S. 191) stated that the Executive power of pardon had never been held to take from Congress the power to grant laws of general amnesty. This case upheld the validity of an Act of Congress providing immunity to witnesses from prosecution in certain cases, which the Court observed was virtually an act of general amnesty.

Scholars have had difficulty in distinguishing between amnesty and pardon. Many persons consider amnesty to be a grant of immunity from legal prosecution and punishment to entire classes of unnamed individuals who have been guilty of a crime. Pardon is thought of as a release from prosecution and punishment of a crime only for the individual specified in the pardon. In other words, amnesty may be considered to be a type of "general pardon."

Others suggest that amnesty has no application in the case of persons who have already been convicted and sentenced for crimes. It overlooks the offense, while pardon cancels punishment already handed down.

Another distinction that arose during the Civil War and its aftermath is that only the power of amnesty can restore political rights, such as entitlement to vote and to hold political office, lost by law-breakers. This view holds that even if the President can offer a general pardon to large numbers of unnamed individuals, and thereby grant to them immunity from punishment, he cannot confer the right of suffrage or other forfeited rights of citizenship to the individuals who have been pardoned.

In order to encourage some thinking about a subject which I had hoped would be aired during our debate on the Allen Resolution, I attach a Law Review article on amnesty which openly professes to be a minority opinion, but nevertheless may generate some fuel for thought on this important issue.

[Attachment]

[From the Mississippi Law Journal, Vol. 16, p. 127 (1944)]

"DOES THE PRESIDENT STILL HAVE AMNESTYING POWER?"

(By William A. Russ, Jr.)*

W. Y. Elliot in his article, Amnesty, says that both President and Congress have the prerogative of amnesty, and he cites certain court decisions to that effect.[1] It is the thesis of this paper that Congress alone has amnestying power—a power which lies dormant during usual times but which, during and after wars and rebellions, may become extremely important. A discussion of the question at the present time is not entirely academic. It is devoutly to be hoped that no rebellion will occur against the United States during this war; and yet the recent coal strikes and the attitude of John L. Lewis force the subject of amnesty upon the attention of lawyers, if upon no one else.

According to a United Press despatch of May 17, 1943 the War Labor Board "accused John L. Lewis of virtual treason for his continued defiance of its efforts to settle the coal dispute". The Board is quoted as saying that "this defiance challenges the sovereignty of the United States in time of war and gives aid and comfort to our enemies". Giving aid and comfort to the enemies of the United States is one of the definitions of treason in the Constitution. Others have discussed Lewis and the miners in like terms. Suppose the 500,000 miners should strike against the Government while the mines are under public operation, and suppose the United States declared the workers to be in a state of rebellion. It is questionable whether even Lewis or the miners would go so far as to force the Government to such an extreme; but if it did happen and if we still won the war, a demand would arise, after peace had been won, that these half million men be amnestied. The question as to who—Congress or the President—had the authority to issue amnesty to them would become a vital one.

In answering this question the first requisite, under ordinary circumstances, would be to discover just what the term, "amnesty", means. This is a difficult task, for even the authorities differ on the precise line between pardon on the one hand, and amnesty on the other.[2] Elliott,[3] in differentiating between the two terms, is inconsistent himself. He says that the courts have refused to isolate pardon from amnesty, and yet a few paragraphs farther on he states: "To be sure, American courts recognize a distinction between the two . . ." To prove his first assertion he cites *Brown v. Walker*,[4] which declares, "The distinction between amnesty and pardon is of no practical importance". Elliott also cites *Knote v. U.S.*,[5] which says the difference is merely philological: "All the benefits which can result from both pardon and amnesty, would equally have accrued . . . if the term 'pardon' alone had been used in the Proclamation of the President".[6] But the Court's dictum simply does not accord with the procedure that was worked out during reconstruction, when pardon and amnesty were not alike at all. There is a vast difference between what the Court, after reconstruction was over, said should be true, and what actually happened during reconstruction.

It seems to the present writer that if a study is made of the reconstruction era these inconsistencies and confusions disappear. For, while radical politicians may not have evolved definitions of pardon and amnesty from the authoritative sources, they did produce a practical differentiation which, having become the accepted theory during reconstruction, must now be taken as precedent in the United States at least. What was the practical distinction which radicals educated, merely because the party purpose demanded the creation of some kind of formula which would justify their acts?

In the first place, pardon is an executive function which is limited by the Constitution to the President. It may be used to save a common criminal, like a counterfeiter, from all or part of the punishment imposed by a court after conviction. Or it may free a group of political criminals (like rebels or insurrectionists) from the possibility of future judicial punishment. This is done by proclamation.[7] Offered to groups of rebels or insurrectionists, it restores their civil rights (owning property, for instance), but does not reinstate their political privileges (like voting and office holding).

Amnesty, on the other hand, is a legislative function which Congress was strong enough to arrogate to itself during reconstruction. The Constitution does not mention the term. It does not apply to common criminals but to political criminals, usually in groups, although not always. After their civil rights have been returned to them by a Presidential pardon, their political privileges may be restored to them by a Congressional amnesty, and by that alone.

The fundamental difference between the two powers is that, in cases dealing with rebellion and treason, amnesty enfranchises while pardon does not.[8] To comprehend how radical statesmen arrived at this neat conclusion, some facts regarding the history of the reconstruction controversy are necessary.

II

Although there had been instances of Presidential pardons to rebels and insurrectionists before the Civil War, it was during and after this conflict that the problem became an acute, that is to say, a political one. The reason was that there developed a disagreement between President Lincoln and Congressional radicals over the way in which the southern states should be restored to the union. Congress, in the confiscation[9] law of July 17, 1862, had granted to the President the right to "pardon and amnesty" rebels at will. Some questions arose, at the time, as to whether Congress could grant to the Chief Executive the power of pardon, a power which he already had by constitutional authority, but it was not until after the war that his problem became a real bone of contention between Congress and the President. Lincoln made a few objections to other clauses in the bill, but seemed to have none against section thirteen which gave him power of pardon and amnesty.[10] On December 8, 1863, the President issued his famous

Footnotes at end of article.

one-tenth plan which offered (so far as the Executive could) to recognize new state governments provided ten per cent of the voters as of the election of 1860 took the oath of amnesty which he included in his proclamation. It later became a much debated question whether Lincoln issued this offer on the basis of his constitutional power of pardon, or on the basis of the right of pardon and amnesty as granted to him by Congress in the law of July 17, 1862. Some authorities say the first; others say the second.[11] The truth is that he referred to both grants of power[12]—a fact that does not help much in solving the problem. At various times, during the rest of the war, radical statesmen said that the President did not have amnestying power,[13] and the Wade-Davis bill[14] was passed by Congress upon this theory. Congress refused to admit members from the state governments that Lincoln had restored, and in so doing seemed to be repudiating the power of amnesty it had already granted to the President.

The problem became of keen party interest when President Johnson proceeded to follow Lincoln's lenient policy of restoration by issuing several proclamations (the first on May 29, 1865)[15] offering amnesty to thousands of rebels—the great ones applying to him in person, the lesser ones merely appearing before the proper court official. On the basis of this kind of clemency, Johnson restored the southern states by allowing pardoned Confederates to vote, to elect constitutional conventions, to form state governments, and to send senators and representatives to the session of Congress which opened in December, 1865.

By that time the radicals were aroused. They perceived that Presidential pardon and amnesty might place the government in the hands of northern cooperheads and pardoned rebels from the south.[16] After refusing to admit the members from the Presidentially reconstructed states, the radicals hurried frantically to concoct some kind of formula which would nullify Johnson's claim to the power of amnesty (that is, to enfranchise). Dozens of speeches, which declared the President was overstepping his powers in amnestying, could be cited, but the radicals were tied by law which Congress itself had passed. That was the confiscation act which had given to the President the power to pardon and to amnesty. It became clear that this grant must be negatived. The repeal[17] went through on January 7, 1867, and yet the President continued to amnesty, not only by proclamation to groups, but also by releases to individuals.[18] After the military laws of March, 1867 (which disfranchised thousands at the order of Congress), many southerners said that, having been pardoned, they could not be deprived of the privilege of voting and officeholding. Every move to test the constitutionality of the laws was evaded by the Supreme Court[19] When registration of those who could take the proper oath proceeded under the reconstruction laws, hundreds of pardoned rebels demanded the right of registering on the basis of their pardons. They were always refused.[20] To make certainty doubly certain, Congress, in the third reconstruction act[21] of July 19, 1867, inserted a clause expressly stating that a pardon did not enfranchise.

The crisis arrived in September, 1867 when Johnson played his last card, namely, a proclamation which pardoned all remaining rebels except about 300. His conservative friends said that he intended to use the army to reopen the registration books and to force the insertion of pardoned southerners therein.[22] In fact he received many appeals calling upon him so to do.[23] Radicals prepared for an armed clash if the President should use force to justify his contention that a pardon enfranchised the recipient. Johnson's organ, the Washington *National Intelligencer*, declared that the President had no idea of using force, but was trying to get the case before the courts.[24] Many rebels, upon being refused the privilege of registering, did sue the registrars in the courts.[25] It was during the fall of 1867, therefore, that the precedent was being finally set and when much of the discussion regarding the difference between pardon and amnesty took place. With this historical background, an analysis of the problem is now possible.

III

Both radicals and conservatives agreed that pardon rested with the President by constitutional authority;[26] they disagreed upon whether pardon included amnesty and upon whether pardon restored both civil and political rights. Radical theory demanded that it restores only civil rights, although Congressman John A. Bingham of Ohio, who was somewhat of a student of constitutional law, had said, regarding the civil rights bill, that political and civil rights, according to Blackstone, were synonymous.[27] But such a doctrine was heresy in the eyes of radicals, for, if a pardon restored the political rights to hold office and to vote, radical control in the country would be endangered. As a matter of fact, radical comment always took the slant that the Presidential pardon did not enfranchise. The Albany *Evening Journal* said the President could not grant amnesty (that is, could not enfranchise) because he had no power to pardon before conviction and because he could not pardon communities as a mass.[28] Similarly the New Orleans *Tribune*: "The President can pardon rebels, but he cannot confer the right of suffrage on them".[29] An unsigned article in the *Atlantic Monthly* called the attempt to enfranchise secessionists "The Conspiracy at Washington"; and argued that there was a difference between

"... the abuse of this power to pardon criminals after conviction, and the assumption of power to restore to whole classes of traitors and public enemies their forfeited rights of citizenship. By the pardon of murderers and counterfeiters, the President cannot much increase the number of his political supporters; by the pardon of traitors and public enemies, he may build up a party to support him in his struggle against the legislative department of the government... everybody knows he pardons traitors and public enemies in order to gain their influence and votes. A public enemy himself, and leagued with public enemies, he has the impudence to claim that he is constitutionally capable of perverting his power to pardon into a power to gain political support in his schemes against the loyal nation."[30]

This statement, probably by Lowell, the editor, shows clearly the party purpose of the radicals in refusing to admit the President's claim to the power of amnesty.

So also, Horace Greeley of the New York *Tribune*, while in favor of his pet scheme of impartial suffrage for both races, criticized the proclamation because he believed pardon and amnesty were not the same. Pardon, said he, was an act of grace exempting the applicant from penalties for a crime, while amnesty was the act of the sovereign power in effacing a crime entirely: "Amnesty is abolition of the offense. Pardon is remission of the penalty. The sovereign power of this nation is not the President but the people. The representative of the people is not Andrew Johnson, but the National Congress".[31]

The conservative and Democratic editors took, largely, the opposite view. The New York *World* fought the New York *Times*[32] and *Tribune*, both of which believed the President did not have amnestying power. The *World* said that the the recent repeal of the Presidential amnestying power was "of no consequence except as signifying the will of Congress that he (Johnson) shall not exercise one of his constitutional prerogatives. But what right has Congress to say that the President shall *not* do, what the Constitution says he *may* do?"[33] It added that Lincoln had threatened to veto the confiscation act, one of the reasons being that it presumed to give him pardoning power which he already had; and that he had issued his proclamation of December 8, 1863 on the basis of his constitutional prerogative and not by virtue of the grant made him by Congress.[34] The conservative Charleston *Mercury* placed the radical position succinctly as follows: "The Radicals contend, that although the President can pardon *individuals*, he cannot pardon *numbers* of them in classes. The distinction is without force; because the *numbers*, consist of the *individuals;* and if you can pardon *one man* for an act of insurrection in resisting a government either by counsels or by force of arms—you may pardon at the same time, *all* who were engaged with him in the same resistance".[35] The dignified New Orleans *Crescent* argued:

"It is clear that, if the President possesses authority to exempt any class of offenders from penalty—and his plenary pardoning power under the Constitution is not denied—he possesses authority to exempt from disfranchisement, if that be a penalty, those classes whom Congress declares to have forfeited their right to vote and to hold office by the offense of rebellion against the United States. But it is also clear that the President cannot execute all the provisions of the reconstruction law without nullifying one of the important significations of his pardon to late rebels, and that which he seems in his second amnesty proclamation, to be anxious to make prominent. Radical journals, in anticipation of this last document have been disputing the President's right to override Congressional disfranchisement, on account of rebellion, by an executive pardon. For practical purposes it is useless to discuss the question as one of right. The struggle between Congress and the President, on this as on every other question, must be determined by preponderance of moral and physical force."[36]

Among other comments that might be made about the above statement by the *Crescent* the following should be noted: (1) the suggestion that the President's executive pardon might be used to nullify the act of Congress in disfranchising certain persons is reminiscent of the attempt of Charels II of England, by means of his Declaration of Indulgence in 1672, to suspend an act of Parliament which placed certain religious tests upon Catholics and others: and (2) if the practical wisdom, which characterized the analysis by the *Crescent*, had been true also of other conservatives, much bitterness and heartburning would have been obviated, North and South. The St. Louis *Missouri Republican*, an administration paper, was almost as practical when it concluded that the recent proclamation was not amnesty, but pardon; that it had nothing to do with suffrage, for that was a state matter; and that if the pardoned individual had voted before the war he ought to be able to vote now because a pardon did not change his status in that respect.[37] The Columbus (Ga.) *Enquirer* was also sensible:

"An impression has somehow been produced that those pardoned . . . are thereby enfranchised though proscribed by the acts of Congress. This, as we have said, might be the *legal* effect—indeed it may be questioned whether Congress has the Constitutional right to disfranchise any man until

Footnotes at end of article.

convicted of crime, and then only as an elector of Federal offices. But the work of reconstruction has been taken from the hands of the President. Congress, in selecting persons for disfranchisement paid no regard to the exceptions made by the President in his former proclamation of pardon; and in its very latest Reconstruction act it expressly provided that no amnesty of the President should affect in any manner the qualifications of voters proscribed by that act." [38]

From the standpoint of cold-blooded realism, little more could be said on the subject than what the *Enquirer* had said: The President might claim that his pardon enfranchised; the Supreme Court might, indirectly, as in the Garland decision, support him; but Congress had the power, and Congress had legislated otherwise. That was that.

IV

Granted that Congress had budgeoned the President into accepting its way, what was the law on the question? Constitutionally, who was correct, the President or Congress? It is hard to answer with certainty, for some of the best minds of the times were on both sides of the controversy. The radicals quoted Bouvier's *Law Dictionary* to prove that amnesty was legislative, while the Chicago *Times* quoted the same source to prove that amnesty was executive.[39]

If the problem be taken to is source, the Constitution, there is little more certainty, because amnesty *per se* is not mentioned. Defenders of the executive prerogative referred for support to that document, and yet it merely states that the President is empowered "to grant reprieves and pardons for offenses against the United States, except in cases of impeachment".[40] Inasmuch as reprieves and impeachment are not in question, does the grant of "pardon" mean amnesty also? Is amnesty something the Fathers never though of? Does the President have amnestying power because he has a related one, that of pardoning? Senator George F. Edmunds in his report of February 17, 1869, denouncing Johnson for issuing his final pardon of December 25, 1868 (which freed the rest of the rebels), said that the Fathers of the Constitution knew all these terms, and so deliberately omitted the grant of amnesty from those powers given to the Presidency. He quoted Blackstone and Bouvier to show that a pardon "did not look backward, but only forward; it did not restore what was lost, but only remitted what was yet to be suffered." He showed that the English king did not have the power to pardon generally—that is, to amnesty—because from 1535 on, this right had been exercised by Parliament. Amnesty, he concluded, was an act of oblivion for past offenses granted by the sovereign power to "whole classes of offenders"; and that "sovereign power" in the United States was Congress and not the President.[41] Greeley had made the same point as early as September, 1867.

What had the President to say? In his defense submitted to Congress at the request of the Senate on January 5, 1869 he justified his action on the basis of precedents set in the past. He quoted Washington's proclamation of July 10, 1795 to the whiskey rebels, Adam's proclamation to the Pennsylvania insurgents on May 21, 1800, Madison to the Louisiana freebooters on February 6, 1815, Lincoln on December 8, 1863 and on March 26, 1864, and his own proclamations of May 29, 1865, September 7, 1867, and July 4, 1868.[42] With all these precedents Edmunds, for the Senate Committee, disagreed, saying they were not valid; that Lincoln's right of amnesty had been granted by Congress on July 17, 1862 which had then taken it away on January 7, 1867.

Footnotes at end of article.

Omitting the precedents set by his own proclamations (to quote which was somewhat disingenuous on Johnson's part), one must look to the earlier ones, especially that of Washington, for precedent. For, as the Atlanta *Daily Intelligencer* said, Washington had pardoned the whisky rebels. "Was Washington a usurper?" [43] But had these earlier proclamations been amnesties in the sense of the term used by the radicals, or were they merely pardons? Did they restore the franchise? Washington offered "a general pardon" to the whisky rebels.[44] Adams granted "a full, free and absolute pardon" to the Pennsylvania insurrectionists.[45] Madison published "a free and full pardon" to the roughs on Barrataria Island, provided they swore that they had helped defend New Orleans during the recent British invasion.[46] Whether these early pardons restored full political privileges is uncertain, although, inasmuch as at that time suffrage was almost entirely controlled by the states, it is hard to see how they had anything to do with the vote or with office-holding.[47] When Washington pardoned the whisky rebels, they were freed from punishment by the United States. Pennsylvania had the final disposition of the question whether they could vote or hold office. Undoubtedly the state permitted them to exercise their political privileges, but the decision rested with the state and not with the federal government.[48] Then too there was no party situation as in 1867 to question such a pardoned individual's desire to vote or hold office. At all events, the precedents are shadowy and inconclusive.

Although the Constitution and earlier proclamations are in this connection rather indecisive, some information may possibly be gained from other early sources. Madison's *Journal* shows that, when pardon was being discussed in the Constitutional Convention, Randolph wished to give to the President no authority to pardon treason whatever because he thought it would provide the Executive with too much influence; and besides, the President himself might be guilty. Wilson wanted to make pardon an executive function; Morris wanted to make it legislative. King thought a legislature was too fickle, hence unsuited to the task. Madison admitted the weakness of legislatures, but opposed giving the power of pardoning treason to the President, preferring to grant it to both the Senate and to the President. But Mason and Randolph thought the Senate had received too much authority already. In the end the Chief Magistrate was empowered to reprieve and pardon.[49] Obviously, this does not help much because not a word was said of amnesty.[50]

Hamilton drew the assignment of discussing the pardoning power in the *Federalist* and did not add much to Madison's statement. He repeated that there had been fear of granting to an unstable legislature such a duty in times of passion when one man's mind was better than many. The best reason for lodging it with the President was that during a rebellion "a well-timed offer of pardon to the insurgents or rebels may restore the tranquility of the commonwealth". Clearly a well-timed offer might not be possible when the question was thrown open for debate by many members. Hamilton says nothing of amnesty, unless that be included in the definition of pardon.[51]

V

Thus the question could hardly be settled by any reference to the Constitution or to past precedents unless the radicals were willing to agree that pardon and amnesty were the same thing—which they refused to do. The problem became a political one, tied up with the continued control of the radical party and with the attempt of the conservatives to gain office. If Johnson could amnesty and return the franchise to thousands of rebels, he might well secure enough votes to overturn the radicals, who feared they might lose the victory which had been so hard to win in the Civil War. Hence the radicals, too maintain their majority, perceived it was the better part of wisdom to interpret amnesty as one thing, pardon as another; and Johnson found it to his advantage to say that he had both and that they were one and the same thing. It happened, however, that those who supported the Presidential theory were in the minority; hence all the opinions which might support Johnson were uttered by those whose voices were merely an opposition group: they did not establish policy. Thus the minority of the reconstruction committee backed the Johnson attitude fully, but the committee minority had no power except that of protest:

"The several proclamations of amnesty issued by Mr. Lincoln and his successor under the authority of Congress are also inconsistent with the idea that the parties included therein are not to be held, in the future, restored to all rights belonging to them as citizens of their respective States. A power to pardon is a power to restore the offender to the condition in which he was before the date of the offence pardoned . . .

"It is now settled that a pardon removes not only the punishment, but *all* the legal disabilities consequent on the crime . . . The amnesties so declared would be but false pretences if they were, as now held, to leave the parties in the condition they would have been in if they had rejected them. Such a result, it is submitted, would be a foul blot on the good name of the nation." [52]

But the minority "submitted"; it did not set present policy. The majority of the committee said exactly the opposite. Each party took the position which seemed to promise for it the most advantage. The legislature of New Jersey, in withdrawing its assent to the Fourteenth Amendment, gave as one reason that "it lodges with the Legislative branch of the Government the power of pardon, which properly belongs, by our system, to the Executive." [53] But this was again on the minority side; and Congress refused either to listen to the states resolution of rejection or to allow it to appear on the pages of the *Globe* because the radicals said the legislature's action was "scandalous." When the Governor returned the Amendment to the state legislature, which rejected it again, both were acting out of partisanship rather than out of concern for the merits of the case.

When one turns to the statements of the majority group, he finds attitudes taken to bolster up the cause, rather than any facts to aid him in arriving at a clear conclusion. Thus, when the Chicago *Tribune* said that the President "may by his pardoning power restore offenders against the United States to natural and civil rights, *but not to political rights;* he has no power to re-invest them with political privileges," [54] it was again a partisan organ saying what would be of advantage to the party. The same partisanship is evident in a speech in the House by George S. Boutwell: "But while I occupy a place on this floor, *never,* with my consent, *shall the pardon of the President* be a certificate on which a felon enters into the sacred tribunals of the land, and assists in the administration of the laws." [55] Of the pamphlets issued at the time on one side or the other, the same can be said.[56]

The Presidential theory, much as it was defended and explained, never came into force, because it was not to the interest of the dominant radical group that it should. Hence all the radical southern elections, all the conventions, and all the constitutions, were based upon the theory that Congress alone could restore the franchise to rebels. Thus a committee in the Georgia radical

constitutional convention of 1868 said: "Perhaps half of the members of this Convention, as well as that of 1865, are held by the United States to have been guilty of treason. It is true that they have been pardoned, but we greatly doubt if the pardon is at all necessary to make them eligible." [57] In short, the doctrine that Presidential pardon did not enfranchise became bone and blood of the new political system that grew out of the war—not so much because it had already been accepted as legal, but because the radicals saw the advantage to be gained by making it so. If it had been to their interest to decree otherwise, or if the Johnson group had secured control, the opposite would have been true, and the Presidential claim to the power of amnestying (enfranchising) would have been maintained.

After all, however, it must be said that the question was a twilight one and neither contestant had a sure case—a case which could be proved either by the Constitution or by precedent. The Fathers, Senator Edmunds to the contrary notwithstanding, seem never to have thought of amnesty, or if they did, they embalmed it in pardon, which opened the term wide to any kind of interpretation, depending upon party advantage. Radical party advantage demanded the radical theory. The action of Congress took amnesty out of the President's authority, and at least one of Johnson's party recognized the fact. Secretary of the Navy Gideon Welles, writing in his diary about the Presidential proclamation of September 7, 1867, accepted this restriction upon the Executive when he said, "The President has the power by the Constitution to grant pardons, but not amnesty". In England, he continued, Parliament had the power of amnesty; lawyers in Congress, imitating Parliament, arrogated to Congress the same prerogative. Welles thus unwillingly admitted that the President had lost whatever rights to amnesty he may have had; but the Secretary added that amnesty ought not to enter the American system of government, because the United States had neither attainders nor successions to the crown.[58]

VI

Congress had imbedded the radical theory into the law by a series of statutes, as follows: (1) the mistaken grant of pardon and amnesty to the President in the confiscation act of July 17, 1862 had been repealed in January, 1867; (2) in the two military reconstruction laws of March, 1867 Congress had itself disfranchised thousands of rebels; (3) in the third military reconstruction law of July 19, 1867 Congress had specifically stated that a pardon did not enfranchise. All these measures had been possible because the radicals had the necessary two-thirds to override Johnson's vetoes.

But the radicals were not willing to subside with the passage of mere legislation. Lest a future President might try, as Johnson had, to use his pardon to restore those who had been disfranchised, they took one more step: they implanted part of the radical theory into the Constitution. In the third section of the Fourteenth Amendment, all those who, having taken an oath as officeholders to the United States, might later enter a rebellion, were disfranchised from holding state or federal office.[59] Such disabled persons could be restored only by means of a two-thirds vote of Congress. Thus did the legislative department arrogate to itself the power to amnesty; and not a word was said about the President.

The third section not only decreased executive power, but state power as well. Those who, having taken an oath as officeholders, might later enter a rebellion, were disfranchised from the state office as well as from federal. To that extent the people of a state were estopped from choosing whom they wished as officers until two-thirds of Congress acted.

Thus, by law and amendment, which indicated the rising domination of Congress at the expense of the state and of the Presidency, significant changes had been effected. This serious reduction in the prestige and authority of the President was, of course, unfortunate for the Presidency and for the thousands of hapless individuals who had been taught since December 8, 1863 to look to the Executive for restoration of their status as voters and officeholders. During the reconstruction period the office of Chief Magistrate suffered numerous restrictions in power,[60] of which the limitation upon the pardon is not the least important. This reduction was a piece with the other acts of the radical party which were dedicated to the purpose of deflating the President, in the words of the Boston *Traveler*, "to the feebleness of a Venetian Doge",[61] and even of changing the fundamental character of the federal government. Johnson's lament in his farewell address on March 4, 1869 is a partisan and yet an eloquent commentary upon what had been achieved by the radicals:

"They have robbed the Executive of pardon (amnesty), rendered null and void acts of clemency granted to thousands of persons under the provisions of the Constitution, and committed gross usurpation by legislative attempts to exercise this power in favor of party adherents." [62]

FOOTNOTES

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[1] 2 ENCYCLOPAEDIA OF THE SOCIAL SCIENCES, Edited by E. R. A. Seligman and Alvin Johnson, (N. Y., 1930) pp. 36–39.

[2] The definitions in BALDWIN CENTURY EDITION OF BOUVIER'S LAW DICTIONARY, in the AMERICANA, and in the BRITANNICA, are somewhat indefinite in distinguishing between the two.

[3] *Op. cit. supra* note 1.

[4] 161 U. S. 591, 16 Sup. Ct. 644, 40 L. ed. 819, (1896).

[5] 95 U. S. 149, 152, 153, 24 L. ed. 442 (1877).

[6] *Id.* This case arose out of a decision of the Court of Claims in regard to the effects of Johnson's proclamation of Dec. 25, 1868 upon property confiscated under the act of July 17, 1862. EDWARD MCPHERSON, A HAND-BOOK OF POLITICS for 1876 (1876) pp. 87–88.

[7] President George Washington pardoned the whisky rebels by proclamation in 1795.

[8] The court in its disquisitions on the meaning of pardon and amnesty seems to have veered away from any definite mention of the restoration of the franchise through a pardon, although such restoration might be inferred. In a note to Armstrong's Foundry v. United States, 73 U.S. 766, 18 L. ed. 882 (1861), the effects of pardon are listed as enunciated in a long list of cases. The only reference mentioning the franchise directly is 9 Op. Att'y-Gen. 48, which said that a pardon restored a citizen who had been disfranchised for crime. But this was an opinion, not a Supreme Court decision.

[9] 12 Stat. pp. 589–627 (1862).

[10] He said that the section was "something better than unobjectionable." CONGRESSIONAL GLOBE, July 17, 1862, p. 3406.

[11] For instance, RICKLEN, RECONSTRUCTION IN LOUISIANA (Baltimore, 1910) p. 151, says it was issued on the basis of the constitutional grant of power to pardon and reprieve. MCCARTHY, LINCOLN'S PLAN OF RECONSTRUCTION (New York, 1901) p. 24, declares it was done by virtue of the law of July 17, 1862.

[12] 6 RICHARDSON, A COMPILATION OF THE MESSAGES AND PAPERS OF THE PRESIDENTS 1789–1897 (Washington, 1986) pp. 213–215.

[13] For example, Congressman Nehemiah Perry of New Jersey, Globe, May 3, 1864, pp. 2071–74.

[14] Wade-Davis Bill.

[15] 7 RICHARDSON, *op. cit. supra* note 12, pp. 310–312. For the complete story, see *Dorris, Pardoning the Leaders of the Confederacy,* XV MISS. VALLEY HIS. REV. (1928) 3–22.

[16] One of the charges brought by Ashley against the President in his resolutions of impeachment on Jan. 7, 1867, was the corrupt use of the pardoning power. MCPHERSON, A HAND-BOOK OF POLITICS FOR 1868 (Washington, 1868) p. 188.

[17] Globe (39 Cong. 2 Sess.) p. 180.

[18] Democrats, conservatives, and southerners argued that the repeal was useless. The New York World, Jan. 5, 1867, said that "in point of law, it will make no difference." The confiscation act, it continued, conferred no power on the President which he did not have and the repeal took none away. It was a move to catch the President in an impeachable offense. The New York Herald, Jan. 6, 1867, thought likewise.

[19] The Supreme Court had fomented untold radical wrath in its 5–4 decision in *Ex parte* Garland, 4 Wall, 333, 339 (U. S. 1867) in which it had nullified test-oaths for lawyers. One of its chief arguments was that Garland had received a Presidential pardon. The Court said further, "This power of the President is not subject to legislative control. Congress can neither limit the effect of his pardon nor exclude from its exercise any class of offenders. The benign prerogative of mercy reposed in him cannot be fettered by any legislative restriction . . . a pardon reaches both the punishment prescribed for the offense and the guilt of the offender, and when the pardon is full it releases the punishment and blots out of existence his guilt, so that in the eye of the law the offender is as innocent as if he had never committed the offense . . . and restores him to all his civil rights. It makes him as it were a new man, and gives him a new credit and capacity. It is not within the constitutional power of Congress thus to inflict punishment beyond the reach of executive clemency." The angry radicals construed this decision narrowly by saying it referred only to civil rights, such as practicing law without having to take an oath of loyalty, and not to political privileges, such as voting and officeholding. In their defense it must be said that the Court mentioned only civil rights. The radicals always differentiated between civil rights and political privileges. See Russ, *The Lawyer's Test Oath during Reconstruction* (1937) 10 Miss. L. J. 154.

[20] See for instance, Ass't. Adjutant-Gen. S. T. Chalfin to W. G. Chase, June 12, 1867, in which he says, "I am directed by the Major General Commanding to say that having received a pardon does not affect a person's status." Letter Book, First Military District, I, 247. Also, Acting Assistant Adjutant-General William Ennis to C. K. Mallory of Hampton, Va., who had appealed against the board of registration which had refused to register him even though he presented his pardon. *Ibid,* p. 401. Finally, see a decision, *Ibid,* p. 415, which read, ". . . while the President's pardon restores civil, it does not restore political rights." The records of the five military disticts are housed in the National Archives, Washington, D.C.

[21] Third Reconstruction Act.

[22] For example, Boston Post, Sept. 30, 1867; Richmond Enquirer and Examiner, Sept. 17, 1867; Cincinnati Enquirer, Sept. 20, 1867; and Vicksburg Herald, Sept. 11 and 22, 1867.

[23] James Lyons of Richmond pleaded as follows, ". . . proclaim the law by which your pardon restores to the pardoned, all the rights and franchises of which by unconstitutional laws they were deprived, and among them the

right of Suffrage." Andrew Johnson Papers, CXXII, 17445, Library of Congress.

[24] Sept. 11, 12, 1867.

[25] For instance, Gen. John D. Imboden of Virginia, Chicago Times, Oct. 20, 1867; and Judge Rice of Montgomery, Ala., Augusta, Ga., Constitutionalist, Sept. 26, 1867.

[26] Even Senator Charles Sumner admitted, "Congress, I know can not control the pardoning power; but it may express its opinion with regard to it; it may express its desire." Globe, July 3, 1867, p. 467.

[27] Quoted by WILSON, HISTORY OF THE RECONSTRUCTION MEASURES OF THE THIRTY-NINTH AND FORTIETH CONGRESS, 1865–68. Hartford, 1868) p. 136.

[28] Clipped by Charleston Courier, Sept. 14, 1867. It is not difficult to see why the radicals maintained the point that pardon could not be applied until after conviction. If they made good this interpretation, they need fear little from Presidential activity in pardoning, even granting that it enfranchised, because to convict thousands of rebels individually would be humanly impossible. And how get a jury in the South? The radical attitude had the backing of John Marshall, who, in Wilson V. United States, 7 PET. 150, 160 (U.S. 1833), said that a pardon was the "private, though official act of the executive magistrate, delivered to the *individual* for whose benefit it is intended." (italics not in the original)

[29] Clipped by the New Orleans Times, Sept. 11, 1867.

[30] 20 Atlantic Monthly (1867) 633.

[31] New York Tribune, Sept. 5, 1867. The Louisville Journal, Sept. 11, 1867, defined the disputed terms as follows, "Pardon may be granted either before or after conviction. Pardon after conviction is pardon proper, and pardon before is amnesty. This is all the real difference that there is between them."

[32] For example, on Sept. 9, 1867, the Times in a blazing editorial said that the Constitution, no matter how elastically interpreted, did not justify enfranchisement by Presidential fiat because the "common-sense version of the constitutional provision limits it to individual cases . . . it is a deliberate defiance of Congress and its authority, a repudiation of its enacted laws, and an assertion of the President's determination to take the work of reconstruction into his own hands . . . What more flagrant form could Executive usurpation take short of dictatorship?" Exactly opposite was the attitude of the Cincinnati Enquirer of Sept. 10, 1867, "The President's power in this respect is more plenary than that of Congress, and his Amnesty Proclamation will compel the Registrars to register tens of thousands of Southern citizens, that the Reconstruction Laws of Congress say shall not be voters."

[33] Sept. 10, 1867.

[34] This is not accurate. President Lincoln referred to both the Constitution and to the law of July 17, 1862 in his proclamation; and he did not intend to veto the confiscation act because of the grant of amnesty, but because of a technicality which Congress removed. He then approved the law.

[35] Sept. 11, 1867. See also Sept. 17 and 25, 1867.

[36] Sept. 10, 1867.

[37] Sept. 10, 1867.

[38] Clipped by the Atlanta Daily Intelligencer, Sept. 12, 1867.

[39] Sept. 4, 1867.

[40] U.S. Const. Art II, § 2.

[41] Sen. Rep. 239, 40 Cong., 3d Sess.

[42] Sen. Ex. Doc. 239, 40 Cong., 3d Sess.

[43] Sept. 17, 1867.

[44] 1 RICHARDSON *op. cit. supra* note 12, p. 181.

[45] *Id.* at 303–304.

[46] *Id.* at 558–560.

[47] RICHARDSON, *op. cit. supra* note 12, at 38, says, "Certainly he (Johnson) had precedents for his action in the presidential amnesty proclamations by Washington, Adams and Lincoln." But did he?

[48] In this connection see the speech of Samuel Shellabarger of Ohio on the disfranchising section of the Fourteenth Amendment in which he tried to prove that the United States, by laws of March 26, 1970 and of April 14, 1802, had declared that any person disfranchised by a state would never be readmitted to United States citizenship without the consent of the proscribing state. The first mentioned law referred to Tories, who had been disfranchised by South Carolina in 1785; and the second to followers of Dan Shays, who had been disabled by Massachusetts in 1787. Globe, April 21, 1866, pp. 2102–07.

[49] MADISON, JOURNAL OF THE FEDERAL CONVENTION, edited by E. H. Scott (Chicago, 1893) p. 734.

[50] If amnesty referred to the franchise and if the franchise was a state matter, would there be any reason for the Fathers to mention it?

[51] Federalist Papers, No. 73.

[52] MCPHERSON, HAND-BOOK FOR 1868, *op. cit. supra* note 16 at 100.

[53] The American Annual Cyclopaedia and Register of Important Events (New York, 1868) pp. 540–41; and Fredericksburg (Va.) News, Feb. 27, 1868.

[54] May 20, 1867.

[55] Quoted by Richmond Enquirer, Jan. 25, 1867.

[56] One written by "Amecius" on The Rebel States, The President and Congress, Reconstruction and the Executive Power of Pardon concluded that, "A pardon by the President before conviction, unless in execution of a law of Congress, is unauthorized by the Constitution, and is therefore null and void." The pamphlet was published in New York in 1866. There is a copy in the Congressional Library.

[57] Journal of the Proceedings of the Constitutional Convention of the People of Georgia (Augusta, Ga. 1868) pp. 274–75.

[58] GIDEON WELLES DIARY, edited by John T. Morse (1911) 198.

[59] Nothing was said about voting.

[60] It is hardly necessary to say that this was a temporary development and that soon the Presidency was overshadowing Congress. The states, however, never regained their prewar power.

[61] Jan. 8, 1867.

[62] THE AMERICAN ANNUAL CYCLOPAEDIA (New York, 1869) *op. cit. supra* note 53 at 591. The reader is warned that, so far as the writer knows, there is not an authority in the land who would agree with the gravamen of this paper, namely, that amnesty alone enfranchises and that the President has lost, if he ever had, the power of amnesty. For instance, Orth and Cushman, AMERICAN NATIONAL GOVERNMENT (New York, 1943) pp. 295, say that both President and Congress may amnesty; so also, Ogg and Ray, INTRODUCTION TO AMERICAN GOVERNMENT, (7TH ed. New York, 1942) p. 368. The writer suggests that they study the reconstruction period.

WHAT IF OUR COUNTRY SHOULD CEASE TO EXIST?

Mr. GOLDWATER. Few Americans I am sure, have ever faced the possibility that their country could simply cease to exist. Many years of abundance and strength have encased all of us in a feeling of security which could someday disappear. Many nations richer and more powerful in their day than we are in ours have been sabotaged and defeated. I believe it is well for us to remember that other civilizations have grown and prospered and finally disappeared and we have the Warner and Swasey Company of Cleveland, Ohio to thank for a timely reminder of our mortality as a nation. I have attached a recent advertisement sponsored by this company.

[Attachment]

HAVE YOU EVER FACED THE POSSIBILITY THAT YOUR COUNTRY COULD CEASE TO EXIST?

Nations richer and more powerful in their day than we are in this, have been sabotaged, defeated, enslaved.

Babylon was the largest and richest nation of its time, but its lust for luxury made it an easy mark for the Medes and Persians who overran it, and divided its land and enslaved people between them.

Rome was a greater military power than we ever were, but when free bread and circuses became more important to the people than hard work and patriotism, Rome was invaded and looted by the tougher Vandals.

The Incas were the most civilized, richest people in the Americas, but ruthless, better-armed invaders destroyed them as a nation, and looted everything they owned and had spent generations in creating.

In every case it was the self-indulgent weakness of the victim which made the victory of the invader easy.

How strong is a nation which allows foreign competitors to capture the world leadership from one after another of its most vital industries?

How wise is a nation which gives away so much of its substance abroad and at home that it can no longer afford to keep up its own strength and protection?

How intelligent is a nation more careful to protect the criminal than his victim?

How weak is a nation which allows bureaucracy and a socialist philosophy to run riot and squander billions?

Undoubtedly there were Babylonians, Romans, Incas who warned against overindulgence and weakness, who warned that each *citizen* is responsible for his nation, and that that responsibility cannot be shrugged off onto officials. But to those who warned of impending trouble there was then as now the smug sneer, "It can't happen here."

But it did.

The Warner & Swasey Company, Productivity equipment and systems in machine tools, textile and construction machinery.

BILLIE HART AND THE FIFTH QUARTER

Mr. GOLDWATER. If anyone in this Chamber would like to know all there is to know about the by-products of the beef industry, I suggest they consult an attractive Kingman, Arizona housewife named Billie Hart. In recent years this energetic young woman has become perhaps the most fully informed person in the nation on this subject. Her favorite topic is "A Steer Is Not All Steak!" and she is attempting to educate the entire nation on the subject of beef by-products and their importance. To dramatize her argument, Mrs. Hart has arranged an exhibit called "The Fifth Quarter" and has displayed it in many parts of the country. In fact, people in the Washington area will have an opportunity to view this exhibit at the American Consumer's meetings at the Capital Hilton from February 6th through the 13th. To further inform the member, I have attached a recent article about this interesting woman and her fascinating subject. The article appeared in the August, 1976 issue of the magazine called "Render."

[Attachment]

BILLIE HART AND THE FIFTH QUARTER: ARIZONA HOUSEWIFE PLUGS THE BEEF BYPRODUCT STORY

Billie Hart, an attractive, dark haired housewife from Kingman, Ariz., doesn't raise

cattle. None of the family income comes from the beef industry. She isn't a renderer and doesn't work for a renderer. Yet, in all probability, she may well be one of the nation's most fully informed persons on the subject of animal byproducts where the beef steer is concerned.

In fact, in recent years she has come to be a sought-after speaker on her favorite subject—"The Fifth Quarter"—and her 4–H exhibit "A Steer Is Not All Steak" has been seen not only in her home state but in neighboring California, Oklahoma, Montana, Nevada and North Dakota. In fact, not too long ago Republican presidential hopeful Ronald Reagan based one of his "viewpoints", "The Beef Industry", largely on seeing Billie's exhibit in Arizona.

Billie rapidly is becoming one of the most important and certainly one of the most informed and articulate spokesman (or should we say spokesperson?) on the subject. A mother of three girls, Billie got involved with cattle through a daughter, Sandy. Sandy undertook a 4-H club "fat beef" project. As is often the case, a parent becomes more involved with one of these projects than the youngster. Billie became involved, in spades.

"There is nothing as challenging or as tough to do," she recalls, "than to take on one of these wild critters and try to sell yourself to him. It takes a great deal of patience to get this animal to trust you and the only way you can bring it about is to offer a lot of tender, loving care. Once you win him over, he becomes part of the family and parting with him becomes a real trauma."

That trauma is really what got Billie involved with the subject of byproducts. Each year, she says, it became harder to face the time when the youngsters had to part with their steer. She wanted to provide her charges—she now is a 4–H Beef Leader with 13 youngsters to watch out for—with something that would put more meaning into what they were giving up than just the fact the animal would make a lot of tasty steaks.

"One morning," she says, "I woke up and could not get back to sleep. I picked up a book, "Beef Cattle Science", sent to me by a former member of my club who now was a college student. Actually, the book fell open to byproducts. Up until that time I had never heard of them. It was a new subject and as it turned out an engrossing one."

Billie learned how beef tallow is used for fatty acids which, in turn, are used in the manufacturing of high grade steel, ball-bearings, tires, photographic film, confections, paints, inks, plastic, cosmetics and—to Billie the most important—pharmaceuticals.

"That was my cue," she recalls, "life saving medicines—now I had something to tell my youngsters. I could say 'your steer will live forever' in terms of helping to relieve the pain and suffering in the world."

Billie admits she wasn't quite sure how her somewhat dramatic approach would work. It didn't necessarily eliminate the tears when, as she puts it: "a youngster leads his own steer onto the truck that takes it to the Swift Fresh Meat plant at Tolleson but the tears turn to tears of pride, adult tears."

As Billie delved deeper into the subject, it became more than just a means to give her own 4–H charges a better understanding. She became more and more convinced that an important facet of education was lacking. She broadened her own understanding; visited slaughter houses and packing plants always digging deeper for more information. Soon she began speaking publicly on the subject; at first just locally and later throughout the southwest. Her exhibit—or more correctly, the exhibit of the Herdmasters 4–H Club of Kingman—came next. Today, taking the message of the "Fifth Quarter" to the public has become almost a full-time activity for Billie. She looks at it this way:

"I personally feel there is a great need to educate the student and the consumer through whatever means it will take. I further feel this is a subject of its own and certainly merits a place in our educational system beginning with the lower elementary grades. Too long we have taken for granted the comforts and the advancement of science without giving credit to where credit is due—to these cattlemen, the feedlot operations, the meat packing industry and to the renderer. To me this is what being an American is all about, working together for the betterment of mankind."

Cecil Hellsbusch of "The Record Stockman" has this to say about Billie, her 4–H group and her activities:

"Little did Billie realize how much public relations value there would be to the demonstration exhibit when she selected the subject of cattle by-products. Billie and her club members actually didn't know how important the manufactured products from such things as glands, hides, livers and all the other offal, were in treating the many ailments, diabetes among them.

"The demonstration also shows how much higher the price of beef would be if these by-products were not used to the fullest.

"The Kingman 4–H Club demonstration is a practical example of what can be done in promoting the beef industry by using the ideas and materials at hand. It really doesn't always take the Madison Avenue approach to promotion to make it work and be successful.

"Consumer groups, women's clubs and hundreds of other groups who at one time or another get on their 'high horses' and criticize the cattle industry for one reason or another, should have the opportunity to see the display and become exposed to Billie's salesmanship.

"It is a lead pipe cinch they would come away with more tolerance, appreciation and understanding of the value of the cattle industry to the peoples of the world."

(EDITOR'S NOTE.—Following is the text of a handout used in connection with Billie Hart's presentation and the exhibit of the Herdmasters 4–H club. We think it speaks eloquently to the subject.)

"A STEER IS NOT ALL STEAK"

If "54% of the live weight of cattle is beef", what happens to the other 46%?

Listed below are some of the important commodities manufactured from the cattle by-products, giving the answer.

In the dawn of history when the early man hunted wild animals for meat and first saved the hides for clothing, the bones for tools and weapons, the by-products of the meat packing industry was born.

Up until 1882 a lot of meat animal material was wasted. It was buried in trenches, dumped into rivers or streams, getting rid of it was a nuisance. The meat packing industry developed a system for using every part of the animal. Some experimental laboratories were established, and bacteriologists, chemists, and other scientists were employed to expand the profitable outlets for by-products. Today, scientists and chemists feel they have only scratched the surface in the development of useful things from the meat animal in addition to food. If it were not for this utilization of waste materials into saleable form, the price of meat would be higher.

Bone: For bone china, crochet needles, dice, teething rings, glue, case hardening steel, refining sugar, bone meal, gelatin, feed and fertilizer.

Horn and bone: Buttons and carving-set handles.

Hides: For all kinds of leather goods, such as clothes, baseball mitts, purses and shoes.

Rennet: Is a mild enzyme added to the infants diet to aid milk digestion. It is also used in the cheese making industry.

Gelatin: For making marshmallows, photographic film, cigarette paper and printers' rollers.

Stearin: For making chewing gum and candies.

Glycerin: For explosives, cosmetics and medicines.

Hair: For artist's brushes (often called Camel's Hair, comes from the hair in the inner ear of cattle). Binder in asphalt paving, binders in plaster, felt upholstery. Insulation material, textiles, brushes.

Bone charcoal: For high-grade steel such as ball bearings. Is used in refining of sugar.

Special glues: For marine plywood, paper matches, window shades, china.

Leather: There are three kinds; Latigo, suede and tooling, for covering fine furniture and clothes, many other items.

Chemicals: For detergents, pesticides, flotation agents and plasticizers. Also the foam for use at airport runways, industrial oils, drum heads, lubrication, for tires, to keep them running cool.

Hides: Are the most valuable of all by-products. Fats are the next in value. Products rendered from fats are used in the manufacture of oleomargarine, soaps, animal feeds, lubricants, leather dressings, candles, fertilizer and the tallow of tanning.

Blood: Is used in making blood sausage, stock feeds, shoe polish, and blood from an unborn calf is used in cancer research and cultermedia.

Glands: Are used in the manufacture of numerous pharmaceutical preparations, such as Insulin, ACTH, Adrenalin and Vitamins, Heparin, Thyroid tablets and hormones, epinephrine, trypsin, chymotrypsin, Alpha Chymar, beneficial in cataract operations, thrombin and bone marrow concentrates used in the treatment of various blood disorders. It takes pancreas glands from 60,000 cattle to make one pound of pure dry insulin, or 1,500 pancreas glands to make one precious ounce of insulin, there are no synthetics for insulin therefore the pancreas gland is the only source.

As you can see, "A Steer Is Not All Steak". We sincerely hope we have enlightened you to a more all around value of this animal to the welfare of the world.

THE HERDMASTERS,
Kingman, Arizona.

OBSERVATIONS BY JOHN W. KEELER

Mr. GOLDWATER. In recent days many veterans of the Vietnam War have been expressing their frustrations and disgust at President Carter's order pardoning all Vietnam draft evaders. Indeed these heartfelt sentiments have been pouring in from all parts of the nation and some veterans have even been moved to return the decorations they received for honorable service to their country in Southeast Asia. Recently Mr. President, the thoughts of many of these veterans were put into eloquent words by a former Air Force officer, Colonel John W. Keeler, who published an open letter to President Carter in his newspaper, the Rocket-Courier of Wyalusing, Pennsylvania. Among other things Colonel Keeler said that he felt pretty stupid having spent a lot of time in Southeast Asia only to find out that he didn't really have to go if he didn't want to—thanks to President Carter.

It is highly unlikely that President Carter reads the Rocket-Courier, so I have attached Colonel Keeler's letter in the hope that it might come to White House attention.

[Attachment]

OBSERVATIONS

(By John W. Keeler)

An open letter to Mr. James Earl Carter, President of the United States of America, 1600 Pennsylvania Avenue, Washington, D.C. 20500:

DEAR MR. PRESIDENT: Congratulations on the new job! You sure didn't lose any time getting into the harness and getting things moving. That's good, but I want to speak to you about that first pull on the plow.

There are a lot of us who are feeling pretty stupid right now. We're the ones who spent that year or more in Southeast Asia during the recent unpleasantness over there. And last Friday I learned that we didn't really have to go if we hadn't wanted to.

I don't know whether you've ever been in that part of the world or not, Mr. President, but it's not an area that the run-of-the-mill American would pick to go to just to take a year off work or to skip school. Oh, I admired the people—those that we went over there to help, and I was ashamed of the way your predecessors pulled the rug out from under them. But a lot of us could have found a safer place to go if we had had the courage at the time that some of our contemporaries did. I mean those who skipped out of the country and just didn't go when they were called.

Most of us who went to Southeast Asia returned unscathed, a little older, a little wiser, but unhurt. We took a certain amount of pride in what we did over there even if we did lose the war.

A lot of our friends were not as lucky as we. In fact, more than 56,000 of them came back in plastic bags for burial. There were another 153,000 who were hurt. And then there are those who gave up five, six, seven and eight years of their lives in places like the "Hanoi Hilton" and other communist prison camps. There are still a thousand or more over there that haven't been accounted for.

Now, maybe it isn't going to bother you, Mr. President, to look me in the eye after this decision of yours; this pardon of all those who ran away rather than do their part. After all, I'm just one of those who went over there, did my thing and came home in one piece, as did my son and my son-in-law.

But your test of courage is coming, Mr. President, when you make your next visit to a Veterans Hospital; when you have to look into the face of that man who has no legs because he stepped on a land mine outside Hue, or when you reach out to shake the hand of that man paralyzed from the neck down by a sniper's bullet at An Khe.

What can you say to them, Mr. President? How do you explain to them that they didn't really have to wind up here in a hospital for the rest of their lives, that they didn't really have to go to Vietnam?

What do you tell one of those brave men who spent thirty months in solitary confinement rather than cooperate with his captors, when he asks you 'why'?

How do you rationalize to the parents of the boy with the white marker for a headstone or the wife of the man still missing, your decision to belittle and degrade what their loved ones did?

Mr. President, you were dead wrong in your decision to pardon those who refused to serve this country when they were called!

Yes, you've made a lot of us look pretty stupid, and being human that pricks the vindictive. There is eleven generations of Yankee cussedness in me, and right now I'd be delighted to learn that a ghost army of our 56,000 Vietnam dead was marching through Georgia, from Atlanta to the sea (via Plains) and trampling every damn peanut there into the mud!

Sincerely,

JOHN W. KEELER.

A CRITIQUE OF THE HUMPHREY-HAWKINS BILL

Mr. GOLDWATER. We have heard a lot about the so-called Humphrey-Hawkins bill over the last several Congresses, and we have also heard President Carter indicate his approval of this for the solution of some of our economic problems. I have never in my life as a businessman or a Senator felt that this kind of an approach would accomplish anything but add to the problems they are seeking to solve. Dr. Raymond Saulnier of Barnard College of Columbia University, has put together a critique of this bill in about as succinct a way I have seen, and I have attached this critique, appearing in *Business Horizons*, so that my colleagues may have a better understanding of why I have to oppose this type of legislation.

[Attachment]

A CRITIQUE OF THE HUMPHREY-HAWKINS BILL

(By Raymond J. Saulnier)

To their credit, those responsible for preparing successive drafts of the Humphrey-Hawkins bill are not impervious to criticism. But what they have not yet seen is that a bill based from the beginning on fundamentally wrong premises and inspired by faulty philosophy of economic policy making cannot be made into a good bill by modifying or adding a few provisions. To cite the primary failures: an essentially inflationary bill is not corrected by adding a provision saying that inflation will not be allowed to accelerate—indeed, it would make matters worse; it is not meaningful to say that there is no intention to extend government intervention in business when the logic of the bill points to deeper involvement. In short, the bill's faults remain as they were.

First, its approach to unemployment reduction is still to put people in public jobs at market rates of pay, but with nothing done to promote private, self-supporting employment. No less than earlier versions, the present draft would almost certainly increase the number of persons to be assisted, exert immense inflationary pressure on the economy and in the end yield no real answer to the problem it seeks to solve.

Second, the determination of its authors to launch the federal government into comprehensive national economic planning remains undiminished. And since there is no change in what the bill proposes to spend, and no change in its insistence on ruling out monetary restraint, the strictures introduced in the latest version against allowing inflation to accelerate are a virtual guarantee that the planning would involve early recourse to direct controls.

Third, it is still true that enactment of the bill would preempt the opportunity to attack structural unemployment constructively.

DETERRENT TO PRIVATE JOBS

Undoubtedly, the bill's draftsmen would concede no part of the above, and against the first of the complaints would probably argue, through without merit, that doing something to create private self-supporting employment is not the business of this particular bill. But it is the business of Congress and the executive branch, and if it is not done—if there is no private job to which a person aided under S. 50 can eventually transfer—the S. 50 approach will inevitably fail.

The availability of private jobs depends on market demand, sufficient capital to equip and support workers, and a readiness to put the necessary capital at risk. Outlays under the bill would increase market demand, ultimately in some multiple of their amount, but experience has shown that federal spending is an awkward, hard to manage and typically procyclical way of increasing demand, and cannot be carried out in volume without unwanted structural effects on the economy.

At the same time, the bill would do nothing to correct policies of government, principally those governing taxes and industrial regulation, that are obstacles to the accumulation and investment of capital. In addition, its central planning provisions, which hold out what is virtually a promise of increased intervention in business by government, would surely reduce the willingness to put funds at risk. The effect of the bill, in other words, would be to deter creation of the private, self-supporting jobs that are essential to its success.

The compensation provisions have been modified to call for pay to assisted individuals equal only to what is paid for similar work by the same employer, rather than by the market generally. Nevertheless, it is predictable that the provisions would amplify the problem the bill is designed to solve by drawing larger numbers into the labor force and causing many persons employed privately to seek publicly supported jobs. Thus, its effect would be not to eliminate unemployment but to lodge it in a variety of federal or federally assisted work projects.

As indicated, the bill's latest version shows noticeably more concern than previous ones over the inflation it might create, but there is a certain emptiness in this. Its money-spending features, on which its inflation impact would depend, remain unchanged. It is still uncertain how fully and on what timetable its direct job-supplying provisions would be carried out, but they are sure to attract enormous demand and ultimately to require immense outlays. There were 5.3 million persons age twenty and over counted as unemployed in October 1976, with the unemployment rate at 6.06%. The bill would require reduction of this rate to 3% in less than four years. Let us assume the size of the unemployed segment of the labor force remains unchanged and that it costs $18,000 to put one person to work for one year (net of what would be obviated in welfare and unemployment insurance expenditures but inclusive of overhead and the cost of necessary nonlabor resources). Under these circumstances, the startup cost, so to speak, would be close to $48 billion, and continuing annual costs could be half that amount.

In addition, the bill still authorizes programs only indirectly related to job provision, a fact that could add enormously to its total cost. Among others are programs to stockpile food and other critical materials to meet emergencies and "maintain price stability [and] adequate farm income" and grants for the "stabilization and needed growth of state and local budgets." New York City has given a fair demonstration recently of what the later could cost, and we have had all the experience we need with what it takes to assure "adequate" farm income.

In short, if the bill's programs are actually to be implemented, as we must assume, its potential cost is simply "out of sight." And, incidentally, they could never be accommodated within overall budget spending limitations such as Congress has incorporated in recent resolutions on the budget.

Inflationism is implicit also in two concepts apparently basic to the thinking of the bill's authors—"full purchasing power" and the "full employment budget." The former is a revival of economic thinking of the twenties and thirties, calling for increases in income payments and thus in aggregate demand to the point where full employment is achieved, regardless of price increases. The latter is a more sophisticated fallacy of later years, maintaining that budget deficits in-

curred short of full employment have no inflationary or other negative effect, regardless of size, so long as they derive from expenditure and tax policies that produce balance at full employment.

Experience here and elsewhere in the world has shown both concepts to be dangerously wrong. Any thought that the monetary authorities would be free to exercise restraint to check the inflationary consequences of policies based on them can be put aside as in no way contemplated by the draftsmen of this bill. It is made quite clear that in pursuing full employment via federal spending, which is still the bill's method, no interference from the Federal Reserve authorities will be tolerated.

THE PROBLEM OF CONTROLS

Next among the bill's major faults is the potentially deadly effect it would have on our market oriented enterprise system through the quantitative goal-setting procedure to which it is committed and the direct controls system this would almost certainly engender. There is an old rule in politics that it is unwise to put too much in writing, least of all in numbers, but in S.50's proposed world everthing would be in numbers. The central number would be the annual goal of unemployment reduction, from which all others would devolve. And it would be the business of policy, as the saying goes, to make these numbers come true.

It may have been unwitting, but there was a certain flexibility in earlier versions in that an upward pressure on prices of increases in federal spending, as the authorities sought to achieve their predetermined numerical goals, could be reflected in a higher inflation rate. If the present draft is to be interpreted literally, this flexibility has been eliminated; there are provisions in it that would prohibit increases in inflation over whatever rate was prevailing when the bill was enacted.

Considering what would be spent under the bill and the limitations it would place on the exercise of monetary restraint, the logic of this new requirement is that the President would have to implement fairly early the anti-inflation program he is directed to have ready in the wings. I would interpret the "administrative and legislative actions to promote reasonable price stability" called for in the President's program as a virtual promise of early recourse to direct wage, salary, profit, dividend and price controls. And it is a safe guess that, this time, controls would include arrangements for government allocation of credit and capital in a system of regulated interest rates.

In short, the logic of the bill and the "comprehensive planning framework" it calls for, with "automatic triggers" phasing programs in and out, points directly to deeper and deeper intervention by government in business. However engaging this may be to social engineers, or to those who see the future as a collaboration between technocrats in government and in business, we know from experience that it is bad economics; what we would be destined to learn from new experience is that it is also bad political science. The syndicalism it implies for social structure and political action is simple not consistent with the operation of democratic institutions, including the institution of free collective bargaining.

A CONSTRUCTIVE APPROACH

My final complaint against Humphrey-Hawkins—that its enactment would preempt the opportunity to deal constructively with unemployment—implies that there is a better approach, and of course there is, though it is impossible to describe more than its major elements in a paragraph. First of all, it must be built on a foundation of noninflationary fiscal and monetary policies designed to promote sustainable growth, the features of which can be spelled out adequately enough. There is, of course, a prominent place in it for public service jobs, but not as a virtually exclusive reliance; what is done must be coordinated side-by-side with measures to promote private jobs and to facilitate the transfer of assisted persons to them.

To this end, reforms are needed in federal, state and local laws that deter capital accumulation and investment, a difficult but surely not impossible task. Rationalization is long overdue of federal and state laws and regulations that set minimum pay scales at levels that for many persons are actually a block to employment.

And the same is apparently true of aspects of unemployment insurance and welfare delivery systems. A thorough overhaul and improvement are needed, and have been for years, of existing systems of vocational training, guidance and placement. Finally, there may be a place in a better program for tax abatements aimed at promoting private jobs of specified characteristics, though only under conditions that would prevent their abuse.

Considering how basic the bill's faults are, the reasonable course for Congress is to abandon it as a false start and direct the President to construct an alternative. The new administration is obviously in a favorable stance for seeking such an opportunity, perhaps choosing to proceed, if Congress approves, with the aid of a presidential commission.

Structural unemployment is sufficiently serious and the problems it presents are sufficiently urgent that unless an alternative and constructive program is formulated soon, the field will be preempted by the enactment of something in the nature of S. 50. This would be more than just a mistake; it could well be an irreversible mistake.

SUMMARY OF REVISED HUMPHREY-HAWKINS BILL

A revised version of the Humphrey-Hawkins bill was introduced into Congress on September 17, 1976 (Congressional Record, same date) with the following major provisions.

(1) The act would:

Make job opportunities at fair pay a right of all Americans sixteen and over

Specify that jobs provided under the act results in a "net increase in employment through work that would not otherwise be done" and that wages paid be not less than received for equal work from the same employer, and in no case less than the minimum wage.

Recognize inflation as a national problem

Abjure government control of production, employment or allocation of resources, except as otherwise authorized

Give priority in expanding jobs to conventional private employment first, federally assisted private employment second, conventional public employment third and, as a last resort, provide jobs from reservoirs of public and private nonprofit employment projects.

(2) Projects from the reservoir of public works would:

Not be initiated sooner than two years after enactment

Not involve work to which Bacon-Davis applies, nor draw workers from private employment

Provide jobs mainly in the "lower ranges of skills and pay."

(3) Under the act, the President would be required to:

Set annual numerical goals for employment, production and purchasing power

Send Congress each year a Full Employment and Balanced Growth Plan (hereafter, Plan) designed to—

Achieve the annual numerical goals.

Be consistent with a longer-term goal (specified in the act) of reducing unemployment to 3% in not more than four years for all Americans twenty and over who are able and desiring work.

Prevent inflation from rising above its rate at time of enactment and ultimately achieve reasonable price stability.

Propose to Congress a comprehensive countercyclical program (relating to periods of high unemployment but to be pursued "regardless of the stage of the business cycle") designed to close the gap between employment achieved by aggregate monetary and fiscal policy and the employment goals established under the act, including public service jobs, accelerated public works, countercyclical grants for "stabilization and needed growth" of state and local budgets, skill training, levels and duration of unemployment insurance, community development.

Develop a "comprehensive regional and structural employment proposal" to reduce underutilization of resources in depressed areas and in groups of the labor force, including legislation for an "institutional means" to encourage investment in depressed areas and inner cities and "provide an alternative source of capital funds for local and state governments to finance public facilities".

Develop a proposal to integrate income maintenance with the employment proposals of the act.

Devise and transmit to Congress an anti-inflation program, including a comprehensive information system to monitor and analyze inflation trends, monetary and fiscal policies "geared to full employment", ways to increase supply in tight markets, stockpiles, voluntary labor/management arrangements to increase productivity, stronger antitrust laws and enforcement, recommendations for "administrative and legislative actions to promote reasonable price stability, if situations develop that seriously threaten national price stability."

(4) The act would establish a Full Employment Office in the Department of Labor to assist the Secretary of Labor in administering the last-resort employment program, and, a Division of Full Employment and Balanced Growth in the Congressional Budget Office to assist the Joint Economic Committee and Congress in their review of the President's Plan.

(5) The Joint Economic Committee would review the Plan and prepare a statement for congressional committees on the budget, indicating acceptance, disapproval, or modification of the Plan, or giving an alternative to it, to be incorporated in a concurrent resolution which, upon adoption, would serve as a guide to legislation relevant to "goals, priorities, policies and programs" recommended in the Plan.

(6) Federal expenditure and tax policies set forth in the President's Economic Report and Budget would be expected to be consistent with the Plan, as would monetary policies proposed annually to Congress in an independent statement by the Federal Reserve Board. Should the President find that the Federal Reserve's proposed policies are inconsistent with the Plan, he is directed to recommend actions to the Board and to Congress to insure conformity.

THE EDITORS.

(By request of Mr. STEVENS for Mr. MCCLURE, the following statement is printed in today's RECORD:)

MARY BROOKS, THE 28TH DIRECTOR OF THE U.S. MINT

Mr. MCCLURE. There are many Idahoans occupying high positions in the Federal Government, but none has been more respected

than Mary Brooks, the 28th Director of the U.S. Mint.

It is said that the people of my State cling to the pioneer spirit of the Old West more than any of their fellow countrymen. If this is true, then Mary Brooks, more than anyone else I can think of, symbolizes those qualities which we identify with the West—self-reliance, perserverance, and fortitude.

She is the daughter of the late U.S. Senator from Idaho, John Thomas, and the wife of the late Senator C. Wayland Brooks of Illinois. Her lifelong association with politics led her to the job of Assistant Chairman of the Republican National Committee. But it is as the Director of the Mint that Mary Brooks carved her niche in American history.

On January 11, 1977, Secretary of the Treasury William Simon presented the Alexander Hamilton Award, the Treasury Department's highest honor award, to Mrs. Mary Brooks, Director of the Mint, on January 11, 1977.

Mrs. Brooks is the first woman chosen by a Secretary of the Treasury to receive the Alexander Hamilton Award established in 1955 to give recognition for outstanding and unusual leadership in the work of the Department of the Treasury.

There are no nominations for this award which are conferred solely by personal selection of the Secretary of the Treasury. At the recent presentation ceremonies, Secretary Simon presented Mrs. Brooks with the Alexander Hamilton Award 14k gold medal and signed certificate. The citation to Mrs. Brooks reads:

"Mary T. Brooks, twenty-eighth Director of the Bureau of the Mint and only the third woman to fill this responsible position, has provided imaginative and innovative leadership for the Mint's diverse operations, conducted in seven field installations.

"During her two terms as Director, the production of the United States coinage virtually doubled, rising from seven billion coins in 1969 to over thirteen billion coins in 1975. When the public began withdrawing pennies from circulation in 1974, thus threatening to overburden Mint production facilities, she improvised a public relations program designed to elicit the return of hoarded pennies to monetary uses.

"Mrs. Brooks ably presided over all phases of the unique Bicentennial coinage and medals programs, from design selection through demand forecasting to automated public sales, and established for the first time a progressive system of audits of the nation's gold stocks in her charge at the Fort Knox Depository. Under her guidance, major numismatic programs multiplied in number, reaching deliveries of over four million sets of coins and medals annually."

(This concludes Additional Statements Submitted by Senators.)

CONCLUSION OF MORNING BUSINESS

Mr. STEVENS. Mr. President, is there any time remaining in the morning hour?

The PRESIDING OFFICER. There are 11 minutes.

Mr. STEVENS. Mr. President, I ask unanimous consent that the remaining time be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FISHERY CONSERVATION AND MANAGEMENT ACT OF 1976

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Senate immediately proceed to the consideration of H.J. Res. 240, to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes, and that no nongermane amendments be in order during its consideration.

Mr. STEVENSON. Or reconsideration.

Mr. MAGNUSON. Or reconsideration.

Mr. JAVITS. What is the question?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. JAVITS. No objection.

There being no objection, the Senate proceeded to consider the joint resolution, which was read twice by its title.

Mr. MAGNUSON. Mr. President, I join Senator CLAIRBORNE PELL of the Senate Foreign Relations Committee in requesting that House Joint Resolution 240 be held at the desk and not referred to committee, and that the Senate proceed to its immediate consideration.

I realize that this is an extraordinary procedure, but I believe it is necessary to assure that the United States is prepared to enforce the provisions of our 200-mile fishing limit on March 1. I do not believe that this procedure will ever again be necessary because of the transitional nature of this problem. We have been requested by the Carter administration to expedite action on this bill as soon as possible.

There are three purposes to this bill. First, under the terms of the Fishery Conservation Act of 1976, no governing international fishery agreement signed between the United States and any foreign nation becomes effective until it has lain before Congress for 60 days. In addition no foreign fishing can take place until any such agreement takes effect as to the country involved. Because of the transition between Congresses and Administrations, and the length of time it took to negotiate these agreements, they have only recently come to Congress. Others are yet to be signed and formally transmitted—Japan, Spain, Korea, and the European Economic Community. Therefore, unless affirmative action is taken, simple procedural roadblocks will prevent us from making an orderly transition from a 12-mile limit to a 200-mile limit on March 1.

The first part of the House Joint Resolution 240 solves this problem by specifically approving those agreements which have been signed and transmitted to Congress. Both the Senate Commerce Committee and the Senate Foreign Relations Committee have conducted hearings on this very question. And the House has already acted on the resolution.

Second, the Fishery Act requires there to be individual permits for each foreign fishing vessel allowed to operate within our 200-mile limit. After governing international fishery agreements become effective, these permits may be applied for and reviewed according to processes spelled out in detail in the act. In particular, the Regional Fishery Management Councils created by this new law are given 45 days in which to review and comment on the permit applications. These councils are the frontline managers of our fisheries. But here again, the tightness of time between approval of the international agreements and March 1 forces us to limit the review time to 7 days. Since all the Councils long ago were alerted to this problem, and in fact have adopted resolutions supporting the actions to be taken in House Joint Resolution 240, a reduction in review time poses no serious problems in this transitional period.

Third, under the law, each foreign fishing vessel must have its permit physically onboard on March 1. Again, time limits will prevent this, and the resolution waives this requirement if the permits are approved until a later date.

Finally, to receive permits for its vessels, each nation must pay a license fee in advance under the law. But since the amount of the fee to be paid by each nation will not be known until allocation of catch is made to each fishing nation, we face the same procedural hangup. The resolution would therefore waive this requirement, on a one-time basis only, and make the payment of fees a condition subsequent to fishing rather than a condition precedent. Fees will be paid in a reasonable period of time after March 1. If they are not paid, fishing must cease.

In summary, Mr. President, this resolution must be approved as soon so that we do not receive pressure to delay the effective date of the 200-mile-limit law. These changes made by the resolution are one-time only and are procedural in nature. I urge my colleagues to vote favorably on House Joint Resolution 240.

Mr. PELL. Mr. President, normally, House Joint Resolution 240 would be jointly referred to the Foreign Relations Committee and the Commerce Committee. However, in view of the urgency expressed by the administration, both committees have waived their rights to a referral. It should be noted that this action should not be taken as a precedent for similar legislation, nor should it be interpreted as a diminishing of the Foreign Relations Committee's jurisdiction in the area of international oceans affairs or the Commerce Committee's jurisdiction in oceans policy. It is merely a recognition by the both committees of a need on the part of the administration for quick congressional relief.

As many Senators know, the enforcement provisions of the Fishery Conservation and Management Act (P.L. 94–265) will go into effect on March 1, 1977. This act will create a 200-mile fishery conservation zone within which the United States will exercise exclusive management authority over various fisheries.

In accordance with Public Law 94–265, the Department of State has reviewed all existing fishery agreements and initiated negotiations to revise those provisions inconsistent with the act.

To date, international agreements have been negotiated with the Soviet Union, Poland, Romania, Bulgaria, the Republic of China, Korea, and East Germany. Six of these have been submitted to the Congress. However, the 60-day entry into force period provided for in the act will not elapse for any of these agreements prior to the March 1 enforcement date.

The administration, at a hearing I chaired last Thursday—February 3—before the Subcommittee on Oceans and International Environment, urgently requested the Congress to approve these agreements by an affirmative action in a joint resolution so that they may enter into force before the March 1 enforcement date. It is necessary that these agreements enter into force before the permits for foreign fishing can be granted.

The resolution we are considering today gives congressional approval to these six agreements.

In addition to approving the agreements, House Joint Resolution 240 will: First, reduce the time in which the eight Regional Fishery Management Councils created by Public Law 94–265 may comment on foreign permit applications submitted pursuant to the above agreements from 45 days to 7 days; second, provide that the provisions of the Federal Advisory Committee Act shall not apply to the actions of any Council in preparing such comments; third, exempt until May 1, 1977, foreign vessels fishing pursuant to the above agreements from the provisions of Public Law 94–265 requiring them to have U.S. permits physically on board; fourth, exempts until May 1, 1977, foreign vessels fishing pursuant to the above agreements from the provisions of Public Law 94–265 requiring the payment of fees before foreign fishing permits are issued; and fifth, repeals the implementing legislation for the International Convention on Northwest Atlantic Fisheries.

The American fishing industry does have difficulties with a number of the provisions in some of the agreements. Specifically, the industry is concerned about such things as: First, the granting of port privileges; second, the continuation of joint Claims Boards; and third, the establishment of multilateral scientific fishery organizations which might have an input in the determination of optimum yield in various American fisheries.

In view of these concerns, the industry has urged the State Department to work closely with the American fishermen in order to develop amendments which address their concerns. They have also urged the Department to submit such amendments at the earliest possible review date to the various foreign governments with which we have concluded fishery agreements.

However, despite these problems the industry is more concerned that the Fisheries Management and Conservation Act enter into force on March 1, 1977. Therefore, industry has expressed in private consultation and in public testimony support for this resolution.

I urge the Senate to vote in favor of House Joint Resolution 240 and thereby expedite the implementation of the Fisheries Management and Conservation Act.

The PRESIDING OFFICER. The question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 240) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR INCLUSION OF CERTAIN MATTER IN THE RECORD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senators may have until the hour of 5 p.m. today to include their statements, bills, resolutions, petitions, and memorials in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 1 P.M. TOMORROW

Mr. ANDERSON. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 1 p.m. tomorrow.

The motion was agreed to; and at 4:02 p.m., the Senate recessed until tomorrow, Friday, February 11, 1977, at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate after the adjournment of the Senate on February 7, 1977, pursuant to the order of February 7th:

DEPARTMENT OF STATE

Warren M. Christopher, of California, to be Deputy Secretary of State, vice Charles W. Robinson, resigned.

DEPARTMENT OF TRANSPORTATION

Alan A. Butchman, of the District of Columbia, to be Deputy Secretary of Transportation, vice John W. Barnum, resigned.

Terrence L. Bracey, of Virginia, to be an Assistant Secretary of Transportation, vice Roger W. Hooker, Jr., resigned.

Chester Davenport, of Maryland, to be an Assistant Secretary of Transportation, vice Robert H. Binder.

Linda Kamm, of the District of Columbia, to be General Counsel of the Department of Transportation, vice John Hart Ely, resigned.

OFFICE OF DRUG ABUSE POLICY

Lee I. Dogoloff, of Maryland, to be Deputy Director of the Office of Drug Abuse Policy. (New position)

Peter G. Bourne, of the District of Columbia, to be Director of the Office of Drug Abuse Policy. (New position)

DEPARTMENT OF THE TREASURY

C. Fred Bergsten, of New York, to be a Deputy Under Secretary of the Treasury, vice Gerald L. Parsky, resigned.

DEPARTMENT OF DEFENSE

W. Graham Claytor, of the District of Columbia, to be Secretary of the Navy, vice J. William Middendorf II, resigned.

IN THE NAVY

The following-named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

Karl J. Christoph, Jr.	Thomas M. Hopkins
James H. Webber	James W. Lisanby
William G. Sizemore	Grover M. Yowell
Warren C. Hamm, Jr.	Edwin Barrineau
Robert W. Carius	Jack F. O'Hara
James A. Winnefeld	Crawford A. Easterling
Paul A. Lautermilch, Jr.	Thomas M. Ward, Jr.
	Daniel G. McCormick, III
Thomas R. Kinnebrew	
Henry J. Davis, Jr.	Frederick G. Fellowes, Jr.
Alexander M. Sinclair	
Huntington Hardisty	Milton P. Alexich
Floyd H. Miller, Jr.	Curtis B. Shellman, Jr.
Albert J. Baciocco, Jr.	David S. Cruden
Arthur S. Moreau, Jr.	Clyde R. Bell
Charles O. Prindle	Bernard M. Kauderer
Lowell F. Eggert	Frederick C. Johnson
Samuel W. Hubbard, Jr.	Conrad J. Rorie

The following-named officers of the Naval Reserve for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

LINE

Joseph Louis Loughran
Herbert Marvin Bridge
Samuel Amspoker Cummins
Martin Joseph Andrew

MEDICAL CORPS

Matthias Henry Backer, Jr.

SUPPLY CORPS

William Alvin Armstrong

CIVIL ENGINEER CORPS

Peter Ross Brown

DENTAL CORPS

William James Hughey Vaughn

Executive nomination received by the Senate on February 8, 1977, pursuant to the order of February 7:

AMBASSADOR

Paul C. Warnke, of the District of Columbia, for the rank of Ambassador during his tenure of service as Director of the United States Arms Control and Disarmament

Agency, to which position he was nominated February 4, 1977.

Executive nomination received by the Senate on February 9, 1977, pursuant to the order of February 7:

AMBASSADOR

Evan S. Dobelle, of Massachusetts, for the rank of Ambassador during his tenure of service as Chief of Protocol for the White House.

Executive nominations received by the Senate on February 10, 1977, during the adjournment of the Senate, pursuant to the order of February 7:

CENTRAL INTELLIGENCE

Admiral Stansfield Turner, United States Navy, to be Director of Central Intelligence, and to have the grade of Admiral while so serving, vice George Bush, resigned.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general:

Alexander P. McMilland	George B. Crist
Vincente T. Blaz	Dwayne Gray
David B. Barker	Albert E. Brewster, Jr.
William A. Scott, Jr.	Richard A. Kuci
Lawrence R. Seamon	Ernest C. Cheatham, Jr.
Thomas R. Morgan	John V. Cox

CONFIRMATIONS

Executive nominations confirmed by the Senate February 10, 1977:

DEPARTMENT OF TRANSPORTATION

Alan A. Butchman, of the District of Columbia, to be Deputy Secretary of Transportation.

Terrence L. Bracy, of Virginia, to be an Assistant Secretary of Transportation.

Chester Davenport, of Maryland, to be an Assistant Secretary of Transportation.

Linda Kamm, of the District of Columbia, to be General Counsel of the Department of Transportation.

DEPARTMENT OF STATE

Richard B. Parker, of Kansas, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

LAWS OF THE 94TH CONGRESS AFFECTING ADVISORY COMMITTEES

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, February 10, 1977

Mr. METCALF. Mr. President, the 94th Congress passed no fewer than 55 laws establishing, continuing, authorizing, or otherwise affecting Federal advisory committees, commissions, councils, boards, panels, and other advisory bodies—the same number the 93d Congress passed.

Considering that more than 750 bills affecting advisory bodies were introduced in the House and Senate during the first 7 months of the session, the output of the 94th Congress involving these bodies may seem somewhat restrained. While that output may have been lower than it might have been, it was no doubt higher than it should have been.

The yardstick to be applied is the declaration of the 92d Congress in enacting the Federal Advisory Committee Act that—

New advisory committees should be established only when they are determined to be essential and their number should be kept to the minimum necessary.

At the end of 1975 there were 1,267 Federal advisory committees. As of mid-1976, there were an estimated 1,249. The inventory of committees as of December 31, now being taken for the fifth annual report of Federal advisory committees, covering calendar 1976, which the President will send to Congress by March 31, could show as many as 1,300.

Whether the number rises or falls from the total a year ago, or holds constant, which could happen if a committee was terminated in 1976 for each new one created, the crucial question is whether each of these committees is truly necessary.

Advisory committees are created by the Congress, by the President, and by agency heads, so the question may properly be put to each of them. Congress has been mandating more advisory committees, and the annual report is expected to disclose that about a third of all new committees established in 1976 were created by statute.

As chairman of the Subcommittee on Reports, Accounting, and Management, which oversees the Federal Advisory Committee Act, I would like to remind Members of the House and Senate that section 5(b) of that law—Public Law 92-463—says the following about the responsibilities of congressional committees:

In considering legislation establishing, or authorizing the establishment of any advisory committee, each standing committee of the Senate and of the House of Representatives shall determine, and report such determination to the Senate or to the House of Representatives, as the case may be, whether the functions of the proposed advisory committee are being or could be performed by one or more agencies or by an advisory committee already in existence, or by enlarging the mandate of an existing advisory committee. Any such legislation shall—

(1) contain a clearly defined purpose for the advisory committee;

(2) require the membership of the advisory committee to be fairly balanced in terms of the points of view represented and the functions to be performed by the advisory committee;

(3) contain appropriate provisions to assure that the advice and recommendations of the advisory committee will not be inappropriately influenced by the appointing authority or by any special interest, but will instead be the result of the advisory committee's independent judgment;

(4) contain provisions dealing with authorization of appropriations, the date for submission of reports (if any), the duration of the advisory committee, and the publication of reports and other materials, to the extent that the standing committee determines the provisions of section 10 of this Act to be inadequate; and

(5) contain provisions which will assure that the advisory committee will have adequate staff (either supplied by an agency or employed by it), will be provided adequate quarters, and will have funds available to meet its other necessary expenses.

All too often, I am afraid, the 94th Congress did not follow these guidelines. I call attention to these guidelines at the outset of the 95th Congress in the hope and expectation that it will not lose sight of them.

The list below was compiled with the assistance of the American Law Division of the Congressional Research Service, which uses "advisory bodies" as a bucket term embracing certain groups not subject to the Federal Advisory Committee Act—for example, operational groups and committees composed wholly of full-time officers or employees of the Federal Government.

From the list I have excluded such clearly operational bodies established by the 94th Congress as the U.S. Parole Commission, Foreign Service Grievance Board, Japan-United States Friendship Commission, U.S. Metric Board, and the National Museum Services Board. Also excluded are committees which do not have at least one non-Federal member, such as the National Occupational Information Coordinating Committee, the Federal Council on Educational Research and Development, and the Committee To Make Recommendations to the Administrator of the Environmental Protection Agency under the Toxic Substances Control Act.

Also excluded are committees that advise the District of Columbia government or State or local governments, such as the State advisory councils on vocational education mandated by the 94th Congress.

At the same time, I have included a couple of "advisory bodies" which do not or may not come under the Federal Advisory Committee Act, either because of their interest or because the question of their coverage is still an open one.

COMPARING THE 94TH AND THE 93D

Mr. President, the 93d Congress exempted several advisory committees from all or part of the Federal Advisory Committee Act. For example, the advisory committee established by Public Law 93-406 to serve the Pension Benefit Guaranty Corp., was wholly exempted from the act, meaning that none of its automatic termination, open meeting or other provisions apply.

Apparently the 94th Congress wholly exempted only one advisory committee, the existing Advisory Council on Historic Preservation, and did so only after converting it into an "independent agency." However, on several occasions the 94th Congress exempted advisory committees from the act's automatic termination requirement that committees expire in 2 years unless they are formally renewed

or enjoy a longer duration specified by law.

Whenever Congress suspends the automatic termination provision of the act with respect to a committee instead of giving it a specific termination date, it is creating that panel in perpetuity. The danger is that the programs or activities these committees are set up to monitor will change or wither away over time, leaving these monitors behind like so much bureaucratic bric-a-brac.

The last Congress laid down some special requirements for certain advisory committees.

For instance, Public Law 94-278 declares that all appointments to advisory committees established to assist in implementing the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, "shall be made without regard to political affiliation."

For another, Public Law 94-471 instructs the director of the National Science Foundation to "improve the representation of minorities, women, and handicapped individuals on advisory committees, review panels, and all other mechanisms by which the scientific community provides assistance to the Foundation."

For yet another, Public Law 94-163 applies the tough open-meeting requirements of section 17 of the Federal Energy Administration Act of 1974 to advisory committees helping achieve the purposes of the international energy program with respect to international allocation of petroleum products. Ironically, 94-163 allows the President to suspend the application of these requirements, and meetings of these committees have been consistently closed.

In Public Law 94-409, the Government in the Sunshine Act, Congress laid down a special requirement for all advisory committees—or at least all those that have invoked exemption 5 of the Freedom of Information Act, which shields inter- or intra-agency memorandums and letters, to close advisory committee meetings to the public.

The Government in the Sunshine Act amends the Federal Advisory Committee Act, effective in March, to switch the grounds for closing a meeting from the 9 exemptions of the FOIA to the 10 exemptions of the Sunshine Act. The new set of exemptions has nothing comparable to old exemption 5.

Mr. President, no doubt some of the unfinished business of the 94th Congress will be revived in the 95th—for example, S. 3799, to establish an Antitrust Review and Revision Commission, which passed the Senate in September, and H.R. 11743, to establish a National Agricultural Research Policy Advisory Board, which passed the House in July.

The only way that Congress can prevent the statutory proliferation of advisory committees, whether it is considering old proposals or new ones, is to insist that its standing committees follow the guidelines contained in section 5(b) of the Federal Advisory Committee Act. If Congress does not show restraint in the establishment of Federal advisory committees, it can hardly expect the President and agency heads to do so.

I ask unanimous consent that this list of 55 laws of the 94th Congress affecting advisory bodies be printed in the RECORD

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LAWS OF THE 94TH CONGRESS AFFECTING ADVISORY COMMITTEES

Public law, section and provision affecting advisory bodies:

94-25, 9, abolishes Financial Investment Advisory Panel that was set up to advise directors of the National Railroad Passenger Corp.

94-29, 7, directs Securities and Exchange Commission to establish National Market Advisory Board.

94-43, 3, extends life of National Advisory Council on Equality of Educational Opportunity.

94-63,[1] 231, 401, 603, 604, 605, directs Secretary of Health, Education and Welfare to appoint advisory committee to advise him on operation of the National Center for the Prevention and Control of Rape; to appoint and organize a National Advisory Council on Migrant Health; to appoint a Committee on Mental Health and Illness of the Elderly; to establish a temporary Commission for the Control of Epilepsy and Its Consequences; and to establish a temporary Commission for the Control of Huntington's Disease and Its Consequences.

94-69, 1st. Sec. 2, to increase and extend the appropriation authorized for the National Advisory Committee on Oceans and Atmosphere and expand its responsibilities.

94-70, 4, directs United States Commissioners on the International Commission for the Conservation of Atlantic Tunas to appoint an advisory committee.

94-72, 1st. Sec. , extends life of National Commission on Supplies and Shortages.

94-80, 2, authorizes American Indian Policy Review Commission to set annual or daily pay rates for member of its statutory task forces.

94-103,[2] 126, establishes National Advisory Council on Services and Facilities for the Developmentally Disabled.

94-105, 14, directs HEW secretary to convene advisory committee on the health benefits of the special supplemental food program for women, infants and young children, and establishes a National Advisory Council on Maternal, Infant, and Fetal Nutrition.

94-136, 401, authorizes executive director of National Center for Productivity and Quality of Working Life to establish one or more task forces.

94-140, 7, requires administrator of Environmental Protection Agency to submit notices of intent and proposed and final regulations under the Federal Insecticide, Fungicide, and Rodenticide Act to a Scientific Advisory Panel for comment as to the impact on health and the environment of the action proposed in them.

94-152, 3, amends Defense Production Act to authorize President to establish advisory committees with respect to voluntary agreements covering petroleum products, and to authorize administrator of the Federal Energy Administration to establish international petroleum allocation advisory committees.

94-161, 312, directs President to establish a permanent Board for International Food and Agricultural Development.

94-163, 253, authorizes FEA administrator to establish international energy program advisory committees.

Footnotes at end of article.

94-167, 4, directs National Commission on the Observance of International Women's Year, 1975, to establish advisory and technical committees as necessary to assist and advise the National Women's Conference.

94-168, 7, authorizes United States Metric Board to establish an Executive Committee and such other committees as it deems desirable.

94-176, 1st Sec., extends life of National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance.

94-200, 201, extends life of National Commission on Electronic Fund Transfers.

94-210, 906, establishes Minority Resource Center Advisory Committee relating to maintenance, rehabilitation, restructuring, improvement and revitalization of the Nation's railroads.

94-239, 3/3, directs Federal Reserve System Board of Governors to establish Consumer Advisory Council.

94-241, Art. V, declares President will appoint Commission on Federal Laws to make recommendations to Congress as to which laws of the United States should and should not apply to the Northern Mariana Islands.

94-261, 1st Sec., changes membership and extends life of National Study Commission on Records and Documents of Federal Officials.

94-265, 302, establishes eight Regional Fishery Management Councils and authorizes them to establish advisory panels.

94-278, 103, 301, 1101, renames existing committee the National Heart, Lung, and Blood Advisory Council; directs President's Biomedical Research Panel and the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research to study implication of the disclosure of research information; and declares that all appointments to advisory committees established to assist in implementing Public Health Service Act, Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, "shall be made without regard to political affiliation."

94-280, 154, 209, establishes National Transportation Policy Study Commission, and changes method of selection of chairman of National Highway Safety Advisory Committee.

94-282, 205, 301, directs National Science Foundation director to establish an Intergovernmental Science, Engineering, and Technology Advisory Panel, and directs President to establish a President's Committee on Science and Technology.

94-284, 19, designates industry sectors from which persons representing manufacturers shall be appointed to Flammable Fabrics Act Advisory Committee.

94-293, 5, provides that if ACTION establishes a National Advisory Council on its own initiative and authority after Jan. 1, 1976, then council will be governed by same requirements as to membership, functions and annual reporting which applied to the statutory council that was terminated Dec. 30, 1975.

94-294, 8, provides for Agriculture secretary to establish and appoint Beef Board of not more than 68 cattle producers, which in turn may appoint an executive committee of from seven to 11 members.

94-295,[4] 513, 514, 515, 520, directs HEW secretary to establish medical devices classification panels, performance standards panels, pre-market review committees, and an advisory committee on good manufacturing practice requirements.

94-304, 1st Sec., establishes Commission on Security and Cooperation in Europe.

94-305, 204, authorizes the Chief Counsel for Advocacy within Small Business Administration to utilize services of existing Na-

tional Advisory Council and to "appoint such other advisory boards or committees as is reasonably appropriate and necessary to carry out the provisions of this title."

94–314, 1st Sec., extends authorization of appropriations for National Commission on New Technological Uses of Copyrighted Works.

94–398, 1st Sec., 2, changes size and composition of Canaveral National Seashore Advisory Commission.

94–409, 5, amends the Federal Advisory Committee Act to change the grounds for closing an advisory committee meeting from the nine exemptions-from-mandatory-public disclosure of the Freedom of Information Act, to the 10 exemptions of the Government in the Sunshine Act.

94–421, 7, establishes Commission on Postal Service, to report to President and to each House of Congress by March 15, 1977.

94–422, 201, converts existing Advisory Council on Historic Preservation into independent agency and exempts it from Federal Advisory Committee Act.

94–444, 13, establishes National Commission on Employment and Unemployment Statistics.

94–458, 9, establishes National Park System Advisory Board to exist until 1990.

94–460, 303, extends by one year reporting date involving recommendations of the Committee on Mental Health and Illness of the Elderly established by Public Law 94–63.

94–461, 209, establishes Sea Grant Review Panel to supersede existing sea grant advisory panel.

94–462, 103, 203, provides that members of the National Council on the Arts and National Council on the Humanities shall be appointed by the President by and with the advice and consent of the Senate, and establishes an Institute of Museum Services consisting of a director and a National Museum Services Board.

94–471, 5, 7, establishes one or more review panels for evaluating applications for an experimental "Science for Citizens Program," and instructs NSF director to "improve the representation of minorities, women, and handicapped individuals on advisory committees, review panels, and all other mechanisms by which the scientific community provides assistance to the Foundation."

94–482, 127, 202, 403, 411, establishes Committee on the Process of Determining Student Loan Special Allowances; continues National Advisory Council on Vocational Education; instructs director of the National Institute of Education to establish a Panel for the Review of Laboratory and Center Operations; and amends General Education Provisions Act to provide that members of presidential advisory councils shall continue to serve—despite any limitation on their terms—until the President appoints other members to fill their positions.

94–484,[2] 5, 202, 407, changes the composition of the National Advisory Council on Health Professions Education, and establishes National Advisory Council on the National Health Service Corps to succeed National Advisory Council on Health Manpower Shortage Areas.

94–487, 204, directs President to establish Advisory Committee to the White House Conference on Balanced National Growth and Economic Development.

94–518, 404, establishes Kalaupapa National Historical Park Advisory Commission.

94–534, 2, declares Commission on Security and Cooperation in Europe established by Public Law 92–304 shall be deemed a standing committee of Congress for purposes of section 502(b) of the Mutual Security Act of 1954.

94–549, 5, changes size and composition of Indiana Dunes National Lakeshore Advisory Commission.

94–562, 103, 201, 301, 302, directs HEW secretary to establish National Arthritis Advisory Board, National Diabetes Advisory Board, National Commission on Digestive Diseases, and Coordinating Committee for Digestive Diseases, whose sole non-Federal member will be the head (or designated representative) of the Institute of Medicine of the National Academy of Sciences.

94–566, 411, establishes National Commission on Unemployment Compensation.

94–573, 17, 18, 19, extends life of National Commission on Arthritis and Related Musculoskeletal Diseases and of National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research; and provides that grants under Sec. 311 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 may be awarded only if recommended for approval by the National Advisory Council on Alcohol Abuse and Alcoholism.

94–579, 309, 403, 601, authorizes Interior secretary to establish advisory councils of persons representative of various major citizens' interests concerning land use planning or management of public lands; directs secretaries of Interior and Agriculture to establish advisory boards upon petition of majority of livestock lessees under jurisdiction of Bureau of Land Management district office or national forest headquarters office; and directs Interior secretary to establish California Desert Conservation Area Advisory Committee.

94–588, 6, 11, 17, directs Agriculture secretary to appoint committee of scientists who are not officers or employees of the Forest Service to provide technical advice and counsel on proposed guidelines for development of forest system land management plans; directs secretary in providing for public participation in planning for and management of national forest system to "establish and consult such advisory boards as he deems necessary to secure full information and advice on the execution of his responsibilities"; and abolishes the National Forest Reservation Commission.

FOOTNOTES

[1] National Advisory Council on Migrant Health exempted by this statute from Federal Advisory Committee Act requirement that committees terminate in two years unless formally renewed.

[2] Exempted by this statute from FACA requirement that committees terminate in two years unless formally renewed.

[3] FACA exempts the Federal Reserve System, the Central Intelligence Agency and the Advisory Commission on Intergovernmental Relations from its coverage.

[4] Panels established pursuant to sections 513 and 520 are exempted by this statute from FACA requirement that committees terminate in two years unless formally renewed.

[5] Conferees expressed intent that "sufficient advisory committees be established" for National Advisory Council on Health Professions Education to assure timely evaluation of grant applications, specifying separate committees to represent (1) medicine and osteopathy, (2) dentistry, and (3) veterinary medicine, optometry, pharmacy, podiatry and public health. Conferees added they "feel strongly that review of grants by experts in the discipline which is the subject of the grant application is necessary if sufficient technical expertise is to be available to insure that each application receives thorough review by qualified persons."

SEABED MINERALS AND THE U.S. ECONOMY

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, February 10, 1977

Mr. METCALF. Mr. President, the interminable U.N. Law of the Sea Conference ran aground last summer during what was touted as its concluding discussion on the Revised Single Negotiating Text of a treaty. The sandbar which snared these marathon verbosities was the issue of ocean mining.

Clearly, the primary undoing of the conference is the irreconcilable conflict between a small minority of developed nations, led by the United States, which have the technology needed for recovering ferromanganese nodules from the deep seabed, and a large majority of developing nations who lack either the capacity for or the interest in ocean mining.

While it may be too early to predict the demise of the conference—a new round of formal talks is due to begin in May—it is nonetheless apparent that the Carter administration must make a new assessment of the national interest in this case. Congress will soon consider legislation to encourage establishment of an interim regime for the ocean floor under which exploration and recovery of manganese nodules can proceed in an orderly fashion.

As a contribution to the coming debate in the Senate, I submit and request unanimous consent for reprinting in the RECORD, an article appearing in the MTS Journal for June 1976, entitled "Seabed Minerals and the U.S. Economy; A Second Look." The author is Richard C. Raymond, formerly assistant director, ocean policy project, Johns Hopkins School of Advanced International Studies, now with the Office of Technology Assessment.

This paper examines the assumption that the United States has a vital economic interest in rapid development of seabed mineral resources. Six criteria for assessing strategic economic vulnerability to producer action in a given raw material are discussed. These materials criteria are then applied to the U.S. position in the four major minerals found in manganese nodules. Implications for the Law of the Sea Conference are also discussed briefly.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEABED MINERALS AND THE U.S. ECONOMY: A SECOND LOOK

(By Richard C. Raymond)

INTRODUCTION

The debate over seabed mining focuses on one of the most contentious of ocean issues. In the international arena, the impasse over the nature and powers of the International Seabed Resource Authority has stalled the entire Law of the Sea Conference, and do-

mestically, legislation which would promote seabed mining by U.S. firms prior to an international treaty has provoked clashes between those who favor international control of seabed development and those who feel that unilateral action is both just and necessary. Unfortunately, the debate has been clouded, internationally and especially domestically, by a tendency to oversimplify the nature of international trade in raw materials and to exaggerate the perils to the U.S. economy which stem from the American import position in relation to the minerals found in manganese nodules. The purpose of this paper is to briefly review the criteria for assessing strategic economic vulnerability to producer action in the area of any given raw material and to apply those criteria to the U.S. position with regard to the four major nodule minerals.

MATERIALS CRITERIA

The most common oversimplification in the seabed mining debate (which taints broader materials policy discussions as well) is the conclusion that import dependence leads *a priori* to a serious danger to the national economy. The underlying fear is of produced cartels formed by developing countries which export raw materials to the United States and other industrial countries. This fear has been inflamed by the 1973 destination embargo imposed by the Arab members of OPEC, the concomitant fourfold increase in oil prices adopted by OPEC as a whole, and suggestions by a number of writers that a threat exists for other raw materials as well.[1] Proponents of this view have found ample evidence in various United Nations resolutions concerning the "New international Economic Order" (NIEO), which explicitly affirm the right of primary commodity producers to form cartels in order to maximize their revenues.[2] The politics of NIEO rhetoric may prove, however, to be somewhat removed from the economic realities of international commodity markets.

Proper assessment of the U.S. position regarding raw materials must be conducted on a material-by-material basis and should analyze the following criteria:

(1) the importance of the mineral or other material to the national economy;

(2) the percentage of U.S. consumption which is covered by imports;

(3) which countries are our major suppliers;

(4) the availability of substitutes for the given material;

(5) the levels of U.S. government stockpiles, and the distribution of reserves and resources in the U.S. and in the rest of the world; and

(6) the feasibility of cartel action by producer countries.

A brief word or two is in order on each of these six criteria.

Importance to the economy

This is a necessary but difficult criterion to apply. Some minerals are clearly of greater economic significance than others, but the standards for identifying which minerals are important and which are not, have yet to be well developed. Despite the crudeness of such a criterion, a rough assessment of a given material's overall economic importance is necessary—e.g., a shortage of commercial gold would presumably be somewhat less catastrophic than a shortage of iron ore. One common guideline is intensity of use—an objective standard which expresses the ratio of tons of material per unit of national income—usually billion dollars of Gross Domestic Product (GDP). Another guideline is the dollar value of the mineral consumed. These standards fail to identify, however, materials which though limited in volume or dollar value, may be vital to a patricular industry or have a special defense application. Evaluation of a mineral's importance, therefore, should include both quantitative and qualitative standards to arrive at a balanced assessment.

Imports as a percentage of consumption

This is the "early warning" indicator of potential vulnerability. The less a country imports of a given mineral, the more it is insulated from the actions of other actors in the international market for that mineral. The country can remain insulated as long as its reserve position remains strong and domestic production covers a high percentage of consumption.

Major suppliers

Even if a country is dependent upon imports for a large proportion of its consumption of a critical raw material, it does not follow that economic Armageddon is imminent. It is naive, as well as unfair, to assume that all foreign countries are unreliable sources of supply. A number of developed countries are important sources of U.S. mineral imports, and even the broad label of "Third World" encompasses a number of countries who have proven to be extremely reliable trading partners. This is not to say that there are not countries in the world which, for political or short-term economic reasons, might wish to influence supply. Suppliers of raw materials to the U.S. however, should be evaluated on an individual basis rather than on blanket assumptions.

Substitutes

Another criterion is the availability of substitutes for the material or materials in question. A number of minerals are not unique to the applications in which they are used, and can be replaced by other minerals (e.g., vanadium for columbium in various alloying uses, or aluminum for copper in certain electrical applications). Assessment of vulnerability in a given material, therefore, requires examination of substitutes for the material for its various applications, including an analysis of the substitute's monetary or technical performance cost. The last area, the question of the disruption which would be caused by switching to substitutes, is one in which a great deal of research needs to be done. For our present purposes, the best we can do is to provide an indication as to whether substitutes exist for a mineral in its major application and give a rough idea as to the effect of such substitutes on cost and performance.

Stockpiles, reserves and resources

A fifth criterion to consider is a country's domestic stock of a given mineral, i.e., its stockpiles, reserves and resources. The U.S. government stockpiles a number of minerals to provide a cushion in the event of national emergencies or unexpected shortages. A reserve is a positively identified deposit of a particular mineral which is exploitable using current technology and under current economic conditions. A resource is a deposit which would be exploitable with improvements in extraction or processing technology or with a change in market conditions. Releases from stockpiles provide the most rapid response to a shortage, with additional development of reserves, substitutes, and resource development requiring longer lead times. A country may currently be self-sufficient in a given mineral, but if it has limited reserves and resources it may be forced to increase imports in the future. (For a long-term analysis, reserve and resource distribution for the rest of the world should also be considered, since that distribution has obvious implications for future patterns of supply.)

Feasibility of cartel action

Even if a country is dependent upon imports for a large proportion of its consumption of a particular material, those imports come from suppliers of doubtful reliability, and there are no reasonable substitutes for the material, it still does not follow automatically that an effective producer cartel will be formed which can apply great economic pressure to the consuming country. There are four major conditions which a cartel must meet if it is to exercise sustained influence over international trade for a given material:

The concentration of exports among a few countries;

Inelastic demand for the material;

Inelastic supply of the material (or of close substitutes) from sources outside the cartel; and

Policy cohesion and export discipline among members to keep supply limited enough to maintain high prices (or, possibly, to achieve other goals as well). As Fried (1976) has pointed out, to meet this last condition, members of the cartel must be strong enough financially to accumulate stocks and forego current export earnings when surpluses develop.[4]

These are stringent conditions, which very few international materials markets meet. One should note that a number of producer associations have been formed in recent years (e.g., in copper, tin, mercury, and others) but, with the exception of oil (and, to a lesser extent, bauxite) producers have been unable to maintain artificially high prices.

THE NODULE MINERALS

Manganese nodules contain a number of minerals, but the four of commercial interest are nickel, copper, cobalt and manganese. From the standpoint of the national economy, the degree of urgency of seabed mining depends on the U.S. position in these four minerals. In this section the materials criteria described above are applied to nickel, copper, cobalt and manganese in order to evaluate current U.S. vulnerability in minerals which might be obtained from seabed mining.

Cobalt

(1) *Importance to the economy.* The U.S. economy does not use cobalt in great quantities—the 1974 intensity of use figure for cobalt was 6.77 short tons per billion dollars of GDP.[5] However, cobalt is of strategic and commercial importance. Its major applications are in high temperature alloys, permanent magnets and tool steels, with more limited applications as a pigment in paints and, in radioactive (Co^{60}) form, in medical uses.

(2) *Percentage of consumption imported.* Imports net of exports declined from 60 percent of reported consumption in 1974 to 15 percent in 1975, according to 1974 data and 1975 estimates from the Bureau of Mines.[6] Sales from government stockpiles, however, were a large factor, and as excess stocks are drawn down, imports can be expected to increase to more traditional levels.

(3) *Major suppliers.* The major supplier of cobalt to the United States is Zaire. From 1971–74, Zaire supplied 76 percent of U.S. cobalt imports, either directly (47 percent) or through Belgium-Luxembourg (29 percent).[7]

(4) *Substitutes.* Nickel may be substituted for cobalt (and vice versa), depending upon the economics of the particular application. Potential substitutes (involving higher costs and/or altered technical performance) include nickel, platinum and iron in magnets; nickel in jet engines and catalysts; and copper, chromium and manganese in paints.[8]

(5) *Stockpiles, reserves and resources.*[9] The total U.S. stockpile inventory of cobalt stood at 23,448 short tons as of November 30, 1975. U.S. reserves are virtually non-existent. Identified resources in the U.S. are more than 840,000 tons, located mainly in the Midwest and Far West. World reserves are 2,700,000 short tons, located chiefly in Zaire, New Cale-

Footnotes at end of article.

donia and Australia, Zambia and Canada. World identified resources of cobalt are nearly 5,000,000 tons, mainly in tropical regions.[10]

(6) *Feasibility of cartel action.* In light of the above criteria, there is some short term possibility for producer influence over the cobalt market. Zaire, with about 60 percent of world production, is in a position to restrict supply in the short term.[11] Recent transport problems with the Benguela railroad (the traditional route of Zaire's cobalt export shipments) caused world cobalt shortages in the spring of 1976, demonstrating the short-term impact Zaire might have if it restricted supplies. However, in the long run, producer action would probably be ineffective. Most cobalt on the world market is a byproduct of mining sulfide ores of associated metals (especially copper, nickel and iron) which are found in abundance throughout the world. Furthermore, the existence of substitutes for cobalt, especially nickel, would limit the impact of cartel action.

Copper

(1) *Importance to the economy.* Copper is a major raw material of great commercial importance. The 1974 intensity of use figure for copper was 1,560 short tons per billion dollars GDP.[12] Over 50 percent of copper consumed in the United States goes to electrical applications, with other uses in construction, industrial machinery, transportation and ordnance.

(2) *Percentage of consumption imported.* Net imports of unmanufactured and refined copper as a percentage of consumption of refined material declined from 27.3 percent in 1974 to a net *export* position of 3.7 percent in 1975, according to 1974 data and 1975 estimates from the Bureau of Mines.[13] Copper has been an extremely volatile commodity in the past two years (consumption in the United States declined 32 percent from 1974 to 1975); thus it is probably unrealistic to expect the U.S. to remain a net exporter of copper. In the 1970–73 period, net imports as a percentage of consumption averaged 15 percent; [14] this figure seems more reliable for present purposes. In addition, it is interesting to note that the United States is by far the world's largest copper producer.

(3) *Major suppliers.* Canada, Peru and Chile are the major suppliers of United States copper imports. From 1971–74, Canada supplied 33 percent of United States imports, Peru 22 percent, and Chile 17 percent.[15]

(4) *Substitutes.* A number of substitutes exist for copper, depending upon application. Aluminum can be substituted in certain electrical applications, steel can be used in shell cases, and plastics can be substituted for copper in plumbing.[16]

(5) *Stockpiles, reserves and resources.*[17] The national stockpile objective for copper is zero, and the total inventory is 489 tons of refined copper. The United States has 90 million short tons of copper reserves, located primarily in the Southwest and West Central states. In addition, the U.S. has some 320 million short tons of copper in identified and unidentified resources, according to Bureau of Mines estimates. World reserves are 450 million short tons of copper, with the United States, Chile, Canada and the Soviet Union (in that order) being the major holders of copper reserves. World hypothetical resources are estimated to amount to a further 480 million short tons, generally located near known deposits.

(6) *Feasibility of cartel action.* Developing country copper producers have formed CIPEC (Counseil Intergouvernemental de Pays Exportateurs de Cuivre), a producer organization aimed at promoting the economic interests of member states through action in the copper market. To date, however, CIPEC has been unsuccessful in its primary goal of a high stable price for copper. Although the average London Metal Exchange (LME) price for copper rose from 48.5 cents per pound in 1972 to 93.1 cents per pound in 1974, the LME price dropped some 40 percent to an average of 56.3 cents in 1975.[18] The prospects for effective CIPEC action are likely to remain quite limited. Copper is of major importance to the U.S. economy, but the United States does not import a large share of its copper. Of the copper that it does import, the U.S. receives a substantial share from a major ally (Canada). Substitutes exist for copper in some of its major applications, and the United States has the world's largest reserves and considerable resources as well.

Manganese

(1) *Importance to the economy.* Manganese is of vital commercial and strategic importance, for it is essential to the manufacture of steel. The intensity of use of manganese in 1974 was 800.7 short tons (of ferromanganese, the semi-processed form) per billion dollars of GDP.[19] In steel production, manganese is used as: (a) a scavenger in molten steel, combining with sulfur and oxygen (which make steel brittle) and removing them as part of the slag; and (b) an alloy, making steel resistant to shock or abrasion.[20] For every ton of steel produced, 13 to 20 pounds of manganese are consumed. Although 90 percent of U.S. manganese consumption goes to steel, manganese also has applications in the chemical industry and, in dioxide form, in dry batteries.

(2) *Percentage of consumption imported.* In 1975, net imports of manganese ore and ferromanganese amounted to 93.1 percent of U.S. consumption of these materials. There was no mine production of manganese in the United States in 1975; the remaining share of consumption came from shipments from government stockpile excesses.[21]

(3) *Major suppliers.* From 1971–74, U.S. imports of manganese ore came primarily from Brazil (35 percent), Gabon (31 percent), Australia (9 percent) and South Africa (8 percent). Imports of ferromanganese came mainly from France (39 percent), South Africa (36 percent), and India (8 percent).

(4) *Substitutes.* There are no substitutes for manganese in its major applications.

(5) *Stockpiles, reserves and resources.*[22] As of November 30, 1975, government stockpiles contained a total inventory of 3,608 thousand short tons of manganese ore and 629 thousand tons of ferromanganese. The United States has no reserves of manganese ore. The U.S. has some resources, but they can be expected to be available only at higher prices or with reserves are 6 billion short tons of ore, or 2,012 million short tons of contained manganese.[24] Major reserve countries are South Africa, Gabon, Brazil and Australia. Accurate resource figures are difficult to obtain—known land-based resources of manganese are very large and irregularly distributed throughout the world—and reserves alone are considered adequate to meet the expected growth in world demand for manganese through the year 2000.

(6) *Feasibility of cartel action.* The vulnerability of the United States to cartel action in manganese requires particularly careful assessment. On the negative side, the U.S. is almost wholly dependent on imports for manganese supplies, there are no reserves in the U.S. and manganese has no substitutes in its major applications. On the positive side, however, Brazil has proven to be a reliable trading partner, and effective cartel action in manganese would require South African participation, which seems politically unlikely.[25] Furthermore, Australia has the world's second largest reserves (after South Africa) and seems unlikely to be a future cartel participant. On balance, therefore, the United States should continue to have access to manganese supplies at market prices.

Nickel

(1) *Importance to the economy.* Nickel is vital to the economic welfare and security of the United States. In 1974, the nickel intensity of use was 149.67 short tons of metal per billion dollars of GDP.[26] Nickel is used most extensively as an alloy stainless and other steel alloys account for some 46 percent of nickel consumption, and alloys with other metals account for another 34 percent. Electroplating is the other major nickel application, accounting for 12 percent of consumption.[27]

(2) *Percentage of consumption imported.* Preliminary figures for 1975 indicate that imports of nickel accounted for 83.7 percent of total U.S. nickel consumption.[28] This figure is roughly equivalent to figures for the past three years, and since no exogenous factors (such as government stockpile sales) are involved in the U.S. nickel market, the 80 percent range for import dependence can be viewed as reliable.

(3) *Major suppliers.* Canada is the dominant supplier of nickel to the United States. From 1971–74, the U.S. obtained 76 percent of its nickel imports from Canada, either directly (68 percent) or via processing in Norway (8 percent). New Caledonia and the Dominican Republic supplied small amounts (6 percent and 5 percent, respectively).[29]

(4) *Substitutes.* A number of potential substitutes exist for nickel in its major applications, but most involve increased cost of altered technical performance. "Potential nickel substitutes include aluminum, coated steel and plastics in the construction and transportation industries; nickel-free steels in power, petrochemical and petroleum industries; titanium and plastics in severe corrosion service applications; cobalt as an underplate for chromium in decorative plating; platinum, cobalt and copper in some catalytic uses." [30]

(5) *Stockpiles, reserves and resources.*[31] Nickel is not currently a government stockpile item. The United States has 200,000 short ton (metal content) of nickel reserves. U.S. resources are 14 million tons of nickel in low grade (0.2 percent nickel) sulfide deposits. World reserves currently total 59.5 million short tons located primarily in New Caledonia (26 million), Canada (9.6 million), and Australia (5.5 million). World resources averaging 1 percent nickel are estimated to total 70 million tons of metal.

(6) *Feasibility of cartel action.* The United States imports an overwhelming proportion of its nickel needs and does not have a very strong reserve position. Yet the feasibility of cartel action must be rated as low, since the overwhelming source of these imports is Canada, a major ally and trading partner. The Canadian oil/natural gas cutbacks, and the Saskatchewan potash situation have clouded the image of Canadian reliability. Yet, security of supply from Canada is best viewed in the light of the adequacy of the Canadian reserve and resource position for anticipated Canadian demand. As Canadian nickel supply seems more than adequate, the likelihood of Canada's limiting nickel exports to the U.S. is quite low. The availability of substitutes (although at some economic cost) and the possibility of additional production from diverse sources should further increase the likelihood that market conditions will prevail in nickel.

SUMMARY AND CONCLUSIONS

The table below summarizes the application of materials vulnerability criteria to the U.S. position in the nodule minerals.

From these figures stem the following conclusions:

Footnotes at end of article.

Cobalt

Although not used in great quantities in the U.S. economy, cobalt is an important mineral, and the United States is dependent upon imports for a significant proportion of its consumption. The U.S receives a majority of its imports from a single country and has no reserves of its own. Yet the national stockpile contains enough cobalt for 2.5 years of consumption at the 1974 level (4.3 years at the 1973 level) and substitutes for cobalt exist. It would appear that there is some possibility of cartel action, but only in the short term, and even then with only a limited impact on the U.S.

Copper

Copper has the largest intensity of use of the four nodule minerals and is a strategic raw material. The U.S. receives a significant proportion of its imports from CIPEC countries and has negligible amounts of copper in the national stockpile. But imports account for only 15 percent of consumption, substitutes exist, and the U.S. has the world's largest copper reserves. Effective cartel action thus appears infeasible.

Manganese

Manganese is widely used in steel production and has no substitutes. It must therefore be considered a strategic mineral. The United States imports upwards of 90 percent of its manganese consumption and has no reserves. Yet major suppliers to the U.S. have proven to be reliable, and the national stockpile contains 1.9 years worth of manganese ore and 8.4 months of ferromanganese (1975 levels of consumption). The U.S. does not appear to be in a vulnerable position in manganese.

Nickel

Although it has a lower intensity of use than copper or manganese, nickel is nevertheless a major industrial raw material. The United States imports most of its nickel and has limited reserves and no stockpile, but its major source of supply is secure and substitutes for nickel exist. Nickel does not appear to be a problem mineral for the U.S. economy.

It can be seen that, of the four major nodule minerals, effective producer pressure is plausible only in cobalt. For reasons outlined above, even that amount of pressure would only cause minimal disruption. Otherwise, the existence of diverse producers, the elasticities of demand for and supply of the four minerals, and the implausibility of export discipline and policy cohesion among producers argue strongly against the possibility of sustained influence over the international market in any of the major minerals found in manganese nodules.

TABLE 1.—U.S. VULNERABILITY IN THE MAJOR NODULE MINERALS

	Cobalt	Copper	Manganese	Nickel
1. Importance to economy:				
(a) Intensity of use, 1974 (short tons per $1,000,000,000 GDP)	7	1,560	801	150.
(b) Commercial or strategic importance (yes or no)	Yes	Yes	Yes	Yes.
2. Percentage of 1975 consumption imported	61 percent[1]	15 percent[2]	93 percent	84 percent.
3. Major suppliers (large, some, or no problem)	Some	Some	No	No.
4. Substitutes (yes, with higher cost, no)	With higher cost	Yes	No	With higher cost.
5. Domestic stock (thousand short tons):				
(a) U.S. reserves/resources	0/840	90,000/320,000	0/minimal	200/14,000.
(b) U.S. stockpile	23.5	Negligible	3,608 manganese ore, 659 ferromanganese	None.
6. Feasibility of cartel action	Short term	No	No	No.

[1] The 1974 figure, for reasons described elsewhere.

[2] 1970–73 average, for reasons explained elsewhere.

The implications for seabed mining are clear: the United States has no immediate strategic economic interest in mining the deep seabed. Our trade with land-based producers of cobalt, copper, manganese and nickel has proved largely satisfactory in recent years, and is likely to so remain. In an era of increasing economic nationalism, it is perhaps useful to recall that the gains from international trade remain very real indeed.

This is not to say that the U.S. should ignore seabed mining. On the contrary, seabed production can provide a further diversification of source and limit the price increases in nodule minerals which, although market-induced, have been substantial over the past four years.[32] These are not inconsiderable benefits, and should be weighed accordingly. Industry, Congressional, and Administration officials, however, who speak of the urgent U.S. need for rapid development of seabed resources are overstating the case. Whereas some exaggeration is an inevitable and understandable negotiating tactic in the Law of the Sea Conference, the intensity of recent statements threatens to obscure the true nature of the interests involved. It has been suggested that the debate in Committee One at the LOS Conference (discussing the regime for the deep seabed) is more symbolic than substantive.[33] In this view, the real concern is whether developing countries will have the major role in the future management of seabed resources. This role would be without precedent in the history of global resource development, and would have considerable implications for the New International Economic Order. If this is the case, then the debate should be handled directly in terms of these symbolic issues rather than obscured by reference to immediate economic interests which, upon close inspection, prove to be less than urgent. Such obfuscation can only harm the prospects for peaceful and orderly development of seabed resources, other U.S. ocean interests and this country's long term economic interests in the increasingly interdependent world market in raw materials.

FOOTNOTES

[1] See for example, C. Fred Bergsten, "The Threat from the Third World," 11 *Foreign Policy* 102–124 (Summer 1973) and Hobart Rowen, "The Threat of Foreign Embargoes," *The Washington Post*, March 7, 1974. The supposed danger of the U.S. position in nodule minerals is specifically described by Northcutt Ely. ". . . [if] the United States continues to be dependent on foreign sources for manganese, nickel, copper, and cobalt, the common welfare and national security of the United States will be in jeopardy." Northcutt Ely, "A Deep Ocean Mining Claim," paper presented at the 1975 Mining Convention of the American Mining Congress, p. 10.

[2] The NIEO centerpiece is the Charter of Economic Rights and Duties of States, adopted by the UN General Assembly at its 29th session A/RES/3281 (XXIX), January 15, 1975.

[3] Edward R. Fried, "International Trade in Raw Materials, Myths and Realities," 191 *Science* 641–646, at 644 (20 February 1976).

[4] *Ibid.*

[5] Bureau of Mines, *Commodity Data Summaries 1976*, p. 42, and International Monetary Fund, *International Financial Statistics*, March 1976, p. 402.

[6] Bureau of Mines, *Commodity Data Summaries 1976*, p. 42 .

[7] *Ibid.*

[8] *Ibid.*

[9] *Ibid.* p. 43.

[10] *Ibid.*

[11] International Economic Studies Institute, *Basic Data for Estimating U.S. Mineral Requirements and Availability: A Research Compendium*, Washington, D.C., February 1976, p. 37.

[12] Bureau of Mines, *Commodity Data Summaries 1976*, p. 46, and International Monetary Fund, *International Financial Statistics*, March 1976, p. 402.

[13] Bureau of Mines, *Commodity Data Summaries 1976*, p. 46.

[14] International Economic Studies Institute, *op. cit.*, p. 43.

[15] Bureau of Mines, *op. cit.*

[16] Bureau of Mines, *op. cit.*, p. 47.

[17] *Ibid.*

[18] Bureau of Mines, *op. cit.*, p. 46.

[19] Bureau of Mines, *op. cit.*, p. 98 and International Monetary Fund, *op. cit.*, p. 402.

[20] Donald A. Brobst and Walter P. Pratt, eds, *United States Mineral Resources*, Geological Professional Paper 820, U.S. Government Printing Office, Washington: 1973.

[21] Bureau of Mines, *op. cit.*, p. 98.

[22] *Ibid.*

[23] Bureau of Mines, *op. cit.*, p. 98.

[24] Bureau of Mines, *Mineral Commodity Summary Tables, 1973*. Data Base, March 24, 1975, quoted in International Economic Studies Institute, *op. cit*, p. 63. Manganese ore ranges from 35 to 54 percent manganese content; the world reserve figures cited represent a conservative Ma content figure of 33.5 percent.

[25] International Economic Studies Institute, *op. cit.*, p. 64.

[26] Bureau of Mines, *Community Data Summaries 1976*, p. 112 and International Monetary Fund, *op. cit.*, p. 402.

[27] International Economic Studies Institute, *op. cit.*, pp. 72–73.

[28] Bureau of Mines, *CDS 1976*, p. 112. Reported consumption figures do not include secondary consumption. However, I have assumed that secondary production in the U.S. (for which figures are available) went exclusively to domestic consumption. Adding the two figures thus gives a close approximation of total (primary plus secondary) consumption.

[29] Bureau of Mines, *CDS 1976*, p. 112.

[30] *Ibid*, p. 113.

[31] *Ibid*, and International Economic Studies Institute. *op. cit.*, p. 72.

[32] As previously noted, the LME price of copper declined considerably in 1975, but was still above the 1971–72 level. Prices for cobalt, manganese, and nickel have increased steadily since 1971. Bureau of Mines, *CDS 1976*.

[83] Jack N. Barkenbus, "Deep Seabed Mining: An Examination in International Organization," Ocean Policy Project Occasional Paper No. 5, October 1975.

MEYNER OPPOSES BACK-DOOR PAY INCREASE

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 9, 1977

Mrs. MEYNER. Mr. Speaker, since becoming a Member of Congress, I have consistently opposed any increase in our salaries. Twice in the last 2 years, we were asked to vote on whether to accept cost-of-living increases; twice, I voted no. Now before us is the issue of whether to give ourselves the 28.9 percent increase recommended by President Ford's Pay Commission. Once again, I would vote no.

During the past 2 years, economic conditions in the Nation, the State of New Jersey, and my congressional district were such that, expecting others to exercise prudence and to deny themselves, I thought we should not ask for more. Even a few percentage points more.

Mr. Speaker, can any of us sincerely claim that economic conditions on this day in February 1977 are any better? On the contrary. The hardships of this bitterly cold winter have underscored in graphic terms our problems with unemployment and inflation. People in my district cannot even afford to pay their heating bills. Can I ask them to pay me $12,900 more? When people of modest means across the whole Nation are in trouble, can we, in good conscience, talk of a 28.9 percent pay raise?

Yes, once again, I would vote no on any pay raise proposal. The irony is that procedural devices have been called upon to spare us our convictions, and we would not vote at all. Many of us ran tough election races last fall, and daily we were called upon to speak our minds, to tell people where we stand. I just cannot imagine that we would now skittishly shy way from a straight "up-or-down" vote on this pay raise.

Mr. Speaker, I am sorry that the issue has come to this. As keepers of the Nation's purse, we in Congress have a duty to set an example of openness and prudence in spending. And given the way this pay raise proposal has been handled, I do not think we have set that example.

SENATE—*Friday, February 11, 1977*

(Legislative day of Tuesday, February 1, 1977)

The Senate met at 1 p.m., on the expiration of the recess, and was called to order by the Deputy President pro tempore (Mr. HUMPHREY).

The DEPUTY PRESIDENT pro tempore. Today the prayer will be offered by the Reverend JOHN C. DANFORTH, the junior Senator from Missouri.

PRAYER

The Reverend JOHN C. DANFORTH, a Senator from the State of Missouri, offered the following prayer:

Ever creating and redeeming God, You have never left us to our own devices, but have visited us each day with Your Holy Spirit. We have turned to You in prayer and obedience, and You have heard us and assured us of Your love. We have turned from You in forgetfulness and vanity, and You have pursued us and brought us back to do Your will. You have fashioned us with Your hand, and You have never lost Your grip on us. We have struggled. You have never let us go. Now strengthen our sense of Your constant care and presence, teach us of Your abiding providence. Grant that we may willingly be Your servants, gladly receive Your presence, humbly accept our many blessings, and freely do Your will, so that by Your grace and through our lives and actions Your kingdom, established in heaven, may be advanced here on Earth. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, February 10, 1977, be approved.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The DEPUTY PRESIDENT pro tempore. The Chair hearing no objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider two nominations on the executive calendar.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the nominations.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk read the nomination of W. Graham Claytor, of the District of Columbia, to be Secretary of the Navy.

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, I only wish to say briefly that I think this is an extraordinarily good appointment. I commend President Carter for making it, and I look forward to great service from this man. There is certainly no objection from this side.

The DEPUTY PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The second assistant legislative clerk read the nomination of Clifford L. Alexander, Jr., of the District of Columbia, to be Secretary of the Army.

Mr. KENNEDY. Mr. President, I simply want to add my voice in strong support of the nomination of Clifford L. Alexander, Jr., to be Secretary of the Army.

As a Senator, I have had the privilege to know Mr. Alexander as an able and concerned public servant, a highly intelligent lawyer, and a thoughtful and involved citizen.

I can think of few individuals who add as much to the new administration as Cliff Alexander. I have no doubt that the approval of the Senate Armed Services Committee and the confirmation of his appointment by the Senate will be amply justified by his record as Secretary of the Army.

The DEPUTY PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, for the time being I reserve the remainder of my time under the standing order.

The DEPUTY PRESIDENT pro tempore. Does the Senator from Tennessee seek recognition?

Mr. BAKER. Mr. President, I thank the Chair. I have two brief matters I would like to bring to the attention of the Senate as we commence this legislative day.

SENATOR JOHN C. DANFORTH

Mr. BAKER. First, I wish to commend our colleague the distinguished junior Senator from Missouri for many things, including his eloquent and inspirational prayer this morning. I am sure all of us are aware that Senator DANFORTH has many talents. He has much qualification and great competence in many fields, but some may not know that in addition to being a distinguished lawyer and having served as attorney general of his State, he is also an ordained Episcopal minister.

I have known JACK DANFORTH for a long time, and I have never had greater admiration for him than I do today.

THE PENDING NOMINATION OF PAUL WARNKE

Mr. BAKER. Mr. President, it is my hope that the President's nomination of Mr. Warnke will be examined carefully by the Senate. The Committee on Foreign Relations has concluded its hearings, I understand, and I am also informed that in some manner the Armed Services Committee of the Senate intends to conduct further hearings or further inquiry into that nomination and the controversy which has increasingly grown around it.

I am not now rising to state my position with respect to the nominations of Mr. Warnke to the two jobs to which he has been nominated by the President, but rather to say that I observe a growing concern and to urge that the Senate and the Armed Services Committee, in particular, give careful attention to the nomination, and that we not proceed hastily to its confirmation.

Mr. President, I reserve the remainder of my time under the standing order.

ORDER FOR JOINT REFERRAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and this has been cleared all around—that S. 570 be referred jointly to the Committees on Small Business, Agriculture, Nutrition, and Forestry, and Environment and Public Works.

The DEPUTY PRESIDENT pro tempore. Is there objection?

Mr. BAKER. Mr. President, there is no objection on our side.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

THE 27TH ANNUAL REPORT OF THE COMMITTEE ON SMALL BUSINESS

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Wisconsin (Mr. NELSON), I ask unanimous consent that the Committee on Small Business may submit to the Senate during the February nonlegislative period its 27th annual report, covering the committee's activities during 1976.

I understand that this has been cleared with the minority.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining of my allotment under the standing order?

The DEPUTY PRESIDENT pro tempore. The Senator, I am informed, has 5 minutes.

Mr. ROBERT C. BYRD. I yield my 5 minutes to the distinguished Senator from Kentucky (Mr. FORD).

Mr. FORD. I appreciate that, Mr. President, and will try to complete my remarks during that 5-minute period.

REPERCUSSIONS OF THE NATURAL GAS SHORTAGES

Mr. FORD. Mr. President, like every other Member of this body I am concerned and troubled about the still-to-be-measured repercussions of the severe natural gas shortages this winter on the people of our land.

This much already is certain.

Millions of workers have been laid off their jobs.

Factories and schools are closed all across the Southeast and Midwest, and some may be unable to reopen until April.

Early estimates are that the full impact of the severe weather and ensuing gas shortages on our economy could be as great as $10 billion in extra fuel bills, lost wages, and decreased production.

The toll indeed is a heavy one, and last week as the Congress worked to enact emergency legislation to cope with the immediate problems, many different opinions were aired as to why and how our country had managed to find itself in such a precarious and dangerous position.

Congress was accused, and in some instances rightfully so, of failing to heed the warning signs of years ago that natural gas supplies were not keeping pace with increasing demand. The inability of this body to come forth with a comprehensive and long-range energy policy is a matter of record, and no further delays in developing and enacting such a policy can be tolerated.

Charges and countercharges involving the natural gas industry have been hurled, one side accusing the industry of contriving these shortages through the withholding of supplies, the industry vigorously denying such charges.

I do not pretend to have the answers to these questions, but I hope that the investigations now underway will ascertain once and for all the true extent of our natural gas reserves, as well as expected production capacities in the years ahead, so that we can take whatever steps necessary to protect the American people from experiencing such a crisis again.

As we probe into the real cause of our predicament, no stone can be left unturned, and that most certainly must include an examination of the roles of Federal agencies, both administrative and regulatory, in relation to the shortages of natural gas which now are said to exist.

Quite frankly, I have been astounded to discover that more than two dozen applications to sell or transport interstate natural gas have been pending before the Federal Power Commission for more than a year. Collectively, these applications involve the potential distribution of untold billions of cubic feet of natural gas for eventual public consumption.

Some of these applications were initially filed as long ago as 1974, including one by Ashland Oil of Kentucky. Ashland along with several other companies, is seeking a certificate of public convenience and necessity to market the natural gas reserves in three blocks of the South Marsh Island off the coast of Louisiana. The estimated proable reserves of these 11,150 acres is 1.2 trillion cubic feet. The gas to be developed from these reserves would be sold to the Truckline, Southern, and United Interstate Pipeline Cos. These pipelines serve some of our hardest hit areas.

Let me summarize the chronological steps of this one company's involvement.

The Federal Power Commission held hearings on the Ashland application from May 19, 1975, through June 19, 1975. On November 25, 1975, the presiding administrative law judge at the hearing recommended that a certificate of public convenience and necessity be granted immediately so that Ashland could begin production.

On June 11, 1976, company officials were advised by the FPC that a decision "will be forthcoming in the near future."

Mr. President, that decision still has not been handed down. Fifteen Months.

It has been suggested that one of the reasons final action has been so long in coming is because Congress did not act on President Ford's nomination for the fifth Commissioner. Thus, leaving a hypothetical 2–2 philosophical split on the Commission.

But in light of the emergency situation, long ago predicted and since become reality, those arguments garner no sympathy from me.

The Federal Power Commission's handling of this application raises many questions in my mind—questions to which I am determined to find answers.

Today, I am recommending that the Senate Committee on Energy and Natural Resources immediately initiate oversight hearings on the procedures the Federal Power Commission has established in the handling and processing of applications to transmit or sell natural gas.

Some of the questions that demand to be pursued include:

What are the agency's priorities in determining the timetable for the processing of the many applications which come before it?

How many other natural gas applications are now pending in limbo before the Commission, and for what reasons or purpose has final action been delayed?

Is either the public or industry best served when it takes more than 2 years to process and render a determination on these applications which are required by law?

Was the Commission aware that shortages of natural gas have been predicted since as far back as 1969?

Or did the Commission truly not begin to get worried until November of last year about the possibility of severe natural gas shortages as the Chairman of the Commission admitted in the February 2, 1977, Washington Post?

I am both puzzled and troubled by the inferences which can be made from these questions, and now is the time for the record to be set straight.

If the Commission can demonstrate that inadequacies in existing law have impaired its ability to execute its duties and responsibilities in a timely manner, then our committee should work to determine and enact the appropriate legislative remedies.

But if it is determined that the Commission is guilty of sheer indifference or the simple inability to carry out its functions in accord with the public interest, then we should be prepared to recommend to the President that he re-

quest the resignation of the Commission members.

Let the record show that I clearly recognize the procedures which this regulatory body must follow are indeed time consuming and complex. Yet at the same time millions of Americans are now suffering the extreme and very real hardships of a natural gas crisis.

Every aspect of the events leading to this crisis must be examined in depth, and if Government has been an accessory, then we owe it to ourselves and the people we represent to take whatever action necessary to insure that the problems of this winter cannot and do not occur again.

I thank the Chair.

[Disturbance in the visitors galleries.]

The DEPUTY PRESIDENT pro tempore. There will be no demonstration in the galleries. I can well understand how the Senator's remarks are appreciated.

APPOINTMENTS BY THE VICE PRESIDENT

The DEPUTY PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to the order of the Senate of January 24, 1901, as modified February 4, 1977, appoints the Senator from California (Mr. HAYAKAWA) to read Washington's Farewell Address on Monday, February 21, 1977.

The Chair, on behalf of the Vice President, in accordance with Senate Resolution 281, 90th Congress, as amended and supplemented, appoints the Senator from Vermont (Mr. LEAHY) and the Senator from Nebraska (Mr. ZORINSKY) to the Select Committee on Nutrition and Human Needs.

The Chair, on behalf of the Vice President, in accordance with Public Law 79–585, appoints the Senator from Washington (Mr. JACKSON) as vice chairman of the Joint Committee on Atomic Energy.

The Chair, on behalf of the Vice President, in accordance with Senate Resolution 4, 95th Congress, appoints the following Senators to the Select Committee on Indian Affairs: the Senator from South Dakota (Mr. ABOUREZK), chairman; the Senator from Ohio (Mr. METZENBAUM); and the Senator from Montana (Mr. MELCHER).

The Chair, on behalf of the President pro tempore, in accordance with provisions of Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the Senator from New York (Mr. MOYNIHAN) as an at-large member of the Select Committee on Intelligence, for a term expiring at the end of the 97th Congress.

UNANIMOUS-CONSENT REQUEST

The DEPUTY PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I am about to submit a resolution which sets forth a number of Senators to be appointed to the standing committees of the Senate.

I ask unanimous consent that no nongermane amendment be in order during the consideration of the resolution or the reconsideration thereof.

The DEPUTY PRESIDENT pro tempore. Is there objection?

Mr. ALLEN. Reserving the right to object, and it is not my purpose to object, on yesterday the Senator from Alabama had 15 minutes set aside during which he might address the Senate. He was not able to use that time because of conflict with the work of the Democratic Conference. I would like to ask unanimous consent that I have that 15 minutes at this time, in which I might state further the basis for my reservation of my objection.

Mr. ROBERT C. BYRD. Mr. President, I have no objection.

I wonder if the Senator would yield to the Senator from Montana.

The DEPUTY PRESIDENT pro tempore. Will the Senator from West Virginia clarify that? Is there an objection to the request of the Senator from Alabama?

Mr. ROBERT C. BYRD. No, no objection.

Mr. METCALF. Mr. President, I do not propose to object to the request. I would be delighted to hear the Senator from Alabama and take up the problem I want afterward.

Mr. ALLEN. I am delighted to yield to the Senator.

The DEPUTY PRESIDENT pro tempore. The Senator from Montana is recognized.

ELECTION OF COMMITTEE CHAIRMEN AND MEMBERS

Mr. METCALF. Mr. President, when these resolutions have been brought forth under rule XXIV, it has been my practice to propound some parliamentary inquiries.

In the first place, it has been my position that one of the best and one of the most democratic rules that we have is the fact that the entire Senate elects the chairmen of committees by a majority vote, and the entire Senate elects members of committees by pluralities. For that purpose, may I propound a parliamentary inquiry?

The DEPUTY PRESIDENT pro tempore. The Senator will state it.

Mr. METCALF. Are these resolutions which are being brought up open to amendment for changes in chairmen or changes in membership to committees?

The DEPUTY PRESIDENT pro tempore. The resolutions, as presented, are amendable, subject to change if so desired.

Mr. METCALF. As I understand it, any Member of the Senate can offer as an amendment a suggestion for another Member of the Senate—or himself, if he wishes—to be on any committee, as an amendment to such resolution?

The DEPUTY PRESIDENT pro tempore. The Senator is correct.

Mr. METCALF. As I understand it, any Member of the Senate, despite what has happened in the conferences or caucuses, can bring up and move or suggest an amendment that anybody be chairman of a committee.

The DEPUTY PRESIDENT pro tempore. The Senator is correct. The caucus is but a recommendation.

Mr. METCALF. I appreciate that.

Mr. ALLEN. Will the Senator yield?

Mr. METCALF. The Senator yielded to me, but I yield back.

Mr. ALLEN. The Senator is making the point, then, that the Senate itself elects the chairmen and not the respective caucuses, is that right?

Mr. METCALF. Yes. The point I am making is that we have the most democratic rule that I can imagine, that the Senate, when it organizes every Congress, the Senate itself, elects the chairmen, and the newest representative on the minority side, if he can get the votes, could be a chairman, I believe. The Senate also, by a plurality vote, elects members to the committee.

Mr. ALLEN. So the Senate is the final arbiter of who shall be the chairmen and who shall make up the committees.

Mr. METCALF. I ask the Presiding Officer if that is correct.

The DEPUTY PRESIDENT pro tempore. To the question as posed, the answer is in the affirmative. The Senate is the ultimate arbiter as to members of committees. The recommendations are brought in by the majority and the minority leaders. The Senate works its will.

Mr. METCALF. I am delighted that the new Presiding Officer has made such an erudite judgment, a Portia come to life.

The DEPUTY PRESIDENT pro tempore. This is a recycled Presiding Officer.

Mr. ALLEN. Mr. President, I ask unanimous consent that the time used by the Senator from Montana not be charged against my 15 minutes.

The DEPUTY PRESIDENT pro tempore. Without objection, the Senator from Alabama is recognized for 15 minutes.

THE PROPOSED PAY RAISE

Mr. ALLEN. Mr. President, I, along with some 12 other Members of the Senate, have tried very hard indeed to bring to a vote of the Senate the matter of the pay raise proposed, first, by the President's Pay Commission, and then by President Ford. We have not been able to get the issue to a vote. First, Mr. President, Senate Resolution No. 39 was introduced. I ask unanimous consent that at this time, a copy of Senate Resolution 39 be printed in the RECORD.

There being no objection, the Senate resolution was ordered to be printed in the RECORD, as follows:

S. RES. 39

Resolved, That the Senate disapproves all of the recommendations of the President with respect to rates of pay which were transmitted to the Congress pursuant to section 225(h) of the Federal Salary Act of 1967 on January 17, 1977.

Mr. ALLEN. One way of getting quick action on a resolution is to ask unanimous consent for its immediate consideration at the time of introduction. If objection is made, it goes on a portion of the printed calendar and is brought over under the rule, so that on the next legislative day, the Senate, after the

completion of the morning business and in the morning hour, consisting of 2 hours, does have a right to consider matters brought over under the rule. But it takes an adjournment of the Senate to create a morning hour. We did not have any adjournment of the Senate for a period of some 2 weeks. Inasmuch as we were unable to get action on that resolution, another resolution, Senate Resolution No. 50, was introduced by the same cosponsors.

I ask unanimous consent to have it printed at this point in the RECORD

There being no objection the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 50

Resolved, That the Senate disapproves all of the recommendations of the President with respect to rates of pay which were transmitted to the Congress pursuant to section 225(h) of the Federal Salary Act of 1967 on January 17, 1977.

Mr. ALLEN. That resolution went to the Committee on Post Office and Civil Service. It has remained buried there until the present time.

Inasmuch as we were unable to get a vote on those resolutions, the same sponsors introduced amendment No. 24 to Senate Resolution 4, the committee reorganization resolution. The rule does not require germaneness, the sponsors of this amendment felt sure the amendment would come to a vote, either on a procedural vote or an up-or-down vote.

I ask unanimous consent that amendment No. 24, star print, with sponsors names shown be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 24 (STAR PRINT) TO S. RES. 4

TITLE —

Be it further resolved that the Senate disapproves all the recommendations of the President with respect to rates of pay which were transmitted to the Congress pursuant to section 225(h) of the Federal Salary Act of 1967 (81 Stat. 644), on January 17, 1977.

Mr. ALLEN. This amendment No. 24 would have disapproved of the pay increase if it had been adopted. But the amendment was tabled by a 56-to-42 vote. I might say parenthetically, Mr. President, that I object very strongly to the 1967 act. Here on the floor, in concert with other Senators, we have tried to repeal that Presidential Pay Commission Act, which allows the Members of Congress to obtain raises for themselves and allows the top people in the other branches of Government to obtain raises in their compensation without actually voting those raises.

How in the world could that remarkable set of facts come about? The law provides that the Presidential Pay Commission makes recommendations to the President as to the pay schedule. Mr. Peterson, former Secretary of Commerce, and now managing partner, I believe, of Lehman Brothers in New York, where $200,000 a year salaries are quite commonplace, headed this Commission that recommended these pay increases for people in the top echelon of Government. Then the President, then President Gerald Ford, had a right to modify those recommendations and submit them to Congress. Then, under this law, one House of Congress must disapprove or modify or change in some respect the President's recommendations based on the Presidential Pay Commission's recommendations. They must be disapproved within 30 days, or else they go into effect without a vote by Congress. That is the reason we have been trying to get a vote.

It is apparent that the House has no intention of voting. I had been hopeful that we would have a vote here in the Senate, but this is the last day of this period during which disapproval must take place if it is to take place. So, if something is not done today, then the pay raises will go into effect.

The resolutions before us have to do with the committee structure and the naming of the committees. It is quite obvious that if an amendment were sought to be added to these it would never come to a vote today, because I have in mind we are not going to be in session very long. So I am not going to raise any objection to the request that amendments must be germane. But I do want to stress the point that I believe that issue should have come up for a vote; we should have had an up and down vote here, in the Senate, on this important issue. I do not feel that Congress, by hiding from this issue, should allow these raises to go into effect.

Now, the Presidential Pay Commission recommended, as a part of these pay increases, that both Houses of Congress adopt strict rules of ethics or conduct by the various Members. I think that is very fine, and certainly, I approve of that. But I think it is a shame that we even have to have a code of ethics. I think every Member of the House and every Member of the Senate ought to have lofty concepts about his duties and responsibilities and his conduct.

It is a sad state of affairs when men who make the Nation's laws have to set up standards of conduct they must go by.

But I am hopeful that on this raise, which is almost certain to go into effect, Congress will not fall down on the other half of the recommendations of the Presidential Pay Commission that a strong standard of conduct for both Houses be set up.

I am, indeed, glad that the distinguished majority leader and the distinguished minority leader introduced a joint resolution setting up an ad hoc committee to formulate in the form of legislation a code of ethics for the Senate. That committee is headed by the very able senior Senator from Wisconsin (Mr. NELSON). I believe it is mandated to report back, possibly by the 1st of March, soon after the end of the recess, at any rate, and the legislation they report back will be the pending business in the Senate.

I am hopeful we will establish a strong standard of conduct for the Members of the Senate—and both Houses are going at it separately. Whether that is done that way, or by a single standard, is not too important.

I hope our standards here will be even higher and stricter than are the House provisions which seem to be in the making.

In this connection, Mr. President, this morning I received a letter from Mrs. Adeline F. Kahn, acting coordinator, Congressional District 6, of Common Cause, urging that I make a strong statement in behalf of the establishment of a strong code of conduct for Congress. Certainly, I am delighted to make that statement.

My views in this connection have had wide circulation already. I file annually a financial statement. I accept no honoraria or expense money of any sort. I have no outside income from personal services, and I hope that we will have a strong ban on outside income. I hope that honoraria will be banned altogether.

I believe the House is providing for some 15 percent of the regular salary as a limit on outside personal services income. I think that is too high. It ought to be eliminated altogether.

But I do favor provision for full disclosure of personal financial holdings. I do favor a ban or strict limit on outside personal income, and I hope for an absolute ban rather than a strict limit, a ban on gifts from lobbyists, a ban on unofficial office accounts, and a ban on privately financed materials being sent by frank.

Mr. President, I ask unanimous consent that a copy of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMON CAUSE—ALABAMA,
Birmingham, Ala.

HON. JAMES ALLEN,
New Senate Office Building,
Washington, D.C.

DEAR MR. ALLEN: This letter is being written to urge that you again make a public statement showing your whole-hearted support and commitment to a strong code of conduct for Congress. Such a statement should be made prior to the new pay raise which will go into effect on February 17 despite your valiant attempt to do away with it.

We urge that in such a statement by you you spell out areas where legislation is especially needed such as: provisions for full disclosure of personal financial holdings; a ban or strict limit on outside earned income; a ban on gifts from lobbyists; a ban on unofficial office accounts and a ban on privately-financed materials being sent by the frank.

The Pay Commission, former President Ford and President Carter have all urged that a strong code of conduct be made part of any decision to grant a pay raise. Too many people do not know that the Pay Commission recommended tying salary increases to a code of conduct.

Thank you for your interest. I hope this year is a productive one in Congress.

Sincerely,

ADELINE F. KAHN,
Acting Coordinator,
Congressional District 6.

Mr. ALLEN. Mr. President, I do not always agree with the initiatives of Common Cause, but I believe they are absolutely correct in this instance in seeking a strong code of conduct for Congress and seeking disclosure and a ban on outside income.

I am very happy to support the ad hoc committee. I am hopeful they will come out with a very strong code of ethics

which will be strengthened even further here on the floor.

Mr. President, the significance of the request by the distinguished majority leader that there be no nongermane amendments added to these housekeeping resolutions is, of course, that they not be burdened down with a futile effort—and I am convinced that it is a futile effort—to veto or to disapprove the pay increases. Inasmuch as the amendment could not come to a vote, and even the resolution might be withdrawn, and the committees not set up until after the recess. It is for that reason that, looking at it realistically, this is not the proper vehicle nor is there sufficient time to force a vote in the Senate on this important issue.

I still point out, however, that the legislative vehicles are available at any time that the Members of the Senate are willing to take the stand on this issue.

So I withdraw my reservation to the distinguished majority leader's request.

Mr. President, I ask unanimous consent that certain newspaper clippings be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the St. Petersburg (Fla.) Times, Feb. 3, 1977]

COUPON POLL VOTE: 1,816 TO 35; READERS OPPOSE CONGRESS PAY RAISE

(By Stan Witwer)

It hardly comes as a surprise that in a time of economic recession, high prices, $100-plus monthly utility bills and high unemployment, readers of The St. Petersburg Times want no part of a proposed $118.5 million increase in salaries for members of Congress and more than 20,000 other high-level government employes.

Answering a Jan. 26 editorial page coupon poll, which asked for their opinions on the increases, 1,816 readers shouted "No" with the finality of a thunderclap.

Only 35 argued in favor of the increases, proposed by President Ford before he left office, and many of these qualified their votes, saying they would favor the raises only if they were accompanied by a strict code of ethics and conduct for both houses of Congress.

The reaction was the largest for a Times coupon poll since July 10, 1974, when 3,275 readers (of 3,361 responding) voted against a rate increase for Florida Power Corporation. The highest total of replies to any coupon poll occurred Oct. 23, 1973 wehn a majority of 4,572 respondents said then President Nixon should resign or be impeached.

The present issue involves Ford's recommendation that the pay of members of Congress be increased 28 per cent to $57,500 a year; the vice president, Supreme Court justices and the House Speaker to get $75,000 a year; majority and minority leaders on Congress be raised to $65,000, while percentage increases would go to 20,400 other Civil Service career employees.

The recommendation does not require congressional approval. It could, however, be vetoed by Congress. That is now unlikely since the Senate voted Wednesday to kill a resolution that would have blocked the pay increase.

Feb. 20 is the deadline for Congress to take action. If none is taken by then, the raise will be effective in March 1 pay checks.

Sen. James B. Allen, D-Ala., Sen. Pete Domenici, R.-N.M. and Rep. Larry Pressler, R-S.D., oppose the recomemndation and have introduced resolutions to negate it. Allen's resolution was voted down Wednesday.

The reactions of Times readers range from calm disagreement to angry charges of "crookedness, conflicts of interest, payoffs and taxpayer-paid junketing" by congressmen.

Many think the lawmakers' should set an example for the nation by taking a pay cut. Some said that if a pay raise is granted, it should not be larger than 6 per cent. Others said the question should be decided by a vote of the people.

As mentioned, several favoring the raise do so with the proviso that a code of ethics be included. Some said that to get "qualified people" in government, salaries should be kept high. Comparisons of salaries paid sports and entertainment stars and private business and industrial leaders were quoted by some as "much greater" than for Congress. A high salary minimizes the temptation to take kickbacks and payoffs, others said.

THE PROPONENTS

In order to obtain competent people in federal government, they must be compensated adequately. Otherwise, we can expect only the mediocre or ultra rich willing to serve.

A. R. BONART.

RAISE IS LONG OVERDUE

The raise is long overdue, but so is a firm demand for the highest ethical conduct.

ST. PETERSBURG BEACH. RENE E. CLARK.

You get what you pay for. We should be willing to pay the highest for the best men and women to serve us.

G. NUSSEY.

I vote yes, but only if it includes all in government service, that is, Civil Service and Civil Service retirees. We all feel the bite of high cost of living.

CAROLINE RABE.

We need adequate pay to attract quality, and remove officials from the temptations of kickbacks and payoffs.

D. CURTIS.

If football, basketball, baseball players make $80,000 to $100,000 and more, certainly with the rise in prices many federal salaries should increase.

CLEARWATER. Mrs. R. M. BRIGGS.

GOOD PEOPLE, GOOD PAY

Salaries and income for high level positions in industry and the professions are many times higher. How can the best people be attracted to government without competitive salaries?

LARGO. J. WARES.

After a heavy tax bite, they don't have enough left to support a life style required by their jobs. Besides there would be less temptation to accept bribes.

GULFPORT. HAROLD STEELE.

All the emphasis is focused on Congress, but it is the 2,500 or more officials who desperately need the raise.

HAZEL TRUESDALE.

Federal judges are in desperate need of a raise. I've no objection to Congress' salaries raised if the ethics code is adopted.

BELLEAIRE. Mrs. S. D. MULLINS.

CONSIDER INFLATION

Probably all non-political workers received wage increases for one cause only: Inflation. So why should government people be exempt?

PORT RICHEY. JOSEPH A. PECK.

I feel it would decrease temptations to take political "payoffs."

STEPHEN F. DODD.

I sincerely believe that congressmen should receive even more pay in order to interest quality members.

EDWARD J. FLEMING.

SOUTH PASADENA.

OPPONENTS: PRESENT PAY, BENEFITS ARE ADEQUATE

I would like to see our representatives receive high-level salaries but raises at this time are impractical.

CLEARWATER. HOWARD T. STRONG.

Somewhere, sometime we will have to cut down expenditures. Why not start at the top level.

Mr. and Mrs. G. C. WEYGANDT.

CLEARWATER.

SET AN EXAMPLE

With the economy the way it is, I feel that the government should set an example, and if anything, take a cut. They have done nothing to earn a raise.

Can you name one company, or corporation which has given its employes a raise in the area of 22 per cent to 47 per cent during this recession period?

CLEARWATER. MAX B. SWATOSH.

When people have to get by on a $240 a month Social Security check, members of Congress and other top officials should hang their heads in shame to ask for a raise.

Mr. and Mrs. JOSEPH ANTONUCCIO.

No governing body should be allowed to raise its own salaries. The citizens of this nation should decide.

DAVID MILLMAN.

I think it is time for them to forget personal gain at any cost and represent the taxpayers, instead of big business.

WILLIAM H. HARPER.

CARTER'S MOTTO

President Carter's motto is "economy" so let's start with Congress.

Mr. and Mrs. LEONARD SHREAD.

NEW PORT RICHEY.

I must live on $216 a month. How about them trying it.

ANNA GUTTRIDGE.

Before they get any increase, make them pass the bill where a person on Social Security can get a job and work for a livable salary, not $3,000 a year.

G. and M. GERRETS.

How far will they go to stuff their pockets? What about the retirees who make an extra dollar and have to give half of it back? Do they consider them?

Mr. and Mrs. FERNANDO DAVID.

CLEARWATER.

Why should we who have to live on less have to pay taxes so that they can squander more money?

Mrs. G. L. BLADHOLM.

OVERPAID ALREADY

They are overpaid already. If they are not satisfied with present pay, they should look for a job elsewhere. Very few are worthy of what they are getting now, with all their shenanigans.

L. NELSON.

TREASURE ISLAND.

This is no way to lick inflation. Instead, they shoud take a voluntary reduction. Their present salaries and benefits are more than adequate.

Mrs. LILLIAN VALDES.

ST. PETERSBURG BEACH.

If they can get more pay anywhere else, let them go.

ALLEN HARROP.

SCATTERING GOOD MONEY

Ask not for more from your tax-supporting public, rather produce more sensible

ways of solving our great problems than scattering good money after bad.

HERBERT E. LEE.

OZONA.

Why doesn't the Congress be fair to all and vote 6.04 per cent raise, like they voted for all receiving Social Security?

ARLAND CHRISTIAN.

For a part-time job—never!

Mr. and Mrs. CARL H. ALLEN.

TREASURE ISLAND.

Their salaries and benefits are, for the most part, completely out of line with the value of their services.

GENE C. PORTS.

Considering their fringe benefits, salaries should be reduced.

WILLIAM J. SMERKER.

NEW PORT RICHEY.

WHY NOT A REDUCTION

If Congress is serious about curbing inflation, all government expenditures, especially unneeded and excessive salary increases, should not be increased but reduced.

LEON W. NOEL.

If they can't make it on their salaries, plus all the other benefits, how do they think other people can exist?

Mrs. H. A. SHIELDS.

It robs Peter to pay Paul. Let them try food stamps and welfare once.

CHARLES HOLMES.

Why not balance the budget first?

MARGARET CURTIS.

With thousands of Americans with little food, no heat, no. Let congressmen live a little more frugally, it won't hurt them.

ALICE M. STEWART.

CONTRIBUTE TO INFLATION

Federal salary increases will contribute to inflation. If congressmen can't get along on their present salaries, they sure aren't intelligent enough to run the country.

FERN CARR.

No one anywhere, especially in Washington, is worth a 28 per cent raise. Use those millions of dollars to improve the postal system, police departments, schools, even welfare.

V. MOYER.

LARGO.

Editor: There are too many people out of work. Use the money to provide jobs. The congressmen can wait without suffering.

Mr. and Mrs. M. PETROW.

LARGO.

UNNECESSARY RIP OFF!

This is an unnecessary, unjustified ripoff. We who live on low, fixed incomes have to manage with no cost-of-living increase.

RALPH H. LANGE.

BELLEAIR BLUFFS.

If they take a 28 per cent increase, how can they put a lid on other demands?

MARION M. COHEN.

Ford opposed Social Security raises, while he has more than enough retirement pay. He just wants to be a good fellow at taxpayers' expense.

Mr. and Mrs. D. MCCLOUGHAN.

This is ridiculous especially with President Carter trying to cut wasteful spending. I intend to vote against my congressmen who vote yes.

T. C. DEBNAM.

THE FRINGE BENEFITS

A raise is not necessary with the country so deeply in debt. With all the fringe benefits they should set an example and take a cut. We live on less than $5,000.

Mr. and Mrs. R. FORTUNE.

[Advertisement from the Washington Post, February 11, 1977]

TAXPAYERS SACRIFICE CONGRESS TAKES VACATION PLUS 29% PAY BOOST!

Congress has just left town for another of its lengthy vacations. How much attention is Congress paying to the President's call for "sacrifice" by the American taxpayers?

High unemployment, inflation and fuel shortages must all be solved by the "sacrifice" of common people.

Meanwhile, our so-called public servants on Capitol Hill are about to grasp a $13,000 a year automatic pay-raise. The raise for Congressmen is about the same amount an average, working family of four earns in a year—before taxes!

Your Congressman's salary will jump 29% from $44,600 to $57,500 annually and will go into effect automatically on February 20. The only way the automatic pay-raise can be stopped is for Congress to vote against it. That's like asking Jack the Ripper to turn himself in!

The Washington Post said it well in a recent editorial:

"No Congressman is going to be required to vote himself 29% more pay and take the heat from his constituents . . if members of both houses play this game carefully, the right time for an honest yes-or-no vote will never be found."

"DON'T EXPECT CONGRESS TO SACRIFICE!

The National Conservative Political Action Committee opposes the $13,000 Congressional pay-raise in this time of national "sacrifice." Congress should tighten its belt and set an example for the nation.

The National Conservative Political Action Committee believes the automatic triggering device that awards the pay boost without an honest yes-or-no vote is illegal. Our Congressmen are taking our money under the cover of a legal fog they created for themselves.

The National Conservative Political Action Committee is acting . . . and you can help!

We have sent a questionnaire on the pay-raise issue to every Member of Congress. Few have even bothered to answer. We will publicize the results, including the names of those without the courage to respond.

We will continue to press for a roll-call vote in Congress, so that people can know which Congressmen really agree with this raid on the treasury.

We will continue to alert the public to future Congressional rip-offs. For instance, when the raise is safely in pocket, will Congress really give itself the tough, new ethics code it has promised?

If necessary, we will turn to the court system to test the legality of the automatic pay-raise.

Everyone who is outraged by the automatic pay-raise must join forces. We must organize and fight this insidious, backdoor politics. We must make sure it doesn't happen again. If our Congressmen need a raise, they owe us the honesty of voting for it, openly and on the record!

To help us oppose the automatic congressional pay raise, write: National Conservative POLITICAL Action Committee, 1500 Wilson Boulevard, Suite 513, Arlington, Virginia 22209.

(Paid for by the National Conservative Political Action Committee, Charles Black, Chairman.)

[From the St. Petersburg (Fla.) Times, Feb. 3, 1977]

SENATE VOTES FOR FEDERAL PAY HIKE

(By John H. Averill)

WASHINGTON.—The Senate cleared the way on Wednesday for a hefty pay increase for members of Congress, federal judges and top-level officials.

By a vote of 56 to 42, the Senate tabled and thus killed a resolution that would have vetoed government pay raises recommended last month by former president Gerald R. Ford and endorsed by President Carter.

The increases will be effective Feb. 20 unless vetoed by either house of Congress and Wednesday's Senate action appeared to have eliminated that possibility.

Sen. James B. Allen, D-Ala., sponsor of the veto resolution, said he will make no further effort to block the pay increases unless several senators agree to change their votes.

"I don't see anything to be gained by beating your head against a stone wall," Allen told a reporter.

In the House, a resolution to veto the increases was referred to a Post Office and Civil Service subcommittee, which reportedly plans to take no action on it.

For Members of Congress, the increase would amount to 29 per cent and would be their first raise since 1969 with the exception of a 5 per cent cost-of-living increase two years ago. Congressional salaries would go up from $44,600 to $57,500 a year.

Some officials would get even more. Salaries of the vice president, the chief justice, the Speaker of the House and the president pro tempore of the Senate would go from $65,600 to $75,000. Members of the cabinet and associate justices of the Supreme Court would go from $63,000 to $66,000, appeals court judges from $44,600 to $57,500 and district court judges from $42,000 to $57,500.

Salaries for top level posts in the executive branch, which now range between $37,000 and $39,900, would rise to $47,500 and $50,000.

Mr. ROBERT C. BYRD. Mr. President.

The DEPUTY PRESIDENT pro tempore. The Senator is recognized.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Alabama has stated the parliamentary situation precisely. It was for the reason, as he stated, that I did not want any nongermane amendments attached to these resolutions dealing with committee assignments that I made the request.

There are many Members of this body who would be willing to vote up or down on a pay raise. I am one of those. I am in favor of a pay raise. I have so stated it. I have given my reasons, and it was I who moved to table the amendment—by a vote of 56 to 42—that was offered by the distinguished Senator from Alabama and other cosponsors a few days ago which would have rejected the pay proposal by Mr. Ford, supported by Mr. Carter, recommended by the Commission on Executive, Judicial and Legislative Salaries, and supported by the joint leadership in both bodies.

I have no fear to state where I stand. I say parenthetically, however, two things. A good many Senators who voted with the Senator from Alabama against tabling his amendment had told me privately and in advance of the vote that they needed a pay increase, that they were in difficult financial circumstances,

having to maintain two residences, one back home, one here, with all of the additional costs that go with serving in public office, but that they would be forced from a political standpoint to vote against tabling the amendment by the distinguished Senator from Alabama rejecting the pay raise.

So I am sure that a good many Senators among those who voted with Mr. ALLEN against tabling really wanted to see his amendment tabled, but because of possible political repercussions in their own States, they did not feel they could vote to table his amendment.

The second thing I say is this: any Senator or any House Member who does not want to accept the pay raise can return it every month in a check to the Treasurer of the United States. No Member of Congress is forced to accept the increase. I think that ought to be on the record.

I repeat: any Member of the Congress who in his own good conscience does not feel that he is worth the pay raise or for some other reason does not feel he ought to retain the pay increase, all he has to do is simply to write a letter to the Treasurer of the United States each month, enclosing a check and return the money.

This is my 25th year in Congress, and I have never voted for a congressional pay increase during that quarter of a century. When I first came to Congress, the salary for Members was $15,000 a year. The present salary of a Member of Congress is $44,600—which represents a 5-percent pay increase during the past 8 years. In 1969, the salary for Members of Congress was raised to $42,500. This is to say that, during the period of 8 years, dating back to 1969, the salary of Members of Congress has been increased 5 percent, while the cost of living has increased 61 percent. During that period, the pay of general schedule Federal employees has increased 66 percent; and the compensation for nonfarm employees in private industry has gone up 70 percent.

Now, I realize that to the average American, the present salary of a Member of Congress, being $44,600, appears to be, and is, a high salary. And, of course, every American has read the stories about all of the so-called perquisites that Members of Congress are supposed to enjoy. The people are told that Members of Congress have stationery accounts from which they can pocket the money that remains unused at the end of the year. Members of the Senate know that this is not so. No Member of the Senate can pocket any leftover funds from his stationery account at the end of the year. The American people are constantly reminded that Members of Congress have travel and telegraph allowances and that they have a certain number of paid trips back to their home districts or home States annually, and the impression is left with the average citizen that such allowances are for the personal benefit of the Members of Congress themselves. The opposite is true. Telephone and telegraph and travel allowances are for the purpose of service to the constituents of Members of Congress.

Each Senator receives a single allowance, which includes stationery, telephone, telegraph, and travel. At the end of the year, the unexpended moneys automatically revert back to the U.S. Treasury, and no Member of the Senate can pocket any of this allowance.

Much is also said about the franking privilege of Members of Congress, and there is no doubt but that the privilege has, in some instances, been abused. Congress has been moving and is continuing to move, to eliminate the abuses of the franking privilege that have occurred from time to time. However, here again, a Member of Congress cannot benefit financially from the use of the frank. Without the franking privilege, Members of Congress could not respond to the correspondence and to the needs of their constituents. That is what the franking privilege is intended to serve—the needs of the people whom we represent.

Then, much is said about all of the clerk-hire and the office space available to Members of Congress, and the impression is left with the people that Members of Congress benefit financially therefrom. Nothing is further from the truth. When I came to Congress 25 years ago, my correspondence workload was small compared to what it is today. As the population has grown, the needs of the population have grown, and there is a much increased requirement for communications with, and on behalf of, our constituents. Obviously, Members of Congress cannot afford to pay out of their own pockets for the staff personnel required to serve the people whom we represent. I represent a State with a little under 2 million people. Even my mail is heavy, but it is nothing as compared with the mail that comes to Senators representing States with much larger populations.

Staff members require office space and office equipment in order to respond to constituent mail and to make agency and departmental inquiries on behalf of constituents; and the money required for such staff personnel, staff operations, and staff equipment does not inure to the financial benefit of Members of Congress.

Much more could be said about some of the impressions that do not accurately present all sides of this subject, but which do leave the American people under the false belief that a Member of Congress is paid not only $44,600 as a salary, but that he is the recipient of, and can financially benefit from the hundreds of thousands of dollars annually required to operate his office, meet the needs of his constituents, and stay in contact and communication with the people he represents.

Then, there are the so-called free haircuts available to Senators and Members of the House of Representatives. I think most, if not all, Senators give very liberal tips for these services. For instance, I have never paid less than 50 cents for a shoeshine, and I have tipped as much as a dollar or even a dollar and a quarter for a shoeshine. Nonetheless, the so-called free haircuts constitute a very visible target for the cynics and the critics, so the Senate Democratic leadership is taking steps to eliminate this object of criticism, and to establish a system whereby all Senators will have to pay the going fare for haircuts and shoeshines in the future. There is also some grousing in the media with respect to the limited number of parking spaces available at airports for Members of Congress. Quite often, I have found these parking spaces filled by foreign diplomats and other Members of the House or Senate, and I have had to go elsewhere for parking. In any event, why should there not be free parking spaces for Members of Congress? Ninety-nine percent of the time I use a parking space at an airport it is for the simple reason that I am going to my home State to visit with my constituents and to participate in some program or event to which they have invited me. I would not be using the free parking space if it were not for the purpose of enabling me to fulfill my responsibilities to the people who sent me here. The same can be said for other Members of Congress.

Let us talk for a moment about the $44,600 which each Member receives in salary. He pays, on the average, around $300 a month into his retirement—which comes to roughly $3,600 a year. He pays approximately $1,000 annually for health and life insurance. He pays Federal and State income taxes. Many Members have to maintain two residential properties—one in the home State and one in the Washington area. For those Members who do maintain residential properties in their home States—and I do not—the upkeep on the property at home—the cost of fire insurance, property taxes, utilities and repair bills—is a constant cost, in addition to the cost of maintaining a home or apartment in the Washington area, where real estate costs and real estate taxes are exorbitantly high.

While we are talking about some of the financial sacrifices that have to be made by Members of Congress, I should point out that when I return to my State of West Virginia for a speaking engagement, while I can recoup the cost of my airline tickets, I cannot recoup the cost of motel or hotel bills. These are out-of-pocket expenses. I was in each of 53 of the 55 counties of West Virginia at least once last year. I was in each of the 55 counties at least once the year before last—and in many of those counties a number of times—which means that I had to spend many nights in motels during these visits. I am sure that everyone knows that motel bills are high. But the payment of those motel bills came out of my own pocket. There is no provision in the law for reimbursement. I think it is well to make mention of this, because I am sure that many of our constituents feel that we are reimbursed for such expenses.

The cost of living in Washington is higher generally than the cost of living in many of the areas represented by Members of the House and Senate, and, in addition, there are many financial burdens that go with serving in the Federal Legislature. For example, when constituents come to Washington, Members of the House and Senate are often expected to entertain those constituents, and Members of both Houses receive many requests for financial contributions to worthy causes. Such worthy contributions cost me, on the average, about $5,000 annually, which comes out of my income; and I am sure that there are

many other Senators who contribute much more than do I.

Fortunately, my wife and I were able to put our two daughters through school a good many years ago when the costs of tuition, books, and so on were much less than they are today. Younger Members of the House and Senate are not quite so fortunate in this regard.

I mention all of these things just in an attempt to more accurately portray a clearer overall picture of what is really involved here. Many Members of Congress find it difficult to cast a vote which, either directly or indirectly, supports a pay increase for themselves.

It would be easier for me to vote against a pay increase for Members of Congress or to vote against a motion to table any resolution rejecting the President's recommended pay increase. But the time has come for us to face the facts. This problem is not going to go away. I have cast such a vote many times.

Let there be no illusions. While a minority of us may be either fairly wealthy or, like myself, can live frugally and have no children in school or college, most Members are in the position that, if the President's recommended salary increase is rejected, they will have to increasingly go on the speaking circuit to earn honoraria with which to supplement the $44,600 they now receive in salary. This will mean that while they may be voting down the President's recommendation for a pay increase, they will, by the same token, be increasing the need for earned income from honoraria and other outside sources. Most speaking engagements—unless they are in the District of Columbia area—require Members to be away from home, and often away from committee meetings and Senate floor activities, thus infringing to that extent upon their services to the Senate and to the people they represent.

The second thing I want to say about the matter before us today is that it involves branches of government other than the legislative branch. In all, 2,496 people in the Federal Government at high policymaking levels will be affected directly. Indirectly, 20,365 additional upper grade Government personnel, whose pay is tied to congressional salary levels, will be affected.

Because of the salary lag, the Federal Government is losing some of its best people. In the last 3 years, 4 of the 11 Institute directorships at the National Institutes of Health have become, and remain, vacant; 85 out of 87 outside candidates have refused the positions due to the low pay. The Directorship of the Institute of Cancer Research, for example, is vacant and was vacated because the then Director could not maintain his family on the low pay. So he left the position in order to take a position that would pay more.

The Social Security Administration lost 9 out of 19 of its most senior civil service employees at one time last year, and was unable to fill the position of Chief Actuary for more than a year, with 30 candidates refusing the job because of the low pay.

The legislative branch continuously loses some of its most able support personnel because of higher salaries available to them in the business community.

So, we want to keep in mind that President Ford's pay increase proposal does not affect the salaries of Members of Congress alone; it cuts across all three of the equal and coordinate branches of the Government.

It was difficult for each of us to vote for a motion to table the amendment by Mr. ALLEN. But somebody had to face up to the situation. This is a crisis in Government that will continue to grow. It will not go away; and, more and more, only the wealthy will be able to make the financial sacrifice necessary to render Government service in the Nation's Capital.

This is the first time, in my recollection, that the leadership—the joint leadership in the House; the joint leadership in the Senate; the leadership of the Federal judicial branch; the former President of the United States, Mr. Ford, and the current President of the United States—Mr. Carter—have all come down on all fours in support of a general pay increase for executive, judicial, and legislative personnel.

After all, the people get just what they pay for, as a general rule, and I believe that it is in the best interests of the people that this pay increase go into effect.

President Ford coupled his pay increase proposal with a code of conduct proposal, also based upon the recommendation of the Peterson Commission. A few days ago, the minority leader and I appointed a temporary special committee to be known as the Special Committee on Official Conduct, composed of 15 Members of the Senate—8 Democrats and 7 Republicans—to propose a code of conduct for Members, officers, and employees of the Senate in the performance of their official duties. I designated Senator NELSON to be the chairman of the select committee, and the other Democrats on the committee are as follows: Mr. RIBICOFF, Mr. INOUYE, Mr. EAGLETON, Mr. NUNN, Mr. GLENN, Mr. CLARK, and Mr. MELCHER. That committee, under the chairmanship of the distinguished Senator from Wisconsin (Mr. NELSON), is holding hearings, and the resolution creating the committee mandates the committee to report legislation by March 1 establishing a code of conduct.

That legislation will immediately become the pending business before the Senate under a time agreement limiting debate thereon.

Your leadership, therefore, is not only committed to the pay increase but also to the enactment of a code of conduct for the Senate. The House of Representatives is already moving toward the enactment of a code of conduct for that body. But whether or not a pay increase goes into effect, the Senate will act on a code of conduct for the Senate.

In closing, I think we should call a spade a spade. There are many Members of Congress who decry the fact that they are not being given an opportunity to vote up or down on the President's proposed salary increase. Yet, in their hearts, many of those same Members of Congress are just as happy that the pay increase will go into effect without their ever having to vote up or down. Even though many of them know in their hearts that a pay increase is justifiable, the simple fact of the matter is that they realize such a vote is not popular back home because the people really do not understand what the true facts are. It is for this reason that I have tried to set the facts straight. I believe that when the people really see through some of the fiction that they have been reading and hearing in the media, they will have a better understanding of the need for this pay increase. The news media have concentrated on the congressional aspect of the pay increase, while, in fact, the far greater portion of the salary increase goes to the other branches of Government. I ask unanimous consent to include in the RECORD at this point a table showing how the pay cost affects each of the three branches of Government.

There being no objection, the table was ordered to be printed in the RECORD as follows:

Costs of President's proposed pay increase

	Million
Executive	9.6
Legislative Branch	7.8
Judicial Branch	14.8
Total	32.2
Cost of relieving compression on GS15, GS16, GS17, and GS18 salaries	86.4
Total cost for salaries and fringe benefits	118.6

Mr. ROBERT C. BYRD. Now, Mr. President, was my request agreed to with respect to nongermane amendments?

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE RESOLUTION 82—DESIGNATION OF NUMBER OF SENATORS ON CERTAIN STANDING COMMITTEES

Mr. ROBERT C. BYRD. Mr. President, I send a resolution to the desk with the understanding that no nongermane amendments be in order in connection with the consideration and reconsideration of that resolution, and I ask for its immediate consideration.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will state the resolution.

Mr. BAKER. Mr. President, reserving the right to object, is this the resolution to appoint committees?

Mr. ROBERT C. BYRD. This is the resolution that enunciates the numbers of members on the various committees.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The DEPUTY PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. JACKSON may speak out of order for not to exceed 10 minutes.

The DEPUTY PRESIDENT pro tempore. The Senator from Washington is recognized.

INTERNATIONALLY RECOGNIZED HUMAN RIGHTS

Mr. JACKSON. Mr. President, in the past week world attention has been focused on the renewed efforts of the Soviet Government to silence—and to imprison—an extraordinary group of human rights activists. The human rights movement in the U.S.S.R. is not only the conscience of that unhappy country, it is also one of the best hopes that the Soviet Union can be brought to respect internationally recognized standards of conduct. It is for these reasons that the Senate of the United States should address the recent developments in the Soviet Union and recognize their great importance. For the issue of human rights is fundamental—and certainly central to our foreign policy.

When I first entered the Congress in 1941 the world was already in the midst of World War II—a conflict to determine whether Western civilization and its values would survive. The real horror of modern totalitarianism became fully apparent only after the conclusion of the war when we learned the whole and terrible history of the Nazi regime. I visited Buchenwald just after its liberation, and was profoundly moved. I believe the world inherited an obligation to insure that such barbarous crimes are never again repeated.

Americans learned more slowly perhaps but no less surely of Soviet totalitarianism, of mass executions and deportation, of the "Gulag Archipelago." In 1968 I talked to Robert Conquest, the British author, and read his classic book "The Great Terror." That monumental work definitively describes the dreadful authoritarian excesses in the Soviet Union that still haunt the world. The bloody massacres, the suppression of whole peoples, the persecution of racial and religious minorities, the mass imprisonment of individuals for their political views—all these are sources of international instability and turmoil. Indeed, we have learned that governments that engage in wholesale violations of human rights are, more often than not, threats to the peace.

The fact that modern society can be a mask for ancient brutalities explains, I think, the strong interest of the American people in human rights on a worldwide basis. In 1948, with the spirited leadership of Eleanor Roosevelt, the United States pressed for the adoption of the Universal Declaration of Human Rights. We did so precisely because we had learned that those deprived of their basic rights in any one country needed the protection of international law even against their own governments. The declaration—unanimously adopted by the U.N. General Assembly—sets forth standards of individual liberty in a splendid, pioneering "Bill of Rights" for the world.

The declaration affirms the right to freedom from torture and freedom from arbitrary arrest, detention or exile; it affirms the right to leave any country, including one's own; it affirms the right to freedom of peaceful assembly and association; it affirms the right to freedom of opinion and expression; and it emphasizes freedom of thought, conscience and religion, and freedom—either alone or in community with others and in public or private—to manifest one's religion or belief in teaching, practice, worship, and observance.

Subsequently this U.N. Declaration was affirmed in the International Convention on the Elimination of all Forms of Racial Discrimination of 1965 and the International Covenant on Civil and Political Rights of 1966, each of which was ratified by the Soviet Union.

Most recently, in the final act of the Helsinki Conference—33 European countries including the Soviet Union, together with Canada and the United States—have agreed to act in conformity with the Universal Declaration of Human Rights. While the Helsinki Accords dealing with specific rights are often imprecise and hedged, they nevertheless constitute an official commitment by the governments that—

> In the field of human rights and fundamental freedoms, the participating States will act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights. They will also fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Covenants on Human Rights, by which they may be bound.

So, in the struggle for human rights and fundamental freedoms the peoples of the world have international law on their side. Their governments have made individual rights and free contacts matters of legitimate international concern—indeed of international responsibility.

Mr. President, the bright promise of these international accords has not been realized. Abuses of human rights constitute a continuing chronicle of suffering and injustice.

Ours is not only a humanitarian concern for our fellow men and women—although I personally believe that alone would justify efforts on their behalf. There is also the matter of contributing to the achievement of a more civilized world, the only kind of world where peace can flourish. For real peace must be based on international trust and openness, measured in part by increased respect for the standards which the Universal Declaration of Human Rights enshrined in the body of international law.

We must be willing to use our human rights concerns in the bargaining process with other nations. Nations seek our grain, our arms, our technology. Why should we not seek greater protection for internationally recognized human rights?

That is the essence of our effort in Congress to place America's economic power behind the basic right to emigrate. Of all the individual liberties contained in the U.N. Declaration of Human Rights, none is more fundamental than that in article 13—the right to free emigration. The Congress has particularly emphasized that right, because it is the touchstone of all human rights. The right to emigrate is critical for oppressed minorities, dissident intellectuals, and divided families. It has been the traditional, vital lifeline for victims of religious and racial persecution throughout the world, many of whom found relief in the United States and helped to establish the freedoms we take for granted in our own country.

Virtually all of us owe our American citizenship to the right to emigrate. There is a famous story about Franklin D. Roosevelt once causing a great stir by addressing an audience of the DAR as "My fellow immigrants * * *." But the fact is, as I often remind American audiences, we are a Nation of immigrants—and that gives us a special responsibility for the right to emigrate.

The Jackson-Vanik amendment on East-West trade and freedom of emigration is supported by an impressive coalition of groups representing diverse religious and ethnic backgrounds. It became part of the law of the land in the Trade Act of 1974. It states, in essence, that if the Soviets and other Eastern bloc countries want U.S. trade concessions and special subsidies, they will have to moderate their restrictive policies on the emigration of their citizens. The amendment applies to Jews and Gentiles, without discrimination on the basis of race, religion, or national origin.

Also, the amendment does not affect normal trade on a pay-as-you-go basis. It simply withholds special trade concessions and unlimited U.S. credit until the trading partner moves substantially to respect the obligations on freer emigration which it has already subscribed to in solemn international agreements. The Jackson amendment, far from being an intrusion into anyone's internal affairs, is one small step along the road to an international community based on law.

Tens of thousands of people—Jews and non-Jews alike—have escaped from captivity, because of the Jackson-Vanik amendment on freer emigration. It was only after Henry Kissinger pledged that the Ford administration would try to destroy the amendment that the Kremlin tightened the screws once again. If the Soviets want some of the trade benefits from the United States that other countries enjoy—let them at least honor the right to emigrate.

Mr. President, it is of profound importance that our country—as the leader of the free nations and the most influential voice in Western public opinion—use the opportunities we have to promote greater respect for internationally recognized human rights. While the United States can and must deal with nations whose systems of government may be anathema to us, there should be no doubt that the United States stands opposed to flagrant violations of human rights and fundamental freedoms.

So I applauded the State Department's move this week in standing up for the Russian poet Alexander I. Ginzburg in the name of internationally accepted human rights.

It has often been the case that senior officials in the Department of State—who tend, naturally perhaps, to value a superficial cordiality—shy away from speaking out on behalf of human rights, where doing so may be regarded as an irritant in our relations with authoritarian governments.

But is not the best path to our silence on these issues a change in Soviet practice on human rights?

So I commended President Carter for saying at his first press conference this week that he intends to speak out strongly and forcefully on behalf of human rights, expressing at the same time his deep regret at the incarceration of Alexander I. Ginzburg.

Today—in the presence of my Senate colleagues—I want to protest the arbitrary arrest in the last few days of Alexander I. Ginzburg, Yuri Orlov, and Mykola Rudenko.

Alexander I. Ginzburg is a distinguished human rights leader—an inmate of the Gulag Archipelago with Alexandr Solzhenitsyn—and is the administrator of the fund established by Solzhenitsyn to sustain political prisoners and their families.

Physicist Yuri Orlov, a long-time member of the Moscow human rights movement, is a founder of the unofficial U.S.S.R. group monitoring compliance with the humanitarian provisions of the Helsinki final act.

Mykola Rudenko, Ukrainian writer and member of Amnesty International, is head of the Ukrainian committee monitoring implementation of the Helsinki agreement.

There is some talk that the arrest of these three human rights leaders is a deliberate test of the will and staying power of President Carter. This may be so; and, if it is, the President made a good start in his press conference response this week. The President's determined followup will be of central importance.

There is also the fact that the Soviet Union is seeking to throttle the Soviet citizens who are trying to promote the observance of the humanitarian articles of the Helsinki Agreement. June 15—the date for the opening of the Belgrade session of the CSCE—is approaching. These human rights defenders have been exercising their internationally affirmed right to freedom of opinion and expression, informing the government signatories to the Helsinki Agreement, as well as the public at large, of cases of flagrant violation of the human rights articles. The Soviet authorities hear this criticism and comment, and they hope to have it silenced before the Belgrade meeting gives the truth a world audience.

The U.S.S.R. has bound itself to respect the exercise of the right to freedom of opinion and expression for its citizens by becoming a party to the Universal Declaration of Human Rights, the International Covenants on Human Rights which it ratified, and by the Helsinki Accords, which reaffirm these earlier international undertakings.

Indeed, Secretary Brezhnev himself said, less than 1 month ago in a speech at Tula:

> Standing now in the center of European politics is the task of fully implementing the accords reached by 35 states a year and a half ago in Helsinki. We regard the Final Act of the European Conference as a code of international obligations aimed at ensuring lasting peace. Of course, all its provisions should be fulfilled and that is our daily concern.

It is precisely in the name of these freely accepted international obligations that I call upon Secretary Brezhnev to release these three heroic human rights leaders and permit them and their colleagues to exercise their simple, elementary rights.

(Mr. DECONCINI assumed the chair.)

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the distinguished Senator.

Mr. HUMPHREY. Mr. President, I rise to join with the distinguished and courageous Senator from Washington in his remarks today. I do so because I think a number of voices in the Senate should be heard.

What has happened here is a gross violation of human rights on the part of the Soviet Union. What has happened here is a violation of internationally accepted and agreed upon codes of conduct and, as the Senator from Washington has pointed out, the Soviet Union is a signatory to the U.N. Declaration of Human Rights. It was the central force for the so-called Helsinki Agreement. It affixed its signature and its so-called honor to that agreement. And it behooves the people of the United States and their duly elected representatives in Government from the President to the Congress of the United States to make it manifestly clear that we expect that these covenants will be obeyed and that these covenants will be respected.

Mr. President, there is no greater force that the United States has for international peace and for international good than to stand firm on the issue of human rights. We cannot remake the government of other countries. That we know. But we can at least let peoples around the world and their leaders know that we do not in any way modify our commitment or weaken our dedication to the principle of human dignity and human rights.

We celebrated our 200th anniversary as a nation and as a free independent country. The whole theme of the Declaration of Independence is the message of God-given rights of life, liberty, and the pursuit of happiness.

The message of that declaration is that governments were established among men to secure these rights. For the United States in any way to deviate from those principles would be to weaken ourselves and to deceive others.

So I say to the Senator from Washington that the message that he has given here today speaks for me. I believe that it speaks for an overwhelming majority of the Senate. I hope it speaks for every Member of Congress, and I think it does. I commend President Carter on his stand on this great issue of human rights. I see a new day in American foreign policy on this issue.

The best thing that our neighbors in the Soviet Union can do—and I say neighbors in the world sense—is to rethink what they have done, and for Secretary Brezhnev and his associates to understand that the release of these prisoners and the cessation of this harassment of their fellow citizens is the one best way to secure the easing of tensions and to find the path to peace. I hope and pray that it will be done, and I do not say that in anger or rancor. I say it in a plea for sensitivity to social justice, and I hope that the sensitivity is there in the minds and the hearts of the Soviet leaders.

They have their opportunity now. The message has been given, and I thank the Senator from Washington.

Mr. JACKSON. Mr. President, it goes without saying that no one in this body has been more effective in speaking out on the subject of international human rights than the distinguished senior Senator from Minnesota. I think he would agree with me that we have had very fine bipartisan support for our effort to make known the views of the Members of this body in connection with a series of violations, may I say, Mr. President, of international law.

Some people sometimes argue that we are trying to interfere in the affairs of another country. That is nonsense. All we are asking, Mr. President, is that a nation adhere to the standards of conduct established in international accords and conventions to which they are a party and which they have juridically accepted as a part of international law.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JACKSON. I salute the Senator from Minnesota for his able remarks.

Mr. NUNN. Mr. President, may I be recognized for 1 minute by unanimous consent?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. I commend the Senator from Washington for his statement and the Senator from Minnesota for his praise of that statement. I would also like to join in the comments of the Senators concerning the position of leadership that President Carter has taken in this regard. I believe he is off to a good start in this area of human rights.

Mr. JACKSON. I thank the Senator from Georgia. Since he has come to the Senate, he has participated effectively in a number of our efforts to speak out in behalf of individuals in the Soviet Union and elsewhere who have been deprived of the human rights and basic freedoms to which they are entitled under international law.

RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 10 minutes.

The motion was agreed to, and at 2:14 p.m. the Senate took a recess for 10 minutes.

The Senate reassembled at 2:24 p.m., when called to order by the Presiding Officer (Mr. DECONCINI).

SENATE RESOLUTION 82—DESIGNATION OF NUMBER OF SENATORS ON CERTAIN STANDING COMMITTEES

The Senate continued with the consideration of the resolution (S. Res. 82) to designate the number of Senators on certain standing committees.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 82) amending paragraph 2 of rule XXV of the Standing Rules of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 82) was agreed to, as follows:

S. RES. 82

Resolved, That paragraph 2 of Rule XXV of the Standing Rules of the Senate is modified to read as follows:

"2. Except as otherwise provided by paragraph 6 of this rule, each of the following standing committees shall consist of the number of Senators set forth in the following table on the line on which the name of that committee appears:

"Committee	Members
"Agriculture, Nutrition, and Forestry	18
Appropriations	25
Armed Services	18
Banking, Housing and Urban Affairs	15
Commerce, Science, and Transportation	18
Energy and Natural Resources	18
Environment and Public Works	15
Finance	18
Foreign Relations	16
Governmental Affairs	17
Human Resources	15
Judiciary	17.".

SENATE RESOLUTION 83—DESIGNATION OF NUMBER OF SENATORS ON COMMITTEE ON THE BUDGET, COMMITTEE ON RULES AND ADMINISTRATION, AND COMMITTEE ON VETERANS' AFFAIRS

Mr. ROBERT C. BYRD. Mr. President, I have a resolution which I send to the desk, which states the numbers of members of the committees on the Budget, Rules, and Administration, and Veterans' Affairs.

I ask unanimous consent that no nongermane amendment be in order during the consideration or the reconsideration of this resolution, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 83) amending paragraph 3 of rule XXV of the Standing Rules of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 83) was agreed to, as follows:

S. RES. 83

Resolved, That paragraph 3 of Rule XXV of the Standing Rules of the Senate is modified to read as follows:

"3. Except as otherwise provided by paragraph 6 of this rule, each of the following standing committees shall consist of the number of Senators set forth in the following table on the line on which the name of that committee appears:

"Committee	Members
"Budget	16
"Rules and Administration	9
"Veterans' Affairs	9.".

SENATE RESOLUTION 84—DESIGNATION OF DEMOCRATIC COMMITTEE MEMBERSHIP AND CHAIRMEN OF STANDING COMMITTEES, SELECT COMMITTEE ON SMALL BUSINESS, AND SPECIAL COMMITTEE ON AGING

Mr. ROBERT C. BYRD. Mr. President, I have a resolution which I shall send to the desk, appointing the majority membership on the standing committees, the Select Committee on Small Business, and the Special Committee on Aging for the 95th Congress, and I ask unanimous consent that no nongermane amendments be in order during the consideration or reconsideration of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 84) appointing majority membership on the standing committees, the Select Committee on Small Business, and the Special Committee on Aging for the 95th Congress.

Mr. BAKER. Mr. President, I would interrupt only long enough to say that, as the majority leader knows, it will not be possible to submit a similar resolution on behalf of the minority today, and that the minority fully concurs in this action being suggested by the majority leader.

I want to say that we will have a similar resolution for introduction shortly after our return from the Lincoln Day period.

Mr. ROBERT C. BYRD. I thank the distinguished minority leader.

Mr. President, before acting on this resolution, I will read paragraph 1 of rule XXIV of the Standing Rules of the Senate:

1. In the appointment of the standing committees, the Senate, unless otherwise ordered, shall proceed by ballot to appoint severally the chairman of each committee, and then, by one ballot, the other members necessary to complete the same. A majority of the whole number of votes given shall be necessary to the choice of a chairman of a standing committee, but a plurality of votes shall elect the other members thereof. All other committees shall be appointed by ballot, unless otherwise ordered, and a plurality of votes shall appoint.

Mr. President, with respect to the naming of the chairman of each committee, according to the rule, unless otherwise ordered, the Senate will vote by ballot, which means by rollcall vote in this instance, I believe, on each chairman.

Mr. President, I ask unanimous consent that, with the exception of the chairmanship of Mr. LONG, the Senate vote by voice on each chairman of each standing committee.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. When we get down to the point of voting on Mr. LONG, I will state my reasons.

The PRESIDING OFFICER. The clerk will state the chairman of the first committee.

The legislative clerk read as follows:

The Committee on Agriculture, Nutrition, and Forestry, Mr. TALMADGE, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. TALMADGE's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Appropriations, Mr. MCCLELLAN, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. MCCLELLAN's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Armed Services, Mr. STENNIS, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. STENNIS' appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Banking, Housing and Urban Affairs, Mr. PROXMIRE, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. PROXMIRE's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Commerce, Science, and Transportation, Mr. MAGNUSON, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. MAGNUSON's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Energy and Natural Resources, Mr. JACKSON, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. JACKSON's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Environment and Public Works, Mr. RANDOLPH, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. RANDOLPH's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Foreign Relations, Mr. SPARKMAN, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. SPARKMAN's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Governmental Affairs, Mr. RIBICOFF, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. RIBICOFF's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Human Resources, Mr. WILLIAMS, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. WILLIAMS' appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on the Judiciary, Mr. EASTLAND, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. EASTLAND's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Rules and Administration, Mr. CANNON, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. CANNON's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The Committee on the Budget, Mr. MUSKIE, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. MUSKIE's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Committee on Veterans' Affairs, Mr. CRANSTON, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. CRANSTON's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Select Committee on Small Business, Mr. NELSON, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. NELSON's appointment as chairman is agreed to.

The clerk will state the chairman of the next committee.

The legislative clerk read as follows:

The Special Committee on Aging, Mr. CHURCH, chairman.

The PRESIDING OFFICER. The question is on the chairmanship as stated. As many as favor the appointment will say "aye"; opposed, "no."

The ayes have it. Mr. CHURCH's appointment as chairman is agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move that the votes by which the various chairmen were agreed to be reconsidered en bloc.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Now, Mr. President, we have one chairman remaining, I believe.

The PRESIDING OFFICER. The clerk will state the chairman of the Committee on Finance.

The legislative clerk read as follows:

The Committee on Finance, Mr. LONG, chairman.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, Mr. METCALF, earlier today, propounded a parliamentary inquiry which laid upon the record the facts with respect to rule XXIV. I commend him for doing that. I think that he has made it a practice to do this at the beginning of every Congress. I think that the people of this country need to know that there is a standing rule of the Senate that provides for a separate rollcall vote, on each of the chairmen of standing committees, and that that rollcall vote can be waived only by unanimous consent or motion.

The rule also provides that the other members of each committee are to be selected by one ballot, meaning one rollcall vote, unless otherwise ordered, which means that, by unanimous consent or by motion, that rule can be waived.

As Mr. METCALF brought out in his parliamentary inquiry today, any Member of the Senate may move to amend the resolution, may move to substitute the name of any other Member of the Senate to be the chairman of any committee, and may move to substitute the name of any other Senator for any Member assigned to any committee by that resolution, and can get a vote by rollcall on any such amendment. I think it ought to be clearly shown that it is not the Democratic steering committee that elects Democratic members of committees. It is not the Democratic steering committee that selects the Democratic chairman. The steering committee only presents to the Democratic conference, its recommendations as to the Democratic membership on committees and the Democratic chairmen. The Democratic caucus, since 1969, has had the opportunity to ratify or to reject any recommendations made by the Democratic steering committee as to chairmen or as to members of committees.

Prior to 1969, the recommendations of the steering committee went directly to the Senate and bypassed the Democratic conference.

I want it made clear again that the Democratic conference does not elect Democratic chairmen or Democratic members of committees.

The Democratic conference only has the prerogative of ratifying or rejecting the recommendations of the Steering Committee with respect to its proposals anent chairman and members of committees. In the final analysis, only the Senate—only the Senate—may appoint the chairmen of committees and the members necessary to complete the same.

I wanted a rollcall vote on one chairman today, at least one, so that the RECORD will clearly show again that there is now a rule and that there has long been a standing rule, rule XXIV, which provides for a vote by rollcall on any and every chairman of the standing committees of the Senate, and a vote by rollcall on the makeup of those memberships of those committees, unless otherwise ordered and that every Senator has his rights, under the rules, to propose amendments regarding the same. I chose Mr. LONG because of stories that have been appearing in the press about him. I read just excerpts from today's Washington Star.

The headline says "Long Again Beats Back Leadership Challenge; Loses Only Six Panel Votes."

For the second time in a week, Sen. Russell B. Long has crushed a challenge to his leadership of the taxwriting Senate Finance Committee.

In the first-ever secret balloting by Senate Democrats on committee chairmen, only six of his colleagues voted against giving the Louisiana Democrat a sixth full term as committee chairman. Common Cause, the citizens lobby—

I emphasize the words, "the citizens lobby"—

had waged an active lobbying effort against Long, protesting what it contended were undemocratic leadership practices.

Mr. President, the practices of the Senate, as written into rule XXIV of the standing rules of the Senate, are not undemocratic. They are democratic. They are very democratic in that every Member of the Senate has the right under the rules to move to amend the resolution on Democratic and Republican

members, Democratic chairmen and Republican ranking members, and any Senator may move to substitute in lieu of any name among the members or among the chairmen of any committees that of any Senator whom he wishes to submit in lieu thereof. He can also get a rollcall vote on his amendment.

I wanted also to underscore the fact that it is not the Steering Committee, and that it is not the Democratic conference that makes the final selection. It is not the Steering Committee, it is not the Democratic conference that makes the final appointment. It is the Senate of the United States, made up of 100 Senators—at the present time, 62 Democrats and 38 Republicans. So the action is not complete until the Senate, itself, acts and if any ballot is requested, as I am requesting on Mr. LONG and as the Senate has already ordered, not only will the 62 Democrats vote on Mr. LONG, but the 38 Republican Members of the Senate also have the same right to vote to support Mr. LONG or to reject him.

The record is clear, now and for all time, that that is the way we proceed and that is the way we are going to proceed in each Congress unless rule XXIV is amended or repealed by the Senate. We will have a separate vote. We will follow rule XXIV, and if we can do it by voice vote, fine, but if any Member wants a rollcall vote, he can get it. But I think it ought to be clear that the Steering Committee and the caucus are not the alpha and the omega of the appointment process. They merely do the recommending. It is the Senate—all 100 Senators, Democrat and Republican—that appoints and puts its stamp of approval on the final choice of committee chairmen, ranking members, and committee memberships—Democrat or Republican.

Mr. BAKER. Mr. President, I commend the distinguished majority leader for his observations and for this motion, this proceeding. I do not intend to make extended remarks. I just want a brief moment to point out what all of us, I am sure, know.

The two-party system, even with the Republican and Democratic Parties in today's format, is a fairly recent innovation and nothing in the crystallization of two-party competition as we now know it is truly codified in the Rules of the Senate.

The Senate is a body. The Senate, as a whole, must act. In the past, there have been many examples. The majority party that existed in the early days of the two-party system did not elect uniformly all of their chairmen. I happen to feel that the two-party system is a great advantage of the American concept of a democratic or republican form of government. I happen to feel it pretty well suits the American political personality and I happen to feel, as well, that it must always recognize, however, that it is the Senate, constitutionally, which is the final arbiter.

I intend to participate fully in the rollcall vote. I intend to cast my vote as a Member of the Senate first, as a Republican second.

I commend the majority leader for reminding us of the verities and fundamentals of the roll of the Senate in relation to its internal structure.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Republican leader.

It is my intention to support Mr. LONG.

He has worked for many years on the Committee on Finance. He has proved himself to be a very able chairman of that committee and has always been fair. He has been reasonable in his approach. He has given everybody a chance to be heard, whether he agreed with them or whether he disagreed with them on whatever position they took.

It is my understanding he has always allowed proponents and opponents of any measure or any amendment or any motion to have adequate hearings and to state their views.

So I intend to support his reelection to the chairmanship of the Finance Committee.

Mr. CURTIS. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I approve of the procedure that has been suggested here will be followed, but I rise for the purpose of urging the Senate to vote for Senator LONG for chairman of the Finance Committee. I say that because I have worked with him through the years on the Senate Finance Committee.

Senator LONG is a very able chairman. He is knowledgeable concerning the tax code, the social security law, trade legislation, sugar legislation, trade agreements, and the other matters that come before the committee.

His years on that committee have enabled him to accumulate a vast storehouse of knowledge that is beneficial to our Republic. To cast him aside would be wasting talent.

Senator LONG makes a very valuable contribution to the legislative process because of his knowledge of the subject matter that comes under the jurisdiction of the Committee on Finance.

I further support Senator LONG because of the manner in which he has conducted the committee as a chairman. I believe that if a chairman carelessly or otherwise is not fair to his members that the first people to notice that will be the party of opposition.

We are always outnumbered on the Finance Committee, yet every member's rights are fully protected by Senator LONG.

I will give an illustration of how Senator LONG proceeds. We have all had unhappy experiences in committee hearings where some member will arrive at the committee on time, wait half a day, he never gets his turn to ask a question because others dash in, claim their seniority, ask a few questions and go out, and the waiting Senator waits.

Senator LONG follows a procedure in public hearings where he has a list made of when the Senators arrive, and the first Senator there on each of the two sides is called upon first to ask his questions.

A small matter, yes. I mention it because it illustrates not only the fairness of Senator LONG, but his skill in making a distinct contribution to the legislative process.

Mr. President, Senator LONG is fair to all the people that make up our voting population, or nonvoters, either one. He is fair to the people of our country. There is not an idea or a viewpoint that is suppressed by him when it comes to consideration of these important programs coming under the jurisdiction of the Committee on Finance.

He is eminently fair to all the members of the committee, and none of the outside groups have the door slammed in their faces.

He not only serves the committee well and is fair to his colleagues, but also he conducts it in fairness and honesty for the entire country.

I anticipate that the vote will be unanimous. I hope it will be, because it is in the best interests of the Senate that we make it unanimous.

Mr. President, I yield the floor.

Mr. HANSEN. Mr. President, I wish to extend my compliments to my distinguished colleague, the majority leader from West Virginia, on his judgment in confirming a long-established principle that the U.S. Senate, in full body, Republicans and Democrats, selects the respective committee chairmen and decides membership in the committees.

The vote in selecting the chairman of the Senate Finance Committee, the distinguished Senator from Louisiana, RUSSELL LONG, affirms this long-established principle. Senator LONG was elected to this distinguished body in November 1948 and was named chairman of the Senate Finance Committee on January 14, 1966. This committee, under his guidance, has been a forum for the full and complete exchange of ideas, theories, and issues. I became a member of this committee following the untimely death of Senator Everett Dirksen and immediately upon my appointment to the committee, RUSSELL LONG went out of his way to offer help and assistance and to share his considerable body of knowledge with me as a freshman member. He is eminently fair. Over the years, his chairmanship has been characterized by allowing any and all witnesses to testify, granting requests for hearings, allowing full and complete hearings, and a full gamut of views to be presented and represented. It is a standing rule of the committee, at his insistence, that any motion can be called up for reconsideration at any time. The staff is truly a full committee staff, serving majority and minority members equally and I have noticed, as a member of the minority party, that information is available to all members on an equal basis. Senator LONG has been a protector of rights and the all-important rights of the minority.

It is my privilege to rise in support to defend the principle that my distinguished colleague from West Virginia has, through his leadership, enforced today and also to support the selection by the Senate in a rollcall vote the selection of RUSSELL LONG as chairman of the Senate Finance Committee.

Mr. METCALF. Mr. President, it has been my policy at the opening of every session of Congress after the passage of the Legislative Reorganization Act of 1970 to point out what the Senator from West Virginia has underscored, that the most democratic rule that we could write for the election of chairmen or the election of members of the committee is that

the Senate as a body elects those members and those chairmen.

I am delighted that today both of our leaders, the majority leader and the minority leader, have, as I say, underscored and emphasized the material that I tried to point out in previous sessions, that these resolutions that come from the respective Republican and Democratic conference are only resolutions to be considered on the floor of the Senate. They are open for amendment. Anybody that can get enough votes to change them has an opportunity to do so.

I applaud the demonstration of democracy on the rule that has been brought up here today.

I do not know how they picked out the person, except from the newspaper accounts, but I am sure it will demonstrate that we have an opportunity to vote on every single chairman, whether he is a Republican or a Democrat, we can elect anybody chairman of a committee and we can elect anybody a member of a committee if we can get enough votes on the Senate floor.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator.

Mr. President, I ask unanimous consent to have the newspaper article to which I have referred printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LONG AGAIN BEATS BACK LEADERSHIP CHALLENGE

(By Walter Taylor)

For the second time in a week, Sen. Russell B. Long has crushed a challenge to his leadership of the taxwriting Senate Finance Committee.

In the first-ever secret balloting by Senate Democrats on committee chairmen, only six of his colleagues voted against giving the Louisiana Democrat a sixth full term as committee chairman. Common Cause, the citizens lobby, had waged an active lobbying effort against Long, protesting what it contended were undemocratic leadership practices.

The vote to retain Long as finance chairman by the caucus of all Senate Democrats was 42–6. The caucus also voted to renominate the incumbent chairman of all other committees of the chamber.

Ratification by the full Senate of the chairmen and of the other Democratic and Republican members of the committee, action that is considered pro forma, was expected today.

The only surprise in yesterday's Democratic caucus, held behind closed doors, was the ease with which Long won renomination. Although Common Cause lobbyists had professed no hope of unseating Long, they had expressed hope for a "protest" vote large enough to force him to accept some of its recommendations for reform.

"I thought Common Cause had more influence than that, frankly," a smiling Long told reporters as he left the caucus meeting.

For Long, it was his second political victory of the past eight days. Last week, he easily fought off an effort by a handful of liberals on the Senate floor aimed at diluting his authority as chairman. In order to stave off that challenge, however, Long was pressured to agree to permit subcommittees of his panel to have legislative jurisdiction for the first time.

Some Long critics have said privately that that concession—a major demand by Common Cause—was part of a determined effort by Long to avoid a potentially embarrassing challenge to his leadership in yesterday's caucus.

As the Senate neared completion of its committee organization for the current Congress, there were these other developments:

Senate conservatives apparently seized control of the important Judiciary Committee, which is expected to be deeply involved in such controversial issues as divestiture by the oil companies, electoral reform, revision of the nation's criminal statutes and general antitrust action. Many of these questions traditionally have divided the committee and the full Senate along ideological lines.

Senate Republicans, who also caucused yesterday, placed three of their most conservative members—Sens. Paul Laxalt of Nevada, Orrin Hatch of Utah and Malcomb Wallop of Wyoming—on the panel. In addition, they quietly turned aside a behind-the-scenes challenge by Sen. Charles McC. Mathias, a moderate, and elected conservative Strom Thurmond of South Carolina to be the senior Republican member of the panel.

Meanwhile, the Democrats added a conservative of their own, Sen. James Allen of Alabama, perhaps the most effective parliamentary tactician in the chamber, to the committee.

After failing to block Allen's appointment, as they had done in past years, Democratic liberals were successful in adding another liberal, Sen. John Culver of Iowa, to the committee.

The ideological tilt of the 17-member panel seemed again to be to the conservative side, however, on the questions likely to be before the committee during the current Congress.

Some liberals suggested that the conservative coup had somehow been engineered by the lobby for the major oil companies out of fear that the committee might recommend a divestiture measure. They acknowledged, however, that they had no evidence of any outside influence on the decisions by the two party caucuses.

Long, who actively led the fight in the Democratic caucus to seat Allen on the committee, said he "didn't hear a word about that" from representatives of oil interests.

Asked about possible pressure from the oil industry to pack the committee with conservatives, Arkansas Democrat John McClellan, the second-ranking Democrat on the panel, told a reporter that the suggestion was "complete bologna . . . oil didn't have any more to do with it than you did."

The PRESIDING OFFICER (Mr. MATSUNAGA). The question is on agreeing to the designation of Senator LONG as chairman of the Committee on Finance.

Mr. ROBERT C. BYRD. Mr. President, a vote "aye" is in support of Mr. LONG, and a vote "nay" is to reject the appointment of Mr. LONG.

The PRESIDING OFFICER. The Senator is correct.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Texas (Mr. BENTSEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. CHILES), the Senator from Iowa (Mr. CULVER), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from North Carolina (Mr. MORGAN), the Senator from New York (Mr. MOYNIHAN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Michigan (Mr. RIEGLE), the Senator from Mississippi (Mr. STENNIS), the Senator from Florida (Mr. STONE), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Texas (Mr. BENTSEN), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Iowa (Mr. CULVER), the Senator from Colorado (Mr. HASKELL), the Senator from Alaska (Mr. GRAVEL), the Senator from Georgia (Mr. TALMADGE), the Senator from North Carolina (Mr. MORGAN), the Senator from New York (Mr. MOYNIHAN), the Senator from Florida (Mr. STONE), and the Senator from North Dakota (Mr. BURDICK) would each vote "yea."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from Pennsylvania (Mr. HEINZ), the Senator from North Carolina (Mr. HELMS), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Delaware (Mr. ROTH), the Senator from New Mexico (Mr. SCHMITT), the Senator from Virginia (Mr. SCOTT), the Senator from Alaska (Mr. STEVENS), the Senator from Texas (Mr. TOWER), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I further announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

I further announce that, if present and voting, the Senator from Utah (Mr. GARN), the Senator from Oregon (Mr. HATFIELD), the Senator from Nevada (Mr. LAXALT), the Senator from Oregon (Mr. PACKWOOD), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. WALLOP) would each vote "yea."

The result was announced—yeas 60, nays 0, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—60

Allen	Eagleton	Metzenbaum
Anderson	Eastland	Muskie
Baker	Ford	Nelson
Bayh	Glenn	Nunn
Biden	Hansen	Pearson
Brooke	Hart	Pell
Bumpers	Hathaway	Proxmire
Byrd, Harry F., Jr.	Hayakawa	Randolph
Byrd, Robert C.	Huddleston	Sarbanes
Case	Humphrey	Sasser
Chafee	Inouye	Schweiker
Church	Jackson	Sparkman
Clark	Johnston	Stafford
Cranston	Leahy	Stevenson
Curtis	Long	Thurmond
Danforth	Lugar	Weicker
DeConcini	Magnuson	Williams
Dole	Matsunaga	Young
Domenici	McClellan	Zorinsky
Durkin	Melcher	
	Metcalf	

NAYS—0

NOT VOTING—40

Abourezk	Bellmon	Burdick
Bartlett	Bentsen	Cannon

Chiles	Javits	Riegle
Culver	Kennedy	Roth
Garn	Laxalt	Schmitt
Goldwater	Mathias	Scott
Gravel	McClure	Stennis
Griffin	McGovern	Stevens
Haskell	McIntyre	Stone
Hatch	Morgan	Talmadge
Hatfield	Moynihan	Tower
Heinz	Packwood	Wallop
Helms	Percy	
Hollings	Ribicoff	

The PRESIDING OFFICER. The appointment of the Senator from Louisiana (Mr. LONG) as chairman of the Committee on Finance is agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move that the vote by which Mr. LONG was elected chairman of the Committee on Finance be reconsidered.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Now, Mr. President, I ask unanimous consent that the votes on the membership of the respective committees be by voice vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the first committee.

The assistant legislative clerk read as follows:

The Committee on Agriculture, Nutrition, and Forestry, Messrs. EASTLAND, MCGOVERN, ALLEN, HUMPHREY, HUDDLESTON, CLARK, STONE, LEAHY, ZORINSKY, and MELCHER.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will report the next committee.

The assistant legislative clerk read as follows:

The Committee on Appropriations, Messrs. MAGNUSON, STENNIS, ROBERT C. BYRD, PROXMIRE, INOUYE, HOLLINGS, BAYH, EAGLETON, CHILES, JOHNSTON, HUDDLESTON, BURDICK, LEAHY, SASSER, and DECONCINI.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will report the next committee.

The assistant legislative clerk read as follows:

The Committee on Armed Services, Messrs. JACKSON, CANNON, MCINTYRE, HARRY F. BYRD, Jr., NUNN, CULVER, HART, BUMPERS, MORGAN, and ANDERSON.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will report the next committee.

The assistant legislative clerk read as follows:

The Committee on Banking, Housing and Urban Affairs, Messrs. SPARKMAN, WILLIAMS, MCINTYRE, CRANSTON, STEVENSON, MORGAN, RIEGLE, and SARBANES.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor say "aye"; opposed, "I.o."

The ayes have it. The membership appointments are agreed to.

The clerk will report the next committee.

The assistant legislative clerk read as follows:

Committee on Commerce, Science, and Transportation, Messrs. CANNON, LONG, HOLLINGS, INOUYE, STEVENSON, FORD, DURKIN, ZORINSKY, RIEGLE, and MELCHER.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will report the next membership.

The assistant legislative clerk read as follows:

Committee on Energy and Natural Resources, Messrs. CHURCH, METCALF, JOHNSTON, ABOUREZK, HASKELL, BUMPERS, FORD, DURKIN, METZENBAUM, and MATSUNAGA.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will read the next committee membership.

The assistant legislative clerk read as follows:

Committee on Environment and Public Works, Messrs. MUSKIE, GRAVEL, BENTSEN, BURDICK, CULVER, HART, ANDERSON, and MOYNIHAN.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

Accordingly, the clerk will report the next committee membership.

The assistant legislative clerk read as follows:

The Committee on Finance, Messrs. TALMADGE, RIBICOFF, HARRY F. BYRD, Jr., NELSON, GRAVEL, BENTSEN, HATHAWAY, HASKELL, MATSUNAGA, and MOYNIHAN.

Mr. ROBERT C. BYRD. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. ROBERT C. BYRD. Mr. President, is it in order for any Senator to move to amend the committee membership by striking the name of one Senator and inserting in lieu thereof the name of another at this point?

The PRESIDING OFFICER. It is so in order.

Mr. ROBERT C. BYRD. I thank the Chair.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will report the next committee membership.

The assistant legislative clerk read as follows:

The Committee on Foreign Relations, Messrs. CHURCH, PELL, MCGOVERN, HUMPHREY, CLARK, BIDEN, GLENN, STONE, and SARBANES.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Members will take their seats. The clerk will report the next committee membership.

The assistant legislative clerk read as follows:

Committee on Governmental Affairs, Messrs. MCCLELLAN, JACKSON, MUSKIE, METCALF, EAGLETON, CHILES, NUNN, GLENN, and SASSER.

The PRESIDING OFFICER. The question is on the membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The PRESIDING OFFICER. The clerk will state the next committee membership.

The assistant legislative clerk read as follows:

Committee on Human Resources: Messrs. RANDOLPH, PELL, KENNEDY, NELSON, EAGLETON, CRANSTON, HATHAWAY, and RIEGLE.

The PRESIDING OFFICER. The question is on the committee membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will state the next committee membership.

The assistant legislative clerk read as follows:

Committee on the Judiciary: Messrs. MCCLELLAN, KENNEDY, BAYH, BYRD of West Virginia, ABOUREZK, ALLEN, BIDEN, CULVER, METZENBAUM, and DECONCINI.

The PRESIDING OFFICER. The question is on the committee membership as stated. All in favor will say "aye"; opposed, "no."

The membership appointments are agreed to.

The PRESIDING OFFICER. The clerk will state the next committee membership.

The assistant legislative clerk read as follows:

Committee on Rules and Administration: Messrs. PELL, BYRD of West Virginia, ALLEN WILLIAMS, and CLARK.

The PRESIDING OFFICER. The question is on the committee membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will state the next committee membership.

The assistant legislative clerk read as follows:

The Committee on the Budget: Messrs. MAGNUSON, HOLLINGS, CRANSTON, CHILES, ABOUREZK, BIDEN, JOHNSTON, ANDERSON, and SASSER.

The PRESIDING OFFICER. The question is on the committee membership as stated. All in favor will say "aye"; opposed, "no".

The ayes have it. The membership appointments are agreed to.

The clerk will state the next committee membership.

The assistant legislative clerk read as follows:

The Committee on Veterans' Affairs: Messrs. TALMADGE, RANDOLPH, STONE, DURKIN, and MATSUNAGA.

The PRESIDING OFFICER. The

question is on the committee membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will state the next committee membership.

The assistant legislative clerk read as follows:

Select Committee on Small Business: Messrs. McINTYRE, NUNN, HATHAWAY, HASKELL, and CULVER.

The PRESIDING OFFICER. The question is on the committee membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

The clerk will state the final committee membership.

The assistant legislative clerk read as follows:

Special Committee on Aging: Messrs. MUSKIE, CHILES, GLENN, MELCHER, and DECONCINI.

The PRESIDING OFFICER. The question is on the committee membership as stated. All in favor will say "aye"; opposed, "no."

The ayes have it. The membership appointments are agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move that the votes by which the several committee memberships were adopted be reconsidered en bloc.

Mr. MAGNUSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, does that complete action on the resolution?

The PRESIDING OFFICER. The question now is on the resolution.

Mr. ROBERT C. BYRD. Mr. President, before adopting this resolution, I shall make a statement in behalf of Mr. CANNON, who would be here today instead of in Nevada were it not for his mother's illness, and he is at home with her.

Senator CANNON is opposed to making any exceptions to the provisions of Senate Resolution 4 in adopting this resolution to make committee assignments, and were he here, he would make a fight here on the floor to get the Senate to live by the provisions of Senate Resolution 4 which was agreed to only last week, and when he returns after the recess he expects to make a statement to the Senate in opposition to this action we are proposing to take today.

I too regret the fact that we are having to make these exceptions to the provisions of Senate Resolution 4; and I expect to make a fight against any further actions by the Senate that would do violence to these reforms in the committee system which were agreed to only last week. I would not have conceded to the proposed changes in the pending resolution were it not for the extenuating circumstances to meet a temporary situation. We must take our recent reform seriously and guard against any proposal to refute what we have just done in reorganizing the committee system; we cannot take lightly proposed changes to march back down the hill.

Mr. President, does that complete action on the resolution?

The PRESIDING OFFICER. The question now is on agreeing to the resolution.

The resolution was agreed to as follows:

S. RES. 84

Resolved, That the following shall constitute the majority party's membership on the standing committees, the Select Committee on Small Business, and the Special Committee on Aging of the Senate for the Ninety-fifth Congress:

Committee on Agriculture, Nutrition, and Forestry: Mr. Talmadge (Chairman), Mr. Eastland, Mr. McGovern, Mr. Allen, Mr. Humphrey, Mr. Huddleston, Mr. Clark, Mr. Stone, Mr. Leahy, Mr. Zorinsky, Mr. Melcher.

Committee on Appropriations: Mr. McClellan (Chairman), Mr. Magnuson, Mr. Stennis, Mr. Byrd of West Virginia, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Bayh, Mr. Eagleton, Mr. Chiles, Mr. Johnston, Mr. Huddleston, Mr. Burdick, Mr. Leahy, Mr. Sasser, Mr. DeConcini.

Committee on Armed Services: Mr. Stennis (Chairman), Mr. Jackson, Mr. Cannon, Mr. McIntyre, Mr. Byrd of Virginia, Mr. Nunn, Mr. Culver, Mr. Hart, Mr. Bumpers, Mr. Morgan, Mr. Anderson.

Committee on Banking, Housing and Urban Affairs: Mr. Proxmire (Chairman), Mr. Sparkman, Mr. Williams, Mr. McIntyre, Mr. Cranston, Mr. Stevenson, Mr. Morgan, Mr. Riegle, Mr. Sarbanes.

Committee on Commerce, Science, and Transportation: Mr. Magnuson (Chairman), Mr. Cannon, Mr. Long, Mr. Hollings, Mr. Inouye, Mr. Stevenson, Mr. Ford, Mr. Durkin, Mr. Zorinsky, Mr. Riegle, Mr. Melcher.

Committee on Energy and Natural Resources: Mr. Jackson (Chairman), Mr. Church, Mr. Metcalf, Mr. Johnston, Mr. Abourezk, Mr. Haskell, Mr. Bumpers, Mr. Ford, Mr. Durkin, Mr. Metzenbaum, Mr. Matsunaga.

Committee on Environment and Public Works: Mr. Randolph (Chairman), Mr. Muskie, Mr. Gravel, Mr. Bentsen, Mr. Burdick, Mr. Culver, Mr. Hart, Mr. Anderson, Mr. Moynihan.

Committee on Finance: Mr. Long (Chairman), Mr. Talmadge, Mr. Ribicoff, Mr. Byrd of Virginia, Mr. Nelson, Mr. Gravel, Mr. Bentsen, Mr. Hathaway, Mr. Haskell, Mr. Matsunaga, Mr. Moynihan.

Committee on Foreign Relations: Mr. Sparkman (Chairman), Mr. Church, Mr. Pell, Mr. McGovern, Mr. Humphrey, Mr. Clark, Mr. Biden, Mr. Glenn, Mr. Stone, Mr. Sarbanes.

Committee on Government Affairs: Mr. Ribicoff (Chairman), Mr. McClellan, Mr. Jackson, Mr. Muskie, Mr. Metcalf, Mr. Eagleton, Mr. Chiles, Mr. Nunn, Mr. Glenn, Mr. Sasser.

Committee on Human Resources: Mr. Williams (Chairman), Mr. Randolph, Mr. Pell, Mr. Kennedy, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hathaway, Mr. Riegle.

Committee on the Judiciary: Mr. Eastland (Chairman), Mr. McClellan, Mr. Kennedy, Mr. Bayh, Mr. Byrd of West Virginia, Mr. Abourezk, Mr. Allen, Mr. Biden, Mr. Culver, Mr. Metzenbaum, Mr. DeConcini.

Committee on Rules and Administration: Mr. Cannon (Chairman), Mr. Pell, Mr. Byrd of West Virginia, Mr. Allen, Mr. Williams, Mr. Clark.

Committee on the Budget: Mr. Muskie (Chairman), Mr. Magnuson, Mr. Hollings, Mr. Cranston, Mr. Chiles, Mr. Abourezk, Mr. Biden, Mr. Johnston, Mr. Anderson, Mr. Sasser.

Committee on Veterans Affairs: Mr. Cranston (Chairman), Mr. Talmadge, Mr. Randolph, Mr. Stone, Mr. Durkin, Mr. Matsunaga.

Select Committee on Small Business: Mr. Nelson (Chairman), Mr. McIntyre, Mr. Nunn, Mr. Hathaway, Mr. Haskell, Mr. Culver.

Special Committee on Aging: Mr. Church (Chairman), Mr. Muskie, Mr. Chiles, Mr. Glenn, Mr. Melcher, Mr. DeConcini.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. MAGNUSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENSON. Mr. President, the Senate has completed its committee assignment process for the 95th Congress, and has moved reorganization a step backwards, diluting its impact and undermining its intent. Rules providing limitations on assignments of Senators to committees have been violated on both sides of the aisle.

For membership on the Budget Committee, three rules of Senate Resolution 4 on assignments, ratified by the Senate by an 89–1 vote only 1 week ago, have been violated. On the Democratic side, three Senators were given new assignments to the Budget Committee as a "third," or paragraph 3(a), committee, in addition to two other paragraph 2 assignments. This contradicts section 201 (g) of Senate Resolution 4. Two Senators on the Democratic side have been allowed to keep both the Budget Committee and another paragraph 3 committee assignment, in addition to two other major committees. One additional Democratic Senator has been allowed to retain four standing committees: two in paragraph 2, Budget, and a fourth standing committee in paragraph 3.

These are all violations of section 201 (a) of Senate Resolution 4. Republicans followed suit with two such violations involving the Budget Committee. In other words, Mr. President, eight Senators on the Budget Committee alone have been placed on more committees than Senate Resolution 4 permits.

These are not the only instances where Senate rules on committee assignments, as set out in Senate Resolution 4, have been breached. Four additional Senators, two majority and two minority, have been given three, paragraph 2, or major committee, assignments, in violation of section 201(a) of the resolution, now part of rule XXV of the Standing Rules of the Senate. In addition to two other major standing committees, these Senators have been allowed to serve on such committees as Commerce, Science, and Transportation, Energy and Natural Resources, and Judiciary. These are not grandfathers, Mr. President. In every one of these four cases, and in the case of five of the eight Senators on the Budget Committee, these violations involve new assignments, some to freshmen, others to continuing Senators.

Last but not least, Mr. President, the Senate virtually ignored the sizes of committees specified in section 101, paragraph 2 of Senate Resolution 4. As I understand it, no fewer than 9 of the 12 major committees listed in paragraph 2 will have sizes different than those specified in the resolution as passed by the Senate.

Transition to a new committee system is difficult, Mr. President. This is the first time around, and we have to anticipate and accept some type of adjustment. But violations of the letter and the intent

of Senate Resolution 4 of this magnitude should not occur. Each of the violations is to last for the 95th Congress only. These violations must remain temporary, and they should not be considered as precedents by any Member of the Senate. In future Congresses, if the Senate does not wish to revert to the same situation that precipitated the move for reform, the rules must be followed. These kinds of violations must not be permitted to occur again, and I intend to oppose them.

SENATE RESOLUTION 85—AUTHORIZATION TO APPOINT SPECIAL DELEGATION TO BRITISH-AMERICAN PARLIAMENTARY CONFERENCE

Mr. ROBERT C. BYRD. Mr. President, I am about to offer a resolution authorizing the appointment of a special delegation to attend the British-American Parliamentary Conference. I ask unanimous consent that no nongermane amendment be in order during the consideration or reconsideration of this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 85) authorization to appoint a special delegation to attend the British-American Parliamentary Conference.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection the resolution (S. Res. 85) was considered and agreed to as follows:

S. RES. 85

Resolved, that the President of the Senate is authorized to appoint a special delegation of eight members of the Senate, of which not less than two shall be members of the Senate Foreign Relations Committee, to attend the British-American Parliamentary Conference in Bermuda from February 16–21, 1977.

SEC. 2. (a) The expenses of the delegation, including staff members designated by the chairman to assist said delegation, shall not exceed $10,000 and shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of said delegation.

(b) The expenses of the delegation shall include such special expenses as the chairman may deem appropriate, including reimbursements to any agency of the Government for (1) expenses incurred on behalf of the delegation, (2) compensation (including overtime) of employees officially detailed to the delegation, and (3) expenses incurred in connection with providing appropriate hospitality.

(c) The Secretary of the Senate is authorized to advance funds to the chairman of the delegation in the same manner provided for committees of the Senate under the authority of P.L. 118, 81st Congress, approved June 22, 1949.

SENATE RESOLUTION 78—AUTHORIZED FOR ADDITIONAL EXPENDITURES BY COMMITTEES FOR INQUIRIES AND INVESTIGATIONS DURING TRANSITION PERIOD

Mr. ROBERT C. BYRD. Mr. President, I am about to ask unanimous consent—I do not at this moment—that the Senate proceed to the consideration of Senate Resolution 78, authorizing additional expenditures by committees of the Senate for inquiries and investigations during the transition period.

I ask unanimous consent that if this resolution is called up before the Senate no nongermane amendments be in order during the consideration or reconsideration of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 78.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 78) authorizing additional expenditures by committees of the Senate for inquiries and investigations during the transition period.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

UP AMENDMENT NO. 48

Mr. EAGLETON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the resolution insert the following new section:

SEC. 6. An individual who on February 10, 1977, was a member of the staff of the Committee on the District of Columbia, or of a subcommittee thereof, and had served continuously (except for any period of four days or less) since October 1, 1976, as a member of the staff of that committee, or a subcommittee thereof, of another committee of the Senate, or a subcommittee thereof, or of a Senator, shall be an eligible staff member for purposes of title VII of Senate Resolution 4, Ninety-fifth Congress.

Mr. EAGLETON. Mr. President, this resolution is sponsored by Senator MATHIAS and myself.

I ask unanimous consent that Senator RIBICOFF and Senator PERCY be added as sponsors.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, are we talking about Calendar Order No. 24, an amendment thereto?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. EAGLETON. Yes.

Mr. BAKER. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. This amendment has also been cleared by Senator STEVENS of Alaska.

Mr. ROBERT C. BYRD. What is the explanation of the amendment?

Mr. EAGLETON. Mr. President, the explanation of the amendment is as follows:

My amendment is designed to take care of two specific situations which were not envisioned when Senate Resolution 4 passed. In providing for money for transition and the payment of staff between the termination date of the old committee and June 30, 1977, it was provided that such staff had to be employed by the committee on October 1, 1976. Unfortunately, the ranking minority member of the D.C. Committee hired new people for the committee staff and reassigned other staff to the committee on October 4, 1976, or thereafter. Under the terms of Senate Resolution 4, none of these people may be paid starting today. The additional funds requested by the amendment are to fund the continued services for the minority of these individuals, and since the ranking member of the committee has exercised his right to assignment to the Government Affairs Committee and indicated his willingness to serve as ranking member on the D.C. Subcommittee, I am confident that these individuals will be used as they have been in the past on District of Columbia matters.

Mr. President, I move the adoption of the amendment.

The amendment was agreed to.

The resolution, as amended, was agreed to.

The resolution, as amended, is as follows:

S. RES. 78

Resolved, That, (a) in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with their jurisdiction under rule XXV of the Standing Rules of the Senate, the following standing committees are authorized from March 1, 1977, through June 30, 1977, in their discretion (1) to employ personnel, (2) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (3) to make expenditures from the contingent fund of the Senate, as follows:

(A) Committee on Agriculture, Nutrition, and Forestry, not to exceed $120,000, of which amount not to exceed $4,000 may be expended for the procurement of services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(B) Committee on Armed Services, not to exceed $220,000, of which amount not to exceed $7,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(C) Committee on Banking, Housing and Urban Affairs, not to exceed $314,000.

(D) Committee on the Budget, not to exceed $706,000, of which amount not to exceed $22,750 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(E) Committee on Energy and Natural Resources, not to exceed $240,000, of which amount not to exceed $14,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(F) Committee on Environment and Public Works, not to exceed $339,000, of which

amount not to exceed $1,750 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(G) Committee on Finance, not to exceed $131,000, of which amount not to exceed $5,250 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(H) Committee on Foreign Relations, not to exceed $420,000, of which amount not to exceed $21,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(I) Committee on Human Resources, not to exceed $712,000, of which amount not to exceed $25,700 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(J) Committee on the Judiciary, not to exceed $1,533,000, of which amount not to exceed $25,700 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(K) Committee on Rules and Administration, not to exceed $207,000, of which amount not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(L) Committee on Veterans' Affairs, not to exceed $115,000, of which amount not to exceed $21,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(b) In holding hearings, reporting such hearings, and making investigations as authorized by section 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with their jurisdiction under rule XXV of the Standing Rules of the Senate, the following standing Committees are authorized from February 11, 1977, through June 30, 1977, in their discretion (1) to employ personnel, (2) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (3) to make expenditures from the contingent fund of the Senate as follows:

(A) Committees on Commerce, Science, and Transportation, not to exceed $880,000, of which amount not to exceed $134,500 may be expended for the procurement of services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(B) Committee on Governmental Affairs, not to exceed $1,072,000, of which amount not to exceed $76,500 may be expended for the procurement of services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 2. (a) In carrying out its duties and functions under Senate Resolution 58, Eighty-first Congress, agreed to February 20, 1950, the Select Committee on Small Business is authorized from March 1, 1977, through June 30, 1977, in its discretion (1) to make expenditures from the contingent fund of the Senate not to exceed $85,000, of which amount not to exceed $875 may be expended for the procurement of services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended); (2) to employ personnel; (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency; (4) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946; and (5) to provide assistance for the members of its professional staff in obtaining specialized training, in the same manner and under the same conditions as any such standing committee may provide that assistance under section 202(j) of such Act.

(b) In carrying out its duties and functions under Senate Resolution 400, Ninety-fourth Congress, agreed to May 19, 1976, the Select Committee on Intelligence is authorized from March 1, 1977, through June 30, 1977, to expend from the contingent fund of the Senate not to exceed $491,000, of which amount not to exceed $12,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(c)(1) In carrying out its duties and functions under section 104 of Senate Resolution 4, Ninety-fifth Congress, agreed to February 4, 1977, the Special Committee on Aging is authorized, from March 1, 1977, through June 30, 1977, to expend from the contingent fund of the Senate not to exceed $191,000, of which amount not to exceed $7,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(2) Section 104(a)(2) of Senate Resolution 4, Ninety-fifth Congress, is amended by striking out "and for purposes of sections 133(g), 134, and 202 of the Legislative Reorganization Act of 1946,".

(d) In carrying out its duties and functions under Senate Resolution 281, Ninetieth Congress, agreed to July 30, 1968, the temporary Select Committee on Nutrition and Human Needs (as extended by section 106 of Senate Resolution 4, Ninety-fifth Congress) is authorized, from March 1, 1977, through June 30, 1977, to expend from the contingent fund of the Senate not to exceed $160,000, of which amount not to exceed $8,750 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

(e) In carrying out its duties and functions under Senate Resolution 109, Ninety-fourth Congress, agreed to March 31, 1977, the temporary Select Committee to Study the Senate Committee System is authorized, from March 1, 1977, until its expiration, to expend from the contingent fund of the Senate not to exceed $50,000, of which amount not to exceed $9,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. (a) The amount made available for each committee under the first section and section 2 of this resolution shall be added to the amount which was made available for such committee by resolution for the year ending February 28, 1977, and which is unexpended at the close of February 28, 1977, and such total amount shall remain available for such committee through June 30, 1977 (or in the case of the temporary Select Committee to Study the Senate Committee System, until its expiration.

(b) Amounts authorized to be expended from the contingent fund of the Senate under this resolution by each committee shall be paid upon vouchers approved by the chairman of such committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

(c) Of the total amount made available under this resolution for the Committee on Armed Services, the Committee on Banking, Housing and Urban Affairs, the Committee on Commerce, Science, and Transportation, the Committee on Governmental Affairs, the Committee on the Judiciary, and the Committee on Rules and Administration, the chairman of each such committee is authorized to allocate such amounts as he deems appropriate for subcommittees of such committee. Upon making any such allocation, such chairman shall notify the Committee on Rules and Administration and the Secretary of the Senate.

SEC. 4. It is the sense of the Senate that—

(1) each committee, in selecting members of its staff to be retained on the staff of such committee and its subcommittees after June 30, 1977, should, to the greatest extent practicable, retain those members of its staff to whom section 703(d) of Senate Resolution 4, Ninety-fifth Congress, applies rather than retaining or employing individuals who were not members of its staff on February 11, 1977; and

(2) in the event a member of the staff of a committee to whom such section 703(d) applies voluntarily leaves the staff of such committee before June 30, 1977, the vacancy caused thereby shall not be filled unless such committee expects to fund the vacant position from funds made available to it pursuant to section 133(g) of the Legislative Reorganization Act of 1946 for the period beginning on July 1, 1977.

SEC. 5. Subject to the provisions of section 705 of Senate Resolution 4, Ninety-fifth Congress, the amount of any accrued surplus available to any Senator under section 108 of the Legislative Branch Appropriation Act, 1976, at the close of February 28, 1977, shall be available to that Senator during the period beginning on March 1, 1977, and ending on September 30, 1977, for the purpose specified in section 705(a) of such resolution.

SEC. 6. An individual who on February 10, 1977, was a member of the staff of the Committee on the District of Columbia, or of a subcommittee thereof, and had served continuously (except for any period of four days or less) since October 1, 1976, as a member of the staff of that committee, or a subcommittee thereof, of another committee of the Senate, or a subcommittee thereof, or of a Senator, shall be an eligible staff member for purposes of title VII of Senate Resolution 4, Ninety-fifth Congress.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which Senate Resolution 78, as amended, was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CALL OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, there are various other items on the calendar of general orders that have been cleared on both sides, and they are the following Calendar Order numbers: 15, 16, 18, 19, 20, 21, 22, 23, 25, and 26.

I ask unanimous consent that the Senate proceed to the consideration of the

calendar measures that I have enumerated, as I call them up.

The PRESIDING OFFICER. Without objection, it is so ordered.

GERALD R. FORD BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 15, S. 385, with the proviso that no amendment not germane thereto be in order during the consideration or reconsideration thereof.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 385) to name a certain Federal building in Grand Rapids, Michigan, the "Gerald R. Ford Building".

The Senate proceeded to consider the bill.

Mr. BAKER. Mr. President, it is my personal pleasure and distinct honor to join my colleagues on the Public Works Committee in support of S. 385, introduced by the distinguished senior Senator from Michigan (Mr. GRIFFIN). This bill would designate a Federal office building in Grand Rapids, Mich., as the "Gerald R. Ford Building."

It is a fitting tribute to pay to the 38th President of the United States. Through unprecedented events in our Nation, Gerald Ford found himself taking on the responsibilities of first the Vice Presidency and then the Presidency. Under some of the most difficult circumstances in our Nation's history Jerry Ford succeeded in restoring public confidence in our Government and in our leadership.

During his 10 months as Vice President and his 2½ years as President, this country saw a continuation of Gerald Ford's honesty and courage that had won the respect of his constituents in Michigan and of his colleagues in the House of Representatives. President Ford devoted over 25 years to serving the people of Michigan in the House of Representatives. That service was characterized by Jerry Ford's good sense and sound judgment. His candor and integrity have long been known to the people of Michigan, and his service to the people in the State of Michigan prepared him well for service to the people of the United States.

I am pleased to join in recognizing the contribution Gerald Ford has made to our Nation and in paying tribute to him by designating this building in his home town of Grand Rapids the "Gerald R. Ford Building."

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal building located at 110 Michigan Avenue, Northwest, in Grand Rapids, Michigan, is hereby designated as the "Gerald R. Ford Building". Any reference in any law, regulation, document, record, map, or other paper of the United States to such building shall be considered to be a reference to the Gerald R. Ford Building.

1977 JOINT ECONOMIC REPORT EXTENSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 16, House Joint Resolution 239, with the proviso that no nongermane amendment thereto shall be in order during the consideration or reconsideration thereof.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 239) extending the filing date of the 1977 joint economic report.

The joint resolution was considered, ordered to a third reading, read the third time, and passed.

THE ACCOUNTING ESTABLISHMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 19, Senate Concurrent Resolution 8, with the proviso that no amendment not germane thereto be in order during the consideration or reconsideration thereof.

The PRESIDING OFFICER. Without objection, it is so ordered. The concurrent resolution will be stated.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 8) authorizing the printing of the committee print entitled "The Accounting Establishment" as a Senate Document.

The concurrrent resolution was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the committee print of the Committee on Government Operations, Ninety-fourth Congress, entitled "The Accounting Establishment," prepared by its Subcommittee on Reports, Accounting, and Management, be printed as a Senate document, and that there be printed two thousand additional copies of such document for the use of that committee.

NATO AND THE NEW SOVIET THREAT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 20, Senate Resolution 53, with the proviso that no amendment not germane thereto be in order during the consideration or reconsideration thereof.

The PRESIDING OFFICER. Without objection, it is so ordered. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 53) authorizing the printing of additional copies of the committee print entitled "NATO and the New Soviet Threat."

The resolution was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Armed Services five thousand additional copies of its committee print of the current Congress entitled "NATO and the New Soviet Threat".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 21, 22, and 23, with the proviso that no nongermane amendments be in order during the consideration or reconsideration of any of the three.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

The resolution (S. Res. 65) authorizing additional expenditures by the Committee on the Judiciary for routine purposes, was considered and agreed to, as follows:

Resolved, That the Committee on the Judiciary is authorized to expend from the contingent fund of the Senate, during the Ninety-fifth Congress, $40,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

The resolution (S. Res. 71) authorizing additional expenditures by the Committee on Armed Services for routine expenses, was considered and agreed to, as follows:

Resolved, That the Committee on Armed Services is authorized to expend from the contingent fund of the Senate, during the Ninety-fifth Congress, $85,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

The Senate proceeded to consider the resolution (S. Res. 72) authorizing additional expenditures by the Committee on Armed Services for the procurement of consultants, which had been reported from the Committee on Rules and Administration with an amendment to strike out all after the resolving clause and insert in lieu thereof:

That Senate Resolution 387, Ninety-fourth Congress, agreed to March 1, 1976, is amended as follows:

(1) In section 2, strike out the amount "$20,000" and insert in lieu thereof "$26,000";

(2) In section 3, strike out the amount "$581,000" and insert in lieu thereof "$575,000"; and

(3) In section 5, strike out the amount "$68,000" and insert in lieu thereof "$62,000".

The amendment was agreed to.

The resolution as amended was agreed to.

The title was amended so as to read:

Resolution increasing the limitation on expenditures by the Committee on Armed Services for the procurement of consultants.

REVISION AND PRINTING OF SENATE MANUAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration

of Calendar Order No. 25, Senate Resolution 79, with the proviso that no amendment not germane thereto be in order during the consideration or reconsideration thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 79) authorizing the revision and printing of the Senate Manual for use during the Ninety-fifth Congress.

The resolution was considered and agreed to, as follows:

Resolved, That the Committee on Rules and Administration be, and it is hereby, directed to prepare a revised edition of the Senate Rules and Manual for the use of the Ninety-fifth Congress, that said rules and manual shall be printed as a Senate document, and that two thousand additional copies shall be printed and bound, of which one thousand copies shall be for the use of the Senate, five hundred and fifty copies shall be for the use of the Committee on Rules and Administration, and the remaining four hundred and fifty copies shall be bound in full morocco and tagged as to contents and delivered as may be directed by the committee.

SIDNEY AND TILLIE ROSENTHAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 26, Senate Resolution 80, with the proviso that no amendment not germane thereto be in order during the consideration or reconsideration thereof.

The PRESIDING OFFICER. Without objection, it is so ordered. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 80) to pay a gratuity to Sidney and Tillie Rosenthal.

The resolution was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Sidney Rosenthal, father of Harold W. Rosenthal, and Tillie Rosenthal, mother of Harold W. Rosenthal, an employee of the Senate at the time of his death, a sum to each equal to two months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

WAIVER OF SECTION OF THE CONGRESSIONAL BUDGET ACT WITH RESPECT TO CONSIDERATION OF S. 521

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 18, Senate Resolution 54, with the proviso that no amendment not germane thereto be in order during the consideration or reconsideration thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 54) waiving section 402(a) of the Congressional Budget and Impoundment Control Act of 1974 with respect to the consideration of S. 521, a bill to amend the John F. Kennedy Center Act to authorize funds for the repair of leaks.

The resolution was considered and agreed to as follows:

Resolved, That the prohibition of section 402(a) of the Congressional Budget and Impoundment Control Act of 1974 as to the consideration by the Senate of legislation authorizing the enactment of new budget authority for a fiscal year if such legislation is not reported to the Senate on or before May 15 preceding the beginning of such fiscal year be waived with respect to the bill to amend the John F. Kennedy Center Act (S. 521) reported by the Committee on Public Works on January 28, 1977. The waiver is necessary for the Senate to complete action on legislation which provides an authorization of $4,500,000 to the board of the Kennedy Center for repairs to the roof and terrace areas of the Kennedy Center.

The authorization of funds in S. 521 was not taken into consideration in the March 15 report to the Senate Budget Committee by the Public Works Committee because such funding was not anticipated at that time. This reported bill provides for emergency funding for repairs to the roof and other areas at the Kennedy Center which need repair to prevent substantial damage to the interior of the building.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider, en bloc, the votes by which the various resolutions were agreed to and the bill was passed.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, has there been any period for morning business today?

The PRESIDING OFFICER. There has not been any morning business.

Mr. ROBERT C. BYRD. I ask unanimous consent that there now be a period for the transaction of routine morning business, for the purposes only of the introduction of statements, bills, resolutions, petitions, and memorials, and with no resolutions coming over under the rule.

Mr. BAKER. Mr. President, reserving the right to object, and I shall not object, I would inquire of the majority leader, could we have additional time for other Members to insert materials in the RECORD?

Mr. ROBERT C. BYRD. Yes; Mr. President I ask unanimous consent that Senators may have until 5 o'clock p.m. to insert statements, petitions, memorials, bills, and resolutions into the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Are we now in the period for routine morning business?

The PRESIDING OFFICER. The Senator is correct.

THE MIDDLE EAST DELEGATION REPORT

Mr. ROBERT C. BYRD. Mr. President, I would like to call attention to an editorial in today's Washington Post entitled "Congress on the Mideast." The editorial refers to the Senate delegation provided by Senate Resolution 523 led by Senator RIBICOFF and Senator BAKER whose membership was Senators CANNON, EAGLETON, GLENN, FORD, CULVER, and BUMPERS; and Senators PEARSON, GRIFFIN, BELLMON, and LAXALT.

The Post editorial praises the first part of the delegation report, regarding prospects for peace in the Middle East and policy toward Iran; the report was printed in the RECORD February 10.

Mr. President, this delegation has reflected honorably on the Senate. To quote briefly from the editorial, the report "provides reassuring evidence of the quantity and quality of congressional involvement in dealing with the problems of that troubled region * * * This has given the Congress a fair claim to be included as a responsible partner in American Mideast policymaking."

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 11, 1977]

CONGRESS ON THE MIDEAST

The new Middle East report of Sens. Abraham Ribicoff (D-Conn.) and Howard Baker (R-Tenn.), who led a delegation of 12 senators on a study mission in November, provides reassuring evidence of the quantity and quality of congressional involvement in dealing with the problems of that troubled region. Just since the 1973 war, perhaps 200 legislators have visited the Mideast; there is no comparable record of first-hand congressional familiarization with both sides of any other regional dispute in which the United States has an interest. This has given the Congress a fair claim to be included as a responsible partner in American Mideast policy-making. We would not say Congress has always been wise in its approach to the Mideast, nor has the executive (Who has for that matter?). But by and large, the congressional challenge to the policy-makers downtown has been increasingly subordinated to the requirement for national cooperation. The Ribicoff-Baker report is a case in point.

The report is, if you will, even-handed: Its premise is that the United States needs the confidence of Arabs as well as Israelis to serve its own interests and theirs. It acknowledges both the political complexity and the emotional/psychological twist of the issues dividing the parties. It notes indications that Arab "moderates" are ready to accept the existence of Israel as a sovereign Jewish state. It considers ways in which the Palestinians could be brought into negotiations. Finally, it accepts that American leadership is essential if the region is to move toward peace. If these points seem unexceptionable, then that is a telling comment in itself on how far congressional (and public) opinion has moved in recent years. It was not so very long ago that none of these considerations was widely granted.

Sensibly, the Ribicoff-Baker report does not attempt to lay down specific guidelines for a settlement. In its general observations, however, it takes an independent-minded tack that is likely to give some satisfaction, and some offense, to both sides. It calls for negotiated borders that are, from Israel's viewpoint, "militarily defensible." It seems to sympathize with the Arab desire to substitute American guarantees of Israel for direct Arab ties with Israel. One can argue these and other points, but that is not what is important. The administration is taking its time on the Mideast, as it should. The substance is hard; the local political timetables, particularly Israel's elections in May, can be deplored but not ignored. Secretary of State Vance's reconnaissance trip, which is to start on Monday, is a good way to start.

The report by Sens. Baker and Ribicoff indicates that when the administration is finally ready, the Congress will be, too.

SENATE RESOLUTION 86—APPOINTING THE MAJORITY PARTY MEMBERSHIP ON THE SELECT COMMITTEE ON ETHICS

Mr. CRANSTON. Mr. President, I send to the desk a resolution and ask for its immediate consideration, with a proviso that no nongermane amendments will be in order during its consideration or reconsideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 86) appointing the majority party membership on the Select Committee on Ethics.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 86) was agreed to, as follows:

S. RES. 86

Appointing the Majority Party Membership on the Select Committe on Ethics

Resolved, That the following shall constitute the majority party's membership on the Select Committee on Ethics:

Mr. Stevenson, Chairman.
Mr. Ribicoff.
Mr. Morgan.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROCEDURE FOR REFERRAL OF MEASURES

Mr. CRANSTON. Mr. President, under section 802 of Senate Resolution 4, as agreed to by the Senate, "all proposed legislation and nominations referred before the effective date" of the resolution "to standing committees of the Senate shall be re-referred * * * to the appropriate standing committees" effective on February 11, 1977, under section 801 of the resolution.

To save time and considerable expense, the Parliamentarian has recommended, and the minority leader and I agree, that the only measures that should in fact be re-referred are those that would now go to a different committee under the resolution than they were originally referred to. This will be done under a separate section in the RECORD listing all bills so re-referred.

Where a measure has been referred to a committee and that committee retains jurisdiction, even though its name has been changed, the matter will not be reprinted just to reflect the change in committee name. When and if such measures are reported, the new name of the committee will be shown on the reported version of the bill.

Mr. BAKER. Reserving the right to object, Mr. President, does the Senator from California include the proviso that we discussed earlier that, in view of the fact that we will be in recess and many of us not here in Washington, any Senator could lodge his objections to this procedure not later than the close of business on the next succeeding legislative day?

Mr. CRANSTON. Yes. That is understood.

Mr. BAKER. I have no objection, Mr. President.

The PRESIDING OFFICER. Without objection, it so ordered.

EFFECTS OF WEATHER

Mr. ROBERT C. BYRD. Mr. President, I am sure that it was a farmer who first made the wry comment that everybody talks about the weather, but no one does anything about it. Farmers know better than most of us that weather is in the hands of God, not man—and that weather is more important than just the chill you feel today. Weather is food, and profits—or famine and losses.

Two years age the CIA released a report on the "Potential Implications of Trends In World Population, Food Production, and Climate." Last year they declassified a working paper on "Climatological Research As It Pertains to Intelligence Problems," covering many of the same problems and statistics. Both of these papers reported the projections of changes in our world weather by climatologists, and analyzed the probable impact of those changes on our own security and on social, economic, and political stability around the world.

The far-reaching implications of that CIA analysis have been largely ignored, unfortunately. Our immediate problems of energy and jobs have held our attention. Like the early warning signals of several years ago about a possible energy crisis, these warning of an approaching weather problem which could affect our food and fiber production and our international power position were pushed aside.

The severity of this winter has reminded all of us about our long- and short-term energy needs, and both the Congress and the administration have taken action. We are in the process, at last, of developing a national energy policy and a coordinated energy plan for future years.

I believe that it is time for us to put all the diverse information we have available together in order to prepare for what may be a real world food crisis in the years ahead. If the CIA report is correct, that food crisis will arrive even if our weather remains "normal"—that is, essentially the same as it has been for 30 or 40 years. If, however, the climatologists who are predicting a cooling trend for the northern hemisphere at least are correct, then the food crisis may become a food tragedy, with extreme impact on American foreign policy.

Although this is a complex problem, it is possible to make a judgment about its importance by considering several well established facts:

World population has grown 50 percent in the last 40 years. At current rates we will reach nearly 8 billion people by the year 2000. This increase is not evenly distributed, but is largely in less developed countries. Even if drastic changes are made in birth rates in most of those countries, it would take at least 50 years to reach zero growth—unless famine or illness of major proportions raise global death rates.

At the same time, food production in the world has increased and will probably continue to increase in the years ahead. However, per capita production of food in less developed countries has increased very little, and even continued growth in food output of 2 to 3 percent per year would leave the "poor" people of Asia and Africa on the same undernourished level.

The North American Continent is now the food basket of the world. With the exception of Australia and New Zealand, we are the only net exporters of grain. The United States alone supplies nearly three-fourths of all net global exports of grain. But we no longer have the grain reserves which we once had, and almost all of our land reserve is back in production.

If normal weather prevails, if adequate inputs of fertilizers, pesticides, and technology are available, and if prices paid to farmers are adequate incentives to raise output, the CIA report indicates that world grain output can continue to grow adequately to maintain current food levels. However, arable land is being lost to erosion, to salinization, and to industry even without weather change. If the cooling trend predicted occurs over a long period, drought and crop shortfalls will occur. There would be shorter growing season for Canada, Russia, and China. Only the United States and Argentina would escape damage as a grain growing region—and that would be possible because we could shift crop belts toward the south. Many of the hybrid foods and green revolution strains of food developed in recent years would lose their ability to increase yields. Irrigation patterns and major dams would be affected by changes in rainfall patterns.

Clearly the political implications of this kind of weather change would be enormous. Even without weather change, the United States will have increasing power and influence through our role as a food supplier. With the predicted weather change, we would have almost total control over life and death decisions of many nations.

This year we have felt a brief taste of what weather can mean. We have not yet felt the full impact of what winter has done to our agricultural producers, but we are hearing warnings about both price increases and shortages. Temperatures have been as much as 17 degrees below normal in most parts of the country. Rainfall has been far below normal or nonexistant in plains and Western States. The combination of extreme cold and dry weather has resulted in a drying out of the soil and subsoil, a problem which will affect crops for more than this 1 year. Dust-bowl kinds of soil erosion are threatening several States.

The list of food crops in trouble or threatened by either cold or drought is lengthening. The sugarcane crop has been cut early in order to save as much as possible. The Kentucky peach crop appears to be lost. Florida's winter vegetable crop is largely gone. California is facing an expected $1 billion crop loss. Ranchers are thinning herds.

Even more worrisome for farmers, the energy shortage—especially of natural gas—means that the fertilizer production for this year may be down as much as a third. That means shortages and higher prices. Hydroelectric plants in the West depend on water—and already plans are being drawn up to transfer both water and power from one hard-hit area to another.

All of these problems are related to the strange weather patterns of this year. All of them will impact on American farm producers and on American consumers. But they will also make a difference to a world which has come to be more and more dependent on American food and fiber exports.

I believe that the possibilities raised by the CIA analysis of long-range climate predictions become extremely serious when they are considered in light of the facts I have mentioned today. I believe that it is urgent for us to consider these facts in relation to one another—agricultural production, world population growth and food demands, energy production and demands, and the social and economic factors which influence actions we take concerning these problems.

We must develop a food policy which is long range and which encompasses all the possible forces—even the powerful force of weather. We must thoroughly investigate the possibility of long-term weather change. We must not be caught short in the area of agriculture and climate as we have been in the area of energy production and supply. This is demonstrably one world problem which the United States must face squarely and with the full use of our technical and scientific abilities. In this fight we are—and will probably remain—the only possible leader.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

REPORT ON THE CYPRUS DISPUTE—MESSAGE FROM THE PRESIDENT—PM–35

The DEPUTY PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

This report on the progress toward a solution to the Cyprus dispute is the first of a series that I will submit pursuant to Public Law 94–104. Through these reports and continuing close consultations with the Congress, I will keep the American people fully informed of developments in the negotiations.

Helping to promote an equitable and lasting solution to the problems of Cyprus is a high priority for my Administration. The work has already begun. At my request, former Defense Secretary Clark M. Clifford will leave on February 15 for a special mission to Greece, Turkey and Cyprus, as my personal emissary. Through consultations in Greece and Turkey, he will seek to improve our bilateral relations with these valued NATO allies. With regard to Cyprus, I have asked for his personal assessment of the situation on the island, prospects for early movement toward a negotiated settlement, and how we might be of assistance in this process. Mr. Clifford will consult with the Congress before he departs and again—with other senior officials—after his return, in an effort to produce policies which are effective and which have the broad support of the American people.

We intend to stay in close touch with our other European friends. Vice President MONDALE raised the subject during his recent trip and received welcome indications that member states of the European Community continue to share our interest in doing what is possible to encourage a negotiated solution.

We will also continue to maintain close contact with the United Nations in its efforts to promote a peaceful solution. Secretary General Waldheim has worked tirelessly to this end since the summer of 1974. He will soon visit Nicosia for discussions with Cypriot leaders. We hope that through his continued efforts the talks between the two communities might resume in the near future.

Recent positive developments offer some prospect of further progress. One such event was the meeting last month between President Makarios and Turkish Cypriot community leader Denktash, the first meeting between the two in thirteen years. I can assure the Congress that the United States will do all it can to build on these positive developments and advance the cause of a negotiated settlement for Cyprus.

JIMMY CARTER.

THE WHITE HOUSE, *February 11, 1977.*

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–639. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals for February, 1977 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Commerce, Armed Services, Environment and Public Works, Energy and Natural Resources, Foreign Relations, Banking, Housing and Urban Affairs, the Judiciary, Agriculture and Forestry, Human Resources, Finance, and Government Operations, and ordered to be printed.

EC–640. A letter from the Deputy Assistant Secretary of Agriculture transmitting, pursuant to law, the report of the Federal Crop Insurance Corporation for the 1976 crop year (with an accompanying report); to the Committee on Agriculture and Forestry.

EC–641. A letter from the Secretary of Agriculture transmitting, pursuant to law, the global assessment report as of April 1976 (with an accompanying report); to the Committee on Agriculture and Forestry.

EC–642. A letter from the Secretary of Agriculture transmitting, pursuant to law, the annual report on P.L. 480, Food for Peace, for fiscal year 1975 (with an accompanying report); to the Committee on Agriculture and Forestry.

EC–643. A letter from the Assistant Secretary of Defense reporting, pursuant to law, that no use was made of funds appropriated in the Defense Appropriation Act, 1976 and the Military Construction Appropriation Act, 1976 for the period July 1–September 30, 1976; to the Committee on Appropriations.

EC–644. A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, the approval to guarantee a non-REA loan to Tri-State Generation and Transmission Association, Inc., of Thornton, Colorado; to the Committee on Appropriations.

EC–645. A letter from the Administrator of the Rural Electrification Administration reporting, pursuant to law, the approval to guarantee a non-REA loan to Colorado-Ute Electric Association, Inc., of Montrose, Colorado; to the Committee on Appropriations.

EC–646. A letter from the Acting Secretary of the Navy transmitting a draft of proposed legislation to amend chapter 639 of title 10, United States Code, to enable the Secretary of the Navy to change the name of a publication of the Naval Observatory providing data for navigators and astronomers (with accompanying papers); to the Committee on Armed Services.

EC–647. A letter from the Chairman of the National Market Advisory Board transmitting, pursuant to law, a report on the possible need for modifications of the scheme of self-regulation provided for in the Securities Exchange Act of 1934 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC–648. A letter from the Secretary of the Interior transmitting, pursuant to law, a report on activities carried on by the Geological Survey during the reporting period January 1 through December 31, 1976; to the Committee on Energy and Natural Resources.

EC–649. A letter from the Secretary of Interior transmitting, pursuant to law, a plan for a Coal Exploration Program (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–650. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements other than treaties entered into by the United States within the past sixty days (with accompanying papers); to the Committee on Foreign Relations.

EC–651. A letter from the Acting Director of the United States Information Agency transmitting, pursuant to law, the 44th Annual report to Congress from the United States Information Agency (with an accompanying report); to the Committee on Foreign Relations.

EC–652. A letter from the Deputy Director of the Administrative Office of the United States Courts transmitting a draft of proposed legislation to provide for the appointment of additional judgeships for the United States district courts and courts of appeals, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

EC–653. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report that appropriations being apportioned on a basis which indicates a necessity for supplemental appropriations for the fiscal year 1977 (with an accompanying report); to the Committee on Appropriations.

EC–654. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, the second annual report on the activities of the Federal Energy Administration during the 1975–1976 period (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–655. A letter from the Acting Administrator transmitting, pursuant to law, a report on the results of the 1976 Survey required by the Federal Water Pollution Control Act (with an accompanying report);

to the Committee on Environment and Public Works.

EC–656. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Examination of Financial Operations for Fiscal Year 1975 Shows Need for Improvements in the Guaranteed Student Loan Program" (with an accompanying report); to the Committee on Government Affairs.

EC–657. A letter from the Secretary of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act 1–394, "An act to encourage Congress to amend laws pertaining to diplomatic immunity to provide responsibility for parking violations" (with accompanying papers); to the Committee on Government Affairs.

EC–658. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 1–227, "An act to provide policies relating to the provisions of day care services by the Department of Human Resources" (with accompanying papers); to the Committee on Government Affairs.

EC–659. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Status of the CH–53E Helicopter Program" (with an accompanying report); to the Committee on Government Affairs.

EC–660. A letter from the Acting Assistant Secretary for Administration and Management of the Department of the Interior transmitting, pursuant to law, a report of a new system of records, in accordance with the Privacy Act, (with an accompanying report); to the Committee on the Judiciary.

REPORT OF ACTIVITIES OF THE COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES DURING THE 94TH CONGRESS—(REPT. NO. 95–16)

Mr. FORD. Mr. President, as temporary chairman of the Committee on Aeronautical and Space Sciences, I am filing with the Senate this report of the committee's activities during the 94th Congress. This report is required by section 136(b) of the Legislative Reorganization Act of 1946, as amended.

The DEPUTY PRESIDENT pro tempore. The report will be received and printed.

JUVENILE DELINQUENCY ANNUAL REPORT, 1976—(REPT. NO. 95–17)

Mr. BAYH, from the Subcommittee To Investigate Juvenile Delinquency, of the Committee on the Judiciary, submitted a report entitled "Juvenile Deliquency Annual Report, 1976," which was ordered to be printed.

THE FEDERAL JUDICIAL SYSTEM—(REPT. NO. 95–18)

Mr. EASTLAND, from the Committee on the Judiciary, submitted a report entitled "The Federal Judicial System," which was ordered to be printed.

IMMIGRATION AND NATURALIZATION—(REPT. NO. 95–19)

Mr. EASTLAND, from the Committee on the Judiciary, submitted a report entitled "Immigration and Naturalization," which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated.

By Mr. WILLIAMS (for himself, Mr. RANDOLPH, Mr. JAVITS, Mr. ABOUREZK, Mr. ANDERSON, Mr. BAYH, Mr. BROOKE, Mr. CASE, Mr. CHURCH, Mr. CLARK, Mr. CRANSTON, Mr. EAGLETON, Mr. FORD, Mr. STEVENSON, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. KENNEDY, Mr. MAGNUSON, Mr. MCGOVERN, Mr. METCALF, Mr. NELSON, Mr. PELL, Mr. RIEGLE, Mr. SCHWEIKER, Mr. STAFFORD, and Mr. HEINZ):

S. 717. A bill to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes; to the Committee on Human Resources.

By Mr. STONE:

S. 718. A bill to amend chapter 19 of title 38, United States Code, to require the Administrator of Veterans' Affairs to provide veterans with certain cost information relating to the conversion of Government-supervised insurance to individual life insurance policies; to the Committee on Veterans' Affairs.

By Mr. HART:

S. 719. A bill entitled the "Mobile Source Pollution Control Act of 1977"; to the Committee on Environment and Public Works.

By Mr. HUMPHREY (for himself, Mr. MCGOVERN, Mr. ANDERSON, Mr. PELL, Mr. RANDOLPH, Mr. BAYH, Mr. WILLIAMS, and Mr. RIEGLE):

S. 720. A bill to authorize the Secretary of Agriculture to carry out a program of nutrition information and education as part of food service programs for children conducted under the School Lunch and Child Nutrition Acts; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GRIFFIN:

S. 721. A bill for the relief of Ewa Winiaraka; to the Committee on the Judiciary.

By Mr. BROOKE:

S. 722. A bill to amend the Emergency Natural Gas Act of 1977 in order to prohibit certain termination of natural gas or electric service during the emergency declared pursuant to such Act; to the Committee on Energy and Natural Resources.

By Mr. GARN (for himself and Mr. SCHMITT):

S. 723. A bill to provide an independent system for the determination of annual rates of pay for Members of Congress, to provide a biennial review of annual rates of pay for certain Federal officials, to provide a procedure by which a Member of Congress may elect not to receive a salary increase, and for other purposes; to the Committee on Governmental Affairs.

By Mr. THURMOND:

S. 724. A bill to provide for the payment of survivor annuities to widows of certain members of the uniformed services who died before the effective date of the survivor benefit plan; to the Committee on Armed Services.

By Mr. RANDOLPH (for himself, Mr. WILLIAMS, Mr. STAFFORD, Mr. JAVITS, Mr. KENNEDY, Mr. PELL, Mr. SCHWEIKER, Mr. MAGNUSON, Mr. HUMPHREY, and Mr. DURKIN):

S. 725. A bill to extend certain programs under the Education of the Handicapped Act; to the Committee on Human Resources.

By Mr. WILLIAMS:

S. 726. A bill to establish a program of Federal assistance to provide relief from energy emergencies and energy crises; to the Committee on Energy and Natural Resources.

By Mr. GRIFFIN:

S. 727. A bill to amend the Federal Meat Inspection Act to permit States to impose inspection, marking, labeling, packaging, and ingredient requirements that are more stringent than Federal standards; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURKIN (for himself, Mr. DOLE, and Mr. MCINTYRE):

S. 728. A bill to amend the Internal Revenue Code of 1954 to change the income distribution requirement for certain private operating foundations and to exempt certain private operating foundations from the excise tax on investment income; to the Committee on Finance.

By Mr. DURKIN:

S. 729. A bill to amend the Natural Gas Act with respect to court review of Federal Power Commission orders pursuant to such Act; to the Committee on Environment and Natural Resources.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. STAFFORD, Mr. TOWER, and Mr. YOUNG):

S. 730. A bill to amend the Internal Revenue Code of 1954 to provide a permanent reduction in the rates of tax paid by individuals; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. DOLE, Mr. JAVITS, Mr. DOMENICI, Mr. PERCY, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GRIFFIN, Mr. HAYAKAWA, Mr. HEINZ, Mr. HATCH, Mr. LUGAR, Mr. MCCLURE, Mr. SCHMITT, Mr. SCHWEIKER, Mr. WALLOP, and Mr. YOUNG):

S. 731. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit based upon the creation of new jobs and increased employment in private industry; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HEINZ, Mr. HATCH, Mr. HAYAKAWA, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. STAFFORD, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 732. A bill to amend the Internal Revenue Code of 1954 to provide for a permanent reduction in the rate of tax paid by small business corporations; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 733. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the dividend exclusion; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 734. A bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from taxation of a limited amount of interest on savings; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. PERCY, Mr. BELLMON, Mr. CHAFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. SCHMITT, Mr.

SCHWEIKER, Mr. WALLOP, and Mr. YOUNG):

S. 735. A bill to amend the Internal Revenue Code of 1954 to permit the accelerated depreciation of property placed in service in areas of high unemployment; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. CURTIS, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFEE, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. WALLOP, and Mr. YOUNG):

S. 736. A bill to provide American Stock Ownership Plans for those of modest income by allowing deferral of taxes on certain funds invested in common stock; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. PERCY, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. SCHMITT, Mr. SCHWEIKER, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 737. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the conservation of energy used to heat or cool residences; to the Committee on Finance.

By Mr. CRANSTON (for Mr. HASKELL):

S. 738. A bill to provide a uniform system of reimbursement for and reporting of expenses incurred by Senators and employees of the Senate while traveling outside the United States on official business, and for other purposes; to the Committee on Rules and Administration.

By Mr. SPARKMAN:

S. 739. A bill for the relief of Lovina C. Gibbs; to the Committee on the Judiciary.

By Mr. PEARSON:

S. 740. A bill to amend the Internal Revenue Code of 1954 to eliminate the exclusive use requirement for deducting expenses attributable to a personal residence used for certain home industries; to the Committee on Finance.

By Mr. PROXMIRE:

S. 741. A bill to amend section 313 of the National Housing Act to provide authority for emergency home purchase assistance at lower interest rates, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

By Mr. INOUYE:

S. 742. A bill to authorize the burial of Joseph Yoshio Kiyonag in Arlington National Cemetery; to the Committee on Veterans' Affairs.

By Mr. DURKIN:

S. 743. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers, and to prevent deterioration of competition in gasoline marketing; to the Committee on Energy and Natural Resources.

By Mr. WILLIAMS:

S.J. Res. 21. A joint resolution to authorize the President to proclaim annually the last Friday of April as "National Arbor Day"; to the Committee on the Judiciary.

By Mr. DURKIN:

S.J. Res. 22. A joint resolution designating the first week of April 1977 as "National Drafting Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILLIAMS (for himself, Mr. RANDOLPH, Mr. JAVITS, Mr. ABOUREZK, Mr. ANDERSON, Mr. BAYH, Mr. BROOKE, Mr. CASE, Mr. CHURCH, Mr. CLARK, Mr. CRANSTON, Mr. EAGLETON, Mr. FORD, Mr. STEVENSON, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. KENNEDY, Mr. MAGNUSON, Mr. MCGOVERN, Mr. METCALF, Mr. NELSON, Mr. PELL, Mr. RIEGLE, Mr. SCHWEIKER, Mr. STAFFORD, and Mr. HEINZ):

S. 717. A bill to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes; to the Committee on Human Resources.

FEDERAL MINE SAFETY AND HEALTH AMENDMENTS OF 1977

Mr. WILLIAMS. Mr. President, I am today introducing comprehensive, omnibus legislation which is designed to overhaul our Nation's mine safety and health program and establish a Federal mechanism which will effectively and efficiently assure safe and healthy workplaces for our country's most important mining resource, the miners.

The Labor and Public Welfare Committee has been overseeing the metal and nonmetallic mine safety program for more than 10 years and the coal mine health and safety program for more than 6 years. This oversight has included literally weeks of hearings, committee investigation of four major mining disasters, full scale investigations done at the committee's behest by the General Accounting Office, and nearly daily contact between members of the committee and the committee staff on the one hand, and officials of the Interior Department on the other.

This oversight has led us inexorably to the conclusion that our Nation's mine safety and health program is seriously deficient. In some respects, the statutory authority is strong, but the implementation and enforcement is weak. On the whole, this situation has resulted in a dismal national effort to protect the lives and health of our Nation's miners. The mining and energy industry are the losers in this scheme, our Nation's miners are losers in this scheme, and our Nation as a whole is the loser in this scheme.

It is clear that there has been great progress over the last decade in improving safety and health conditions in our mines, when compared to the situation that existed prior to the enactment of our current mine safety laws. But this progress has been far less than we would have expected, given the comprehensiveness of our laws and the vast expenditure of time and effort in improving these conditions. Indeed, in the past year, the rates of deaths and serious injuries were still appallingly high, and according to MESA figures, the number of serious injuries in our Nation's mines is again on the increase.

Mining is a dangerous business, and no one pretends otherwise. In 1974, the last year for which we have comprehensive comparative data, about 1 out of every 1,500 mine workers was killed on the job or died from work related injuries or illnesses, compared with one in 2,800 railroad workers, one in 4,000 construction workers, and one in 12,400 workers in all industries covered by OSHA. On the average, one miner is killed and 66 miners suffer serious injury in our Nation's mines on every working day.

In March of 1976, when the Labor and Public Welfare Committee was preparing for hearings on mine safety legislation, two gas explosions rocked the Scotia Coal Mine in eastern Kentucky and took the lives of 23 miners and three Federal mine inspectors. On September 31, 1976, while the mine safety and health bill was on the Senate's calendar, waiting for consideration by this body, an explosion in a coal mine in France took 16 lives. Only last month, on Thursday, December 30, 1976, a gas explosion occurred in a coal mine in Czechoslovakia. As rescue efforts got underway there, it was feared that the 45 miners trapped in that mine were dead.

Mr. President, I do not think that we can sit by and wait for the next mining disaster to demonstrate to us the deficiencies in our mine safety and health program. It is my intention, Mr. President, to give mine safety and health legislation a high priority within the Labor and Public Welfare Committee. It is my fervent hope that this Congress can enact a mine safety law which will establish a truly meaningful and effective program and that we can do this before the next mining tragedy underscores the great need.

Mr. President, the bill which I am introducing is designed to do just that. As I have said, it is a comprehensive mine safety and health bill, which draws from the best of our current programs and learns from the worst of our current experiences. It is a bill which, if enacted and meaningfully implemented by an administration truly committed to the cause of worker health and safety, should vastly reduce the number of fatalities and injuries in our mines and should make mining disasters the great exception rather than the unnecessary fact of life for our Nation's miners and their long suffering families.

Currently, the protection of the safety and health of our Nation's miners is provided by two separate statutes—the 1966 Metal and Non-Metallic Mine Safety Act and the 1969 Federal Coal Mine Health and Safety Act. Enforcement of both laws has been the responsibility of the Department of the Interior, but the enforcement of both statutes has been sorely lacking in effectiveness. The Metal and Non-Metallic Mine Safety Act is generally a weak law, lacking in real sanctions. The Coal Mine Health and Safety Act, on the other hand, is a more comprehensive and considerably stronger law. Although there have been glaring deficiencies in the enforcement of the Coal Act, the law itself is a good and strong one which, if properly enforced, could result in real improvement in the health and safety of miners. For this reason, my bill repeals the Metal Act altogether, and uses the stronger features of the Coal Act as the foundation for a new and comprehensive mine safety and health law which is applicable to the entire mining industry. In addition, this bill adopts the stronger features of the Occupational Safety and Health Act and incorporates them into a truly efficient mechanism for providing safe and

healthful working conditions and efficient enforcement to the ultimate benefit of all miners.

Mr. President, I believe this bill also provides protection for persons who may not be miners but who may be affected by mining activities, such as the victims of the terrible flood at Buffalo Creek in 1972. Clearly a comprehensive mine safety program must protect such people from hazards associated with mining.

This bill, Mr. President, has three major features. It combines the health and safety programs for all of our Nation's mines into a single, uniform law. It transfers the responsibility for enforcement of that law from the Interior Department to the Labor Department. And it vastly streamlines every aspect of the enforcement mechanism so that the system is truly responsive to the demonstrated safety and health deficiencies in our mines and the needs of our Nation's miners.

Mr. President, this bill provides a uniform procedure by which new standards would be promulgated and a uniform procedure by which the law would be enforced, but it does not contemplate that all standards will apply uniformly to all types of mining. I fully recognize that, where there are fundamental differences in the nature of the ore or raw materials being extracted, the need to promulgate separate standards for one segment of the industry may be indicated. This bill, however, fully contemplates broad application of standards within a given segment of the industry and provides extensive variance procedures for adjustment of standards based on the particular needs of a specific mine.

The bill accommodates this need in a number of ways. It provides that existing mandatory standards promulgated under the Metal and Non-Metallic Mine Safety Act prior to enactment are to be carried over as standards applicable to metal and nonmetallic mines, and standards under the Federal Coal Mine Health and Safety Act are to be carried over as standards applicable to coal mines after enactment. The bill also amends the Coal Mine Health and Safety Act to make applicable to all mines only those interim health standards of title II of that act—such as dust from drilling rock, quartz dust, and noise—which clearly are applicable to noncoal as well as coal mining.

The ultimate goal of this bill is to provide the maximum amount of protection for miners; in cases of doubt, both in enforcement and in standard making, miners should have the benefit of the broadest possible interpretation and application. However, in promulgating standards and in enforcing the law, the Secretary would be encouraged to maintain an essential awareness of the different nature of some segments of the mining industry from other segments of the industry.

On the other hand, it is clear that the mechanism for enforcement should be the same, irrespective of which standards apply and what type of mining operation is being inspected. Miners die in noncoal mines as surely as they die in coal mines. Miners suffer terrible and debilitating injuries in surface mines as regularly as they do in underground mines. If we are to have standards applicable to these mines, we must with regularity and frequency inspect all mines to make sure that these standards are being met. My bill provides for regular and frequent inspection at all mines.

Where violations of the standards are found, our system should provide the same inducement for operator compliance, irrespective of the type of mines. My bill selects the civil penalty as the mechanism for encouraging operator compliance with safety and health standards and mandates the imposition of such civil penalties for violations in all mines.

This bill's mechanism for insuring the safety and health of miners has two approaches, however. Not only is there a civil penalty system by which the operators are to be encouraged to effect lasting compliance with the applicable standards, but the mine safety and health administration could also employ a broad range of closure orders which are intended to identify unusually hazardous conditions and insulate miners from those conditions until they are corrected. This closure order procedure is present in both of the current mine safety laws but is much more highly developed in the Coal Mine Act, and it is the procedure of that law which serves as the basis for the closure order procedure in my bill.

The bill carries forward the imminent danger closure order from both existing mine safety acts and also contains authority to close mines for failure to abate violations, for technological inability to abate, and for unwarrantable failure to comply with the requirements of the act—all sanctions which currently exist in coal mine health and safety legislation.

This bill also provides additional closure order authority not present in current law but which the committee's oversight suggests is clearly necessary to adequately protect miners. The bill provides authority to close a mine altogether, for periods of up to 1 month, where an operator's record of compliance with the act and its requirements is so egregious that it demonstrates gross negligence or willfulness. This civil penalty closure order is clearly intended to be reserved for the most serious of cases. By seeking this civil penalty, which can only be invoked by the independent Mine Safety and Health Review Commission established by this bill, the administrators of the act are demonstrating to the recalcitrant operator that they will not tolerate constant reluctance to comply with the act's requirements while miners remain exposed to serious risks.

This is an extraordinary sanction, Mr. President, and it is reserved only for the most serious of situations. It is to be imposed by the Commission alone and only after an opportunity for a hearing has been afforded the operator. To impose this sanction, the Commission must find that the violations were willful or with gross negligence and that they constituted a serious threat to miners.

This additional sanction is an important weapon in the Secretary's arsenal even though its contemplated use is rare. Past history has clearly demonstrated that the imposition of monetary penalties is simply insufficient to encourage some operators to comply with the act and its requirements.

Another significant new remedy enables the Secretary to petition the Federal courts for an injunctive-type remedy to close mines that have been in habitual and chronic violation. This sanction recognizes that an operator who compiles a record of chronic violation, even minor ones, demonstrates that he has little respect for the requirements of the law and the safety and health of his miners. This sanction, judiciously used, is intended to encourage operator compliance with the spirit as well as the letter of the law.

The committee's investigation of the Scotia mine disasters last year clearly demonstrated the need for such a remedy. What the committee found at that mine was a pattern of violations, which were generally promptly abated when discovered by inspectors. But the fact that similar violations would recur, time after time, clearly suggested that the operator found it easier and perhaps cheaper to continue to operate the mine in violation of the law and correct deficiencies only when discovered. Where such a pattern has been developed, the mine is, more probably than not, routinely being operated in violation of the law when inspectors are not there to cite violations. Such operation unnecessarily exposes miners to dangers which the act did not expect them to have to confront. This is a "pattern and practice" of violations which the agency administering the mine safety laws should take cognizance of and which the courts should be able to remedy. My bill requires the agency to take cognizance of such violation patterns, and provide the means by which the courts can fashion a remedy which is appropriate to secure the health and safety of miners.

The second major feature of my bill is the transfer of all mine safety and health enforcement responsibilities from the Department of the Interior to the Department of Labor. I feel that the transfer of these responsibilities to the Labor Department is absolutely essential if this Nation is to have a meaningful and effective mine safety and health program. Our current program has suffered terribly at the Interior Department. That Department has a basic conflict of missions. On the one hand, it is charged with the duty of maximizing the exploitation of our Nation's mineral and energy reserves. On the other hand, it is charged with the duty of protecting the welfare of the employees engaged in the extraction of these resources. These duties often conflict, and we should not be putting the health and safety of workers in a posture where any administrative agency should have to think twice before it acts to secure the protection of workers. Such a conflict would not be present at the Labor Department. The Labor Department is charged with the responsibility of protecting our Nation's workers, and the administration of the mine safety and health laws by that department would be free of any con-

flict which is apt to jeopardize the welfare of miners.

Still, we must recognize that the safety and health of miners is a field with its own highly developed technology and specific problems. My bill insures that the Mine Safety and Health Administration will maintain its separate and distinct identity within the Labor Department. The administration and enforcement of the law will be assigned to a separate Mine Safety and Health Administration which will be headed by a separate Assistant Secretary. An administrative review commission, separate from the OSHA Commission, is established to review enforcement and mine discrimination cases. The bill provides for complete separation of the mine safety and health and the occupational safety and health programs within the Department of Labor.

The effect of this is, in my view, the best of both worlds. The Mine Safety and Health Administration is permitted to maintain its own identity and its not inconsiderable expertise and technological knowledge. Yet, its overall administration and guidance will come from the Secretary of Labor, whose responsibilities are to secure the rights of workers, not maximum mineral production, and who will not be placed in the position of having to select between alternative and often mutually exclusive responsibilities.

Finally, Mr. President, my bill vastly streamlines nearly every aspect of the enforcement and administration of the mine safety and health program. The committee's long years of overseeing the current programs has led it to understand the weaknesses which are inherent in nearly every phase of the current administration of the mine safety laws. This bill addresses these weaknesses and proposes an overall enforcement system which should be efficient, flexible, and able to effectively respond to demonstrated problems in our mines.

The keystone of any enforcement scheme is the promulgation of standards, and this process, under the current laws, has been a painfully slow and difficult one, often marked by excessive and unconscionable delays. After 91 miners died of carbon monoxide poisoning in a mine fire in the Sunshine Silver mine in Idaho in early 1972, it took 22 months before a standard requiring that miners be provided self-rescuers was promulgated under the Metal and Non-Metallic Mine Safety Act. Forty-five months after the collapse of an impoundment dam at Buffalo Creek, W. Va., a standard dealing with such dams was finally promulgated under the Coal Mine Health and Safety Act. Despite the need for standards dealing with safety training for miners, demonstrated by the 1972 disasters at Sunshine and Blacksville, W. Va., the Interior Department did not propose such a standard until after the Labor Subcommittee's hearings on Scotia in early 1976, which demonstrated that miners at that ill-fated mine were still not receiving even rudimentary training in the use of the self-rescuer device and were being routinely sent below ground without even the most elementary awareness of the very serious hazards associated with their occupation. The Interior Department's hearings on these long awaited safety training regulations were scheduled to be started only this month.

My bill eliminates these inordinate delays in the promulgation of much needed health and safety standards. The sole authority for promulgating standards under my bill rests with the Secretary of Labor, and the bill grants him a broad discretion in determining whether standards are needed and whether they should be promulgated. Once the Secretary decides that a standard should be issued and starts the promulgation procedure, however, each and every step of that procedure comes under a tight "timetable." This procedure gives the Secretary the option of referring the proposal to an advisory committee, which may be especially constituted for the purpose, before the proposal is submitted to the public for general comment. The process provides for the efficient consideration of the views of affected workers, industry groups, and public organizations, but is designed to keep the procedure running to a natural and timely conclusion.

The bill also makes provision for standards to deal with extraordinary circumstances. The bill authorizes the Secretary to issue emergency temporary standards in situations of grave danger to employees, without first going through statutory rule-making procedures. This provision, which is taken from the Occupational Safety and Health Act, is designed to allow the Secretary to react quickly to grave dangers which threaten employees before those dangers manifest themselves in serious or fatal injuries or illnesses.

The bill also permits the Secretary to grant variances from standards in situations which will insure the protection of miners. These variances are possible where an operator is unable to immediately comply with a requirement for technological reasons, where a research project in connection with safety or health matters is being conducted by the operator, or where an operator can demonstrate that he can provide an equal degree of protection to miners while using a different method.

After standards are in place, they must be enforced, and my bill provides for a vastly increased Federal presence in the mines to insure that operators are continually meeting their obligations under the Mine Safety and Health Act. Under this bill, a minimum of four inspections per year is required of all mines, and additional inspections are mandated for particularly hazardous mining operations.

Inspections, under my bill, are intended to insure operator compliance with the requirements of the act, and the bill makes mandatory the imposition of an appropriate civil penalty in each case of violation of the act or standard. This concept is not a new one. Indeed, mandatory civil penalties have been a feature of the enforcement of the Coal Mine Health and Safety Act since 1970, and many of the improvements in mine safety and health which have been noted under that act can be attributed to this scheme of mandatory penalties.

Despite this, certain weaknesses in the administration of the civil penalty system under the Coal Act have manifested themselves, and my bill attempts to correct these weaknesses. To truly encourage compliance with the act's requirements, a civil penalty must be assessed and collected reasonably promptly. The current administration of the Coal Act civil penalty program does not do this. In overseeing the enforcement of the Coal Act, the committee has found that civil penalty assessments are generally too low, and there are long delays between the citation of the violation and the assessment of the penalties. A further complicating factor is the extraordinary difficulty that the Mining Enforcement and Safety Administration has had in collecting these penalties. The need to secure payment by court order, often after a new trial on the facts following a full-blown administrative determination, has left literally millions of dollars of civil penalty assessments uncollected. Other penalties are compromised at pennies on the dollar. This reduction of the penalties combined with the long delays between violation, assessment, and collection has seriously weakened the effectiveness of the civil penalty as an inducement to meaningful compliance with the requirements of the law.

My bill will correct this. The procedure for assessment of penalties is vastly simplified, and the number of criteria upon which the penalty is to be based is reduced. The procedure for determining operator responsibility and liability is assigned to a truly independent Mine Safety and Health Review Commission, and the process is streamlined so that operators are provide with a fair method of contesting liability, but are not encouraged to delay factfinding and the administrative process or to seek duplicative factfinding in other forums. Uncontested citations and assessments under this bill become final orders of the Commission and are entitled to pro forma enforcement in the Federal courts in routine collection actions. Contested citations and assessments move along through the system with efficiency, and the final orders of the Commission are dispositive of the facts involved and subject to enforcement or review in the Federal circuit courts of appeals without the need for additional and duplicative factfindings. The independent Review Commission also has authority to review the propriety of closure orders, and the same standards of review and enforcement prevail.

The intention of this scheme is to provide a fair and prompt administrative determination of the liabilities of the parties, in order to most efficiently turn the enforcement mechanism of the act into an effective inducement to continued and meaningful operator compliance with their responsibilities to their workers.

Mr. President, as the 94th Congress came to a close, a mine safety bill had been passed by the House of Representatives and a similar bill had been reported favorably to the Senate by the Labor and Public Welfare Committee. Unfortunately, the rush of last minute demands

on the Senate made it impossible for this body to consider the legislation. At that time, I noted that the conditions in our Nation's mines warranted this legislation, and I said:

We cannot in good conscience let these conditions go on any longer. When we return in January, it is my my fervent hope that we can make a mine safety and health bill . . . one of our first orders of business and that we will once and for all provide effective and meaningful safety and health for our nation's miners and eradicate unnecessary death and suffering from our nation's mines.

Mr. President, the need is still with us, and the need is still great. The bill which I have introduced today is broad in scope and is the product of years of experience which I and the Labor and Public Welfare Committee have had in overseeing the deficiencies of our current, ineffective program.

Our new President has indicated that he desires an overall and comprehensive energy policy. That policy is going to include the efficient exploitation of our mineral resources; and if our Nation is to set upon this course, we must do so in a manner which will reassure our miners that we have their safety and health uppermost in our minds. Otherwise, there will be nothing to encourage young people to go into an admittedly hazardous occupation, and there will be nothing to encourage existing miners to continue in this hazardous line of work.

The time has come, the time has long since come, when these reforms should be made.

This legislation will promote a fair and efficient national mine safety and health program. When this legislation is enacted and becomes law, our Nation's miners will have won a significant victory, and our Nation will be greater for its commitment to the welfare of its miners.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the section-by-section analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

TITLE I—AMENDMENTS TO THE GENERAL PROVISIONS OF THE FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969

Section 101—This section amends section 1 of the Federal Coal Mine Health and Safety Act of 1969 such that it is now cited as the "Federal Mine Safety and Health Act of 1977."

Section 102—Definitions and applicability.

Section 102(a)(1)—provides that Section 2 of the Federal Mine Safety and Health Act of 1976 is amended by striking out "coal" wherever it appears.

Section 102(a)(1)—provides that the functions of the Secretary of the Interior in developing and promulgating improved mandatory health and safety standards under Section 2(g)(1) are transferred to the Secretary of Labor.

Section 102(b)(1)—changes the definition of "Secretary" in section 3(a) from Secretary of the Interior to Secretary of Labor.

Section 102(b)(2) clarifies the definition of "operator" to include independent contractors performing services or construction at a mine.

Section 102(b)(3)—enlarges the definition of "mine" in section 3(h) to include those mines previously covered by the Federal Metal and Non-Metallic, Mine Safety Act. This definition is also expended to include facilities for the preparation of coal, except that the Secretary is to give due consideration to the convenience of giving one Assistant Secretary all authority with respect to health and safety of miners employed at one physical establishment.

Section 102(b)(4)—expands the definitions of "operator," "agent," "miner," and "imminent danger" in sections 3 (d), (e), (g), and (j), respectively, to apply to all mines now covered by the Act.

Section 102(b)(5)—amends section 3 to add a new section 3(n) defining "Administration" which means the Mines Safety and Health Administration established under section 302 of this Act and a new section 3(o) defining "Commission" which means the Federal Mine Safety and Health Review Commission which is established in the Act.

Section 102(c)—amends section 4, "Mines Subject to Act," to include in addition to coal mines, mines newly covered by this Act.

Section 102(d)(1)—amends Section 5(c) to conform the wording thereof to the new definition of "Secretary," but the meaning is unchanged.

Section 102(d)(2)—includes operators and miners' representatives of mines newly covered by this Act among those that may ask the Interim Compliance Panel for a public hearing under Section 5(f), and changes the wording of that section to conform to the new section number for "Judicial Review."

TITLE II—MINE SAFETY AND HEALTH STANDARD AMENDMENTS

Amendment to title I

Section 202—This section amends Title I of 1969 so that it includes:

Section 101—Duties.

Section 101(a)—establishes the duty of each mine operator to comply with the health and safety standards, all rules, regulations, and orders promulgated under this Act and to furnish a place of employment free from recognized hazards causing or likely to cause death or physical harm.

Section 101(b)—establishes the duty of each miner to comply with the health and safety standards, all rules, regulations, and orders promulgated under this Act which are applicable to his own conduct.

Section 102—Safety and Health Standards.

Section 101(a)—establishes that the Secretary may promulgate, modify or revoke any health or safety standard by rule in accordance with the provisions of Section 553 of Title 5 of the United States Code (without regard to any reference therein to Sections 556 and 557 of such title) and the following provisions.

Section 102(a)(1)—provides that the Secretary may request the recommendations of an advisory committee appointed under section 103 whenever he determines from information submitted to him in writing or on the basis of his own information that a rule should be promulgated, except that when the recommendation comes from the National Institute for Occupational Safety and Health, the Secretary must within sixty days after receipt thereof either commence rule making or publish in the Federal Register his decision not to do so.

Where an advisory committee is appointed, the Secretary must provide such committee with any proposal of his own or of the Secretary of Health, Education, and Welfare as well as any factual information that has been developed. The advisory committee must submit to the Secretary its recommendations within 90 days from the date of its appointment or a longer or shorter period of time prescribed by the Secretary, but no longer than 180 days after the appointment.

Section 102(a)(2)—requires the Secretary to publish a proposed rule in the Federal Register and afford interested persons a period of 30 days after publication to submit written comments. Where an advisory committee is appointed the Secretary must publish the proposed rule within 60 days after submission of the committee's recommendations or the expiration of the period prescribed by the Secretary for those recommendations, if he decides to publish such recommendations, and if he decides not to publish such recommendations, he shall publish the reason for his determination not to.

Section 102(a)(3)—permits any interested person to file with the Secretary written objections to the proposed rule and request a public hearing before the expiration of the comment period provided for in section 102(a)(2). Within 30 days after the last day for filing such objections, the Secretary shall publish in the Federal Register a notice specifying the standard objected to and the time and place for a hearing.

Any such hearing shall be held promptly, shall be informal in nature, and shall be conducted in accordance with procedural rules or rulings which the Secretary shall make in order to avoid unnecessary costs or delay. A verbatim transcript of all such hearings shall be made, and available to the public.

Section 102(a)(4)—provides that within 60 days after expiration of the comment period under section 102(a)(2) or within 60 days after completion of a hearing under section 102(a)(3), the Secretary shall issue a rule or determine that a rule should not be issued. In order to insure that affected employers and their employees are informed of the existence of the standard and its requirements, an issued rule may contain a provision delaying its effective date for a period determined by the Secretary, but not longer than 90 days.

Section 102(a)(5)(A)—requires the Secretary, in promulgating standards, to set the standard which most adequately assures on the basis of the best available evidence that miners will not suffer impairment of health or functional capacity, even if regularly exposed to the hazards throughout their working lives. Development of standards is to be based on research, demonstration, experiment, and other appropriate information. In addition to the attainment of the highest degree of safety and health protection for the miner, other considerations shall be the latest available scientific data in the field, the feasibility of the standards and experience gained under this and other health and safety statutes. Wherever practicable, the standard should be expressed in terms of objective criteria and performance desired.

Section 109(a)(5)(B)—requires the Secretary of Health, Education, and Welfare to identify toxic materials or harmful physical agents found in mines and to within three years after enactment of these Amendments, and on a continuing basis thereafter, determine whether those substances or agents pose a threat to miners in the concentrations in which they are normally found in a mine. Such determinations, together with appropriate criteria, are to be transmitted to the Secretary, who shall within sixty days after receipt thereof, for all agents or substances not already covered by an appropriate standard, either commence formal standard promulgation procedures under Section 102(a)(1) or 102(a)(2), or shall publish his determination not to do so.

Section 102(a)(6)—provides that any standard promulgated under section 102(a) must prescribe the use of labels or other warnings necessary to ensure that miners are apprised of all hazards to which they are exposed, relevant symptoms and appropriate emergency treatment and proper conditions and precautions of safe use or exposure. A standard, when appropriate, shall prescribe protective equipment, control or technological procedures to be used, and shall provide for monitoring or measuring miners' exposure as may be necessary for the protection of the miners. Where appropriate, such standard shall prescribe the type and frequency of medical examination or tests which the operator shall provide, at his cost,

in order to determine whether the miner exposed to such hazards is adversely affected by such exposure. Such standards shall provide that where a determination is made that a miner may suffer material impairment of health or functional capacity as a result of exposure to a hazard covered by the standard, miners shall be removed from such exposure and reassigned. Any miner transferred due to such exposure shall receive compensation at not less than the rate for miners in the classification he held immediately prior to his transfer.

The medical examination may be furnished at the expense of the Secretary of Health, Education, and Welfare if he determines them to be in the nature of research. The results of such examination or tests shall be furnished only to the Secretary, the Secretary of Health, Education, and Welfare, and at the miners request, to his designated physician.

Section 102(a)(7)—requires that in promulgating or revoking standards or in publishing any rule under Title 1 the Secretary shall not reduce the protection afforded miners below that of any standard previously in effect.

Section 102(b)(1)—provides that where the Secretary determines that miners are exposed to grave danger from exposure to substances or agents determined to be toxic or physically harmful and that an emergency standard is necessary to protect the miners, he may promulgate an emergency standard effective upon publication in the Federal Register without regard to the rulemaking procedures of the Administrative Procedure Act.

Section 102(b)(2)—provides that an emergency temporary standard shall be effective until superseded by a standard promulgated in accordance with the procedures prescribed in section 102(b)(3).

Section 102(b)(3)—requires the Secretary to begin a proceeding for promulgating a standard in accordance with section 102(a) upon publication of the emergency temporary standard. The emergency temporary standard shall serve as the proposed rule in such a proceeding and the Secretary shall promulgate the permanent standard no later than nine months after publication of the emergency temporary standard.

Section 102(c)—authorizes the Secretary to grant a variance if he determines or the Secretary of Health, Education, and Welfare certifies that such a variance is necessary for the operator to participate in an experiment approved by one of the Secretaries designed to improve techniques of safeguarding the health or safety of the workers. Variances under this subsection shall not be granted until the Secretary determines that such a variance will not adversely affect the health and safety of the miners and such miners are notified directly and by publication in the Federal Register.

Section 102(d)(1)—provides that any operator may apply to the Secretary for a temporary order permititng limited noncompliance with a standard or any of its provisions promulgated under section 102. Such a temporary order shall be granted only if the operator's application meets the requirements of paragraph (2) and establishes that (A) he is truly unable to come into compliance with the standard by its effective date, (B) he will guarantee that miners are afforded no less than the same measure of protection they would have been provided by such standard, and (C) he has an effective program for coming into compliance with the standard as quickly as practicable. Any temporary order issued under the above subsection must prescribe the practices the operator must use while the order is in effect and describe his program for coming into compliance with the standard. A temporary order may be granted only after notice to miners and an opportunity for a public hearing but the Secretary may issue one interim order to be effective until a decision is made on the basis of the hearing or for sixty days, whichever is less. A temporary order may be in effect only long enough for an employer to achieve compliance with the standard or 6 months, whichever is shorter, except that the time which an interim order is in effect shall be subtracted from the time any temporary order is in effect. Such an order may be renewed not more than twice if (i) the requirements of this subsection are met and (ii) an application for renewal is filed at least 90 days prior to the expiration date of the order. No interim renewal of an order may remain in effect longer than 180 days.

Section 102(d)(2)—requires that an application for a temporary order contain:

(A) a specification of the standard or portion thereof from which the employer seeks a noncompliance order.

(B) a representation by the operator, supported by qualified persons, that he is unable to comply with the standard or portion thereof and the detailed reasons for such inability to comply.

(C) a statement of steps he has taken and will take to protect employees against the hazard covered by the standard.

(D) a statement of when he expects to be able to comply with the standards, and what steps he has taken and will take to comply with the standard, and

(E) a certification that he has informed his employees of the application and their right to petition the Secretary for a hearing; a description of how miners have been informed shall be contained in the certification.

Section 102(c)—allows operators to apply to the Secretary for a variance from a standard promulgated under Section 102. Affected miners and their representative must be given notice of each such application and an opportunity to participate in a hearing. The Secretary shall issue a variance if he determines on the record, after opportunity for an inspection where appropriate and a public hearing that the operator will provide conditions as safe and healthful as those which would prevail if he complied with the standard. The order of variance shall prescribe the conditions the operator must maintain and the practices he must use to the extent they differ from the standard. Such an order may be modified or revoked upon application by an operator, miners, miners' representative, or by the Secretary in the manner prescribed for its issuance.

Section 102(f) provides that subsections (d) and (e) shall not apply with respect to any coal health standard in effect on the effective date of the Federal Mine Safety and Health Amendments Act of 1977.

Section 102(g) allows persons adversely affected by a standard to challenge its validity, within 60 days of its promulgation. In the appropriate U.S. court of appeals. Unless ordered by the court, such challenge shall not operate as a stay of the standard.

Only objections which are raised during the administrative proceedings shall be considered by the court in reviewing such standards, unless failure to have raised such objections earlier shall be excused by the court due to extraordinary circumstances. The procedures of this Section shall be the exclusive means of challenging the validity of the standards.

Section 103—Advisory Committees.

Section 103(a)—allows the Secretary to appoint advisory committees to assist him in his standard setting functions under section 201(a) and advise him on other health and safety matters. Each committee may include one or more designees of the Secretary of Health, Education, and Welfare, the National Bureau of Standards, Department of Commerce, and the National Science Foundation, operator and miner representatives in equal numbers, one or more representatives of State mine inspection or safety agencies. It may include other members qualified by knowledge and experience who shall not exceed in number the members from Federal and State agencies. Committee meetings must be open to the public and the record thereof must be made available to the public. No committee member, except representatives of the operator and miners, shall have an economic interest in any proposed rule.

Section 103(b)—provides for the compensation for committee members from private life according to the provisions for section 3109 of title 5, United States Code for consultants or experts. The Secretary shall pay to the States the actual costs to them of their representatives' membership on the Committee.

Section 104—Inspections, Investigations, and Recordkeeping.

Section 104(a)—authorizes the Secretary or the Secretary of HEW or the authorized representative of either, upon presenting appropriate credentials to the owner, operator, or agent in charge, (1) to enter without delay any mine subject to the Act and (2) to make inspections and investigations and to consult privately with employers, owners, operators, agents, or miners. With respect to all mines, the Secretary is required to make inspections of the entire mine at least four times a year. No advance notice of inspections shall be given, except that the Secretary of Health, Education and Welfare may give advance notice of inspections conducted in connection with research or technical assistance.

Section 104(b)—allows the Secretary to require the attendance and testimony of witnesses and the production of evidence under oath in connection with investigations of accidents and other occurrences. Witnesses will be paid the same as witnesses in U.S. courts. The appropriate district courts, upon application by the Secretary shall have jurisdiction over witnesses failing to appear and may issue orders requiring such appearance. Failure to obey such an order may be punished as contempt.

Section 104(c)(1)—requires each operator to maintain and make available to the Secretaries such records that the Secretary, in cooperation with the Secretary of Health, Education, and Welfare, prescribes as appropriate for the enforcement of the Act or for developing information regarding the causes and prevention of occupational accidents and illnesses in the mines. Regulations issued pursuant to this paragraph may include provisions requiring operators to conduct periodic inspections.

Section 104(c)(2)—provides that the Secretary, in cooperation with the Secretary of Health, Education, and Welfare, shall require operators to maintain records of and make periodic reports on work-related deaths, injuries, and illness except for minor injuries requiring only first aid treatment.

Section 104(c)(3)—requires the Secretary, in cooperation with the Secretary of Health, Education, and Welfare, to issue regulations requiring operators to maintain records of miner exposures to potentially toxic or harmful physical agents that must be monitored or measured under the Act's health and safety standards. The regulations are to give miners or their representatives an opportunity to observe the monitoring or measuring and to give miners and former miners access to such records of individual exposure. Operators are to notify miners of overexposure and shall inform overexposed miners of the corrective action being taken.

Section 104(c)(4)—provides that all accidents, except some unintentional roof falls, shall be investigated by the operator or his agent to determine the cause and means of preventing recurrence. Records of accidents and investigations shall be maintained and made available to the Secretary and the appropriate State agency. Such records shall be open for inspection by interested persons.

Section 104(d)—requires that information obtained under the Act must be obtained

with a minimum burden upon operators, especially those operating small businesses. Unnecessary duplication of efforts in obtaining information is to be reduced as much as possible.

Section 104(e)—provides that subject to regulations issued by the Secretary a representative of the operators and a representative of the miners shall be given an opportunity to accompany the inspecting official during the inspection of a mine under section 104(a). Where there is no authorized miner representative the inspector shall consult with a reasonable number of miners. If he determines more than one representative from each party would aid the inspection, the inspector may permit each party an equal number of additional representatives. A miner representative who is also employed by the operator shall not lose pay for his participation in the inspection, but only one such miner shall be authorized to be paid pursuant to this subsection. Compliance with this subsection shall not be a jurisdictional prerequisite to the enforcement of any provision of this Act.

Section 104(f)(1)—provides that if any miner or his representative believes that a standard violation exists that threatens physical harm or that an imminent danger exists, he may request an inspection by giving written notice with his signature to the Secretary or his authorized representative of such violation or danger. A copy of such notice shall be provided to the employer or his agent no later than at the time of inspection but, upon request, the name of the person giving such notice and the names of the miners referred to therein shall be deleted.

If the Secretary determines there are reasonable grounds to believe that a violation or danger exists, he shall make a special inspection as soon as practicable. If the Secretary determines there are no reasonable grounds to believe that a violation or danger exists, he shall so notify in writing the miners or their representative.

Section 104(f)(2)—provides that prior to or during any inspection any miners or their representatives may notify the federal inspector, in writing, of any violation of this Act or of any imminent danger they believe exists. The Secretary shall, by regulation, establish informal review procedures for any refusal by an inspector to issue a citation with respect to such alleged violation or order with respect to such danger and shall furnish the miners or their representative requesting such review a written statement of the reasons for his final disposition of the case.

Section 104(g)(1)—authorizes the Secretary and the Secretary of Health, Education, and Welfare to publish information obtained under this section.

Section 104(g)(2)—provides that the Secretary and the Secretary of Health, Education, and Welfare shall each prescribe regulations necessary to carry out their responsibilities under this Act.

Section 104(h)—requires the Secretary to provide a minimum of one spot inspection of all or part of a mine during every 5 working days at irregular intervals, if the mine contains some especially hazardous conditions and provides specifically for inspection once each five days of mines liberating 1,000,000 cubic feet of explosive gases each day; once each ten days of mines liberating 500,000 cubic feet of such gases; and once each 15 days of mines liberating 200,000 cubic feet of such gases.

Section 104(1)—provides that if there is a mine accident, the operator shall notify the Secretary and preserve any evidence that would aid an investigation of the cause. The Secretary may supervise rescue and recovery activity in such mine, if such activity is necessary, and take other appropriate action to preserve life.

Section 104(j)—provides that if there is a mine accident, and the Secretary's representative is present, he may issue appropriate orders to insure the safety of persons in the mine, and the operator must obtain his approval, in consultation with appropriate State representatives, when feasible, of any recovery plan or of any plan to return affected areas to normal operation.

Section 105—Citations and Orders.

Section 105(a)(1)—provides that if, upon inspection or investigation, the Secretary or his representative believes an operator has violated this Act or any standard, rule, order or regulation promulgated pursuant to this Act, he shall with reasonable promptness issue a citation to the operator. The citation shall be written, describe with particularity the nature of the violation, and fix a reasonable time for the violation's abatement.

Section 105(a)(2)—provides that, if a citation is issued under paragraph (1) for a violation the Secretary believes was committed willfully or with gross negligence and which subjected miners to an imminent danger, the citation shall include such charge with a specific description of the danger involved.

Section 105(b)—provides that, if upon any follow-up inspection, the Secretary's representative finds (1) the cited violations have not been totally abated within the original or subsequently extended abatement period, and (2) the abatement period should not be further extended, he shall find the area affected by the violation and promptly issue an order requiring the operator to withdraw from the affected area all persons (until the Secretary's representative determines the violation has been abated), except the following:

(1) Any person whose presence is necessary to eliminate the danger, in the judgment of the operator or the Secretary's representative;

(2) Any public official whose official duties require his presence, or

(3) Any legal or technical consultant or representative, qualified to make mine examinations or accompanied by such a person, and whose presence is necessary for the proper investigation of the conditions described in the order, in the judgment of the operator or the Secretary's representative.

Section 105(c)(1)—provides that, if an inpector finds a standard violation that could significantly contribute to the cause and effect of a mine health or safety hazard and which is caused by an unwarranted failure of the operator to comply with such standard, he shall issue an order withdrawing all persons, except those referred to in section 105(b) from the affected area until the Secretary's representative determines that the violation has been abated.

Section 105(c)(2)—provides that, if a withdrawal order has been issued pursuant to section 105(c)(1), a withdrawal order shall be issued by the Secretary's representative who finds other unwarranted violations. The order shall be effective until an inspection discloses no similar violations. Following such an inspection, the provisions of section 105(c)(1) shall again be applicable to the affected mine.

Section 105(d)—requires that during the abatement period for a violation of the respiratory dust concentration limit, the operation must take samples described in section 202(a) during each production shift. The section also provides that, after a withdrawal order has been issued for failure to abate a violation of the respirable dust concentration limit, the Secretary, upon request of the operator, shall provide technical assistance to aid in reducing such dust concentrations. Those persons sent by the Secretary may require the operator to take actions they deem appropriate to insure the health of persons in the mine.

Section 105(e)(1)—provides that if the Secretary's representative, while on an inspection, finds a miner employed in a mine who has not received requisite safety training in accordance with a safety training plan approved by the Secretary in accordance with the provisions of section 116 of the Federal Mine Safety and Health Act of 1976, such a miner is to be declared a hazard to himself and others, and such miner is required to be immediately withdrawn from the mine until the Secretary can determine that such miner has received the requisite training.

Section 105(e)(2)—provides that miners ordered withdrawn from a mine as a result of not having received such training shall not be discriminated against for such reason, and shall suffer no loss of pay during the period until the Secretary finds that such training has been given to the miner.

Section 105(f)—requires that each citation or order or copy thereof issued under this section must be posted in accordance with section 110 and as prescribed by the Secretary's regulations.

Section 105(g) provides that no citation may be issued under this section after 6 months following any violation.

Section 105(h) provides that any order issued under section 105 (b) or (c) is effective until revoked by the Secretary or modified or vacated by the Commission or the courts pursuant to sections 106(c) or 107(a).

Section 106. Procedures for Enforcement.

Section 106(a)—requires the Secretary to notify within a reasonable time an operator issued a citation or order under section 105 (a)(1) of any penalty to be assessed under section 111(a) and that the operator has 15 working days to notify the Secretary that he wishes to contest the citation or proposed penalty. If the citation contains a charge under section 105(a)(2), the Secretary's notification shall include a proposed civil penalty closure order under section 111(c) in addition to the proposed civil monetary penalty.

If the operator fails to notify the Secretary within the 15 working days that he intends to contest the citation or proposed penalty or penalties and if no notice is filed by any miner or miner representative under subsection (c) within such time, the citation and penalty or penalties as proposed shall be deemed a final order of the Commission and not subject to review by any court or agency.

Section 106(b)—provides that, if the Secretary believes an employer has failed to correct a cited violation within the abatement period (which period shall not end until the entry of a final order by the Commission, in the case of any review proceedings under this section initiated by the operator wherein the Commission orders, after an expedited hearing, the suspension of the abatement requirements of the citation after determining that the operator will suffer irreparable loss or damage from the application of those requirements), the Secretary shall notify the operator of such failure, of the proposed penalty under section 111 of that failure, and that the operator has 15 working days to contest the notification or proposed penalty. If the operator does not so notify the Secretary within the 15 working days, the notification and proposed assessment shall be deemed a final order of the Commission and not subject to review by any court or agency.

Section 106(c)(1) prohibits discharging, discriminating against, or interfering with the exercise of statutory rights by any mine employee or applicant for employment because he filed a complaint or instituted or caused to be instituted any proceeding under or related to this Act, or because such employee is the subject of medical evaluations and potential transfer pursuant to a standard issued under Section 102(a) of this Act, or testified or is about to testify in any such proceeding, or exercised for himself or others any statutory right afforded by this Act.

Section 106(c)(2) authorizes any mine

employee or applicant who believes that he has been discharged or otherwise discriminated against or interfered with by any person in violation of this subsection to, within 30 days after such violation, file a complaint with the Secretary, who shall then make any appropriate investigation. If upon such investigation, the Secretary determines there has been such violation, he shall immediately file a complaint with the Commission proposing on order granting appropriate relief. The Commission shall afford an opportunity for a hearing and, based on findings of fact, issue an order affirming, modifying, or vacating the Secretary's proposed order or directing other appropriate relief. Such order is final 30 days after its issuance. The Commission shall have the authority to order all appropriate relief, including rehiring or reinstatement of the miner to his former position with back pay and interest, and during any hearing, the complaining employee or applicant may present evidence on his behalf.

Section 106(c)(3) requires the Secretary, within 90 days of the receipt of a complaint filed under this subsection, to notify the complainant of his determination whether a violation has occurred. If the Secretary determines there is no violation the complainant may file, within 30 days of such notice, before the Commission charging discrimination under paragraph (1). The Commission shall afford an opportunity for a hearing and thereafter shall issue an order dismissing or sustaining the complainant's charges and, if sustained, granting appropriate relief. Such an order becomes final 30 days after its issuance. When such order sustains the miner's charges, all reasonable expenses (as determined by the Commission) incurred by the miner related to such proceedings shall be assessed against the violator. Proceedings under this section shall be expedited by the Secretary and the Commission. A Commission order under this paragraph shall be subject to judicial review under section 107. Violations of paragraph (1) by any person shall be subject to the provisions of sections 109 and 111(a).

Section 106(d)—provides that if an operator notifies the Secretary that he intends to contest the issuance or modification of an order or a notification, or the reasonableness of an abatement period, or any miner or representative of miners notifies the Secretary that he plans to so contest, the Secretary shall immediately so advise the Commission. The Commission must then provide an opportunity for a hearing and thereafter issue an order affirming, modifying, or vacating the Secretary's citation, order, or proposed penalty or directing other appropriate relief. Such an order becomes final 30 days after its issuance.

The rules of procedure prescribed by the Commission shall provide affected miners or their representatives an opportunity to participate as parties to Commission hearings under this subsection. The Commission shall take whatever action is necessary to expedite proceedings for hearing appeals of orders issued under section 105, but shall not grant temporary relief from the issuance of an order under subsection (c).

Section 107. Judicial Review.

Section 107(a)—permits any person adversely affected or aggrieved by an order of the Commission issued under this Act to obtain review of such order or decision in any appropriate U.S. Court of Appeals by filing a written petition within 30 days of the issuance of the order. The subsection specifies those procedures to be followed after a petition for review is filed, including:

(1) The clerk of the courts transmits a copy of the petition to the Commission and other parties.

(2) The Commission files in court the proceeding record pursuant to 28 United States Code 2112 and the courts shall then have exclusive jurisdiction.

(3) The court is authorized to grant appropriate temporary relief or restraining orders and may enter and enforce a decree affirming, modifying, or setting aside in whole or in part the Commission's order.

(4) Unless ordered by the court, the commencement of proceedings shall not stay the Commission's order.

(5) Objections not urged before the Commission will not be considered by the court unless the failure to urge such objection is excused because of extraordinary circumstances. The Commission's findings of fact shall be conclusive when supported by substantial evidence on the record as a whole.

(6) Any party may apply for leave to adduce additional evidence and if such evidence is material and there were reasonable grounds for not adducing such evidence before the Commission, the court may order the evidence taken before the Commission and made part of the record. The Commission may then modify its findings of fact or make new findings and shall file such findings, which shall be conclusive if supported by substantial evidence on the record as a whole. The Commission may modify or set aside its original order due to such modified or new findings of fact.

(7) The judgment and decree of the court shall be final except subject to review by the Supreme Court of the United States, pursuant to 28 United States Code 1254.

(8) Petitions filed under this subsection shall be heard expeditiously.

Section 107(b)—permits the Secretary to petition an appropriate United States Court of Appeals for review or enforcement of the Commission's final order and, to the extent applicable, the provisions of section 107(a) shall govern such proceedings. If no review petition, pursuant to section 107(a) is filed within 30 days after service of the Commission's order, the Commission's findings of fact and order shall be conclusive in connection with any enforcement petition filed by the Secretary after such 30 day period. In any such case, or in the case of a final order by the Commission under section 106 (a) or (b), the clerk of the court, unless otherwise ordered by the court, shall enter a decree enforcing the order and shall transmit copies to the Secretary and operator. In any contempt proceeding to enforce a court of appeal's decree pursuant to section 107(a) and (b), the court of appeals may assess penalties provided in section 111 and invoke other available remedies.

Section 108. Procedures to Counteract Dangerous Conditions.

Section 108(a)—provides that, if upon any inspection or investigation, the Secretary's representative finds an imminent danger exists, he shall determine the affected area and issue a withdrawal order barring all persons except those referred to in section 105(b) from such area. The issuance of an order under this subsection shall not preclude the issuance of a citation under section 105 or the proposing of a penalty under section 111.

Section 108(b)(1)—provides that, if upon any inspection, the Secretary's representative finds (A) conditions exist which have not resulted in an imminent danger, (B) such conditions cannot be effectively abated with existing technology, and (C) reasonable assurance cannot be provided that continued mining will not result in an imminent danger, he shall determine the affected area and issue a notice to the operator or his agent of such conditions, and file a copy with the Secretary's and miners' representative. Upon receipt of such copy, the Secretary shall make appropriate investigations, including an opportunity for the operator or miners' representative to present information relating to such notice.

Section 108(b)(2)—provides that upon conclusion of such investigation and an opportunity for a public hearing (when requested by an interested party), the Secretary shall make findings of fact and, by decision, either cancel the notice or issue a withdrawal order barring all persons from the affected area except those referred to in section 105(b) until the Secretary, after a public hearing affording all interested persons an opportunity to present their views, determines that such conditions have been abated. Hearings under this paragraph shall be of record and subject to 5 United States Code 554 but without regard to subsection (a)(3) thereof.

Section 108(c) requires findings and orders issued under section 108(a) to contain a detailed description of the conditions which constitute an imminent danger, and all orders issued under this section to contain a description of the area of the mine throughout which persons must be withdrawn.

Section 108(d)—requires that each finding made and order issued under this section be in writing, signed by the person making them, and given promptly to the affected operator. Any order issued pursuant to sections 108 (a) or (b) may be annulled, canceled, or revised by the Secretary's representative. Any order issued under sections 108 (a) or (b) shall remain in effect until annulled by the Secretary or revised or canceled by the Commission or the courts pursuant to sections 107(a) or 108(e).

Section 108(e)(1)—provides that any operator notified of an order under this section or any miner representative notified of the issuance, modification, or termination of such an order, may apply to the Commission within ten days for its annulment or revision. The Commission shall afford an opportunity for a hearing (in accordance with 5 United States Code 554, but without regard to subsection (a)(3) of such section) and thereafter issue an order, based on findings of fact, vacating, affirming, modifying, or terminating the Secretary's order. The Commission may not grant temporary relief from the issuance of any order under subsection 108(a).

Section 108(e)(2)—provides that the Commission shall take appropriate action to expedite proceedings under this subsection.

Section 109. Injunctions.

Section 109(a)(1)—authorizes the Secretary to institute civil action for relief, including a permanent or temporary injunction or any appropriate order, in any appropriate United States district court whenever an operator or his agent (a) violates or does not comply with any order or decision issued under this Act, (b) hinders the Secretary or the Secretary of Health, Education, and Welfare, or their representatives in carrying out the provisions of the Act, (c) refuses to admit such representatives to the mine, (d) refuses to permit the inspection of the mine, or the investigation of an accident or occupational disease related to such mine, (e) refuses to furnish any information or report requested by the Secretary or the Secretary of Health, Education, and Welfare in furtherance of the Act's provisions, or (f) refuses to permit access to and copying of such records as the Secretary of Health, Education, and Welfare determine necessary in carrying out provisions of the Act.

Section 109(a)(2)—authorizes the Secretary to institute civil action for appropriate relief, including injunction or restraining order where he determines that an operator is engaged in a pattern or practice of violation of the standards of the Act, or in a similar course of violative conduct which constitutes a continuing hazard to the health and safety of miners.

Section 109(b)—provides that each such court shall have jurisdiction to provide appropriate relief, to include, in cases under subsection (a)(2), requiring assurance or

affirmative steps by an operator to assure the court that miners shall be afforded the protection of the Act. Temporary restraining orders must be issued in accordance with rule 65 of the Federal Rules of Civil Procedure, as amended, but seven days from the date of entry shall be the time limit when issued without notice. Except as otherwise provided, relief granted by the court to enforce an order under clause (a) of this section is effective until completion of all review proceedings for the order under this title, unless prior thereto, the district court granting such relief sets it aside or modifies it. In any action instituted under this section to enforce an order or decision by the Commission or the Secretary after a public hearing in accordance with 5 United States Code 554, the Commission's or Secretary's findings, if supported by substantial evidence on the record as a whole, shall be conclusive.

Section 110. Postings of Notices, Orders, and Decisions.

Section 110(a)—requires that at each mine there be a mine office and a bulletin board at such office or at or near a conspicuous place near the mine entrance so that notices, orders, citations, or decisions required to be posted thereon and easily seen, and protected against damage by the weather and unauthorized removal. A copy of any notice, order, citation, or decision required to be given to the operator must be delivered to the mine office and immediately posted on the bulletin board, for not less than 30 days.

Section 110(b)—requires the Secretary to mail a copy of any notice, order, citation or decision given to an operator to the affected miners' representative and to the State official or agency that administers State laws relating to health or safety in the affected mine. Such notice, order, citation, or decision shall be available for public inspection.

Section 110(c)—provides that in order to insure prompt compliance, the Secretary's representative may deliver any notice, order, citation, or decision to the operator's agent who shall immediately take appropriate measures to comply.

Section 110(d)—requires the name and address of each mine and each person who controls or operates such mine to be filed with the Secretary. Each operator must designate an official responsible for health and safety at the mine and that official shall receive copies of any notice, order, citation, or decision affecting that mine. The designation of a health and safety official does not make him subject to any penalty under this Act.

Section 111. Penalties.

Section 111(a)—provides that a civil penalty of up to $10,000 shall be assessed for each violation of this Act or of any standard, rule, order, or regulation promulgated pursuant to this Act.

Section 111(b) provides that an operator who fails to correct a violation cited under section 105(a) within the abatement period (which period shall not end until the entry of a final order by the Commission, in the case of any review proceedings under section 106 initiated by the operator wherein the Commission orders, after an expedited hearing, the suspension of the abatement requirements of the citation after determining that the operator will suffer irreparable loss or damage from the application of those requirements, or until the entry of an order of the court, in the case of any review proceeding under section 107 initiated by the operator wherein the court orders the suspension of the abatement requirements of the citation) may be assessed a maximum civil penalty of $1,000 for each day the violation continues.

Section 111(c) provides that, whenever a corporate operator violates any standard, rule, order, or regulation promulgated pursuant to this Act, or provision of this Act, any director, officer, or agent of such corporation who knowingly authorized, ordered, or carried out such violation shall be subject to the same civil penalties, fines, and imprisonment that may be imposed upon a person under subsections (a), (b), (e), (f), or (g).

Section 111(d) provides that any operator who willfully or with gross negligence violates any provision of this Act, or any rule, order or standard promulgated pursuant to the Act and thereby subjects miners to imminent danger, shall be subject to a civil penalty closure order by the Commission which shall:

(i) order the mine closed for a specified period not to exceed 30 working days;

(ii) provide that the mine not be reopened after such period except upon a subsequent order and finding by the Commission that no unabated safety or health violations exist at such mine (except those for which the abatement period has not expired), and

(iii) provide that during the period of closure the operator shall pay the miners at their regular hourly rates, except miners found by the Commission to have willfully or with gross negligence contributed to the violation which gave rise to the closure order.

Section 111(e) provides that any operator who willfully violates this Act or any standard, rule, order, or regulation promulgated pursuant to this Act shall upon conviction be punished by a fine of not more than $25,000 or imprisonment of not more than 1 year, or both. For any subsequent convictions, punishment shall be a fine of not more than $50,000 or imprisonment for not more than 5 years, or both.

Section 111(f) requires that any person convicted of giving advance notice of any inspection shall be punished by a fine of not more than $1,000 or imprisonment for not more than 6 months, or both.

Section 111(g) provides that whoever knowingly makes false statements, representations, or certifications in any document filed or required to be maintained pursuant to his Act shall, upon conviction, be punished by a fine of not more than $10,000 or by imprisonment for not more than 6 months, or both.

Section 111(h) provides that any operator who violates any of the posting requirements under the Act shall be assessed a civil penalty of up to $10,000 for each violation.

Section 111(i) provides that any miner who willfully violates safety standards related to smoking or the carrying of smoking materials shall be subject to a civil penalty of not more than $250 for each violation assessed by the Commission.

Section 111(j) provides that whoever knowingly distributes, sells, offers for sale, introduces, or delivers in commerce any equipment for use in a mine, which is represented as complying with the provisions of this Act, or with any specification or regulation of the Secretary and which does not so comply, shall upon conviction be punished by a fine or not more than $25,000 or by imprisonment for not more than one year, or both.

Section 111(k) authorizes the Commission to assess all civil penalties and to issue all civil penalty closure orders provided in this Act, giving consideration in assessing civil monetary penalties to (a) the gravity of the violation, (b) the good faith of the person charged, (c) the history of previous violations, and (d) the appropriateness of the penalty with respect to the size of business of any operator being charged, provided that, in proposing civil penalties under this Act, the Secretary may rely upon a summary review of the information available to him and shall not be required to make findings of fact concerning the above factors.

Section 111(l) provides that civil penalties owed under this Act shall be paid to the Secretary for deposit into the U.S. Treasury, and shall accrue to the United States.

Section 111(m)—provides that section 111 shall not apply with respect to Title IV of the Federal Mine Safety and Health Act of 1976.

Section 112. Entitlement of Miners.

Section 112—provides that if a mine or an area of a mine is closed by an order issued under section 104, 105, or 108, all miners working during the shift when the order was issued who are idled by such order shall be entitled to full compensation by the operator at their regular rates of pay for the period they are idled, but not more than for the balance of the shift. If the order is not terminated before the next working shift, all miners on that shift shall be entitled to full compensation by the operator at their regular rates of pay for the period they are idled, but not for more than four hours. If the closure results from an order for failure of the operator to comply with a health or safety standard, all miners idled by the order shall be fully compensated by the operator at their regular rates of pay for such time as they remain idled by the closing or for one week, whichever is lesser. When an operator fails to comply with an order issued under section 104, 105 or 108, all miners employed at the affected mine who would, by such order, be barred from such mine or area thereof shall be entitled, after all interested parties are given an opportunity for an expedited public hearing and after a final order issues, to full compensation at their regular rates of pay, in addition to pay received for work performed after the order was issued, for the period beginning when the order was issued and ending when the order is complied with, vacated, or terminated. The Commission shall have authority to order such compensation under this section when a miner or his representative files a complaint and after an opportunity for a hearing subject to a 5 USC 554.

Section 113. Administrative Provisions.

Section 113(a) authorizes and directs the Secretary to administer this Act through the Mine Safety and Health Administration. Acting through the Assistant Secretary for Mine Safety and Health, the Secretary shall have authority to appoint, subject to civil service laws, such officers and employees as he deems necessary for the administration of this Act, and to prescribe powers, duties, and responsibilities of all officers and employees engaged in administering this Act.

Section 113(b) authorizes the Solicitor of Labor to appear for and represent the Secretary in any civil litigation brought under this Act, except as provided in 28 U.S. Code 518(a) relating to litigation before the Supreme Court.

Section 114. The Federal Mine Safety and Health Review Commission.

Section 114(a) establishes the Federal Mine Safety and Health Review Commission composed of five members, who shall be appointed by the President with the advice and consent of the Senate from among those who are qualified to carry out the functions of the Commission under this Act. The President shall designate one of the members to serve as Chairman of the Commission.

Section 114(b) provides that the terms of the members of the Commission shall be six years, except that the first appointees to the Commission shall be appointed for terms of 2, 4, and 6 years; and that if the term of one of these three members shall become vacant, the successor shall be appointed for the balance of that term only. This section further provides the reasons for which a member of the Commission may be removed, namely, inefficiency, neglect of duty, or malfeasance in office.

The section gives the Chairman the responsibility for the administrative operations of the Commission, and enables the Commission to appoint employees necessary for the performance of its functions, and to fix their compensation under the provisions of 5 U.S.

Code Chapter 51 and Chapter 53, subchapter III. Administrative Law Judges currently assigned to mine safety at the Arlington, Va., office of the Department of the Interior Office of Hearings and Appeals are automatically transferred to the Commission on the effective date of the Act, in grade and position and authorizes the Chief Administrative Law Judge to elect to so transfer. The section further provides that Administrative Law Judges associated with mine health and safety assigned to the Western offices of the Office of Hearings and Appeals shall have the option of transferring to the Department of Labor, under the same conditions, or remain with the Department of the Interior. The Commission is further authorized to appoint such Administrative Law Judges as it deems necessary to carry out the functions of the Commission, and the assignment, removal and compensation of the Administrative Law Judges is to be in accordance with 5 U.S. Code, sections 3105, 3344, 5362, and 7521.

Sec. 114(c) provides that the Commission is authorized to delegate to any group of three of its members, any or all of the Commission's powers. Two members shall constitute a quorum of any such designated group.

Section 114(d)(4)(1) enables an Administrative Law Judge of the Commission to hear and make determination on any proceeding instituted before the Commission and any motion in connection therewith which is assigned to such Administrative Law Judge by the Commission, and requires the Administrative Law Judge to make a report of any such determination which constitutes his final determination. The decision of an Administrative Law Judge shall become the final order of the Commission unless directed to be reviewed within 30 days in accordance with the rules promulgated under the provisions of section 114(d)(2) of this Act.

Section 114(d)(2) directs the Commission to prescribe rules of procedures for its review of the Administrative Law Judges' decisions in cases under this Act which shall meet the following standards for review.

(A) Petitions for Discretionary Review (1) Within 30 days of its issuance, any party may file a petition for discretionary review by the Commission of an administrative judge's decision. Such review is not a matter of right but of the Commission's sound discretion.

(ii) Such petitions shall be filed only upon one or more to the following grounds:

(1) A finding or conclusion of material fact is not supported by substantial evidence.

(2) A necessary legal conclusion is erroneous.

(3) The decision is contrary to law, or to the Commission's promulgated rules and decisions.

(4) A substantial question of law, policy, or discretion is involved.

(5) A prejudicial error was committed in the proceedings.

(iii) Indicates some technical requirements of such petitions. Also, except for good cause shows no assignment of error shall rely on questions of fact or law upon which the administrative law judge has not had opportunity to pass. The Commission's review shall be granted by an affirmative vote of two of the Commissioners present and voting. If granted review shall be limited to questions raised by the petitioner.

(B) Review by the Commission at its own Initiative—Within 30 days after the issuance of a decision of an administrative law judge, the Commission, by affirmative vote of two of the Commissioners present and voting, may review such case but only on the grounds that the decision may be contrary to law or Commission policy or that a novel question of policy has been presented. Such grounds shall be specifically stated in the order to review. If a party's petition for discretionary review has been granted, the Commission shall not raise or consider additional issues in such review proceedings except in compliance with this paragraph.

(C) Scope of Review—For purposes of Commission review under paragraphs (A) and (B) of this subsection, the record shall include (1) all matters constituting the record upon which the decision of the administrative law judge was based, (2) rulings upon proposed findings and conclusions, (3) the decision of the administrative law judge, (4) any petition for discretionary review, responses thereto, and the Commission's order for review, and (5) briefs filed on review. No other material shall be considered by the Commission upon review. The administrative law judge's findings and conclusions of fact shall be set aside only if unsupported by substantial evidence of record. The Commission may remand the case to the administrative law judge or affirm, set aside, or modify his decision or order.

Sec. 114(e)—provides that at hearings before the Commission or its Administrative Law Judges, attendance and testimony of witnesses and the production of book and documents may be compelled. The Commission or Administrative Law Judge may also compel testimony to be taken by deposition. Witnesses are to be paid the same fees and mileage that are paid in U.S. courts.

Upon application to the appropriate district court, such court can require a person to appear, testify or produce evidence as ordered by the Commission or the Administrative Law Judge. Any failure to obey such court order is punishable as contempt.

Section 115. Authorization of Appropriations.

Section 115—authorizes appropriations of any moneys in the Treasury not otherwise appropriated that may be necessary to carry out the provisions of this title.

Section 116(a)—requires each operator to have a safety training program which shall be approved by the Secretary, and requires the Secretary, within 180 days of enactment of this Act, to promulgate regulations dealing with the requirements of such training programs, but which require not less than that:

(1) new underground miners are to receive no less than 40 hours of training, including use of the self-rescuer and respiratory devices, hazard recognition, escapeways, walk around training, emergency procedures, basic ventilation and roof control electrical hazards, first aid, and the health and safety aspects of the particular job to which they will be assigned.

(2) new surface miners to receive no less than 24 hours of training to include self-rescue and other respiratory devices, hazard recognition and emergency procedures, electrical hazards, first aid, walk around training, and safety and health hazards of the job to which they will be assigned;

(3) no less than 8 hours of refresher training annually, except that existing miners are to receive this refresher training within 90 days after approval of the operator's safety training program; and

(4) training for any miner who is being reassigned to a new task in the specific safety and health aspects of that task.

Section 116(b) requires that the training given to miners under this section is to be given during normal working hours, and that miners shall be paid at the normal rate of pay for attending such training, and that if the training is to be given away from the normal work place, miners are to be compensated for the expenses attendant to taking such training.

Section 116(c) requires that upon the completion of each training program the operator shall certify that the miner received that training, and that such certification shall be on a form approved by the Secretary, which form shall conspicuously indicate that false certification of training shall be punishable under section 111(g) and (h) of the Act. The section further requires the operator to maintain at the mine, available for inspection, a copy of this certification, and that the operator shall give a copy of the certificate to each miner upon the completion of the training, and when that miner shall leave the operator's employ.

Section 116(d)—requires the Secretary, within 180 days after enactment, to publish regulations providing that mine rescue teams made up of Federal mine inspectors shall be maintained at each district, subdistrict and field office of the Mine Safety and Health Administration, as practicable.

Section 202. Amendments with Respect to Interim Mandatory Health Standards.

Section 202(a)(1)—makes all mines covered by this Act subject to the interim mandatory health standards of section 201(a) of the Federal Mine Safety and Health Act of 1977.

Section 202(a)(2)—applies to all mines subject to this Act the provisions of section 201(b).

Section 202(b)—applies the dust standard of section 205 to all mines covered by the Act.

Section 202(c)—applies the noise standard of section 206 to all mines subject to this Act.

Section 202(d)(1)—amends Section 202(e) of the Federal Coal Mine Health and Safety Act of 1969 to provide that references to respirable dust shall mean average concentrations of respirable dust measured with a device approved by the Secretary and the Secretary of Health, Education and Welfare.

Section 202(d)(2)—amends Section 318 of the Federal Coal Mine Health and Safety Act of 1969 by striking subsection (k) thereof.

Section 203—Amendments with respect to interim mandatory safety standards for underground coal mines

Section 203—amends Section 301 of the Federal Coal Mine Health and Safety Act of 1969 by striking subsections (c) and (d) thereof.

TITLE III—MISCELLANEOUS PROVISIONS

Section 301. Transfer Matters.

Section 301(a)—transfers the functions of the Secretary of the Interior under the Federal Coal Mine Health and Safety Act of 1969 as amended, except in the safety research function and the Federal Metallic and Nonmetallic Mine Safety Act of 1966 to the Secretary of Labor, except those expressly transferred to the Commission by this Act.

Section 301(b)(1)—provides that the mandatory standards relating to mines issued by the Secretary of the Interior under the Federal Metal and Nonmetallic Mine Safety Act of 1966 and standards and regulations under the Federal Coal Mine Health and Safety Act of 1969 which are in effect on the date of enactment of this Act shall remain in effect as mandatory standards applicable to metallic and nonmetallic mines and coal mines respectively under the Federal Mine Safety and Health Act of 1977.

Section 301(b)(2)—provides that within 60 days after the effective date of the Amendments Act of 1976, the Secretary shall establish an advisory Committee under section 103 which shall review the advisory standards promulgated under the 1966 metal Act, and within 180 days recommend to the Secretary which of these standards or any modifications thereof which does not diminish substantially the health and safety of miners shall be promulgated as permanent standards. The Secretary shall publish the recommendations of the Advisory Committee within 60 days, and afford interested persons a period of 25 days to comment. Within 30 days after the close of the comment period,

the Secretary shall publish in the Federal Register the standard he shall adopt, as modified as a result of the comments, or if he decides not to publish such standard, his explanation therefore.

Section 301(b)(3)—provides that all interpretations, regulations, and instructions of the Secretary of the Interior or the Director of the Bureau of Mines, in effect on the date of enactment of this Act and not inconsistent with any provision of this Act or any amendment made by this Act, shall be published in the Federal Register and shall continue in effect until modified or superseded in accordance with the provisions of this Act.

Section 301(c)(1)—transfers to the Department of Labor or the Commission, as appropriate, all personnel, property, records, obligations, unexpended balances of appropriations, and commitments which are used primarily with respect to any transferred function under section 301(a). The transfer of personnel pursuant to this paragraph shall be without reduction in classification or compensation for one year after such transfer, except that the Secretary shall have full authority to assign personnel during such one-year period in order to efficiently carry out functions transferred to him under this Act.

Section 301(c)(2)—provides that all orders, decisions, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges (A) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this section by any department or agency or any functions of which are transferred by this section and (B) which are in effect when this section takes effect, shall continue in effect according to their term until modified, terminated, superseded, set aside, or repealed by the Secretary, the Commission, any court of competent jurisdiction, or operation of law.

Section 301(c)(3)—provides that the provisions of this section shall not affect any proceedings pending at the time this section takes effect before any department cr agency, functions of which are transferred by this section; except that such proceedings as they relate to transferred functions shall be continued before the Secretary or the Commission. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Secretary, the Commission, a court of competent jurisdiction, or operation of law.

Section 301(c)(4)—provides that the provisions of this section shall not affect suits commenced prior to this section's effective date and in all such suits proceedings shall be had, appeals taken, and judgments rendered, as if this section had not been enacted; except that if before this section's effective date, any department or agency (or officer thereof in his official capacity) is a party to a suit involving functions transferred to the Secretary, then such suit shall be continued by the Secretary. No cause of action, and no suit action, or other proceeding, by or against any department or agency (or officer thereof in his official capacity), functions of which are transferred by this section, shall abate by reason of this section's enactment. Cause of action, suits, actions, or other proceedings may be asserted by or against the United States or the Secretary as appropriate and in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this paragraph.

Section 301(d)—provides that for purposes of this section, the term "function" includes power and duty, and the transfer of a function of an agency or the head of a department shall also be a transfer of all functions which are exercised by any office or officer of such agency or department.

Section 302. Mine Safety and Health Administration.

Section 302(a)—establishes in the Labor Department, a Mine Safety and Health Administration to be headed by an Assistant Secretary of Labor for Mine Safety and Health appointed by the President, with the Senate's advice and consent. The Secretary is authorized and directed to carry out his functions under the Act through the Administration except as otherwise provided.

Section 302(b)—amends 5 United States Code 5315 by adding "[109] Assistant Secretary of Labor for Mine Safety and Health."

Section 302(c)—provides that the Commission shall maintain its principal offices in Washington, D.C., except that it shall be authorized to conduct proceedings elsewhere if in the convenience of the public or party.

Sec. 302(c)(1)—amends 5 USC 5145 by adding "(64) Chairman, Federal Mine Safety and Health Review Commission."

Sec. 302(c)(2)—amends 5 USC 5315 by adding "(108) Members, Federal Mine Safety and Health Review Commission."

Section 303. Amendments with Respect to Mine Safety and Health Administration.

Section 303(a)(1) applies the research provisions of section 501(a) to all mines covered by this Act.

Section 303(a)(2)—further amends Section 501(a) by establishing authority for the Secretaries of the Interior and Health, Education and Welfare to, upon the specific written request of an operator or authorized representative of miners, determine whether any substance or physical agent found in a mine has potentially harmful effects, and to so inform the operators and miners of such findings as soon as possible.

Section 303(a)(3) amends section 501(b) such that research activities relating to mine health will be carried out by the Secretary of Health, Education, and Welfare through the National Institute for Occupational Safety and Health, and that the research activities relating to safety are extended to all mines now covered by this Act, is to be performed by the Secretary of the Interior in coordination with the Secretary.

Section 303(a)(4) extends to all mines covered by this Act the Secretary of Health, Education, and Welfare's authorization under section 501(d) to conduct studies and research involving the protection of life and prevention of diseases relating to certain nonminers who work with or around mine products.

Sec. 303(a)(5)—amends Section 501 by requiring the Secretary to compile accurate statistics on work injuries and illnesses occurring in mines subject to the Federal Mine Safety and Health Act of 1976.

Section 303(b) extends the training and education provisions of section 502 to all mines now covered by the Act.

Section 303(c)(1) amends section 503(a) to authorize the Secretary in coordination with the Secretary of Health, Education, and Welfare, to make grants to any State in which mining takes place.

Section 303(c)(2) applies to the criteria for approval of State grant applications to all mines now covered by this Act.

Section 303(d)(1) expands the exchange of State and Federal inspection reports provided for in section 503(f) to include inspection reports of all mines covered by this Act.

Section 303(d)(2) extends to any mining State the 80 percent limit on State grants in any fiscal year provided for in section 503(g).

Section 303(e)(1) revises the qualifications for mine inspectors under section 505 to include practical experience in mining in lieu of "practical experience in the mining of coal."

Section 303(e)(2)—amends Section 505 by requiring that mine inspectors, to the extent feasible, be qualified with at least 5 years practical mining experience with consideration in assignment given to previous experience in the particular type of mine to be inspected.

Section 303(f) amends section 506(b) such that any State law or regulation providing for health and safety standards applicable to any mine now covered by this Act and that (1) are more stringent than Federal law, or (2) apply to any area not covered by Federal law, shall not be held to be in conflict with this Act.

Section 303(g)(1) amends section 511(a) such that the Secretary's annual report shall cover health and safety relating to all mines now covered by this Act.

Section 303(g)(2) amends section 511(b) such that the annual report of the Secretary of Health, Education, and Welfare shall cover health matters relating to all mines covered by this Act.

Sec. 303(h)—amends Section 502 by adding the following new section:

(c)(1) The National Mine Health and Safety Academy is to be maintained as an agency of the Interior Department. The Academy is responsible for mine safety and health inspectors' training and technical support personnel training. The Academy is authorized to enter into cooperative educational and training agreements.

(c)(2) provides that the Academy shall use the facilities and personnel of the Interior Department and other personnel as mutually agreed upon by the Secretaries of Labor and Interior. Officers and employees of the Academy shall be appointed by the Secretary of Interior.

(c)(3) provides that the Secretary of Interior shall conduct safety research under Section 501 in coordination with the Secretary of Labor. The Secretaries are authorized to enter into contractual or other agreements for the performance of safety related research.

Section 303(i) amends section 7(b)(5) of the Small Business Act such that appropriate loans are available to small business concerns that operate any mine subject to this Act.

Section 304. Savings Provision.

This section provides that nothing in this Act or the amendments made by the Act shall be construed to reduce the number of inspectors enforcing the Federal Coal Mine Health and Safety Act of 1969 and the Federal Metal and Nonmetallic Mine Safety Act of 1966 as in effect prior to the effective date of this Act or to reduce the number of inspectors enforcing the Occupational Safety and Health Act of 1970.

Section 305. Budget Provision.

This section provides that in the preparation of the Budget message required under section 201 of the Budget and Accounting Act of 1921, the President shall set forth as separate appropriation accounts those amounts required for appropriations for mine health and safety pursuant to this Act and for occupational safety and health pursuant to the Occupational Safety and Health Act of 1970.

Section 306. Repealer.

This section repeals the Federal Metal and Nonmetallic Mine Safety Act of 1966.

Section 307. Effective Date.

This section establishes the effective date of this Act and the amendment made by this Act as July 1, 1978 except that the Secretary is authorized to establish rules and regulations necessary for the efficient transfer of functions provided under this Act.

MINE SAFETY: THE TIME FOR ACTION IS NOW!

Mr. CHURCH. Mr. President, the Federal Mine Safety and Health Amendments of 1977 is a carefully reasoned effort to improve our Nation's mine health and safety programs. This legislation is long overdue and I am pleased to join in its introduction.

This measure is very similar to legislation that I cosponsored last year. Unfortunately, that bill, S. 1302, failed to reach a vote by the full Senate due to time considerations.

The time for action is now. As noted in the report accompanying S. 1302—

Every working day of the year, at least one miner is killed and sixty-five miners suffer disabling injuries in our nation's mines.

The extent and frequency of mining mishaps in the United States is appalling. It is all too apparent that existing laws and enforcement programs are inadequate to provide a level of safety for miners that one would expect from an advanced, industrialized nation.

Many of you, I am sure, will recall the disastrous fire at the Sunshine Silver Mine in 1972 when 91 men perished. Numerous disasters have followed to remind us that all too often, health and safety legislation receives national attention only after terrible loss of life. Do we need witness further mine tragedies before we act to rectify the weaknesses in our mine safety laws?

Mining is an extremely important industry in Idaho. It has played a vital part in the development of our State and is the economic foundation of the communities in Shoshone County. The industry accounts for approximately 5 percent of the total wages paid in the State of Idaho.

But as important as this industry is, our first concern must be for the safety of the miners who work a mile or more beneath the surface. Industry scare talk about reduced production cannot change the fact that needless loss of life continues in our Nation's mines. The need for legislative improvements in our mine safety laws is imperative.

Miners still go into the mines without basic safety training; minimal civil penalties for safety violations discourage the capital investment necessary to improve dangerous working conditions; and the Government is without the power to bring continuing violation to a halt.

In May of 1972, I suggested that the transfer of mine safety responsibility from the Department of Interior to the Department of Labor would be in the best interest of vigorous enforcement of health and safety standards. I am pleased that this bill has adopted that approach, recognizing that the enforcement of these laws by the Department of the Interior involves a basic conflict in its missions. On the one hand, Interior is expected to work in close cooperation with the mining industry to maximize production, while on the other, it is called to interrupt production when necessary for mine safety reasons.

Basically, this transfer contemplates a change in philosophy in the enforcement of mine safety laws. In 1975, enforcement of these laws in underground mines, open pit mines, crushed stone operations, sand and gravel operations, and mills resulted in underground mine operations having the lowest violation to closure ratio—lower than any of the other categories. And this, despite the fact that 36 percent of the fatalities in mines and mills for 1975 occurred in underground mines.

The argument that such a transfer would result in the enforcement of mine safety laws by OSHA is spurious. The bill will allow MESA to maintain its independence within the Department of Labor. Under no circumstances will its functions be submitted by OSHA.

The effectiveness of mine safety enforcement has been further compromised by the existence of two separate laws: the Metal and Nonmetallic Mine Safety Act of 1966 and the Coal Mine Health and Safety Act of 1969. This division means duplication of efforts and results in a diminished enforcement capacity.

The Metal Act, in particular, has proved ineffective in protecting miners from health and safety hazards. There are no "teeth" in it—no civil penalties for violations of the Act's standards. These standards are, for the most part, advisory, and the failure to comply with them does not place the operator in violation of the law. Moreover, the enforcement of the mandatory standards has been haphazard, at best.

In 10 years under the Metal Act, the rate of fatalities and serious injuries has improved only 26 and 12 percent, respectively. In contrast, during the 6 years of the Coal Act's existence, the rate of improvement of fatality and serious injury due to mining operations has been 59 and 28 percent respectively, more than twice as great as that under the Metal Act, indicating that our coal miners are getting far better results. Our hard rock miners deserve the same measure of protection as that received by our coal miners.

Despite all the evidence and the many needless deaths, there are those who maintain that the safety provisions in this bill should not encompass metal mines. They argue that such an approach would preclude "flexibility in the formulation and enforcement of standards." Mr. President, such arguments are specious. Nothing in this bill prohibits needed flexibility in standard making. Indeed, the rulemaking process is designed to produce standards tailored to meet specific hazards. Where safety hazards differ, so shall the standards.

The Metal Act is clearly deficient. It does not refer to the protection of the miner's health; it maintains a laborious, and often interminable, standard-making procedure; inspections of underground mines are required only once a year; and penalties are lacking except for the drastic measure of issuing a closure order in cases of imminent danger or failure to abate serious hazards.

One of the most glaring deficiencies is that no standard requiring a comprehensive safety training program exists. If proper training in self-rescue procedures had been provided to the miners at the Sunshine Mine in 1972, many lives might have been saved.

In testimony before the Senate Labor and Public Welfare Committee during hearings on S. 1302, a representative of the American Mining Congress stated that "most accidents are caused by the unsafe acts of men, not the absence of regulation." Yet it was not the miners who failed to provide an alternative escape route at the Sunshine Mine. The miners did not distribute self-rescuers without instruction in their use.

We should have equal protection for all miners. In 1966, the Senate Labor Committee said that the state of safety in the extractive industry was alarming—it remains so today. Unless we act decisively, we risk the lives of those who work our Nation's mines.

I endorse this legislation's concept of combining protection of all mine workers under a single, comprehensive statutory plan. This bill adopts the best features of existing statutes and transfers administration to the Department of Labor's Mine Safety and Health Administration. It is a good bill. It will benefit many. It is a bill that is needed—now.

By Mr. STONE:

S. 718. A bill to amend chapter 19 of title 38, United States Code, to require the Administrator of Veterans' Affairs to provide veterans with certain cost information relating to the conversion of Government-supervised insurance to individual life insurance policies; to the Committee on Veterans' Affairs.

Mr. STONE. Mr. President, today I am introducing a bill to require that cost information be provided to veterans who desire to convert their temporary veterans group life insurance, VGLI, to a permanent commercial life insurance policy.

Unlike veterans from earlier eras, Vietnam veterans have not been offered an opportunity to purchase inexpensive, Government-administered whole life insurance protection. In fact, prior to the enactment of the Veterans' Insurance Act of 1974, Vietnam veterans were offered low-cost servicemen's group life insurance for only 120 days after being discharged from military service. The Veterans' Insurance Act of 1974 provided for the automatic conversion of a servicemen's group life insurance, SGLI, policy to a nonrenewable 5-year policy known as veterans group life insurance, VGLI. This program allows recently discharged veterans to maintain inexpensive, Government-administered insurance for a 5-year readjustment period. Upon the termination of the 5-year policy, the veteran is permitted to convert his VGLI policy to a private commercial life insurance policy offered by a VA-approved commercial life insurance company.

Given the complex and often confusing nature of life insurance policies, veterans wanting to convert to a commercial life insurance policy need more information than they presently receive to select the best insurance policy for their particular needs. Unfortunately, there are no guidelines nor any comparative data published either by the VA or the commercial life insurance industry to assist these veterans in making an intelligent choice as to which company and policy is best suited for their

needs. Without a low-cost Government insurance program or without adequate information to make an informed decision concerning conversion to a private commercial policy, the Vietnam veteran is clearly in a vulnerable position.

In the time I have served as chairman of the Veterans' Affairs Subcommittee on Housing and Insurance, I have received considerable correspondence from the American Legion and other veterans organizations asking me to introduce legislation creating a separate government-administered life insurance program for Vietnam veterans. I must say that as a strong advocate of private enterprise, I am not inclined to push for such a change. I believe that with the full cooperation of the private commercial life insurance companies, we can avoid the necessity of creating a new government program.

However, if we are going to pursue a policy of providing Vietnam veterans with Government-supervised life insurance for only a limited period of time, following which they must convert to a participating commercial life insurance policy, I believe the Government has a firm obligation to provide these veterans with all information necessary to make a rational and prudent conversion.

As chairman of the Veterans' Affairs Subcommittee on Housing and Insurance, I held comprehensive hearings in December 1975 in order to determine the best method of providing cost-benefit information to veterans. The subcommittee considered the merits of various alternative approaches and determined that the interest-adjusted cost disclosure method is best suited to the objectives of determining accurately the policy cost and benefits and presenting this information in an understandable and usable manner. This method takes into account the value of money spent for life insurance over a period of time. The bill I am introducing today reflects the subcommittee's findings and adopts the interest-adjusted cost disclosure method.

The same method was adopted in the model insurance disclosure bill prepared by the National Association of Insurance Commissioners. It is presently required by the laws of Texas, California, Wisconsin, Arkansas, and Pennsylvania. If the Federal Government were to adopt a different system from the trend among State disclosure regulations, the subcommittee learned that it would become too costly for participating insurance companies. This would likely cause a significant number of withdrawals from the conversion program, especially by smaller companies. The VA and insurance company representatives indicated that they are able and willing to provide veterans with a high level of cost disclosure information at the time of conversion using the interest-adjusted method provided by this bill. No withdrawals from the program are expected if this method is adopted.

Specifically, this bill applies to any veteran eligible to convert from veterans group life insurance to a commercially sold life insurance. It directs participating insurance companies to provide certain cost-benefit information in the form of a comprehensible buyer's guide and policy summary to each eligible veteran who purchases insurance in order to assist veterans in converting to an appropriate insurance policy. The bill specifies a method for presenting simple premium costs and benefits for the first 5 policy years and representative durations thereafter. Prior to the time for conversion, the VA Administrator is required to notify eligible veterans of their right to obtain a buyer's guide and a policy summary from any participating insurance company and briefly explain the purpose and importance of each document.

Mr. President, I have introduced this bill because I believe the Government has an obligation to provide our Vietnam veterans with clear, accurate and adequate information about the cost and value of the commercial life insurance they buy when converting from their Government-administered life insurance policy. The method adopted by the bill will provide the cost disclosure information necessary for veterans to make a prudent choice from among commercial life insurance policies.

By Mr. HART:

S. 719. A bill entitled the "Mobile Source Pollution Control Act of 1977"; to the Committee on Environment and Public Works.

MOBILE SOURCE POLLUTION CONTROL ACT OF 1977

Mr. HART. Mr. President, the Senate Environment and Public Works Committee is once again setting out to draft amendments to the 1970 Clean Air Act.

Since the passage of the Clean Air Act 6 years ago, we have indeed learned a great deal about pollution control. It is appropriate for us to draw on that experience to revise existing law and make it a more workable basis for environmental policy.

We should proceed, however, very cautiously when revising existing standards, especially if those revisions are motivated solely by concern for the general state of our economy. Congress has at its command jobs programs, tax rebates, and other economic tools far more powerful than relaxing pollution standards to achieve that goal. It is imperative that we fully exploit those tools rather than endanger the health of the people of this Nation.

I, for one, have come to the conclusion that instead of relaxing current air pollution control standards, we should look very seriously at alternative public policy tools that can create a more workable program without endangering public health. Supplementing or replacing inflexible regulations with economic incentives and disincentives is one approach which I believe should be given serious consideration by Congress.

Today, I am introducing a measure which would apply this approach to automobile pollution control. This measure would provide industry both the time and the flexibility to produce clean cars without abandoning standards needed to protect public health.

Mr. President, the thrust of my proposal is not to abandon automobile pollution standards. On the contrary, I am proposing a program which will supplement our current regulatory scheme, make it more flexible and, by defusing the confrontation politics of hard deadlines, provide us an alternative to relaxing standards which are necessary for the protection of public health.

I plan to offer my proposal during the Senate Public Works Committee's upcoming deliberations on Clean Air Act amendments. My purpose in presenting this proposal to the whole Senate today is to encourage open debate on an option which is a viable solution to the Nation's air pollution problems.

Mr. President, I ask unanimous consent that a summary of the major provisions of my proposal and the text of the bill be printed in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 719

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SECTION 1. Section 202(b)(1)(A) of the Clean Air Act, as amended, is amended by striking "model year 1977" in the first sentence and inserting "model year 1980" in lieu thereof, and by striking "model years 1975 and 1976" in the second sentence and inserting "model years 1975 through 1978" in lieu thereof.

SEC. 2. Section 202(b)(1)(B) of the Clean Air Act, as amended, is amended by striking "model year 1977" in the fourth sentence and inserting "model years 1977 and 1978" in lieu thereof.

SEC. 3. Section 202(b)(2) of the Clean Air Act, as amended, is amended by striking "paragraph (1)" and inserting "paragraphs (1) and (5)" in lieu thereof.

SEC. 4. Section 202(b)(5) of the Clean Air Act, as amended, is amended to read as follows:

"(5)(A) In addition to the requirements of paragraph (1) of this subsection, the regulations under subsection (a) applicable to emissions of hydrocarbons, carbon monoxide, and oxides of nitrogen from light duty vehicles and engines shall contain standards which provide that such emissions shall not exceed the levels specified in the following table for such vehicles and engines manufactured during the appropriate model year:

	In grams per vehicle mile		
Model year	Hydrocarbons	Carbon monoxide	Oxides of nitrogen
1979	0.41	3.4	2.0
1980	0.41	3.4	1.0
1981	0.41	3.4	1.0
1982 and all subsequent model years	0.41	3.4	0.4

"(B)(i) Subject to subparagraph (C) of this paragraph, the Administrator may issue a certificate of conformity with the regulations prescribed under this section, in accordance with section 206 of this Act, for a new motor vehicle or motor vehicle engine which does not attain the standards specified in subparagraph (A) of this paragraph. In any such case, notwithstanding the provi-

sions of section 205, the manufacturer of such motor vehicles or motor vehicle engines shall be subject to a penalty, to be paid for each motor vehicle or motor vehicle engine before such vehicle or engine can be sold, offered for sale, introduced, or delivered for introduction, into commerce, or imported into the United States, as covered by a certificate of conformity issued under this subparagraph and in compliance with section 203(a) of this Act.

"(ii) Such penalty shall be established by the Administrator at the time such certificate is issued, and based upon his determination of the difference between the cost of attaining the standards specified for the appropriate model year in subparagraph (A) of this paragraph and the cost of attaining the standards specified for such model year in subparagraph (C) of this paragraph, plus 50 per centum of such difference. Such penalty shall be established at a rate per vehicle or engine, and the Administrator may reduce such penalty in an amount proportional to any decreases in the levels to which any such vehicle or engine is certified below those required under subparagraph (C) of this paragraph.

"(iii) In the case of any new motor vehicle or motor vehicle engine which is certified at levels below those required under subparagraph (A) of this paragraph, the Administrator is authorized to provide a rebate or incentive payment to the ultimate purchasers of such vehicles or engines. Such rebate or incentive payment shall be established by the Administrator at a rate proportional to the decreases in levels of emissions below those required under subparagraph (C) of this paragraph and on a basis equivalent to the amount per-unit of emissions of the penalty established under clause (ii) of this subparagraph. Such regate or incentive payment may be paid to the manufacturer to be credited against the purchase price of such vehicle or engine or directly to a purchaser of a vehicle or engine. Payments of such rebates or incentive payments shall be paid out of the proceeds of penalties collected under this subparagraph or out of funds appropriated for such purpose.

"(C) Notwithstanding the provisions of subparagraph (B) of this paragraph, and consistent with the requirements of paragraph (1) of this subsection, the regulations under subsection (a) applicable to emissions of hydrocarbons, carbon monoxide, and oxides of nitrogen from light duty vehicles and engines shall contain standards which provide that in no event shall such emissions exceed the levels specified in the following table for such vehicle and engines manufactured during the appropriate model year:

Model year	In grams per vehicle mile		
	Hydrocarbons	Carbon monoxide	Oxides of nitrogen
1979	1.5	15.0	2.0
1980	0.41	3.4	2.0
1981	0.41	3.4	2.0
1982 and all subsequent model years	0.41	3.4	1.0

"(D) A certificate of conformity issued under section 206 in accordance with the provisions of this paragraph, and the particular levels of emissions to which a new motor vehicle or motor vehicle engine is certified under the authority of this paragraph, shall be deemed to be the certificate, and the regulations on which such vehicle or engine is certified to conform, for all purposes under this title."

SEC. 5. Section 210 of the Clean Air Act, as amended, is amended by adding "(a)" after "Sec. 210." and by adding the following subsection:

"(b) The Administrator is authorized to make grants to States and political subdivisions thereof for the purpose of implementing transportation control plans approved or promulgated under section 110 of this Act. The total amount of such grants in any year shall not exceed the amount collected in penalties under section 202(b)(5) of this Act, less the total amount of any rebates or incentive payments made under such provision. There are authorized to be appropriated such sums as may be necessary to carry out this subsection, not to exceed the amount specified in the preceding sentence."

SEC. 6. Section 209(c) of the Clean Air Act as amended is amended by striking the period and adding a comma and the following:

"or to establish penalties in excess of those established under section 202(b)(5).".

SUMMARY OF MAJOR PROVISIONS

1. The 1977 emission standards—1.5 grams per mile for hydrocarbons, 15 grams per mile for carbon monoxide, and 2 grams per mile for nitrogen oxides—would be extended to 1978. All cars would have to meet these standards.

2. The noncompliance penalty option would begin in 1979. With one major modification, an emission standards timetable similar to that pasesd by the Senate last year would be established. The major difference involves restoring, in 1982, the nitrogen oxide standard of .4 grams per mile that was permanently relaxed to 1 gram per mile in S. 3219.

Manufacturers would be encouraged but not required to make and sell cars meeting this schedule of emission standards. Cars which meet these standards would not be subject to any penalty. Manufacturers would be allowed to produce and sell cars with higher levels of pollution subject to a noncompliance penalty calculated (by the EPA Administrator) on the cost of compliance plus 50 percent. To ensure the protection of public health, a maximum noncompliance pollution standard would limit the pollution levels from noncompliance cars.

The following tables show the emission standards and the maximum noncompliance pollution standard and the emission standards adopted by the Senate in S. 3219.

	No charge emission standards			Maximum noncompliance pollution standards			S. 3219		
							HC	CO	NO_x
1978	1.5	15.0	2.0	1.5	15.0	2	1.5	15.0	2
1979	.41	3.4	2.0	1.5	15.0	2	.41	3.4	[1] 2
							.41	3.4	[2] 1
1980	.41	3.4	1.0	.41	3.4	2	.41	3.4	1
1981	.41	3.4	1.0	.41	3.4	2	.41	3.4	1
1982	.41	3.4	.41	.41	3.4	1	.41	3.4	1

[1] For 90 percent of cars sold in United States.
[2] For 10 percent of cars sold in United States.

3. To encourage manufacturers to produce cars which pollute less than the "no charge" emission standards, the Administrator is authorized to provide a rebate or incentive payment to the purchasers of these cars.

4. The EPA Administrator would be authorized to distribute any net revenue generated by the penalty and rebate program to state and local governments for the purpose of implementing transportation control plans.

5. All states are extended the authority to set fines and rebates over and above those established by the EPA Administrator.

Mr. STAFFORD. Mr. President, I commend the Senator from Colorado (Mr. HART) for his initiative in the development of this legislation. I have long felt that our Nation had an opportunity to utilize marketplace mechanisms as a way to accelerate the national drive toward clean air.

That was why I supported strongly the delayed compliance penalty provisions included in last year's Senate bill and which is now S. 252. That provision will assure that foot-dragging will no longer be rewarded with an economic advantage over a competitor. Or stated another way, companies that move forward to meet emission limits and to install necessary control devices will no longer face an economic disadvantage in comparison with a laggard competitor. Another marketplace mechanism that was included in the language of S. 252 and S. 253 requires EPA to propose a system of penalties on emissions of nitrogen oxide from major stationary sources as a way to encourage cleanup.

I am not convinced that I can support this bill in every detail. For instance, I fear the size of the penalty may be too big—150 percent of the cost of compliance—when a rebate system would double that cost differential. That may be too high to offer the real flexibility to the companies and buyers that I would prefer as an interim approach, which this must be, a transitional approach.

Also, I am not certain but that a straight, penalty-rebate approach would not be more effective and fair, without channeling some of these funds into transportation control programs.

Nevertheless, the basic concept is sound. This approach deserves the most careful attention to see if it, or a modified version, should be incorporated into our Clean Air bill for 1977.

I hope that representatives of both industrial and environmental groups will study this approach with great care, in order to give us their views, together with suggestions on how it might be improved.

Mr. DOMENICI. Mr. President, I should like to take several moments to commend Senator HART on both his foresight and leadership in introducing his bill on automobile pollution charges.

The principal value of his proposal is that it offers a possible solution to the political brinkmanship that has characterized relations between the automobile manufacturers and the Congress over the past 6 years. At the heart of this controversy has been a difference of opinion on what technology is available to clean up automobile pollution and how quickly it can be put on the entire fleet of new cars.

This debate is inherently irreconcilable. It is to the automobile industry's advantage to present a pessimistic view of the availability of technology to clean up cars. On the other hand, the Congress, while suspicious of such pessimistic assessments, does not have the expertise to conclusively rebut the manufacturers. Over time, the debate has degenerated into a test of political wills rather than a rational examination of technological options.

Although it may not be the ultimate solution, Senator HART's proposal at least offers the hope of breaking the logjam. Under his proposal, manufacturers are given the choice of two sets of emission standards. The stringent stand-

ard represents congressional optimism. The weaker standard approaches the pessimistic industry view. If the manufacturer chooses to meet the weaker standard, he must pay. If he meets the strict standard, no fee is levied. Proceeds from the charge are rebated to purchasers of clean cars, and to cities experiencing severe air pollution problems.

Not only does Senator HART's proposal offer the prospect of ending the stalemate between Congress and the automobile industry, but it represents a positive advance in terms of regulatory strategies. Presently, most environmental regulation relies on the promulgation of regulations enforced by the judicial system. Despite its successes, such a system has its drawbacks. In a highly industrialized economy that is approaching $2 trillion a year, the ability of even the most enlightened bureaucrats to formulate sound regulations is limited. Instead, regulatory strategies should seek to capitalize on those economic signals that motivate a capitalistic economy. Senator HART's proposal by substituting charges on noncomplying cars for the present statutory prohibition has made a conceptual advance of some magnitude. A charge system offers the prospect of greater compliance, and less bureaucratic meddling.

Hopefully, Senator HART's proposal will prove the harbinger of a new wave of charge strategies in the environmental area. Such charges offer the prospect of more rapid compliance in an economy that understands costs better than regulatory mandates, with less regulatory interference in our personal and economic lives. I should stress, however, that I do not see charges totally supplanting regulatory strategies. Rather, I see a mix of the two emerging over time with each complementing the other.

Having spoken highly of Senator HART's proposal, several caveats are in order. My concerns are twofold. First, I am not sure that all the objections to the proposal have been met. Most of all, I am worried about the complexities of calculating the cost of compliance. This obviously needs further discussion.

My second concern is related to the first. The Senate Committee on Public Works, in order to provide a set of standards to the industry for its 1978 cars, plans to move rapidly in the next several weeks to report a bill. It remains to be seen whether Senator HART's proposal will receive the careful consideration it deserves. But, regardless of possible drawbacks, Senator HART is to be commended for his efforts.

By Mr. HUMPHREY (for himself, Mr. MCGOVERN, Mr. ANDERSON, Mr. PELL, Mr. RANDOLPH, Mr. WILLIAMS, and Mr. RIEGLE):

S. 720. A bill to authorize the Secretary of Agriculture to carry out a program of nutrition information and education as part of food service programs for children conducted under the School Lunch and Child Nutrition Acts; to the Committee on Agriculture, Nutrition, and Forestry.

NATIONAL CHILD NUTRITION INFORMATION AND EDUCATION ACT

Mr. HUMPHREY. Mr. President, last year I introduced the National Child Nutrition Information and Education Act to authorize the Secretary of Agriculture to carry out a program of nutrition information and education as a part of food service programs for children conducted under the School Lunch and Child Nutrition Acts.

Senator MCGOVERN and the late Senator Philip Hart joined me in sponsoring this legislation. Today I am joined by Senator MCGOVERN, ANDERSON, PELL, RANDOLPH, BAYH, WILLIAMS, and RIEGLE.

We have been learning more in recent years about our dietary patterns and their impact on our health. The Select Committee on Nutrition and Human Needs just recently issued a report, "Dietary Goals for the United States," outlining national nutritional goals to improve health and reduce the incidence of various diseases which are diet related.

In my view, we need to utilize this information to develop a sound nutrition education program, and the obvious focal point to attack the problem should be the school system and the education we provide there in the early years.

Under this proposed legislation a system of grants to State educational agencies would be established for the training of food service and educational personnel in the principles of good nutrition and the development of comprehensive nutrition education programs. These comprehensive nutrition programs will utilize the existing school lunch and child nutrition programs as a learning laboratory.

The benefits and savings resulting from a nutrition education program would be of major significance.

Improved nutrition helps learning and the development of the brain;

Improved nutrition increases the capacity for work and raises the productivity and the motivation of workers;

Improved nutrition results in higher resistance to disease and lowers the severity of disease;

Improved nutrition decreases fetal, infant, child, and even maternal mortality; and

Improved nutrition among poor children would lead to a 10- to 30-percent higher mental achievement.

It has been estimated that eliminating malnutrition among 3.3 million poor children alone could produce a $6.3 to $18.8 billion increase in GNP over the lifetime of these children.

President Carter, in the October issue of the School Food Service Journal, said:

> We must incorporate nutrition education into our child nutrition program. It is not enough just to feed our children today. We must educate them for tomorrow.

Congress through successive legislative acts, has made major changes and additions to broaden and improve the effectiveness of the existing child nutrition programs. Over 47 million children are enrolled in school at present, and the lunch program now is available to nearly 90 percent of those children. Despite this record we have not scratched the surface in using it to build an effective nutrition education effort.

When Congress approved the original National School Lunch Act, it stated:

> It is hereby declared to be the policy of Congress, as a matter of national security, to safeguard the health and well-being of the Nation's children. . . .

We need to reiterate the importance of good health and nutrition as they relate to our national security. I should like to remind my colleagues that the original National School Lunch Act was passed by the House and Senate just 31 years ago in February of 1946.

As considered in both Houses, the original bill included a title II which was designed to provide grants to the States for the purpose of nutrition education directly related to the operation of the school lunch program.

The purpose of title II, as explained by Senator Ellender in the floor debate, was to "work out techniques and procedures for making school lunches education" and to "help school principals integrate the school lunch with health instruction, home economics insrtuction, and so forth." Unfortunately, the House did not include title II in its bill, and it was dropped in the House-Senate conference.

The bill I am presenting today follows the same general principles on nutrition education as were incorporated in title II of the original bill on the school lunch program, although this bill is more comprehensive.

Three decades ago, Senators Russell, Ellender, and Aiken, as well as Congressman Flanagan, who sponsored the House bill, felt strongly that the school lunch program would never be a complete nutrition program until the lunch program became an integral part of the educational program. I have always subscribed to that view and, on several occasions, I have sponsored school lunch and child nutrition legislative proposals directed toward this purpose.

In my opinion, the vital need is to bring together in a working, cooperative relationship, the school lunch personnel, who plan menus, purchase, prepare, and serve food to children with the educational personnel who provide the teaching of nutrition principles in the classroom.

In this way, the theory of good nutrition learned in the classroom can be directly related to the learning and practice of good eating habits in the school cafeteria. I believe that the lessons of good nutrition will carry over as children leave school and build their adult lives.

The bill has three major features:

First. Each State Department of Education, with Federal funding, will establish a child nutrition information and education coordinator responsible for developing a State nutrition education program and coordinating existing child nutrition activities of various other State agencies.

Second. Federal funds at the rate of 50 cents for each child in each State

enrolled in schools and nonprofit child care institutions will be available to State educational agencies for the employment of nutrition education specialists and similar personnel, with supporting staff, at the State level. Such specialists would work with local school systems through workshops and other means to bring together food service and education personnel in planning and training session. Under this procedure, each school system would develop its own nutrition information program.

Third. A food and nutrition information and training resources center would be established within the Agricultural Library of the U.S. Department of Agriculture. Such a center would be responsible for assembling, collecting, maintaining, and disseminating food and nutrition materials, including the results of nutrition research, training methods and procedures, and other materials related to the purposes of this act.

I am very hopeful that this bill will receive favorable consideration in the Congress.

This type of program has been carried out successfully on a limited basis by the bureau of nutrition education and school lunch in the Massachusetts State Department of Education. Nutrition specialists assigned to the school lunch program at the State level work part time in the local school districts to bring together school lunch and education personnel to develop a positive program of nutrition education for the students on the same basis as outlined in my bill.

This proposed legislation would cost in the neighborhood of $30 million, and it represents an important forward step in addressing an urgent national need.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 720

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Child Nutrition Information and Education Act of 1977".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that:

(1) The proper nutrition of the Nation's children is a matter of highest priority.

(2) The lack of understanding of the principles of good nutrition and its relationship to health can lead to the child's rejection of certain highly nutritious foods and consequent plate waste in school food service operations.

(3) Many teachers and school food service operators have not had adequate training in the fundamentals of nutrition.

(4) There is a need for a closer relationship and coordination between information on the principles of good nutrition supplied to children in the classroom and the application of these principles in the school cafeteria.

(b) It is the purpose of this Act to encourage the dissemination of sound nutrition information to children participating or eligible to participate in the school lunch and related child nutrition programs by establishing a system of grants of State educational agencies for the training of food service and educational personnel in the principles of good nutrition and development of comprehensive nutrition education programs. Such comprehensive nutrition education programs shall fully utilize as a learning laboratory the existing school lunch and child nutrition programs.

NUTRITION INFORMATION AND TRAINING

SEC. 3. The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate and carry out a program, through a system of grants to State educational agencies, to provide for (1) the nutritional training of food service and educational personnel; and (2) the conduct of nutrition education activities in schools and child care institutions eligible under the School Lunch and Child Nutrition Acts. Such a program is to be coordinated at the national level with other nutrition activities conducted by education and health agencies. In formulating such a program, the Secretary shall solicit the advice and recommendations of the National Advisory Council on Child Nutrition, State and educational agencies, and other interested groups and individuals concerned with improvement of child nutrition.

APPROPRIATIONS AUTHORIZED

SEC. 4. (a) For the fiscal year 1978 and subsequent fiscal years, grants to the States for the conduct of the nutrition education and information program shall be based on a rate of 50 cents for each child enrolled in schools or children in situations within the State: *Provided, however,* That no State shall receive an amount less than $75,000 per annum. Enrollment data so used will be the latest available as certified by the Office of Education of the Department of Health, Education, and Welfare.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

(c) In addition to the moneys otherwise available under this Act, in the case of States which do not administer the school lunch and child nutrition programs in eligible private schools and child care institutions, the Secretary is authorized to withhold funds from such States for the purpose of carrying out the program authorized under this Act. Such withholding shall be based on the number of children attending private schools and child care institutions in such State.

AGREEMENTS WITH STATE AGENCIES

SEC. 5. The Secretary is authorized to enter into agreements, incorporating the express provisions of this Act, with State educational agencies and develop and issue such regulations as are necessary to implement the programs authorized under this Act.

USE OF FUNDS

SEC. 6. (a) The funds made available under section 4 of this Act may be used by State educational agencies for (1) the planning, development, and conduct of nutrition education programs and workshops for food service and educational personnel; (2) coordinating and promoting nutrition information activities in local school districts using as a learning laboratory existing child nutrition programs, including, but not limited to, the national school lunch program; (3) contracting with public and private educational institutions for the conduct of nutrition education programs relating to the purposes of this Act; and (4) related purposes including the preparation and distribution of visual aids and other informational materials.

(b) Such funds may be used by State educational agencies for the employment of nutrition information specialists, and personnel of similar qualifications, including travel and related personnel costs, to carry out the functions of subsection (a) of this section.

(c) An amount not to exceed 15 per centum of each State's grant may be used for overall administrative and supervisory purposes in connection with the program authorized under this Act.

ACCOUNTS, RECORDS, AND REPORTS

SEC. 7. (a) State educational agencies, participating in programs under this Act, shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance under this Act and the regulations thereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines to be necessary.

(b) State educational agencies shall provide periodic reports on expenditures of Federal funds, program participation, program costs, and so forth, in such form as the Secretary may prescribe.

FOOD AND NUTRITION INFORMATION AND EDUCATION RESOURCES CENTER

SEC. 8. (a) There is hereby established within the National Agricultural Library of the United States Department of Agriculture a Food and Nutrition Information and Education Resources Center. Such Center shall be responsible for—

(1) assembling and collecting food and nutrition education materials, including the results of nutrition research, training methods and procedures, and other materials related to the purposes of this Act; and

(2) maintaining such information and materials in a library and providing for this dissemination on a regular basis to State educational agencies and other interested persons.

(b) Not to exceed $1,500,000 from the funds appropriated to carry out this Act shall be used for the purposes of this section.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 9. (a) In carrying out the provisions of this Act, neither the Secretary nor a State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

(b) For purposes of this Act, any term defined in the National School Lunch Act shall have the same meaning when used in this Act.

Mr. WILLIAMS. Mr. President, I am pleased to join in cosponsoring the National Child Nutrition Information Act of 1977, introduced today by the distinguished Senator from Minnesota (Mr. HUMPHREY).

We are a nation that generally considers itself well fed. We certainly grow an abundance of food each year—far more than we can possibly consume ourselves. The average American family in fact throws away more food in one day than many families overseas eat in several days. In addition, our nutritional assistance programs, such as the school lunch program, have done a fine job of making food available to the less fortunate of our society who would otherwise go hungry.

Yet, as scientific and medical experts continually remind us, there is a vast

difference between being well fed and being well nourished. Paradoxically, our people are fortunate to have a wide range of food choices, but too often they choose their food without proper regard for its nutritional value. As a result, a great many diets have become overweighted with foods that offer little more than high calorie content.

The Senate Nutrition Committee recently issued a report entitled "Dietary Goals for the United States," which discusses dietary patterns and their implications. Contained in the report are a number of alarming statistics concerning the makeup of the American diet. Quoting from studies and from testimony before the committee, the report noted for example, that—

Sixty percent of our total calorie intake comes from just two dietary components—fats and sugar.

In the last 70 years, the consumption of refined sugar has climbed 32 percent to over 100 pounds for each man, woman, and child in the United States.

The average American daily ingests double the amount of cholesterol generally recommended by Government agencies and scientific organizations here and abroad.

Such eating patterns have tremendous implications for the health and well-being of our people and our society. In testimony before the Senate Nutrition Committee in the summer of 1976, Dr. D. Mark Hegsted of the Harvard School of Public Health noted that—

> There is a great deal of evidence, and it continues to accumulate, which strongly implicates, and in some instances proves, that the major causes of death and disability in the United States are related to the diet we eat.

He went on to mention such diseases and health problems as heart disease, forms of cancer, hypertension, and diabetes as diet related. Dr. Abraham E. Nizel, professor of Oral Health Services at Tufts University, stated in 1973 that tooth decay "is the most prevalent nutritional disease in the United States today," and it "develops so rapidly that if all the 100,000 dentists in the United States restored decayed teeth day and night, 365 days a year, as many new cavities would have formed at the end of the year as were just restored during the previous year." A poor diet can have special impact on our children, retarding their mental and physical growth, impairing their ability to learn, and reducing their chances of becoming healthy, productive adults.

The economic costs of improper nutrition are also enormous—both in terms of the huge amounts of money spent each year to treat diet-related diseases and health conditions and in terms of the vast productive potential that goes to waste as people fall victim to these diseases and conditions. Of course, we can place no price tag on the amount of human suffering that can result from poor nutrition.

Underlying our crisis in nutritional sufficiency is a crisis in nutritional awareness. Part of the problem may lie in the kind of information to which we are exposed. The largest source of dietary information is the food industry which spent $1.15 billion in 1975 on food advertising. Serious questions have been raised about the educational value of much of this advertising. For example, a study of food advertising on television in the Chicago area, conducted over a 4-week period in 1975, found that of the air time devoted to food advertising, 70 percent of the weekday time and 85 percent of the weekend time, involved the promotion of food that was high-calorie, sugar-laden, and fat-saturated. By contrast, no time at all was devoted to the advertising of fresh vegetables. Of course, the extent to which food advertising is a reflection rather than a cause of people's food tastes and preferences is open to question. As a Washington Post editorial on the subject stated:

> Sweets, junk food, snacks, and fast foods and other low nutrition items are not forcefed to people but presumably are chosen freely.

But whether the cause of our abysmal lack of nutritional awareness is too much of the wrong information, too little of the right information, or a combination of both, it is clear that additional, concerted efforts must be undertaken to bring home to the American people the importance of sound nutrition and a good diet.

Dietary patterns begin to develop early in life, and the logical place to impart a true awareness of the essentials of proper nutrition is in our schools at an early age, and, wherever possible, within the framework of existing child nutrition programs. This concept of early, effective nutrition education as an integral part of a child's total learning experience is one of the central themes of the National Child Nutrition Information Act of 1977.

Recognizing that our existing nutrition education efforts should be enhanced and expanded, the legislation would accomplish this purpose through the establishment of a system of grants to State educational agencies. These grants would be used for the development of comprehensive nutrition education programs in schools and other child care institutions and for the training and employment of qualified personnel to implement these programs. The legislation contemplates that such nutrition education programs would utilize the school lunch program and related child nutrition programs as learning laboratories. An important provision of the legislation assures the States wide latitude in fashioning their own nutrition education programs and in determining the teaching methods and instructional materials to be employed, thus allowing States to tailor their efforts to the special needs of their students.

Under the measure, each State would receive 50 cents for each child enrolled in schools or institutions participating or eligible to participate in the school lunch program and other child nutrition programs. For my own State of New Jersey, nutrition education grants from this legislation could total $750,000 or more.

The cost of this legislation would be about $30 million for the first year. This would be a small expenditure compared to the huge benefits that would be reaped in the form of a more nutritionally educated, and healthier society, whose people are better able to contribute to its progress. Mr. President, this legislation represents an investment in our people and their future, and I am happy to give it my enthusiastic support.

By Mr. THURMOND:

S. 724. A bill to provide for the payment of survivor annuities to widows of certain members of the uniformed services who died before the effective date of the survivor benefit plan; to the Committee on Armed Services.

MILITARY SURVIVOR BENEFIT PLAN

Mr. THURMOND. Mr. President, in the last session of Congress, our former distinguished colleague, Senator Hugh Scott, and I introduced a survivor benefit plan—SBP—for military widows whose husbands passed away before the Congress enacted Public Law 92–425—SBP—in September 1972. It was S. 2108, but this measure was never submitted to the Senate by the Senate Armed Services Committee. I received hundreds of pleading letters from these elderly widows from across the country, many of whom are barely surviving in the minimum income category.

Today, I am reintroducing this measure. It is similar to H.R. 719, which was introduced in the House of Representatives by the Honorable BOB WILSON. It will provide a nominal annuity to widows of certain members of the uniformed services who died before the effective date of the SBP. Although the SBP provided a bare increase for minimum income widows, they were not included to receive any percentage of their husband's retired pay, as provided for future widows. The minimum income category for military widows was first established by Public Law 92–425.

The current SBP creates certain inequities for military career men with more than 20 years service who died prior to the date of enactment, except for a supplemental payment to those widows whose outside income is less than $1,400 a year. Those who fall in this category may apply for supplemental payment in an amount which will bring their income for a single person up to $2,100 a year, or $175 a month. This is below the national poverty level.

There are bills in this session of Congress, including S. 623 which I introduced on February 4, 1977, to increase minimum widow's payments up to $2,340 annually from $2,100. This is still below the poverty level which is a gross injustice to widows whose hardships and contributions to our military service are equal and even greater than those who now, or will in the future, benefit by SBP. Widows of noncommissioned officers who served 20 to 30 years and died before September 1972, are the ones who are suffering the most by this injustice.

Mr. President, at this point, I ask

unanimous consent to have printed certain letters and other background material in the RECORD to help clarify the validity and the objective of my measure. This material will help explain the plight of some of these very elderly citizens whose husbands were officers, although the widows of noncommissioned officers in most cases have been hit the hardest by the inflationary spiral.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEBRUARY 1, 1977.

Senator STROM THURMOND,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR THURMOND: In the ninety-fourth Congress you and Senator Scott very kindly introduced a bill on behalf of the forgotten widows of the Survivor Benefit Plan, namely S. 2108.

The House has scheduled hearings on H.R. 694 on Tuesday, February 8, 1977. This bill reintroduces the amendments left out when the SBP bill was amended last year; namely, the Retired Serviceman's Family Protection Plan cost-of-living raise and the Social Security offset.

It has been suggested to us that if this bill is passed by the House (and they foresee no problem) that when it gets to the Senate, possibly you would suggest combining this S. 2108 with the House bill. In this way the biggest discrepancy of the Survivor Benefit Plan would be overcome. The really needy widows are not covered by either the RFSPP (too expensive) or the Social Security offset (they are too old to work).

I am enclosing two memorandums which I hope you will read and consider; and please call me if I can be of help in securing passage of such legislation to correct these inequities of the Survivor Benefit Plan.

We widows really appreciate all of your help and consideration.

Respectfully,

JEAN ARTHURS.

MEMORANDUM—I

H.R. 719 (formerly H.R. 1166) has been introduced by Rep. Bob Wilson and provides that the widow of an individual who died on or before September 21, 1972 and who would be entitled to retired or retainer pay when he died, would be entitled to 55 per cent of the late husband's retired pay, based on the pay rates in effect at the time the Survivor Benefit Plan was enacted, September 1972.

In its April 1976 report, the Defense Manpower Commission stated: "As a matter of priority, the proposed Federal Commission Board should investigate and recommend remedial legislation for widows of servicemen who receive little or no benefits. The Nation has acknowledged a debt to these widows through enactment of the Survivor Benefit Plan legislation. It is considered unseemly that the lamentable plight of these fine people should continue to be ignored."

The Survivor Benefit plan provides that the widow of a serviceman who died on active duty, but was eligible for retirement at the time of death, is entitled to benefits under the Survivor Benefit Plan despite the fact that the active duty serviceman had taken no reductions in pay to provide such coverage, as this action is usually taken at time of retirement. This provision takes care of the current widows, but it is discriminatory against the widow who lost her husband before September 21, 1972. No war started on that date—'died on active duty' certainly did not start on that date—but there are many widows, mainly in the older age bracket, who are destitute today because of this discrimination. What is fair for post-21 September 72 widows is fair for pre-21 September 72 widows.

The Defense Department has estimated that there are 24,500 pre-Survivor Benefit Plan widows, and this would be a diminishing number as actuary figures show that most of these widows are in the older age bracket, and the trauma of their lonely life-style tends to shorten their lifespan.

The Survivor Benefit Plan is designed to have a surplus of $1 billion by 1982 and $2 billion by the year 2000. An indication of the sufficiency of the surplus can be found in the fact that Congress has authorized borrowing substantial amounts from it for use in other areas.

If the Survivor Benefit plan is augmented with this H.R. 719 bill, it would correct the inadequacies in many areas now requiring the constant attention of Congress, and would stop the "nickel and diming."

Precedent is not a factor here when you consider the Social Security, the Civil Service Plans, the Vietnamese Integration, the old Contingency Option Act, the DIC program, and many other current programs.

MEMORANDUM—II

A quote from the Washington Post on January 23rd, 1977:

"The war was over long ago and mainly forgotten when the new president issued his pardon proclamation for those who refused to serve in it. It is this loss of memory which seems to rankle the veterans from Vietnam, not the pardon, not the old arguments of whether the war was right or wrong. What aggravates the old scars is this strange notion that they are the only souls around in this great nation with anything left of the war inside them."

"The purpose of their words is not to reopen the old political arguments, the old wounds, but to make a simpler statement: it is a terrible thing, even obscene, that other Americans should forget so easily when something more needs to be done, the problem is nobody has yet figured out how to say to all these veterans the healing words they need to hear."

Certain scars from the war probably lie beyond the healing power of a presidential proclamation, but one that does bear full and fair consideration is the Defense Manpower Commission Report of April 1976 in which it stated: "As a matter of priority, the proposed Federal Commission Board should investigate and recommend remedial legislation for widows of servicemen who receive little or no benefits. The Nation has acknowledged a debt to these widows through enactment of the Survivor Benefit Plan legislation. It is considered unseemly that the lamentable plight of these fine people should continue to be ignored."

It is unseemly that the Survivor Benefit Plan which covers widows of career servicemen who died on active duty is not a completed bill. It covers only these widows who lost their husbands on or after 21 September 1972. How about the widows whose husbands made the supreme sacrifice before that date? The widows of the Thresher, the widows of the lost astronauts, the widows whose husbands served in two and three wars and are destitute today. The Vietnam War did not start on September 21, 1972.

The Defense Department has estimated that there are 24,500 Pre-Survivor Benefit Plan widows; and this is a diminishing number as actuary figures show that most of these widows are in the older age bracket, and the trauma of their lonely life-style tends to shorten their life span.

Survivor Benefit Plan is designed to have a surplus of $1 billion by 1982 and $2 billion by the year 2000. An indication of the sufficiency of the surplus can be found in the fact that Congress has authorized borrowing substantial amounts for use in other areas.

A PLEA FOR AGED RETIREE MILITARY WIDOWS WHOSE HUSBANDS SERVED THROUGH BOTH WORLD WARS

1. Whereas we have never received a pension for the services of our husbands if we have a private income of even poverty levels;

2. Whereas there was neither Social Security nor a Family Protection Plan when they served, private provision for which we are now penalized was the only means of economic protection for their widows;

3. Whereas those provisions, life insurance for the most part, were based upon the economy of the twenties and are no longer adequate in our present economy;

4. Whereas we were forced to lower our standard of living after the death of our husbands we are unable to lower it further;

5. Whereas there is no "Means Test" in Civil Service Survivor benefits;

6. Whereas we are in our seventies and eighties and unable to increase our diminishing private incomes to meet our increasing needs and the demands of the present economy;

7. Whereas ours is a long ignored earned right;

8. Whereas an imputed deduction for retirement was contributed by our husbands for many years in both active and retired status according to the positive statement of Congressman Pike, Chairman of the Subcommittee on Survivor Benefits as made in the inquiry into Survivor Benefits Hearings in the 91st Congress, and estimated in the House computation charts in the Uniformed Services Pay Act of 1965;

9. Whereas Social Security sends a check each month to all pensionless citizens over 72 years of age with no "Means Test" requirement;

10. Whereas length of service and rank are the factors in active retired and survivor benefits computation for government employees we are denied that and treated as a conglomerate in PL 92-425 in violation of our constitutional rights;

11. Whereas discrimination against the aged is inhumane and unworthy of our government;

12. Whereas I am eighty-five years of age, my husband served thirty years in the Army beginning on the Mexican Border in 1916, I have never received a pension for his service, I and others in a similar category have a just claim for correction of this inequity, and earnestly request your attention to its correction by prompt and fair means.

LOUISE PADGETT.

THE CASE OF THE WIDOW OF REAR ADMIRAL CLIFTON

Rear Admiral Joe Clifton was 59 years old at his death, Christmas Eve 1967. He had given his entire adult life to the Navy—33 active years in the Navy Air and 4 years at the Naval Academy. His was Class of 1930. Since 1955, he had been urged to retire and join Litton Industries by one Joe Thomas of Lehman Brothers, New York City and Tex Thornton, Litton. They needed him in their defense division of Litton to open doors in the Pentagon. He was promised much that did not materialize. When he finally retired from the Navy June 30, 1963, he was with Litton only 4 years before his death, not long enough for a pension.

His retirement salary when the Survivors Benefit Program was enacted September 21, 1972 would have been $2,050 a month. The SBP Bill was not made retroactive and Joe was not alive to sign up for it in 1972. As his widow, I only receive $467 from the Veteran's Administration monthly and $138.80 from his social security making $605.80 monthly.

The SBP calls for 55% of the retired pay. Therefore, the annuity of $521.70 would make up the 55% of $1,127.50 to which I should be entitled. I do not receive this annuity.

In October 1954, he had taken out the Contingency Option Plan, later renamed the Retired Serviceman's Family Protection Plan. However, he had to drop it in October 1959 because it was too expensive. Only 15% of the military took it out because of this. Following is an excerpt from a letter from Lieutenant Howard E. Holcomb:

"It should be noted that the Retired Serviceman's Survivor Protection Plan was frequently not explained at all or not adequately explained to personnel who retired in the early '60's. One of my responsibilities as a Senior Petty Officer during these years was to inform and counsel personnel on the positive and negative aspects of RSSPP. I had enough first hand experience to know that many men who were retiring or contemplating retirement did not understand the plan adequately. A requirement existed wherein these individuals had to apply for the "benefits" a minimum of 2 years before their actual retirement date."

To this day much of the military are not kept properly informed as to their rights and benefits. Please note, because only 30.7% of all the services elected participation in the Survivors Benefit Program, Congress extended the date to March 20, 1974 for Pre 21, September 1972 retirees to sign for it.

As a military widow, I severely suffer from the increased cost of living and the decreased availability of health care by Navy doctors at a Navy Hospital or dispensary. I must drive 117 miles round trip to Port Hueneme to the doctors and commissary. I can only see a doctor once every three months! Yet, the services are deluged with civilian doctors at this point who want to become part of the service because of the malpractice problem they are having in civilian life. Medical prescriptions are nearly impossible to obtain. One must return the next day if they are out of stock of the prescription. They will not mail any medicines even at one's own expense. Of course, the law does not permit narcotics or antihistamines to be mailed. The above is very time consuming and costly to me because my car is a 1967 year and must use premium gas! In 1974, because of this very poor service, I spent, out of pocket, over $800 for civilian doctors and medicines. So far this year, 1975, it will be even larger because of a prolonged illness.

Neither the commissaries at this time nor the medical care can possibly be termed fringe benefits under these circumstances.

EXCERPTS

Excerpts from a letter from Mrs. Teresa Alexander, the Founder and first President of the Society of Military widows—a growing, countrywide society for all military widows—to Mrs. Joe Clifton:

"To recapitulate the current status of our Bills in the 93rd Congress which seek to correct what we term gross inequities because the laws administered by the Veterans Administration for widows of military careermen and widows of military men who died in the performance of their assigned duty are discriminatory and, in fact, contrary to the equal justice provision of the 14th Amendment in the U.S. Constitution. In the case of military survivors, the discrimination is based on the husbands' choice of profession. This is just as wrong as discrimination based on race, creed, or national origin!

We maintain that military personnel are paid and administered by the same U.S. Government that pays and administers federal civil service personnel. Further, that military personnel are—in every sense of the word—federal employees and, for this reason, the laws that Congress enacts for federal civil service personnel should serve as criteria for laws that Congress enacts for federal military personnel. This has not been the case and the cover-up has been that military personnel receive more fringe benefits than federal civil service personnel! However, the reverse is true because:

1. Based on prerequisites and responsibilities, military pay is much lower than pay in federal civil service.

2. Civil service personnel have a funded and vested retirement system. Military personnel have an "imputed" retirement program that is unfunded.

3. Civil service personnel have tenure rights until age 70 and are never caused to retire due to age in grade. Retirement is optional until they reach mandatory retirement age. In military service career members are retired for age-in-grade when they are in their mid-40's!

4. In the civil service retirement system vesting begins at 5 years of satisfactory service. In military service vesting begins at 20 years of satisfactory service. Civil Service personnel can withdraw their retirement contributions (7 percent of pay) if they leave federal service before they are eligible for retirement. Military personnel have no withdrawal rights because their 7 percent of salary retirement contributions are "imputed" from any appropriations to meet retirement obligations!

5. Survivor annuity benefits have been available to career civil service personnel since 1948. For military personnel Survivor annuity benefits were not available until 1953 and the cost was three times higher than the cost of the Survivor Protection Program under the civil service retirement system. In view of this high cost, only 15 percent of the military retirees could afford the coverage under the Contingency Option Act, later renamed Retired Serviceman's Family Protection Plan. Under the new military Survivor Benefit Plan, enacted in September 1972, the cost of the premiums is based on the same formula as the formula in the civil service retirement system, but due to early age-in-grade retirements in military service premiums are paid over a greater length of time and survivor benefits are computed on lesser years of service.

Because the new Survivor Benefit Plan makes no provision for the widows of military careermen who died before it became law, except for a supplemental payment to those widows whose outside income is LESS than $1,400 a year, widows in this group may apply for the supplemental payment in an amount to bring their income up to the national poverty level for a single person, namely, $2,100 a year ($176 a month) we have asked Rep. Bob Wilson to introduce H.R. 8610, H.R. 14146, and H.R. 15271 to provide equal survivor benefits for widows of careermen who died before the enactment of the new Survivor Benefit Plan.

The enactment of these bills is necessary because the laws Congress passed for military personnel are inequitable with those it passed for civil service personnel. The premium for survivor protection under the military program was so high that the average retiree could not afford to participate on the one hand; and on the other hand the VA pension for widows is so low that the widow must seek gainful employment to maintain her accustomed living standard. Due to the maximum income limitation of $2,600 for a widow alone and $3,800 for a widow with dependents the pension the law allows based on income is lost whenever the widow earns $50 a week or more if she does not have children, or $74 a week if she has children. Therefore, after 20 to 40 years of service in the armed forces, survivor benefits do not exist on a collectable basis. What one law provides, another takes away!

The 93rd Congress passed an amendment to the Federal Employees Compensation Act which provides 50 percent of the husband's full salary to the widow, and up to 75 percent of full salary if she has two or more children, this if the death of the husband resulted from the performance of assigned duties. Military personnel are excluded from this Act and survivor benefits under the VA's service-connected death program (regardless of cause) are much less than the compensation under FECA. Under FECA the survivor benefits range from a minimum of $249 a month to a maximum of $1,800 a month. Under Dependency and Indemnity Compensation the military survivor benefits range from a minimum of $215 a month to a maximum of $549 a month. Social Security survivor payments do not make up the difference.

The existing discriminations between military and civil service careers in every respect from salary, tenure, retirement, and survivor benefits, are an infringement to the military family's equal rights guaranteed under the 14th Amendment to our Constitution. As a result there are thousands of widows of military careermen who fought in two or three wars that are not now and never have received a dime under the inequitable and unjust laws administered by the Veterans' Administration. On the one hand, premiums under the old Retired Servicemen's Family Protection Plan were too high to be affordable; on the other hand, the VA pension and monetary restrictions are so low that most of the careermen's widows can not qualify. Whether a serviceman served 90 days during a war, or 35 years in two or three wars, the same pension eligibility law and pension formula applies if death occurred after retirement of a non-service connected cause. Military retirees who died after the new Survivor Benefit Plan became law were given a second chance to sign up for family protection at rates they could afford. By contrast, widows whose husbands died before SBP was law are unjustly penalized due to discriminatory laws for members of the armed forces.

In your particular case, the difference between your DIC for a death occurring before September 1972 and the benefits for a widow of a military retiree in Pay Grade 0–8 with 33 years of active service, *but* whose death occurred since September 1972 and had he had an opportunity to sign up for survivor protection under the new SBP program is as follows:

Pay Grade 0–8 retirement pay in 1972—$2,050.00 a month.

SBP Widow's Annuity (55% of retired Pay)—$1,127.50 a month.

From this $1,127.50 a month which the widow receives is deducted the $467 DIC and the social security survivor payments based on the husband's military service. If the widow's Social Security survivor payments are $138.80 a month, this makes the total for DIC and social security $605.80 a month. Therefore, the widow's income would be:

DIC from the Veterans Administration	$467.00
Social Security Survivor Payments	138.80
SBP Widow's Annuity after DIC & SS Offset	521.70
Widow's total monthly income under SBP	1,127.50

From the above you will note that the 55 percent of retired pay is maintained for the widow—if the husband subscribed for survivor protection at the full amount available under the SBP program—but it will come from three sources.

For widows like yourself—the $521.70 a

month Survivor Benefit Program payment represents the inequity because the new survivor law was *not retroactive* to include those widows whose husbands died *before* the new law was enacted, and whose husbands could not afford the premium charged under the old Retired Serviceman's Family Protection Plan program.

Many widows whose husbands were Flag Rank with 33 years of active service are not receiving DIC because the VA rules their husband's death was not service connected. If they are eligible for $150 a month social security survivor payments, the VA counts $135 of it (90%) as included income. If in addition to SS the widow has an income of $100 a month from savings or investments, making her total income $250 a month, she cannot receive a VA pension because her total annual income is more than $2,600 a year . . . the minimum allowed for a widow without dependents. After 33 years of active military service—in two or three wars—who can say that a careerman's death was NOT service connected since he had to be in top health to be acceptable and to remain in the service? This 'test' may be all right for a man that put in 90 days or even five years, and then died at age 65 when most of his life was *outside* military service. The 'test' is *not* all right for a man who spent most of his life in military service. As in the case of your husband, Rear Admiral Clifton, Naval Air, who died at age 59 and gave 33 adult years of active service and 4 Naval Academy years totaling 37 years of his entire adult life. After contributing 7 percent of his pay to an unfunded "imputed" retirement system, it would appear to me that this widow should be entitled to a little better than nothing—which is exactly what most of them are getting, *nothing*!"

Mr. THURMOND. Mr. President, my bill will help correct inequities and injustices for about 24,500 proud and elderly widows who made many sacrifices for our country. Although costs for this measure, which I am introducing today are not available, it is not expected to be excessive. It should be pointed out that most of these 24,500 widows are elderly; consequently the costs will decline, rather than increase, in future years. It is my hope that my colleagues will act favorably and quickly on this vital measure.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 724

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, any individual who on or before September 21, 1972, was a widow of a person who (1) was entitled at the time of his death to retired or retainer pay because of service in the uniformed services, and (2) had served on active duty in the uniformed services for a period of not less than twenty years, shall be paid an annuity by the Secretary concerned in the amount prescribed in subsection (b) unless such widow is eligible to receive an annuity under subchapter II of chapter 73 of title 10, United States Code.

(b) The amount of the annuity paid to any widow under this Act shall be an amount equal to 55 per centum of the amount of the retired or retainer pay to which her spouse would have been entitled to receive on September 20, 1972, had he lived to that date, reduced by any amount such widow is entitled to receive as an annuity under subchapter I of chapter 73 of title 10, United States Code, death compensation under subchapter III of chapter 11 of title 38, United States Code (or under any prior corresponding provision of law), dependency and indemnity compensation under section 411(a) of such title 38, or pension under subchapter III of chapter 15 of such title 38 or under section 9(b) of the Veterans' Pension Act of 1959.

(c) In no case shall the total amount of benefits payable to any widow as a result of the enactment of this Act be less than the total amount of benefits which would have been payable to such widow had this Act not been enacted.

(d) As used in this Act the term "uniformed services" has the same meaning ascribed to it in section 1072(1) of title 10, United States Code.

(e) No benefits shall be paid to any person for any period prior to the effective date of this Act.

(f) This Act shall become effective on the first day of the second calendar month following the month in which it is enacted.

By Mr. RANDOLPH (for himself, Mr. WILLIAMS, Mr. STAFFORD, Mr. JAVITS, Mr. KENNEDY, Mr. PELL, Mr. SCHWEIKER, Mr. MAGNUSON, Mr. HUMPHREY, and Mr. DURKIN):

S. 725. A bill to extend certain programs under the Education of the Handicapped Act; to the Committee on Human Resources.

EXTENSION OF THE EDUCATION OF THE HANDICAPPED ACT

Mr. RANDOLPH. Mr. President, I am today introducing a bill to extend the Education of the Handicapped Act, Public Law 91–230. Since 1970 this act has had positive impact on the lives of our Nation's handicapped children as well as proving to be economically beneficial, not only to those handicapped children who are, because of improved educational practices, able to contribute to their own and our Nation's fiscal well-being in their adulthood, but also to our society, which is just beginning to reap the fruits of a heretofore largely neglected talent pool.

This bill, which I, Mr. WILLIAMS, Mr. STAFFORD, Mr. JAVITS, Mr. KENNEDY, Mr. PELL, Mr. SCHWEIKER, Mr. MAGNUSON, Mr. DURKIN, and Mr. HUMPHREY introduce today, is basically an extension of the existing act, exclusive of part B—the State grant program, through 1982. As you know, part B of the Education of the Handicapped Act was extended and amended first by Public Law 93–380 and then by the Education for All Handicapped Children Act of 1975, Public Law 94–142. The bill does not affect those changes made to the Education of the Handicapped Act by Public Law 94–142 or Public Law 93–380.

Rather, this extension continues the discretionary Federal legislation aimed at assisting the States in carrying out their responsibilities to provide a free appropriate public education to all handicapped children. In addition, it also continues the Bureau of Education for the Handicapped, the administrative unit in the Office of Education responsible through the Commissioner for implementing mandated programs for handicapped children and for providing national leadership in this critical area.

This extension will provide the resources needed to build the necessary capacity to serve this Nation's 8 million handicapped children. The Federal support provided under the authority of parts C, D, E, and F of the Education of the Handicapped Act impacts positively on handicapped children, particularly deaf-blind children, very young handicapped children, and severely handicapped children. The supportive services provided by the regional resource centers, the development of new and innovative educational techniques and devices, the growth of manpower potential, and the unique benefits of the regional vocation, adult, and postsecondary programs, are vitally important as we work together to meet our commitment to provide a free appropriate public education to all handicapped children.

As mandated by Public Law 94–142, all handicapped children must have available by September 1, 1980, a free appropriate public education. The discretionary programs and resources provided by this extension will assist our Nation to meet its commitment to handicapped children.

These programs of Federal assistance for the education of handicapped children have served our Nation well.

The States estimate that there are 8 million handicapped children, 1 million of whom are of preschool age, who are so severely handicapped as to require special education programs. Our major Federal legislative effort has been to assist the States in providing such programs to enable them to provide each handicapped child with his rightful opportunity to a free appropriate public education. We have done much; yet much more remains to be done.

Reports from State education agencies indicate that special education programing is growing. In the past 10 years, the number of children in educational programs has grown from 2.1 million to over 4.3 million. Despite this positive growth, educational services are still reaching only a little more than half of the estimated 8 million handicapped children.

Without the availability of Federal support, the most cruelly handicapped, the 5,000 deaf-blind children born in our Nation as a result of the 1964–65 rubella epidemic would have had little hope of receiving the comprehensive educational and related services they require. However, with the coordinated use of Federal, State, local, and private resources, more than 4,200 deaf-blind children will receive the diagnostic, prescriptive, and full-time services they need to equip themselves to live productive and independent lives. The goal of serving all of these most severely handicapped children is drawing within reach.

Federal legislation has resulted in the development of many model programs to educate young handicapped children. Since 1968, when the Handicapped Children's Early Education Act, part C, was created, more than 250 models serving thousands of handicapped children and their parents have been established. The wisdom of the law in requiring that these early education projects function to

stimulate States to use their own resources is clearly evident in the growth of the number of these projects over the last few years. Over the last 4 years, the number of these projects has more than tripled. The strategy behind this law has been to build the capacity of State, local, and private nonprofit educational organizations to establish and expand programs that use the best of tested special education practices. It was only several years ago that a mere 15 States had legislation for preschool handicapped children's education.

During the past 5 years, there has been a significant increase in the number of States making available early education programs for these children. At present, 48 States have legal authority to provide educational programs to children 5 years old or younger. Perhaps the true success of this early education program can be measured best by assessing the impact that services to these young handicapped children can have on their educational development. Since these model projects emphasize the placement of the handicapped child in the least restrictive environment as well as utilizing the best of educational practices, thousands of handicapped children have been able to enter regular classrooms and have successful educational experiences.

Another program that continues to demonstrate effective educational and training programs and the long-term benefits of providing services is that for severely handicapped children, now designated as a priority population under Public Law 94–142. States and local governments will be able to meet their mandate under Public Law 94–142 by replicating and adapting practices developed through this program.

Activities under the regional resources center program include development of child appraisal and exemplary education programing practices to meet special educational needs of handicapped children. Another vitally important program is that concerning the development of new curricular materials and technological advancements such as the Kurzwell reading machine for blind persons. Under the media services and captioned films program, specialized educational media and materials are developed to be used by handicapped children. Also, deaf and hearing impaired students will be able to benefit educationally from captioned films and other communication and technological developments.

Perhaps one of the most important programs authorized by the Education of the Handicapped Act is that concerned with training personnel for the education of the handicapped. Sufficient manpower is absolutely essential if the Nation is to meet the mandate of providing a free appropriate public education to all handicapped children aged 3 to 21 by September 1, 1980. There are now about 400 colleges and universities offering the necessary training; more than 300 of them are receiving Federal support. There are an estimated 300,000 special education teachers employed at this time. It is estimated that double that number of special and regular educators, plus an expanded supply of administrators, speech correctionists, paraprofessionals and other special services personnel, such as specialists in physical education and music therapy, will be needed if the Nation is to honor its commitment to 8 million handicapped children by 1980.

The regional vocational and adult programs offer special postsecondary support services for handicapped persons so that they may adapt to and benefit from existing vocational, adult, career and academic programs.

These programs enable our schools across the Nation to fulfill their responsibility to educate handicapped children—to equip these children to live as productive and independent lives as possible. While special education programs may cost more than education programs for nonhandicapped children, the cost to society for failing to provide appropriate educational services is greater. Loss of human potential is always a debit mark; the higher cost of dependency oriented care is yet another debit.

As I have said before, this bill essentially extends existing programs authorized by the Education of the Handicapped Act through fiscal year 1982. Section 604 of part A, however, is not included in this extension.

Section 604 concerns the National Advisory Committee on Handicapped Children. At the time the National Advisory Committee was established, the Bureau of Education for the Handicapped was a new administrative unit, and the Congress felt that the Bureau needed the expertise of a National Advisory Council. However, the Bureau of Education for the Handicapped is now in its 10th year, and we have had reassurance from the administration that the compelling need for an Advisory Committee no longer exists. It is also clear that the funds for the National Advisory Committee could be more effectively used in providing education services to handicapped children or the purchase of consultant services when needed. I am pleased that this is in keeping with President Carter's recommendation to the new Cabinet members that those advisory committees which have served their purpose should be eliminated.

A review of the history of this legislation will confirm that part G, Special Programs for Children with Specific Learning Disabilities, was originally intended to terminate after 3 years from its date of enactment—April 13, 1970. At the time of its enactment, part G was viewed as a vehicle for generating funding to meet an immediate need for services to children with specific learning disabilities. Then the definition of handicapped children did not include children with specific learning disabilities. However, on November 29, 1975 the Education for All Handicapped Children Act, Public Law 94–142, was enacted and does include as part of the definition of handicapped children "children with specific learning disabilities." Children with specific learning disabilities may therefore be served under the State grant program, part B, of the Education of the Handicapped Act. When the Education of the Handicapped Act was extended in 1974, part G was included in the extension since, at that time, specific learning disabled children were not included in the definition of handicapped children. Now these handicapped children are so included, and the need for a separate authority to meet their needs no longer exists.

As chairman of the Subcommittee on the Handicapped, I am committed to the needs of our handicapped children. The dollars that are spent providing educational services to these children are indeed a wise investment. They convert dependence to independence and futility to productivity.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 725

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education of the Handicapped Amendments of 1977".

CENTERS AND SERVICES

SEC. 2. Section 627 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 627. There are authorized to be appropriated to carry out the provisions of section 621, $19,000,000 for the fiscal year 1977 and for each of the two succeeding fiscal years, $21,000,000 for fiscal year 1980, $24,000,000 for fiscal year 1981, and $25,000,000 for fiscal year 1982. There are authorized to be appropriated to carry out the provisions of section 622, $20,000,000 for the fiscal year 1977, $22,000,000 for fiscal year 1978, $24,000,000 for fiscal year 1979, $26,000,000 for fiscal year 1980, $29,000,000 for fiscal year 1981, and $32,000,000 for fiscal year 1982. There are authorized to be appropriated to carry out the provisions of section 623, $38,000,000 for the fiscal year 1977, $25,000,000 for fiscal year 1978, and for each of the two succeeding fiscal years, $20,000,000 for fiscal year 1981 and for the succeeding fiscal year. There are authorized to be appropriated to carry out the provisions of section 625, $8,000,000 for the fiscal year 1977, $10,000,000 for the fiscal year 1978, $12,000,000 for the fiscal year 1979, $14,000,000 for the fiscal year 1980, and $16,000,000 for the fiscal year 1981 and for the succeeding fiscal year.".

PERSONNEL TRAINING

SEC. 3. Section 636 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 636. There are authorized to be appropriated for carrying out the provisions of this part (other than section 633) $54,000,000 for the fiscal year 1977, $75,000,000 for the fiscal year 1978, $80,000,000 for the fiscal year 1979, $85,000,000 for the fiscal year 1980, $90,000,000 for the fiscal year 1981, and $95,000,000 for the fiscal year 1982. There are authorized to be appropriated to carry out the provisions of section 633, $1,000,000 for the fiscal year 1977, $2,000,000 for the fiscal year 1978 and the succeeding fiscal year, and $2,500,000 for the fiscal year 1980 and each of the two succeeding fiscal years.".

RESEARCH

SEC. 4. Section 644 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 644. For the purposes of carrying out this part, there are authorized to be appropriated $20,000,000 for the fiscal year 1977 and the succeeding fiscal year, $22,000,000 for the fiscal year 1979, $24,000,000 for the fiscal year 1980, $26,000,000 for the fiscal year 1981, and $28,000,000 for the fiscal year 1982.".

INSTRUCTIONAL MEDIA

SEC. 5. Section 654 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 654. For the purpose of carrying out this part there are authorized to be appropriated not to exceed $22,000,000 for the fiscal year 1977, $24,000,000 for the fiscal year 1978, $25,000,000 for the fiscal year 1979, $27,000,000 for the fiscal year 1980, $29,000,000 for the fiscal year 1981 and for each succeeding fiscal year thereafter.".

By Mr. WILLIAMS:

S. 726. A bill to establish a program of Federal assistance to provide relief from energy emergencies and energy crises; to the Committee on Energy and Natural Resources.

ENERGY CRISIS RELIEF ACT

Mr. WILLIAMS. Mr. President, I was very pleased to see the overwhelming support in Congress for the President's emergency measure to alleviate the shortage of natural gas threatening many areas of our Nation. That legislation can be a significant factor in easing the threatened loss of residential heating supplies and close of schools and factories in the seriously affected portions of the Nation. Already, the individual efforts of consumers to conserve have reduced the shortage significantly.

This Nation has been delayed for too long in developing a comprehensive national energy policy. We desperately need more intensive exploration, rapid development of alternative sources of supply, and stringent energy conservation measures. However, regardless of how ambitious our national energy policy is, a perilous situation will still be confronting our Nation for the rest of this winter and for a few more years to come. In the meanwhile, supplementary emergency plans must be in place to relieve the suffering communities throughout the land which can be hit unexpectedly by bitter and paralyzing cold.

President Carter's Emergency Natural Gas Act is critically needed, but it is only a temporary measure designed to meet only the natural gas crisis before us today. We need a more comprehensive emergency authority in place, and we must make additional provision to relieve the heavy financial burdens many citizens will suffer if an energy emergency should recur.

Therefore, I am introducing permanent legislation today designed to meet any energy emergency situation. A feature of my proposal that is of critical importance is a provision for financial relief for those individuals and families who cannot afford essential energy needs. I am hopeful that this provision will receive immediate attention since financial relief may be essential if we face another unseasonably cold spell this winter.

One of the most disturbing facts we have encountered in the midst of energy shortages and price increases is the disproportionate hardship being placed on our poor and elderly citizens. Their limited incomes make it difficult, and sometimes impossible, to absorb rising energy prices. Some simply do not have an adequate margin between income and expenditures to withstand higher fuel, transportation, and electrical costs. Too often they face the choice of heat or eat. As a group the elderly and other low-income persons typically spend about 14 percent of their income for energy. This is nearly 3½ times the percentage of other Americans. In addition, limited income or failing health may impose severe barriers to being able to make necessary repairs or being in a position to purchase needed insulation that would conserve energy.

In times of an energy emergency or energy crisis the burden imposed on the poor and elderly would be even greater than it is currently. This bill would provide emergency loans to assist those needy victims of an energy emergency whose essential energy needs might otherwise not be met.

The "Energy Crisis Relief Act" would provide Federal assistance whenever State or local efforts to relieve energy emergencies have been unsuccessful. After a request by the Governor of a State the President will determine if an energy emergency or energy crisis exists. Once the President determines there is an energy emergency he may direct the use of Federal personnel, equipment, facilities, and resources to support State and local relief efforts. He is also empowered to redirect energy supplies from other areas, allocate supplies among distributors to users, put energy conservation programs into effect, and provide emergency loans to those who cannot afford essential energy supplies.

I strongly believe this legislation is essential if we are to act effectively on potential future disruptions of our energy supplies. While I hope the authority provided by this bill will not have to be used, energy problems like natural disasters can recur, and we should be prepared to deal with them effectively.

The provision for energy emergency loans to the needy is of urgent importance. I urge my colleagues to consider expediting action on at least that portion of this legislation so the mechanism for financial relief will be ready if it is needed.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Energy Crisis Relief Act".

DEFINITIONS

SEC. 2. As used in this Act—

(1) "energy emergency" means a shortage of or a price of energy supplies which the President or his designated representative determines has caused or is likely to cause an inability to meet essential energy needs in any geographic area;

(2) "energy crisis" means an energy emergency determined by the President to be of such severity and duration as to cause or be likely to cause a threat to the public health or safety in any geographic area; and

(3) "energy supply" means any and all sources of energy used for heating, cooling, lighting, transportation, or the generation of electricity.

PROCEDURE

SEC. 3. A request for a determination that an energy emergency or energy crisis exists in any area shall be made by the Governor of the State in which the affected area is located to the President or to the authority designated by the President for the purpose of this Act. Such a request shall be based upon the Governor's finding that the shortage or price of energy materials is of such severity and magnitude that effective response is beyond the capability of the State and local governments affected. Such a request shall contain such information as the President or the appropriate authority prescribes.

FEDERAL ASSISTANCE

SEC. 4. (a) In the interest of providing maximum delivery of Federal assistance under this Act, the President or appropriate authority shall coordinate the activities of all Federal agencies providing energy emergency or disaster assistance. The President may direct any Federal agency with or without reimbursement to utilize Federal personnel, equipment, supplies, facilities, and other resources including managerial and technical services in support of State and local energy crisis or emergency efforts. The President may prescribe such rules and regulations as may be necessary to carry out the provisions of this Act and he may delegate any authority conferred by this Act to such authority as he may deem to be appropriate.

(b)(1)(A) In the case of an energy emergency determined under section 2(1), the President or the appropriate authority may exercise the authority conferred by section 6 with respect to the affected area for such period of time as the President or that agency head determines but not to exceed a period of ninety days.

(B) In the case of an energy crisis determined under section 2(2), the President may exercise or authorize the exercise of the authority conferred by section 7 for such period as the President determines but not to exceed a period of ninety days.

(2) Prior to the expiration of the ninety-day period referred to in paragraph (1), the Governor of the State in which the affected area is located may request the President or the appropriate authority to issue an order continuing the energy emergency or energy crisis for an additional period not to exceed thirty days. Prior to the expiration of any such thirty-day period, the Governor may request the President or the appropriate authority to issue an order continuing the emergency or crisis for an additional period not to exceed thirty days.

COORDINATION

SEC. 5. (a) Upon a determination of an energy emergency or crisis, the President shall appoint a Federal coordinating officer to operate in the affected area. The Federal coordinating officer, in cooperation with State officials, shall make an initial appraisal of the types of relief most urgently needed, establish such field offices as may be necessary, and take such other action authorized under this Act or any other provision of law as may be necessary to assist State and local officials in obtaining the assistance necessary.

(b) Upon the determination of an energy emergency or crisis, the President or the appropriate agency head shall notify the Gov-

ernor of the determination and request the Governor to designate a State coordinating officer to carry out the provisions of this section.

ENERGY EMERGENCY RELIEF

SEC. 6. (a) During any energy emergency determined in accordance with the provisions of this Act, the President or the appropriate agency head is authorized—

(1) by order, to direct the delivery of energy supplies to the affected area;

(2) by order or regulation, to allocate energy supplies among distributors in the affected area and to establish priorities for allocation of energy supplies to categories of users;

(3) to establish an energy conservation program in the affected area;

(4) to make emergency energy loans to individuals, families, and public or nonprofit organizations performing essential public services to assist them in securing the financial resources to acquire a basic level of energy supplies during the period of the energy emergency or crisis, and to cancel not to exceed 80 per centum of the principal amount of any such loan where necessary to avoid extreme hardship; and

(5) to furnish technical assistance and make loans to reestablish disputed sources of energy supplies in the affected area.

Any loan made under the provisions of clause (4) of the preceding sentence shall be repayable within the one-year period beginning on the date of the loan. Any loan made pursuant to clause (5) of the first sentence of this subsection shall be repayable within the three-year period beginning on the date of the loan.

(b) Any loan made under the provisions of subsection (a) shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average yield on outstanding marketable obligations of the United States as of the last day of the month preceding the making of the loan, except that no interest shall accrue or be paid with respect to any part of the principal of such loan which is canceled. For the purpose of making loans under this section, the head of the appropriate agency may issue to the Secretary of the Treasury obligations in an aggregate amount sufficient to carry out the purposes of this section. Any such obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the obligation. The Secretary of the Treasury is authorized and directed to purchase any obligation issued under this subsection and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any security issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Second Liberty Bond Act are extended to include any purchase of obligations hereunder.

ENERGY CRISIS RELIEF

SEC. 7. (a) During any energy crisis determined in accordance with the provisions of this Act, the President or the appropriate agency head with the approval of the President is authorized—

(1) by order, to direct the head of any Federal agency to terminate any contract for the procurement of energy supplies or to suspend performance under any such contract where such action is necessary in order to provide additional energy supplies in the affected area;

(2) to establish price ceilings at all levels for one or more types of energy supplies; and

(3) to impose compulsory energy conservation programs.

(b) During any energy crisis determined under this Act, the President or the appropriate authority is authorized to enter into and carry out such contracts or other obligations on behalf of the Uniter States as may be necessary.

(c) In addition to the authority conferred by section 6 and this section, during any energy crisis the President may exercise the authority conferred by sections 305, 306, 407, and 408 of the Disaster Relief Act of 1974 in the affected area and for the purpose of the exercise of such authority an energy crisis determined under the provisions of this Act shall be deemed to be a major disaster determined by the President under the Disaster Relief Act of 1974.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. GRIFFIN:

S. 727. A bill to amend the Federal Meat Inspection Act to permit States to impose inspection, marking, labeling, packaging, and ingredient requirements that are more stringent than Federal standards; to the Committee on Agriculture, Nutrition, and Forestry.

TOWARD A BETTER HOT DOG

Mr. GRIFFIN. Mr. President, today, I am introducing legislation that would move us a step closer to the goal of safe, wholesome, and nutritional food for the American consumer.

In brief, my bill would make clear that Federal meat standards, which are established for the purpose of protecting consumers, shall not be used to nullify higher State standards that accord more protection to consumers.

Presently, under the Federal Wholesome Meat Act of 1967, so-called minimum meat ingredient standards are established by the Federal Government. Clearly, this act has been an improvement over the situation that existed prior to 1967 when many States had neither meat inspection services nor ingredient standards. For example, one of the results of the act has been the establishment of quality standards for such comminuted meat products as hot dogs, sausages, and luncheon meats.

Regrettably, however, it was not foreseen that enactment of the Federal Wholesome Meat Act would be used to nullify higher standards prevailing under some State laws. For instance, under the Federal act the ingredients of comminuted meats, such as hot dogs, may still include such items as snouts, goat tripe, spleens, hearts, salivary glands, and tongue.

As the State of Michigan found out, when the Sixth Circuit Court of Appeals ruled in 1972 in *Armour & Co.* v. *Ball* (468 F2d 76), State standards providing for more wholesome meat ingredients than the Federal standards were "preempted" by the Federal act. This decision was particularly disturbing in view of the fact that Michigan's higher standards for comminuted meat were established in 1952, 15 years before the Federal act was passed.

Thus, Michigan's high quality meat standards were effectively diluted by allowing the shipment into the State of inferior meat products. No longer could the consumer be assured that the hot dogs he or she ate met Michigan's pure skeletal meat and 12-percent protein requirements, which I might note were sold at no more cost to the consumer than products meeting only the Federal standards. Instead, the consumer is still subject to the general caveat: Let the buyer beware.

In 1973, the Michigan Legislature again tried to protect its higher quality meat standards by requiring retail establishments to post signs if they offered for sale products which did not meet Michigan's standards. Although this did not entirely resolve the dilemma, it did encourage many Michigan retailers to handle only those meat products meeting the Michigan requirements.

Again, however, the Michigan position was attacked in Federal Court, this time by the American Meat Institute which claimed that the Michigan posting law was preempted by the Federal Act and that it unduly burdened interstate commerce.

On November 26, 1976, Federal District Judge Noel Fox ruled that the Michigan law was not preempted by the Federal statute. His opinion stated:

> I find the Michigan legislation to be a legitimate exercise of the state to communicate information to its citizen-consumers.

Although this case is still pending in Federal court, Judge Fox's opinion illustrates the need for revision of the Federal Wholesome Meat Act. It is a sad commentary on a consumer-oriented act when it is an obstacle to the improvement of the quality of meat products, and when it has to be circumvented in order to restore a previously enacted law that had higher quality standards than the more recent Federal act.

In effect, what the Congress has enacted are maximum, rather than minimum, Federal meat ingredient standards.

For those who believe that Federal meat standards are improving, let me draw attention to an April 27, 1976, publication of interim Federal rules to permit the production of mechanically deboned and low-temperature rendered meats. What this proposal would create is a hot dog containing more ground bone and fat. Enforcement of these rules has been enjoined by a September 10, 1976, Federal court order.

The Federal Government has established so-called "minimum" meat standards. That is as it should be in order to make sure the meat our Nation consumes meets certain requirements.

But if, as in the case of Michigan, the Federal standard actually operates to lower the quality of meat products, then in such cases, the Federal Act is counterproductive.

States should not be precluded from establishing meat standards that they feel necessary to protect their citizens.

States like Michigan have had a long history of establishing meat standards for consumers. They should not be suddenly removed from this role because of the inattention of other, less experienced, States which caused enactment of this preemptive Federal legislation in the first place.

I would welcome the support of my colleagues to help enact this State consumer protection measure, and I urge that it receive prompt action by the Senate.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 408 of the Federal Meat Inspection Act (81 Stat. 600; 21 U.S.C. 678) is amended to read as follows:

"SEC. 408. Requirements within the scope of this Act with respect to premises, facilities, and operations of any establishment at which inspection is provided under title I of this Act, which are less stringent than those made under this Act may not be imposed by any State or territory or the District of Columbia. Marking, labeling, packaging, or ingredient requirements less stringent than those made under this Act may not be imposed by any State or territory or the District of Columbia with respect to articles prepared at any establishment under inspection in accordance with the requirements under title I of this Act, any State or territory or the District of Columbia may exercise concurrent jurisdiction with the Secretary over articles required to be inspected under such title I, for the purpose of preventing the distribution for human food purposes of any such articles which are adulterated or misbranded, or, in the case of imported articles, after their entry into the United States. Nothing in this Act shall be construed to prohibit any State, territory, or the District of Columbia from imposing any requirements with respect to premises, facilities, or operations, or with respect to marking, labeling, packaging, or ingredient requirements, that are more stringent than those imposed under title I of this Act by the Secretary.".

By Mr. DURKIN (for himself, Mr. DOLE, and Mr. MCINTYRE):

S. 728. A bill to amend the Internal Revenue Code of 1954 to change the income distribution requirement for certain private operating foundations and to exempt certain private operating foundations from the excise tax on investment income; to the Committee on Finance.

Mr. DURKIN. Mr. President, under existing tax law, all private operating foundations must pay a 4 percent net investment income tax. This tax was first imposed in 1969 to cover the costs incurred by the IRS when auditing private foundations.

The 4 percent net investment tax is crippling the efforts of private foundations to provide our Nation's elderly with decent living conditions and proper medical attention and treatment. Moreover, the tax is having a serious impact on the ability of libraries and museums to provide their services and facilities openly and freely to the public. The bill that I am introducing today, cosponsored by Senators DOLE and MCINTYRE, will end the misapplication and misdirection of the net investment tax.

During the debates on the Tax Reform Act of 1976, the Senate agreed to an amendment that would have reduced the net investment tax to 2 percent.

Nonetheless, even with this 50 percent reduction, the Senate recognized that the 2 percent tax substantially curtails a private operating foundation's ability to provide adequate and responsive services to the public. In that regard, the Senate Finance Committee proposed a mechanism whereby libraries and museums could elect to avoid the tax by investing 5 percent of their "noncharitable" assets into the services they provide for the public. This amendment passed the Senate on July 30, 1976, by a vote of 76 to 24.

In the same amendment, the Senate also recognized that the present rules requiring private operating foundations to disrtibute two-thirds of their minimum investment return may be burdensome in light of the existing requirements that they distribute all of their income to or for the active conduct of their charitable purposes. Consequently, the Senate, in accord with the Senate Finance Committee's recommendation, reduced the minimum amount that a foundation must distribute in order to be classified as a private operating foundation to 3 percent of its noncharitable assets.

During conference, this section was deleted. The old law still remains. The 4 percent tax still remains, and the crippling effect that this tax has on certain private operating foundations still remains.

There must be a change in the present law. Libraries, museums, and nonprofit homes for the elderly should not be forced to pay a tax that was never meant to be applied to them. Furthermore, they should not be forced to pay a tax that is no longer justifiable. According to a recent Government study, revenues received by the Government under the net investment tax are at least double the costs to the IRS of supervising and auditing these exempt organizations. Our tax policies should not hinder desperately needed public services. And when justification for the tax is no longer viable, a change in the tax law should be made.

There is no need to repeat the reasons why libraries and museums should be exempt from this tax, provided they meet certain criteria. The Senate eloquently demonstrated its understanding of the financial chains placed on these institutions when it overwhelmingly adopted the Senate Finance Committee's recommendation.

But the burden this tax imposed on nonprofit homes for the aging was not brought before either the Senate or the Senate Finance Committee. It is that issue I would like to address here.

Under present law, those homes for the aging with endowments which receive one-third or more of their income from investments are classified as private operating foundations. As such, they must pay the 4-percent tax. The impact of this tax on these nonprofit homes is devastating. For example, in 1975, the New Hampshire Centennial Home for the Aged paid $11,006 in net investment taxes. In 1974, it paid $8,247.

The American Association of Homes for the Aging has supplied me with information which reflects the staggering burden this tax has placed on the services provided to the elderly. During the past tax year, the average net investment tax paid by each home was $10,239. On the other hand, the average cost for the care and maintenance of an elderly person in one of these homes is $4,223.

In other words, the average net investment tax paid by one of these homes is 2½ times greater than the average cost of providing one elderly person with medical care and housing.

To require these homes to pay this tax and thereby substantially curtail their ability to provide much needed services to the old and needy is, in my mind, an unconscionable violation of our often stated commitment to our Nation's elderly.

The bill which we are offering rectifies this situation and corrects a gross abnormality in our tax laws.

Our bill is quite simple and is substantially the same as the one offered by the Senate Finance Committee and adopted by the Senate. The amendment would do the following:

First. Reduce the minimum amount that a foundation must distribute in order to be classified as a private operating foundation from two-thirds of its minimum investment return to 3 percent of its noncharitable assets.

Second. Allow libraries, museums, and nonprofit nursing homes to elect to avoid the imposition of the 4-percent tax by choosing to invest at least 5 percent of their noncharitable assets into their social services.

The amendment will retain the present 4-percent tax which is imposed on operating foundations and it does not apply to profitmaking nursing homes. All profitmaking homes must still pay the 4-percent tax.

What this means is that if a home elects to expend 5 percent of its "noncharitable" assets for the care and maintenance of elderly persons, then it will save itself approximately $10,000 a year. Much can be done with this additional $10,000. The costs for the care and maintenance of the elderly are rising astronomically. The $10,000 saving would enable these homes to provide additional care, hire more personnel, expand their services, establish outside aid programs, and help to meet the rising and staggering costs of medicine.

The bill is closely drawn to rectify a legislative error which should have been long ago corrected. These homes cannot be in the business of having gifts and they cannot be controlled by one individual. They bear none of the characteristics of a private foundation except one: they must share the financial burdens imposed by the tax, and who in the end

bears that burden? The elderly who cannot provide for themselves.

Certainly the Treasury of the United States will not suffer. There are only approximately 100 homes that will benefit as a result of the adoption of this bill. The loss to the Treasury will be only one and a quarter million dollars. But to offset this loss, there will be a dramatic increase in the services provided the elderly. Two hundred and forty-two elderly persons who are presently denied access to homes for the aging, solely because these homes are not able to finance them, would be allowed to live the rest of their lives in dignity and comfort. Services could be expanded so that those living in squalor would be provided decent care and live in comfort.

These homes provide life support functions. They should not be inflicted with the tax that drains their precious and oft depleted financial resources. This bill will end a practice where much needed revenue is taken from foundations that are already financially pressed. It will help to restore dignity and comfort to our elderly.

By Mr. DURKIN:

S. 729. A bill to amend the Natural Gas Act with respect to court review of Federal Power Commission orders pursuant to such act; to the Committee on Environment and Natural Resources.

Mr. DURKIN. Mr. President, section 19(b) of the Natural Gas Act needs to be changed. Currently, it provides for judicial review of Federal Power Commission orders by either the Circuit Court of Appeals for the District of Columbia or by the circuit court of appeals for the circuit wherein a natural gas company to which an order relates is located or has its principal place of business. When petitions are filed in more than one circuit, that circuit in which a petition for review was first filed will have exclusive jurisdiction to review the FPC order. These provisions make inevitable a classic "race to the courthouse."

Numerous such races have taken place over the years following the issuance of important Federal Power Commission orders. Most recently, such a race took place on November 5, 1976, upon the issuance by the Federal Power Commission of its final order tripling the price of natural gas. A graphic description of that unseemly race was published in the Washington Post. I ask unanimous consent that a copy of this article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DURKIN. The present section 19(b) demeans the entire judicial process. The question of which court should review a Federal agency order should not be determined by the speed with which a filing is made. Therefore, I am introducing today a bill which will amend section 19(b) by granting exclusive authority to the U.S. Circuit Court of Appeals for the District of Columbia to review Federal Power Commission orders.

The selection of the D.C. Circuit Court of Appeals is not arbitrarily made. It is necessary to prevent similar races in the future. The District of Columbia Circuit Court is also the logical court to review Commission orders. Rarely, if ever, are Natural Gas Act proceedings which will result in an order subject to judicial review held outside of Washington, D.C. Natural gas producers affected by such orders and other interested parties have in the past fully participated in these Washington, D.C., proceedings.

As a result of information indicating the possibility of preferential treatment at the fifth circuit during the November 5, 1976, race, I wrote to Chief Justice Warren Burger asking that he investigate the events surrounding the fifth circuit filings. In his response, the Chief Justice finds that the filings in the fifth circuit were entirely proper. Although I do not have the confidence in the propriety of the fifth circuit filings that the Chief Justice does, I was pleased to learn that the Chief Justice also supports legislation that would end these races to the court houses. I ask unanimous consent that copies of the correspondence between myself and the Chief Justice be printed in the RECORD at the conclusion of my remarks.

The bill I am introducing is a sorely needed technical amendment to the Natural Gas Act, which, when enacted, will bring a semblance of order to judicial review proceedings under the Natural Gas Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUPREME COURT,
OF THE UNITED STATES,
Washington, D.C., December 29, 1976.

Hon. JOHN A. DURKIN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DURKIN: In further response to your letter of December 3, I am enclosing a copy of a statement prepared for my use by Judge Charles Clark of the Fifth Circuit Court of Appeals detailing the events which occurred in connection with the Federal Power Commission filings in the Fifth Circuit on November 5, 1976.

I am satisfied that no improper or questionable treatment was accorded the power company litigants in this matter. It is clear to me that it was solely the dedication of the staff of the Clerk of the Fifth Circuit to a spirit of personalized service and helpfulness and not in the slightest any efforts such as have been recklessly suggested.

I note that the general counsel for the Federal Power Commission recently described the concurrent filings in the Fifth and District of Columbia Circuits as "a tie" and that the assigned panels of the respective Circuits have agreed that the District of Columbia Circuit should take the lead in reaching a determination of venue. The issue has been argued before the District of Columbia Circuit and is presently under consideration. It therefore would be improper for me to comment further on the matter. The essential problem, however, is with the legislation enacted by Congress which encourages such "races to the courthouse" and which places an unfair burden on the clerks of court to draw what sometimes might be a fine line between what some would argue was "preferential" treatment, and others would consider cooperation with those who come to the court, which is to be encouraged. As I am sure you are aware, the immediate problem created by section 19(b) of the Natural Gas Act is not new, but has long been recognized by the courts. The Fifth Circuit itself recognized in *Shell Oil Company* v. *Federal Power Commission*, 509 F.2d 176 (1975), that forum shopping is inherent in what Congress has provided.

I understand that proposals have been advanced in Congress to amend the Natural Gas Act so as to alleviate these races to the courthouse. I believe the federal judiciary will welcome such steps.

Cordially,

WARREN E. BURGER.

SUPREME COURT
OF THE UNITED STATES,
Washington, D.C., January 10, 1977.

Hon. JOHN A. DURKIN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DURKIN: Subsequent to my letter of December 29, 1976, the Court of Appeals for the District of Columbia Circuit issued an opinion on December 30 in which it found the petitions of the respective parties to have been filed in the Fifth and District of Columbia Circuits "at exactly the same moment." The Court of Appeals determined that the convenience of the parties and the interest of justice would be better served by retention of the cases in the District of Columbia Circuit. I am enclosing a copy of the opinion for your information.

Although the Court of Appeals' decision may resolve the venue issue in these present cases, I must emphasize that the essential problem in this area is with the legislation which makes this type of time-consuming and unproductive litigation inevitable, and indeed invites it.

Cordially,

WARREN E. BURGER.

EXHIBIT 1

WHEN FPC ACTS ON FUEL, THE RACE TO COURTS IS ON

(By John P. MacKenzie)

Whenever the Federal Power Commission issues an important order affecting the cost of fuel—as it did last Friday in tripling the price of some natural gas—the race to the courthouse is on.

It is a race that involves scores of lawyers and messengers who tie up telephone lines—and occasionally resort to walkie-talkies—relaying the word that an FPC order is out and an appeal must be filed immediately in the friendliest court available.

Consumer interests usually choose the U.S. Court of Appeals in Washington with its "liberal" label and consumer orientation, hoping for a decision that whatever rate increase the FPC grants is too high. Producers, who always contend that the FPC did not raise the rates enough, favor the federal appeals courts in New Orleans, Denver or San Francisco, home territory for their operations.

Unless all the frenzied parties are wildly mistaken, the race may be worth billions of dollars. There was such a contest last Friday—the winner of which is still in doubt—and it involves an increase of $1.5 billion to $1.8 billion, which the FPC said gas companies could charge.

At a hearing yesterday in the court of appeals here, FPC general counsel Drexel D. Journey said the latest race was "a tie" and told Judge Harold Leventhal he wasn't sure where the appeal would finally be lodged. The court is considering a request by consumer groups to make clear now that refunds will be ordered if lower rates prevail.

The race begins at the FPC, where secretary Kenneth F. Plumb releases the commission's rate order to dozens of assembled attorneys and messengers for the contesting parties.

Plumb time-stamps the order, setting off

shouts of "File!" to associates waiting at nearby telephone booths. If competitors have all the telephones occupied, a radio message via walkie-talkie to more distant phones may be tried.

When word reaches a telephone at the chosen court, it triggers another shout of "File!" to an associate at the clerk's office. That clerk also time-stamps the filing in anticipation of the inevitable dispute over who won the race. The case is tried in the court in which it is filed first.

Sometimes the race is won by less than a minute, the outcome depending on whether a court clerk used a clock that measures seconds. Often the dispute turns on whether the clerks have agreed in advance to synchronize their clocks. Producers won a 1974 race by two seconds, a record.

According to documents released yesterday by Rep. John E. Moss (D-Calif.), the race escalated to new heights last week. The papers quoted an observer at the New Orleans court who reported that Lois Jacobini and Glenda Baker, on behalf of a Houston law firm representing four producers, staked out the clerk's office there for 14 consecutive business days last month, poised for a filing on command.

R. Gordon Gooch, a partner in the Washington office of the firm, Baker & Botts, said yesterday that he had hired the "paralegals" but did not station them at the court every day. He said, however, that the courthouse was covered when Jacobini and Baker were not there.

Environmentalists also had the appeals court here staked out but only on days when they thought the FPC would hand down a decision.

Moss, a critic of the gas producers and of the FPC when it approves their rate requests, said it was time to call off the races. His solution—which Gooch promptly opposed—was to amend the Natural Gas Act to provide for review in only one court—the one in Washington.

Gooch would not say whether he had a solution to offer. He said he would not describe the race as "unseemly." Yet he added, "I do not want you to think it's any pleasure to run these races. But it's the way the statute reads and it's the only mechanism available for us to exercise our rights."

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. STAFFORD, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 730. A bill to amend the Internal Revenue Code of 1954 to provide a permanent reduction in the rates of tax paid by individuals; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. DOLE, Mr. JAVITS, Mr. DOMENICI, Mr. PERCY, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GRIFFIN, Mr. HAYAKAWA, Mr. HEINZ, Mr. HATCH, Mr. LUGAR, Mr. MCCLURE, Mr. SCHMITT, Mr. SCHWEIKER, Mr. WALLOP, and Mr. YOUNG):

S. 731. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit based upon the creation of new jobs and increased employment in private industry; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. STAFFORD, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 732. A bill to amend the Internal Revenue Code of 1954 to provide for a permanent reduction in the rate of tax paid by small business corporations; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 733. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the dividend exclusion; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 734. A bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from taxation of a limited amount of interest on savings; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. JAVITS, Mr. DOMENICI, Mr. PERCY, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. SCHMITT, Mr. SCHWEIKER, Mr. WALLOP, and Mr. YOUNG):

S. 735. A bill to amend the Internal Revenue Code of 1954 to permit the accelerated depreciation of property placed in service in areas of high unemployment; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. CURTIS, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFFEE, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. PERCY, Mr. SCHMITT, Mr. SCHWEIKER, Mr. WALLOP, and Mr. YOUNG):

S. 736. A bill to provide American stock ownership plans for those of modest income by allowing deferral of taxes on certain funds invested in common stock; to the Committee on Finance.

By Mr. BAKER (for himself, Mr. PERCY, Mr. JAVITS, Mr. DOMENICI, Mr. BELLMON, Mr. CHAFFEE, Mr. CURTIS, Mr. DANFORTH, Mr. GOLDWATER, Mr. GRIFFIN, Mr. HATCH, Mr. HAYAKAWA, Mr. HEINZ, Mr. LUGAR, Mr. MCCLURE, Mr. SCHMITT, Mr. SCHWEIKER, Mr. TOWER, Mr. WALLOP, and Mr. YOUNG):

S. 737. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the conservation of energy used to heat or cool residences; to the Committee on Finance.

REPUBLICAN ECONOMIC PACKAGE

Mr. BAKER. Mr. President, I am very pleased this afternoon to be able to present for the consideration of the Congress and the Nation a comprehensive program offered as an alternative to the administration's economic stimulus plan. The purpose of the program is to decrease the presently unacceptable unemployment rate over the near term and, over the longer term, to stimulate capital formation and investment to provide expanding employment opportunities in the period of economic growth beyond the 1977-78 time period.

As you know, Mr. President, the Nation is now enjoying a gradual and broadly based economic recovery from the relatively deep recession of 2 years ago. Nevertheless, unemployment remains stubbornly high; and I and my colleagues who offer this plan believe that it is necessary to augment the present recovery with short- and long-term plans to stimulate present employment and to insure that the recovery continues with a rate of economic growth that provides job opportunities for an expanding labor force without reigniting high rates of inflation.

In putting together this package, the following criteria were deemed essential to accomplish the purpose of reduced employment and increased capital formation. First, we believe that measures to reduce cyclical unemployment, the unemployment created by lack of demand, must be of a permanent, confidence-building nature. We are convinced that temporary measures such as a one-time tax rebate are costly and inefficient.

Second, we believe that there must be programs focused to provide training and job opportunities for the structurally unemployed who comprise the bulk of total unemployment.

Third, the program must provide for long term economic growth through expanding capital formation and investment incentives.

Fourth, the program must utilize the private sector to the greatest extent possible. And finally, and perhaps most importantly, must minimize the inflationary impact of its components.

In all, Mr. President, there are nine legislative measures in this economic package. The first of these, designed to deal with cyclical unemployment, is a permanent reduction in tax rates for those individuals with an adjusted gross income of $18,000 or less.

In addition, there are two measures designed to address the even larger problem of structural unemployment. One, targeted on the unemployed young, who comprise 50 percent of total unemployment, is a recently introduced CETA Title VII, entitled the Youth Employment Act, which provides for comprehensive training and employment opportunities for young people. The other is an employment tax credit designed to stimulate the hiring of individuals who have been unemployed for 26 weeks or longer, the so-called "hard-core" unemployed.

In terms of policies for the promotion of long term growth and employment, there is first a permanent corporate tax rate reduction to 18 percent on the first $100,000 of corporate profits. Obviously, Mr. President, although all corporations will benefit from this proposal, it is designed primarily to assist those small businesses whose growth is essential to the long term economic and unemployment goals of the Nation.

Second, there are two measures dealing with dividend and interest exclusion. In order to encourage capital formation and investment, the current $100 dividend exclusion is raised to $600, or for a joint return $1,200. The second creates an $100, or for a joint return $200, interest exclusion to encourage savings. The former of these proposals, Mr. President, has the additional beneficial side effect of reducing the present tax inequity of the double taxation of corporate dividends.

Third, there is legislation designed to encourage investment in areas of high unemployment which provides for accelerated depreciation for new plants and equipment which are placed in those areas with unemployment rates in excess of seven percent. This is a three year only program limited to construction and equipment acquisitions begun in calendar year 1977 and completed within 36 months.

Finally, there is legislation designed to encourage common stock ownership by investors with modest incomes in which there is allowed a maximum tax deduction of $1,500 for equal amounts of earned income invested in stock ownership plans.

In a separate category, Mr. President, there is a measure to promote energy conservation through home insulation by providing a maximum tax credit of $225, or 30 percent of the first $750 expended for improving the insulation of residential buildings. I should emphasize that the severity of this winter and the attendant shortages in energy resources have only underscored the long-existing need for comprehensive energy policy. The measure proposed here today is but a small element of what must be done and be done quickly to address this all-important problem.

Finally, we have included a measure to encourage the rehabilitation of existing residential buildings by increasing the budget authority of the Government National Mortgage Association—GNMA. This measure, as do other measures in the package, should contribute significantly to the recovery of our vital construction industry in which unemployment remains relatively high.

As I have mentioned, Mr. President, one of these measures, the Youth Employment Training Act, or new title VII to CETA, already has been introduced. At this time, I ask unanimous consent that the remaining eight bills be introduced and printed in the RECORD in their entirety. In addition, Mr. President, I ask unanimous consent that a more comprehensive and detailed description of this package entitled "Two Million Jobs that Last," be printed at the conclusion of these remarks.

Finally, I should like to express my sincere admiration and appreciation for the efforts of Senators JAVITS, CURTIS, DOMENICI, BELLMON, MCCLURE, DOLE, DANFORTH, PERCY, and PACKWOOD, and the fine staff members who assisted them in putting this package together. I am also grateful to those of my colleagues who have already agreed to cosponsor all or a part of this legislation.

There being no objection, the bills and description were ordered to be printed in the RECORD, as follows:

S. 730

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Individual Tax Rate Reduction Act".

SEC. 2. (a) The table which appears in section 1(a) of the Internal Revenue Code of 1954 (relating to married individuals filing joint returns and surviving spouses) is amended to read as follows:

"If the taxable income is:	The tax is:
"Not over $1,000	8% of the taxable income
"Over $1,000 but not over $2,000	$80, plus 10% of the excess over $1,000
"Over $2,000 but not over $3,000	$180, plus 12% of the excess over $2,000
"Over $3,000 but not over $4,000	$300, plus 15% of the excess over $3,000
"Over $4,000 but not over $8,000	$450, plus 18% of the excess over $4,000
"Over $8,000 but not over $12,000	$1,170, plus 22% of the excess over $8,000
"Over $12,000 but not over $16,000	$2,050, plus 26% of the excess over $12,000
"Over $16,000 but not over $20,000	$3,090, plus 30% of the excess over $16,000
"Over $20,000 but not over $24,000	$4,290, plus 33% of the excess over $20,000
"Over $24,000 but not over $28,000	$5,610, plus 36% of the excess over $24,000
"Over 28,000 but not over $32,000	$7,050, plus 39% of the excess over $28,000
"Over $32,000 but not over $36,000	$8,610, plus 42% of the ecess over $32,000
"Over $36,000 but not over $40,000	$10,290, plus 45% of the excess over $36,000
"Over $40,000 but not over $44,000	$12,090, plus 48% of the excess over $40,000
"Over $44,000 but not over $52,000	$14,010, plus 50% of the excess over $44,000
"Over $52,000 but not over $64,000	$18,010, plus 53% of the excess over $52,000
"Over $64,000 but not over $76,000	$24,370, plus 55% of the excess over $64,000
"Over $76,000 but not over $88,000	$30,970, plus 58% of the excess over $76,000
"Over $88,000 but not over $100,000	$37,930, plus 60% of the excess over $88,000
"Over $100,000 but not over $120,000	$45,130, plus 62% of the excess over $100,000
"Over $120,000 but not over $140,000	$57,530, plus 64% of the excess over $120,000
"Over $140,000 but not over $160,000	$70,330, plus 66% of the excess over $140,000
"Over $160,000 but not over $180,000	$83,530, plus 68% of the excess over $160,000
"Over $180,000 but not over $200,000	$97,130, plus 69% of the excess over $180,000
"Over $200,000 but not over $300,000	$110,930, plus 70% of the excess over $200,000
"Over $300,000	$180,930, plus 70% of the excess over $300,000.".

(b) The table which appears in section 1(b) of such Code (relating to heads of households) is amended to read as follows:

"If the taxable income is:	The tax is:
"Not over $1,000	8% of the taxable income
"Over $1,000 but not over $2,000	$80, plus 11% of the excess over $1,000
"Over $2,000 but not over $4,000	$190, plus 14% of the excess over $2,000
"Over $4,000 but not over $6,000	$470, plus 17% of the excess over $4,000
"Over $6,000 but not over $8,000	$810, plus 21% of the excess over $6,000
"Over $8,000 but not over $10,000	$1,230, plus 23% of the excess over $8,000
"Over $10,000 but not over $12,000	$1,690, plus 26% of the excess over $10,000
"Over $12,000 but not over $14,000	$2,210, plus 28% of the excess over $12,000
"Over $14,000 but not over $16,000	$2,770, plus 30% of the excess over $14,000
"Over $16,000 but not over $18,000	$3,370, plus 31% of the excess over $16,000
"Over $18,000 but not over $20,000	$3,990, plus 32% of the excess over $18,000
"Over $20,000 but not over $22,000	$4,630, plus 35% of the excess over $20,000
"Over $22,000 but not over $24,000	$5,330, plus 36% of the excess over $22,000
"Over $24,000 but not over $26,000	$6,050, plus 38% of the excess over $24,000
"Over $26,000 but not over $28,000	$6,810, plus 41% of the excess over $26,000
"Over $28,000 but not over $32,000	$7,630, plus 42% of the excess over $28,000
"Over $32,000 but not over $36,000	$9,310, plus 45% of the excess over $32,000
"Over $36,000 but not over $38,000	$11,110, plus 48% of the excess over $36,000
"Over $38,000 but not over $40,000	$12,070, plus 51% of the excess over $38,000
"Over $40,000 but not over $44,000	$13,090, plus 52% of the excess over $40,000
"Over $44,000 but not over $50,000	$15,170, plus 55% of the excess over $44,000
"Over $50,000 but not over $52,000	$18,470, plus 56% of the excess over $50,000
"Over $52,000 but not over $64,000	$19,590, plus 58% of the excess over $52,000

"If the taxable income is:	The tax is:
"Over $64,000 but not over $70,000	$26,550, plus 59% of the excess over $64,000
"Over $70,000 but not over $76,000	$30,090, plus 61% of the excess over $70,000
"Over $76,000 but not over $80,000	$33,750, plus 62% of the excess over $76,000
"Over $80,000 but not over $88,000	$36,230, plus 63% of the excess over $80,000
"Over $88,000 but not over $100,000	$41,270, plus 64% of the excess over $88,000
"Over $100,000 but not over $120,000	$48,950, plus 66% of the excess over $100,000
"Over $120,000 but not over $140,000	$62,150, plus 67% of the excess over $120,000
"Over $140,000 but not over $160,000	$75,550, plus 68% of the excess over $140,000
"Over $160,000 but not over $180,000	$89,150, plus 69% of the excess over $160,000
"Over $180,000 but not over $280,000	$102,950, plus 70% of the excess over $180,000
"Over $280,000	$172,950, plus 70% of the excess over $280,000.".

(c) The table which appears in section 1(c) of such Code (relating to unmarried individuals (other than surviving spouses and heads of households)) is amended to read as follows:

"If the taxable income is:	The tax is:
"Not over $500	8% of the taxable income
"Over $500 but not over $1,000	$40, plus 10% of the excess over $500
"Over $1,000 but not over $1,500	$90, plus 12% of the excess over $1,000
"Over $1,500 but not over $2,000	$150, plus 15% of the excess over $15,000
"Over $2,000 but not over $4,000	$225, plus 18% of the excess over $2,000
"Over $4,000 but not over $6,000	$585, plus 21% of the excess over $4,000
"Over $6,000 but not over $8,000	$1,005, plus 24% of the excess over $6,000
"Over $8,000 but not over $10,000	$1,485, plus 27% of the excess over $8,000
"Over $10,000 but not over $12,000	$2,025, plus 28% of the excess over $10,000
"Over $12,000 but not over $14,000	$2,585, plus 29% of the excess over $12,000
"Over $14,000 but not over $16,000	$3,165, plus 31% of the excess over $14,000
"Over $16,000 but not over $18,000	$3,785, plus 34% of the excess over $16,000
"Over $18,000 but not over $20,000	$4,465, plus 36% of the excess over $18,000
"Over $20,000 but not over $22,000	$5,185, plus 38% of the excess over $20,000
"Over $22,000 but not over $26,000	$5,945, plus 40% of the excess over $22,000
"Over $26,000 but not over $32,000	$7,545, plus 45% of the excess over $26,000
"Over $32,000 but not over $38,000	$10,245, plus 50% of the excess over $32,000
"Over $38,000 but not over $44,000	$13,245, plus 55% of the excess over $38,000
"Over $44,000 but not over $50,000	$16,545, plus 60% of the excess over $44,000
"Over $50,000 but not over $60,000	$20,145, plus 62% of the excess over $50,000
"Over $60,000 but not over $70,000	$26,345, plus 64% of the excess over $60,000
"Over $70,000 but not over $80,000	$32,745, plus 66% of the excess over $70,000
"Over $80,000 but not over $90,000	$39,345, plus 68% of the excess over $80,000
"Over $90,000 but not over $100,000	$46,145, plus 69% of the excess over $90,000
"Over $100,000 but not over $150,000	$53,045, plus 70% of the excess over $100,000
"Over $150,000 but not over $200,000	$88,045, plus 70% of the excess over $150,000
"Over $200,000 but not over $300,000	$123,045, plus 70% of the excess over $200,000
"Over $300,000	$193,045, plus 70% of the excess over $300,000.".

(d) The amendments made by subsections (a), (b), and (c) take effect on April 1, 1977.

(e) Section 3402(a) of the Internal Revenue Code of 1954 (relating to requirement of withholding) is amended to read as follows:

"(a) Requirement of Withholding.—Except as otherwise provided in this section, every employer making payment of wages shall deduct and withhold upon such wages a tax determined in accordance with tables prescribed by the Secretary. The tables so prescribed with respect to wages paid more than 30 days after the date of enactment of the Individual Tax Rate Reduction Act and before January 1, 1978, shall reflect the full calendar year effect for 1977 of the amendments made by subsections (a), (b), and (c) of section 2 of that Act. For purposes of applying such tables, the term 'the amount of wages' means the amount by which the wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in the table in subsection (b)(1).".

(f) Within 90 days after the date of enactment of this Act the Secretary of the Treasury shall furnish to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a proposed draft of technical and conforming changes in the Internal Revenue Code of 1954 necessary to reflect the substantive changes in law made by subsections (a), (b), and (c) of this section.

S. 731

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowed) is amended by inserting immediately before section 45 the following new section:

"SEC. 44B. EMPLOYMENT EXPANSION.

"(a) GENERAL RULE.—There shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, the amount determined under subsection (b) for that year.

"(b) DETERMINATION OF AMOUNT.—

"(1) IN GENERAL.—The amount of the credit allowable under subsection (a) for the taxable year is—

"(A) one dollar multiplied by the number of new employee hours of employment for the first 26 weeks of employment, and

"(B) 50 cents multiplied by the number of new employees hours of employment for the second 26 weeks of employment,

with respect to new employees who were unemployed for more than 26 consecutive weeks immediately preceding their employment by the taxpayer.

"(c) DEFINITIONS; SPECIAL RULES.—For purposes of this section—

"(1) NEW EMPLOYEE.—The term 'new employee' means an individual not employed by the taxpayer before January 1, 1977, and, with respect to any calendar quarter, not employed by the taxpayer during the same calendar quarter of the preceding year, and who, immediately prior to his employment by the taxpayer, was unemployed for at least 26 consecutive weeks.

"(2) NEW EMPLOYEE HOURS OF EMPLOYMENT.—The term new employee hours of employment' means the number of hours of employment for which the taxpayer compensates a new employee. A new employee whose compensation is not determined on an hourly basis shall be considered, for purposes of this section, to be compensated for not more than 40 hours of employment for each full calendar week he is employed.

"(3) CREDIT DENIED WHERE NEW EMPLOYEE DISPLACES ANOTHER.—No credit shall be allowed under subsection (a) with respect to a new employee if—

"(A) the employment of the new employee displaced any individual from employment by the taxpayer, or

"(B) the new employee replaces a former employee of the taxpayer—

"(i) who performed the same or similar services for the taxpayer as the new employee performs,

"(ii) whose services were terminated by the employer (other than by a termination described in section 50A(c)(2)), and

"(iii) who, at the time the new employee was hired, was available for reemployment by the taxpayer.

"(d) TREATMENT OF EXCESS CREDIT.—

"(1) ANNUAL LIMIT.—The amount of the credit allowed under subsection (a) for the taxable year may not exceed the liability of the taxpayer for the tax imposed under this chapter for that taxable year.

"(2) APPLICATION WITH OTHER CREDITS.—For purposes of paragraph (1), the liability for tax for the taxable year shall be the tax imposed by this chapter for that year reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to credit for the elderly),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to general tax credit),

"(G) section 44 (relating to purchase of new principal residence), and

"(H) section 44A (relating to expenses for household and dependent care services necessary for gainful employment).

"(3) CARRYOVER AND CARRYBACK OF EXCESS AMOUNTS.—If the amount of the credit determined under subsection (a) for any taxable year exceeds the limitation provided by paragraph (1) of this subsection for such taxable year (hereinafter in this subsection referred to as the 'unused credit year'), such excess shall be—

"(A) a credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) a credit carryover to each of the 7 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by subsection (a) for such years, except that such excess may be a carryback only to a taxable year ending after December 31, 1976. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried, and then to each of the other 9 taxable years to the extent that such unused credit may not be added for a prior taxable year for which such unused credit may be carried.

"(4) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out the purposes of this section.".

(b)(1) Section 56(c) of such Code (relating to definition of regular tax deduction) is amended—

(A) by striking out "and" at the end of paragraph (7),

(B) by striking out the period at the end of paragraph (8) and inserting in lieu thereof a comma and the word "and", and

(C) by adding at the end thereof the following new paragraph:

"(9) section 44B (relating to employment expansion).".

(2) Section 6096(b) of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

(c) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44B. Employment expansion.".

SEC. 2. The Secretary of Labor and the Secretary of Commerce, after consultation with the Secretary of the Treasury, shall publicize the availability of the credit allowed by section 44B of the Internal Revenue Code of 1954 in connection with job placement service, training, and employment programs and other appropriate programs carried out through the Department of Labor or the Department of Commerce, respectively. The Secretary of Labor shall make particular efforts to coordinate the activities and programs of CETA prime sponsors with the availability of the credit allowed by section 44B of the Internal Revenue Code of 1954.

SEC. 3. The amendments made by the first section of this Act apply with respect to taxable years beginning after December 31, 1976.

S. 732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 11(b)(1) of the Internal Revenue Code of 1954 (relating to normal tax) is amended by striking out "22 percent" and inserting in lieu thereof "18 percent".

(b) Section 11(c) of such Code (relating to surtax) is amended by striking out "26 percent" and inserting in lieu thereof "30 percent".

(c) Section 11(d)(1) of such Code (relating to surtax exemption) is amended by striking out "$25,000" and inserting in lieu thereof "$100,000".

(d) The amendments made by this section apply with respect to taxable years ending after December 31, 1977.

S. 733

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 116 of the Internal Revenue Code of 1954 (relating to partial exclusion of dividends received by individuals) is amended by striking out "$100" each place it appears, and by inserting in lieu thereof the following: "$600 ($1,200 in the case of a husband and wife making a joint return under section 6013)".

(b) The amendments made by this section apply to taxable years beginning after December 31, 1977.

S. 734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125, and by inserting after section 123 the following new section:

"SEC. 124. INTEREST.

"(a) IN GENERAL.—In the case of an individual, gross income does not include any amount received as interest or dividends on a time or demand deposit with—

"(1) a commercial or mutual savings bank the deposits and accounts of which are insured by the Federal Deposit Insurance Corporation or which are otherwise insured in accordance with the requirements of the law of the State in which the bank is located,

"(2) a savings and loan association, building and loan association, or similar association the deposits and accounts of which are insured by the Federal Savings and Loan Insurance Corporation or which are otherwise insured in accordance with the requirements of the law of the State in which the association is located, or

"(3) a credit union the deposits and accounts of which are insured by the National Credit Union Administration Share Insurance Fund or which are otherwise insured in accordance with the requirements of the law of the State in which the credit union is located.

"(b) LIMITATION.—The amount of interest excluded under subsection (a) for the taxable year shall not exceed $100 ($200 in the case of a husband and wife who make a joint return under section 6013).".

(b) The table of sections for such part is amended by striking out the last item and inserting in lieu thereof the following items:

"Sec. 124. Interest.

"Sec. 125. Cross references to other Acts.".

(c) The amendments made by this section apply to taxable years beginning after December 31, 1977.

S. 735

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 192. AMORTIZATION OF PROPERTY PLACED IN SERVICE IN HIGH UNEMPLOYMENT AREAS.

"(a) ALLOWANCE OF DEDUCTION.—If a taxpayer so elects, he is entitled to a deduction with respect to the amortization of the amortizable basis of job-creation property (defined in subsection (d)) based on a period of 60 months, or, in the case of a building which is job-creation property, a period equal to one-half of the useful life of the building. The amortization deduction shall be an amount with respect to each month of such period within the taxable year, equal to the amortizable basis at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. The amortizable basis at the end of the month shall be computed without regard to the amortization deduction for that month. The amortization deduction provided by this section with respect to any month shall be in lieu of the depreciation deduction with respect to such basis for that month provided by section 167.

"(b) ELECTION OF AMORTIZATION.—The election of the taxpayer to take the amortization deduction allowed by subsection (a) shall be made by filing with the Secretary, in such manner, in such form, and at such time as the Secretary may by regulation prescribe, a statement of such election.

"(c) TERMINATION OF AMORTIZATION DEDUCTION.—A taxpayer who has elected under subsection (b) to take the amortization deduction provided by subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period. The discontinuance will begin as of the beginning of any months specified by the taxpayer in a notice in writing filed with the Secretary before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such property.

"(d) DEFINITION OF JOB-CREATION PROPERTY.—For purposes of this section, the term 'job-creation property' means property placed in service after December 31, 1976, and before January 1, 1980, in an area the rate of unemployment for which is 7 percent or greater for the most recently closed calander quarter preceding the date on which the property is placed in service. For purposes of this subsection the term 'rate of unemployment' means the unemployment rate for that region calculated as a percentage of the civilian labor force for all individuals 16 years of age and over as determined by the Bureau of Labor Statistics of the Department of Labor.".

(b)(1) The table of sections for such part VI is amended by adding at the end thereof the following new item:

"Sec. 192. Amortization of property placed in service in high unemployment areas.".

(2) Section 263(a)(1) of such Code (relating to capital expenditures) is amended—

(A) by striking out "or" at the end of subparagraphs (C) and (E),

(B) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof of a comma and the word "or", and

(C) by adding at the end thereof the following new subparagraph:

"(G) expenditures for job creation property which the taxpayer elects to deduct under section 192.".

(3) Section 1245(a) of such Code (relating to gain on disposition of certain depreciable property) is amended—

(A) by striking out "or 191" each place it appears in paragraphs (2) and (3)(d) and inserting in lieu thereof "191, or 192",

(B) by striking out "or 190" in paragraph (2)(D) and inserting in lieu thereof "190, or 192". and

(C) by inserting "or under section 192" after "under section 190" in the last sentence of paragraph (2).

(4) Section 1250(b)(3) of such Code (relating to depreciation adjustments) is amended by striking out "or 191" and inserting in lieu thereof "191, or 192".

(c) The amendments made by this section apply to taxable years beginning after December 31, 1977.

S. 736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Stock Ownership Plans of 1976".

SEC. 2. AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

Subchapter D of chapter 1 of the Internal Revenue Code of 1954 (relating to deferred compensation, etc.) is amended by adding at the end thereof the following new part:

"PART III—AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME

"Sec. 428. American stock ownership plans for those of modest income.

"SEC. 428. AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

"(a) AMERICAN STOCK OWNERSHIP PLAN FOR THOSE OF MODEST INCOME.—For the purposes of this section, the term 'American stock ownership plan' means a trust created or organized in the United States for the exclusive benefit of an individual or his beneficiaries, but only if the written governing instrument creating the trust meets the following requirements:

"(1) Except in the case of a rollover contribution described in subsection (d)(4)—

"(A) no contribution will be accepted unless it is in cash;

"(B) contributions will not be accepted for the taxable year in excess of $1,500 on behalf of any individual; and

"(C) contributions will not be accepted on behalf of any individual for the 2 taxable years succeeding the taxable year in which a payment or distribution taxable to the individual under subsection (d)(2) is made.

"(2) The trust is designed to invest solely in common stock of domestic corporations.

"(3) The trustee is a bank (as defined in section 401(d)(1) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the trust will be consistent with the requirements of this section. An individual for whose benefit the trust is maintained may be granted, under the written governing instrument, the power to control the investment of the trust funds either by directing investments (including reinvestments, disposals, and exchanges) or by disapproving proposed investments (including reinvestments, disposals, or exchanges).

"(4) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(5) Contributions received by the trustee during a particular taxable year will be allocated to a separate class year account. Dividends and capital gains and losses received or realized by the trustee during a particular taxable year will be allocated among class year accounts on any reasonable basis. The interest of an individual in each class year account may not be paid or distributed before the end of the 7th taxable year following the taxable year for which such class year account was established, except in the case of death or disability.

"(6) The interest of an individual in the balance in his class year accounts is nonforfeitable.

An individual for whose benefit a class year account is maintained may be granted, under the written governing instrument, the right to direct the trustee as to the manner in which the common stock allocated to such account is to be voted.

"(b) AMERICAN STOCK OWNERSHIP ANNUITY.—For purposes of this section, the term 'American stock ownership annuity' means a contract for a variable annuity, as determined under regulations prescribed by the Secretary, issued by an insurance company which meets the following requirements:

"(1) Except in the cast of a rollover contribution described in subsection (d)(4)—

"(A) no premium will be accepted unless it is in cash;

"(B) the annual premium under the contract will not exceed $1,500 and any refund of premiums will be applied before the close of the calendar year following the year of the refund toward the payment of future premiums; and

"(C) premiums will not be accepted for the 2 taxable years succeeding the taxable year in which a payment or distribution taxable to the individual under subsection (d)(2) is made.

"(2) All assets attributable to premium payments will be invested solely in common stock of domestic corporations.

"(3) Assets attributable to the contract will not be commingled with other property except in a segregated asset account established for such annuity contracts.

"(4) Premiums that are received by the insurance company during a particular taxable year will be allocated to a separate class year account. Dividends and capital gains and losses on stock attributable to the contract that are received or realized by the insurance company during a particular taxable year will be allocated among class year accounts on any reasonable basis. The interest of an owner in each class year account may not be paid or distributed before the end of the 7th taxable year following the taxable year for which such class year account was established, except in the case of death or disability.

"(5) The entire interest of the owner is nonforfeitable.

The owner may be granted, under such an annuity contract, the right to direct the insurance company as to the manner in which the common stock allocated to him is to be voted, and the power to control the investment of assets attributable to premium payments either by directing investments (including reinvestments, disposals, and exchanges) or by disapproving proposed investments (including reinvestments, disposals, or exchanges).

"(c) ACCOUNTS ESTABLISHED BY EMPLOYERS AND CERTAIN ASSOCIATIONS OF EMPLOYEES.—A trust created or organized in the United States by an employer for the exclusive benefit of his employees or their beneficiaries, or by an association of employees (which may include employees within the meaning of section 401(c)(1)) for the exclusive benefit of its members of their beneficiaries, shall be treated as American stock ownership plans (described in subsection (a)), but only if the written governing instrument creating the trust meets the following requirements:

"(1) The trust satisfies the requirements of paragraphs (1) through (6) of subsection (a).

"(2) There is a separate accounting for the interest of each employee or member. The assets of the trust may be held in a common fund for the account of all individuals who have an interest in the trust.

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, any amount paid or distributed out of American stock ownership plans or under an American stock ownership annuity shall be deemed to have been withdrawn first from contributions accepted for the taxable year in which the payment or distribution is received and then from the earliest class year accounts on a first-in, first-out basis. Amounts deemed to have been withdrawn from a class year account or accounts shall be included in the gross income of the payee, distributee, or individual for whose benefit such plan or annuity was established, as the case may be, for the taxable year in which the payment or distribution is received. The basis of any person in each class year account is zero.

"(2) CAPTIAL GAINS TREATMENT.—Any amount deemed to have been withdrawn from a class year account established more than 7 years before the taxable year in which the payment or distribution is received, and any amount paid or distributed on account of the death of the individual for whose benefit the American stock ownership plans or American stock ownership annuity was established, shall be treated as a gain from the sale or exchange of a capital asset held for more than 6 months.

"(3) PREMATURE DISTRIBUTIONS.—

"(A) IN GENERAL.—If any portion of a payment or distribution from American stock ownership plans or under an American stock ownership annuity to or on behalf of the individual for whose benefit such plan or annuity was established is deemed to have been withdrawn from a class year account established during the 7 years before the taxable year in which the payment or distribution is received, then, unless such payment or distribution is made on account of the death of the individual for whose benefit the plan or annuity was established, such individual's tax under this chapter for the taxable year in which such payment or distribution is received shall be increased by an amount equal to 10 percent of such portion of the payment or distribution.

"(B) DISABILITY.—Subparagraph (A) shall not apply if the amount paid or distributed is attributable to the taxpayer becoming disabled within the meaning of section 72(m)(7).

"(4) ROLLOVER CONTRIBUTION.—An amount is described in this paragraph as a rollover contribution if it meets the requirements of subparagraphs (A) and (B).

"(A) IN GENERAL.—Paragraph (1) does not apply to any amount paid or distributed out of American stock ownership plans under an American stock ownership annuity to the individual for whose benefit the plan or annuity was established if the entire amount received (including money and other property) is paid into an American stock ownership plan or an American stock ownership annuity for the benefit of such individual not later than the 60th day after the day on which he receives the payment or distribution. Any such amount shall, in the hands of the transferee, be deemed to be held in the same class year account as that from which the payment or distribution was made.

"(B) LIMITATION.—This paragraph does not apply to any amount described in subparagraph (A) received by an individual from American stock ownership plans or under an American stock ownership annuity if at any time during the 3-year period ending on the day of such receipt such individual received any other amount described in that subparagraph from American stock ownership plans or under an American stock ownership annuity which was not includable in his gross income because of the application of this paragraph.

"(5) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Paragraph (1) does not apply to the distribution of any contribution paid during a taxable year to American stock ownership plans or for a American stock ownership annuity to the extent that such contribution exceeds the amount allowable as a deduction under section 220 if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year,

"(B) no deduction is allowed under section 220 with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for whose benefit the plan or annuity was established for the taxable year in which received.

"(6) TRANSFER OF PLAN OR ANNUITY INCIDENT TO DIVORCE.—The transfer of an individual's interest in American stock ownership plans or a American stock ownership annuity to his former spouse under a divorce decree or under a written instrument incident to such divorce is not to be considered a taxable transfer made by such individual notwithstanding any other provision of this subtitle, and such interest at the time of the transfer is to be treated as American stock ownership plans or a American stock ownership annuity of such spouse, and not of such individual. Thereafter such plan or annuity for purposes of this subtitle is to be treated as maintained for the benefit of such spouse.

"(7) EFFECT OF PLEDGING PLAN OR ANNUITY ASSETS AS SECURITY.—If, during any taxable year of the individual for whose benefit American stock ownership plans or a American stock ownership annuity is maintained, that individual uses the plan or annuity or any portion thereof as security for a loan, the portion so used shall not be treated as distributed to such individual except to the extent that the lender forecloses upon the security.

"(e) TAX TREATMENT OF AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.—

"(1) EXEMPTION FROM TAX.—Any American stock ownership plans for those of modest income is exempt from taxation under this subtitle unless such plan has ceased to be an American stock ownership plan by reason of paragraph (2). Notwithstanding the preceding sentence, any such plan is subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations).

"(2) LOSS OF EXEMPTION.—

"(A) IN GENERAL.—If, during any taxable year of the individual for whose benefit any working man's stock ownership plan is maintained, the plan engages in any one of the disqualifying transactions described in subparagraph (B), the plan will cease to be an American stock ownership plan as of the first day of such taxable year. For purposes of this paragraph, the separate account for any individual within an American stock ownership plan maintained by an employer or association of employees is treated as a separate American stock ownership plan.

"(B) DISQUALIFYING TRANSACTIONS.—For purposes of this paragraph, the term 'disqualifying transaction' means—

"(i) the acquisition of common stock from the individual for whose benefit the plan was established, except in the case of a rollover contribution described in subsection (d)(4);

"(ii) the acquisition of common stock for more than adequate consideration from a 'disqualified person' as defined in section 4975(e), applied as though the provisions thereof related to American stock ownership plans;

"(iii) the sale of common stock for less than adequate consideration to a disqualified person as so defined;

"(iv) borrowing to acquire common stock; or

"(v) loaning plan assets to the individual for whose benefit the plan was established without the receipt of adequate security and a reasonable rate of interest.

"(C) PLAN TREATED AS DISTRIBUTING ALL ITS ASSETS.—In any case in which a plan ceases to be an American stock ownership plan by reason of subparagraph (A) as of the first day of any taxable year, paragraph (1) of subsection (d) shall apply as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the plan (on such first day).

"(3) COMMINGLING AMERICAN STOCK OWNERSHIP PLAN AMOUNTS IN CERTAIN COMMON TRUST FUND AND COMMON INVESTMENT FUNDS.—Any common trust fund or common investment fund of American stock ownership plan assets which is exempt from taxation under this subtitle does not cease to be exempt on account of the participation or inclusion of assets of a trust exempt from taxation under section 501(a) which is described in section 401(a), or of an individual retirement account described in section 408(a).

"(f) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

"(g) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 401(a)(1)) or another person who demonstrates, to the satisfaction of the Secretary or his delegate, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute American stock ownership plans for those of modest income described in subsection (a). For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(h) REPORTS.—The trustee of a American stock ownership plan and the issuer of an American stock ownership annuity shall make such reports regarding such plan or annuity to the Secretary or his delegate and to the individuals for whose benefit the plan or annuity is, or is to be, maintained with respect to contributions, distributions, and such other matters as the Secretary or his delegate may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations.

"(i) CROSS REFERENCE.—

"For tax on excess contributions to an American stock ownership plan or annuity, see section 4976."

SEC. 3. CONTRIBUTIONS TO AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 221 as 222 and by inserting after section 220 the following new section:

"SEC. 221. CONTRIBUTIONS TO AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

"(a) DEDUCTION ALLOWED.—In the case of an individual, there is allowed as a deduction amounts paid in cash during the taxable year by or on behalf of such individual for his benefit—

"(1) to American stock ownership plans for those of modest income described in section 428(a), or

"(2) to a American stock ownership annuity described in section 428(b).

No deduction shall be allowed for the 2 taxable years succeeding the taxable year in which a payment on distribution taxable to such individual under section 428(d)(2) is made. For purposes of this title, any amount paid by an employer to such American stock ownership plan or for such a American stock ownership annuity constitutes payment of compensation to the employee (other than a self-employed individual who is an employee within the meaning of section 401(c)(1)) includible in his gross income, whether or not a deduction for such payment is allowable under this section to the employee after the application of subsection (b).

"(b) LIMITATIONS AND RESTRICTIONS.—

"(1) MAXIMUM DEDUCTION.—The amount allowable as a deduction under subsection (a) to an individual for any taxable year may not exceed an amount equal to 15 percent of the compensation includible in his gross income for taxable year, or $1,500, whichever is less, multiplied by a fraction, the denominator of which is $20,000 and the numerator of which is $20,000 minus the excess of such compensation over $20,000.

"(2) RECONTRIBUTED AMOUNTS.—No deduction is allowed under this section with respect to a rollover contribution described in section 428(d)(4).

"(c) DEFINITIONS AND SPECIAL RULES.—

"(1) COMPENSATION.—For purposes of this section, the term 'compensation' includes earned income as defined in section 401(c)(2).

"(2) MARRIED INDIVIDUALS.—The maximum deduction under subsection (b)(1) shall be computed separately for each individual, and this section shall be applied without regard to any community property laws".

(b) DEDUCTION ALLOWED IN ARRIVING AT ADJUSTED GROSS INCOME.—Section 62 of such Code (defining adjusted gross income) is amended by adding at the end thereof the following new paragraph:

"(14) AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.—The deduction allowed by section 221 (relating to American stock ownership plans).".

SEC. 4. TAX ON EXCESS CONTRIBUTIONS TO AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

Chapter 43 of the Internal Revenue Code of 1954 (relating to qualified pension, etc., plans) is amended by adding at the end thereof the following new section:

"SEC. 4976. TAX ON EXCESS CONTRIBUTIONS TO AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

"(a) TAX IMPOSED.—In the case of—

"(1) an American stock ownership plan (within the meaning of section 423(a)), or

"(2) an American stock ownership annuity (within the meaning of section 428(b)),

established for the benefit of any individual, there is imposed for each taxable year a tax in an amount equal to 6 percent of the amount of the excess contributions to such individual's plans or annuities (determined as of the close of the taxable year). The amount of such tax for any taxable year shall not exceed 6 percent of the value of the plan or annuity (determined as of the close of the taxable year). The tax imposed by this subsection shall be paid by such individual.

"(b) EXCESS CONTRIBUTIONS.—For purposes of this section, the term 'excess contributions' means the sum of—

"(1) the excess (if any) of—

"(A) the amount contributed for the taxable year to the plans or annuities (other than a rollover contribution described in section 428(d)(4)), over

"(B) the amount allowable as a deduction under section 220 for such contributions, and

"(2) the amount determined under this subsection for the preceding taxable year, reduced by the excess (if any) of the maximum amount allowable as a deduction under section 220 for the taxable year over the amount contributed to the plans or annuities for the taxable year and reduced by the sum of the distributions out of the plans or annuities (for all prior taxable years) which was included in the gross income of the individual for whose benefit such plan or annuity was established under section 428(d)(1).

For purposes of this subsection, any contribution which is distributed from the plan or annuity in a distribution to which section 428(d)(5) applies shall be treated as an amount not contributed."

SEC. 5. PENALTY FOR FAILURE TO PROVIDE REPORTS ON AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

Subchapter B of chapter 68 of the Internal Revenue Code of 1954 (relating to assessible penalties) is amended by adding after section 6690 the following new section:

"SEC. 6698. FAILURE TO PROVIDE REPORTS ON AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.

"(a) IN GENERAL.—The person required by section 428(h) to file a report regarding an American stock ownership plan or an American stock ownership annuity at the time and in the manner required by section 428(h) shall pay a penalty of $10 for each failure unless it is shown that such failure is due to reasonable cause.

"(b) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) does not apply to the assessment or collection of any penalty imposed by subsection (a)."

SEC. 6. CONFORMING AMENDMENTS.

(a) The second sentence of section 46(a)(4) of the Internal Revenue Code of 1954 (relating to investment credit) and the second sentence of section 50A(a)(3) of such Code (relating to work incentive credit) are each amended by inserting after "certain retirement accounts)," the following: "section 428(d)(3)(A)(ii) (relating to additional tax on income from certain American stock ownership plans),".

(b) Subparagraph (A) of section 56(c) of such Code and subparagraph (A) of section 56(e)(1) of such Code (relating to minimum tax for tax preferences) are each amended by striking out section "531" and inserting in lieu thereof "428(d)(3)(A)(ii), 531".

(c) Subparagraph (B) of section 801(g)(1) of such Code (relating to contracts with reserves based on a segregated asset account) is amended by adding at the end thereof the following new sentence: "An American stock ownership annuity (as defined in section 428(b)) shall be deemed to meet the requirements of clause (ii)."

(d) Section 801(g)(7) of such Code is amended to read as follows:

"(7) Basis of assets held for qualified pension plan contracts and American stock ownership annuity.—In the case of contracts described in subparagraph (A), (B), (C), (D), or (E) of section 805(d)(1), or in section 428(b), the basis of each asset in a segregated asset account shall (in addition to all other adjustments to basis) be—

"(A) increased by the amount of any appreciation in value, and

"(B) decreased by the amount of any depreciation in value,

to the extent that such appreciation and depreciation are from time to time reflected in the increases or decreases in reserves or other items in paragraph (6) with respect to such contracts."

(e) The third sentence of section 901(a) of such Code (relating to foreign tax credit) is amended by inserting after "certain retirement accounts)," the following: "against the tax imposed for the taxable year under section 428(d)(3)(A)(ii) (relating to additional tax on income from certain American stock ownership plans),".

(f) Section 3401(a)(12) of such Code (relating to exemption from collection of income tax at source on certain wages) is amended by adding at the end thereof the following new subparagraph:

"(E) for a payment described in section 220(a) if, at the time of such payment, it is reasonable to believe that the employee will be entitled to a deduction under such section for such payment; or".

(g) Subsection (d) of section 6047 of such Code (relating to information relating to certain trusts and annuity and bond purchase plans) is amended to read as follows:

"(d) OTHER PROGRAMS.—

"(1) INDIVIDUAL RETIREMENT SAVINGS.—To the extent provided by regulations prescribed by the Secretary or his delegate, the provisions of this section apply with respect to any payment described in section 219(a) and to transactions of any trust described in section 408(a) or under an individual retirement annuity described in section 408(b).

"(2) AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME.—To the extent provided by regulations prescribed by the Secretary or his delegate, the provisions of this section apply with respect to any payment described in section 221(a) and to transactions of any plan described in section 428(a) or under an American stock ownership annuity described in section 428(b)."

(h) Section 4(b) of the Employee Retirement Income Security Act of 1973 is amended—

(1) by striking out "or" at the end of paragraph (4),

(2) by striking out the period at the end of paragraph (5) and by inserting in lieu thereof "; or", and

(3) by adding at the end thereof the following new paragraph:

"(6) such plan is American stock ownership plans for those of modest income (as defined in section 428(a) of the Internal Revenue Code of 1954) or an American stock ownership annuity (as defined in section 428(b) of such Code)."

SEC. 7. CLERICAL AMENDMENTS.

(a) The table of sections for part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out the item relating to section 220 and inserting in lieu thereof the following:

"Sec. 221. Contributions to American stock ownership plans for those of modest income.
"Sec. 222. Cross references."

(b) The table of parts for subchapter D of chapter 1 of such Code is amended by adding at the end thereof the following:

"PART III. AMERICAN STOCK OWNERSHIP PLANS FOR THOSE OF MODEST INCOME."

(c) The table of sections for chapter 43 of such Code is amended by adding at the end thereof the following new item:

"Sec. 4976. Tax on excess contributions to American stock ownership plans for those of modest income."

(d) The table of sections for subchapter B of chapter 68 is amended by inserting after the item relating to section 6697 the following new item:

"Sec. 6698. Failure to provide reports on American stock ownership plans for those of modest income."

SEC. 8. EFFECTIVE DATES.

(a) The amendments made by sections 1 through 3 shall take effect on July 1, 1977 and shall apply to taxable years beginning after December 31, 1976.

(b) The amendments made by section 4 through 7 shall take effect on July 1, 1977.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Energy Conservation Tax Incentives Act".

SEC. 2. AMENDMENT OF INTERNAL REVENUE CODE OF 1954.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 3. INSULATION AND OTHER ENERGY-CONSERVING ALTERATION OF PRINCIPAL RESIDENCE.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44B INSULATION AND OTHER ENERGY-CONSERVING ALTERATION OF PRINCIPAL RESIDENCE.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of that portion of the qualified insulation and other energy-conserving component expenditures paid or incurred by the taxpayer during the taxable year with respect to any residence as does not exceed $750.

"(b) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—In determining the credits allowed under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 37 (relating to retirement income),

"(C) section 38 (relating to investment in certain depreciable property),

"(D) section 40 (relating to expenses of work incentive programs),

"(E) section 41 (relating to contributions to candidates for public office),

"(F) section 42 (relating to credit for personal exemptions),

"(G) section 44 (relating to purchase of new principal residence), and

"(H) section 44A (relating to expenses for household and dependent care services necessary for gainful employment),

the tax imposed by this chapter shall (before any other reductions except the reduction allowed under section 42) be reduced by the credit allowed by this section.

"(2) PRIOR EXPENDITURES TAKEN INTO ACCOUNT.—If the taxpayer made qualified insulation and other energy-conserving component expenditures with respect to any residence in any prior taxable year, then subsection (a) shall be applied with respect to such residence for the taxable year by reducing the $750 amount contained in such subsection by the amount of such prior expenditures allowed as a credit under this section for such prior taxable year.

"(3) VERIFICATION.—No credit shall be allowed under subsection (a) with respect to any qualified insulation and other energy-conserving component expenditures unless such expenditures are verified in such manner as the Secretary shall prescribe by regulations.

"(4) CERTAIN NEW EQUIPMENT.—No credit shall be allowed under subsection (a) for any amount paid or incurred for the installation of any entirely new heating system or for the installation of equipment designed to permit the use of alternate fuels.

"(5) SECTION NOT TO APPLY TO PROPERTY ACQUIRED WITH FEDERAL FUNDS.—This section does not apply to any property acquired by the taxpayer with amounts paid as a grant to the taxpayer by the United States (or any agency or instrumentality thereof), other than a grant made in the form of a loan or a loan guarantee.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED INSULATION AND OTHER

ENERGY-CONSERVING COMPONENT EXPENDITURES.—The term 'qualified insulation and other energy-conserving component expenditures' means any amount paid or incurred by an individual for insulation and other energy-conserving components (including amounts paid or incurred for the original installation of such insulation but not including amounts paid or incurred for insulation and other energy-conserving components in connection with any reconstruction of a dwelling unit) installed after December 31, 1976, and before January 1, 1980, in a dwelling unit located in the United States which is—

"(A) used by the taxpayer as his residence, and

"(B) in existence on January 1, 1977.

"(2) INSULATION.—The term 'insulation' means any insulation (including the insulation of furnaces or boilers not so equipped, and the ducts or steam and hot water piping extending therefrom), storm (or thermal) window or door, or any other similar item—

"(A) which is specifically and primarily designed to reduce, when installed in or on a building, the heat loss or gain of such building,

"(B) the original use of which commences with the taxpayer,

"(C) which has a useful life to the taxpayer of at least 3 years, and

"(D) which meets the criteria and standards for energy conserving improvements prescribed by the Secretary of Housing and Urban Development under section 2 of the National Housing Act, or such similar criteria and standards as the Secretary may prescribe.

"(3) OTHER ENERGY-CONSERVING COMPONENT.—The term 'other energy-conserving component' means any—

"(A) retention head burner or comparable new burner at a reduced firing rate or such firing rate as is necessary to achieve a reduction in the amount of fuel consumed as a result of increased combustion efficiency,

"(B) devices electronically or mechanically operated to provide prompt and effective ignition,

which meets such performance and safety standards, including having a useful life of at least three years, and which will materially increase the efficiency of operation of the unit, thereby conserving fuel, as the Secretary may prescribe by regulations after consultation with the Administrator of the Federal Energy Administration and the Secretary of Housing and Urban Development, and the original use of which commences with the taxpayer.

"(4) HEATING SYSTEM.—The term 'heating system' means the entire assembly of items, fixtures, equipment, or materials which is designed, when installed in or on a building, to provide the heating for such building, to provide for the heating of the water used within such building, and to provide for the automatic operation and control of such hardware. Such term includes, but is not limited to, all necessary fittings and related installations which are a part of such assembly.

"(5) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and is used during any calendar year as a residence, by two or more individuals—

"(A) the amount of the credit allowable under subsection (a) (after applying subsection (b)(2)) with respect to any qualified insulation and other energy-conserving component expenditures paid or incurred during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all such individuals as one taxpayer whose taxable year is such calendar year; and

"(B) each of such individuals shall be allowed a credit under subsection (a) for the taxable year in which such calendar year ends (subject to the limitation of subsection (b)(1)) in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount paid or incurred by such individual during such calendar year for such expenditures bears to the aggregate of the amounts paid by all of such individuals during such calendar year for such expenditures.

"(6) TENANT STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who holds stock as a tenant stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual—

"(A) shall be treated as owning the dwelling unit which he is entitled to occupy as such stockholder; and

"(B) shall be treated as having paid his tenant stockholder's proportionate share (as defined in section 216(b)(3)) of any qualified insulation and other energy-conserving component expenditures paid or incurred by such corporation.

"(d) REDUCTION OF BASIS.—The basis of any property shall not be increased by the amount of any qualified insulation and other energy-conserving component expenditures made with respect to such property to the extent of the amount of any credit allowed under this section with respect to such expenditures.

"(e) CARRYOVER OF UNUSED CREDIT.—If the amount of the credit determined under this section for any taxable year (including amounts carried over to that year under this subsection) exceeds the liability of the taxpayer for tax under this chapter for that taxable year, the excess shall be carried over to the next taxable year.

"(f) TERMINATION.—This section shall not apply to any amount paid or incurred after December 31, 1979, except in the case of amounts paid after such date pursuant to a binding contract entered into before January 1, 1980.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such subpart A is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44B. Insulation and other energy-conserving alteration of principal residence.".

(2) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out the period at the end of paragraph (20) and inserting in lieu thereof a semicolon and by inserting after paragraph (20) the following new paragraph:

"(21) to the extent provided in section 44B (d), in the case of property with respect to which a credit has been allowed under section 44B.".

(3) Section 6096(b) (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44A" and inserting in lieu thereof "44A, and 44B".

TWO MILLION JOBS THAT LAST—A PROGRAM FOR PERMANENT JOBS AND INVESTMENT FOR AMERICANS

I. SUMMARY

Highlights:

1. Permanent personal tax reductions effective April 1, 1977, totaling $17.3 billion in FY 77 and FY 78. The savings from these tax cuts would approximate $180–$210 per year for the family of four in the $15,000–$20,000 adjusted gross income brackets. Lesser amounts would go to higher income brackets.

2. A targeted youth employment and training program totaling $3.1 billion in FY 77 and FY 78.

3. A targeted employment tax credit encouraging the private sector to hire persons unemployed over 26 weeks; $1.00 credit per hour for the first six months, $0.50 per hour for the second six months; estimated $2.3 billion total revenue cost in FY 77 and FY 78.

4. Longer term investment incentives through (a) permanent tax reductions emphasizing small businesses, and (b) several programs designed to encourage smaller investors; total $2.8 billion in FY 77 and FY 78.

5. A housing rehabilitation program through GNMA; $200 million outlay in FY 78.

6. An energy conservation incentive through 30% tax credit on the first $750 of residential insulation investment; $500 million total in FY 77 and FY 78.

7. The job impact of the package is to create 1.83 to 2.3 million new jobs by the end of 1978, including 450,000 training and work experience positions.

8. For a total gross cost of $26.2 billion over fiscal years 1977 and 1978 (the net cost of $21.1 billion), the unemployment rate is reduced to an estimated 5.5% by the end of calendar 1978 from the current level of 7.9%. Moreover, the longer term investment components in the package should insure a sustained recovery with additional jobs created in 1979 and beyond to accommodate the expected growth in the labor force.

Economic analysis:

There is little doubt that the economy is continuing a broadly based recovery. Moderate growth appears to be assured over the next several quarters and additional economic stimulus is not required in the near future to avoid a recession. However, there is evidence that an economic package to sustain the recovery is probably needed in order to assure significant and continued improvement in the unemployment rate and to reinforce consumer and business expectations which have been formed on the presumption that a stimulus package was forthcoming. Moreover, the impact of the exceptionally cold winter may require additional adjustments for humanitarian or economic reasons, but that question will be approached apart from this package. Since Congressional action on some type of stimulus package is likely, considerable care must be exercised regarding the size and the components of that package. Too much stimulus will likely cause another inflation cycle and the wrong components of the package will merely be an inefficient way of adding to the deficit and adding to inflation without a lasting improvement in the unemployment picture.

A successful stimulus package must recognize that the current unemployment problem consists of several component parts, each of which requires a different solution. Of the 7.9 percent current unemployment level, only about 1.5 to 2.0 percentage points is considered cyclical unemployment; that is, unemployment which might improve with demand generated by a broad stimulus program. As much as 3.0 percentage points of the current unemployment picture is structural unemployment; that is, unemployment caused by labor force skills and behavior that are not appropriate for available employment opportunities, or those that flow naturally from an improving economy. The solution to this problem requires sharply focused programs. Finally, there is a longer term need for capital formation in order to provide expanding employment opportunities at rising real wages. Unless that problem is addressed at this time, inflationary pressures caused by shortages, decreased output per worker and lack of additional employment opportunities appear likely in the future. To avoid these future problems, it is recommended that the Federal Government formally declare a national policy in support

of adequate capital investment in the private sector.

Given the above analysis, the following criteria are essential to any economic package:

(1) In attacking unemployment caused by lack of demand, it must be recognized that temporary solutions have had very limited success in the past; thus, permanent, confidence-building solutions must be used now and this means a permanent tax cut, not some form of temporary gimmick.

(2) The package must include programs which are focused on the special unemployment problems of youth and minorities (50% of the present unemployment consists of persons aged 16–24).

(3) The package must provide for the longer term economic growth in order to sustain the recovery beyond the immediate 1977–1978 period. This requires programs which encourage investment for creation of future jobs.

(4) The package must utilize the private sector, rather than the government sector, to the fullest extent possible in the creation of jobs and in training and work experience programs.

(5) The package must attempt to minimize the inflationary impact of its components.

The Republican package proposed here was designed with these criteria in mind. Starting with a goal of reducing unemployment to the rate of approximately 5½ percent by the end of calendar year 1978, Table I identifies the number of additional jobs needed to be created. With about a 2 percent growth in the labor force and the Congressional Budget Office current estimates of projected economic growth (3½–5%), about 0.9 percentage points of unemployment will be eliminated by normal economic growth alone using the midpoint of the CBO range. This still leaves an additional 1.5 million jobs which must be created to reduce unemployment to the goal of 5½ percent. Table II provides details of the proposed economic package, including costs and job creation estimates for each component. Table III compares the package proposed here with the Carter Administration package. In summary, for less cost ($26.2 billion gross cost here versus $31.2 billion for the Carter package), more jobs are created by this proposed package (1.83–2.3 million versus a Carter estimate of 1.2–1.5 million). This difference is primarily due to the fact that the Carter temporary rebates create only temporary demand, and thus only have temporary job creation impacts.

That the tax cut should be permanent rather than a temporary rebate is very important. Background studies have shown that temporary rebates are primarily used by consumers to reduce debt or add to savings and do not give sufficient confidence to consumers that they will incur installment debts. The January 27, 1977 Harris Poll confirms these studies as 62% of those surveyed said they would "put the money in the bank" or "pay off debts". Only 21% said they would "buy things they need." Thus, a temporary rebate would not appear to provide a stimulus to sales of major durables or non-durable purchases, an important objective of any stimulus program.

Regarding inflation, the Republican package can be expected to have a more favorable impact on inflation than the Carter proposal. The inflation pressures associated with employment increases are moderated by the focus on structural employment, the reduction of labor costs from the employment tax credit, and the investment incentives. Moreover, the temporary rebates of the Carter package are likely to create a surge in the money supply or a sharp increase in interest rates.

In summary, rather than to solve all economic problems through macroeconomic stimulation and publicly initiated projects of low productivity, the package described here attempts to address specific problems with specific solutions.

TABLE I.—EMPLOYMENT PROJECTIONS

	Average for—			
	Year 1977	Quarter 1977: 4	Year 1978	Quarter 1978: 4
Labor force (millions)		97.8		100.0
Growth rate (without additional stimulus) [1] (percent)	3.5–5.0		3.5–5.5	
Unemployment rate (without additional stimulus) [1] (percent)		7.1–7.8		6.6–7.6
Number of unemployed (millions)		6.9–.76		6.6–7.6
Number of employed (millions)		90.2–90.9		92.4–93.4
Assume approximate midpoint of above growth range (without additional stimulus) (percent)	4.5		4.5	
Unemployment rate (percent)		7.3		7.0
Number of unemployed (millions)		7.2		7.0
Number employed (millions)		90.6		93.0
Possible policy objective: Unemployment rate (percent)				5.5
Number of unemployed (millions)				5.5
Number employed (millions) (if reach unemployment objective)				94.5
Number of additional jobs needed (millions)				1.5
Proposed stimulus package: Jobs created (millions)				[2] 1.83–2.3

[1] According to CBO report, "The Disappointing Recovery," Jan. 11, 1977.
[2] This total includes 450,000 training and work experience positions created by the package.

TABLE II.—DETAILS OF THE REPUBLICAN ECONOMIC PACKAGE

[Dollar amounts in billions]

	Fiscal year 1977	Fiscal year 1978	2-yr cumulative cost	Jobs by end of calendar 1978 (thousand jobs)
1. Permanent personal tax reduction (affects all taxpayers, emphasis for low and middle income, effective Apr. 1, 1977)	$4.5	$12.8	$17.3	450–600
2. Structural unemployment policies:				
(a) Youth employment and training, new CETA title VII	1.0	2.1	3.1	[1] 700–800
(b) Targeted employment tax credit (persons unemployed 26 weeks or longer)	.4	1.9	2.3	450–550
3. Policies to stimulate long-term investment				[2] 100–200
(a) Permanent corporate tax reduction for small business (cut rate to 18 percent for 1st $100,000 profit; effective Jan. 1, 1978)	0	2.1	2.1	
(b) Increase in dividend exclusion to $600 (helps stimulate equity investment, effective Jan. 1, 1978)		.2	.2	
(c) Interest income exclusion ($100 exclusion, helps smaller savers, effective Jan. 1, 1978)		.2	.2	
(d) Accelerated depreciation for investment in high unemployment areas (retroactive to Jan 1, 1977)		.2	.2	
(e) Broadened stock ownership plan to encourage common stock ownership (effective Jan. 1, 1978)		.1	.1	
4. Program to stimulate housing rehabilitation (budget authority, $1,000,000,000 in fiscal year 1977, $2,000,000,000 in fiscal year 1978; but outlays small)		.2	.2	80–100
5. Energy conservation: Home insulation tax credit	.2	.3	.5	50
Gross cost	6.1	20.1	26.2 [3]	1,830–2,300
Less: Expenditures saved due to higher employment	−.8	−4.3	−5.1	
Net cost	5.3	15.8	21.1	

[1] Includes 450,000 training and work experience positions created.
[2] For 3(a), 3(b), 3(c), 3(d), and 3(e).
[3] Total jobs.

Note: The net cost figures only reflect direct Federal expenditures saved from higher employment (unemployment compensation, food stamps, AFDC, and medicaid) and do not reflect tax revenue increases generated by higher employment.

TABLE III.—COMPARISON OF PACKAGES

	Republican	Carter	Republican		Carter	
			By end of 1977	Cumulative total by end of 1978	By end of 1977	Cumulative total by end of 1978
2-year costs (billions of dollars):						
Gross cost	26.2	31.2				
Less expenditures saved due to higher employment	−5.1	−4.2				
Job impact (thousands):	21.1	27.0				
Total jobs created			550–750	1,830–2,300	940–1,040	1,215–1,515
Newly created training and work experience positions included in jobs totals			(250)	(450)	(200)	(350)

Note: The jobs numbers included in the Carter totals are those claimed by the administration. There is some doubt that these numbers will flow from the Carter package.

II. INTRODUCTION

There is growing concern that traditional economic analysis and policies are not sufficient to deal with problems of lagging growth in the current environment of high unemployment, exceptionally high budget deficits, and persistent inflation.

The building blocks of conventional macro analysis include general relationships ("rules of thumb") between—

(a) Total employment, total labor force and the overall unemployment rate;

(b) The unemployment rate and the real growth rate of the economy relative to its potential;

(c) The amount of economic stimulus applied through fiscal policy and the resultant real economic growth of the economy;

(d) The impact of economic stimulus on the rate of inflation, both in the short-run and the long-run; and

(e) Changes in federal expenditures, revenues and budget deficits induced by normal economic growth and fiscal policy initiatives.

Although there are other cause and effect relationships that could be isolated and discussed, there are perhaps the most commonly estimated and manipulated "rules of thumb". Using these historic relationships, macroeconomics can make rough projections of economic activity, unemployment rates, and federal finances under a variety of alternative scenarios. Table IV on the next page shows the unemployment rates and Federal deficits which would occur if historic rules are extrapolated at four, five and six percent real GNP growth rates.

Note that by the end of calendar year 1978 even the "six percent rate of real growth" scenario leaves high and unacceptable rates of unemployment and a very large Federal deficit. These projections are in the middle of projections made by CBO nad others, and are consistent with recent commercial forecasts (DRI, Chase and Wharton).

Both unemployment and the prolonged deficit would invoke real sociological and economic displacement. Unemployment is always unacceptable. The growing size of the Federal debt (over $701 billion now) must be continually refinanced, will eventually compete for capital with a recovering private sector, and could send interest rates soaring. The possibility of renewed rapid inflation is a risk confronting and inhibiting consumer, business, and government policy decisions. For these and other reasons it is essential at this time to design government policies which address all of these factors weighing heavily on present and future economic conditions.

In particular, this analysis suggests that the magnitude of fiscal stimulus, measured by the amount of tax reduction or of expenditure increase, is not a reliable guide to the effects on real growth and the unemployment rate. There exist focused economic policy options which will improve upon the inflation deficit, unemployment, and growth tradeoffs associated with economic stimulus.

TABLE IV.—UNEMPLOYMENT RATES AND FEDERAL DEFICIT UNDER ALTERNATIVE REAL GNP GROWTH RATES

	Calendar year quarter								
	1976:4 [1]	1977:1	1977:2	1977:3	1977:4	1978:1	1978:2	1978:3	1978:4
Potential real GNP [2] (billions)	$1,438.6	$1,451.1	$1,463.6	$1,476.2	$3,489.0	$1,501.9	$1,514.8	$1,527.9	$1,541.1
Projected real GNP with alternative real growth rates (billions):									
4 percent real growth	1,281.5	1,294.1	1,306.9	1,319.8	1,332.8	1,345.9	1,359.2	1,372.5	1,386.1
5 percent real growth	1,281.5	1,297.2	1,313.1	1,329.3	1,345.6	1,362.1	1,378.8	1,395.7	1,412.9
6 percent real growth	1,281.5	1,300.3	1,319.4	1,338.7	1,358.4	1,378.3	1,398.5	1,419.0	1,439.8
Projected unemployment rate with alternative real growth rates [3] (percent):									
4 percent real growth	7.9	7.88	7.84	7.80	7.75	7.71	7.67	7.63	7.58
5 percent real growth	7.9	7.80	7.67	7.54	7.41	7.29	7.16	7.03	6.91
6 percent real growth	7.9	7.71	7.50	7.29	7.08	6.87	6.66	6.46	6.25
Projected annualized Federal deficit with alternative real growth rates [4] (billions):									
4 percent real growth	$56.8	$56.6	$55.9	$55.4	$55.2	$54.9	$54.7	$54.4	$54.1
5 percent real growth	56.8	55.3	53.2	51.0	49.8	47.8	45.8	43.8	42.7
6 percent real growth	56.8	53.5	49.9	46.3	44.0	40.6	37.1	33.7	31.3

[1] Actual value.
[2] Reflects 3.5 percent growth rate of potential GNP as specified in Economic Report of the President, January 1977.
[3] Extrapolated from estimation of "Okun's Law" (32.03 (PGNP—GNP/GNP)+4=U).
[4] For each 1-percent unemployment above 4½percent, expenditures for unemployment compensation, food stamps and so on increases about $3,500,000,000 and revenues are reduced about $13,200,000,000. This is added to the calculated full-employment surplus.

The characteristic of the present and prospective unemployment and economic growth problems are described and analyzed in Section II. It is concluded that the economic policies adopted to attack those economic problems will produce growth, employment, and inflation results superior to traditional or temporary stimulus policies so long as those policies satisfy the following criteria:

(1) In attacking unemployment caused by lack of demand, it must be recognized that temporary solutions have had very limited success in the past; thus, permanent, confidence-building solutions must be used now and this means a permanent tax cut, not some form of temporary gimmick.

(2) The package must include programs which are focused on the special unemployment problems of youth and minorities (50% of the present unemployment consists of persons aged 16–24).

(3) The package must provide for the longer term economic growth in order to sustain the recovery beyond the immediate 1977–1978 period. This requires programs which encourage investment for creation of future jobs.

(4) The package must utilize the private sector, rather than the government sector, to the fullest extent possible in the creation of jobs and in training and work experience programs.

(5) The package must attempt to minimize the inflationary impact of its components.

An economic package which satisfies these criteria is described in general, including specific legislative proposals, in Section IV.

The proposed stimulus package will be viewed in three parts:

1. General fiscal stimulus designed to produce permanently higher levels and growth of consumer and related business spending in order to reduce cyclical unemployment. A permanent reduction in personal income taxes focused on the middle and lower income brackets is recommended as most effective.

2. Targeted employment programs to reduce structural unemployment. Programs are recommended which utilize the existing training and employment structure to focus more aggressively on unemployed youth and which use the unique allocation ability of the private sector to assist labor market entrants and others experiencing extended job search.

3. Long-term employment and growth stimulus through policies encouraging capital formation. Policies are recommended to encourage investment and expansion primarily by small competitive businesses and direct investment in private enterprise by savers. Assistance is also recommended for the housing industry through a housing rehabilitation program.

4. Policies to aid the housing and construction industry rapidly and, at the same time upgrade the quality of the housing stock. An increase in mortgage purchases of rehabilitated housing units is recommended as most effective.

5. Policies to conserve energy and reduce fuel waste. A tax incentive for home insulation is recommended.

III. THE NATURE OF UNEMPLOYMENT, INFLATION, AND LONG-RANGE GROWTH

As actual GNP falls short of its potential, persons (and equipment) become unemployed. Or, conversely, as persons become unemployed, the rate of GNP growth falls from its potential. The different wordings are not insignificant. If persons become unemployed because GNP fails to grow adequately, the problem may be termed cyclical unemploy-

ment. That is, the problem is deficient overall demand. If, on the other hand, GNP falls because persons cannot be adequately employed, the problem is structural unemployment. Not only are the causes different, but also the cures. The current 7.9 percent unemployment rate is partly cyclical in nature (roughly 1½–2 percentage points), and partly structural (on the order of 3 percent). The remainder is short-term unemployment which occurs as persons move into the labor force or switch jobs (frictional unemployment).*

Economic growth affects these unemployment classifications differently. Historically since 1966, a 3% closing of the gap between potential and actual real GNP has been accompanied by a 1 percentage point decreasing rate of unemployment. This relationship was held until the unemployment rate reaches 4%, but there is now evidence that the 4% level to which this relationship has been accurate may currently be too low by as much as 1½ percentage points.

In addition, the rule (Okun's Law) is not consistent among groups within the economy. Table V shows the historic responsiveness of sectors of the labor force to changes in aggregate demand, and historic levels of unemployment for various sectors of the labor force are shown in Table VI. These results clearly indicate that an acceleration of economic growth alone is not sufficient to reduce the unemployment rate to desirable levels among some labor force segments.

*The point at which a person "frictionally" unemployed can be classified as "structurally" unemployed because of the duration of job search or low employment prospects cannot be defined with precision.

TABLE V.—RESPONSIVENESS OF LABOR FORCE SEGMENTS TO CHANGES IN GNP GAP[1]

[In percent]

Labor force segment	Reduction in gap required to reduce segment's unemployment rate 1 percent	Segment's unemployment rate at which changes in aggregate demand no longer reduce their unemployment rate
Married males	2.20	1.7
Females	2.94	5.0
Nonwhite	4.80	7.2
Teenage	5.56	12.6
Tennage males	6.02	12.0
Teenage females	4.54	14.1
Teenage nonwhite	10.10	25.3

[1] Data based on the period 1966–76.

TABLE VI.—SELECTED QUARTERLY UNEMPLOYMENT RATES (PERCENT)

	75.1	75.2	75.3	75.4	76.1	76.2	76.3	76.4		7.51	75.2	7.53	75.4	76.1	76.2	76.3	76.4
Total overall	8.1	8.7	8.6	8.5	7.6	7.4	7.8	8.0	Teenage	19.8	20.2	20.2	19.5	19.4	18.7	18.8	19.0
Male	7.4	8.2	8.2	8.0	6.9	6.8	7.1	7.4	Male, teenage	19.9	20.9	20.4	19.2	19.6	19.3	18.7	19.2
Married, male	4.7	5.5	5.4	5.1	4.1	4.1	4.4	4.4	Female, teenage	20.0	19.4	19.9	19.8	19.2	17.9	19.0	18.7
Female	9.3	9.6	9.3	9.2	8.6	8.3	8.8	8.8	Nonwhite, teenage	38.6	37.2	36.3	35.4	35.2	39.3	37.6	35.9
Nonwhite	13.4	14.1	14.0	14.0	13.1	12.8	13.1	13.6									

Increased Labor Force Participation

The proportion of the population eligible for civilian employment which is either employed or seeking employment is termed the participation rate. Over the past decade the labor force participation rate of the US civilian population has increased from 57.8 percent to 60.8 percent. This means that just to keep the unemployment rate constant, job opportunities must increase faster than the rate of population growth by the amount of increased participation. For example, if adjusted to reflect the labor force participation rate of 1966, the unemployment rate in 1976 would be 3.1 percent, not the present 7.9 percent. This calculation is shown on Table VII.

TABLE VII.—EMPLOYMENT STATUS OF 16 YR AND OVER POPULATION UNDER DIFFERENT LABOR FORCE PARTICIPATION RATES

	Noninstitutional population (M)	Armed Forces (M)	Labor force participation rate (LFPR) (percent)	Employed (M)	Unemployment rate (percent)	Unemployment rate at 1966 (LFPR) (percent)
1966	131.2	3.1	57.8	72.9	3.8	3.8
1970	140.2	3.2	59.0	78.6	4.9	3.0
1973	148.3	2.3	59.8	84.4	4.9	1.5
1974	150.8	2.2	60.3	85.9	5.6	1.4
1975	153.4	2.2	60.4	84.8	8.4	4.4
1976	156.8	2.1	60.8	87.8	7.9	3.1

Note: Adjusted to reflect labor force participation as recently as 1973, the current unemployment rate would be 6.3 percent rather than 7.9 percent.

Total employment in the US economy has increased from its recession low of 84.2 million employed workers in March, 1975, to 88.4 million in December, 1976. This 4.2 million increase is historically high for any postwar recovery, but has been largely counteracted by the 3.9 million increase in participants, from 92.0 million to 95.9 million. If the labor force were to continue to grow at the same 3 percent annual rate over the next year, by traditional calculation, a 5.0 percent increase in real GNP would be required just to absorb new entrants; a 6.1 percent real growth rate would be required to reduce the rate of unemployment 1 percentage point.[1]

A look at participation rates is not meant to dispel the worry of unemployment but rather to gain insight into its composition and possible remedies. Though the adult male participation rate, traditionally the most easily employed segment, has declined over a 10-year period, the decline has been more than overcome by increased adult female and teenage participation. Both the female and teenage participation rates have increased nearly 7 percentage points over the last decade. Youth unemployment (ages 16–19) accounts for nearly 25 percent of the present 7.9 percent unemployment rate.

Between now and 1985, the teenage component of the population will fall from 4.9 percent to 3.6 percent of the population. The nonwhite teenage population will crest seven years behind the 1974 crest of the white teenage population, however. The division between male and female will remain essentially static with female participation expected to continue its increase. Thus, if demographics were the entire story, there is only slight prospect for immediate improvement in the overall unemployment rate.

Historic participation rates of various labor market segments are shown below.

[1] Calculations from testimony of Julius Shiskin, Commissioner of Labor Statistics before the Joint Economic Committee of Congress, January 12, 1977. In analyzing these labor force trends, it is difficult to account for the number of non-participants who are *discouraged* from seeking work by poor economic indicators, or those additional participants *encouraged* to seek work because of the falling real family incomes caused by past inflation or fears of future inflation.

TABLE VIII.—AVERAGE ANNUAL PARTICIPATION RATES OF VARIOUS LABOR FORCE SEGMENTS

[Percent of eligible civilian population]

	All	Teenage	Adult female	Adult male	Nonwhite
1966	57.8	48.2	40.2	83.6	62.9
1967	58.6	48.4	41.1	83.5	62.8
1968	59.0	48.4	41.5	83.2	62.2
1969	59.1	49.1	42.6	82.8	62.1
1970	59.0	50.0	43.3	82.6	61.8
1971	59.4	50.0	43.4	82.1	60.9
1972	59.8	52.9	43.6	81.6	60.0
1973	59.8	53.8	44.3	81.3	60.3
1974	60.3	54.9	45.2	81.0	60.0
1975	60.4	54.2	46.0	80.3	59.1
1976	60.8	55.0	46.9	79.7	59.4

Unemployment and Inflation

The relationship between the rate of inflation and the unemployment rate has shifted dramatically since 1970 and indicates that any given unemployment rate is associated with a much higher rate of inflation than in the pre-1970 period. The shift may be attributed to cost-push inflation, new structural immobilities in the product and labor markets, or forces external to the U.S. economy that have not been experienced before. Several hypotheses have been set forth, among them:

1. Labor force participation is much more responsive now than in the past to changes in economic activity. Expectations of continued inflation exacerbate this response.

2. Recent experience with high inflation rates has increased the sensitivity of consumers and businesses to actual or anticipated inflation. In addition, consumers have reacted to inflation by decreasing, rather than accelerating, spending plans. In addition to any loss in real purchasing power, personal savings has increased to provide for future needs and to avoid accumulation of liabilities that may be difficult to service in the future. Consequently, increased inflation has brought on decreased real purchasing and production along with increased unemployment.

3. Government regulation of private industry may push up prices at every level of unemployment. Regulation has two inflationary effects—

(a) increased costs for market participants; and

(b) reduced competition by shielding market participants from competitive measures.

Some forms of regulation may be desirable for other reasons but never is it costless. For example, Murray Weidenbaum discusses such costs in his 1975 AEI publication, Government Mandated Price Increases:

"As would be expected, the ever more complicated safety system—as well as federally mandated pollution controls—are increasing the price of motor vehicles. . . . for the typical new 1974 passenger automobile, the estimated cost of the successive changes required in the 1968–74 period to meet federal standards. According to these data, the federally mandated costs average $320 per car. With new car purchases totalling about 9 million for 1974, American motorists thus paid approximately $3 billion extra for the governmentally imposed requirements."

Other Federal regulations have been cited. Among these are OSHA regulations (Weidenbaum notes a 26 percent increase in compliance cost between 1972 and 1973), regulation of transport routes, government procurement practices and excessive patent protection.

4. Low investment in productive capital has restricted economic growth which, in the face of growing consumer income, adds to inflationary pressures. At least two reasons for lower investment might be suggested:

(a) Much investment has been channeled into mandated environmental and safety devices which, though no doubt desirable, have substantially reduced investment funds available to produce those products measured in GNP accounts.

(b) There has been a long-term general decline in before tax profits as a percentage of GNP—averaging 10.6 percent of GNP in 1960, 11.1 percent in 1966, 7.8 percent in 1971 and 8.6 percent in 1976. The same general trend for after tax profits may be noted as well. According to the September, 1974 Morgan Guarantee Survey, the after tax rate of return on corporate capital adjusted for underdepreciation has declined steadily from 10.0 percent to 4.8 percent in 1974. This would be consistent with continued growth only if risk factors were simultaneously reduced. In fact, however, corporate risk has apparently increased in recent years with additional regulatory restrictions, potential litigation, enormous sums of capital required, and energy and other international uncertainties.

Paul McCracken testifying before the U.S. Senate Committee on the Budget, January 11, 1977, noted that corporate profit taxes adjusted for underdepreciation would be 54 percent of corporate income in 1976 contrasted with 41 percent a decade ago. Likewise, he noted retained earnings in 1976 will be 60 percent below those of 1966 compared to a 40 percent increase in real compensation of employees. Decreasing rates of return to capital and falling ability of firms to finance capital internally seriously impair prospects for future US economic growth, employment, and stable prices.

Many have suggested that unemployment and excess measured capacity in the US economy will prevent a strong dose of fiscal stimulus from having inflationary consequences. Revised Federal Reserve Board statistics placed third quarter capacity utilization at 80.9 percent of capacity (using 1967 as the benchmark year for output). The high post-war capacity utilization rate, however, was 91.6 percent in the second quarter of 1966, and it has been below the current level in 37 quarters since 1948. Of these periods, the 9 most recent quarters show sizeable increases in the price level. Because many other factors are involved, and because of recent behavior patterns, it would be hazardous to assume that measures of excess capacity any longer fully insulate the economy from inflationary pressures and assure dramatic employment gains from fiscal stimulus.

IV. POLICIES TO COMBAT CYCLICAL UNEMPLOYMENT

Economic recovery since the 1975 second quarter trough has been characterized by an initial inventory liquidation of historic proportions and a gradual rebuilding to normal levels. The consumer sector suffered from lack of demand for both durable and nondurable goods. The initial drop in consumer durable purchases was so great that even though the rate of increase of durable purchases has matched previous recoveries and is expected to remain strong, the overall level is still low. Consumer spending on nondurables is forecast to remain sluggish for the foreseeable future. Business spending for plant and equipment has been extremely low throughout the recovery and although corporate financial structure has greatly improved, investment shows few signs of regaining strength soon.

Permanent individual income tax cut

To provide a strong and lasting stimulus to the consumer sector, any stimulus package should include a permanent tax rate reduction directed primarily toward low and middle income individuals. The higher realized and anticipated utilization rates of existing production facilities will at the same time provide the kind of stimulus to investment in plant and equipment that is needed at the present time. The permanent nature of the tax cut is important. Many studies have indicated that potential consumers require the security of the permanent reduction to incorporate their new purchasing power into their spending stream. These same studies indicate that temporary reductions—or rebates—are likely to be used largely to reduce debt or will be put into savings (note the Harris opinion survey, January 27, 1977, among other studies). A tax rebate would thus contribute a relatively small and short-lived stimulus. Only a tax cut of a permanent nature (for example, a rate reduction or increased personal tax credit) would provide the strong and steady support for private spending that is essential for continued growth.

If fiscal policy were to duplicate the size of the 1964 tax cut, which some economists (though not all) view as a successful application of stimulus, the magnitude would be 2 percent of GNP, or about $35 billion. There are, however, at least three arguments which mitigate against a cut of that magnitude:

1. A portion of the 1964 tax cut was called for by the increasing drag upon after-tax income as inflation forced consumers into progressively higher marginal tax brackets. There had been no tax reduction for the preceding seven years before 1964; however, in the current situation, the 1975 tax cut and its recent extension has, to some extent, lessened but not totally obviated this need. While the entire tax cut provides economic stimulus relative to current policy projections, at least $6 billion of tax reduction can be viewed as necessary to offset the tax-increasing effects of inflation since the 1975 tax cut.

2. The composition of the industrial economy and labor force has changed radically since a decade ago, as has been illustrated earlier. Industry is more service oriented and requires more skilled labor. Also, a much larger proportion of current unemployment is structural in nature. Targeted job policies would be a much more effective approach to this problem than exclusive use of aggregate demand stimulus and would entail less risk of inflation aggregated by labor and product shortages.

3. Due to the extraordinary rates of inflation experienced in recent years, producers and consumers may be more sensitive to inflation, and, therefore, price decisions in the economy may be very sensitive to demand-stimulus policies.

An annualized $12–$13 billion tax reduction of a permanent nature would be sufficient to reduce cyclical unemployment problems and a reduction in rates for tax brackets of $18,000 adjusted gross income and below is recommended. This reduction is directed toward lower adjusted gross income brackets because taxpayers in these brackets tend to spend a greater average share of their income than relatively higher AGI classes. By adjusting all brackets $18,000 or below, some tax relief is provided to all taxpayers, but the maximum benefit goes to the 60 percent of all taxpayers who are in the tax brackets of $18,000 and under. Total personal income tax collections are reduced 7½ percent with the reduction being 14 percent of the tax liability for those individuals in adjusted gross income brackets of $18,000 or less. These brackets receive nearly 80 percent of the tax relief.

The tax liability savings for the various adjusted gross income classes is shown on Table IX.

TAXABLE IX.—EXAMPLES OF PERSONAL INCOME TAX RELIEF

JOINT RETURN, FAMILY OF 4

Taxable income [1]	Adjusted gross income	Tax liability [2]		Savings
		Current	Proposed	
$5,000	$10,100	$670	$490	$180
$10,000	15,500	1,640	1,430	210
$15,000	20,800	2,830	2,650	180
$20,000	25,800	4,200	4,110	90
$30,000	35,800	7,700	7,650	50
$50,000	55,800	16,880	16,830	50

PERCENTAGE DISTRIBUTION OF TOTAL TAX REDUCTION BY ADJUSTED GROSS INCOME CLASS [3]

	Percent
0 to $5,000	4.8
$5,000 to $10,000	24.3
$10,000 to $15,000	29.1
$15,000 to $20,000	23.6
$20,000 to $30,000	15.2
$30,000 to $50,000	2.1
$50,000 to $100,000	.5
Over $100,000	.1

[1] Using standard deduction.
[2] Includes general tax credit.
[3] Percentages do not add to 100 percent due to rounding.

V. TARGETED PROGRAMS TO COMBAT STRUCTURAL UNEMPLOYMENT

This paper has made the case that a considerable proportion of unemployment at the present time is structural in nature, confined in many cases to labor force subsegments, and not totally susceptible to programs aimed at restimulating aggregate demand. For this reason, it is imperative that any stimulus package contain major elements directed toward these structural elements.

A. *Youth Unemployment*

As the 3.6 million unemployed youth ages 16 to 24 (including 1.8 million under age 20) make up a disproportionate share of the unemployed (nearly 50%), a specific program which focuses on youth is essential to addressing the structural unemployment problem. A newly introduced CETA Title VII, The

Youth Employment Act (YEA), which provides for comprehensive manpower services for youth, including work experience, on-the-job training, classroom training and public service employment is recommended for this stimulus package. YEA makes efficient use of the available CETA structure and provides flexibility to allow prime sponsors to structure the program to meet the needs of 14–24 year old youths in individual localities. The existing CETA Title I mechanisms, including the comprehensive planning process, the conditions for receipt of assistance, manpower councils at the State and local levels, and other administrative procedures, are incorporated by reference eliminating the need for a new bureaucratic agency. A bonus is provided for prime sponsors who engage in cooperative projects with local or State education agencies. YEA provides for private sector involvement as well as public sector employment. Authorization is $1.0 billion in FY 77 and $2.8 billion in FY 78 ($0.7 billion of the FY 78 total is attributable to the CETA Title III Summer Youth Program which is combined with activities of the new title, leaving a net increase of $2.1 billion for youth employment).

The Comprehensive Employment and Training Act (CETA) is written in seven titles directed toward both cyclical and structural unemployment problems. The titles direct funds to State and local governments for funding jobs for the unemployed, the long-term unemployed, the disadvantaged, older Americans, American Indians, Summer Youth Programs and job training. For FY 76, the outlays and actual jobs funded are shown in the tables prepared by CBO (Tables 6 and 7). For FY 77, $3.3 billion in BA and $2.3 billion in outlays has been appropriated for Title I–V. Though a supplemental is required for funding Title VI, room is available in the budget to provide 500,000 Title VI jobs at an average cost of $8,200 per job—$3.2 billion in BA and $2.0 billion in outlays. Already 260,000 individual slots are provided for under the continuing resolution for CETA Title VI.

Such jobs must be filled by individuals unemployed 15 weeks or longer. These additional 240,000 job placements are not included in this package as they are already authorized and included in the current services budget. It should be understood that the Carter Stimulus package takes credit for these jobs already authorized.

B. Employment tax credit

In addressing the structural unemployment problem, it is desirable to rely whenever possible on the unique allocation ability of the private sector and to provide direct encouragement to the employment initiatives of labor force participants and employers. A targeted employment tax credit program can provide significant assistance and incentive in securing private employment for individuals not presently or adequately served by public training and employment programs. Employment of persons who face particular difficulty in finding a job and acquiring marketable skills and experience would be encouraged while total employment in the economy is increased. This approach represents a partnership of the government and the private sector in resolving the difficult unemployment problem faced by the economy.

The wage cost incurred by business can be a major factor in determining whether a particular potential employee will be hired and whether additional workers will be hired. Wage costs may also strongly affect the prices charged and the resulting level of sales and production. The government recognizes the uncertainty and possible financial sacrifices faced by many businesses in hiring persons whose initial skills and experience do not match existing or potential job openings. Businesses cannot profitably hire workers and pay a wage that is in excess of the revenue generated by the employees activity.

TABLE X.—SELECTED EMPLOYMENT AND TRAINING OUTLAYS IN FISCAL YEAR 1976

[In millions of dollars]

Programs	Activities					
	On-the-job training	Classroom training	Work experience	Public service employment	Other	Total [1]
CETA—Title I	170	611	713	187	17	1,698
CETA—Title II	1	1	7	535	(2)	545
CETA—Title III:						
Migrants and Farmworkers	3	17	5	0	40	65
Native Americans	4	12	29	5	11	61
Summer youth	0	0	459	0	0	459
CETA—Title IV: Job Corps	0	181	0	0	0	181
CETA—Title VI and II [3]	3	2	219	1,648	1	1,872
Community service employment for older Americans	0	0	47	0	0	47
Work incentive program	91	42	12	58	105	308
Total [1]	272	866	1,491	2,433	173	5,236

[1] Rows or columns may not sum to equal totals exactly due to rounding.
[2] Less than $500,000.
[3] An emergency supplemental appropriation merged titles II and VI of CETA for the purpose of extending title VI positions beyond its expiration date of Dec. 31, 1975.

TABLE XI.—SELECTED EMPLOYMENT AND TRAINING YEARS OF SERVICE IN FISCAL YEAR 1976

Programs	Activities					
	On-the-job training	Classroom training	Work experience	Public service employment	Other	Total [1]
CETA—Title I	40,300	152,600	216,100	22,700	16,600	448,300
CETA—Title II	300	600	1,900	72,400	100	75,300
CETA—Title III:						
Migrants and farmworkers	1,511	3,794	757	0	0	6,062
Native Americans	900	2,900	6,900	1,200	2,600	14,500
Summer youth	0	0	250,700	0	0	250,700
CETA—Title IV: Job Corps	0	20,200	0	0	0	20,200
CETA—Title VI and II [2]	1,000	1,100	34,300	190,000	200	226,600
Community service employment for older Americans	0	0	12,700	0	0	12,700
Work incentive program	9,600	13,300	3,700	4,000	(3)	30,600
Total [1]	53,611	194,494	527,057	290,300	19,500	1,084,962

[1] Rows or columns may not sum to equal totals exactly due to rounding.
[2] An emergency supplemental appropriation merged titles II and VI of CETA for the purpose of extending title VI positions beyond its expiration date of Dec. 31, 1975.
[3] Not applicable.

Payment of an employment tax credit to private employers can be an effective way to bring about easier and more extensive (shorter job search and less employment) of targeted labor force groups and increased total employment in the economy.

An employment tax credit program targeted on individuals who have been unemployed for 26 weeks or longer is recommended. This approach would focus benefits on those most in need of work experience and earned income, and whose unemployment demonstrates an inability to secure a job without assistance.

Since extended unemployment is most prevalent in areas with high overall unemployment rates, this target would also serve to focus program benefits in high unemployment regions. There are presently approximately 1.3 million people who have been unemployed 26 weeks or longer. Between the second quarter of 1977 and the fourth quarter of 1978, as many as 3.0 million persons may have experienced unemployment of this duration. A tax credit of $1.00 per hour during the first six months of employment and $.50 per hour during the second six months is estimated to bring about 450–550 thousand reduction in unemployment by the end of 1978 at a cost of $0.4 billion in FY 77 and $1.9 billion in FY 78.

A variety of targeted or general program designs and administrative mechanisms are possible. A tax credit is easy to administer and would allow prompt implementation and employment at the initiative of business and eligible employees. Program information could be disseminated quickly through existing Treasury, Labor and Commerce Department channels.

The employment tax credit approach can fill an important gap in existing manpower and employment programs. Such a program can encourage and financially enable employers to provide a period of skill adjustment or on-the-job training for those who are not being reached by institutional manpower programs, for individuals who do not need extensive formal training or re-training, and for persons who encounter serious difficulty bridging the gap from public training and employment programs to private sector employment. In addition, by enabling businesses to hire additional workers at a lower net cost, the employment tax credit approach can have a direct favorable impact on the rate of inflation and total employment. That is, it provides a stimulus directly to the supply side of the market. This stimulus would be particularly effective in increasing employment at the present time when businesses generally have excess production capacity, as now, when the economy is in a recovery phase. Additional employees can more readily be put to work with existing underutilized equipment.

Because this approach to stimulating the economy has not been tried extensively, the exact effects of the employment tax credit are not known. As compared to other methods of attempting to increase employment, however, the employment tax credit directly encourages productive private sector jobs with high prospects of permanent employment. Those employed under the credit will be earning full wages paid mostly by private employers and will be paying taxes rather than drawing unemployment compensation and other income supplements. The employment tax credit could easily be extended to a broader eligibility if it proves as successful as anticipated in expanding employment without added inflation.

VI. POLICIES FOR LONG-TERM GROWTH AND EMPLOYMENT

Increased consumer demand resulting from reduced tax drain and targeted policies with-

out an undue increase in the overall rate of unemployment will do much to encourage capital investment, yet business decisions are such that an expectation of continued increased profitability over the useful life of the capital is required to evoke the outlay.

A. Corporate tax rate reduction

A permanent cut of the corporate normal tax rate from the current level (20% on the first $25,000 corporate profits, 22% on the second $25,000, and 48% thereafter) to 18% on the first $100,000 of corporate profits is recommended and would provide a reduction in corporate tax collections of about $2.1 billion for FY 78 (assuming a 1/1/78 effective date). In order to maintain the current 48% rate on profits in excess of $100,000, the surtax would have to be increased from 26% to 30%; however, this would have absolutely no tax dollar impact on profits over $100,000. The economic effect of this proposal should be to stimulate small business, although all corporations would receive some tax relief from the proposal. It should be noted that most service-oriented businesses are relatively small and labor intensive. Further, the service sector is the fastest growing sector in the economy. Consequently, the proposal should have a particularly favorable impact on employment.

B. Increased dividend and interest exclusion

An increase in the dividend exclusion from the current $100 ($200/joint return) to $600 ($1200/joint return) is recommended and is estimated to reduce FY 78 revenues by approximately $.2 billion. The addition of a $100 ($200/joint return) interest exclusion is recommended and is expected to further reduce revenues in FY 78 by $.2 billion. Both of these measures have an effective date of January 1, 1978. It is anticipated that these two proposals will encourage saving and investment through increasing their after tax rates of return. Further, the current tax system levies excessive burdens on dividend income through the combined effects of the corporate and individual income tax. This proposal should reduce this inequity. Finally, these exclusions will provide a measure of tax simplification for the recipients of small amounts of interest and dividend income.

C. Accelerated depreciation for high unemployment areas

In an effort to encourage investment in areas with high unemployment, accelerated depreciation for new plant and equipment is recommended. Specifically, for areas with unemployment rates in excess of 7%, it is proposed that (1) for buildings, straight-line depreciation over a period equal to one-half their useful lives be allowed, and (2) for equipment, firms be allowed to amortize over five years with a full investment tax credit (under current law, a full investment tax credit is allowed only for seven-year or greater amortization periods). This incentive would be limited to projects begun in calendar year 1977 and completed within 36 months. The revenue loss associated with this proposal is negligible for FY 77 and $0.2 billion for FY 78.

D. Stock ownership proposal for lower and middle income investors

A stock ownership proposal designed to encourage common stock ownership by lower and middle income investors is recommended. Under such plans, there is a $1500 limit on the maximum amount of the annual contribution eligible for the exclusion from income tax, and the income earned by such plans will be tax exempt. Taxation is deferred until the benefits are actually distributed at which time they will generally be subject to tax at capital gain rates. The maximum benefit accrues to those persons in the income brackets of $20,000 or under, but the proposal also benefits individuals in the $20,000 to $40,000 income brackets.

VII. ENERGY CONSERVATION THROUGH HOME INSULATION CREDIT

Current concern over the energy crisis and the resultant implications for the economy underscore the need for energy conservation. A tax credit designed to encourage residential insulation (including thermal windows, storm doors, etc.) is proposed as a part of this stimulus package—specifically, a refundable credit of 30% of the first $750 insulation expenditure (maximum credit of $225). It is further suggested that the provision be effective for the period between January 1, 1977 and December 31, 1978. The revenue losses associated with this proposal are estimated to be $0.2 billion for FY 77 and $0.3 billion for FY 78.

As noted earlier, the home insulation tax credit is only the first of what may prove to be several proposals related to moderating the economic cost of the severe winter. Additional time is required to assess the exact nature of the winter's impact so that appropriate Federal responses can be designed. It was not intended that the home insulation tax credit be the only program addressing this problem.

VIII. CYCLICAL PROBLEMS IN THE HOUSING INDUSTRY

Though unemployment in the construction industry remains relatively high, the housing industry component is showing definite signs of recovery. The preliminary estimate of privately owned housing starts in 1976 is 1,539,700. This is 33 percent above the total of 1,160,400 for 1975. Privately owned housing units were started in December 1976 at an estimated seasonally adjusted annual rate of 1,940,000. This was 13 percent above the revised November 1976 rate of 1,716,000 and 51 percent above the December 1975 rate of 1,283,000.

The December seasonally adjusted annual rate for single family housing starts was 1,323,000 units compared with the November rate of 1,237,000. The rate in December for units in apartment buildings with 5 or more units was 502,000 compared with the revised November rate of 382,000. The December rate for units with 2 to 4 units was 115,000. Housing starts do not include mobile homes.

Funds available at savings and loan institutions (which finance 45 percent of all single-family home mortagegs) continue to be abundant. Savings capital at these institutions has risen from $243.0 billion in December, 1974, to $286.0 billion in December, 1975, and to $330.3 billion in December of 1976. Over this same period total conventional, VA, and FHA loans outstanding by savings and loan institutions have risen from $249.3 billion in December, 1974 to $278.7 billion in December, 1975 and to $319.6 billion in December, 1976. Nevertheless, this stimulus package contains four elements which would have considerable impact upon unemployment in the construction industry.

1. By adding to the Federal deficit smaller amounts with more prompt impacts than other packages, less pressure is placed upon interest rates as the economy recovers towards full employment. Lower nominal interest rates may be the single most beneficial factor in promoting recovery in the construction industry.

2. As indicated later in this paper under "Policies for Long-Term Growth," an interest income exclusion from taxes is recommended. This interest exclusion from individual income tax liability encourages a continued flow of savings to thrift institutions.

3. A permanent cut in the corporate and individual income tax rates encourages long-term investment in durable goods and new plant and equipment. This is an effect which temporary rebates would not have.

4. To encourage construction while at the same time directing money to central city regions, it is recommended that Budget Authority be added to the Government National Mortgage Association (GNMA) budget for rehabilitation of housing units.

At present, GNMA does not have a secondary market in rehabilitation mortgages, but the omission could be redressed by administrative changes. Budget Authority would be $2.0 billion in FY 77 and $1.0 billion in FY 78. Outlay cost, assuming that GNMA could sell the mortgages under a "tandem" procedure, would be the difference in the sales price of a note bearing a 7½ percent GNMA interest and the market interest. This would add approximately $.2 billion to the FY 78 budget, though nothing would be added in FY 77 as the program takes 6–15 months to obtain loan commitments but FHA approval could be expedited to reduce this delay. The amounts indicated would be sufficient to upgrade (not add to housing stock) about 75,000 units. It should be noted, however, that data regarding costs are very uncertain since the program has never operated under a rehabilitation scheme.

In the longer term, there is a continuing need to examine the way in which we finance the purchase and sale of housing. A number of imaginative proposals for recasting the mortgage instrument have been made, including proposals for an equity-adjusted mortgage which would allow the purchasers to make lower payments during the early years and higher payments during later years, thus tailoring the payment stream to expected increases in income. Also worthy of consideration are the variable rate mortgages and other alternative mortgage instruments.

IX. STIMULUS PACKAGE EFFECTS ON GROWTH, EMPLOYMENT, AND INFLATION

An economic stimulus package of the type indicated by this analysis would produce employment and growth results somewhat better than the 6% real growth rate (1977 and 1978) and the 6% unemployment rate (end of 1978) suggested by President Carter and others as appropriate economic goals. In addition, a smaller budget deficit over a long period and lower inflation rates than associated with other stimulus packages yielding the same goals can be anticipated because of the targeted nature of the program.

It is difficult to predict the precise numerical effects of any economic stimulus policy, and misleading to calculate the effects of a stimulus package as the simple summation of the estimated effects of its parts. This is particularly true of the stimulus package described here. The employment tax credit program to stimulate employment and training is a novel approach which introduces direct incentives, the effects of which are difficult to predict from historical data. Similarly, past experience is insufficient to gauge the economy's response to the innovative and substantially increased focus on the problem of structural unemployment. Thus, the conclusion concerning the growth and employment goals that could be achieved is based on disaggregated or microeconomic comparisons of the focused and unique nature of this stimulus approach compared to conventional estimates of other, more traditional stimulus packages.

Finally, the longer-run absorption of an expanding labor force at growing real wage levels requires an adequate flow of savings into productive capital formation. Although industry utilization rates now appear to be below the full capacity range, policies are needed which are compatible with bringing capital foundations as a percent of GNP back to, or above, levels of the last two decades. In furtherance of these policies, the Federal Government should formally declare a na-

tional policy in support of adequate capital investment in the private sector.

In addressing these components of the present and future unemployment problem, the analysis and policy decisions must be increasingly disaggregated and microeconomics in focus. The appropriateness of simple macroeconomic measures of U.S. economic performance and the effectiveness of macroeconomic policies to solve our economic problems are highly questionable. The tradeoffs associated with this approach appear to be increasingly unfavorable. For this reason, we must look to policies which provide incentives and direction resulting in more optional employment, production, and pricing decisions in the private economy. It is only in this that the main distributional problem in our economic system—unemployment—can be satisfactorily resolved over time.

By Mr. CRANSTON (for Mr. HASKELL):

S. 738. A bill to provide a uniform system of reimbursement for and reporting of expenses incurred by Senators and employees of the Senate while traveling outside the United States on official business, and for other purposes; to the Committee on Rules and Administration.

CONGRESSIONAL FOREIGN TRAVEL ACT OF 1977

Mr. CRANSTON. Mr. President, on behalf of the Senator from Colorado (Mr. HASKELL) I introduce the Congressional Foreign Travel Act of 1977. I ask unanimous consent that a statement by Senator HASKELL, together with the bill and a summary thereof, be printed in the RECORD.

There being no objection, the statement, bill, and summary were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HASKELL

Last week, I introduced legislation to prohibit the use of public funds for overseas travel by lame-duck Senators, and to prevent the Senate from paying for first-class air travel for Senators and Senate employees, except in certain special instances. In addition to these economies, I also outlined certain proposals that I would be introducing to improve the way in which we finance and account for the expenses of our foreign travel.

Today, I am introducing those proposals in the Congressional Foreign Travel Act of 1977, and I sincerely hope that my colleagues will appreciate its merits and enact it swiftly. We have nothing to lose and everything to gain, in terms of earning the public's trust and respect, by bringing sound principles of economy and reporting into play and ending abuses in the use of public monies for foreign travel.

My bill will prohibit double-dipping and provide a penalty therefor, stringently curb the use of Defense Department "black bag" funds for Congressional travel, restricting the use of such funds to the payment of air and ground transportation only; it will require itemized reports of foreign travel expenditures from each Member and Senate employee within 15 days of returning from a trip, and reports from the federal agencies providing funds and services for such trips within the same time. These expense reports are to be published in the Congressional Record in full, within 5 days of receipt.

Within 30 days of the beginning of each new session of Congress, each Senate Committee and each agency providing services and funds to Senators and Senate employees traveling abroad, is to furnish the Secretary of the Senate a consolidated annual report of the foreign travel expenditures of each Senate committee and each Senator and Senate employee for the preceding year. These reports are also to be published in the Congressional Record within 5 days of receipt. In the case of the Senate Select Committee on Intelligence, information identifying the foreign countries in which Members and employees traveled may be omitted from any report at the Chairman's discretion.

I think these simple reforms and improvements in procedure are absolutely necessary to bring a semblance of order and accountability to our system of paying for, and reporting to the public, the expenses of this body for foreign travel. Members and Senate employees must have the privilege of traveling abroad in order to perform their duties properly and to inform themselves on matters of importance before the Senate. But we must not abuse that privilege—we must be as careful with the public's money as we are with our own, and we must open our books to public scrutiny if we are to regain the people's confidence and faith. Moreover, I think a small reduction in the perquisites we afford ourselves will prove a useful reminder that we are indeed the servants of the people and not exalted persons deserving of special deference and treatment. But the important thing is that we institute sound principles of administration and public disclosure in this area of Senate conduct, and that we hold each Member and Senate employee fully accountable for his or her expenditure of public funds on foreign travel, as we do with domestic travel.

S. 738

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Foreign Travel Act of 1977".

DEFINITIONS

SEC. 2. For purposes of this Act, the term—

(1) "employee of the Senate" includes an employee of a joint committee of Congress whose salary is disbursed by the Secretary of the Senate; and

(2) "foreign travel" means travel by a Senator or employee of the Senate outside of the limits of the United States in the course of the performance of the official duties of the Senator or employee.

LIMITATIONS ON TRAVEL AND SUBSISTENCE REIMBURSEMENT

SEC. 3. (a) Notwithstanding any other provision of law, in the case of any foreign travel by a Senator or an employee of the Senate—

(1) the sum of (A) the amounts received, and (B) the value of services received at no cost by the Senator or employee from any sources for per diem allowances or subsistence expenses (as defined in section 5701 of title 5, United States Code) in connection with that travel shall not exceed $75 per day; and

(2) amounts received by the Senator or employee from any sources as reimbursement for transportation expenses shall not include any amount which constitutes reimbursement for transportation—

(A) which is provided at no cost by an agency of the Federal Government or any other source, or

(B) which is in excess of the actual cost of such transportation.

(b) Any Senator or employee of the Senate who knowingly or willfully receives any amount in excess of the amount provided for in subsection (a)(1) or who knowingly and willfully receives any amount prohibited by subsection (a)(2) shall be subject to a civil penalty of $10,000.

(c) The seventh paragraph in the matter under the heading "Administrative Provisions" for the Senate in the Legislative Branch Appropriation Act, 1957 (2. U.S.C. 68b) is amended by inserting after "Higher rates" the following: "(not in excess of $75 per day)".

LIMITATIONS ON USE OF AGENCY APPROPRIATIONS FOR CONGRESSIONAL TRAVEL

SEC. 4. Section 1314 of the Supplemental Appropriation Act, 1954 (31 U.S.C. 22a) is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", except that such funds may not be used to pay to or reimburse any Member of Congress or any employee of the Congress for any expenses, other than air or ground transportation expenses, incurred by the Member or employee in traveling beyond the limits of the United States for the examination of estimates of appreciations.".

REPORTING REQUIREMENTS

SEC. 5. (a)(1) Each Senator and employee of the Senate shall, within 15 days (not including any day on which the Senate is not in session) after the return of the Senator or employee from any foreign travel, submit to the chairman of the committee with respect to which such foreign travel relates an itemized report listing—

(A) any amount of foreign currency received during section 502(b) of the Mutual Security Act of 1954, as amended (22 U.S.C. 1754(b)), any amount received as a member of an interparliamentary group described in section 105(b) of the Legislative Branch Appropriation Act, 1961, as amended (22 U.S.C. 276c–1), and any amount received from the contingent fund of the Senate, any agency of the Federal Government, or any other source,

(B) each separate expenditure from the total amount listed under subparagraph (A) and the purpose for which such expenditure was made, and

(C) an estimate of the cost of each service (including transportation) provided at no cost to the Senator or employee by an agency of the Federal Government.

(2) Each Senator who engages in foreign travel as a member of an interparliamentary group described in section 105(b) of the Legislative Branch Appropriation Act, 1961, as amended (22 U.S.C. 276c-1), and each employee who engages in foreign travel in connection with any such group, shall submit the report described in paragraph (1) to the Chairman of the Committee on Foreign Relations of the Senate.

(3) Within 30 days (not including any day on which the Senate is not in session) of the convening of each session of the Congress, the Chairman of each Committee of the Senate and each joint committee of the Congress whose funds are disbursed by the Secretary of the Senate shall submit to the Secretary of the Senate a report listing for the previous calendar year—

(A) the total expenditures for foreign travel,

(B) the total expenditures for each Senator and employee for foreign travel in connection with the duties of such committee,

(C) each foreign travel trip of each Senator or employee and the amount expended on that trip, and

(D) each foreign country visited by a Senator or employee and the amount expended with respect to that country.

(4) Each report submitted under this subsection shall be published in the Congressional Record within 5 days (not including any day on which the Senate is not in session) after receipt by the chairman or the Secretary of the Senate, as the case may be.

(5) In the case of the Select Committee on Intelligence of the Senate, there may be omitted, at the discretion of the chairman of such select committee, from any report under this subsection, such information as would identify the foreign countries in which members and employees of such select committee traveled.

(b)(1) Each agency of the executive branch of the Federal Government shall, within 15 days (not including any day on which the Senate is not in session) after the

return from foreign travel of a Senator or employee of the Senate with respect to whom such agency provided any funds or services in connection with such travel, submit to the Secretary of the Senate a report listing—

(A) the amount of funds expended and the purposes for which the funds were expended, and

(B) the estimated cost of any services (including air and ground transportation) provided to the Senator or employee by such agency.

(2) Within 30 days (not including any day on which the Senate is not in session) of the convening of each session of the Congress, each agency of the executive branch of the Federal Government shall submit to the Secretary of the Senate a report listing—

(A) the total amount of funds expended in connection with the foreign travel of Senators and employees of the Senate for the previous calendar year,

(B) the total amount of funds expended for each committee of the Senate and each joint committee of the Congress whose funds are disbursed by the Secretary of the Senate for the previous calendar year, and

(C) for each Senator and employee of the Senate a separate total of the amount of funds expended for foreign travel for the previous calendar year.

(3) Each report submitted under this subsection shall be published in the Congressional Record within 5 days (not including any day on which the Senate is not in session) after its receipt by the Secretary of the Senate.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 6. (a) Section 502 (b) of the Mutual Security Act of 1954 (22 U.S.C. 1754 (b)) is amended—

(1) by inserting after "such committee" the first time it appears in the second sentence thereof the following: "(other than a committee of the Senate or a joint committee of the Congress whose funds are disbursed by the Secretary of the Senate)";

(2) by striking out in such second sentence "(if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Secretary of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate)"; and

(3) by striking out the last sentence thereof.

(b) Section 105(b) of the Legislative Branch Appropriations Act, 1961, as amended (22 U.S.C. 276c-1), is amended to read as follows:

"(b) Each Member of the House of Representatives who is a member of the United States group or delegation to the Interparliamentary Union, the NATO parliamentarian's Conference, the Canada-United States Interparliamentary Group, the Mexico-United States Interparliamentary Group, or any similar interparliamentary group of which the United States is a member, and each employee of the House of Representatives, by whom or on whose behalf expenditures are made from funds appropriated for the expenses of such group or delegation, shall file with the Committee on Foreign Affairs of the House of Representatives an itemized report showing all such expenditures made by or on behalf of each member or employee together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within sixty days after the beginning of each regular session of Congress, the chairman of the Committee on Foreign Affairs shall prepare a consolidated report showing with respect to each such group or delegation the total amount expended, the purposes of the expenditures, the amount expended for each such purpose, the names of the members or employees by or on behalf of whom the expenditures were made and the amount expended by or on behalf of each member or employee for each such purpose. The consolidated reports prepared by the chairman of the Committee on Foreign Affairs of the House shall be filed with the Committee on House Administration of the House. Each such consolidated report shall be printed in the Congressional Record within ten days after receipt by the Committee on House Administration of the House.".

SUMMARY OF PROVISIONS OF THE CONGRESSIONAL TRAVEL ACT OF 1977

1. Double-dipping is prohibited in the following manner: The bill limits the total sum that a Senator or employee may receive for per diem or subsistence expenses to be paid if living costs are provided free of charge. Transportation cannot be reimbursed if it is provided at no cost, and reimbursement can only be made for the actual cost of transportation.

2. The bill provides a $10,000 penalty for willful violation of the above provisions against double-dipping.

3. The use of so-called "black bag" funds for traveling Congressmen and Senators and Congressional employees is limited to the provision of air and ground transportation. These are agency monies authorized to be used for the purpose of "examination of estimates of appropriations in the field" under Section 1314 of Public Law 83-207. Under this bill that section is amended to restrict the use of such funds on the part of Members of Congress and Congressional employees, to the funding of air and ground transportation. This is done as an additional check on excessive expenditures, and because this particular travel fund has been so badly abused in the past.

4. Within 15 days of returning from a foreign trip (days when Congres is actually in session) each Senator or Senate employee must submit an itemized travel expense report to the chairman of the authorizing or appropriate committee giving the amounts of money received from any source (counterpart funds, contingent fund, agency funds), and the expenditures made from these funds. This report is to include the estimated cost of services provided at no cost by the federal government, including transportation.

5. Within 15 days of a Member's returning from a foreign trip, any federal agency helping to support that trip by funds or services is to send a complete report of the cost of such services and expenditures to the Secretary of the Senate. This applies to the travel of Senate employees as well.

6. The Members' and employees' reports as well as the agency reports, are to be published in the Congressional Record within 5 days of receipt. It is hoped that this dual reporting to different authorities and the publication of both sets of reports in the Congressional Record, will help to assure accuracy and will assist Senators and Senate employees in holding down expenses while traveling overseas.

7. These reporting requirements extend to Members and Senate employees traveling abroad as members of interparliamentary groups or special delegations. Each member of such group is thus required to submit his or her own expense report, but these reports are to go to the Chairman of the Senate Foreign Relations Committee. The agencies helping to support such groups will file their reports for each member with the Secretary of the Senate.

8. Within 30 days of the convening of each session of Congress, each committee chairman must submit a consolidated annual report to the Secretary of the Senate of all expenditures by the committee for foreign travel for the previous year. This report is to include total foreign travel expenditures for the committee, the total expenditures on foreign travel for each committee member and employee, and the total expenditures on each trip taken and for each country visited by each Member and employee.

9. Within 30 days of the convening of each session of Congress each federal agency providing funds and services to members and employees traveling overseas must submit an annual consolidated report to the Secretary of the Senate to include the total of all expenditures for foreign travel of Senators and Senate employees, the total amount expended on foreign travel for each committee, and the total expended for each Senator and Senate employee on foreign travel for the previous calendar year.

10. These consolidated annual reports from the Senate committee and the federal agencies are to be published in the Congressional Record in full, within 5 days of receipt.

11. In the case of the Senate Select Committee on Intelligence, information identifying the foreign countries in which Members and employees traveled may be omitted from any report at the Chairman's discretion.

By Mr. PEARSON:

S. 740. A bill to amend the Internal Revenue Code of 1954 to eliminate the exclusive use requirement for deducting expenses attributable to a personal residence used for certain home industries; to the Committee on Finance.

BUSINESS USE OF HOME FOR CERTAIN HOME INDUSTRIES

Mr. PEARSON. Mr. President, today I am introducing a bill to correct an oversight in the Tax Reform Act of 1976. As an unintended result of provisions relating to the business use of the home deductions, America's cottage industries have been seriously threatened.

Under the tax law as amended last year, deductions attributable to the business use of a personal residence are allowable for income tax purposes only if the taxpayer uses a particular portion of his residence exclusively for certain business purposes on a regular basis. In addition, the residence must be used either as the taxpayer's principal place of business, as a place of business for meeting patients, clients, or customers, or, in the case of a separate structure, in connection with the taxpayer's trade or business. As a special rule, the exclusive use test does not apply to certain cases where a taxpayer uses his residence for inventory storage.

In general, the changes made last year were intended to provide more definitive rules than had existed in the past and to prevent the conversion of personal nondeductible expenses into deductible business expenses simply because a taxpayer incidentally used his personal residence to perform some business activities. The situations covered under the act would ordinarily indicate the conduct of business which would result in incurring incremental expenses above and beyond those which would have been incurred if the residence had only been used for personal purposes.

I generally agree with the objectives of the provisions of the Tax Reform Act. The amendment will be valuable in eliminating excessive abuses principally by

self-employed professionals in the higher income brackets. However, there are other business activities conducted in the home which ordinarily give rise to additional expenses for which no deduction would be allowable because the exclusive use test cannot be satisfied. These activities are those customarily involved in a so-called home or cottage industry. In particular, I am concerned with the situation where a taxpayer uses his home to provide day care facilities for children. In this case, it is not practicable to expect a residence to be divided into one portion to be used exclusively for the care of children and another portion to be used for personal purposes. However, it would be difficult to deny that the business use occasions additional wear and tear on the residence and additional utilities expenses.

My bill would eliminate the inequitable treatment of these home industries by permitting a deduction for the allocable expenses without regard to the exclusive use test. These expenses would be deductible to the extent attributable to a trade or business of a kind customarily carried on in the home as a sole proprietorship if the activities conducted outside the home are merely incidental activities. A limitation on the deductibility of the expenses would apply so that the deductible expenses for the business use of the home could not exceed the business income and thereby generate a loss to shelter other income.

Mr. President, I hope that this bill will be favorably considered as a measure to bring equity back into the tax code. The breadth of last year's bill and the time allowed for its consideration precluded sufficient deliberation on items such as this. We now have time to smooth out the rough edges of that comprehensive legislation.

I ask unanimous consent to have the text of the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 740

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Subsection (c) of section 280A of the Internal Revenue Code of 1954 is amended by striking out paragraph (4) and inserting immediately after paragraph (3) the following new paragraphs:

"(4) CERTAIN HOME INDUSTRIES.—Subsection (a) shall not apply to any item which is attributable to any trade or business of a kind customarily carried on in the home as a sole proprietorship if the activities conducted outside the home are merely incidental to the conduct of such business.

"(5) LIMITATION ON DEDUCTIONS.—In the case of a use described in paragraph (1), (2), or (4), and in the case of a use described in paragraph (3) where the dwelling unit is used by the taxpayer during the taxable year as a residence, the deductions allowed under this chapter for the taxable year by reason of being attributable to such use shall not exceed the excess of—

"(A) the gross income derived from such use for the taxable year, over

"(B) the deductions allocable to such use which are allowable under this chapter for the taxable year whether or not such unit (or portion thereof) was so used."

(b) EFFECTIVE DATE.—The amendments made by this Act shall apply to taxable years beginning after December 31, 1975.

By Mr. PROXMIRE:

S. 741. A bill to amend section 313 of the National Housing Act to provide authority for emergency home purchase assistance at lower interest rates, and for other purposes; to the Committee on Banking, Housing and Urban Affairs.

EMERGENCY MORTGAGE CREDIT ACT OF 1977

Mr. PROXMIRE. Mr. President, I am introducing S. 741, the Government National Mortgage Association Emergency Tandem Plan Amendments of 1977, a measure designed to improve the Nation's major program for emergency assistance to the housing market.

We are all aware that the housing market is perennially plagued by cyclical instability, and that its periodic recessions have been growing longer in recent years. We are only now pulling out of the housing downturn which began in 1973–74. The Nation had a housing-start level of only 1.1 million units in 1975 and about 1.5 million in 1976, compared to our statutorily set goals of 2.6 million per year.

In 1974, the Congress tried to respond to this problem by enacting the Emergency Home Purchase Assistance Act, which created the GNMA emergency tandem plan. This program, known as the Brooke-Cranston program after my two distinguished Banking Committee colleagues, who were its principal sponsors, is a very sound basic approach to the cyclical problems of the housing market. When the Secretary of HUD determines that adverse economic conditions are having a disproportionate impact on the availability of mortgage credit, she or he may activate the tandem plan. This enables lenders to offer below-market rate loans on single- and multi-family properties, and then to sell these loans to GNMA. GNMA, which is an agency within HUD, can in turn hold the loans or can sell them as whole mortgages or as mortgage-backed securities, either on the market or to the Federal Financing Bank.

The Committee on Banking, Housing and Urban Affairs held hearings last fall on this program and found that the basic mechanism is a very good way to pump money into the housing market. However, we also received testimony that the current structure of the program has made it far less effective than it should have been. Some of the shortcomings have been caused by the Ford administration's implementation, such as their refusal to allow GNMA to sell loans to the Federal Financing Bank.

In other areas, however, I think the program's weaknesses must be corrected through the statute itself. Our hearings indicated that many of the single-family units assisted under the tandem plan were not actually incremental purchases, but were merely substitutes of Government-subsidized sales for sales which would have occurred even without the program. The Library of Congress in a report to the committee for the hearings indicated that the average income under the program was about $21,000. This suggests not only that the program was assisting affluent rather than moderate-income families, but also that it was probably not having a maximal impact on stabilizing the market, since many of these purchases undoubtedly did not need an interest-rate subsidy in order to occur. By subsidizing people who could afford to buy a house without assistance, the program has been undercutting its countercyclical impact by missing the opportunity to generate housing starts which would not occur without a special stimulus.

A second problem area in the program has been the method used to allocate the funds. HUD has generally based its allocations on building permit data from several years ago, a highly inaccurate approach. One of the main goals of the program is to stimulate the housing market as a way to stimulate employment in the larger economy, and the funds should, therefore, be allocated to areas which have both housing needs and unemployment problems. To use it in places which do not meet both of these criteria is to waste a good part of the funds.

Accordingly, I am today introducing a bill which would amend the program to deal with these and other problems. The major changes would be as follows:

First. The home sales price and mortgage limits under the program would be eliminated, and replaced by a provision limiting eligibility of borrowers to people with up to 120 percent of median area income.

Second. The downpayment required on single-family homes without mortgage insurance would be reduced from 20 to 10 percent, again to help bring these purchases within reach of families who have difficulty affording a home.

Third. The interest rate would be changed from the lower of the FHA rate or 7½ percent, to the lower of the FHA rate or a rate determined by the Secretary of HUD as appropriate for meeting the purposes of the program.

Fourth. The Secretary of HUD would be directed to develop a formula for allocating the funds, based upon both housing need and unemployment in a given locality, in order to assure more efficient use. This is particularly important at the present time, when the economy needs a quick stimulus, but much of the single-family housing market is already thriving. An allocation system should channel the funds to the areas where they are needed and can quickly be used.

Fifth. The Secretary of HUD would be directed to devise ways to encourage the use of the program for housing rehabilitation and for acquisition and rehabilitation of housing in the inner cities. This directive would also empower her to structure special rules for this purpose, including, if necessary the establishment of a lower interest rate for inner-city and rehabilitation loans. This provision ties in with the objective of using the funds where both housing need and unemployment are acute. At the same time, however, there are constraints on the degree to which this type

of lending can be emphasized without sacrificing the goal of getting a quick, countercyclical stimulus from the program. The bill makes it clear that any effort by the Secretary to channel the funds into innercity areas would have to be made consistent with the primary countercyclical goal of the program.

Sixth. The amendments would make explicit the program's currently implicit goal of expanding homeownership opportunity for moderate-income people. Again, the bill makes it clear that this goal is subordinate to the primary objective of having a quick-impact, countercyclical program, to the extent that the two may be inconsistent. To the extent, however, that it is possible to achieve the countercyclical goal and help moderate-income homebuyers at the same time, this objective should be pursued.

Mr. President, the GNMA tandem plan already has an unused borrowing authority approved by Congress in the amount of $5 billion. With the amendments contained in my bill, the tandem program would became a very fine vehicle for providing the kind of short-term economic stimulus which President Carter has been seeking for the economy. At an average mortgage amount of $38,000, the available borrowing authority would produce more than 130,000 housing starts, or about 260,000 jobs. This very significant impact can be achieved, moreover, at only a minimal cost to the Government, as the loans which the Government buys under the program can be resold at very little loss when economic conditions are right. The jobs would be in the private sector, and would be working toward meeting our housing needs. This would be particularly true if HUD used the program to stimulate single-family housing rehabilitation in the cities, where the need for both housing and employment is critical.

I believe that this bill is a sound and timely proposal, and I urge my colleagues to consider it favorably.

By Mr. DURKIN:

S. 743. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers, and to prevent deterioration of competition in gasoline marketing; to the Committee on Commerce, Science, and Transportation.

PETROLEUM MARKETING PRACTICES ACT

Mr. DURKIN. Mr. President, I am introducing today a bill which will go a long way toward helping this Nation's small and independent gasoline dealers to keep providing their valuable service, and toward giving the consumer the chance to make more economical purchases at the gasoline pumps.

Title I of this bill gives small dealers needed protection against abrupt, unreasonable, and unjustified terminations of their franchises by the big oil conglomerates who arbitrarily decide to close them out. This bill will establish uniform and fundamental rights and obligations in the relationship between franchisors, the large oil companies, and franchisees, the small gasoline dealers who, until now, have been powerless to stand up to any demands or actions by their suppliers, however unfair or unrealistic. This title will allow the dealers to go to court to enforce their rights against unfair terminations, and against unjustified failures to renew their franchises by the big oil conglomerates.

Title II of this bill will give gasoline consumers the first hard information they will have in order to compare widely varied gasoline prices and quality. Title II will require refiners to state and certify the octane ratings of their product. These ratings will be required to be posted clearly on the gas pumps for consumers to see. In addition, new automobiles after the effective date of this provision must display clearly the octane requirements for the particular model car. The effect of these requirements will be to make sure consumers do not overbuy higher priced gasoline that they do not need. This measure will also help significantly to conserve on the use of more intense and thus higher priced gasolines than are required in today's model cars.

Title III of this bill strikes a blow at the predatory pricing practices of the big oil companies who control all levels of fuel supply, transportation and delivery . . . from the well to your gas tank. Under this provision, small independent gas dealers will no longer be forced out of business by underpricing and loss leaders used by the big oil companies. It will force the big companies to charge essentially the same price for their gasoline whether it so sold in company stations or by small private dealers.

These provisions protect our consumers from price gouging and give the small gasoline dealers a chance to continue in business in the face of heretofore dictated contract terms and predatory practices of the large oil companies. I urge quick consideration and passage of this bill.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Petroleum Marketing Practices Act".

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TITLE I—FRANCHISE PROTECTION

DEFINITIONS

SEC. 101. As used in this title:

(1) The term "franchise" means any written or oral agreement or contract—

(A) between a refiner and a distributor,

(B) between a refiner and a retailer,

(C) between a distributor and another distributor, or

(D) between a distributor and a retailer, under which a refiner or distributor (as the case may be) grants the authority for, or permits, a retailer or distributor to use, in connection with the sale, consignment, or distribution of motor fuel, a trademark, trade name, service mark, or other identifying symbol or name which is owned or controlled by such refiner or by a refiner which supplies motor fuel to the distributor which grants the authority for, or permits, such use. The term "franchise" includes any written or oral agreement or contract under which a retailer or distributor (as the case may be) is granted the authority, or permitted, to occupy premises owned, leased, or in any way controlled by a refiner or by a distributor, which premises are to be employed in connection with the sale, consignment, or distribution of motor fuel under a trademark, trade name, service mark, or other identifying symbol or name which is owned or controlled by such refiner or by a refiner which supplies motor fuel to the distributor which grants the authority for, or permits, such occupancy. The term "franchise" includes any written or oral agreement or contract pertaining to the supply of motor fuel which is to be sold, consigned, or distributed under a trademark, trade name, service mark, or other identifying symbol or name which is owned or controlled by a refiner. The term "franchise" includes the unexpired portion of any franchise, as defined by the preceding sentences of this paragraph, which is transferred or assigned as authorized by the provisions of such franchise or by any applicable provision of State law which permits such transfer or assignment without regard to any provision of the franchise.

(2) The term "franchise relationship" means the respective motor fuel marketing or distribution obligations and responsibilities of a franchisor and a franchisee which result from the marketing of motor fuel under a franchise.

(3) The term "franchisor" means a refiner or distributor (as the case may be) who grants the authority for, or permits, a retailer or distributor to use, in connection with the sale, consignment, or distribution of motor fuel, a trademark, trade name, service mark, or other identifying symbol or name under a franchise.

(4) The term "franchisee" means a retailer or distributor (as the case may be) who is granted the authority or permitted, to use, in connection with the sale, consignment, or distribution of motor fuel, a trademark trade name, service mark, or other identifying symbol or name under a franchise.

(5) The term "refiner" means any person engaged in the refining of motor fuel, and includes any affiliates of such person.

(6) The term "distributor" means any per-

son, including any affiliate of such person, who—

(A) purchases motor fuel for sale, consignment, or distribution to another; or

(b) receives motor fuel on consignment for consignment or distribution to his own motor fuel accounts.

(7) The term "retailer" means any person who purchases motor fuel for sale to the general public for ultimate consumption.

(8) The term "motor fuel" means gasoline and diesel fuel of a type distributed for use as a fuel in self-propelled vehicles designed primarily for use on public streets, roads, and highways.

(9) The phrase "failure to comply" does not include—

(A) any failure which is only technical or unimportant to the franchise relationship; or

(B) any failure for a cause beyond the reasonable control of the franchisee.

(10) The phrase "to renew a franchise relationship" means to reinstate, continue, or extend the franchise relationship—

(A) at the conclusion of the term, or on the expiration date, stated in the relevant franchise;

(B) at any time in the case of a relevant franchise which does not state a term of duration or an expiration date;

(C) following a termination on or after the date of enactment of this Act of the relevant franchise, which was entered into prior to the date of enactment of this Act.

(11) The term "affiliate" means any person who (other than by means of a franchise) controls, is controlled by, or is under common control with, any other person.

(12) The term "abandonment" means any failure of the franchise (other than for a cause beyond the reasonable control of the franchisee) to operate the premises, which are the subject of the franchise, for a period of at least 5 consecutive days, accompanied by evidence of the intent of the franchisee to terminate operation of such premises, such as the removal of personal property of obvious value from such premises. The failure of the franchisee to furnish an explanation to the franchisor for such failure to operate such premises, within 10 days of the commencement of such failure to operate such premises, shall create a presumption that the franchisee intends to terminate operation of such premises.

(13) The term "relevant geographic market area" includes a State or a standard metropolitan statistical area as periodically established by the Office of Management and Budget.

(14) The term "termination" includes cancellation.

SANCTITY OF FRANCHISE RELATIONSHIP—TERMINATION AND FAILURE TO RENEW

SEC. 102. (a) Except as provided in subsection (b) and section 103, no franchisor may terminate any franchise (entered into or renewed on or after the date of enactment of this Act) prior to the conclusion of the term, or the expiration date, stated in the franchise, or may fail to renew any franchise relationship (without regard to the date on which such franchise was entered into or renewed), unless the notification requirements of section 104 are met, and—

(1) the franchisee failed to comply with any provision of the franchise, which provision is both reasonable and of material significance to the franchise relationship, and, with respect to which such failure, the franchisor first acquired actual or constructive knowledge—

(A) not more than 120 days prior to the date on which notification of termination or failure to renew is given, if notification is given pursuant to section 104(a); or

(B) not more than 60 days prior to the date on which notification of termination or failure to renew is given, if less than 90 days notification is given pursuant to section 104(b);

(2) the franchisee failed to exert good faith efforts to carry out the provisions of the franchise and, with respect to which such failure, the franchisor first acquired actual or constructive knowledge—

(A) not more than 120 days prior to the date on which notification of termination or failure to renew is given, if notification is given pursuant to section 104(a); or

(B) not more than 60 days prior to the date on which notification of termination or failure to renew is given, if less than 90 days notification is given pursuant to section 104(b);

(3) during the period in which the franchise is in effect, there occurs an event which is relevant to the franchise relationship, as a result of which termination of such franchise, or nonrenewal of the franchise relationship is reasonable, and, with respect to which such occurrence, the franchisor first acquired actual or constructive knowledge—

(A) not more than 120 days prior to the date on which notification of termination or failure to renew is given, if notification is given pursuant to section 104(a); or

(B) not more than 60 days prior to the date on which notification of termination or failure to renew is given, if less than 90 days notification is given pursuant to section 104(b); or

(4)(A) the franchisor and the franchisee agree in writing to terminate the franchise or not to renew the franchise relationship, not more than 180 days prior to the date of such termination, or, in the case of nonrenewal, not more than 180 days prior to the conclusion of the term, or the expiration date, stated in the franchise;

(B) the franchisee is promptly provided with a copy of such agreement, together with the summary statement of the provisions of this title described in section 104(d); and

(C) within 7 days after the date on which the franchisee is provided a copy of such agreement, the franchisee has not posted by certified mail a written notice to the franchisor repudiating such agreement.

(b) Except as provided in subsection (a) and section 103, no franchisor may fail to renew any franchise relationship unless the notification requirements of section 104 are met, and—

(1) the franchisor and the franchisee fail to agree to reasonable changes or additions to the provisions of the franchise, unless such failure is the result of the franchisor's insistence upon such changes or additions for the primary purpose of preventing the renewal of the franchise relationship;

(2) the franchisor received numerous bona fide consumer complaints concerning the franchisee's operation of the premises which are the subject of the franchise, the existence and nature of which complaints the franchisee was promptly apprised following receipt of such complaints by the franchisor and, if such complaints related to the condition of such premises or to the conduct of any employee of such franchisee, the basis of which complaints was not promptly cured or corrected by the franchisee; or

(3) the franchisee repeatedly failed to operate the premises which are the subject of the franchise in a clean, safe, and healthful manner after having received repeated notices of such failures from the franchisor.

(c) As used in subsection (a), the phrase "an event which is relevant to the franchise relationship, as a result of which termination or nonrenewal of such franchise is reasonable" includes events such as—

(1) fraud or criminal misconduct relevant to the operation of the premises which are the subject of the franchise;

(2) declaration of bankruptcy or judicial determination of insolvency;

(3) continuing severe physical or mental disability of at least 3 months duration which renders the franchisee unable to provide for the continued proper operation of the premises which are the subject of the franchise;

(4) loss of the franchisor's right to grant possession of the premises, which are the subject of the franchise, through expiration of an underlying lease, if the franchisee had been notified in writing, prior to the commencement of the term of the then existing franchise, of the duration of the underlying lease and of the fact that such underlying lease might expire and not be renewed during the term of such franchise (in the case of termination) or at the end of such term (in the case of nonrenewal);

(5) condemnation or other taking, in whole or in part, of the premises, which are the subject of the franchise, pursuant to the power of eminent domain;

(6) loss of the franchisor's right to grant the right to use the trademark, trade name, service mark, or other identifying symbol or name which is the subject of the franchise, if such loss was not due to trademark abuse, violation of Federal or State law, or other fault or negligence of the franchisor, which such abuse, violation, or other fault or negligence is related to action taken in bad faith by the franchisor;

(7) destruction of all or a substantial part of the premises which are the subject of the franchise;

(8) failure by the franchisee to pay to the franchisor in a timely manner when due all sums to which the franchisor is legally entitled;

(9) abandonment by the franchisee of the premises which are the subject of the franchise;

(10) failure by the franchisee to operate such premises for an unreasonable period of time;

(11) willful adulteration, commingling, mislabeling, or misbranding of motor fuels or other trademark violations by the franchisee;

(12) knowing failure of the franchisee to comply with Federal, State, or local laws or regulations relevant to the operation of the premises which are the subject of the franchise; and

(13) conviction of the franchisee of any felony involving moral turpitude.

(d) In the case of any termination of a franchise (entered into or renewed on or after the date of enactment of this Act), or in the case of any failure to renew a franchise relationship without regard to the date on which such franchise relationship was entered into or renewed)—

(1) if such termination or failure to renew is based upon an event described in subsection (c)(5), the franchisor shall fairly apportion between the franchisor and the franchisee compensation, if any, based upon any loss of business opportunity or good will; and

(2) if such termination or failure to renew is based upon an event described in subsection (c)(7) and if the premises which are the subject of such franchise are subsequently rebuilt or replaced by the franchisor and the franchisor operates such premises under a franchise, the franchisor shall, within a reasonable period of time, grant to the franchisee a right of first refusal of the franchise applicable to such premises.

TRIAL FRANCHISE PERIOD—FAILURE TO RENEW

SEC. 103. (a) The provisions of section 102 shall not apply to the failure to renew any franchise relationship under a trial franchise. For purposes of this section, the term "trial franchise" means any franchise—

(1) which is entered into on or after the date of enactment of this Act;

(2) the franchisee of which has not previously been a party to a franchise with the franchisor;

(3) which is in writing and states clearly and conspicuously—

(A) that the franchise is a trial franchise;

(B) the duration of the initial term of the franchise;

(C) that the franchisor may fail to renew the franchise at the conclusion of the initial term stated in the franchise by notifying the franchisee, in accordance with the provisions of section 104 of this Act, of the franchisor's intention to fail to renew; and

(D) that the provisions of section 102, limiting the right of a franchisor to fail to renew a franchise, are not applicable to such trial franchise; and

(4) the initial term of which is for a period of not more than one year.

The term "trial franchise" does not include any unexpired period of any term of any franchise (other than a trial franchise as defined by the preceding sentence) which is transferred or assigned by the franchisee to the extent authorized by the provisions of the franchise or any applicable provision of State law which permits such transfer or assignment, without regard to any provision of the franchise.

(b)(1) No franchisor may fail to renew any franchise relationship under a trial franchise at the conclusion of the initial term of such franchise unless the notification requirements of section 104 are met.

(2) The provisions of section 102 shall apply to any failure to renew any franchise relationship under any franchise described in subsection (a) if such franchise relationship is renewed after the period stated in subsection (a)(3)(B).

NOTIFICATION OF TERMINATION OR FAILURE TO RENEW

SEC. 104. (a) Prior to termination of any franchise or failure to renew any franchise relationship, a franchisor shall furnish notification to the franchisee who is a party to such franchise or such relationship—

(1) in the manner described in subsection (c); and

(2) except as provided in subsection (b)(1), not less than 90 days prior to the date on which such termination or failure to renew takes effect.

(b)(1) In circumstances in which it would not be reasonable for a franchisor to furnish notification pursuant to subsection (a)(2) such franchisor shall furnish notification to the franchisee affected thereby on the earliest date on which furnishing of such notification is reasonably practicable.

(2) With respect to any termination or failure to renew a franchise to which paragraph (1) applies, the franchisor may not establish a new franchise relationship with respect to the premises which are the subject of such franchise before the expiration of the 30-day period which begins—

(A) on the date notification was posted or personally delivered; or

(B) if later, on the date on which such termination or failure to renew takes effect. A franchisor may, if permitted to do so by the franchise agreement, repossess the premises which are the subject of the franchise and, in circumstances under which it would be reasonable to do so, operate such premises through employees or agents during such 30-day period.

(c) Notification furnished under this section—

(1) shall be in writing;

(2) shall be posted by certified mail or personally delivered to the franchisee; and

(3) shall contain—

(A) a statement of intention to terminate or fail to renew such franchise, together with the reasons therefor;

(B) the date on which such termination or failure to renew takes effect; and

(C) the summary statement prepared under subsection (d) of this section. In the case of notification furnished under this section prior to the date of publication of such summary statement in the Federal Register, such summary may be furnished to the franchisee not later than 5 days after it is published in the Federal Register, rather than at the time that the matter described in subparagraphs (A) and (B) is furnished.

(d) Not later than 30 days after the date of enactment of this Act, the Administrator of the Federal Energy Administraion shall prepare and publish in the Federal Register a simple, concise summary of the provisions of this title, including a delineation of the respective responsibilities of, and the remedies and relief available to, any franchisor and franchisee under this title.

ENFORCEMENT

SEC. 105. (a) If a franchisor terminates any franchise or fails to renew any franchise relationship in a manner which fails to comply with the requirements of section 102 or 103, or fails to comply with the requirements of section 102(d), the franchisee of such franchise or such franchise relationship may maintain a civil action against such franchisor. Such action may be brought, without regard to the amount in controversy, in the district court of the United States in any judicial district in which the principal place of business of such franchsor is located or in which such franchisee is doing business, except that no such action may be maintained unless commenced within 3 years after the date of such failure to comply with the requirements of section 102 or 103.

(b)(1) In any action under subsection (a), the court shall grant such equitable relief as the court determines is necessary to remedy the effects of any termination of a franchise or failure to renew a franchise relationship in a manner which does not comply with the requirements of section 102 or 103, or any failure of the franchisor to comply with the requirements of section 102(d), including declaratory judgment, mandatory or prohibitive injunctive relief and interim equitable relief.

(2) Except as provided in paragraph (3), in any action under subsection (a), the court shall grant a preliminary injunction if—

(A) the franchisee shows that the franchise of which he is a party has been terminated or the franchise relationship of which he is a party has not been renewed;

(B) the franchisor does not demonstrate to the satisfaction of the court that such franchisor is likely to prevail in a trial on the merits; and

(C) the court does not determine that the action brought by the franchisee under subsection (a) is frivolous.

(3) Nothing in this subsection shall be construed as preventing any court from requiring the franchisee in any action under subsection (a) to post a bond, in an amount established by the court, prior to the issuance or continuation of any injunction.

(4) In any action under subsection (a), the court need not exercise its equity powers to compel continuation or renewal of a franchise relationship if such action was commenced—

(A) more than 90 days after the date on which notification pursuant to section 104 (a) was posted or personally delivered to the franchisee; or

(B) more than 30 days after the date on which the termination of such franchise or the failure to renew such franchise relationship takes effect if notification was not provided pursuant to section 104(a).

(c) In any action under subsection (a), the franchisor shall have the burden of proving that his termination of the franchise or failure to renew the franchise relationship complied with the requirements of section 102 or 103, and, if applicable, that he complied with the requirements of section 102(e).

(d)(1) If the franchise prevails in any action under subsection (a), the court—

(A) shall award actual damages as determined by the jury (unless trial by jury has been waived);

(B) in the case of any such action which is based upon conduct of the franchisor which was in gross or willful disregard of the requirements of section 102 or 103, or the rights of the franchisee thereunder, may award exemplary damages, where appropriate; and

(C) shall direct that reasonable attorney and expert witness fees be paid by the franchisor, unless the court determines that only nominal damages are to be awarded to such franchisee, in which case the court, in its discretion, need not direct that such fees be paid by the franchisor.

(2) The questions of whether to award exemplary damages and the amount of any such award shall be determined by the court and not by the jury.

(3) In any action under subsection (a), the court may, in its discretion, direct that reasonable attorney and expert witness fees be paid by the franchisee if the court finds that such action is frivolous.

(e)(1) In any action under subsection (a) with respect to a failure of a franchisor to renew a franchise relationship in compliance with the requirements of section 102, the court may not compel a continuation or renewal of the franchise relationship if the franchisor demonstrates to the satisfaction of the court that—

(A) the basis for such failure to renew is a determination made by the franchisor in good faith and in the normal course of business—

(i) to convert the premises which are the subject of the franchise to a use other than the sale or distribution of motor fuel;

(ii) to materially alter, add to, or replace such premises;

(iii) to sell such premises;

(iv) to withdraw from the marketing of motor fuel in the relevant geographic market area in which such premises are located; or

(v) that renewal of the franchise is likely to be uneconomical to the franchisor despite such reasonable changes or reasonable additions to the provisions of the franchise as may be agreed to by the franchisee.

(B) the requirements of section 104 have been complied with; and

(C) the failure to renew is not for the sole purpose of converting the premises, which are the subject of the franchise, to operation by employees or agents of the franchisor for such franchisor's own account.

(2)(A) Except as provided in subparagraph (B) the provisions of paragraph (1) shall not affect any right of any franchisee to recover damages and reasonable attorney and expert witness fees under subsection (d) if such failure to renew is prohibited by section 102.

(B) In any action under subsection (a) to which the provisions of this subsection apply, the franchisee may recover actual damages under subsection (d)(A), but any award of actual damages for loss of future earnings or profits, if any, shall be limited to 3 years. In determining the amount of any such actual damages the jury shall consider factors in mitigation of such damages, including—

(i) efforts of the franchisee to obtain substitute employment; and

(ii) whether, within the 90-day period after notification was given, pursuant to section 104, the franchisor—

(I) made a bona fide offer to sell the premises which are the subject of the franchise to such franchisee; or

(II) if applicable, offered the franchisee a right of first refusal of at least 45 days duration, of an offer, made by another, to purchase such premises.

RELATIONSHIP OF THIS TITLE TO STATE LAW

SEC. 106. (a) To the extent that any provision of this title applies to the termination (or the furnishing of notification with respect thereto) of any franchise, or to the

nonrenewal (or the furnishing of notification with respect thereto, of any franchise relationship), no State, territory, or possession of the United States, or any political subdivision thereof, nor the District of Columbia, the Commonwealth of Puerto Rico, or any political subdivision thereof, may adopt, enforce, or continue in effect any provision of any law or regulation (including any remedy or penalty applicable to any violation thereof) with respect to termination (or the furnishing of notification with respect thereto) of any such franchise or to the nonrenewal (or the furnishing of notification with respect thereto) of any such franchise relationship unless such provision of such law or regulation is the same as the applicable provision of this title.

(b) This title shall not be construed to authorize any transfer or assignment of any franchise or to prohibit any transfer or assignment of any franchise as authorized by the provisions of such franchise or by any applicable provision of State law which permits such transfer or assignment without regard to any provision of the franchise.

TITLE II—OCTANE DISCLOSURE

DEFINITIONS

SEC. 201. As used in this title:

(1) The term "gasoline retailer" means any person who sells automotive gasoline to the general public for ultimate consumption.

(2) The term "automotive gasoline" means gasoline of a type distributed for use as a fuel in any motor vehicle.

(3) The term "motor vehicle" means any self-propelled four-wheeled vehicle, of less than six thousand pounds gross vehicle weight, which is designed primarily for use on public streets, roads, and highways.

(4) The term "new motor vehicle" means any motor vehicle the equitable or legal title to which has not previously been transferred to an ultimate purchaser.

(5) The term "ultimate purchaser" means, with respect to any new motor vehicle, the first person who in good faith purchases such new motor vehicle for purposes other than resale.

(6) The term "manufacturer" means any person who imports, manufactures, or assembles motor vehicles for sale.

(7) The term "octane rating" means a comparative ranking of the antiknock characteristics of each grade or type of automotive gasoline.

(8) The term "octane requirement" means the minimum octane rating of each grade or type of automotive gasoline recommended, by the manufacturer of a motor vehicle, for use in motor vehicles, or a class thereof, imported, manufactured, or assembled by such manufacturer, for the efficient operation of such motor vehicle without knocking.

(9) The term "model year" means a manufacturer's annual production period (as determined by the Federal Trade Commission) for motor vehicles or a class of motor vehicles. If a manufacturer has no annual production period the term "model year" means the calendar year.

(10) The term "octane overbuying" means the act of purchasing automobile gasoline, as a fuel for a motor vehicle, which possesses antiknock characteristics greater than necessary for the normal operation of such motor vehicle, without knocking.

OCTANE RATING PROGRAM

SEC. 202. (a) Not later than 6 months after the date of enactment of this Act, the Federal Trade Commission shall, by rule, prescribe and make effective—

(1) testing procedures for the determination of the octane rating of automotive gasoline;

(2) requirements, applicable to any refiner who distributes gasoline, with respect to testing automotive gasoline in accordance with the procedures established under paragraph (1);

(3) requirements, applicable to any person who distributes automotive gasoline (other than any person who distributes automotive gasoline exclusively at retail) with respect to certification of the octane rating of automotive gasoline distributed by such person to another person for a purpose other than ultimate consumption by such other person;

(4) requirements, applicable to any gasoline retailer, with respect to the display of the octane rating of automotive gasoline at the point of sale to ultimate consumers of such gasoline; and

(5) requirements, applicable to any manufacturer of new motor vehicles, with respect to the display of the octane requirement of new motor vehicles on the fuel gage or dashboard of such motor vehicles.

(b) Notwithstanding section 18 of the Federal Trade Commission Act, the Federal Trade Commission shall prescribe the rule required by subsection (a) in accordance with section 553 of title 5, United States Code, with opportunity for presentation of written and oral views.

(c) Effective 90 days after the effective date of rules with respect to test procedures under subsection (a)(1), no person who distributes automotive gasoline may make any representation respecting the octane rating of such gasoline, unless such gasoline has been tested in accordance with such test procedures and such representation fairly discloses the results of such testing.

(d) In prescribing rules under subsection (a), the Federal Trade Commission shall consider—

(1) the need for a uniform octane rating system that provides meaningful information respecting the antiknock characteristics of automotive gasoline to the greatest number of retail automotive gasoline purchasers so as to reduce octane overbuying;

(2) the need to reduce wasteful consumption of energy resulting from octane overbuying;

(3) the need to reduce lead in motor vehicle exhaust emissions resulting from octane overbuying;

(4) the need to reduce unnecessary consumer costs resulting from octane overbuying;

(5) the need for coordination of information provided to motor vehicle operators respecting the octane requirement of motor vehicles with information respecting the octane rating of automotive gasoline provided retail automotive gasoline purchasers through labeling of automotive gasoline by gasoline retailers;

(6) ease of administration and enforcement;

(7) industry practices in the manufacture and importation of motor vehicles and in the distribution and marketing of automotive gasoline; and

(8) the effect of altitudinal and climatic variances upon octane requirements.

RULEMAKING AUTHORITY

SEC. 203. (a) The Federal Trade Commission shall have procedural, investigative, and enforcement powers, including the power to issue procedural rules in enforcing compliance with the rules prescribed pursuant to the requirements of this title, and to require the filing of reports, the production of documents, and the appearance of witnesses, as though the applicable terms and conditions of the Federal Trade Commission Act were part of this title.

(b)(1) The Federal Trade Commission shall have authority to further define terms used in this title and to amend the rules prescribed pursuant to section 202(a).

(2) Notwithstanding section 18 of the Federal Trade Commission Act, the Federal Trade Commission may exercise the authority granted by this subsection to prescribe rules in accordance with section 553 of title 5, United States Code, with opportunity for presentation of written and oral views.

ENFORCEMENT

SEC. 204. (a) It shall be an unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1) of the Federal Trade Commission Act) for any person to violate rules prescribed under section 202(a)(2), (3), (4), or (5), section 202(c), or rules prescribed under section 203.

(b) The Federal Trade Commission may enter into interagency agreements with the Environmental Protection Agency and such other agencies of the United States as the Commission determines appropriate for the purpose of assuring enforcement of the provisions of this title consistently with minimization of the cost of field inspection and related compliance activities and reduction of duplication of similar or related field compliance activities performed by agencies of the United States.

JUDICIAL REVIEW

SEC. 205. Any rule prescribed by the Federal Trade Commission pursuant to the authority of section 202(a) or section 203(b) is subject to judicial review only to the extent authorized by, and in accordance with, chapter 7 of title 5, United States Code, except that—

(1) the second sentence of section 705 thereof is not applicable; and

(2) any reviewing court may not hold unlawful and may not set aside such rule on any ground other than a ground specified in subparagraph (A), (B), (C), or (D) of section 706(2) thereof.

EFFECTIVE DATE

SEC. 206. (a) Rules under paragraph (1) of section 202(a) shall take effect not later than 6 months after the date of enactment of this Act.

(b) Rules under paragraphs (2), (3), and (4) of section 202(a) shall take effect not later than 9 months after the date of enactment of this Act.

(c) Rules under paragraph (5) of section 202(a) shall take effect not later than the beginning of the first motor vehicle model year which begins more than 9 months after the date of enactment of this Act.

TITLE III—PROHIBITION ON CERTAIN UNFAIR PRACTICES IN THE MARKETING OF AUTOMOTIVE GASOLINE

FINDINGS AND PURPOSE

SEC. 301. (a) The Congress hereby finds that:

(1) Gasoline marketers, which directly operate retail outlets for the sale of automotive gasoline while simultaneously engaging in crude oil production, refining, or other petroleum product marketing activities, possess the potential to subsidize their direct operation of retail outlets with profits derived from crude oil production, refining, or other marketing activities.

(2) Gasoline marketers which are exclusively engaged in the operation of retail outlets for the sale of automotive gasoline and related services are unable to compete effectively with such subsidized retail outlets.

(3) The elimination of effective competition in gasoline retailing from nonintegrated independent marketers will injure competition and result, in the long run, in higher prices to consumers.

(4) Loss leader sales of gasoline by persons primarily engaged in activities other than the marketing of automotive gasoline and the providing of related services (for example, convenience store operations and chain department store operations) threaten to injure competition in automotive gasoline.

(5) Protection of the Nation's system of independent service station operators is es-

sential to foster commerce, to permit continued use of the Nation's highways by business and recreational travelers and to protect the health and safety of the Nation's highway travelers.

(b) The purpose of this title is to further competition in automotive gasoline marketing and to protect the Nation's independent service station operators from discriminatory and unfair competition.

PROHIBITION ON DISCRIMINATORY SUBSIDIZATION OF DIRECT RETAIL GASOLINE MARKETING ACTIVITIES WITH PROFITS DERIVED FROM CRUDE OIL PRODUCTION, REFINING OR OTHER MARKETING ACTIVITIES

SEC. 302. (a) No dual distribution marketer of automotive gasoline in or affecting commerce may establish or maintain retail automotive gasoline prices which do not recover—

(1) the cost of automotive gasoline transferred to, or purchased by, retail outlets (other than retail outlets described in subsection (c)) controlled by such marketer; plus

(2) the cost of operating such retail outlets.

(b) For purposes of this section:

(1) The cost of automotive gasoline transferred to a retail outlet controlled by a dual distribution marketer of automotive gasoline shall equal the price which such marketer would lawfully charge for such gasoline if the retail outlet were not controlled by such marketer or any affiliate of such marketer.

(2) The price a dual distribution marketer charges another person for similar types, grades, and quantities of automotive gasoline purchased, for resale through similarly situated retail outlets not controlled by such marketer or an affiliate of such marketer, shall create a presumption that such price is the price which such dual distribution marketer would lawfully charge under the preceding paragraph if the retail outlet were not controlled by such marketer or an affiliate of such marketer. Such presumption may be rebutted by evidence showing that—

(A) such price charged to such other person by such dual distribution marketer was lawfully charged pursuant to the provisions of section 2 of the Clayton Act, as amended by the Act of June 19, 1936, entitled "An Act to amend section 2 of the Act entitled 'An act to supplement existing laws against unlawful restraints and monopolies and for other purposes', approved October 15, 1914, as amended (U.S.C., title 15, sec. 13), and for other purposes"; and

(B) such provisions of such section would permit the charging of a different price by such marketer, to a purchaser of automotive gasoline for resale through such retail outlet (controlled by such marketer or an affiliate of such marketer), if such retail outlet were not controlled by such marketer or an affiliate of such marketer, based upon a grounds specified in such section, including differences in costs, applicability of discounts available on proportionally equal terms, and the good faith meeting of an equally low price of a competitor.

(3) The costs of operating retail outlets owned or controlled by a dual distribution marketer or an affiliate of such marketer include—

(A) the total amount expended in rendering services at such retail outlets in connection with retail sales of automotive gasoline to ultimate consumers made through such outlets; for example, payments for electric utility services, water, heat, labor, management services, janitorial services, grounds maintenance, building maintenance, repairs to buildings and fixtures, local real estate taxes, rent (if such retail outlets are not owned by such marketer or an affiliate of such marketer); plus

(B) an amount representing reasonable amortization of nondepreciable capital assets of such retail outlets utilized in connection with retail sales of automotive gasoline to ultimate consumers made through such outlets; plus

(C) an amount representing a reasonable allowance for depreciation of depreciably capital assets of such retail outlets utilized in connection with retail sales of automotive gasoline to ultimate consumers made through such outlets.

(4) The term "dual distribution marketer of automotive gasoline" means any person who both—

(A) markets automotive gasoline at wholesale to another person who purchases such automotive gasoline for resale; and

(B) markets automotive gasoline at retail to ultimate consumers through retail outlets (other than retail outlets described in subsection (c)) controlled by such person or any affiliate of such person.

(5) The term "automotive gasoline" has the same meaning as such term has in title II of this Act.

(6) The term "affiliate" means any person who, directly or indirectly, controls, is controlled by, or is under common control with, any other person.

(7) The term "control" includes any ownership of any direct or indirect legal or beneficial interest in another person or any direct or indirect lawful power or influence arising through interlocking directorates or officers, contractual relationships, agency or exchange agreements, or licensing or leasing agreements, but does not include any such power or influence arising solely through a franchise.

(8) The term "franchise" has the same meaning as such term has in title I of this Act.

(9) The term "retail outlet" means any service station or other facility located in the United States through which automotive gasoline is sold to the general public for ultimate consumption.

(c) The provisions of this section shall not apply to any retail outlet—

(i) controlled by a marketer pursuant to the requirements of a law, regulation, or ordinance of a State or political subdivision thereof or pursuant to the terms of a contract between such marketer and a State or political subdivision thereof;

(ii) controlled by a marketer, in whole or in part, for the bona fide purpose of training employees, franchisees, or prospective franchisees, in the marketing of automotive gasoline or the operation or management of a retail gasoline outlet; or

(iii) controlled by a marketer by reason of the operation of such retail outlet by employees or agents of such marketer pursuant to section 104(b)(2) of this Act.

PROHIBITION ON LOSS LEADER MARKETING OF AUTOMOTIVE GASOLINE

SEC. 303. (a) Except as provided in subsection (b), no person engaged in the marketing or distribution of automotive gasoline in or affecting commerce may sell automotive gasoline at retail as a loss leader.

(b) Subsection (a) shall not apply to any person who markets or distributes automotive gasoline as a franchisee through a single retail outlet.

(c) For purposes of this section:

(1) The term "automotive gasoline" has the same meaning as such term has in title II of this Act.

(2) The term "franchisee" has the same meaning as such term has in title I of this Act.

(3) The term "retail outlet" means any service station or other facility located in the United States through which automotive gasoline is sold to the general public for ultimate consumption.

ACCOUNTING PRACTICES

SEC. 304. (a) No person to which the provisions of section 302 of this title apply may fail to maintain books and records, consistent with sound accounting principles, which demonstrate compliance with the requirements of that section.

(b) The Administrator of the Federal Energy Administration is authorized, after consultation with the Financial Accounting Standards Board, to prescribe, by rule, mandatory accounting standards applicable to the marketing activities, including the direct marketing of automotive gasoline at retail to ultimate consumers through retail outlets controlled by such person or an affiliate of such person, of any person to which the provisions of section 302 apply.

ENFORCEMENT

SEC. 305. (a) It shall be unlawful for any person to violate section 302, 303, or 304 of this Act.

(b)(1) Any person who violates any provision of subsection (a) shall be subject to a civil penalty of not more than $5,000 for each violation.

(2) Any person who wilfully violates any provisions of subsection (a) shall be fined not more than $5,000 for each violation.

(c) Whenever it appears to the Administrator of the Federal Energy Administration, or any person authorized by such Administrator to exercise authority under this section that any person has engaged, is engaged, or is about to engage in acts or practices constituting a violation of subsection (a), such Administrator or such person may request the Attorney General to bring a civil action to enjoin such acts or practices, and upon a proper showing, a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. In such action, the court may issue mandatory injunctions commanding any refiner to comply with any provision of section 302, 303, or 304, the violation of which is prohibited by subsection (a).

(d) Any person suffering legal wrong because of any act or practice which constitutes a violation of subsection (a) may bring a civil action for appropriate relief, including an action for a declaratory judgment or writ of injunction. The district courts of the United States shall have jurisdiction of actions brought under this subsection without regard to the amount in controversy.

By Mr. WILLIAMS:

S.J. Res. 21. A joint resolution to authorize the President to proclaim annually the last Friday of April as "National Arbor Day"; to the Committee on the Judiciary.

Mr. WILLIAMS. Mr. President, today I am introducing a joint resolution directing the President to proclaim an annual "National Arbor Day" the last Friday in April.

The real and symbolic value of trees has been recognized since ancient times. In the myths and customs of early civilizations, trees symbolized life, strength, and renewal. The fate of legendary heroes was sometimes linked to the fate of a particular tree. Tree planting often marked the birth of a child, a marriage, or the ascension of a ruler.

In the United States, tree planting observances had their origins in the Great Plains. It was in the desolate prairies of Nebraska that J. Sterling Morton conceived the idea of devoting 1 day each year to the planting of trees.

There were many practical as well as esthetic reasons for planting trees. They provided shade and shelter, prevented erosion, and were a source of fuel and building materials. Morton also recognized the social and educational, moral,

and even spiritual functions of tree planting. "How enduring are the animate trees of our planting," he wrote.

They grow and self-perpetuate themselves and shed yearly blessings on our race. Trees are the monuments I would have. The cultivation of flowers and trees is the cultivation of the good, the beautiful and the noble in man.

A resolution Morton introduced before the Nebraska State Board of Agriculture proclaimed the first Arbor Day in 1872. Over a million trees were planted on that first Arbor Day, and in 1885 it was made a legal holiday in Nebraska. Several other States soon followed suit.

Unfortunately, as the frontier disappeared and our Nation became increasingly urbanized, interest in Arbor Day declined. The need to plant and maintain trees, however, is greater than ever.

The hostile natural environment encountered by J. Sterling Morton has largely been replaced by the equally hostile manmade environment of our cities. Instead of the desolate landscape of the Great Plains, we are faced with the desolation of concrete. And just as the early tree plantings in Nebraska produced manifold benefits, trees can serve to beautify our cities, cut air and noise pollution, provide shade, and cushion extremes of heat and cold. In recent years, unfortunately, city trees have become victims of budget cuts, diseases, and environmental stresses. They are often inadequately cared for, and when they die they are not replaced. Therefore, a new commitment to tree planting is urgently needed. A uniform National Arbor Day would help to renew this commitment. The National Arbor Day Committee has worked tirelessly for the past 25 years toward this goal. Largely due to the committee's efforts, 23 States has passed laws to designate the last Friday in April as Arbor Day. The legislation I am introducing today would establish a unified annual nationwide observance of Arbor Day. Through such legislation I believe we can rekindle interest in this important celebration of our ties with nature.

Mr. President, I ask unanimous consent that the resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 21

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue annually a proclamation designating the last Friday of April "National Arbor Day" and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

ADDITIONAL COSPONSORS

S. 82

At the request of Mr. BUMPERS, the Senator from Wyoming (Mr. HANSEN) and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 82, a bill to amend title 18, United States Code, to authorize courts, upon the completion of any juvenile proceeding to release to any victim of such juvenile delinquency information on the final disposition of the juvenile who has been adjudicated delinquent.

S. 87

At the request of Mr. BUMPERS, the Senator from Nebraska (Mr. ZORINSKY) was added as a cosponsor of S. 87, a bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings permitted without deductions from benefits thereunder.

S. 92

At the request of Mr. WILLIAMS, the Senator from Maryland (Mr. SARBANES) and the Senator from Oregon (Mr. PACKWOOD) were added as cosponsors of S. 92, to amend the Export Administration Act of 1969.

S. 104

At the request of Mr. INOUYE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 104, to amend the Social Security Act.

S. 113

At the request of Mr. CASE, the Senator from Maryland (Mr. MATHIAS) and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of S. 113, to promote confidence in the branches of the Federal Government.

S. 119

At the request of Mr. INOUYE, the Senator from Hawaii (Mr. MATSUNAGA), the Senator from New York (Mr. JAVITS), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of S. 119, to incorporate the Pearl Harbor Survivors Association.

S. 133

At the request of Mr. INOUYE, the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 133, to amend the Public Health Service Act.

S. 174

At the request of Mr. CLARK, the Senator from Connecticut (Mr. WEICKER) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 174, to amend the United Nations Participation Act.

S. 175

At the request of Mr. SCHWEIKER, the Senator from Florida (Mr. CHILES) was added as a cosponsor of S. 175, to provide a special program of financial assistance to Opportunities Industrialization Centers.

S. 224

At the request of Mr. INOUYE, the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 224, to amend title 5, United States Code.

S. 261

At the request of Mr. KENNEDY, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 261, to amend the Internal Revenue Code.

S. 294

At the request of Mr. MELCHER, the Senator from Colorado (Mr. HASKELL) and the Senator from Nebraska (Mr. ZORINSKY) were added as cosponsors of S. 294, a bill to amend the Meat Import Quota Act of 1964 to define fresh, chilled and frozen meat, and for other purposes.

S. 369

At the request of Mr. INOUYE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 369, to amend the Tariff Act.

S. 412

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of S. 412, the Modern Congress Act of 1977.

S. 459

At the request of Mr. CHURCH, the Senator from Vermont (Mr. LEAHY) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of S. 459, to authorize reduced air fares for youth and elderly.

S. 489

At the request of Mr. BROOKE, the Senator from Oklahoma (Mr. BARTLETT), the Senator from New Jersey (Mr. CASE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), the Senator from Montana (Mr. METCALF), and the Senator from Illinois (Mr. STEVENSON) were added as cosponsors of S. 489, to amend the Foreign Assistance Act of 1961.

S. 503

At the request of Mr. BAKER, the Senator from Rhode Island (Mr. CHAFFEE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Indiana (Mr. LUGAR), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 503, the Youth Employment Act.

S. 508

At the request of Mr. CHURCH, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 508, to eliminate the trading of potato futures on commodity exchanges.

S. 528

At the request of Mr. WILLIAMS, the Senator from Missouri (Mr. EAGLETON) was added as a cosponsor of S. 528, relating to collective-bargaining contracts.

S. 543

At the request of Mr. PELL, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 543, to amend title VII of the Social Security Act.

S. 551

At the request of Mr. HUMPHREY, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of S. 551, relating to compensation of persons injured by certain criminal acts.

S. 567

At the request of Mr. THURMOND, the Senator from Virginia (Mr. WILLIAM L. SCOTT) was added as a cosponsor of S. 567, relating to the distribution of food stamps.

S. 621

At the request of Mr. BUMPERS, the Senator from New Mexico (Mr. DOMENICI), the Senator from Michigan (Mr. RIEGLE), and the Senator from Nebraska (Mr. ZORINSKY) were added as cospon-

sors of S. 621, a bill to provide for guidelines and strict liability in the development of research related to recombinant DNA.

S. 672

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. HATHAWAY), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of S. 672, relating to solar energy devices for Government buildings.

S. 688

At the request of Mr. MELCHER, the Senator from Montana (Mr. METCALF) was added as a cosponsor of S. 688, a bill to eliminate a restriction relating to certain lands granted to the State of Montana.

S. 690

At his own request, the Senator from Colorado (Mr. HART) was added as a cosponsor of S. 690, for the relief of the Jefferson County Mental Health Center in Colorado.

SENATE JOINT RESOLUTION 2

At the request of Mr. BUMPERS, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of Senate Joint Resolution 2, a joint resolution proposing an amendment to the Constitution to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year.

SENATE JOINT RESOLUTION 11

At the request of Mr. STONE, the Senator from Minnesota (Mr. ANDERSON) was added as a cosponsor of Senate Joint Resolution 11, providing for a National Leadership Conference on Energy Policy.

SENATE RESOLUTION 49

At the request of Mr. PELL, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of Senate Resolution 49, relating to international environmental impact statements.

SENATE RESOLUTION 81

At the request of Mr. BAYH, the Senator from Illinois (Mr. STEVENSON), the Senator from Louisiana (Mr. JOHNSTON) and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of Senate Resolution 81, relating to the expulsion of George Krimsky by the Soviet Government.

SENATE RESOLUTION 87—SUBMISSION OF A RESOLUTION AUTHORIZING SUPPLEMENTAL EXPENDITURES

(Referred to the Committee on Rules and Administration by unanimous consent)

Mr. CHURCH (for himself and Mr. HANSEN) submitted the following resolution:

S. RES. 87

Resolved, That section 4 of S. Res. 373, Ninety-fourth Congress, agreed to March 1, 1976, is amended by striking out "$547,000" and inserting in lieu thereof "$556,000".

Mr. CHURCH. Mr. President, I send to the desk a resolution authorizing supplemental expenditures for the Special Committee on Aging for inquiries and investigations, and I ask unanimous consent that it may be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 88—SUBMISSION OF A RESOLUTION RELATING TO THE METRIC SYSTEM OF MEASUREMENT

(Referred to the Committee on Rules and Administration.)

Mr. PELL (for himself and Mr. INOUYE) submitted the following resolution:

S. RES. 88

Whereas the United States was an original signatory party to the 1875 Treaty of the Meter (20 Stat. 709) which established the General Conference of Weights and Measures, the International Committee of Weights and Measures, and the International Bureau of Weights and Measures;

Whereas the use of metric measurement standards in the United States has been authorized by law since 1866 (Act of July 28, 1866; 14 Stat. 339);

Whereas the Metric Conversion Act of 1975 declared that the policy of the United States shall be to coordinate and plan the increasing use of the metric system in the United States and to establish a United States Metric Board to coordinate the voluntary conversion to the metric system;

Whereas it is the aim of the Senate to assist the United States Metric Board in carrying out the policies of the Metric Conversion Act of 1975, particularly with regard to greater public understanding of and education about the metric system;

Whereas a need currently exists for the Senate to participate in the Nation's conversion to the metric system: Now, therefore, be it

Resolved, That (a) units of weights and measures contained in all bills, resolutions, and amendments, and in all committee reports, shall be expressed in units of the metric system of measurement (as defined in section 4(4) of the Metric Conversion Act of 1974) either (1) as the sole or primary unit of measurement or (2) as an alternative unit of measurement to a non-metric unit of measurement.

(b) It shall not be in order to consider any bill, resolution, or amendment which does not comply with the provisions of subsection (a), and it shall not be in order to consider any bill or resolution reported by any committee unless the committee report accompanying that bill or resolution complies with the provisions of subsection (a).

Mr. PELL. Mr. President, I am pleased to introduce, for myself and Senator INOUYE, a resolution to require the inclusion of units of the metric system of measurement in all Senate bills, resolutions, amendments, and committee reports which contain references to units of weights and measures.

This Senate resolution serves as a natural and necessary follow-up to action in the 94th Congress on bills S. 100 and H.R. 8674, signed by President Ford on December 23, 1975, as Public Law 94–168, the Metric Conversion Act of 1975. As the sponsor of S. 100 and as the original Senate sponsor of metric conversion legislation in 1963, I believe that the Senate must move now to keep pace with the U.S. Metric Board in facilitating the Nation's switch to metric.

Hearings conducted by the distinguished Senator from Hawaii (Mr. INOUYE) on metric conversion legislation revealed that our citizens have been ahead of their government for some time in understanding the advantages of the metric system. Now that Congress has acknowledged the obvious in passing the Metric Conversion Act, it is time for the Senate to make its own procedures consistent with national policy.

There is no need to fear confusion in the Senate due to the requirements of this resolution, nor should we be concerned about delays in the legislative process. The timely flow of legislation will not be interrupted.

The great majority of Senate documents, Mr. President, will not be affected by this resolution, simply because they contain no references to units of weights and measures in the first place. For the ones that do, it is a simple matter for the drafters of the bill, report, amendment, or resolution to place in parentheses next to the unit its metric equivalent. For example, if a highway bill refers to an additional 3,000 miles of construction needed to complete the Interstate Highway System, the notation 5,000 kilometers must be placed immediately thereafter in parentheses.

A point of order will lie for omission of this simple task. I believe such a strict sanction is needed to put the Senate on record as being behind the move to metric. Yet even with a point of order, correction of any flaws will be an easy matter, so as not to disrupt the legislative process.

Mr. President, this Senate resolution serves to symbolize the Senate's continuing commitment to our national policy, as stated in Public Law 94–168, of coordinating the increasing use of the metric system in the United States.

NOTICES OF HEARINGS

COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, as chairman of the Committee on Foreign Relations, I wish to announce that the committee has scheduled a meeting at 10 a.m. on February 22, 1977, in room 4221, Dirksen Senate Office Building, to take up the following:

Paul C. Warnke, of the District of Columbia, to be Director of the U.S. Arms Control and Disarmament Agency, with rank of Ambassador during his tenure of service as Director;

S. 174, to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome;

Senate Congressional Resolution 7, relating to freedom of emigration;

The following-named Foreign Service Officers for promotion from class 1 to the class of career minister:

Harry G. Barnes, Jr., of Maryland.
Robert A. Hurwitch, of Illinois.
Richard B. Parker, of Kansas.
Thomas R. Pickering, of New Jersey.
Harry W. Schlaudeman, of California.
Ronald I. Spiers, of Vermont.
Christopher Van Hollen, of Virginia.

Foreign Service Officer Promotion List (1/10/77).

Foreign Service Information Officer Promotion List (1/10/77).

Committee budget.

Subcommittee structure.

SUBCOMMITTEE ON OCEANS AND INTERNATIONAL ENVIRONMENT

Mr. SPARKMAN. Mr. President, as chairman of the Committee on Foreign Relations, I wish to announce that the Subcommittee on Oceans and International Environment has scheduled a hearing for February 23, 1977, at 10 a.m., in room 4221, DSOB, to receive testimony from executive branch and public witnesses on Senate Resolution 49, expressing the sense of the Senate that the U.S. Government should seek the agreement of other governments to a proposed treaty requiring the preparation of an international environmental impact statement for any major project, action, or continuing activity which may be reasonably expected to have a significant adverse effect on the physical environment or environmental interests of another nation or a global commons area.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of an informational oversight hearing before the Committee on Energy and Natural Resources.

The hearing is scheduled for March 24, 1977, beginning at 10 a.m. in room 3110, Dirksen Senate Office Building. The subject of the oversight hearing will be the concept of an international petroleum transshipment port and storage center located in the Palau District, western Caroline Islands, Trust Territory of the Pacific Islands.

In order to provide a comprehensive briefing for the members of the committee and other interested persons, formal testimony has been requested from those involved in the concept proposal, affected Federal agencies, representatives from Palau, and selected conservation groups.

For further information regarding the hearing, you may wish to contact Mr. James P. Beirne, counsel to the committee, at 224–7145 or write to the Committee on Energy and Natural Resources, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

SMALL BUSINESS COMMITTEE

Mr. NELSON. Mr. President, on February 24 and 28 at 10 a.m. in room 6202 of the Dirksen Senate Office Building, the Senate Small Business Committee will conclude the hearings begun last fall by Senator ABOUREZK on the decline of the supplemental airline industry in the United States. The hearings will be chaired on Thursday, February 24, by Senator HASKELL and on Monday, February 28, by Senator HATHAWAY.

The hearings held last fall explored the process by which all but 6 of the original 142 supplemental air carriers have gone out of business. Those hearings led Senator ABOUREZK to conclude that unwise policies of the Civil Aeronautics Board, the military, and the Central Intelligence Agency were largely responsible for the devastation of these small business airlines. The hearings, to be chaired by Senators HASKELL and HATHAWAY, will focus on the problems of the remaining supplementals, including charter regulations, applications for low-cost scheduled service, discriminatory enforcement of rules by the CAB, and military airlift contract procedures.

ADDITIONAL STATEMENTS

REQUEST FOR ADDITIONAL RECOMMENDATIONS FROM SENATORS ON COMMITTEE SYSTEM IMPROVEMENTS

Mr. STEVENSON. Mr. President, the temporary Select Committee To Study the Senate Committee System completed its major assignment with the Senate's approval February 4 of Senate Resolution 4, the committee system reorganization amendments. Nevertheless, before it concludes its life of 11 months on February 28, the select committee intends to make additional recommendations to the Senate.

At the select committee's business meeting February 9, Members present adopted an outline of subjects on which the staff will report prior to a final meeting of the committee on February 24. Those topics are:

1. Committee staffing.
2. Severance pay under Senate Resolution 4 transition.
3. Committee system management.
4. Scheduling.
5. Information distribution and communications.
6. Media in committees.
7. Committee consideration of Presidential nominations.
8. Foresight and futures.
9. Oversight.
10. Committee review—legislative veto—responsibility.
11. Excessive demands on committees.
12. Conference procedures.
13. Information gathering.
14. Internal committee rules and procedures.

Senators and all interested parties are invited to submit their recommendations or comments for the consideration of the select committee, in writing, to any member of the committee or to the committee offices, 401 Senate Courts. The committee does not plan additional hearings, but does plan to publish the additional statements and staff reports, as well as to consider such statements in making final recommendations. Statements must be received by February 21, to be placed before the committee in its final considerations.

Mr. President, I ask unanimous consent to have printed in the RECORD an outline statement of the background and illustrative questions and options with regard to the subjects I have named.

There being no objection, the outline statement was ordered to be printed in the RECORD, as follows:

OUTLINE STATEMENT

1. COMMITTEE STAFFING

A. Background.—S. Res. 4 did not attempt to settle certain problems of committee staffing because they are best addressed after questions of committee system structure are settled.

B. Illustrative Questions and Options.—

1. S. Res. 60: Under S. Res. 4, Senators will continue to receive the same allowance for personal committee staff as in the past, but widespread use of such funds as if they are personal clerk hire funds may argue for including them in clerk hire allowances or otherwise simplifying their administration.

2. Permanent Committee Staff; The Legislative Reorganization Act of 1946, as amended, provides the standing committees of the Senate, and the Select Committee on Small Business with a permanent staff of 12 persons, 6 professionals (4 majority, 2 minority) and 6 clerical (5 majority, 1 minority). Through additional legislation and special resolutions, however, some such committees have increased the sizes of their permanent staffs, from one to as many as 18.

These sizes are unrealistic today, and do not accurately reflect the workload of the committees, especially now that these workloads have been increased in some committees as a result of jurisdictional consolidation and new assignments. In addition, the majority-minority ratios are out-of-date under the new minority staffing provision of S. Res. 4. Accordingly, the Select Committee may wish to propose appropriate modifications of the Legislative Reorganization Act to increase the size of permanent staffs and decrease the size of investigative.

3. Invesigative Staff; Many investigative staff members are, in effect, permanent staff members. An increase in the size of the permanent committee staffs would take cognizance of this fact, and facilitate the funding of committees. Likewise, some staff members of permanent select committees should be designated as permanent rather than investigative staff. The tasks of the committees, and especially the Rules Committee, and Senate control of staff proliferation, might be greatly facilitated if investigative staff were authorized through a single resolution from each committee rather than multiple resolutions.

2. SEVERANCE PAY FOR DISPLACED STAFF UNDER S. RES. 4

A. Background.—Provisions for Severance Pay Under S. Res. 4.—The Rules Committee's Report accompanying S. Res. 4, states that:

"The question of severance pay for Senate staff employees, whose jobs are eliminated because of the reorganization of the Senate committee system, was addressed in S. Res. 4 and discussed extensively in the Rules Committee markup. Because of the complexity of the subject and the need for numerous technical changes in the language, the section of S. Res. 4 giving the details of severance pay provisions was dropped, although the Rules Committee accepted the principle, as outlined in the Select Committee's recommendations.

"The Select Committee will issue a second report on this subject, no later than February 28, 1977, to the Committee on Rules and Administration, which will act on it before the end of the transition period—July 1, 1977."

B. Questions Concerning Severance Pay.—

1. General Guidelines and Standards to be followed.
2. Standards of Eligibility.
3. Effect of Reemployment on Severance Pay.
4. Effect of Retirement Annuities on Severance Pay.
5. Factors Determining the Amount of Severance Pay.
6. Effect of Unemployment Compensation and Compensation for Job-related Injury on Severance Pay.
7. Effect of Severance Pay on Retirement or Accrual Leave.
8. Severance Pay to Third Party Beneficiaries and Survivors.
9. Limits on the Amount of Severance Pay.
10. Method of Payment.

3. COMMITTEE SYSTEM MANAGEMENT

A. Background.—Among the mandates of the Select Committee is "to make recommendations which promote optimum . . . effec-

tiveness of committees in the creation and oversight of Federal programs." This leads the Select Committee to consideration of the *management* of the committee *system*, including questions of setting priorities, setting legislative agendas, articulating objectives and developing methods of achieving those objectives. Responsibility for such management of the system may fall upon party leaders, policy committees, party conferences, the Committee on Rules and Administration and other officials.

B. Illustrative Questions and Options—1. Require each Senate committee to issue: a) projected agenda or statement of objectives each year, including plans for hearings and dates for completing their recommendations of major legislation, and, b) a followup report on the extent to which the agenda was followed and the objectives were, or were not achieved, and why.

2. Require the majority leadership, assisted by the policy committee, to insure a projected Senate agenda each year or each Congress, outlining for each committee the major policy areas targeted for legislation or major consideration. Give the leaders and the policy committees the responsibility to monitor each committee's progress in meeting these official programs for action.

3. Give the party leaders the authority to temporarily merge (or propose the merger of) subcommittees on 2 or more standing committees for consideration of an omnibus bill which cuts across the jurisdictions of 2 or more committees. For example, the Senate might consider an urgent bill on the Outer Continental Shelf through a temporary joint subcommittee composed of members from relevant subcommittees of the Committees on Energy, Environment, and Commerce.

4. Create a privileged procedure for the temporary creation of ad hoc committees with legislative authority, which satisfies critics of the proposed arrangement. (Deleted from S. Res. 4 by the Rules Committee.)

4. SCHEDULING

A. Background.—The Select Committee included some recommendations relating to scheduling of committee and subcommittee meetings and hearings, and scheduling of committees vis a vis the Senate floor, in its initial set of recommendations, S. Res. 586/S. Res. 4. The computerized scheduling service and designated meeting times for committees were incorporated in the reorganization as passed. Recommendations to control the timing of roll call votes on the floor to minimize interruptions in committee meetings were deleted in the Rules Committee. However, there are a number of other possible innovations in scheduling. Some have been proposed by Senator Robert C. Byrd, and others by the Commission on the Operation of the Senate. Some relate to internal committee scheduling, others to streamlining scheduling among committees, and yet others to committee vs. the floor.

B. Illustrative Questions and Options.—

1. With majority leader authorized to alter as session progresses, require that one day weekly be kept open for committee meetings only with no floor session except for extraordinary circumstances. (Byrd)

2. Begin session with 3 days for committee meetings only, 2 days for floor debate only (with control in hands of majority leader to alter as necessary), and gradually change mix of committee and floor days as session progresses, (similar to Commission)

3. Electronic voting system in Senate, with adequate safeguards to allow Senators attending hearings at least 15 minutes before the first roll call occurs in a series of back-to-back votes. (Byrd)

4. Closed circuit television of floor debate to committee rooms and to Senators' offices. (Byrd/Baker)

5. No roll call votes before a certain specified hour (1 o'clock or 2 o'clock). (Byrd letter says 1 p.m.) (Rules Committee deleted provisions from S. Res. 4.)

6. Move all committee and subcommittee meetings to the Capitol when the Senate is in session; create enough hearing rooms in Capitol to make this possible.

7. Establish a central meeting rooms scheduling office, with control over committee and subcommittee hearing and meeting rooms, to schedule meetings through the computerized scheduling service, to match size of meeting to size of room, and to maximize convenience of Senators.

8. Allow each committee to hire and utilize hearing examiners, and to hold official hearings without committee members present. (Also part of Information Gathering—Item IV—1.)

5. INFORMATION DISTRIBUTION AND COMMUNITATIONS

A. Background.—One major problem of the Senate committee system is a lack of coordination in informing Senators and Senate employees (or House Members, the Administration, State and local governments, and the public) of the activities of Senate committees, and of related floor activities. A good deal of time and of staff and Senator resources can be wasted by 100 and more offices separately tracking down information on what is happening, or has happened in an issue or in committees.

B. Illustrative Questions and Options.—

1. Have closed circuit television of committee hearings and floor debates back to Senators' offices (S. Res. 74—Senator Byrd of W. Va.); or have teletype system to relay information on committee hearings and floor debates to Senators, staff, and committee offices.

2. Have brief daily summaries of *Congressional Record* prepared and distributed to offices of Senators and committees.

3. Institutionalize the *Committee Reorganization Telegraph* (CRT) concept, by: (a) requiring each committee to assign staff, when useful, to monitor and summarize on a daily basis important hearings or open committee or subcommittee meetings; and (b) distribute such information, on demand, through Cathrode Ray Tube equipment in the office of each Senator or other interested party.

4. Institute a regular Supplement to the Whip Notice, parallel to the House of Representatives' DSG supplements, with information on upcoming floor issues, including proposed or anticipated amendments, pros and cons, etc., prepared by the Party Policy Committees.

5. Require staff of each committee to provide each day an update on the status of major legislation before the committee for distribution, on demand, through computerized records and CRT equipment.

6. MEDIA IN COMMITTEES

A. Background.—S. Res. 109 included as an assignment of the Temporary Select Committee the study of "media coverage of meetings." Committee staff has underway an analysis of television network news coverage of Senate committees, by Steve Rutkus of CRS. It can expand upon that analysis to suggest possible recommendations to facilitate media coverage of Senate committee activities.

B. Illustrative Questions and Options.—

1. Create a Senate Press Officer, or an official Reporter of the Senate, or a central clearinghouse, whose function would be to provide information on all Senate activities, particularly in committees, to Senate staff and to representatives of the mass media. The Reporter would provide as much advance notice as possible of scheduled committee and subcommittee meetings and hearings, and would provide summaries of their activities.

2. Enlarge the facilities available to the media, especially the electronic media, who cover congressional activities.

3. Provide for the Senate itself to videotape committee and subcommittee hearings, placing the tapes in archives and making them available for loan to media representatives for news broadcasts.

7. COMMITTEE CONSIDERATION OF PRESIDENTIAL NOMINATIONS

A. Background.—During every Congress, the Senate is obliged to exercise its Constitutional power of advice and consent to more than 100,000 presidential nominations, ranging from appointments to the Supreme Court to commissions and promotions in the military services. Referred on the same basis as legislation, nominations are handled by the Senate's committees in a variety of ways—in full committee or subcommittees, with extensive questionnaires or little information, with systematic questioning or offhand queries, with or without clearances from the Senators of the nominee's state, with approval the day of nomination or at a more deliberative pace.

S. Res. 4 will have some automatic effect on the consideration of nominations. With less jurisdictional overlap there will be fewer joint referrals. The workload of nominations will be slightly equalized with the consolidation of some committees. Judiciary's ad hoc subcommittee on nominations presumably will change.

B. Illustrative Questions and Options.—

1. Should committees develop their own agendas, which would fit into the committee's overall workload?

2. Should committees use more systematic analysis of nominations, and if so, who should carry on the analysis?

3. Should committees thoroughly examine what nominees intend to do in office, and if so, how?

4. Should the consideration of nominations be more deliberative, and by what means?

5. Should the process be made more open, and if so, how?

6. What Senatorial standards governing possible conflicts of interest, if any, should be adopted?

8. FORESIGHT AND FUTURE

A. Background.—At present, the Senate anticipates future trends only on an ad hoc, rather than a comprehensive basis. Nothing in the Senate rules requires that Senators exercise foresight or utilize futures techniques or resources. Such activities are secondary to the Senate's representation, decisionmaking, and oversight activities.

B. Illustrative Questions and Options.—

1. Continue present practice of exercising and not exercising foresight on an ad hoc basis.

2. Amend the standing rules to fix responsibility explicitly for foresight and futures research in the committees, as the House rules do.

3. Committees could establish, unilaterally or at the direction of the Senate, subcommittees in part responsible for foresight and futures research.

4. Adopt a rule explicitly fixing responsibility for foresight and futures research in the leadership or in the policy committees.

5. The Senate or the committees could require periodic committee reports on emerging issues.

6. The Senate or the committees could require periodic committee hearings on emerging issues.

7. The Senate or the committees could require periodic staff briefings on emerging issues and the uses of futures research.

8. The Senate or the committees could require committees to file a foresight state-

ment along with the report on all legislation to identify emerging issues and the likely effects of future trends.

9. Empower the Joint Economic Committee to consider concurrent resolutions on national growth and development, thereby fixing responsibility for foresight in that committee.

10. Encourage or require the Congressional Research Service to carry on more futures research and better transmit such research to Senate committees.

11. Encourage or require the Congressional Budget Office to carry on more alternative budget analysis and better disseminate such analysis within Congress.

12. Encourage or require the Office of Technology Assessment to arrange more discussion of futures issues with committees and their staffs.

13. Encourage informal groups of Senators or staff to deal with futures research in the manner of the Congressional Clearinghouse on the Future.

9. OVERSIGHT

A. Background.—Adoption of S. Res. 4 enhances the Senate's capacity to conduct oversight. By rationalizing jurisdictions, committees are better able to review significant and related executive activities. Limiting committee and subcommittee assignments will reduce committee meeting conflicts and permit Senators uninterrupted opportunity to oversee meaningful subject areas. Finally, comprehensive policy oversight will enable various committees to review broad, interrelated policy areas such as health or energy.

B. Illustrative Questions and Options.—

1. Amendments to "sunset" legislation.

2. Special agendas, objectives or reports in comprehensive policy oversight subjects.

3. Establishment of oversight subcommittees on the standing committees.

4. Development of an annual or biannual oversight agenda or report, by the Governmental Affairs Committee, Senate leadership or each committee, that would identify the review responsibilities of each standing committee.

5. Amendment of Senate rules to require committee reports to contain oversight objectives prior to a bill's consideration on the Senate floor.

6. Special rules to encourage the conduct of oversight field investigations or hearings.

10. COMMITTEE REVIEW RESPONSIBILITY

A. Background.—In 196 acts between 1932 and 1976, Congress adopted no less than 295 separate provisions for congressional review, deferral, approval or disapproval of proposed or contemplated executive agency actions. They apply to deferred expenditures of authorized appropriations, foreign arms sales that meet certain criteria, regulations issued by the Federal Elections Commission, and a host of other decisions by a variety of agencies. Although the constitutionality of the so-called "legislative veto" has been challenged and is the subject of pending litigation, the question has never been tested directly nor the practice curtailed by the Federal courts.

In the meantime, it is an increasingly popular device to check executive discretion. Eighty-nine statutes containing at least 163 such provisions were passed in the last six years alone. In the 94th Congress bills were introduced to permit Congress to veto any regulation found contrary to the intent of the authorizing statute (S. 2258 by Senator Brock) or any regulation carrying criminal penalties (S. 1678 by Senator Abourezk).

There is no uniformity among existing legislative review provisions. They run the gamut from simple directives to agencies to consult in advance with appropriate committees, to specific provisions for disapproval of actions, to requirements that Congress must approve decisions before they take effect. In some cases there is a fixed time period for review, e.g., 30, 60 or 90 days), in others none. Under various statutes, both House, either House, the Senate, the House of Representatives, or the appropriate committees of one or both Houses have veto authority. The impact of congressional review, let alone its possible expansion, upon the workload and effectiveness of Senate committees has received very little study.

As a result of S. Res. 4, the committee reorganization, there will be only minor changes in committee jurisdiction over statutes providing for congressional review. The Committee on Governmental Affairs, for example, acquires jurisdiction over resolutions disapproving Federal pay increases; and the Energy and Natural Resources Committee gains review obligations with the addition of jurisdiction over naval petroleum reserves in Alaska and the development of non-military nuclear energy. On the other hand, authority over budget deferrals and rescission, the principal area of activity in the Senate to date, remains unchanged by S. Res. 4. Generally speaking, the jurisdictional changes do not overburden any committee with review responsibilities and, consequently, are unlikely to either expedite or delay consideration of "congressional veto" measures.

B. Illustrative Questions and Options.—

1. Uniform reporting. In view of the confusion over the terminology of congressional review and lack of systematic reporting, the Committee may wish to recommend that an appropriate office of the Senate periodically publish a compilation of statutory review provisions and congressional actions, in which items could be categorized by type of authority, by agency, and by committee. Such a document would be comparable to Reports to be Made to Congress, a list of statutory reporting requirements, issued by the Clerk of the House.

2. Agenda and priorities. The Committee may wish to recommend that Senate committees examine their review obligations at the beginning of each session of Congress, assess their importance relative to other legislative and oversight responsibilities, and establish an agenda for considering executive decisions required to be submitted to them.

3. Uniform procedures. The Committee may wish to recommend a study of review activities in some depth which results in recommendations for uniform committee procedures, time limits, and other requirements. These matters, however, raise controversial and complex policy questions that differ from one policy area to another and are probably beyond the mandate of the Select Committee.

4. Demands on committees. Alternatively, the Committee may wish to examine legislative review provisions in the context of other, increasingly heavy, demands being imposed on Senate committees for action and analysis. (Note: Item III—5. Excessive Demands on Committees.)

11. EXCESSIVE DEMANDS ON SENATE COMMITTEES

A. Background.—The dramatic increase in the workload of Senate committees is the product of self or Senate-imposed demands as well as the times. Sec. 252(a) of the Legislative Reorganization Act of 1970 requires committees to submit an estimate of the costs involved in implementing the provisions of a reported bill for each of the five succeeding years; revenue measures must contain estimates of the gain or loss in revenues for a one-year period. The Congressional Budget Act requires annual reports by each standing committee to the Senate Budget Committee of estimates for budget authority, revenues, and surplus or deficit relating to subjects within its jurisdiction.

A 1974 amendment to the House rules, requiring that authorization bills be accompanied by a statement assessing their inflationary effect, presaged similar moves in the Senate. Introduced in the Senate in recent sessions were resolutions mandating so-called consumer, economic, family, fiscal, paperwork, free enterprise, deficit, information, program judicial, local government, and manpower as well as inflation impact statements on proposed legislation. In addition, there were bills requiring committees to review all grant-in-aid procedures, advisory committee activities, grants and contracts above a certain figure, and programs' cost-effectiveness. The "sunset" bill, which was pending floor action at the close of the 94th Congress, would require review and reauthorization of nearly all government programs every five years. Bills were also introduced in the last Congress to permit either or both houses to veto any executive agency regulation found contrary to the intent of the authorizing statute or carrying criminal penalties. Altogether, Congress has adopted 235 separate legislative review or veto provisions in 196 acts since 1932.

The Senate, over the protests of Senators Magnuson and Ribicoff, adopted a Talmadge amendment to S. Res. 4 requiring each bill be accompanied by a "regulatory impact" statement estimating the number of individuals and businesses subject to regulation, the economic effects on consumers and businesses, the implications for personal privacy, and the amount of additional reporting and record-keeping that may result. A printed amendment to S. Res. 4 imposing a "paperwork impact" statement on committees was not called up.

Apart from redistributing responsibilities and streamlining procedures and in the fact of strong countervailing pressures, the Select Committee will find it difficult to reduce significantly the total workload of the committee system. Nonetheless, the Senate lacks a realistic assessment of the cumulative impact of present demands upon committees, the consequences of adding to them, and the ability of Senate committees to meet them.

B. Illustrative Questions and Options.—

1. Issue a report analyzing the limits of the Senate's (or anyone's) ability to predict the primary (e.g. budget costs), secondary (e.g., economic impact), and tertiary (e.g., litigation) effects of legislation.

2. Determine and publish estimates of the staff resources and other costs to Senate committees in terms of both numbers and skills.

3. Analyze and report the demands imposed upon congressional support agencies by present and proposed requirements for such information and analysis.

4. Analyze the experience of Senate and House committees under present rules and statutes requiring these specialized reviews.

5. Recommend criteria for evaluating proposals to impose these impact statement responsibilities on committees.

6. Recommend certain of the impact statement requirements, and oppose certain others.

12. CONFERENCE PROCEDURES

A. Background.—S. Res. 4 made no recommendations with respect to conference committees. However, during hearings of the Select Committee, several Senators, most prominently Senator Clifford Hansen, suggested reform proposals for the Committee's consideration. And during the past decade, a number of Senators have sponsored various conference reform resolutions.

B. Illustrative Questions and Options.—

1. Joint House-Senate Conference Rules: A unique aspect of conference procedure is that both chambers are affected by changes adopted by one house. For example, as part of its rules for the 95th Congress, the House voted to require all conference sessions to be open unless the House votes to close them. Does the Senate have to amend its rules to give effect to this provision? Relatedly, can Senators (Representative) vote to exclude

from conference sessions House (Senate) members who are not conferees? How should the chairmen of conference committees be selected? Perhaps these and other questions ought to be resolved through joint House-Senate rules on conference meetings.

2. Selection of Conferees: A recurring issue is how to insure that conferees support the majority position of the Senate. Additionally, should provision be made, as some Senators have suggested, to encourage junior and non-committee members to be appointed as conferees?

3. Internal Conference Procedures: Few rules or precedents regulate internal conference activities. Accordingly, should rules be established to govern such matters as proxy voting in conference, quorum requirements, reporting requirements, or the offering of amendments in conference?

13. INFORMATION GATHERING

A. Background.—The volume and the complexity of Senators' and committee responsibilities—and of the information relevant thereto—have increased greatly. Yet the information staffs serving Senators—personal, committee, Senate, and "outside" agencies—and the ways Senators organize to receive information—especially hearings—are outmoded. In fact, these resources and techniques may add to the difficulties Senators experience rather than reduce them. For one example, many staff manufacture more information which Senators must try to sort through when the staff should be winnowing the information to reduce the amount of time Senators must devote to receiving it. For another example, Senators—and others—waste a large portion of their time in a most inefficient technique for information gathering—hearings—when other techniques may do the job more efficiently—and just as responsively. Computers and gadgets do not provide answers to these problems. If even partial answers can be found, they will be fundamental redefinitions of how Senators use their time and a new design for the system which serves their information needs.

B. Illustrative Questions and Options.—

1. Utilize "hearing masters" (retired judges or Members of Congress) in place of some committee hearings.

2. Establish methods and a faculty to train or advise committee and other staff to digest and winnow, rather than proliferate, information to meet Senators' needs.

3. Establish a "management advisory office" or management consultancy so Senators may tap the "best management minds in the country" about organizing their own objectives and techniques, as well as their staffs.

4. Train committee staff to make hearings, when they are used, more effective, for example by preparatory field investigation, instruction or rehearsal of witnesses, systematic digesting of hearings testimony.

5. Establish an "Office of Adversary General," to assure that major proposals get thorough skeptical examination.

6. Authorize, in place of some subcommittees, one-Senator task forces with staff.

7. Establish committee rules and procedures to reduce and control the production of low priority information.

8. Because of the complexities and the importance of this question, recommend a one or two year study (by CRS; by the Rules Committee) of proposals like those listed (except hearings masters on which there is already a substantial record). In particular, such a study should determine whether other organizations which must have similar "information" problems—multinational corportations, giant universities, U.S. state and foreign legislatures, the Vatican, the CIA and other U.S. executive branch bodies—have developed information management cultures or techniques which may be useful to the Senate.

14. INTERNAL COMMITTEE RULES AND PROCEDURES

A. Background.—The rules applying to the procedures of the Senate's committees are not always comprehensive, modern, or consistent. At present, they are scattered in the standing rules of the Senate, standing orders and resolutions, the legislative reorganization acts, the Congressional Budget Act, and various other statutes, as well as rules adopted by the individual committees themselves. Collecting and incorporating all of them into the standing rules would provide a single, comprehensive, readily available reference source to committee procedures, powers, and duties.

B. Illustrative Questions and Options.—

1. Require or recommend that the Senate, or individual committees, set up an automated (computer assisted) document control system. Presently documents are scattered in various files and central indexes often do not exist.

2. Recodify the Senate's rules to incorporate provisions of rule-making statutes and clarify ambiguous language regarding committee procedures.

3. Rewrite rules to state explicitly that subcommittees are governed by their committees' rules and the applicable rules of the Senate. The House rules do so specify.

4. Explicitly apply all "sunshine" rules to subcommittees as well as committees, especially rules authorizing closed meetings in cases of disorder, obligation of a chairman to enforce order without a point of order, and the requirement to prepare a complete transcript or recording of meetings.

5. Eliminate the Appropriations Committee's exemption from procedural regulations, e.g., procedures for calling additional and special meetings; who presides in the chairman's absence; publication of roll call votes; procedure for supplemental, minority, and additional views in reports; procedures for prompt filing of reports.

6. Require a majority quorum for transaction of business.

7. Apply the quorum rules of standing committees to ad hoc committees.

8. Clarify the "sunshine" procedure for voting to close a meeting or hearing.

9. Limit or prohibit proxy voting.

10. Require that a record of committee action be available for inspection by the public at reasonable times.

11. Permit broadcasting of open committee meetings, as well as open hearings, under uniform rules or such rules as a committee or subcommittee deemed necessary.

12. Require that a tabulation by name of each Senator of all roll call votes appear in a report on a measure.

13. Permit any member duly authorized by a committee to file a report if the chairman does not within some reasonable time.

14. Clarify, under the rules authorizing committees to continue to act until their successors are appointed at the beginning of a Congress, the definition of a quorum.

15. Adopt uniform rules of procedure for investigations by the Senate's committees.

16. Require notice of at least seven days to members of a committee or subcommittee who are members of the minority party before ny meeting is held to consider amending or reporting any measure, with the requirement to be waived only by majority vote of all members, with a minority party member actually present who votes to waive it.

17. Require at least 24-hours' notice to minority party members of a committee or subcommittee before the consideration of any amendments to any measure.

18. Require a majority vote of a committee or subcommittee with a majority of the members actually present and at least one minority party member present in order to issue a committee print.

19. Require that at least one majority party member and at least one minority party member be necessary to constitute a quorum for a standing committee or subcommittee.

DEATH OF HENRY G. CARRISON, SR.

Mr. THURMOND. Mr. President, on Friday, February 4, Mr. Henry G. Carrison, Sr., died in Camden, S.C., at the age of 92. Mr. Carrison was an eminent banker and civic leader and leaves behind him an invaluable legacy of achievement and service. I felt that my colleagues would like to know of his passing, and to join me in celebrating his long and productive life.

Mr. Carrison's banking career began in 1906 and continued for six decades. He served for a number of years as president of the Commercial National Bank, helping to engineer its merger with the Citizens and Southern National Bank of South Carolina. Over the years, his business acumen and gracious, kindly manner won the respect of the entire community, and especially of Camden businessmen. When he retired from banking at the age of 83, he was obliged to open a new office so he could continue to handle some of the important community responsibilities he had taken on, including the finances of the Camden Hospital and the Government savings bond program.

Mr. Carrison was particularly devoted to the Camden Hospital, which he also served as a director for 8 years and president for 4. Indeed, there were very few opportunities to benefit his fellow citizens which he did not eagerly grasp. He was twice elected mayor of Camden, holding that office from 1922 to 1926, and in that capacity earned the gratitude of all succeeding generations of Camdenites by getting the city's streets paved. Still earlier, in an era which few now alive can still recall, he belonged to the Camden Volunteer Fire Department.

The numerous clubs and fraternal organizations of which he was a member attest to his friendliness and sociability. These include the Masons, the Shrine Club, the Rotary Club, the Greater Kershaw County Chamber of Commerce, and the Camden Country Club. Most of these groups at one time or another were privileged to have him as president or in some other important office. While he was not ostentatious about his religious faith, he belonged all his life to Grace Episcopal Church, where he was a regular worshiper and senior warden.

Despite his many interests and the many demands on his time, Mr. Carrison was always attentive to his family,

and obviously found in his home life the greatest source of his strength and his contentment. His marriage to the late Phyllis Hickson was notable for its longevity and for the shared affection which was its sturdy foundation. It was heartwarming to see them celebrate their 60th wedding anniversary in the summer of 1973.

Together, they reared a family that justly deserved the pride they took in it. One son, Daniel, had a distinguished career in the U.S. Navy, rising to the rank of captain, and later did an outstanding job for me here in the Senate as my administrative assistant for 4 years. He is also an author of note. Incidentally, an added advantage of having Dan Carrison on my staff was that it gave me the opportunity to get to know his father better.

I wish to extend my sincere condolences on the death of Mr. Carrison, not only to Dan, but also to his other son, Henry G. Carrison, Jr., of Rembert; his daughters, Mrs. Jack Haile of Camden, and Mrs. Elizabeth Boykin of Columbia; his sister, Mrs. Sumner Waite of Camden; and his 10 grandchildren and 10 great-grandchildren. Although Mr. Carrison was quite ill in recent months, I know that all of them will find it difficult to adjust to life without him. I would urge them to dwell, in the succeeding weeks and months, not so much on their loss as on their good fortune in having had this fine Christian gentleman in their family.

It was an honor, as I can affirm, just to have him as a friend.

Mr. President, at the time of Mr. Carrison's death, a number of articles about him appeared in various South Carolina newspapers. So that my colleagues may consult them for further testimony as to his high character and rare achievement, I ask unanimous consent that representative accounts be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Camden (S.C.) Chronicle, Feb. 7, 1977]

FINAL RITES TODAY FOR MR. CARRISON

Funeral services for Henry G. Carrison, Sr., 92, prominent Camden banker and civic leader who died Friday, Feb. 4 at the Kershaw County Memorial Hospital after an extended illness, were held today (Monday) at 11 a.m. at Grace Episcopal Church with the Rev. Harry Lawhon officiating. Burial was in Quaker Cemetery.

Active pallbearers were Jordan Waite, Sumner Waite, Bernard Manning, Henry Carrison, III, Perry Carrison, Frank Wooten, Kirk Carrison and Charles Wills DuBose.

Honorary pallbearers were Jack Whitaker, C. P. DuBose, Henry Savage, John Villepigue, R. M. Kennedy, Jr., Moultrie Burns, John de Loache, Bennie Marshall, Kenneth Clark, William L. Goodale, Roland Goodale, Dr. Carl West, W. F. Nettles, Jr., Henry Lee Clyburn, Hugh Chapman, Ralph Little and Austin Sheheen, Sr.

Born in Camden, Mr. Carrison was the son of the late Henry G. and Margaret Jordan Carrison. An active banker for 60 years, Mr. Carrison retired at the age of 83 and opened an office on Rutledge Street where he continued to handle business matters related to the Camden Hospital and the Government Savings Bond program. He was highly regarded in the business community and was serving as president of the Commercial National Bank when it merged with the Citizens and Southern National Bank of South Carolina in 1962.

Mr. Garrison served two terms as mayor of Camden during 1922–26, and was praised for his leadership in paving the streets of the city. He also served eight years as a director of the Camden Hospital and was its president from 1946–50. In his early life he was a member of the Camden Volunteer Fire Dept. and also served on a number of business commissions. He was a founder and first president of the Camden Country Club and was a lifelong member and senior warden of Grace Episcopal Church.

In June 1973, Mr. Carrison and the late Phyllis Hickson Carrison celebrated their 60th wedding anniversary, and they continued that happy union until Mrs. Carrison's death on June 19, 1976, just one day after their 63rd anniversary.

Mr. Carrison held memberships in the Camdan Hunt, the Masons, Shrine Club, Rotary Club (past president), Executive's Club, Springdale Hall Club, and the Greater Kershaw County Chamber of Commerce. He served on the State Hospital Board and, served the Bord of Directors of the C and S National Bank.

As a contributor to the business, civic, religious and social life of Camden, Mr. Carrison will be missed by a wide circle of friends and a large family. Surviving are two daughters, Mrs. Jack Haile of Camden and Mrs. Elizabeth Boykin of Columbia; two sons, Captain Daniel Carrison, U.S. Navy (Ret.) of Myrtle Beach, S.C. and Henry G. Carrison, Jr. of Rembert; one sister, Mrs. Sumner Waite of Camden and 10 grandchildren and 10 great granchildren.

Kornegay Funeral Home was in charge of arrangements.

[From the Columbia (S.C.) State; Feb. 6, 1977]

HENRY G. CARRISON SR., FORMER BANKER, DIES

CAMDEN.—Henry G. Carrison Sr., 92, former mayor of Camden, banker and civic leader, died Friday in Kershaw County Memorial Hospital after a long illness.

Born in Camden, Mr. Carrison was a son of the late Henry G. and Margaret Jordan Carrison.

Mr. Carrison was serving as president of the Commercial National Bank in Camden when it merged with the Citizens and Southern National Bank in 1962. Mr. Carrison retired from the banking business at the age of 83. He had been a banker for 60 years.

He served two terms as mayor of Camden from 1922–26 and during his administration streets in Camden were paved.

He also served eight years as director of the Camden Hospital, and as president from 1946–50. In his early years he was a member of the Camden Volunteer Fire Company. He served on a number of civic commissions.

Mr. Carrison was founder and first president of the Camden Country Club and was a life-long member and senior warden at Grace Episcopal Church.

He was also a member of the Camden Hunt, the Camden Chamber of Commerce, the Executive Club, Springdale Hall Club, and he was a Mason and a Shriner. He was past president of the Camden Rotary Club and served as a director on the state Hospital Board and he was the county director for Kershaw County two terms. He was also a former director of C&S National Bank.

In June 1973, Mr. Carrison and his wife, the late Phyllis Hickson Carrison, celebrated their 60th wedding anniversary. Mrs. Carrison died June 19, 1976, one day after their 63rd anniversary.

Surviving are two daughters, Mrs. Jack Haile of Camden and Mrs. Elizabeth Boykin of Columbia; two sons, Capt. Daniel Carrison (USN-ret.) of Myrtle Beach and Henry G. Carrison Jr. of Rembert; a sister, Mrs. Sumner Waite of Camden; 10 grandchildren and 10 great-grandchildren.

Services will be at 11 a.m. Monday in Grace Episcopal Church, with burial in Quaker Cemetery.

Kornegay Funeral Home is in charge.

[From the Charleston (S.C.) News and Courier, Feb. 6, 1977]

H. G. CARRISON, CIVIC LEADER, DEAD AT 92

CAMDEN.—Henry George Carrison Sr., 92, a banker and civil leader, died Friday at a Kershaw County hospital.

The funeral will be 11 a.m., Monday at Grace Episcopal Church. Burial will be in Quaker Cemetery, directed by Kornegay Funeral Home.

Mr. Carrison was born at Camden, a son of the late Henry G. Carrison and Mrs. Margaret Jordan Carrison. A banker for 60 years, he retired at 63. He was president of the Commercial National Bank until it merged with the Citizens and Southern National Bank of South Carolina in 1962.

Mr. Carrison, a former director and president of Camden Hospital, served two terms as Camden mayor from 1922 to 1925.

He was a founder and first president of the Camden Country Club, a member and senior warden of Grace Episcopal Church and a former county director of Kershaw County. A Mason and Shriner, he also was a member of the Camden Chamber of Commerce, the Excutive Club and the Springdale Hall Club.

Surviving are: two daughters, Mrs. Jack Haile of Camden and Mrs. Elizabeth Boykin of Columbia; two sons, Capt. Daniel Carrison, USN (ret.), of Myrtle Beach and Henry G. Carrison Jr. of Rembert; a sister, Mrs. Sumner Waite of Camden; 10 grandchildren and 10 great-grandchildren.

[From the Camden (S.C.) Chronicle, Feb. 7, 1977]

H. G. CARRISON, SR.

Henry G. Carrison, Sr., one of Camden's most distinguished and most influential citizens, died Friday at the age of 92. Mr. Carrison served his native city and county in a number of important positions, including mayor, a director and president of the local hospital, as president of one of the county's most progressive banks, and as a leader in his church.

Mr. Carrison was one of the true builders of Camden and Kershaw County. It was through his leadership that the city's streets were first paved, and his wisdom and leadership was sought on numerous councils and commissions which guided the orderly and prosperous growth of the area.

Mr. Carrison was a kindly gentleman, always anxious to engage a friend in conversation and lend a helping hand to the county's farmers who had suffered a temporary setback at the hands of a fickle weatherman or Mother Nature.

Mr. Carrison was a devoted husband, loving father and valued friend, and Camden and Kershaw County are richer for his long and productive life.

May he rest in peace.

REPORT ON FUNDS OBLIGATED FOR CHEMICAL AND BIOLOGICAL WARFARE

Mr. McINTYRE. Mr. President, in keeping with the past practice of the Armed Services Committee to advise the Senate and the public of the activities of the Department of Defense in the area of chemical and biological warfare—CBW—I request unanimous consent to have printed in the RECORD at the conclusion of my remarks the report cover letter and the annual report on funds obligated for CBW research during fiscal year 1976 and the transition period.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. My colleagues may recall that previously the Department of Defense's report on funds obligated in chemical and biological warfare research programs were submitted semiannually, as required by section 409 of Public Law 91–121. Subsequent to a General Accounting Office study on executive branch reports to Congress, Public Law 93–608 was passed, changing the Department of Defense semiannual Report on Chemical and Biological Warfare program from a semiannual report to an annual one. The Department of Defense advised the Armed Services Committee of its intention to implement this change in reporting frequency on March 14, 1975.

As the cover letter indicates, the next report will cover a 12-month period and will be submitted by the end of November, 1977.

THE SECRETARY OF DEFENSE,
Washington, D.C., December 10, 1976.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: In accordance with the requirements of Section 409, Public Law 91–121, as amended by Section 2, (4) of Public Law 93–608, the report on funds obligated in the chemical warfare and biological research programs during fiscal year 1976 and the transition quarter is enclosed. The next report will cover a 12-month period (FY 77) and will be submitted by the end of November 1977.

The report provides actual obligations through 30 September 1976.

Section 4 of the Army report provides an adjustment summary which reflects change data to the second half, FY 1975 report. This summary will permit the revision of estimated obligations to actual. The Departments of the Navy and Air Force reported no adjustments to their segment for the second half, FY 1975 report.

The attached report has also been sent to the Speaker of the House of Representatives.

Sincerely,

W. P. CLEMENTS, Jr.

EXHIBIT 1

DEPARTMENT OF DEFENSE—ANNUAL REPORT ON CHEMICAL WARFARE AND BIOLOGICAL RESEARCH PROGRAM OBLIGATIONS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, RCS DD-D.R. & E. (SA) 1065 (ACTUAL DOLLARS)

	Army	Navy and Marine Corps	Air Force	Total
Chemical warfare program	$48,883,000	$1,093,000	$1,496,000	$51,472,000
R.D.T. & E.	(35,279,000)	(1,060,000)	(1,496,000)	(37,835,000)
Procurement	(13,604,000)	(33,000)	(0)	(13,637,000)
Biological research program	17,727,000	0	0	17,727,000
R.D.T. & E.	(17,727,000)	(0)	(0)	(17,727,000)
Procurement	(0)	(0)	(0)	(0)
Ordnance program	25,647,000	198,000	0	25,845,000
R.D.T. & E.	(8,120,000)	(0)	(0)	(8,120,000)
Procurement	(17,527,000)	(198,000)	(0)	(17,725,000)
Total program	92,257,000	1,291,000	1,496,000	95,044,000
R.D.T. & E.	(61,126,000)	(1,060,000)	(1,496,000)	(63,682,000)
Procurement	(31,131,000)	(231,000)	(0)	(31,362,000)

DEPARTMENT OF THE ARMY ANNUAL REPORT ON CHEMICAL WARFARE AND BIOLOGICAL RESEARCH PROGRAMS (JULY 1, 1975 THROUGH SEPT. 30, 1976), RCS DD-D.R. & E. (SA) 1065

[In conducting the research described in this report, the investigators adhered to the "Guide for Laboratory Animal Facilities and Care" as promulgated by the Committee on the Guide for Laboratory Animal Resources, National Academy of Sciences—National Research Council]

SEC. 1.—OBLIGATION REPORT ON CHEMICAL WARFARE PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE ARMY, RCS DD-D.R. & E. (SA) 1065

OBLIGATION REPORT OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD JULY 1, 1975, THROUGH SEPT. 30, 1976; REPORTING SERVICE: DEPARTMENT OF THE ARMY; DATE OF REPORT: SEPT. 30, 1976; RCS: DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation
	Prior year	In-house	
	Current fiscal year	Contract	
Chemical warfare program	—.022	32.396	During the 15-mo period, fiscal year 1976 and fiscal year 197T, the Department of the Army obligated $35,279,000 for general reseacrh investigations, development and test of chemical warfare agents, weapons systems, and defensive equipment. Program areas of effort concerned with these obligations were as follows:
	35.301	2.883	
			Chemical research:
			Basic research in life sciences $940,000
			Exploratory development 6,860,000
			Total chemical research 7,800,000
			Lethal chemical program:
			Exploratory development 1,709,000
			Advanced development 756,000
			Engineering development 4,543,000
			Testing 433,000
			Total lethal chemical 7,441,000
			Incapacitating chemical program: Exploratory development, total 645,000
			Defensive equipment program:
			Exploratory development 11,770,000
			Advanced development 3,982,000
			Engineering development 2,344,000
			Testing 860,000
			Total defensive equipment 18,956,000
			Simulant test support 437,000

(JULY 1, 1975 THROUGH SEPT. 30, 1976), RCS DD-D.R. & E. (SA) 1065—Continued

[In conducting the research described in this report, the investigators adhered to the "Guide for Laboratory Animal Facilities and Care" as promulgated by the Committee on the Guide for Laboratory Animal Resources, National Academy of Sciences—National Research Council]

SEC. 1.—OBLIGATION REPORT ON CHEMICAL WARFARE PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE ARMY, RCS DD-D.R. & E. (SA) 1065—Continued

Description of R.D.T. & E. effort	Funds obligated (millions of dollars) Prior year: Current fiscal year	Funds obligated (millions of dollars) In-house: Contract	Explanation of obligation
1. Chemical research	—.066	7.535	
	7.806	.265	
(a) Basic research in life sciences.	(.000)	(.885)	
	(.940)	(.55)	Life sciences basic research in support of chemical materiel: 1. In a study of anticholinesterase effects on mammalian brain stem function the nature of the nerve agent Soman (GD) effects on both inspiration and expiration has been characterized. The dependence of respiratory integrity in the brain stem on conscious or nonanesthetic states has been shown. Speciffc sites of respiratory blockade by nerve agents were shown. 2. In an investigation of the interrelations among cyclic nucleotides and acetylcholine (ACh) in protected and unprotected animals poisoned with GD, it was found that injection of 3 doses of dibutyryl andenosine 3,5'-monaphosphate (cAMP) and theophylline resulted in a 50 percent lowering of plasma somanase activity, the enzyme which detoxified GD. Assay procedures were set up for cAMP, cyclic guanosine mononucleotide and ADh. Poisoning of rats with 1 medium lethal dose of GD causes greater than a 2-fold rise in cerebral ACh. A report entitled "Synthesis of Cholinesterase Following Poisoning With Irreversible Anticholinesterases: Effects of Theophylline-N⁶, 0²-Dibutyryl Andeosine 3',5-Monophosphate on Synthesis and Survival" was submitted for publication. 3. In order to study the mechanism of spontaneous reactivation of GD-inhibited acetylchotinesterase, it was necessary to develop a model system utilizing acetylcholinesterase inhibited with P-nitrophenyl methylphenylphosphinate to permit an efficient study of perturbing agents on the spontaneous reactivation process. Oral presentation on the above model system was given at the 10th Middle Atlantic Regional Meeting of the American Chemical Society (February 1976). 4. Studies of sites of action of incapacitating agents in animal brains have shown that anticholinergics injected into dorsomedial thalamus and caudate block pain information and that electrolytic or chemical lesions of central gray matter potentiate morphine analgesia. In preparation of extension of these studies, rat locomotor activity cages were completed. 5. In order to classify and predict pharmacological activities of organophosphates and carbamates using pattern recognition techniques, pertinent structure-toxicity data, and pattern recognition analysis for predictive toxicity vectors for carbamates were assembled. Structure-toxicity data, and partial identification of pertinent toxicity features of organophosphates have been assembled. Several computer programs concerning atom-centered fragments and pattern-recognition algorithms were written. 6. The characterization of receptor substance, including mechanisms of reaction with transmitter ligands, and control of permeability of post-synaptic membranes required obtaining radioactively labeled stereospecific ligand for study of muscarinic receptor. Binding activities of stereospecific ligand to those of atropine, scopoamline and quinuclidine benzilate were compared. Investigations of a number of chaotropic agents for solubilization of muscarinic receptor in a biologically active form were completed. 7. Research studies were conducted for new concepts for detection and identification, fundamental aspects of chemical agents research, fundamentals of dissemination and dispersion phenomena, sorbent research, and micellar catalysis for decontamination. Studies on ion-molecule reactions (Ion-Cluster Mass Spectrometry) for detection of chemical agent continued to be promising with the threshold sensitivity for nerve agent sarin (GB) being determined to be 0.002 micrograms per liter of air. Soil microorganisms which have been grown on thiodiglycol, a hydrolytic product of the blister agent Mustard (HD), have been shown to hydrolyze the thiodiglycol to hydrogen sulfide. This illustration of metabolic pathway is an achievement toward a goal of isolating enzymes for use in detection. 8. Evaporation rates and dynamic behavior of liquid droplets under a variety of conditions have been determined for several chemical agents. A technique compatible with holography has been developed to study aerosol formation from explosive dissemination. As part of an objective of developing quantitative relationships between chemical structure, physicochemical properties and biological activity, correlations were obtained using octanol/water partition coefficients. In a study geared toward providing new detector and analytical reagents a variety of compounds were classed on the basis of the rates at which they produced chemiluminescence.
(b) General Chemical Investigation.	(—.006)	(6.650)	Prior year deobligation resulted from the withdrawal of residual funds upon completion of effort.
	(6.866)	(.210)	Exploratory development effort. 1. Search for new compounds: Many new compounds prepared in-house or obtained from outside sources were evaluated as potential agents with possible deterrent application in the areas of binary lethal, incapacitating, and riot control technology and training devices. The results of initial toxicity screening determined the basis for additional studies and whether synthesis of homologs and analogs was warranted. Improved methods for effective screening of compounds are continually sought to predict more reliably and economically the utility of new chemicals. Several hundred combinations have been tested for nerve agent prophylaxis and/or therapy. Clues were developed that lead to the fielding of a 2d generation treatment and advanced toxicological study of a potentially superior 3d generation treatment, as well as 1st generation prophylaxis. Additional compounds are being added to the existing data bank in which the chemical properties and characteristics of all possible chemical agents, intermediates and decomposition products will eventually be stored. Data obtained using a chemical ionization mass spectrophotometric method are being included. This method allows significantly more positive identification of agents and related compounds, even at the picogram level. The information contained in this data bank is vital to research planning and to intelligence, surveillance, arms control, environmental assessment, and forensic determinations. 2. Techniques of evaluating effects of chemicals: (a) Data previously collected from human studies on state dependent learning and vigilance were collated. A determination was made whether to include these in the test battery for future studies. Signal detection tests were initiated to measure the effects of an anticholinergic, and a peripherally acting anticholinesterase compound. It was determined that the anticholinergic significantly altered pain discriminability. To date these tests appear to be the most sensitive animal tests there are to predict drug effects in humans. Attempts will be made to determine whether this same paradigm can be applied to test drug effects on vision. A new test is being evaluated to determine whether it can be used to predict the effects of drugs on frustration in humans. (b) The protocol for standardizing the assay of blood cholinesterase by manual and automated methods for all branches of the Department of Defense was completed. An automated method for the determination of concentrations of physostigmine and pyridostigmine in human blood was developed. Quantitative methods for the complete analysis by extraction, ultraviolet, and gas chromotography of a therapeutic mixture containing 3 active ingredients were perfected. A method was developed for the assay of an agent simulant in urine in concentrations 1/80th of those previously reported. Studies were initiated on a more sensitive method for measuring triphosphoninositide activity in the brain to determine whether a specific brain site is involved in GB intoxication. Rapid automated methods are being sought to determine the stability of dilute nonaqueous solutions of chemical agents. 3. Medical effects of chemical agents: Improved procedures for assessing the metagenic properties of chemical compounds have been established. Chlorpromazine, considered a possible adjunct in prohpylaxis and therapy against nerve agents, was shown to be mutagenic to bacteria. Preliminary data shows that a proposed simulant produced mutagens in the fruit fly. Many selected compounds are being reexamined for mutagenicity. The analgesic properties of cholinergic and of anticholinergic compounds were studied to separate motivation changes from sensory deficits and allow more meaningful predictions of the effects in man. Using localized EEG recordings in somatosensory areas of the thalamus and caudate of rats and monkeys, atropine mimicked morphine in depressing pain evoked activity. Scopolamine and benactyzine also produced analgesia as measured by behavioral tests. Furthermore, atropine and benactyzine disrupted (increased) time perception in the rat. Improved equipment and techniques for electroretinography, visual evoked response research, tear analysis, and cataract formation have been established. Using a differentially radiolabeled glycolate, the distribution, binding, elimination, and metabolic conversion of the compounds is being studied in subprimate brain, peripheral tissues, and body fluids.

DEPARTMENT OF THE ARMY ANNUAL REPORT ON CHEMICAL WARFARE AND BIOLOGICAL RESEARCH PROGRAMS
(JULY 1, 1975 THROUGH SEPT. 30, 1976), RCS DD-D.R. & E. (SA) 1065—Continued

[In conducting the research described in this report, the investigators adhered to the "Guide for Laboratory Animal Facilities and Care" as promulgated by the Committee on the Guide for Laboratory Animal Resources, National Academy of Sciences—National Research Council]

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)			Explanation of obligation
	Prior year	In-house		
	Current fiscal year	Contract		
				4. Chemical dissemination and dispersion technology: (a) Studies were conducted to investigate and clarify the mechanisms and methods of the delivery, dissemination, and dispersion of agent materials and to conceive and evaluate new concepts of their use. The resulting technology and data base serves as the foundation for assessing our vulnerability to foreign threat and for the development of advanced deterrent systems as well as combat support systems. (b) Equations were developed to describe the instantaneous nonsteady state flow during the voiding of bulk liquid fill from spinning cylinders. Successful validation of the equations was obtained for up to 3,000 rpm and the evaluation of higher rates, geometries, and fluid properties are in progress. The second phase of this study, developing an analytical description of the resulting droplet size distribution, was undertaken and experimental techniques are being established based on holographic analysis of the aerosol spray. (c) A test program utilizing an explosive test bomblet was concluded and demonstrated that both plant and binary product GB are very resistant to destructive flashing. A methodology was established which showed that the oxygen index of a material, a measure of its flame propagation potential, is part of a basis for estimating the disposition of a liquid to flash when explosively disseminated. (d) Pyrotechnic efforts included: (1) Determination of critical parameters which would allow the design of much faster burning pyrotechnic mixtures; (2) conduct of curing studies to develop a polymer-based pyrotechnic riot control agent (CS) mix; and (3) study of various techniques of utilizing imbiber heads for the pyrotechnic dissemination of a fog oil smoke. (e) Supported chemical munitions development programs where aerodynamic parameters are involved in delivery and dissemination of the chemicals. Conducted wind tunnel tests for static and dynamic stability; performed trajectory analyses using wind tunnel and flight test data; prepared data which made possible design changes for improved performance of chemical munitions. 5. Chemical testing and assessment technology: (a) The need to evaluate and/or predict the operational performance effectiveness of new and improved chemical defensive and deterrent systems requires continuing development of test and assessment procedures, simulation techniques and models, and continuing investigation, development and evaluation of simulant materials. (b) A mixture consisting of triethyl phosphie, dibutyl amine and ethyl acetate has been developed and successfully used as a simulant for the XM736 binary nerve agent VX projectile. (c) Toxicological studies on simulants were conducted to obtain information to support requests for approval by the Office of the Surgeon General. Dimethylmorpholinophosphoramidate (DMMPA) was given prime consideration as an intake simulant for casualty assessment and, in combination with a fluorescent dye, for use in material contamination assessment. (d) Simulation models were developed to estimate the expected fraction surviving chemical attack when either prophylactic or therapeutic protection or both are provided. Simulation models for chemical agent attack were improved to simultaneously consider both the vapor and liquid particle challenge posed by intermediate volatility agents. Preliminary models to assess the burden of defense equipment (heat stress, performance proficiency reduction) have been developed. (e) A flame photometry device employing sodium chloride was developed to test protective equipment. (f) Improvements were made to the nitrogen purge/air infiltration procedure which was then used to simulate chemical agent vapor infiltration into tanks, armored personnel carriers and self-propelled howitzers. 6. Technical evaluation of foreign chemical warfare potential: (a) Support was supplied in the planning, conduct, and evaluation of a series of rocket sled tests, a fuze check test, and a missile flight test using simulant materials. A preliminary transport and diffusion model was completed, and an evaluation of intelligence information based on the preliminary model performed. Reviews of intelligence information were performed as it became available. Planning coordination of Edgewood Arsenal, Md., technical area 12, chemical threat assessment technology, was also accomplished. (b) Data from the second series of rocket sled tests were reduced which provided an excellent data base for the breakup modeling. The second series differed from the first series in that free flight was achieved prior to warhead detonation, thus providing an environment similar to flight condition. A combination of the breakup model and dissemination model will provide realistic estimates for area coverage, contamination density, and particle size distribution. The initial breakup model addresses only the subsonic region and will be expended in fiscal year 1977 to incorporate transonic and supersonic delivery. The first validation firing was conducted at White Sands Missile Range, N. Mex., in July 1976, using a Lance Rocket System. The flight test has confirmed the veracity of the data base obtained from the rocket sled tests as the basis for breakup modeling. Preliminary analysis of disposition data also indicates agreement with the limited model presently available. (c) Limited sampling data were collected during the White Sands Missile Range tests of the Little John and Lance rocket systems that contained simulants. The data indicated that from a liquid agent detector point of view, there may be some significant differences in data obtained from dynamic rocket tests as compared to static spray trials. Attempts to obtain spread factor data for a simulant during the rocket sled tests were unsuccessful. Efforts are still continuing in devising a simple, reliable generator for simulants. 7. Chemical training agents and equipment investigations: (a) Investigations are underway to develop materials which resemble chemical agents in their employment, dissemination, action, and sensitivity to alarm systems, but which leave no harmful effects on troops, their equipment, or the environment. A statement of work in response to a training device requirement has set forth numerous criteria for simulated persistent and nonpersistent agents required by the user. While several prospective candidates were found to meet many of the needs, no completely satisfactory material has yet been discovered, so attempts must continue to find appropriate chemicals or formulations. (b) Various thickeners are being investigated for the formulation of thickened chemical training agents. In order to field a training device that possesses an operational capability, the simulant projector airburst liquid has been evaluated using training agents previously approved. The United States will require this item as an interim training device. The interim training agents being studied for use in this disseminator are polyethylene glycol 200, tri-(2-ethylhexyl) phosphate, and butyl mercaptan. (c) Summary data on dimethyl methylphosphonate obtained from allies on the irritancy, pharmacology, and chronic toxicity (rabbits and rats) failed to meet U.S. criteria for starting human trials with the compound. A biomedical evaluation by the Medical Review Board gave proposed data voids from which a research plan on the toxicology in four animals was derived. Laboratory quantities of dimethyl methylphosphonate were synthesized and characterized by nuclear magnetic resonance, mass spectroscopy, gas chromatograph and infrared and found to contain at least two impurities. Initial acute toxicity studies in mice and rats via parenteral and oral routes with these samples are underway. Studies on mutagenesis using fruit flies and the Ames test employing Salmonella typhimuriam were completed. Acute toxicity studies on bioassay approved pilot plant synthesized dimethyl methylphosphonate were initiated. 8. Chemical safety investigations: (a) A report has been prepared describing the collection and purification of samples for agent identification. A method for high volume sampling compatible with gas chromatography analyses was developed. Gas chromatography has been coupled with chemical ionization mass spectrography to furnish a method of detecting and identifying GB and VX in demilitarization products at very low levels. The high volume sampling and chemical ionization mass spectrography will be developed further. (b) Ecological field work on Carroll Island at Edgewood Arsenal, Md., has been completed and initial drafting of the comprehensive report covering this work has been started. Ecological investigations of Gunpowder Neck at Edgewood Arsenal, Md., are in progress and will continue.

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Description of R.D.T. & E. effort	Funds obligated (millions of dollars) Prior year Current fiscal year	In-house Contract	Explanation of obligation
			(c) 2 remote sampling systems to be used with controlled toxic test chambers have been designed and 1 is undergoing evaluation. An automated analytical system is in use and will be interfaced with the sampling system.
2. Lethal chemical program..	.091	7.166	
	7.441	.275	
(a) Agent investigations and weapons concepts.	(.080)	(1.709)	Exploratory development effort:
	(1.629)	(.000)	1. Lethal chamical agent investigations: (a) Synthetic, analytical, and physicochemical studies of toxic chemicals were performed to assess the lethal agent threat from a possible enemy. A new procedure has been developed for the binary synthesis of a lethal agent of intermediate volatility. A method to reduce the reaction rate of binary agent intermediates has been developed. 2 methods have developed for the in situ thickening of a persistent lethal agent obtained from a binary process. (b) Evaluations of methodology and procedures to deliver small sized drops of agent while maintaining a low temperature and high wind speed environment have continued. Some difficulty was experienced in delivery of small drops of simulated agent. Recalibration of the environmental animal exposure facility to attain controlled temperatures (75°, 40°, and 20° F.) and windspeeds (1.1 and 5.5 mph) is being completed in preparation for the evaluation of comparative effectiveness of thickened and nonthickened agents. 2. Lethal chemical weapons technology: (a) Success was achieved on techniques for binary production of an intermediate volatility agent, with limited work conducted on a number of the practical facets of synthesis. Studies of the reaction of stored intermediates was continued and expanded to ascertain the ultimate effects of intermediate degradation on product yield. Studies of agent physical properties and their effects on the efficiency of munition dissemination were conducted. Work in this area has been very successful in that physical properties can be modified easily without subsequent interference in reactions or any reduction in product yields. Property modification studies have required dua agent-simulant development, since only the latter can be tested in a number of the conditions of interest. (b) Projectile exploratory efforts included experiments to ascertain whether wide variations in internal reactions influence projectile ballistic performance (they do not) and whether mechanical resonances are generated which could influence fuze performance (they are). The study was expanded to include liquid-filled flight performance of both long- and short-range fin stabilized projectiles. Technique for increasing the efficiency of chemical dissemination was evaluated. (c) Experimental designs for a 2.75-in rocket warhead were developed. This effort included derivation of analytical models for the warheads effectiveness based upon experimental efforts. Testing included rocket firings and dynamic flight evaluation. 3. Chemical agent process technology: Investigation of processes for the synthesis of binary reactants were continued and small quantities of material prepared for test by others. 2 processes for synthesis of dimethyl disulphide intermediate were studied at the laboratory and bench scale and parametric data obtained to facilitate a selection of 1 process for pilot scale development. Analytical support was provided for the above activity of the development and synthesis laboratories.
(b) Agent pilot plant investigations.	(—.005)	(.306)	Prior year deobligation resulted from withdrawal of residual funds upon completion of effort.
	(.311)	(.000)	Advanced development effort:
			1. Lethal chemical agent processes: (a) Batches of 1 of the binary intermediates was made to obtain pilot plant data for scale up. Commercial sources of required chemicals were used. Process studies of alternate methods were contained to obtain data for the economic analysis for the best process for plant scale up. Alternate process studies of subpilot scale size to reduce the large quantities of aqueous waste solutions have been initiated. The waste materials from these studies have been collected to begin studies on waste disposal methods. (b) A filling and closing line design is currently in progress and was 50-percent completed during this period. A total of 180 canisters were filled and closed in support of the engineering development phase of this program. The modular filling and close capability, was used. All equipment functioned well, there were no leakers. A decision was made to use stamping for the inertia welded closure plug. This should eliminate the leakage problem caused by porosity found in the plugs cut from round stock.
(c) Tactical weapons systems.	(.000)	(.245)	Advanced development effort:
	(.450)	(.205)	Lethal chemical materiel: Efforts were initiated in the latter portion of fiscal year 1976 on technology areas relevant to development of a warhead for rocket systems. Contractual effort was begun on problems of large scale fluid mechanics, multiple subsystems and systems logistics. Provisions were made for a large scale dynamic simulant test of a rocket warhead concept.
	(.016)	(4.473)	Engineering development effort:
	(4.527)	(.070)	Lethal chemical ground munitions: (a) The development test II (DT II) of the 155 mm, XM687E1, GB2 projectile was satisfactorily completed and a detailed report covering this phase issued. Similarly, operational test II (OT II) has been completed. This latter involved troop tests to evaluate the adequacy of the projectile in use. The technical data package and reports documentation of the XM687E1 projectile were completed. (b) Engineer design testing of the 8-in, XM736, VX projectile was successfully completed and manufacture of hardware for DTII initiated. In the course of the former, various facets of structural integrity, operational performance, and ballistic performance were successfully demonstrated.
(d) Materiel tests in support of joint operational plans and/or service requirement.	(.000)	(.000)	No effort expended in this area.
	(.000)	(.000)	
(e) Army materiel Development Tests.	(.000)	(.433)	Efforts were directed toward the testing of binary weapon systems. 12 specific test programs were conducted. Major emphasis was on the completion of the DTII testing of the 155 mm, XM687, projectile. Physical testing in the area of rough handling, safety, reliability, suitability of the projectile, and ballistics were completed. 12 simulant dissemination trials were conducted. A final report for DT II testing of the 155 mm, XM687, projectile was published. Engineering design test with the 8-in projectile were conducted in the area of reliability; safety evaluation of the rounds for transportation, storage, rough handling, and firing; determination of the suitability of the projectile for DT II testing; and ballistic stability. Simulant dissemination trials with the 8-in projectile were conducted and data on area coverage, droplet spectra, and liquid recovery estimates were obtained. The most applicable simulant for support of the DT II test will be selected from the candidates tested. Planning for the DT II testing is in progress. Test efforts with the 8-in projectile will continue in fiscal year 1977.
	(.433)	(.000)	
3. Incapacitating chemical program.	Exploratory development effort: .000	.645	1. Incapacitating chemical agent investigations: Studies were carried out to devise a reaction suitable for producing a candidate incapacitant by a binary process. Although at least 3 separate approaches seemed promising initially, extensive investigations have failed to provide a feasible solution to this difficult technical problem. Techniques for studying the evaporation kinetics of combinations of selected liquid and semisolid incapacitants were reviewed. Work was conducted to develop analytical methods for identifying incapacitants in trace amounts: 1 of these used a thin layer chromatography technique, where the base values of candidates were determined relative to 2 reference dyes. Another analytical technique, previously developed for identification of promising incapacitants in work areas such as a manufacturing plant, was refined to give more accurate results. Analytical and physiochemical studies were performed to characterize incapacitants, their precursors, intermediates and side products. The scientific literature was reviewed for new leads on safe effective incapacitants. No promising leads were discovered.
	.645	.000	
(a) Agent investigations and weapon concept.	(.000)	(.645)	
	(.645)	(.000)	

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Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation
	Prior year	In-house	
	Current fiscal year	Contract	
			2. Incapacitating chemical weapons technology: Available data on pyrotechnic incapacitating munitions has been reviewed with no solutions available to solve the safety problem of agent release during an accident. The binary agent approach is being adopted to solve this problem. A literature search has been conducted on lethal binary concepts to determine applicability to incapacitating munition design. The 2-compartment thermal generation principle is the most promising dissemination method available. Laboratory space has been obtained and equipment is being modified to perform laboratory studies on binary reaction conditions required prior to design of test munitions.
4. Defense equipment program.	−0.107	16.621	Prior year deobligation resulted from withdrawal of residual funds upon completion of effort.
	19.063	2.335	
(a) Physical protection investigations.	(−0.018)	(4.525)	Exploratory development effort:
	(5.776)	(1.233)	1. Chemical agent alarm technology: (a) Exploratory development continued on the advanced ionization detector in an effort to determine the optimum design for highest sensitivity and selectivity. Extensive testing was conducted to uncover possible interferences which trigger an alarm or cause serious deterioration of the detector. Field trips were made to Fort Benning, Ga., Tropic Test Center, Panama, Rocky Mountain Arsenal, Colo., Fort Carson, Colo., and to Nellis Air Force Base, Nev., where environmental tests were run with the prototype units in conjunction with all types of troop field exercises. A contract with Southern Research Institute calls for examination of many chemicals to determine laboratory type interferences. This contractor has made field trips to Smoky Mountain National Park and throughout the State of Florida, especially the Everglades, seeking more environmental type interferences. Results were favorable. A satisfactory immobilized enzyme product for use in the enzyme alarm was achieved through chemically bonding cholinesterase to the surface of urethane foam. An interference compensating circuit, using a fourth electrode was developed and results have been very promising. The fabrication of three new enzyme alarm units employing the latest technology was initiated. Based upon the results of studies on the mechanism of detection, improvements were made in the sensitivity and stability of automatic liquid agent detector (ALAD) paint. An operational effectiveness study based on a user scenario was conducted with results indicating significant casualty reduction associated with the use of the ALAD at the platoon level. Special instrumentation was designed and is being fabricated for 2 field trials. (b) A special 8 wavelength CO_2 laser system was built and subjected to initial testing. Computer techniques for modeling the laser system response were developed. Based upon the results of an in-house theoretical study and consultations with outside experts, an effort is underway to investigate heterodyne detection techniques using the CO_2 laser. This technique should give a large increase in sensitivity. Studies were terminated on use of the Remote Raman for airborne agent detection. The system's sensitivity, size, and complexity did not appear competitive with the CO_2 laser device. However, studies continued on the Raman concept for monitoring for the laser system and a new more powerful nitrogen laser was also purchased. The system's sensitivity increased as a result. Unfortunately fluorescence background stimulated by the system increased also. An argon laser was substituted for the nitrogen laser. Spectra obtained by the system have improved substantially. The system has been used to measure relative cross sections for the GB simulant diisopropylmethylphosphonate. (c) A chemically coated lucite plug was shown to be a simple, feasible method for detecting leaks within a VX munition. The coating changes color in the presence of VX vapor or its decomposition products. Limited long-term storage tests indicate that the coating is stable. 2. Chemical detection and identification technology: (a) A 3-yr contract was signed with Midwest Research Institute to study eel cholinesterase as a potential improved nerve agent detector and develop a test for refractory nerve agents. A 1-yr feasibility contract was awarded to Midwest Research Institute to study methods of detecting agents in water using standard detector tubes. Findings of current in-house investigations in all the above areas are being supplied to the contractor. Calspan Corp. completed a search of methods applicable to a nonspecific agent detector kit. They are presently evaluating the simplification of the ionization detector as a possible approach. (b) Significant increase in detection and identification capability has resulted from the improvement of the sensitivity and specificity of the ion cluster mass spectrometer system (ICMS) and field ionization mass spectrometry. Research on the ICMS has demonstrated sensitivity of less than 0.1 parts per billion of GB. New highly reactive cyclic thioureas were discovered detecting alkylating agents and phosphorylating agents by chromogenic, fluorogenic or nephelometric responses. A new ketooxime, has been synthesized which showed promise as a reagent in the M-8 chemical agent alarm, possible enhancing the capability of the alarm. Soil organisms have been cultured on chemical agent mustard hydrolysis products having enzymes capable of degrading the substrate to hydrogen sulfide and acidic materials. New ultrafine impregnated microporous membranes for use in a high volume sampling system have been prepared capable of selectively concentrating phosphorous esters from the atmosphere. 3. Chemical decontamination investigations: (a) Work on the polyvinyl alcohol (PVA) supplemental coating to prevent toxic agents from sorbing into agent permeable materials was held in abeyance after numerous unresolved application, adhesion, and weathering problems became evident. Multiple applications are required for adequate film thickness; film drying time is excessively slow; the sheen (gloss) of the film cannot be reduced to a level acceptable for camouflage purposes; although the PVA is not cold-water soluble, it is softened sufficiently by rainwater to be easily damaged; the adhesion is only marginal; and the film deteriorates with extended outdoor weathering. The feasibility of developing a man-portable spray apparatus for dispersing the standard decontaminating agent DS2, and having sufficient capacity to effectively decontaminate the largest tactical equipment and vehicles, was shown possible by modification of commercially available spray equipment and the program moved into advanced development in February 1976. After successful application trials at Fort Carson, Colo., the agent-resistant urethane paint was determined by the U.S. Army Materiel Development and Readiness Command surgeon to contain small quantities of a skin, eye, and respiratory irritant. It was dropped from the camouflage pattern program in which the paint is sprayed by troops at company level. As a result of this decision, the following approaches were undertaken: a.—By means of a research and development contract the state of the art was surveyed for innocuous polymeric systems with potential for agent resistance. 4 candidate coatings are now being evaluated for resistance to agent sorption; b.—U.S. Army Mobility, Equipment, Research, and Development Command (Meradcom) was tasked to reformulate the agent-resistance urethane into 11 camouflage colors with brush application capability. Brush application presents less hazard and requires less restrictive application precautions. Reformulation is near completion; c.—Meradcom was tasked to prepare various alkyd paints and painted panels to determine the effect on agent sorption properties of resin modification, thermal curing, and natural and accelerated weathering. The panel preparations are now complete. Long-term natural weathering and agent sorption tests are in progress. To speed up the evaluation of the agent sorptive properties of various materials and the effectiveness of different decontaminants, newly available automatic agent detection equipment has been evaluated and an advanced gas chromatograph ordered. A 1-yr contract for the development of a design criteria document to assist design agencies in the development of new equipment so as to minimize liquid agent contamination and/or maximize physical decontamination has been awarded. In-house and contract studies were initiated and are in progress to obtain sufficient data to increase the cost effectiveness ratio of a proposed decontamination kit for exposed skin and personal equipment to replace the present standard M-13 and M-258 chemical agent detector kits. Increased cost effectiveness is required for approval of the proposed letter of agreement on this item.

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			(b) In the search for decontaminants for removal and destruction of toxic agents on vehicles, equipment and materiel, utilizing readily available materials in the field such as water, oxygen of the air and/or moisture, a number of micelle forming N-long chain alkyl pyridinium aldoximes were synthesized and evaluated against nerve agents GB and VX. Sulfur and nitrogen containing model compounds for sulfur mustard and VX were investigated as to their photosensitized oxidations by sunlight and oxygen in the air. The photooxidations of dibutylsulfide and diisopropylethylamine in methanol in the presence of the photosensitizer Rose Bengal were shown to proceed at moderately fast rates, depending upon light intensity, simple geometry and sensitizer concentration. Both reactions were zero order. Thus, fast rates are favored by dilute substrate in thin films. It has also been found that sensitizers covalently bound to polymers can be used for photooxidation of mustard. Moreover, photobleaching of the sensitizer is less when the sensitizer is affixed to a polymer matrix.
			4. Physical protection against chemical agents:
			(a) Emphasis was directed toward the development of nondestructive methods of measuring the residual gas life (protective capacity) of charcoal filters. Various techniques, such as: (1) the use of pilot canisters in parallel with the large filters, (2) CO/CO_2 techniques, (3) sampling from within the charcoal bed, and (4) electrical methods, were selected for further investigation. Baseline testing and simultaneous exposure of pilot canisters is in progress to determine the validity of this approach. Conversion of CO to CO_2 for measuring residual blood agent cyanogen chloride (CK) life indicates impregnant activity but not residual sorption capacity. Modification of this approach to provide this capability is in progress. Use of a probe in the bed to locate adsorption front for a test gas after unknown exposure is being actively investigated. Electrical methods of using semiconductor sensors and electromagnetic wave adsorption are also being investigated.
			(b) Development efforts have centered on finding an elastomer to replace silicone as the protective mask facepiece material. Polyurethanes thus far offer the most likely successful candidate materials. Several experimental polyurethanes have been investigated and efforts are being made to improve those areas of physical characteristics that are deficient. A contract is being negotiated to conduct a survey of commercially available elastomer falling within the range of required physical, chemical, and optical characteristics. The contract completion date is 6 months, at which time leading candidate material will be selected for further development.
			(c) Components of synthetic sweat which cause the greatest loss in sorptive capacity of activated charcoal were identified. Treatments for activated charcoal which will reduce the effects of poisoning by sweat were briefly examined. The materials are of a type which impart water repellancy to the charcoal without seriously affecting carbon tetrachloride adsorption. The penetration of GD through combat and protective clothing systems was measured. These studies were performed to collect agent vapor penetration data for a base line to be used during the development of new protective clothing systems. A contract request was released to investigate methods of producing fabrics containing sufficient chemical agent neutralizing activity to permit their use in protective clothing. Coordination with the U.S. Army Natick Research and Development Command was continued in an endeavor to develop an integrated plan for the development of chemical protective clothing.
			(d) In efforts aimed at increasing our ability to predict gas adsorption by activated carbon beds under dynamic flow conditions special emphasis was given to the study of dimethyl methylphosphonate (DMMP) adsorption as a function of flow velocity. For the case of pure physical adsorption, such as with DMMP, it was found that the adsorption rate constant varied nonlinearly with the superficial linear flow velocity over the range of 2–60 cm sec^{-1}. A mathematical model for the relation between adsorption rate and velocity indicated that a diffusion controlling step was dominant up to a velocity of 50 cm sec^{-1}. A study of whetlerite carbon reactivity against CK has shown that subsequent to initial adsorption of CK by the carbon, chemical destruction of the CK occurs via a 2-step catalytic hydrolysis, producing carbon dioxide and ammonia.
(b) Advanced development of defens ve systems	(−.033) / (4.015)	(3.744) / (.238)	Deobligation of prior year funds for reprograming to provide program continuity to the binary program pending congressional release of current year funds.
			Advanced development effort:
			1. Remote sensing alarm: In-house efforts were devoted to preparing for comparison tests against the Navy forward looking infrared detector. This included field tests, repairing the exploratory development hardware and data processing. Immediately prior to the scheduled date for comparison tests at Dugway Proving Ground, the Department of Defense postponed the tests indefinitely as a result of congressional action.
			2. New protective mask: The new protective mask will enter engineering development in March 1977. A unique transparent silicone rubber has been developed which provides optical clarity, flexibility across the required environmental temperatures, and low compression set characteristics. The use of this material permits the molding of the facepiece and lens as a single part and, therefore, the largest possible visual area is provided. The flexibility of the lens permits it to be utilized with optical instruments without significant loss in field of vision. The outsert for the mask is available in a flexible version for field use and a rigid version which provides ballistic protection for the tank and aircrew applications. The canister of the mask can be utilized on the facepiece or attached to a transitional hose which allows the canister to be mounted in a carrier. The configuration of the new protective mask has been firmly established and the sizing has been so adjusted that the military population, including females, can be accommodated in 3 sizes. A highly unique design of nosecup provides comfort and extends the range of face sizes which can be accommodated. The design of molds and other tools to fabricate the new protective mask has been initiated, and fully molded prototypes will be available for the advanced development testing which will precede entry into engineering development. Processes for coating the molded facepiece with a fluorinated ethylene propylene rubber and polyurethane material have been developed. Irradiation of the facepiece with high-speed electrons is accomplished to increase the hardness in the lens region, to decrease compression set and to eliminate crazing at the interface of the coatings and the facepiece. Permeability tests have been conducted on coated facepieces which indicate that the minimum NATO requirements for permeability can be met. The canister of the new protective mask has been subjected to penetration, rough handling, and environmental use testing. The canister appears capable of meeting the requirement for 10 yr of storage followed by 1 yr of operational use under temperate conditions. Requirements for ease of filter change, etc., have been met. The design of spectacles/inserts and the protective hood have not been finalized. Tests under arctic and tropical conditions using early prototypes indicate that the mask should meet the joint requirements established.
			3. Decontamination apparatus for vehicles: Advanced development (AD) was started in February 1976 using information generated earlier. Because of the short development schedule required by the proposed letter of agreement (PLOA), commercially available spray apparatus will be modified to meet the requirements of the PLOA and development will proceed directly from advanced development to type classification. Various types of spray apparatus were obtained from different manufacturers and evaluated for performance characteristics using decontamination agent DS2 simulant where possible. Among the pump types evaluated, the trombone type is superior, as is the stainless steel container. Evaluation of the various materials used in the construction of the spray apparatus for long-term compatibility with DS2 at ambient and elevated temperatures is in progress. A configuration control board has been established for this item and a proposed development plan and an initial draft system specification were drafted. A secretarial determination and findings and backup procurement plan for the advanced development contract have been forwarded for approval. The scope of work for the advanced development contract was prepared. Purchase requests to obtain specially modified commercial spray equipment and drawings from 2 manufacturers have been processed.

See footnotes at end of table

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1. A (c) Collective protection systems.	(—.001) / (.521)	(.307) / (.213)	Prior year deobligation resulted from the withdrawal of residual funds following completion of effort. Engineering development effort: Modular collective protection equipment (MCPE): MCPE consisting of filter units, gas-particulate XM-56 (200 cfm), XM-59 (400 cfm), and XM-62 (600 cfm) together with the entrance, protective, XM-10 satisfactorily completed basic DT II/OT II tests. Environmental testing (arctic, tropic, and desert) will be completed by December 1976. M-56 filter unit and M-10 protective entrance were type-classified for TACFIRE use in March 1976. Work continues on MCPE applications to AN/TSQ-73, Improved Hawk and Patriot (SAM-D).
(d) Warning and detection equipment.	(—.055) / (1.879)	(1.305) / (.519)	Deobligation of prior year funds for reprograming to provide program continuity to the binary program pending congressional release of current year funds. Engineering development effort: 1. Chemical agent detector kit, XM-256: Engineering design testing was completed and hardware was made for product qualification testing. Tests were completed satisfactorily and items were fabricated for OT II/DT II. These tests were begun. 2 Paper, chemical agent detector, XM-9: The engineering design and long-term storage tests on the XM-9 were successfully completed. Tests at U.S. Army Training and Doctrine Combined Arms Test Agency, Fort Hood, Tex., established that the XM-9 was not sufficiently durable when used on vehicles in a combat environment and found that false positive responses were obtained with LSA (lubricant small arms). Systems analysis studies on the usefulness of the item have been completed as well as work to determine the optimum location for wearing the item. An alternate method for making B-1 dye has been found. Investigations have been initiated on developing a laboratory generator for dispensing small droplets. Dugway Proving Ground, Utah, has initiated methodology studies for testing the XM-9.
1. A (e) Medical defense against chemical agents.	(.000) / (6.012)	(5.880) / (.132)	Exploratory development effort: 1. Various vaccines proposed for nerve agent intoxication prophylaxis have been prepared and tested. An enzymatic slide test has been developed. A nerve agent antidote (TAB) has been fielded. New efforts have been initiated to provide an expanded data base for TAB to support Food and Drug Administration (FDA) requirements. These include detailed metabolism and drug distribution investigations. An improved therapy has been tested extensively in lower animal species and appears to warrant concerted effort as a future replacement for TAB. A first generation prophylaxis has been chosen and is awaiting approval by the Army Surgeon General and FDA for human testing. Stability of drugs now proposed was investigated in detail. Behavioral evaluation of current and proposed drugs were made. Methods for administration of cromolyn sodium, a mast cell stabilizer, were investigated as a first step in using this drug in pre- and post-phosogene intoxication in rats. 2. The vesicant and incapacitating effects of mustard agent (HD) are being studied with a special view toward establishing a rationale for their therapy and/or prevention. Studies on developing a pathogenic sequence from initial damage to deoxyribonucleic acid of basal cells to the occurrence of inflammation, edema and vesication continues. An animal model for vesication employing hairless mice and a quantitative measurement of edema formation following exposure to HD will be used. The efficacy of a number of selected antiinflammatory compounds in moderating skin damage produced by HD is being explored. The action of anticholinergic compounds (glycolates, benactyzine, atropine) can be successfully reversed by cholinergic agonist such as physostigmine. Dose-response curves of this therapeutic effect have been generated for a model system—the physostigmine reversal of benactyzine-induced somatosensory deficits. This cholinergic carbamate also significantly elevates pain threshold at the optimum therapeutic dose but produced analgesia at higher doses. Behavioral evaluations of the side effects of physostigmine will continue. These include evaluating the effects of this therapy compound on learning, memory, emotions, and sensory systems. In addition, time course studies on the duration of its therapeutic effects were conducted. 3. A rabbit-ear bioassay was developed for thickened agents, decontaminants and barrier materials. Bioanalysis of M-258 decontaminating kits showed poor cleaning of widely dispersed thickened nerve agent GD by kit scrapers of alcohol/water solvents. Therefore, acetone was substituted for alcohol in the M-258 kit solution I to result in significantly better cleaning and decontamination. Methyl and phenyl cellosolve show promise as alternate solvents, especially for prophylactic applications. The phase diaphragm concept was used to select alternate thickeners, decontaminant solvents, and agent additives. Contractor-furnished lipophilic oximes and hydroxamic acids, barrier materials, and a histologic assay for irritants and protectives. Effectiveness of barrier film containing fluoropolymar was demonstrated. Protocols were written for submission to the Office of The Surgeon General for study of the reservoir function of skin for possible use in protection, prophylaxis, and therapy of anticholinesterases.
(f) Materiel tests in support of joint operational plan.	(.000) / (.284)	(.284) / (.000)	Efforts were directed toward the field testing of the following: 1. U.S. Air Force chemical/biological (CB) modification kit, structure—KMU 450/F: Test was designed to determine the adequacy and reliability of the CB modification kit system to provide protection against penetration of CB agents. For this period tests in the area of chemical and biological challenge, exit/entry procedures using biological simulants, and pressure studies were conducted. Final reports covering all aspects of the test have been published. 2. Long path infrared chemical detector (LOPAIR)/forward looking chemical detector (FLIR) comparison test: Test was designed to obtain field test data required for a comparative evaluation of the LOPAIR and FLIR detection systems in a realistic harassing and interdiction for field situation. For this period a test plan and environmental imp act assessment (EIA) were developed, coordinated with Army/Navy proponents and published for the LOPAIR/FLIR comparison test. Laboratory investigations to validate sampling and chemical analysis methods for 2 simulants codispersed with various interferents were completed. Preparation of the Dugway Proving Ground, UT, test site, munition modifications, and preparation of an EIA for the Navy test site were in various stages of completion when the test program was suspended. 3. Decontamination capabilities of chemical units and teams: This test was designed to study the capabilities of U.S. Forces to decontaminate equipment which had been subjected to a thickened chemical agent attack, to determine any measures which might be adopted to improve these capabilities, and to determine the relative effectiveness of standard decontamination procedures on specific agent simulants and to establish a standard baseline time required for effective decontamination of standard Army equipment. Test has been completed. For this period, 26 simulant field trials to obtain data for a time-and-motion analysis was completed; 15 field trials with a chemical simulant to evaluate comparative decontamination procedures were conducted; 43 laboratory investigation tests to estimate the comparative effectiveness of selected decontamination solutions against 4 different surfaces contaminated with several agents was completed.
(g) Army materiel development tests.	(.000) / (.576)	(.576) / (.000)	Tests were conducted on the U.S. Army's defensive equipment and materiel and in the long-term environmental storage and surveillance testing. Test efforts were as follows: 1. Modular collective protection equipment (MCPE): This test effort was designed to perform a DT II test and to determine the capability of the MCPE to meet system specification requirement. Agent and simulant challenge tests were conducted. A final report was published. 2. Protective overgarment suit: Test is designed to obtain comparative data on each of the three chemical protective suits with regard to the level of protection afforded after specified intervals of wear, durability, and the degree to which suits meet the essential characteristics of the U.S. revised military and technical characteristics. Testing in the area of protective capabilities of new, worn, and stored garments, effects of salt water and fresh water immersion, suit of capabilities for spot emergency decontamination, flame resistant capabilities, storage effects, and air permeability was accomplished. A final report was published. 3. Chemical/biological test for the Stinger guided missile system: Test is designed to determine if system components can be successfully decontaminated without damage to the system. During this period testing was initiated. Test is scheduled for completion in fiscal year 1977.

DEPARTMENT OF THE ARMY ANNUAL REPORT ON CHEMICAL WARFARE AND BIOLOGICAL RESEARCH PROGRAMS
(JULY 1, 1975 THROUGH SEPT. 30, 1976), RCS DD-D.R. & E. (SA) 1065—Continued

[In conducting the research described in this report, the investigators adhered to the "Guide for Laboratory Animal Facilities and Care" as promulgated by the Committee on the Guide for Laboratory Animal Resources, National Academy of Sciences—National Research Council]

Description of R.D.T. & E. effort	Funds obligated (millions of dollars) Prior year Current fiscal year	In-house Contract	Explanation of obligation
			4. Chemical agent detector kit, XM-256: This test effort is designed to perform a DT II test and to determine: (1) the technical performance; (2) safety of the items; (3) its maintemance test support package; (4) demonstrate whether engineering is reasonably complete; and (5) effects of extreme climatic environments. During this period planning was accomplished and testing was initiated. Reports will be published in fiscal year 1977.
			5. Chemical Agent Detector Paper X-M9: This test is designed to determine if the XM-9 meets the design requirements, performance standards, and technical characteristics of the requirement, effects of extreme climatic environments on the item, and whether engineering is reasonably complete. For this period, a draft test plan has been prepared and laboratory technology was initiated to determine sensitivity test methods for extreme temperature ranges. Test will be completed 1st quarter fiscal year 1978.
			6. Chemical/biological/radiological vulnerability for ground launched laser designator: This test effort is designed to determine if system components can be successfully decontaminated without damage to the system. During this period planning was accomplished. Testing is to be initiated in fidscal year 1977.
			7. Battery computer system: Test is designed to determine if system components can be successfully decontaminated after chemical/biological contamination without damage to the system. Initial planning has been accomplished. Testing is scheduled for fiscal year 1978.
			8. Digital message device: This test is designed to determine if system components can be decontaminated without damage to the system. For this period all necessary planning has been accomplished. Test is scheduled for fiscal year 1977.
			9. Decontamination vehicle: Test was designed to determine the feasibility of decontaminating military equipment using a new decontamination vehicle concept. For this period a variety of panels were contaminated using chemical agents and then decontaminated. Testing was completed and a final report published.
			10. 155-mm cannon launched guided projectile, XM-712: Test is designed to determine if system components can be successfully decontaminated without damage to the system. For this period a test plan was prepared, coordinated, and published. Test is scheduled for conduct in fiscal year 1978.
			11. DT II of common thermal night sight: Test is designed to determine if system components can be successfully decontaminated without damage to the system. For the period a test plan was prepared, coordinated, and published. Test is scheduled for conduct in fiscal year 1977.
			12. Environmental surveillance: The long-term environmental storage and surveillance program had a total of 5 items undergoing some phase of testing at 1 or more of the test sites. Items consisted of masks, chemical detectors, and chemical alarm units.
5. Simulant test support	.000	.429	
	.437	.008	
(a) Materiel tests in support of joint operations plans and/or service requirements.	(.000)	(.429)	Efforts were directed toward the planning, conducting, and/or reporting of the following joint operational tests and operations research studies:
	(.437)	(.008)	
			1. Evaluation of delivery and assessment techniques: This test, consisted of four subtests, is in response to Army, Navy, and Air Force requirements and is concerned with evaluation of delivery and assessment techniques for simulant spray systems. Testing was completed in fiscal year 1974. For this period, data analysis was completed and the final reports covering all aspects of the test program were published.
			2. Hazards Evaluation: This test is a research effort with the aim of duplicating the contamination pattern of a massive chemical attack with the use of simulants and correlating simulant/agent data to permit hazard and vulnerability analyses. For this period, data analysis has been completed and a final report has been published.
			3. Evaluation of Marine vehicle to massive chemical attack: The U.S. Marine Corps requested a test to evaluate the effective use of the a landing vehicle when subjected to a simulated massive chemical attack. Data analysis has been completed and final report has been published.
			4. Vulnerability of Marine wing weapons unit: This test, in response to a U.S. Marine Corps requirement, involves a Marine wing weapons unit performing mission tasks with a nuclear trainer in a simulated toxic environment. The test is designed to evaluate minimum performance degradation caused by a massive chemical attack. For this period, data analysis was completed and a final report was published.
			5. Integrity of spray tanks and hazards to personnel: This operations research study is in response to a U.S. Marine Corps request which will evaluate the effects of chemical agents and decontaminates on the continued integrity of spray tanks and estimates of hazards associated with recycling or decontaminating the tanks. For this period, the study was finalized and published.
			6. Thickened agent survey: This study will review all past and current data on thickened chemical agents. For this period, a literature survey of data has been accomplished. Study will be completed in fiscal year 1977.
			7. Thickened agent investigation: This effort is a combination study and test. A study will be performed to determine the relationship of ground contamination to the impaction and distribution on man for thickened materials. The test is designed to obtain data on the dissemination characteristics of bursting munitions filled with thickened simulant and to estimated dose-casualty relationships for such munitions. During this report period, the study has been initiated. A literature survey of all data has been accomplished. Test plan was prepared, coordinated, and published. Testing was initiated. Test completion is scheduled for fiscal year 1977.
			8. Agent transfer factors: This test is designed to provide data on the transfer factor and pickup associated with the field employment of vehicles and equipment when exposed to thickened agent simulants. During this period a test plan was prepared, coordinated, and published. Testing was initiated. Test is scheduled for completion fiscal year 1977.

OBLIGATION REPORT OF PROCUREMENT FUNDS FOR THE PERIOD JULY 1, 1975, THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976, RCS DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (millions of dollars) Prior year Current fiscal year	In-house Contract	Explanation of obligation
Chemical warfare program	1.679	3.878	During the fiscal year 1976, the Department of the Army obligated $13,604,000 for procurement activities associated with chemical warfare agents, weapons systems, defensive equipment, and production base projects. Program areas of effort concerned with these obligations were as follows:
	11.925	9.726	Lethal chemical program: Materiel procurement 0; Production base projects $7,540,000; Total lethal chemical $7,540,000. Incapacitating chemical program: Materiel procurement 0; Production base projects 0; Total incapacitating chemical 0. Defensive equipment program: Materiel procurement 5,040,000; Production base projects 1,024,000; Total defense equipment 6,064,000.
1. Lethal chemical program	.050	1.214	
	7.490	6.326	
(a) Item procurements.	(.000)	(.000)	No obligations were incurred for procurement of lethal chemical end items.
	(.000)	(.000)	
(b) Production base projects: Chemical agent and munitions disposal system.	(.000)	(1.164)	Obligations incurred to purchase equipment for a multipurpose disposal system for use in detoxifying and/or disposing of obsolete unserviceable chemical munitions and toxic agents. Ultimate system will consist of a series of modules which can be transported to sites containing obsolete/unserviceable toxic agents/munitions, assembled and operated to detoxify and dispose of material.
	(7.480)	(6.326)	
155mm binary projectile, XM637.	(.050)	(.050)	Engineering and design in support of establishment of a chemical production load, assemble, and pack facility for 155 mm binary projectile, XM-637.
	(.000)	(.000)	
2. Incapacitating chemical program.	(.000)	(.000)	
	(.000)	(.000)	
(a) Item procurements.	(.000)	(.000)	No obligations were incurred for procurement of incapacitating chemical items.
	(.000)	(.000)	
(b) Production base projects.	(.000)	(.000)	No obligations were incurred for production base projects in support of incapacitating chemical programs.
	(.000)	(.000)	
3. Defense equipment program.	1.629	2.664	
	4.435	3.400	
(a) Item procurements: (1) Decontaminating apparatus, M12A1.	(.021)	(.232)	Obligations incurred for in-house support and procurement.
	(1.736)	(1.525)	
(2) Disperser, M33A1.	(.000)	(.160)	Obligations incurred for in-house engineering support for the M33A1 disperser buy.
	(.160)	(.000)	
(3) Filter unit, M8A3.	(.000)	(.085)	Obligations incurred for procurement and in-house engineering support for M8A3 filter unit to supply purified air for crewmembers of armored vehicles.
	(.567)	(.482)	
(4) Filter unit, M13A1.	(.000)	(.120)	Obligations incurred for procurement and in-house engineering support for M13A1 filter unit used to supply purified air for crewmembers of armored vehicles.
	(.948)	(.828)	
(5) Kit f/ M13A1 filter.	(.310)	(.000)	Obligations incurred for the procurement of kits for the M13A1 filter.
	(.000)	(.310)	
(6) Alarm, M8-M10.	(.834)	(.733)	The bulk of obligations was incurred for in-house support with a small portion obligated for Government-furnished materials and engineering change orders.
	(.000)	(.101)	
(7) Maintenance M14.	(.011)	(.000)	Obligations incurred for procurement of M-14 maintenance kit which is used on numerous chemical type items in the field.
(8) Shelter system, M51.	(.390)	(.268)	Obligations incurred for in-house engineering support and for engineering change orders.
	(.000)	(.122)	
(9) Mask, M25A1.	(.063)	(.042)	The in-house obligations incurred were for engineering support while the contractual effort was for microphones which were issued to a contractor as Government-furnished material.
	(.000)	(.021)	
(b) Production base projects: (1) Manfacturing technology for CB filters.	(000)	(350)	Obligations incurred for analysis of the processes used for filter production.
	(.350)	(.000)	

OBLIGATION REPORT OF PROCUREMENT FUNDS FOR THE PERIOD JULY 1, 1975, THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976, RCS DD-D.R. & E. (SA) 1065—Continued

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation
	Prior year	In-house	
	Current fiscal year	Contract	
(2) Manufacturing methods and technology (M.M. & T.) for M229 refill kit component of chemical agent alarm.	(000)	(585)	Obligations incurred for in-house engineering support to improve M229 refill kit.
	(. 585)	(. 000)	
(3) M.M. & T. improvement and modernization of inspection aids.	(. 000)	(. 089)	Obligations incurred to conduct program for improvement of inspection aids for final inspection and surveillance testing of chemical/biological defensive and protective items.
	(. 089)	(. 000)	

SEC. 2.—OBLIGATION REPORT ON BIOLOGICAL RESEARCH PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE ARMY, RCS DD-D.R. & E. (SA) 1065

OBLIGATION REPORT OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976, RCS: DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation
	Prior year	In-house	
	Current fiscal year	Contract	
Biological research program	0. 008	11. 400	During the 15-month period of fiscal year 1976 and fiscal year 197T, the Department of the Army obligated $17,203,000 for general biological research investigations and the development and test of physical and medical defensive systems. Program areas of effort were as follows:
	17. 735	6. 327	Biological research: Basic research in life sciences, total ..... $387,000 Defensive systems: Exploratory development ..... 11,658,000 Advanced development ..... —2,000 Engineering development ..... 4,658,000 Testing ..... 499,000 Total defensive systems ..... 16,813,000 Simulant test support 3,000
1. Biological research	. 000	. 032	
	. 387	. 085	
(a) Basic research in life sciences.	(. 000)	(. 302)	Life sciences basic research in support of biological defense materiel: Basic research in support of biological defense materie included studies on remote detection and on approaches to improving the XM19 biological agent detector. Theoretical studies on remote detection of biological agents in the atmosphere, furnished estimates of the absorption and scattering efficiencies of micobiological aerosols subjected to ultraviolet irradiation, and estimates of the ambient fluorescence background of the (atmosphere which supported the potential for a second-generation detection concept. Time-intensity chemiluminescence response patterns were obtained for over 20 different microbiological materials using redesigned instrumentation with which the samples were differentiated into 3 characteristic response groups at the 14° C. optimum reaction temperature. In basic research in bio-identification, rapid identification of microorganisms was achieved by mass spectrometry analysis of the purine and pyrimidine composition of their nucleic acids by contract supported effort as the mass spectrometry research center, Stanford Research Institute. Identification was accomplished in 1 hour by application of upgraded procedures for extracting, purifying and hydrolyzing nanogram quantities the nucleic acids followed by field ionization mass spectroscopy-fingerprint analyses of the released purines and pyrimidines. Basic research on new concepts for biological decontamination focused on the feasibility of direct neutralization of airborne biological agents. Theoretical studies have developed models for lactic acid vapor disinfection of vegetable bacteria in aerosol particles. The significant reduction in casualties predicted by the model is supported by laboratory data of effective diinfection of bacterial aerosols with practicable concentrations of lactic acid disseiminated as vapors or droplets.
	(. 387)	(. 085)	
2. Defensive equipment program.	—. 008	12. 630	
	16. 821	4. 183	
(a) Physical defense against biological agents.	(. 000)	(1. 036)	Exploratory development effort: Physical defense against biological attack: 1. The 1st phase of in-house studies to further antiaerosol and protective countercloud technology associated with the chemical disinfection of biological aerosols was completed and a report prepared. The effectiveness of lactic acid droplets as a decontaminant for vegetative bacterial aerosols in an enclosed chamber as demonstrated. A contract to expand these studies and to pursue the development of a biological cloud neutralization system was awarded. The in-house chemical screening program for new vapor phase decontaminants is continuing in an effort to find a suitable replacement for beta-propiolactone and formaldehyde. Several potential disinfectants have been selected for further study. A contract package was completed for the exploratory development of a decontamination system for biologically contaminated personnel, equipment, and enclosures. The proposed procurement is a 4-year technical effort planned for fiscal year 1977 through fiscal year 1980. The in-house chemical screening program for potential disinfectants has resulted in the selection of 4 candidates for further study. Biological leakage tests leading toward development of new test technology were performed using the M-9A1 protective mask as the test fixture. 2. Time-rate chemiluminescence detector performance was evaluated for aerosolized pathogens at Fort Detrick, Md., to further establish the applicability for group specific identification of aerosolized materials. Efforts were made to improve the response separation between biological groups for identification. Data are being evaluated. A biological all clear kit for indication of agent presence following biological attack, exploratory development program was initiated. The developmental viability response indicator systems under study are resazurin and catalase. Responses of the 2 systems to pathogens were obtained; however, improvements in sensitivity are required to establish feasibility of these approaches for further development. Performance of the pattern acquisition and correlation technique system with improved pattern recognition electronics and use of a digital adaptive alarm logic was demonstrated for biological aerosols and ambient background. The theoretical feasibility of remote detection of biological aerosols in the atmosphere has been indicated as a result of contract and in-house analysis. Thus a contract was awarded to further establish the capability of remote detection using intrinsic fluorscence. Evaluation of bacterial pathogens of biological defense importance and tissue antibodies procurred from the Naval Biosciences Laboratory are being assessed in the chemiluminescent device as a potential means of achieving group specificity.
	(51. 278)	(. 242)	

SEC. 2.—OBLIGATION REPORT ON BIOLOGICAL RESEARCH PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE ARMY, RCS DD-D.R. & E. (SA) 1065—Continued

OBLIGATION REPORT OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976, RCS: DD-D.R. & E. (SA) 1065—Continued

Description of R.D.T. & E. effort	Funds obligated (millions of dollars) Prior year / Current fiscal year	In-house / Contract	Explanation of obligation
(b) Biological defense materiel concepts.	(—.002) / (.000)	(.000) / (—.002)	Prior year advanced development deobligation resulted from withdrawal of residual funds following completion effort.
(c) Biological defense materiel.	(—.006) / (4.664)	(2.628) / (2.030)	Advanced development effort: Prior year deobligation as a result of residual funds withdrawn upon completion of effort. Engineering development effort: Various functional configurations of the XM–19 biological agent detector were field tested and evaluated. The results of these tests indicated that the design employing a static reaction cell for monitoring the chemiluminescent and reaction was superior to a continuous flow cell design. Thus emphasis was placed on the continued development of the static cel concept. Among the principal features this design offers is a significant improvement in the reproducibility in detector response to simulant challenges and a major reduction in the volume of agent required to operate the XM–19 biological agent detector over its mission interval. In-house effort was directed toward the detailed examination of the design of the new components employed in the static cell design, measuring the parameters which determine their performance, and testing and evaluating alternate designs. As part of these tests, an aerosol testing facility capable of presenting large aerosol particles was assembled. It became evident that additional equipment was needed to establish the range of particle sizes required to thoroughly evaluate the sampling capability of both the XM–19 and XM–2 biological sampler. Action was taken to procure the needed equipment and to make the necessary modifications to the existing facility so that a full spectrum of aerosols can be generated and quantitatively assessed. An XM–2 design leading toward a self-contained disposable aerosol sample reservoir was also tested and evaluated. This configuration offers a substantial simplification and reduction of logistics burden. The multiyear prime contract for Engineering Development of the subject system is under negotiation. To provide the initial impetus to this program, several small contracts have or will be awarded to critically examine selective design areas important to the initial engineering development program. These include the design of the XM–2, alternate aerosol concentrator designs, aerosol generating equipment for use in testing, the design of the electronic alarm logic for the XM–19, and further improvement in suppressing the effects of certain dust aerosols on the performance of the XM–19. A contractor is developing process data suitable for the preparation of procurement specifications for the luminol reagent and for the precoated impaction tape used in the XM–19. Also, alternate tape designs are being prepared for evaluation to determine if improvements in the specificity of the impaction/wash process can be achieved. Another contractor is conducting a detailed experimental program for the accumulation of data for a computer analysis by varying the formulation of the reagent and other parameters used in the XM–19 The analyses should result in optimization of variables for the best operational performance. A 3d contractor has redesigned the multinozzle concentrator resulting in fewer by varying the formulation of the reagent and other parameters used in the XM–19. The analyses should result in optimization of variables for the best operational performance. A 3d contractor has redesigned the multinozzle concentrator resulting in fewer parts, simpler mechanical design and reduction of the noise level. Prototypes were fabricated and are presently being evaluated in-house.
(d) Biological defense against biological agents.	0 / 10.904	7.088 / 3.816	This multifaceted program is a highly specialized field of infectious disease research because abnormal routes of administration (aerosols) many times alter the normal pattern of disease agents. Incidence of disease from biological warfare (BW) agents is significantly higher than that observed in natural infection with the same agent due to concentration of the agent in a small operational area. Agents used in BW, due to genetic engineering, stabilization, and use of resistant strains may present a different pattern for diagnosis. The United States recognizes its vulnerability to BW attacks, and the possibility that this type of weapon may be used against us and our allies. Medical defense depends on protection against illness, and, where protection cannot be provided, rapid diagnosis and successful treatment of those illnessess which occur. The investment strategy in this program is based on envisioned military operations, medical and scientific state-of-the-art, as well as continuous coordination and data input from the medical intelligence community. Within the framework of this strategy, the U.S. Army medical research of infectious disease (USAMRIID) research program emphasizes investigations on problems associated with the medical defense against BW agents and those microorganisms which require special containment facilities. The program has 3 principle task-related goals: (1) Pathogenesis of military important infections; (2) prevention and treatment of biological agent casualties; and (3) rapid diagnosis of biological agents. Significant progress in each of these categories is illustrated by the following examples: Pathogenesis of infections of military importance: The goal of this important area is to define mechanisms of both disease progression and defensive responses within the infected host involving a broad, multidisciplined study of the infectious process including metabolic, endocrine, and biochemical studies, interaction of vaccines and toxins, and the effects of radiation on infection. Investment payoffs in this area include: (a) Tissue enzymes (adenyl cyclase) and hormones (prostaglandins) found to be released early in the inflammation process of infection. (b) Early disease pattern (depression in amino acids and increase in acute phase globulins) defined in the infectious process. (c) The immune response following irradiation was found to be delayed. This is extremely important in the protection of the soldier against disease in a nuclear environment. (d) A major breakthrough was accomplished in developing the squirrel monkey as a model for studying respiratory infections. The immediate benefit in this is exampled by the recent establishment of a model for swine influenza. (e) A new and novel technique has been developed for scanning electron miscroscopy that enable 1 to visualize infection early in the disease. Virus particles can be detected as early as 7½ hr after virus adsorption to cells. Prevention and treatment of biological casualties: Since mass immunization against all potential biological warfare (BW) agents is neither feasible nor practical; vaccines are being developed against key microorganisms and toxins which experience and current intelligence data suggests to be of potential geographical military importance. New methods of immunoprophylaxis and therapy are being extensively studied, particularly in the antiviral area. Experimental approaches include: Develop new vaccines and toxins; improve efficacy of existing vaccines; cell-mediated studies; efficacy screening of antiviral compounds: aerogenic administration of antiviral compounds. Benefits include: (a) Vaccine development against potential BW agents such as anthrax, Venezuelan equine encephalomyelitis (VEE), tularemia, plague, and Q fever has been completed. Vaccines against chikungunya and Rift Valley fever arbovirus infections in Africa and Southeast Asia, are in final development. Vaccines against Dengue type 2, Mayaro virus, and sinbis virus found in South America, Africa, and Southeast Asia are in the early stages of development. (b) 2 classes of drugs, tilorone and polyinosinic-polycytidylic acid (PIC), have been shown effective in early protection against VEE and yellow fever by inducing interferon, a nonspecific protective substance. Rimantadine and amantadine have exhibited both prophylactic and therapeutic effects against influenza. (c) Lymphocyte transformation assay has been developed to study cell-mediated responses of specified disease agents and to evaluate the cellular effects of vaccines developed and commonly employed at USAMRIID. (d) PIC has been shown to be a potent drug for inducing better and quicker protection against VEE by increasing antibody responses. This drug also increases antibody responses to swine influenza. Rapid diagnosis of biological agents: This critical block of research supported by both in-house and contract research at a cost of $1,500,000, is aimed at rapidly identifying the causative agent in any BW attack so that appropriate supportive measures can be initiated earlier than is now possible in the current state-of-the-art. Subtle changes in the host's biochemical metabolic status serve as indicators of incubating infections. We must utilize and exploit methodology in various fields of science such as: 1. Immunoelectrophoresis—to rapidly identify the causative organisms by immunological means. 2. Mass spectrometry—to identify metabolites in the body fluids indicative of types of organisms. 3. Laser beam scattering—to rapidly identify the morphology of the causative organism. In order for rapid identification of BW agents to be a viable part of the total medical defense program, it must be approached on 3 interrelated levels: (1) whether or not infection is in progress; (2) what is the general nature of the infectious organism i.e. bacterial, rickettsial, or viral; and (3) what is the specific agent. The need for rapid diagnosis was exemplified in the recent "legionnaire's disease" outbreak in Philadelphia, Pa. While it is not suspected that this was the result of a BW agent, the diagnostic procedures routinely used were not adequately responsive to affect supportive medical care, and the identification of the etiology is still in doubt. Progress in pursuit of rapid identification is included in the following: (a) Metabolic process (oxidation of glucose and increased deoxyribonucleic acid synthesis can be used as indicators 4 to 6 hr post infection with herpes virus.

SEC. 2.—OBLIGATION REPORT ON BIOLOGICAL RESEARCH PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE ARMY, RCS DD-D.R. & E. (SA) 1065—Continued

OBLIGATION REPORT OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976, RCS: DD-D.R. & E. (SA) 1065—Continued

Description of R.D.T. & E. effort	Funds obligated (millions of dollars) Prior year / Current fiscal year	In-house / Contract	Explanation of obligation
			(b) Procedures have been developed whereby alterations in the trace metals levels in conjunction with routine blood chemistry and analysis tests can detect early infection and differentiate between a bacterial (typhoid fever) and viral (sandfly fever) infection. (c) An immunoelectrophoresis procedure has been developed that affords rapid identification of a variety viruses in clinical specimens within 48 hr. Modification to a wide variety of agents may provide a means to quickly identify specific BW agents for medical treatment. (d) The development of mass spectrometry procedures now make it possible to positively identify a group of metabolites from the urine of patients with hepatitis. This procedure is being simplified for faster results in order to develop a rapid diagnostic tool for identification of BW agents. Significant advances have been made in development of vaccines, animal models of disease, treatment of disease, early diagnosis of infection, and in fundamental knowledge of infectious disease process. Important tissue culture and cost-saving advances have been made in technical aspects of large-scale vaccine development. Research continues in these areas with constant interaction with other Department of Defense agencies in all collaboration research and data information collection to obtain fundamental information upon which to base development of preventive and therapeutic measure and broaden our base for protection of the soldier from infectious disease.
(e) Foreign biological threat.	(.000)	(.236)	Operations research studies were conducted to evaluate and assess the biological threat to the United States and to U.S. military forces throughout the world. During this period, 11 studies were in progress:
	(.392)	(.156)	1. Study 1: Target vulnerability assessment: A 2-volume report was published; vol. 1 and executive summary, and vol. 2, the complete report (Biological Vulnerability Assessment). The report is an analysis of the vulnerability of a specific front to a biological attack, based on political, military, and environmental factors associated with that target area. 2. Study 3: Response protocol: A report on this study was completed during this period, titled Biological Defense Protocol. The report is an assessment of current capabilities and bioligical defense requirements for the U.S. Army in the field. The current capability is based on current attitudes regarding biological defense and training and equipment devoted to biological defense. Information was obtained from several sources. An analysis was made of training preparedness requirement in response to the biological threat. 3. Study 5: Target vulnerability analog definition: This study was completed and a report was published (Analog Environmental Parameters for Assessing Targets Vulnerability). An analysis was made of environmental conditions at selected sites to determine the duration and frequency of occurrence of conditions that would render the site a susceptible target to a biological attack. For the stringent conditions for attack that were imposed, the frequency of suitable conditions was relatively high. 4. Study 8: Target vulnerability: This study involves an assessment of the meteorology and topography, identification of strategic and tactical targets, and identification of possible modes of attack against U.S. forces, should they be involved in operations under this scenario. During this period, a literature review was initiated. Report is scheduled for completion in fiscal year 1977. 5. Study 10: Biological detector effectiveness for bomblet attacks: This study will evaluate the detection capabilities for an on-target bomblett against U.S. military forces based on current detector arrays. During this report period distribution patterns for biological bomblets have been defined and orientation on target has been examined to establish cloud travel patterns and cloud emergence. Requirements for detector density and location will be examined. Report is scheduled for completion in fiscal year 1977. 6. Study 11: Role of large particle size aerosols in biological defense: This study will assess U.S. troop vulnerability from biological attack involving large particle size aerosols. During this period an analysis of the physical properties of particles in the 20-micron diameter range and the relation of particle size to the numbers, survival, and dosage of micro-organisms in such particles was accomplished. A report is in preparation. Phase 2 will be an examination of data available for several organisms and the effect of particle size on animal infectivity for these organisms and is scheduled for completion in fiscal year 1977. 7. Study 12: Biological detector criteria for fixed installations: This study will develop procedures to determine the effectiveness of various biological detector criteria in preventing casualties for fixed installations. During this period analysis of building ventilation characteristics for a variety of climatological conditions was completed. Report is scheduled for publication in fiscal year 1977. 8. Study 15: Biological cloud patterns and profiles: This study will summarize all past test data on biological cloud patterns and profiles. During this period effects of wind speed and wind direction shears on instantaneous point and line source clouds were examined. The magnitude of the effect of these shears on the cloud distribution in space and time was studied for various terrain situations. The adequacy of current diffusion models to handle these situations will be investigated for possible modification. Report is scheduled for completion in fiscal year 1977. 9. Study 17: Analysis of the validity and integrity of biological treaties: This study will provide in the context of current and projected international relations, an analysis of the validity and integrity of biological treaties. During this period an examination of the following was accomplished: (1) events which contributed to the formulation and adoption of biological treaties; (2) strengths and weaknesses in the provision of these treaties; (3) alternative or unspecified procedures for assuring the integrity and validity of treaties. Study will be published in fiscal year 1977. 10. Study 18: Minimum capability for bilogical threat: This study will assess the technological requirements for development of biological weapons to meet a number of potential poles for use by groups having a low level of technical capability. During this period an analysis of the existence of the acquisition of the technical capability to produce, stockpile, and transport biological materiel for use in biological weapon systems was accomplished. Study will be completed in fiscal year 1977. 11. Study 19: Refinement of target vulnerability analog criteria: This study will provide for further characterization of target vulnerability analogs and will be applied to a number of sites and larger areas. During this period, refinement of analysis techniques has been initiated. Study is scheduled for completion in fiscal year 1978.
1. A (f) Army materiel development tests.	(.000)	(.107)	Obligations were incurred in the modification of an inclosed test chamber and a check out test procedures prior to testing of the XM-19 biological agent detector. Testing of the XM-19 is scheduled for fiscal year 1977.
	(.107)	(.000)	
3. Simulant test support	.000	.003	Obligations were incurred in the reporting of a test program which was in response to unified and specified commands and service requirements. Test was designed to evaluate the relationship between biological decay data between the mobile van/microfilament technique and free floating aerosols. Final report was published during this report period.
	.003	.000	

OBLIGATION REPORT OF PROCUREMENT FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976
RCS: DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation
	Prior year	In-house	
	Current fiscal year	Contract	
Biological research program	.000	.000	During the 15-mo period, fiscal year 1976 and fiscal year 197T, the Department of the Army obligated $0 for procurement activities associated with biological defensive equipment and production base projects.
	.000	.000	

SEC. 3.—OBLIGATION REPORT ON ORDNANCE PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE ARMY, RCS: DD-D.R. & E. (SA) 1065

OBLIGATION REPORT OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976,
RCS: DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation	
	Prior year	In-house		
	Current fiscal year	Contract		
Ordnance program	—.002	7.775	During the 15-month period fiscal year 1976 and fiscal year 197T, the Department of the Army obligated $8,120,000 for general research investigations, development, and test of smoke, flame, incendiary, herbicide, riot control agents and weapons systems, and other support equipment. Program areas of effort concerned with these obligations were as follows:	
	8.122	.345	Smoke, flame, and incendiary program	$5,213,000
			Herbicide program [1]	—2,000
			Riot control program	1,775,000
			Other support equipment program	912,000
			Test support	222,000
			Total ordnance program	8,120,000

[1] Department of the Army research on the herbicide program has been phased out.

OBLIGATION REPORT OF PROCUREMENT FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE ARMY, DATE OF REPORT: SEPT. 30, 1976, RCS: DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation	
	Prior year	In-house		
	Current fiscal year	Contract		
Ordnance program	8.761	9.247	During the 15-month period fiscal year 1976 and fiscal year 197T, the Department of the Army obligated $17,527,000 for procurement activities associated with smoke, flame, incendiary, herbicide, riot control agents, weapons systems, and other support equipment.	
	8.766	8.280	Program areas of effort concerned with these obligations were as follows:	
			Smoke, flame and incendiary program	$11,502,000
			Herbicide program	0
			Riot control program	375,000
			Other support equipment	5,650,000

SEC. 4.—ANNUAL REPORT ON CHEMICAL AND BIOLOGICAL RESEARCH PROGRAM OBLIGATIONS, ADJUSTMENT SUMMARY, TO REPORT FOR THE SEMIANNUAL PERIOD JAN. 1, 1975 THROUGH JUNE 30, 1975, DEPARTMENT OF THE ARMY, RCS: DD-D.R. & E. (SA) 1065

ADJUSTMENT SUMMARY TO THE SEMIANNUAL PERIOD JAN. 1, 1975, THROUGH JUNE 30, 1975

Page	Description	From—	To—
	SEC. I—CHEMICAL WARFARE PROGRAM		
	Under Explanation of Obligations, change figures as follows:		
1	First line, "Department of the Army" obligated	$4,968,000	$5,017,000
	Chemical research	268,000	325,000
	Basic research in life sciences	170,000	230,000
	Exploratory development	98,000	95,000
	Lethal chemical program	242,000	230,000
	Exploratory development	22,000	14,000
	Advanced development	—15,000	—19,000
	Engineering development	—250,000	—250,000
	Testing	485,000	485,000
	Incapacitating chemical program: Exploratory development	32,000	31,000
	Defensive equipment program	4,426,000	4,431,000
	Exploratory development	3,256,000	3,252,000
	Advanced development	599,000	604,000
	Engineering development	376,000	380,000
	Testing	195,000	195,000
	Simulant test support	0	0

SEC. 4.—ANNUAL REPORT ON CHEMICAL AND BIOLOGICAL RESEARCH PROGRAM OBLIGATIONS, ADJUSTMENT SUMMARY, TO REPORT FOR THE SEMIANNUAL PERIOD JAN. 1, 1975 THROUGH JUNE 30, 1975, DEPARTMENT OF THE ARMY, RCS: DD-D.R. & E. (SA) 1065—Continued

	From—		To—	
	Prior year	In-House	Prior year	In-House
	Current year	Contract	Current year	Contract
1 Under funds obligated, change figures as follows:				
Chemical warfare program	—.003	3.221	—.045	3.290
	5.001	1.747	5.070	1.735
3 1. Chemical research	.000	.189	—.003	.249
	.268	.079	.328	.076
3 (a) Basic research in life sciences	(.000)	(.140)	(.000)	(.200)
	(.170)	(.030)	(.230)	(.030)
5 (b) General chemical investigations	(.000)	(.049)	(—.003)	(.049)
	(.098)	(.049)	(.098)	(.046)
9 2. Lethal chemical programs	—.021	.248	—.033	.244
	.263	—.006	.263	—.014
9 (a) Agent investigations and weapons concepts	(.000)	(.022)	(—.008)	(.022)
11 (c) Tactical weapons systems: (1) Advanced development	(—.018)	(—.012)	(—.022)	(—.016)
	(.000)	(—.006)	(.000)	(—.006)
13 3. Incapacitating chemical program	.000	.032	—.001	.031
	.032	.000	.032	.000
13 (a) Agent investigations and weapons concepts	(.000)	(.032)	(—.001)	(.031)
	(.032)	(.000)	(.032)	(.000)
13 4. Defense equipment program	—.012	2.752	—.016	2.758
	4.438	1.674	4.447	1.673
13 (a) Physical protection investigations	(—.012)	(.343)	(—.016)	(.340)
	(1.145)	(.790)	(1.145)	(.789)
17 (b) Advanced development of defensive systems	(.000)	(.103)	(.000)	(.108)
	(.599)	(.496)	(.604)	(.496)
18 (c) Collective protection system	(.000)	(.016)	(.000)	(.018)
	(.083)	(.067)	(.085)	(.067)
18 (d) Warning and detection system	(.000)	(.100)	(.000)	(.102)
	(.293)	(.193)	(.295)	(.193)

	From—	To—
SEC. II.—BIOLOGICAL RESEARCH PROGRAM		
1 First line, "Department of the Army obligated"	$4,888,000	$4,869,000
Biological research:		
Basic research in live sciences	50,000	50,000
Exploratory development	50,000	50,000
Defensive systems	4,838,000	4,819,000
Exploratory development	4,122,000	4,103,000
Advanced development	285,000	285,000
Engineering development	428,000	428,000
Testing	3,000	3,000
Simulant test support	0	0

	From—		To—	
	Prior year	In-House	Prior year	In-House
	Current year	Contract	Current year	Contract
SEC. II.—BIOLOGICAL RESEARCH PROGRAM				
Under Funds Obligated, change figures as follows:				
2 2. Defense equipment program	—.003	4.511	—.022	4.492
	4.841	.327	4.841	.327
5 (e) Foreign biological threat	(.000)	(.132)	(—.019)	(.113)
	(.157)	(.025)	(.157)	(.025)
SEC. III.—ORDNANCE PROGRAM				
Under funds obligated, change figures as follows:				
1 First line, "Department of the Army obligated"	1,446,000		1,496,000	
1 Ordnance program	.182	1.024	.182	1.030
	1.264	.422	1.314	.466
Smoke, flame and incendiary program	476,000		476,000	
Herbicide program	233,000		239,000	
Riot control program	234,000		244,000	
Other support equipment program	350,000		384,000	
Test support	153,000		153,000	

SEC. 1.—OBLIGATION REPORT ON CHEMICAL WARFARE PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE NAVY, RCS: DD-D.R. & E. (SA) 1065

OBLIGATION REPORT OF RESEARCH DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE NAVY, DATE OF REPORT: SEPT. 30, 1976, RCS: DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (in millions of dollars)		Explanation of obligation
	Prior year	In-house	
	Current fiscal year	Contract	
Chemical warfare program	.000	.792	During the period July 1, 1975 through Sept. 30, 1976, the Navy obligated $1,060,000 for research and development efforts.
	1.060	.268	
1. Defensive equipment program.	.000	.792	
	1.060	.268	
(a) Exploratory development chemical/biological defense technology.	.000	.140	Funds support defense requirements analysis, development of automated chemical/biological detection systems, joint development of a new protective mask and study assistance to determine cost to provide shipboard protection to new type naval ships.
	.200	.060	The objectives of this program are: (1) develop a coordinated, unified R.D.T. & E. chemical/biological defense program to interpret operational requirements, (2) to coordinate the response to these requirements, (3) to advise and assist U.S. Navy Materiel Command in developing and coordinating these requirements with the Army and Air Force.
(b) Exploratory development.	.000	.200	
	.200	.000	
(c) Engineering development.	.000	.452	The purposes of this program are: (1) provide U.S. Navy ships with chemical warfare advanced warning capabilities utilizing passive infrared techniques, and (2) to provide U.S. Navy ships with a chemical agent point sampling detector and surface contamination monitor.
	.660	.208	
Chemical warfare program	.015	.033	During the period July 1, 1975 through Sept. 30, 1976, the Department of the Navy obligated $18,000 for procurements associated with chemical warfare defensive equipment.
	.018	.000	
1. Defensive equipment program.	.015	.033	
	.018	.000	
(a) Protective clothing.	.015	.033	Obligations to cover the procurement of chemical warfare protective clothing for distribution to Navy ships and stations.
	.018	.000	

SEC. 3.—OBLIGATION REPORT ON ORDNANCE PROGRAM FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE NAVY, RCS: DD-D.R. & E.(SA) 1065

OBLIGATION REPORT OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE NAVY, DATE OF REPORT: SEPT. 30, 1976, RCS: DD-D.R. & E. (SA) 1065

Description of R.D.T. & E. effort	Funds obligated (millions of dollars)		Explanation of obligation
	Prior year	In-house	
	Current fiscal year	Contract	
Ordnance program	.198	.000	Termination cost for firebombs MK 343 fuze contract.
	.000	.198	

DEPARTMENT OF THE AIR FORCE, ANNUAL REPORT ON CHEMICAL WARFARE AND BIOLOGICAL RESEARCH PROGRAMS (JULY 1, 1975–SEPT. 30, 1976), RCS: DD-D.R. & E. (SA) 1065, SEPT. 30, 1976

SEC. 1.—OBLIGATION REPORT OF CHEMICAL WARFARE LETHAL AND INCAPACITATING AND DEFENSIVE EQUIPMENT PROGRAMS FOR THE PERIOD JULY 1, THROUGH 1975 SEPT. 30, 1976 RCS: DD-D.R. & E. (SA) 1065, DEPARTMENT OF THE AIR FORCE, SEPT. 30, 1976

OBLIGATION REPORT OF RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, REPORTING SERVICE: DEPARTMENT OF THE AIR FORCE, RCS: DD-D.R. & E. 1065, FUNDS OBLIGATED

[In thousands of dollars]

Description of R.D.T. & E. effort	Prior year	In-house	Explanation of obligations
	Current year	Contract	
Defensive Equipment Program: Exploratory development	0	0	
	0	0	
Engineering development	554	1,086	Development and testing of agent detection devices and further development of modification kits for structures. Evaluation and development of various items of personnel protective equipment
	942	410	
Total defensive	554	1,086	
	942	410	
Total R.D.T. & E. obligations.	554	1,086	
	952	410	

SEC. 2.—BIOLOGICAL RESEARCH PROGRAM OBLIGATIONS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE AIR FORCE, RCS: DD-D.R. & E. (SA) 1065, SEPT. 30 1976

Negative.

SEC. 3.—R.D. T. & E. AND PROCUREMENT OBLIGATIONS FOR FLAME, SMOKE, INCENDIARY, RIOT CONTROL, AND HERBICIDE AGENT/MUNITION SYSTEMS FOR THE PERIOD JULY 1, 1975 THROUGH SEPT. 30, 1976, DEPARTMENT OF THE AIR FORCE, RCS: DD-D.R. & E. (SA) 1065, SEPT. 30, 1976

Negative.

SEC. 4.—OBLIGATION REPORT OF CHEMICAL WARFARE LETHAL AND INCAPACITATING AND DEFENSIVE EQUIPMENT PROGRAMS—ADJUSTMENT SUMMARY TO REPORT FOR THE PERIOD, JAN. 1, 1975 THROUGH JUNE 30, 1975, DEPARTMENT OF THE AIR FORCE, RCS: DD-D.R. & E. (SA) 1065

Negative.

SECOND MOCK CONSTITUTIONAL CONVENTION

Mr. BAYH. Mr. President, for the past 2½ days we have been privileged to have an energetic and bright group of young men and women, from 25 high schools, primarily from the east coast, here in Washington, D.C., as a part of the second mock Constitutional Convention. These future leaders of America have engaged in debate aimed at amending specific sections of our Constitution. Mr. President, it was my privilege to sit in on their Friday morning session, held in the Dirksen Senate Office Building, room 1202. I believe with young people such as these 177 delegates, representing the future leaders of our country, that our Nation definitely has a great future and will be in the hands of some very outstanding Americans.

I am pleased to report that one of the items debated and voted on was an amendment to the Constitution, calling for the direct election of the President and the Vice President of the United States. After extensive arguments for and against direct elections, these fine young Americans overwhelmingly voted to amend the Constitution in order to provide for the direct election of the President. The final vote was 107 for, 18 against, and 13 abstensions.

In concluding, Mr. President, I think the desires expressed by these young Americans should be interpreted as one indication of the desires of the American people for the Congress of the United States to overwhelmingly endorse an amendment to the Constitution which would result in the direct election of the President and the Vice President of the United States. I request unanimous consent that the text of the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AN AMENDMENT

(To provide for direct election of the President and Vice President)

Resolved by the Second Constitutional Convention of the United States, in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress.

ARTICLE —

Section 1: The people of the several States, and of the District constituting the seat of government of the United States, shall elect the President and Vice President in the following manner: Each elector shall cast one vote for a pair of persons who shall have previously consented to the joinder of their names as candidates for the offices of President and Vice President. The pair of persons receiving the greatest number of votes shall be elected, if a said number be at least forty per cent of the total number of votes cast for such offices.

If no pair of persons receives such a number, the Senate and the House of Representatives shall meet in joint session and choose between the two pair of persons who received the highest number of votes. In making this choice, each Member of Congress shall have one vote, and a quorum shall consist of two-thirds of the total number of Senators and Representatives.

Section 2: The electors for President and Vice President shall have the qualifications requisite for electors of the most numerous branch of the State legislature, except that for electors of President and Vice President Congress may prescribe uniform qualifications.

Section 3: The times, places and manner of holding such elections shall be determined in each State by the legislature thereof. The date of the election shall be determined by Congress, and shall be uniform throughout the United States.

Section 4: The Congress shall have the power to enforce this article by appropriate legislation.

TRIBUTE TO JOE SEWELL

Mr. SPARKMAN. Mr. President, I take this opportunity to pay tribute to Joe Sewell, whose election to the Baseball Hall of Fame was announced last week. Joe Sewell's remarkable baseball skills have carried him from the sandlots of his native Titus, Ala., to the thrills of World Series play in Yankee Stadium, and now to the highest accolade: the honor of the Hall of Fame in Cooperstown, N.Y. Recognition by the Baseball Writers Association of America's Hall of Fame Committee represents the pinnacle of success in baseball. I am proud today to commend to our attention the richly deserved honors won by Joe Sewell, an excellent baseball player and an outstanding gentleman.

Joe was an upperclassman of mine at the University of Alabama. I have vivid memories of his room on the second floor of old Woods Hall at the university. After graduation from the university in 1920, Joe competed in major league baseball for the next 14 seasons. He was the Cleveland Indians' shortstop from 1920 to 1930, and the New York Yankees' third baseman from 1931 to 1933. His career batting average of .312 places him high among the all-time leaders for shortstops, and his best single season average of .353 in 1923 is a standard of excellence rarely achieved in baseball. Joe was also an outstanding defensive player: his career fielding percentage was .954. He led American League shortstops in putouts four consecutive seasons, and in assists during five seasons. Always dedicated and durable, he appeared in 1,103 consecutive games; only three men in the history of baseball have bettered that mark.

Joe Sewell is most famous, however, for his tenacity and aggressiveness as a batter. Using a heavy bat and a disciplined swing, he was virtually impossible to strike out. He says he could see the ball when it left his bat. In 7,132 major league at bats, he struck out only 114 times. He holds the season record low of only four strikeouts in 155 games in 1925.

Today, Joe Sewell is employed in public relations for a dairy firm in Tuscaloosa, Ala. After learning of his election to the Hall of Fame, Joe remarked that "It's a long, long way from Tuscaloosa to Cooperstown." But seldom has the journey been made so deservedly, and the honor so fully earned.

HELLER AND GALBRAITH SPEAK OUT ON TAX CUT

Mr. HUMPHREY. Mr. President, the December 12, 1976 Minneapolis Tribune published articles by two noted economists, Walter W. Heller and John Kenneth Galbraith, which had previously appeared in the Wall Street Journal and the New York Times, respectively. Dr. Heller is a proponent of the one-time tax rebate proposed by the Carter administration; Dr. Galbraith is an equally ardent opponent.

"The evidence of slowdown and slack is so pervasive," states Dr. Heller, "that plans for a tax tonic for our ailing recovery should be in full swing." The underutilization of labor and capital in the economy provide the basic case for a tax stimulus. Not only is this a domestic responsibility, but we also have worldwide obligations to help promote economic recovery. Dr. Heller does not believe that either a quick speedup in Federal spending or easier monetary policy can provide an adequate boost, thus shifting the obligation for aiding our lackluster economy to the tax side of the budget.

Dr. Heller's proposal is for a one-shot lump sum tax rebate that would focus chiefly on middle- and low-income consumers. He believes that this type of stimulus is attractive because it would quickly boost the economy when it is most needed; it would enable us to keep our options open for future policies; and finally, the 1975 tax experience proved that a rebate quickly enters the spending stream. As Dr. Heller states, it yields a "bigger short-run bang for the buck."

On the other hand, John Kenneth Galbraith is opposed to such a measure. "Those who advocate a tax cut," he states, "do so in deeply conditioned disregard to its economic ineffectiveness, its demonstrated political disutility and its patently reactionary social effects." It is his belief that people become aware of their tax saving only gradually, and especially so in the upper-income brackets. Consequently tax savings are spent slowly—and will not have a stimulating effect on the economy. According to Galbraith, it removes benefits from those Americans who have the least income and the greatest need for help. Rather, Dr. Galbraith advocates a plan to expand the economy by aiding our cities. "Making or keeping the cities livable is only the clearest alternative to tax reduction," he states.

Mr. President, both Dr. Heller and Dr. Galbraith are extremely articulate and intelligent economists. However, I find myself in agreement with Walter Heller on this occasion. The economy needs a boost right now. We cannot enlarge our spending programs quickly enough to do the entire job. And we must move cautiously on permanent tax cuts, for, as Dr. Galbraith rightly points out, our unmet pubic needs are great, and they must be financed. I do not want us to get ourselves into the position where we change the tax rates to the extent that we lose revenues badly needed to take care of the many basic needs of our country. A

tax rebate is just one component of the economic package for the revitalization of the economy. Its effects would be swift and positive—and for that reason, we should not hesitate to act.

Mr. President, I ask unanimous consent that the December 12, 1976 article from the Minneapolis Tribune be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WALTER W. HELLER SAYS WE NEED A TAX CUT

The watchwords on a tax cut, we are told, should be "wait and see." But given what we can plainly see, what are we waiting for (other than the reconvening of Congress)?

The evidence of slowdown and slack is so pervasive that plans for a tax tonic for our ailing recovery should be in full swing. Real gross national product (GNP) growth at a 3 to 3½ percent rate this quarter will mark the third consecutive quarter of drop-off in the rate of expansion. Average growth for the last nine months of 1976 will end up at less than 4 percent, that is, below the rate required merely to absorb the trend growth in labor force and productivity.

This is vividly reflected, for example, in a rise of 700,000 in the jobless total since May; real retail sales running below last spring; and two consecutive months of falling industrial production and slippage in the leading indicators.

But the case for the tax cut goes much deeper than the "pause that represses." For the economy has been marking time at rates of unemployment and underutilization hitherto known only at the depths of recession. Unemployment at 8 percent (not even counting part-time and discouraged workers); factory operating rates below 80 percent of capacity; and the continuing gap of $150 billion between actual GNP and potential GNP (at 5-percent unemployment)—on these numbers rests the basic case for tax stimulus, a case that a month or even a quarter of increase in the rate of recovery would scarcely touch.

Nor does the case for stimulus stop here. The United States would be shirking its world-wide responsibilities if it fails to step up the pace of recovery. Not only our industrial trading partners, but the non-oil countries of the Third World (and those from whom they borrow) are feeling the backlash of our go-ever-so-slowly fiscal and monetary policies.

How big a tax cut is needed? In part, the answer depends on whether the budget shortfall of $12 billion or so in 1976 will come home to roost on the fiscal 1977 budget. Careful analysis of the slippage indicates that it will work the other way, continuing to retard slightly, rather than accelerate, spending this fiscal year. Present estimates are that fiscal 1977 spending will not exceed $140 billion, $3 billion below the congressional ceiling.

Won't that be stepped up sharply by initiatives of President-elect Jimmy Carter? No. Past experience suggests that opportunities for quick speed-ups in federal spending are strictly limited. Quickly authorized step-ups in public service jobs and countercyclical grants to cities might add a couple of billion dollars during the fiscal year. But the basic fiscal stimulus for 1977 wil have to come from the tax side.

Won't easier monetary policy give the economy a significant boost? Some easing may be in the cards as recovery falls farther and farther behind schedule. But even in a cooperative mood, Chairman Arthur Burns and the Federal Reserve Board will accommodate rather than spearhead expansion.

Given this spending and monetary outlook, a sagging recovery, over-abundant idle resources, and a lackluster 1977 outlook, a minimum tax cut of $15 billion seems called for. In the light of a U.S. output potential nearing $2 trillion in 1977, and given the precedent of a $33 billion tax cut (in today's terms) in the rising economy of 1964, the figure of $15 billion may seem unduly modest. But fears of inflation and deficits may rule out a larger figure.

What kind of a tax cut would be most effective? Under today's circumstances, a simple lump-sum tax rebate focused chiefly on middle- and lower-income consumers would provide the best booster shot for our anemic recovery. The tax cut could be calculated in any one of several ways. For example, it could be a rebate of 1976 individual income taxes, subject to a fairly low ceiling and a fairly high floor (in other words, providing a refundable credit for those falling below the tax exemption line).

Another approach to a $15-billion tax cut would be to provide a $70 per capita refundable credit (payable both to those who pay taxes and those who do not). Since more than 200 million people are accounted for by exemptions on income tax returns, only about 15 million would have to be reached by means other than such returns. As to mechanics, the payment, as in 1975, would be calculated and refunded by the Internal Revenue Service as soon as possible after returns are filed.

A one-shot tax cut of this kind would have three decisive attractions: It's quick, it leaves basic budget options open, and it works.

Speed: In tax cutting, simplicity is the handmaiden of speed. To try to hammer out the form and distribution of a long-term tax cut could delay action for months. A refundable tax rebate or credit could move through Congress quickly, be paid promptly, and thus provide economic stimulus when it is most needed.

Keeping options open: By making the tax cut temporary and paying it in a lump sum rather than through lower withholding rates, one would in no way prejudice the size or form of a permanent tax cut. One would also leave open the choice between future tax cuts and new or expanded programs.

Most important, it works: That a one-shot tax cut would quickly get into the spending stream was proved beyond doubt (if proof were needed) by the $23 billion tax cut in 1975. Both the casual evidence provided by the economic upsurge in 1975 and the hard evidence of personal savings rates quickly returning to normal (evidence confirmed by the Michigan Survey Research Center's consumer surveys) demonstrate that a temporary tax cut does the work expected of it in boosting consumer spending. What of the "permanent income hypothesis" in this connection? Whatever may be the consumer reaction to large deviations from permanent income, small increments are quickly spent.

Why focus the temporary tax cut on the consumer rather than sharing it with business? Part of the answer, as just implied, is that the consumer cut will yield a bigger short-run bang for the buck. But beyond this, however strong the rationale may be for long-run incentives for business capital spending, the main deterrent to such spending today is economic slack, improved liquidity, net cash flows, and profit margins have poised business for a capital spending takeoff. A sizable consumer cut will help boost sales volume, press production closer to capacity, and thus help fuel that takeoff.

But what of the impact of the tax cut on budget deficits and inflation? On deficits, the answer is straightforward: The immediate loss of revenue would enlarge the fiscal 1977 deficit. But the stimulative effect would generate higher revenues to reduce the fiscal 1978 deficit.

On the inflation question, one starts with some reassuring economic facts:

First, the rate of inflation has been gradually subsiding, so the tax cut would be unleashed in an atmosphere of some reassurance (barring a huge jump in oil prices).

Idle capacity and unemployed labor ensure that most of the thrust of the tax cut would be translated into higher output, more jobs and higher incomes and profits. Recent attempts to boost prices in the face of a sputtering recovery have fared badly enough to provide some confidence on this score.

Even if the $15-billion tax cut had the full primary and secondary impacts expected of it, it could not push the economy close to its capacity, and it would not push it close to its speed limits. One test is to measure GNP advances against the Ford administration's conservative target of 12.2 percent real growth between the fourth quarters of 1975 and 1977 (as set forth last January). Merely to hit that conservative target by the end of next year would require a 6.8 percent real growth rate between the fourth quarters of 1976 and 1977. The stimulus of the tax cut would run no risk of propelling the economy beyond—or even very close to—that rate of advance.

No objective appraisal of the present economic setting suggests that the proposed tax cut would evoke more than a minimal response on the price front. But when it comes to inflation, "man does not live by economics alone." If people were jittery enough about inflation—and conditioned by false prophets to believe that business will translate any demand stimulus into higher prices—even a modest tax cut might heighten inflationary expectations.

Given the illogic of this response, one ought to bet against it. But a good way to hedge one's bets would be for Carter to accompany his call for a tax cut with a call on labor and business for wage and price moderation and an outline of the measures he intends to take to tackle inflation from the cost and supply side. In this connection, aiming the tax cut at the middle-and lower-income groups and thus boosting wage earners' real buying power might be helpful in trying to persuade labor to push a little less hard at the bargaining table.

In sum, balancing the minor-to-minimal risks of inflation against the substantial rewards in more jobs, output, income, and investment, one finds in the proposed $15-billion one-time tax cut, the kind of economic bargain the country should not deny itself.

JOHN K. GALBRAITH SAYS WE DO NOT NEED A TAX CUT

CAMBRIDGE, MASS.—In the weeks following the election, quite a number of my economist friends of distinguished reputation expressed themselves promptly and decisively on behalf of a tax reduction to stimulate the economy. No partisanship was involved; the same action was also proposed and taken early in the Ford administration.

Jimmy Carter has now indicated reservations over this decision to which he seems unilaterally to have been committed. The two key House committee chairmen, Reps. Henry S. Reuss of Banking and Currency and Al Ullman of Ways and Means, have also made clear their opposition. All who see even slightly below the surface of things will rejoice. Those who advocate a tax cut do so in deeply conditioned disregard of its economic ineffectiveness, its demonstrated political disutility and its patently reactionary social effects. These are firm words. I do not hesitate to specify.

A cut in the federal income tax is proposed as a quick way of stimulating the economy. The impression of quickness depends partly on vacuous economic jargon endlessly repeated, unrefreshed by thought, about the need to give the economy "a quick upward kick." And it depends even more on an unforgivable confusion between the time re-

quired to get congressional action and the time required for the action to have effect.

The first can be fast; the second is demonstrably very slow. That is because people become aware of their tax saving only gradually, and especially so in the better income brackets. In consequence, tax savings are spent but slowly, and in the higher brackets they are not likely to be spent at all. The evidence on the point is overwhelming.

In 1975, following the tax cut and associated rebates earlier in the year, "personal savings averaged 8¼ percent of disposable income (compared with) 7 percent average from 1960 to 1969. The savings rate rose sharply to 9.9 percent in the second quarter largely because of the tax rebates (and associated payments). Many consumers apparently made their spending decisions on the basis of longer-run expected income . . . roughly 80 percent (of the tax savings and rebates) was saved during the quarter."

Had savings not increased during the year, consumer expenditure would have been higher by about $32 billion.

All of this is from the last 1976 report of the President's Council of Economic Advisers. And I need hardly add that money so squirreled away has no stimulating effect on the economy. To urge the same policy in face of such evidence of past effect does at least take courage.

In 1974 and early 1975, there was also talk of a "quick upward kick"—the cliches of economics are the great constants of our oral literature. The improvement in output and employment was both gradual and temporary and combined, of course, with continuing inflation. To all this Gerald Ford is the best possible witness, for had the effect of the last tax cut been at all as promised, he would have won the election. Had he forgone the tax cut and come instead to the aid of distressed people and cities, he would also have won. (A tax increase, which I urged as the inflation was passing its peak, would, in retrospect, have been a bit much.)

The last tax cut having failed so dismally of its purposes, one supposes that my economic colleagues yearn now for a second chance to prove their wisdom. This is asking a great deal. Ford, an exceptionally generous man, was willing to perish for established economic belief. One wonders if Carter will be so nice.

The socially reactionary character of a tax cut stems from the same sources as its ineffectiveness. It derives also from an appalling tendency to look at the fiscal system of the federal government in isolation from that of the cities and states. And this tendency is not in the slightest measure ameliorated by its being advanced by men who, once liberal, have, like so many before them, been made conservatives by retaining a fixed position in face of the ineluctable march of evidence and events.

Thus the tax cut, in the form now commonly proposed, neatly and thoughtfully removes from all benefits the 25 percent—35 million no less—of adult citizens who have the least income, the greatest need for help and who are the most likely of all to spend what they get. They are excluded, of course, because having no tax liability, they have no tax to be reduced. A policy that systematically selects the most needful for the least help—in fact nothing—is utterly callous if not mildly obscene.

Meanwhile to look at the federal fiscal system in isolation is to ignore what Walter Heller (when not advocating tax reduction) has rightly cited as a major flaw in our fiscal system. That is the tendency, with increasing population, production and income, for the relatively expansive personal and corporate income taxes to bring a more than proportional increase in revenues to the federal government.

At the same time, the same increasing population; the increasing urbanization that goes with increasing industrial production; the public expenditures, such as those occasioned by the automobile, which result from increasing private consumption; and the demand for public services that goes step by step with higher private consumption all impose ever greater costs on the large cities. The revenue goes one place, the major costs another. In consequence, federal tax cuts are urged while the cities are laying off desperately needed teachers, policemen and sanitation workers, and parks are being returned to jungle. And these cuts in local spending and the fear of more act also to offset and negate the stimulative effects of a federal tax cut.

There is a yet more damaging effect from viewing the federal system in isolation. Many state and local services simply cannot be cut, so sales and property taxes must be raised. The generally progressive federal taxes go down, the sharply regressive property and sales taxes go up. Again this is not only cruel and reactionary but also a highly effective way of offsetting the stimulation from the federal tax reduction.

A year ago, in the very same days that the federal government was extending the last tax decrease to expand the economy, the Commonwealth of Massachusetts was voting $364 million in new sales, food and other regressive taxes to balance its budget. The Boston Globe rightly said that this combination of events made no sense. It was wiser in this regard than the New York Times, which despite the desperate financial needs of New York City and state, recently gave its support to a federal tax cut.

Effective action to expand the economy and simple decency thus unite in calling for support to the cities, maintenance and improvement of their services and avoidance of further regressive increases in sales and property taxes, and not further reduction in the federal income tax. I do not believe that the economics professors who argue for a tax reduction are motivated by pecuniary self-interest. They are principled men and also good and kindly parents. But there is not the slightest doubt that if they were on furlough, or threatened with it as are many other excellent and needed teachers, they would take a more penetrating view of tax reduction.

Making or keeping the cities livable is only the clearest alternative to tax reduction. President-elect Carter and his party have also promised improved health care, steps toward federalization of welfare and greater attention to other humane needs. Spending for these will also be more efficient in its full economic effect than remitting taxes. And, as we've seen, it is not inherently less prompt in effect. And once taxes are reduced, as all should now know, it will be flatly impossible to get them back up again.

The last tax cut was billed fulsomely, even extravagantly, by its proponents—the same proponents as now—as temporary. Not one of these advocates will now come forward and say that, should Carter's social program or the control of inflation require it, it could be rescinded. This one too, if enacted, will quickly be engraved in stone.

It is also incredible that we should be cutting taxes and enlarging the deficit when other means for stimulating the economy are not being fully used. Interest rates by all past standards are still high; those industries, most notably housing, that depend on borrowed funds are still in a fairly tight rein. To cut taxes and keep money tight makes no sense whatever.

Alfred Marshall, the great economist of the last generation, laid it down as a rule that economists should above all things fear applause. It is normally proof of error. The economists who urge tax reduction do win such applause. They are admirable exemplars of Marshall's law.

WHITE HOUSE CONFERENCE ON LIBRARIES AND INFORMATION SERVICES

Mr. JAVITS. Mr. President, by appointment of the President pro tempore of the Senate, I serve on the Advisory Committee of the White House Conference on Libraries and Information Services, and I have filed the following statement with the Labor/HEW subcommittee of the Appropriations Committee to support the needed $3.5 million appropriation.

Authorized by Public Law 93–568, the White House Conference will provide an opportunity for each State to assess its needs and have all the States convene in Washington to assist the Congress and the Nation develop a national library policy.

Our libraries have suffered terribly in the present fiscal difficulties facing many cities and States. Throughout the country, and particularly in urban areas, libraries have been forced to dismiss staff and reduce hours. It is a tragic paradox that during periods of high unemployment—times when people who are seeking work really need a library—that libraries are forced to shut their doors.

At the present time, the Committee on Labor and Public Welfare is considering an extension of the Library Services and Construction Act, LSCA. I am pleased that the special needs of urban libraries have been in the forefront of the discussion to extend LSCA. The American Library Association has already endorsed a new approach for special assistance to these urban libraries. I am sure that the recent meetings of the American Library Association held in Washington have provided many members with new information on the problems of libraries in their own State. I hope that such information will engender increasing support for the needs of our public libraries.

The most vexing problem facing the Nation and the Congress is surely the continuing high number of unemployed men and women. One of the most important resources for an unemployed person to regain a job is found at his public library. I was encouraged recently to learn from information provided by the New York State Department of Education of a federally supported program which began in the Yonkers Public Library and which is combating unemployment.

Federal funds under the Library Services and Construction Act are supporting 24 Job Information Centers offering unemployed persons all information at one site to simplify the problem of finding employment. This information includes Civil Service announcements, newspaper classified sections, company information and job listings, and some specially trained personnel to assist clients in using these resources. I ask unanimous consent that the full report on the job information centers be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. The Senate Appropriations Subcommittee on Labor/HEW is holding hearings on the funding of the White House Conference on Library and Information Services. In the 94th Congress, the committee reported a bill which included support for the Conference. This bill passed the Senate, but unfortunately the House had no appropriation and the final measure contained no funds for the White House Conference. I urge my colleagues to again include this measure, which has also been endorsed by former President Ford in his budget proposal submitted in January.

I ask unanimous consent that my statement submitted to the appropriations subcommittee in support of the White House Conference be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. JAVITS. Mr. President, I believe that a new case is being made for Federal support of library programs. Libraries have used Federal funds well to reach out to serve unemployed persons, senior citizens, bilingual speaking Americans, economically disadvantaged and Americans who are institutionalized. Based on this performance, they certainly earn our increased care and a greater measure of Federal support. I am hopeful that both the legislative consideration of the Library Services and Construction Act and a new appropriation for the White House Conference on Libraries and Information Services will give our U.S. library system the opportunity again to prove its value to the Congress and to the Nation.

EXHIBIT 1

JOB INFORMATION CENTERS

An innovation in library services, New York State's approximately 24 Job Information Centers (JICs) began with one 1972 prototype in Yonkers Public Library. The idea was expanded throughout the State under funding from the Library Services and Construction Act.

Job Information Centers offer two distinct kinds of service: service to individuals and service to groups. Service to individuals consists primarily of guiding people to the proper resources at the center and to outside agencies of government or to private groups, whether organized or informal. Service to groups consists primarily of working with them to determine needs of job seekers and to provide a base from which groups can make their functions known.

The main objective of the JIC projects is to provide a service to unemployed and underemployed job applicants which gathers all information at one site to simplify the problem of finding employment. The center acts as a clearinghouse for data relating to job opportunities and the job searching process. Information at the center often includes Civil Service announcements on all levels (local, city, county, state and federal) classified sections of area newspapers (in Spanish and English), the New York State Job Bank Book (microfiche), vocational journals, trade publications, affirmative action registers, company information sources, job listings from private employment agencies, and direct input from private employers. Audiovisual presentations and free pamphlets are also on hand.

Materials concerned with all aspects of the job searching process are available to be used at the centers or borrowed. Assistance, if desired, is provided in using the various job searching tools. Types of employment covered range from highly skilled to unskilled labor, and professional and nonprofessional positions in all fields. This information is usually gathered by telephone, by correspondence, by personal contact, and by a thorough bibliographic search of printed materials.

Many Job Information Centers have specially trained librarians, as well as clerical and volunteer workers, to assist in the use of reference materials. Librarians assigned to the center may refer patrons to employment services and to other agencies. Telephone reference and referral service is also provided. Some provide notebooks for patrons' questions and answers. The center, however, is not a placement service. Job Information Centers do not engage in prescreening for employers, and do not compete with existing employment agencies. Instead, they provide information. Current information seeking largely focuses on the preparation of resources, talent inventories for career changes, preparation of background for interviews, and out-of-state job opportunities. Information is also available on alternative forms of educational advancement.

Clientele seeking information represents a cross-section of all socioeconomic, racial and educational backgrounds. A worker with specialized experience, without work due to shutdowns or retrenchment, can compile lists of companies that need his training, and discover positions available in companies that he might not have contacted. Due to the crunch for entry-level jobs, male college graduates, aged 19–26, tend to be heavy users in some centers. Services for the less skilled are also available.

Reasons for selecting the JIC alternative method of job hunting include personal attention available from the centers that is unavailable from overworked staff at state employment offices, as well as the value-free nature of the center's services. Central location and easy access usually boosts Job Information Centers' use, although some multicounty library systems, such as Mid-York in the Utica-Rome area, select a regionalized model of distributive services through member libraries.

Job Information Centers also provide links between agencies in the public and private sectors. Research has demonstrated JIC success in making patrons aware of private and public agency services, and in aiding agencies in assessing job seekers' needs. JICs develop community resource files containing names of agencies that can aid individuals in the job search process. Listings usually include agency functions, telephone, hours of service, contact individual, eligibility requirements and fees.

These JIC efforts have been well received by patrons, local businesses, and by private and public agencies. In more than one case, outside agencies also refer patrons to the JICs for assistance in locating out-of-state employment and for other information needs. One JIC referral resulted in the establishment of a new service agency. In some centers, community advisory panels have been developed to provide input in setting up JIC projects and to assist in evaluation.

Another variation of JIC services occurs in Buffalo, where monthly noonday employment forums include patron question-and-answer sessions with New York State Employment Service, Civil Service and private agency representatives. Topics center on unemployment benefits, job-seeking techniques, women's employment and the service of community organizations for job seekers. Crowds averaging about 100 persons have attended. Audience enthusiasm has forced extension of the sessions well over noon hour limits. Forums are cosponsored by the library and community agencies.

The Onondaga Public Library System in Syracuse offers a series of mini workshops dealing with career-educational topics scheduled in various area libraries. The system cosponsors the workshops with an independent counseling agency, the Regional Learning Service of Central New York.

Often a varied public relations program has been undertaken in connection with JIC programs. Media, public service announcements, newspaper coverage, posters, pamphlets, and even billboards have been used to alert potential patrons to the services offered. Additionally, many patrons recommend JICs to others.

Feedback on accomplishment is limited to use figures in most JICs. In Buffalo, use figures rose from an initial 450 patrons per month in August 1975, to an average of 1,000–1,200 patrons per month in 1976. New York Public Library's center averages 2,000 per month, with further usage during unmanned hours.

Information on age, sex, race, education and ultimate employment of patrons through JIC service is sometimes available. Much of this feedback, although valuable, is intermittent due to patrons' reluctance to fill out and return questionnaires. As one JIC spokesman put it. "We set up a situation in which people can help themselves and, when they succeed, they rightly take the credit."

Standardized feedback is also attempted on the uses of the three major program phases—job bank, community resource file, and general job information—as well as on referrals and telephone service.

Measurable reactions on the part of patrons, government and private agencies, and the business community have been overwhelmingly favorable.

JICs have successfully met their major objective by providing a complete on-site information service for job seekers. JICs have also successfully solved some job seekers' problems by promoting both the services of cooperating community agencies and the desirability of adequate preparation in job seeking. The undesirability of seeking information from agencies that admit the patrons' status as unemployed has been abbreviated through the use of Job Information Centers. Moreover, the JICs have succeeded in bringing public and private sector agencies into a cooperative effort to impact on unemployment problems in their communities.

EXHIBIT 2

STATEMENT OF SENATOR JACOB K. JAVITS BEFORE SENATE COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON LABOR/HEW, WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to present my views on the White House Conference on Library and Information Services. I request that my statement on this matter be printed in the hearing record. Under provision of PL 93–568, I have the honor of serving as a member of the Advisory Committee to the White House Conference. While I have been appointed for some time, other members have just been named, and the full 28-member body is now able to accept fully its mission. I am well aware that the Senate has acted favorably on this item before. Given the inclusion in President Ford's budget request of January of the full $3.5 million amount, I am hopeful that both House and Senate will favorably consider this important item.

I would like to outline briefly for the record some of the reasons why this conference is worthwhile and timely. The following six points summarize the critical importance of the White House Conference:

First, the conference will engage a wide spectrum of American people in a nationwide reassessment of the extent to which adequate

libraries and information services are available. During the recent visit to Washington of many librarians in connection with the American Library Association meeting, many members of Congress gained new awareness of current financial difficulties facing libraries. We are well into a period of reassessment of the needs for these services and the White House Conference can be an appropriate capstone to that effort.

Second, the informal aspects of our education system continue to expand. Libraries, museums and other cultural institutions and activities have experienced an explosion of public interest. The result is that libraries provide a key educational opportunity where more people are now seeking it—outside the traditional classroom. The White House Conference can examine the important linkages of libraries to the growing field of continuing education and lifelong learning.

Third, libraries have been called upon to provide more services for special need groups, such as bilingual, older Americans, institutionalized, economically disadvantaged, and remote rural populations. Recent budget problems have curtailed rather than expanded these services as the needs continue to grow. The White House Conference can carefully examine this critical situation.

Fourth, much emphasis in the Federal role for libraries has been placed on expanding interlibrary cooperation. Given the shortage of resources available in all types of libraries, coordinated to better use existing resources is critical.

Fifth, the White House Conference will provide an opportunity for publishers, manufacturers and producers of a wide range of education and information materials to demonstrate their products to the American people. This is not limited to books and journals, but also includes films, media, and a broad range of other non-print library resources.

Sixth, State and local governments will be assisted in the re-examination of the present and alternative systems of support for library services. Because the White House Conference is built on a structure of State conferences, each State and locality will have the opportunity to assess its needs as they relate to a national role of library support.

In reviewing these six reasons, it is clear that the White House Conference will have benefits to all participants in the information dissemination field. The requested amount of $3.5 million will place money in each and every State to assess their own library situation. In a time when a patchwork of local decisions based on individual financial considerations of State and localities are throwing library fundng into increasing uncertainty, this national Conference will provide the Congress and the Nation a clear picture of the library needs for the last part of this century. As much of the necessary work to plan a successful conference is being delayed for lack of appropriated funds, I hope that the Congress can act quickly in this important matter.

I appreciate this opportunity to submit a statement to the Committee and urge their favorable consideration.

VISIT OF MEXICAN PRESIDENT LOPEZ PORTILLO

Mr. SPARKMAN. Mr. President, at the beginning of next week, the President of Mexico will be arriving in Washington to meet with President Carter. Unfortunately for us, he will be here during a period when the Senate will be in recess. Although we will not be able to invite him to the Senate to give him the welcome he so richly deserves, I am certain that I speak not only for my colleagues on the Foreign Relations Committee, but for this entire body as well when I say to him, "Bienvenido."

Sixteen years ago, under the Presidency of John F. Kennedy, this country and our southern neighbor initiated the Mexico-United States Interparliamentary Conference. Having participated in several of these conferences, I have learned to appreciate how friendships can become fast and fruitful through an honest and direct approach to a variety of problems.

Mr. President, those of us who have had the good fortune to participate in these annual conferences have gained a deeper insight into Mexico's many successes and accomplishments. And as Senators know, Mexico, our good friend and ally, has been playing an increasingly important role internationally within the Organization of American States and the United Nations. Indeed, it speaks with respect and authority in virtually all international forums.

Mr. President, I have not had the pleasure of meeting President Jose Lopez Portillo y Pacheco, but I do know that he hails from a distinguished family from Guadalajara in the state of Jalisco—which incidentally is the city which hosted the very first meeting of the Mexican-United States Interparliamentary Group in February, 1961. His grandfather was the Governor of the state starting in 1911, and his father was a prominent historian until his death in 1974. President Lopez Portillo went through the fine public school system of his country, including the National University. Until the time he entered the Government in 1959 as an adviser to the Ministry of National Resources, he taught at the university and practiced law. Following his tenure with President Lopez Mateos, he entered the administration of President Diaz Ordaz, rising rapidly in the Ministry of the Presidency and taking charge of reforming the executive branch. During the Presidency of his great friend, Sr. Luis Echeverria, he held successively positions of growing importance, ending with that of Minister of Finance.

Mr. Lopez Portillo is known in his own country as being impatient with long-winded speeches. I am told he is expected to bring to Mexico during the 6 years he will hold office much of the same style of government which our own President Jimmy Carter is bringing to the United States. If that is the case, I know his visit with President Carter will be mutually rewarding.

It is highly appropriate that Mr. Carter's first official visit from another head-of-state should be President Lopez Portillo of Mexico. On behalf of all my colleagues in the Senate, we extend a warm welcome to him and his entire party.

COST-OF-LIVING ALLOWANCE TO CERTAIN CIVIL SERVICE EMPLOYEES—S. 716

Mr. MATSUNAGA. Mr. President, yesterday I cosponsored, along with my distinguished senior Senator from Hawaii (Mr. INOUYE), a bill which would restore the cost-of-living allowance to those civil service employees in Hawaii who are military retirees or dependents.

Federal employees in Alaska, Guam, the Virgin Islands, Hawaii and U.S. possessions by law are entitled to a cost-of-living allowance—COLA—in recognition of the fact that these areas are characterized by uniquely high living costs. The COLA rate is based on a yearly comparison of the cost of living in Metropolitan Washington, D.C., with the cost of living in each of these areas, and is drawn up by the Civil Service Commission. The actual yearly rate represents the percentage of difference between the two locations.

This past fall the Commission made two fundamental changes in the administration of the COLA law. First, the survey of the cost of living in Hawaii was extended from the city and county of Honolulu to the neighbor islands; that is, the island of Kauai, Maui, Molokai, Lanai, and Hawaii. Second, the Commission decided that Federal employees who are entitled to commissary and post exchange privileges would not be eligible for COLA.

The effect of the first revision of Federal policy, the extension of the survey to the neighbor islands, resulted in the creation of several different COLA rates within the one COLA-designated area of Hawaii. Rates range from 17.5 percent on Oahu to 5 percent on Molokai. Thus, personnel in identical jobs on different islands within the State will receive widely differing rates of COLA.

The second policy revision, the elimination of COLA for all employees who have post exchange and commissary privileges, clearly accords to the executive branch functions which, by law, are within the jurisdiction of the legislative branch. The law which established COLA and the mechanism by which COLA rates are arrived at reserves to the Congress the decision to terminate COLA for any area or all COLA areas. By arbitrarily terminating COLA for a class of employees, the Commission blatantly usurps congressional jurisdiction.

Let me note at this point that the Commission's decision also included the termination or reduction of COLA for employees who reside in Federal housing. While I question the arithmetic behind this decision, in my view the most urgent aspect of the entire situation is its effect on military retirees who live in private housing and have the privilege of patronizing post exchanges and commissaries. It is these individuals and families that are the hardest hit by this unexpected action.

In looking over the tables and charts furnished by the Commission as data supporting its action, I was struck by the fact that the commissary and post exchange privileges that are disqualifying people from receiving COLA were entirely voluntary in nature; that is, heads of families can choose not to use these privileges for any number of reasons. Indeed, it is obvious that factors such as distance from these facilities, limitations on types of merchandise carried in post exchanges and commissaries, and so on, are all quite logical reasons why these privileges are not necessarily used by all those who possess them. There is

no provision in the new regulations either for voluntary waiver of these privileges, or for verification of the actual use of these privileges.

It is my hope that Senate consideration of the bill introduced yesterday would entail an assessment as to what actual value commissary and post exchange privileges are to retirees residing in Hawaii.

Equally serious is the fact that the Commission's action penalizes selected citizens granted, by law, benefits from the Federal Government. Specifically, military retirees and other dependents receive commissary and exchange privileges by virtue of their service to our Nation. In effect, they earned these privileges. As civil service employees in Hawaii, these same individuals are earning COLA, just as are their coworkers. In effect, the Commission's decision discriminates against military retirees who have been rewarded by a grateful Government.

Mr. President, in my judgment, and I am certain my colleagues will agree, we must deliver on our obligations and commitments to our Nation's public employees, to our military personnel, and civil service personnel. We as a nation cannot call upon citizens to enter the public service either as military or civilian workers, if we do not intend to honor our word. I believe the Commission's action in this instance constitutes a grave abrogation of the commitment our country has made to those who serve it.

I call upon my colleagues to take prompt and favorable action on the legislation which was introduced yesterday. We cannot betray those in the public service to whom we have given our implied promise.

TELEVISION DRAMA HELPS BUILD ENLIGHTENED CONCERN FOR RETARDED

Mr. HUMPHREY. Mr. President, perhaps some of my colleagues were privileged to witness, Monday night, a drama telecast by the Hallmark Hall of Fame. If so, you will probably agree that it was a sensitive and thoughtful treatment of mental retardation.

The production, "Emily, Emily," takes up the story of Freddie Putnam, hero of the 1969 drama, "Teacher, Teacher," which was named outstanding dramatic television program by the National Academy of Television Arts and Sciences.

The Emily of the title is a graduate student who works with Freddie, a young retarded adult. The drama revolves around Freddie's need to lead a useful and fulfilling life, and how those around him learn to respect this claim.

I want to commend the producers of this program, Henry Jaffe Enterprises, Inc., and all of the other persons involved, not only for the quality of the educational and entertainment content, but because the film performs a true public service in familiarizing Americans with the problems of the retarded and the need for support and understanding from family and community.

Especially praiseworthy was this program's innovation in including four retarded persons among the supporting cast. By demonstrating confidence in the ability of the retarded for meaningful work and achievement, the producers and director have practiced what they preach in the show's theme.

This play should remind all of us of our uncompleted goals for the handicapped. For well over a decade, Presidents and Congress have been on record as supporting alternatives to institutionalization for the mentally retarded. It is our stated purpose to treat the retarded, wherever possible, in a supportive community environment. Hopefully, the old nightmare of restrictive institutions, without mental and physical stimulation, without hope and joy, where society warehouses and forgets the less fortunate, will rapidly become a relic of the past.

In a report to Congress in January, the General Accounting Office explored both successes and failures of the effort to integrate the retarded into society. In too many cases, the shortage of funds, a failure in commitment, and a lack of coordination have meant that we are still far short of our goal.

Despite real progress, serious deficiencies remain and must be addressed. Some of the problems can be solved by money, but not all. Some also relate to our failure to care enough, to demand a commitment to expressed national policy, and to enforce the rights of the handicapped. I look forward to the forthcoming White House Conference on Handicapped Individuals to help sharpen and renew our national commitment and order our priorities.

And I welcome every effort, such as this program, which illustrates what a difference each of us can make by discarding dehumanizing stereotypes and seeing the retarded as people with the potential for continuing development and a positive role in the community.

SEVERE WEATHER JEOPARDIZES FOOD SUPPLIES AND PRICES

Mr. HUMPHREY. Mr. President, I would like to bring to the attention of my colleagues a recent article from the Wall Street Journal which outlines the possible effects of our severe winter weather upon the supply of energy and food in the United States and the possible impact upon food prices.

The article points out that in many ways our weather has been very similar to the Soviet Union's winters, and many people are using the term "winterkill" to describe the possible damage to the winter wheat crop.

Many areas are facing severe drought. Precipitation in California as low as 10 percent in some places; therefore, irrigation levels have been cut to levels 49 percent to 69 percent of normal. In Florida, extreme cold has destroyed much of the tomato and citrus crop, causing predictions of price rises in the area of 100 percent.

In addition, the natural gas shortage is likely to lead to a shortage of nitrogen fertilizer in the coming season.

These concerns have prompted me to urge Secretary of Agriculture Bob Bergland to have the Economic Research Service undertake a study of the impact of this winter's weather on food production, availabilities and prices. These concerns could become even more serious if our cold weather continues.

Mr. President, I ask unanimous consent that the Wall Street Journal article and my letter to Secretary Bergland be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FREEZE IS JEOPARDIZING MORE CROPS, INCREASING PRESSURE ON FOOD PRICES

(By Joseph M. Winski)

Huddled up there with your thermostat set at 65 to conserve fuel you may not have stopped to think about the poor chicken.

Many of the nation's laying hens are in the South, which, like much of the nation, is having one of its coldest winters ever. Hen houses in the South are generally unheated, and some chickens these days are spending more time shivering than laying eggs, with the result that the nation's egg production is dropping, albeit by only a few percentage points.

Or consider cattle. On the feeding lots of Texas and Iowa, among other states, they are eating extra feed just to maintain body temperatures. And cattlemen in the Plains states are worried that the prolonged cold weather will cause high losses among the calves that will begin arriving in a few weeks.

Whether or not you feel for these creatures, you will no doubt be feeling the effects before long—right in the pocketbook. Attention has been focused on this winter's damage to such crops as oranges and tomatoes and the effect this will have on food prices. But evidence is mounting that the big freeze of 1976–77 could have a sizable impact on other foods as well.

Some analysts believe the winter-wheat crop now in the ground is in jeopardy because the freeze is aggravating bad conditions caused by lack of moisture in some areas. Winter wheat constitutes about three-fourths of the nation's annual wheat crop.

ENERGY AND THE OUTLOOK

Beyond the direct impact on crops, the wicked weather is affecting food costs in other ways. Rising energy costs are rippling through the food system from farm to checkout counter, for example. Moreover, some weather analysts believe weather patterns point to a serious drought later this year. The West Coast is already in the grips of a serious drought.

These pressures on food prices, while considerable, don't necessarily mean that food prices are going to mount like this winter's fuel bills. But the chances of holding the 1977 price rise to the scant 3% increase of 1976 are certainly diminished, and any spurt in food prices now would further strain the struggling economic recovery and add to the building inflationary pressures.

The weather already has plunged Florida's agriculture into official disaster status. Besides oranges and tomatoes, the frost has affected green beans, peppers and other products. Charles Porter, an Agriculture Department fruit and vegetable specialist, says retail prices of Florida tomatoes and other vegetables may double this month—if they are available in stores at all.

Dean Chen, head of agricultural forecasting for Wharton Econometric Forecasting Associates Inc., sees the Florida freeze alone boosting the food component of the consumer-price index by perhaps 1%. But he

adds that this effect may be "for a very short period, possibly just the first quarter."

DISTRIBUTION PROBLEMS

Distribution problems are also adding to price pressures in some locations, especially in hard-hit Buffalo, N.Y., and rural areas blocked by heavy snow.

But perhaps the biggest worry is about the winter-wheat crop. Soil moisture is perilously low in most winter-wheat areas, and many places also have insufficient snow cover to provide moisture and protect the topsoil against wind erosion.

"The crop is vulnerable, there's no question about it," says Carl Schwensen, an official of the National Wheat Growers Association. He notes that last year's crop set a near record even though similar fears had been voiced last winter. But some observers believe the moisture problem this year is more severe and widespread than last year.

The unusual depth of the freeze aggravates the problem, making the ground less able to absorb any moisture when it does arrive. Moreover, the extreme cold itself may be responsible for some crop damage this year, and the word "winterkill" therefore is creeping into the Wheat Belt vocabulary.

SHADES OF RUSSIA

"The climate in some parts of wheat country is like Russia," says a Chicago food-industry consultant who notes that some Russian crop failures of recent years have been ascribed largely to winterkill. (The U.S. Agriculture Department said last week that about 14% of the Soviet Union's winter grain crop may be in danger of severe damage from this year's cold weather.)

In Kansas, the leading winter-wheat state, the crop has been characterized as in poor-to-fair condition. And the Agriculture Department says much of the overall crop is threatened with some damage from the unusual cold and lack of moisture.

U.S. wheat stocks remain abundant, "so we can stand some loss of the crop," Mr. Chen of Wharton Econometrics says. But the outlook for the crops in Russia and other countries could complicate the supply picture. The weather in India and Western Europe this winter is said to be less than favorable for the wheat crops there.

Because the food industry in general uses such huge amounts of energy, the impact of rising energy costs could be greater in this industry than in most others. A study conducted in late 1975 by Booz, Allen & Hamilton Inc. for the Federal Energy Administration showed the food industry (everything from the seed producers to restaurants in this study) uses 16.5% of all the energy consumed in the nation. That is probably more than is used by any other integrated industry, says Robert W. Shaw Jr., a Booz Allen vice president who headed the study.

The study didn't determine how much of the energy used by the food industry is natural gas, which appears on the verge of sharp price increases. "I suspect that it's a fairly substantial portion," Mr. Shaw says, but he adds that much of the industry may be able to shift readily to other types of energy.

Natural gas is essential in some cases, however. Fertilizer makers, for example, use gas as a raw material, and they have already been hampered by the natural-gas shortage. "We lost 73,000 tons the week before last—25% to 30% of normal production—because of gas cutoffs, and we're estimating that it's going to get worse," says Edwin M. Wheeler, president of the Fertilizer Institute, a trade association. Transporting fertilizer so it will be available for farmers in April also "is going to be a critical problem," Mr. Wheeler says. Reflecting the sudden difficulties, prices have started to rise, Mr. Wheeler adds.

Higher food prices probably won't be far behind. Rising energy costs will have an * * * between very cold Januarys and summer drought later. It is, he concedes, a "scary" picture.

Reid Bryson, the University of Wisconsin climatologist who has been saying for some time that weather patterns are changing, also sees in the recent weather some bad omens for future weather. He has warned of continuing, and possibly worsening, drought conditions in many parts of the world.

California's rainfall is far below normal this winter, and some towns have begun rationing water. Moreover, the snowfall accumulation that normally melts and feeds streams used for irrigation is as low as 10% of normal in some areas. A U.S. Department of Commerce report for Jan. 1 found irrigation water supplies in the West ranging from 49% to 69% of normal: things probably have worsened since, California officials say. Continued drought in California would have a greater impact than the Florida freeze because California produces a greater quantity and variety of foods.

Among corn-and-soybean states, Illinois, Iowa and others also need moisture badly, agricultural observers there say. "Soil moisture content in Illinois has been below normal for seven straight months," an Illinois Farm Bureau official says.

Bad as the winter has been, agricultural experts are hoping that it leaves gradually and steadily. Wheat growers say that alternate thawing and freezing of ground can cause considerable crop damage. Also, the moisture caused by sudden melting of snow or the ice in inland waterways probably couldn't be absorbed by the frozen earth; that could cause heavy water runoff, flooding and a whole new set of problems.

COMMITTEE ON
AGRICULTURE AND FORESTRY,
Washington, D.C., February 8, 1977.

Hon. BOB BERGLAND,
Secretary, U.S. Department of Ariculture, Washington, D.C.

DEAR BOB: My office has been in touch with the Economic Research Service of your Department regarding the need to carry out a study to assess the impact of this winter's weather on food production, availabilities and prices.

ERS indicated that this study would make sense and would be consistent with your interests and priorities. The ERS has already done some work on the impact of the severe weather on the Florida citrus and vegetable market.

However, there are many additional areas of our food and agricultural economy which are suffering from the severe cold weather. It is reported that egg production has dropped because many of our poultry producers are in the Southern states and without adequate protection. In addition, beef cattle are reportedly requiring additional feed and forage in order to help them stay warm. As you are well aware, the prices for feed and forage are much higher in many areas of the Midwest as a result of last summer's drought.

The Midwest is also extremely concerned over the possibility of severe damage to the winter wheat crop. The term "winterkill" is being used, and some experts are comparing our winter this year to winters experienced in the Soviet Union.

The Far West is also experiencing serious drought, and California has had to cut back on its water for irrigation and hydroelectric power. Colorado is resorting to cloud seeding in order to increase water supplies.

In the Northwest the Bonneville Power Administration has warned 17 aluminum, chemical and wood processing firms that it may have to reduce their energy loads in order to serve other customers.

There also is the possibility that nitrogen fertilizer supplies will be tight in light of the cutbacks in natural gas supplies which serve as the feed stock for nitrogen fertilizer production. While less than 3 percent of our natural gas is utilized for ammonia production, most experts indicate that commercial fertilizer increases domestic food production by at least 30 percent. Thus the availability of adequate nitrogen fertilizer supplies will be of major importance in assuring adequate food supplies and at reasonable prices this year.

The National Council of Farm Cooperatives indicates that the Southeast will be particularly hard hit, having lost 294,000 to 441,000 tons of ammonia production due to gas curtailment. In the case of corn, cotton, and tobacco these losses alone could result in losses of $688 million to just over $1 billion.

The President of the Fertilizer Institute, Mr. Edwin M. Wheeler, said, "we lost 73,000 tons the week before last—25 percent to 30 percent of normal production—because of gas cutoffs and we are estimating that it is going to get worse."

The severe weather is also having an impact on the nation's transportation system. Railroad cars, normally used for moving anhydrous ammonia at this time of the year, are being tied up because of the increased demand for propane gas. In addition, barges are tied up in the frozen Mississippi River leading to delays in grain sales. This is likely to lead to transportation tieups in the spring as demands for fertilizer increase at the same time export sales are resumed.

I realize that it may be difficult to estimate how long these conditions may continue; however, it is important to make the best possible estimate as well as steps which can be considered to alleviate the problem. It is important to be alert to the economic impact in terms of food supplies and prices as the Administration is developing its economic programs to stimulate the economy and deal with inflation. We also will need to be alert to the needs and concerns of our producers and any steps which are needed to assure adequate supplies of food in the coming year. I realize that you are extremely busy, but I hope that your Department can give this problem the attention which it requires.

With best wishes.

Sincerely,

HUBERT H. HUMPHREY.

ARMS RACE

Mr. GARN. Mr. President, the continuing controversy over relative strategic strengths of the United States and the Soviet Union is a healthy thing. At least it indicates that we are giving some attention to aspects of arms races and arms control that have not been thought about for too long.

A few days ago, I added my own contribution to the debate. The retiring Chief of Air Force Intelligence, Maj. Gen. George Keegan, has charged that the Soviet Union is superior to the United States in every conventional measure of strategic strength. Senator PROXMIRE released to the public a rebuttal by the Joint Chiefs of Staff, and claimed that the Joint Chiefs had refuted General Keegan. I noted that it was a mistake to call a difference of opinion of this type a refutation. Prudent men will weigh in the balance opinions on all sides of issues. Certainly the Joint Chief's opinion has weight; so does that of a former Air Force Chief of Staff for Intelligence. Nor is General Keegan alone in his generally pessimistic view of relative United States-Soviet capabilities.

In further support of my argument that we ought to evaluate all points of

view, both Washington newspapers have editorialized on the subject. The Washington Post, with which I am not often in agreement, pointed out that the Joint Chiefs' rebuttal "does not prove absolutely that Gen. Keegan was wrong." The Post further notes that:

A close reading of the Joint Chiefs' views . . . reveals that the Chiefs are not providing any basis beyond their own flat assertions to ease a bewildered citizen's anxieties.

The Washington Star makes much the same point. The Joint Chiefs feel that the Soviets do not have a superiority in strategic weapons but that "available evidence suggest the U.S.S.R. is engaged in a program designed to achieve such superiority." As the Star comments, "the 'evidence' suggests it, but what evidence?"

As the Star notes, this argument is largely in the dark. It is a question of which experts you choose to believe. For myself, I believe all the experts, and I weigh the evidence on all sides. All agree that there is a massive buildup going on in the Soviet Union, though they do not agree as to the reasons for it. For that, we will just have to trust our common sense, and our knowledge of human nature.

Mr. President, these two editorials are worth the attention of all Senators, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

HOW DO WE KNOW WHO'S AHEAD?

It's useful that the Joint Chiefs of Staff have publicly disparaged Air Force Maj. Gen. George J. Keegan Jr.'s claim, made as he retired, that the Soviet Union has achieved military superiority over the United States. This doesn't prove absolutely that Gen. Keegan was wrong. But his erstwhile peers are surely familiar with his information; and, as professional military men, they presumably share his feeling that the U.S. military must, if it is to be responsible, anticipate such stark contingencies. So if he is unable to persuade them of the perils he professes to see, the rest of us are entitled to breathe a bit more easily.

But, of course, that is saying very little. A close reading of the Joint Chiefs' views, presented by Chairman George S. Brown in response to a query from Sen. William Proxmire, reveals that the Chiefs are not providing any basis—beyond their own flat assertions—to ease a bewildered citizen's anxieties. As it happens, the Chiefs do ont accept Gen. Keegan's proposition that the Russians are here—that is, ahead. They believe the Russians are coming—that is, trying to achieve superiority. But no more than he do they provide the materials on which their judgment is based.

In fact, there is an element of unreality threaded through almost all discussions of the Soviet-American strategic equation. Only the smaller part of it arises from the simple fact that some of the relevant information is secret. By far the larger part arises from the more complicated fact that there is no agreed measuring rod among professionals (as we learned from the recent Team A/Team B controversy). Some analysts count missile warheads; others count missile throw-weight. Some analysts stress hardware and technology in hand; others stress what's in the pipeline. Some analysts subtract from Soviet power those of its military forces trained on China and East Europe. Others lump everything the Russians have in the total available to hit the United States. Factors of each nation's putative will and its capacity to inflict or suffer attack are weighed in very different ways. So the argument goes.

It should be obvious from the debates of the past few months, not to speak of the past few decades, that in the absence of a minimal and explicit consensus on standards, either confusion will reign or arbitrary judgments will be made. The Carter administration, if it is to satisfy the public's legitimate concerns to be secure and to be consulted about its own security, must try to recast the framework of decision-making and discussion. It must expose not only its conclusions but its premises. It must provide more facts about defense, and more insight into the methods by which it fits facts into strategic judgments.

[From the Washington Star, Feb. 1, 1977]

STRATEGY AND SECRECY

It is reassuring to have it directly from the Joint Chiefs of Staff that the Soviet Union has not yet gained "military superiority" over the U.S., as the retiring chief of the Air Force, Gen. George Keegan, recently charged. And it is gratifying that Senator Proxmire, having secured this word from the Pentagon, saw fit to share it with the public.

But as usual what we have—a nine-page response to 25 key defense issues—are conclusions only: judgments without supporting evidence. The Joint Chief's statement raises the same persistent secrecy issue as the flap over the National Intelligence Estimates.

According to the Joint Chiefs, the Russians have no superiority in strategic weapons, but "available evidence suggests the USSR is engaged in a program designed to achieve such superiority."

The "evidence" suggests it, but what evidence? Consider the information the Chiefs are not prepared to make public, although it was furnished in a classified "annex" to Senator Proximire: The numbers of "hardened" sites, including missile silos, ground-to-air missile launchers, storage bunkers; blast shelters in manufacturing plants; storage bunkers for grains; civil defense training programs for officers and factory workers in the Soviet Union.

The missing information is obviously crucial to any informed public discussion of Soviet strategic intentions, of which not only General Keegan but many others take a view extending from dim to alarmist. This information is crucial because it bears on the Russian civil defense program. How extensive it is, how effective it might be, is central to any estimate of Russian strategic doctrine.

The Russians, it is said in explanation of their extensive civil and air defense measures, do not regard nuclear war as "unthinkable" or "unwinnable," but as a form of warfare that can be survived and even "won." The Russians, Mr. Paul Nitze has asserted, "have made, for 20 years or more, an approach to the problem of nuclear war that does assume . . . that nucelar war could happen, and that the Soviet Union could survive . . . In essence, Americans think in terms of deterring war almost exclusively. The Soviet leaders think much more of what might happen in such a war." The Joint Chiefs, in their communique to Senator Proximire, do not disagree.

This seems to be the consensus view among strategic obeservers; and if so it cannot be ignored. If it is right, it renders even more menacing the parallel judgment that the Russians are aiming for future strategic superiority. There is no disputing the trends, whatever their purpose, if expenditure is the measure.

Ten years ago, the Soviet Union had an estimated nine submarines capable of launching missiles, while the U.S. had 41. Today we still have 41; the Russians have 54. Ten years ago, the Russians had an estimated 1,000 nuclear warheads and we had 4,500. Today their inventory of warheads has more than tripled; ours has less than doubled. These figures could be of special significance, since in submarine-launched missile deterrence and total warheads the U.S. is thought to have a clear lead.

There are, to be sure, all sorts of imponderables in any casting up of the strategic balance; mere numbers and megatonnage can be misleading. Fortunately for mankind we have little idea, so far, what nuclear warfare would be like in practice. It is most unlikely to be the orderly and calculated affair of controlled stages sketched out with such elegance by the wargames theorists. To borrow one of the engaging phrases of the Joint Chiefs, all these things are "scenario dependent."

The U.S. cannot rely on the rather simpleminded theory that sneak nuclear attack is the only, or even the most likely, form of danger should the military balance tip in our disfavor. The closer the U.S. and the Soviet Union approach parity, the greater the value of the latter's preponderance in conventional military strength. If it happened, would the Russians be emboldened to throw their weight around in the hope that the U.S. and its allies would be intimidated?

The American public has an obvious self-interest in these unpleasant calculations and the arms negotiations they make imperative. The longer the arms race goes on, the more complex it becomes, the greater becomes the inherent peril of instability. Every new step, every new weapons system, aggravates the difficulties of control. The "mirving" of missiles on both sides, several years ago, was a fateful step up to a new level of instability. The building and deployment of masses of cruise missiles on both sides could be likewise. Cruise missiles are cheap, they are difficult to count and deter, and they can be cranked out like rabbits.

So we are all going to have to educate ourselves in the dread vocabulary and lore of strategic balance. The trouble is that government, with its cult of sometimes pointless secrecy, is not a good educator. Given the degree of secrecy—as reflected again in all the classified responses by the Joint Chiefs to Senator Proxmire—we are in the position of having to accept "expert" judgments without seeing the evidence; and that is a difficult position to be in—perhaps an unacceptable position for the citizens of a democratic state.

Strategy, as we have said before, is too important to be left to generals.

[From the Chicago Tribune, Feb. 2, 1977]

MR. MONDALE AND A-WEAPONS

Vice Presidents' trips abroad usually turn into bewildering montages of colorful bands playing at the airports, hasty visits to the national wonders, and dinner and platitudinous speeches with the people in charge.

Vice President Mondale's swing through Europe and Japan has turned out to be a shade more than that—but only a shade. It occurred at the start of the administration of a President not intimately known abroad. Mr. Mondale provided for the foreign leaders the first real hint of the character and interests of the new President with whom they will be dealing.

The leaders were told that Mr. Carter is deeply interested in tighter nuclear controls. And they gave the Vice President slightly better answers on that subject than might have been expected.

For example, Mr. Mondale spent four hours in talks with West German Chancellor Schmidt and got across to him the idea that President Carter is totally opposed to the treaty under which Germany would supply Brazil with nuclear technology. And Mr. Schmidt agreed to search for ways to change

the treaty. That answer may not have much concrete in it, but at least it isn't as airy as some.

The Vice President then took up with French President Valery Giscard d'Estaing the question of selling nuclear materials to developing nations [France is providing to Pakistan a nuclear fuel reprocessing plant which can yield plutonium suitable for use in nuclear weapons]. There is no evidence that President Giscard made sobbing vows to go and sin no more, but at least he did not follow his usual practice of telling foreign protesters to go fry their hats. Further, he replied warmly to Mr. Carter's call for a curb on conventional arms sales.

Maybe these foreign leaders are merely being polite, or cagey, until they take the measure of the new man. But it is just possible that they are responding positively to his declaration on curbing the spread of nuclear weaponry. There are ways of providing nuclear power without handing over the means of developing A-bombs.

Mr. Carter has aroused foreign hopes and still enjoys foreign good will. He has an opportunity which may fade away as his novelty wears off. If he keeps the momentum going and presses on for arms restraints, he may be able to accomplish things that old [and lame duck] voices could not.

[From the New York News, Feb. 2, 1977]

KEEP SPEAKING OUT

Secretary of State Cyrus Vance promises that the administration will continue sounding off publicly against repression and injustice in the Communist empire, although it won't be shrill or strident about it.

That's fine, but we hope boldness rather than timidity will rule when it comes to deciding when to voice our displeasure over tyranny. People hungering for freedom should have our support, even if it means occasionally hurting the Soviet Union's tender feelings.

[From the Atlanta Constitution, Jan. 20, 1977]

NUNN AND NATO

Georgia Sen. Sam Nunn continues to point out some serious chinks in our armor in Western Europe. Nunn who inspected our NATO defenses last month called a news conference yesterday to warn that Soviet forces could overrun NATO in a matter of days, not weeks as the Pentagon insists.

Nunn says we are badly out-gunned in Europe and that a nuclear confrontation might be the upshot of an attack by the Soviet Union.

A report by Nunn and Sen. Dewey Bartlett of Oklahoma warned:

"Soviet forces deployed in Eastern Europe now posses the ability to launch a potentially devastating conventional attack in Central Europe with little warning. Such an attack might be unattened by the telltale prior callup and transfer to the Central Region (of Europe) of Soviet divisions stationed in the western military districts of the U.S.S.R."

The report goes on to paint a grim picture that questions NATO's ability to recover from an attack and strike back effectively against the Russians.

All this is highly hypothetical—we hope. Nevertheless, Sen. Nunn is to be commented for pointing out serious and perhaps fatal deficiencies in the NATO defense system.

One might argue that a Soviet attack in Central Europe is not likely. But the single element that increases the likelihood of Soviet strikes is the Russians' awareness that NATO may be too weak to put up much of a defense. Therefore, it seems imperative to keep NATO in as good a fighting posture as possible in order to preserve peace in Europe.

[From the Baltimore Sun, Feb. 2, 1977]

MORE OPEN, MORE MORAL

On its first few days record, the Carter administration deserves credit for trying to demonstrate the more open and more morally based foreign policy that the American people were led to expect. The emphasis is on the word more. It is a matter of degree and emphasis, not a total change of style or substance.

Much of the openness was provided by Vice President Mondale, whose mission appears to have been largely to convey to foreign governments and their populations that the United States is to be trusted. He emphasized continuity with the main thrust of the American foreign policy of the past three decades.

The most important message he had for the Japanese was neither reaffirmation of the goal of partial military withdrawal from Korea nor his expression of the national interest in trading relations. It was assurance against "surprises," such as the Nixon administration's secret approach to China and its emergency economic measures of August, 1971.

The State Department's message of support for the Charter 77 movement in Czechoslovakia struck a responsive chord across the world. Yet the follow-up statement of support for the Soviet dissident, Andrei D. Sakharov, annoyed the Kremlin with which the Carter administration seeks accommodation on arms limitation, the Middle East and other matters. Small wonder the President and Secretary of State Vance were quick to claim bureaucratic muddle, giving the world to understand that while they agreed with the sentiments, they had no chance, as they should have had, to veto the statement.

Mr. Vance's dictum is that "We will not comment on each and every issue, but we will from time to time comment when we see a threat to human rights, when we believe it constructive to do so." It sounds like a caution to subordinates against excessive zeal as much as guidance to the public on what to expect. Though it reserves discretion, it is a guideline Americans can understand and use to judge performance.

Americans have the right to know what their foreign policy is and why, which was not always the case in recent years. But it would be wrong to suppose that diplomacy can be carried out in a goldfish bowl. If it could, the whole structure could be abandoned in favor of the United Nations. One of the U.N.'s difficulties is precisely that a public forum is the worst arena for the resolution of many disputes. Statesmen speaking on the record for the folks back home are unable simultaneously to test ideas for acceptability with adversaries.

It would be foolish to believe that arms limitation, Cyprus, the Middle East, Rhodesia, the Panama Canal dispute or other troublesome issues can be settled without some privacy of conversation before the public stage is reached. It would be wrong for the Carter administration to promise more openness than it intends to deliver. It would be just as wrong to discover a previously unknown harsh reality as an excuse for going back on its promise. What is needed is the right balance. The administration shows evidence of seeking it.

NEW MISSILE DEFENSE SYSTEMS STUDIED

Mr. SPARKMAN. Mr. President, a recent article in Aviation Week and Space Technology magazine describes some remarkable computer architecture and software which System Development Corp. is developing for the U.S. Army Ballistic Missile Defense Agency in Huntsville, Ala.

The PEPE system discussed in the article represents a major advance in parallel and associative processing by computer. This capability augments conventional technology and provides a high degree of reliable and rapid data to our Nation's missile defense system. I would hope that this extraordinary technology can also be utilized in meeting domestic, nonmilitary needs.

I ask unanimous consent that the article "New Missile Defense Systems Studied" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW MISSILE DEFENSE SYSTEMS STUDIED

(By Kenneth J. Stein)

HUNTSVILLE, ALA.—Multi-faceted research effort here is developing advanced data processing and associated sensor techniques that promise to fulfill stringent operational requirements of future ballistic missile defense systems.

Current research efforts at the Ballistic Missile Defense Advanced Technology Center focus on these major areas related to data processing for BMD applications:

Development of distributed data processing techniques to meet the extraordinary throughput requirements of ballistic missile defense systems, where computer performance is measured in millions of instructions per second (MIPS) and rates of 20–30 MIPS are routine. A typical BMD data system may be operational for about 30 sec. at that data rate and, therefore, researchers here are pressed to do advanced work in software engineering, as well as in hardware.

Development of a special data processor that exploits parallel and associative techniques to augment the capabilities of conventional computers in BMD service. The parallel element processing ensemble (PEPE), designed specifically for BMD applications, is engineered to handle high correlation and high computation loads, as well as a high file-search load, needed in BMD operations. In BMD service, PEPE can operate at an 800–MIPS rate. A limited-scale research machine to demonstrate and prove the technology is installed at the Advanced Research Center and completed initial acceptance tests last month.

Interactive computer terminals that interface with Advanced Technology Center processors to permit graphic presentations of dynamic data, such as radar waveform analyses and reentry vehicle physics for developmental concepts. The displays permit researchers interactive use of the computers in performing pure research or studies applied to intelligence data, using new algorithms especially developed for this task.

Development of packing concepts for modular missile-borne data processors interfacing with onboard sensors to create "a very smart bird" capable of initiating an intercept engagement in the mid-course regime prior to reentry—presumably simplifying the task of intercepting multiple reentry vehicles—far in advance of the traditional terminal-area encounter. The onboard processor could employ arrays of microprocessor elements directly backing each individual phased-array radar element or, farther down the road, optical processors directly behind each infrared optical sensor.

"The distributed data processing concept is the wave of the future," according to William A. Davis, Jr., director of the Advanced Technology Center.

ATC and its Advanced Research Center computer facility here is operated for the

Army Ballistic Missile Defense program by the Huntsville operation of System Development Corp. Davis reports directly to Brig. Gen. John G. Jones, director of the Ballistic Missile Defense program office. Jones, unique among Army program managers, is attached directly to the office of the Army Chief of Staff in the Pentagon.

System Development Corp., as contractor, has three principal functions at Huntsville, including:

Management of the center, which employs about 100 people.

Support of ballistic missile defense research in data processing.

Management of parallel element processing ensemble (PEPE) system design and architecture.

About 100 other researchers at Massachusetts Institute of Technology's Lincoln Laboratories also report to Jones.

The conventional ballistic missile defense approach for the past 15 years has had radar and interceptors hooked to a large data processing complex, Davis said. Now two fundamental changes in approach are appearing, described by Davis in these terms:

Transition to mini-sensors and miniprocessors that partition the problem. The defense may thus employ bistatic and multistatic radars, but the distributed processing would still be done on the ground as part of a terminal area defense.

Development of a mid-course regime intercept, with the preferred approach employing infrared optics rather than radar and sensor plus processing capability onboard the interceptor. Acquisition, tracking, discrimination and engagement would all be performed above the atmosphere by the mini BMD system onboard the interceptor.

A major transition is seen in the general direction of the data processing approach, with a need for multi-source information on a single target, Davis said. This implies global distribution of data processing resources, he pointed out.

At present, there are no weapons systems development programs downstream incorporating the center's concepts, a fact that researchers here say is "singular and frustrating." Davis characterizes the Advanced Technology Center's charter as "staying far out and preventing technical surprises."

Research funds here run about $12 million annually.

"Across the board, I think it's pretty obvious we are ahead in technology," Davis said. However, he added that he is concerned in at least three areas where he feels that the USSR is ahead.

These areas of concern exclude data processing and phased-array radar, Davis said. However, he added this observation:

"USSR radar does everything it needs to do, so what if it's not very elegant?"

According to Charles Vick, director of the data processing directorate, Advanced Technology Center, the problem in the future is not microprocessors, "but how we glue them together."

"We're entering, I think, the fifth generation of fairly non-smart little computers," Vick said, "and their effectiveness lies in how we put them together."

As a result, software development is turned into an engineering activity. "We don't hire programers to do research," Vick said. "Our people are somewhere in between a system analyst and someone who is fed up with conventional programing."

In keeping with the center's charter, Vick sees his job as channeling technology into future ballistic missile defense requirements.

"The Safeguard system plowed the ground in ballistic missile defense and conveyed the magnitude of the data processing problem," Vick said.

"Yes," he added, "we can do the ballistic missile defense solution, but not through conventional techniques. We must invoke some real science in data processing developments."

However, in order to test software developments, the researchers had to turn to simulation.

A typical terminal area ballistic missile defense operation requires about 500 million instructions per computer, with the complete "battle" taking about 30 sec., Vick pointed out. Thus, a typical terminal defense requires about 30 billion instructions, he said.

The Advanced Research Center's computer complex now contains four major computers missile defense data processing and simulation. All are owned by the Army, with the exception of some peripherals, and include:

A Control Data Corp. Model 7600 serial computer.

A CDC 6400, which serves as a frontend processor for the 7600.

A Texas Instruments Advanced Science Computer (ASC), a vector or array processor originally designed for seismic research applications.

PEPE, the parallel element processing ensemble built by Burroughs Corp. under contract to System Development Corp., incorporating distributed logic technology first developed by Bell Laboratories in the late 1960s.

During the computer selection process, a preliminary hard site demonstration program was employed, with a system environment and threat simulation (SETS) program in one computer used to interface with the computer under test, Vick said.

Land lines were used to link a General Research Corp. CDC 6400 in Santa Barbara, Calif., with candidate large computers in Minneapolis, Poughkeepsie, N.Y., and Austin, Tex. The candidates included CDC's 7600, an IBM 360-65, CDC Star—a vector machine—and Texas Instrument's advanced science computer.

The SETS software required as much funding expenditure as the tactical program, and was even more consuming of computer resources, according to Vick.

The interactive and reactive simulation included nuclear modeling extrapolations and reentry vehicle data, with the tactical machining issuing radar search commands to a radar model that replicated an actual phased-array radar system.

The radar model "looks" at the exact point where it is told to look and gets a simulated return pulse by pulse. In order to conduct this simulation over dedicated commercial land lines, an "interrupted real-time capability" was employed, stretching a 30-sec. ballistic missile "war" over an 8-hr. period.

The simulation had to employ unclassified software and simulated returns, so that cumbersome cryptographic equipment was not involved, Vick said.

In addition to the large scale serial type of machine, the center wanted the fourth generation associative processor technology embodied in PEPE, he added. PEPE operates with the CDC 7600 as host computer, picking up certain functions that involve large quantities of the same sort of processing that must be performed simultaneously, such as radar tracking and filter processing. An automated correlation unit picks the correct cell for data to go into. Each element includes Kalman filtering.

This provides true simultaneity, with smoothed data available in algorithms, Vick said. When the host computer asks for a target, the right one comes up.

Because the 7600 must update sequentially, this function would require too much of its resources—about 20-30 percent, Vick said. Thus, this is done in the adjunct PEPE elements and returned to the host.

PROGRAM CONSTRAINTS

Although the current PEPE was designed to incorporate 36 elements, the Advanced Research Center was constrained by DDR&E to limit the current demonstration to "the number of elements needed to prove the technology," Vick said.

"To really prove out signal and power distribution, we needed nine elements, which is the number installed here, but the PEPE backplane is wired to accept 36 elements," Vick said.

The center has built a PEPE-CDC 7600 interface, and the system is ready to run in actual tactical experiments, he added.

The CDC 7600 is also used in the interactive display system that permits operators at 19-in. color cathode ray tube terminals to analyze radar waveform, reentry vehicle and other data.

Typical displays demonstrated for Aviation Week & Space Technology included:

Process design—This shows realtime software breadboards interactive with the simulator to provide a gross overview of elements such as radar utilization, radar scheduling and other parameters.

Software requirements engineering—This is a display of graphic processing flows used in engineering validation of a system.

Waveform analysis—This produces radar ambiguity surface plots that mathematically represent the performance that a waveform would be expected to provide when transmitted from a properly designed radar system. It can, for example, be employed in designing waveforms that provide the test detection or tracking performance in realistic operating environments involving clutter from chaff or booster tank fragments. Conversely, the system can be used to analyze transmitted waveforms from an existing radar—using intelligence data, for example—to permit analysts to determine the properties that another designer may have been attempting to realize and to infer the type of hardware that might have produced the waveform. Thus, this display serves as an effective diagnostic tool for both design and evaluation of known and unknown radars.

Engagement analysis—This may be used to trace ICBM trajectories for evaluation of optical homing interceptors or terminal phase intercepts.

Reentry physics—This program permits graphic depiction of the flow fields around reentry vehicles, including vehicles immersed in tank fragments and multiple vehicles.

MARV engagement analysis—Engagement analysis, but now dealing with a maneuverable reentry vehicle.

Optical data discrimination—This analyzes a scanning array of infrared detectors, using a raster-type motion to map fields, depict hot spots and point source targets.

All the studies employ new algorithms developed by System Development Corp. as development tools permitting pure research not done previously and applied research on data gathered by the intelligence community.

Data are analyzed by others for appropriate agencies.

With advancing technology, the center is now looking toward future implementation of modular missile-borne computers that would put BMD intelligence on board the interceptor itself.

Both optics and phased-array radar sensors might be employed, but Vick believes an appropriate optic sensor is about five years down the road.

He expects to implement a radar research effort this year. In concept, a radar system could place a microprocessor behind each antenna element of a missile-borne phased array, controlling the phase and quadrature of the video. These could be summed up to provide receiver beam steering, building a virtual receive beam, Vick said.

"If you have data processing technology to put behind the phased array enough processing capability, you can build a staring, receive-only radar with illumination from elsewhere," Vick said. This could be either a bistatic system—incorporating one illuminator and two receivers—or multistatic—using a large number of receivers, he added.

The center is also studying solid-state memory devices for this requirement.

"Many functions require simple data processing but large amounts of memory," Vick pointed out.

In a concept called logic-enhanced memory, total environments could be mapped into three-dimensional large scale integration or charge-coupled device memories with minute processing capability behind the memory, according to Vick.

Magnetic bubbles are also a memory candidate for this application, but this technique must be treated cautiously because its susceptibility to a nuclear environment has not been tested properly, Vick said. The center recently initiated an effort in this area.

SPECIALIZED RELIABILITY

Reliability is of paramount importance, although in BMD work it has a specialized implication: Systems must exhibit exceedingly high reliability, but for a very short time, since the entire encounter may span 30 sec.

Principal reliability concerns involve interconnections and development of "fail-safe" fault-tolerant types of logic. In addition, researchers here are also concerned about fault-tolerant software that will provide a fail-back position.

Optical systems are coming to the fore because of advancements in optical technology and the transition to microminiature processors, Vick said.

"I believe we can now package as many MIPS in a small microprocessor as in the CDC 7600," he said.

In the optical area, too, the concept would be to provide interconnects to rather simple data processors directly behind the optical elements. The center has a program with Honeywell to develop data processing and optics capability.

"Over the next few years, we expect to home in on this, and fabricate prototype models, plus software and algorithms," Vick said.

For an optical system, the intention is to take data directly from the arrays and remain in the optical domain, storing the data in a holographic (laser) memory directly behind the arrays.

Simple processing can then filter out all objects in memory that have moved within a given interval, for example, simultaneously operating over the whole picture, Vick said.

Another program, at TRW, is expected to demonstrate laboratory equipment within about a year and one-half.

Film and other realtime storage media are also being examined, including a technique that composes an interference pattern "page" on film for readout by a reference beam.

"Memory is one of the most fruitful areas and will be the next thing to boom in data processing," Vick said.

COMPUTER PROVES ARCHITECTURE CONCEPT

HUNTSVILLE, ALA.—Parallel element processing ensemble (PEPE), a supercomputer system designed specifically to meet the requirements of ballistic missile defense has proved the parallel associative architectural concept during acceptance tests here.

PEPE was designed, developed and produced by System Development Corp. for the Army's Ballistic Missile Defense Advanced Technology Center as a means of exploiting parallel and associative processing techniques to augment the capabilities of conventional computers in BMD service, according to John A. Cornell, PEPE manager here.

The hardware was built under contract by Burroughs Corp., Paoli, Pa., which also did gate-level designs and the electrical and mechanical engineering.

Architectural concept of PEPE was designed specifically to meet the BMD processing requirements of high correlation loads, high scientific computation loads and multi-dimensional file search. At the BMD Advanced Research Center, PEPE interfaces with a Control Data Corp. CDC 7600 host computer for use in advanced research in ballistic missile defense data processing.

PEPE's prime function is keeping the huge, complex ballistic missile defense data base updated in real time, controlling search radar beams and tracking functions, discriminating warhead targets and maintaining precision tracks and target files. Precision, "closed-loop" tracks are maintained by the computer, employing seven-state, fully coupled Kalman filters with an update rate of 5–40 updates per second. If discrimination routines show a target not to be a warhead, it is maintained in a track-while-scan mode and updated when a search beam happens to intercept it.

These target files are maintained and updated to prevent inadvertent track initiation, discrimination and precision tracking from being repeated unnecessarily, Cornell explained.

As an example of the magnitude of the problem, Cornell noted that for 200 targets, each tracked at a radar pulse rate of 20 pps., 12 million instructions per second are required.

As a result, BMD people speak in terms of computer MIPS—millions of instructions per second—with PEPE demonstrating 800 MIPS in ballistic missile defense service. This compares with about 14 MIPS for the host CDC 7600 serial processor and about 25 MIPS for the Texas Instruments advanced science computer in the center here.

With the feasibility of PEPE now proved in the Advanced Research Center, it will be turned over soon to the Systems Technology Projects Office for further evaluation in the ballistic missile defense context.

System Development Corp., which manages PEPE and the Advanced Research Center for the Army Ballistic Missile Defense Program, has proposed the use of PEPE in the Site Defense program should the CDC 7700 basic data processor (two CDC 7600s sharing a common memory) prove unable to handle the data processing workload, Cornell said.

SDC has briefed Brig. Gen. John G. Jones, Ballistic Missile Defense Program director, and McDonnell Douglas Site Defense prime contractor, on PEPE capabilities in this application, and money has been earmarked in Fiscal 1977 funds to proceed further and deeper into designing the Site Defense type of system around PEPE, Cornell said.

System Development Corp. has also developed a single computer language called PFOR, which is a superset of Fortran for PEPE.

PEPE hardware is relatively inexpensive because it is highly replicated and is suited ideally to the advantages of large-scale integration, according to Cornell. Because of its multiple parallel processing elements, it has high reliability. Ninety percent of failures have practically no effect on the execution of the problem, Cornell said.

LITHUANIAN INDEPENDENCE DAY

Mr. ZORINSKY. Mr. President, February 16 is an important date in the lives of many Americans and freedom-loving peoples around the world. This date marks the 726th anniversary of the founding of the State of Lithuania and the 59th anniversary of the establishment of the modern Republic of Lithuania. Although Lithuania, along with Latvia and Estonia, were illegally incorporated into the Soviet Union, it has been the continuing policy of the United States not to recognize this incorporation. The U.S. Senate has continually supported this policy and I trust we will continue to do so. The United States should never forget the action of the Soviets in denying freedom to the Baltic States. I want to congratulate all Americans of Lithuanian descent and Lithuanians around the world on the commemoration of their independence day.

VANPOOLING—SAVING GAS, MONEY, AND HIGHWAY MILES

Mr. HUMPHREY. Mr. President, in these critically energy-short times, I wish to call the attention of the Senate to an emerging form of transportation which may well help save gasoline, markedly reduce congestion on the highway and significantly cut the amount of auto emissions into the air. It is called vanpooling, and I am proud to report that my home State of Minnesota is pioneering this effort.

The 3M Co. of St. Paul, Minn., is credited with being the innovator in this field. It started with six vans in 1972, and today it is operating 86. These vans, which are purchased by the company and are amortized by passenger fares based on distance from home to work, carry more than 900 3M employees to and from work. Each van takes six to seven cars off the highway and, in 1976, 3M says it saved 2 million vehicle miles and 165,000 gallons of gasoline with its program, which it calls "Commute-A-Van." In 1977, 3M says saving will be even greater, and it expects to top the 100-van mark later this year.

Throughout the Twin Cities Metropolitan Area, a growing number of major employers are actively practicing vanpooling. At present, 11 metropolitan area employers are running more than 135 vans. In addition to 3M, they include CENEX, General Mills, Honeywell, National Car Rental, Blue Cross and Blue Shield, Control Data, Minnesota Mutual Life Insurance, Farmers Union Grain Terminal Association, Richfield State Bank, Prudential Insurance, and the State of Minnesota. A half dozen other firms and agencies are now in the process of organizing van pools.

Also, Public Service Options, a nonprofit privately endowed research group, has begun a pilot study and demonstration of the van pooling concept in a multi-employer setting. This demonstration is expected to prove that van pooling is viable for many home work trips throughout the Nation.

Nationally, the van pooling concept is gathering considerable momentum. More than 100 public and private organizations have adopted the concept and more are joining daily.

Some evaluation of van pooling has been made, and these programs appear to be a convenient and attractive service for many persons making longer work trips where the van fares are competitive with the operating cost of the sin-

gle private automobile. Based upon 135 vans operating in the Twin Cities area, there may be a daily reduction of some 820 automobiles and similar parking demand, along with savings of over $280,000 in gasoline costs.

Meanwhile, the Minnesota Department of Transportation indicates that as van pool programs grow, car pooling also increases as a result of ride-sharing promotional activities.

Mr. President, I ask unanimous consent that several articles describing the expanded use of van pooling be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From U.S. News and World Report Magazine, Feb. 9, 1976]

"VANPOOLING"—NEW WAY TO BEAT THE HIGH COST OF COMMUTING

ST. PAUL.—Vans fitted out as small buses are the key to a new trend in commuting.

It's called "vanpooling," a big brother to carpooling but with some significant differences. For example:

Vanpoolers—groups of eight to 12—almost always work for the same company. The company supplies the van and supervises its operation on a nonprofit basis. Pool members get door-to-door service from home to office and return. And, best of all, it's usually the cheapest way available to make the trip.

The Highway Users Federation has estimated these costs, per person, for a typical 10-mile trip to work in major metropolitan areas:

Driver-only autos: $3.71 per trip.

Rail transit: $2.25 to $3.29.

Carpools: $1.86 or less, depending on the number of occupants.

Conventional buses: $1.76.

Eight-member vanpools: 54 cents.

A pioneer in vanpooling is Minnesota Mining & Manufacturing Company in St. Paul, where a pilot program of six vans in early 1973 has grown to 75 vans now with more than 800 regular riders. The company expects to add 25 more vans, accommodating a maximum of 300 more employes, during 1976.

Other major vanpooling programs are in operation at General Mills in Minneapolis, Continental Oil Company in Houston, Aerospace Corporation in El Segundo, Calif., and the Tennessee Valley Authority in Knoxville, Tenn., among other places. But the "3M" project is by far the largest and, perhaps, the most elaborate.

"Vanpooling," says Robert D. Owens, senior traffic-engineering specialist at 3M, "has clearly demonstrated that it is the better way to go—better, even, than the private auto. It's cheap. It's socially acceptable.

"And since we are heavily staffed with technical and scientific people who are environmentally conscious, it hold an ecological attraction."

BEHIND THE WHEEL

Each of 3M's vanpool routes has a pool coordinator, a company employe who volunteers to serve as the driver and to see that the 12-passenger van is kept clean and in good running order. In exchange, the co-ordinator receives free transportation, can use the van for personal trips during off hours for 8 cents a mile and gets to keep the fares collected from those passengers above the minimum of eight that the company requires for each route.

Fares vary from $16 to $34 a month depending on the length of the route. The shortest is about 5 miles one way and the longest more than 50. The fares are designed to keep the vans self-sustaining and are collecting directly by the company, rather than the driver. The vehicles, which are air-conditioned, carpeted and equipped with radios, are to be replaced every four years.

"The vans have been surprisingly popular," says Mr. Owens. "So far, we haven't had to sell the idea at all. We have 600 on our waiting list. Most of the groups form themselves, although we can use our computers if necessary.

"One test of the popularity came when we had to raise fares last April. We went up 10.6 per cent and, as far as I know, we didn't lose a single rider because of the increase."

Officials at 3M say they still are refining their ideas about the best way to run vanpools, but they already have come to some conclusions. One is that the total pickup time for passengers should not exceed the running time from the final pickup point to the office. Another is that the pooling idea is most popular with workers who have regular hours.

When 3M solicited comments from its van riders, most were highly enthusiastic. "I feel I've purchased a second car plus chauffeur, both for only $22 a month," wrote one employe. But another said: "I can't really claim to like it, but it has to be the proper route from a personal and social point of view."

[From Newsday, July 27, 1976]

FIRMS ON LI ASKED TO TRY VAN POOLING

(By Stuart Diamond)

Some Long Island companies are being asked to buy 12-passenger vans and turn them over to employees to drive to work as part of the nation's first government-initiated van pooling program.

The vans would be owned by the company but financed by the employees' fares. The workers would save up to $75 per month in automobile commuting costs; the company would save the cost of additional parking spaces, and the nation could save millions of gallons of gasoline per year, said an official of the Federal Energy Administration, which is sponsoring the program.

Long Island's two largest employers, Grumman Corp. of Bethpage, with 22,000 workers, and Long Island Lighting Co., with 5,400, are considering the program, officials of the firms said. Sixty Nassau and Suffolk firms are to be contacted this year and asked to participate.

"In general, the concept sounds great," Ira Freilicher, LILCO vice president, said. "Whether or not it works for us is another question, which we will have to study very carefully." A Grumman official said his firm, too, would study the program in the next several months.

The federal program is modeled after a project begun independently 3½ years ago by the 3-M Co. of St. Paul, Minn. That manufacturing firm, with 9,500 employees, started with six vans and has 77. The program has reduced the number of employee cars by 775, saving $2.5 million in parking spaces that otherwise would have been necessary, 3-M officials said. Worker absences and lateness have decreased because of the peer pressure to be on time for the van, company officials said. The monthly fare averages $26.25.

Nole Cook, an engineer who has been driving a van for 3½ years, said. "It used to cost $60 a month just for gas [to drive a car to work] and that was in 1973 . . . My van makes 10 miles per gallon and carries 12 people. That's 120 passenger miles per gallon."

Cook, who lives 42 miles from work, said his insurance rates have dropped 8 per cent because he does not drive his car to work. As the driver—elected after interviews by company officials—he rides free. Eight passengers pay, and three other riders recruited by Cook, pay him their monthly fares. He gets use of the van after hours for 8 cents per mile. Cook said all members of his van pool work the same day shift.

The Federal Energy Administration is conducting the program in five areas of the country, using the Gray Advertising Agency of New York as its marketing agent. The only federal money involved is $370,000 for the ad agency, an FEA spokesman said. The employees would buy the vans, and after three or four years of fare, the purchase cost would be recouped.

The program works as follows: the companies, either by hand or by computer, group employees by zip code. Then, questionnaires determine the number of interested employees. The company buys the air-conditioned vans for about $8,500, maintains them and sets the fares.

Bulova of Valley Stream also has been contacted by Gray, but probably will not enlist in the program because its 325 employes are too dispersed, a company official said.

Sydney Berwager, director of the office of passenger systems for the FEA, said his agency hopes van pooling will reduce commuter driving miles by up to 10 per cent within a decade. Studies have shown that more than three-quarters of the commuter automobiles in Nassau and Suffolk carry only one passenger.

[From the Corporate Report, December 1976]

POOLING? VANTASTIC!

(By Angelo Cohn)

Van-pooling, an idea whose time had come for Minnesota Mining & Manufacturing Co. almost four years ago, went national this past August and is now assuming international implications. The foreign connection comes with a visit this month by two executives from Renault, the French automobile manufacturer, to the 3M Center, the company's headquarters in suburban St. Paul.

The visitors from Paris, while apparently impressed by the transportation system's growth, haven't come to sell vehicles. They're here to learn how they might adapt the idea to carry some of their own 65,000 employes to and from work, thus reducing fuel demands and pleasing the environmentalists. Those, of course, were the same incentives that led 3M to introduce the van-pooling concept back in April 1973.

Helen Sever, 3M's supervisor of administrative services, is the person who fills in the financial details and also provides the information that may help Renault, as it's helped an increasing number of companies and institutions get on the road with employe motor vans. Sever says that with approximately three months of the current year still to go, 3M had figured that its pooling system had replaced some three-million vehicle miles of single-car driving in 1976 and achieved a savings of 165,000 gallons of motor fuel. Furthermore, each of the company's 12-passenger vans has produced the transportation equivalent of six-and-a-half automobiles—which is about like taking 500 cars off the highways and parking lots with the 77 vans in the fleet.

The late myths of this year are seeing considerable expansion of the pooling program at 3M. Fifteen more vans, including some with a 15-passenger capacity, are coming into service during the winter period, when the pooled transport service becomes especially attractive for many of the riders.

While recognizing the possible impact of adverse weather, however, Helen Sever believes that the economic incentive is what's made the pool vans go and grow. For an average cost of $26.50 a month, the users get 21 round trips, and trips average about 50 miles. Additional savings accrue to the pool riders, according to company studies, because many have foregone the purchase of a second family car, some have sold off the family's extra car and all stand to benefit from lower insurance rates and reduced repair or maintenance bills.

Similar information comes from other employers around the seven-county Twin Cities metro area. Such companies regularly

exchange data to help improve the systems. During the past summer, the increasing interest in van-pooling brought 3M together with Atlantic Richfield and Conoco to form NAVPO, the National Association of Van Pool Operators. The aforementioned attention from overseas is a further manifestation of a growing interest.

CENEX, the large agribusiness co-op based in South St. Paul, Minn., may be adding to its 20-van operation to meet anticipated winter demand. CENEX has refined the operation by allowing payroll deductions for the transportation, and its van-pool map covers round trips of up to 80 miles, with Scandia to the north and Cannon Falls to the south as "end-of-the-line" points on the longer routes.

A demographic type of survey among pool riders from 3M's headquarters shows 56 per cent of the users from administrative levels and 14 per cent from advisory. Nine per cent are classified as management, and 20 per cent are laboratory employes. Pools also are operated for 3M sales office personnel in Los Angeles and Caldwell, N.J., and Administrative Services has been given authority to put vans in other Minnesota and Wisconsin locations, though none has been programmed specifically as yet.

Most companies indicate that van-pool demand peaks during the winter months, but 3M has had year-round stability and waiting lists of potential riders.

NEW YEAR'S EVE AT 1,350 M.P.H.

New Year's Eve, supersonic-style, will be toasted in a unique tripleheader celebration that should launch 1977 as a very important year in transportation, with speed being the name of the game.

The starter is an announcement from Air France of a history-making party that will begin with New Year's Eve in Paris, end with New Year's Eve in Washington and include a New Year's Eve bash en route aboard the 1,350-mile-per-hour Concorde airliner that beats the clock westbound across the Atlantic and thus spans three midnights.

While all this is intended to appeal to the affluent free-spenders, it also dramatizes what supersonic flight has to offer above and beyond the more familiar options. It also shows how a midwestern executive can arrange a full day's business in London or Paris and miss only that one day from his office at home. High-speed travel also makes it possible for a jet-setter from the Midwest to enjoy a supersonic weekend in Europe—a night and a day in London, a night and a day in Paris—and return home in time for business Monday morning.

According to existing schedules, a person can leave the Twin Cities at 7:40 a.m. on a Friday, catch the Concorde's London flight in Washington and be in England that night. After a Saturday of shopping, sight-seeing or business, a European flight (aboard a subsonic jet) will put the traveler in Paris in time for dinner and nightclubbing. The visitor spends all of Sunday in Paris before the Concorde leaves DeGaulle airport at 8 p.m. The flight arrives back in Washington at 5:55 p.m. the same day! The flight cost is currently $1,654 round trip.

MANY BUSINESSES ARE TAKING A PLUNGE INTO THE VAN POOL

(By Ralph Blumenthal)

SOUTH PLAINFIELD, N.J., August 3.—Van pool, son of car pool, is packing them in here at the Prudential Insurance Company and a growing list of other locations around the country.

Each weekday morning, about 500 Prudential employees are picked up at or near their homes by 56 shiny blue 12-passenger vans owned by the company and driven by volunteers. At the end of the day, the vans carry them home again. The drivers travel free, and the other drivers split expenses to repay the company for its nonprofit venture.

"It's the best thing they ever did," said Mildred Bohlander of the cost services department as she stepped out of the gleaming-new, glass-sheathed Eastern home office at 3:20 P.M. the other day and cut across the parking lot to where the vans were clustered.

"I could just kiss the driver," she confided.

43 CONCERNS USES SYSTEM

A second-generation offshoot of the car pool, which employs private autos, the company-sponsored van pool with its minibuses is fast emerging as one of the most promising of the ride-sharing commutation programs designed to cut fuel consumption, pollution and traffic congestion.

With 43 concerns coast to coast now operating 590 commuter vans, the approach has won many rave reviews. But bus companies have condemned what they call the vans' unfair competition, and executives have acknowledged that group-riding puts restrictions on employee overtime and other scheduling.

At the same time, some other unusual commutation experiments are under way.

EMPLOYEES ARE PAID

In Hartford, the Phoenix Mutual Life Insurance Company has been paying employees $1 a day not to drive to work—they are eligible if they come in by car pool, bus, bicycle, foot or any means other than behind the wheel. It has cost the company about $500,000 so far.

Through Connecticut, the State Transportation Department has been collecting employees rosters from businesses and matching the names by computer for car pool rides.

And in Knoxville, the transportation center of the University of Tennessee has received a $1 million Federal grant to set up a commuter-travel "brokerage" service: It will figure out the best way for you to get to and from work.

In the van pool universe, Prudential is only No. 2—the Minnesota Mining and Manufacturing Company of Minneapolis-St. Paul, which pioneered the concept in April 1973, remains in the vanguard with 92 vehicles transporting 1,000 employes daily.

Prudential, with its 56 vans and more to be ordered soon at about $7,100 each, began its program last year in preparation for the move two months ago from Newark—where mass transportation was plentiful—to an industrial park area here, where access to public transportation is limited.

In what has become standard practice, Prudential, offered free commutation to volunteer drivers. The concern also allowed drivers to use their vans personally during off-hours at a charge of 10 cents a mile.

Among the applicants was Bill MacMillan, a 56-year-old, planning consultant who lives in Bloomfield, N.J. "The van came along just in time," he said. "I had just got rid of my other car and needed something for little trips around home."

"And don't forget, Bill," one of his passengers, Viola King, reminded him, "you get free transportation, too."

"Good heavens!" he said. "It never entered my mind."

The others in the van—six now, including Mrs. Bohlander share commutation charges of 17 cents a mile, designed to pay back Prudential for its outlay of about $400,000 for the 56 vans, plus maintenance and gasoline.

As their round trip totals 62 miles a day, they share a daily bill of $10.54, or $1.75 each. When the van pool replaces three employees who recently dropped out, the charge would fall to $1.17 each. That is almost half of the cost of gasoline alone for a medium-sized car making the same trip.

It is a congenial group that Mr. MacMillan begins picking up just after 6:15 a.m. for the 50-minute drive to the office for the start of the staggered workday. So far, the highlight was the time Mr. MacMillan made a sharp right turn that dumped Mrs. King, sitting next to him in the front seat, into his lap.

EXPERIENCE TERMED EXCELLENT

"We voted on that—it's not allowed any more," Mrs. Bohlander said. Despite a few fender-benders and manipulated mileage reports, Prudential's experience with the van pools has been excellent, according to Bill Vosseler, the coordinator of the program.

His finding is echoed by other businesses and Federal officials.

"It definitely is catching on," said Sydney Berwager, director of the Office of Energy Conservation and Environment of the Federal Energy Administration, which recently surveyed the programs and found that 43 concerns were involved and that they used 575 vans.

"If we could get 5 percent of commuters into van pools we could save 100,000 to 200,000 barrels of petroleum a day," Mr. Berwager said. He put the nation's total daily petroleum consumption at 18 million barrels, with commuters using two million barrel of gasoline.

"We've got more requests for space than we can handle," said Helen Sever, an administrator at the 3M Company, which expects to increase its van fleet from 77 to 90 by the end of the year.

With one-third of its 9,000 Twin Cities employees in some kind of ride-sharing program, the 3M Company has determined it has already saved the high cost of constructing additional parking space.

In Houston, the Continental Oil Company has calculated that each of its 37 vans represents savings of $8,000 a year in gasoline. In fact, a Conoco spokesman said. "It's been too perfect to be credible."

"Unless you can tell people there's something wrong with it," he said, "they think you're lying to them."

Officials at some other van pooling companies—Hoffmann-La Roche, in Nutley, N.J.; Corning Glass in Corning, N.Y., and Southern New England Telephone in Hartford—also praised their programs, but noted such drawbacks as scheduling limitations and inapplicability in wide-open rural areas.

Bus companies have found the competition unfair.

"It would be a great idea if they had to follow the same standards of safety, driver training and franchise expenses we do," said Dr. Leonard Casser, assistant secretary of the Manhattan Transit Company, one of the New Jersey communter bus lines.

Moreover, he said, since most of the bus lines were running in the red and have to be subsidized by the states, the vans, by siphoning off business, are costing additional tax dollars.

EVERYBODY WINS WITH VANPOOLING

(By Ruth Ann Patrick)

Employers across the nation are discovering that van pools can help save hundreds of thousands of gallons of gasoline, increase employee promptness and morale, reduce traffic noise and air pollution and substantially cut down on costly parking space.

Van pools differ from car pools in one important respect. The employer or sponsoring organization provides the vans that are used in the program. Costs are then split among the riders; the driver usually rides free.

"Everybody wins with vanpooling," says Robert Owen of the 3M Company of St. Paul, Minn., who is credited with conceiving the idea of employer-sponsored van pools four years ago.

"Our company has won because of decreased investment in traffic congestion," he said. "The employee wins because he has a

better way to go to and from work. And the general public wins because of the reduced use of energy, less air pollution and less congestion on the highways."

A number of commuter van programs sponsored by employers have already made dramatic progress in reducing commuter traffic and increasing satisfaction among their employees. The Minnesota Mining and Manufacturing (3M) Company in St. Paul was the first firm in the country to adopt a van pool program. This was immediately followed by similar programs by two other Minnesota companies, Cennex and General Mills.

The 3M Company introduced the van pool program to its employees in 1973. The company decided to purchase six twelve-passenger vans and agreed to provide a van for a minimum group of eight persons within a given geographical area. Ridership in each van was gradually increased to 12 persons.

The vans were operated by employee-drivers in a manner similar to a small private business. The company charged each employee a proportionate share of the operating costs for this service based on the mileage to and from the employee's home plus a share of the fixed acquisition cost of the van. As compensation for his services, the driver of each van was not required to pay for the commute.

By the end of 1975 there were over 900 employees in the van pool program, and the company had 75 vans in operation and four more on order. Overall in 1975, the 3M Company's van pool program "saved" 1.8 million vehicle miles not driven to and from work (an average of 2,200 miles per person) and 135,000 gallons of gasoline, or 175 gallons per employee.

Even with a 23 percent increase in employment at 3M's St. Paul facility from 1970 to 1975, the company's total parking space requirement was reduced by 1,500 spaces, a savings of $2.5 million in construction costs. The average number of passengers in 3M's commuter program is now 11.36 per van, the average round trip is 49 miles, and the total operating cost is slightly more than six cents per vehicle mile, with an average monthly cost per rider of $23.72.

The Cenex program began in October 1973 with two 12-passenger vans; today there are 21 vans carrying approximately 160 of the company's 620 St. Paul area employees. Starting with five deluxe 12-passenger vans in January 1974, General Mills doubled its van fleet within three months and now has 15 vans serving nearly ten percent of the company's 1,800 employees. Through the continued expansion of their programs, these companies have shown that commuter vans are highly successful in many ways.

At these companies, both the people who initiated the venture and those who participate in it feel great satisfaction with the program and speak of it enthusiastically. For instance, according to a recent employee survey, 80 percent of the employees at 3M using the vans think this method of transportation is more convenient than any other, and 97 percent said they wanted to continue commuting by van.

Another successful employer van pool program is the joint effort of the Aerospace Corporation and the Air Force's Space and Missile Organization (SAMSO) installation in Los Angeles, Calif. This differs from that of the 3M Company, first because it is a multi-employer van pool program, and also because it has three unusual features: the van style, the method of procuring the vehicles and the fare structure.

Rider comfort was a major consideration in selecting the type of van to be used. Since the vans are used over longer routes (the average round-trip is 65 miles) they have airplane-type reclining seats. The additional ridership induced by this feature more than compensates the companies for the additional cost of the seats and the reduced vehicle capacity of 10 passengers per van.

Another unusual aspect of this program is that the vans are leased rather than purchased, with the full cost paid through passenger fares. Fuel and maintenance service, partly provided by Aerospace facilities, is charged to each van on a per-mile basis, as are nominal costs of commercial liability and van program insurance.

Aerospace-SAMSO Commute-A-Van employs a unique fare system which combines monthly and daily charges. The average monthly cost per rider is $43. Each regular rider is charged one-third of his share of the monthly costs, and the remaining two-thirds is divided by 17 and assessed for each day the rider uses the van. In this way, each van breaks even if riders miss an average of one day a week each, in other words, if they ride 17 out of 21 work days a month.

According to Aerospace-SAMSO, strong management support is essential for the success of a van program. While vanpooling assures the prompt arrival of employees in the morning, it also guarantees their speedy departure at the end of the day. This may not prove compatible with companies which require their employees to work a lot of overtime.

The Aerospace-SAMSO Commute-A-Van Program was initiated in April 1975. Today it has 18 leased vans providing transportation for approximately 200 employees. An Aerospace Corp study showed a reduction in 1975 of two million vehicle miles driven and a savings of 130,000 gallons of gasoline attributed to the van pool program.

In April 1974, the Tennessee Valley Authority in Knoxville initiated a van pool program in cooperation with the TVA Employees Credit Union. The program began with the lease of six 12-passenger vans from Hertz Car Leasing. The TVA credit union handled the leasing and insurance arrangements for the vans since legal restraints forbid the use of government-owned or leased vehicles for transporting government employees between their homes and place of employment. Six 15-passenger vans have since been added to the program, which now provides transportation for over 140 TVA employees.

The door-to-door van pool service costs $23 per month for a 40-mile round trip, or less than four cents per passenger mile, based on 10 paying passengers. Continuous patronage for 11 months entitles a passenger to one free riding month. Van pool users pay monthly, either through payroll deductions or by check. Drivers are responsible for recruiting a group of 10 riders using lists provided by TVA and other sources, but ride free and have the personal use of the van for seven cents per mile.

During the day, between commuter trips, the van can be subleased by charitable organizations for a minimum charge of $63 per month.

Overall, TVA has increased van pool participation by about 40 percent in two years. Knoxville Mayor Kyle C. Testerman, a supporter of the program, stated, "Substantial evidence has been gathered that the car/van/bus pool plan can do more to save energy, reduce congestion and pollution, reduce parking problems, and increase access to the downtown area than any other program which we might be able to implement within the city."

In January 1973, Dr. Stephen Dickerson of the Georgia Institute of Technology, near Atlanta, began a van pool program with the purchase of one van. Now a public corporation known as Modnar, it operates four vans serving about 70 residents of the Atlanta metropolitan area. Modnar presently offers daily commuter transportation from two suburban areas to the Atlanta business district, and one van also serves a suburban shopping district. The Modnar Corporation carries two classes of passengers—regular and casual. Regular passengers have monthly standing reservations and are charged a daily fare; this arrangement is unusual in that each must pay for a minimum of two-thirds of the van trips made. Casual passengers make reservations on a space-available basis and pay about a 50 percent higher daily fare.

Some 75 companies are operating van pool programs using 1,000 commuter vans. Thirty of these companies recently formed the National Association of Van Pool Operators and chose David Lester of Atlantic Richfield Company as president. Here are some other examples of successful programs.

Continental Oil Company's year-old van pool programs now consists of 10 vans transporting 103 commuters in the Houston, Tex. area.

In a year and a half, Montgomery Ward in Chicago has expanded its program from six to 14 vans which carry approximately 150 employees.

In May of this year, Commercial Credit Company became the first employer to provide an employee van pool in Baltimore, Md. It has leased six vans which carry a total of 55–60 employees. This will eliminate 25 to 30 cars from the Baltimore rush hour, and 500 employees at Commercial Credit have indicated an interest in joining the program.

Van pools have proven attractive to many people for a variety of reasons. First, vans can carry up to three times as many people for less than twice the operating cost of a compact car. This results in lower costs per passenger mile.

Second, since there is no need for van pool riders to take turns driving as in the typical car pool, some riders have been able to dispense with their second car.

Third, van pools can operate more economically from areas of lower employee concentration and longer distances than can buses.

Fourth, van pools provide door-to-door service which makes them much more convenient for most people.

Finally, there is no problem with storing the van after work hours since in most cases the van pool driver uses it as a personal vehicle.

For the rider, these advantages result in convenient, lower-cost commuting with door-to-door service. For the driver, the benefits are even more rewarding. In addition to getting free transportation to and from work, the driver and his family may have personal use of the van during non-working hours, usually within a specified radius and at a reasonable cost per mile.

As a result of new legislation, employers may now find vanpooling more practicable. New federal highway legislation provides that certain van pool expenses, particularly the cost of obtaining vans for ride-sharing projects, may now be paid by the states from federal-aid highway funds made available by the Federal Highway Administration. These funds may not be used to acquire automobiles or buses for ride-sharing projects.

The Federal Aid Highway Act of 1976 provides that these funds may be used by the states for 90 percent of the costs to acquire 8 to 15-passenger vans; to pay personnel and other direct expenses of establishing van pool programs; and to recover any actual financial losses incurred if the van pool project fails. Certain other lesser costs may also be covered, depending on the requirements and eligibility of the van pool project.

The legislation stipulates that if a van pool project is supported by the state from federal funds, then commuters using the vans must be charged a proportionate user fee or rider fare to cover the reasonable costs of vehicle operation, maintenance and depreciation. This interest-free loan of federal-aid

funds used to acquire the vans must be repaid from riders' fares within four years.

This legislation opens the door to employers interested in realizing the many benefits already well demonstrated by car pool programs. What makes vanpooling especially attractive is the unique funding arrangement available whereby there is minimal financial risk to the employer in establishing a van pool program. Through the federal-aid funds allocated to each state, the employer can avoid heavy "front-end" costs but still take advantage of the many positive aspects of a van pool program such as self-sustaining operation, flexibility in terms of both employer's and employees' needs and the guarantee against losses should the project fail.

Federal-aid highway funds can also be used for implementing other aspects of car van pool and bus programs and improving the utilization of existing highways for pool vehicles.

Capital and operating assistance funds of the Urban Mass Transportation Administration (UMTA) can also be used to assist cooperative ridesharing projects such as commuter van pools, subscription buses, and other cooperative services for the transportation of small groups.

Contrary to some opinion, van pools do not compete with mass transit; rather, they aim at reducing the number of single-occupant cars in cities, especially during peak traffic hours. This is particularly true in the outlying areas surrounding the very large cities where the average occupancy of commuter automobiles is less than two passengers per vehicle and where there is inadequate or nonexistent mass transit service. As a spokesman for a north Baltimore County, Md. auto leasing firm put it, "Such a low auto occupancy rate is expensive, adverse to our national energy conservation program, harmful to the air, adds to traffic congestion and parking problems, and unnecessarily adds to the physical and emotional fatigue of everyone, especially commuters."

Employer organizations or individuals interested in solving their transportation problems through carpooling or vanpooling may receive detailed information and technical assistance for implementing a ride-sharing program by contacting their state transportation or highway agencies or the division office of the Federal Highway Administration located in each state. Or write to: Carpools, U.S. Department of Transportation (HHP-26), Washington, D.C. 20590.

AIR FORCE SURVEY ON MILITARY UNIONS

Mr. THURMOND. Mr. President, I read with concern an article by George C. Wilson which appeared on the front page of the February 8, 1977, edition of the Washington Post entitled, "Thirty-Five Percent of Air Force Enlisted People Favor a Union, Survey Finds."

The article points out that 35 percent of the enlisted men and 16 percent of the officers of the Air Force indicate they would join a union.

I have indicated on a number of occasions in the past that swift action is needed on this issue. This article reinforces my belief that immediate action is essential.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THIRTY-FIVE PERCENT OF AIR FORCE ENLISTED PEOPLE FAVOR A UNION, SURVEY FINDS

(By George C. Wilson)

Thirty-five per cent of Air Force enlisted people and 16 per cent of the officers polled in the first such survey said they would join a military union if they had the chance.

Equally significant in view of those who conducted the Air Force poll is the large number of active duty people who are undecided, enough to constitute a possible majority for unionization, according to the survey obtained yesterday.

These and other findings are expected to impel both sides of the military union question to step up their efforts in coming months, with Congress trying to outlaw any organizing campaign.

The American Federation of Government Employees, AFL-CIO, voted at its convention in September to change its constitution to admit active military personnel into the union.

But AFGE president Kenneth Blaylock has said his union will not rush out to form locals within the military but will first develop a detailed organizational plan to submit to union members.

"If a majority votes for it," he said of the organizational plan, "we'll move. If they vote against it, we won't. It's that simple."

The Air Force survey of how officers and enlisted people felt about unions was conducted by Lt. Col. T. Roger Manley, Maj. Charles W. McNichols and G. C. Saul Young while they were at the Air Force Institute of Technology at Wright-Patterson Air Force Base in Dayton, Ohio.

The Air Force released their report on the poll results yesterday after The Washington Post put in a formal request for it.

The report said questionnaires went out last year to 800 officers and 800 enlisted people to obtain an Air Force-wide sample. The responses of 519 officers and 417 enlisted persons were adjudged complete enough to form the basis for weighing and assessment.

"The data presented in this report are believed to be reasonably representative of the Air Force population," the authors said. Their report makes these points:

"Enlisted personnel were significantly more pro-union than were officer personnel, 35 per cent vs. 16 per cent."

"An interesting phenomenon" was that 69 per cent of the officers who responded and 63 per cent of the enlisted people said any military union should not be restricted to enlisted people.

"Respondents expressed dissatisfaction with a perceived erosion of benefits, with pay raises which are considered to fall short of losses to inflation and with a perceived lack of representation of their interests with the Congress." They said military unions might reverse those adverse trends.

Sixty-five per cent agreed that military unions should stay out of "operational matters"—such as whether or not a hill should be assaulted in combat—and 75 per cent said that strikers would not be a legitimate weapon for collective bargaining.

"A surprising percentage" of noncommissioned officers, the sergeants who run the military day to day, said they either were undecided or would join a union.

"While the respondents resist the idea of military unionization, there does seem to be a belief that they could materially benefit from such an organization," the report said.

David Cortright, a staffer at the non-profit Center for National Security Studies, said yesterday that the poll is the first real indication of attitudes toward unionism within the military. Cortright himself advocates military unions, contending they would help prevent going into undeclared wars like Vietnam but would not be inhibiting during a declared war.

The Air Force as a service regards the study as the work of researchers rather than a department-wide project.

These were among the statements posed and the responses given in the survey of Air Force personnel:

I would join a union.

On percent:

	Officers	*Enlisted*	*All*
Disagree	64	32	40
Undecided	20	3	30
Agree	16	35	30

There is a need for a military union.

Disagree	65	40	46
Undecided	15	26	24
Agree	20	34	30

Military unionization is inevitable.

Disagree	70	40	48
Undecided	13	29	24
Agree	17	31	28

A military union could prevent the erosion of fringe benefits.

Disagree	32	21	23
Undecided	12	17	16
Agree	56	62	61

There is a need for a lobbying effort with the Congress in behalf of military personnel.

Disagree	26	16	19
Undecided	7	17	15
Agree	67	67	67

A military union could solve problems which an individual on his own would be unable to solve.

Disagree	33	25	27
Undecided	12	18	17
Agree	55	56	56

If military unions were established and recognized, the effectiveness of the Air Force would be:

Increased	16	34	29
No effect	14	25	22
Decreased	70	41	49

A military union would have a negative effect on discpline in the Air Force.

Disagree	19	36	32
Undecided	9	14	13
Agree	72	50	55

RULES OF THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the Committee on the Judiciary, at a meeting held February 11, 1977, adopted the procedural rules for the committee.

I ask unanimous consent that the rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

COMMITTEE RESOLUTIONS

Resolved, by the Committee on the Judiciary, That, pursuant to subsec. (3) of rule XXV, as amended, of the Standing Rules of the Senate (S. Res. 180, 81st Cong., 2d sess., agreed to Feb. 1, 1950) a quorum of the committee, or any subcommittee thereof, for the purpose of taking sworn testimony shall consist of one Senator of said committee.

Resolved, by the Committee on the Judiciary, That the committee shall not take any action with respect to any report pertaining to an inquiry or investigation conducted by any subcommittee, unless, at least one day

before such action is taken, a copy of such report is furnished to each member of the committee. If, within 24 hours after a copy of any such report has been furnished to any member as herein provided, the member shall request that action be deferred thereon, no action shall be taken by the committee on the report prior to the 14th day after the day on which the report was furnished to the member or members requesting the deferral, unless an earlier date is specified by such member or members.

SEC. 2. For the purpose of this resolution, a copy of any report may be furnished to a member by (1) delivery to the member, or (2) delivery to the office of the member during office hours.

Resolved, by the Committee on the Judiciary, That the Internal Security Subcommittee shall, during the 95th Congress, continue its practice of conducting a hearing in executive session with each witness it subpenas, prior to any hearing of such witness in open session.

REGULATORY REFORM: MEETING THE NEEDS OF SMALL BUSINESS

Mr. HUMPHREY. Mr. President, I am in general agreement with those who contend that regulation of some sectors of the economy is well past the point of diminishing returns. This is particularly true of struggling small businesses which frequently find themselves sinking into failure under the burden of unnecessary regulatory reports and complex but often ineffective procedures required by a bureaucracy that is nourished on a steadily increasing appetite for paper. Some discouraging effects of the Occupational Safety and Health Act and the Employees Retirement Income Security Act programs are two classic examples of burying small business under an avalanche of report forms and complex if not incomprehensible regulations.

I do not mean to condemn the purposes of OSHA and ERISA legislation. On the contrary, the aim of these laws—to guard the health and safety of workers and provide them with income retirement rights—is directed toward real needs. But in implementing the legislation, the bureaucracy has too often been triggered by the form of regulation and has lost sight of the basic goals of these laws. As a result we have a self-perpetuating and multiplying paperwork and regulatory frenzy, not unlike the blizzards that buffaloed Buffalo.

An overriding irony in this situation is that Federal regulators, under the banner of serving the public interest, are regulating small business into extinction. This is true not only because small business is being suffocated under mounting yearly tonnage quotas of report and compliance forms, but because this places many small businesses in a critical uncompetitive position with big business. While big corporations can recruit battalions of experts to shuffle the regulatory paperwork, many small businesses cannot afford to hire a single attorney or engineer to help them comply with maddeningly insignificant requirements. The result is that small businesses, which are having a tough time competing with giant corporations as it is, also find themselves having to divert extremely limited resources to the task of punching their way out of the bureaucracy's paperwork bag. Big business ends up being handed a competitive advantage it does not in any way need and certainly should not have.

Mr. President, it is not an overstatement to say that in a real sense what is at issue is the health of the free enterprise system. Free enterprise and small business are synonymous. Small business comprises 96 percent or more of all the commercial and industrial entities in the Nation. It employs around half of the entire work force in the country. We can never hope to achieve a full employment economy unless we have conditions which promote vitality in the small business sector.

The need to regulate both small and large businesses is always going to be present but not to the point of providing a competitive advantage for big business over small business. Congress should take the action which will force a review of regulatory requirements throughout the Nation's business to the end that needless, destructive paperwork and procedures are eliminated and what is left is an effective regulatory structure that serves the public interest without burying free enterprise small business under multicolored triplicate forms.

The effect of overregulation of small business and an evaluation of the demands for regulatory reform and deregulation from the viewpoints of small business and big corporations are presented in a thoughtful article written for the Wall Street Journal by R. T. McNamar, Executive Director of the Federal Trade Commission.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REGULATION VERSUS COMPETITION

(By R. T. McNamar)

It has been well-documented that many types of government regulations fuel inflation, promote inefficiency, discourage innovation and generally reduce competition.

As a result there is vast dissatisfaction with the methods government has been using to approach both the problems of the marketplace and to achieve social objectives. Abolitionists are calling for "deregulation"; others are seeking "regulatory reform." At the highest level, President Ford has led the fight for a broad-scale review by calling for a National Commission on Regulatory Reform, and introducing in Congress a follow-up bill, the Agenda for Government Reform Act.

Yet, does all the dissatisfaction, the criticism and calls for legislative action mean that regulatory reform is an idea whose time has come? Unfortunately, I fear not.

First, regulatory reform means different things to different people. The very people who are loudest in extolling the virtues of the free enterprise system often are the ones who oppose reforms which would infuse more competition in the area in which they do business.

My own experience indicates the typical reaction heard from business is all too often, "Cut down on government paperwork and regulation, but my industry has special problems where more competition won't work." Unfortunately, the cumulative effect of preserving those regulations that are needed to take care of each individual industry or special interest group's problems is a maze of stupefying regulatory constraints that effectively prevent free market economics from providing the benefits of competition to the American people.

For example, the speciality steel, television manufacturers, shoe and industrial fastener industries have recently been attempting to obtain more government regulation—specifically higher protective tariffs. In this instance, it's protection against foreign competition. More commonly, industries and individual firms are seeking regulation to avoid domestic competition. In Washington one repeatedly hears the call for "orderly markets" to promote competition. Just what is an orderly market? It seems to be defined as one that has no corporate losers—only winners. Yet intrinsic in the definition of a market is consumer choice, which must result in an unchosen product or service. Given the demand level, shouldn't competition be close to a zero sum game?

DISAGREEMENT ON TERMS

Second, in the abstract, all observers would agree with the need to do away with the truly wasteful and purposeless regulation, while maintaining what is necessary to achieve a safe, honest and competitive marketplace. But few can agree on precisely what that means.

Hence we have a situation where many people are discussing regulatory reform from different perspectives and for different reasons. Some dislike the economic regulations which create anticompetitive inefficiencies such as artificially high prices and barriers to entry into a market. Others oppose the new issue-oriented regulations aimed at health and safety objectives—the so-called "social regulation." In this sphere, the administrative and economic costs of retooling production to meet government safety and health standards are often cited as reasons to "deregulate."

As a result, the confusion surrounding the imprecise—and not terribly useful—terms "deregulation" or "regulatory reform" provides an umbrella under which a great many companies seek both to eliminate their government-imposed operating cost increases and to shield themselves from the cold rain of increased competition.

Against this background, I believe that almost all companies have some vested interest in almost any existing or proposed government regulation. Admittedly simplistic, there seem to be three broad possible effects of government actions:

(1) Regulation can create a government-induced market for products by either requiring (or prohibiting) that business be done in a certain manner. In either event, established markets are disrupted. Those construction and engineering firms that have prospered because of the Environmental Protection Agency's enforcement of stricter water and air pollution standards have a major stake in existing regulation. Economically, the government has created new and larger markets for electrostatic scrubbers, precipitators, engineering services, etc. What would happen to the private firms that supply that market if the government were to cut back on its environmental enforcement efforts? Would these firms favor deregulation in this area?

(2) Regulation can affect the relative cost advantage of a firm's products vis-a-vis its competitors. Consider the well-publicized advantage of the Hess Oil Co. under the Federal Energy Administration's oil pricing regulations. The oil allocation and entitlements program vividly demonstrated that the cost structures of individual firms in the industry can be dramatically altered through government regulation. In the Hess example, geo-

graphic location of a refinery provided a government-created competitive advantage and profit windfall to the firm.

Historically, the operation of government regulation in the energy area has not only stimulated increased demand for energy through cheap energy policies but has determined that natural gas would be relatively less costly than other forms of fossil and non-fossil fuel. As a result, whether wisely or not, utilities, appliance manufacturers and construction firms have all had an interest in the government's policies in this area. And most of these firms are not at all interested in tampering with existing regulations in this area.

Indeed, preservation of the status quo seems to be the objective of many corporate executives. For example, in recent congressional hearings on reform proposals for the airline industry, TWA Chairman Charles C. Tillinghast Jr. said: "I should like to be able to say that TWA is not afraid of deregulation of market entry. . . . I cannot. We have been disadvantaged and damaged over too many years by route awards to our competitors and fare determinations tilted against our unique route structure."

He argued that a number of TWA's competitors are strong because they have "significant monopoly positions." One wonders whether Mr. Tillinghast would include Pan Am in this favored group. For years, the Civil Aeronautics Board, through its regulatory process, has denied Pan Am the right to domestic routes to complement its overseas operations—an advantage it appears TWA has had.

(3) Regulation can alter the price structure of an industry. For example, pollution regulations on sulphur were a bonanza for low-sulphur coal suppliers from the Western states versus higher polluting Eastern coal. Obviously, it is in their interest to favor stricter pollution control and government-forced conversion of utility plants from oil or natural gas to coal. Who can blame them?

In addition, the imposition of government regulations, particularly congressionally-mandated ones, has a distinctly anti-small business bias. Unintentionally, they provide large corporations with a competitive advantage over smaller firms, because the costs of complying with most government regulations are largely fixed costs in the short and intermediate term—capital investments, attorney's fees and administrative overhead. Since larger companies have more units of production to cover their fixed costs, their per unit costs of compliance tend to be lower than those of a smaller producer of the same product. Thus they derive a competitive advantage from the cost of complying with government economic and social regulations. Small wonder that one hears few cries for broad regulatory reform from big business itself.

Clearly, disagreement on the objectives of regulatory reform, coupled with the government's traditionally fragmented, nonsystematic legalistic approach enables almost any corporation rationally to maintain a schizophrenic position. To wit, support for reform or repeal of some regulations, namely the "burdensome" ones, while seeking the retention of those laws or regulations that protect them from competition in markets where they believe they may be weak vis-a-vis competitors.

In short, no company favors deregulation or regulatory reform in the abstract. Rather, the company's executives' position depends on the precise individual government action as it affects them and their perception of their relative competitive advantage (or disadvantage) from it. This plain fact is too often ignored in the theoretical rhetoric about the economic principles underlying "deregulation."

TOO MANY EASY CHOICES

Underlying these examples is my concern that the government and business community may have lost the will to change the existing system. The current regulations provide too many fees or paychecks to the lawyers who designed them and represent either the government or private firms. They give the Congress too many easy choices. A Congressman can use the existing regulations to climb the committee ladders to greater power and authority. This allows him to point to his economic activities as a panacea for the public, while at the same time using them to protect those constituent interests that are most important to him.

Lastly, but I fear most importantly, too many firms now have an opportunity to boost profits and preserve executive compensation levels with a political-regulatory solution. Indeed, a major reason that top airline executives may oppose more entry into the field, the abandonment or sale of unprofitable routes and an economic rationalization of the industry is very simple. The end result would be that some of the current firms would be smaller. In turn, the company's executive salaries and bonuses, not to mention perquisites, would be reduced to reflect the size and performance of the firm. In the face of a reduced compensation package, who can blame an executive for putting his interest ahead of free market ideals and the consumer? Indeed, he's acting as Adam Smith might have predicted he would.

So regardless of whether lower profits are caused by a declining industry, poor management or possibly increased competitive pressures, today the accepted course of action is to alleviate a corporate profit squeeze with government action. And, so long as legislative or regulatory redress is a viable option to lower profits, top management will use it.

After all, what legislator or regulator can be unmindful of cries to "preserve the independents," "protect small business," and "preserve present levels of service"? All of these are claimed by business executives under the guise of "fostering competition." By contrast, only a free market is willing to make blind, arbitrary, rational resources allocation decisions that are insensitive to executive compensation.

The recent Olympic trials provide a lesson in competition that American industry should study. The United States chooses its swimming, boxing and track teams using rigorous and demanding competition. Some of the "best"—based on past performances—fail to make it. It's the American way. We are one of the few nations to use this most competitive, most free, most fair method. Yet, like the Olympics themselves, it produces winners and losers.

Unfortunately, it appears that our economic competitors, today's corporate executives, may have lost their willingness to subject their firms and their own personal corporate bonuses to the same stringent risks of competition that we still demand of our athletes. If this is so, as a nation we have lost one of our vital forces that has made us great and given us our high standard of living. To date, the statements from top corporate executives about government regulatory reform seems an ominous harbinger. I hope I'm wrong.

OPPOSITION EXPRESSED TO A DUAL SYSTEM OF FEDERAL AND STATE REGULATION OF THE INSURANCE INDUSTRY

Mr. THURMOND. Mr. President, on February 1, 1977, the South Carolina General Assembly passed a concurrent resolution memorializing Congress not to enact pending legislation which would establish a dual system of Federal and State regulation of the insurance industry.

On behalf of the junior Senator from South Carolina (Mr. HOLLINGS) and myself, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A CONCURRENT RESOLUTION

Memorializing Congress Not to Enact Pending Legislation Which Would Establish a Dual System of Federal and State Regulation of the Insurance Industry

Whereas, pending legislation in Congress offered by the Honorable Edward W. Brooke, Senator from Massachusetts, would establish a dual system of federal and state regulation of the insurance industry with insurers and rating organizations having the option of being regulated by either state or federal regulatory authorities, but not both; and

Whereas, insurers and rating organizations opting for federal regulation would in all probability no longer be required to pay state premium taxes and other fees, which would result in a significant loss of revenue for South Carolina and other state organizations; and

Whereas, in South Carolina alone, the regulation of the insurance industry at the state level is providing more than twenty-five thousand dollars annually in premium taxes and other fees, all of which is paid into the State Treasury for the benefit of all South Carolinians; and

Whereas, such dual optional regulation would be confusing to the consumer in that he would no longer know whether to look to the state or federal government for assistance regarding insurance problems; and

Whereas, under present regulatory procedures, the National Association of Insurance Commissioners, of which the South Carolina Insurance Department is an active participant, has as its object the promotion of uniformity in legislation and rulings affecting the insurance industry and the interests of insurance policyholders of the various states, territories and insular possessions of the United States, while at the same time the states, where necessary or desirable, are afforded the opportunity through their state legislators and regulatory authorities to demonstrate sufficient flexibility to tailor laws and regulations to meet the specific needs of their state's citizenry; and

Whereas, the General Assembly believes that continued regulation of the insurance industry at the state level is in the best interest of the insuring public of South Carolina. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That Congress be memorialized not to enact pending legislation offered by the Honorable Edward W. Brooke, Senator from Massachusetts, which would establish a dual system of federal and state regulation of the insurance industry with insurers and rating organizations having the option of being regulated by either state or federal regulatory authorities, but not both.

Be it further resolved that copies of this resolution be forwarded to the President of the United States, to each United States Senator from South Carolina, each member of the House of Representatives of Congress from South Carolina, the Senate of the United States and the House of Representatives of the United States.

ROOTS

Mr. CULVER. Mr. President, the recently concluded television production, "Roots," has had an unprecedented impact on the entire Nation. The fact that we may have been descendants of former slaves or slave owners should not obscure the fact that progress has been and is being made toward making this

a land of opportunity for all—irrespective of race, color, sex, or creed.

Mr. President, the people of Iowa take pride in the fact that the photodirector of "Roots," who was responsible for filming a major portion of those very moving episodes, is Mr. Joseph Wilcots, a native of Des Moines, who is a graduate of Tech High in that city. Mr. Wilcots is believed to be the first black anywhere in professional films to hold the title of director of photography, a position he has had since 1974. The people of Iowa are proud of Mr. Wilcots' achievements; and congratulations are in order for him, his family, and his former teachers. I ask unanimous consent that an article about this extraordinary Iowan in the Des Moines Sunday Register of January 23, 1977, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PHOTODIRECTOR OF "ROOTS" TRAINED AT TECH HIGH

(By Frances Craig)

A 38-year-old man who credits his teachers at Des Moines Tech High with some of his success is director of photography for six of eight episodes of "Roots," a drama of black history starting on ABC at 8 tonight and running each night through next Sunday.

He is Joseph Wilcots, one of 12 living children of Minnie and Henry Wilcots, a retiree from 48 years at the Des Moines Register and Tribune Company as a maintenance worker.

Joseph Wilcots, now of Los Angeles is the first black anywhere in professional films to hold the title, Director of Photography, a status attained in 1974 and, he believes, still exclusive to him, he said in a telephone interview.

HIRED IN 1974

First approached about "Roots" in 1974, a year before shooting started, he was hired as director of photography by Stan Margulies, producer.

However, to his disappointment, the film was postponed ("So often, this means it never will be produced") and Wilcots became involved in other projects including a documentary series occupying him when "Roots" began shooting.

So necessarily, the first two episodes (Sunday and Monday) were directed by Steve Lorner, a "very talented white." The other six belong to Wilcots.

The reason for the postponement, as he later learned, was "the book really hadn't been written yet."

Everybody was too eager, he recounts—small wonder because it's a "beautiful story" with which Wilcots says he identifies.

His other films deal with black themes, including the TV series, "South by Northwest," a story of black migration to the North, in its concluding episodes at 3:30 p.m. this Sunday and next on IEBN.

Wilcots wrote and directed it.

TECH TEACHERS

Tech teachers lauded by him are Marie Brewer, retired, as "my splended art teacher" and William Kacena, who still teaches filmmaking at Tech.

The superiority of Kacena's instruction is something Wilcots says he recognized only later when he joined the Navy and was sent to the Naval School of Photograph in Florida where he was far ahead of others who (unlike himself) had college instruction.

The unfolding story of Joe Wilcots' own life and success would in itself make an inspiring documentary: Even by the time he reached his teens and Tech High, the boy already had built his own darkroom and established himself as a freelance photographer.

He began as a 7-year-old with a Brownie box camera, he relates. With earnings from a paper route and photo commissions mainly at Drake University (some of sorority and fraternity members who probably had no idea their photographer was a 10-year-old at the outset), he purchased a press, then a movie camera.

A tenth child of an education-minded family—eight of 12 are college graduates, although Joe still isn't one of them—he made up his mind early to be in charge of film-making ("Whatever that meant—I wasn't sure at the time").

As a regular patron of the old Strand Theater, he was impressed particularly by westerns of Oscar Micheaux, a black who produced films for and about his own people.

FOCUSED ON FACES

Even with his box camera, he relates, "I concentrated on faces and expressions because I knew they were an important part of films."

However, what really got him on the right track, he says, was reading Producer-Director Mervyn LeRoy's book, "It Takes More Than Talent" which explained the film "establishment" and gave some valuable tips such as "tell absolutely everybody you meet what your plans and ambitions are."

With the book, he also set himself a timetable of achievement which he says has run about five years behind time (director of photograph was set for 1969).

After high school graduation in 1958, Wilcots worked for a year with newsmen at WHO–TV and, as a cameraman for the Iowa State Department of Health. Then he went to Hollywood in 1959 to start his timetable.

DRAFTED

A draft notice interfered and he joined the Navy, to become a photonavigator. Here, practicing the "tell everybody" advice, Wilcots made an important friendship and a pact:

"Richard Edlund (a white naval-buddy) had been a press photographer for the Los Angeles Times, and I kind of turned his interests around to motion pictures. We made a deal that whoever made it first would help the other.

Released first from the Navy, Edlund got a start and telephoned his friend (released in 1963) who recalls. "He was working on a crew doing a commercial for Post cereals. They were having trouble photographing the box because 'Post' didn't stand out strongly on the film . . . I quickly repainted the box, and the director of the project simply said, 'See you tomorrow.' I was hired!"

From there, Wilcots quickly progressed by 1964 to assistant cameraman on such shows as "Lassie," "Gunsmoke," and "My Three Sons," obtaining a union card.

He moved up to camera operator in 1968 in films including "The Learning Tree," "Lady Sings the Blues" and many others.

In 1974, he became the film industry's first black director of photography while doing a behind-the-scenes film on the motion picture, "Leadbelly."

Wilcots and Bill Cosby are good friends; the Des Moines man has written for and filmed Cosby productions.

He is one of three partners in Mason Films, a small company specializing in educational films pertaining to blacks.

FAMILY TIES

He describes "Roots" as an "unbelievable experience" and notes, "Often a crew becomes like a family, but this experience was closer than any I've ever experienced."

Real family ties for him are closest of all, Wilcots says. Married, he has a 14-year-old son—"intensely interested in marine biology, only slightly in photography."

He frequently sees his parents, brothers and sister. Next July, a family reunion is planned in Oklahoma City, Okla. Attending besides Minnie and Joe Wilcots, will be these children and families:

From Des Moines, Loretta Hall, tester for the Educational High School Foundation; Cartrell Wilcots, dietary supervisor at Iowa Methodist Medical Center; Virgie Monroe, supervisor of alterations at JC Penney Co., Angela Mandley, promotion department, Register and Tribune, and Rebecca Harrison, homemaker.

From Seattle, Sherman Wilcots, dean of Seattle Area Community College; Emogene Henry, state employee; Lois Wright, claims adjuster for Safeco Insurance Co.

Coming from Los Angeles, besides Joe, will be Michael (sic), art director of the Cultural Afro Art Center there and Wayne Wilcots, distributor for Sunset Magazine.

From Philadelphia, Henry Wilcots, an architect.

A brother, John, is deceased.

Also attending will be many other Wilcotses—every relative the family could find through extensive searching.

There, the Wilcotses believe they may find their own "Roots."

YOUTH UNEMPLOYMENT: AN INTERNATIONAL PERSPECTIVE

Mr. HUMPHREY. Mr. President, the Bureau of Labor Statistics has just made available to me two papers which show that youth unemployment has become a major problem for all of the world's industrialized countries.

The first paper, titled "Youth Unemployment: An International Perspective," shows that youth unemployment increased substantially in most industrialized countries between the fourth quarter of 1973 and the fourth quarter of 1975, with Sweden the only exception.

The second paper, titled "Unemployment Rates by Age and Sex," shows that youths have much higher unemployment rates than adults in most industrialized countries and that the ratio of youth unemployment to adult unemployment ranges from a low of 2.4 in Japan to a high of 10.3 in Italy. That means that in Italy the unemployment rate among youths is more than 10 times the unemployment rate for adults.

On January 11, I introduced the Comprehensive Youth Employment Act of 1977. The purpose of this legislation is to provide our Nation's young people with the jobs and job counseling they need to take a productive and useful role in our society. This problem has become worldwide now, which increases our responsibility to take the initiative in demonstrating how young people can be fully integrated into an advanced, technologically sophisticated, industrial economy.

Mr. President, I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

YOUTH UNEMPLOYMENT: AN INTERNATIONAL PERSPECTIVE

This paper briefly examines the effects of the 1974–75 recession on the labor market experience of youth in eight industrial countries. The analysis focuses upon unemployment and unemployment rates, which capture inadequately the full range of labor market difficulties experienced by young

people. A thorough analysis would include comparative data, presently lacking in most countries, on duration of unemployment, participation rates, discouraged workers, involuntary part-time, and other aspects of underutilization. Furthermore, unemployment rates do not measure the return home of foreign workers from such countries as France and Germany; a large proportion of migrants are in the younger age groups.

The accompanying table provides figures on the percentage change in unemployment and unemployment rates for all persons, youths, and adults. Youths are divided between teenagers, who characteristically have the highest unemployment rates in all countries studied, and those in their early twenties, who also have relatively high rates. The figures, although not adjusted to U.S. concepts, are reasonably comparable from country to country except for the British data which are based on registrations at employment offices. The British unemployment rates, particularly those for teenagers, are understated in comparison with the other countries where data are from labor force surveys.

IMPACT OF THE RECESSION ON YOUTH

The 1974–75 recession had a substantial impact on young people in all countries except Sweden, which experienced a decline in unemployment. However, in some countries, including the United States, the impact was relatively greater on adults (ages 25 and over than on youth). In the United States, teenagers continued to have much higher unemployment rates than adults, but the percentage increase in teenage unemployment from the end of 1973 to the end of 1975 was one-third that for adults. The percentage rise in unemployment among persons in their early twenties, however, approached the rise in adult unemployment. Australia and Japan had a pattern similar to that in the United States.

In contrast, young persons had a higher percentage increase in unemployment than adults in France, Germany, and Great Britain, and, to a much lesser extent, in Canada. The impact on youth was most severe in Germany, where unemployment of persons under 25 increased more than fivefold. In Great Britain, unemployment among young persons almost tripled, and in France it more than doubled. Unlike in the United States, teenagers in both France and Great Britain were harder hit than persons in their early twenties.

In Germany, the protection of older workers from dismissal has had an adverse impact on opportunities for those at the other end of the age spectrum. Collective bargaining agreements now contain special provisions for the protection of older workers which go far beyond the legal minimum requirements. As a result, in September 1975 workers age 55 or more made up only 10 percent of the registered unemployed; in the 1967–68 recession, they comprised 42 percent.

The situation in Japan contrasts sharply with that in Germany. Unemployment for Japanese youth rose at less than half the rate for adults. Part-time workers and older workers bore the brunt of the slump. Demand for new high school and college graduates remained fairly strong in 1975, although the youth unemployment rate rose to 3 percent (still the lowest rate among the countries studied). However, the situation appeared to be changing in late 1975 when one-third of Japan's major business enterprises decided to call off their annual recruitment of Spring 1976 college graduates. Many companies indicated that their long-term plans are to hire fewer new graduates because of considerable overstaffing.

Youth unemployment at the end of 1975 was over 10 percent in the United States, Canada, Australia, and France. The United States and France had, by far, the highest rates of teenage unemployment. Japan and Sweden had the lowest jobless rates for persons under 25. Sweden has experienced declining unemployment during the two-year period considered here, but the fall in adult unemployment has been much greater than the decline for teenagers. Spurred by signs of slackening labor market conditions, the Swedish government introduced new measures in late 1975 to encourage the hiring of young people.

MEASURES TAKEN TO COMBAT YOUTH UNEMPLOYMENT

During the recent recession, several foreign countries instituted special measures aimed at alleviating youth unemployment. Some of these programs are: (1) subsidies to employers to hire young people they would not otherwise employ (France, Great Britain, Sweden); (2) subsidies to employers who might not continue apprenticeships because of difficult economic conditions (Great Britain, Netherlands); (3) mobility allowances for students taking up summer jobs in other areas (Canada); (4) job creation for youth by the public authorities (Canada); (5) extension of compulsory education of encouragement to youth to extend their education voluntarily (Canada, France, Germany); and (6) financial support to unemployed youth, including those who have never worked (Belgium, Great Britain, Sweden).

YOUTH AND ADULT UNEMPLOYMENT IN 8 INDUSTRIAL COUNTRIES, 4TH QUARTER 1973—4TH QUARTER 1975

[Not seasonally adjusted]

Country and age group	Source of data	Percent change in number unemployed, IV 1973–IV 1975	Unemployment rate IV 1973	Unemployment rate IV 1975
UNITED STATES				
16 yrs and over	Labor force survey.	82	4.4	7.8
16 to 24 yrs	do	61	9.5	14.9
16 to 19 yrs	do	36	14.1	19.0
20 to 24 yrs	do	95	6.5	12.3
25 yrs and over	do	105	2.8	5.6
CANADA				
15 yrs and over	do	36	5.0	6.4
15 to 24 yrs	do	40	9.3	11.8
15 to 19 yrs	do	42	11.6	14.6
20 to 24 yrs	do	39	7.8	10.0
25 yrs and over	do	32	3.6	4.5
AUSTRALIA				
15 yrs and over	do	164	1.8	4.6
15 to 24 yrs	do	138	4.6	10.4
15 to 19 yrs	do	113	7.7	15.6
20 to 24 yrs	do	210	2.1	6.3
25 yrs and over	do	215	.8	2.5
JAPAN				
15 yrs and over	do	89	1.0	1.9
15 to 24 yrs	do	41	1.8	3.0
15 to 19 yrs	do	25	2.0	3.1
20 to 24 yrs	do	46	1.8	3.0
25 yrs and over	do	111	.8	1.7
FRANCE [1]				
15 yrs and over	do	61	3.4	5.2
15 to 24 yrs	do	103	6.8	13.1
15 to 19 yrs	do	123	10.2	22.3
20 to 24 yrs	do	87	5.3	9.5
25 yrs and over	do	38	2.7	3.5
GERMANY [2]				
15 yrs and over	do	383	.8	4.0
15 to 24 yrs	do	429	1.2	5.9
15 to 19 yrs	do	370	1.8	7.2
20 to 24 yrs	do	527	.7	4.8
25 yrs and over	do	389	.7	3.4
GREAT BRITAIN [3]				
16 yrs and over	Registrations	86	(2.1)	(3.9)
16 to 24 yrs	do	183	(2.5)	(7.1)
16 to 19 yrs	do	232	(2.4)	(7.7)
20 to 24 yrs	do	141	(2.6)	(6.4)
25 yrs and over	do	49	(2.0)	(3.0)
SWEDEN				
16 to 74 yrs	Labor force survey.	−25	2.3	1.7
16 to 24 yrs	do	−21	5.2	4.0
16 to 19 yrs	do	−7	6.7	5.7
20 to 24 yrs	do	−32	4.4	3.0
25 to 74 yrs	do	−28	1.7	1.2

[1] Data for April 1973 and April 1975.
[2] Data for May 1973 and April 1975.
[3] Data for July 1973 and July 1975. Unemployment rates are rough estimates computed from data on the registered unemployed by age and official projections of the midyear labor force by age.

Note: The figures shown have not been adjusted to U.S. concepts. With the exception of Great Britain, all of the statistics were derived from labor force sample surveys. Although the data are not strictly comparable even among the countries with surveys, because of differences in definitions, unemployment comparisons based on labor force surveys are much more valid than comparisons based on administrative statistics on the registered unemployed. Registration statistics are particularly uncertain for comparisons of youth unemployment since a high proportion of unemployed youths are new entrants in the labor force. New entrants are generally not eligible for unemployment benefits, and, therefore, are less likely to register with employment offices than the experienced unemployed.

PROBLEMS INVOLVED IN MAKING INTERNATIONAL UNEMPLOYMENT COMPARISONS

Since the early 1960's, the Bureau of Labor Statistics has published unemployment rates adjusted to U.S. concepts for major industrial countries. The basic labor force statistics of these countries, with the exception of Canada, require some adjustment to bring them into closer comparability with U.S. data. The accuracy of the adjustments depends on the availability of relevant information, and, in some instances, it is necessary to make estimates based on incomplete data. Therefore, it is possible to achieve only approximate comparability among countries. Nevertheless, the adjusted figures provide a better basis for international comparisons than the figures regularly published by each country.

The incomparability of national figures on unemployment is attributable to two chief causes: (1) differences in the systems for collecting data and (2) differences in concepts or definitions.

STATISTICAL SYSTEMS

Two systems for measuring unemployment are used by the countries studied by BLS. The United States, Canada, Japan, Italy, and Sweden depend on periodic (usually monthly) labor force sample surveys, while France, Germany, and Great Britain rely on monthly counts of registrants at employment exchanges. Labor force surveys generally yield the most comprehensive overall statistics since they are designed to cover all persons seeking work, whether or not they register with employment exchanges. Also, changes in legislation and administrative regulations do not affect the continuity of the survey series, but may have a substantial impact on registration data.

Fortunately all countries produce a good deal of supplementary information on unemployment in addition to the official unemployment rate. Such additional sources have been indispensible in adjusting the official data. For example, the three countries which use unemployment registrations as their official source of data also conduct periodic labor force surveys. BLS uses the results of these surveys to obtain adjustment factors to apply to the registered unemployed series. A problem arises from the fact that there is often a long time lag between data collection and survey publication (e.g., the latest published survey for Great Britain is for 1972; for France and

Germany, April 1975). Thus, BLS must occasionally make revisions to the comparative estimates when more recent surveys are published.

DIFFERENCES IN DEFINITIONS AND CONCEPT

Even when the same type of data collection method is used, definitions of unemployment and labor force may differ from country to country. Thus, labor force surveys may differ in regard to treatment of such groups as military personnel, students, unpaid family workers, discouraged workers, and persons on temporary layoff. Other areas of difference include criteria for seeking work, reference periods, age limits, and tests for current availability on the part of unemployed persons.

BLS is able to make adjustments of foreign country survey data to U.S. concepts for many of the differences noted above. Instead of adjusting the data of all countries to the U.S. lower age limit of 16, the foreign limits have been adapted to the age at which compulsory schooling ends. This is done because youths in several countries complete their education and enter the labor force on a full-time basis at earlier ages (i.e., 14 or 15) than in the United States.

There are certain conceptual differences for which it is not possible to make adjustments. For example, no adjustment can be made for the differences in the amount of time allowed for jobseeking activities. Since 1967, the U.S. survey has required active jobseeking within the past four weeks for a person to be counted as unemployed. Prior to 1967, the U.S. time period was vague and was probably interpreted by some jobseekers to refer only to the survey week. Special studies indicated that the effect of the change in definition in 1967 resulted in only a small increase in the number of persons enumerated as unemployed. In several foreign countries, the reference period for unemployment appears to be limited to the survey week. However, in practice, the reference period may be longer than the survey week because persons awaiting the results of previous job applications are generally counted as unemployed.

In the United States, unemployed persons must be currently available to begin work (except for minor illness) and actively seeking work. There are questions in the survey which test a person's current availability and jobseeking activity. Most other countries mention current availability and active jobseeking as requirements for classification as unemployed, but do not have specific tests of these points in their survey questionnaires. A few countries probe only into the current availability of students who say they are looking for work. In most cases, BLS cannot make adjustments for differences in the degree of probing in survey questionnaires. However, recent changes in a number of countries indicate a trend toward more specific questions and more probing into labor force status.

Adjustments by age and sex. Adjusted unemployment rates by age and sex are less reliable than the overall adjusted unemployment rates. Whereas adjustments made to the overall unemployment rates are based on published statistics generally available each year, adjustments by age and sex have been partly estimated on the basis of data which are not available annually. Although the necessary breakdowns by sex are usually available, age distributions often pose a problem. For instance, age distributions of career military personnel are often available only for census years. In some cases, assumptions about the age distribution of certain groups had to be made. For example, the age distribution of unpaid family workers who worked less than 15 hours was assumed to be the same as the distribution for all unpaid family workers.

(Prepared by: U.S. Department of Labor, Bureau of Labor Statistics, Office of Productivity and Technology, January 1977.)

TABLE 1.—UNEMPLOYMENT RATES BY AGE AND SEX, 9 COUNTRIES, SELECTED YEARS 1968–74 (ADJUSTED TO U.S. CONCEPTS)

[Percent of civilian labor force]

Sex and age	United States			Australia			Canada [1]			France [2]		Germany [3]			Great Britain,	Italy			Japan			Sweden		
	1968	1970	1974	1968	1970	1974	1968	1970	1974	1968	1970	1968	1970	1973	1971	1968	1970	1972	1968	1970	1974	1968	1970	1974
Both Sexes:																								
All working ages	3.6	4.9	5.6	1.5	1.4	2.3	4.8	5.9	5.4	2.6	2.5	1.5	0.6	0.7	3.8	3.9	3.5	4.0	1.2	1.2	1.4	2.2	1.5	2.0
Teenagers [4]	12.7	15.3	16.0	4.2	3.9	6.9	11.3	14.3	12.2	7.6	7.0	3.8	2.0	1.8	7.0	13.6	12.9	18.4	2.3	2.0	2.6	5.6	4.5	6.8
20 to 24 years	5.8	8.2	9.0	1.9	1.6	3.2	6.3	8.3	8.3	2.7	3.7	1.4	.7	.8	4.8	10.1	9.6	11.4	1.8	2.0	2.2	3.2	2.2	3.4
25 to 54 years	2.3	3.4	3.8	1.0	1.0	1.5	3.6	4.3	3.8	1.9	1.8	1.1	.5	.5	3.3	2.2	1.8	1.9	1.0	.9	1.1	1.7	1.1	1.3
55 years and over	2.2	2.8	2.9	.7	.7	.8	4.2	4.9	3.9	2.2	2.5	1.6	.5	.8	3.6	1.4	.9	.9	1.2	.9	1.5	2.1	1.7	2.0
Male:																								
All working ages	2.9	4.4	4.8	1.1	1.0	1.8	5.5	6.6	5.7	1.9	1.6	1.3	.5	.6	3.9	3.6	3.1	3.7	1.2	1.2	1.4	2.3	1.4	1.7
Teenagers [4]	11.6	15.0	15.5	3.6	3.7	6.1	13.5	16.2	13.5	6.5	5.3	3.7	1.6	1.7	7.3	13.7	13.2	19.1	2.6	2.7	3.2	5.8	3.6	6.0
20 to 24 years	5.1	8.4	8.7	1.5	1.2	2.9	7.7	10.5	9.4	3.0	2.9	1.3	.6	.7	4.8	10.1	9.4	11.7	1.8	1.9	2.1	3.3	2.1	2.8
25 to 54 years	1.7	2.8	3.1	.7	.6	1.1	4.1	4.8	4.0	1.2	.9	.9	.4	.4	3.2	2.2	1.8	1.9	1.0	.9	1.1	1.7	.9	1.1
55 years and over	2.1	2.9	2.7	(5)	(5)	(5)	5.0	5.5	4.3	2.2	2.4	1.6	.5	.8	4.4	1.6	1.1	1.0	1.5	1.4	2.0	2.6	1.7	2.1
Female:																								
All working ages	4.8	5.9	6.7	2.6	2.2	3.2	3.5	4.5	4.9	3.7	3.9	1.8	.8	.9	3.6	4.5	4.3	4.9	1.2	1.1	1.3	2.1	1.7	2.4
Teenagers [3]	14.0	15.1	16.5	4.8	4.2	7.7	8.6	11.7	10.4	8.9	9.2	4.0	2.4	1.8	6.6	13.0	12.5	17.2	2.0	1.3	2.1	6.6	5.4	8.0
20 to 24 years	6.7	7.9	9.5	2.6	2.1	3.8	4.2	5.1	6.6	4.3	4.5	1.6	.7	9	4.7	9.9	9.8	10.8	1.8	2.2	2.2	2.9	2.4	4.0
25 to 54 years	3.4	4.5	4.9	2.1	1.8	2.1	2.2	2.9	3.4	3.3	3.4	1.4	.7	.8	3.4	2.2	1.8	1.8	.9	.9	1.3	1.6	1.3	1.6
55 years and over	2.3	2.8	3.3	(5)	(5)	(5)	(5)	(5)	(5)	2.2	2.7	1.5	.5	1.0	2.0	.3	.4	.4	.8	(5)	.7	1.2	1.6	2.3

[1] Canadian data are on the old survey definitions.
[2] French data are for March of each year.
[3] German data are for April 1968 and 1970 and May 1973.
[4] 14- to 19-yr-olds in Italy; 15- to 19-yr-olds in Australia, Canada, Germany, Great Britain, and Japan; 16- to 19-yr-olds in United States, France, and Sweden.
[5] Not statistically significant.

TABLE 2.—UNEMPLOYMENT RATES BY AGE AND SEX ADJUSTED TO U.S. CONCEPTS IN 9 INDUSTRIAL COUNTRIES, 1974 [1]

Sex and age	United States	Canada	Australia	Japan	France	Germany	Great Britain	Italy	Sweden
Both sexes:									
All ages	5.6	5.4	2.3	1.4	3.0	0.7	3.2	3.2	2.0
Teenagers [2]	16.0	[3] 11.7	6.9	2.6	10.3	1.8	4.1	15.5	6.8
20- to 24-year-olds	9.0	[3] 8.0	3.2	2.2	5.1	.8		9.9	3.4
25- to 54-year-olds	3.8	[3] 3.9	1.5	1.1	2.1	.5	2.7	1.5	1.3
55 and over	2.9	[3] 4.0	.8	1.5	2.7	.8	4.1	.5	2.0
Male:									
All ages	4.8	4.8	1.8	1.4	1.7	.6	3.5	2.7	1.7
Teenagers [2]	15.5	9.6	6.1	3.2	7.0	1.7	4.4	15.6	6.0
20- to 24-year-olds	8.7		2.9	2.1	3.5	.7		9.8	2.8
25- to 54-year-olds	3.1	3.3	1.1	1.1	1.0	.4	2.8	1.4	1.1
55 and over	2.7		(4)	2.0	2.2	.8	4.9	.6	2.1
Female:									
All ages	6.7	6.4	3.2	1.3	4.9	.9	2.7	4.2	2.4
Teenagers [2]	16.5	9.0	7.7	2.1	14.7	1.8	3.8	15.3	8.0
20- to 24-year-olds	9.5		3.8	2.2	6.8	.9		10.2	4.0
25- to 54-year-olds	4.9	5.1	2.1	1.3	3.9	.8	2.5	1.7	1.6
55 and over	3.3		(4)	.7	3.4	1.0	1.9	(4)	2.3

[1] For France, data are for March 1974; for Germany, May 1973; for Great Britain, annual averages 1973.
[2] 16- to 19-year-olds in the United States, France, Great Britain, and Sweden; 15- to 19-year-olds in Canada, Australia, Japan, and Germany, 14- to 19-year-olds in Italy.
[3] Estimates by BLS based on new Canadian survey definitions.
[4] Not statistically significant.

Source: Bureau of Labor Statistics.

TABLE 3.—RATIO OF TEENAGE TO ADULT UNEMPLOYMENT RATES IN 8 INDUSTRIAL COUNTRIES, 1974 [1]

Country	Total	Male	Female
United States	4.2	5.0	3.4
Canada	3.0	([2])	([2])
Australia	4.6	5.5	3.7
Japan	2.4	2.9	1.6
France	4.9	7.0	3.8
Germany	3.6	4.3	2.3
Italy	10.3	11.1	9.0
Sweden	5.2	5.5	7.3

[1] Ratio of teenage unemployment rate to unemployment rate for 25 to 54-yr-olds.
[2] Not available.
Source: Table 2.

TABLE 4.—UNEMPLOYMENT RATES BY AGE, AS PUBLISHED AND ADJUSTED TO U.S. CONCEPTS, 1974 [1]

	United States	Canada	Austra ia	Japan	France	Germany	Great Britain	Italy	Sweden
As published:									
All ages	5.6	5.4	2.3	1.4	3.6	0.7	2.1	2.9	2.0
Teenagers [2]	16.0	[3] 11.7	6.9	2.6	12.5	1.8	2.4	14.2	6.7
20- to 24-yr-olds	9.0	[3] 8.0	3.2	2.2	6.2	.7	2.6	9.1	3.2
25- to 54-yr-olds	3.8	[3] 3.9	1.5	1.1	2.5	.5	1.6	1.3	1.3
55 and over	2.9	[3] 4.0	.8	1.5	3.2	.8	3.3	.4	2.0
Adjusted to U.S. concepts:									
All ages	5.6	5.4	2.3	1.4	3.0	.7	3.2	3.2	2.0
Teenagers [4]	16.0	[3] 11.7	6.9	2.6	10.3	1.8	4.1	(15.5	6.8
20- to 24-yr-olds	9.0	[3] 8.0	3.2	2.2	5.1	.8		[9.9	3.4
25- to 54-yr-olds	3.8	[3] 3.9	1.5	1.1	2.1	.5	2.7	1.5	1.3
55 and over	2.9	[3] 4.0	.8	1.5	2.7	.8	4.1	.5	2.0

[1] For France, data are for March 1974; for Germany, May 1973; for Great Britain, annual averages 1973.
[2] 16- to 19-yr-olds in the United States, Great Britain, and Sweden; 15- to 19-yr-olds in Canada, Australia, Japan, France, and Germany; 14- to 19-yr-olds in Italy.
[3] Estimates by BLS based on new Canadian survey definitions.
[4] Same as footnote 2 except that data for France are for 16- to 19-yr-olds.
Source: Bureau of Labor Statistics.

TABLE 5.—UNEMPLOYMENT RATES BY AGE, NOT ADJUSTED TO U.S. CONCEPTS, SELECTED QUARTERS, 1973–76

[Not seasonally adjusted]

	United States	Canada		Australia	Japan	France	Germany [1]	Great Britain	Italy	Sweden
		Revised basis	Former basis							
	IV Q	IV Q	IV Q	November	IV Q	April	May	July	October	IV Q
1973:										
All ages	4.4	5.2	5.1	1.8	1.0	3.4	0.8	(2.1)	3.0	2.3
Teenagers [2]	14.1	([3])	11.6	7.7	2.0	10.2	1.8	(2.4)	([4])	6.7
20- to 24-yr-olds	6.5	([3])	7.8	2.1	1.8	5.3	.7	(2.6)	([4])	4.4
25- to 54-yr-olds [4]	2.9	([3])	3.5	2.5	.8	2.6	.6	(1.6)	([4])	1.5
55 and over [5]	2.5	([3])	4.0	.8	.9	2.8	1.0	(3.3)	([4])	2.4
	IV Q	IV Q	IV Q	November	IV Q	April	May	July	October	IV Q
1975:										
All ages	7.8	6.6	6.4	4.6	1.9	5.2	4.0	(3.9)	3.5	1.7
Teenagers [2]	19.0	15.3	15.2	15.6	3.1	22.3	7.2	(7.7)	([3])	5.7
20- to 24-yr-olds	12.3	9.3	10.0	6.3	3.0	9.5	4.8	(6.4)	([3])	3.0
25- to 54-yr-olds [4]	5.8	5.0	4.5	2.5	1.6	3.7	3.5	(2.8)	([3])	.9
55 and over [5]	4.7	4.0	4.2	2.5	2.1	3.0	2.9	(3.6)	([3])	1.2
	III Q	III Q		November	III Q	March		July	July	III Q
1976:										
All ages	7.4	6.5		4.4	1.8	5.9	([3])	(5.2)	3.8	1.5
Teenagers [2]	18.0	14.2		13.0	3.6	14.5	([3])	(12.6)	([3])	5.5
20- to 24-yr-olds	11.4	9.5		6.2	3.0		([3])	(7.1)	([3])	2.6
25- to 54-yr-olds [4]	5.5	5.0		2.8	1.5	4.3	([3])	(3.7)	([3])	1.0
55 and over [5]	4.2	3.4		1.9	2.4	3.7	([3])	(4.4)	([3])	1.1

[1] Data refer to the wage and salary labor force.
[2] 14- to 19-yr-olds in Italy; 15- to 19-yr-olds in Canada, Australia, France, Germany, and Japan; 16- to 19-yr-olds in the United States, Great Britain, and Sweden.
[3] Not available.
[4] 25- to 50-yr-olds in France and Germany.
[5] 50-yr-olds and over in France and Germany; 55- to 74-yr-olds in Sweden.
Source: Bureau of Labor Statistics.

CONSERVING ENERGY AT HOME

Mr. BUMPERS. Mr. President, we are interested in doing all that is possible to conserve energy. However, many of us are unaware of which efforts will be productive and what part of our everyday habits is counterproductive.

An excellent article which appeared in the February 9 edition of the Wall Street Journal provided some helpful suggestions about energy conservation. This article provides useful information from those who have studied fuel use to homeowners. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WEAR A SWEATER? YES; LOWER HEAT? MAYBE; USE FIREPLACE? NO—MORE HEAT THAN LIGHT EXISTS ON ENERGY CONSERVATION; TWIN BEDS VS. DOUBLE BED

(By Frederick C. Klein and Paul Ingrassia)

There was President Carter on national television last Wednesday night, wearing a sweater, sitting before a blazing log in his White House fireplace, and preaching the necessity of conserving fuel during this very long, very cold, very difficult winter. He asked that home thermostats be set at 65 degrees during the day and 55 degrees at night.

Of the President's three energy-saving "tips," experts on homeheating could find no fault with only one—his sweater. A wood fire is a cheery and perhaps necessary prop in a presidential fireside chat, but it wastes other fuels rather than saves them, these experts say. As for turning down the thermostat 10 degrees at night, maybe it's a good idea and maybe it isn't.

It all goes to show that keeping warm this winter without going broke and being considered unpatriotic is no simple matter. The three-month siege of record-low temperatures over much of the country has sent homeowners on a frantic hunt for advice on heating and on such other cold-weather problems as frozen water pipes. What they are getting is a jumble of facts, misconceptions and old wives' tales.

This unhappy situation arises partly because little research on home heating has been carried on in recent years. "Scientists have been far more concerned with exotic subjects, like getting men to the moon," says John Muller, an engineer for the Federal Energy Administration in Washington. He relates that as a result of some recent

queries, he undertook an extensive search for scholarly papers on the effects of fireplace use on other heating systems. He found only one.

It also arises from some differences among people who have looked into home heating "This is a technical matter, and, as such, it generates shades of opinion," says William Chapman, vice president of Johnson Controls Inc. of Milwaukee and president of the American Society of Heating, Refrigerating and Air-Conditioning Engineers. He adds, "What kills you are generalizations. There are few things one can say about heating that are true under all circumstances."

In an effort to cut through the confusion and impart some useful information to homeowners, The Wall Street Journal interviewed Mr. Chapman and a dozen others who have studied fuel use and related subjects.

Here is what they say:

CLOSING ROOMS

Money and fuel can be saved by shutting off radiators or heat registers in rooms and keeping the doors closed, but the amount won't be proportional to the amount of space sealed off, according to Warren Harris, a professor emeritus of mechanical engineering at the University of Illinois.

The type of home most likely to benefit from this device is the rambling ranch house, Prof. Harris says. Closing off rooms or whole floors in two- or three-story homes "doesn't do that much good" because insulation between floors usually isn't sufficient to stop heat from rising to such places, he adds.

THERMOSTAT SETTINGS

In general, the lower the home thermostat is set, the greater the savings of energy and money, but there are some important qualifications.

First, anyone who dials down his thermostat 10 degrees at night, as President Carter suggests, should be prepared to keep it down for at least eight hours. Setting it back for less than four hours probably will result in a net energy loss. Between four and eight hours is a "gray zone."

The explanation is that when the thermostat is turned up again in the morning, a gas or oil furnace must work extra hard to reheat the house (such furnaces constitute 70% of all residential heating units in the U.S.) To do this, the furnace runs continuously for a time and can burn fuel faster than the heat exchanger (the plate over which air is passed to be heated) can push it into the house. Thus, "a higher-than-normal percentage of heat goes up the chimney," Mr. Chapman says.

"If you've dialed down for eight hours or more, the fuel you've saved will more than make up for what you lose in the kickup period," he continues. "If you've dialed down for four hours or less, you'll get the same 'quickup' loss without the savings to offset it."

Second (and relatedly), dialing down even for eight hours or more might not be a good idea when the temperature is extremely low, say, around zero or less. That's also because of the energy loss during reheating. Experts say that if your furnace has to run for more than two hours straight to reheat your home, dial only a few degrees or not at all down. Additionally, an overheated furnace can pose a fire danger.

Finally, authorities don't recommend turning thermostats to less than 55 degrees for any prolonged period because it involves a risk of frozen water pipes in a home's extremities.

Other nasty things can happen if a home gets too cold. Brian Morris, a resident of Staten Island, N.Y., recently set his thermostat at 60 degrees during a weekend trip. He returned to find that a number of tiles on his bathroom wall had buckled from the cold and that some had cracked. Replacing them cost $16, "which is more than I have saved on heating," he said ruefully.

INSULATION

Experts agree that cracks should be caulked, windows and doors weatherstripped, and goodly amounts of glass fiber or cellulose materials affixed to walls and attic floors. But just how much of the latter is needed varies widely with climate and local heating costs.

Arthur Johnson, director of energy conservation for NAHB Research Foundation Inc., of Rockville, Md., which is owned by the National Association of Home Builders, says that New Yorkers should have at least 12 inches of insulating materials on their attic floors because of the high utility rates for heating there, while homeowners in Chicago and Denver can get by with eight or nine inches. He recommends nine or 12 inches for Miamians—but because of air-conditioning costs, not heating.

Mr. Johnson strongly discourages using cheap substitutes such as crumpled newspaper in place of glass fiber or cellulose as an attic insulator. They can pose a fire hazard, he says.

Storm windows are a must, and Siechi Konzo, who like Mr. Harris, is a professor emeritus of mechanical engineering at the University of Illinois, recommends supplementing them in very cold weather by taping self-sticking polyethylene freezer wrap over inside windows.

Prof. Konzo, who has done research at the University's Small Homes Council for 50 years, says that when the temperature outside is zero, the temperature on the inside of a single window will be 17 degrees if a home is heated in the normal temperature range. If a glass or plastic storm window is added, the inside window surface goes up to 47 degrees. Adding a layer of freezer wrap will raise that to 60 degrees and can result in "significant savings," he says. (The only trouble is you won't be able to see out too well.)

FIREPLACES

Wood-burning fireplaces can provide some psychological sustenance when it's cold out, and they can be valuable as a source of heat if all else fails, but they almost always end up costing the homeowner money if they are used to supplement other heating facilities in cold weather.

Richard Rooney, an official of Majestic Co., a maker of factory-built fireplaces and accessories in Huntington, Ind., explains why this is so:

"You've got to open your chimney flue before you start your fire, and when you do this, you get an immediate heat loss," he says. "Once the fire gets going, it radiates some heat into the room, but it also burns up air that must be replaced by cold air sucked in from outside. This can be a lot or a little, depending on how 'tight' a house is. As the fire burns down, its heating efficiency declines again, and heat loss through the chimney increases. Even so, we recommend that the flue be kept open until the fire is completely out."

Mr. Rooney says it's possible to save money by using a fireplace if it helps a family tolerate much lower temperature in other parts of the house. This is especially true if the fireplace is fitted with a glass screen that restricts the amount of air a fire consumes and can be closed when the fire burns down. A fireplace also can be valuable as a sole, heating source on spring or fall evenings when it's just a bit chilly.

Still, he adds, as a rule, "you usually have some net heating loss when your fireplace is in use."

HUMIDIFIERS

People with respiratory ailments need humidifiers, and their use might make others better able to tolerate lower house temperatures. But they take energy to operate, so any net loss or gain usually is negligible, authorities say.

Setting out open pans of water helps somewhat. So does soaking a rolled-up newspaper and putting it in a coffee can or other container. Humidity also gets into the air through cooking, running water, taking baths or showers, and other normal goings-on.

Too little humidity in the air can result in cracks in wood furniture or moldings, but too much humidity also can injure wood. "If it gets to the point where water is condensing on the insides of windows, you've gone too far," Mr. Chapman says. "The effect is the same as putting a wet glass on a wood table."

WATER HEATERS

Mr. Muller of the FEA says that heating water consumes about 20% of the natural gas burned by an average home with a gas furnace. Reducing the water-heater setting from the standard 140 degrees to 110 degrees can cut gas bills in the East or the Midwest by about 3%, he adds. It also helps to wash and rinse many kinds of clothes in cold water. "If you don't like the way they turn out, run 'em through again," he says.

He also notes that lower water-heater settings will mean that dishes washed in a dishwasher won't be as clean as before and that there might not be enough hot water for the last person in the shower.

FROZEN WATER PIPES

To avoid this catastrophe, basements should be kept heated, and one cold-water faucet in a home should be left on overnight to a trickle "the size of the lead in a pencil," according to the Minneapolis Water Department. Any faucet will do, just so there's movement in your water system.

The potential big problem in many areas is that the ground is freezing below the generally accepted minimum depths at which it has been considered safe to bury water pipes. If the soil around a buried water pipe falls far below freezing, even the fact that water is moving won't keep it from icing closed.

Plumbers say there isn't any basis for the belief that pipes carrying hot water are most likely to freeze. They say the notion probably got started because hot water will turn to ice cubes faster than cold water. But that is only because hot water melts the insulating layer of frost in the freezer compartment and puts the bottom of the ice tray into direct contact with the cold metal of the freezer.

ODDS AND ENDS

On sunny days, open all shades, blinds or curtains on windows facing the sun. Close them again as the sun moves.

Heat to garages should be closed off. If it's very cold, disconnect your car's battery and bring the battery inside the house where it's warm.

Turn off gas lawn or porch lights. They consume more energy than a gas range in many homes.

Some companies are offering to pinpoint home-heat loss with infrared equipment. The devices can't measure heat loss, but they can locate weak spots in insulation.

Double beds are considered more energy-efficient than twin beds.

CONSOLIDATED FINANCIAL STATEMENT OF SENATOR AND MRS. ADLAI E. STEVENSON

Mr. STEVENSON. Mr. President, in accordance with my long-standing practice, I ask unanimous consent that a financial statement for myself and Mrs. Stevenson be entered in the RECORD.

There being no objection, the financial statement was ordered to be printed in the RECORD, as follows:

Consolidated financial statement of Senator and Mrs. Adlai E. Stevenson, January 1, 1977

REAL ESTATE	
Home, Washington, D.C. (cost)	$125,000
One-third interest, residence, Beverly, Massachusetts	35,000
Home and farm (including farm equipment and livestock), Jo Daviess County, Illinois	620,000
10% undivided interest in real estate, Tiburon, California	38,700
STOCKS AND BONDS	
12,640 shares, Evergreen Communications, Inc. (publishes Bloomington, Ill. Daily Pantagraph, owns 10% of Bloomington, Ill. CATV and 66⅔% of Bloomington Broadcasting Corp., which owns and operates WZOK & WROK, Rockford, Ill., WGBF, Evansville, Ind., WJBC, Bloomington, Ill. and Radio Communications Center (a telephone answering service), Bloomington, Ill.)	480,320
3 shares, Bloomington Broadcasting Corp., Class B, nonvoting	1,500
533 shares, KBA Townbuilders Group Ltd., Tel Aviv	550
State of Israel Bond	500
100 shares General Electric (market value as at 12-31-76)	5,588
66 shares IBM (market value as at 12-31-76)	18,422
100 shares Xerox Corp. (market value as at 12-31-76)	5,850
200 shares American Can (market value as at 12-31-76)	7,800
500 shares Allis Chalmers Corp. (Market value as at 12-31-76)	13,000
300 shares Jewel Companies Inc. (market value as at 12-31-76)	7,163
100 shares Northwest Industries (market value as at 12-31-76)	4,600
Jewel Co.s' demand note (market value as at 12-31-76)	8,000
LIFE INSURANCE POLICIES	
United Services Life Insurance Co. (current cash surrender value)	1,595
Continental Assurance Co. (current cash surender value)	4,122
Civil Service Retirement System (contributions paid as of 12/31/76)	21,726
CASH	
Less current obligations	5,000
MISCELLANEOUS	
Personal property, including securities of nominal value, furniture, cars, paintings, and clothing	60,000
Total	1,464,436
DEBTS	
Mortgage on home—Perpetual Federal Savings & Loan Assn., Washington, D.C.	72,100
Mortgage on farm—Charles J. Calderini	57,750
Farm purchase contract, Ralph Virtue	160,000
Note payable to Continental Assurance Co.	4,041
Note payable to First National Bank of Galena, Ill.	75,000
Total	368,891

PROSPECTS FOR STABILITY IN SOVIET GRAIN SUPPLIES

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of the Senate an article by Alexander M. Derevanny, entitled "The Soviet Grain Crop of 1976: No Sign That Output Is Stabilizing," in the January 31, 1977, issue of Feedstuffs.

One of the important points made in this article is that Soviet grain production for 1976 was 223.8 metric tons, surpassing the record of 1973 by 1.3 million metric tons. In spite of this sharp increase of roughly 85 million metric tons in 1 year, the moisture level of this year's crop is running as high as 35 percent, and it is assumed that there may be heavy losses.

The article also goes into some of the issues relating to Soviet agricultural policy. In particular, Dr. Wadekin suggests that yields on fertile lands could be expanded, rather than promoting new schemes on marginal lands.

In addition, the article goes into a whole host of problems relating to having working equipment on hand when needed at harvest time, the problem regarding spare parts, the extensive problems regarding the availability and distribution of good seed, and the problems of the inadequate transportation system.

The implications of the article are clear. While this past year was a good harvest, there is little to lead one to conclude that next year will be the same. It is more likely that this good harvest will be followed by two mediocre ones.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SOVIET GRAIN CROP OF 1976: NO SIGN THAT OUTPUT IS STABILIZING

(By Alexander M. Derevanny)

(NOTE.—In official Soviet versions, crop failures are inevitably blamed on the weather, while the Soviet planners, the socialist system, the tenacity and patriotism of the Soviet "kolkhosniki" and "sovkhozniki" receive credit in years of abundant crops. In this article, Alexander M. Derevanny evaluates the significance of the 1976 grain crop falling in the latter category. Mr. Derevanny is a journalist trained as a linguist and international trade specialist, who consults on Soviet and Satellite agricultural economics and politics. He has traveled extensively, including in the USSR.)

1976 was a record grain year for the USSR. The final figure just announced is 223.8 million metric tons, surpassing the 222.5 million metric tons recorded in 1973 by 1.3 million metric tons.

Detailed crop data are hard to come by in the Soviet Union. As a rule, it is not before the middle of the year following the crop year that they are being made available officially. The same is true for the figure showing the quantity of grain acquired by the State Grain Purchasing Monopoly. The most recent estimate of the latter is 91.8 million metric tons or 1.3 million metric tons more than in 1973, when 90.5 million metric tons were purchased by the Monopoly. It may be just accidental that the 1976 increase in the volume of grain acquisitions by the Monopoly corresponds to the ton to the increase in the total grain output.

What is of major interest if we wish to determine the trend of Soviet grain production is the degree of variability. As can be seen from the accompanying graph, the current total grain crop deviates from the trend line very little, probably not more than +5½ million tons.

The Soviets are working very hard on making grain output more stable. As yet, the deep valleys and steep peaks shown in the graph do not seem to signal a stabilizing trend for the years to come. To determine whether or not such a trend is actually developing, it will be necessary to wait at least another two, preferably three years. Only then, will it be possible to ascertain whether all the technological and organizational progress of which Soviet officials have been boasting this year, will actually lead to what has been called "less sensitivity to the weather hazards."

Of interest in this connection is the discrepancy between the big total 1976 grain crop and the relatively small wheat crop. The crop was somewhere between 95 million and 100 million metric tons while in 1973, with a total grain crop smaller than 1976, Soviet farmers came through with a whopping 110 million metric tons of wheat.

The reasons for the 1976 wheat output decline, historically Russia's main cereal, are not entirely clear. A somewhat smaller wheat acreage, the forced replanting of 9 million winter killed acres and the ceaseless rains which hampered harvesting operations in European Russia may be some of the reasons. Another disappointment for the Soviets is the 10 million metric tons corn (maize) crop, down from an earlier 14 million metric tons estimate.

In a country of 255 million rye bread eaters a crop of 13 million tons of that cereal (as compared to 15¼ million tons in the "so-so" crop year of 1974) must have come as an unpleasant surprise. No other 1976 Soviet field crop has turned out a poorer performance, however, than the sunflower. The estimate now ranges between 5 and 5½ million tons of seeds, probably closer to 5 million tons and even those, in all likelihood, of low oil and protein content.

Harvesting conditions were exceedingly unfavorable this year, and much seed did not reach full maturity. (By comparison, the 1973 sunflower seed crop was 7.4 million metric tons, the crop of the "mediocre" year 1974 6.8 million metric tons). Other cereals—barley, oats, millet, buckwheat, rice—seem to have done much better.

ORGANIZATION

When all the data on hand at the time these lines were written are addd up, however, there emerges a picture of a much improved functioning organization both at planting as well as harvesting time, an unmistakable increase in the supply of fertilizer, weed killers and pesticides, a better availability of spare parts and machinery, and last but by no means least, an increase in the number of drivers with the necessary skill to operate these machines.

Also, there seems to have been a marked improvement in farm worker morale (supposedly due to the many incentives and bonuses promised for better performance) and generally speaking, a tighter discipline and a better organization directing the huge number of crop workers still needed for a successful harvest in the Soviet Union. As an example, 1 million farm workers, among them 55,000 soldiers with trucks, were needed to get this year's Krazakhstan grain crop—presumably 29 million tons—under cover.

Just the same, to say that the 1976 grain crop was received in good shape would be exaggerated. Especially in European Russia, wheat and other small grains went into bins and silos with a moisture content far above the norm established by the Purchasing Monopoly, and in many places, coarse grains had not reached full maturity.

It should be noted that the State Purchasing Monopoly buys grain from the collectives and state farms on an accounting basis (15-percent moisture, 2-percent foreign matter). In normal years, figuring a 10-percent loss,

also figuring that post-harvest losses in the USSR run between 40 percent and 60 percent of total losses, it is usually possible to estimate the net usable grain crop. Not so this year. In some places moisture content ran as high as 35 percent. The U.S. Department of Agriculture's figure of a 195 million metric tons net usable grain crop, made at a time the gross estimate was 215 million metric tons, could still be valid although the final count now surpasses the 1973 record. Crop losses for 1976 are now conservatively estimated to run in the neighborhood of 14 percent. Applying this percentage to the total crop would bring the usable grain figure to even less than 195 million metric tons.

It may be of significance that, as mentioned earlier, the Soviets are now looking for output stability, rather than for new production records. In his October, 1976 address to the Plenum of the CC, CP-USSR, Secretary General Leonid Brezhnev said ". . . to reach the target of 235 million metric tons annually by the end of the current Five-Year Plan is our central task," explaining ". . . our country is implementing the world's largest land reclamation project. *Zones of guaranteed grain production are being created.*"[1] (Emphasis is the author's.)

LAND RECLAMATION

West German specialists of Soviet agriculture have been wondering for some time why the Soviets have to embark on all kinds of out-of-the-way land reclamation projects (including extensive irrigation of the Siberian "new lands," irrigation and drainage projects of the non-black lands located in the bleak north of European Russia) when all that is needed, to increase their grain output by approximately 20 million metric tons annually, is to push production in the regions which, in terms of fertility and annual precipitation, are very similar to the big crop areas of Central and Western Europe. In the opinion of these scientists, 25-percent yield increases from the present (1971–1974) average of 26 quintals per hectare to 30–35 quintals per hectare should be entirely feasible. These are the regions whose production potential, they think, is not fully utilized: the Ukraine, the central- and north-Caucasus crop lands, to a lesser extent the somewhat more drouthy areas of the Volga region and those regions in northwestern Kazakhstan that had been cropped for centuries long before the idea of plowing up the steppes in the south had been born.

Dr. Karl-Eugen Wadekin, one of the German scientists, says, "It's a vicious circle in which the low yields of the fertile lands force expansion into marginal crop areas; which expansion, in turn, lowers the average level of production."[2]

(Dr. Wadekin insists that the same is true for the Soviet livestock industry which at present uses about twice as many units of nutrition per animal product unit as are used in western livestock countries. If this could be remedied, says the author, the Soviets could save 20–30 million metric tons of grain (in concentrate form), even if the feed utilization ratio was not brought up completely to the level of the countries that have achieved top feed economy efficiency in their animal industries.)

But these are even more striking examples of incomprehensible indolence in the Soviet approach to modern grain farming methods, methods that have been in use in the West not for years but decades and have proven their worth. An example is custom combining.

Two Canadian agronomists delved into this question and came to the conclusion that custom combining in the USSR is entirely feasible except that, unlike North America where custom combining crews move from south to north in one sweep, in the USSR two separate west-south-west to east-south-east runs would be required.

The two Canadian scientists figure that custom combining the main USSR grain regions would reduce the number of tractors now required for harvesting operations in half. Also, according to their calculations, only half as much capital would be immobilized in this case.

Soviet agronomists know that custom combining depends on precise timing. What with the chronical spare parts shortage and the machinery repair problem (see below) they're afraid of disastrous bottlenecks. Also, equipment transfers especially from collectives might be reviewed as another bureaucratic about-face, possibly an attempt to reintroduce the ill-fated "machine tractor stations" of the 1950s. Also, they are wary of the question of how to compensate farms for the use of the equipment, the two Canadians argue.[3]

FOUR "ACHILLES HEELS" OF SOVIET AGRICULTURE

Presumably, the Soviet farm colossus walks on two legs. Even so, we regret to say, he does have four "Achilles heels." In order of importance to the Soviet system, they are: spare parts; agricultural machinery including trucks and tractors; seed production and distribution, and transportation.

Space limitations do not allow us to go into the details of the delays, obstructions, frustrations and demoralizations of farm workers and farm managers, caused by the chronic lack of spare parts and the low quality of those parts that are obtainable. There is an insufficient number of tractors, grain drills, field choppers and combines *in working condition* available just when and where they are needed most (the emphasis is on "working condition" because literally thousands are standing around for months, sometimes for years in the farm machinery lots of "Selkhoztechnika", the agency entrusted with the maintenance and repair of all machinery). Also, the life expectancy of all machines in service is about half of what it is in the West.

(In the four-year period, 1970–1974, collective and state farms received 1,297,000 tractors. Yet, the net increase in working tractors was only 290,000. Similarly, statistics show that 365,000 grain combines were produced during the same period, but the increase in the machinery park was only 50,000. The reason for this state of affairs is obvious—lack of spare parts, unavailable speedy repair facilities and early junking of machinery in use.)[9]

The odd system of seed production and distribution which, even in the bumper crop year of 1976, compelled countless farmers to use seeds that had not been graded, deserves a separate paragraph and so does the all-important question of transportation.

SEEDS

The two facts of life the USSR seed industry has to face every year are:

The better than 500 million of tillable land (315 million in grain) of the USSR require the growing of a great variety of seeds, corresponding to the many faceted soils and climates of that enormous country, and

Nowhere in the Soviet agriculture did the obsession with farm industrialization have a more detrimental effect than in the seed producing industry. Here is how the Soviet seed business works or, better said, is supposed to work: seeds of pure strains developed by a plant breeding station are delivered for multiplication to specialized seed growers. These have to surrender their entire crop to the Government Seed Distribution Agency which in turn swaps the pure strains, to be planted on special plots) with collectives and state farms of the district against ordinary seed.

The trouble with this system is that the districts are far too large. Frequently farms have to take seeds unsuited for their particular soil and climate and, as a rule, there isn't enough of the pure strains to go around. Favoritism on the part of the officials of the seed agency is rampant and even more frequently, the "come and get it" distribution system prevails which, quite obviously, favors the nearby farms.[4] The elephantine slowness with which the various government agencies connected with the seed business work may still allow the timely delivery of winter seeds in the late summer and early fall; In the rush of the short Russian spring planting season, they usually fall hopelessly behind. This seems to have been the case even in the bumper crop year of 1976.[5]

Thus, it should not come as a surprise that, after one of the biggest grain crops in Soviet history, the Central Committee of the CP-USSR, in a scalding attack published in the Russian farm press on Nov. 21, 1976, castigates the All-Union Academy of Agricultural Sciences and the Ministry of Agriculture which has jurisdiction in the matter, and the Ministry of Procurement—seed distribution is within that ministry's jurisdiction—for the lack of progress in seed improvements; the fact that many existing varieties are prone to lodging, have no or only little resistance to rust and other diseases; that the selection of maize (corn), sorghum, oilcrops and grass seeds is inadequate, and that the production of legume seeds especially alfalfa is sorely lagging.

The decree of the Central Committee orders the respective ministeries to proceed immediately with the establishment of a dense net of strategically located plant breeding stations, with adjoining specialized multiplicator farms entrusted with the production of the new seed varieties developed by the stations.

To stimulate the production of these seeds during the transitional period (i.e. until the new stations and their specialized seed growers are functioning), the edict signed both by the CC and the Council of Ministers, proposes to the collectives and state farms a deal whereby for every centner of seed delivered to the State Seed Distribution Agency, farms would receive feed concentrates (not ordinary grain as in the past, mind you!) in a certain proportion, thus:

For 1 centner of approved seeds of any self-pollinating small grain or seeds of parental lines of hybrid corn or single cross corn hybrids—3 centners of concentrates; for 1 centner of sorghum seeds of the above types—2 centners of concentrates; for 1 centner of alfalfa seeds, white and alsike clover—10 centners of concentrates; and for 1 centner of red clover seeds—8 centners of concentrates.[6]

No further comment is needed except possibly that, among others, the mentioned edict is also testimony to the acute shortage of high protein concentrates on many farms.

TRANSPORTATION

Marketing of farm products in the USSR depends almost entirely on the railroads. There are no "superhighways" similar to American "thruways" or European "autostradas." In fact there are only few all-weather paved roads. In rainy weather, dirt roads connecting farms, not only with villages and larger population centers but also with other farms in the vicinity, become a quagmire.

Thus, the railroads are called upon to carry all bulk farm output, including grain, root-crops, fruits, vegetables and slaughter animals as well as all bulk input items such as fertilizer, lime, chemicals and fuel.

However, the Soviet railroad net is thin, the distances enormous. Stations are far apart, sometimes hundreds of miles from agricultural production areas. Freight trains travel at extremely slow speeds. The average speed is 15 kilometers per hour, even for perishable produce such as fresh fruit and vegetable and also meat and milk, which frequently shipped by railroad because of the shortage of refrigerator trucks and tankers.

Footnotes at end of article.

This also explains why fruits and vegetables are grown on farms (and in huge hothouses) in the vicinity of the big northern cities, although poor soil, the rough climate and a short growing season put the economy of the projects in serious doubt.

A similar disregard for economics, prompted no doubt by the government's lack of faith in farm product transportation improvements in the foreseeable future, is the creation of a whole series of farm exploitations in the inhospitable, scarcely populated territories. This includes territory along the new Amur-Baykal Railroad in south-central Siberia, the projected reclamation for livestock purposes of the brush and forest overgrown islands and floodlands of the Ussuri and Amur Rivers, altogether some 23,400 hectares,[7] the "broilertown" Nekrasovka project on 100 hectares near Khabarovsk within sight of the Chinese-Siberian border, said broilertown scheduled to produce 12,000 metric tons of poultry meat annually.[8]

All these projects show the intention of the Soviet planners to make the Far East mining and industrial region independent or at least less dependent on food hauled over literally thousands of miles from the great crop areas of Western Siberia and Southeastern European Russia. These mining and industrial towns are growing fast, while supply conditions based on regionally grown food and feed grains are improving only very slowly. There is no question that for many years to come, Soviet planners will continue to be confronted with the choice of hauling ever increasing quantities of grain and/or flour on the already now badly overloaded railroad system or fill the requirements of the region through Pacific port imports from the U.S. West Coast (white wheat?), Canada and Australia. Even Soviet economists are capable of figuring out that ocean transportation of bulk cargo involves only a fraction of the cost of overland transportation by antiquated railroads which, on top of everything else, are desperately short of rolling stock.

THE FUTURE

Many many more questions are being asked by students of Soviet agriculture as the momentous year 1976 has come to an end and a new crop year is already in the making. Will it be the usual sequence: an excellent year followed by one catastrophic, two mediocre ones?

Nobody knows, since too much depends on the totally unpredictable Russian weather. But even assuming that the clumsy farm organization will work better from now on, there still remains the question of the continually rising demands for dietary improvements of the Soviet peoples. And, directly connected with this demand, the ceaseless build-up of livestock and poultry numbers. Nor should it be forgotten that the Soviets have to take care—for political reasons—of the periodically grain-short three northern tiers satellites (Poland, East Germany, Czechoslovakia). Normally 5 million tons annually are being set aside for that purpose.

Soviet agricultural economists calculate—and foreign specialists agree—that the USSR, to be self-sufficient, needs 1 ton of grain per inhabitant. Theoretically, at least, that would leave an import gap of about 30 million metric tons, even assuming that somehow, annual cereal production will now be stabilized around the 225 billion ton mark.

But not even Russian officials have any illusions that a 225 million ton grain crop can be repeated year after year without fail. Speaking to American audiences recently, representatives of the Soviet government made no secret of their expectations that grain and oil crop imports similar to the present ones will continue for at least five more years, even if domestic farm output should improve as planned.

Also, let us keep in mind one thing: In the USSR, unlike the U.S., the question being asked when projected improvements in farm efficiency are being discussed, is not, "Can it be done?" but, "Will it be done?" Because—and again totally unlike the U.S.—in the USSR, technical and financial feasibilities are not the only criteria leading to a decision.

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FOOTNOTES

[1] Potential of the Grain Field. Izvestiya Nov. 11, 1976, p. 1.

[2] Karl-Eugen Wadekin: Einige Grundprobleme der sowjetischen Agrarwirtschaft. Osteuropa, October 1976, pp. 924–935.

[3] Alan Abouchar and Daniel Needles: Custom Combining: A neglected opportunity for Soviet Agriculture. Canadian Slavonic Papers XVII, Jan. 1975, p. 65.

[4] Phony seed selection right in the fields. Selskaya Zhizn (Farm Life), June 18, 1976, p. 2.

[5] In the captivity of the rules or why the specialized seed growers of White Russia are unable to supply grass seeds. Selskaya Zhizn (Farm Life), November 12, 1976, p. 2.

[6] In the Central Committee of the CP-SU and the Council of Ministers of the USSR: Measures for the further improvement of seed selection and the cereal, legume and grass growing industries. Ibid. Nov. 21, 1976, p. 1.

[7] Khabarovsk Domestic Broadcasting Service 0930 GMT, October 18, 1976 (FBIS No. 220, Nov. 20, 1976, p. T3).

[8] Agra Europe, November 4, 1976, Landerberichte 10.

[9] Agriculture Abroad, Vol. VVI, No. 2, April 1976, p. 45.

Footnotes at end of article.

SOVIET ARREST OF YURI ORLOV

Mr. PELL. Mr. President, as Cochairman of the Commission on Security and Cooperation in Europe, I wish to express my deep concern and disappointment over the detention yesterday of Yuri Orlov by the Soviet authorities. Professor Orlov is one of 11 Soviet dissidents who last May founded the Public Group To Promote Observance of the Helsinki Agreements in the U.S.S.R. More than anyone else, Yuri Orlov has symbolized the courageous response which the Helsinki Accords of 1975 have generated in the Soviet Union and Eastern Europe in an effort to further the cause of human rights.

I am profoundly disturbed by the implications of this most recent Soviet action which comes hard on the heels of a round of similar arrests last week. These events raise questions as to whether a concerted campaign of repression is being initiated to silence all of the voices which might embarrass the Soviet Union this coming June when representatives of the 35 signatory governments to the Helsinki Final Act gather in Belgrade to assess the progress made in fulfilling the promises made in that document. In particular, these arrests call into question whether the Soviets will play a constructive role in Belgrade.

What disturbs me most about the arrests of Yuri Orlov and others is that the Helsinki Final Act was intended to be a code of conduct for East-West relations aimed at "overcoming distrust and increasing confidence" between East and West. A key element in this code of conduct was the body of provisions dealing with human rights known as Basket III. These most recent arrests, which are contrary to both the letter and spirit of Helsinki, only serve to fuel rather than ease tensions between East and West. I fail to see how that can be in the Soviet interest.

I, therefore, urge the Soviet Union to reconsider its attitude toward the Soviet group monitoring the Helsinki Accords and to release Professor Orlov and his colleagues. Surely, a nation as powerful as the Soviet Union can realize, as nations of the West have, that it is possible for governments to tolerate open discussion on the part of individuals and organizations.

TAX STIMULATION PACKAGE

Mr. HATHAWAY. Mr. President, America's small business has traditionally been a vital part of this Nation's social fabric. We are only now beginning to acknowledge its value. Once, the system of small entrepreneurs provided a channel of upward mobility for waves of immigrants. Today, that same system is at the cutting edge of technological innovation in industry, spurring economic growth, and creating an extraordinary number of new jobs.

Prominent among those groups advancing the interests of American small business are the National Small Business Association and the National Federation of Independent Business. A February 8 New York Times article relates the views of these two groups on the upcoming tax stimulation package suggested by President Carter. A program of tax credits for new jobs created in small business, as proposed by these groups, could save the taxpayers up to almost $8,000 per job each year over public works jobs.

Such a tax credit plan, modeled after a bill recommended in the last Congress by Senator GAYLORD NELSON, has now been introduced by Representative BUTLER DERRICK of South Carolina. It is the Small Business Job Credit Tax Act, H.R. 2691. I believe this proposal deserves serious consideration by Congress.

I request unanimous consent that the New York Times article be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VOTE OF CONFIDENCE FOR SMALL BUSINESS COMMUNITY

(By Thomas E. Mullaney)

WASHINGTON.—There was a high degree of elation here toward the end of last week among the various lobbying organizations that represent the nation's small-business community. They had just won a big victory in Congress on an issue they feared was impossibly lost a few weeks ago, and they counted rising support among the legislators for their position on a different tax plan to create new jobs in the private sector of the economy.

The ecstasy at the National Small Business Association and at the National Federation of Independent Business—the two principal representatives here for the 10 million small manufacturing and retail establishments in the United States—was prompted principally by an overwhelming vote in their

favor by the Senate last Friday. The Senate agreed to retain its Small Business Committee as a separate panel instead of merging it into the Agriculture Committee, as had been proposed in the broad, controversial reorganization plan of Senator Adlai Stevenson 3d, Democrat of Illinois. In that critical voting, of course, it was more significant that nine other committees scheduled for extinction were also reinstated.

Had the original plan been adopted, the small-business representatives feared, their various objectives for their own constituents would have been accorded less attention by a new Senate committee burdened with too many other responsibilities.

The small-business representatives consider the Derrick bill a good first-stage measure that will be simple and effective in the creation of new jobs quickly—at a relatively low cost to the Treasury and immensely helpful at the same time to a struggling sector of the business world, which accounts for about half the jobs in the national economy.

Mr. Stewart estimated that the net cost to the Treasury of a new job under the Derrick bill would be about $3,100, compared with $8,500 for a new public-service job and between $10,000 and $12,000 for a public-works job. Moreover, he said, in a survey of his organization's 50,000 membership last year, 75 percent said they would use such a job-creation credit and hire an average of two additional workers.

What reception such a proposal will get from Congress is unknown at this point, but comments last week by some members of the Ways and Means Committee indicated growing interest in some such job-credit plan is preference to the two business options offered by the Administration.

James D. (Mike) McKevitt, the Washington counsel for the National Federation of Independent Business, also supported a form of tax credit for small business in a recent interview. With 486,000 members around the country, the federation is the largest trade association for small business.

"We're getting better hearing from Congress," he said, "but we're still waiting patiently for President Carter to get around to us."

"Now we have greater hope that the 95th will indeed be a turnaround Congress as far as small business is concerned," said Milton D. Stewart, president of the National Small Business Association, after the vote result was obtained in a repetition of a theme he has been expressing since last November's election.

Whether that segment of the business community will really have more clout in Washington these days may be better gauged after Congress completes action on the economic-stimulus package of tax and spending proposals that President Carter has submitted to it. The House Ways and Means Committee will start to hear witnesses from the private sector on the package today, and among the early participants will be representatives of small business, Mr. Stewart and Bruce Felding, secretary of the N.F.I.B.

Mr. Stewart said his organization will lend its support to a different type of stimulus package for business than the two alternative options proposed by the Carter Administration. He said the plan that small business espoused should be viewed as a third option for business, not as a conflicting proposal with the Social Security tax credit and the investment-tax credit increase suggested by the Administration.

The plan that he will back is contained in a bill offered last week by Representative Butler Derrick, Democrat of South Carolina, as H.R. 2691, the Small Business Job Credit Tax Act. "We think it's the right step," Mr. Stewart.

That measure would provide a flat 50 percent tax credit of his pay for each new job created in small business up to a limit of 10 positions for each enterprise and a maximum credit of $80,000 per employer.

In the Presidential campaign, the small business groups maintain, the Democratic contender made several strong commitments to their leaders in a written policy statement and at a meeting in Cleveland last October. Mr. Carter promised to consolidate overlapping regulatory agencies to facilitate action on problems and said he would see to it that the growth rate of small business exceeded that of big business and Government.

Small business remains confident that the commitments will be redeemed. Its trade associations have much they would like to talk about in addition to the present job-incentive tax plan. They want less onerous Government regulation for small business, a two-tier investment tax-credit system (with a higher rate for small enterprises) and a bigger share of Government procurement contracts of all kinds.

JEFFERSON COUNTY MENTAL HEALTH CENTER—S. 690

Mr. HART. Mr. President, I am pleased to join my fellow Senator from Colorado (Mr. HASKELL) in introducing S. 690, a private bill for the relief of the Jefferson County Mental Health Center in Colorado. This nonprofit organization has provided services to the residents of Lakewood and the surrounding area for over a decade and is known throughout the State for its dedication and excellence in health care services. It is an invaluable asset to the community it serves. The need for the legislation we are introducing arises from an unfortunate misunderstanding between the center and the Internal Revenue Service. Briefly, the situation is as follows.

For several years, the center had been collecting social security taxes from its employees. However, during a 1975 review of the tax status of nonprofit organizations, the IRS determined that the Jefferson County Mental Health Center had not filed an SS–15 form—a form which must be filed by any nonprofit organization that elects to have its employees covered by social security. The IRS, therefore, concluded that the center was improperly withholding social security taxes and directed the center to reimburse its current and former employees for the FICA taxes withheld. Having been instructed that the IRS would reimburse the center in full, the center immediately began making repayments to its employees.

It was only after the center had paid out thousands of dollars from its own pocket that the IRS reviewed the center's tax files a second time and found that, in fact, an SS–15 form had been submitted by the center in 1963. Because the form had been on record, the IRS informed the center that it could not reimburse the center for the funds repaid to employees.

Mr. President, this bill was introduced in the House and Senate during the 94th Congress. Prior to its introduction, IRS Commissioner Alexander reviewed the case and stated that he had no objection to the legislative remedy proposed by this measure. Unfortunately, however, severe time constraints made it impossible for the appropriate House and Senate committees to consider the bill. I join Senator HASKELL in urging early consideration of this matter. As a result of the confusion with the IRS, the Jefferson County Mental Health Center is facing a financial setback that may threaten its existence. The situation requires immediate attention.

LITHUANIAN INDEPENDENCE DAY

Mr. STEVENSON. Mr. President, another year has passed since we last observed Lithuanian Independence Day. It is a happy occasion when we recognize a proud people who cherish their language, cultural traditions, and religion. But we have great cause for sadness. We cannot observe the 59th anniversary of the Lithuanian Declaration of Independence without simultaneously marking the 37th year of Soviet occupation of Lithuania.

The Lithuanian people have endured, with unfailing confidence and determination, many years and many attempts to force their acceptance of domination by the Soviet Union. Thirty-seven years have not weakened their resolve. It should not weaken ours. They deserve the admiration and support of free people everywhere.

Last year I cosponsored Senate Resolution 319 which expressed the sense of the Senate that there had been no change in the U.S. policy of nonrecognition of the lawless occupation of the Baltic States. We could do no less; perhaps we could do more.

We must at least demand that the Soviet Union accept its commitment to fulfill its obligations as set forth in the International Covenants on Human Rights and in the final act of the Conference on Security and Cooperation in Europe. I remain skeptical over the achievements of the Conference of which the final act, or "Helsinki Declaration," is not legally binding upon the signatories. I believe any benefits of the Conference may have been in favor of the Soviet Union rather than the West. But the Commission on Security and Cooperation in Europe, established last year by the Congress, should at least be in a position to publicize the failings of the Soviet Union to live up to its undertakings in the final act. Firmness with the Soviet Union can promote peace and enhance human rights, as well as mutual economic welfare.

Mr. President, I join the Lithuanian community in the United States in expressing renewed support for the Lithuanian people and for the aspirations of all who yearn for freedom and basic human rights.

GENOCIDE TREATY CREATES NO NEW DANGER OF EXTRADITION

Mr. PROXMIRE. Mr. President, when discussing the Genocide Convention a very important consideration must be the effect the treaty's ratification will

have upon our own citizens. Opponents of the convention have often cited a fear of forced extradition or harassment of our citizens as grounds for their opposition to the treaty.

Although this concern for the welfare of the American people is shared by us all, I am sure that it is greatly exaggerated in this case. The Genocide Convention will not change any of the conditions under which American citizens already live.

Opponents of the treaty feel that its ratification will force the United States to extradite its citizens on trumped up charges of genocide. That situation, however, will be prevented, because extradition can only take place under laws and treaties already in existence. The United States does not extradite people unless their procedural safeguards will be protected and unless there has been a prima facie case established. The Genocide Convention will change none of these practices.

Similarly, the welfare of Americans living in other countries will not be affected by the Genocide Convention. If a foreign power wished to arrest an American for ulterior motives, it need not wait for genocide charges to base the arrest on. Any criminal charge will suffice for an arrest motivated by reasons of personal harassment.

Ratification of the Genocide Convention will not create any new dangers or precarious situations for American citizens. On the contrary, ratification will at the least place Americans in a more favorable light in the world of international opinion.

Mr. President, I urge that we ratify the Genocide Convention immediately.

SCHOOL CONSTRUCTION UNDER PUBLIC LAW 815

Mr. METCALF. Mr. President, we have heard that constructoon projects are not suitable as ingredients of a stimulus package because they take too long to get off the ground and actually generate the jobs necessary to revitalize our economy.

This generalization is suspect for one category at least, school construction under the Public Law 815 authorities. The Office of Education has stacks of approved projects that have been gathering dust on shelves due to lack of support from the previous administrations to redeem these promises to pay.

I therefore posed the question to the Office of Education, and I would like to share with my colleagues the answer I received which to my mind clearly shows that if we provide the necessary money in the supplemental now being considered by the Senate Appropriations Committee work can be started very promptly.

Mr. President, I ask unanimous consent that the January 27 reply from the Office of Education in response to the inquiry from my office be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION,
Washington, January 27, 1977.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: In response to a telephone request from Mrs. Dorothy Tennenbaum, of your staff, we are submitting priority listings of applications under Sections 5, 10, and 14 of Public Law 81–815. We were requested to estimate which projects could go to bid, if funded, within: 90 days, 120 days, 240 days, 360 days.

The priority lists are enclosed, as we currently show them. We do not have data from the Regional Offices on all new applications that were filed for the most recent cutoff date of November 30, 1976. The majority of such applications have not been processed by those offices as yet. However, we do not believe the relative priority order nor the number of project applications listed will change significantly once that action is completed.

The priority list for applications under Section 5 of the Act is believed to be reasonably accurate, in terms of initial eligibility and priority ranking, as the facts are presently known. We would need to revalidate much of the data since 90 percent of the applications have been on file and unfunded since 1972. Fifty percent were filed in the period 1967 to 1969. The Act requires that applications be processed on the basis of the latest and best information available. It is possible that a revalidation would cause a significant number of the older applications to drop from the eligible list owing to reductions in Federal activities that may have occurred over the past decade. Also, some local education agencies may have provided facilities with funds from other sources, thus eliminating totally or reducing significantly the number of unhoused pupils.

Due to the limited funding for Section 5 applicants available in recent years, this office has requested Regional personnel to revalidate only Section 5 applications reported to have the highest priority ranking and which might be considered immediately for funding if the need for assistance remained.

The priority list for Section 14 applicants reflects a different picture. Approximately two-thirds of the applications have been filed within the past three years. Thus, the majority of these applications represent a current need for school facilities. Inasmuch as approximately one-half of the project applications reflect a tentative priority index, (i.e. they have not been firmly processed by Regional Offices), the needs shown in terms of relative priority and dollars needed may be significantly increased when firm processing is completed. Once again, only those applicatants tentatively showing high priorities are processed immediately, due to limited funding and manpower.

The priority list under Section 10 is not as complete, at present, as the list for Sections 5 and 14. In recent years many Federal installations, mostly military, have not filed applications, although their need is real, because no funds were available for new construction under Section 10 and none was foreseen. However, records have been informally and partially updated periodically in recognition of the existence of a major problem. Over the past eighteen months this office has been conducting an in depth analysis of the facilities on these installations. Upon the completion of this study, possibly within the next three months, we expect to have an accurate assessment of the physical and money needs under Section 10. On the basis of data we have already obtained from the in-depth analysis, we know that there will be more applications submitted under Section 10 (direct Federal construction on Federal property), and some of those we are carrying on the current list will be merged with more comprehensive projects.

In addition to the priority index of each application on the enclosed lists, we are showing the estimate of funds needed for each project. For applications submitted under Section 5 the estimate is reasonably firm since those figures are derived by formula. Again, this assumes that basic data underlying them have not altered. But, as noted previously, this is a very suspect assumption.

In the case of applications under Sections 10 and 14, however, we do not believe the cost estimates are reliable, particularly those for projects that have been eligible but unfunded for several years, due primarily to the effect of inflation on construction costs. One exception to this degree of reliability could be the estimate of $42,631,000 submitted by Window Rock School District, Fort Defiance, Arizona. We are not familiar with schoolhousing needs in that district to any appreciable extent. However, we suspect their estimate of construction needs is seriously over-inflated. The funding needs under Section 10 unquestionably will be much greater than our known data currently indicate, once the in-depth analysis is completed and its findings summarized. Our experience over the past few years with respect to Section 14 applications proves that initial estimates submitted by applicants are generally 100% to 200% below what actual project costs turn out to be when the project goes to bid.

On the basis of estimates we have received from different DHEW Regional Engineers who would assume the responsibility for monitoring construction progress once funds become available, we believe all the valid projects on the enclosed lists could go to bid within 360 days from the time funds become available to this office through an Advice of Allotment to this Division from the Office of Management and Budget, thence from our own Budget and Financing Office.

Those applications under Section 5 which involve smaller amounts of eligibility in terms of dollars could be expected to go to bid within 240 days. Most of those applicants, even including the smaller ones, do not normally develop educational specifications nor employ an architect to develop construction plans and specifications until they are notified that funds are reserved for the project by DSAFA. Therefore, we do not believe they could go through the developmental processes necessary to get a project ready for bid, including the various approvals required by State and Federal agencies, before 240 days.

With respect to applications under Section 10, an earlier start could be expected because we would have the authority to approve the use of construction management techniques in which some aspects of the construction program, such as site and foundation preparation work, could proceed while other aspects to follow are being completed. In quite a number of instances our Regional Engineers say they could go to bid within 120 days.

A majority of the Section 14 projects would probably not be expected to go to bid before 360 days. Many of these are large projects, located in isolated areas, and planning requires more time. A few of the Sec-

tion 14 projects have already undergone some preliminary plan work and could be expected to be ready for bid within 240 days. In the case of the project at Hays, Montana, we believe work could commence within 120 days. Here, again, construction management techniques could be expected to speed up work progress.

The priority index listing enclosed are checked to indicate those specific projects we believe could go to bid within the time shown. A summary of the number of applications, by section of the Act, and total cost within each time frame increment is shown in the following table:

ESTIMATED PUBLIC LAW 81-815 SCHOOL CONSTRUCTION SCHEDULE POTENTIAL

Public Law 81-815	90 days		120 days		240 days		360 days	
	Number projects	Estimated funds	Number projects	Estimated funds	Number projects	Estimated funds	Number projects	Estimated funds
Applicable section:								
5	0	0	0	0	282	$49, 881, 165	41	$61, 438, 002
10	0	0	40	$34, 159, 797	10	10, 864, 083	16	34, 627, 422
14	0	0	2	4, 499, 993	30	7, 144, 582	82	241, 952, 854
Total[1]	0	0	42	38, 659, 790	322	67, 889, 830	139	338, 018, 278

[1] The total of funds needed for each section of Public Law 81-815, as shown above is: Sec. 5, $111,319,167; sec. 10, $79,651,302; sec. 14, $253,597,429; total, $444,567,898.

It should be noted that more recent data with respect to Section 10 needs which we are currently developing, in cooperation with representatives of the Department of Defense and others, and the actual needs of Section 14 applicants as these are developed in the process of preparing project descriptions, will undoubtedly generate a school construction need greater than that indicated above for those two sections. The total need estimates shown above may vary considerably by section when actual bid prices for projects under Section 10 and 14 are known. Some portion of this variance could be offset by the failure of the older Section 5 projects to sustain eligibility upon revalidation of data underlying them.

Sincerely yours,

WILLIAM L. STORMER,
Director, School Assistance in Federally Affected Areas.

Enclosures.

Mr. METCALF. Mr. President, I commend to my colleagues careful study of the effects that could be anticipated in each of our States if we funded at $106 million only the 364 projects that could be operative within 240 days. I would certainly prefer to see $445 million provided to bring the backlog down to a current basis.

MORE RED INK

Mr. HARRY F. BYRD, JR. Mr. President, in the January 31 edition of the Richmond News Leader, a thought provoking editorial appeared which contained dramatic figures regarding the interest costs of maintaining the staggering and ever-growing national debt.

When 25 cents of every working person's hard-earned tax dollar goes to pay the interest on the national debt, it should be obvious that we will not get the cost of living under control until we get the cost of government, including interest, under control.

I commend to my colleagues the editorial in the Richmond News Leader, whose editor is Ross MacKenzie, and publisher is D. Tennant Bryan.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MORE RED INK

In 1966 the interest paid on the national debt was around $12 billion. In fiscal 1976 the outlay required for interest soared to $37.1 billion. And in the coming fiscal year, the federal government will pay out $44.6 billion in interest on the $650 billion national debt. It is estimated that by 1982 the interest outlay will reach some $55 billion a year.

These figures are so large as to be almost meaningless. The average taxpayer, trying to squeeze a $3-a-pound can of coffee into his budget, simply cannot visualize a billion dollars. As a result, many voters do not perceive the growing federal debt—and the growing sums needed to service it—as political issues that affect them as individuals.

Yet the $44.6 billion slated for interest expense in the coming fiscal year would buy a lot of goods and services if it could be diverted into other programs. The interest cost represents $3 billion more than total federal government outlays for education, transportation, and the environment in the coming year. Or, in another light: If interest costs could be reduced significantly, taxpayers could be given a healthy tax cut. After all, the interest expense will account for more than 25 per cent of the $171.2 billion that the government expects in revenues from personal income taxes in fiscal '78.

But the debt and its consequent interest costs fester away, requiring ever larger chunks of the federal budget pie. Most members of Congress ignore it; adding to the national debt has been a handy way to finance runaway spending in budget deficit years that stretch back to the Eisenhower administration. The deficits in fiscal '76 and '77 and the projected deficit in fiscal '78 total more than $150 billion. If President Carter implements his spending proposals, the total could approach $200 billion—in only three fiscal years.

A measure introduced in the House of Representatives would require the federal budget to be balanced, but its chances of passage are zero. Congress has found it far too convenient to keep running up the deficits—and the debt; its members would be thrown out of office if they had to raise tax rates to pay for their high-flown programs. So the debt will keep growing, and so will the interest payments. Living on the cuff may be the easy way—but no one ever described it as cheap.

ENERGY CONSERVATION THROUGH COGENERATION

Mr. HART. Mr. President, our Nation wastes from a third to a half of all the energy we consume. In 1975, we wasted more fossil fuel than was used by two-thirds of the world's population. Of course, our wasteful consumption of energy resources will not continue forever—it will come to a rather abrupt halt the moment we find there are no energy resources left.

Conserving energy need not be simply painful or difficult. About 17 percent of all our energy is used by industry to produce steam for their industrial processes. About two-thirds of this steam energy floats up smokestacks into the sky. But wherever industrial steam is generated, there is also a potential to generate electricity using only one-half the fuel required by the most efficient central station powerplant. This simple process, called cogeneration, can painlessly save the United States about 1.8 million barrels of oil-equivalent every day, and can produce about 30 percent of the total electric budget projected by ERDA's COAT study for the year 2000—at one-half the fuel cost of central station power.

The present technique for cogeneration at this efficiency, however, requires either natural gas or petroleum. But equipment can be developed for commercial use within 5 or 10 years using coal or solid wastes for fuel.

Mr. President, the ramifications of this intermediate technology will be enormous. Implementing it will not only save tremendous quantities of fuel—it will also reduce capital investment requirements in the electric industry by about $5 billion per year and will considerably reduce air pollution.

I plan to introduce legislation to facilitate commercial utilization of cogeneration techniques using coal and solid wastes for fuel in the near future. In the meantime, I think my colleagues would be interested in reading an article which recently appeared in the Bulletin of the Atomic Scientists by two brilliant and concerned physicists at Princeton University's Center for Environmental Studies, Dr. Robert H. Williams and Dr. Frank von Hippel. A portion of their article, entitled "Energy Waste and Nuclear Power Growth," concisely describes cogeneration technology and its potential for energy conservation, and I ask unanimous consent that the relevant section be printed in the RECORD.

There being no objection, the relevant section was ordered to be printed in the RECORD, as follows:

COGENERATED ELECTRICITY

Cogeneration plants would save on fuel costs by using the waste heat from electric power generation for the production of low temperature steam for industrial process uses. As has already been noted, typically two-thirds of the fuel energy of a central station generating plant goes into "waste heat"—corresponding currently to approximately 16 percent of U.S. energy use. At the same time about 20 percent of all U.S. fuel is used in the production of industrial process steam. Obviously a great deal of fuel would be saved if the waste heat from electrical generation could be used to supply this low temperature heat. In fact it is relatively easy to establish that only about half as much fuel would be required per kilowatt hour of generated electricity at an industrial cogeneration facility as would be required at a central station power plant. (That is, the extra fuel required beyond that which would be needed to produce the process steam separately.)

The key to the practicality of such a proposal is the fact that the scale of operations at industrial process steam-using plants is often large enough to make by-product electricity generation economical. Indeed this practicality is attested to by the fact that cogeneration systems account for approximately 12 percent of West Germany's electrical capacity today. As recently as 1950, 17 percent of U.S. electrical generating capacity was associated with industrial process steam production. This percentage has steadily declined over time, however, to about 4 percent in 1974.

The decline of cogeneration as a major supplier of electricity in the United States can be traced to the remarkable decreases both in fuel costs and capital costs (in constant dollars) enjoyed by the electrical utilities during the 1950s and 1960s. This allowed them to set very low prices for bulk power sold to industrial users (see Figure 3). Cogeneration of electricity at industrial sites was discouraged further by the utilities' refusal to buy at fair prices the cogenerated electricity which was in excess of a plant's owns needs, and by their practice of charging very high fees for contracts to provide replacement power during periods when industrial cogeneration units were shut down for maintenance or repair.

New analyses which take into account the recent and projected increases in the costs both of fuels and utility-generated electricity indicate, however, that the economics of industrial cogeneration have become very attractive. One study prepared for the Federal Energy Administration, for example, concludes that it would be economically justified during the decade 1975–1985 to install equipment in the chemical, petroleum refining, and paper and pulp industries alone to cogenerate the equivalent of almost one-half of the U.S. electricity use in the year 1975.

These numbers were obtained by assuming that cogeneration would be accomplished by using gas turbines to drive the electrical generators while the exhaust from these turbines would be used to provide heat for a process steam boiler. In terms of overall costs, this would probably be the optimal technology for cogeneration. The only problem is that the gas turbine systems in wide use today burn only expensive oil or gas. However, there has been good experience in West Germany over the last 20 years with coal-fired closed cycle gas turbines, and it appears likely that by the 1980s relatively low cost high pressure fluidized bed combustors will be available for firing gas turbines directly with coal (or any other solid, liquid, or gaseous fuel, including solid wastes).

We estimate that by the year 2000 industrial steam-using plants could produce about 30 percent of the total electricity budget projected for the COAT scenario. Such a large amount of electricity would substantially alter the electricity supply mix envisioned by ERDA. In particular, if all this cogeneration electrical capacity were fueled with coal, the extra coal required would amount to about 350 million tons per year—bringing the total coal use for electricity generation in the COAT scenario up to a level approximately 40 percent higher than in 1975.

Most of this cogenerated electricity would substitute for nuclear power for two reasons: (i) nuclear power dominates the COAT electricity supply; (ii) since large process steam users operate around the clock, cogeneration power would also be generated around the clock and would therefore be directly substitutable for the power generated from central station "base loan" plants.* In ERDA's COAT scenario almost all the base load capacity is nuclear (450 out of 510 gigawatts). Cogeneration capacity would therefore tend to displace this capacity. Our estimate would therefore result in the cogeneration capacity replacing up to 230 gigawatts of nuclear capacity in the year 2000, thereby reducing the level of nuclear generating capacity in the COAT scenario from 450 to less than 250 gigawatts.

Although 250 gigawatts would be low relative to ERDA's projections it would be far from low in an absolute sense. It would still be almost 100 gigawatts higher than current industry estimates of U.S. capacity in 1985—and fission power would still generate in the year 2000 three-quarters as much electrical energy as the entire electrical sector did in 1975. It would also involve about 25 percent more nuclear power than in ERDA's "limited nucelar power" scenario, which essentially represents the effects of a moratorium on nuclear power beyond the plants under construction or on order.

A life cycle of this capacity (30 years per reactor) could be supported without plutonium recycle or improvements in reactor technology with about two-thirds of the uranium in ERDA's "reserve" and "probable" resource categories. The total uranium in these categories plus that currently in ERDA's "possible" and "speculative" resource categories would support almost three times this capacity for 30 years or the same capacity for almost 90 years. If the more recent higher resource estimates of the uranium industry are borne out (see note 2), the "once-through" nuclear economy could support twice as many reactor years again. In our view this situation hardly constitutes a "uranium supply crisis" and would appear to provide a period of at least a decade during which a decision regarding plutonium recycle could be postponed without ill effects, while we attempt to develop an alternative future for fission power.

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*A utility's base load plants would be those plants with the lowest fuel costs. These plants would be operated at periods such as late at night when electricity demand is low in preference to other "intermediate load" and "peaking load" power plants which have higher fuel costs. Base load plants are often also the most expensive plants in terms of capital costs so that it is necessary to run them as much as possible to generate enough electric energy to justify the high capital costs.

BEWARE OF THE BELL BILL

Mr. METCALF. Mr. President, when Congress passed the truth in packaging bill, it might well have extended the coverage to truth in legislative packaging. Every now and then legislation is proposed that bears a title of the Consumer Communications Reform Act. Many Members in both bodies climbed aboard, obviously attracted by such words as "consumer" and "reform." Also, they were deceived by the fact that the prime mover behind this proposal, A.T. & T., retained a low profile, while the active lobbying was carried out by various groups that fronted for Bell, including some labor representatives, as well as representatives of small "independent" phone companies and certain rural cooperative phone companies.

This deceptive packaging is being repeated in this Congress. The bill, rather than helping consumers, would result in higher prices, stifled innovation, and increased concentration in a monopoly industry.

It is a matter of great concern that Members be alerted to the authentic source of the measure. There are considerations even more important than the question of competition in the communications industry. This question of A.T. & T.'s tightening its exclusive hold in communications, unti it has the "perfect monopoly," involves the added question of whether any corporation should be allowed to grow beyond the size where it can be regulated by Government.

I am extending my remarks with an analysis that appeared in the Business & Finance section of the Washington Post on December 12, 1976, by William Jones, entitled "Dealing with A.T. & T. Not an Easy Task, Even for the United States." This article, which I commend to my colleagues as an excellent summary of the impact of Bell on our economy and Government's ability to cope, raises two disturbing questions.

One is the inability of the Antitrust Division of the Department of Justice, which has an annual appropriation of some $25 million, for all its various endeavors, to battle on an equal footing with A.T. & T. Bell is reported to have assigned legions of lawyers, reportedly over 600, to oppose the Government's antitrust actions.

The second concern is the inability of the Internal Revenue Service to properly audit and assess Bell for taxes. This was described by an IRS official who recently resigned. He charged, reported Morton Mintz in the November 9, 1976, Washington Post, that Bell owed the Government nearly $3 billion in corporate taxes, which could not be collected because the IRS is not big enough to audit the Bell systems complicated books. That is of a piece with the amazing fact that the Federal Communications Commission, despite years of "regulating" A.T. & T., still has not determined the size of the company's rate base, which of course must be known in order to provide meaningful economic regulations.

Obviously, if any company is too big for the Department of Justice, too big for the U.S. Treasury, and too big for the FCC, then it is certainly the time to permit legitimate competition to offer some countervailing forces at the marketplace. It certainly is not the time for Congress to aid and abet the further expansion of a corporate entity that is already too big for the agencies of Government.

Mr. President, I take this opportunity to alert my colleagues to the true intent of the "Bell bill," and ask unanimous consent to have printed in the RECORD the two articles to which I have referred.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 9, 1976]

IRS HIT ON A.T. & T. AUDITS

(By Morton Mintz)

Over a 10-year period, the Internal Revenue Service has failed to collect at least $2.94 billion in income taxes owed by the American Telephone & Telegraph Co., a former IRS official charges.

The major cause is the inability of an agency with a budget of $593 million for the auditing of all tax returns, individual as well as corporate, to audit fully the return of a corporation with revenues of $26 billion, says Lawrence R. Sloan.

Now a consulting engineer in Orlando, Fla., Sloan for nine years was the principal valuation engineer and acting chief engineer of the Manhattan District of the IRS.

"The error continues with each advancing year, growing larger as the physical plant grows," Sloan says in an article to be published next Monday. A.T.&T., in its annual report for 1975, values its plant at $87.6 billion.

Moreover, the difficulties faced by the IRS in auditing A.T.&T.—the world's largest corporation—probably exist for other phone companies, as well, Sloan suggested.

His article will appear in Tax Notes, issued by Tax Analysts and Advocates of Arlington. A self-described public interest law firm, it does tax analysis for news organizations. Its officers and advisers include former IRS Commissioner Sheldon S. Cohen, among several former high officials of the agency.

Before accepting Sloan's article, Tax Analysts submitted it for comment to the IRS, A.T.&T. and two independent accounting experts, Profs. Charles A. Tritschler of Purdue University and James A. Wheeler of the University of Michigan.

The IRS said it would like to comment but is prevented by law from discussing the tax affairs of a corporation or a person.

AT&T's top executive for federal taxes, Cyrus J. Halperin, rejected all of Sloan's key contentions. One "basic fault in the article is an apparent misunderstanding of the process under which telephone companies are regulated, and the significance of such regulation on a proper application of the tax laws," Halperin told Tax Analysts.

As for the adequacy of the IRS's audits, Halperin said, "As one who devotes a substantial portion of his time (and that of a large staff located both in New York and across the country) in responding to requests from the revenue agents . . . it would be difficult for me to subscribe to a view that the . . . service is not 'up to the job'."

Sloan's article attributes the $2.94 billion tax loss—which he terms "a conservative estimate"—to the tax treatment AT&T gives to certain repairs and depreciation.

He wrote that "a complete mystery to the IRS" is an item accounting for $1 billion of the total loss: the correct tax treatment for certain repairs of switching equipment, which is mainly in AT&T's central offices and in its operating companies throughout the country.

During the 10-year period from 1966 through 1975, this item accounted for more than 30 per cent, or at least $12 billion, of the approximately $41 billion deducted by the Bell System for maintenance of its entire physical plant, Sloan wrote.

His contention is that at least 15 per cent of the $12 billion in switching-gear maintenance actually upgraded the equipment by enlarging its capacity by 25 per cent or more. Upgrading is not a mere repair, he argued, but an addition to AT&T's plant that, "consistent with prudent tax management," ought to be capitalized over the life of the equipment.

But treating upgrading as maintenance is advantageous to the company because, Sloan said, maintenance expense is fully deductible in the year in which it is incurred.

James S. Byrna, director of Tax Analysts, estimated that expensing rather than capitalizing a piece of work costing, say, $1,000, would save AT&T $49 annually. The estimated savings reflects assumptions that the work is an asset, that the asset has a 10-year life, that the cost of capital is 10 per cent and that the investment tax credit is 11 per cent.

Especially because it owns Western Electric Co., which manufactures and rebuilds switching equipment, AT&T "is in a position to manage the cost" of the equipment "so as to maximize the amount that is expensed," Sloan wrote.

Yet the company "has been almost completely unchallenged" by the IRS in making decisions on whether to expense or capitalize work on the equipment, he continued. This, he added, is "a commentary on the inability of the IRS to audit one of the world's largest companies."

Halperin said that regulatory agencies—not AT&T—establish the accounting procedures it follows, that the company is subject to continual, comprehensive audits by independent accounting firms, and that the Federal Communications Commission and state utility commissions assure compliance.

Told of Halperin's statement, Sloan said, "The regulatory commissions, both state and federal, do not write tax laws." Moreover, he said, the courts often have upheld the IRS over regulatory agencies.

Sloan said that the IRS lost at least $1.14 billion in tax revenues largely because of other AT&T tax practices, some of them involving work on equipment other than switching gear.

As a case in point, Sloan cited Western Electric's performance of "all significant repair work on telephone instruments, switchboards, teletypewriters."

Although minor adjustments are made in the field, such equipment is returned to Western Electric in "a planned program of upgrading and rebuilding to the latest standards," Sloan wrote. "Again, this major problem area is a complete mystery to the IRS."

Yet another "major problem area" developed about 20 years ago when, Sloan said, electronic switching became available. It made obsolete the slower electro-mechanical gear.

Rather than replace the old equipment as rapidly as practicable, the Bell System—and other phone companies—began "a planned programs of 'managed' obsolescence" in which, Sloan wrote, much of the old equipment was rebuilt, upgraded and given favorable tax treatment. One result was a tax loss of the government that he figured at a minimum of $300 million in 15 years.

"The IRS has lived with this error because it simply does not have the technical capability to deal with such a problem," Sloan wrote.

AT&Ts Halperin said the record does not bear out any charge of "managed" obsolescence. "For several years now, we have been installing electronic switching equipment at the rate of about one every two days," he wrote Byrne.

Denying that AT&T had assigned unrealistically long depreciation lives, the executive said, "Any investigation will show that all Bell System companies have constantly and aggressively tried to obtain higher depreciation rates than permitted by the regulatory commissions."

[From the Washington Post, Dec. 12, 1976]

DEALING WITH A.T. & T. HARD EVEN FOR UNITED STATES

(By William H. Jones)

NEW YORK.—About 20 leading businessmen gathered in Plains, Ga., earlier this fall for a buffet lunch and a four-hour chat with Jimmy Carter.

John D. deButts, chairman of American Telephone & Telegraph Co., was among those who attended. Thomas R. (Bert) Lance, now director-designate of the Office of Management and Budget, was in charge of organizing the session, and he allotted each of the corporate chiefs five minutes.

"The purpose was to give us an opportunity to talk," deButts recalled in a recent interview at the Bell System's headquarters on Lower Broadway. The AT&T chief said he had expected his fellow corporation chiefs to focus on general problems and he had intended to do the same.

DeButts was placed eighth in the order of speakers and, to his surprise, he recalled, all those who spoke before him devoted their five-minute intervals to specific problems their own companies or industries faced.

So deButts departed from his prepared remarks and gave the future president of the United States a three-minute summary of the AT&T chief's favorite subject today—keeping the world's largest private enterprise as "one system, one policy, universal service," a maxim of the company ever since it was enunciated nearly a century ago by the firm's first professional manager, Theodore Vail.

That policy, which evolved into a government-blessed national monopoly and what is generally regarded as the most efficient and diverse telephone system in the world, is under great challenge today by the federal government itself in a major antitrust suit and by government regulatory policies in recent years designed to give AT&T a dose of free-market competition.

DeButts said he explained to Carter a piece of legislation that will be a major economic issue before the incoming 95th Congress and a tough issue for the Carter administration. It is called the Consumer Communications Reform Act, a title that critics have suggested is so deceptive that it should be attacked under truth-in-advertising statutes.

Nearly 200 members of the outgoing Congress have sponsored the legislation, and the telephone industry virtually is united in support of the Bell System-sponsored legislation, which would enhance the monopoly status which AT&T officers believe should be continued.

According to deButts, Carter "was attentive, took copious notes personally, was open-minded, listened and was extremely knowledgable." The AT&T chief said Carter acknowledged that the future status of the nation's telecommunications industry was an important subject and that Carter's staff has been wrestling with it.

As officials of the departing Republican administration discovered, dealing with AT&T is not an easy task. John Eger, who was acting director of the White House Office of Telecommunications Policy for 21 months, strongly opposed the Bell System legislation

as "sheer folly" because it would scrap Federal Communications Commission decisions opening up some phases of the telephone business to competition.

When Thomas J. Hauser moved into the White House slot last July, however, administration policy was totally altered. "I disagree with John," said Hauser of Eger's position. Hauser said he would remain "neutral" on the legislation.

The FCC, meanwhile, continues its adamant opposition to the legislation, which deButts said will be reintroduced in the new Congress. FCC chairman Richard E. Wiley told a House hearing on the measure this fall that the Bell bill would give AT&T new monopoly powers and immunity from antitrust laws. Wiley asserted that pricing policies of the telephone firm already are forcing some users to pay more than a "fair" share of communications costs, and the FCC will continue to require competition in all areas of the industry except for actual telephone services.

In effect, Wiley said, AT&T was attempting an end run around competition by seeking sanction by Congress to nullify FCC regulation. All the while, the Justice Department is continuing to pursue the biggest antitrust case in American history, an attempt to break up AT&T into separate manufacturing and operating companies.

Nearly everything said about AT&T can be preceded by the word "biggest." It is the biggest privately held company in the world, with $85 billion of assets. It recently reported quarterly profits of $1 billion, the biggest amount of money ever earned by a private firm in three months (only four U.S. firms had profits exceeding $1 billion for all of 1975—Exxon, $2.5 billion; General Motors, $1.25 billion; International Business Machines, $2 billion; and AT&T itself, $3.1 billion).

With nearly 1 million employees, AT&T is the nation's biggest private employer. Stockholders' equity in AT&T of more than $34 billion is the biggest in private industry, and the Bell System has the biggest number of individual shareholders (about 3.6 million). Only in annual revenues can AT&T said to be No. 2—to Exxon Corp.

The question is whether AT&T is too big, and many people in government believe that is the case. FCC officials have worried for years that the Bell System may be "too big" for them to regulate, given the legions of lawyers and accountants the company can throw into battle against an agency with comparatively puny resources. Similarly, questions have been raised about the ability of the Justice Department's Antitrust Division to battle on an equal footing with AT&T. A former Internal Revenue Service employee has charged that the U.S. lost nearly $3 billion in income taxes from AT&T over 10 years because the IRS isn't big enough to audit Bell System books.

In the stock market, AT&T is so big that changes in the price of its stock affect all of Wall Street. When AT&T was charged with antitrust violations by the Justice Department, AT&T and the stock market went down. Last week, as interest rates continued to decline, AT&T's stock advanced because its high dividend made it attractive as an investment; shares of the telephone company hit an 11-year high of $64 on Friday and helped spur a market rally.

DeButts is sensitive to the charge of bigness. Negative reaction to the $1 billion of quarterly profits shows that "the press and public need a lesson in economics," deButts said recently. "The people who are being critical are looking merely at a dollar figure. They overlook the fact that there is $70 billion invested in this business by individual stockholders and bondholders."

In AT&T's view, the profits "aren't high enough," he added. In terms of utility industry profitability, AT&T is not in the top ranks. The rates of return it is permitted by state regulatory agencies are not being achieved. "It sounds like a lot of money, but you have to relate it to something else," deButts said.

According to Fortune magazine, AT&T ranked 37th among the country's top 50 utility firms in profits as a percentage of equity (9.3) in 1975. Northern Natural Gas of Omaha was No. 1 at 18.5 per cent and Western Union was 50th at 5.5 per cent.

Still, AT&T is about to complete its most successful year—appropriate enough for a company celebrating its 100th birthday. DeButts doesn't make forecasts of earnings, but he said it is obvious that 1976 profits will be at a record level. The firm earned $6 a share in the first eight months, and the best previous annual record was $5.28 in 1974. Annual revenues for 1976 will approach $35 billion.

DeButts said AT&T is earning about 8.89 per cent annually on total capital investment compared with between 9.3 per cent and 9.5 per cent permitted in most states. To boost revenues, the firm's subsidiaries are seeking $1.4 billion of rate increases from regulatory agencies in 22 states—including $337 million of higher rates in New York and $272 million in Texas.

In all AT&T rate cases, the company's subsidiaries are pushing a Bell System goal of making individual customers pay for actual services they use. This takes the form of higher charges for calls made from pay telephones, charges for information calls (soon to be proposed for interstate information calls, as well), and "message-unit" timing, like that in metropolitan New York, under which callers pay for each minute of a call instead of on a per-call basis.

Seated in a small parlor adjacent to his office here, deButts pondered the status of being big. "In a lot of people's minds, bigness is bad. But that overlooks that fact that only bigger companies can give the public what it wants," deButts stated.

If the Justice Department succeeds in breaking up AT&T or if the FCC succeeds in reducing its business hold, "customers will pay more because the (surviving) companies would be unable to raise capital as we can, as a system," the AT&T chief executive continued.

"We don't think we're getting a fair shake from the FCC," said deButts, complaining about an inability to offer new services or change rates without prior government approval. AT&T is going to Congress because "FCC action is contrary to the best interests of the American public. I'm absolutely convinced of it. They're forcing us to halt policies that are for the benefit of the public."

On the antitrust case, deButts expressed complete confidence that AT&T will be victorious, as the company has been in the past when faced with serious challenge by government. "Frankly, I'm not concerned about it," he said, vowing that the Bell System will not agree to any consent agreement this time as it did to settle a previous antitrust suit started in 1949, which sought to separate AT&T from Western Electric, the Bell System's manufacturing company from which most telephone equipment is purchased. The earlier case ended in 1956 and left AT&T intact.

DeButts said he has 600 people working on the case now, which he said will cost $300 million for gathering data, take a decade to complete and add up to "billions of pieces of paper." A federal court here has not ruled out the antitrust case in the face of AT&T claims that "pervasive" regulation now existing takes the place of antitrust laws. Proceedings are continuing in the "discovery" stage, setting ground rules for the big battle.

As for the legislation, it will be introduced next month and could lead to a thorough review of the FCC and government telecommunications policies. DeButts rejects the idea that the Bell bill is designed to "stifle competition." Rather, he said, it is designed to keep other companies—some big giants, such as IBM or RCA Corp., and some small, such as MCI in Washington—from taking away the most profitable intercity telephone business from large-volume users and leaving AT&T only with a costly plant and less profitable rural and residential service to perform.

If competition is to be mandated, it would be under the same ground rules for all companies under the Bell-backed bill. The measure also would prohibit the FCC from requiring AT&T to charge rates higher than Bell officials want, so long as the rates cover costs. Small communications companies view the last provision as one that would permit AT&T to cut rates and put competitors out of business.

To date, deButts said, AT&T is losing $275 million in revenues a year to small firms that offer specialized business services. When compared with $35 billion of revenues, the amount is tiny. But "that is not the point," deButts stated. "To whatever degree they take revenues away, we have to increase residential rates by that amount," he declared.

"We've only seen the tip of the iceberg. If the FCC goes on (permitting more competition), it will expand," pushing local telephone rates up in the process. That predicted outcome has been denounced by chairman Wiley of the FCC and by the small competing firms, who say costs can come down.

DeButts said AT&T has made no comprehensive survey of "damage" allegedly inflicted on the interstate telephone network by the use of switchboards and other non-Bell devices, which under FCC policy AT&T is supposed to connect.

On other topics, deButts:

Said AT&T is forecasting 1977 growth of about 13 per cent in revenues and 10 per cent in long distance calls. The current 8 per cent growth in long distance calls is below expectations.

Forecast AT&T capital spending next year of about $10.4 billion, with national inflation of 5.8 per cent.

Said the new administration could encourage the economy by ending a double taxation on dividends that are reinvested in stock.

Expressed "sympathy" for the steel industry in seeking to increase prices because "they have to get their earnings up" to attract capital for expansion. DeButts is a director of U.S. Steel Corp., the industry's leader.

PHIL HART: THE BEST OF US ALL

Mr. MUSKIE. Mr. President, it was 18 years ago this January that I first took my seat in the Senate.

It was a memorable day—filled with the excitement of a new adventure, and the anticipation of young men looking into the future with supreme confidence.

We were the Class of 1958. We became friends, and those of us who are still here treasure the memories of those who have left and the special relationship we all enjoyed.

The Senate Chamber is noticeably emptier with each departure.

None is missed more than Phil Hart.

He was my seat mate in this back row for 16 years. We spent hundreds of hours in these seats, sharing our views on the issues before us, watching our colleagues in action, participating in the debates, discussing parliamentary strategy.

He would often observe, in the course

of a particularly heated debate on the floor, "We attach a significance to what we do in the Senate that is not shared by anyone outside this Chamber."—a sense of humility that should commend itself to each of us.

We both had young families who went home for the summer months. Phil and I and Gene McCarthy spent long summer evenings together, dining wherever it pleased us, enjoying our summer bachelorhoods together.

Phil was a very special friend. Now he is gone, and each time I sit in this chair, the Senate becomes a lonely place.

The Senate needed Phil Hart. He made it a better place. He was convinced of his own inadequacy, determined to rise above it, and, without realizing it, became the best of us all.

I do not find it easy to say what is in my heart today. Perhaps I can do it best by reading something I said last summer.

It was a time when Phil was visibly wasting away. Jane and I invited a few friends to share the evening with him. It was a memorable evening, filled with good talk, and the love and warmth of friendship. Phil asked me to record the toast I gave that evening so that his Jane might hear it. This is what I said:

First, I would like to welcome you to our home. Jane and I are delighted that you could all come. This has been our home since the spring of 1961. We have lived here longer than we have lived in any other house. Our youngest child was born here. We don't have many parties. We are having this one because we love Phil Hart.

I have known Phil for more than twenty years—longer than we have been in the Senate. He is my dearest friend in the Senate. I love him more than anyone outside my family.

So Jane and I thought it would be nice to gather a few friends congenial to Phil as testimony of that friendship. It is not my intent to make a long speech, but rather I have tried to find some other way to symbolize what Phil means to me and to others of us.

What I selected, finally, are these sea gulls.

The sea gull is not the noblest of birds in all its habits. The species which is identified with Maine and New England is often called the "laughing gull" because of its strident call which sounds like coarse laughter.

But the sea gull which inhabits Maine's coastline is a symbol of the oceans to us in Maine—and the tempestuous forces which lie under the surface and the distant lands beyond the furthest horizon which we can see on a clear day.

The sea gull is at home in those vast expanses and those great forces. It is not confined to the sea—but follows our rivers and streams and lakes into the lonely wilderness forests which still inhabit so much of the northern regions of Maine.

It does not fear the unknown or the elements with which it lives.

In flying, it is a thing of grace and beauty.

It is not a perfect symbol—or the complete symbol—of the decency, integrity, courage and compassion which we all identify with Phil.

But in its grace, beauty and willingness to dare the unknown, it is the kind of free spirit we see in Phil Hart.

So, I present them to him, as a symbol of the friendship which has brought you all to this house this evening.

WASTEWATER TREATMENT PLANT CONSTRUCTION

Mr. ANDERSON. Mr. President, earlier this week I wrote the Chairman of the Council of Economic Advisers, Mr. Charles Schultze, and urged that President Carter consider amending his economic recovery package to include at least $14 billion for Federal grants to accelerate the construction of municipal wastewater treatment plants throughout the Nation.

As many of my colleagues are aware, present allocations for this program, the largest and most important Federal environmental protection grant program, will be exhausted this fiscal year in 32 States, including Minnesota. My proposal would provide $4 billion of economic stimulus beyond the $10 billion that is assumed for fiscal year 1977 and 1978 in S. 57, introduced by Senator MUSKIE. This additional $2 billion each year could permit thousands of municipalities across the country to improve water quality in their communities through the expansion and modernization of municipal sewage treatment plants, and, create productive construction jobs.

Mr. President, I ask unanimous consent that Chairman Schultze's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., February 8, 1977.

Hon. CHARLES SCHULTZE,
Chairman, President's Council of Economic Advisors, Executive Office Building, Washington, D.C.

DEAR MR. SCHULTZE: I most appreciated the presentation of Messrs. Blumenthal and Lance and yourself last Friday at the Senate Budget Committee regarding President Carter's economic recovery package. I would like to expand on the statements I made at that time. I strongly urge that you modify the President's proposals to provide at least $14 billion for the construction of wastewater treatment facilities throughout the nation.

Thousands of communities in Minnesota and elsewhere are prepared to put those dollars to work immediately to hire skilled construction workers, purchase goods and services, and clean up the nation's water resources. In my judgment, such a step would also support the President's strong and longstanding commitment to the environment.

Senator Edmund Muskie has introduced S. 57, which authorizes $5 billion for this fiscal year and fiscal 1978 for this program. I have cosponsored this measure because of my experience with the program as Governor of Minnesota. Unless funds are made available by March of this year, the most significant federal-state-local partnership to clean up the nation's water will all but end in 32 states, including Minnesota.

In my state, 457 communities have wastewater treatment facilities in need of expansion or modernization to bring them in compliance with the secondary treatment standard of Public Law 92-500. In 1976 dollars, this effort will require $1.2 billion, and the national need is $76.2 billion.

Without an appropriation this year, 200 Minnesota communities will not be able to upgrade their wastewater treatment plants. About 40 communities are ready to begin construction, with contractors and construction workers prepared to start work this spring; the remainder could be under construction in 1978.

As you are aware, the Council on Environmental Quality estimates that every $1 billion appropriated for wastewater plant construction produces 40,000 jobs, 20,000 of them in the depressed construction industry. A $7 billion appropriation would therefore translate to a large number of jobs and substantial purchases of construction materials and equipment, in addition to fulfilling the environmental purposes of P.L. 92-500.

As Senator Muskie pointed out at the hearing, appropriation of federal funds for this program should be considered in terms of ongoing versus stimulus impacts to the economy. The second budget resolution for the current fiscal year assumed $5 billion for this program, and the Muskie legislation recommends an additional $5 billion for Fiscal Year 1978. Increasing the amount to $7 billion per year would thus provide an immediate $4 billion stimulus to the economy.

My recommendation of $7 billion each year is based on the EPA judgement that this amount could be successfully absorbed during the current fiscal year. Using my own state as an example, the additional funds would allow at least 150 more communities to begin planning construction now and let contracts in Fiscal Years 1978 and 1979.

When that additional impact is expanded across the 32 states that will exhaust their previous allocations this year, thousands of additional municipalities throughout the nation could have facilities under construction over the next two years, through the accelerated program I am recommending.

In summary, I recommend that you propose inclusion of the following in the President's economic recovery package:

1. Authorization and appropriation of $7 billion for fiscal year 1977 for the federal share of the construction of municipal wastewater treatment facilities.

2. Authorization and appropriation of at least $7 billion for fiscal year 1978 for this program, with the final amount to depend on EPA analysis of the maximum amount of federal dollars the system can absorb.

3. Authorization for fiscal 1979 of necessary funds to continue this program at an accelerated level.

As Governor, I strongly supported the municipal treatment program and observed the impact of federal dollars that put people to work in productive projects that improve our water resources. I know of no better way to stimulate the economy and protect the natural resources of this country for our children and grandchildren.

With warmest personal regards.

Sincerely,

WENDELL R. ANDERSON,
U.S. Senator.

A NATIONAL ENERGY POLICY

Mr. STEVENSON. Mr. President, I want to call to the attention of Members of the Senate an article in the February 8 issue of the Christian Science Monitor.

The article is a reprint of a letter by President Franklin D. Roosevelt to the 75th Congress admonishing it to act on a national energy resource policy.

The United States is the only major industrialized nation in the world without a national energy policy. Mr. President, my colleagues will find President Roosevelt's vision admirable and the Nation's failure all the more disturbing. President Theodore Roosevelt and Gifford Pinchot saw the need to convert coal

into oil. And still we have not acted decisively to conserve and produce. Alone among all the industrialized nations, gasoline is still cheap. Alone among all the producing nations, we are still somewhat a national oil and gas corporation, still hostage to the industry and its minions.

President Carter has indicated that his administration will submit a comprehensive national energy policy to the Congress in April. I await his proposals with hopes they will reveal, not the visions, but the courage that has been missing in America for a long time.

Mr. President, I ask unanimous consent that the Roosevelt letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ENERGY: HOW LONG WILL IT TAKE?

FEBRUARY 19, 1939.

TO THE CONGRESS: This report represents the joint effort of many specialists both within and outside the Federal Government. It suggests policies, investigations, and legislation necessary to carry forward a broad national program for the prudent utilization and conservation of the Nation's energy resources.

Our resources of coal, oil, gas and water power provide the energy to turn the wheels of industry, to service our homes, and to aid in national defense. We now use more energy per capita than any other people, and our scientists tell us there will be a progressively increasing demand for energy for all purposes.

Our energy resources are not inexhaustible, yet we are permitting waste in their use and production. In some instances, to achieve apparent economies today, future generations will be forced to carry the burden of unnecessarily high costs and to substitute inferior fuels for particular purposes. National policies concerning these vital resources must recognize the availability of all of them; the location of each with respect to its markets; the costs of transporting them; the technological developments which will increase the efficiency of their production and use; the use of the lower grade coals; and the relationships between the increased use of energy and the general economic development of the country.

In the past the Federal Government and the States have undertaken various measures to conserve our heritage in these resources. In general, however, each of those efforts has been directed toward the problems in a single field; toward the protection of the public interest in the power of flowing water in the Nation's rivers; toward the relief of economic and human distress in the mining of coal; or toward the correction of demoralizing and wasteful practices and conditions in the industries producing oil and natural gas. It is time now to take a larger view; to recognize—more fully than has been possible or perhaps needful in the past—that each of our great natural resources of energy affects the others.

It is difficult in the long run to envisage a national coal policy, or a national petroleum policy, or a national water-power policy without also in time a national policy directed toward all of these energy producers—that is, a national energy resources policy. Such a broader and integrated policy toward the problems of coal, petroleum, natural gas, and water power cannot be evolved overnight.

The widening interest and responsibility on the part of the Federal Government for the conservation and wise use of the Nation's energy resources raise many perplexing questions of policy determination. Clearly, there must be adequate and continuing planning and provision for studies which will reflect the best technical experience available, as well as full consideration for both regional and group interests.

Some Federal legislation affecting the energy resources will expire at the end of this fiscal year, other legislation at the end of a few more years. This report sets forth a useful frame of reference for legislative programs affecting these resources and illustrates another approach to the systematic husbandry of our natural resources. Specific recommendations are advanced for solution of the most pressing problems.

President FRANKLIN D. ROOSEVELT.

SPENT REACTOR FUEL AND NUCLEAR WEAPONS SPREAD

Mr. CRANSTON. Mr. President, there are several encouraging signs that President Carter is wasting no time in taking a strong, unambiguous stand against the further spread of nuclear weapons.

The President has called upon the Soviet Union to join with the United States in a major reduction in nuclear weaponry and in a prompt and complete halt to all testing of nuclear explosive devices—a ban that would include the testing of so-called peaceful nuclear explosions.

President Carter is also pressing the leaders of West Germany and France to cancel their planned exports of sensitive nuclear-fuel plants to Brazil and Pakistan, respectively, and to join with the United States in providing alternative sources of nuclear fuel to these and other reactor customers. Cooperation among nuclear suppliers in assuring a reliable supply of reactor fuel is essential to halting the global spread of uranium enrichment and plutonium reprocessing plants. The spread of these plants must be halted because they can be used to produce material for atomic bombs as well as fuel for reactors that generate electricity.

At the same time, there is considerable activity in the executive branch to give the nuclear-proliferation problem the priority attention that it deserves. Most noteworthy, the principal responsibility for nuclear-transfer activities has been shifted from the promotionally minded Energy Research and Development Administration to a new antiproliferation unit in the State Department. This unit, headed by Joseph S. Nye, Deputy Under Secretary for Security Assistance, Science and Technology, is now directing an interagency review of U.S. nuclear export policy, which President Carter has ordered to be completed by February 28.

Mr. President, each of these developments should serve as an early, clear signal to the world that the United States is deeply troubled by the rapid spread of nuclear equipment and material that can be applied to weapons purposes. The initiatives of our new President hopefully will demonstrate to our competitors in the world nuclear market, particularly West Germany and France, that the United States is sincerely interested in engaging in multinational cooperative efforts and in submitting to stricter international nuclear controls. Above all, it is essential that U.S. sincerity is established beyond a reasonable doubt so that other nations will no longer have any reason to believe that our antiproliferation efforts are designed to gain commercial advantage in the sale of power reactors.

The principal objective of U.S. antiproliferation efforts should be to insure that power reactors are available to nations with legitimate energy needs, but not the weapons-grade uranium and plutonium that are associated with the fuel cycle of these reactors. Since virtually all present day power reactors are fueled either with natural or low-enriched uranium, neither of which is suitable for weapons-making, the principal problem is with the spent fuel of these reactors because of the large amounts of plutonium that it contains. The plutonium is a chemical byproduct of the nuclear fission process, and a 1-year output of the typical reactor sold today is enough to produce 50 to 75 Nagasaki bombs if the plutonium is reprocessed from spent fuel.

It should be evident, therefore, why reprocessing of spent fuel, if it is to take place at all, should be under the strictest international management and control, and should be deferred until such time as it becomes absolutely necessary to recycle the byproduct plutonium and depleted uranium as fresh reactor fuel because of a scarcity of uranium—a situation that is not anticipated before the end of the century, at the earliest.

Unfortunately, Mr. President, the most immediate proliferation problem faced by President Carter stems from a hasty decision made in the closing days of the Ford administration to permit the commercial reprocessing in Europe of U.S. supplied nuclear fuel that has been used in Japanese, Swiss, and Spanish reactors. Unless President Carter moves quickly to reverse this ill-advised decision—a decision by the way, made by the National Security Council over the objections of both the State Department and the Arms Control and Disarmament Agency—the first large-scale reprocessing of spent fuel will take place before the international controls being sought by President Carter can be arranged.

As President Carter said in his first interview as President on January 23:

> We are quite concerned about the reprocessing of spent fuel where you change normal radioactive materials, which have been used for the production of electric power, into weapon quality. We would like to have this put under international control, subject ourselves to the restraint along with those who have been reprocessing this material for a number of years, and prohibit completely, within the bounds of our capability, the expansion of the reprocessing plants in the countries that don't have it.

The principal consideration is that the countries in which the U.S.-approved reprocessing of commercial reactor fuel is to take place—France and Great Britain—are, like the United States, nuclear weapons states whose reprocessing activities have been related almost entirely to production of nuclear weapons. To permit commercial reprocessing to proceed on a large scale at this time could establish a dangerous precedent that other nations—especially nonnuclear weapons states in the developing world—will be anxious to follow.

President Carter could consider an option available to the United States under our bilateral nuclear agreements with Japan, Spain, and Switzerland, to approve the transfer of spent fuel out of those countries but to withhold approval of reprocessing. This would permit the safe storage of the spent fuel in France and Great Britain and the freeing up of scarce spent-fuel storage space in Japan, Spain, and Switzerland—without which some reactors might have to shut down. In this way, the immediate needs of the involved nations would be served without prejudicing the chances of negotiating an effective international system of storing spent fuel and providing nuclear fuel services with a minimum risk of weapons proliferation.

It should be stressed, Mr. President, that the main incentive for proceeding with reprocessing now is not to provide fuel for present-day reactors—for which there are ample reserves of uranium—but rather to provide plutonium for the next generation of reactor, the so-called breeder. This reactor, which is being developed on a higher priority basis overseas than in the United States, poses special proliferation dangers because it will breed more plutonium than it consumes as fuel—thereby introducing ever-increasing amounts of weapons-grade material into the nuclear fuel cycle. It is essential, therefore, that breeder utilization, like spent-fuel reprocessing, be subject to the greatest possible restraint—if permitted to proceed at all—with the highest possible degree of international cooperation and control.

Mr. President, the special problems posed by spent fuel, reprocessing and the breeder, are addressed imaginatively in a "Proposed United States Agenda for Proliferation Control," by Paul L. Leventhal, former staff counsel to the Senate Government Operations Committee, who is now writing a book under a grant from the Ford Foundation on the proliferation problem. As the highest-priority item on his agenda, Leventhal urges that—

> The United States press for prompt agreement among the suppliers to require that all commercial spent fuel, including the suppliers' own, be removed to international depositories for storage in unaltered form, pending final resolution of the reprocessing and breeder questions.
>
> The United States cannot provide effective leadership in combatting proliferation unless there is an unambiguous change in U.S. policy and policy assumptions—at least to the extent of forestalling plutonium reprocessing and breeder development until an urgent energy need is clearly demonstrated in the next century.

In explaining why international storage of spent fuel should be given the highest priority, Leventhal states:

> Spent fuel is the key ingredient in any meaningful non-proliferation regime because, under present technology, the most feasible weapons route for nations and terrorists alike is via plutonium that has been reprocessed from spent fuel. . . . Even if reprocessing is forestalled or internationalized, every nation that possesses spent fuel will have its own "plutonium mine" for future contingencies. This will place it but one step from having atom bomb material—a small step in the throes of a regional or world crisis.

Mr. President, in view of the fact that by the year 2000, the world inventory of spent fuel will contain the energy equivalent of 97 billion barrels of oil and the weapons equivalent of 1 million Nagasaki bombs, the issues raised in Mr. Leventhal's agenda deserve the closest scrutiny. He has presented his agenda to the Council on Foreign Relations and to the arms-control programs at Harvard and Stanford Universities, and I ask unanimous consent that it be printed in the RECORD, along with some newspaper articles describing recent developments in the proliferation area in the United States and abroad.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROPOSED U.S. AGENDA FOR PROLIFERATION CONTROL

BASIC ASSUMPTIONS

Underlying this proposed agenda of United States non-proliferation initiatives are four basic assumptions:

First, it is assumed that little time (18 to 36 months) remains to establish controls over national and international nuclear commerce that are sufficient to reverse, or at least to slow, the present spread of nuclear weapons capabilities.

Second, it is assumed that achievement of an effective control system is not beyond the mind or the institutions of man.

Third, it is assumed that there never has been a more opportune time for the United States to exercise diplomatic and commercial leadership for the establishment of such a system, and that a successful system cannot be developed without strong United States leadership. And,

Fourth, it is assumed that the major obstacle to achieving this system is an "institutional blindspot"—a collective form of "denial"—within the nuclear bureaucracy and the industry with respect to the inherently world-threatening and unmanageable character of the nuclear fuel cycle.

This last problem is largely attributable to the promotional mandate of the Atomic Energy Act of 1954, which resulted in the United States developing nuclear power domestically and worldwide to the exclusion of potentially rival energy technologies. The ensuing Atoms for Peace program has been based on the assumption that civilian nuclear power is, or can be made, safe in all respects, including the fuel cycle, and should be permitted to evolve into an inexhaustible energy source.

However, an effective non-proliferation regime would have to limit nuclear power development to some extent—probably to the extent of limiting reactor development to the present light- and heavy-water reactors. This is anathema to the nuclear agencies and industry which do not perceive an unmanageable world threat in the tens of thousands of pounds of plutonium presently associated with these reactors, and the tens of millions of pounds projected for a breeder economy by the year 2000.

Inherent in the Atoms for Peace program is the concept of an indefinitely enduring nuclear fuel cycle. This concept, and the technology it has produced, conflicts directly with the non-proliferation interest in limiting nuclear power to an interim energy source.

The United States cannot provide effective leadership in combatting proliferation unless there is an unambiguous change in U.S. policy and policy assumptions—at least to the extent of forestalling plutonium reprocessing and breeder development until an urgent energy need is clearly demonstrated in the next century.

The key to non-proliferation is controlling where the world is headed by promoting those nuclear technologies that are clearly manageable, while curbing development and export of those technologies that are not. This effort should be tied closely to crash programs for non-nuclear energy development and for energy conservation, and these programs, particularly energy R. & D. should be tailored to meet the needs of the developing world.

The following agenda proposes a series of United States initiatives at home and abroad involving close coordination among the Executive Branch, the Congress, the regulatory agencies and the nuclear industry. It assumes strong Presidential leadership and close Congressional and regulatory scrutiny to ensure that the proposed policies and programs are carried out.

In particular, the agenda assumes that a proliferated world would be a disaster for the United States and for mankind and that the way to assure a proliferated world is to assume its inevitability.

AGENDA

General approach

Generally, the United States should move swiftly and forcefully on the non-proliferation front to capitalize on the momentum that has been generated by an increasingly aroused Congress, by the campaign statements of the President-Elect, by the environmentalist interventions in nuclear fuel export licensing cases, by the Fri Report and, finally, by the Presidential policy pronouncement of October 28.

The hardening American line has had a direct bearing on the recent French and West German decisions to withhold future exports of reprocessing plants, on India's willingness to negotiate the return of spent fuel to the United States, on South Korea's cancellation of a French reprocessing plant, on Taiwan's apparent suspension of a national reprocessing effort, and on the recent positions taken by the Soviet Union, Finland and Canada favoring broader application of IAEA safeguards. The United States obviously still wields enormous influence in the world nuclear market even though its share of reactor sales has eroded from 70% to 50%.

Priorities

In order of priority, the United States should take the following actions:

1. Spent fuel. Press for prompt agreement among the suppliers to require that all commercial spent fuel, including the suppliers' own, be removed to international depositories for storage in unaltered form, pending final resolution of the reprocessing and breeder questions. Until the depositories are established, seek a supplier agreement to withhold approval of any movement or alteration of spent fuel that is generated domestically or by foreign customers. A survey should be begun for sites in neutral nations and on suitable off-shore islands that would be dedicated to the IAEA or to a new INTELSAT-type organization. Big-power or UN security guarantees would apply to each site. Switzerland, which is now seeking U.S. permission to forward spent fuel to France for reprocessing, should be persuaded to retain the fuel, to forego reprocessing and to enlarge its storage capacity to serve as the first international spent-fuel depository. To help meet environmental concerns in Switzerland and in other densely populated European nations, the United States should follow up on President Ford's offer to provide an international storage site—preferably an island.

2. Fuel-facility exports. Maintain the pressure on Pakistan to cancel its reprocessing plant order with France and on Brazil to cancel its order for reprocessing and enrichment plants from Germany. At the same time, move to formalize into a new supplier

guideline the recent French and German policies barring future fuel-facility sales.

3. Fuel-cycle and reactor-sales arrangements. Offer to enter into market-sharing arrangements with the suppliers group to ensure the supply of fuel services rather than fuel facilities to reactor customers and to eliminate the cutthroat competition in reactor sales that led to the original offering of fuel facilities by France and Germany. These arrangements can lead to an assured supply (a five- or 10-year stockpile at a minimum) of low-enriched uranium to customers that agree to forswear nuclear explosions and to accept IAEA safeguards on all of their nuclear activities. This uranium could be provided bilaterally or brokered through the IAEA as a credit against plutonium contained in spent fuel that is placed in international depositories. The suppliers also can agree under such arrangements to modify the design of export reactors to bar the use of mixed-oxide fuel (containing plutonium).

4. Universal application of IAEA safeguards. Strongly support the Soviet proposal at the suppliers conference to require, as a condition of export, that non-weapons countries accept IAEA safeguards on all activities, but press for the Canadian version, which requires a no-explosion pledge as well. Inasmuch as the Canadians have adopted this policy unilaterally, the United States may be required to let the strict Canadian conditions apply to exports of Canadian-source uranium that is enriched in the U.S.

5. Nuclear Test Ban. Vigorously pursue President-Elect Carter's commitment to negotiate a comprehensive test ban treaty with the Soviet Union and to urge the Russians to join in a total ban of all nuclear explosions, including so-called "peaceful nuclear devices," for at least five years. Without such a superpower example, non-NPT nations, particularly India, have a built-in excuse for not forgoing nuclear-explosion programs.

6. Renegotiation of Agreements. Promptly renegotiate nuclear agreements, particularly with non-NPT nations, to require the return or the international deposit of spent fuel, to bar nuclear explosions, to require IAEA safeguards on all nuclear activities, to make available to the U.S. the results of IAEA inspections and material-balance audits, to prevent replication of U.S.-supplied technology or re-export of U.S.-supplied material outside the reach of IAEA safeguards, and to establish minimum physical-security standards. Most U.S. nuclear agreements do not contain such provisions, and the loopholes should be closed even in the absence of a prior suppliers agreement.

7. Non-proliferation legislation. Enact strong legislation establishing strict criteria to govern U.S. nuclear export policy—at a minimum requiring U.S. prior approval of reprocessing of U.S.-supplied fuel or of other fuel burned in a U.S.-supplied reactor. Such prior approval should be triggered by a finding that safeguards are adequate to detect a diversion of a weapons-quantity of plutonium at least 90 days before it can be placed in a weapon—a finding that experts generally agree cannot be made under present technology. The legislation should strengthen the independent export-licensing role of the NRC, the advisory role of ACDA, and it should amend the Atomic Energy Act to promote the sale of nonnuclear energy systems abroad.

8. Middle East. Delay submitting to Congress the pending nuclear agreements with Egypt and Israel, both non-NPT nations, at least until they can be renegotiated to require safeguards on all nuclear activities and on all nuclear materials produced after the agreement takes effect. This would permit Israel to retain unsafeguarded plutonium already obtained from its Dimona research reactor, but would freeze its weapon-making potential at the present level. It would be preferable to withhold all nuclear exports from the Middle East until a peace settlement can be reached. At any rate, an agreement with Iran should be delayed until alternative energy options, particularly natural gas, are explored and until Iran agrees to forego reprocessing in return for an assured supply of enriched uranium.

9. India. Seek to dissuade the Soviet Union from proceeding with an export of heavy water to India to take the place of material withheld by Canada and the United States following India's nuclear explosion. In return for Soviet cooperation, the United States could agree to withhold the pending shipment of low-enriched uranium to India to permit a joint effort by the superpowers to persuade India at least to accept IAEA safeguards on all future nuclear activities and to return all spent fuel produced thus far with outside assistance. Such an effort would be in keeping with the recent Soviet proposal at the suppliers conference.

10. Sensitive Technologies. Announce an indefinite delay of plutonium reprocessing and breeder development within the United States and urge the other suppliers to follow suit, pending further study. Export of high-enriched uranium and plutonium in support of these programs should be stopped, or at least made contingent on an agreement by recipients not to export breeders, plutonium or mixed-oxide fuel. Development of laser-separation and of fusion-reactor technologies should be substantially slowed, preferably in concert with other suppliers, until the proliferation risks can be fully assessed.

11. Strengthening IAEA safeguards. Embark on a major program of financial and technical assistance, in coordination with other suppliers, to establish a more uniform, less secretive safeguards system. In particular, IAEA inspectors should be better trained, less subject to intimidation by host countries, operate under a uniform bookkeeping system and have unlimited access to the facilities they visit. Remote-control cameras and tamper-proof seals should be installed at the discretion of the IAEA, not of the host country, and all details of the so-called subisidiary safeguards arrangements between the IAEA and a customer country should be known to the supplier. The United States should set an example of openness with respect to IAEA safeguards that will be applied soon on a voluntary basis to U.S. commercial facilities.

12. Physical security. Press at the suppliers talks for the completion of an international convention on physical security of nuclear facilities and materials, as proposed by Secretary Kissinger in 1974. Use of the IAEA as an escort service for international shipments of weapons-grade material should be considered because these are subject to national diversions as well as terrorist attack. Participation of the NRC in ERDA's physical-security inspection trips abroad should be assured so that the Commission has full access to sensitive information needed to make export-licensing decisions.

13. Sanctions. Make clear that explosion of a nuclear device by a non-weapons state, or unauthorized reprocessing or enrichment, or trade in sensitive nuclear fuel facilities will result in a cutoff of nuclear assistance by the United States, and possibly in other U.S. sanctions as well. The United States also should make clear that in return for providing a reliable supply or enriched uranium, it expects the fullest possible cooperation from suppliers and customers alike in attaining non-proliferation objectives.

CONCLUSION

Although each of the agenda items is important, and to a large degree interconnected, first priority should be given to the problem of taking spent fuel out of national hands and placing it under international control. Spent fuel is the key ingredient in any meaningful non-proliferation regime because, under present technology, the most feasible weapons route for nations and terrorists alike is via plutonium that has been reprocessed from spent fuel. This was foreseen when the IAEA was established, but the agency, lacking supplier support, has not exercised the authority contained in its statute to establish and operate spent-fuel depositories.

As its first order of non-proliferation business, the new Administration should press hard for a suppliers agreement on spent fuel prior to the conference that the IAEA has scheduled next spring in Salzburg on multinational fuel centers. If at the conference the suppliers can announce an agreement to require that all commercial spent fuel, including their own, be placed in international depositories, the conference then could deal directly with the question of spent-fuel storage as its main order of business.

Resistance to international custody of spent fuel is intense, however, among the Europeans and Great Britain, which have their sights fixed on the breeder and, therefore, prefer that the Salzburg meeting deal with multinational management of reprocessing plants.

The need for international spent-fuel depositories should be obvious, however. Even if reprocessing is forestalled or internationalized, every nation that possesses spent fuel will have its own "plutonium mine" for future contingencies. This will place it but one step away from having atom bomb material—a small step in the throes of a regional or world crisis.

By the year 2000, the present world inventory of 4,000 tons of spent fuel will grow 100-fold to 300–500,000 tons, according to an industry estimate. The energy equivalent will be 97 billion barrels of oil; the weapons equivalent will be 1 million Nagasaki bombs. Two-thirds of the material will be outside the United States.

Spent fuel, therefore, will be a major foreign policy consideration in the years ahead.

[From the Washington Post, Jan. 28, 1977]

NUCLEAR POLICY STUDY SET, TOUGHER STANCE HINTED

(By Don Oberdorfer)

The Carter administration has ordered a review of U.S. efforts to halt the spread of nuclear weapons amid indications of a tougher position on the issue from the White House and State Department.

Among the items to be considered are U.S. efforts to block or modify the West German sale to Brazil of a nuclear fuel reprocessing plant, which would be capable of manufacturing weapons material from used nuclear fuel.

The German-Brazilian deal was among the subjects discussed by Vice President Mondale and German Chancellor Helmut Schmidt on Tuesday in Bonn, and is the topic of continuing discussions between Secretary of State Cyrus R. Vance and Peter Hermes, a senior official of the German Foreign Ministry.

The Ford administration also opposed Germany's sale of reprocessing technology and equipment to Brazil, though some of its opposition evidently was only for form's sake.

Then-Secretary of State Henry A. Kissinger supposedly protested the sale in a meeting with German Foreign Minister Hans-Dietrich Genscher in June, 1975, shortly after the deal was signed, but senior German officials later publicly denied the subject had come up.

According to a knowledgeable diplomatic source the topic actually was not discussed, except for brief comment by Kissinger to the Germans just before a press briefing that "something will have to be said to satisfy

the press and Congress" about the Brazilian sale.

In an interview with the Associated Press and United Press International last weekend, President Carter called for use of "all diplomatic means" to restrain the spread of nuclear weapons capability, and said "we are quite concerned" about the reprocessing of reactor fuel into weapons material.

Even before inauguration day, Carter reportedly gave personal approval to the government review of antiproliferation policy, one of 15 immediate foreign policy studies set in motion by the National Security Council as the new administration came into office. The "presidential review memorandum" ordering the study calls for its completion by Feb. 28, informed sources said.

Joseph Nye, a Harvard expert on international relations and energy policy, is expected to be working chairman of the study group. Nye has joined the State Department as chief of antiproliferation policy, to be centered in the office of former League of Women Voters president Lucy W. Benson. Benson has been named under secretary of state for security assistance, science and technology, a job previously known as under secretary for security assistance.

An interagency study ordered by President Ford last summer culminated in an Oct. 28 announcement making more firm the U.S. antiproliferation stance. The new study is expected to lead to a considerable additional stiffening of the U.S. position.

It is considered significant that the Ford study was headed by Robert W. Fri, then deputy administrator of the generally pronuclear Energy Research and Development Administration (ERDA), while the Carter study is to be headed by Nye, a State Department official whose major responsibility is blocking the spread of nuclear weapons capabilities abroad.

The Nuclear Regulatory Commission, which regulates overseas sales of U.S. nuclear fuel, technology and equipment, is to take a much larger role in the new study than in the earlier one. The nuclear industry, on the other hand, is expected to have a smaller role than before.

Among the items to be studied are future U.S. policy in the semisecret London conference of nuclear suppliers, the renegotiation of "agreements for cooperation" in nuclear matters that the United States has signed with foreign countries, the future of the proposed atomic reactor sales to Israel and Egypt supported by former Presidents Nixon and Ford, licensing of new shipments of U.S. nuclear fuel to India, and broader questions of overall policy.

Another matter to be studied is an 11th hour decision by Ford's National Security Council to permit the commercial reprocessing in Europe of shipments of U.S.-supplied nuclear fuel owned by Japan, Spain and Switzerland.

The decision, which was not publicly announced, first came to light in the nuclear industry press. The Natural Resources Defense Council, a non-profit environmental group, obtained details under a Freedom of Information Act request.

Decision papers provided under the FOI request indicated that the Arms Control and Disarmament Agency sought unsuccessfully to hold up reprocessing of the Swiss fuel, and that the State Department in November withdrew its earlier approval of reprocessing of the Spanish fuel. However, the National Security Council approved the reprocessing for all three countries in the last week of December.

The Oct. 28 Ford declaration included a shift of U.S. policy against commercial reprocessing, partly because of the danger that the plutonium produced by such an operation can be used in atomic bombs.

Neither Japan, Spain nor Switzerland is a nuclear weapons state, although the countries where the commercial reprocessing is to be done (England and France) have made and exploded nuclear weapons. Under agreements with the United States, any plutonium extracted from the recently approved shipments of nuclear waste cannot be transferred back to Japan, Spain or Switzerland without additional U.S. approval.

U.S. approval is required if U.S.-supplied nuclear material is to be retransferred to a different country from the one that purchased it originally. Some 575 retransfers of U.S.-supplied material were approved from 1961 to 1974, but only a few of these, if any, were for commercial reprocessing.

[From the Washington Post, Jan. 30, 1977]

NUCLEAR ENERGY A FADING HOPE AS OIL ALTERNATIVE

(By Bernard D. Nossiter)

LONDON.—Two years ago, a Western world worried by its growing dependence on Arab oil thought it saw a ray of hope in nuclear power, which, the Organization for Cooperation and Development predicted, would expand rapidly. By 1985, the OECD said, nuclear energy would provide the equivalent of 15 million barrels a day of oil, more than all of Western Europe now imports.

Just last week, OECD gave its patrons, the rich West and Japan, the bad news. By 1985, nuclear power is now expected to supply only the equivalent of little more than 9 million barrels a day, a staggering drop of nearly 40 per cent.

What has happened in two short years? OECD begins its list of explanations this way:

"The continual markdown of nuclear expansion results from resistance to nuclear energy by conservationists and environmentalists. . . ."

A key policy urged to expand energy supply is "moderation of environmental requirements of new energy development, particularly coal and nuclear power."

The report reflects thinking in the nuclear power establishment of OECD member governments. So it probably exaggerates the importance of the nuclear opposition while simultaneously ignoring its political concerns.

John Surrey of the Science Policy Research Unit at Sussex University has made the most thorough study yet compiled of the resistance to nuclear power. He is convinced that "nearly all the cutback would have taken place anyway" for economic reasons. "The opposition was the icing on the cake that contributed to increased capital costs."

Like other students of the nuclear slowdown, Surrey believes that the more modest growth now foreseen in Western economies coupled with an inflationary buildup of financing and construction costs—both due in considerable measure to the big jump in oil prices since 1973—have been far more important than citizen opposition in curbing the plants.

But the OECD has put its finger on a central point. There has been a big climbdown in plans for nuclear expansion and determined groups of citizens have played some part in this.

The opposition has taken dramatic form in France and West Germany, two nations like Japan that bet heavily on nuclear power to escape the Arab and oil company yoke.

At Brokdorf, West Germany, last fall, 600 security guards turned tear gas, water cannons and dogs on several thousand demonstrators trying to halt the building of a plant on a site surrounded by a moat and a 10-foot-high concrete wall topped by barbed wire.

The governor of North Rhine-Westphalia, West Germany's most industrialized state, has refused to license any more nuclear plants until the problem of their radioactive wastes is solved. Dump your "atomic excrements" somewhere else, he declared.

At least three nuclear installations in France were bombed in 1975. The government there has cut back from 40 to 25 or 30 the number of plants it expects to order by 1980.

There is no evidence, however, of a widespread public demand to halt nuclear power. Its opponents lost a half dozen referenda in the United States last year. But where the opposition forms, as economist Surrey has observed, it is acute and often effective.

Four rural communities in France held votes on nuclear plants in 1975. Three, largely well off and stable, voted against. But a fourth, in an area where worked-out iron mines had left a residue of high unemployment, approved the building.

In Britain, a royal commission under Sir Brian Flowers recently delivered a terrifying report on the dangers from plutonium economy, one that uses nuclear plants breeding large quantities of the poisonous, explosive man-made element.

Flowers foresaw the possibility of accident on a catastrophic scale, terrorists stealing the stuff of which bombs are made, a clampdown on civil liberties to protect plants from theft or saboteurs, plutonium in the hands of a Col. Muammar Qaddafi or an Idi Amin.

The report created barely a ripple. A call for a "mass" demonstration in Trafalgar Square brought out only a few hundred and on a Saturday, too.

Britain has not ordered a new nuclear plant since 1969 because its sluggish economy does not need one. This lack of visibility has muted the foes.

Sweden is frequently cited as an example of a nation that has voted against nuclear power. The facts, in that land of hard-headed materialists, are otherwise.

It is correct that Thorbjorn Falldin, campaigning on a pledge not only to stop but roll back nuclear plants, is now premier. But for the first time in 12 years, his party's share of the vote dropped and three-quarters of the Swedes voted for parties favoring nuclear expansion.

Falldin, in office, has had to junk his pledge. He has charged one reactor and approved building of others, although he says they will not be turned on until their safety is assured.

Despite this mixed picture, the nuclear foes can claim considerable success. They can do so even in the face of well substantiated claims that the nuclear industry so far has a better safety record than most.

A study for the old U.S. Atomic Energy Commission calculated that the worst imaginable reactor accident could cause 3,300 deaths and injure or poison 45,000. But this was likely to happen only once in 1 billion years of reactor operation. The low probability, however, may still sound unconvincing to those at the site where a new plant is going up.

More recently, citizens and politicians have begun to worry about atomic garbage, the wastes that must be buried for thousands of years before their radioactivity dies out. In West Germany, the waste has been buried in salt caverns in Lower Saxony that are said to be geologically stable. But there, too, the governor has said he will take no more until he is convinced there is no risk of leaks.

Apart from those frightened by their nearness to nuclear installations, a new wave of opposition has been building, largely on political grounds.

These people worry about nuclear explosives falling into the wrong hands.

Fuel burned in today's nuclear plants is chemically cooked or reprocessed to be used again, thereby saving on limited uranium. But in this reprocessing, plutonium, the ingredient of bombs, is created and shipped back to the nuclear plant for reuse.

What if a terrorist seizes a shipment, nuclear foes ask. Twenty pounds are enough to make a crude but devastating bomb, and the technique for making one is now well known.

Another private study has predicted that Britain could, by the end of the century, destroy its civil liberties to protect its plutonium. The report envisages thousands of armed guards, widespread wiretapping, opening of mail and similar techniques to guard against and detect theft.

Governments also are concerned about the misuse of nuclear power and its prospects for enlarging the select club that can now make bombs. This is why the United States has called for halting the sale of reprocessing plants, the plutonium producers, to nations that lack the bomb. In Britain, the government has stopped the planned expansion of its plant that reprocesses fuel for Japan and others.

A new type of power plant, the fastbreeder reactor, lies at the heart of the concern expressed by Britain's royal commission. It creates more plutonium than it burns, an economical technology that also multiplies bombmaking capacity around the world.

The royal commission urged the government to postpone "as long as possible" any decision to plunge ahead with fast breeders. Eminent scientists from East and West at the Pugwash conference last summer took a similar stance. They agreed that both reprocessing of used fuel and the introduction of fast breeders could be put off for 10 years without any shortage of uranium for existing plants.

It was once taken as an article of faith that fast breeders would not only provide most of the nuclear power of the future but also meet growing demands for all energy until the end of the century. Now Surrey of Sussex thinks the scientific doubts are so strong that fast breeders may never come into widespread use.

The mounting tide of opposition, both scientific and lay, has alarmed the atomic establishment—governments, energy commissions, reactor builders and electric utilities. They are engaged in unpublicized studies of ways to neutralize it.

One of the most provocative is conducted by the Risk Group, an international collection of anthropologists, economists, social psychologists, physicists and others in Vienna. The Risk Group was set up by the International Atomic Energy Agency, the U.N. body devoted to promoting nuclear energy in the Third World, and the International Institute for Applied Systems Analysis. This last is a product of the Lyndon Johnson administration, a think tank that draws on scholars from both East and West to apply the business-school technique of systems analysis to social problems.

The Risk Group leader is Harry Otway, an American nuclear physicist. He says, "we are simply trying to understand how people's attitudes are framed, how to integrate their social values with technological systems."

He vigorously denies that his project aims at defusing nuclear opposition, but at least some of its work points in that direction.

Are governments then faced with a Hobson's choice, either taming their opponents or halting nuclear expansion? Surrey says, "No, there is another route, meeting the legitimate concerns of the nuclear foes."

He points to several instances where this is being done or considered.

The U.S. Arms Control and Disarmament Agency, for example, suggests that fears over reprocessed plutonium could be allayed by a new technique. It would cook spent fuel but not separate plutonium from uranium. Then the product could be used again, but its bomb making substance would be difficult to extract.

The safety and civil liberties problems might be eased through nuclear parks, grouping huge complexes of plants in one remote and more easily guarded place.

Governments have already yielded to the fears of those near nuclear plants. Five years ago, they planned to build new ones in the center of towns and cities; nobody makes blueprints for that anymore.

Finally, a host of new safety rules have been introduced, both for domestic reactors and export sales. They make nuclear energy more costly and prolong its birth, but they also meet some of the opposition demands.

The sharp slowdown in nuclear output, largely a product of the world economic situation but partly due to the protests of scientists and citizens, is also forcing attention toward new energy sources.

Research and development of energy from the sun, wind and waves has been starved of funds, Surrey observes. Nuclear power has gobbled up a lion's share. But with the pressure to slow nuclear growth, some shift in research money is now likely.

[From the New York Times, Jan. 30, 1977]

GERMANY'S SALES OF NUCLEAR REACTORS SPARKING DISCORD

(By Craig R. Whitney)

BONN—Chancellor Helmut Schmidt and President Jimmy Carter appear headed for a showdown this year over the sale of potentially dangerous nuclear technology to developing countries.

West Germany owns no atomic weapons itself; nor does it intend to try to spread them around the third world. But some of the technology used in "peaceful" reactors in nuclear power plants can also be used to make weapons. Right now, West Germany is the only country in the world that has not banned the sale of such technology. Indeed, with protests against nuclear plants growing at home, the German industry is looking to the export market for sales. But Mr. Carter's opposition has been unequivocal.

"In my judgment," he told the United Nations last year, "it is absolutely essential to halt the sale of such plants." West Germany has contracted to supply Brazil with both uranium-enrichment and reprocessing plants to serve eight large nuclear power plants the Brazilians will buy from West Germany by 1990.

West Germany entered the atomic age optimistically. Nuclear technology is the industry of the future, its leaders and businessmen felt. The country has 10 nuclear power plants and is to have 35 by 1985. But now they are having serious second thoughts. Some citizens are almost superstitiously worried that terrorists might attack a nuclear plant or a plane crash into one.

A terrifying novel on the subject, "Die Explosion," by Hans Heinrich Ziemann, became a best-seller early last year and was serialized in the mass-circulation magazine, Stern. It tells the story of a radical student who bombs a power plant near Frankfurt, sending it out of control.

None of Germany's 62 million citizens lives more than two or three hours' drive from the nearest plant, and suddenly official assurances that the plants are safe ceased to placate, and American opposition to sales to the third world has heightened feelings.

Demonstrations against nuclear power plants have been growing bigger and more violent. In November in the foggy coastal village of Brokdorf, northwest of Hamburg, thousands of protestors—a few communists and anarchists among them, but also farmers, fishermen and ordinary folk—clashed with police in clouds of tear gas, leaving the field strewn with nearly 200 injured people. Later there were counterdemonstrations by employees of the nuclear industry.

Peter Dietrich, a young entrepreneur who lives in the village of Wewelsfleth a few miles along the Elbe River dike from Brokdorf, said: "People don't understand nuclear power and are afraid of it. The real problem is the politicians were asleep—they get their advice about energy from the same consultants the nuclear-power industry uses, and they didn't realize how much general opposition there is to it."

They realize it now, and Mr. Schmidt has decreed that construction on future nuclear power plants will begin only when the question of what to do with the spent fuel and where to reprocess it has been solved for each reactor.

One reason West Germany wanted to sell Brazil the equipment to reprocess and enrich its own uranium is that noboby is eager to bring the dangerous radioactive material back here to reprocess.

Environmentalists also object to the Government's plans to deposit spent—but still-radioactive—fuel in underground salt caverns in North Germany, and a battle is shaping up.

Nevertheless, officials are at present trying to choose a site in the state of Lower Saxony for a reprocessing plant and another for an enrichment plant and do not seem to be worried about a serious protest movement after they pick the sites. The 1985 targets, however, were scaled down last fall by eight power plants. That put pressure on the industry to export.

"We now have 26 nuclear plants on our order books," said Joachim Hospe, a spokesman for the West German Kraftwerk Union consortium in Offenbach. "Our capacity is six plants a year, and we assume we'll get three or four contracts a year for plants here in West Germany. That means we have to look for two to three plants a year abroad."

But, Mr. Hospe concedes, the outlook for that is not good. "We lost the market in the Soviet Union last year when they gave up a plan to buy West German reactors in Kaliningrad", he said. "The market in Sweden, Spain and most of Western Europe is already gone. We've sold two 1,300 megawatt reactors to Iran, and yet since last spring, the situation has been just about stagnant."

Officials of the Research and Technology Ministry say no other countries are now engaged in intensive negotiations here for a complete nuclear-fuel cycle agreement like Brazil's. They agree that the danger of nuclear proliferation necessitates strong safeguards over such equipment, but they maintain over American disagreement that West Germany's 1975 agreement with Brazil has these—through the Vienna-based International Atomic Energy Agency.

Some German officials believe that the Carter position is arbitrary, and gives the third world the impression that the industrialized countries don't want to share their technology. One solution, they feel, would be to put fuel reprocessing centers under multinational control.

Jobs have grown scarcer in West Germany since the recession began two years ago, and German industry agrees that it has to concentrate on producing and exporting high-technology products if it is to survive. Nuclear power plants are one such product. In the counterdemonstrations last fall one of the employees' banners read: "Without power plants, no jobs."

TRIBUTE TO THE HONORABLE J. WILLIAM MIDDENDORF II

Mr. MUSKIE. Mr. President, on January 18, 1977, the Honorable J. William Middendorf II, the outgoing Secretary of the Navy, was honored at a ceremony held at the Washington Navy Yard. During this ceremony, hosted by Adm. James L. Holloway III, Chief of Naval Operations, and Gen. Louis Wilson, Commandant of the Marine Corps, Secretary Middendorf was presented with a proclamation depicting his accomplishments during more than 3½ years of service to the Navy. The words inscribed on that proclamation, speak for his official record of accomplishments as Secretary of Navy. To that record I would add my own expression of the personal satisfaction I derived from dealing with a gentleman of his competence and character. I look forward to a continued friendship with him as a private citizen and shall recall with fondness Bill's service as Secretary.

I ask unanimous consent that the Certificate of Accomplishment be printed in the RECORD.

There being no objection, the Certificate was ordered to be printed in the RECORD, as follows:

CERTIFICATE OF ACCOMPLISHMENT

Presented to J. W. Middendorf II in recognition and appreciation of his extraordinary accomplishments in support of the United States Navy and Marine Corps during his tenure as Secretary of the Navy from 10 June 1974 to 20 January 1977.

His public appearances and persuasive arguments contributed to the development of a clear recognition within the Department of Defense, the Executive Branch, the Congress and the American public of the urgent requirement to rebuild the declining United States fleet in the face of the Soviet Navy buildup. During his tenure he visited 350 ships and every major Navy and Marine Corps installation in the United States and worldwide. Under his personal leadership:

Approval was received for construction of 157 ships over the next five years.

Department of the Navy Budget was significantly increased from $26.9B appropriated in FY74 to $40.3B requested for FY78. Shipbuilding funds increased from $3.5B appropriated for FY74 to $6.5B requested for FY78.

Special emphasis was given to procurement of a new class of guided missile destroyers (DDG–47), surface effect ships, and hydrofoil patrol boats (PHM).

CH–53E heavy lift helicopter was developed for Navy and Marine Corps.

Development of improved Harrier (AF–8B) began along with major initiative to develop a new generation of tactical VSTOL aircraft (Type A and B) including the thrust augmented wing (TAW).

Development began on numerous Navy and Marine Corps weapons systems, including TRIDENT, HARPOON, TOMAHAWK, VULCAN, PHALANX, Lasers and Major Caliber Lightweight Gun.

Indian Ocean fleet support facility was established at Diego Garcia.

Free world navies were urged to contribute more to collective security effort.

Research and development began or was accomplished on SEAFARER fleet ballistic missile submarine communications system, advanced twin-hull surface ships, amphibious assault craft, and gas turbine propulsion.

Approval was received for consolidation of Naval Oceanographic Program, and relocation at Bay St. Louis began.

Downward trend of ship readiness was reversed.

Improved physical fitness standards were instituted in Navy and Marine Corps.

Student Research Program instituted at the Naval War College with Middendorf Award for outstanding students.

Personal participation in Committee on Excellence of Education to review all service schools.

Navy participation in U.S. Bicentennial was extensive, highlighted by Operation Sail & International Naval Review of 4 July 1976 in New York Harbor.

Important actions were taken in Navy historical programs, including:

Tingey House and Washington Navy Yard designation as National Historical Landmarks and funding for Tingey House restoration.

Establishment of Naval Historical Center at Washington Navy Yard.

Personal sponsorship of major Naval Historical Museum exhibits and strong support of Naval Combat Art Program.

Numerous important management program actions were taken, including:

Establishment of Navy/Marine Corps Acquisition Review Committee.

Strengthening of Project Manager staffs.

Increasing shipyard productivity.

Implementation of Joint Uniform Military Pay System in Navy and Marine Corps.

As a gifted musician, he left a legacy of marches dedicated to the Navy, Marine Corps, Coast Guard and Naval Academy.

J. L. HOLLOWAY III,
Admiral, U.S. Navy, Chief of Naval Operations.

LOUIS H. WILSON,
General, U.S. Marine Corps, Commandant of the Marine Corps.

(This concludes additional statements submitted by Senators.)

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the period of nonlegislative days of the Senate until Monday, February 21, at the hour of 12 noon, the Secretary of the Senate be authorized to receive messages from the other body or from the President of the United States and appropriately refer them.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

AUTHORIZATION FOR THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, THE DEPUTY PRESIDENT PRO TEMPORE, AND THE ACTING PRESIDENT PRO TEMPORE TO TAKE CERTAIN ACTION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the period of nonlegislative days of the Senate until February 21, 1977, the Vice President of the United States, the President of the Senate pro tempore, the Deputy President of the Senate, and the Acting President of the Senate pro tempore be authorized to sign all duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO FILE REPORTS DURING RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, on Thursday, February 17, 1977, between the hours of 10 a.m. and 2 p.m., all committees be authorized to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY, FEBRUARY 21, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate convenes on Monday, February 21, 1977, after the two leaders or their designees have been recognized under the standing order and following the reading of George Washington's Farewell Address, there be a period for the transaction of routine morning business of not to exceed 1 hour, with statements limited therein to 10 minutes each and for the purpose only of the introduction of bills, resolutions, petitions, memorials, and statements into the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, later in the day, following morning business, the Senate will, hopefully, likely proceed to consideration of calendar order No. 17, Senate Concurrent Resolution 10, the third concurrent budget resolution. In any event, let it be known that the transaction of business on Monday, February 21, will not be held up because of the reading of George Washington's Farewell Address, as has been the custom in recent years. The Senate has conducted business on that day and will do so in this instance.

Also coming up on that day following the reading of the Farewell Address will be, possibly, in addition to the third concurrent budget resolution: S. 234, amend-

ing the Small Business Act and the Small Business Investment Act of 1958; also H.R. 2647, an act to amend the Small Business Act and the Small Business Investment Act of 1958, to increase loan limitations and to increase surety bonds authorizations. So, Mr. President, there will be business transacted on Monday, February 21. Rollcall votes may occur.

The reading of the Farewell Address generally consumes about 45 minutes, I believe, as I recollect, give or take a little bit. Then there will be a period for the transaction of routine morning business, which can take up to an hour. So I would venture to say that no rollcall votes are likely on Monday, February 21, before the hour of 2 o'clock p.m. But rollcall votes may occur during the afternoon.

RECESS UNTIL MONDAY, FEBRUARY 21, 1977

Mr. CRANSTON. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess, in accordance with the provisions of House Concurrent Resolution 106, until 12 o'clock meridian on Monday, February 21, 1977.

The motion was agreed to; and at 3:50 p.m. the Senate, in accordance with House Concurrent Resolution 196, recessed until Monday, February 21, 1977, at 12 meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 11, 1977:

DEPARTMENT OF DEFENSE

W. Graham Claytor, of the District of Columbia, to be Secretary of the Navy.

Clifford L. Alexander, Jr., of the District of Columbia, to be Secretary of the Army.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Wednesday, February 16, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

May God be gracious to us and bless us, that Thy way may be known upon Earth, Thy saving power among all nations.—Psalms 67: 1, 2.

Eternal God, our Father, whose love never fails and whose light never fades, in this reverent moment we would be still and know that Thou art God. Breathe Thy spirit upon us that we may receive strength to walk with Thee and to work for Thee this day and all days. Help us to minister to the needs of our Nation and our world—feeding the hungry, strengthening the weak, healing the wounds of our common humanity, and building bridges of understanding and good will over the chasms which separate people. Being one with Thee may we become one with each other.

Bless our Nation and make her a blessing to all, that Thy kingdom of peace and justice and good will may come upon this planet.

In the spirit of Christ we offer this our morning prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Is there objection to the approval of the Journal?

Mr. EDWARDS of Oklahoma. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the approval of the Journal?

There was no objection.

CONCERNING INCENTIVES PRESIDENT MAY OFFER TO INCREASE EXPLORATION AND DRILLING UNDER H.R. 3317

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, in order to avoid any misinterpretation of that section of H.R. 3317 which authorizes the President to enter into agreements to share in the losses of those producers who hazard their money for the exploration and drilling to find more natural gas, I offer this clarification.

This is simply a discretionary tool that should be placed in the hands of the President, which he may or may not see fit to use, as he may deem appropriate in the national interest.

The bill would grant the President authority to encourage and provide financial incentives to natural gas companies and others, to speed up and greatly expand their exploration and drilling for more natural gas, by providing that the Government will share the risk of the cost of drilling, by agreeing to reimburse—not 50 percent—but up to and not to exceed 50 percent of the net losses suffered by certain producers where such drilling results in a dry hole, where no natural gas, oil, or other valuable minerals are found.

You will note that this provision applies only to net losses, and such agreements are to be entered into by the President with such producers, and under conditions, rules, and regulations which are to be determined by him, "within his sole discretion."

In this connection, I should point out that the giant oil and gas companies and other big producers, whose profits are taxed at 48 percent plus, are already recovering from the Government a minimum of 48 percent of their costs and net losses as a result of their exploration and drilling which may end up in dry holes. They do this by simply charging this off as a loss and expense on their income tax returns, thereby reducing their Federal income taxes by at least 48 percent already.

On the other hand, there are many independent and small producers, and even wildcat drillers, who fall in a much lower income tax bracket, and who have limited capital to invest, who cannot recover the same percentage of their losses as the giant corporations and big producers.

This bill would give the President the authority to enter into agreements with such independent and small producers to reimburse them for their losses where their drilling ventures prove to be unprofitable, by agreeing to reimburse them an amount of their net losses resulting from such unprofitable drilling as the big producers recapture through reduced income taxes.

Conceivably, the President could agree to reimburse the big producers say as little as 2 percent of their net losses, who already recapture 48 percent of such losses, and agree for the Government to pay and reimburse the independent and smaller producers a greater percentage of their losses, so as to equalize their net reimbursement from the Government with that of the large corporations and big producers.

Indeed, he could do this, or more, for all producers, or do nothing at all, if upon finding from the monthly reports required to be filed with him and the FPC of the inventories and reserves on hand, that no additional incentives are needed other than the establishment of rates and prices at the wellheads which will assure the producers a fair rate of return.

In other words, this provision would simply place in the hands of the President an additional tool to meet the present shortage of natural gas, whether that shortage is real or contrived, but the decision of whether or not he needs to offer this incentive to encourage the expansion of drilling for more gas to meet the future needs of the Nation will be left entirely to the President—to use or not to use as he sees fit.

SCOPE OF NEW FPC REGULATION

Contrary to one or two news reports, the bill does not take away from the States the power to regulate the distribution, sale and rates of natural gas from local distributors to ultimate consumers, but extends the regulatory authority of the Federal Power Commission only to the producers, pipeline companies, and others not now regulated by the States.

Thus, the production, distribution, sale, and rates to be charged for all nat-

ural gas would be subject to proper regulation at either the Federal or State level, to protect the consumers from unconscionable rates that would most certainly follow if all regulations and price controls were lifted at this time of critical shortage, whether contrived or real.

At the same time, H.R. 3317 would provide for the establishment of rates by the FPC and the State regulatory agencies which would assure producers, pipeline companies, and the local distributors a fair rate of return—but only a fair rate of return—to which they are justly entitled.

SALARY INCREASES FOR GOVERNMENT OFFICIALS

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, it was 30 days ago today that President Ford presented his budget to the Congress for fiscal year 1978. Included in the former President's budget were recommendations for salary increases for Government officials in the executive, judicial, and legislative branches.

The law states that unless one House of the Congress disapproves the President's pay recommendations, they become effective in 30 days. That means that as of today, our salaries are increased from $44,600 to $57,500.

I regret that we have not had an opportunity to vote on this issue. I believe that the increase of nearly $13,000 in our salaries is excessive. At the same time, Mr. Speaker, I believe that some pay adjustments are needed. Members of Congress, and the judicial and executive officials covered by the pay increases, have had only a 5-percent increase since 1969—a period during which most Federal employees have received pay increases of 66 percent while the cost-of-living index has risen 61 percent.

I am personally aware of many Members of the House, especially younger Members, who find it difficult to support their families and maintain two homes on their present salaries.

It has not been easy for me to reconcile my own opposition to these large salary increases and my understanding of the economic difficulties faced by some Members of Congress.

Our pay raises are now effective and I will accept the increased salary. But, as I have stated before, I believe the increases to be excessive. As such, my wife, Lee, and I have decided to give $7,000 of our salary increase to two of our favorite charities: $3,500 to the American Cancer Society and $3,500 to the American Heart Association.

I want to add, Mr. Speaker, that the Commission on Executive, Legislative, and Judicial Salaries, in recommending these salary increases, strongly suggested that these pay adjustments be made "in the context of reform."

I fully endorse this suggestion by the Commission and I will support such reforms as full financial disclosure, strict limitations on outside income, and full accounting of expense funds.

FOREIGN MILITARY AIRCRAFT SALES AND 2 MILLION AMERICAN JOBS

(Mr. MILFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, almost daily, our news media carries items and commentaries concerning foreign sales of military aircraft. Our new administration has expressed the desire that this Nation will not become the arms merchant of the world.

I for one would welcome the day when no nation would merchandise weapons of war. I would strongly support international agreements to stop selling, not only military aircraft, but also all other weapons.

At the same time, I would be strongly opposed to this Nation taking unilateral action to stop selling American aircraft, while allowing foreign friends and adversaries to continue.

While foreign military aircraft sales have been widely discussed in the current national debate, one very important factor has not been covered. That is the impact of these sales on our ability to compete with the rest of the nations in the sale of wide-bodied jets and other civil air transport aircraft.

I have just sent a letter to the President which discusses this important factor. I would like to include a copy of this letter in the RECORD:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 14, 1977.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The subcommittee on Transportation, Aviation and Weather, under Science and Technology, is charged with authorization and oversight of civil aviation research and development. As Chairman of this subcommittee I have become painfully aware of an acute problem facing our Nation—we are losing our aerospace preeminence in people, base technology and products.

The sale of aircraft and aerospace products constitutes our second ranking export item, being exceeded only by agricultural goods. Over 2,000,000 Americans are directly employed in our aerospace industry. These American jobs, our favorable balance of trade from aerospace sales, and the associated federal, state and local tax base are now in serious jeopardy.

In the 94th Congress, our subcommittee conducted extensive hearings with industry, government, labor and financial experts in a major study of our aerospace problems and rendered a comprehensive report ("The Future of Aviation", Volume I, II and III, October 1976). I strongly urge careful review of these findings by the Department of Transportation and the Department of Defense.

In the year-long study, referenced above, the most important finding of the committee is the fact that this nation is losing its preeminence in aerospace sales to foreign competition. The United States is the only major supplier nation that has a significant free enterprise system. Our industries must constantly compete against foreign government-owned or foreign government-subsidized companies in the sale of products.

The subcommittee report stands as a product of a careful and systematic study. It is not the result of quick overviews, or tightly scheduled decisions. Overpowering reasons must be presented before government policies are established that would ignore the conclusions in this report. Our nation simply cannot afford the loss of benefits to our domestic economy that are gained through the sale of aerospace products on the world market.

While *civil* aviation is the primary concern of this subcommtitee, our civil aircraft sales are now and will be inseparably linked with foreign military aviation sales. Each major aeronautical manufacturer—whether airframe, engine, avionics, support systems or component parts—is involved in the production of both civil and military products.

The economics of civil air transport production are dependent upon military sales in the world market, and vice versa. This situation is just as true for our foreign competitors as with American companies. Foreign governments recognize this fact and are actively supporting their sale of both civil and military aircraft through subsidies and attractive "offset" proposals to customer countries. Once a supplier is established with an air carrier or customer, there are powerful operational and economic reasons to continue the relationship. This alone can explain the reason that competition is keen in established and emerging markets.

World preeminence by U.S. companies, in the sale of civil and military aircraft, has provided the continuing base for this nation to excel in the development of new technology, new materials and superior manufacturing processes. At this point, I must emphasize *that under existing world competitive conditions,* this nation could not have maintained our prior preeminent status in civil aircraft sales without the benefit of foreign military aircraft sales.

Many of my aviation-oriented colleagues in Congress, as well as the entire aerospace industry, have become alarmed by recent press accounts of alleged new policies concerning the curtailment of foreign military aircraft sales by your administration. To limit military aircraft sales to various parts of the world, without careful study of all impacts to the U.S., while having no mechanism to prevent our foreign competitors from making these same sales, would be devastating.

There is no doubt that a plan to reduce world armament is a lofty goal, but *only* if we have an iron-clad agreement including validation with our foreign competitors wherein they would also cease military aircraft sales. Premature and unilateral action of this nature on our part should be strongly opposed. Our foreign competitors will gain a tremendous advantage, in the sale of civil air transport aircraft, if they could also continue military aircraft sales.

American withdrawal from foreign military aircraft sales would allow our foreign competitors to keep their manufacturing facilities, technical teams and trained labor intact, while our manufacturers would lose theirs and be forced to close down production lines. Our loss of income from international sales would mean a loss of our ability to continue vital technology development and other R & D efforts. The single greatest American asset that has allowed us to overcome foreign government subsidized competitors has been our ability to develop superior technology, mate-

rials and manufacturing processes. Although not the purview of my committee, it was obvious that long term relationships and foreign policy options must be adversely involved.

If we were to unilaterally cease foreign military aircraft sales, we would lose a vital source of income. Foreign military sales support the same manufacturing facilities and manpower that allow this nation to produce superior civil air transport aircraft.

A modern aircraft manufacturing line or facility cannot be turned "on" and "off" in the manner of a faucet. Long lead times and tremendous expenses are involved. Our aerospace manufacturers spend years developing their technical teams, manufacturing processes, plant facilities and servicing organizations. It should also be noted that aerospace manufacturers have been very strong employment supporters of minorities and Vietnam veterans. They understand our NATO and other alliance commitments. While all of these can be terminated with the stroke of a pen or the pronouncement of a policy, their revival will take years of time and billions of dollars.

In summary, foreign military aircraft sales have a direct bearing on this nation's ability to compete in the sales of civil air transport aircraft on the world market. At the present time American manufacturers compete with foreign manufacturers for the sale of both civil and military aircraft. An iron-clad agreement, between all aircraft manufacturers of the world, to cease military sales would be a laudable accomplishment. Such an agreement when validated would leave a balanced situation between American aircraft manufacturers and our foreign competitors. A unilateral action to prevent only American sales of military aircraft in the world market would be devastating to our aerospace companies. Such a move would seriously cripple our ability to compete in the sale of civil air transport aircraft in the world market.

Failure to export all types of aircraft concurrently—military and civil—will increase our own defense budget; will increase the cost of our commercial exports; will cost thousands of jobs; will increase employment and retraining problems, will make us less competitive in the world market; will reduce our Research and Development base and abilities; adversely impact our balance of trade; would seriously hamper our economic recovery; and increase the cost of American airfares.

I would plead that you take note of this situation and make known the specific policies that will be followed by your Administration.

Sincerely yours,

DALE MILFORD,
Member of Congress.

PROPOSED PAY RAISE

(Mr. PRESSLER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PRESSLER. Mr. Speaker, a prominent national news network—CBS—has polled all Members of Congress on whether or not they want a pay raise—310 said yes and only 9 said no. Many of those 310 are silently absent today. Mr. Speaker, where are they today?

Mr. Speaker, I wholeheartedly endorse the efforts of the distinguished minority leader, Mr. RHODES, to get the unanimous consent of all Members to bring the pay raise issue onto the House floor for discussion—and a vote.

If we do not have a vote today or tomorrow, the last line of defense we have is my suit which is pending before the Supreme Court challenging the constitutionality of the automatic pay raise for Members of Congress. We must vote on whether or not to accept pay increases. The Founding Fathers, in their debates at the Constitutional Convention of 1787, determined that Members of Congress must vote on their pay if they are to be paid out of the Federal Treasury. James Madison, in answering those at the Constitutional Convention who felt paying Members of Congress in this manner would lead to raids on the Federal Treasury, stated that there would not be a raid as long as Congress recorded the votes of Members on pay issues.

I believe James Madison's reasoning was eminently practical. Congress has not voted for its pay since 1967. Should this 28.9 percent pay raise for Members of Congress go forward, we will indeed have the raid on the Treasury predicted by those attending the Constitutional Convention in 1787.

As a matter of public policy, Congress should vote on its pay if we are to urge steel companies to use restraint in raising prices, or labor unions to refrain from raising wages. We cannot demand from other groups what we do not demand of ourselves.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 14, 1977.

Hon. THOMAS P. O'NEILL, JR.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on February 9, 1977, the Clerk has received this date the following messages from the Secretary of the Senate:

That the Senate passed H.J. Res. 239, a Joint Resolution extending the filing date of the 1977 Joint Economic Report; S. 385, an Act to name a certain Federal Building in Grand Rapids, Michigan, the "Gerald R. Ford Building"; S. Con. Res. 8, a Concurrent Resolution authorizing the printing of the committee print entitled "The Accounting Establishment" as a Senate document and the Vice President appointed Mr. Jackson as vice chairman of the Joint Committee on Atomic Energy.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 11, 1977.

Hon. THOMAS P. O'NEILL, JR.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted on February 9, 1977, the Clerk has received this date the following message from the Secretary of the Senate:

That the Senate passed H.J. Res. 240, a Joint Resolution to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 11, 1977.

Hon. THOMAS P. O'NEILL, JR.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:45 P.M. on Friday, February 11, 1977, and said to contain a message from the President wherein he transmits the first in a series of reports that he will be submitting on the progress toward a solution of the Cyprus dispute pursuant to Public Law 94–104.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By RAYMOND COLLEY.

FIRST REPORT ON PROGRESS TOWARD A SOLUTION OF THE CYPRUS DISPUTE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–74)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on International Relations and ordered to be printed.

To the Congress of the United States:

This report on the progress toward a solution to the Cyprus dispute is the first of a series that I will submit pursuant to Public Law 94–104. Through these reports and continuing close consultations with the Congress, I will keep the American people fully informed of developments in the negotiations.

Helping to promote an equitable and lasting solution to the problems of Cyprus is a high priority for my Administration. The work has already begun. At my request, former Defense Secretary Clark M. Clifford will leave on February 15 for a special mission to Greece, Turkey and Cyprus, as my personal emissary. Through consultations in Greece

and Turkey, he will seek to improve our bilateral relations with these valued NATO allies. With regard to Cyprus, I have asked for his personal assessment of the situation on the island, prospects for early movement toward a negotiated settlement, and how we might be of assistance in this process. Mr. Clifford will consult with the Congress before he departs and again—with other senior officials—after his return, in an effort to produce policies which are effective and which have the broad support of the American people.

We intend to stay in close touch with our other European friends. Vice President Mondale raised the subject during his recent trip and received welcome indications that member states of the European Community continue to share our interest in doing what is possible to encourage a negotiated solution.

We will also continue to maintain close contact with the United Nations in its efforts to promote a peaceful solution. Secretary General Waldheim has worked tirelessly to this end since the summer of 1974. He will soon visit Nicosia for discussions with Cypriot leaders. We hope that through his continued efforts the talks between the two communities might resume in the near future.

Recent positive developments offer some prospect of further progress. One such event was the meeting last month between President Makarios and Turkish Cypriot community leader Denktash, the first meeting between the two in thirteen years. I can assure the Congress that the United States will do all it can to build on these positive developments and advance the cause of a negotiated settlement for Cyprus.

JIMMY CARTER.

THE WHITE HOUSE, *February 11, 1977.*

APPOINTMENT AS MEMBERS OF FEDERAL RECORDS COUNCIL

The SPEAKER. Pursuant to the provisions of 44 United States Code 2701, the Chair appoints as members of the Federal Records Council the following Members on the part of the House: The gentleman from Missouri (Mr. BURLISON), and the gentleman from Minnesota (Mr. FRENZEL).

APPOINTMENT AS MEMBER OF FEDERAL COUNCIL ON THE ARTS AND THE HUMANITIES

The SPEAKER. Pursuant to the provisions of section 2(a)(8), Public Law 93–133, the Chair appoints as a member of the Federal Council on the Arts and the Humanities the following Member on the part of the House: The gentleman from California (Mr. STARK).

LITHUANIAN INDEPENDENCE DAY

(Mr. STRATTON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. STRATTON. Mr. Speaker, the rash of recent reports of a wholesale Soviet and East European crackdown on freedom of expression only represents the tip of an iceberg of political repression that continues in the Communist world in spite of all the pledges of the Helsinki agreement. I mention this because today is the 59th anniversary of the Republic of Lithuania, a free nation that was forceably "incorporated" into the Soviet Union in 1940, and to this day remains a captive nation of the Soviet Communist empire.

Fifty-nine years ago, on February 16, 1918, the Republic of Lithuania formally declared its independence, and thereupon was recognized as an independent nation under the Treaty of Brest-Litovsk by the existing Bolshevik government. Three years later, in 1921, this new republic was formally accepted as a full-fledged free and independent member of the League of Nations.

For nearly 20 years thereafter the Lithuanian people devoted themselves to building a free and prosperous country and to enjoying the other benefits of freedom. However, in 1940 Lithuania was taken over by the military forces of the Soviet Union. Whatever may have been the unusual military circumstances that existed at the time, in the face of the surprise Nazi attack, that led to the 1940 actions in Lithuania, there is no legitimate or moral reason why Lithuania should still be held in bondage today, 37 years later.

Nevertheless, in spite of this bondage, the faith and resolution of the Lithuanian people have never diminished. Their courage has inspired freedom-loving peoples the world over. Their hopes are warmly remembered by all Americans of Lithuanian descent, by all friends of Lithuania, and by the U.S. House of Representatives, which on November 20, 1975, approved House Resolution 864, expressing the sense of Congress that the signing by the United States of the final act of the Helsinki Conference on Security and Cooperation did not in any way change the status of Lithuania or of any other captive nation in the Baltic insofar as its basic right of freedom and independence was concerned.

Mr. Speaker, 34 nations will meet this summer in Belgrade, Yugoslavia, to review the implementation of the Helsinki agreement. High on the agenda for that discussion must certainly be the glaring Soviet noncompliance and outright violations of the so-called Basket Three provisions on human rights in the Helsinki agreement. This quest for human rights must not be limited only to those states which are ostensibly sovereign within the Soviet bloc, such as Czechoslovakia, Hungary, and Poland, for instance, but also to those nations like Lithuania, whose existence was wiped out entirely by Russian military control but which nevertheless continue to nourish the hope of freedom, independence, and sovereignty. We in the United States must take the lead in pressing that precise point in Belgrade.

THE REGULATORY AGENCY APPOINTMENT REFORM ACT

(Mr. MIKVA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MIKVA. Mr. Speaker, today I am introducing a bill which will help to restore the confidence of the American people in Government and to revitalize the effectiveness of the regulatory agencies. The Regulatory Agency Appointment Reform Act establishes a Federal Regulatory Agency Nominating Board which will provide the President with the names of three individuals for appointment to a vacancy on any of the 11 Federal agencies. The President will be limited to appointing commissioners from the names submitted by the Board. The agencies included in this bill are multimember commissions with broad authority to regulate rates, prices, and supply mechanisms for the entire country. Under the bill, the President and the Senate retain their constitutional authority to nominate and advise and consent, but the process is made more effective through the Nominating Board's screening and suggestion authority.

The Nominating Board consists of 15 members appointed by the President for 3-year terms. At least 8 of the 15 members are individuals who are representatives of the public at large—individuals who have had no connection with any industry regulated by the 11 agencies for 3 years prior to their appointment and who have demonstrated a commitment to the public interest. This provision assures the participation of experienced and knowledgeable business men and women, but the potential for domination of the Board by the business community is eliminated.

The bill will also put an end to the "revolving door" practice of an individual within a regulated industry being appointed as a commissioner of an agency regulating that industry and then returning to that industry at the end of his or her term as a commissioner. Commissioners would be prohibited from accepting employment or compensation from any industry regulated or directly affected by the activities of the agency where he or she served for 2 years following the conclusion of agency service.

The bill represents a new approach to the agency appointments process that profoundly changes the previous system without compromising the constitutional directives. The genesis of the bill is rooted in the realization that the President and the Senate can no longer devote to the appointments process the time and energy necessary to insure that the public interest is truly served. The bill is also an honest admission that the nature of politics is such that the pressures to reward valued service can reach proportions that even the best of us may sometimes find difficult to withstand. The Regulatory Agency Appointment Reform Act was drafted in recognition of both these facts of life. The independence of the Board will assure that both of these

problems will be reduced and will mark a significant step forward in reforming the Federal regulatory agencies.

TIME HAS COME FOR A PERMANENT ACROSS-THE-BOARD REDUCTION IN TAX RATES

(Mr. KEMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEMP. Mr. Speaker, it is obvious to most observers today that the time has come for a permanent across-the-board reduction in tax rates. The high rate of taxation in America today is the biggest drag on our economy. It is a disincentive to production, to employment, and investment. Congress must take immediate steps to increase the after-tax income of all the American people, and the after-tax rewards of American productivity, so that both unemployment and inflation can be attached simultaneously.

In the early 1960's we faced similar economic conditions of unemployment and unused plant capacity. President Kennedy said at the time that the main block to full employment is an unrealistically heavy burden of taxation. "The time has come," he said, "to remove it." That was true then and it is true today.

President Kennedy cut the rates from between 20 and 90 percent to rates of 14 to 70 percent in the high income range, and cut the corporate income tax from 52 to 48 percent. He supported accelerated rates of depreciation and put on an investment tax credit tax of 7 percent. As a result of his actions, both unemployment and inflation dropped and we experienced a growth in our economy that has been unmatched since. Best of all, rather than a net loss of revenue, we experienced an increase in revenue due to the stimulation of business activity and new jobs.

Mr. Speaker, I strongly believe the Congress should address itself to the real problems of the country, not just surface problems, and should seek to increase production and full employment by means of tax reductions. What the country needs is a full across-the-board reduction in the tax rates on both personal income and business income in order to stimulate output, enhance real economic growth, and provide jobs for the American people.

INTRODUCTION OF RESOLUTION DISAPPROVING RECOMMENDATIONS OF FEDERAL PAY RAISES

(Mr. GRASSLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRASSLEY. Mr. Speaker, today I have reintroduced, at the request of some of my colleagues, a resolution to disapprove recommendations which would increase the salaries of certain Federal employees and officials. More than 50 Members have cosponsored or introduced similar legislation.

The fact that so many Members of the House have expressed opposition to Federal employee salary increases at this time reflects what I believe to be the prevailing sentiment among the people of the United States.

Recent surveys indicate that a majority of the Members of the House would like to see this matter brought to the floor of the House so that all Representatives can vote their convictions—one way or the other.

On this date I have introduced a resolution, to be referred to the Rules Committee, which would allow the House to consider this matter before the February 20 deadline for disapproval is reached. This is a highly unusual procedure, but it is required by the circumstances.

I would also like to advise my colleagues that my efforts to bring the issue at hand to a vote will continue. If that requires numerous requests to consider House Resolution 115 by unanimous consent—so be it.

The House should not adjourn this week without a vote. I pledge that I will do everything within my power to see that such a vote does take place. The American people want their elected officials to be accountable for what the Federal Government does. I do, too.

A CALL FOR A VOTE ON CONGRESSIONAL PAY INCREASES

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I, too, have just returned from my district. I have talked to many people, and I think all of us are keenly aware of the sentiment of the American people in regard to this pay raise.

I do not think it is so much the money that is at issue; it is the method. The criticism is that without a vote and without being able to stand up and be counted on it, we are accepting a very large pay increase without living up to the conditions under which it was recommended. This to me is one of the worst aspects of the proposal.

We have not adopted the reforms which we were cautioned should be the conditions for this large pay raise. We are moving ahead and accepting, thanks to a bad system, without a vote, more benefits from the taxpayers who are already hard pressed.

Mr. Speaker, I urge the House and the leadership to consider this matter further. I do not know how we can reach a vote. What is the mechanism by which this could be brought to the floor? Why are we afraid of bringing it to the floor? Where is the power that could release a simple measure for our consideration?

There are many measures in the Committee on Appropriations and in this House; there are resolutions and bills that have been introduced. Can we not get them out and at least vote on them?

CONGRESSIONAL PAY RAISES

(Mr. DON H. CLAUSEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DON H. CLAUSEN. Mr. Speaker, during the past few days, while traveling through my congressional district, I was impressed by the large number of people who either asked me about or told me their opinion of the proposed congressional pay raise. The sentiments of the vast majority of them coincide with my own feelings on the subject. The issue of congressional pay should not be linked to other salary questions, but rather should be voted on separately and openly, so the public knows not only what salaries their Representatives are receiving, but also where their Representatives stand on that subject.

Members of Congress have a responsibility to insure that Federal employees and judges receive a fair wage, but as long as the Congressmen's pay is tied to their salaries, it is very difficult to be objective.

It is essential that Members of Congress vote on their own salaries separately from other considerations. They also should not profit from their own vote.

In order to accomplish these objectives, I have joined with several of my colleagues in advancing legislation which would accomplish three things:

It would separate consideration of congressional pay from other pay matters.

It would require a majority vote of both Houses of Congress before any congressional raise could go into effect.

It would provide that no pay raise for Congress take effect until the following Congress.

I feel that the sentiments of many of the people in the Redwood Empire of California are eloquently expressed in a recent editorial in the Santa Rosa Press Democrat, the major newspaper in the largest city in my district, which states:

SEPARATE PAY FOR CONGRESS

We were disappointed to see the U.S. Senate voted for a pay raise for Congress, including the senators themselves.

The decision for the raise came in a 56–42 vote to table a motion which would have vetoed the raise. Either the Senate or the House of Representatives had to veto the pay raise, or it would have become law.

The House simply did not vote on the issue. As the result, the pay for members of Congress will go from $44,600 to $57,500.

We are not saying the raises are not justified. It is the first since 1969 except for a 5 per cent cost of living increase.

But the spectacle of congressmen voting for their own raises is rather disturbing to the average taxpayer.

A number of Congressmen are opposed to the present method of determining congressional pay, including the Redwood Empire's Congressman, Don Clausen. But, as he points out, the recommendations for the pay raises are transmitted to Congress by the President, and pay raises for other high government officers and the Supreme Court are included in the overall proposal. Under present rules, it is impossible to separate the Congress pay from the others.

Congressman Clausen would like to see the Congressional pay a separate issue.

We would favor that proposal, and we also would favor a bill which is being proposed to prevent members of Congress from raising their pay while they are in office. California, along with 36 other states, prohibits legislators from raising their own salaries during their term of office. We think the same thing should apply to members of Congress.

CONSTITUENTS' VIEWS ON PROPOSED CONGRESSIONAL PAY INCREASE

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, I, like most of the Members, have just returned from my district. I talked to a number of people about various matters and issues that are facing the American people and facing the Congress of the United States.

The only one, though, that they were really interested in, the only one they were talking about was the proposed pay increase for Members of Congress. I talked to some people who agreed with the need for Congress to get a pay raise. There were not very many, but there were some who agreed that there is a need perhaps for some kind of a pay raise.

However, I did not talk to one single individual who went along with the idea that the pay raise should go into effect without a vote of the Members of this House. They all asked, "What is wrong with the Members of the House of Representatives standing up and being counted if they want a pay raise?"

I cannot imagine any reason at all myself why we should not be allowed to do that.

Mr. Speaker, I urge the leadership of this body to allow a resolution to come before us so that we can stand up and be counted and respond to the logical and rightful demands of our constituents.

PROPOSED PAY INCREASE

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute).

Mr. HAMMERSCHMIDT. Mr. Speaker, as the sponsor of a resolution calling for the disapproval of the proposed congressional pay increase, as recommended by the President's Commission on Executive, Legislative, and Judicial Salaries, I consider it extremely important that this question be brought to the floor for a vote, so that the Members of this body may properly express themselves.

At a time when our Nation and its people are beginning to emerge from a severe economic recession, I find the question of a pay raise highly inappropriate and I urge its rejection. There is little doubt in my mind that Federal expenditures have a significant impact on the Nation's economy. The proposed resolution of disapproval, therefore, stands as a symbol of our willingness and desire to be prudent with tax dollars.

In the past, I have always opposed salary increases and, in fact, have never voted for one since coming to Congress. Very simply, I feel that a vote on the disapproval resolution will afford us an opportunity to stand up and be counted on this crucial matter. Let us prove to the American people that we are earnest in our desire to hold down Federal spending and that we mean what we say when we assure them of our support for restraint and responsibility in our actions that involve their tax dollars.

ADMINISTRATION'S REQUEST FOR AUTHORITY TO SUBMIT EXECUTIVE BRANCH REORGANIZATION PLANS TO CONGRESS

(Mr. LEVITAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, on February 9, 1977, along with 16 other members of the Government Operations Committee, I introduced H.R. 3407, the administration's request for the authority to submit executive branch reorganization plans to the Congress. An outline of the President's proposal is embodied in his message to the Congress on February 7, 1977.

The Government needs to be reorganized. There is virtually no debate on that subject. As the priorities and needs of the Nation change, so must the institutions which implement them. We must seek simplicity and openness, competence and coordination, efficiency and economy. Civil servants and political officials can do their work better when their responsibilities are clearly delineated and do not overlap with those of other organizational units. Members of Congress can perform more effective oversight of Government functions and programs when they are arranged in simple and coherent organizational patterns. The people benefit from a Government which is less complicated—which can be understood and can respond to their priorities and problems.

The Carter administration will need several means to effect a comprehensive Government reorganization, including administrative direction, legislation, and, very importantly, reorganization plans submitted to Congress by the President.

As early as 1923, the Congress recognized the need for a President to modernize the Federal Government. Subsequently, the Reorganization Act of 1949 authorized the President to transmit reorganization plans to the Congress. The authority requested by President Carter is very similar to that available to Presidents from 1949 to 1973. Under the procedure, reorganization plans are sent to the Congress by the President and take effect after 60 days unless either House disapproves the plan. The few changes requested by the administration include allowing the President to withdraw or amend a plan for 30 days after submittal to the Congress, permitting the submission of more than one plan every 30 days, and deleting the requirement that potential savings resulting from the proposal be enumerated in the plan. The administration has also requested that authority be granted for 4 years.

This reorganization plan process has helped to bring about needed changes efficiently for more than 25 years. It is a cooperative approach that will facilitate a joint effort of the executive branch and the Congress to improve the way that Government works for this great Nation. The President has pledged that Members of Congress, their staffs, and interested public and private organizations will be involved not only during the 60 days that plans may be before the Congress, but also during the formulation of reorganization proposals.

Support for the bill giving the President authority to submit proposals does not necessarily mean support for the plans. There may well be proposals or parts of proposals that I won't go along with. But, we have to have a starting point.

It is not accurate to say, as some here do, that Congress does not have any control over what is done under this measure. Congress will be consulted and involved in the formulation of the plans themselves. Congress plays a very real role in controlling the reorganization when either House can reject a plan without the concurrence of the other body.

Congress can make suggestions while a plan is pending which will allow the President to make amendments more in line with congressional desires before the plan is acted upon.

Any Member can introduce a bill which embodies reorganization plans and could be adopted after the veto of a Presidential plan.

The important point is whether or not the Congress is serious or just giving lip service to the idea of Government reorganization. If we are serious, and our constituents are serious, then we should join with the President in granting him the authority to get the job started.

Government reorganization is not an end in itself; it is a process designed to aid the President in shaping his administration to become an effective, fair, and responsive Government. Reorganization authority is a tool required to assist this process. I urge you to support the President's request.

MAKING IN ORDER ON TUESDAY, FEBRUARY 22, 1977, OR ANY DAY THEREAFTER CONSIDERATION OF THIRD CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1977

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday, February 22, 1977, or any day thereafter to consider House Concurrent Resolution 110, the third concurrent resolution on the budget for fiscal year 1977.

The SPEAKER. Is there objection to

the request of the gentleman from Connecticut?

Mr. ROUSSELOT. Reserving the right to object, Mr. Speaker, can the gentleman assure us that by waiving this point of order, the only thing we are doing is allowing this third concurrent resolution on the budget to come to the floor ahead of the expiration of the 10-day rule? Additionally, can the chairman of the Budget Committee assure the House that there are no other points of order waived; is that correct?

Mr. GIAIMO. Mr. Speaker, if the gentleman will yield, that is correct.

As the gentleman knows, the 10-day layover period will not expire until the 23d of February, and it may well be the desire of the leadership to bring this matter up on Tuesday, the 22d. This will enable the leadership to do that.

Mr. ROUSSELOT. Further reserving the right to object, Mr. Speaker, the minority side, including my distinguished minority Member, the gentleman from Ohio (Mr. LATTA), and other minority Members feel that we should waive that 10-day requirement because there has, in fact, been more than adequate consideration of this matter in the committee. However, the gentleman can assure us, I assume, that no other points of order are being waived?

Mr. GIAIMO. I can assure the gentleman that there are no points of order being waived with respect to the budget resolution.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman. We do not object on this side.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

INTRODUCTION OF RESOLUTION DISAPPROVING SCHEDULED PAY RAISE FOR MEMBERS OF CONGRESS AND OTHER TOP LEVEL GOVERNMENT OFFICIALS

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, at the earliest appropriate time today, I plan to seek recognition by the Chair for the purpose of asking unanimous consent for the immediate consideration of House Resolution 115, a resolution disapproving the scheduled pay raise for Members and other top level Government officials introduced by the gentleman from Iowa (Mr. GRASSLEY).

I realize that under normal procedure, I am not entitled to recognition for this purpose. I also realize that my action is extraordinary. However, it represents the last possible course of action for those of us who believe strongly that Congress has an obligation to go on public record on the subject of our own pay.

Last week, Mr. Speaker, CBS conducted a very enlightening poll which I want to share with my colleagues.

CBS found that—aside from Members' attitudes concerning the merits of the proposed pay increase—310 Members of the House say they favor taking a vote on the issue. Only nine Members say that they do not favor taking a vote on the issue.

Mr. Speaker, it is clear that an overwhelming majority of this body agree that, regardless of the merits of the pay raise, it is wrong for us to allow the increase to take effect without a vote.

We have to have greater respect for the intelligence of the American people than to believe that they will not see through this charade. We must have a greater respect for the dignity of this body.

In short, Mr. Speaker, we must face up to our responsiblity and have a recorded vote on this issue.

Mr. Speaker, in the event that this effort fails I hope the majority leadership will bring up H.R. 1968, which I introduced, which would make the discharge of a disapproval resolution a matter of privilege and thereby allow it to be called up by any Member.

Mr. Speaker, in the event that the Pay Commission continues in existence—and sometimes I hope that it will not continue in existence—but if it does, I hope that its findings as contained in the budget of the next 4 years would be a matter which would be brought up for a vote and H.R. 1968 would provide such a procedure.

Mr. Speaker, the people of this country expect this. They expect us to face up to our responsibilities and to do it openly.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's yielding.

As a member of the Committee on Post Office and Civil Service, I was present when the committee heard many, many Members of Congress, even some who favored the pay increase, say they want the resolution of disapproval open to a vote on the floor of this House. Therefore, Mr. Speaker, it is not just those who approve the resolution of disapproval who are asking that they be given a chance to vote, but even those who favor the pay increase want a vote.

Mr. Speaker, I think the gentleman from Arizona (Mr. RHODES) who has made an excellent point in asking that the leadership allow the entire membership to vote on this vital issue tomorrow.

Mr. BROOMFIELD. Mr. Speaker, I rise in support of the statement of the distinguished minority leader urging a rollcall vote on the congressional pay-raise proposal. At a time when the credibility and ethics of the Congress are under attack as never before, that is the very least we can do. For my own part, I am prepared to vote against the pay raise because I do not believe it can be justified at a time when Government is asking the American people to make sacrifices in their own lives. There are those who disagree with that assessment and can offer persuasive arguments in support of a Federal pay raise. All we are asking, Mr. Speaker, is that those arguments be placed on the record along with the votes of the Members for the Nation to consider and judge.

With or without a rollcall vote, I cannot understand how this body can accept a salary increase of this magnitude in view of its failure to first act on a meaningful code of ethics. Every responsible authority on the subject has concluded that the very minimum condition for granting a congressional salary increase must be the prior approval of a thorough and binding code of ethics I know the appropriate congressional committees are now at work drafting such a code and that it is a difficult and time-consuming task. Yet, we owe it to the Nation to deny ourselves a pay increase at least until such a code is properly drafted and implemented. Mr. Speaker, if we are truly concerned about restoring public trust and the credibility of the Congress we must begin by facing and voting on difficult issues such as this.

Mr. SKELTON. Mr. Speaker, at this time, I would like to express my opposition to the proposed congressional pay increase. I have just returned from a visit to my home district, the Fourth District of Missouri, where I received a number of comments about the pay raise and the manner in which it has been handled by the Congress.

I have heard the arguments for and against this pay raise. For reasons which I will detail later, I have chosen to oppose it. However, I would first like to say that I deeply regret that this measure has not come to the floor for a rollcall vote. If the Members of Congress feel that this salary increase cannot stand public scrutiny, then it should not pass. Certainly it should not be slipped in through the back door while the Congress adopts a "see-no-evil" posture.

A few weeks ago a major news magazine described this Nation's mood as "hopeful—sort of." After a series of political scandals, economic shock waves, and natural disasters, the American people are looking to Washington eagerly for a new brand of leadership. It is of paramount importance that this Congress not give them "politics as usual."

As for the pay raise itself, I am opposed to it because of what I fear will be its inflationary impact on the economy. One of Missouri's most famous sons, Harry Truman, was well known for using the motto, "The Buck Stops Here." If the United States is to make a start on curbing inflation, there could be no more appropriate originating point than the Halls of Congress. The example we set here can encourage healthy fiscal responsibility around the Nation—or it can trigger one more round of the "me-too-ism" that has plagued the economy in recent years. At the very least, we owe it to the Nation to discuss the proposal openly and submit it to a rollcall vote.

Mr. MARRIOTT. Mr. Speaker, last night I sent you a telegram asking that you exert your leadership and do what is necessary to bring the issue of the congressional pay raise to the floor for a vote.

My offices in Utah and here in Washington have been swamped with calls and letters protesting our letting the

pay raise go into effect automatically. Anything as important as this requires that we accept our responsibility and vote as Members on the floor, rather than ducking behind a procedural hedge. We must be accountable to the citizens who pay our salary. For us to avoid a vote on the pay raise is to shirk our basic responsibility. If indeed this raise is deserved, then let us vote out in the open.

I personally resent the fact that I probably will not be given the opportunity to vote against the increase. I think 30 percent is excessive.

My constituents in Utah know where I stand, but I wanted to take this opportunity to follow up my telegram and let all my colleagues know of my desire that this matter be settled on the floor of the House.

Mr. BUCHANAN. Mr. Speaker, I join the distinguished minority leader in calling for a vote on the proposed pay increase prior to the February 20 deadline.

I voted against the legislation which created the Pay Commission precisely because it made possible the raising of salary levels for Members of Congress and other high Government officials without a vote as apparently will be the case this year.

If a vote occurs, I will vote against the proposed increase.

Mr. MILLER of Ohio. Mr. Speaker, we are fast approaching this week's deadline for which the proposed pay raise for Members of Congress will automatically become effective.

The Post Office and Civil Service Committee has chosen to keep the disapproval resolution, House Resolution 115, which I am cosponsoring, under wraps and let the 30-day waiting period expire without full House debate and vote.

If this pay raise is allowed to slide through in this manner, a crushing blow will be dealt to the already sinking credibility of this body. The American people will have every reason to question where Congress places its priorities and interests.

It may be true as some have argued that there is no good time to have a pay hike but now has to be the absolutely worst time. American families have been struggling for a long time to make ends meet in their own budgets. And a record-breaking cold winter has even made those hardships more acute. Congress cannot ask our ctizens to make continued sacrifices while at the same time seeking a pay raise that immunizes itself from the very hardships they are forced to endure.

If Congress is willing to accept any pay raise, it should be equally willing to be publicly recorded on its passage or defeat. I hope we will find a way this week to overcome the committee's obstruction and bring up the discharge resolution so we may have an opportunity to vote on it.

GENERAL LEAVE

Mr. RHODES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my 1-minute speech today.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

FAVORING A VOTE ON CONGRESSIONAL PAY RAISE

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, I rise in support of the distinguished minority leader's position to bring the question of the congressional pay raise before the House. I do so as one who voted against Pay Commission procedure in the first instance.

I do not now argue the merits or the demerits of the proposed pay increase. But I am firmly of the opinion that this is a matter on which the House should have the courage to vote on the record so that all of those we represent will have the opportunity to know who stands where on this issue.

THE HOUSE SHOULD VOTE ON PROPOSED PAY RAISE

(Mr. QUILLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUILLEN. Mr. Speaker, I support the position taken by the minority leader, the gentleman from Arizona (Mr. RHODES) on the proposed pay raise. I believe he should be recognized for such a unanimous consent request. Should that be done and there is no objection, then I support the fact that the pay raise should not go into effect. Assuming that that does not come about, then as the ranking member on the Committee on Rules, I call upon the Committee on Rules for an immediate meeting to discharge the legislation from the Committee on Post Office and Civil Service and bring it to the floor of the House.

Yesterday I told some of my constituents in a speech that I was coming back to Washington to assist in every way possible to try to get a vote on the pay raise in order to vote against it.

REQUEST FOR IMMEDIATE CONSIDERATION OF HOUSE RESOLUTION 115

Mr. RHODES. Mr. Speaker, I rise for the purpose of seeking recognition, and having been so recognized, I now ask unanimous consent for the immediate consideration of House Resolution 115, disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress for the fiscal year ending September 30, 1978, which resolution was introduced by the gentleman from Iowa (Mr. GRASSLEY) disapproving the proposed pay raise.

The Clerk read the resolution, as follows:

H. RES. 115

Resolved, That the House of Representatives, in accordance with section 225(i) of the Federal Salary Act of 1967 (81 Stat. 643; Public Law 90-206), hereby disapproves all of the recommendations of the President of the United States within the purview of subparagraphs (A), (B), (C), (D), and (E) of section 225(f) of the Federal Salary Act of 1967, transmitted by the President to the Congress in the budget for the fiscal year ending September 30, 1978.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. CHARLES H. WILSON of California. Mr. Speaker, I object to the request of the gentleman from Arizona.

The SPEAKER. Objection is heard.

CALL OF THE HOUSE

Mr. EDWARDS of Oklahoma. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. Without objection, a call of the House will be ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 21]

Abdnor	Emery	Murphy, Ill.
Addabbo	English	O'Brien
Akaka	Fary	Oakar
Anderson, Ill.	Findley	Patterson
Andrews, N.C.	Fish	Pepper
Armstrong	Flippo	Pettis
Ashley	Florio	Pritchard
Aspin	Ford, Tenn.	Pursell
Badillo	Forsythe	Quayle
Baucus	Fountain	Railsback
Beard, R.I.	Gilman	Roberts
Bellenson	Goldwater	Robinson
Biaggi	Goodling	Rooney
Boland	Hannaford	Rosenthal
Bonker	Harrington	Rostenkowski
Brown, Mich.	Heftel	Rudd
Broyhill	Holtzman	Ruppe
Buchanan	Jacobs	Russo
Burke, Calif.	Jeffords	Ryan
Burke, Fla.	Johnson, Colo.	Santini
Burton, John	Jones, N.C.	Scheuer
Burton, Phillip	Jones, Tenn.	Shuster
Carney	Jordan	Sisk
Cavanaugh	Ketchum	Slack
Cederberg	Keys	Smith, Iowa
Chappell	Koch	Snyder
Chisholm	Leach	Staggers
Clawson, Del	Lehman	Steers
Cleveland	Lent	Stump
Cohen	Lloyd, Calif.	Symms
Collins, Tex.	McCloskey	Taylor
Conte	McCormack	Teague
Conyers	Maguire	Udall
D'Amours	Mann	Walsh
Delaney	Marlenee	Wampler
Dent	Marriott	Weaver
Derwinski	Mathis	Weiss
Diggs	Meeds	Whalen
Dingell	Metcalfe	Whitehurst
Dodd	Miller, Calif.	Wiggins
Dornan	Mitchell, N.Y.	Wolff
Drinan	Moorhead, Calif.	Young, Alaska
Early	Moorhead, Pa.	Zeferetti
Eilberg		

The SPEAKER. On this rollcall 301 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONGRESSIONAL, EXECUTIVE, AND JUDICIAL PAY RAISE

The SPEAKER. Under a previous order of the House, the gentleman from

Maryland (Mr. BAUMAN) is recognized for 60 minutes.

Mr. BAUMAN. Mr. Speaker, I greatly regret the earlier action that occured here in the House today when a unanimous-consent request was made by the distinguished minority leader, the gentleman from Arizona (Mr. RHODES) who sought to call up a resolution of disapproval regarding the congressional, executive, and judicial pay raise. It may well be that the request made by the gentleman from Arizona will be the only chance that the people's House, the U.S. House of Representatives, has to act upon this matter.

As I think the membership knows, and by now the public well knows, there appears to be little chance that the ad hoc subcommittee dealing with the pay raise, which meets this afternoon, can mark up this legislation and report it out to the full Committee on Post Office and Civil Service. Certainly the full committee probably will not report it to the House for action in time to disapprove before the February 20 cutoff.

I think this entire matter has to be placed in perspective. Ten years ago a previous Congress of the United States passed the law which made it all but inevitable that precisely this kind of situation would come into being; that Members would not be required to face a roll-call vote on the issue of raising their own pay.

Mr. Speaker, I happen to believe it is our constitutional duty to go on record whether we are for or against this pay raise and any increase of the other emoluments and perquisites that Members of the House may have.

Unfortunately, the operation of that law allows an outside commission—in this case, the so-called Peterson Commission—to make recommendations, submit them through the President to the Congress, and within 30 days if no action is taken by Congress, nothing can be done about the pay raise, no change can be made in the amount, and no vote to disapprove in whole or in part may be had.

So we find ourselves in this predicament, as the deadline comes up this weekend.

It appears to the gentleman from Maryland, without any rancor or any questioning of anyone's motives obviously, those in the leadership, who feel the pay issue should not be voted upon, have made it virtually impossible to do so. I would offer my opinion that if the leadership of the Congress on the majority side wished to have this matter on the floor, it would be here today. We are meeting here after a 6-day recess. We have absolutely no legislative business to deal with. The one resolution scheduled was pulled from the floor. We have no legislative business tomorrow. It would be a simple matter, by suspension or other means, to have this matter brought to the floor. The issue is not so much the pay raise, which I would vote against, but I regret the procedure by which a vote is being prevented. It is all being done legally, carefully; it is all being done so that there will be no trace of a record as to where any Member stands on the matter. As an informal poll of CBS said, well over 300 Members said they would like to have a chance to vote, so why should not the House be permitted the right to vote? If the leadership wishes, we will be permitted. There the blame must rest.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California (Mr. ROUSSELOT), a distinguished member of the Committee on Post Office and Civil Service.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's yielding to me.

Mr. Speaker, as ranking member of the ad hoc subcommittee to the Committee on Post Office and Civil Service, several members including myself sat last week and listened to the testimony of a substantial number of Members of the House. A few of the Members favored the pay increase, and so stated. But these Members asked that the committee find a way to make sure that the entire House have an opportunity to vote on the issue.

I, too, am disappointed because the leadership has decided, for whatever reasons, not to allow—or it appears that they decided not to allow—the entire House membership to have an opportunity to vote on a resolution of disapproval, or some other resolution if the Committee on Post Office and Civil Service would allow the issue to come to the floor.

We had a substantial number of people from outside the Congress who testified, some of whom favored the pay increase for the legislative, judicial, and executive branches, but felt also that the entire House membership should have the opportunity to vote on the Commission recommendations.

Mr. Speaker, I join my colleagues in appealing to the leadership of the House of Representatives. There are several precedents for going to the Committee on Rules and getting a rule, which brings the bill to the floor, allow an hour or two of debate, and vote up or down on a resolution. Or another suggestion I have had is to schedule it under suspension of the rules, which, of course, would be a disadvantage to the gentleman in the well and myself who favor a resolution of disapproval because it would require a two-thirds vote.

Even with that disadvantage, I still believe that we should have a full opportunity in the House of Representatives to vote on the issue. Even though the suspension of the rule procedure would disadvantage the position that the gentleman from Maryland (Mr. BAUMAN) and I both take, since it would only require a one-third plus one vote to sustain the position that the Speaker of the House and other leaders evidently take, we would at least have a chance to vote on the issue. The other body at least had a motion to table on which to vote. So it is clear how each of them stand and the Senators will at least be accountable to their constituents.

I believe it is a major mistake for the House of Representatives not to schedule this issue for consideration tomorrow. As a member of the committee, I congratulate my worthy fellow colleague, the gentleman from Maryland (Mr. BAUMAN), for taking this special order today to discuss the pay increase package. It should be made clear to the American public that we could vote on this issue if the leadership would just schedule the vote on or before Friday, February 18.

Several of the newspapers have said that we are going to kind of wink at each other and let it go through by doing nothing. I am not winking. I am going to go to the committee meeting that we have scheduled today at 2:30 p.m. and try to encourage my colleagues on the committee to vote out a resolution of disapproval. Whether I win that vote or not, I believe the full House should have a chance to vote on this matter.

Our minority leader, the gentleman from Arizona (Mr. RHODES), has said that although he will vote for the pay increases he, too, favors the idea of giving the House of Representatives an opportunity to vote up or down on the issue.

Again, Mr. Speaker, I want to thank my colleague, the gentleman from Maryland (Mr. BAUMAN) for taking this time. He and I both know that it is totally possible for us to vote on this issue tomorrow or Friday. There are several ways by which it could be brought to the floor. We could all be present here on the floor within 15 or even 10 minutes tomorrow after President Portillo speaks to our joint session.

We could easily go to the Committee on Rules tomorrow morning and obtain a rule. We could have the issue here for a vote within a couple of hours after the Rules Committee meets.

Mr. Speaker, it could happen, it should happen, and I hope that my colleagues in the House will be persuaded to allow us a chance to at least vote on the issue.

My colleagues should be aware of the categories of support and opposition that were presented to the ad hoc committee:

EXPRESSIONS OF SUPPORT AND OPPOSITION

Category	Opposes all increases	Opposes only Members' increases	Wants vote on issue	Wants increase deferred	Favors increases	Only favors judges
Views expressed in letters and telegrams from individuals and organizations (794)	175	0	2	0	238	379
Members who appeared personally before the subcommittee (27)	10	10	24	9	4	0
Members who submitted statements to be included in the record (96)	39	31	86	21	5	
Statements of individuals or organizations included in the record (23)	1	1	1	1	8	12
Individuals (other than Members) who appeared personally before the subcommittee (7)	1	0	1	1	4	0
Total (947)	226	42	114	32	259	391

Statistics with respect to subcommittee hearings

Number of hours of testimony	16.05
Number of transcript pages	622
Number of witnesses	34
Witnesses:	
Members	27
Administration	1
Quadrennial Commission	1
Former Members	1
Judicial	3
Public Interest Group	1
Total	34

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from California (Mr. ROUSSELOT) for his statement. I know that he has been in the forefront of the activities of the committee concerning these pay raise hearings. The gentleman has testified, and others have testified. I think he has done his level best as one Member to try to bring this matter to the floor.

I think that probably a very few influential Members could bring this to the floor if they had the will to do it and if the leadership were willing to do it. I certainly agree with what the gentleman from California (Mr. ROUSSELOT) has said.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, I agree with what my colleague has just said. There is every possibility that this issue could be brought to the floor tomorrow. I think we should do it. I believe the other Members of the body should encourage the Committee on Rules, as the gentleman from Iowa (Mr. GRASSLEY) and others have tried to do, to bring a rule out tomorrow allowing an accountability vote by each Member of the House.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding.

I wish to commend the gentleman from Maryland (Mr. BAUMAN) for taking this special order, and I associate myself with his remarks.

Mr. CRANE. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Speaker, I thank my colleague for yielding.

I, too, want to applaud the remarks made by the distinguished gentleman from Maryland (Mr. BAUMAN).

I would suggest further that the procedures that we are following here in the first place, that is, depending upon an outside commission to make recommendations affecting our pay raise, represent, I think, something of a copout. I think that Congress should maintain total responsibility for making such recommendations about whether pay increases are in order or not and not employ such a device as this.

Second, however, I think clearly Congress has the responsibility to vote on this issue if it is going to maintain any kind of credibility in the eyes of the voters as an institution. All public opinion surveys indicate that perhaps the credibility of Congress is at an all-time low in this century at least. I think that we should face the responsibility of addressing ourselves publicly on this question, whether for or against.

I have heard many good arguments in behalf of pay raises, but, on the other hand, if we take into account the automatic escalator that will go into effect and increase our pay, as I understand it, on October 1, on top of this raise, Congress will virtually have doubled its pay since 1968. Yet the cost of living has only increased that period by approximately 70 percent. For that reason I would seriously question the argument that this pay raise is in order based upon cost-of-living increases, because this is vastly in excess of that.

More importantly, however, is this question of ducking a critical vote. That is what is in the minds of the voters, and it is just because of this kind of practice that the Congress suffers such low esteem today.

Mr. Speaker, again I congratulate my colleague, the gentleman from Maryland (Mr. BAUMAN), for the position he has taken on this issue.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his remarks.

Mr. McCLORY. Mr. Speaker, will the gentlman yield?

Mr. BAUMAN. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding.

I commend the gentleman from Maryland (Mr. BAUMAN) for taking this special order today. I want to associate myself with the remarks of the gentleman from Maryland, but I also wish to commend my colleagues, the gentlemen from Illinois (Mr. HYDE and Mr. CRANE), for their support of the position which the gentleman from Maryland is advancing.

Mr. Speaker, there is great public interest in this subject, and I think that the Congress is not responding to the public interest on this subject. I think it is a dereliction on our part in finding ourselves in this very inexcusable position at this time.

Mr. Speaker, I join my other colleagues who are today expressing themselves on the proposed salary increases for certain top level personnel in the executive branch as well as for the judiciary and Members of Congress.

The manner in which these salary increases are being approved is most objectionable—particularly as relates to the increases for Members of the Congress. We should face that issue directly—instead of avoiding the issue as we are doing in the pending proceeding. My constituents are most anxious that I, as their Representative in the Congress, should have the opportunity to debate—and vote upon the various issues involved in the comprehensive salary increase resolution.

Mr. Speaker, we are not enhancing the reputation of the House of Representatives by evading this issue. Instead, we are prolonging the unfortunate and largely mistaken attitude of the American public toward this body. We should move forward toward regaining the respect for and confidence in the House of Representatives which are so vital to the strengthening of our representative form of government.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from Illinois (Mr. McCLORY).

Mr. HANSEN. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Idaho.

Mr. HANSEN. Mr. Speaker, I also want to commend the gentleman from Maryland (Mr. BAUMAN) for this opportunity to express ourselves with regard to the proposed pay increase since it appears that we are not going to have any other opportunity to do so.

I think it is unfortunate that we do not meet these issues head on. I think it shows some sort of political cowardice. I think the people of the Nation feel the same way. Certainly my mail is running very strong in this regard.

Mr. Speaker, I think that at a time when inflation is running rampant and a good share of it has to be laid at the doorstep of excessive Federal spending, this is really an inopportune time for Congress to be raising its salary. I think the people of the country feel this way. If they have to withstand the ravages of inflation, why should the Congressmen reward themselves by putting the people in this position?

Mr. Speaker, I think it would be far wiser to have legislation that would cause Congressmen's salaries to be reduced by a proportionate amount if the country suffers further inflation. In other words, a 5-percent increase in inflation would mean a 5-percent reduction in salary for Congressmen.

Mr. Speaker, I think a proposal like this would be much more in order so as to bring about more responsibility in this body.

Again, Mr. Speaker, I thank the gentleman from Maryland, and I associate myself with his remarks.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from Idaho (Mr. HANSEN) and I commend him for his comments.

Mr. SAWYER. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Michigan.

Mr. SAWYER. Mr. Speaker, I would like to commend the gentleman from Maryland (Mr. BAUMAN) also; and I would like to associate myself with the remarks he made. They were well stated and they express my own feelings.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman.

Mr. GRASSLEY. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Mr. Speaker, I yield to the gentleman from Iowa (Mr. GRASSLEY), who has been in the forefront of this entire matter and who was one of the earliest Members to raise his voice regarding automatic increases of congressional salaries.

Mr. Speaker, he has proved himself in every way to be a worthy successor to his predecessor, the former Member from Iowa, the Honorable H. R. Gross. I think

all of us owe a debt of gratitude to the gentleman from Iowa (Mr. GRASSLEY), and I gladly yield to him.

Mr. GRASSLEY. Mr. Speaker, I thank the gentleman for yielding.

I likewise want to commend the gentleman from the Maryland (Mr. BAUMAN) for taking this special order to bring this issue to the attention of the people and to bring it up for discussion on the floor of the House where it ought to be discussed.

Mr. Speaker, I especially commend the gentleman for his endeavors in trying to bring this matter to a vote. Obviously, it ought to be brought to a vote because when things like this are brought to a vote, usually the results are somewhat different than they are going to be if this issue is not brought to a vote.

Mr. Speaker, I need not remind the Speaker nor the Members of this distinguished body that last fall, by a vote of 325 to 57, this House said that we should not have a pay raise, for various reasons, obviously; but at that time that we should not have one.

I think the verdict would be about the same this time if we had a vote on this issue.

Mr. Speaker, I would say to the gentleman from Maryland that even though this special order and our activities today may not result in a vote on this issue at this time, there will be at least two other times in this term of office, during 1977 and 1978, when there will be pay raise issues before this House again. I think that the efforts of the gentleman from Maryland today may be directed toward reminding the public that not only on February 20, when we may be getting a $13,000 raise, but on October 1, 1977, we should be getting a cost-of-living raise on top of that $13,000 raise, on top of the $44,600 we are now making. Then on October 1, 1978, we may again, without a vote of this House, get an automatic cost-of-living raise, in addition to the cost-of-living raise we got on October 1, 1977, in addition to the $13,000 raise that we may get on February 20, and in addition to the $44,600 salary we are presently getting; all of them compounded and piled on top of one another.

Mr. Speaker, there seems to be no end to the opportunities that we are going to have in this way and in many other ways to educate the public as to how we have insulated ourselves against the cost of living.

In any event, Mr. Speaker, we have discussed the procedure up to this point. I think some reminder to the public and to our colleagues in the House needs to be made about just how large a $13,000 raise is.

It is large enough that the average family in America of four lives on it. That is what our salary increase is going to be.

I suppose that this was most strongly brought to my attention the other day when I held a meeting in my district at which there were four elderly people. I might add that this body is more concerned about our senior citizens than any other group in American society. As I say there were four of those people present and the total annual salary that they are living on is less than we will get in just this one raise. This means that there are four senior citizen households, who represent the average in America, who live on just what this increase is going to amount to.

Then in addition to the monetary aspects of this, let me say that at least I feel some shame that we spend such a great amount of our time in this organization trying to bring about respect for the institutions of Government, and then fighting the thing that tears down the very respect that people have to have if this institution and if in fact representative government is to survive, and if the public faith in the constitutional form of government is going to survive.

Mr. BAUMAN. Mr. Speaker, I think the gentleman from Iowa for his remarks and also for his leadership in this matter.

I now yield to the gentleman from Maryland (Mr. STEERS).

Mr. STEERS. Mr. Speaker, I also would like to associate myself with the remarks made by my colleague, the gentleman from Maryland (Mr. BAUMAN) and also to associate myself with the statements made by the gentleman from California (Mr. ROUSSELOT). I believe that the gentleman from California chose the word "opportunity" to vote on this issue, but, on top of the "opportunity" which I seek, I believe I have a duty to vote on this issue, and so do my constituents. I do not want to vote on it in the sense that it is pleasing to me, but because I believe I have something higher that I ought to answer to than my own wishes, and that is my duty to my constituents.

It was for this reason that I have cosponsored a bill introduced by the Congressman on a pay raise deferral.

There is only one other additional point on which I distinguish myself, perhaps, from the others who have the same views, and that is that one measure of whether the congressional salary at the present time is adequate is whether or not there were other applicants for the job. I am a freshman Congressman and there were 22 candidates for the seat I now occupy. I think that is a pretty clear indication that the current salary is fully adequate.

Mr. BAUMAN. Mr. Speaker, I thank my distinguished colleague, the gentleman from Maryland (Mr. STEERS).

Mr. Speaker, I now yield to the distinguished gentleman from Oklahoma (Mr. EDWARDS).

Mr. EDWARDS of Oklahoma. Mr. Speaker, this is my first opportunity to address this body, and I do so, Mr. Speaker, because I feel very strongly about the fact that the Congress of the United States is now going to tell the people of this country that they are about to accept another pay increase that amounts to more money than many Americans make.

As my distinguished colleague, the gentleman from Iowa (Mr. GRASSLEY) has pointed out this proposed increase only makes the Members of this Congress less able to identify themselves with the real problems of the people they represent.

Mr. Speaker, in order that we may somehow bring ourselves back to something that is consistent with reality, I have introduced today a bill that provides that the salaries of the Members of Congress will be tied to the cost-of-living index, in reverse. What I propose is that the Members of this body decide upon what would be an acceptable rate of inflation and for each percentage point that the rate of inflation exceeds that acceptable rate, then the pay of the Members of Congress would be reduced by that same amount.

I believe, Mr. Speaker, that if we took that kind of a step we would find that we could actually restore the public faith in the integrity of this body, which I believe is now sorely lacking.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from Oklahoma for his remarks.

Mr. Speaker, I now yield to the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Speaker, I thank my colleague, the gentleman from Maryland (Mr. BAUMAN), for yielding to me and also wish to thank the gentleman for the special order he has taken today. It also gives me the opportunity to cast my vote right here in favor of the objections that the gentleman from Maryland has raised concerning this proposed pay raise.

The irony of it is that the gentleman from Maryland speaks for me in the statements he has made and I suspect that he speaks for the majority of those of us in the Congress yet, ironically, because of the parliamentary position and maneuvering, we are not going to have an opportunity to vote other than in the way that I just have.

Again I thank the gentleman from Maryland for at least giving us this occasion to express the views that he has and we have in opposition to this maneuver.

Mr. BAUMAN. Mr. Speaker, I want to thank my colleague, the gentleman from North Carolina (Mr. MARTIN), and all of the other colleagues who have participated today in making these remarks.

I earlier made the statement that I think it is true that if the majority leadership of the House wished to have this matter brought before the House for a vote that it could be done.

Mr. Speaker, I should like to personally appeal to the Speaker, since he is in the chair—a gentleman for whom I have the greatest respect—if he in any way could use the considerable powers at his command as the leader of the majority party and as the Speaker of our House, this one Member is asking him to do so in order to bring this legislation to the floor for a vote.

The SPEAKER. The Chair is sure that the gentleman from Maryland, being one of the most erudite students of the laws and the rules of this House, knows that there is no way that the Speaker of the House personally can bring this legisla-

tion to the floor. If there is, would the gentleman make the Chair aware of it?

Is there any way that the gentleman from Maryland knows personally that the Chair can bring this matter to the floor?

Mr. BAUMAN. Mr. Speaker, I should be glad to draft a resolution this afternoon and send it to the Speaker's office for introduction, directing the Committee on Post Office and Civil Service to be discharged immediately from further consideration of whichever appropriate disapproval resolution the Speaker chooses. Such a resolution could be called up for action in the House under a special rule, which I am sure the Speaker could direct the Committee on Rules to adopt this afternoon, since the majority members of that committee are appointed with your approval.

The SPEAKER. It is unusual for the Chair to have a dialog, and the Chair would not wish this to be construed as a colloquy, but rather as a parliamentary inquiry.

Mr. BAUMAN. I am greatly honored that the Chair sees fit to respond to the gentleman from Maryland.

The SPEAKER. But the gentleman from Maryland is not stating any manner in which the Speaker may do it. He is saying if the Chair informally requested the Committee on Rules to report a special resolution, that the matter could then come before the House.

As the gentleman knows, he is trying to put the onus on the Speaker of the House, and the gentleman from Maryland, as one of the better parliamentarians in the House, knows that there is no way that the Speaker personally can do it.

Is the Speaker right on this?

Mr. BAUMAN. I would respond to the Speaker by saying that this gentleman has been here a very brief time, but he recalls an occasion just a few years ago when the energy legislation was being considered and within the space of one evening we voted three or four times on special resolutions of this nature that were rushed through the Committee on Rules, brought to the floor of the House, brought up under a suspension procedure, I believe, and then voted upon, when the bills the resolutions made in order were not even on the floor in printed form.

The SPEAKER. Those matters were brought up under suspension, and motions to suspend the rules are not in order during the balance of the week. But may the Chair state to the gentleman from Maryland, knowing the gentleman as he does, he would doubt very much whether he would want a dictator in this chair. The Speaker has no intention of being a dictator.

Mr. BAUMAN. The Speaker is to be commended for his concern about the abuse of power, but power rightly used, the gentleman from Maryland feels, is not abused. I would again renew my request. If there is any possibility of the Speaker's expressing the wish that the pay raise issue be brought to the floor, it would not only clear the atmosphere, but assure a vote on this important matter.

The SPEAKER. The Chair has said that if it could be brought to the floor, he is one who would vote for the pay raise for the Members of Congress. The Chair has always respected the gentleman as a free and independent man, and the leadership on his side would never be able to twist his arm. The Chair does not intend to do that to Members on his side, and hopes the gentleman respects that position.

Mr. BAUMAN. The gentleman has the utmost respect for the Speaker and the gentleman from Maryland thanks the Speaker for his personal indulgence in responding to my request of him.

The SPEAKER. Does the gentleman from Maryland desire to yield further time?

Mr. BAUMAN. The gentleman from Virginia (Mr. DAN DANIEL) asked me to yield time.

Mr. DAN DANIEL. Mr. Speaker, I am opposed to the proposed pay increase, not because I think it is excessive but because of its adverse impact on the economy.

While the amount proposed is relatively insignificant, the psychological impact on inflation might very well be significant.

I thank the gentleman from Maryland for yielding.

Mr. BAUMAN. I thank the gentleman from Virginia.

Mr. MOFFETT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Connecticut.

Mr. MOFFETT. Mr. Speaker, I have considerable sympathy with what the gentleman from Maryland is saying about the necessity and the desirability of having a vote on this matter, but the gentleman addressed a question to the Speaker with respect to what the Speaker can do, but I would think that, given the gentleman's concern in this area, that the gentleman from Maryland should do what he can and use his influence with the minority leader (Mr. RHODES) so that Mr. RHODES would change his position with respect to his current opposition to any limits on outside income that is earned.

I do not know where the gentleman from Maryland stands on that particular issue and I am not trying to divert attention from the issue at hand on which the gentleman is focusing, but I did hear the minority leader (Mr. RHODES) and I saw him on the television this morning saying he is not in favor of any limitations on outside income. I think many of us who do favor such a limitation would like to have a vote on both these matters and I would like to see the gentleman change his position.

Mr. BAUMAN. The gentleman has a right to his position on this matter, but I do suggest that what we are talking about is not the merits of the pay raise or of limitations on outside income, but the desire to have a chance to vote on the pay raise issue. That is the fundamental concern many Members have expressed. I think we will have a chance very shortly to address the question of outside income when we act on the recommendations of the Commission on Administrative Review.

Mr. HARKIN. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Speaker, I was one of those involved in fighting the pay raise 2 years ago and I am on record as opposing this raise, but it seems to me 2 years ago when the pay raise came up and was voted on it won by one vote. I think there were 212 Members who voted against it. I think that is a conscience vote. A lot of times when legislation passes through and we are opposed to it we have to live with the decision on it, but that was something we could do something about in our own individual capacities and we could turn the raise back in. We did not have to accept it. I know the gentleman voted against the pay raise the last time and I wonder if he turned it back in the last time?

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I would like to ask the gentleman: How easy is it to turn back the money? I do not know if the gentleman tried to turn back the 5-percent pay raise he said he was not in favor of. What experience did the gentleman have in trying to turn it back?

Mr. HARKIN. I wrote a check and sent it in to the Treasury.

Mrs. FENWICK. So did I.

Mr. HARKIN. But there are two ways in which it can be done and in one way the income tax is taken into account and the other way it is not taken into account. It can be done in one of two ways. It can be paid back so one does not pay the income tax or it can be done so one does pay the income tax.

Mrs. FENWICK. But I was informed the only way I could do it was to send the check back and then it all was so complicated that I decided to send it back and just swallow the income tax.

It is not so easy just to say we do not want it. This is one problem we are facing. The gentleman from Illinois (Mr. ANDERSON) was saying earlier that he is going to give the Red Cross half the funds. I do not think we have properly assessed the difficulties encountered by those who do not approve.

Mr. HARKIN. I think it took me about 10 seconds a month to write out the check. It is not that big a problem.

Mrs. FENWICK. It is a big problem.

Mr. HARKIN. Why should one have a double shot at it?

Mrs. FENWICK. But if one is not enjoying the money, then why should one have to pay the income taxes on the money?

Mr. HARKIN. I question why 212 people, most of them on that side of the aisle, voted against it but did not turn it back in.

Mrs. FENWICK. How does the gen-

tleman know? I have never been questioned, and I do not know what others may have done and neither does the gentleman know. We should not be questioned on what we do with our own money.

Mr. BAUMAN. The gentleman from Maryland, following the practice since 1970 when he first was elected to the Maryland State Senate, has been completely disclosing his own finances each year. An examination of his statement which is on file with the House Committee on Standards of Official Conduct will show he did not turn back the pay raise nor will he turn back the pay raise that may come about as a result of the action in question. The gentleman from Maryland has the notion that he is worth as much as anyone else in this body. Some may well disagree, but the gentleman from Maryland does not have a wife who is employed as an attorney, as does the gentleman from Iowa. The gentleman from Maryland lives on the income from his job. The gentleman from Iowa advances the same argument used by that great moralist from Ohio, Mr. Hays, who repeatedly attempted to intimidate those who opposed the pay raise by advising them to reject the money. By that reasoning only those who vote for the pay raise would be permitted to accept it, which would allow the profligate to profit from their own fiscal irresponsibility.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I wish to make the point as to why I think it is important that we should have a chance to vote on these salary increases. I agree with my colleague, the gentleman from Maryland, that a vote on this issue can be arranged because the House can move quickly on legislative proposals through the House leadership.

I have seen that happen many times. We have moved very quickly on all kinds of bills, so I know the Committee on Rules can meet tomorrow and allow a rule on a resolution of disapproval, which we both recommend, and it could come to the floor. Let me make another point. Members of this body, the gentleman from Ohio (Mr. WHALEN), and several others, who incidentally favor pay increases, wish to see the basic law amended so that no pay raises could be favorably voted upon in the current term in which we serve. That is a good idea, but if the 20th of February passes without any action all the increases go into effect. Other proposals will not even receive consideration. The only way that Members of this House can truly debate those issues, as we do on taxes or other major issues, is to ask the leadership to go to the Committee on Rules and see that the Commission proposal comes to the floor.

Mr. Speaker, I hope that those who have addressed themselves to this issue today do as my colleague, the gentleman from Maryland (Mr. BAUMAN) has, make a request to our good Speaker to see that the Committee on Rules does indeed meet tomorrow and bring a rule to the floor to allow all Members of the House to have an opportunity to vote.

Mrs. HOLT. Mr. Speaker, the Congress professes concern about its low reputation with the public. Well, then, how can we justify allowing a $13,000 a year pay raise for Members without ever having Congress face a vote on the issue?

Some Members say they need the money because inflation has eroded their earnings, but they seem to forget that the Congress is the primary cause of inflation because of the monstrous deficit spending it has been authorizing for years.

We should not seek to escape the penalty of inflation; we should not accept a huge pay raise without the courage to vote on it, and there is no justification for a pay raise that exceeds what most of our constituents earn in a whole year.

I urge the Speaker to make us accept the responsibility of voting on this issue. I urge the committee to bring a bill to the floor.

Mrs. HECKLER. Mr. Speaker, as I testified before the Subcommittee on Presidential Pay Recommendations, I feel it is my duty on behalf of the constituents of the 10th District of Massachusetts to protest the proposed legislative pay increase. The essence of the pay raise issue and of the way in which it was handled cuts deeply into the more vital issue of public confidence in Government officials. I find it incredible that we are willing to allow this increase to be enacted without a recorded vote on the House floor. I am strongly opposed to the increase for the legislative branch and to the "backdoor" maneuvering which is involved in its enactment.

Former President Ford urged the Congress to accept the proposed increase saying:

> This will not only restore public confidence in national leaders, but it will permit the country to be able to attract the most qualified citizens to these important posts.

In July of 1975, during the last congressional pay raise debates, I received hundreds of letters in opposition. I voted against that increase. My constituents are contacting me again concerning this latest proposal, and I can assure you that the increase is not restoring confidence in national leaders, and if given the opportunity I would vote against it again. My constituents are rightfully demanding that the Congress come to grips with the continuing problems of inflation, unemployment, energy, et cetera, before providing itself with a $13,000 salary increase—an increase which is more than the annual salary of many of the people I represent.

As a cosponsor of the resolution to disapprove this salary increase, I implore my colleagues to demand a public accounting on this issue. Our constituents deserve openness in Government, and in the interest of public service, we must exercise our public responsibility by voting on this very important matter.

Mr. YOUNG of Florida. Mr. Speaker, I would like to thank my colleague, Congressman BAUMAN, for requesting the special order that permits us to make comment on the President's recommendation for congressional pay raises. It is a shame, that every attempt to bring this very important matter to a vote before the full House of Representatives has been abortive. Many of my colleagues joined me in testifying before the subcommittee on Presidential pay recommendations, to request the passage of a resolution which I cosponsored, to bring this matter to a vote. Congressman RHODES asked for an expression of unanimous consent by this body to provide for such a vote. All of our efforts have failed. However, this special order at least gives us an opportunity to speak on this subject and to tell the American people how we, as individuals, feel about a pay raise for Members of Congress at this time.

My constituent mail is heavy these days from American wage earners, senior citizens on fixed incomes, and disabled war veterans and World War I and II veterans who have their pensions reduced by every increase in social security benefits. In one year, their living expenses have gone up considerably. The cost of housing has risen 5.5 percent, health care 6.7 percent, transportation 8.8 percent. Basic services such as laundry and haircuts have gone up 7.3 percent, gas and electricity 12.2 percent, and the price of a used car 19 percent.

Inflation of this magnitude is caused in large part by high Government spending. By increasing salaries of Federal officials at this point, we will again be contributing to this spiraling inflation cycle. As Congressmen as well as Americans we face the same raises in the cost of our living. But, we must remember that foremost we are leaders of a nation that has enormous fiscal requirements. Our country's deficits are mounting at an alarming rate. Our national debt increases every year, and this year the interest alone on that debt is $42 billion. Members of Congress should take the initiative in providing responsible fiscal leadership and now, on this issue, would be a good time to start.

I abhor the procedure which allows us to have a raise by doing nothing. If there is to be an increase in pay for Members of Congress, there should be a vote to establish that increase, and every Member should have an opportunity to record his or her vote for or against.

Mr. SAWYER. Mr. Speaker, before another travesty should occur allowing further automatic congressional pay raises, it is imperative that Congress take positive action to halt this activity. To provide a safeguard against the next ruthless attack on the Federal Treasury, I am introducing legislation to repeal the provision of law allowing automatic cost-of-living adjustments in the salaries of Members of Congress. The people primarily responsible for inflation ought not to be insulated from its impact.

Under current law, Members of Congress will be entitled to a cost-of-living raise on October 1 of this year. This

amount could add upwards of $3,700 to the pay check of Congressmen and at the same time take away from the already eroding credibility of the American people in their elected officials. Furthermore, as in the recently provided raises, the only action which the Congress must take is no action.

I was opposed to the recent pay raise, fought to have it brought out for a vote, and I have cosponsored legislation requiring Members to vote on increases and to provide that any raise does not become effective until after the term in which is is approved; yet, the Congress has not acted and remains unresponsive to the flood of public opinion on this issue.

The time to put a stop to this pay increase is now. I hope my colleagues will join me in supporting this measure to end, once and for all, this reoccurring scenario and that we will be able to carry on with the constructive legislative business for which we were elected.

Mr. GILMAN. Mr. Speaker, I wish to commend the distinguished gentleman from Maryland (Mr. BAUMAN) for taking the time for this special order, and I join with my colleagues in expressing my opposition to the congressional pay raise.

There are several disturbing aspects of this congressional salary proposal, which I set forth in my testimony before the House Committee on Post Office and Civil Service on February 11, that necessitate my opposition.

At a time of economic distress for so many Americans, when so many in our Nation are experiencing extraordinary burdens of spiraling inflation, of unemployment, of energy hardships, such a substantial pay increase is improper.

Although many of us in the minority party in the House attempted, unsuccessfully, to bring about a vote on this issue, there still is no record of the way that each Member felt about the proposed salary increase. This type of parliamentary maneuvering does not inspire the trust and confidence of our constituents, and only serves to widen the gap between Washington and the people.

The arguments favoring an increase in salaries for Members of Congress, for the judicial and executive branches, have been convincingly argued in both the House and the Senate. But the need for such an increase stems from something which is not articulated strongly enough and that is the urgent need for congressional reform, and the necessary task of cleaning our own Houses before considering any increase in congressional salaries. While it is timely to take a serious, introspective look at the problems that Members of the Congress face in "making ends meet," it is also time for the Congress to confront its own bureaucratic and archaic systems and to make a serious attempt to keep pace with the changing times and the economic trends the country has been facing. We should be examining the increasing costs of personnel, equipment, and other necessities that contribute to running efficient offices. There should be reforms in the funding of the operational needs of congressional offices, bearing in mind that our foremost obligation is to serve our constituents. Efficient, adequate offices enable Members to more effectively serve and respond to their constituents and to overcome the bureaucratic barriers that so often come betwen the people and their government.

In considering any proposed salary increase, I urge my colleagues to consider the following proposals:

First, Members should have the opportunity to stand up and be counted on any congressional salary increase. Their vote should be recorded for reference purposes after the issue is discussed fully, openly, and without restraint?

Second, congressional salary increases should remain separate and apart from any judicial or executive salary consideration;

Third, the Members of Congress should discuss and vote upon salary increases, not for the present Congress, and not for themselves, but should decide upon any proposed increases for Members of the following Congress;

Fourth, prior to, and possibly in place of any salary increment, congressional reform should be understaken to find more adequate ways of funding efficient congressional offices. Service to constituents should be a first priority; and

Fifth, any proposed salary increase should be tied to more stringent congressional ethics, such as limited and full disclosure of any outside income.

This is an issue that is important not only to all of us, but to all of our constituents. In the spirit of congressional reform, the spirit which demanded changes in campaign laws and stricter controls over the workings of the Congress, I urge my colleagues to disapprove this untimely and poorly presented proposed pay increase, and to concern ourselves, instead, with working toward a more modern system which could obviate the necessity for such an increase.

GENERAL LEAVE

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

WHY DON'T MORE DEMOCRATS SUPPORT PERMANENT REDUCTIONS IN TAX RATES?

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, I recently reintroduced a bill designed to provide permanent tax rate cuts for both individuals and businesses in order to stimulate economic growth and jobs creation in the private sector.

I have been discussing this bill for over 2 years now and, although I have received broad support from within the Republican Party, I am frankly amazed that more Democrats have not endorsed this concept, despite the fact that many Democrats support its provisions.

As a matter of fact, it was John F. Kennedy and his chief economic adviser, Prof. Walter Heller, who proved that tax rate cuts across the board do stimulate the economy without inflation and without increasing the deficit.

President Kennedy announced his plan for a tax cut to stimulate the economy early in his administration. In an address to the Nation on August 13, 1962 he said:

> The single most important fiscal weapon available to strengthen the national economy is the Federal tax policy. The right kind of tax cut at the right time is the most effective measure that this Government could take to spur our economy forward. For the facts of the matter are that our present tax system is a drag on economic recovery and economic growth, biting heavily into the purchasing power of every taxpayer and every consumer.

President Kennedy repeated this point many times throughout 1962 and 1963, in response to criticism from both liberals and conservatives. As he put it in his economic report to Congress on January 21, 1963:

> The main block to full employment is an unrealistically heavy burden of taxation. The time has come to remove it.

Walter Heller was at that time the Chairman of the Council of Economic Advisors. Thus it fell to him to explain why taxes had risen to such a high level that they were choking off economic growth. He later elaborated his position in a book called "New Dimensions of Political Economy":

> In a growth context, the great revenue-raising power of our Federal tax system produces a built-in average increase of $7 to $8 billion a year in Federal revenues (net of the automatic increase in transfer payments). Unless it is offset by such "fiscal dividends" as tax cuts or expansion of Federal programs, this automatic rise in revenues will become a "fiscal drag" siphoning too much of the economic substance out of the private economy and thereby choking expansion.

We do not hear much about "fiscal drag" any more. Apparently the liberal Keynesians, like Heller, who used to complain about it have decided it really is not such a bad thing after all for the Government to automatically pick up billions of dollars of new revenue each year without having to pass a tax increase. This way there is more money available for expensive new spending programs.

The truth is that increased spending does not adequately return to the economy this "fiscal dividend," which results because our tax rates are progressive, thus pushing people into higher brackets as the economy grows and they earn higher incomes. The problem is that incomes have been rising steadily not as a result of real economic growth, but

because of inflation. This pushes people into higher tax brackets without increasing their real incomes and results in an actual decline in purchasing power. It also builds in a powerful disincentive to work harder, produce more, and invest in the future. This cannot be offset by increased Government spending, but only by a reduction in the tax rates.

This is a phenomenon which is well documented. The Congressional Budget Office, for example, estimates that every 1-percent increase in the price level will bring about an automatic 1.2 percent increase in tax revenues—Background Paper No. 9, June 18, 1976, page 21. Thus the Office of Management and Budget estimates that given the projections for economic growth and inflation contained in the Federal budget for fiscal year 1978, median family income for a family of four would rise from $17,300 in 1976 to $28,460 in 1982. This would increase the percentage of Federal income taxes paid for 11.4 percent in 1976 to 15.8 percent in 1982, assuming no changes in present tax law.

The problem of inflation-induced increases in the tax rates is much more serious today than it was when President Kennedy announced his tax reduction plan. Consequently, the positive effects on employment, investment, and production which would result from an across-the-board cut in tax rates could be expected to be much greater today. President Kennedy, in fact, underestimated the benefits from his own program. He thought there would be an increase in the budget deficit from the cut in taxes but felt that this would be made up in the long run. As it turned out, the increase in productivity and economic growth caused an immediate increase in tax revenues after the tax cut which exceeded Treasury estimates for the next 6 years. The following table illustrates this:

[In billions]

Year	1963	1964	1965	1966	1967	1968	Tota
Treasury-estimated revenue losses	−2.4	−5.2	−13.3	−20	−23.7	−24.4	−89
Actual reveune gains	+7.0	+6.0	+4.0	+14	+19.0	+4.0	+54

[1] Library of Congress study done at my request.

There is every reason to believe that the same thing would happen if comparable tax cuts were put into effect today. Dr. Alice Rivlin, head of the Congressional Budget Office, recently estimated that a 5-percentage point reduction in each personal income tax bracket rate enacted in the third quarter of 1977 would raise GNP $42 billion above what it otherwise would have been in the fourth quarter of 1977, and $75 billion above what it would have been in the fourth quarter of 1978—CONGRESSIONAL RECORD, January 26, 1977.

Furthermore, this only assumes that a tax cut would stimulate the economy in the same way an equal amount of Government spending would. This is clearly not true, so that the effects of such a tax cut would be expected to be even greater than Dr. Rivlin's estimates. Interestingly, she also has said that public works spending is much slower in affecting unemployment than a tax cut would be—New York Times, January 25, 1977.

Of course, if one is to believe the public statements by President Carter and members of his administration, there is no reason why they should differ with these conclusions. Treasury Secretary Blumenthal, for example, has repeatedly spoken about the need for changing the tax system so that all income, including capital gains, would be taxed at a uniform, lower rate. He also believes that this would increase Government revenues:

The simple-minded notion underlying all this is that, if it works, I would hope that there would be a bigger pie, and higher levels of activity producing more revenue. You know, it's like the old joke in business—"we're losing money, but we'll make it up on volume." (Washington Post, January 23, 1977)

President Carter has also made statements which would seem to indicate he is in sympathy with the economic approach embodied in the Jobs Creation Act. As he said in an interview with Fortune magazine in May 1976:

In the first place, contrasted with some of my opponents, I would consider the private sector the primary supplier of jobs. I hope that everything the government does will be oriented to magnify the influence of taxpayers' money by providing more jobs in the private sector.

He has also repeatedly endorsed the idea of eliminating the double taxation of dividends, which are now taxed once on the corporate level and again after distribution to stockholders. As he said in an interview with Business Week on May 3, 1976:

I don't think it's right to tax corporate income and then also tax dividend income.

He also told Fortune:

I would tax all income the same.

And lest one ignore these statements as campaign rhetoric, I would note that Bert Lance, Director of the Office of Management and Budget, recently said in an interview with U.S. News & World Report for February 7, 1977:

One thing the President will try to do is eliminate double taxation of corporate dividends—once on the corporation and again on the stockholders. It's a vital step toward regaining a healthy capital-formation level, and to make sure that companies can get into the equity market.

The importance of this change in the tax law cannot be overestimated. Over the past quarter century there has been a steady trend of declining stock issues for capital accumulation, and greater reliance on debt issues. Among other things, this severely restricts new businesses and small businesses seeking to expand. This trend would be reversed by elimination of the double taxation of dividends. Since, presumably, the amount of dividends paid out would rise tremendously, this would raise the value of all stocks in rough proportion to existing price/earnings ratios. This would not only make it much easier to float new stock issues but would raise the book value of every pension fund in America, since they rely heavily on stock ownership. This, in turn, would greatly benefit the working people who depend on these funds.

Of course, taxes would be continued to be levied on the dividends when they are received by the stockholder—assuming that the double-taxation is eliminated on the corporate side. Since the tax rates are much more steeply progressive on individuals than they are on corporations, one cannot say that this is any kind of gift either to big business or the rich. And the benefits to small business and the economy in general by making it easier to raise capital will eventually benefit everyone through increased productivity and new jobs. This is why it is a key feature of the Jobs Creation Act and, apparently, President Carter's tax reforms as well.

Since a lowering of the tax rate on individuals and businesses and elimination of the double taxation of dividends are the key features of the Jobs Creation Act, and since President Carter, Secretary Blumenthal, and Director Lance have indicated by their public statements that the Democratic administration supports these aims, it is somewhat amazing that so much discussion about how to stimulate the economy has revolved around increased Government spending and the employment tax credit. Neither of these programs can possibly produce any long run benefits, and insofar as they work at all it is in the nature of a "quick-fix" which will soon wear off.

The basic fallacy is that Government spending and the employment tax credit work only on the demand side of the economy. Without a corresponding increase in supply, this must lead to inflation. Charles Schulz, Chairman of President Carter's Council of Economic Advisers, made this clear in his testimony on the Humphrey-Hawkins bill before the Senate Committee on Labor and Public Welfare on May 14, 1976:

The basic problem with achieving and maintaining full employment is not that we lack the economic tools to generate increased employment. The traditional weapons for stimulating economic activity—easy money, tax cuts, and government spending for worthwhile purposes—are perfectly capable of generating an increased demand for public and private goods and services, thereby inducing employers to hire more workers. Moreover, we do not need to have the government hire people directly on special programs for public service employment as a long run device to reduce unemployment. The real problem is that every time we push the rate of unemployment towards acceptably low levels, by whatever means, we set off a new inflation. And, in

turn, both the political and economic consequences of inflation make it impossible to achieve full employment, or once having achieved it, to keep the economy there.

The reason for this is, as I said, the emphasis on the demand side of the economy without consideration for increasing the supply of goods and services at the same time. It is assumed that this will result from some kind of "trickle-up" process in which increased demand will increase supply by itself. Experience shows that this simply does not happen. Since the Government is running a deficit, it can only increase spending by borrowing it from the private sector—which drives up interest rates and crowds out private borrowers, which in turn deprives industry of the capital it needs to expand production and hire more workers—or by printing it up. This must result in inflation either way.

Similar criticism may be leveled at the employment tax credit—an idea floating around both sides of the aisle recently—because it also concerns itself solely with demand and not supply. Furthermore, as Secretary Blumenthal recently argued, it taxes efficiency and productivity by being biased in favor of labor intensive industries. It would also give an unwarranted tax break to companies expanding for market reasons and would hurt companies with stagnant or shrinking payrolls—New York Times, February 13, 1977. The New York Times also noted that the employment tax credit would subsidize growing regions of the country—primarily the South and West—at the expense of economically stagnant areas in the Northeast. It also doubted that the program would fulfill its claims under any circumstances.

The Jobs Creation Act, on the other hand, recognizes that any program for lasting, real economic growth without inflation must start on the supply side of the economy. By removing the tax disincentives to increased production, by making it easier to raise capital, by raising take home pay for workers, the Jobs Creation Act would immediately result in greatly expanded GNP, new investment, the creation of millions of new jobs, and increased tax revenues as well. And, since it accomplishes this by increasing the total supply of goods and services, it will lead to a real increase in the standard of living without inflation.

This may seem like more than any one bill can possibly accomplish. But I would remind you that the evidence of history and economic theory both agree that this would happen. In almost every case in which high tax rates were cut across the board there has been this vast increase in production, investment, and employment. It happened dramatically in the 1920's when Treasury Secretary Mellon cut the wartime tax rates, and it happened again in the 1960's when President Kennedy did the same thing.

A permanent, across-the-board cut in tax rates is the most economically sound and politically sensible way in which the Congress can restore economic growth, reduce unemployment, and fight inflation. I have embodied this approach in my Jobs Creation Act and I hope that my Democratic colleagues will join me in enacting this legislation.

REGULATORY REVIEW ACT

The SPEAKER. Under a previous order of the House, the gentleman from Delaware (Mr. EVANS) is recognized for 5 minutes.

Mr. EVANS of Delaware. Mr. Speaker, I am today introducing the Regulatory Review Act of 1977. This measure is designed to ease the crushing regulatory burden on our economy by providing for a legislative veto of unwise, overlapping or even silly, and at times nonsensical regulations.

In recent years a fourth branch of Government has grown up to rival the legislative, executive, and judicial branches in its ability to affect our daily lives. That branch includes both the independent regulatory bodies and Cabinet departments, which have authority for everything but responsibility to almost no one, particularly the taxpayer.

In my judgment, the almost unrestrained power of these agencies is one of the prime reasons why people are convinced that Government is doing things to them, instead of for them.

According to the Office of Management and Budget, the Federal Government now employs an army of some 84,773 regulators, 4 percent of all Federal employees excluding the military, to watch over our daily lives, at a direct cost of nearly $3 billion. Further, the indirect costs to consumers of these regulatory efforts is calculated by OMB at an incredible $390 billion a year.

Last year alone, over 57,000 pages of Federal regulations were published in the Federal Register. If these regulations were put in a single pile, they would stand about 10 feet tall. And every single regulation affects the lives of our citizens in some way.

These regulations also give rise to more paperwork—Federal forms. There are currently in use by the Federal Government 4,354 repetitive report forms, 381 single report forms, 293 major tax forms, and an estimated 500 independent regulatory agency forms. That comes to a grand total of some 5,536 Federal forms. It is estimated that businesses and individuals now spend an estimated 130 million man-hours filling out these Government forms.

The legislation I am introducing, the Regulatory Review Act of 1977, would attempt to curb this uncontrolled growth of regulatory power. The act would require that all proposed Federal regulations be submitted to the Congress 60 days prior to their implementation. During that time, either the House or Senate may adopt a resolution disapproving in whole or in part any such regulation, thus preventing that proposal from going into effect.

Further, the regulatory agency proposing the rule will be required to give the Congress an "economic impact statement," estimating the costs to be incurred by all levels of government and by the private sector, including businesses and consumers, should the proposed rule be implemented. Thus, for the first time, the Congress and the American public will know the costs, as well as the benefits, of regulatory actions before those actions take place, and can better judge the desirability of any proposed rule. By bringing the actions of regulators into account by elected officials, I am confident that we will not only have less regulation, but even more importantly, we will have better regulation.

This legislation would improve the regulatory process in several ways.

It would require, for the first time, that Federal rules and regulations be reviewed by a governmental body directly responsible to the voters.

Second, the Federal departments and agencies, knowing that their proposals are going to come under the scrutiny of those who drafted the legislation requiring the regulations, will be more likely to work with the Congress in drafting regulations and determining legislative intent before issuing those rules.

Third, redundant or contradictory regulations from different agencies will be more likely to be identified and eliminated through the congressional review process.

Fourth, this legislation will force Congress to take its oversight responsibilities seriously again, and continuously oversee the Federal bureaucracy.

Finally, this review of agency regulations and rules will give the Congress needed feed back in developing future legislation.

Mr. Speaker, this legislation will give our citizens the right of legislative appeal on burdensome regulations and I urge its prompt consideration.

CONGRESSIONAL PAY INCREASE

The SPEAKER. Under a previous order of the House, the gentleman from Oklahoma (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Oklahoma. Mr. Speaker, unless the House reacts responsibly within the next 24 hours Members of Congress will receive a totally undeserved pay increase amounting to a 2-year expenditure of approximately $13 million of tax money, for which the citizens of this country will receive no tangible benefit, and which will, in effect, be rewarding the Members of this Congress for their own role as the major contributors to the inflationary spiral in this country.

Mr. Speaker, the American people are already overtaxed and overburdened by inflation. It is a callous betrayal of the public trust for the Members of this Congress to permit themselves to accept a substantial pay increase at a time when the majority of our constituents have serious difficulty being able to afford the food, clothing, housing, health care, and other essentials which make their lives tolerable.

It is as though we have returned to ancient history with the few living in opulence; the few rulers living in plush comfort while the people struggle to make ends meet.

Mr. Speaker, the pay raise which this Congress will receive unless it acts now amounts to more than the total annual income of many Americans. If the Members of Congress were employed by a private business and had done as poor a job in that business as they have done in conducting the public business, they would have all been fired, not promoted and given a pay increase. Those who kept their jobs would probably do so under a warning that the employer would tolerate no more of the same, and they might in addition have to accept not a pay increase but a pay decrease.

Mr. Speaker, because the Members of this Congress so frequently lose touch with reality, I propose that we act at this time to again comport ourselves in keeping with the ways of the real world.

Therefore, I am introducing today a bill designed to connect congressional pay levels with the measure of the quality of work done by the Members of this body. What I am proposing, Mr. Speaker, is that each time the Members of this Congress cause the cost of living to increase, they shall be amply rewarded by a commensurate decrease in their own salaries.

Mr. Speaker, in each election year the members of this Congress return to their home district and give lip service to their belief in the free enterprise system. I am now giving the Members of this great body an opportunity to demonstrate that they do indeed believe in a system in which merit wins reward, and demerit receives the opposite.

I hope that every Member of this Congress who receives a pay increase as a result of this body's irresponsibility and inaction will join as a cosponsor of this legislation to henceforth repeal automatic pay increase provisions and to substitute instead a program whereby congressional irresponsibility will lead to pay decreases.

GENERAL LEAVE

Mr. KOSTMAYER. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include extraneous material on the subject of the special order today of the gentleman from California (Mr. EDWARDS).

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CRIME INSURANCE HELPS AMERICA'S CITIES

The SPEAKER. Under a previous order of the House, the gentleman from Illinois, (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, one of the reasons America's cities are now enjoying an era of prosperity and renewal in marked contrast to the upheavals of the 1960's, is a plan which offers Federal crime insurance to inner-city residents.

For those who might have trouble getting insurance from private sources, this program has been a godsend. It has helped save neighborhoods by keeping businesses and residents in, and it has helped renew destroyed neighborhoods by encouraging the return of those who fled during the riots.

The Fair Plan and the FCIP as they are called, provide renewable crime insurance for homes and businesses at reasonable rates regardless of the crime rate in the neighborhood. This insurance covers property against burglary and also insures persons against robbery.

Presently, the Federal Government is reviewing all ongoing programs such as this and as their originator I would like to see them extended. Their benefit to city dwellers is undeniable.

At a meeting of the Banking Committee's Housing Subcommittee this morning, I testified for extending the programs at least 1 year—and preferably for 5 years—primarily because I feel that if we are going to spend such large amounts of time working on ways to make homeownership available to our cities, we must do something to assure the insurance coverage which must go along. For example, if a homeowner cannot get fire insurance and other coverage in a city, there is no way he can get a mortgage.

What happens when the insurance coverage is unavailable is illustrated in a letter I received recently from Mr. Ralph J. Lueders, senior vice president, First Federal of Chicago to Mr. Norman Strunk, executive vice president of the U.S. League of Savings Associations. A copy of this letter was sent to me, because of my interest in the insurance situation.

In part Mr. Lueders writes:

Today for understandably economic reasons insurance companies are writing risks on such a discriminating and selective basis that the availability is beginning to force extreme hardship upon some homeowners and upon the institutions financing these properties. We specifically find this true of the properties financed throughout the greater part of the City of Chicago. We can only assume that this is happening throughout the nation, especially in large metropolitan areas.

Mr. Lueders goes on to say:

While our business attempts to pursue a policy of extending mortgage loan service to all qualified borrowers in our lending area, it is manifestly clear that most if not all the insurance companies writing residential type insurance are practicing what is loosely called redlining. This takes the form of being interested in writing only the preferred suburban business at rates deviated from the manual standards set for the broad range of residential risks. It is also evidenced by their policy of rejecting all risks located in certain less desirable zones or areas that are known only to their underwriting departments. It may take the form of a disqualification of all properties older than X-number of years (except for those residences located in the high-quality stable suburbs). If these properties which insurance companies designate as less desirable are insured, it is often on a temporary basis. Agents will accept and bind a risk but within 60 to 90 days after having been processed by an underwriting department the policy is then cancelled. Other companies will pursue a policy of accepting the less desirable risks but will reduce the range of their coverage by increasing deductible and charging premiums up to five times the rates charged in the industry for standard risks.

Later Mr. Lueders concludes:

An intended relief was the institution of the Fair Plans adopted by about half of the states to satisfy the needs of homeowners not readily served through regular sources. Today, the numbers of those homeowners not being adequately served has expanded dramatically and certainly beyond the numbers for which the Fair Plan was designed to serve. Also the Fair Plans offer only fire and extended coverage protection it is not a satisfactory answer to this need.

Mr. Lueders' letter is indeed a graphic depiction of the problem that many homeowners face in trying to obtain the necessary insurance. While Fair Plans may not be the overall answer they are at the present the best solution that we have to offer, and because of that we must continue the operations of these facilities.

Mr. Speaker, I would hope that during the year extension of these programs that consideration be given to extending the coverage offered by the Fair Plans so that a wide range of insurance policies can be purchased through the plan, including the basic homeowners package and in areas where insurance underwriting is limited that the plan be allowed to offer automobile insurance.

There is an aspect of the Fair Insurance Plan that bothers me and that is the dumping situation. It is my belief that too many insurance companies rather than writing the insurance directly, are forcing customers to the Fair Plan program in order to get a higher premium. In order to overcome this, I suggest that the Fair Plan's operation, and underwriting, be removed from the insurance companies and transferred to the Federal Government. I take a backseat to no one in the belief in the free enterprise system, but when the free enterprise system does not function properly then Government must step in to fill the need. And that is exactly what should happen with the Fair Plan. As the insurance companies do not want to write insurance directly, there should be no problem with the Government taking over the business since the Government will not be interfering in any area in which the insurance companies now function.

Clearly, there is a great deal of precedent for the Federal Government operating the Fair Plan. The Government insures banks, savings and loans, credit unions, farmers, and even home mortgages. There is no reason why we cannot extend that coverage to individual homeowners.

And, of course, the Government is involved in writing crime insurance, a program which grew out of legislation that I

authored. While there are only 30,000 crime insurance policies in force today, I still have a strong feeling that the program is vitally important to many businesses and homeowners. We will never be able to find out the number of crime insurance policies that were written by private industry solely to keep the customer away from the Government program. If the Government program has served no other purpose than to spur renewal in private crime insurance then that fact alone makes the program successful.

I have found through informal sampling, that most homeowners and small businessmen are not aware of the existence of the Federal crime insurance. The biggest fault for this lack of knowledge mostly lies with the insurance industry, because it is that industry that is charged with selling the policies. There has been no effort on the part of the insurance companies to publicize this program.

I have offered a number of suggestions to HUD for encouraging sales of crime insurance. Since it has been felt that the insurance industry is not doing a good job of selling the policies as agents for the Federal Government, why not let the Federal Government market the insurance directly. There is no reason why policies cannot be sold through the Small Business Administration, the Veterans' Administration in its housing programs, the Federal Housing Administration, and through federally insured lenders making home mortgages.

Almost monthly I am approached by some company or someone with a plan to market the crime insurance more effectively. A number of these plans anticipate a direct mail marketing of the crime insurance. My response to all of these plans has been that I will support any plan that will make the insurance more readily available to the public.

I would hope that during the 1-year extension period which is being recommended, that the Department of Housing and Urban Development will come up with bold new concepts for marketing the crime insurance and as I have suggested earlier, perhaps even moving the Fair Plan setup into the direct marketing field with the Federal Government becoming the underwriter for both programs.

It was my understanding that one of the insurance groups that testified today took no position on the extension of the crime insurance. I think that position typically reflects the attitude of the industry toward this program. The insurance companies fought the program from its inception and has done nothing to promote the program. So it is quite fitting that industry would not fight for an extension of this much needed insurance program.

In basic terms, Mr. Speaker, what I am saying is—let us have an understanding with the insurance industry. Private industry can write the type of policy which it feels it is best suited to handle, and most of those policies unfortunately are insuring against flood damage in the desert. In those areas of coverages where the insurance industry does not wish to participate, then let the Federal Government step in and do the job.

Insurance is a necessity today and if we cut people off from insurance then we are greatly limiting the role of our citizens in our society.

HOUSE SELECT COMMITTEE ON ASSASSINATIONS MEETS

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today, the House Select Committee on Assassinations held its first meeting. I wish to provide for the Members of this House the text of my remarks:

BUDGET DISCUSSION

We are confronted with a serious budget problem. It is, in fact, a problem that grows and compounds with each passing moment. We must clearly understand this, and deal with it without delay.

We are restricted, under terms of the House Resolutions 222 and 11 to expenditures not exceeding the amount spent in December, 1976, until and unless a regular funding resolution is approved.

Under those terms, the Committee has $84,000 per month available to it. The Committee cannot meet its obligations within that amount of money, for the main and simple reason that Mr. Sprague, without my knowledge, consent or approval, arranged for the employment of some 23 persons effective January 1. Had I known of this action, I would have objected in the most strenuous terms, because I know that no Committee expands its employment by 50 percent without some clear knowledge of what its ability to pay is. At that time, the only certain funds that we had were amounts that could be advanced under a continuing resolution.

If staff employees were to receive the salaries that they were promised by Mr. Sprague, Committee costs for personnel, alone, would be exceeding our total funds by $20,000 per month. Committee personnel have taken a 35 percent reduction in pay, simply so that everyone could have something. However, they had no choice in the matter; the Committee on House Administration would have imposed reductions; inasmuch as they can only pay out what is authorized.

The Committee today has few funds to pay its operating costs. January bills have not been paid, but clearly exceed the $770 available. The only way that the January bills can be paid, or for February expenses to be paid, is to reduce staff expenses. This can be done either by reducing salaries further, or reducing the number of personnel. I have a letter from the House Administration Committee regarding this.

After Mr. Sprague last week failed to produce a plan for any kind of reduction in force, I directed him in writing to provide me with a plan of operation whereby the Committee could avoid a reduction in force and still reduce expenses enough to live within the amount of funds we have available. I specified that this plan must be precise, and I directed that it be delivered to me no later than Noon Friday, February 11. This allowed a couple of days for Mr. Sprague to perform.

I finally received his response about midday Monday, and incidentally, it was backdated to February 11. The "precise plan" that I asked for was as follows, and I quote:

. . . "adhering to the pay reductions the staff has agreed to, keeping operating expenses to a minimum, and having the Committee quickly approve a new budget which can be submitted to Congress."

It is hard to imagine anything less responsive than that.

Committee Members will appreciate that no one can assure how much money we will receive for continued operation. We can, however, be sure that we have to pay our bills until we do know what our budget will be. We have no choice but to live within our available funds.

I am willing to explore the possibility, however remote it may be, of covering some of the shortfall by trying to arrange for permission to use any leftover funds from the last Congress to apply against current expenses. This would not, in my judgment, cover our shortfall, but I am willing to explore every possible avenue.

I am also willing to approach the House Administration Committee to ask for a supplemental to cover our shortfall, in the event it is not possible to work out our problems in any other way. However, there is a condition to this: we must make a good faith effort on our own part. We must be able to show that every expense is fully justified. We must be able to show that every person on that staff is qualified, and we must be able to show that every person on that staff is essential. I am gathering as much detailed information as I can, but Mr. Sprague's nonperformance in supplying information on time is a genuine handicap. Based on what I have in hand, my judgment is that the House Administration Committee would not approve any additional funds for the Committee until salaries are realigned and personnel positions adequately justified.

Before we pass on to a discussion of this, I want to emphasize one point: with each passing day, the Committee's financial problems grow deeper. Each day, there are more unpaid bills, and unless circumstances change, every cent of those bills must be paid out of personnel costs—either in the form of additional salary cuts, personnel cuts, or both. Each day we delay, the problem increases, and at a compounded rate.

Keep in mind this situation, and the imperative need to act. There is no way to avoid the problem. It is our responsibility.

I want you to bear in mind that paying the bills for January, let alone February, as I said before, will very likely involve personnel or further salary reductions. We must in any event act within the next day or two.

I know that some of my colleagues were alarmed by what they saw as my precipitate action last week. Let me say simply that when I see a rattlesnake on the doorstep, I don't hesitate; I stomp on it, and answer questions later. This may not always seem elegant, but it is explainable and understandable.

I am prepared to discuss this matter at this time.

I had no alternative but to remove Mr. Sprague. The circumstances were such that I had to move at once, with precious little opportunity to leisurely inform Members of the action or reasons for it. I did everything within my power to inform you at once, and to spell out, in as much detail as possible, the reasons for my action.

Mr. Sprague apparently felt that he had the full authority of a Member of the House, and the full authority normally exercised by the Chairman and the Committee. He explained his general penchant for acting the part of a Member—appearing before the

Caucus, wanting to appear before the Committee on Rules—by saying, on January 11, (quote) "they wanted someone to take the leadership role . . . Fine, I am glad to do it." Regardless of the fact that employees of the Committee are responsible to the Congress, Sprague's instructions were: "Do not discuss our business here with Members of Congress. If you know something about a Member of this Committee, come to me." And, regardless of the fact that only a Member can employ or terminate anyone, Sprague made flat assurances that he—not me, not the Committee—would make good on any pay cuts, by raising salaries once the Committee got a regular appropriation. He assured the staff that he was in complete charge of the Committee. On February 8, he told the staff:

"There may have been some feelings of uncertainty around this office about who runs things—a kind of headless horse. But the head is right here—on me. I am laying out the lines of command in this office. . . . If they (Members of Congress) want to communicate with you, they will do it through me. . . . I do not want you running back and forth with Congressional offices as to what is happening here. If I find that kind of thing going on, they will be fired."

If any one on this Committee can believe that this was anything other than insubordination, and usurpation of any and every authority of this Committee, then there is no such thing as insubordination and usurpation.

Sprague did not believe that this Committee, let alone its Chairman, should—or was—running anything. He was in charge, and he alone. Congress did not appoint and dismiss—he did. Employees of the Committee were not responsible to the Committee, but to him and him alone.

Sprague did not wish for anyone of the Committee to know about this meeting. He told the staff: "I only hope all this remains in the confines of the staff." I found out about the meeting that evening, very late. The next day, February 9, another such pep rally occurred, but there are no records of it, since Sprague demanded that no records be kept—unlike all other cases. The reasons were clear. At that next pep rally, he literally dared the Chairman to try and remove him.

As I said, when I see a rattlesnake, I react.

Any Member who knew what I did would not have hesitated; Sprague had to be stopped, then and there, and I did what I had to do.

Aside from insubordination and a clear effort to usurp the power of the Committee and its Chairman, Mr. Sprague is guilty of failure to perform. I presented Mr. Sprague a series of requests in writing, with deadlines that he had to meet, in order for the Committee to be prepared to proceed about its business in an orderly manner. None of the necessary deadlines were met; information he did finally provide, such as a request for a detailed plan of operation without salary cuts or pay cuts, which he claimed to be possible. You already know that he produced nothing except empty phrases, merely leaving it up to the Committee to obtain more money—how, he did not say.

Much more serious, however, is the fact that Mr. Sprague has placed the Committee in serious financial condition by irresponsibly employing a large number of people without any indication of where the funds to pay them would come from. This action, which took place without my prior knowledge, let alone approval, led directly to the 35 percent salary reduction imposed on the staff during the month of January. This led likewise to the ever-growing inability of the Committee to meet any costs, even the most minimal and essential operating expenses.

Even though I have taken strong action to reduce costs, including placing control equipment on telephones, there is no way to meet all expenses without further reductions in personnel costs.

In part, however, the Committee's financial ills are traceable to a scandalous inflation of salaries. Even though some employees of the Committee accepted pay cuts to join the staff, about two dozen employees were placed on the payroll at salaries vastly exceeding their last previous employment. Six of nine employees from the Washington office of my predecessor are on the Committee payroll. Most of these, I am sure, are well qualified, hard-working persons, but one, at least, received an astonishing 87 percent pay increase. That person previously worked at a salary of $16,000, but was placed on the payroll by Mr. Sprague at a salary of $30,000. Another employee previously earned $14,000, but was being paid at the rate of $24,000—a 65 percent increase. And another employee received a 60 percent increase—from $10,000 to $16,000. One received a 63 percent increase—from $11,000 to $18,000. Another received a 50 percent increase—from $20,000 to $30,000. One received a 41 percent increase—from $24,000 to $34,000, and another a 40 percent increase—from $20,000 to $28,000.

I submit that there is no way this Committee could accept—let alone defend—this kind of salary inflation. There is no other word for it except scandalous.

As I am Chairman of this Committee, I cannot defend it as long as this kind of condition exists. Salaries of this kind are an embarrassment to the Committee, a liability to it, and an insult to the House and to the American people. I must have the authority to clear this situation up immediately: I ask it, and I demand it.

If we are unwilling to confront this and deal with it head-on, there is no hope for this Committee. Need I say more?

It is plain—and I can document what I have said—that Mr. Sprague intended to brook no control from this Committee or its Chairman. He was dishonest, deceitful, and irresponsible in his conduct with the staff and toward the Committee. His advocacy of what amounts to a budgetary blank check could not be justified last winter, and, clearly, cannot be justified today, especially in light of what we now know about the salary structure he was perfectly willing and happy to foist upon me and you.

Mr. Sprague, nor in fact any other member of the staff was required by the former Chairman to ever file a financial disclosure statement, and when I requested he file such a statement, he replied that certain procedures had to be honored first.

I am willing to do this, but I believe that any employee who claims to be acting in good faith—would be more than willing to file a financial disclosure report of his own free will—especially when that person occupies as sensitive a position as that of Mr. Sprague.

In connection with this, let me point out to my Colleagues—Rule XI, Clause 6(a)(3)(B) provides that "professional members of each standing Committee shall not engage in any work other than Committee business."

Mr. Sprague appears to maintain an active law practice, with offices at 1622 Locust Street, in Philadelphia, Pa., and, furthermore, is engaged in the teaching of law at Temple University, also in Philadelphia. It is plain that since the Rules of the House apply to this Committee, Mr. Sprague is in clear violation of the requirement that we have no outside employment. I checked as recently as yesterday, and Mr. Sprague's office reported that he was not in, but would be available during the weekend. The New York Times reported last Saturday morning that Mr. Sprague had taught his usual law course at Temple University on Friday evening.

It seems at least possible—if not likely—that Mr. Sprague, owing to his considerable outside activities, stands in violation of Rule XLIII, Clause 3, and I can assure my Colleagues that he most certainly is in violation of Clause 1 of that Rule, in that he has brought embarrassment and humiliation to this Committee and the House by repeated misconduct, and it is my profound and unhappy duty to report all this to you by way of justifying my actions of last week.

I believe that based on what I have told you, and I can furnish any additional details you may desire; that I have amply shown that no Member of this Congress, let alone a Chairman responsible to it, could for one instant tolerate the kind of insubordination, usurpation and outright malfeasance that it was my sorry lot to discover and be compelled to stop six days ago.

I end as I began: there may be those who wondered at my haste, but when one spies a rattlesnake on the doorstep, there is no time to hesitate. I did not hesitate to act, and in the same circumstances, I would not hesitate again.

LEGISLATION TO ESTABLISH SPAYING AND NEUTERING CLINICS FOR DOGS AND CATS

The SPEAKER. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, today, February 16, 1977, I am introducing legislation to provide Federal loans to enable cities and counties throughout the United States with populations of at least 200,000 persons, to establish and operate low-cost, nonprofit clinics for the spaying and neutering of dogs and cats. The maximum loan per city would be $200,000 through a 4-year loan fund of $4 million per year. An education fund of $1 million will be allocated to the training of paraprofessionals to aid veterinarians in clinics.

I feel that the measures provided through this legislation are vital to all citizens. Our cities are suffering from health problems and nuisance affiliated with the overabundance of homeless dogs and cats, which roam the Nation's streets hungry and diseased. Uncontrolled, unchecked breeding daily adds thousands to the already enormous number of unwanted animals in the United States. The prevalent dog pound system, operated at great expense in all cities, has proven inefficient and ineffective. Every year approximately $100 million is spent in destroying 13.3 million unwanted or stray animals, animals that should not have been born in the first place.

We are faced with the alarming conclusion that something must be done to alleviate the prolific birth rate of these animals and the resultant difficulties accompanying this growth rate. Spaying and neutering are currently the only available methods of decreasing the birth rates. Because of the difficulties in en-

forcing mandatory sterilization, the only feasible alternative lies in doing everything possible to encourage the operations. Since the greatest barrier appears to be cost, the most practical approach is to in some way lower the cost to pet owners. Research has proven that a majority of pet owners have expressed their willingness to pay for spaying or neutering at a reasonable fee, if sufficient facilities are made available and accessible. Therefore, in accordance with these findings, the answer lies in low-cost spay clinics.

May I cite as a precedent, the public clinic established in Los Angeles in 1971, a successfully operated low-cost spaying clinic, where any person may obtain this service for under $20. At the end of a pilot period, the city had created two additional clinics, both equally as successful as the first. Within 2 years, the program had the effect of reducing by an estimated 10 percent, the numbers of homeless cats and dogs. The program demonstrated that long-term savings in a city's animal control costs more than offset initial costs of establishing and operating a public clinic, and that a properly run clinic, once established, need not act as a drain on the public purse at all.

I am sure my colleagues can certainly appreciate the importance of this issue, and I sincerely hope that the 95th Congress will strive to enact this legislation in an effort to better our environment and put an end to the needless suffering of these unwanted animals.

PRESIDENT CARTER PLACES HIGH PRIORITY ON CURTAILING DRUG ABUSE

The SPEAKER. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, last Monday, February 7, a personal message from President Carter was delivered to the 27th session of the U.N. Commission on Narcotic Drugs by Dr. Peter Bourne, his Special Assistant for Mental Health and Drug Abuse.

This message exemplifies President Carter's deep, personal commitment to reducing drug abuse and I know all of us in the Congress welcome the "high priority" he has assigned to this serious problem.

It is evident that there are no easy solutions to controlling the illicit international traffic in hard drugs or to curbing the demand for such drugs in countries around the world. But, as President Carter indicated in his message, it can be "solved only through concerted international cooperation."

In order to achieve that kind of cooperation, it must be made clear to the international community that drug abuse control is an important element of our foreign policy and that the United States stands ready and willing to assist the other nations of the world in their efforts to combat this problem.

Our previous efforts in this area have been dismal. In fact, our State Department in the past has been extremely reluctant to raise the subject of drug abuse during bilateral and multilateral discussions, because it was viewed primarily as a foreign policy irritant.

President Carter made this quite clear in his message when he stated:

We must combine deep compassion for the victims of addiction with a vigorous attempt to eliminate the world supply of illicit drugs through international cooperation.

I am optimistic that major advances will be made in the international arena because of President Carter's personal leadership and because foreign countries are beginning to experience a drastic increase in their addiction rates.

However, progress cannot be achieved until our foreign policy advisers recognize that bold diplomatic initiatives are not only proper, but are essential if we are to promote effective international cooperation.

I am confident that the Congress will give its wholehearted support to the new administration in this effort.

In view of the timeliness of President Carter's message, and the urgency surrounding the drug problem, I wish to insert at this point in the RECORD the full text of Dr. Bourne's address:

STATEMENT BY PETER BOURNE

Mr. Chairman, I am pleased to be here with so many of my friends and colleagues in the international drug community. I have had the pleasure of working with many of you in the past and look forward to continuing our efforts in the future.

President Carter has requested that I be here to convey his personal commitment to reducing the toll of drug abuse and to underscore the importance of international cooperation as the cornerstone of a successful program.

He has asked me to read to you this personal message from him:

"Drug abuse is a major threat to mankind that respects no national boundaries. As I begin my Administration, I recognize that drug abuse, like so many other problems that face us, is global in nature and can be solved only through concerted international cooperation. Drug addiction is the cause of untold human suffering afflicting both the rich and the poor. Of particular concern to us, however, is the recent dramatic increase in addiction and its destructive effect on the limited human and economic resources of many of the less affluent nations of the world.

"We must combine deep compassion for the victims of addiction with a vigorous attempt to eliminate the world supply of illicit drugs through international cooperation. Towards that end, I am making the curtailment of drug abuse a high priority in my Administration. I have designated a highly competent staff in the White House to give this problem special attention. I intend to take a personal interest in this program and will monitor its progress. I am confident that working together in international cooperation we will achieve success. I ask your support in this endeavor."

As Governor of Georgia in the early seventies, President Carter recognized the devastating effects of drug abuse on the citizens of his State. He established a State-wide program to deal with this problem. He visited programs in other States, and spoke with program administrators, clients, and police officials to gain firsthand knowledge about the problem. Characteristically, Mr. Carter set out in a methodical way to read and to learn about the problem of drug abuse. He provided vigorous leadership and support in creating a comprehensive drug abuse program. Those of us in the United States who are particularly concerned with drug abuse are thankful for the President's familiarity with the issue. We are very fortunate to have a President with firsthand knowledge and understanding of the drug abuse problem. We are also pleased to have a President with a deep concern about the issue and a personal resolve to do something about it.

The United States remains committed to a program that balances vigorous law enforcement to suppress the supply of drugs, with readily available and humane treatment and rehabilitation to reduce the demand for drugs. We fully recognize that drug abuse is not merely an American problem, but one that now effects most of the countries represented here and that the addict population is growing around the world. It affects each of our countries in different ways. Yet we cannot any longer see addiction as a problem of one country or a small group of countries but as a common enemy for all of us.

Opium and other drugs can be grown in many places throughout the world. For a long time most countries felt that producing drugs was not terribly harmful since it did not affect their own people. This myth, like so many other that we in the U.S. held dear, has been exploded. It is now widely accepted that nearly every country that produces illicit substances has a substantial abuse problem among their own citizenry.

The nations of the world must acknowledge their interdependence and join together to dedicate their minds, their hearts, and their talents to the solution of this problem which threatens the survival of us all. This cooperation must take several forms. We must exchange information about drug traffickers who have no respect for international boundaries. We cannot allow these criminals to operate in one country and seek shelter in another. We must, through our cooperative efforts, get the message out loud and clear that nowhere in the world will drug traffickers find a safe haven.

We must work together to eradicate the illicit cultivation of various drugs and seek to prevent new sources of supply feeding into the international market.

We must work together and learn together by exchanging knowledge and techniques for more effective treatment and law enforcement programs. Obviously some of what is successful may be culture-specific—but much is subject to modification and application elsewhere. Sharing research findings as to the causes and cures of drug addiction can go a long way to reducing the demand for such illicit drugs.

Lastly, we must find ways of increasing our cooperative efforts to find viable alternatives for those persons whose livelihood have become so dependent on illicit drug production so that a reasonable standard of living can be achieved without dependence on such production.

This special plea for increased cooperation is not made with the naivete that it will be easy. To the contrary, what is being proposed is quite difficult—it will require a total commitment of energy and political priority in each of our countries. However, the alternative is even more difficult to accept—a growing dependence on drugs for larger and larger numbers of people throughout the world. Much of this abuse occurs with young people and with this increased drug use comes the attendant family disruption and a sapping

of strength from our youth—many of whom hold the future promise of our countries.

Let us join together at this time to renew our commitment to do all that will be necessary in the next few days to reverse the alarming trend of increased drug abuse throughout the world. The pledge of the United States and its President are absolute and I look forward to our working together in the coming year.

LITHUANIAN INDEPENDENCE DAY

The SPEAKER. Under a previous order of the House, the gentleman from Indiana (Mr. BENJAMIN) is recognized for 5 minutes.

Mr. BENJAMIN. Mr. Speaker, on the 726th anniversary of the formation of the Lithuanian State and the 59th anniversary of the independent Republic of Lithuania, I thank the Speaker for allowing me to address the House on Lithuanian Independence Day.

As the Congress knows, Lithuania is a country possessed of a long and noble history.

First praised by the Roman historian Tacitus, Lithuania was unified in 1251 and led by King Mindaugas who was crowned in 1253 by a delegate of Pope Innocent IV. It is a land rich not only in fertile soil, beautiful lakes, and majestic forests, but also in culture and traditions exhibited by its language, religion, literature, and art.

Since the publication of the first book in Lithuania in 1547, the Lithuanian people have produced a unique cultural and ethnic identity steeped in the ideals of freedom.

After the third partition of Lithuania in 1795, until the first part of the 20th century, the czarist government attempted to eradicate the language and culture of the country. Ending in failure, these efforts only served to encourage open defiance against the harsh yoke of the foreign power.

The Lithuanians' proud struggle during the 19th century showed that resistance to tyranny and the unfailing will to be free can overcome prolonged oppression.

February 16, 1918, the Republic of Lithuania was finally established. Centuries of trials had been successfully faced and the Lithuanian faith, language, and traditions had endured.

The bittersweet freedom enjoyed by the Lithuanians was jealously protected for the next two decades against ceaseless foreign aggression. Remarkably, domestic progress and a commitment to the future were made during this critical period of time. A constitution was written, a secret ballot introduced, and agrarian reform instituted.

Then, in 1940, 300,000 Soviet troops dragged the people of Lithuania from their freedom and into a night of political bondage as Lithuania was declared a constituent republic of the U.S.S.R. on August 3. Later Nazi occupation and the subsequent reentry of the Soviets constituted a plague of oppression from and under which the Lithuanians have suffered ever since.

Under the dictator's heel, hundreds of thousands have been deported. Repopulation has been forced on the people. Leaders such as Stulginskis have been arrested, religious leaders have been assassinated, people tortured, property confiscated, organizations banned, and presses destroyed.

Lesser spirits would have dimmed, but the Lithuanians have remained steadfast in their courage and their struggle continues today.

The Soviets talk of freedom, but theirs is a system of callous control. They talk of dignity, but of the state, not man. They talk of détente, but there is no peace when religious leaders are murdered and inspired patriots are dragged from their homes.

Let us not delude ourselves. There can be no peace as long as people such as Nijole Sadunaite cannot possess a copy of the Chronicle of the Lithuanian Catholic Church without being sentenced to 3 years of hard labor.

In spite of these poignant and difficult circumstances, the Lithuanian people have remained loyal to their heritage. In their honor we must commit ourselves to the goal of reestablishing a Lithuanian national identity and culture endowed in liberty, freedom, and democracy.

To this end, I call upon the President to continue to speak out for human rights and in particular for the rights of the Lithuanians presently being subjugated and dominated by the Soviets.

We must use the technology, finances, and commodities coveted by the Soviets as a balance and means to end the violence committed against the freedoms of the Lituanian peoples.

Lastly, the House and each Member must oppose Soviet violation of the Lithuanian people's human rights.

By doing these things we will pay tribute not only to the brave Lithuanians now oppressed by the Soviets, but also to their brothers and sisters in this country who have individually and through numerous charitable, scholastic, and aid societies constributed so much to northwest Indiana and to our entire country.

May all Lithuanian people be honored today. May they be granted the perseverance to continue their struggle so that one day, the Lithuanian peoples on both sides of the Atlantic may join hands together and walk into the sunlight of cherished freedom.

LEGISLATION TO PROVIDE EQUAL TREATMENT FOR CRAFT AND INDUSTRIAL WORKERS

The SPEAKER. Under a previous order of the House, the gentleman from New Jersey (Mr. THOMPSON) is recognized for 15 minutes.

Mr. THOMPSON. Mr. Speaker, today I am introducing, along with a number of my colleagues, H.R. 3500, the bill to provide equal treatment for craft and industrial workers, sometimes referred to as the common situs picketing bill. If this gives some of us a feeling of déjà vu, it is perfectly understandable. It is true that we went all through this in the 94th Congress.

The only reason we are going to have to do it all over again in the 95th is that President Ford, at the 11th hour, reneged on his commitment to sign the bill, which passed both this House and the other body by substantial margins. It was, you will recall, that veto by the President which caused his Secretary of Labor, Dr. Dunlap, to resign.

The scope and intent of the bill I am introducing this year is similar to H.R. 5900, which this House adopted in the 94th Congress. I have attempted to simplify and clarify the language and structure of the bill while retaining the basic safeguards against misuse of the right which it creates. It does not include some of the amendments which were added in the other House and which were accepted by the conference committee. Specifically, it does not include the title II which was added by the other body as the price of support by the then Republican administration, support which ultimately turned out to be illusory anyway.

The basic purpose of H.R. 3500 is to restore to construction tradesmen the right enjoyed by industrial workers to picket a working place at which a single interrelated job is being performed in order to support their position in a labor dispute. It is designed to correct a literal and inequitable interpretation of section 8(b)(4) of the National Labor Relations Act made some 16 years ago in the *Denver Building Trades* case, 341 U.S. 675 (1951).

The "secondary boycott" provisions of the Taft-Hartley Act make it unlawful for a union to strike or picket where an object thereof is to force or require one employer to cease doing business with another employer. Senator Taft explained at the time that the purpose of this provision was to protect "the business of a third person who is wholly unconcerned in the disagreement between an employer and his employees." However, as the Supreme Court has noted, the secondary boycott provisions are not intended to interfere with a "labor or-organization's right to exert legitimate pressure aimed at the employer with whom there is a primary dispute. This primary activity is protected even though it may seriously affect neutral third parties". (*NLRB* v. *Operating Engineers*, 400 U.S. 297, 300 (1971).)

The problem was created when the Supreme Court, in its *Denver* decision, affirmed a ruling of the NLRB which had held that because the general contractor and subcontractors on a building site were separate businesses, they were to be treated as neutrals with respect to each other's labor disputes. Accordingly a union having a controversy with one subcontractor could not picket the other contractors and subcontractors at the job site without engaging in a secondary boycott under section 8(b)(4).

The better view, and the one adopted in H.R. 3500, was expressed by Justice Douglas in his dissenting opinion:

> The picketing would undoubtedly have been legal if there had been no subcontractor involved—if the general contractor had put non-union men on the job. The presence of a subcontractor does not alter one whit the realities of the situation; the protest of the union is precisely the same. In each the union was trying to protect the job on which union men were employed. If that is forbidden, the Taft-Hartley Act makes the right to strike, guaranteed by § 13, dependent on fortuitous business arrangements that have no significance so far as the evils of the secondary boycott are concerned. I would give scope to both § 8(b)(4) and § 13 by reading the restrictions of § 8(b)(4) to reach the case where an industrial dispute spreads from the job to another front. (341 U.S. at 694)

H.R. 3500 is designed to conform the law "to the realities of the situation" as noted by Justice Douglas; it overrules Denver, its spirit and its progeny.

In the place of the Denver rule, H.R. 3500 would enact for the construction industry the rule of *Electrical Workers* v. *Labor Board*, 366 U.S. 667 (1961) (General Electric), a case in which the Court refused to apply the principles of the Denver case to a dispute at an industrial site.

As a result of the General Electric case, in manufacturing, an independent subcontractor is not immunized from the labor dispute between the manufacturer and his employees if the work performed by the subcontractor is integrated into the normal operations of the manufacturer. On the other hand, in the construction industry, the identical independent subcontractor who performs work integrated into the normal process in the construction industry is immunized from the labor dispute between the prime contractor and his employees. There seems no practical justification for this distinction.

H.R. 3500 embodies the "connected work" test stated in General Electric. The bill treats the general contractor and his subcontractors as a single person for purposes of the secondary boycott provisions of the law. This approach reflects the economic realities in the building and construction industry where the contractor and all the subcontractors are engaged in a common venture and each is performing tasks closely related to the normal operations of all the others.

The construction of a building is a single, coordinated, and integrated economic enterprise. The contractor can perform the total job, or subcontract various parts thereof. If he decides to subcontract, he chooses the subcontractors and exercises overall supervision. If he chooses to subcontract to a nonunion subcontractor who pays less than the prevailing union wage and wins the bid for that reason, the contractor cannot claim "neutrality" when the unions protest by picketing the jobsite. This view of "nonneutrality" underlies H.R. 3500 and is its essence. The bill, by overruling the Denver case, conforms the law to what should be the proper application of the primary picketing doctrine to the construction industry.

There are numerous safeguards against abuse in the bill. It does not permit strikes or picketing in violation of an existing collective bargaining agreement. It does not authorize strikes or picketing by construction workers at industrial or other nonconstruction workplaces, but only at construction sites; and where a labor dispute is limited to a single construction site, it does not authorize strike activity at any other construction site. The bill does not authorize picketing for organization or recognition purposes which is prohibited by section 8(b)(7). Nor does it permit picketing whose object is the removal from the construction site of any employee on the grounds of race, creed, color, sex or national origin, or to cause discrimination against anyone with respect to union membership or nonmembership. It does not legalize jurisdictional disputes where a rival union is doing the work, and it does not authorize raiding of organized industrial employers by construction unions. There are other restrictions which narrow the scope of H.R. 3500 to merely extending to construction workers the right to picket the economic allies of the employer with whom they have a primary dispute.

Finally, H.R. 3500 requires a local union that wishes to take advantage of the permission contained in the bill to provide a 10-day notice to all the contractors and local unions at the common construction site and to obtain the authorization of the national union with which the local is affiliated, and, at national defense common construction sites, requires also a 10-day notice to the Federal Mediation and Conciliation Service and to the Federal agencies or departments interested in the continuation of the construction.

In sum, H.R. 3500 is carefully drawn to overrule the holding and reasoning of the Denver case, to provide that the basic rule governing manufacturing and construction workplaces is the same, to respect the countervailing rights of truly neutral third parties, and to continue the protections against discrimination presently afforded minority and nonunion employees.

A copy of the bill follows:

H.R. 3500

A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SEC. 1. (a) Section 8(b)(4) of the National Labor Relations Act, as amended, is amended by inserting before the semicolon at the end thereof ": *Provided further,* That nothing contained in this subsection (b) shall be construed to prohibit any strike or refusal to perform services or any inducement of any individual employed by any person to strike or refuse to perform services or threats thereof, at the site of the construction, alteration, painting, or repair of a building, structure, or other work and directed at any of several persons who are in the construction industry and are jointly engaged as joint venturers or in the relationship of contractors and subcontractors in such construction, alteration, painting, or repair at such site: *Provided further,* That nothing in the above proviso shall be construed to authorize a strike or refusal to perform services or any inducement of any individual employed by any person to strike or refuse to perform services, or threats thereof, (1) in violation of an existing collective-bargaining contract; (2) in furtherance of a labor dispute where the issues in dispute concern only the wages, hours, or other working conditions of individuals employed at any other common construction site; or (3) directed at a person who is not engaged primarily in the construction industry who through individuals regularly employed by that person and represented by a labor organization, is installing or servicing products produced by that person, or is doing construction work at a facility owned by that person: *Provided further,* Except as provided in the above provisos nothing herein shall be construed to authorize any act or conduct which was or may have been an unfair labor practice under this subsection, or to prohibit any act or conduct which was not an unfair labor practice under this subsection, prior to the enactment of such provisos: *Provided further,* That nothing in the above provisos shall be construed to authorize picketing, threatening to picket, or causing to be picketed, any person (1) to remove or exclude from a common construction site any individual employed by that person on the ground of sex, race, creed, color or national origin; (2) to cause or attempt to cause a person to discriminate against any individual employed by that person to encourage or discourage membership in any labor organization, or to discriminate against any such individual with respect to whom membership in a labor organization has been denied or terminated for reasons other than his failure to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining membership; or (3) under circumstances prohibited by paragraph (7) of this subsection (b): *Provided further,* That nothing in the above provisos shall be construed to authorize any picketing of a common construction site by a labor organization to force, require, or persuade any person to cease or refrain from using, selling, purchasing, handling, transporting, specifying, installing, or otherwise dealing in the products or systems of any other producer, processor, or manufacturer: *Provided further,* That in determining whether several persons who are in the construction industry are jointly engaged as joint venturers or in the relationship of contractors and subcontractors at any site, (1) ownership or control of such site by a single person shall not be controlling; (2) where a State law requires separate bids and direct awards to persons for construction, the various persons awarded contracts in accordance with such applicable State law shall not be considered joint venturers or in the relationship of contractors and subcontractors with each other or with the State or local authority awarding such contracts at the common construction site.

(b) Section 8(g) of such Act is amended by redesignating the present section 8(g) as section 8(g)(1), and adding at the end thereof the following:

"(2)(A) A labor organization before engaging in activity permitted by the third proviso at the end of paragraph (4) of subsection (b) of this section shall provide prior written notice of intent to strike or to refuse to perform services, or to induce any person to strike or refuse to perform services, of not less than ten days to all unions and the persons at the common construction site and

to any national or international labor organization of which the labor organization involved is an affiliate: *Provided*, That at any time after the expiration of ten days from such notice, the labor organization may engage in activities permitted by the third proviso at the end of paragraph (4) of subsection (b) of this section if the national or international labor organization of which the labor organization involved is an affiliate gives notice in writing authorizing such action: *Provided further*, That authorization of such activities by the national or international labor organization shall not render it subject to criminal or civil liability arising from activities, notice of which was given pursuant to this subparagraph, unless such authorization is given with actual knowledge that such activities are to be willfully used to achieve an unlawful purpose.

"(B) In the case of any such site which is located at any military facility or installation of the Army, Navy, or Air Force, or which is located at the facility or installation of any other department or agency of the Government if a major purpose of such facility or installation is or will be the development, production, testing, firing or launching of munitions, weapons, missiles, or space vehicles, prior written notice of intent to strike or to refuse to perform services, or to induce any person to strike or refuse to perform services, of not less than ten days shall be given by the labor organization involved to the Federal Mediation and Conciliation Service, to any State or territorial agency established to mediate and conciliate disputes within the State or territory where such site is located, to the several persons who are jointly engaged at such site, to the Army, Navy, or Air Force or other department or agency of the Government concerned with the particular facility or installation, and to any national or international labor organization of which the labor organization involved is an affiliate.

"(C) The notice requirements of subparagraphs (A) and (B) above are in addition to, and not in lieu of, the notice requirements prescribed by Section 8(d) of the Act."

EFFECTIVE DATE

SEC. 2. The amendments made by this Act shall take effect 90 days after the date of enactment.

HOUSE RESOLUTION 287

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I have today joined with the other members of the House Democratic leadership in introducing House Resolution 287 which emobdies the recommendations of the Commission on Administrative Review. It is obvious that events dictate and public opinion now demands that the House of Representatives take meaningful steps to secure the public trust. Speaker O'NEILL has made it very clear that the adoption of a new code of ethics should be an item of the highest legislative priority. I wholeheartedly agree. I would particularly like to offer my personal congratulations to both the congressional and public members of the Commission. Theirs was an unenviable task.

While my support for the major portion of the Commission's work is solid, I do, however, have some misgivings about some of their recommendations. I refer specifically to the provisions dealing with ouside income limitations as well as some of the reporting requirements of the financial disclosure section.

By imposing an arbitrary limitation of 15 percent on the amount of earned outside income, the Commission has placed a heavier burden on those Members who do not have significant independent sources of income. The Commission has, in my opinion, drawn a rather unfortunate distinction between earned and unearned income. While the distinction is clear, it is the philosophy behind it that I find troublesome. We are, in fact, placing our imprimatur on a policy which rewards Members with significant financial holdings while penalizing those who by necessity find it necessary to supplement their present income. This distinction bears little relevance to the amount of time and activity which may be involved in the accrual of either type of income. For example, the Congressman who possesses a significant investment portfolio may in fact spend more time "passively" monitoring his holdings than the Congressman who from time to time actively renders services for remuneration.

It is my firm conviction that the amount of a Congressman's outside income has little necessary connection to potential sources of conflict of interest. It is the nature of his outside income activity and the amount of time spent thereon which are at issue here.

It is my strong hope that the Committee on Rules, in further developing this historic legislation, will give serious consideration to eliminating the 15-percent limitations on outside income. I would also hope that the members of the Rules Committee would attempt to improve the present ethics package by refining some of the more burdensome reporting requirements in the area of financial disclosure. If they do not, I fear we will find ourselves spending an inordinate amount of time involved in unnecessary recordskeeping with no appreciable gain in the degree of public confidence. Absent any action by the committee in this direction, I intend to actively and enthusiastically support all perfecting amendments when the resolution reaches the House floor.

Mr. Speaker, I think that every Member of the House should now take a very long and realistic look around and within himself. In a few days we shall hopefully see a significant increase in the annual amount of congressional and other Federal salaries. Many people, including myself, believe that this is necessary in order to bring these salaries in line wtih those paid to persons in private business and industry. These increases are also necessary if we are to stem the increase in the congressional retirement-resignation rate. These new salaries will be of great assistance in eliminating the growing difficulty that the Government presently has in recruiting qualified executives. We are obviously moving in the right direction. Let us be very careful that we do not offer inducements with one hand and deterrents with the other.

CONGRESSIONAL PAY INCREASE

The SPEAKER. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, I wish to express, with as much strength as I have, my vehement opposition to the proposed salary increase for Members of Congress. To permit this pay increase to go into effect is to do the wrong thing, for the wrong reason, at the wrong time, and in the wrong way.

The Salary Commission believes it has put together compelling arguments to justify dramatic salary increases for Members of Congress, Federal judges, and high ranking Federal bureaucrats. Arguments related to the "merits" of this raise simply beg the question. Who honestly would challenge the fact that these persons' present salaries have been affected adversely by inflation since 1969? As real as that may be, it in no way follows logically that the proposed pay raises are justified to be implemented.

Has Congress alone been singled out by the fates to suffer the adverse consequences of inflation? Unquestionably, no. Millions of Americans, as a result of inflation, have suffered a decline in income in real terms. Their dollars buy less—just as our dollars buy less. At best—or, more appropriately, at worst—all this pay raise does is to pick out very selectively one group of people to raise their wages to insulate them from the ravages of inflation.

Have we forgotten in just 3 months since the national elections that we pledged to be the servants of the people? The working people of America have already been pushed to the breaking point by excessive Federal, State, and local taxation. It is from these citizens' taxes that our salaries are paid. This ill-advised pay raise could well be the last straw.

Moreover, if we permit this raise to go into effect, how can we in good conscience call for restraint in the private sector, after having set the worst possible example in managing our own affairs? At a time when our Government is calling on ordinary citizens to make financial and personal sacrifices in the interest of curbing inflation and conserving energy, our failure to disapprove the pay raise will rightfully be considered a failure of leadership which is our responsibility and a blatant display of executive and congressional impropriety. In granting ourselves a lavish pay raise, we will clearly and in one fell swoop demonstrate that we are doing no more than paying lip service to the idea of restraint. The question at stake is public confidence in Government. At this time in history, are we willing to exchange congressional integrity for $12,900?

Much has been made over the "need" to raise congressional salaries in order to attract qualified persons. During the November elections, I observed no lack of candidates seeking those offices. Those candidates must have been aware of the rate of pay that went along with senatorial and congressional offices and were willing to accept those offices on those

terms. It may be that the responsibilities and expenses of congressional service and the sacrifices made to serve honorably merit a salary increase. That may be. But that is not the question. The question is should a pay raise be permitted only 2 months into the term for which we were elected?

Along this line, I have always believed that increases in the salaries of public officials should not take effect until after an intervening election, thus giving the public an opportunity to vote those officials out of office before their pay raise is realized. It is for this reason that I have cosponsored the Congressional Pay Raise Deferral Act both in the 94th and in the 95th Congress which embodies just such a procedure.

Mr. Speaker, most of all, I am concerned about the indirect way in which these increases will be put into effect. It is deceitful. We have a responsibility to take a stand here individually and collectively as an institution through a direct vote on the raise itself. If we individually believe that these raises are warranted, can we not at least have the courage to stand up and vote our convictions and let the public judge our decision—as it judges our other votes? I have tried to find every way I can to force a record vote on this matter and will continue trying. The public has this right at least.

I must add after the foregoing that if the House refuses my demand for a direct vote, I believe the public will consider our inaction a positive vote by this institution and its Members to accept a pay raise. Despite the fact that I believe Congress is attempting to hide behind the recommendations of a little-known Commission, the public is not deceived—it understands the end result. At least we owe the public the honesty of stripping the pay raise question of frivolous procedural tieups, subterfuge, and legislative chicanery. I urge the Congress to go on record through a direct rollcall vote and to reject this inappropriate salary increase at this time.

WALTER J. THOMAS

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 15 minutes.

Mr. MOAKLEY. Mr. Speaker, last year the U.S. Department of State established a minority middle level hiring program with the stated goal of recruiting 30 minority and women employees annually. The program was a sincerely launched effort by Secretary Kissinger and the Deputy Under Secretary for Management, Mr. Lawrence Eagleburger, to improve the dismal underrepresentation of women and minorities in middle- and upper-level positions in the Department.

Now that Messrs. Kissinger and Eagleburger have left office, it must be recognized that the program was a complete failure. The Department never approached its goal of 30 recruitments a year. In fact, when they left office, a total of only five appointments had been made under the program in 1975 and 1976.

The problem is one that too many managers in the Federal Government have learned through similar failures. I have no reason to challenge the former Secretary's sincerity. The real problem is that the program generated no enthusiasm in the bureaucracy that operated it. The situation got so out of hand, that it would not be overstating the case to say that the program was sabotaged.

By way of example, Mr. Speaker, I would present to the House the case of Mr. Walter J. Thomas of Dorchester, Mass.

Mr. Thomas was assigned as Associate Country Director for Venezuela by the Peace Corps in 1972. In the summer of 1974, a new Country Director was appointed and soon thereafter acted to terminate Mr. Thomas. On a Civil Service appeal, the examiner conducted lengthy hearings and ruled that not one of the charges could be substantiated in fact. The examiner determined that Mr. Thomas, a black, had been the victim of discrimination and ordered the termination rescinded. He further recommended that Mr. Thomas be reassigned to a comparable post in another country.

While retaining Mr. Thomas for the balance of his contract, ACTION made no effort to comply with the spirit of the ruling. Thomas was assigned to a position at Washington for which he had been overqualified when hired and was subjected to a number of petty reprisals which are still the subject of legal action by Mr. Thomas.

In any event, Mr. Thomas then could reliably conclude that his contract would not be renewed and began to make arrangements for new employment. He was one of the first black applicants under the then newly established middle level minority hiring program at the Department of State.

In the initial phases, his application fared well. He did well on his test. He received a medical clearance on November 13, 1975. A month later, his security file was presented to medical, which responded on December 31, 1975, that the security file contained no information which would preclude appointment from a medical standpoint.

With two favorable reports from medical and a complete security investigation that revealed no derogatory information, the principal security reviewer recommended a security clearance.

All that stood between Walt Thomas and a career Foreign Service appointment was the routine approval of the reviewer's findings by his supervisor.

But his finding were not approved. The supervisor had before him a security file that had attracted no special attention prior to that and an ACTION personnel file indicating no serious problems—although it would have reflected his successful fight against discrimination and subsequent reprisals.

Citing "financial difficulties," the supervisor overruled a clearance and ordered a new investigation. Yet the security file contained a rather unexceptional list of indebtedness and the personnel file from ACTION contained only a single letter relative to a late retail credit payment on a stereo which had only cost $600 to begin with. There was nothing in the file to indicate that the matter had not been resolved by that single letter. Since the file would also have indicated that Mr. Thomas was living in Venezuela at the time, some confusion in the forwarding of payments on a single account should have attracted no attention. In his statement to a State EEO investigator, the original security invesitgator, who recommended clearance, stated—

> I originally recommended clearance. To me it was a standard transferee case. I recognized a few points, number one was his financial problems—although I didn't think it was enough to recommend further investigation. My supervisor did, however.
>
> Generally my supervisor and I agree, so in this respect this case was unusual.

It is clear that a decision was made in security at that time that Walt Thomas would never work for the State Department. Whether there was a direct suggesion from ACTION or security acted on its own initiative, the decision was clearly made that Thomas should not be hired at State, because he had pursued an EEO claim at ACTION.

While the individual investigators may not have known why, the signal was clear. When the report came back it was apparent what they were being asked to do. For 6 months, friends, coworkers, neighbors, and people who barely knew Walt Thomas were interviewed at length.

And, to his credit, Walt Thomas clearly passed the reinvestigation; no basis could be found to deny a security clearance.

But the ingenious bureaucrats at the State Department have figured out a method for dealing with such situations when they strongly desire not to hire an otherwise qualified person. The medical department—or more particularly two specific physicians in medical—accommodate security in such cases. Findings based on suitability or security grounds can be contested on grounds easily understood by anyone to whom an appeal might be made. But medical disqualification is an area few are qualified to argue. In addition, I think most experts would agree that a vast array of standards makes it impossible for even an Olympic gold medalist to get past a physician who genuinely wants to disqualify him.

The problem facing medical was that they had already cleared Mr. Thomas. But there is a doctor at State whose job it is to get around these technicalities. It is not part of his job definition—he is actually called the liaison between medical and security—but that is how he earns his living—arranging for medical standards to be used to eliminate personnel whom the Department does not want to hire; nonmedical reasons which may not lawfully be admitted.

On May 7, 1976, security was aware it could not disqualify Mr. Thomas and ordered medical to reexamine. On May 11, Mr. Thomas' medical clearance was revoked and he was ordered to undergo reexamination. Two grounds were cited:

First, information developed by security that Thomas was taking medication and had not indicated it on his first examination, and second, that he had been medically evacuated from Venezuela and had not reported that.

In fact, neither assertion had any foundation. At his first examination, it was suggested that Mr. Thomas should lose weight even though he was within departmental standards. He subsequently saw his own doctor and received a diet and a prescription. Mr. Thomas had answered the question honestly and had nothing to hide; he was in fact the source of the information "developed" by security. The situation could have been resolved by phone calls to Mr. Thomas, his doctor, or the pharmacy. But medical did not take that step until after the second physical.

The medical evacuation simply was not true and a phone call to ACTION would have confirmed that.

So medical, instead of making two to four phone calls, ordered the very expensive procedure of a full second medical examination even though it was improper under the Department's own procedures manual.

Even though there was no information to indicate that there was reason for a psychiatric examination, one was ordered. The memorandum ordering the exam is astonishing:

> In addition to this, while serving as a Peace Corps Director in Venezuela, his performance was so adamant and trying to the Peace Corps that he was recalled home. Because he was suddenly called home, he launched a grievance against the Peace Corps, the status of which I believe at the present time is not active. There was a statement, however, to the fact that he did not appear to even know what the job was all about while serving in the Peace Corps in Venezuela.
>
> For this reason, the need for psychiatric interview seems to be indicated to be held in conjunction with his second physical exam.

This narrative is sharply at variance with the one I have read into the RECORD. But mine is based on an extensive body of records from ACTION, State, and the Civil Service Commission. The doctor's version, regretfully, is based on malice and distortion. Thomas was not recalled, he was transferred on the basis of a hearing examiner's recommendation. His appeal was no longer active, because he had won. The allegations about performance, in that face of the Civil Service hearing examiner's findings, is simply slander.

It seems clear from the tone of the memo and its specific wording that there is some kind of oral history to this case. Certainly, these ugly assertions came from somewhere other than the official record from which the doctor was supposed to be working.

The psychiatrist refused to be used for the purpose and went far further than required in finding Mr. Thomas totally qualified from a psychiatric viewpoint.

But, by using figures from the first or second examinations as happened to suit his purpose, the doctor who wrote this memo developed three specific, if somewhat borderline, grounds for medical disqualification. I think the blood pressure is a good example of how this was done.

On the first examination, Mr. Thomas' BP was well within limits. At the second physical, with Walt Thomas now unemployed and aware that some problem had developed, he was subjected to an interrogation—intended to make it clear that all his problems at ACTION had followed him—and promptly thereafter tested for blood pressure. Under this kind of psychological pressure a diastolic reading two points over normal was obtained and used as grounds for disqualification.

In response to my request for "any and all reasons for medical disqualification," the doctor, in a letter signed by Assistant Secretary McCloskey, listed obesity. Yet Thomas was within published limits on his first examination. By the time of his second examination, after starting the diet suggested by State, Thomas had lost 11 pounds and was 20 pounds under the published limit. Confronted by this prevarication during an EEO investigation, obesity was dropped as grounds; a new disqualification was listed, which had not been included in the letter sent in response to my request for any and all reasons.

Mr. Speaker, it is with deep regret that I have asked leave to address the House today. For I am required to present a larger issue than Walt Thomas' personal tragedy or even the total failure of the State Department minority hiring program. Mr. Thomas pursued all the avenues of appeal Congress has opened to protect Federal employees from racism. Yet men in the Department of State, who consider those who fight for their rights, troublemakers, have devised a covert system for thwarting the will of Congress, of the President, and the management of their own Department.

If they can succeed, all the laws we have enacted might just as well be repealed. If they can succeed, then the Founding Fathers have failed; and ours will have become a government, not of laws, but of men.

CONGRESSIONAL PAY RAISE

The SPEAKER. Under a previous order of the House, the gentlewoman from Maryland (Mrs. SPELLMAN) is recognized for 5 minutes.

Mrs. SPELLMAN. Mr. Speaker, I am adamantly opposed to the manner in which the Presidential Commission's pay proposal is being handled by this Congress, for I feel it is the right of every American to know how his Representative would vote on this measure if it were allowed to come before this House for a recorded vote. I have expressed these views, along with my request for such a vote, in identical letters to the Honorable ROBERT NIX, chairman of the Post Office and Civil Service Committee, and the Honorable WILLIAM FORD, chairman of the Ad Hoc Committee on Presidential Pay Recommendations. At this time, I would like to share the contents of those letters with my colleagues:

FEBRUARY 15, 1977.

DEAR MR. CHAIRMAN: I strongly believe that it would be most unfortunate to have the Presidential Commission's pay proposal languish in Committee past the effective date without having it come before the full House to be voted upon. The scores of phone calls and letters from my constituents bear out my beliefs that the American people share my concern over the manner in which the Congress is dealing with the issue.

It is my sincere desire to see an appropriate resolution be considered on the floor of the House regarding the proposal, and I respectfully urge your assistance in effecting that action.

Sincerely,

GLADYS NOON SPELLMAN,
Member of Congress.

THE HISTORIC PRESERVATION POLICY ACT OF 1977

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. SEIBERLING) is recognized for 5 minutes.

Mr. SEIBERLING. Mr. Speaker, I am today introducing the National Historic Preservation Policy Act of 1977, to establish a national policy and a coordinated program for historic preservation. The legislation would, for the first time, provide a focal point for the many and varied historic preservation efforts in our Nation and provide Federal leadership and support for historic preservation both at home and abroad.

The concept of historic preservation in the United States has expanded greatly in recent years. What started in the 19th century as a small movement to save certain historically significant sites and buildings—like Mount Vernon and Monticello and Independence Hall—now embraces entire towns and city neigborhoods—such as the village of Peninsula near my home in Ohio, Chinatown in San Francisco, a barrio in San Antonio, a farming area in Greensprings, Va.

Today, people are finding that historic preservation makes good sense, both economically and esthetically. As the Advisory Council on Historic Preservation has pointed out:

> Preservation activities are significantly more labor intensive than new construction . . . 109 jobs per million dollars are created through renovation as compared to 69 jobs per million for new construction.

Throughout our country, adaptive use has become a way of giving new life to old structures. This has happened at Quaker Square in Akron, where a 19th century mill has been transformed into a shopping complex. In several cities, unused railroad stations are being converted into commercial and cultural centers. The Old Main Post Office in Washington, D.C.—once threatened with demolition—is now being revived for use as Federal office space. Decaying neighborhoods are being revitalized and preserved, not as museum pieces but as living communities, adapted to modern

society but retaining their original character, scale, and charm.

CONGRESSIONAL ACTIONS

The growing interest and the growing needs of historic preservation have had an effect on Congress. Last year alone, three major bills were enacted that will directly benefit the preservation movement:

The Land and Water Conservation Fund Act was amended to include an historic preservation fund, with moneys derived from offshore oil revenues. This fund will raise authorizations for the matching grant program for historic preservation from the present $24.5 million a year to $100 million a year in 1978 and 1979 and to $150 million in 1980 and 1981.

The Public Buildings Cooperative Use Act will require the Federal Government, for the first time, to look at historical and architecturally significant buildings before constructing new office facilities.

The Tax Reform Act of 1976 contains tax incentives for preserving historic properties and disincentives for demolishing them. The act also expands the qualifications for deductions of donations for conservation easements on both natural and historic properties.

In addition, historic preservation benefited from the recent Public Works Act, earmarked for projects in areas of high unemployment, which gave special points to projects for restoring properties on the National Register of Historic Places. The Park Mining Act provides for a 2-year study by the Advisory Council on Historic Preservation to determine what steps can be taken by the Federal Government to protect natural and historic landmarks from surface mining and similar activities.

PRESENT PROBLEMS

I think that I can safely say that in the 1970's there has been a renaissance of historic preservation actions in Congress. Yet we have not begun to match what the people themselves have been doing. Ours has been a catch-up game, and we are still running far behind.

For example, in 1966 the National Historic Preservation Act was enacted to establish a partnership between the Federal Government and the States for historic preservation. However, the Federal Government has never lived up to its share of that partnership. Last year the administration requested only $10 million for the State grant program. Congress upped that to $17.5 million. Yet the States had certified requests for over $200 million. This year's requested budget—the previous administration's proposal—is for $35 million, nearly two-thirds less than the amount authorized by Congress.

In 1973, the United States was the first Nation to ratify the World Heritage Convention, adopted by the UNESCO General Conference. The Convention affirms that it is the duty of national governments to conserve the cultural and natural resources that are of universal significance. The United States has, as yet, developed no process or procedures for implementing our role in that program.

At home, our preservation efforts on the Federal level have lacked both focus and definition. Several departments and agencies deal with various aspects of historic preservation—the National Park Service, the Advisory Council on Historic Preservation, the Department of Housing and Urban Development, to name a few. No single one of them has been given the clear authority to guide or monitor Federal historic preservation programs.

In 1971, Presidential Executive Order 11593 was issued, directing Federal agencies to adopt measures for the identification and nomination of properties in their ownership which may be eligible for National Register listing. The Executive order has never been fully implemented. As a result, Federal agencies often make decisions without any knowledge of the historic properties that will be affected. The burden of historic proof is too often shouldered by the States and localities, with little support from the Federal agencies who are making the decisions.

LEADERSHIP FOR PRESERVATION

Last fall, President Carter emphasized the need for leadership in national historic preservation efforts when he wrote, to the National Trust for Historic Preservation:

> The World Heritage Convention is the starting point on the international level for nourishing the sense of preservation that must emerge from all of us at home. We must make conservation of our cultural heritage a priority in our nation, a goal to be shared with other nations as well. . . . We must offer federal support and leadership in this effort, both here and abroad, to preserve and protect those elements that are of local and state and national and universal significance.

The legislation I am introducing today, the National Historic Preservation Act of 1977, is directed at meeting the goals which President Carter so eloquently articulated. The bill would establish a national policy, consistent with the U.S. obligations under the World Heritage Convention, that the Federal Government has a duty to preserve and enhance this Nation's historic and cultural resources and to cooperate with other nations—and with States, local communities, and private organizations and individuals—in the preservation of their significant historic and cultural resources.

To implement this policy and to insure a coordinated national program that complements existing State programs, the bill would focus administration of the national historic preservation program in one agency, the Council on Historic Preservation—formerly the Advisory Council on Historic Preservation. The bill directs the Council to coordinate, in cooperation with the Department of State, the U.S. activities pursuant to the World Heritage Convention. The Council would be given the necessary authority to carry out the national historic preservation program, including providing technical assistance and establishing a program, in cooperation with the National Trust for Historic Preservation, for the emergency acquisition of properties listed in the National Register of Historic Places threatened with immediate demolition.

In addition, the bill would provide all Federal departments with the necessary authority to carry out their responsibilities under the act, including clarification of their responsibilities to identify historic and cultural properties. It would authorize the Secretary of the Interior to study federally owned properties included in the National Register and recommend to Congress those which should be managed by the National Park Service.

The legislation would establish guidelines for the use of the Historic Preservation Fund to provide the National Trust for Historic Preservation with a floor on its annual allocations and to provide for a 10-percent contingency reserve account for up to 2 fiscal years for the fund. It would permit fund moneys to be used on projects receiving other Federal assistance. Fund money could not, however, be used to match any other Federal funds. It would also authorize Federal agencies to spend their funds to maintain properties included in the National Register under their jurisdiction or control and to reimburse State historic preservation agencies for up to 75 percent of the costs for administrative and preservation review activities undertaken by Federal agencies to fulfill their responsibilities for such properties.

Mr. Speaker, the historic preservation movement in our country began as a people's movement, which emerged from the love, dedication, and work of individuals who realized the value of preserving for the future the significant elements of our past. The National Historic Preservation Policy Act of 1977 would build upon their efforts and provide the needed leadership and direction on both the national and international levels. Most importantly, it would assure that the Federal Government coordinates its efforts with State, local, and private activities—to bring back the movement to where it began, with the people.

I urge my colleagues to support this legislation.

LITHUANIAN DAY

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, it is my privilege to know some Lithuanians personally. My experience has been that they are bright, industrious and, in the main, beautiful people.

SENATOR HUMPHREY BACK TO OLD FORM AFTER SERIOUS ILLNESS

(Mr. BRADEMAS asked and was given permission to extend his remarks at this

point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, the distinguished senior Senator from Minnesota, HUBERT HUMPHREY, is back to his old form after a serious illness last year. Senator HUMPHREY's many friends here in the House of Representatives wish him well and look forward to seeing him and, needless to say, hearing from him often in the years ahead. The gentleman from California, Mr. HAWKINS, recently wrote a warm tribute to Senator HUMPHREY that appeared in the Los Angeles Sentinel of January 20, 1977, and I would like to insert it in the RECORD:

HAPPY WARRIOR PRACTICES "MAGIC" IN ALL WAYS!

(By Congressman GUS HAWKINS)

My great friend, Sen. Hubert Humphrey, the "Happy Warrior," was interviewed the other day about the relationship between his current political fortunes and his recent battle with cancer.

In that interview a series of questions arose about his rapid recovery and his high spirits.

Mr. Humphrey said that he thinks positively, and that he lives each day as it comes.

He felt that good thoughts, and fully living each day, have a way of giving one the edge in times of great stress and strain.

If anyone is the living proof that this kind of philosophy has the power to fight off adversity, Mr. Humphrey is such an example.

We could all take a page from Mr. Humphrey's life and use it to great advantage.

During the senator's stay at the New York City hospital where his surgery took place, I understand that Senator Humphrey's bouyant spirits so dramatically changed the atmosphere on his floor that patients did things which sped their recoveries along, which were not ordinarily done prior to Mr. Humphrey's cheerful ministrations.

One nurse was quoted as saying that the hospital was not going to be the same when Mr. Humphrey left.

In other words, it was going to return to its routine dullness.

Mr. Humphrey practices the same kind of magic in the Senate.

(At least, I think it's magic!)

He's an activist, interested in doing and accomplishing.

He takes victory in its stride—and does not despair in defeat.

He's committed to the best in American idealism and never backs away from a fight, especially if the fight is over principle.

I once heard him lay his commitment on the line, when school desegregation and busing was taking its usual beating.

(And when respected liberals wanted to make some serious compromises.)

Mr. Humphrey said, in essence, that his whole political life was one dedicated to the delivery of equal opportunity to all Americans; that equal access to education by black Americans was America's greatest challenge, and that he, for one, was not going to be deterred from the struggle by the weak-kneed, who wanted to pick up their marbles and run home.

Mr. Humphrey intended to stick to his guns on school integration, and not retreat one inch.

No one's seen him retreat yet!

The miracle is that he continues on—and how much better we are for his strength.

Surely it would be understandable, if he were to slow down a bit, develop some pessimistic viewpoints, begin to complain about the restrictions of the American ideal and talk about amending the Constitution (instead of amending our wrongful ways of resolving the nation's problems.)

But this is not how Mr. Humphrey operates; he's not a pessimist, he's an optimist.

He thinks we can all be better than we are.

And he's right! So right!

CONGRESSMAN BRADEMAS REPORTS ON NATURAL GAS POLICY DISCUSSIONS

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I take this time to make a brief report on my visit last weekend to my congressional district in northern Indiana. This area has experienced an extremely harsh winter evidenced by the fact that January 1977 was the coldest month in Indiana's recorded history and that annual snowfall to date has nearly matched the alltime record of 110.6 inches set in the winter of 1966–67.

Moreover, beginning on Friday, January 28, and extending throughout that weekend, the entire State of Indiana was stunned with a harsh winter storm. My own congressional district underwent what the weather service declared to be Arctic blizzard. President Carter declared a state of emergency in our State.

In addition to this severe weather, the residents of my congressional district have also experienced natural gas shortages. For varying periods of time, plants have been closed and many people have been out of work.

I am pleased to report that the crisis was short lived. Yet, the effect of this shortage has been significant with economic and personal loss to hundreds of businesses and thousands of individuals in my district.

Mr. Speaker, the supply and cost of natural gas have been the subjects of important debates in this body in recent years. We have heard the views of consumers and producers alike and we must continue to listen and learn their ideas and seek out new solutions.

THIRD DISTRICT BUSINESS AND INDUSTRIAL LEADERS

For this purpose, I met on Saturday with some of the key business and industrial leaders in my congressional district. They included Philip Faccenda and Stephen McTigue, president and executive vice president, respectively, of South Bend-Mishawaka Area Chamber of Commerce; Joseph O'Callaghan, president and chief executive officer of Wheelabrator-Frye, Inc.; William Corbett, plant manager of White Farm Equipment; Keith Meade, executive vice president of the Elkhart Chamber of Commerce; Mr. John Hufft, assistant vice president for Corporate Facilities of Coachman Industries, Inc.; Clinton Hartman, chairman of the board of the CTS Corp.; Clarence Beller, executive president of the Chamber of Commerce of Goshen, Inc.; and Mrs. Beller; Mel Kosnoff, past president of the Chamber of Commerce of Goshen, Inc.; James Locke and William Rippy; executive vice president and vice president for governmental affairs respectively of the LaPorte Chamber of Commerce; Lewis Mahoney, division manager of Allis-Chalmers; James Cannon, manufacturing manager of Chrysler Plastic Products; and Thomas Bucher and Michael Pryor, division managers for the St. Joseph Valley Division and Dunes Division, respectively, of the Northern Indiana Public Service Co.

NATURAL GAS POLICY IDEAS

I found our meeting most rewarding and would like to share with the Members of the House some of the suggestions made by these business leaders during our discussion:

First. Industry, business organizations, and utility companies might form joint committees to search out new and better methods for energy conservation and to monitor fuel supplies for the future.

Second. Government regulatory agencies should more fairly balance the interests of energy, the environment, and the economy in establishing standards for the future use of coal and nuclear fuels.

Third. An excess profits tax might be implemented to prohibit windfall gains if natural gas is deregulated.

Fourth. An investment credit might be extended to natural gas producers to stimulate exploration and additional drillings.

Fifth. Only new gas discoveries should be deregulated so that the increase in price to the consumer would be gradual.

Sixth. An agency similar to the World War II Materials Control Board should be established, bringing experts together from all sectors of the society, to assist with energy conservation and supply.

Seventh. Tax credits might be offered for home insulation and energy savings to further energy conservation by individual consumers.

Eighth. Utility rate structures should be revised, especially in the area of volume discounts, so as not to encourage overusage of natural gas.

Mr. Speaker, I believe these suggestions of leaders of business and industry in my own home district to be thoughtful and constructive, and I am pleased to share them with my colleagues.

ZERO-BASE BUDGETING BILL INTRODUCED

(Mr. REGULA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. REGULA. Mr. Speaker, I am pleased today to reintroduce my bill on zero-base budgeting, with 20 of my colleagues as cosponsors.

The introduction of this bill with its bipartisan support comes at a timely moment. In recent weeks, the House held hearings on general budget trends, and on President Carter's much-publicized economic stimulus package. The House Budget Committee passed a third budget resolution, increasing current Federal outlays $5.7 billion over the second resolution, and hiking up the Federal deficit for fiscal year 1977 to $70.3 billion, an increase of almost $20 billion.

These actions lend glowing evidence to

a real need—a need for implementing zero-base budgeting. The fact that a third budget resolution was required in order to spur us on to economic recovery demonstrates that the budget process as it now stands is not enough.

We do not need more cures after the fact to patch up the Federal budget. What we do need to control the budget is preventative medicine. This is what my bill offers. With a comprehensive examination of spending before it occurs, we need not rely on present measures to dig us out of miscalculations and mistakes in programming and spending later on.

With this as its focal point, my bill mandates the complete review of all Federal programs and expenses on a 6-year cycle. All items are to be reviewed as if about to be funded for the first time. This corrects our present evaluation system, which is incremental—reviewing upcoming increases only as compared to previous year's funding.

Once programs are examined from the ground up—from zero—results of context evaluation will be used as funding guidelines. If a program is obsolete or ineffective, it will be abolished or restructured. Funding will reflect modifications.

Under my bill, there is a tremendous amount of program and funding waste that will have nowhere to hide any longer.

Most importantly, my bill differs from other zero-base legislation in its implementation approach. Mine says, here is the policy we want implemented, and we will entrust the design of guidelines to the appropriate House committees involved. Other bills spell out each detail of implementation, before we have had any experience in such a complex process to use as background. It may turn out that some of the guidelines proposed in other bills are valid; but it may just as well turn out that they become an unwelcomed addition to congressional bureaucracy, hindering effective evaluation in favor of redtape. I view the flexibility of my bill as its biggest plus; and the most realistic approach that can be taken. We must form the specifics of zero-base budgeting through experience.

I urge my other colleagues to join us in cosponsoring this legislation.

THE CASE FOR TAX CUTS

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, the key phrase now being bandied about in the Halls of Congress, heard from various Carter administration spokesmen before committees and found in the writings and speeches of economists, is "economic stimulus package." Under the Congressional Budget and Impoundment Act of 1974, Congress has the responsibility to establish aggregate targets for Federal spending and revenues. The third concurrent resolution on the budget will be debated next week, and Congress must consider what it will do to stimulate the economy. In simplified terms, what all this discussion about the economic stimulus package means is how do we get the American economy moving again and what measures are needed by the Federal Government to accomplish this end.

A substantial number of us in Congress believe very strongly that now that we have been out of the Vietnam war for almost 4 years we should give the 88 million working people of this country a Federal tax reduction. That would do more than anything to stimulate and encourage the American economy. A tax reduction would really increase employment and reduce unemployment. Several of us are, therefore, advocating a 10-percentage-point reduction in personal income tax across the board because we know that each one of those 88 million working people would use that tax windfall, either through spending or saving, far more productively than the Federal bureaucracy. This is not a "pie in the sky" proposal and let me give you a few illustrations why. Prime Minister James Callaghan, the leader of the Labor Party Government in Great Britain, has recently stated:

> We used to think that you could spend your way out of a recession . . . I tell you, in all candor, that that option no longer exists, and that insofar as it ever did exist, it only worked by injecting bigger doses of inflation into the economy followed by higher levels of unemployment as the next step. That is the history of the past twenty years.

Arguing on behalf of permanent tax rate reductions, Dr. Robert Mundell of Columbia University has observed that:

> The government budget recycles tax dollars into the spending stream through expenditures, but in doing so it reduces the incentive to produce and lowers total production. After all, if total taxes and expenditures become confiscatory, all economic activity would cease and the government tax bite would be one hundred percent of nothing.

There are historical precedents which show that permanent tax rate reductions effectively stimulate the economy. An example in recent times is the Kennedy tax cuts of 1962–65. Arguing in favor of the Kennedy tax cuts—which amounted to reductions in the corporate and individual tax rates equivalent to $30 billion in today's economy—the former Ways and Means Committee Chairman Wilbur Mills stated the following on the economic benefits of tax cuts:

> There are two roads the government could follow toward a larger, more prosperous economy—the tax reduction road or the government expenditure road . . . The tax reduction road gets us . . . to a bigger, more prosperous, more efficient economy with a larger share of that enlarged economic activity initiating in the decision of individuals to increase consumption and business concerns to increase their productive capacity.

Many expressed concern that the rate reductions proposed by Kennedy would result in massive revenue losses. His Secretary of the Treasury argued that 6-year revenue losses would total $89 billion. The fact is there were gains of $54 billion realized over a 6-year period as the following chart illustrates:

[In billions]

Year:	1963	1964	1965	1966	1967	1968	Total
U.S. Treasury estimated revenue losses	2.4	5.2	13.3	20	23.7	24.4	$89
Actual revenue gains	7	6	4	14	19	4	$54
Difference in estimates							$143

Another example was when Congress enacted President Coolidge's recommendations in 1924 for large cuts in personal and corporate taxes. At that time, the Secretary of the Treasury advocated large tax rate reductions from the high level that had been imposed to finance World War I. It was his belief that when a person's initiative "is crippled by legislation or by a tax system which denies him the right to receive a reasonable share of his earnings, then he will no longer exert himself, and the country will be deprived of the energy on which its continued greatness depends."

In 1924, Coolidge endorsed, and the Congress enacted, the Treasury Secretary's proposal to cut the personal income surtax from 50 to 25 percent and the inheritance tax to a top of 25 percent, with an 80-percent credit against State inheritance levies. In analyzing the effects of these reductions, Jude Wanniski wrote the following in an article for the National Observer:

> The low tax rates not only produced an enormous expansion of the economy, with real per capita income increases approaching 4 percent a year, but they also produced sufficient revenue to pay off almost a third of the national debt, slicing it back to $17 billion by 1928. In eight years American productivity—output per man-hour—increased by 30 percent.

In considering the economic stimulus package in preparation for the third budget resolution, it is hoped that Congress will learn from history and act now with personal income tax cuts.

DEDICATION OF THE C. & O. CANAL NATIONAL HISTORICAL PARK TO JUSTICE WILLIAM O. DOUGLAS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, today Congressman DON EDWARDS and I are re-

introducing a bill we originated last year, along with Senator EAGLETON, to dedicate the entire 185-mile stretch of the C. & O. Canal to Justice William O. Douglas. Our bill does not rename the canal, instead it honors the Justice by placing on all existing and future signs bearing the name "Chesapeake and Ohio National Historical Park" the words, "Dedicated to Justice William O. Douglas." The cost of altering the signs to include the Justice's name is minimal—approximately $15,000.

Early last fall, when the bill was being considered by the Interior Committee, the Washington Post and Washington Star newspapers ran editorials supporting this legislation, which we would like to bring to the attention of our colleagues today:

[From the Washington Post, Sept. 15, 1976]

JUSTICE DOUGLAS AND THE C. & O. CANAL

In "Go East Young Man," retired Justice William O. Douglas told of a mountain climbing experience. A horse fell on him, fracturing more than 20 of Mr. Douglas' ribs. The doctors told the patient that he was lucky to be alive and that, at the least, his mountain climbing days were definitely ended. Mr. Douglas had a unique reaction: "To see whether or not the doctors were correct, I decided to cross the Himalayas in India."

The story and its moral—if you choose to do something, go all the way—is worth recounting because Congress is about to decide whether to dedicate the entire Chesapeake and Ohio Canal to Justice Douglas or only a three-mile section of it. The Senate unanimously passed legislation that would go all the way—dedicating the entire canal to the man who did so much to make it into a national historical park rather than the highway others had in mind. But the House Interior Committee has reported a bill that would dedicate only a three-mile stretch—between Locks 22 and 24.

We agree with the Secretary of Interior, nearly all the national conservation groups, as well as local C. & O. clubs, that dedicating the entire canal is the most fitting way to honor Mr. Douglas. We remember a letter to The Post from the Justice in 1954 urging preservation of the canal. His championing of that cause reminded many citizens of the treasure we had in our area. As time passes, still others will need to be reminded, and a way to that is through dedicating the canal to the man who fought to preserve it.

A chance exists that the House Interior Committee will reconsider its position. It is expected to take up the issue today. It is clear that many have been making a persuasive case that the entire canal be dedicated to Justice Douglas. For the committee to block this movement would be a rebuff not only to countless naturalists who support the idea, but also to the spirited style of conservation that has marked William Douglas' career—all of his career, not just a short stretch of it.

[From the Washington Star, Sept. 10, 1976]

DOUGLAS DEDICATION

William O. Douglas, who was a justice on the Supreme Court for 36 years before he retired a few months ago, has always been a man of strong views and plain speaking. Controversial.

But, on one of the subjects closest to his heart, it would be hard to disagree with him. He summed it up when, as he was leaving the Court, he was asked how he would like to be remembered: "I hope to be remembered," he said, "as someone who made the Earth a little more beautiful."

To Justice Douglas, that meant conservation. Growing up among the sparkling sublimities of the Pacific Northwest's Cascade Mountains, as he did, would make a nature lover of just about anybody. In Justice Douglas, it shaped a sensibility profoundly attuned to wilderness grandeur, and he devoted many of his formidable energies to preserving them.

The Washington of his Court career could never compete with his native state of Washington in outdoor splendors. Even here, though, he found areas of unspoiled nature to enjoy and areas of threatened nature to protect. It is because of his championing that the old Chesapeake & Ohio Canal is today a national historical park instead of the highway it was slated to become in the 1950s.

Justice Douglas dramatized the charms of the Canal with an eight-mile hike along the towpath that still provides such agreeable weekend walks for Washingtonians. It was a gesture that got results: the highway detoured and, in 1971, legislation went through to make the C&O a park.

Now Sen. Thomas Eagleton is pushing a bill to dedicate the Canal to the justice. There is also a House proposal to do a little less, designating a three-mile stretch between Locks 22 and 24 as the Justice William O. Douglas Level.

The renaming of everything from high schools to peninsulas for national figures is a practice regularly carried too far.

Nobody's proposing to change the C&O's historic name in making the dedication, though, and this is a case where person and place have a vital connection. That it would cost a little more in sign alterations to go the Senate route, dedicating the entire canal to Justice Douglas, seems an unworthy reason for choosing the lesser tribute. Both the man and the site are on too grand a scale.

The C. & O. Canal—which we all enjoy as one of the nicest amenities of our Nation's Capital—would not have been preserved without the hard work and good sense of Justice Douglas.

Twenty-three years ago, when the bed and towpath of the canal were destined to become a freeway, Mr. Douglas mobilized forces and organized one of the most effective lobbying campaigns against some of the toughest opponents—the administration, the Congress, and the Washington Post. He led an 8-day protest march from Cumberland, Md., to Georgetown to plead his case for conservation. The hike increased public participation in the Justice's case, and, gradually, with the help of the Canal Association, he was able to convince his toughest adversaries to accept and support preservation. His work came to fruition when the bill to establish the C. & O. Canal National Historical Park was signed into law in 1971.

Justice Douglas devoted a major portion of his life to refining the quality of the environment. In his own words:

I have taken part in almost innumerable crusades across the country to have a river here, a lake there, a bit of woods somewhere else.

Preservation of the C. & O. Canal is certainly one of Justice Douglas' significant environmental achievements, and it is important that we make note of the Justice's accomplishment and share it with future generations by permanently dedicating the C. & O. Canal National Historical Park to him.

The text of the bill follows:

H.R. 3590

A bill to dedicate the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Chesapeake and Ohio Canal National Historical Park, as described in the Chesapeake and Ohio Canal Development Act (16 U.S.C. 410y—410y–6), is hereby dedicated to Justice William O. Douglas in grateful recognition of his long and outstanding service to the people of the United States as a teacher, writer, jurist, and naturalist. The Secretary of the Interior shall have the words "Dedicated to Justice William O. Douglas" prominently displayed on all existing and future signs bearing the name "Chesapeake and Ohio Canal National Historical Park" or any abbreviation thereof, and shall take such other appropriate actions as may be necessary to call to the atention of the public the fact that such park has been so dedicated.

SEC. 2. There are authorized to be apropriated such sums as may be necessary to carry out the purposes of this Act.

COWARDLY PROCEDURE ON SALARY ADJUSTMENTS

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, it is deplorable Members are not permitted to cast their vote and go on record, for or against, the proposed salary adjustment for members of the executive, legislative, and judicial branches of Government.

Our constituents overwhelmingly object to this kind of shenanigans and the whole image of the Congress is further eroded.

I hope the media makes it clear to the public that this House is totally under the control of the Democrat majority by more than two to one, and that leadership will not afford the rest of us the vote on this issue. Unfortunately, all Members are subjected to the ridicule foisted upon us at the whim of the Democrat majorities.

Consistent with this position, I have often sponsored legislation changing the Rules of the House, mandating record rollcall votes on all legislation involving the expenditure of public funds.

CONGRESSIONAL PAY INCREASE

(Mr. HALL asked and was given permission to exclude his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALL. Mr. Speaker, under a unanimous-consent motion, I would like to include in the RECORD my testimony before the Post Office and Civil Service Committee concerning my opposition to the

congressional pay raise now before the Congress:

TESTIMONY OF REPRESENTATIVE SAM B. HALL, JR.

Mr. HALL. Mr. Chairman, and members of the Committee, I am Sam B. Hall, Jr., representing the First Congressional District of Texas.

Having completed within the last nine months four campaigns, I am acutely aware that the salary of a Congressman is somewhat short of adequate.

But I believe sincerely that a committee of this Congress should examine the alternatives and reach its own decisions and that the question of a pay raise should be faced squarely by the members on the Floor of the House.

We should not rely upon the Executive Branch to take care of that matter for us.

Many of the remarks that have been repeated today by those who have preceded me have nearly stated what I had to say, however, I must differ with a few of the remarks made by those who have already addressed this Committee—I do not believe the Congress, as a whole, is held in such low esteem as some have stated, although I think there is always room for improvement. I feel that in many instances today the Congress is over-reacting to some of the events that have occurred in the past (without me mentioning those events, I think all of us are familiar with the four or five individuals who have created the majority of the problems). I do not believe that the people of the First District of Texas look upon me with disfavor merely because I am a member of Congress, nor do I think that they, as a whole, look upon the members of the Congress as an inferior group. I have not had that feeling conveyed to me by any of those with whom I have come in contact.

My purpose before this Committee today is to state that in the First Congressional District of Texas (and I have made it a policy to visit the District quite often during the past nine months), the vast majority of those with whom I have talked are, like me, against this Congressional pay raise and in addition, they expect us as a body to vote upon matters that affect ourselves.

I do believe, however, in all sincerity, that the tenor of the times today is such that when a Congressman's salary is increased in one fell swoop in the amount of $13,000.00 (which is about the amount today that the average citizen makes annually), and done in the manner in which it is being accomplished, the people are going to take a dim view of the way we handle our own business.

Now all of the things that have been said before with reference to the adequacy of the salaries and the amounts that have been allocated for the judiciary and the others, I am not one to say that the judicial salaries are adequate, because I don't think they are, and I am not here protesting in any way that increase, because I don't know of any other method to get the increase in judicial salaries other than the manner in which it has been done, since that body would not be able to vote themselves increases. But I think the Congress itself, being the body that is most responsible to the people, should, without any equivocation, stand up and be counted on something of this nature, especially at this time. I just honestly believe that there is a right and a wrong way to accomplish something and I cannot make myself believe this is the right way for a member of Congress to vote himself an increase in salary.

As was said by one of the gentlemen who testified earlier, I am constrained to believe that the people of the United States, regardless of the outcome of the vote, would have a kinder feeling toward the members of the Congress if they knew that they took a public stand on such a vital issue, rather than allow someone else to do it for them. I think it gets down to that basic elementary fact.

I sympathize with this Sub-Committee because I know it is taking the brunt of this pay increase matter and I sincerely wish there was a full Committee present to assist you in that burden, however, I believe that the House of Representatives should be the one to fill in the gap and share that responsibility.

I appreciate the opportunity to make this short statement to you.

Mr. FORD. Thank you. I would like to compliment you on the most helpful statement I have heard in the hearings and I appreciate the sincerity with which you delivered it.

Would you care to give us some assistance on what you would like us to report to the floor?

Mr. HALL. Mr. Chairman, I think that to answer that question—I certainly appreciate the kind remarks the Chairman made—but I think that if this group of gentlemen would report out that it was the consensus of this body, of this Committee, that it should be the House of Representatives acting as a body to come and state whether they want to vote themselves an increase, not to become effective this term, but to become effective at the beginning of the next term.

I say that for this reason: I think there are some 40 legislatures in the United States that have passed legislation which indicates that pay raises would become effective two years hence or at the beginning of the next session.

And I can't see why that sort of intelligence would not work here as well as it has worked in the state houses.

I think the people would respect the Congress more even if it did vote an increase, but not to become effective until the beginning of a new term.

As the Chairman pointed out a moment ago concerning persons who may be running for Congress knowing that they are going to earn $57,500.00, you are going to have people interested in running for Congress as long as that body exists. So I don't believe that whether you vote an increase or not, you are going to destroy the desire of people to run for Congress. I merely believe that the right thing to do would be letting the Congress vote on this pay increase.

Mr. FORD. That is with respect to the Congressional pay increase?

Mr. HALL. Yes, sir.

Mr. FORD. What about the Executive level pay, the Judicial, and the 22,861 people who are not getting this lawful increase because of compression?

Mr. HALL. I have no objection to those other than the members of Congress being handled in the manner in which it has been handled, through Executive Order.

I am speaking primarily about the members of Congress at this time.

I had a very active law practice, both federal and state, before being elected to Congress, and frankly I don't think that the federal judiciary system is adequately compensated. I would have no objection to the matter being handled on all other areas of this pay increase as it is now being done.

Mr. FORD. Well, thank you very much.

CONGRATULATIONS TO OUTGOING SECRETARY OF THE NAVY J. WILLIAM MIDDENDORF II

(Mr. O'NEILL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, on January 18, 1977, the Honorable J. William Middendorf II, the outgoing Secretary of the Navy, was honored at a ceremony held at the Washington Navy Yard. During this ceremony, hosted by Adm. James L. Holloway III, Chief of Naval Operations, and Gen. Louis Wilson, Commandant of the Marine Corps, Secretary Middendorf was presented with a proclamation depicting his accomplishments during his more than 3½ years of service to the Navy.

Before inserting the words inscribed on that proclamation I would like to add my own personal words of congratulations and thanks to Secretary Middendorf.

The following words were inscribed on that proclamation:

CERTIFICATE OF ACCOMPLISHMENT

Presented to J. W. Middendorf II in recognition and appreciation of his extraordinary accomplishments in support of the United States Navy and Marine Corps during his tenure as Secretary of the Navy from 10 June 1974 to 20 January 1977.

His public appearances and persuasive arguments contributed to the development of a clear recognition within the Department of Defense, the Executive Branch, the Congress and the American public of the urgent requirement to rebuild the declining United States fleet in the face of the Soviet Navy buildup. During his tenure he visited 350 ships and every major Navy and Marine Corps installation in the United States and worldwide. Under his personal leadership:

Approval was received for construction of 157 ships over the next five years.

Department of the Navy Budget was significantly increased from $26.9B appropriated in FY 74 to $40.3B requested for FY 78. Shipbuilding funds increased from $3.5B appropriated for FY 74 to $6.5B requested for FY 78.

Special emphasis was given to procurement of a new class of guided missile destroyers (DDG–47), surface effect ships, and hydrofoil patrol boats (PHM).

CH–53E heavy lift helicopter was developed for Navy and Marine Corps.

Development of improved Harrier (AF–8B) began along with major initiative to develop a new generation of tactical VSTOL aircraft (Type A and B) including the thrust augmented wing (TAW).

Development began on numerous Navy and Marine Corps weapons systems, including Trident, Harpoon, Tomahawk, Vulcan Phalanx, Lasers and Major Caliber Lightweight Gun.

Indian Ocean fleet support facility was established at Diego Garcia.

Free world navies were urged to contribute more to collective security effort.

Research and development began or was accomplished on Seafarer fleet ballistic missile submarine communications system, advanced twin-hull surface ships, amphibious assault craft, and gas turbine propulsion.

Approval was received for consolidation of Naval Oceanographic Program, and relocation at Bay St. Louis began.

Downward trend of ship readiness was reversed.

Improved physical fitness standards were instituted in Navy and Marine Corps.

Student Research Program instituted at the Naval War College with Middendorf Award for outstanding students.

Personal participation in Committee on Excellence of Education to review all service schools.

Navy participation in U.S. Bicentennial was extensive, highlighted by Operation Sail & International Naval Review of 4 July 1976 in New York Harbor.

Important actions were taken in Navy historical programs, including:

Tingey House and Washington Navy Yard designation as National historical Landmarks and funding for Tingey House restoration.

Establishment of Naval Historical Center at Washington Navy Yard.

Personal sponsorship of major Naval Historical Museum exhibits and strong support of Naval Combat Art Program.

Numerous important management program actions were taken, including:

Establishment of Navy/Marine Corps Acquisition Review Committee.

Strengthening of Project Manager staffs.

Increasing shipyard productivity.

Implementation of Joint Uniform Military Pay System in Navy and Marine Corps.

As a gifted musician, he left a legacy of marches dedicated to the Navy, Marine Corps, Coast Guard and Naval Academy.

PRINTING OF RULES OF THE COMMITTEE ON THE BUDGET

(Mr. GIAIMO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GIAIMO. Mr. Speaker, pursuant to rule XI, clause 2(a) of the Rules of the House of Representatives, the Rules of Procedure of the Committee on the Budget are submitted for publication in the CONGRESSIONAL RECORD:

RULES OF PROCEDURE OF THE COMMITTEE ON THE BUDGET

MEETINGS

1. Regular Meetings [1]—

The regular meeting day of the Committee shall be the 2nd Monday of each month at 11:00 a.m., while the House is in session.

The Chairman is authorized to dispense with a regular meeting when he determines there is no business to be considered by the Committee, provided that he gives written notice to that effect to each member of the Committee as far in advance of the regular meeting day as the circumstances permit.

Regular meetings shall be cancelled when they conflict with meetings of either party's caucus or conference.

2. Additional and Special Meetings—

The Chairman may call and convene additional meetings of the Committee as he considers necessary, or special meetings at the request of a majority of the members of the Committee in accordance with House Rules XI, clause 2(c).

In the absence of exceptional circumstances, the Chairman shall provide written or verbal notice of additional meetings to the office of each member at least 24 hours in advance while Congress is in session, and at least 3 days in advance when Congress is not in sesion.

3. Open Business Meetings—

Each meeting for the transaction of Committee business, including the markup of measures, shall be open to the public except when the Committee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than members of the Committee and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This rule shall not apply to any meeting that relates solely to matters concerning the internal administration of the Committee.

4. Quorums—

A majority of the Committee shall constitute a quorum. No business shall be transacted and no measure or recommendation shall be reported unless a quorum is actually present.

5. Recognition—

Any member, when recognized by the Chairman, may address the Committee on any bill, motion, or other matter under consideration before the Committee. The time of such member shall be limited to 5 minutes until all members present have been afforded an opportunity to comment.

6. Consideration of Business—

Measures or matters may be placed before the Committee, for its consideration, by the Chairman or by a majority vote of the members of the Committee, a quorum being present.

7. Rollcall Votes—

A rollcall of the members may be had upon the request of at least 20% of those present.

8. Proxies [2]—

Any member of the Committee may vote by special proxy if the proxy authorization is in writing, asserts that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day the proxy is signed. Proxies may not be counted for a quorum.

HEARINGS

9. Announcement of Hearings—

The Chairman shall publicly announce the date, place, and subject matter of any Committee hearing at least one week before the commencement of that hearing, unless he determines there is good cause to begin such hearing at an earlier date, in which case public announcement shall be made at the earliest possible date.

10. Open Hearings—

Each hearing conducted by the Committee shall be open to the public except when the Committee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. The Committee may by the same procedure vote to close one subsequent day of hearing.

11. Quorums [3]—

For the purpose of hearing testimony, not less than two members of the Committee shall constitute a quorum.

12. Time for Questioning Witnesses—

Committee members shall have not to exceed five minutes to interrogate each witness until such time as each member who so desires has had an opportunity to interrogate such witness.

After all members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

In questioning witnesses under the 5-minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the Chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recognition for questioning in such a manner as not to disadvantage the members of the majority.

13. Subpoenas and Oaths—

In accordance with House Rule XI, clause 2(m), subpoenas authorized by a majority of the Committee may be issued over the signature of the Chairman or of any member of the Committee designated by him, and may be served by any person designated by the Chairman or such member.

The Chairman, or any member of the Committee, may administer oaths to witnesses.

14. Witnesses' Statements—

So far as practicable, any prepared statement to be presented by a witness shall be submitted to the Committee at last 24 hours in advance of presentation, and shall be distributed to all members of the Committee in advance of delivery.

15. Committee Prints—

All Committee prints and other materials prepared for public distribution shall be approved by the Committee prior to any distribution, unless such print or other material shows clearly on its face that it has not been approved by the Committee.

BROADCASTING

16. Broadcasting of Meetings and Hearings—

It shall be the policy of the Committee to give all news media access to open hearing of the Committee, subject to the requirements and limitations set forth in House Rule XI, clause 3. Whenever any Committee business meeting is open to the public, that meeting may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, in accordance with House Rule XI, clause 3. However, a majority of the Committee may decide at any time to exclude radio, television, and still camera equipment from the Committee room.

STAFF

17. Committee Staff—

Subject to approval by the Committee, and to the provisions of the following paragraphs, the professional and clerical staff of the Committee shall be appointed and may be removed, by the Chairman.

In addition to the staff referred to in the above paragraph, the Chairman shall appoint five professional staff consultants and four clerical staff, recommended by the majority members of the Committee, who shall provide additional staff assistance to the majority members, and three professional staff consultants and two clerical staff, recommended by the minority members, who shall provide additional staff assistance to the minority members, and such other staff as may be from time to time required. The remuneration of such majority and minority professional consultants and clerical staff shall be determined by the Committee.

[1] Written rule required by House Rules.

[2] Written rule required by House Rules.

[3] Written rule required by House Rules.

Committee staff, and consultants, shall not be assigned any duties other than those pertaining to Committee business, and shall be selected without regard to race, creed, sex or age, and solely on the basis of fitness to perform the duties of their respective positions.

All Committee staff, including the majority and minority professional consultants and clerical staff, shall be entitled to equitable treatment including comparable salaries, facilities, access to official Committee records, leave, and hours of work.

18. Staff Supervision—

Staff shall be under the general supervision and direction of the Chairman, who shall establish and assign their duties and responsibilities, delegate such authority as he deems appropriate, fix and adjust staff salaries (in accordance with House Rule XI, clause 6(c)) and job titles, and, in his discretion, arrange for their specialized training.

Staff assigned to the minority shall be under the general supervision and direction of the minority members of the Committee, who may delegate such authority as they deem appropriate.

COMMITTEE RECORDS

19. Preparation and Maintenance of Committee Records—

An accurate stenographic record shall be made of all hearings.

The proceedings of the Committee shall be recorded in a journal which shall, among other things, include a record of the votes on any question on which a record vote is demanded.

Members of the Committee shall correct and return transcripts of hearings as soon as practicable after receipt thereof.

Any witness may examine the transcript of his own testimony and make grammatical or technical changes that do not substantially alter the record of testimony.

The Chairman may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a reasonable time for corrections, and that further delay would seriously impede the Committee's responsibility for meeting its deadlines under the Congressional Budget Act of 1974.

Transcripts of hearings and meetings may be printed if the Chairman decides it is appropriate, or a majority of the members so request.

20. Access to Committee Records—

The Chairman shall promulgate regulations to provide for public inspection of rollcall votes and to provide access by members to Committee records (in accordance with House Rule XI, clause 2(e)).

Access to classified testimony and information shall be limited to members of Congress and to House Budget Committee staff and stenographic reporters who have appropriate security clearance.

Notice of the receipt of such information shall be sent to the Committee members. Such information shall be kept in the Committee safe, and shall be available to members in the Committee office.

APPLICABILITY OF HOUSE RULES

21. Applicability of House Rules—

Except as otherwies specified herein, the Rules of the House are the rules of the Committee so far as applicable, except that a motion to recess from day to day is a motion of high privilege.

CONFEREES

22. Appointment of Conferees—

Majority party members recommended to the Speaker as conferees shall be recommended by the Chairman subject to the approval of the majority party members of the Committee. The Chairman shall recommend such minority party members as conferees as shall be determined by the minority party, provided that the recommended party representation shall be in approximately the same proportion as that in the Committee.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. AKAKA (at the request of Mr. WRIGHT), for February 16 and 17, on account of official business.

Mr. DEL CLAWSON (at the request of Mr. RHODES), for today and the balance of the week, on account of illness in the family.

Mr. JONES of North Carolina (at the request of Mr. WRIGHT), for February 16 and 17, on account of official business.

Mrs. PETTIS (at the request of Mr. RHODES), for the next several weeks, on account of illness.

Mr. ROBINSON (at the request of Mr. RHODES) for today and the balance of the week, on account of official business.

Mr. STUMP, for February 16, 17, and 21, on account of official business as requested by Mr. JOHN SLACK, chairman of the House Appropriations Subcommittee for Department of State.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HYDE) to revise and extend their remarks and include extraneous material:)

Mr. MCKINNEY, for 10 minutes, today.

Mr. KEMP, for 30 minutes, today.

Mr. HAMMERSCHMIDT, for 5 minutes, today.

Mr. EVANS of Delaware, for 5 minutes, today.

Mr. EDWARDS of Oklahoma, for 5 minutes, today.

(The following Members (at the request of Mr. KOSTMAYER) and to revise and extend their remarks and include extraneous matter:)

Mr. EDWARDS of California, for 20 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. BENJAMIN, for 5 minutes, today.

Mr. THOMPSON, for 15 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. LEVITAS, for 5 minutes, today.

Mr. MOAKLEY, for 15 minutes, today.

Mrs. SPELLMAN, for 5 minutes, today.

(The following Members (at the request of Mr. DOWNEY) to revise and extend their remarks and include extraneous material:)

Mr. SEIBERLING, for 5 minutes, today.

Mr. FORD of Tennessee, for 5 minutes, today.

Mr. CORMAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HYDE) and to include extraneous material:)

Mr. WALSH.

Mr. MARRIOTT.

Mr. SARASIN in two instances.

Mr. FORSYTHE in two instances.

Mr. MCCLORY.

Mr. KEMP in four instances.

Mr. DERWINSKI.

Mr. RHODES in four instances.

Mr. MCKINNEY in two instances.

Mr. EVANS of Delaware in two instances.

Mr. CRANE.

Mr. WHALEN.

Mr. CORCORAN of Illinois.

Mr. STEIGER.

Mr. GUYER.

Mr. DON H. CLAUSEN.

(The following Members (at the request of Mr. KOSTMAYER) and to include extraneous matter:)

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BROWN of California in 10 instances.

Mr. RODINO in two instances.

Mr. MATTOX.

Mr. REUSS.

Mr. GLICKMAN in 10 instances.

Mrs. KEYS.

Mr. ROSENTHAL.

Mr. HAMILTON.

Mr. STUMP.

Mr. BLANCHARD in two instances.

Mrs. CHISHOLM in two instances.

Mr. MINISH.

Mr. MOTTL.

Ms. MIKULSKI in five instances.

Mr. WAXMAN in two instances.

Mr. VANIK.

Mrs. COLLINS of Illinois in two instances.

Mr. SOLARZ.

Mr. RICHMOND.

Mr. WIRTH.

Mr. MILFORD in three instances.

Mr. SIMON in two instances.

Mr. NEDZI in two instances.

Mr. ROGERS in two instances.

Mr. DRINAN.

Mr. SKELTON.

Mr. RANGEL.

Mr. HUGHES in 20 instances.

Mrs. MEYNER in two instances.

Mr. MCDONALD.

Mr. DOWNEY.

Mr. ROE.

Mr. BREAUX.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 385. An act to name a certain Federal building in Grand Rapids, Michigan, the "Gerald R. Ford Building"; to the Committee on Public Works and Transportation.

S. Con. Res. 8. Concurrent resolution authorizing the printing of the committee print entitled "The Accounting Establishment" as a Senate document; to the Committee on House Administration.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.J. Res. 239. Joint resolution extending the filing date of the 1977 Joint Economic Report; and

H.J. Res. 240. Joint resolution to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes.

ADJOURNMENT

Mr. DOWNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 24 minutes p.m.), the House adjourned until tomorrow, Thursday, February 17, 1977, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

[*Submitted February 14, 1977*]

710. A letter from the Chairman, Commission on Administrative Review, U.S. House of Representatives, transmitting a report on financial ethics, pursuant to section 5 of House Resolution 1368, 94th Congress, together with minority views (H. Doc. No. 95–73); filed with the Speaker pursuant to the order of the House of February 8, 1977, and ordered to be printed.

[*Submitted February 16, 1977*]

711. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting the cumulative report on rescissions and deferrals of budget authority as of February 1, 1977, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 95–75); to the Committee on Appropriations and ordered to be printed.

712. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriations to the Department of the Treasury for the Internal Revenue Service—"Salaries and expenses," "Accounts, Collection and Taxpayer Service," and "Compliance"—for fiscal year 1977, have been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

713. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement, during the quarter ended December 31, 1976, pursuant to section 719 of Public Law 94–419; to the Committee on Appropriations.

714. A letter from the Chairman and Contracting Officer, Navy Claims Settlement Board, Department of the Navy, transmitting a report of the Board's determination in claims submitted by the Newport News Shipbuilding and Dry Dock Co., Newport News, Va., under the contract for the construction of the nuclear-powered guided-missile cruisers U.S.S. *California* (CGN–36) and U.S.S. *South Carolina* (CGN–37), pursuant to section 14 of Public Law 94–419; to the Committee on Appropriations.

715. A letter from the Secretary of Defense, transmitting notice of approval of annual compensation of two officials of the Center for Naval Analyses, University of Rochester, in excess of $45,000, pursuant to section 407(b) of Public Law 91–121; to the Committee on Armed Services.

716. A letter from the Acting Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting notice of a delay in preparation of the Defense manpower requirements report for fiscal year 1978, required by 10 U.S.C. 138(c)(3); to the Committee on Armed Services.

717. A letter from the Director, Office of Legislative Affairs, Department of the Navy, transmitting notice of the intention of the Department of the Navy to donate a surplus UH–34D helicopter to the MIL–AERO Historical Library and Museum Association, Newport, Minn., pursuant to 10 U.S.C. 7545; to the Committee on Armed Services.

718. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–227, to provide policies relating to the provisions of day care services by the Department of Human Resources, pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

719. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–228, to provide certain exhaust emission standards and equipment requirement for motor vehicles operated in the District of Columbia, pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

720. A letter from the Administrator, Law Enforcement Assistance Administration, Department of Justice, transmitting the second analysis and evaluation of Federal juvenile delinquency programs, pursuant to section 204(b)(5) of the Juvenile Justice and Delinquency Prevention Act of 1974; to the Committee on Education and Labor.

721. A letter from the Governor of the Canal Zone and President, Panama Canal Company, transmitting a report on the disposal of foreign excess property during calendar year 1976 by the Panama Canal Company and Canal Zone Government, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

722. A letter from the Comptroller, International Boundary and Water Commission, United States and Mexico, transmitting the annual report on the agency's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

723. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of two proposed new records systems for the Department of the Air Force, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

724. A letter from the Administrator of General Services, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

725. A letter from the Administrator, National Credit Union Administration, transmitting notice of several proposed records systems for the agency, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

726. A letter from the Secretary of the Interior, transmitting a National Park Service study of the Sawtooth National Recreation Area, Idaho, pursuant to section 14 of Public Law 92–400; to the Committee on Interior and Insular Affairs.

727. A letter from the Secretary of the Interior, transmitting a plan for a coal exploration program, pursuant to section 8A(g) of the Mineral Lands Leasing Act, as amended (90 Stat. 1089); to the Committee on Interior and Insular Affairs.

728. A letter from the Acting Assistant Secretary of the Interior, transmitting the financial statements of the Colorado River storage project and participating projects for fiscal year 1976, pursuant to section 6 of the Colorado River Storage Project Act of 1956; to the Committee on Interior and Insular Affairs.

729. A letter from the Acting Assistant Secretary of the Interior, transmitting a copy of an application by the Hidalgo County Water Control and Improvement District No. 1, Edinburg, Tex., for a loan under the Small Reclamation Projects Act, as amended, pursuant to section 4(c) of the act; to the Committee on Interior and Insular Affairs.

730. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to transfers among the Governments of Belgium, Denmark, the Federal Republic of Germany, Italy, the Netherlands, and Norway, of certain defense articles and services furnished to those Governments under the Foreign Military Sales Act for the "cooperative support stage" of the NATO Seasparrow surface missile system project, pursuant to subsections 3 (a) and (d) of the Arms Export Control Act; to the Committee on International Relations.

731. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Evan Dobelle, Chief of Protocol-designate with the rank of Ambassador during his tenure, and his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

732. A letter from the Acting General Counsel, U.S. Arms Control and Disarmament Agency, transmitting a report on political contributions made by Paul C. Warnke, Director-designate of the Arms Control and Disarmament Agency with the rank of Ambassador, and his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

733. A letter from the Administrator, Federal Energy Administration, transmitting the agency's second annual report, pursuant to section 15(c) of the Federal Energy Administration Act of 1974; to the Committee on Interstate and Foreign Commerce.

734. A letter from the Administrator, Federal Energy Administration, transmitting a

report covering the months of September and October 1976 on changes in the aggregate market shares of motor gasoline retailers, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act; to the Committee on Interstate and Foreign Commerce.

735. A letter from the Administrator, Federal Energy Administration, transmitting a report covering the month of October 1976 on changes in the refiner sales distribution and the retail market shares of selected refined petroleum products, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

736. A letter from the Chairman, Securities and Exchange Commission, transmitting the 42d annual report of the Commission, covering fiscal year 1976, pursuant to section 23(b) of the Securities Exchange Act of 1934, as amended section 23 of the Public Utility Holding Company Act of 1934; section 46(a) of the Investment Company Act of 1940; section 216 of the Investment Advisers Act of 1940; section 3 of the act of June 29, 1949, amending the Bretton Woods Agreement Act; section 11(b) of the Inter-American Development Bank Act; and section 11(b) of the Asian Development Bank Act (H. Doc. No. 95–21); to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations.

737. A letter from the Chairman, National Market Advisory Board, transmitting a report on the possible need for modifications of the scheme of self-regulation provided for in the Securities Exchange Act of 1934, as amended, so as to adapt it to a national market system, pursuant to section 11A(d)(3)(B) of the act, as amended (89 Stat. 117); to the Committee on Interstate and Foreign Commerce.

738. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission staff's report on bank-sponsored securities services, pursuant to section 11A(e) of the Securities Exchange Act of 1934, as amended (89 Stat. 117); to the Committee on Interstate and Foreign Commerce.

739. A letter from the President, National Railroad Passenger Corporation, transmitting the Corporation's annual report for fiscal year 1976, pursuant to section 308(b) of the Rail Passenger Service Act, as amended; to the Committee on Interstate and Foreign Commerce.

740. A letter from the Vice President, U.S. Railway Association, transmitting a draft of proposed legislation to authorize additional appropriations to the Association for administrative expenses during fiscal year 1978; to the Committee on Interstate and Foreign Commerce.

741. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act (66 Stat. 182); to the Committee on the Judiciary.

742. A letter from the Deputy Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for the appointment of additional judgeships for the U.S. district courts and courts of appeals, and for other purposes; to the Committee on the Judiciary.

743. A letter from the President, Legal Services Corporation, transmitting the Corporation's first annual report, covering the period October 14, 1975, through September 30, 1976, pursuant to section 1008(c) of the Economic Opportunity Act of 1964, as amended (88 Stat. 386); to the Committee on the Judiciary.

744. A letter from the secretary-treasurer, Congressional Medal of Honor Society, U.S.A., transmitting the financial report of the organization for calendar year 1976, pursuant to section 3 of Public Law 88–504; to the Committee on the Judiciary.

745. A letter from the Assistant Attorney General for Administration, transmitting a report on positions in the Department of Justice in grades GS–16, GS–17, and GS–18 during calendar year 1976, pursuant to 5 U.S.C. 5114(a); to the Committee on Post Office and Civil Service.

746. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers submitting a report on the Merrimack River Basin, N.H. and Mass., requested by resolutions of the Senate and House Commitees on Public Works adopted April 9, 1964, February 9, 1961, August 11, 1949, and September 29, 1949, and in response to section 8 of the River and Harbor Act of 1938; to the Committee on Public Works and Transportation.

747. A letter from the Acting Administrator, U.S. Environmental Protection Agency, transmitting a report on the 1976 survey of the costs of construction of publicly owned wastewater treatment facilities needed to carry out the provisions of the Federal Water Pollution Control Act, pursuant to sections 205(a) and 516(b) of the act; to the Committee on Public Works and Transportation.

748. A letter from the Chairman, Architectural and Transportation Barriers Compliance Board, transmitting a report on transportation needs of handicapped individuals, pursuant to section 502(g) of Public Law 93–112; jointly, to the Committees on Education and Labor and Public Works and Transportation.

749. A letter from the Comptroller General of the United States, transmitting a report on the conservation operations program and the Great Plains conservation program administered by the Soil Conservation Service, and the agricultural conservation program administered by the Agricultural Stabilization and Conservation Service (CED–77–30, February 14, 1977); jointly, to the Committees on Government Operations and Agriculture.

750. A letter from the Comptroller General of the United States, transmitting a report on the modifications and planned use of the Army's perimeter acquisition radar (PSAD–77–19, February 10, 1977); jointly, to the Committees on Government Operations and Armed Services.

751. A letter from the Comptroller General of the United States, transmitting a report on the status of the Navy's Harpoon missile system program (PSAD–72–21, February 10, 1977); jointly, to the Committees on Government Operations and Armed Services.

752. A letter from the Comptroller General of the United States, transmitting a report on the CH–53E helicopter program (PSAD–77–33, February 10, 1977); jointly, to the Committees on Government Operations and Armed Services.

753. A letter from the Comptroller General of the United States, transmitting a report on the status of the Air Force's B–1 aircraft program (PSAD–77–35, February 16, 1977); jointly, to the Committee on Government Operations and Armed Services.

754. A letter from the Comptroller General of the United States, transmitting a report on the status of the Air Force's over-the-horizon backscatter radar program (PSAD–77–39, February 10, 1977); jointly, to the Committees on Government Operations and Armed Services.

755. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the student loan insurance fund for fiscal year 1975 (FOD–76–23, February 10, 1977), pursuant to section 106 of the Government Corporation Control Act, as amended (H. Doc. No. 95–76); jointly, to the Committees on Government Operations and Education and Labor, and ordered to be printed.

756. A letter from the Comptroller General of the United States, transmitting a report on implementation of the 55-mile-per-hour national speed limit law (CED–77–27, February 14, 1977); jointly, to the Committees on Government Operations and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on February 9, 1977, the following reports were filed on February 11, 1977*]

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 26. A bill to amend the Federal Aviation Act of 1958 to provide improved notice to the public of changes in air carrier fares; with amendment (Rept. No. 95–14). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 27. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; with amendment (Rept. No. 95–15). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 735. A bill to amend the Federal Aviation Act of 1958 relating to eligibility for aircraft registration (Rept. No. 95–16). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 736. A bill to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes (Rept. No. 95–17). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 2846. A bill to amend the John F. Kennedy Center Act to authorize funds for certain repairs and other purposes; with amendment (Rept. No. 95–18). Referred to the Committee of the Whole House on the State of the Union.

[*Filed on February 16, 1977*]

Mr. BROOKS: Committee on Government Operations. Allocation of budget totals by program. (Rept. No. 95–19). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON of California: Committee on Public Works and Transportation. H.R. 11. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; with amendment (Rept. No. 95–20). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions

were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 3467. A bill to amend section 101(7) of the Federal Aviation Act of 1958, so as to include flight attendants within the definition of "airman"; to the Committee on Public Works and Transportation.

By Mr. ANDERSON of California (for himself, Mr. BROWN of California, Mr. HAWKINS, Mr. LEGGETT, Mr. MOORHEAD of California, Mr. PATTERSON of California, Mr. ROYBAL, and Mr. RYAN):

H.R. 3468. A bill to authorize a study of the feasibility and desirability of establishing a national recreation area to be known as the Santa Margarita National Recreation Area in the area in San Diego County, Calif., which presently constitutes Camp Pendleton; to the Committee on Interior and Insular Affairs.

By Mr. ANDERSON of California (for himself, Mr. BUCHANAN, Mr. CORCORAN, Mr. CORRADA, Mr. GOODLING, Mr. GRASSLEY, Mr. KINDNESS, Mr. LEVITAS, Mr. GARY A. MYERS, Mr. PATTISON of New York, and Mr. YOUNG of Missouri):

H.R. 3469. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provision; to the Committee on the Judiciary.

By Mr. ANDERSON of California (for himself, Mr. SNYDER, Mr. JOHNSON of California, and Mr. DON H. CLAUSEN):

H.R. 3470. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ANDREWS of North Dakota (for himself, and Mr. MARLENEE):

H.R. 3471. A bill to amend the act entitled "An act to authorize establishment of the Fort Union Trading Post National Historic Site, North Dakota and Montana, and for other purposes," approved June 20, 1966 (80 Stat. 211); to the Committee on Interior and Insular Affairs.

By Mr. ANNUNZIO:

H.R. 3472. A bill to amend title XVIII of the Social Security Act to require that Public Health Service hospitals, Veterans' Administration hospitals, and hospitals receiving assistance under the Hill-Burton Act make available to persons entitled to benefits under the medicare programs, at cost, prescription drugs not covered under that program, eyeglasses, and hearing aids; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ARCHER:

H.R. 3473. A bill to establish certain requirements with respect to travel outside the United States by Members and staff of the House of Representatives, and for other purposes; jointly, to the Committees on House Administration, and Rules.

By Mr. ASHLEY (for himself and Mr. BROWN of Michigan):

H.R. 3474. A bill to establish a National Commission on Neighborhoods; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ASHLEY (by request) (for himself and Mr. REUSS):

H.R. 3475. A bill to extend the Federal riot reinsurance and crime insurance programs; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BROWN of California:

H.R. 3476. A bill to direct the Secretary of Agriculture to establish and maintain, through the facilities and personnel of the Agricultural Stabilization and Conservation Service and the Extension Service of the Department of Agriculture, a program designed to encourage individuals to engage in gardening activities; to the Committee on Agriculture.

By Mr. ULLMAN:

H.R. 3477. A bill to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform; to the Committee on Ways and Means.

By Mr. BROWN of Ohio:

H.R. 3478. A bill to provide for the protection of franchised distributors and retailers of motor fuel; and to encourage energy conservation and discourage wasteful purchasing practices by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILLIP BURTON:

H.R. 3479. A bill to amend the Age Discrimination in Employment Act of 1967 to change the age limitation, and for other purposes; to the Committee on Education and Labor.

H.R. 3480. A bill to provide benefits for sufferers from byssinosis; to the Committee on Education and Labor.

By Mr. CLAY (for himself, Mr. EDWARDS of California, Mr. JENRETTE, Mr. VENTO, and Mr. MOFFETT):

H.R. 3481. A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

Mr. CORMAN (for himself, Mr. ADDABBO, Mr. BEARD of Rhode Island, Mr. BONIOR, Mr. CLAY, Mr. EDWARDS of California, Mr. EILBERG, Mr. HAWKINS, Mr. KETCHUM, Mr. NIX, Mr. PATTERSON of California, Mr. PRICE, Mr. SEIBERLING, Mr. STOKES, and Mr. CHARLES H. WILSON of California):

H.R. 3482. A bill to amend title XVIII of the Social Security Act to provide for the coverage of certain psychologists' services under the supplementary medical insurance benefits program established by part B of such title; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. ADDABBO, Mr. BEARD of Rhode Island, Mr. BEDELL, Mr. BONIOR, Mr. CLAY, Mr. D'AMOURS Mr. EDWARDS of California, Mr. EILBERG, Mr. HAWKINS, Mr. MCCORMACK, Mr. NIX, Mr. OBERSTAR, Mr. PATTERSON of California, Mr. PATTISON of New York, Mr. PRICE, Mr. SEBELIUS, Mr. SEIBERLING, Mr. STOKES, Mr. CHARLES H. WILSON of California, and Mr. CHARLES WILSON of Texas):

H.R. 3483. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CORMAN (for himself, Mr. ADDABBO, Mr. BAFALIS, Mr. BEARD of Rhode Island, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. CLAY, Mr. D'AMOURS, Mr. EILBERG, Mr. FASCELL, Mr. FITHIAN, Mr. FLORIO, Mr. FORD of Michigan, Mr. HAWKINS, Mr. LE FANTE, Mr. MCCORMACK, Mr. NEAL, Mr. NIX, Mr. OBERSTAR, Mr. PATTERSON of California, Mr. PRICE, Mr. STOKES, Mr. TREEN, and Mr. VENTO):

H.R. 3484. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. MCDONALD, Mr. COLLINS of Texas, Mr. ABDNOR, Mr. BURKE of Florida, Mr. KELLY, Mr. WALKER, Mr. MARTIN, Mr. SPENCE, Mr. ARCHER, Mr. BAFALIS, Mr. BUCHANAN, Mr. STUMP, Mr. MONTGOMERY, Mr. DORNAN, Mr. ROBERT W. DANIEL, Jr., Mr. KINDNESS, and Mr. EDWARDS of Oklahoma):

H.R. 3485. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

By Mr. CRANE (for himself, Mr. COLLINS of Texas, Mr. ROUSSELOT, Mr. ABDNOR, Mr. MCDONALD, Mr. BURKE of Florida, Mr. KETCHUM, Mr. WALKER, Mr. MARTIN, Mr. BAFALIS, Mr. SEBELIUS, Mr. BUCHANAN, Mr. STUMP, Mr. MONTGOMERY, Mr. KELLY, Mr. DORNAN, and Mr. EDWARDS of Oklahoma):

H.R. 3486. A bill to amend the National Labor Relations Act to provide for a freedom of choice in labor relations for full-time and part-time secondary and college students by exempting them from compulsory union membership, and for other purposes; to the Committee on Education and Labor.

By Mr. CRANE (for himself, Mr. ABDNOR, Mr. BURKE of Florida, Mr. COLLINS of Texas, Mr. MCDONALD, Mr. KELLY, Mr. KETCHUM, Mr. WALKER, Mr. MARTIN, Mr. BAFALIS, Mr. SEBELIUS, Mr. BUCHANAN, Mr. STUMP, Mr. DORNAN, Mr. TREEN, Mr. KINDESS, and Mr. GRASSLEY):

H.R. 3487. A bill to protect the freedom of choice of Federal employees in employee-management relations; to the Committee on Post Office and Civil Service.

By Mr. DELANEY (for himself and Mr. PEASE):

H.R. 3488. A bill to amend the Internal Revenue Code of 1954 to provide individuals a limited exclusion from gross income for interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. DE LUGO:

H.R. 3489. A bill to amend section 216(d) of the Merchant Marine Act, 1936, to entitle the Delegates in Congress from Guam and the Virgin Islands to make nominations for appointments to the Merchant Marine Academy; to the Committee on Merchant Marine and Fisheries.

By Mr. DERRICK (for himself, Mr. JONES of Oklahoma, Mr. BEARD of RHODE ISLAND, Mr. PATTERSON of California, Mr. PREYER, Mr. BEDELL, Mr. PATTISON of New York, Mr. HARRINGTON, Mr. ROONEY, Mr. BADILLO, Mr. OBERSTAR, Mr. KOSTMAYER, Mrs. FENWICK, Mrs. COLLINS of Illinois, Mr. JOHN L. BURTON, Mr. DOWNEY, Mr. ERTEL, and Mr. NOWAK):

H.R. 3490. A bill to amend the Internal

Revenue Code of 1954 to allow a refundable tax credit equal to 50 percent of the wages paid to certain new employees; to the Committee on Ways and Means.

By Mr. DUNCAN of Tennessee:

H.R. 3491. A bill to provide a special program for financial assistance to Opportunities Industrialization Centers in order to provide new skills training opportunities, and to other national community based organizations to provide comprehensive employment services to create 1 million new training and job opportunities; to the Committee on Education and Labor.

H.R. 3492. A bill to amend the Civil Rights Act of 1964 to provide that, except in certain limited circumstances, it shall be an unlawful employment practice for an employer to request that an employee or applicant for employment provide military discharge papers or other service-connected records; to the Committee on Education and Labor.

H.R. 3493. A bill to amend the Older Americans Act of 1965 to provide a national meals-on-wheels program for the elderly, and for other purposes; to the Committee on Education and Labor.

H.R. 3494. A bill to correct inequities in certain franchise practices, to provide franchisors and franchisees with even-handed protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open market economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3495. A bill to provide that, for purposes of the civil service retirement provisions of title 5, United States Code, cost-of-living adjustments allowed to officers and employees of the Postal Service shall be considered to be part of the basic pay of such officers; to the Committee on Post Office and Civil Service.

H.R. 3496. A bill to amend the Internal Revenue Code of 1954 to allow a limited exclusion in the case of income received by an individual from hobbies and other activities not engaged in for profit; to the Committee on Ways and Means.

H.R. 3497. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 3498. A bill to amend title II of the Social Security Act to provide that the earnings test shall not apply in the case of a widow with minor children who is entitled to mother's insurance benefits; to the Committee on Ways and Means.

H.R. 3499. A bill to amend title XVIII of the Social Security Act to include as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. THOMPSON (for himself, Mr. CLAY, Mr. MILLER of California, Mr. PHILLIP BURTON, Mr. KILDEE, Mr. BRADEMAS, Mr. Ford of Michigan, Mr. MICHAEL O. MYERS, Mr. WEISS, Mr. DENT, Mr. ANNUNZIO, Mr. OTTINGER, Mr. ANDERSON of California, Mr. BEARD of Rhode Island, Mr. JOHN L. BURTON, Mr. MOFFETT, Mr. OBERSTAR, Mr. ZEFERETTI, and Mr. BONIOR):

H.R. 3500. A bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers; to the Committee on Education and Labor.

By Mr. THOMPSON:

H.R. 3501. A bill to require an employer which assumes the ownership or operation of a business to honor the terms and conditions of a collective bargaining contract; to the Committee on Education and Labor.

By Mr. ECKHARDT:

H.R. 3502. A bill to prevent escalation of the price of natural gas during the period beginning February 3, 1977, and ending July 31, 1977, as a result of the critical natural gas shortage; to the Committee on Interstate and Foreign Commerce.

By Mr. EDGAR (for himself, Mr. BADILLO, Mr. BEDELL, Mr. BINGHAM, Mr. BROWN of California, Mr. CORNELL, Mr. DOWNEY, Mr. EILBERG, Mr. FISHER, Mr. FLOOD, Mr. JEFFORDS, Mr. KOSTMAYER, Mr. MCHUGH, Mr. MARKS, Mr. MIKVA, Mr. MOORHEAD of Pennsylvania, Mr. MURPHY of Pennsylvania, Mr. MICHAEL O. MYERS, Mr. NIX, Mr. OTTINGER, Mr. REUSS, Mr. RICHMOND, Mr. SCHULZE, Mr. WALGREN, and Mr. YATRON):

H.R. 3503. A bill to provide for certain additions to the Tinicum National Environmental Center; to the Committee on Merchant Marine and Fisheries.

By Mr. EDWARDS of California (for himself and Mr. DRINAN):

H.R. 3504. A bill to amend title VII of the Civil Rights Act of 1964 and title VIII of the Act commonly called the Civil Rights Act of 1962 to revise the procedures for the enforcement of equal employment opportunity and fair housing, and for other purposes; jointly, to the Committees on Education and Labor, and the Judiciary.

By Mr. EDWARDS of Oklahoma:

H.R. 3505. A bill to provide that the salaries of the Members of Congress shall be subject to reduction if a level of inflation determined by the Congress to be acceptable is exceeded, and to repeal provisions of law allowing cost-of-living adjustments for such salaries; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Delaware:

H.R. 3506. A bill to permit the review of regulatory rules and regulations by the Congress; to the Committee on Government Operations.

H.R. 3507. A bill to extend the Emergency Unemployment Compensation program for an additional 6 months; to the Committee on Ways and Means.

H.R. 3508. A bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 3509. A bill to amend the Federal Civil Defense Act of 1950 to allow Federal civil defense funds to be used by local civil defense agencies for natural disaster relief, and for other purposes; to the Committee on Armed Services.

H.R. 3510. A bill to amend title 38 of the United States Code to establish, for purposes of paying dependency and indemnity compensation, a presumption of death from service-connected disability in the case of certain blinded veterans; to the Committee on Veterans' Affairs.

H.R. 3511. A bill to amend title 38 of the United States Code to provide that progressive muscular atrophy developing a 10 per centum or more degree of disability within 7 years after separation from active service during a period of war shall be presumed to be service connected; to the Committee on Veterans' Affairs.

By Mr. HOWARD:

H.R. 3512. A bill to establish a congressional award program for the purpose of recognizing excellence and leadership among young people; to the Committee on Education and Labor.

H.R. 3513. A bill to amend the Federal Water Pollution Control Act to provide for a study of the effects of sewage sludge in certain waters, to provide that disposal sites for certain sewage sludge shall be moved, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 3514. A bill to amend section 7(b)(2) of the Small Business Act to authorize the Small Business Administration to make loans with respect to disasters resulting from oil spills, fish kills, and certain sewage or sludge deposits; to the Committee on Small Business.

By Mr. KASTENMEIER (for himself and Mr. BALDUS):

H.R. 3515. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the agricultural industry; to the Committee on the Judiciary.

By Mr. LONG of Maryland:

H.R. 3516. A bill to discourage the use of leg-hold or steel jaw traps on animals in the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 3517. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. MIKVA:

H.R. 3518. A bill to reform the appointment process by which Commissioners of Federal regulatory agencies are selected, to establish a bipartisan nominating board composed of distinguished individuals which will recommend to the President persons well qualified to be appointed as regulatory agency Commissioners, and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, Public Works and Transportation, Agriculture, Banking, Finance, and Urban Affairs, Merchant Marine and Fisheries, Interior and Insular Affairs.

By Mr. MINISH (for himself and Mr. REUSS):

H.R. 3519. A bill to provide national standards of protection for purchasers of dwelling units in condominium or planned unit developments, and for tenants of rental housing being converted to dwelling units in condominium developments; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. MITCHELL of Maryland (for himself, Ms. COLLINS of Illinois, Mr. STOKES, Mr. VANDER JAGT, Mr. TREEN, Mr. RICHMOND, Mr. WON PAT, Mrs. CHISHOLM, Mr. WEISS, Mr. KOCH, Mr. MURPHY of New York, Mr. GILMAN, Mr. JOHN L. BURTON, Mr. BROWN of California, Mrs. BURKE of California, and Mr. OTTINGER):

H.R. 3520. A bill to amend the Public Health Service Act to provide for the control of vitiligo; to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL of New York:

H.R. 3521. A bill to amend title 38 of the United States Code relating to the recognition of representatives of the Polish Legion of American Veterans as claims agents for claims arising under laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

H.R. 3522. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to deduct certain expenses paid by him for special education furnished to a child of other minor dependent who is physically or mentally handicapped; to the Committee on Ways and Means.

H.R. 3523. A bill to amend title II of the Social Security Act to provide for the computation of benefits thereunder on the basis of the worker's 3 years of highest earnings; to the Committee on Ways and Means.

By Mr. MONTGOMERY (for himself and Mr. CEDERBERG):

H.R. 3524. A bill to amend chapter 49 of title 10, United States Code, to prohibit union organization in the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. MOTTL:

H.R. 3525. A bill to terminate the existence of certain Federal regulatory agencies after a specified period of time, and for other purposes; to the Committee on Government Operations.

H.R. 3526. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. OBERSTAR:

H.R. 3527. A bill to amend title 38 of the United States Code in order to exclude as annual income, in the administration of certain pension programs under chapter 15 of such title, portions of payments received by persons, under retirement, annuity, endowment, or similar plans if such portions are attributable to dependents of such persons, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3528. A bill to amend section 43 of the Internal Revenue Code of 1954 to allow a handicapped person who maintains a household to be eligible for the earned income credit provided under such section; to the Committee on Ways and Means.

H.R. 3529. A bill to provide tax incentives to encourage physicians, dentists, and optometrists to practice in physician shortage areas; to the Committee on Ways and Means.

H.R. 3530. A bill to amend title II of the Social Security Act to provide for an increase in benefits computed under the special minimum formula to coincide with the 1975 and 1976 cost-of-living increases in benefits computed under the regular formula; to the Committee on Ways and Means.

H.R. 3531. A bill to amend the Social Security Act to provide for inclusion of the services of licensed registered nurses under medicare and medicaid; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 3532. A bill to amend chapter 639 of title 10, United States Code, to enable the Secretary of the Navy to change the name of a publication of the Naval Observatory providing data for navigators and astronomers; to the Committee on Armed Services.

By Mr. REGULA (for himself, Mr. BADHAM, Mr. BEDELL, Mr. BROWN of Michigan, Mr. BURGENER, Mr. BURKE of Florida, Mr. COLLINS of Texas, Mr. CRANE, Mr. DUNCAN of Tennessee, Mr. DUNCAN of Oregon, Mr. GRADISON, Mr. LEACH, Mr. LOTT, Mr. LUJAN, Mr. MOORHEAD of California, Mr. MURPHY of Illinois, Mr. PURSELL, Mr. SEBELIUS, Mr. SEIBERLING, Mr. SCHULZE, and Mr. TREEN):

H.R. 3533. A bill to amend the Congressional Budget Act of 1974 to establish in the Congress a zero-base budgeting process, with full congressional review of each Federal program at least once every 6 years; to the Committee on Rules.

By Mr. RHODES (for himself, Mr. BUTLER, Mr. DUNCAN of Tennessee, Mr. MITCHELL of New York, Mr. QUIE, Mrs. HOLT, Mrs. SMITH of Nebraska, Mr. FREY, Mr. TREEN, Mrs. FENWICK, Mr. CORCORAN, Mr. DE LA GARZA, Mr. EDWARDS of Alabama, Mr. PRESSLER, Mr. BOB WILSON, Mr. LENT, Mr. EDWARDS of Oklahoma, Mr. ERLENBORN, Mr. EVANS of Delaware, Mr. KEMP, Mr. PURSELL, Mr. BURKE of Florida, Mr. ROUSSELOT, Mr. STEERS, and Mr. GILMAN):

H.R. 3534. A bill to establish a Commission on the Reorganization of the Executive Branch of the Government, to extend the authority of the Reorganization Act of 1949, to authorize the reorganization of executive departments under such act under certain circumstances, and for other purposes; to the Committee on Government Operations.

By Mr. RHODES (for himself, Mr. KETCHUM, Mr. STUMP, Mr. WHITEHURST, Mr. ERTEL, Mr. LENT, Mr. HOWARD, Mr. DUNCAN of Tennessee, Mr. HYDE, Mr. NIX, Mr. BEVILL, Mr. ROBINSON, Mr. CEDERBERG, Mr. SIMON, Mr. ALEXANDER, Mr. DOWNEY, Mr. YOUNG of Florida, Mrs. FENWICK, Mr. MITCHELL of New York, Mr. PURSELL, Mr. BURKE of Florida, Mr. STEERS, Mr. RYAN, Mr. MARTIN, and Mr. STOCKMAN):

H.R. 3535. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. RHODES (for himself, Mr. JEFFORDS, Ms. MIKULSKI, Mr. MCKINNEY, Mr. MURPHY of New York, Mr. ZEFERETTI, Mr. GOODLING, Mr. BLANCHARD, Mr. GOLDWATER, Mr. STEIGER, Mr. BAUCUS, Mr. MYERS of Indiana, Mr. BUCHANAN, Mr. MANN, Mr. JENRETTE, and Mr. TRAXLER):

H.R. 3536. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. RISENHOOVER:

H.R. 3537. A bill to provide that Members of Congress shall be excluded from the provisions of any law which affects the annual or quadrennial rates of pay of Federal employees; to the Committee on Post Office and Civil Service.

By Mr. ROGERS (for himself, Mr. PREYER, Mr. SCHEUER, Mr. WAXMAN, Mr. FLORIO, Mr. OTTINGER, Mr. MARKEY, Mr. WALGREN, Mr. CARTER, and Mr. MADIGAN):

H.R. 3538. A bill to amend the Public Health Service Act to authorize appropriations for fiscal year 1978 for health planning and related programs; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. PREYER, Mr. SCHEUER, Mr. WAXMAN, Mr. FLORIO, Mr. OTTINGER, Mr. MARKEY, Mr. WALGREN, Mr. CARTER, and Mr. MADIGAN):

H.R. 3539. A bill to amend the Public Health Service Act to authorize appropriations for fiscal year 1978 for biomedical research programs; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Ms. HOLTZMAN, and Mr. KOCH):

H.R. 3540. A bill to amend the Export Administration Act of 1969 in order to extend the authorities of that act and improve the administration of export controls under that act, to strengthen the antiboycott provisions of that act, and to provide for stricter controls over exports of nuclear material and technology, and for other purposes; to the Committee on International Relations.

By Mr. SIKES:

H.R. 3541. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. SOLARZ:

H.R. 3542. A bill to require recipients of Federal aid to higher education to provide senior citizens with access, on a space-available basis, to already scheduled courses and programs; to the Committee on Education and Labor.

By Mr. SOLARZ (for himself, Mr. ROSENTHAL, Mrs. CHISHOLM, Mr. STOKES, Mr. MITCHELL of Maryland, Mrs. COLLINS of Illinois, and Mr. ZEFERETTI):

H.R. 3543. A bill to amend titles IV, XI, and XIX of the Social Security Act to increase the Federal matching rate for purposes of reimbursement to States under the programs of aid to needy families with children and medical assistance, and to require that the entire non-Federal share of such aid and assistance be paid from State (rather than local) funds; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mrs. SPELLMAN:

H.R. 3544. A bill to amend section 207 of title 18, United States Code, in order to prohibit former Federal employees who participated in a contract formulation from being employed, for a period of 2 years, by anyone who has a direct interest in the contract; to the Committee on the Judiciary.

H.R. 3545. A bill to amend subchapter III of chapter 83 of title 5, United States Code, to provide that employees who retire after 5 years of service, in certain instances, may be eligible to retain their life and health insurance benefits, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3546. A bill to amend the Internal Revenue Code of 1954 to deny electric and gas public utilities a deduction for amounts paid or incurred by such utilities to advertise or promote the sale or use of electricity or gas, and for other purposes; to the Committee on Ways and Means.

H.R. 3547. A bill to amend the Internal Revenue Code of 1954 to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services; to the Committee on Ways and Means.

H.R. 3548. A bill to amend the Internal Revenue Code of 1954 to deny the business deduction for amounts paid or incurred for lobbying before Congress or other legislative bodies; to the Committee on Ways and Means.

By Mr. STUDDS (for himself, Mr. HOWARD, Mr. KOSTMAYER, Mr. HEFTEL, Mr. EDWARDS of California, Mr. NOLAN, Mr. CORRADA, Mr. HANNAFORD, Mr. CHARLES H. WILSON of California, Mr. BONKER, Mr. PEPPER, Mr. MEEDS, Mr. BONIOR, Mr. PATTISON of New York, Mr. TUCKER, Mr. CORMAN, Mr. BADILLO, Mr. KOCH, Mr. WAXMAN, Mr. BLANCHARD, Mr. CHARLES WILSON of Texas, Mr. RANGEL, Mr. CONTE, Mr. BEDELL, and Mr. CARR):

H.R. 3549. A bill to establish a comprehensive legal regime governing liability and compensation for removal costs and other damages caused by oil pollution, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. STUDDS (for himself, Mr. HOWARD, Mr. SCHEUER, Mr. MINETA, and Mr. HOLLENBECK):

H.R. 3550. A bill to establish a comprehensive legal regime governing liability and compensation for removal costs and other damages caused by oil pollution, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. THORNTON (for himself, Mr. BROWN of California, Mr. JOHN L. BURTON, Mr. BADILLO, Mr. BEDELL, Mr. BURGENER, Mr. CORMAN, Mr. DELLUMS, Mr. DORNAN, Mr. EDWARDS of California, Mr. EMERY, Mr. FLIPPO, Mr. FUQUA, Mr. GLICKMAN, Mr. HARRIS, Mr. HOLLENBECK, Mr. JENRETTE, Mr. KRUEGER, Mr. LAGOMARSINO, Mr. MCCORMACK, Mr. MILFORD, Mr. ROE, Mr. SCHEUER, Mr. STARK, and Mr. TUCKER):

H.R. 3551. A bill to reduce the hazards of earthquakes, and for other purposes; to the Committee on Science and Technology.

By Mr. THORNTON (for himself, Mr. BROWN of California, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, and Mr. WIRTH):

H.R. 3552. A bill to reduce the hazards of earthquakes, and for other purposes; to the Committee on Science and Technology.

By Mr. VANIK:

H.R. 3553. A bill to amend the Internal Revenue Code of 1954 to provide tax counseling for the elderly, and for other purposes; to the Committee on Ways and Means.

By Mr. WHITTEN:

H.R. 3554. A bill to protect the national security; protect the economic well-being of the American people including the Nation's present supplies and undeveloped sources of energy, fuel, food, and fiber from damage due to arbitrary and unsound regulation, order or decision issued by any executive department, agency, or commission, and for other purposes; to the Committee on the Judiciary.

By Mr. BLANCHARD (for himself, Mr. MINETA, Mr. LUKEN, Mr. SNYDER, Mr. VENTO, Mr. SARASIN, and Mr. MARKS):

H.R. 3555. A bill to require authorizations of new budget authority for Government programs at least every 5 years, to establish a procedure for zero-base review of Government programs every 5 years, and for other purposes; to the Committee on Rules.

By Mr. BRODHEAD:

H.R. 3556. A bill to provide that any food which contains more than .02 parts per million of polybrominated biphenyl shall be deemed to be adulterated for purposes of the Federal Food, Drug, and Cosmetic Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BURLESON of Texas:

H.R. 3557. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, to refrain from such activities; to the Committee on Education and Labor.

H.R. 3558. A bill to amend the Internal Revenue Code of 1954 to exempt farm vehicles and soil and water conservation vehicles from the highway use tax; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 3559. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. DON H. CLAUSEN (for himself and Mr. PRITCHARD):

H.R. 3560. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. DANIELSON (for himself and Mr. FLOWERS):

H.R. 3561. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures; to the Committee on the Judiciary.

H.R. 3562. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedure; to the Committee on the Judiciary.

H.R. 3563. A bill to amend chapter 5 of title 5, United States Code, to provide for improved administrative procedures; to the Committee on the Judiciary.

H.R. 3564. A bill to amend chapter 5, subchapter II of title 5, United States Code, to provide for improved administrative procedures; to the Committee on the Judiciary.

H.R. 3565. A bill to amend chapter 5, subchapter II, of title 5, United States Code, to provide for improved administrative procedures; to the Committee on the Judiciary.

By Mr. DE LUGO:

H.R. 3566. A bill to provide that the judges of the district courts for the Virgin Islands, Guam, and the Canal Zone shall hold office during good behavior; to the Committee on the Judiciary.

By Mr. DUNCAN of Tennessee:

H.R. 3567. A bill to establish a reduced rate of postage for letters sealed against inspection mailed by private individuals; to the Committee on Post Office and Civil Service.

H.R. 3568. A bill to amend title XVIII of the Social Security Act so as to clarify the meaning of the term "outpatient physical therapy services" insofar as such term includes speech pathology services provided by certain persons; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 3569. A bill to amend title XVIII of the Social Security Act to provide coverage for services which may be performed by a dentist on the same basis as presently allowed for physicians under the medicare program, and to authorize payment under such program for all inpatient hospital services furnished in connection with dental procedures requiring hospitalization; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

H.R. 3570. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 3571. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of certain increases in monthly benefits under the Social Security Act and other Federal retirement programs; to the Committee on Veterans' Affairs.

By Mr. FUQUA:

H.R. 3572. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 3573. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. HARKIN:

H.R. 3574. A bill to extend and amend provisions of the Agricultural Act of 1970, as extended and amended, and for other purposes; jointly to the Committees on Agriculture and Ways and Means.

By Mr. LEGGETT:

H.R. 3575. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for private employers who alleviate unemployment by expanding the national employment base; to the Committee on Ways and Means.

By Mrs. MEYNER (for herself and Mr. EDGAR):

H.R. 3576. A bill to terminate the authorization for the Tocks Island Reservoir project as part of the Delaware River Basin project, and for other purposes; jointly to the Committees on Public Works and Transportation and Interior and Insular Affairs.

By Mr. MILLER of Ohio:

H.R. 3577. A bill to amend the Clean Air Act to permit the granting of variances to certain powerplants which emit sulfur dioxide and which are located in areas where unemployment is high, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL of Maryland (for himself, Mr. FORD of Tennessee, Mr. DELLUMS, Mr. ROE, Mr. SEIBERLING, Mr. FUQUA, Mr. STARK, Mr. CONYERS, Mr. KASTENMEIER, Mr. ROYBAL, Mr. MOAKLEY, Ms. FENWICK, Mr. DIGGS, Mr. WEISS, Mr. GLICKMAN, Mr. YATRON, Mr. BADILLO, Mr. RODINO, Mr. RANGELL, Ms. KEYS, Mr. DOWNEY, Ms. MIKULSKI, Mr. CORRADA, Mr. SIMON, Mr. DUNCAN of Oregon, and Mr. METCALFE):

H.R. 3578. A bill to amend the Public Health Service Act to provide for the control of vitiligo; to the Committee on Interstate and Foreign Commerce.

By Mr. OBERSTAR:

H.R. 3579. A bill to provide for the price support of milk at not less than 100 percent of parity; to the Committee on Agriculture.

H.R. 3580. A bill to amend the National Foundation on the Arts and Humanities Act of 1965 to further cultural activities by making unused railroad passenger depots available to communities for such activities; to the Committee on Education and Labor.

H.R. 3581. A bill to amend he Railroad Retirement Act of 1974 with respect to the entitlement under such act of certain remarried widows and divorced wives of railroad employees; to the Committee on Interstate and Foreign Commerce.

H.R. 3582. A bill to amend title 35 of the United States Code to provide for compulsory licensing of prescription drug patents; to the Committee on the Judiciary.

H.R. 3583. A bill to designate the new Poe lock on the Saint Marys River at Sault Sainte Marie, Michigan, as the "John A. Blatnik lock"; to the Committee on Public Works and Transportation.

H.R. 3584. A bill to amend section 204 of the Federal Water Pollution Control Act to authorize the use of ad valorem taxes to satisfy the user charge system requirement; to the Committee on Public Works and Transportation.

H.R. 3585. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

H.R. 3586. A bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes; to the Committee on Ways and Means.

H.R. 3587. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from the highway use tax in the case of certain trucks and other vehicles which are used primarily for hauling unprocessed farm and forest products from their place of pro-

duction to market or mill; to the Committee on Ways and Means.

H.R. 3588. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve intergovernmental relationships between the United States and the States and municipalities, and the economy and efficiency of government, by providing Federal cooperation and assistance in the establishment and strengthening of State and local offices of consumer protection; jointly, to the Committees on Government Operations and Interstate and Foreign Commerce.

H.R. 3589. A bill to promote the peaceful resolution of international conflict, and for other purposes; jointly to the Committees on Government Operations and Rules.

By Mr. OTTINGER (for himself and Mr. EDWARDS of California):

H.R. 3590. A bill to dedicate the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States; to the Committee on Interior and Insular Affairs.

By Mr. OTTINGER (for himself, Mr. BADILLO, Mr. BEDELL, Mr. CORRADA, Mr. DELLUMS, Mr. DUNCAN of Oregon, Mr. EDWARDS of California, Mr. GILMAN, Mr. HOWARD, Mr. HUGHES, Mr. JEFFORDS, Mr. KOSTMAYER, Mr. LEACH, Mr. LEHMAN, Mr. MIKVA, Mr. MOAKLEY, Mr. NEAL, Mr. RICHMOND, Mr. ROYBAL, Mr. SCHEUER, Mr. SIMON, Mr. STEERS, Mr. WALGREN, Mr. WAXMAN, and Ms. BURKE of California):

H.R. 3591. A bill to provide for guidelines and strict liability in the development of research related to recombinant DNA; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER (for himself, Mr. BADILLO, Mr. BEDELL, Mr. CORRADA, Mr. DELLUMS, Mr. DUNCAN of Oregon, Mr. EDWARDS of California, Mr. GILMAN, Mr. HOWARD, Mr. HUGHES, Mr. JEFFORDS, Mr. KOSTMAYER, Mr. LEACH, Mr. LEHMAN, Mr. MIKVA, Mr. MOAKLEY, Mr. NEAL, Mr. RICHMOND, Mr. ROYBAL, Mr. SCHEUER, Mr. SIMON, Mr. STEERS, Mr. WALGREN, Mr. WAXMAN, and Ms. BURKE of California):

H.R. 3592. A bill to provide for guidelines and strict liability in the development of research related to recombinant DNA; to the Committee on Interstate and Foreign Commerce.

By Mr. PICKLE:

H.R. 3593. A bill to amend the Age Discrimination in Employment Act of 1967 to provide for the nondiscrimination on account of age in government employment, and in Federal Government employment; to the Committee on Education and Labor.

H.R. 3594. A bill to remove Members of Congress from the purview of section 225 of the Federal Salary Act of 1967, relating to the Commission on Executive, Legislative, and Judicial Salaries, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RANGEL:

H.R. 3595. A bill to provide for increased international control of the production of, and traffic in, opium, and for other purposes; to the Committee on International Relations.

By Mr. RHODES:

H.R. 3596: A bill to provide for the establishment of a U.S. Court of Labor-Management Relations which shall have jurisdiction over certain labor disputes in industries substantially affecting commerce; to the Committee on the Judiciary.

By Mr. RHODES (for himself, Mr. FORSYTHE, Mr. KINDNESS, and Mr. CORCORAN):

H.R. 3597. A bill to reestablish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and for other purposes; to the Committee on Government Operations.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. PREYER, Mr. SCHEUER, Mr. WAXMAN, Mr. FLORIO, Mr. MAGUIRE, Mr. OTTINGER, Mr. MARKEY, Mr. WALGREN, Mr. CARTER, and Mr. MADIGAN):

H.R. 3598. A bill to amend the Public Health Service Act, the Community Mental Health Centers Act, title V of the Social Security Act, and the program of assistance for home health services to authorize appropriations for fiscal year 1978 for health services programs; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALIO:

H.R. 3599. A bill to amend title 18, United States Code, to permit the deposit of newspapers in letterboxes without the payment of postage; to the Committee on the Judiciary.

H.R. 3600. A bill to amend the Federal Trade Commission Act to provide that exclusive territorial arrangements used in the distribution or sale of a trademarked soft drink product or a trademarked private label food product not be deemed unlawful per se; jointly, to the Committees on Interstate and Foreign Commerce and the Judiciary.

By Mr. ST GERMAIN (for himself, Mr. BINGHAM, Mr. BONIOR, Mr. JOHN L. BURTON, Mr. CONTE, Mr. DELLUMS, Mr. DOWNEY, Mr. FREY, Mr. HUGHES, Mr. LAFALCE, Mr. MAZZOLI, Mr. MCKINNEY, Mrs. MEYNER, Mr. MIKVA, Mr. OTTINGER, Mr. PATTISON of New York, Mr. RICHMOND, Mr. SARASIN, Mr. SCHEUER, Mrs. SPELLMAN, Mr. STOKES, Mr. VAN DEERLIN, Mr. WAXMAN, Mr. CHARLES H. WILSON of California, and Mr. YOUNG of Florida):

H.R. 3601. A bill to provide for loans for the establishment and/or construction of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SEIBERLING:

H.R. 3602. A bill to establish a national policy for the preservation of historic, architectural, archeological and cultural resources, to establish a coordinated national historic preservation program, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SOLARZ (for himself, Mr. AKAKA, Mr. BAUCUS, Mr. BEDELL, Mr. BRODHEAD, Ms. BURKE of California, Ms. CHISHOLM, Mr. CLAY, Mr. COHEN, Mr. CORRADA, Mr. DRINAN, Mr. FORD of Tennessee, Mr. FRASER, Mr. GIBBONS, Mr. HAWKINS, Ms. HOLTZMAN, Mr. HUGHES, Mr. IRELAND, Mr. LEACH, Mr. LONG of Maryland, Mr. MCHUGH, Mr. MAGUIRE, Ms. MEYNER, Ms. MIKULSKI, and Mr. MIKVA):

H.R. 3603. A bill to provide for termination of investment insurance and guaranties issued by the Overseas Private Investment Corporation in any case in which the investor makes a significant payment to an official of a foreign government for the purpose of influencing the actions of such government; to the Committee on International Relations.

By Mr. SOLARZ (for himself, Mr. MINETA, Mr. NIX, Mr. PANETTA, Mr. Mr. ROE, Mr. ROYBAL, Mr. SCHEUER, Mr. SIMON, Ms. SPELLMAN, Mr. STEERS, and Mr. WHALEN):

H.R. 3604. A bill to provide for termination of investment insurance and guaranties issued by the Overseas Private Investment Corporation in any case in which the investor makes a significant payment to an official of a foreign government for the purpose of influencing the actions of such government; to the Committee on International Relations.

By Mr. SOLARZ (for himself, Mr. ROSENTHAL, Mr. LAFALCE, Mr. STOKES, and Mrs. COLLINS of Illinois):

H.R. 3605. A bill to amend the Social Security Act to consolidate within a single comprehensive national welfare program all of the existing Federal public assistance and welfare programs, with all residents of the United States being guaranteed an adequate minimum income; jointly to the Committees on Agriculure, Interstate and Foreign Commerce, and Ways and Means.

By Mr. TEAGUE (by request):

H.R. 3606. A bill to authorize the Secretary of Transportation to enter into a contract or contracts for experimental aeronautical satellite communications services without regard to the provisions of 31 (U.S.C. 665(a) or 41 U.S.C. 11; to the Committee on Public Works and Transportation.

H.R. 3607. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes; to the Committee on Science and Technology.

By Mr. WHALEN (for himself, Mr. COLLINS of Texas, Mr. KILDEE, Mrs. LLOYD of Tennessee, and Mr. STEIGER):

H.R. 3608. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. WIRTH (for himself, Mr. BONIOR, Mr. BRODHEAD, Mr. DELLUMS, Mr. DOWNEY, Mr. EDWARDS of California, Mr. EDWARDS of Oklahoma, Mr. FISH, Mr. GEPHARDT, Mr. HARKIN, Mr. JENRETTE, Mr. KOSTMAYER, Mr. LEACH, Mr. MCHUGH, Ms. MIKULSKI, Mr. MOAKLEY, Mr. MOORHEAD of Pennsylvania, Mr. PANETTA, Mr. PEASE, Mr. RICHMOND, Mr. ROYBAL, Mrs. SPELLMAN, Mr. STARK, Mr. TUCKER, and Mr. WEAVER):

H.R. 3609. A bill to prohibit the use of Federal funds for certain activities designed to support or defeat any legislation or legislative issue on the ballot in any State; to the Committee on the Judiciary.

By Mr. WIRTH (for himself, Mr. BAUCUS, Mr. CARR, Mr. CORNWELL, and Mr. MINETA):

H.R. 3610. A bill to prohibit the use of Federal funds for certain activities designed to support or defeat any legislation or legislative issue on the ballot in any State; to the Committee on the Judiciary.

By Mr. ANDERSON of California (for himself, Mr. PRICE, Mr. CORRADA, Mr. SOLARZ, Mr. YATRON, Mr. GONZALEZ, Mr. TONRY, Mr. MICHAEL O. MYERS, Mr. ALLEN, Mr. JENRETTE, Mr. DORNAN, Mr. PANETTA, Mr. D'AMOURS, Mr. MIKVA, and Mr. GILMAN):

H.J. Res. 257. Joint resolution to provide for the designation of a week as "National Lupus Week"; to the Committee on Post Office and Civil Service.

By Mr. LOTT:

H.J. Res. 258. Joint resolution to restore posthumously full rights of citizenship to Jefferson F. Davis; to the Committee on the Judiciary.

By Mr. RHODES (for himself, Mr. DERWINSKI, Mr. GILMAN, Mr. STANTON, Mr. WALSH, Mr. CORCORAN, Mr. HARSHA, Mr. LAGOMARSINO, Mr. BURGENER, Mr. GRADISON, Mr. SPENCE, Mrs. SMITH of Nebraska, Mr. CARTER, Mr. KELLY, Mr. WHITEHURST, Mr. VANDER JAGT, Mr. STEERS, Mr. GRASSLEY, Mr. MARTIN, Mr. SNYDER, Mr. EVANS of Delaware, and Mr. BROWN of Ohio):

H.J. Res. 259. Joint resolution to designate the week commencing with the third Monday in February of each year as "National Patriotism Week"; to the Committee on Post Office and Civil Service.

By Mr. RUSSO (for himself, Mr. FARY, Mr. KINDESS, Mr. CORRADA, Mrs. HOLT, Mr. HYDE, Mr. MAZZOLI, Mr. CAVANAUGH, and Mr. EDWARDS of Oklahoma):

H.J. Res. 260. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons; to the Committee on the Judiciary.

By Mrs. SPELLMAN:

H.J. Res. 261. Joint resolution to designate the third week in April each year as "National Private Property Week"; to the Committee on Post Office and Civil Service.

Mr. EDWARDS of California:

H. Con. Res. 117. Concurrent resolution to provide for the printing of additional copies of certain hearings of the Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary; to the Committee on House Administration.

By Mr. HAMILTON (for himself, Mr. OBEY, Mr. D'AMOURS, Mr. MEEDS, Mr. PRICE, Mr. WRIGHT, Mr. BRADEMAS, Mr. FOLEY, Mr. ROSTENKOWSKI, Mr. FLYNT, Mr. RODINO, Mr. THOMPSON, Mr. UDALL, Mr. BOLLING, Mr. FLOWERS, Mr. KASTENMEIER, Mr. PREYER, Mr. PHILLIP BURTON, and Mrs. FENWICK):

H. Res. 287. Resolution to amend the Rules of the House of Representatives, and for other purposes; divided and referred as follows: Title I, section 301, and titles IV, V, VI and VII referred to the Committee on Rules for a period ending not later than February 25, 1977; Title II and section 303 referred to the Committee on Standards of Official Conduct for a period ending not later than February 23, 1977; and section 302 referred to the Committee on House Administration for a period ending not later than February 23, 1977.

By Mr. BRINKLEY:

H. Res. 288. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress for the fiscal year ending September 30, 1978; to the Committee on Post Office and Civil Service.

By Mr. DUNCAN of Tennessee:

H. Res. 289. Resolution expressing the sense of the House of Representatives that the major television networks should take such steps as may be necessary to use line 21 of the television vertical blanking interval to provide captioning of programs for hearing impaired individuals; to the Committee on Interstate and Foreign Commerce.

By Mr. GRASSLEY (for himself, Mr. BEARD of Tennessee, Mr. MILLER of Ohio, Mr. D'AMOURS, Mr. MOORHEAD of California, Mrs. LLOYD of Tennessee, and Mr. BRINKLEY):

H. Res. 290. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress for the fiscal year ending September 30, 1978; to the Committee on Post Office and Civil Service.

By Mr. GRASSLEY (for himself and Mr. ROUSSELOT):

H. Res. 291. Resolution providing for the consideration of the resolution (H. Res. 115) to disapprove the recommendations of the President with respect to rates of pay of Federal officials; to the Committee on Rules.

By Mr. HAMMERSCHMIDT:

H. Res. 292. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress for the fiscal year ending September 30, 1978; to the Committee on Post Office and Civil Service.

By Mrs. LLOYD of Tennessee (for herself, Mr. PIKE, Mr. RUNNELS, Mr. BROWN of California, Mr. DOWNEY, and Mr. LUJAN):

H. Res. 293. Resolution disapproving the proposed deferral of budget authority for the Energy Research and Development Administration to conduct a biomedical and environmental research program (deferral number D 77-52); to the Committee on Appropriations.

By Mr. RHODES:

H. Res. 294. Resolution authorizing the printing of a compilation of tributes by Members of the House in the Halls of Congress to commemorate the years of service of the Honorable Gerald R. Ford; to the Committee on House Administration.

By Mr. RHODES (for himself, Mr. BUTLER, Mr. MILLER of Ohio, Mr. LOTT, Mrs. SMITH of Nebraska, Mr. WALSH, Mr. EMERY, Mr. MCKINNEY, Mr. WINN, Mr. QUIE, Mr. WHITEHURST, and Mr. BURGENER):

H. Res. 295. Resolution to create a Select Committee on Energy; to the Committee on Rules.

By Mr. RHODES (for himself, Mr. BROOMFIELD, Mr. GRADISON, Mr. HANSEN, Mr. PURSELL, Mr. YOUNG of Florida, Mr. KEMP, Mr. STANTON, Mr. THONE, Mr. DICKINSON, Mr. BUTLER, Mr. COHEN, Mr. WON PAT, Mr. BURGENER, Mr. O'BRIEN, Mr. JEFFORDS, Mr. VANDER JAGT, Mr. EDGAR, Mr. WHITEHURST, Mr. GOODLING, Mr. WINN, Mr. FREY, Mr. QUIE, Mr. SCHULZE, and Mr. KETCHUM):

H. Res. 296. Resolution to create a select committee to audit accounts of committees, Members, and officers of the House of Representatives; to the Committee on Rules.

By Mr. TEAGUE:

H. Res. 297. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Science and Technology; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

12. By the SPEAKER: A memorial of the Legislature of the State of Nevada, relative to U.S. Forest Service purchase of lands at Lake Tahoe; to the Committee on Agriculture.

13. Also, memorial of the Legislature of the State of Idaho, withdrawing its ratification of the proposed amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

14. Also, memorial of the Legislature of the State of New York, requesting an investigation of the natural gas industry; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN:

H.R. 3611. A bill for the relief Aryeh Makleff; to the Committee on the Judiciary.

H.R. 3612. A bill for the relief of Doctor Jesus Fernandez Tirao and his wife Benylin-Lynda Obiena Tirao; to the Committee on the Judiciary.

H.R. 3613. A bill for the relief of Irma Victoria Bolarte Alvarado; to the Committee on the Judiciary.

By Mr. AUCOIN:

H.R. 3614. A bill for the relief of Chester C. Clark, Mary L. Clark, and Dorothy J. Wilbur; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 3615. A bill for the relief of Augustin Robleto-Caldera; to the Committee on the Judiciary.

H.R. 3616. A bill for the relief of Ralph Lafi Alisa Toelupe; to the Committee on the Judiciary.

H.R. 3617. A bill for the relief of Kai Hung Pun, also known as Wah Poon; to the Committee on the Judiciary.

By Mr. CORMAN:

H.R. 3618. A bill for the relief of Martha Castro Fitz Maurice; to the Committee on the Judiciary.

H.R. 3619. A bill for the relief of Mrs. Rita Chelnek; to the Committee on the Judiciary.

By Mr. DANIELSON:

H.R. 3620. A bill for the relief of John A. Townsley; to the Committee on the Judiciary.

H.R. 3621. A bill for the relief of Joseph J. Andrews; to the Committee on the Judiciary.

H.R. 3622. A bill for the relief of Mr. and Mrs. Aaron Wayne Ogburn; to the Committee on the Judiciary.

By Mr. DUNCAN of Tennessee:

H.R. 3623. A bill for the relief of Raymond L. Wells; to the Committee on the Judiciary.

By Mr. ECKHARDT:

H.R. 3624. A bill for the relief of Lau Yiu Luen; to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 3625. A bill for the relief of Kwi Bok Kim; to the Committee on the Judiciary.

By Mr. LOTT:

H.R. 3626. A bill for the relief of Frances Alethea E. Smith; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 3627. A bill for the relief of Victor Asibra-Minta, his wife Grace Asibra-Minta, and their son William K. Asibra-Minta; to the Committee on the Judiciary.

By Mr. OBERSTAR:

H.R. 3628. A bill for the relief of Herman R. Klun and Helen Klun; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 3629. A bill for the relief of United Broadcasting Co. of Florida, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

45. Mr. STEIGER presented a petition of Karen Le Clair, Two Rivers, Wis., and others, relative to the proposed salary increases for Members of Congress and other Federal officials; to the Committee on Post Office and Civil Service.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. CON. RES. 110

By Mr. REUSS:

At page 1, line 5, strike "348,500,000,000" and insert "$350,200,000,000"

At page 1, line 7, strike $10,600,000,000" and insert "$8,900,000,000"

At page 1, line 13, strike "$70,315,000,000" and insert "$68,615,000,000"

At page 1, line 14, strike "$720,500,000,000" and insert "$718,800,000,000"

EXTENSIONS OF REMARKS

FIFTY-NINTH ANNIVERSARY OF THE REESTABLISHMENT OF THE INDEPENDENCE OF LITHUANIA

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. SARASIN. Mr. Speaker, today marks the 59th anniversary of the reestablishment of the independence of Lithuania. Lithuanians around the world, including the very sizable Lithuanian-American community, commemorate this day with a mixture of joy and sorrow—joy because of the 22 years Lithuania enjoyed its freedom and sorrow because for the last quarter century a once free nation has bravely endured Soviet domination. Lithuanians have always found it hard to accept that their country was being occupied by the Russians, and to this day they have resisted their dominance.

With the signing of the Helsinki agreement, one might fear that these brave people might give up hope. But they have not, and they are persisting with determination in seeing that their civil and human rights are observed. We here in America must also be vigilant that the human rights provisions of the Helsinki agreement be observed.

In particular, the Soviet Government has harassed and taken repressive measures against the Lithuanin Catholic Church. Untold members of Lithuanian dissidents have been arrested and imprisoned for publishing or distributing "The Chronicle of the Lithuanian Catholic Church." This unofficial publication covers religious life in the Lithuanian Catholic communities and documents the prosecution of church members, court proceedings against them, statements in defense of religious freedom officially guaranteed by the Soviet Constitution, and similar matters.

At the present time, the West is learning about the courage and bravery of Nijole Sadunaite who was arrested in Lithuania in August 1974, because a partially typed copy of the Chronicle was found during a police search of her house. A year later she was tried and convicted for this offense and sentenced to 3 years hard labor and 3 years of exile. Nijole has been doing hard labor for a year in a prison camp known as the Mordovian Complex. Besides the hard labor, her health has suffered from a meager diet.

I have joined Representative DONALD FRASER and Representative NEWTON STEERS in signing a letter that was recently sent to Secretary Leonid Brezhnev requesting that the case of Nijole Sadunaite violates several human rights guaranteed her under international agreements, most notably her freedom of expression as guaranteed in article 19 of the Universal Declaration of Human Rights, and her religious freedom as set forth in article 7 of the Helsinki agreement.

It is the courage of Lithuanian dissidents such as Nijole Sadunaite which brings worldwide attention to the plight of peoples still living under Soviet domination, and who still dare to risk their lives in order to fight for their freedom. She serves as an example to the rest of the world to the continuing need to speak out against the Soviet Government whenever they choose to ignore the claims for freedom from oppression by the millions of people who live unwillingly under Soviet rule.

At this time, in our commemoration of Lithuanian independence, we must remember those in prisons like Miss Sadunaite, and hope that by our positive actions we can help to ease the burdens of those who suffer like her.

A MAN FOR AMERICA—PRESENTLY A BOY SCOUT FROM TEXAS

HON. SAM B. HALL, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. HALL. Mr. Speaker, it was my privilege this morning to meet a young man from Texas with whose views and opinions I am very much in accord. In fact, I find his speech which took second place in the public speaking contest of the Boy Scouts of America a work of inspiration—for two reasons—because of its exemplary content and because it set me thinking—with young men like this there is great hope for future Americans. The name of this fine young orator is Lee Zachary Maxey and I set forth here a brief statement of his background:

The 1976 Boys' State Governor of Texas, Lee Zachary is president of Phyllis Wheatley High School's Post 9718. He is an honor student, student council president, and an award-winning ROTC commander. He joined Scouting/USA as a Cub Scout in 1966 and also has been a Scout Youth minister and church choir member, he has belonged to the Singing Boys of Houston choral group, was elected a senator at Boys' and Girls' Nation this summer in Washington, and finds time for basketball. He plans a career in the ministry.

His award-winning speech follows:

SPIRIT OF '76—AMERICA'S HORIZONS

(By Lee Zachary Maxey)

A few centuries ago, a young man by the name of Christopher Columbus approached King Ferdinand and Queen Isabella of Spain and as an old but untrue story goes, *"Tried to prove that the world was round."* That story also states that the *"majority populous"* stuck to the opinion that: "The earth was as flat as a pancake." People thought that they (Nina, Pinta, Santa Maria) would fall off the edge of the world, because they also thought that the world ended at the horizon.

According to the story the great experiment ended, but in triumph. Columbus did three things. (1) He proved that the world was round. (2) Proved that the world did not end at the horizon. (3) Discovered America.

Over 200 years another great experiment began. The experiment was successful. This experiment started July 4, 1777. Reached its first horizon July 4, 1876, and reached its second horizon July 4, 1976. But the question arises: "What is the name of this great experiment, The United States of America and we are celebrating the crossing of the second horizon of this great experiment. The celebration's name *The American Bicentennial.*

To be honest, many people are tired of the word bicentennial. Bicentennial this and bicentennial that. Some establishments with bicentennial themes are:

Early American Fried Chicken
Ben Franklin's Kite Shope
Spirit of '76 Burgers
Martha Washington's Pastries
Revolutionary Fish & Chips
Nathan Hale Pancake Palace

Beneath all the commercialism, the Bicentennial is a time of recollection. Remembering great men who have done their part to make America great.

For example, Abraham Lincoln, in one of the most underrated discourses he made, gave us the perfect definition of a democracy, "A government of the people by the people and for the people, and a nation of this caliber shall not perish from this earth." He was also an *anti-slavery proponent,* saying in one of the debates between him and Stephen Douglas, "A House Divided Against Itself Cannot Stand."

Many influential black Americans have said that Blacks have nothing to celebrate during the American Bicentennial. But according to Rev. Mr. Benjamin Hooks, member of the F.C.C., we have some thing to celebrate—*Survival*—and that America has produced black Americans who have made their footprints in American history such as:

Dr. George W. Carver—600 by-products from a peanut. "He knew what a peanut was before Jimmy Carter's granddaddy knew how to plant one."

Dr. William H. Williams—first man to surgically repair a heart.

Dr. Charles Drew—discovered that blood could be drawn from a man, stored, and injected into another man.

I read once that America was built on the back of the immigrant. The last two lines of "Give me your tired your poor" so on the Statue of Liberty says:

"Send these tempest tossed to me"
"I lift my lamp beside the golden door."

The Statue of Liberty lifted her lamp to:

Albert Einstein, from Germany—Theory of relativity

Irving Berlin, from Germany—God Bless America and White Christmas

Knute Rockne, from Norway—Coach at Notre Dame

The Bicentennial is also a period of remembering that we are a government that is a constitutional republic which definitely believes that "No man is above the law."

Remembering that—Just about everybody has had a voice in government for over 200 years.

Remembering that—We are guaranteed certain inalienable rights.

Remembering that—Through Divine Providence we have been able to help others who could not do for themselves.

Remembering that—We can serve God, how we want to, where we want to, and when we want to. Guaranteed by Constitution.

But what does it mean to me? The Bicenntennial is a:

Time of Awakening
Time of Renewal
Time of Subjection to God's will
Time for everyone to walk down the meandering street of brotherhood as sisters and brothers.

In conclusion—Let us let the Bicentennial remain in each of our hearts. Let us let it stand as a bulwark to future generations. To let them know that we are still:

"One nation under God, indivisible, with liberty and justice for all."

LITHUANIAN INDEPENDENCE DAY

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. FORSYTHE. Mr. Speaker, on February 16, we celebrate the 59th anniversary of the reestablishment of independent Lithuania and the 726th anniversary of the founding of the Lithuanian state.

A democratic state was established in Lithuania on February 16, 1918. However, the events of World War II quickly cut short the enjoyment of these hard-won freedoms. Lithuania had her independence only 22 years when, in 1940, the Soviet Union invaded and occupied her land. With the fall of Germany, Lithuania did not regain her independence but was retaken by the Soviet Union in 1944.

Today, Lithuania is recognized by the Soviet Union as part of the U.S.S.R. The Soviets report that the Lithuanian people are happy with their status as a Soviet satellite state. However, for more than three decades, the Lithuanian people have endured religious persecution, political repression, and complete denial of their basic human rights. The proud people of Lithuania have made it clear that as long as her lands are occupied, the Lithuanian struggle for human dignity and freedom shall continue.

Even though many Lithuanians emigrated to other lands, including the United States, they never relinquished their quest for Lithuania's freedom. One of the strongest beliefs in the United States is that human rights should be respected. We as Americans, living in a free country, admire Lithuania for her long, hard struggle for national independence. We also appreciate her rich contribution to our own varied cultural background.

Lithuanians have not suffered in silence. The Western World has seen and heard of the sacrifices of Lithuanian patriots, despite attempts by the Soviet Union to suppress all such communications with the Western World.

Although modern maps display Lithuania as being a part of the territory of the Soviet Union, the U.S. Government has steadfastly maintained a policy of nonrecognition of this forcible seizure of Lithuania and her neighbors. The Helsinki agreement, in fact, specifically endorses the principle of border change by peaceful means.

The proud people of Lithuania are trying to free themselves from Soviet religious and political persecution. As Americans and defenders of freedom, we of the free world join the Lithuanians in celebrating the 59th anniversary of the reestablishment of the independent state of Lithuania, and the 726th anniversary of the founding of Lithuania.

PASSTHROUGH OF SOCIAL SECURITY INCREASES

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ANNUNZIO. Mr. Speaker, today veterans who receive pension benefits as well as social security benefits are being shortchanged, compared to recipients who are not veterans, because each time social security benefit rates are increased, these veterans usually suffer some reduction in their veterans pension. Therefore, I have introduced a bill, H.R. 137, to assure that these veterans receive the full benefit intended from congressional action on social security rates.

As you know, Mr. Speaker, the purpose behind vetrans pensions is income maintenance. In that sense, the Veterans' Administration pension program does overlap with social security programs. But the intent of Congress that led originally to the veterans pension is more than a mechanism for merely maintaining a needy segment of our population. The original intent was to provide recognition from a grateful Nation when most needed and in the most useful form. It is this intention that is ignored under existing law.

As presently calculated, a veterans' pension is equivalent to an amount which maintains countable income at not more than $3,450. The amount of the pension is dependent upon the difference between $3,540 and the total countable income from other sources. Since social security benefits are, in part, included in the sum of "other sources," a veterans' pension allowance is necessarily reduced with an increase in social security benefits. The amount of reduction in the pension benefit varies in degree based upon the differing levels of VA pensions, but most pensioners do suffer some reduction.

The result is that when the intention of Congress is to improve the plight of those on social security with, for example, a 10-percent increase in benefits, the veteran pensioner receives less than the full 10 percent. The nonveteran social security recipient's lot is improved to the full extent of congressional intention, but the relative position of the veteran recipient is damaged. Although most veterans do experience a net gain in aggregate income, the veteran is inequitably treated compared to similarly situated nonveterans, since the veteran does not receive all that Congress intends.

As I have said, my bill, H.R. 137, would make certain that recipients of veterans' pension and compensation would not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

The social security increases voted by Congress are meant to offset the disastrous effect of inflation, particularly on such basic essentials as food, for those most in need who are living on small, fixed incomes. Too many pensioners have suffered the bitter irony of a reduction in vetrans pension as a result of an increase in social security. It is now up to Congress to make certain that its intent is not subverted by this technicality in the language of the veterans pension program.

I urge the earliest possible action of this Congress on H.R. 137.

TERRORISM MUST BE DISCOURAGED

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. SIMON. Mr. Speaker, the Chicago Tribune had an editorial recently about the alleged terrorist who was released in France.

Its message, I think, is an important one and I commend it to my colleagues:

FRANCE PROTESTS TOO MUCH

Once more France has explained its feeling of Abu Daoud, suspected Palestinian terrorist, and has insisted on the extreme rectitude of its acts. Once more, we believe, its explanation will fail to soothe outraged nations. It will fail because Paris only sets forth why it deems its actions legal—but not why it deemed them necessary.

The latest to explain is President Valery Giscard d'Estaing, who held an angry press conference to denounce a "campaign of insult and vilification against the honor and dignity of France." But he said nothing to suggest why France's honor should not be insulted. Nothing has changed and sordid facts: Into France's hands there fell an avowed revolutionary believed involved in the the murder of the Israeli team at the 1972 Munich Olympic Games. And France let him go.

President Giscard acknowledges that West Germany was seeking to comply with extradition requirements and that Israel too was interested in extradition.

There were technical questions surrounding each effort, and after four days a court freed him. He was whisked out of the country at jet speed. All perfectly legal and all within the powers of an independent court.

Mr. Giscard makes the most of these facts, but one fact which he neglects is not easily explained away: The Court need not have freed Abu Daoud so hastily; it might have held him for as long as two weeks and thus have given West Germany time to complete the extradition process. The French government did not even ask the court to do this. On the contrary, the court—or, more accurately, the government—seemed in a tearing hurry to avoid doing so, even though it was the most important suspect to fall into French hands in years.

The possible reasons for France's frantic inaction are familiar by now: the fear of offending Arab nations which sell France oil and buy its arms, and the fear that other Palestinian terrorists might have staged atrocities in order to ransom him. These reasons have nothing to do with justice; they have a lot to do with convenience and politics. And nothing that has been said by Mr. Giscard or by Premier Raymond Barre can wipe away that truth.

We have long contended that terrorism will not work when governments refuse to cave in to it. But when nations give in, the obverse becomes true: Terrorism does work, and therefore it will increase in the future. And France, which has protested too much in this case, can expect to bear its share of those spreading atrocities.

THE RATINGS GAME

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RHODES. Mr. Speaker, in April of 1976, nearly 100 Members on both sides of the aisle signed a letter asking the nonpartisan Fair Campaign Practices Committee to initiate an investigation into the procedures used by various organizations who publish ratings of Members of Congress.

We made it very clear at the time that we were not questioning in any way the right of organizations, or anyone for that matter, to rate Members of Congress and other public officials. The right to pass judgment on elected officials is rooted firmly in the first amendment.

The thrust of our main point was that given the contradictory ratings that arise—one group says a Member is "for" senior citizens and another group says that the same Member is "against" them—there may be a need for the development of a standardized procedure or code of ethics which groups who publish ratings may choose to consult in the interests of being fair. Of course any such code of ethics would have to be completely nonbinding. Any group which chooses not to comply with such a code must be free to do so.

This has never been a partisan issue. I know of few Members of either party who have not had some cause for compaint with some organization or group that rates them in a manner they consider to be either unfair or slanted.

In addition, our intention was never to hand down a blanket indictment of every group that puts out ratings. There are numerous organizations who take great care in scrutinizing Members' voting records and go about their task in a highly responsible fashion. These groups perform an important public service and are to be commended.

Nevertheless, not every group is responsible. Hence the need for some kind of code of ethics or standard operating procedure, developed by the groups themselves, which they can use or ignore as they see fit.

I am personally very gratified that the Fair Campaign Practices Committee saw merit in our request and that it took the initiative to sponsor a conference of groups that publish ratings. This Conference of Associations and Congressional Ratings Groups was held on January 6, 1977, at American University in Washington, D.C.

I am informed by Mr. Robert Sidman, the executive director of the Fair Campaign Practices Committee, that the conference was productive and that a report will be prepared highlighting various aspects of the discussion which took place. I know that this report will be of great interest to Members of Congress and am hopeful that it will prove useful for the many organizations who publish ratings.

I commend the Fair Campaign Practices Committee for their responsiveness on this issue and am inserting Mr. Sidman's letter to me along with a list of the organizations who participated in the conference. It is both ironic and significant that the organization which really prompted this exercise, Environmental Action, Inc., refused to respond to FCPC's invitation to participate in the conference. I regret their refusal to cooperate, particularly in light of the widespread complaints which have been made against their ratings procedure and campaign techniques. If ever there was a group which needed desperately to undertake some self-examination, it is that group.

An Environmental Action's No. 1 political target in the last election, it is a source of some personal consolation to realize that only three of the so-called Dirty Dozen were defeated, proving once again that the voters of the country are entirely capable of looking beyond surface generalities and basing their decisions on the true facts.

The letter and list of organizations follow:

FAIR CAMPAIGN PRACTICES COMMITTEE, INC.

Washington, D.C., February 1, 1977.

HON. JOHN J. RHODES,
Minority Leader, House of Representatives, Washington, D.C.

DEAR MR. RHODES: Last April, you may recall, you appealed to the Fair Campaign Practices Committee to investigate possible violations of the Fair Campaign Practices Code by the Dirty Dozen organization, and to take appropriate action.

This letter is to advise you of what we have done.

As we told you on receipt of your letter (which had been cosigned by more than 80 of your colleagues in the House), our policies and practices precluded our taking the actions you requested. However, we did propose an alternative course of action.

Accordingly, we first discussed their congressional rating practices with a selected few of the organizations which have a history of making their ratings public. We found, with few exceptions, they would be willing to enter into discussions of their rating practices and policies with each other.

We then enlisted the cooperation of the School of Government and Public Administration, American University, and the School of Public and International Affairs, George Washington University. They agreed to participate in our proposed program.

Since the Fair Campaign Practices Committee had no funds for such an activity, we next approached Sears, Roebuck & Company for a grant to underwrite the costs of conducting a meeting, and preparing, printing and distributing papers that would be presented by the George Washington and American University participants. They generously approved a grant for these purposes.

We then invited some fifty officials of trade, professional and consumer organizations which traditionaly rank the votes of members of Congress and make their ratings public, to an off-the-record discussion on the American University campus on January 6, 1977. About half of those we invited accepted and attended.

The meeting was moderated by Dr. Harvey Zuchman, professor of Journalism Law at Catholic University. A last minute addition to the program was the unsolicited but welcome paper from Congressman Cleveland; this was distributed at the opening of the meeting, but it received no discussion.

We had hoped that, at the conclusion of the meeting, someone of the attendees would move that another meeting be held at which a code of fair rating practices might be discussed and developed. However, no such motion was made.

Nevertheless, from informal comments made by some of the attendees, we feel that such discussions may, in fact, now be taking place without our knowledge or help. Whether they are or not, we also feel that at least some organizations are re-examining their rating practices and policies in the light of statements and discussions at the meeting.

We are awaiting the final drafts of the papers presented at the meetings, and will then have them printed and distributed as promptly as possible. Copies will go to you, of course.

I am enclosing an attendance list and a copy of the agenda for the meeting.

It is gratifying that you thought to call upon us in the first place. We hope our efforts to be of help will be effective in the long run.

Sincerely,

ROBERT SIDMAN,
Executive Director.

CONFERENCE OF ASSOCIATIONS AND CONGRESSIONAL RATING GROUPS ATTENDEES

J. Charlene Baker, Chairman, Americans for Constitutional Action.

Barbara Bergin, Chairperson, National Student Lobby.

Helen Blank, Director, American Parents Committee.

James B. Booe, Assistant to the President Communications Workers of America.

Nelson Cruikshank, President, Betty Duskin, Research Director National Council of Senior Citizens.

Donald Donnelly, Director of Information American Farm Bureau Federation.

Victor Kamber, Director of Research Building and Construction Trades Department, AFL-CIO.

Sister Maureen Kelleher, The Network.

Greg Kenefick, Director of Public Relations, American Federation of Government Employees.

Peggy Lampl, Director, League of Women Voters.

Joe Standa, Government Relations Specialist, National Education Association.

Charles W. Lee, Executive Director, Committee for Full Funding of Education Programs.

Ray Krause, Washington Representative, National Federation of Independent Business, Inc.

Thomas Reese, Legislative Director, Taxation with Representation.

W. H. Ryan, Legislative Coordinator, International Assn. of Machinists.

Bruce Cameron, Americans for Democratic Action.

Nick Block, Adm. Secretary, Friends Committee on National Legislation.

Roy M. Stroupe, Executive Vice President, National Association of Business, Inc.

Wm. M. Sullivan, Assistant Director, Committee for the Survival of a Free Congress.

Charles Fritts, Leg. aide, International Brotherhood of Teamsters.

Irene Kessell, Consumer Federation of America.

April Moore, National Consumer League.

Rochelle Horowitz, American Federation of Teachers.

LEMKOS AIDS POLAND'S UKRAINIAN MINORITY

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. WALSH. Mr. Speaker, this year marks the 30th anniversary of the deportation of the Ukrainian national minority in Poland from its native lands to the territories Poland received from Germany. The deportation was executed by the armed forces of the People's Republic of Poland in 1947. The following letter by John Hvozda of Camillus, N.Y., was sent to the Department of State regarding the plight of Poland's Ukrainian minority and the efforts of the World Lemkos Federation to aid it.

This year is the 30th anniversary of the Polish deportation of the Ukrainians from their native territories in 1947 and their resettlement in the northeastern areas of Poland. The circumstances under which the Polish Government have exiled these people is a matter of historical record. The conditions under which these people live and the persecutions they are subjected to are contrary even to the Polish Constitution itself.

The Lemkos Federation has for some time, through the Department of State, attempted to establish a program to improve the living conditions of our brothers and sisters living in Poland. We would like to help the Ukrainian minority through three possible routes:

One. The Department of State;

Two. The American-Polish Committee—which is to be organized; and

Three. The Polish Government.

We would appreciate the support and technical advice of the Department of State in regards to our endeavor to assist the Ukrainian minority in Poland. We would like to develop the following lines of action:

One. A direct dialog with the Polish authorities in order to cultivate their interest in the improvement of the situation of the Ukrainian minority;

Two. A possible visit by our delegation to Poland for the purpose of assessing the range of possibilities in our relationship with the Polish authorities; and

Three. The possibility of developing some kind of understanding—at least an informal one—concerning an improved status of the Ukrainian minority.

Many Ukrainians have immigrated into the United States from Poland. Consequently, there are many families in this country who have hoped for some time to be reunited with their immediate relatives left behind in Poland. Many of them would like to extend a more active assistance to their family members and friends in Poland. There are also those who have children born in the United States—or in Poland—who would like to go to Poland for formal—or informal—studies. It is hoped that through the combined efforts of the Department of State and the World Lemkos Federation these goals can be obtained.

INCREASING STUDENT FINANCIAL AID—ONLY A SMALL PART OF EXPANDING ACCESS TO HIGHER EDUCATION?

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mrs. CHISHOLM. Mr. Speaker, with the passage of the Education Amendments of 1976, Public Law 94–482, Congress doubled the authorized funding for the trio programs: Talent Search, Upward Bound, educational opportunity centers, special services for disadvantaged students, and, a new program, service learning centers. These educational opportunity programs provide counseling, tutoring and information services which have become increasingly important in addressing the nonfinancial barriers to postsecondary education for the disadvantaged.

The importance of eliminating these nonfinancial barriers has been documented in a recent study commission by the California State legislature. Conducted in the Los Angeles high schools, the study was released by the State assembly's permanent subcommittee on postsecondary education. It was based upon a survey of 1973 high school graduates and their activities after graduation. The results indicate that additional dollars for financial aid may ultimately have a diminishing impact on access to higher education unless we can also address the enormous additional barriers of low levels of academic achievement, inadequate information and inflexible admission policies.

Mr. Speaker, I urge you and my colleagues to take note of this study's findings and recommendations, which include a call for increased funding for trio programs. We will soon be approaching funds for the Department of Health, Education and Welfare and will thus have an opportunity to increase the level of funding for these vitally important programs.

The full study is available from the assembly subcommittee on postsecondary education, 1116 9th Street, room 34, Sacramento, Calif. 95814. I would like to bring some particular excerpts to the attention of my colleagues:

INCREASING STUDENT FINANCIAL AID PROGRAMS: A MISDIRECTED MEANS OF EXPANDING ACCESS?

(By Bruce Fuller, Committee Consultant, Assembly Permanent Subcommittee on Postsecondary Education, California Legislature, Sacramento, Calif.

The drive to increase postsecondary educational opportunities for the poor is one great society initiative which has maintained momentum. Sparked by the creation of the basic educational opportunity grant program in the 1972 Higher Education Act Amendments, increases in Federal student-assistance programs have continued.

In the current (1975–76) fiscal year the Federal Government will provide funding for student aid of approximately $1 billion in grants, $321 million in direct loans, $452 million to help finance additional loans, and $390 million in work-study funds—a total of over $2.1 billion in federal student assistance. Total appropriations in these programs have increased 38% in the past three years. State administered grant programs this year will provide an additional $456 million, an increase of 32% in the past three years.

The increasing availability of student aid dollars has clearly resulted in college opportunities for the poor. However, recently collected data indicate that additional student financial aid will most likely have a diminishing affect on the decision of low-income high school graduates to enter college. Increasing student aid appropriations have substantially reduced and approach eventual elimination of financial need as a barrier to college for the economically disadvantaged. This marks a significant change which suggests that policy makers must begin thinking about the relative priority of further reducing the financial need of middle-income students or attacking the remaining motivational, achievement, informational, and admission barriers which preclude further progress in increasing access for the poor. A point is being reached where the number of low-income and minority college students will no longer increase, regardles of how much additional student aid money is appropriated and in spite of low tuition levels.

These recent data emerged from a study of postgraduate choices of 1,600 graduates of 20 Los Angeles high schools. Extensive research on college entrance rates of high school graduates with various income, ethnic, and academic achievement characteristics was conducted in the early and mid-1960s. This research yielded helpful evidence to support advocates of publicly funded student aid programs. However, little information which discriminates between the barriers of financial need and academic achievement levels has been collected regarding choices of high school graduates subsequent to the dramatic increases in student aid appropriations for the economically disadvantaged. The Los Angeles study, commissioned by the California Legislature, was designed to examine the extent to which financial need remains a barrier to college.

The Los Angeles study yielded evidence that many moderately high achieving, low-income graduates choose not to enter college primarily due to rigid admision requirements and a lack of information about postsecondary opportunities. Of all graduates with at least a 3.0 GPA, 20% fewer low-income graduates than high-income graduates entered a four-year college, and chose instead to enter the work force. One-half of all low-income graduates were ineligible to attend California State University colleges because necessary entrance tests were not taken; 23% of this population attained GPAs of over 2.8. Of these moderately high achievers, only 4% entered a four-year institution, while 31% entered a community college.

LIMITATIONS OF THE LOST ANGELES STUDY

The data derived from the Los Angeles study certainly cannot lead to definite conclusions about nationwide situations or State and Federal policies. The data were collected in one urban area, in a State with a tripartite public system of higher education that stratifies students according to achievement levels, and in a State with a strong community college tradition.

The study, however, clearly raises the question of whether academic achievement, information, and inflexible admission requirements remain as greater barriers to college for the poor than financial need. The Los Angeles study should be replicated in other States to further test this hypothesis.

RESPONSES OF POLICY-MAKERS

At both the Federal and State levels, legislators have found increasing student aid appropriations to be the simplest and most effective method of increasing the number of low-income and minority students. Yet prior to further increases in funding, the Federal and State governments should specifically determine the actually marginal impact of expanding grant, loan, and work-study programs. As the gap between financial need of low-income students and available students aid dollars narrows, legislators and administrative agencies must decide whether additional dollars should be spent on keeping up with the legitimate increasing financial needs of middle income students or on educational opportunity programs which serve low income students comprehensively.

The distinctive feature of educational opportunity programs is the focus on supportive services for disadvantaged students: counseling, tutorial help, and information.

A stronger link between postsecondary institutions and secondary and junior high schools is the key to confronting the problems of low academic achievement levels and inadequate information about educational opportunities. Given the increasing number of older minority students, new methods of information delivery should also be utilized to reach low income individuals who have been out of high school for several years. The 12 experimental, community based educational opoprtunity centers supported by the Office of Education should yield more ample data regarding the probable need for such services.

Unlike the continuing growth of student grant programs, further development of educational opportunity programs has slowed, in part due to the political nonattraction of these programs. The pay-off of grant programs is immediately seen by legislators: Money is given directly to an applicant with documented financial need. The benefits of educational opportunity programs are less tangible, often more costly. Like other programs for the poor, the constituencies of EOP programs are often neither well represented nor organized. This political weakness is also related to the common decentralized nature of the campus based programs. Student grant programs are administered by Federal and State agencies which are experienced and sophisticated in lobbying for more dollars.

The federally supported "trio" programs for the disadvantaged—upward bound, talent search, and special services—are excellent examples of programs which comprehensively address the problems of access for the poor. Yet while Federal grant, loan, and work study programs have increased in an amount of $600 million in the past three years, the trio programs have received no budget increases. This has occurred in spite of the fact that increases in the BEOG program, in particular, have brought onto campuses many additional low-income students who need the supportive services provided by the trio programs.

President Ford's proposed 1976–77 Federal budget, now being discussed in the Congress, ironically proposes a $385 million expansion of BEOG and a $10 million cut in the trio programs. The responses of the Washington higher education lobbyists will be interesting to watch because they have consistently urged vast increases in BEOG while generally ignoring the trio programs.

As rising college costs surpass increases in family income levels, the financial needs of middle, and even upper, income students will draw away additional government resources that could otherwise go to low income students or to support expanded educational opportunity programs. Between fall 1974 and fall 1975, the median family income of new State scholarship winners in California jumped from $11,700 to $14,200.

As increases in financial aid programs more adequately meet the financial needs of low-income applicants, there is already a stronger push to allocate more and larger grants to middle and even upper income students. Low income students who have low achievement and motivational levels and little information about postsecondary opportunities and who, therefore, never apply for financial aid are not being assisted. Nor are support services being expanded for many low income students who will drop out because of a lack of necessary support services after grant programs have provided access. If it is assumed that persistence is a valid measure of effectiveness of financial aid programs, marginal expansion of supportive services may substantially improve the efficiency of grant programs

Policy-makers should also explore creative alternatives to conventional EOP programs. In the early 1970s the College Entrance Examination Board supported programs that provided work study aid to low income college students who returned to their communities as peer tutors and counselors for high school students. Funding methods are also needed which encourage greater cooperation among colleges within a specific region which currently compete for low income students.

Finally, policy makers should learn more about how students assistance programs affect choices of students. Policy makers continually assume that more financial aid will enable more low-income high school graduates to benefit from opportunities and/or lack sufficient achievement and motivational levels, entering college is not a realistic choice, regardless of how much financial aid is available. Nor are public programs of much service if they provide financial aid (like BEOG) to low income students who soon drop out due to a lack of support services. Government efforts must become increasingly concerned with these latter two groups of students if we are serious about eventually providing equal post-secondary opportunities because they are the ones with the fewest realistic choices and opportunities.

LITHUANIAN INDEPENDENCE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. PATTEN. Mr. Speaker, today marks the 59th anniversary of the restoration of independence to Lithuania.

Although this independence was short-lived, the spirit of freedom of those in Lithuania, and those Lithuanian-Americans is strong.

Today, as we remember this anniversary, all Americans must join with this small nation in assuring them that they are not forgotten in this quest—and that it has our support. The domination and suppression which these people live with every day of their lives must remind freedom-loving Americans of how rich we are in being able to enjoy the most basic and vast human rights, and how we must persevere so that these human rights can be shared with all countries whose people yearn for them.

The history of freedom in the independent Lithuanian State can be traced back to the 11th century. I ask my colleagues to join me in working to assure that restoration of this liberty will be accomplished in this, the 10th century of that magnificent heritage.

KMPC: 50 YEARS OF COMMUNITY SERVICE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. WAXMAN. Mr. Speaker, on February 19, 1977, radio station KMPC will observe its 50th anniversary of broadcast service to the people of southern California. Starting from a hand-engineered transmitter which broadcast only in the evening hours in 1927, KMPC has grown into one of the leaders of radio in California, providing diverse and comprehensive news, sports, public service, community involvement, and music programing. KMPC can look back with pride on its years of achievement. We can all look ahead in anticipation of its continued excellent service in the future.

I am, therefore, pleased to share with my colleagues KMPC's story of its past half century, and to join in wishing the station and its staff a productive and fulfilling future:

KMPC: 50 YEARS OF COMMUNITY SERVICE

THE HISTORY

KMPC's first official air date was February 19, 1927, when it went on the air as KRLO, brodacasting from 218 Larchmont in Los Angeles, licensed to Freeman Lang and A. B. Scott, and with the station's original engineering done by Bill Deming who is now a syndicated newspaper columnist in Southern California. The station was on the air only evenings, and then only "Sometimes," using Lang's WE 373 double button carbon mike and a phonograph and records from Scott's music store two doors away. The station boasted of 250 watts. Deming also had what was believed to be one of the very earliest remote broadcasts on radio, hosting a show which was an early-day version of Bowling for Dollars from a Los Angeles bowling alley.

Call letters, frequency and base of operation all changed when Lang sold the station to Ernest J. Krause in February of 1928, re-emerging as KEJK in Beverly Hills. Then, in April of that year, it was sold again, this time to the MacMillan Petroleum Company, and it divided its on-air time with Aimee Semple McPherson's KFSG. And, on October 15, made yet another dial position change as its power was doubled to 500 watts.

On January 6, 1929, the station moved from 401 Camden Drive in Beverly Hills to new studios which MacMillan had constructed at Wilshire and Camden, and, 19 days later, changed its dial position.

To promote association with its parent company, a request was made in February of 1929 to change the call letters from KEJK, which was still strongly identified with the former ownership, to KMP. This was refused because KMP was already assigned to Boeing Air Transportation in Omaha, Nebraska. On November 15 of that year the station made its final change of dial position, moving from 1170 to its present 710. (To make that move possible, KFVD, which later became KGBS, switched from 710 to 1000.)

On March 14, 1930, KEJK officially changed its call letters to KMPC. In mid-March of 1932

power was doubled again to 1,000 watts. On March 11, 1933, KMPC was sold to the Beverly Hills Broadcasting Corporation for $50,000.

In June, 1934, Beverly Hills Broadcasting Corporation went into receivership; was acquired by the Pacific Southwest Discount Corporation; the receivership was dissolved in December. On August 4, 1936, Beverly Hills Broadcasting Corporation (KMPC) was acquired by George A. Richards of Cleveland for $125,000.

Richards brought into his corporation as stockholders Bing Crosby, Paul Whiteman and "Amos and Andy," and renamed the station "KMPC The Station of the Stars." Peter Potter's "Platter Parade," Chef Milani Time, and live performances by Vincent Lopez, Woody Herman, Ray Bloch and Alvino Rey were part of the daily format as Richards set out to make KMPC "The west's greatest independent radio station." Robert O. Reynolds joined the station in 1938 as a salesman. In 1940 KMPC was licensed to broadcast around the clock and to increase power to 5,000 watts daytime and 1,000 watts at night. In 1941 Loyd Sigmon, who was later to create Sigalert, became director of engineering and supervised another increase in power to 10,000 watts daytime and nighttime.

In 1944, outgrowing its original facilities, KMPC moved from Beverly Hills to 5939 Sunset Boulevard in Hollywood. That was also the period when KMPC first became known as Southern California's sports station, graduating from Hal Berger's recreations of major league baseball to live coverage of Pacific Coast League baseball, boxing, football, wrestling, racing, golf, tennis and basketball.

In 1947 KMPC received approval to increase its broadcasting power to 50,000 watts during daylight hours, with 10,000 directional watts at night.

Richards died in 1951, the station was placed in the hands of his widow, and was run by now-general manager Reynolds and his assistant Sigmon.

In 1952 Mrs. Richards offered KMPC for sale, and Gene Autry became the principal owner. He, Reynolds, Sigmon and others purchased the station for an estimated $800,000 as the "Station of the Stars" became KMPC Inc., the only major radio station in Los Angeles to be owned and operated by local residents.

From KMPC grew Golden West Broadcasters, which now also includes KSFO in San Francisco, KEX in Portland, KVI and KVI-FM in Seattle, KTLA in Los Angeles, Major Market Radio, Market Buy Market, Sigalert and Airwatch.

In June of 1968 KMPC moved to its present facilities at 5858 Sunset Boulevard, a site which at various times in its own 60-year history has been the home of Warner Brothers (and where the first "talkie" was filmed and Rin Tin Tin launched his career), KFWB, Paramount Pictures, a roller skating rink, and what was billed at the time as the world's largest bowling alley.

THE MILESTONE

On February 19, 1977, KMPC observes its 50th anniversary, "Beginning Our Second 50 Years—A Gold Jubilee," and looking at that important date KMPC Vice President and General Managed Stanley L. Spero observes, "We're proud of the past history of the station and the growth and accomplishments of 50 years, but we prefer to think that we're 50 years young, not old. We learn from the past to do still better in the future, that's what it's all about.

"Obviously you can't live on your past achievements. Our 50 years of service to Southern California is like a textbook to us, showing what we did right and what we did wrong, a learning experience to make us better equipped to move ahead in the future.

"At KMPC we're looking ahead. Looking to the future for better things. Looking to be of more service to the community. Looking to be more involved in the community. Looking to afford more enrichment in our programming, our news, our music, our sports, our traffic coverage.

"This is the best market in the world for the radio medium with our automobiles, our outdoor pursuits, the diversification of residences, recreation, and the great movement and mobility of people, and KMPC is proud to be such an important part of that market."

THE PRESENT

Where does one even begin to tell the story of one of the nation's most honored, most financially successful stations?

With the personality line-up? Dick Whittinghill, now in his 27th year with KMPC; Gary Owens and Geoff Edwards and Wink Martindale and Roger Carroll and Clark Race, all known nationwide by tv audiences; Sonny Melendrez and Pete Smith and Robert W. Morgan and Sie Holliday.

With its traffic coverage? A jet helicopter, a second helicopter and the twin-engine aircraft of Airwatch, plus 11 broadcast equipped mobile units.

With its news coverage? The largest news department of any independent radio station, plus news specials and KMPC Forum and an entertainment editor and an exclusive agreement with the Los Angeles Times for utilization of its foreign correspondents and foreign bureau chiefs around the world and its oft-honored documentaries and award-winning specials.

With the sports coverage? Dick Enberg and Fred Hessler and Don Drysdale and Steve Bailey broadcasting every game of the California Angels, Los Angeles Rams, UCLA football and basketball.

With Airwatch? Honored by virtually every level of government for its service in time of emergency, for the crises and potential crises which it has discovered from the air, for its Pilot's View of the Weather feature, for its Junior Airwatch Traffic Safety Program reaching some 100,000 Southern California youngsters each school year.

With the public service? KMPC's year-round deep commitment to public service, plus its own special events which raise some $200,000 a year for charity with Show of the World, St. Jude Children's Hospital Radiothon, Dick Whittinghill Invitational Golf Tournament, and other annual events.

With the community involvement? KMPC's determination to truly serve Southern California, manifested in literally hundreds of regular and special features throughout the year such as Channelwatch, beach reports, ski reports, working with business and industry as a clearing house to get information to their employees in times of disaster, active Speaker's Bureau, and membership, involvement and participation in countless charities and causes.

Do you start at the top, with Chairman of the Board Gene Autry, Broadcast Division President Bert West, KMPC Vice President and General Manager Stanley L. Spero? Or do you try and tell the story of each of the more than 110 employees who play important roles in the station's success?

Do you try and "define" personality radio, and the philosophy behind a one-on-one relationship with the listener? Or do you simply label KMPC an entertainment-information-service communications medium?

Where does one even begin to tell the story of "KMPC Beginning Our Second 50 Years—A Gold Jubilee?"

ADDITIONAL MANDATORY SENTENCING COSPONSORS LISTED

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ANDERSON of California. Mr. Speaker, on page 3460 of the CONGRESSIONAL RECORD of February 2, I listed the cosponsors of H.R. 1559, a bill to provide for mandatory minimum prison sentences for anyone convicted of misusing a firearm in the commission of a Federal crime.

Since that listing, six additional Members of this Congress have joined in cosponsorship. They include: Mr. BUCHANAN of Alabama, Mr. CORCORAN of Illinois, Mr. GOODLING of Pennsylvania, Mr. GRASSLEY of Iowa, Mr. KINDNESS of Ohio and Mr. ROBERT YOUNG of Missouri.

I would like to thank these Members for showing their dedication and sincerity to come to grips with the problem of increasing crime.

In addition, Mr. Speaker, I also enclose several letters that I have received from law enforcement officials in my home State of California in support of this legislation:

LOS ANGELES POLICE DEPARTMENT,
Los Angeles, Calif., January 28, 1977.

Hon. GLENN M. ANDERSON,
U.S. Congressman, 32nd District of California, Long Beach, Calif.

DEAR CONGRESSMAN ANDERSON: I am in receipt of your recent letter advising me that you are again submitting before the Congress of the United States H.R. 1559 which will provide mandatory five years imprisonment for any person convicted of using a firearm during the commission of a federal crime.

As you will recall, I voiced my personal support of this measure when you previously submitted it before the 94th Congress. Please be assured that you have my continued support of this measure and any other legislation which will have a beneficial effect towards the reduction of crime in this Nation.

I am happy to report to you that during the calendar year 1976, repressible crimes in the Harbor Area of the City of Los Angeles were reduced dramatically by 13.3 percent. The entire City of Los Angeles reduced repressible crimes by 1.1 percent. The Los Angeles Police Department, as you know, does not subscribe, as many leading so-called authorities do, to the fact that we can do very little about the upsurge of crime in this Nation. If we have had any success, and I think we have, in making this a safer City in which to live, work and raise our families, it is because the people here care about many things and have been most helpful in working with our Department toward the reduction of crime.

We are extremely grateful to have an elected official such as yourself that takes a genuine interest in crime control and provides us with the support we need to do an effective job. While I realize not all persons convicted of violating the law can or should be imprisoned, I certainly believe that those persons you are directing your attention to through H.B. 1559 are of the type that need to be removed from our streets and commu-

nity and provided with an opportunity for rehabilitation before they are released.

Thank you for requesting my opinion on this measure. You may be sure you will continue to receive my support in all matters having to do with community safety and crime reduction.

I have enclosed a copy of the 1976 Summary of Crimes and Arrests for the City of Los Angeles.

Very truly yours,

EDWARD M. DAVIS,
Chief of Police.
R. L. MAIRS,
Captain, Commanding Officer, Harbor Area.

COUNTY OF ALAMEDA,
Oakland, Calif., January 17, 1977.

Hon. GLENN M. ANDERSON,
Member of Congress, House Office Building, Washington, D.C.

I am very happy to see your realistic approach to the control of firearms during the commission of a felony. Your Bill is in keeping with our Section 12022 and Section 12022.5 of the Penal Code, State of California.

I do not believe that general gun control laws will take firearms out of the hands of criminals—only from honest citizens. The Sullivan Law has never been successful in New York, and Britain's gun control has not proved successful in keeping weapons from the IRA.

I strongly believe that punishment for violating the law is the best deterrent.

If I may be of further assistance, please contact me.

TOM HOUCHINS,
Sheriff.

STOCKTON, CALIF.,
January 18, 1977.

Hon. GLENN M. ANDERSON,
Member of Congress, House Office Building, Washington, D.C.

DEAR GLENN: Thank you for including me in your gathering of opinions regarding legislation that you have introduced that would provide a mandatory five-year penalty for anyone convicted of using a firearm during the commission of a federal crime, in addition to the sentence received for the crime itself.

I not only enthusiastically endorse such legislation, as it would have great meaning towards the diminishing of criminal activity if for no other reason than to have the perpetrator of a crime that was committed while he was armed, incarcerated for longer periods of time but I feel it would diminish to a great extent the opportunity to eliminate witnesses and the victims and law enforcement officers who are responding to such crime scenes.

I feel so strongly concerning this, I am recommending to my associates that they vigorously support such a measure, and I am taking the liberty of forwarding the correspondence to Mr. Ferris E. Lucas, Executive Director of the National Sheriff's Association.

I am sure my associates join me in expressing our gratitude for your interest.

Sincerely,

MICHAEL N. CANLIS,
Sheriff-Coroner, San Joaquin County.

HANFORD, CALIF.,
January 17, 1977.

GLENN M. ANDERSON,
Member of Congress, House Office Building, Washington, D.C.

DEAR MR. ANDERSON: H.R. 1559 is the type of legislation that we need to help curtail the use of weapons by the criminal.

This is better than trying to take all hand guns away from the citizens of our country.

Sincerely yours,

CLEO O. WEBB,
Sheriff.

MADERA, CALIF.,
January 19, 1977.

Hon. GLENN M. ANDERSON,
32nd District, California, House Office Building, Washington, D.C.

DEAR CONGRESSMAN ANDERSON: I have become aware of HR 1559, wherein your bill was referred to the Committee on the Judiciary. I want to tell you how pleased I am that you have, I think, been responsive to the needs of the people and law enforcement in this area.

The disarming of citizens is not a responsible way to approach crime; whereas your bill, which holds people responsible for the natural and probable consequences of their acts, is in the best Democratic tradition.

Best regards,

EDWARD B. BATES,
Sheriff-Coroner.

SAN DIEGO, CALIF.,
January 18, 1977.

Hon. GLENN M. ANDERSON,
32nd Congressional District, House Office Building, Washington, D.C.

DEAR CONGRESSMAN ANDERSON: Thank you for your letter of January 12 requesting my comments on H.R. 1559 providing for mandatory penalties for those persons convicted of Federal crimes while using firearms.

For some time I have been extremely supportive of this type of legislation at the State level. Recently, California enacted several pieces of legislation requiring mandatory sentences for those convicted of using firearms in the commission of certain crimes. I am convinced that measures such as you propose will have a greater impact on our spiralling violent crime rate than so called "firearms registration" legislation which has been in vogue in recent years. That approach would have little or no impact on the criminal element.

Please be assured of my support of your bill and by copy hereof, I am informing members of the San Diego Congressional Delegation of my views in hopes that they will lend their support in this matter.

If I may be of further assistance in this or any other matter of mutual interest, please do not hesitate to call on me.

Sincerely,

JOHN F. DUFFY,
Sheriff.

FOOD POWER

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. GLICKMAN. Mr. Speaker, over the past several years we have seen the positive power of some very important issue-oriented groups—women's groups, ethnic groups, and other minorities—emerge through their outspokenness with outstanding achievements.

Last weekend in Wichita, constituents of mine, concerned with the often powerless situation farmers in America are finding themselves, handed me a "food power" button to wear. I wore the button that day and because I am particularly concerned with the plight of American farmers today, would like to share with you the remarks I made last Saturday, February 12, 1977, at the Hutchinson Community Junior College in Hutchinson, Kans., to a mixed group of farmers and other constituents concerned with farming:

STATEMENT BY CONGRESSMAN DAN GLICKMAN TO FOURTH DISTRICT FARM FAMILIES

I propose an alliance of farmers and their families. You have too long been powerless and your lack of power has undermined your ability to survive. If you don't survive, neither does the nation. That must be your message to Congress.

The American farmer is a victim of his own strength, his individualism. But that very individualism has worked to divide our farmers and thus weaken them as a force, as a voice, as an effective lobby in Washington. Now is the time for you to start something. For yourselves and for all of us. To prove that individuals can join together in a common cause and still not lose that individualism that makes our farm families great but gain from a new found strength of unity.

And if you unite and you convince the consumer and Congress that your success is their success, that your power is their power, that your strength is their strength then you will have realized a fundamental truth—good government starts and ends with the people.

I will do all I possibly can for you. But you must help yourselves. The issue is not how to solve your problems, for you must first convince this nation's leadership that there are problems, dire problems and that those problems affect us all.

They see only the surface. They see grain surpluses, high prices in grocery stores. They do not see that surpluses cannot happen if the farmer cannot afford to farm. They can't see that the farmer is not to blame for those high prices.

Unite and teach them. Write to Washington. Organize. Come to Washington. Make Congress and the Department of Agriculture hear you. I'm wearing a button a volunteer made for me that says, "Food Power." I ask you today to join with me, to help us make people aware of the importance of food power to our economy, to our very being as a nation.

I will take your message to Secretary Bergland. I will take your message to the agriculture committee. I will take your message to Congress. But you must speak too; you must be heard too. I urge you to organize, to hep me help you. Act today.

LITHUANIAN INDEPENDENCE

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. GIAIMO. Mr. Speaker, it is a privilege for me to join Lithuanian-Americans throughout our country in commemorating the 59th anniversary of the establishment of the Republic of Lithuania.

It was on February 16, 1918, that a council of delegates proclaimed an independent Lithuania. That country's admittance into the League of Nations in September of 1921 reaffirmed Lithuania's basic democratic principles and peaceable association with her fellow nations.

Regrettably, Lithuania's independence was to be short-lived. First Soviet and then Nazi troops overwhelmed that small

country during the worst days of World War II. After the war, the Soviet Union continued its policies of repression and occupation. While the flames of political freedom have been extinguished temporarily, however, the Soviet Union has not been successful in extinguishing the fires of liberty that burn in the hearts of the Lithuanian people and of people everywhere who cherish their independence and self-determination.

In this spirit, I am honored to join with my colleagues in the Congress to renew our support and to salute the Lithuanian people who continue to aspire to regain their individual and religious freedoms.

LITHUANIAN INDEPENDENCE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. McKINNEY. Mr. Speaker, today marks the 59th anniversary of Lithuanian independence. As we reflect on the stormy history of Lithuania, let the fierce determination of its people be an example to all Americans.

During the Middle Ages, Lithuania was an influential and powerful force in Europe. The strength of the country was not, however, strong enough to overcome the subjugation by Tsarist Russia that began in 1795. This occupation by Russian forces did not end until German armies advanced through the country in a march toward the Russian border. Despite the damages to the resources of the country, the Lithuanian spirit remained unbroken. So, on February 16, 1918, the Lithuanian people felt that the time was ripe for a Declaration of Independence. A resolution was adopted by the Council of Lithuania on that day, declaring Lithuania to be a free and autonomous state. And I quote from a translation of this declaration:

> The Council of Lithuania, as the only representation of the Lithuanian people . . . declares that it is restoring an independent Lithuanian State on democratic foundation . . . and that it is severing all the ties that have ever bound this state to other nation.

Tragically, this period of self-determination was to last a mere 22 years. At the close of World War II, Lithuania was forcibly annexed into the Soviet Union under the reign of Josef Stalin. Since that time, the Soviet Union has made a concerted effort to destroy any and all reminders of the Lithuanian State, using tactics as mass deportation of native Lithuanians and the implantation of Soviets into the area. In one 4-year period alone, beginning in 1944, over 350,000 people were forced to leave their native land.

I know that every American of Lithuanian descent feels the injustices heaped upon the land of their ancestry as deeply as I do. Despite continuing attempts by Soviet forces to break the spirit of Lithuanians who remain in their homeland, there are strong indicators that the people have not lost their taste for freedom. It is important that the people of the United States remember this through recognition and support for the right of self-determination for Lithuania.

PROBLEMS OF AIR CARRIER INDUSTRY

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. MILFORD. Mr. Speaker, most persons are unaware of the serious problems the air carrier industry faces today.

In a speech before the National Aviation Club in Washington last year, Mr. E. H. Boullioun, president of Boeing Commercial Airplane Co., discussed these problems and detailed possible solutions.

I share his remarks with my colleagues:

REMARKS OF E. H. BOULLIOUN, PRESIDENT, BOEING COMMERCIAL AIRPLANE CO.

Thank you, Jim, for your generous introduction.

Distinguished guests, members of the National Aviation Club and Aviation/Space Writers Association.

Last year about this time we at Boeing were doing our one-year and five-year business forecasts. When the data behind these forecasts was shown to me, I was shocked. It looked to me as if a very important public service and vital industrial segment of our country was being threatened. I called my staff together to develop a plan so we could show this data to the airlines, the concerned government officials, the unions and the media. At first, I got a very negative reaction. My salesmen didn't think I should meddle in the airline business. The industrial relations organization didn't think the unions would be concerned. The public relations staff didn't believe that this was anything that was of interest to the media. They did think, however, that the government officials should hear about it. After they got over their parochialism they went to work to provide this data and I believe most of you today have been exposed to it.

Basically, the data explains why the airlines will not be able to purchase enough aircraft during the next several years to meet both replacement and traffic growth needs. This, in turn, adversely affects public service, high value employment and our world market leadership.

The reason I am mentioning this is because what really happened was just the opposite of our first reaction. We found every organization was interested in the data and the problems that were posed.

The airlines started to work together on this common problem. The unions joined us by appointing an official to get the message into those areas where it would be effective. The networks, major newspapers and magazines have presented the data in a very constructive and objective manner. Even Congress and the Administration have been impressed with the data although I must admit they have yet to see the solution in the same sequence as we see it.

It has been 50 years since our government and industry joined together to create what has become the finest air transportation system in the world and probably the best public transportation system of all time. The system is unique. It provides the largest interconnecting network for passenger travel ever achieved. Its service has been developed to accommodate both the business traveler who is predominantly schedule conscious and the discretionary traveler who is predominantly price conscious. It provides this service with coach fares that cost only 40 to 60% of similar service provided nearly everywhere else in the world.

Recently, however, the first signs of weakness have begun to appear. During the last seven years our air transportation system has been severely tested.

First, the general economic condition of the country caused air traffic growth to drop dramatically. Nearly every forecast of the late '60s missed the extent of the economic recessions of this decade.

Second, there was a major change in service patterns: The proliferation of nonstop service between many city pairs. In the late '60s, the airlines, basing their equipment purchases on moderate traffic growth and a continuation of the hub spoke system, began ordering large wide-body aircraft. When traffic dropped and the hub spoke system was replaced by the proliferation of nonstop service, the big jets could not be filled. Because of the long lead time in their equipment purchase programs, the airlines were faced with considerable overcapacity which is just now disappearing.

Third, a new rate-making formula, known as the domestic passenger fare investigation formula, or DPFI, with unique efficiency features was employed in 1971. This formula, based upon effective utilization of capacity, hit the airlines at the worst possible time, that is the period of their greatest overcapacity. They had no way to adjust capacity to meet the formula and thereby qualify for higher earnings.

Fourth, a wholly unexpected tripling of fuel cost was incurred.

Penalized by this overcapacity and burdened with a phenomenal increase in fuel prices, the earnings of the carriers have been diminished to dangerous levels. And, for the first time in the jet age, the airlines faced with the requirement to replace existing aircraft and concurrently acquiring aircraft needed for growth.

These facts are well known to this group. I shall not belabor them but I think it's important to review them and the responses they have provoked.

I believe airline responses to these factors indicate that they managed their affairs with great prudence during this period and have been able to retain a high level of public service. But as I indicated in my opening statement, this has not been the opinion of some of the people in Washington, D.C. They believe the airlines have management inefficiencies and the entire air system structure is now under challenge.

For the past several years some people here have made the air transportation industry the target for more purposes than I could ever imagine possible. When the fuel crisis hit, the airlines—using less than four per cent of our nation's annual consumption of oil—became a primary target of the fuel savers. As inflation climbed, the airlines—with the lowest percentage increase in prices of any major service industry—became the primary target for cost savers who advocated even lower fares. As the public became more and more disenchanted with our growing bureaucracy, the airlines—administered by one of the smallest government agencies—became one of the primary targets for deregulation.

Regulatory reform has now become a major issue.

Consumer advocates and some members of Congress sponsor open competition among carriers in the belief that this would (1) lower fares, (2) drive out the inefficient operator and (3) allow many more people to fly. Another group, involving many business leaders and government officials, looked with

great disfavor upon the growing government bureaucracy. They decided that the regulation of transportation would be a good place to begin to cut back government involvement with industry.

These two moves toward regulatory reform have been supported to varying degrees by a third group, including some members of the air transportation industry. This third group believes that the rate-making processes as practiced for all forms of public utilities will never allow companies within those businesses to make a sufficient return on investment. Too, a common attitude among all these groups is that regulatory reform is needed for simply speeding up the decision processes.

What are the results of these pressures to date?

On the negative side—

(1) Air service has deteriorated.

(2) Several major airlines are struggling with enormous debts with little prospect of improving their financial positions for years to come.

(3) The U.S. airlines find themselves with an aging fleet of aircraft, the average age of all commercial aircraft flying today is 8 years, the value of these aircraft is declining and their operating costs increasing.

(4) No significant improvement is being made in decreasing total aircraft fleet noise or in moving toward the introduction of more fuel efficient aircraft.

On the positive side—

(1) Congress now has received several proposals for regulatory reform and considerable testimony has provided an unusual amount of data so that the impact of the various changes suggested can be appropriately considered.

(2) The Administration has released a new international aviation policy. This policy could provide better international service patterns.

(3) A proposal to provide front end incentive funds for the replacement of older noisier jets is now under consideration within the administration.

(4) The Civil Aeronautics Board has taken the first few steps toward route realignments and adjustments.

While each of these positive steps may ultimately help the carriers, none of these actions squarely face the basic problem underlying the negative results. The airlines are just not achieving adequate earnings or an appropriate return on investment.

Their performance, as measured against other public utilities, other airline operations elsewhere, or by the attitude of most of the people they serve, suggests that they have been doing a superior job.

In my travels and contacts throughout this country, I have detected no significant public outcry over airline service or airline fares. I have not seen a solid case presented by anyone, anywhere, that proves that the airlines should be denied a just and reasonable return on their investment.

In fact, in a recent U.S. News and World Report survey, the airlines were ranked number one as the most respected business in America. Only in Washington do I ever hear that adequate fare increases are politically unacceptable.

I detect a feeling that until some airline fails—outright fails, that the Congress and the CAB are afraid that they can't defend themselves against charges of protectionism.

The whole thing is unreal to me.

As a matter of fact, the record of the CAB is strong defense against charges of protectionism.

Be that as it may, the task of the people in this room is to help fashion an improved public air service system. So, let's go to the basics. Marketing techniques can be changed, methods of capital investment can be altered but always, always there must be an adequate return to pay for the service.

Subsidies, we know, are a poor substitute. In this country we have learned that subsidies work most effective when promoting growth and work least effective when trying to salvage a business or system that has failed. To me, it's very clear that all other actions for improvement will fail unless the airlines are allowed to earn an adequate rate of return.

Varying estimates have been made as to the capital needs of the U.S. carriers between now and 1985. If we average our own forecasts with those of other authorities, it looks like the airlines will need about 45 billion dollars through 1985 for aircraft purchases relating to replacement and growth. About half of that, or up to 25 billion dollars will have to be provided by the carriers themselves with outside financial sources providing the remainder.

Whether the outside capital is provided by private sources or, Lord forbid, the federal government, either party will demand certain assurances that its investment is protected. The first assurance required will be that the carriers can achieve appropriate earnings. Second, the investor will also require reasonable assurance of market stability.

So let's put market stability into perspective. First, one has to recognize the real basis for investing in an airline. The government awarded franchise is the cornerstone of an airline's economic position. I have not heard regulatory reformers fully explain what mechanism will replace these route franchises.

Again, in regard to market stability, the air carriers must have some assurance of the markets which they will serve. The current trend to greater charter operations, if carried too far, will undermine the dual purpose service now provided by the scheduled system.

Low cost charter service may be good for vacation-oriented travel. But the record to date strongly suggests that it will never provide for adequate low cost travel to nonvacation destinations. Most of our cities fall into that category.

Scheduled service versus charter service is one form of market division. Within the scheduled service there can be the increase or decrease of competitive service on a given city-pair route. New routes can be added. What has not happened in the past but should happen in the future is for excess competition to be eliminated where the market will not support it. The public deserves a choice in carriers but it seems to me when competition does not allow any airline to carry an adequate amount of traffic to pay for its service, then a portion of that competition should be eliminated.

Let me clarify the two basic actions necessary to restore economic health to the airlines.

(1) The airlines must be allowed to earn an adequate return on investment.

(2) There must be a good program of route realignments which will provide good service and reasonable stability.

As manufacturers of commercial jet aircraft these factors are as important to us as they are to the financial community, which in the end serves us both.

The lack of earnings by U.S. carriers has seriously impacted our nation's aircraft manufacturing industry. At Boeing we have been the most fortunate because we have had the one aircraft—the 727—which has continued to be purchased by U.S. carriers. As a matter of fact, if it were not for foreign sales, it is my belief that the production of every other commercial jet, except the 727, would have ceased by now.

This heavy reliance upon foreign sales, while making a major contribution to our balance of trade and helping us to retain at least a strong core of our aerospace workforce, is not without its difficulties. Certain foreign governments, who have authorized their national carriers to purchase significant amounts of American equipment, are now demanding greater participation in the production of that equipment. The lack of U.S. sales increases their leverage in these discussions.

We recognize that there must be greater international participation in the development and production of commercial jet aircraft. We know that there will be more jobs here in America if we are able to retain a substantial portion of the world market. Foreign purchases tend to complement the U.S. purchase cycle. They provide us with greater continuity in our production rates. In turn, this adds stability to our workforce and enables us to improve our production efficiency with time.

That cycle could be broken unless U.S. carriers return to the financial position whereby they can continue to lead in the purchase and introduction of new aircraft.

This is one of the fundamental reasons why we at Boeing have elected to take such a strong active role on behalf of the U.S. airlines.

There are three basic types of commercial airplanes—long range, medium range, and short range. The long range airplanes through 1990 will be the 747, DC10–30, and L–1011. The open medium and short range market consists of new technology aircraft that are quieter and with lower fuel burn. These new aircraft are replacements for the 727, 737, and DC–9.

Good public service demands more fuel efficient and quieter aircraft. The development of this kind of aircraft cannot be launched without firm commitments from two or three major U.S. carriers.

Should our industry continue to falter, I know that a European consortium sooner or later will develop and produce this type of airplane.

The risk we are facing, should this happen, is the loss of one-third or more of the world market of jet aircraft, loss of thousands of high paying jobs, and the loss of leadership in commercial jets.

That's a high price to pay, but I assure you continued penalization of our airlines will exact that price from our nation.

Another critical point——

We must not let the prospect of improved airline earnings this year and the recent increase in aircraft orders lead us to believe that our difficult days are over. This near-term improvement looks good because of the poor condition from which the trend has developed. It will take many years of even greater airline earnings before one can say that the air transportation industry is again on its way. You remember that I indicated earlier the carriers themselves will have to come up with 25 billion dollars through 1985 in order to continue the service that is necessary.

All of us need to bear down, work together and follow through to make certain that near term improvements will evolve rapidly into an estabilshed program to assure a longer term healthy condition.

Air transportation, as I said earlier, is a vital public service industry. The term public service refers not only to our treatment of the public but also to the manner in which we organize and manage to bring about that service.

I believe that the best service can be maintained by retaining certain characteristics within our air transportation system and industry. Any proposed changes to our system should be weighed carefully to make certain they help to retain the following characteristics.

To the greatest extent possible I believe we should——

(1) Utilize private industry in all segments.

(2) Continue to maintain a scheduled air

service system designed to accommodate both time-sensitive and fare-sensitive travelers.

(3) Provide a choice of carriers to the potential traveler or shipper.

(4) Have the user pay for the service.

(5) Encourage the development of competitive aircraft.

These characteristics, in my opinion, have been instrumental in making our air transportation industry the finest in the world.

Two of these characteristics relate to competition. Competition can be visible as a football game or as subtle as a wink. Still, there are limits to competition if it is to be used effectively and serve us beneficially. However, in the air transportation industry competition has served us well. Passengers and shippers profit from a choice of carriers. Carriers profit from the choice of equipment. Equipment manufacturers profit from a choice of markets.

In every phase of our business it seems to me that the short term duplicative costs of competition are usually outweighed by the longer term improvements in performance and efficiencies.

For example, let's go back to the original 707/DC-8 competition. Boeing led with the prototype DASH 80. Douglas offered a wider body. Boeing increased the body diameter. Douglas offered intercontinental range. Boeing countered with two versions of the 707, one for domesitc and one for international. Boeing and Douglas reacted to Convair by also offering a turbofan engine. Douglas then stretched the DC-8 providing more seats or cargo capacity. Boeing continues 707 production to this day with many other product improvements made along the way.

Or take the 737 versus DC-9. The British began by selling the BAC-111 to U.S. airlines. Douglas countered with a slightly larger DC-9-10. Boeing followed with the 737. Douglas brought out the improved DC-9-30. Boeing responded with the 737-200. Douglas countered with the DC-9-50. The DC-9 and 737 are selling well to this date.

In the foregoing examples both the customer and the public benefitted—the customer with increased performance and lower relative operating costs. The traveler—more jet service to more places at lower cost. In every instance, it seems to me, the airlines and the travelers have benefitted from this type of competition. Other competitions perhaps not quite so dramatic continue to this day.

My remarks today have dwelt more upon airline matters than upon manufacturers' issues. I have done so in the firm belief that our success is greatly dependent upon the health of our domestic airlines.

My emphasis upon airline earnings and relative market stability should not be construed as being opposed to regulatory reform. If regulatory reform will provide equal or better public service and allow for improved earnings and greater market stability—I'm all for it.

My concern about major regulatory reform is that no one has developed a total scenario that convinces me how to get from here to there. The real question is how do the airlines and the manufacturers survive the transition process. I'm not asking for a guaranteed process. Can we change the system from public to private franchises without great harm occurring to public service?

I think the airlines are being put in a position of a man on a high diving board standing before an empty pool. At poolside are numerous advisors yelling for the diver to jump with the promise that the pool will be filled by the time he reaches that level. In the case of the airlines I am not convinced that the water supply is secure or that the valves will be turned on in time.

Like the diver, it seems foolhardy to jump on faith because the risk appears too great.

In summary, two basic near-term actions transcend all others in my opinion to restore our air transportation system's economic health.

(1) Allowing the airlines to earn an adequate return on investment.

(2) There must be a good program of route realignments which will provide good public service and reasonable stability.

If we don't do these things immediately we won't ever get to try some of the new ideas developed in regulatory reform because the airlines will have gone the way of the railroads.

Finally, let me acknowledge that there are many people in this audience who long have espoused the cause of commercial aviation. I salute your efforts. I hope that my remarks today have provided some perspective to the problems we face and the priorities with which we must address them.

Our industry has a record of great public interest. We can increase that service and benefit tenfold if we pursue a practical course in recognizing market requirements of the future and industry requirements of today.

Thank you.

LITHUANIAN INDEPENDENCE DAY

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. CORCORAN. Mr. Speaker, all over our country today, Americans of Lithuanian descent are celebrating the 59th anniversary of the reestablishment of Lithuania as an independent nation. This commemoration is all the more meaningful because today, Lithuania is under the alien domination of the Soviet Union.

Throughout its history, Lithuania has been forced to endure the harsh yoke of outside domination many times. Until 1915, it was under the domination of the Russian czars. The Germans conquered it during World War I. Then, in 1940, after a brief period of independence, the Lithuanians were once again conquered by the modern day czars of the Soviet Union.

In spite of this adversity, the Lithuanian people, both at home and abroad, remain a strong, spirited people, dedicated to securing, once again, the independence of their homeland. Their struggle belies the Russian propaganda, which says the Lithuanians are happy as a Soviet puppet. Those who know the Lithuanian people know that this is not, and never will be, true.

The light of freedom burned brightly in Lithuania for only a short time, but even today, that light has not been extinguished. The people of Lithuania still cherish freedom, and they still search for it—the very freedom we sometimes take for granted.

The central principle in our American way of life is that human rights must be respected, and that human freedom—religious, economic, and political—must be preserved. So, as defenders of freedom, we join today with the people of Lithuania in celebrating the 59th anniversary of their independence and the 726th anniversary of the founding of Lithuania. In so doing, we celebrate freedom everywhere, and rededicate ourselves to its preservation.

EXTEND HEALTH SERVICES PROGRAMS

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ROGERS. Mr. Speaker, I am today introducing legislation, cosponsored by most of the members of the Subcommittee on Health and the Environment, which would extend for fiscal year 1978 the authorizations of appropriations for those health programs which expire September 30, 1977.

The Health Services Extension Act of 1977 would extend the authorizations of appropriations for the following programs: grants to the States for comprehensive health services, hypertension, migrant health centers, community health centers, family planning, sudden infant death syndrome, hemophilia treatment centers, blood separation centers, community mental health centers, maternal and child health, and home health services.

The Biomedical Research Extension Act of 1977 would extend the authorizations of appropriations under the National Cancer Act, the National Heart, Lung, and Blood Act, and the National Research Service Awards Act.

The Health Planning, Health Services Research, Statistics and Medical Libraries Extension Act of 1977 would extend the authorizations of appropriations under the National Health Planning and Resources Development Act of 1974 and would extend the authorizations for health services research, health statistics, and medical libraries.

A simple, 1-year extension of these expiring programs without substantive amendments will provide the new administration as well as the interested public with the opportunity to carefully review these programs and make recommendations to the subcommittee with respect to possible future revisions. Thus, the proposed legislation authorizes the continuation, but not the substantial expansion, of programs under the Health Services Extension Act, the Biomedical Research Extension Act, and for health services research, statistics, and medical libraries by extending these well-established programs at authorization levels of 115 percent of fiscal year 1977 appropriations. This figure is intended to take into consideration inflationary factors.

Because the National Health Planning and Resources Development Act of 1974 is not yet fully implemented, it is my judgment that, rather than basing fiscal year 1978 authorizations on last year's appropriations which reflect a level of support based on preliminary implementation of the law, the authorizations of appropriations for this act be set at the fiscal year 1977 authorization levels. This level of funding would allow the program to develop during fiscal year 1978 to the extent anticipated when this new authority was enacted in 1974.

Hearings on these measures have been scheduled for February 22, 23, and 24, 1977.

A LESSON OF LEADERSHIP—JAMES EDGAR BROYHILL

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RHODES. Mr. Speaker, the January issue of Nation's Business had an article showing a fine example of the American dream being realized through hard work and the determination to succeed. Of added interest, it is a tribute to James Edgar Broyhill, the father of our colleague, Hon. JAMES BROYHILL of North Carolina. For the benefit of my colleagues I am inserting excerpts from the article at this point in the RECORD:

TRIBUTE TO JAMES EDGAR BROYHILL

A colorful part of the lore of American business is the recurrent story of the poor youth who leaves the farm and builds an industrial empire.

Romantically overdrawn?

Not a bit, as witness the life of James Edgar Broyhill, 84-year-old chairman of Broyhill Industries, a home furniture manufacturer based in Lenoir, N.C.

Ed Broyhill was 21, with a sixth grade education obtained in a one-room schoolhouse, when he decided he had "followed the mule" long enough. He left the family farm to get more education and went on to a career of striking success in the business world.

His company has 16 plants and annual sales of $200 million.

He is a humble man, says his son, Paul, chief operating officer and president of Broyhill Industries. "But I do think my father is a living example of the American dream. Our company's growth shows what one country boy can do."

Mr. J. E., as many employees call him, walks at a rapid pace, leaning forward as if he were perpetually reaching for a finish line and as if he expected to get there first.

He is in the office from eight to noon five days a week, before heading for a golf course to play his daily 18 holes.

He was born in Wilkes County, N.C., the youngest of six brothers and three sisters, and his early life was one of toil from dawn to dusk.

In Mr. Broyhill's office today there are reminders—an anvil, a model of a farm wagon, and an ancient piece of wagon equipment. His earliest excursions from the farm were in a similar wagon. Now he is flown in a Learjet, or he drives a black Cadillac that often is caked with dust from rural roads.

He delights in going back to the old farm, which is still in the family, to reminisce and to show by the tree lines the course of the rutted road that led to Lenoir in his boyhood. It was on this road one day in 1913 that he hitched a ride on a lumber wagon to embark on a new life.

With $5 in his pocket, he headed for Boone, 40 miles away, to enroll in the Appalachian Training School as a seventh grader. Within 13 years, he had started his own furniture manufacturing business.

He has built a company that provides more than 6,500 jobs and is a significant economic force in western North Carolina.

A remarkable facet of the growth of Broyhill Industries is that it has been accomplished with internally generated capital. The company is privately owned and has not taken the merger route to growth.

Mr. Broyhill's younger son, James T., an eight-term congressman from North Carolina, says his father's success is due in great part to fierce competitiveness and hard work, combined with faith in people.

A man equally at ease with national political leaders and with production workers in his factories, Mr. J. E. is on the boards of directors of a number of firms, and he is active in civic and religious organizations. He is known for philanthropies.

Ed Broyhill and his wife, whom he married in 1921, live in a spacious hilltop home not far from his company's headquarters. In addition to the two sons, there are two daughters—Mrs. W. E. Stevens, Jr., and Mrs. Willard A. Gortner. Mrs. Stevens's husband is executive vice persident of Broyhill Industries.

In an interview with a Nation's Business editor, Mr. Broyhill talked about his life, career, and business philosophy.

Let's talk about your early years. What was your ambition as a youngster?

I don't recall having any. My life on the farm consisted mainly of hard work, and that didn't leave a lot of time for daydreaming. I had to do everything on the farm. I remember doing the blacksmithing. We made our own waterwheel for power to grind corn and cut timber.

When we weren't in the fields, we would haul timber with our team of mules and wagon. We had a few apple trees, and I remember hauling those apples to Charlotte. That's about 60 miles. Sold them right out of the wagon, and when they were sold, we headed back home.

Did you put yourself through school at Boone?

Had to. My family didn't have any money. When I left home, my father gave me $5, which was a lot of money in those days for us.

How did you get into the furniture manufacturing business?

After I was mustered out of the Army, I came back to Lenoir, and I didn't have any specific plans. I had decided not to go back to school. So, while I was thinking, I started hanging around my brother Tom's factory, the Lenoir Furniture Corp.

When I was in the Army, I had learned to type. Well, my brother's office manager found out I could type, and I started typing letters for him. He would sit beside me and dictate. I could type about 60 words a minute. Then, as time went by, he taught me to do bookkeeping.

What was your salary?

The first year, my brother said nothing about paying me.

Did the subject of money ever come up with your brother?

He never mentioned it that first year, and I didn't either. I was too embarrassed. Anyway, at the end of the year, he gave me a check for $1,800. That was good money in those days. After that, I started getting a $150 check each month.

Didn't you go into sales for your brother as well as office work?

Yes. I would go out into the little towns around Lenoir and sell. My first big trip came in 1922, when I went to New Orleans. By that time, my brother's factory was making bedroom suites, and we had an idea for a glass door chiffonier. The plants superintendent sketched it out on the top of a cardboard shoe box, and I took that with me as a sales brochure.

How did it go?

I sold three or four carloads. In those days, that was a tremendous sale. Well, it made quite an impression on my brother. That was what I was trying to do all the time—impress him. After that, I started handling the sales force as well as working in the office.

Were you a natural salesman?

Selling didn't come easy for me. It took a considerable amount of bucking up of my courage for me to go in and make a call, particularly a cold call. That was the greatest obstacle I had to overcome, and I did it the way I always overcame obstacles—hard work and determination to succeed.

When did you start your own business?

My brother and I worked together until his death in 1955, but I started my own company in 1926. By that time, I had paid for my house, and I was able to borrow $5,000 on it to start the Lenoir Chair Co.

I rented an old blacksmith and buggy shop for $15 a month. With eight employees, I began making upholstered chairs, and later, living room suites. My brother's salesmen became my salesmen, too. It was good for them, because it gave them a line of living room suites to sell along with the bedroom suites my brother's plant was making.

I must have had about 100 employees. Somehow, we managed to stay in business, but I can tell you that the Great Depression was the worst period in my life. I had little capital to exist on, but we all worked hard and even expanded.

Expanded?

In 1932 a company went bankrupt that had a very modern factory. My brother, myself, and a couple of other fellows bought it for about ten cents on the dollar. This factory had good machinery, 75,000 square feet of floor space, and 60 acres of land.

My partners weren't interested in doing anything with the plant for a couple of years, and I finally went to them and offered to take over the plant and reimburse them for all expenses. They turned it over to me immediately. It cost me $19,000. Today, it would cost several hundred thousand dollars.

I started operating the factory in January, 1935, and pretty soon had about 100 people employed there. After that, I just kept expanding, but capital was a problem. Up until 1938, my brother had to endorse my notes at the bank.

When did Broyhill Industries come into being?

Initially, we simply called ourselves the Broyhill interests. My brother owned the Lenoir Furniture Corp., and I owned the Lenoir Chair Co. In 1930, we invested in another furniture company and began working as partners. There weren't any titles. We were very informal.

In 1935, we combined our two offices, and then in 1936 my brother suffered a heart attack and went into semiretirement. After that, I managed his businesses and mine. In 1943, we combined all the sales staffs into an agency we called the Broyhill Furniture Factories. The overall operation was fully combined and named Broyhill Industries last year.

How did you manage to survive and expand while other furniture manufacturers were going bankrupt in the Depression?

There were many times when we weren't sure we could keep on, but not once during those years did we fail to show a profit and grow. However, up until I was able to get that $100,000 bank loan, it was hand to mouth.

Did you every worry about the risks you were taking?

Oh sure, some. But I was determined to succeed and willing to put in the hard work that was necessary.

I think the best leadership is by example, and I always made it a point to work harder than anyone else. All of our people worked hard, too. Many times we would come back at night and work.

When was your next major expansion?

All during the Depression I would attend auctions of bankrupt plants and buy machinery and equipment at a fraction of their original cost. Then I would expand one of the plants to accommodate those purchases, and I would add a few workers and a few salesmen. That was the slow way to do it.

But with capital and credit scarce, that was the only way.

I guess the biggest risk came in 1941, when I bought two factories at the same time and put them into operation. My brother said I was out of my mind. The next year, I bought a couple more, so that we had six furniture factories.

In the years since World War II, we have added more plants, to make us the second largest furniture manufacturer in the nation. We are the largest privately owned manufacturer. Our sales would have been around $200 million last year, but they weren't because we had a plant burn down.

How would you sum up the business philosophy that has guided you up the ladder of success?

I have always given the most I have, whether in product value or service—which is usually more than the customer expects and more than my competitors are willing to give. This philosophy has seen me through some very trying times.

Has religion been an important factor in your life?

Always. Every day, I read a chapter in the Bible. Most of my reading is religious literature. The Bible is the greatest book ever written.

Thousands of books have been written on how to manage people, but none of them is as good as the Bible.

You have remarkable stamina. Has that been one secret of your success?

Unquestionably. In my early days in business, I would work as a salesman during the day and do the bookkeeping and office work at night. On the side, I sold insurance for a while and dealt in lumber.

One thing that has always helped is the ability to take a short nap and wake up refreshed and ready to go. For a while, I had a driver, and I would take naps between sales calls. When I was traveling by train, I would do my traveling between cities at night and work during the day.

What qualities have you looked for in selecting your managers?

I have always looked for reasonable intelligence. However, attitude—desire and willingness to work—has always impressed me more than education or intelligence.

What is the most effective way to get the most out of people?

First, you have to pay them well. Also, you have to be nice to them, not be offensive. Cooperate with them. I believe in giving a man a job and then having confidence in his doing it. I have always given a man a chance. A few have failed, but most have succeeded.

What about mistakes? How do you react?

Anyone can make a mistake. I expect people to learn from their mistakes. I make it clear, however, that they shouldn't make the same mistake again.

When it has become necessary to fire someone, have you found it difficult?

Always. But you must have an element of toughness in order to be a successful businessman. When it becomes necessary to make those kinds of decisions, you have to make them. You can't straddle the fence and be successful.

What do you consider the most satisfying aspect of your business career?

Overall, I suppose the most satisfaction in my career has come from seeing the business grow and provide benefits for more people, as well as witnessing the growth of people in the business.

What has been your biggest disappointment?

Witnessing the gradual encroachment of government upon the business sector and agonizing over the decline of freedom of initiative in this country.

Is there as much opportunity today as there was when you started?

There is certainly more opportunity to make a good living today. However, government regulation makes it harder to start a business and succeed than back then.

Business today has a somewhat tarnished image. What should business people do to change that image?

Businessmen of my acquaintance are very much aware of the adverse public opinion regarding business and are very disturbed about it. We regret that we have been so busy running our businesses that we have not taken the time to tell the public what great benefits business brings to them.

Perhaps we should spend a little less time creating those benefits and a little more time telling the people about them.

KOSCIUSZKO'S BIRTHDAY

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Ms. MIKULSKI. Mr. Speaker, on February 12 the Nation observed the anniversary of the birth of Tadeusz Andrzej Bonawentura Kosciuszko, the Revolutionary soldier and Polish patriot. Born in 1746, he was studying in Paris when the announcement of the American Revolution insired him to borrow money to enable him to come to the Colonies to aid in our fight for independence. Upon his arrival in Philadelphia in August 1776, he applied to various committees for appointment to service. The Pennsylvania Committee of Defense employed him to draw up plans for fortifying the Delaware River. The success of this work gained him a commission as colonel of engineers in the Continental Army—October 18, 1776. In the spring of 1778, he joined the Northern Army under General Gates at Ticonderoga, where he advised the fortification of Mount Defiance. Kosciuszko's choice of battlefields and his erection of fortifications contributed greatly to the brilliant victory of the American forces over Burgoyne at Saratoga.

In July 1974, after a successful career in the Continental Army, he left the United States for Paris and from there he returned to Poland. After 4 years of rural retirement, in October of 1789 he became major-general of the Polish Army. During the spring of 1792 he led his army in its brave resistance against the Russians and 2 years later led the famous rising which culminated in the expulsion of the occupying forces. At that point, he became leader of his country and promulgated series of liberal reforms until his nation was reoccupied by the Russians.

In August 1797, he returned to America where he continued his brave but futile efforts for Polish freedom. He settled in Ohio where he had received a 500-acre land grant from Congress. He was a strong supporter of the abolition of slavery.

Kosciuszko's brave defense of his country and his aid in liberating our Nation has made him a national figure of importance for all Americans.

DEAUTHORIZE THE TOCKS ISLAND DAM

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mrs. MEYNER. Mr. Speaker, today I am introducing legislation to deauthorize the Tocks Island Dam Project and to transfer responsibility for the Tocks Island Area, in northwestern New Jersey, to the U.S. Department of the Interior for administration as a national park.

There are many good reasons for this bill, all of which were brought out during the last session of Congress.

The Tocks Island project has been the object of 15 years of heated debate. The U.S. Army Corps of Engineers in 1962 proposed to build a dam on the Delaware River that was to have been 160 feet high and 3,000 feet wide. This plan, the eighth largest of any of the corps' massive undertakings, would have created a 12,000-acre reservoir extending 37 miles upstream, and would have inundated some 32,000 acres of farmland, forests, and gamelands.

While some pointed to the hydroelectric and water resources that could be gained, the project has become increasingly cost-ineffective; expense of the project has now spiraled well beyond the $400 million mark. An independent study has pointed to the grave economic and environmental problems that would be caused by construction of the dam.

In 1975, the Delaware River Basin Commission, comprised of the Governors of New Jersey, Pennsylvania, Delaware, and New York, and the U.S. Secretary of the Interior, voted not to construct the dam. Subsequently, the U.S. Army Corps of Engineers withdrew its support and, in fact, called for the deauthorization of the project.

Mr. Speaker, we are still in a state of limbo on this issue. The major governmental groups, environmentalists, and the Army Corps of Engineers have all opposed construction of the dam. Yet, the legislation necessary to accomplish this has languished in the Water Resources Subcommittee of the House Committee on Public Works and Transportation.

Mr. Speaker, this delay in deauthorization of the project is unacceptable. Many residents in the 13th Congressional District are personally affected by the indecision over Tocks. Only 71 percent of the land for the Tocks Island Dam project had been acquired before the Army Corps ceased land acquisitions. This left some 19,700 acres of private property unbought, and essentially valueless to the owners until deauthorization becomes official.

My constituents have suffered long enough. In order to begin to repair the severe economic and personal damage done by the 15-year fight over Tocks Island, it is imperative that Congress:

First, enact legislation to deauthorize the Tocks Island Dam Project;

Second, authorize the establishment of the Federal park area; and

Third, authorize immediate acquisition

of lands affected by the Tocks Island project, for inclusion in the national park area.

Mr. Speaker, the bill I am introducing today does all three things. I urge it to the favorable attention of all my colleagues, and ask for its speedy passage.

FEDERAL PAY RAISE

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. GLICKMAN. Mr. Speaker, last Wednesday, February 9, 1977, I testified before the House Committee on Post Office and Civil Service's Subcommittee hearings on executive, legislative, and judicial salaries. My testimony dealt primarily with the strong conviction I wanted to share with that committee, and the conviction I want to share with my colleagues today, that the Congress should have the opportunity to vote on its salary.

First and foremost I stated my opposition to this raise and any raise in general at this time of high unemployment and rising inflation. Second, I stressed then, and will stress again, that for or against, good or bad, this issue is one that should be heard on the floor of the House of Representatives and then voted upon by those who will be affected by its implementation. While I personally am against the raise—I ran for Congress knowing that the salary for the job I wanted was $44,600 and do not feel that the job, at this time warrants a $12,900 raise—I would be anxious to hear the arguments of my colleagues who disagree.

They might just change my mind; and, in my mind that is what the democratic process is all about. We owe it to ourselves, our constituents, and the entire Nation, to deal publicly and honestly with this issue.

Following are the remarks I submitted to that Post Office and Civil Service Subcommittee last Wednesday. Although they may convince none, they fulfill the minimal qualification of openness I feel is essential to democracy.

REMARKS OF REPRESENTATIVE DAN GLICKMAN

Mr. Chairman: Today I wish to reaffirm my opposition to the proposed Congressional pay increase.

During the first several weeks of this Congress we have had the opportunity to fully consider and vote on minimal funding for the operation of the Select Committee on Assassinations and for a $6.5 million emergency appropriation for the Southwest Power Administration.

I believe that it is essential that the Congress should similarly have the opportunity to discuss, amend, and vote upon this proposed pay increase which, at the present level, would require an additional authorization of at least $6.9 million. Surely, Congressional precedent calls for a vote on an authorization of this magnitude.

I have co-sponsored resolutions to disapprove the proposed increase. I have previously made my feelings known to the then President-elect Jimmy Carter. For the record, I wish to submit a copy of my letter to him dated January 17, 1977.

Should the increase become effective, I urge that it be tied to a strong code of ethics.

Thank you for the opportunity you have provided me to make these remarks.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 17, 1977.

President-Elect JIMMY CARTER,
Plains, Ga.

DEAR PRESIDENT-ELECT CARTER: I wish to ask your reconsideration of your support, as reported in the media, of a substantial congressional pay increase. I oppose such an increase at this time.

While I recognize that congressional salaries, as well as salaries of other high government officials, have not kept pace with the cost of living, I believe that now is not the time to burden the public with an increase in Congressional salaries. We are faced with an unreasonably high unemployment rate, and inflation continues to be a cancer on our economic growth. It is up to Members of Congress to set a personal example of belt tightening at this time.

Secondly, and perhaps more significantly, a congressional pay increase is entirely inappropriate until Congress adopts a code of ethics. I believe the code of ethics should have the force of federal law to prevent the abuses of illegal and questionable payments to members, which have received so much national attention lately. How can our people have confidence in any of our institutions until such a time as our own house is in order. A congressional pay raise, if needed, should be considered and fully debated by the Congress, only after such a code of ethics is adopted.

This issue is very important to the American people and the people of my district. I respectfully request that you give consideration to the thoughts contained in my letter, in light of our need to restore dignity and trust to the American political system.

I am glad to be part of the system which makes our American government work, and am particularly excited to work with you in this endeavor.

Sincerely,

DAN GLICKMAN,
Member of Congress.

A WYOMING TRIBUTE TO ARIZONA'S BILLIE HART

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RONCALIO. Mr. Speaker, today I would like to pay tribute to an energetic woman who possesses a good deal of ingenuity, Ms. Billie Hart of Kingman, Ariz.

Billie has a message for the American people about the livestock industry and its marvelous, often lifesaving, byproducts. As a 4–H Club beef leader with 13 members in her group, she wanted to be able to assure these young people that their project animals provided more than a meal.

After much research, including visits to slaughter houses and packing plants, Billie now makes public presentations throughout the Southwestern United States. She has assembled an exhibit entitled "A Steer Is Not All Steak," which describes the many practical items produced from the hide, bone, blood, and organs of cattle, sheep, and swine. Billie is most impressed with the role played by these animals in scientific research and the success of many scientists in developing effective medicines from what was once considered a waste substance.

Ms. Hart feels that all those individuals involved in the raising and processing of the animals making so much research possible should receive the recognition they deserve.

I believe that it is Billie Hart who deserves much of that recognition for her part in bringing this valuable topic to the public's attention.

LITHUANIAN FREEDOM

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ANDERSON of California. Mr. Speaker, February 16 is an important date to many of our citizens of Lithuanian descent. For on that day the Republic of Lithuania was founded in 1918.

One of the Baltic States, Lithuania has a long and proud history as a free nation. Although today it has been absorbed into the Soviet Union along with its neighbors, Latvia and Estonia; men and women of Lithuanian descent have kept their sense of identity and ethnic heritage strong, and still believe that the Baltic nations should be allowed to choose their own destiny.

The history of Lithuania as a free and united nation goes back to 1251, when Mindaugas the Great unified a number of small principalities into the state of Lithuania. Located on the shores of the Baltic Sea, Lithuania was repeatedly invaded by major European powers through the centuries, especially Germany and Russia.

From 1918 to 1940, the Baltic States held their rightful place in the world community of independent nations. However, on June 15, 1940, the Soviet army occupied the three small nations shortly after its ally, Nazi Germany, invaded Poland.

Within a year, Hitler turned on Russia and invaded the Soviet Union. In late June 1941 Lithuanian patriots rose up, overthrew the Soviets, and established a provisional government. This last, brief period of freedom lasted for about 6 weeks before history repeated itself, and the Lithuanian nation was crushed by German troops.

After World War II, Lithuania, Estonia, and Latvia were absorbed by the Soviet Union. Despite organized resistance by Lithuanian freedom fighters as late as 1952, the small nations simply were no match for the strength of the Soviet Army.

Throughout history, the Baltic States have managed to retain their fierce spirit of independence and national pride despite adversity, and the present period of occupation and repression by a foreign power has proven to be no exception. Today, Baltic Americans retain their heritage and sense of identity with their former countries, believing that the freedom we enjoy as Americans should

be the right of people from every nation. And perhaps as a result of this, they value and appreciate many of the rights and privileges we enjoy more than others.

Mr. Speaker, I would like to take this opportunity to commend our many citizens whose antecedents are from the nations of Latvia, Estonia, and Lithuania, and express my sincere hopes that the future will see these nations independent and free once again.

CONGRESSIONAL PAY RAISE DEFERRAL GETS EDITORIAL SUPPORT

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. WHALEN. Mr. Speaker, on the first day of this Congress I introduced the Congressional Pay Raise Deferral Act, H.R. 1365.

As you know, the main point of this legislation is to provide that any increase in congressional salary shall be deferred until the start of the Congress following the one in which the pay raise is approved. This is intended to bring an end to the blatant conflict-of-interest situation in which we find ourselves whenever we must consider the issue of our own salaries.

I am pleased to note that the Congressional Pay Raise Deferral Act now has over 80 cosponsors in the House.

More importantly, though, the bill has attracted an increasing volume of favorable public attention. In addition to the numerous letters of encouragement I am receiving from various parts of the country, I have also received copies of several recent editorials that support passage of the Congressional Pay Raise Deferral Act.

At this point in the RECORD, Mr. Speaker, I would like to insert four items. They are: First, an editorial from the Sunday World Herald, Omaha, Nebr., dated February 6; second, the transcript of an editorial that was broadcast on February 8 by television station WDBJ in Roanoke, Va.; third, an editorial that appeared in the Dayton, Ohio, Journal Herald on February 9; and fourth, an editorial that the Toledo Blade ran last month:

[From the Sunday World-Herald, Feb. 6, 1977]

DEFERRING PAY RAISES: BILL WOULD AVERT CONFLICT-OF-INTEREST CHARGES

Rep. Charles W. Whalen Jr., R-Ohio, is cosponsoring a bill dealing with congressional salaries that should be passed.

It is called the Congressional Pay Raise Deferral Act. Forty-five other lawmakers have joined the Ohioan in urging approval. Included are Reps. Charles Thone of Nebraska and Mike Blouin and Tom Harkin of Iowa.

President Ford recommended that Congress raise the pay of its members from $44,600 to $57,500. Unless the House or Senate say "no," the raises automatically go into effect about mid-February.

The Ford budget also provides substantial hikes for federal judges and other top officials, but these salaries would not be included in the Whalen proposal.

The deferral act would postpone any increase in congressional salaries until the start of the Congress following the one in which the increase is proposed and approved.

"With this simple change in the statutes, we would no longer be acting to our own immediate advantage, but would instead be deciding the salaries of those who are elected to serve in the next Congress," Whalen said in the Congressional Record.

"In this way, we can remove ourselves from the awkward conflict-of-interest situation in which we are now trapped and also would be giving our constituents a fair and timely opportunity to pass judgment on the wisdom or folly of whatever we decide regarding pay increases for congressmen," he added.

Whalen said it strikes him as being "rather unseemly" to have to vote, year after year, on a matter that is to his direct, personal benefit or detriment.

Whalen said he believes the proposed pay increases are necessary and justifiable but the question of "when" should be settled.

Whalen checked the constitutions of the states and found 37 where legislators are prohibited from raising their own salaries during their term of office. Nine of these states, including Nebraska, have the salaries of state senators fixed in their constitutions.

The Ohio congressman found that around 85 per cent of the House members come from the 37 states.

(Omaha's City Charter provides that no salaries of elected officials can be raised during a term of office—only at the start of a new one).

Whalen is right in that the congressional method raises a clear conflict of interest question.

An election following approval of a pay raise would, in effect, give the public a chance to review the decision. The bill has a worthy purpose.

EDITORIAL WDBJ TELEVISION, INC., FEBRUARY 8, 1977

Come February 20th, without a recorded vote, unless either the House or the Senate vetoes the proposal, Congress will have given itself a hefty pay raise of almost $13,000 per member for a yearly salary of $57,500.

Perhaps they deserve it and perhaps not. There is, however, a right way and a wrong way of raising Congressmen's pay. Congress has chosen the wrong way. The right way is a bill introduced by Congressman Charles W. Whalen, Jr., of Ohio. It's called the Congressional Pay Raise Deferral Act. It is based on the fact that 37 states, including Virginia, prohibit their legislators from raising their own salaries during their term of office. The Whalen Bill would have Congress do likewise.

Now that seems eminently fair and sensible and WDBJ-Television heartily endorses Congressman Whalen's legislation. Indeed, we note that Joseph Fisher of Northern Virginia was the only member of the many self-styled "fiscal conservatives" of the Virginia delegation to co-sponsor the measure. Here's a golden opportunity for the rest of Virginia's Congressmen to jump on the bandwagon. There they will join Senator Harry Byrd who says that right now, "a pay increase for Congress is the worst possible example to the nation."

[From the Dayton Journal-Herald, Feb. 9, 1977]

CONGRESSIONAL PAY: BILL TO DELAY EFFECTIVE DATE IS DESIRABLE

U.S. Rep. Charles W. Whalen Jr. has devised a reasonable plan for restoring a measure of propriety to the procedure Congress has devised to give itself raises.

Congress has relieved itself of the responsibility—and the politically distasteful task—of voting pay raises for itself by creating a commission on federal salaries, which makes recommendations on executive and congressional salaries. If the president accepts the recommendations and includes them in his budget—as former President Ford did—the salary increases become law automatically unless one of the two houses of Congress rejects the recommendation.

We think the raises are warranted. The pay for federal judges, cabinet and subcabinet officials and senior civil service employes in Washington has failed to keep pace with inflation in recent years. And some government officials are being paid no more than their senior subordinates.

Congress has bought de facto support for its own pay increases by tying the salaries of the federal judiciary and the executive branch to congressional salaries.

Rep. Whalen's Congressional Pay Raise Deferral Act would make the recommended pay boost effective in the Congress immediately following the one in which the pay increase was approved. As Rep. Whalen pointed out to his colleagues, 28 states, including Ohio, constitutionally prohibit legislative pay raises during the term in which they are enacted.

Whalen's bill is not a substitute for direct congressional voting on the pay issue, which we think desirable, but it would make congressional inaction under present conditions less self-serving.

[From the Toledo (Ohio) Blade, January 1977]

One of Ohio's freshman Congressmen, U.S. Rep. Donald A. Pease of Oberlin, has moved quickly—and with considerable courage for a newcomer—into the chronic controversy over legislative pay raises. He is co-sponsoring a bill (H.R. 1365) to bar federal lawmakers from receiving increases during the term in which they are voted.

As Mr. Pease noted, the Ohio Constitution contains a similar prohibition against interm raises; in fact, it applies to most elected officials in the state. And, the new Congressman said, "As one who has just left the Ohio Senate, I can attest to the wisdom of this provision." He believes the change would make raises for Congressmen—who, he points out, need periodic pay adjustments like other Americans—more acceptable than the present system does.

The Oberlin Democrat certainly deserves credit for trying to do something about the poor manner in which Congress generally has handled pay issues. We have urged repeatedly that the current procedure be altered because it invites backroom manipulation and allows the lawmakers to get increases without having to vote on them. And we certainly agree with the principle of banning in-term raises. . . .

Mr. Pease says the legislative salary issue is too much a "political football." But the lawmakers—both in Congress and in the Ohio Legislature—have only themselves to blame for that. It is not so much their right to reasonable and periodic pay raises as it is the sleazy deceptions and irresponsible methods they use that creates the poor image of them in the public's mind. No simple change in procedure will correct that; it requires basic forthrightness and fundamental integrity on the part of the lawmakers themselves.

H.R. 2500

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mrs. COLLINS of Illinois. Mr. Speaker, it is my fear that the passage of H.R. 2500, the emergency natural gas legislation is a substantial step in the direction

of deregulation of the natural gas industry. It authorizes through July 31 purchases of gas from intrastate markets by interstate buyers at unregulated prices. As each of us well recognizes, the structure of the natural gas enterprise in this country is inherently monopolistic. It is far from being a competitive industry and that characteristic alone is one that gave rise to national regulation in the first place.

While I strongly support those sections of this legislation which gave the President authority to declare a natural gas emergency thereby empowering him to transfer gas from one location to another through April 30, 1977, if there are severe shortages endangering the supply for use in a residence and/or use necessary to protect life and health, I see no need to deregulate through July 31.

H.R. 2500, in its failure to place a cap on the price that can be charged for any emergency gas made available to those currently in need, permits the price of this gas to rise without limit.

The measure advanced by the President does not address this fact nor the possibility of windfall profits to the seller, and makes no effort to tax those potential profits. In addition, there is no reason to believe that industrial purchasers will not pass the added cost of their gas on to the consumers in the form of higher prices. This emergency measure goes beyond its intent to the extent that deregulation has been written into it.

FEDERAL SUPPLEMENTAL UNEMPLOYMENT BENEFITS EXTENSION

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. EVANS of Delaware. Mr. Speaker, our country is recovering from one of the worst recessions in its history. Although we are well on our way to achieving a sounder and healthier economy, over 7 million people are still unemployed. For many of these people, their hardship will soon be aggravated by the expiration of the Federal supplemental unemployment benefits on March 31. Thousands of persons who have been receiving unemployment benefits will have them cut off unless Congress extends this program.

Today I am introducing a bill that would extend this program for a period of 6 months. Such an extension will prevent the severe hardships that will result if the program is not extended, but will do so for a relatively short period of time in anticipation of a continued economic recovery. By extending the program for a short while, we can prevent the harsh effects of expiration while maintaining flexibility in our future commitments to such a program.

Unemployment benefits should not and cannot be a substitute for real jobs. The Congress must quickly enact legislation such as the Jobs Creation Act, which I have cosponsored to create the millions of jobs necessary to put unemployed people back to work. The bill I am proposing is a temporary solution to prevent great hardship. The real solution lies in creating permanent and productive jobs for our unemployed.

THE 59TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. McCLORY. Mr. Speaker, the status of human rights within the Soviet Union has been the subject of numerous media reports and foreign policy discussions during recent weeks. I can think of no more appropriate context for us to observe the 59th anniversary of Lithuanian independence in the U.S. House of Representatives.

For the human rights of Lithuanians have been systematically suppressed since their nation was annexed at gunpoint by the Soviet Union in 1940. As recent reports have indicated, basic freedoms have continued to suffer under Russian domination despite the Basket Three provisions of the Helsinki agreement.

But one instance of this suppression was the unprovoked increase in tariffs on packages to the Soviet Union last summer. By more than doubling its duties, the Soviet Government effectively cut the links between many of its citizens and their loved ones in the West. These packages, of course, were not only tangible expressions of familial devotion but often contained much-needed food and medical supplies.

This action was motivated by politics, not trade considerations. It was a clear signal from the Soviets that they are more interested in domination than they are in human rights. Frequent reports of religious suppression and personal harassment underscore this conclusion.

Mr. Speaker, we must insist in our public statements, and at the Belgrade Conference scheduled for this summer, that these violations cease. They are a tragic affront to American values, and our Government must make this clear to the Soviets.

At the same time, we must renew our commitment to the independence of Lithuania and the other Baltic states. The political captivity which Lithuanians have endured for 37 years—but never accepted—must end.

Mr. Speaker, the heroic struggle for Baltic freedom goes on not only in Lithuania, but also in the United States. I am privileged to serve a district with a large Lithuanian community, including many officers of their national and international organizations.

Dr. Kazys Bobelis of Elgin, Ill., is president of the Lithuanian American Council. Edward R. Skalisius, from Waukegan, Ill., serves as vice president of the Lithuanian World Community. Gediminas Damasius of Waukegan, Ill., is president of the Lake County chapter of the Lithuanian American Community. Others active in behalf of the Lithuanian cause in my 13th Congressional District include: Henry Kacinskas, Mrs. Janina Salna, Gintautus Saulis, Dr. Kathryn Giniotis, and Mrs. Ida Howland.

Mr. Speaker, the attention of these good Americans, and of the world, will be focused on Belgrade this summer. I urge you and my colleagues to insist that American representatives press for full compliance with the Helsinki agreement.

PROPOSED OCEAN DUMPING LEGISLATION

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. FORSYTHE. Mr. Speaker, on January 24, 1977, Commissioner David J. Bardin of the New Jersey Department of Environmental Protection sent to the U.S. Environmental Protection Agency a recommendation that the ocean dumping activities currently being conducted at the 12-mile site in the New York Bight be moved to a dumpsite 106 miles off the New Jersey coast.

In view of the potentially disastrous effect of such a move, I think it will be useful for my colleagues in the House not only to see my reaction to Commissioner Bardin's proposal but also to have an idea of what I feel is a constructive alternative to that proposal. To this end, I am inserting in the record of these proceedings copies of my recent correspondence with the U.S. Environmental Protection Agency on this subject.

I strongly believe that scientific evidence overwhelmingly supports my conclusion that moving dumping activities to the 106-mile site would waste valuable resources—both financial and environmental—without offering either substantial relief to the present 12-mile site or a viable long-term solution to the problem.

Instead of such an irresponsible move, I advocate an approach providing additional penalty fees for dumping which will be used for research into alternatives to dumping. Such an approach should aid a more rapid phaseout of dumping while also avoiding what might be the permanent degradation of another ocean site. I will be introducing legislation embodying this approach in the very near future and hope that it will merit the support of my colleagues here in the House. The correspondence follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 8, 1977.

JOHN R. QUARLES,
Acting Administrator, Environmental Protection Agency, Washington, D.C.

DEAR MR. QUARLES: It is my understanding that the Environmental Protection Agency is currently considering moving all ocean dumping activities to a site 106 miles off the coast of New Jersey. As the Ranking Republican member of the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the House Merchant Marine and Fisheries Committee and as a representative of the state of New Jersey, I take special interest in all actions considered or taken by EPA which affect our environment.

Therefore, it was with considerable consternation that I reviewed a report by David J. Bardin, Commissioner of New Jersey's Department of Environmental Protection to EPA. Mr. Bardin recommends shifting dump-

ing activities currently at the 12-mile site in the New York Bight to a dumpsite 106 miles off New Jersey's coast.

At the time Mr. Bardin made this recommendation he stated that it "was not based on the firm and solid evidence we would prefer." Furthermore, Mr. Bardin points out that data regarding the 106-mile site is "pitifully inadequate." I conducted a review of the scientific literature regarding deep-sea dumping and have included my findings in the attached report.

The results of this survey are frightening. Scientists believe that "any significant amount of waste disposal will permanently and adversely change the ecosystem" at a deep water site. While the environmental repercussions at the dumpsite will be severe, the indirect implications are shocking. A National Oceanographic and Atmospheric Administration Baseline Study of the 106-mile site concluded: "Prolonged southerly winds after a dump could quite conceivably cause waste materials to drift onto the upper slope, where the developing red crab fishery would be active or even to the outer shelf where there are several seasonally active fisheries (flounder, porgy, butterfish, lobster caught by U.S. fishermen; squid and butterfish by Japanese; squid by the Spanish; hakes by the Soviet block)." As you are well aware, our fishing industry is expected to expand greatly as a result of the 200-mile limit bill. Widespread contamination of valuable fishing grounds is an unacceptable risk for our nation to take.

Furthermore, moving dumping activities would offer little relief to the 12-mile site. The scientific consensus is that "contamination of a new area will not be balanced off by a recovery of the existing dump site. The existing site and its surrounding area are not expected to significantly improve even if sludge dumping is terminated because pollution from other sources will continue." The scientific consensus regarding a move to the 106-mile site is clear; scientists at EPA, NOAA, and universities agree that such a move in all likelihood will cause "more harm than good."

Mr. Bardin has argued that moving dumping activities to the 106-mile site would reduce the likelihood of a future fish kill similar to that of the summer of 1976. Mr. Bardin adds, "However, after future analysis, even this may prove to be too close to prevent plant nutrients and other materials in the sludge from circulating back into the near-coastal waters." The attached report analyzes the scientific creditability of the claim that moving the dumpsite will reduce the likelihood of future fish kills and, quite frankly, it is lacking. First of all, scientific evidence demonstrates that sewage sludge dumping played an insignificant role in the fish kill. At hearings before our Subcommittee this summer, a top NOAA official stated: "It is evident from all information available, that the dumping of sewage sludge at the existing site had a negligible effect in causing either the wash-up of floatables on Long Island's south shore beaches or the fish kill off the coast of New Jersey. The sewage sludge dumpsite should not be moved."

The scientific evidence clearly indicates this summer's fish kill was predominantly a natural phenomena. Moving ocean dumping to the 106-mile site to reduce the likelihood of a future fish kill is a proposal based on political expediency, not on scientific investigation. Indeed, the algae which caused this summer's fish kill first bloomed on the edge of the continental shelf from Cape Cod to Cape May. Therefore, if moving dumping activities to the edge of the continental shelf has any perceptible effect on potential fish kills in the future, it would tend to increase their likelihood and extent.

In sum, the bulk of the scientific evidence concerning the fish kill of 1976 indicates it was a natural occurrence. The Small Business Administration, after evaluating the evidence, has taken this view and, at my request, made available disaster relief loans to New Jersey fishermen under provisions for natural disasters. Governor Byrne concurred in this analysis in his letter requesting the disaster designation. There is absolutely no evidence showing that sewage sludge dumping was responsible for the fish kill. The claim that moving the dump site will reduce the likelihood of future fish kills is totally without scientific substantiation. Furthermore, evidence does exist indicating such a move could contaminate productive fishing grounds.

Mr. Bardin points out that moving all dumping activities to the 106-mile site will cost dumpers an extra $24 million annually. This cost increase does not include increased fuel costs or the cost of acquiring additional ocean dumping barges. Mr. Bardin's proposal would, for instance, increase the fuel consumption of ocean dumping activities by 900%.

The net effect of moving dumping activities to the 106-site, then, is to squander valuable resources—including energy, marine resources, investment capital, and millions of dollars for increased operational costs—on a proposal which scientists agree offers no environmental benefits and considerable environmental harm, including potential degradation of valuable Northwest Atlantic fishing grounds.

The only redeeming feature of the proposal to move ocean dumping to the 106-mile site is that it raises the cost for the dumpers. Obviously, as long as ocean dumping is the cheapest means of waste disposal, constructive alternatives will go untapped. Therefore, any proposal which raises ocean dumping costs will tend to make the alternatives more economically competitive.

Clearly, there are good ways and bad ways to accomplish any goal. Our society could increase ocean dumping costs by requiring wastes to be transported 106-miles out to sea—simultaneously wasting millions of dollars a year, consuming greater amounts of energy, contaminating yet another marine area, and risking Northwest Atlantic fishing grounds. However, in the enclosed report, I describe an alternate approach which, I believe, will efficiently and expeditiously end ocean dumping.

Currently, when ocean dumpers apply for a permit, they are only required to pay a nominal fee for processing costs. I plan to introduce amendments to the Marine Protection, Research and Sanctuaries Act (sometimes referred to as the Ocean Dumping Act) which will require ocean dumpers to pay an additional penalty fee. This penalty fee increase will be set so that ocean dumpers pay for research into constructive alternatives and for the full administrative costs involved in processing ocean dumping permit applications. Under this plan, the costs of ocean dumping will equal or exceed the cost of constructive alternative means of waste disposal.

This penalty fee schedule will accomplish two goals. First, ocean dumpers will turn to alternative means of disposal as quickly as possible since they will no longer have an economic incentive to continue dumping. Thus, in a short period of time, sewage sludge will be put to constructive purposes—such as soil conditioner, sanitary landfill, and methane which can be used as a substitute for natural gas—rather than continued contamination of the marine environment. Second, the increased fees paid by dumpers will be used for constructive purposes. This money, spent on research into alternatives, will tend to drive down the costs of these methods.

I think you will agree that such an approach to ocean dumping, based on a careful analysis of the existing situation and a thorough assessment of all alternatives, will accomplish our goals while minimizing any future damage to the environment. I am hopeful that, until the legislation I am proposing is acted on, EPA will not approve the dumping of secondary sludge at the 106-site. A careful analysis of the scientific evidence leads one to the unambiguous conclusion that moving all dumping activities to the 106-site is ill-conceived and prodigal. If our natural and financial resources are to be conserved, proposals such as moving ocean-dumping to the 106-site will be summarily dismissed as running counter to rational decision-making based on the best available scientific evidence. Rather, I believe we should seek constructive solutions—solutions which provide an impetus for dumpers to turn to alternatives which recycle our wastes, solutions which generate revenues for much-needed research, solutions which do not permanently degrade our marine environment, and solutions which do not unnecessarily risk contaminating rich Northeast Atlantic fishing grounds.

During the upcoming year, I will keep you posted on the progress of the proposed legislation I am announcing today. In the interim, I urge you to rely on the scientific wisdom of your agency, the National Oceanic and Atmospheric Administration, and the academic community in deciding the fate of ocean dumping and the 106-site. I hope the attached report is of value to you in summarizing the scientific literature on these topics.

Sincerely,

EDWIN B. FORSYTHE,
Member of Congress.

OPPOSITION TO CONGRESSIONAL PAY RAISES

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. STUMP. Mr. Speaker, I unconditionally oppose, and if given the opportunity, will vote against, any pay raise for Members of Congress. On January 28, 1977, I publicly announced my opposition for a pay raise and today I wish to record in the CONGRESSIONAL RECORD my strong opposition to the pay raise.

It is time for Members of Congress to set an example and tighten our belts and discipline the increased spending in Congress. The first step to accomplishing this is to vote against the congressional pay raise.

The congressional salaries are now above the average income. All Members of this Congress knew the salary when they ran for office in 1976. If a pay increase were justified, it should not take effect until 2 years hence with the incoming Congress.

Unemployment in the United States is extremely high, 8 to 11 percent. Working citizens in our country have already been pushed to the breaking point by excessive Federal taxation which is required to assist in helping pay for the exorbitant spending of Congress.

This massive pay increase at the top levels of the executive, judicial, and legislative branches of Federal Government will cost the taxpayers of the United States approximately $37 million. Further, it would start a snowballing effect within the middle and lower levels of the Federal bureaucracy, which creates a never-ending, vicious, inflationary cycle.

These factors make it impossible for me to justify a pay increase at this time.

NEW NATIONAL PARK IN SOUTHERN CALIFORNIA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ANDERSON of California. Mr. Speaker, today I am reintroducing a bill which directs the Department of the Interior to study the feasibility of converting some of the Camp Pendleton Marine Corps Base in California into a national recreation area.

With this bill, our proposal has been cosponsored by 16 of my colleagues in the California delegation. They are Representatives BROWN, BURKE, DELLUMS, EDWARDS, HANNAFORD, HAWKINS, JOHNSON, KETCHUM, KREBS, LEGGETT, MOORHEAD, MOSS, ROYBAL, RYAN, SISK, and STARK. I am very pleased to receive their support, and I invite the other Members from California, as well as the Congressmen from the remaining 49 States to study our bill, and add their names to cosponsorship.

Mr. Speaker, I view this proposal as a logical extension of President Ford's proposal to double the size of the national park system. In his August 31, 1976, statement at Yellowstone National Park Mr. Ford called for a rapid expansion of the national parks "to alleviate overcrowding problems" in recreation areas.

The acres of Federal land that the Marines now use exclusively is staggering. The Camp Pendleton Marine Corps base is 195 square miles large—125,000 acres—encompassing 18 miles of some of the most beautiful beach property in California. Close to Pendleton, in fact 50 miles northeast of former President Ford's new home in Palm Springs, Calif., is the Twentynine Palms Marine Corps Training Center, with 932 square miles of land used for training purposes.

Our bill asks the Secretary of the Interior for an answer to the following question: Do the U.S. Marines need all this space, or could some beach and inland property be used for recreational purposes by the taxpayers?

Mr. Speaker, our State is experiencing a critical need for space to "recreate" in. With Yosemite National Park in central California already overcrowded, this idea for a national park within easy driving distance from the Los Angeles-San Diego megalopolis is a good one.

However, this bill is not an antimilitary "witch hunt" aimed at the Marine Corps. I believe Camp Pendleton has been, and must continue to be a vital training base for our Marine forces. Beach and inland areas must be kept intact for their training purposes. But, with 932 square miles at Twenty-nine Palms and 195 square miles at Pendleton, it is our belief that a 1-year study by the Department of the Interior on the feasibility and desirability of converting some of Pendleton's sprawling acreage into a national recreational area is in the national interest.

If you have any questions, or if you would like to join us as a cosponsor, please contact my legislative assistant, Mark Theisen at 225–7534.

THE THREE "E's": ECONOMY, ENERGY, AND ENVIRONMENT

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. McKINNEY. Mr. Speaker, yesterday I spoke before the Stamford Area Commerce and Industry Association, outlining my thoughts on the directions which might be taken and the improvements which could be made in the area of the three "E's"—economy, energy, and the environment. I feel it is of the greatest importance for us to promote a dialog between the public and private sectors on these issues. The concerns I voiced to the members of SACIA may prove of interest to my colleagues and I include them in the RECORD at this point:

ECONOMIC, ENERGY, AND ENVIRONMENTAL POLICIES IN THE 95TH CONGRESS

For the past several years Americans have seen an increasing interrelationship develop among three important, but previously independent, elements of our society. The three "E's"—economy, energy and the environment—are vital concerns to all of us today. While I certainly don't have all the answers to the problems spawned by these issues, I would like to discuss some of the solutions that have been offered by the Administration, by my colleagues in Congress and, if I may, my own observations about these proposals.

Under the general heading of the economy there are many different subcategories which must be considered: prices, inflation, unemployment, interest rates, money supply, corporate profits, business spending, labor, housing and construction. Clearly, the list is too long for an in-depth discussion of each today but I will do my best to touch on most of them.

There has been a lot of publicity regarding the new Administration's economic stimulus program. Recently, the House Banking, Finance and Urban Affairs Committee, on which I serve as the fifth ranking Republican, held hearings to consider the efficacy of this proposal. In addition to testimony from Treasury Secretary Blumenthal, OMB Director Lance and several other supporters of President Carter's approach, we on the Committee were also privileged to hear from Federal Reserve Chairman Arthur Burns. The testimony of these economic experts demonstrated that the exalted science of money is still in its primitive stages. There was generally so much disagreement on the majority side with the Administration's program that I thought we had a Republican President again.

From those witnesses Congress learned that the Carter Administration is not going to recommend any radical approaches which might over-stimulate an already-improving economy. I only hope this message is received and understood in this country's corporate boardrooms so that improvement continues. Confidence on the part of investors large and small will not be induced through the promise of a one-time rebate of one dollar per week, but through permanent tax reductions for individual taxpayers and incentives for business to promote employment growth, as well as inventory and fixed investment expansion.

As I see it, the issues underlying any economic stimulus proposal is balance. Mr. Carter's $31.2 billion stimulus package ($15.5 billion in fiscal 1977 and $15.7 billion in fiscal 1978) strikes hardest at hard-core unemployment through $9.2 billion in additional expenditures and $22.0 billion in reduced tax revenues to generate recovery spending. This type of balanced policy can stimulate consistent economic expansion as the most effective approach to job creation, tax reform and capital formation.

Further, the business community should take heart when the President's chief economic adviser, Dr. Schultze, discusses the Administration's intention to deal with "elements of the tax code which may be unnecessary obstacles to investment." If Congress can adopt this attitude on tax reform and enlarge on the Carter proposals, I believe there is real hope for resumed economic growth without the return of runaway inflation. However, I share the cautious attitude of those who fear an over-ambitious Congressional stimulus package which could do more harm than good, and I will do all that I can to maintain the internal balance of any stimulus proposal.

While all this may sound promising for the national economy, what is the outlook for Fairfield County? It is not necessary for me to dwell upon the cyclical lag that distinguishes our economy—whether local, state or regional—from the national economy. The highly specialized nature of Connecticut's industry causes us to be more hesitant about broad swings in the national picture which never quite materialize here. During the recent period of slow and sporadic national recovery we have suffered greater weaknesses locally. Our needs, measured against the performance of the whole nation, demonstrate the necessity for regionally-sensitive policies which can be continued in the weakest regions after a national recovery has begun. Groups such as the Northeast-Midwest Economic Advancement Coalition in Congress, the New England Regional Council in Boston and locally, SACIA and the Chambers of Commerce in Bridgeport and Norwalk, must seize the initiative to develop programs and policies that will strengthen the region's economic base. We must also develop the ability and resources to be economically self-sustaining in the long run.

One way we can do this is to stem the outflow of business dollars from this area to other parts of the country. Believe me, despite some transparent arguments to the contrary, Northeastern economic decline is no myth. The harsh realities are that between 1970 and 1975 employment in our vital areas of construction, manufacturing and transportation declined at a rate almost doubled by the growth rate of those same industries in the Sunbelt South. The closing of businesses here meant rapid expansion of existing facilities throughout the South. So too, government spending on support facilities such as sewers and waste treatment plants is devoted to new construction in the South far more than to modernization of our aging industrial plant.

Non-governmental steps can be taken to reverse this. The use of trade groups or computerized referral services, such as the New England Manufacturers Exchange (NEMEX), can simplify the matching of area buyers and sellers to the region's economic advantage. NEMEX, located in Boston, is a perfect example of cooperation between the Economic Development Administration, the New England Regional Council and private businessmen in an effort to make it easier for businesses to meet their requirements while adding to the strength of the regional economic base.

Traditionally, Connecticut's greatest natural resource is her people. Whatever approach we take to strengthen our economy must give the highest priority to job creation, job training and productivity. Obviously, federal "leaf raking" projects are not going to serve our needs, but public service training programs do give the unemployed and unskilled the opportunity to qualify for permanent jobs with a career potential. We are very fortunate in this regard to have men like Ed Canning, Madison Smith and their colleagues at the Stamford-Greenwich

CETA Administration who are devoted to the men and women trained in their programs. Their results have been excellent and have underscored the fact that once taught a skill and given a job, the unemployed have the greatest desire to support themselves without government handouts and contribute to a healthy national economy.

In the same vein, corporations have realized the value of on-the-job training for some time. If the federal government provided sufficient incentive, perhaps this would have a real impact on the size of our unemployment and welfare rolls. I am greatly encouraged by Treasury Secretary Blumenthal's consideration of an optional two-tier employment/investment tax incentive for business depending on whether the company is labor-intensive or capital-intensive. In my view, the key is allowing more flexibility to meet differing business circumstances. After all, what's medicine to some is poison to others. Programs like CETA have helped, but business cannot be forever dependent on the Federal government to do the job. Instead, government should promote, whenever possible, the creation of private training programs through a variety of incentives.*

Since unemployment affects the economy in so many ways, I ask you not to underestimate the need for a comprehensive welfare reform program combined with adequate unemployment compensation. I agree that an overhaul of both programs as they exist is essential. Toward this, I think business leaders can ill afford to rely on old approaches, but must mount new initiatives to reform social programs which, if run ineffectively, rob government of the means to adequately support local business growth. I look for a positive contribution from the business sector in the upcoming welfare reform debate.

When President Carter announced that Vietnam veterans were to receive top priority in his job creation program, I was pleased. But I have to ask if this is going to reduce the development of job opportunities in our cities—like Bridgeport, Stamford and Norwalk. We are deeply indebted to the men and women who fought in Southeast Asia as we are to veterans of previous wars. However, we should not forget the other war that is being fought by millions of Americans every day—the battle for survival in the cities. With teenage and minority unemployment far higher than national unemployment, I think job creation programs should be based on the training needs of all the jobless with admission and placement preferences for veterans.

These are the problems politicians and businessmen must join forces to combat. In Washington we can reduce taxes, create jobs programs, restructure welfare and provide aid to the cities. All of these are of lesser importance when measured against the necessity for active involvement on the part of local businesses and the people who own and operate them. Restoration of the economic vitality that has been slipping away from New England for the last twenty-five years is going to require the concerted efforts of all of us in ways never before contemplated. As far as business is concerned, the Northeast must now become an area of creative economic rebirth.

That creativity will meet no more severe test than in overcoming our most obvious economic disability—energy costs. Once again the absence of a national energy policy has come back to haunt chilly New Englanders like a recurring nightmare. This winter we have witnessed more clearly than at any time since the long gasoline lines of 1973 the price we must pay for the lack of a national program of resource utilization. How many times must the American people be subject to the physical and financial burdens of energy shortfalls before Congress will begin the task that has awaited it for almost two decades? The time is fast approaching when the United States will have procrastinated for too long and stop-gap measures will no longer be able to feed our energy-starved economy.

As President Carter's proposals for a comprehensive national energy policy emerge, I plan to stress the need for these elements as the foundation of that program: 1) a realistic mixture of voluntary and mandatory conservation measures; 2) realistic production incentives for both existing and alternate fuels; 3) an ambitious program to develop energy use priorities stressing the use of abundant domestic fuels and reduction of reliance on foreign sources; and finally 4) a complete reorganization of federal government agencies dealing with energy.

As our sweater-clad President stressed in his address to the nation, we must stop wasting energy. It is estimated that much of our dependence on foreign oil could be eliminated if the remaining fuels were used as efficiently as possible. With simple, do-it-yourself measures ten dollars of every hundred spent on home heating could be saved. Insulation, weather stripping around windows and doors, the use of daytime sunlight, clean furnace and hot water tank systems, and a multitude of common sense devices can save part of your tax rebate from the bite of winter fuel bills. On a broader scale, I have again introduced, along with numerous other House members, legislation to provide tax breaks for the purchase and installation of insulation and other services in homes, industrial and commercial plants. Clearly, the cornerstone of any successful energy policy will be our ability to rely on the American people to use only what they need.

The energy needs of our nation are well known and the obstacles we face to fulfillment of these needs are by no means insurmountable. The second essential step toward a national energy program must be to increase production of available domestic supplies to offset our reliance on insecure foreign sources. As a result of the severe winter, the United States is now importing an unprecedented 50% of its total petroleum requirements. New England's "habit" is now up to 90% dependence. However, this winter's deep freeze is not solely responsible for these unacceptable import levels. Decreased domestic production and increasing foreign reliance is also the result of our somewhat unrealistic view of the economic requirements of energy production.

The first step toward increasing domestic production must be a reliable analysis of the production costs for each individual fuel source. We must determine what incentives and capital investments are needed to stimulate their production and delivery. I recall with considerable distaste the legislative fiasco that ensued when the 94th Congress debated the deregulation of interstate natural gas prices. Gas industry spokesmen repeatedly advised the nation and Congress of the facts: in the 1950's and 60's, stimulated by artifically low prices, natural gas consumption grew at an average rate of 6.5 percent annually; by 1974 gas was providing over 30 percent of our energy needs; while low prices stepped up demand, they also discouraged the exploration and development of new reserves. The product of this factual scenario is that proven reserves have fallen to their lowest level since 1952. Production of our cleanest and most efficient fuel source, which peaked at 22.6 trillion cubic feet in 1973, is presently declining at an annual rate of 7 percent.

Unfortunately, a majority of the Members of the 94th Congress either chose to ignore, or did not understand these facts. Rather, in the name of consumer portection, a majority of my colleagues supported the continuation of unrealistic price controls for interstate gas. This winter, it is painfully obvious that Congress did the consumer no favor with that decision. It wasn't price, but the availability of natural gas, which was effectively lowered as a result of that attempt to repeal the law of supply and demand.

The argument for production incentives is not applicable in every instance, however, and I have never considered myself a proponent of all-inclusive petroleum decontrol proposals. For instance, it is estimated that the proposed decontrol of gasoline would increase gas prices 5.5 to 8 cents per gallon. FEA's recent action to re-impose price controls on home heating oil supports my fear of disruptive price hikes. Also, I feel the resulting $5 to $7 billion increase in profits would constitute an undeserved windfall for producers and a cruel tax on the working people who can least afford it.

Perhaps more deserving of our economic favor are producers of alternate, renewable or infinite fuel sources. In this Congress, I and my colleagues have introduced several measures to stimulate the development of technology and commercial applications for solar, geothermal and other alternate energy sources.

These range from new loan authority to help homeowners and businesses install nonfossil energy systems to tax incentives for the use of new energy technologies.

In particular, I am concerned by the Energy Research and Development Administration's apparent nuclear bias. ERDA estimates no more than a one percent contribution by solar generation to our national energy mix by 1980, and they fund their research and development accordingly. However, with solar devices already in place in homes and businesses, I believe the facts argue for a more ambitious solar development program. I am now working with an *ad hoc* Congressional group to prove these ERDA estimates unnecessarily low and identify specific solar technologies with more immediate commercial potential.

The third essential criteria in the development of a successful national energy program is the formulation of an accurate and enforceable timetable to coordinate the contribution of each available fuel source in meeting the Nation's consumption requirements. A priority listing for the utilization of fossil fuels, nuclear power, solar energy, geothermal generation and others—based on available reserves, costs, efficiency, and environmental impact of each—must be devised. In this way, the efficient use of present sources can be balanced with the commercial introduction of alternative fuels in an orderly, economically sound manner. A firm commitment to this priority timetable would grant oil producers, refiners, distributors and importers the assurances they need to make decisions toward maximizing their operations. So too, producers of new technologies would be assured of their rightful place in our national energy picture without the spectre of being devoured by so-called "big oil" for their efforts. These priorities would also require us to structure our environmental regulations so as to compliment this timetable and avoid costly interruptions and plant conversions by our utilities. You can be sure that the need for energy development will be on my mind as Congress again moves to debate clean air and clean water legislation.

While granting financial incentives and priority assurances to the energy industries,

*For those of you who have not seen it, I recommend the November-December '76 issue of the Union Trust Company bulletin which contained an excellent discussion of the employment structure of Fairfield County. It is much easier to appreciate our strengths and weaknesses after reading that material.

we must in turn demand the assurances of producer compliance with the dictates of that national energy policy. Cooperation by certain energy industries has been sadly lacking in the past and cannot be tolerated as a challenge to the viability of a national energy program. One case in point is the desire of the Alaskan oil consortium to export petroleum produced from Alaska's North Slope.

Due to the "energy crisis" the 93rd Congress went to great lengths to accommodate the oil industry by eliminating environmental regulations which blocked construction of the Trans-Alaska pipeline for two years. In their plans for construcion, the oil companies found the right-of-way permitted in the provisions of the Federal Mineral Leasing Act insufficient for their purposes. After unsuccessful industry attempts to circumvent legal obstacles to construction, the 93rd Congress enacted new legislation which waived existing laws to accommodate pipeline needs. Having ultimately succeeded in overcoming environmental considerations and eliminating the rights of citizens and/or groups to contest that decision, the companies involved are now attempting to implement policies of their own in clear contrast to the plain language of the Trans-Alaska Pipeline Authorization Act, which specifically provides for domestic distribution of Alaskan oil. I don't intend to accept the self-serving arguments for convenience of transportation made by proponents of exportation. Plans to exchange Alaskan oil with Japan for that country's O.P.E.C. supply merely postpone the inevitable task of establishing a system of domestic delivery for North Slope crude. Furthermore, any exportation arrangement would place a larger portion of our already vulnerable energy supply in greater jeopardy of interruption. Those who claim that the flow of Alaskan oil could be diverted from foreign to domestic ports in the event of another embargo are naive. If domestic distribution can be accomplished so readily under emergency conditions then can't it be more easily accomplished now?

As a follow-up to Congress' approval of my amendment requiring an Executive report on the feasibility of alternative distribution systems, I have introduced a bill in this Congress to suspend the export authority of the Trans-Alaskan Pipeline Authorization Act and hereby force the initiation of domestic distribution plans. With passage of the pipeline law Congress specifically designated Alaskan oil as a domestic resource to be used to offset our growing domestic shortages. I intend to see that the intent and purpose of that law are not violated and that the American people receive the benefits of that long-awaited supply.

While cooperation and compliance with federal programs is essential, it is no more important than the need to assess and re-establish specific reporting guidelines regarding exploration, discovery and development of domestic resources. To some degree, the responsibility for our present natural gas shortage must be shouldered by the gas industry itself.

Its own failure to make available accurate reserve estimates was directly responsible for the skepticism on the part of many House members regarding the extent of supply shortages. That skepticism was in turn responsible for the ultimate demise of efforts to decontrol interstate prices. The effectiveness of any national energy program relies in great part on the accuracy and completeness of industry reports and I applaud President Carter's recognition of this need.

In the same vein, I am planning to introduce legislation to address the potential problem of horizontal concentration in the energy field. Again, I see this problem primarily as one of information. Oil companies, in particular, tell us that their holdings in coal, uranium, geothermal and solar technology patents can best be developed within the capital-rich environs of that horizontally integrated structure. My bill will take those statements as true and simply monitor the development of those holdings. If these reports show that potentially competing energy sources are in fact being developed consistently with our national energy goals, then those assets could remain in that structure. However, if those same reports indicate that America's energy future is being held for ransom until foreign oil deposits are depleted, the bill would trigger a Federal Trade Commission and Justice Department antitrust action to remove those energy sources from oil company hands and make them available to those who will develop them.

Another vital element of a national energy program is a comprehensive government energy administration to replace the present fragmented structure which confuses producers, consumers and congressmen. If done correctly, President Carter's proposed reorganization of the regulatory agencies could be of great assistance to both industry and regulatory officials in formulating a more accurate information gathering system. In addition, I would hope that the Presidents reorganization would improve the effectiveness of some energy regulators and more clearly deliniate the scope of others. I am specifically concerned with the ability of the Federal Power Commission to operate a well coordinated program for the efficient utilization of natural gas. In addition, I would like to see the potential for duplication between the Energy Research and Development Administration and the Federal Energy Administration eliminated. A specific designation of responsibility for energy regulation would greatly assist our efforts to implement a national energy policy.

Another of the many things which this winter has demonstrated is the unique aspect of the New England region's energy needs. With each "energy crisis" it becomes increasingly clear that the energy-related programs of the nation and even the Northeast do not accurately reflect the needs of New England. The relatively lower home heating oil costs in New York, New Jersey and Pennsylvania this winter are indicative of the vast differences that exist between the requirements of the six New England states and the rest of the Northeast. While Pennsylvania is suffering from the most severe natural gas shortage in its history, Connecticut's supplies are relatively stable.

In its reorganization of the federal energy agencies, the Administration must also reassess the boundaries for energy information and distribution regions. As more specifics of President Carter's energy plans emerge, I will suggest that he designate the six New England states as a separate energy region.

It is my belief that the designation of an independent New England region will highlight our most unique energy problem—access to refinery capacity. Despite certain political and environmental misunderstanding of the issue, I will continue to push for the construction of refining facilities in New England which will be able to bid for crude supplies and produce the unique regional mixture of petroleum products. The time is long past when New England can resist refinery construction, resist nuclear expansion, resist coal conversion and then cry when the rest of the country balks at subsidizing every gallon of the already-refined products on which we depend. Even a limited function "cracking plant" to produce products used more here than elsewhere could reduce our vulnerability. Be sure, I am not insensitive to the environmental problems inherent in any of these energy alternatives. However, I have come to learn again and again from angry constituents that a cold, dark home and impossible heating bills are not the proper environment for our people any more than polluted air and water. As I said at the outset of these remarks, energy production and environmental protection must proceed together. Divisive adherence to extreme positions on either side produces nothing but energy waste and further environmental damage in the name of the "energy crisis".

These are some of the broad policy alternatives the new Administration and Congress must confront in revitalizing our economy and producing the energy to fuel economic recovery. In the Northeast, we must find ways to avail ourselves of this nation's vast coal reserves by meeting transportation, storage, efficiency and environmental difficulties. In addition, the inevitable contribution of nuclear and solar power in New England must not be overlooked. It is my belief that the implementation of a national energy policy, reflecting an awareness of regional energy differences, fostered by the lack of such a policy is the most fundamental answer to the problem at hand.

LITHUANIAN BIRTHDAY: ANNIVERSARY OF INDEPENDENCE

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ROGERS. Mr. Speaker, today we mark the 59th anniversary of the reestablishment of independent Lithuania, and the 726th anniversary of the founding of the Lithuanian state. It is a good time to reflect upon the history of this country which has for 37 years sought independence from her Soviet masters.

Lithuania had developed into a large state by the 15th century, stretching from the Baltic to the Black Sea. In 1569, Lithuania merged with Poland and eventually shared the fate of the Polish lands when they were partitioned and nearly all of Lithuania was submerged into the Russian empire. Despite this, Lithuanians continued for centuries in their spirit and drive for an independent country and by the late 1880's this sentiment had developed into a strong nationalist movement.

In 1917 the movement was recognized by the German Reich and months later independence was achieved on this date. Almost immediately after the end of the first World War, this tiny nation was faced with a Bolshevik invasion. The Soviets moved to capture the ancient Lithuanian capital of Vilna in January 1919, but were forced to give it up to the Poles, who would hold it for 20 years. Lithuania ended her war with the Soviet Union in July 1920, and as recognized as an independent country by the great powers in 1922. In 1926, Antanas Smetona took over the leadership of Lithuania which he held until 1940, when Stalin issued an ultimatum to establish a government more acceptable to the Soviets. Since that time Lithuanians have endured religious persecution, political repression, and denial of their basic human rights. But they have not been silent, the world has seen and heard sacrifices by Lithuanian patriots.

Mr. Speaker, the Lithuanian Club of Lake Worth, Fla., has called upon me and the Members of Congress to insist that the U.S. representatives to the Belgrade conference demand that the Soviet

Jamboree which brings Scouts together from all over our country in a fun-filled educational camping experience. The Cub Scouts are looking forward to projects such as local safe bicycle-driving rodeos and clinics, and a summer long learn-to-swim program.

I am particularly proud of the fine community spirit shown by our Boy Scouts in Kentucky. As their Bicentennial project this year Kentucky and Ohio Scouts have worked together to plan the dedication of the Daniel Carter Beard Bridge spanning the Ohio River to connect their two States. This bridge is named after Kentucky's well-loved woodsman and naturalist, Daniel Carter Beard, one of the founders of the Boy Scouts of America.

Through experiences such as these Boy Scouts have learned a great deal about their communities, their Nation, and perhaps most importantly, about themselves. They learn there is joy in helping others, find satisfaction and well-being in physical fitness, discover the camaraderie of new friends, and develop the strength of character that will assist them as they become responsible and participating citizens of tomorrow.

I often recall with fond and cherished memories the adventures and experiences I enjoyed as a Boy Scout and I feel confident that the early lessons of fellowship and citizenship provide a deeply personal and meaningful experience for every Boy Scout which will stay with him all through his years.

Mr. Speaker, I consider it a privilege to congratulate these fine young men for their splendid achievements and I look forward with them to a future full of challenge and bright with promise.

THE PRESIDENT AND THE PARDON

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. McDONALD. Mr. Speaker, much has been said about the Presidential pardon of Vietnam deserters, but, in my view, the columnist Smith Hempstone best summed up the way most people in the United States feel about the matter. In particular, Mr. Hempstone points out who the real culprits are—the so-called leaders who encouraged desertion, and also who will benefit the most—the Soviet Union and the Communist world as our internal cohesion suffers yet another blow. The column as it appeared in the Richmond Times-Dispatch of February 1, 1977, follows:

THE PRESIDENT AND THE PARDON

(By Smith Hempstone)

WASHINGTON.—President Carter can, as he has done, grant "a full, complete and unconditional pardon" to those light-footed thousands who fought the Vietnam war from the safety of Canadian bunkers.

But the President lacks the authority to bestow upon those who violated the Selective Service Act the gratitude of their country, the respect of their peers or that sense of honor they sacrificed in the pell-mell pursuit of their own comfort and safety.

These, to paraphrase President Kennedy, were willing to pay any price, employ any loophole, travel any distance, shirk any responsibility to assure their own survival and success.

One can, and must, respect a man who refuses to kill. There is a place for him—and 30,000 found it during the Vietnam war—in the non-combatant medical corps.

It is possible to esteem those 35,000 who said they would not under any circumstances don a uniform and dignified that stance by their willingness to go to jail or to perform alternative civilian service.

But it is not possible to admire a person whose most profound statement of belief is a skedaddle from graduate school to the closest safe haven, who refuses to dignify his principles with a sacrifice more severe than having to make do with the Canadian edition of Time for a few years.

Wives have been widowed, children left fatherless and parents deprived of their sons because someone had to go in place of those who fled to Canada. That is the burden of the draft-dodgers, and it is a measure of their morality that they bear it lightly.

John Stuart Mill, the 19th century British philosopher and economist, put it this way:

"A man who has nothing for which he is willing to fight, nothing which he cares about more than his personal safety, is a miserable creature who has no chance of being free, unless made and kept so by the exertions of better men than himself."

Just so.

But, protest the exculpators, Vietnam was an unjust war. That is drivel.

Wars are neither just nor unjust. They are simply horrible for those unfortunate enough to be caught in the middle of them. But wars must be fought from time to time, and no man can set himself up as more competent than society to judge whether he should or should not go to war.

Vietnam may have been an unwise and unnecessary war. It almost certainly was, if only because we failed to win it and thus compromised our ability to protect interests elsewhere that are likely to prove more vital.

But in a democracy, that is a decision that is made at the ballot box. Four American presidents asserted our interest in Vietnam and at least eight Congresses accepted it. If we didn't like it, we had but to vote them out of office.

The worst culprits never went to Canada. They were the politicians, commentators, columnists, professors and clergymen who told those younger, more inexperienced and less wise than themselves that there was no moral turpitude involved in fleeing their country, evading their responsibilities and betraying their generation. People who should have known better made criminals out of those foolish enough to listen to them.

Carter's pardon changes none of this. Indeed, the granting and acceptance of pardon clearly implies guilt in a way that amnesty does not. To decline to prosecute is not to praise. Neither is it to forget nor forgive.

What the President has said to those who departed when it was dangerous to remain, and stayed away until it was safe to return, is simply this: The war's over; come home, if you like.

In so doing, Carter is not—indeed, he cannot—denigrating the sacrifice of those hundreds of thousands of other Americans who fought, died or were maimed in Vietnam. What they did has a life and meaning of its own that will remain untarnished.

So the return of the self-exiled and ignoble few is largely meaningless, inconsequential and irrelevant. It is not worth getting excited about. Canada is just fortunate it did not have to fight a war while these timorous ones were its visitors.

Predictably, *Pravda*, the Soviet Communist party newspaper, had a good chuckle over Carter's pardon of the draft dodgers. "Peaceloving Americans," *Pravda* added, "are awaiting for full restoration of justice for all citizens who refused to take part in the shameful Vietnam adventure."

The source of that statement suffices as an indictment for those who, when their country needed them, replied they would rather switch than fight.

APPOINTMENT OF SPECIAL PROSECUTOR

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. HYDE. Mr. Speaker, one of the items of unfinished business remaining from that painful experience known as Watergate is the need for legislation providing for the appointment, whenever necessary, of a special prosecutor.

In response to this need, I have filed H.R. 2711, which amends title 28 of the United States Code by creating a triggering mechanism authorizing the appointment of a special prosecutor under certain circumstances with carefully defined standards.

Former special prosecutor Archibald Cox told a Senate Judiciary Subcommittee in 1975 that a servant cannot investigate his master. After Mr. Cox was fired, the then-president of the American Bar Association Chesterfield Smith said:

> It clearly was and is improper for an investigation of the Executive Branch of the government (to be conducted) by a prosecutor who is under the control or direction of either the President himself or some other person who himself is under the direction and control of the President.

We know from that experience that the Attorney General has the power to appoint a special prosecutor and did so after public and congressional pressure became severe. But public opinion is not always easy to mobilize and it is foolish to wait until a grave crisis has developed before establishing workable procedures to meet that crisis.

With both Houses of Congress and the executive branch under the control of one party, the checks and balances that might prompt more vigorous oversight are lacking and so the need for having a workable procedure to appoint a special prosecutor is all the more necessary.

This proposed legislative precaution is prompted not by any suspicion of either political party, but only by an understanding of how human nature has reacted in the past and can be expected to react in the future to a difficult situation.

H.R. 2711 is based on the premise that a nonpolitical independent prosecutor is best equipped to investigate and, if necessary, to prosecute high Government officials whenever the evidence warrants. The officials covered include: First, the President and Vice President; second, Cabinet-level officials; third, Executive Office employees earning at least $39,900 per year; fourth, the Director of the FBI and the Director of the Central Intelligence Agency; fifth, someone who

Union comply with the full implementation of the Basket III provisions of the Final Act of the European Security and Cooperation Conference in Helsinki.

GOOD TIMES ROLLING FOR FUNNY-VAN MAN

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. MILFORD. Mr. Speaker, on February 2, 1977, the University of Texas at Arlington's student newspaper—Shorthorn—published an article written by Ms. Anne Rose, which detailed the efforts of Mr. John Dycus to obtain his own car.

Ordinarily, such efforts would not be newsworthy. Mr. Dycus, however, suffers from cerebral palsy, and has limited use of his hands and arms.

This story of Mr. Dycus' determination and the dedicated efforts of his friends is an inspiring blend of the dreams and technology of Americans.

I share it with my colleagues.

GOOD TIMES ROLLING FOR FUNNY-VAN MAN

(By Anne Rose)

Vans modified to express the owners' fancies are almost commonplace on Arlington streets. One boxy vehicle recently appearing around town represents wishfulfillment of a different sort.

Look inside this plain blue Chevrolet and you won't find shag carpeting or cushiony seating. Instead, you're suddenly aware of what's missing: a driver's seat and a steering wheel. And extending from the dashboard, a large dark metal box resembling a workbench sprouts a complicated-looking arrangement of chains, switches and cables that make the dream possible.

The van belongs to John Dycus, Shorthorn adviser and a beginning driver at age 28. For Dycus, who has cerebral palsy, independent travel until now has been limited to getting around in a motorized wheelchair.

"I've been blessed with good friends—and parents—who would take me practically anywhere I wanted to go," he says. "The van will take some of this off my mother, who's done a lot of the driving. Now she worries so much when I drive that the point of diminishing returns may be met."

That concern, however, stems mostly from the natural anxiety of having a new driver in the family. In adapting the vehicle to meet Dycus' needs, safety and reliability had top priority for J. R. Baker, the engineer who designed the controls, and Roger Dycus, John's father, who built them.

"I think it's amazing what these two people have done," Dycus said. "It really does work, just like they planned."

Their achievement, he explained, goes far beyond that of hand-control devices on the market since the '40s. With those, floor pedals are merely replaced by a lever—pushed to accelerate, pulled to brake. But the driver still needs enough range in his other arm to turn a steering wheel and enough finger dexterity to operate other controls.

"These modifications are just dandy if you've got two good arms," Dycus said. "Otherwise they won't work."

The controls in Dycus' van use his shoulder and arm muscles together with his hands' gripping and pushing capacities to perform all the driving operations. With one small lever, his left hand does the steering, accelerating and braking, while his right operates the gear shift and pushbutton switches for turn signals and horn.

Other equipment makes it possible to get in and out of the van, as well as drive, while remaining in his wheelchair.

Finding someone who could accomplish all this—and at a price Dycus could afford—took more than a dozen years, from the time he developed the typical American high school boy's yearning for a car.

"I'd always envisioned a joystick of some sort," he said, referring to the steering and speed lever.

He began investigating the possibilities, getting in touch with anyone who might offer a solution. "I'd get the phone book down and turn to the Yellow Pages and start making calls," he said. One firm estimated a cost of $30,000 to outfit an automobile for his needs.

Letters to others around the country brought "just enough response to keep me interested." One went to Ed Roth, a flamboyant California showcar builder whose "Beatnik Bandit" featured a joystick. Roth replied that the Bandit couldn't be driven on the street and advised: "Your best deal is to marry a rich chick and hire somebody to drive you around."

"I suspect everybody thought I was crazy," Dycus recalled. He described their attitudes as "it's nice for you to shoot for the moon but I know and you know this can't be done, though we certainly admire you for trying."

Still optimistic, he continued to save money for the car. Living at home kept expenses minimal and, he added, "I didn't have a car to take me places where I could spend it."

His hopes rose in 1973 when first one, then a second UTA engineering student tackled the project; however, both graduated before a design could be implemented.

Looking back, Dycus regards the disappointments philosophically, "I met a lot of people and received some encouragement. Maybe I was too young then for the responsibility."

A friend at church who had given Dycus some books on hydraulics and automotive electrical systems discussed the project with Baker, a General Dynamics flight test engineer, and introduced the two.

A deeply religious man, Baker told Dycus of his conviction that the job could be done. Calling at "a very large task," the engineer said "I wouldn't undertake it except that I feel the Lord wants me to do it."

With this motivation, Baker offered his skills without charge.

The decision was made to buy the V-8, automatic shift Chevy van in October 1974. Describing the night they brought it home, Dycus said "I was sitting beside him (my father), behind the motor, I'm not an overly emotional person—I tend to be on an even keel—but I can recall being moved. It was my money and the van was in my name.

"Of course, at this stage, we thought it would be six months, but it took two years."

The leading that Baker felt seemed to prevail during the development of the equipment. "In everything we tried to do," Dycus said, "when we needed somebody to give some help, we did get it."

W. H. Reed, a family friend who had a machine shop in Bridgeport, offered his services, supplying "literally thousands of dollars worth of machine work for free," Dycus said. "Overall, it cost $2,700 for steel and the hydraulic motor and valves and a few mistakes."

A Fort Worth neighbor helped with the building and a friend of Baker's relieved their apprehensions about plumbing requirements. "We could just see oil spurting everywhere," Dycus remembers, "but it's very clean. You're not sitting in oil up to your knees and that was a fear."

When the family moved to Arlington, three blocks away they found Bill Meador, "a man who makes cars for a living and can do anything in steel." Meador installed the seat belts and came up with a simplified method for shifting gears.

"Everything has worked out extra well, and I am most thankful for this," Dycus said.

He enters the van on a hydraulic lift—standard equipment—which descends at the side door in response to switches on the outside. It folds up once he's inside. A hydraulically operated mechanism designed by Baker secures the chair with hooks from the floor, at the same time releasing the emergency brake.

The added hydraulics work off a standard power steering pump. Oil also is forced into an accumulator, an emergency power reserve to allow steering and braking should the motor die.

The brakes work by "a valve on the floor which is on a movable plate linked up here to my hand by a cable," explained Dycus. Controlled by his left hand, the joystick, a 4½ 5-inch lever rising from the desk-like control box, also regulates the speed by a cable to the accelerator.

The stick's most impressive feat is enabling Dycus to steer the 5,000-pound van. Baker's design, and Roger Dycus' construction, succeed in reconciling a tiny movement of this lever with the multiple rotations normally made by a steering wheel.

A sideways tilt of the stick activates a hydraulic valve which determines the left or right movement of a hydraulic motor. From this motor a chain loops around a sprocket on the steering column to turn it.

Baker was originally unsure the van would be controllable at speeds greater than 40 miles an hour, but Dycus has achieved 52 "on the freeway with no traffic around me.

"I change lanes like a pro—of course, there's not much market for that. The reason I do that well is the makeup of the van. Just a small movement of the stick will zip into the other lane."

Dycus may eventually overcome the need for giving himself on-the-road pep-talks, "just to keep alert." But, he said, "I don't think I will ever become complacent. It's just too exciting, too much fun to drive."

LITHUANIAN INDEPENDENCE DAY

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. BLANCHARD. Mr. Speaker, today, February 16, 1977, marks the 59th observance of Lithuanian Independence Day.

On this day, Lithuanian-Americans commemorate one of the great moments in Lithuania's long, rich, and varied history—the day in early 1918 when the Lithuanian National Council proclaimed their country's independence, after occupation by the Soviet Union and Germany.

Since that day, the desire for freedom in the hearts and minds of Lithuanians has never lessened, despite their betrayal by the Soviet Union, which broke its treaties of friendship and invaded Lithuania on June 15, 1940, beginning an illegal occupation that has now lasted for 36 years.

The invasion of the Baltic States by the Red army remains today as one of the great unrectified injustices of modern history. Today, Lithuania is still a part of the Russian sphere of domination in

Eastern Europe—the last remaining colonial empire.

Nonetheless, resistance continues in Lithuania, and in her sister Republics of Estonia and Latvia. As a great Lithuanian freedom fighter, Simas Kudirka, told me only a year ago:

The thirst for freedom can conquer all obstacles.

Today, I join with Simas and his countrymen in saluting the spirit of Lithuania, which resulted in the proclamation of freedom in that country in 1918 and which will one day see her free again.

THE ITALIAN HERITAGE OF WATERBURY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. SARASIN. Mr. Speaker, on Saturday, February 26, 1977, the Italian Heritage, Inc. of Waterbury, Conn., will be holding its second Carnevale Festival. In celebration of this occasion, I would like to take this opportunity to honor this social organization which has done so much for the city of Waterbury, for Italian-American groups in the area, and for the preservation of the Italian culture.

In April 1975, a group of people from various Italian organizations in Waterbury met together at 30 Center Street to discuss the forming of a new group that would include all Italian-American men, women, and children in the area. Their chief aim would be to promote Italian cultural activities as well as supporting those programs which would benefit the community.

Some of the original members were: Angelo Barbino, Frank Albini, Angela R. Pugliese, Joseph Petino, Charles Lanza, Angelo Izzi, Sal Terenzo, Rosario Costa, Victor Guerrera, John Sarlo, Anthony Mastrantuone, Albert Izzi, Josephine Negaro, Florence Lorusso, Thomas Garrantano, Fred Perugini, Matt Cipaldo, Carmine Gugliotti, Ugo Ciarlo, Frank Porto, Jr., William Bochicchio, Joseph Tramuta, Peter Augelli, Carl Padula, Ed Maglio, Vincent Bruno, Angelina DeAngelis, Sue Calvo, Mary Cappello, Pat Longo, Sal Coppola, Salvatore Perugini, George Testa, Dan Morrelli, and Vincent Onalfo.

These individuals represented such clubs as the Favale-Generali ITAM War Vets, Lega Siciliana, Pontelandolfo Community Club, Ladies of Unico, Ceremaggiore Community Club, Unico National—Waterbury Chapter, Sons of Italy—Leonardo DaVinci Lodge.

The first function of this new united group was a revival of the Italian festival which had not been held for half a century. Lakewood Park was chosen as the site because it was the popular rendezvous place for Italians 50 years ago when Lakewood was a recreation and picnic area with an amusement park and carousel. The festival, held in August 1975, was planned and put together in less than 2 months. Many members felt that the festival should wait until the following year, but the majority ruled that they had waited long enough for this event and that it must go on. The festival turned out to be an outrageous success, drawing over 10,000 people. Seeing all the happy faces of the people in attendance was evidence enough that all the hard work and planning was well worth the effort.

Italian Heritage, Inc., followed up with a carnevale in February 1976. This was patterned after the traditional prelenten celebration. Held in the State armory, the largest hall in the Waterbury area, it drew 1,200 people which filled the hall to capacity. It was another smashing success. Everyone enjoyed the nostalgia, the renewal of old friendships, the gaiety, the laughter, and the plain, good old-fashioned fun.

After 1 year of existence, the organization had a membership of over 400 people. By 1977, the rolls had increased to over 650. The club branched into other activities. In the spring of 1976, they raised over $2,000 and collected clothing to aid the Italian Earthquake Relief Fund. Monthly meetings are held at the St. Lucy's School auditorium courtesy of the pastor, Father Thomas Ritucci. The club offers Italian lessons and encourages the learning of Italian ethnic dances. Currently, they are working to establish two music scholarships to send students to Siena, Italy, for 6 weeks to study Italian and their music specialty. For this, they will receive college credits from Columbia University.

But Italian Heritage, Inc., has one ultimate dream—to build a large Italian community cultural center. It would be a monument to the community and a source of deep pride to the Italian people, something that would encourage the performance of the arts. Plays, operas, art exhibits, lectures, and other events could be held in this center. The center is a long way into the future, but with determination, leadership, and the willingness of the members to work together toward this goal, it can be done.

I believe that Italian Heritage, Inc., will one day see its cultural center be built. If all of their past accomplishments are a good indication, they have the inspiration, the drive, and the strong desire to see that their dreams become reality.

I can only bear witness to the wonderful things they have done for the city of Waterbury, not only in bringing together all the Italian-Americans, but in their vibrant celebration and preservation of the Italian culture. I know that their second carnevale festival will be as big a success as the first, if not bigger, and I want to wish them many more enjoyable festivals in the future.

DRUG MENACE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RANGEL. Mr. Speaker, last week myself and other members of the Select Committee on Narcotics Abuse and Control released a report on the narcotic law enforcement efforts in New York City. In November I chaired a hearing of the select committee in New York on this very problem.

On December 1, 1976, WINS Radio 1010 New York issued an editorial comment on this issue, which I would like to share with my colleagues at this time. The editorial follows:

DRUG MENACE

Recently, Manhattan Borough President Percy Sutton told a Congressional Committee that New York is a city being abandoned to the users and pushers of drugs. He pointed out that on streets such as 117th and 8th Ave. in Manhattan, drugs were on sale, by brand name. There are on other streets in central Harlem, hard drugs are being peddled right out in the open, and the pushers are calling out the brands . . . True Blue, Bingo, Mean Machine, Dynamite, Blue Star and Death Wish.

What is most disturbing about this is that so many officials are surprised or shocked. This kind of open selling of hard drugs is nothing new. As a kid growing up in New York, I not only knew about it. I, and thousands of others, saw it . . . twenty and thirty years ago. What we ought to be shocked about is that Federal and City officials and law enforcement authorities are still failing miserably in wiping this kind of activity off the streets. Its been going on so long, and so blatantly, that we have to question whether they really want to clean it up. You don't have to be an especially talented undercover agent to see what is happening. Our officials here and in Washington and maybe the courts, too, have failed us. They are guilty of allowing the drug peddlers to openly profit on the misery of the poor and the young. This kind of thing makes you wonder who is more to blame . . . the pushers, or the people who are supposed to protect us and crack down on this vicious form of crime, but have not.

CONGRESSIONAL BUDGET IMPOUNDMENT AND CONTROL ACT

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mrs. COLLINS of Illinois. Mr. Speaker, inasmuch as the former Administration's budget proposal for fiscal year 1978 was submitted to Congress on January 17, 1977, for modification under provisions of the Congressional Budget Impoundment and Control Act (Public Law 93–344), I feel compelled to bring its serious shortcomings to the attention of my colleagues.

Throughout the budget proposal, a great deal of emphasis has been placed on instituting permanent reductions in Federal spending, decreasing individual and corporate taxes to stimulate the economy, and cutting back drastically on direct job-creating programs.

In my view, the budget unrealistically assumes that economic recovery will be achieved without public service programs. With the labor force growing and the possibility of higher-than-normal unemployment, the proposed tax relief is not sufficient to counteract what appears to be a structural unemployment rate affecting minorities, youth, and indeed, our cities.

It is my understanding, however, that we are expected to see one major area in the Ford budget undergo significant growth—the Department of Defense—DOD—by 12 percent. Planned DOD outlays of $110.1 billion for fiscal year 1978 represent 25 percent of the total proposed Federal budget and 5.4 percent of the Nation's gross national product—GNP. Needless to say, I am fully aware of the important role played by the Defense Department in maintaining national security. However, with rampant increases in the unemployment rate, I believe the budget should direct a larger share of Federal funds to the area of creating and improving public service programs.

Despite the former administration's estimation that employment in defense industries will increase by 217,000 to 2.1 million during the next fiscal year, I am alarmed that former President Ford would propose to phase out and/or cutback public-service job programs that employ more than 260,000 employees as well as to close down eight nationwide Public Health Service Hospitals that serve 277,000 merchant seamen and other Federal beneficiaries. In short, this budget lacks the necessary elements to adequately stimulate the economy and to effectively respond to the needs of lower-income groups.

I sincerely hope that this Congress and the Carter administration will not be insensitive to our Nation's major domestic problems. Now is the time to move in a positive direction by fashioning a budget receptive to those areas long overlooked by past administrations.

THADDEUS KOSCIUSZKO DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RODINO. Mr. Speaker, on February 12 we celebrated Thaddeus Kosciuszko Day, in commemoration of the birthday of the great Polish soldier and statesman whose superb military talents were a major contribution to the cause of American independence.

Perhaps General Kosciuszko's finest military achievement was his outstanding ability to use the natural terrain of our country to the full advantage of the Continental Army. His impregnable fortifications both at West Point and Saratoga were major factors in both winning and maintaining these positions for the Americans. Indeed, the forts constructed by Kosciuszko on Billingsport Island to defend the Delaware River from British naval attacks were crucial to Washington's famous Christmas night crossing of that river and the subsequent dramatic victories at Princeton and Trenton.

Following the Revolution Kosciuszko immediately began another quest for independence—that of his native Poland, which had been partitioned by Catherine the Great. While Kosciuszko never was able to witness the reunification and independence of his homeland, he was regarded by his contemporaries as the personification of Polish liberty.

Less well known than his military exploits is his compassionate and selfless nature. During the Revolution he refused to accept his salary while enlisted men went unpaid. He repeatedly turned down promotions to brigadier general and refused to accept credit for his brilliant strategy at Saratoga. General Washington himself once remarked to Kosciuszko, "You are too modest."

Two incidents further serve to highlight Thaddeus Kosciuszko's great compassion for his fellow man, regardless of race or nationality. When presented with a black slave to serve as his manservant during the Revolution, General Kosciuszko promptly freed the man, stating that he had no idea of what to do with a slave. Later, when Kosciuszko was awarded property in Ohio by Congress in recognition of his extensive military services, the general sold the land and established a school for black children in New Jersey with the proceeds.

Mr. Speaker, Thaddeus Kosciuszko's life was dedicated to the cause of freedom and justice and all Americans should remember with pride and gratitude his contributions to our Nation.

INCREASE IN SOCIAL SECURITY BENEFITS FOR PERSONS RETIRING AFTER AGE 65

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. EVANS. Mr. Speaker, I am today introducing legislation to provide for an annual 6⅔-percent increase in social security benefits for those persons between the ages of 65 and 72 who voluntarily choose to delay their receipt of such benefits.

This measure would give individuals maximum flexibility under the social security system by allowing their benefits to increase annually, up to age 72, by the same percentage as benefits are now reduced for early retirement.

Most importantly, this legislation would end the bias toward retirement that the present system possesses. As it stands now, individuals are literally forced into retirement in order to receive the maximum benefit from their social security, regardless of whether that man or woman desires to or is capable of continuing work.

I believe that the experience and ability of mature Americans is a resource that our Nation cannot allow to go untapped. Age 65 must not be an arbitrary test of whether an individual can still contribute to society. We simply cannot allow the waste of anyone's skills in this country, regardless of their age.

Even more important is the effect that work has on the potential retiree. Disinvolvement from the mainstream of life has a terrible impact on many retirees, particularly those who would have preferred to stay on the job. Yet in many cases individuals have no choice. They must retire, because the actual return for continuing work does not encourage the worker to remain at his place of employment. Not only does the full-time worker lose social security benefits, but he or she must also pay income taxes and social security taxes on earnings. When these costs are added to the expenses incurred in traveling to and from a job, little if any incentive remains to encourage one to stay at work.

Simply put, this measure gives freedom of choice to older Americans. It does not affect current law regarding early retirement, or retirement on schedule at age 65. All it does is remove the barriers which now exist against those who wish to remain on the job.

An identical bill has been introduced in the Senate by Senator HANSEN, of Wyoming, as well as 15 other Senators of both parties and varying ideologies. Its broad-based support in that body is testimony to the crying need for this change in our retirement laws.

This measure would cost about $200 million per year, or 0.21 percent more in payroll taxes. However, this estimate does not take into account the fact that older workers are paying Federal and social security taxes while they work. Nor does it include the savings in such programs as SSI, food stamps, medicare, medicaid, and public assistance programs which will undoubtedly occur when individuals can once again be productive.

We need to give older Americans the freedom to choose for themselves when they wish to retire. This bill gives them that choice, and I urge its speedy consideration.

THE NATIONAL GARDENING ACT OF 1977

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. BROWN of California. Mr. Speaker, I am introducing a bill today entitled the National Gardening Act of 1977. As indicated from the title this bill provides for a system within every county in this country for: First, assessing the amount of unused, barren public and private land; second, coordinating agreements between the local county or city officials and the Agricultural Stabilization and Conservation Service of the USDA for the temporary voluntary donation of such lands to be used as garden plots by local residents; third, the initial preparation of the land—tillage, mulching, fertilization, and so forth—for gardening use; and fourth, the distribution on a bid basis to local individuals or groups interested in growing food, herbs, and other plants.

Interest in gardening has increased significantly over the past few years. In my own district I have been extremely pleased by the number of telephone calls to the Extension Service requesting information and advice on soil fertility, planting dates, and other gardening tips. But many of those who would like to be outside working the soil, seeing the fruits of their labor, have no access to

land suitable for planting. In these days of growing awareness regarding resource conservation, waste utilization, and world food shortages, it seemed illogical to me that so much land within our cities and counties is left as unused eyesores. Such plots of ground could be a source of food production for home consumption, a source of recreation and education for our young and old, and a source of green, natural beauty to those passing by.

Through a national gardening program people will be able to have some direct influence over the food they eat and they will develop a greater understanding of man's dependence on nature for sustenance. They may also learn a preference for a more natural way of life, a life slightly less tangled by technological, mechanical intrusions.

I ask my distinguished colleagues to join me in this effort to provide a means of personal enjoyment and a bit of self-sufficiency to many people throughout this country.

LITHUANIA

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RUSSO. Mr. Speaker, this year, as in years past, we of the House of Representatives celebrate the anniversary of the Declaration of Independence of Lithuania, when its people threw off the chains of Russian domination and declared themselves a nation free to govern themselves according to the principles they chose as best. This was a great moment. It marked the end of Russian rule in Lithuania which had denied the people their essential human rights for hundreds of years.

This is a celebration stained with tears of both sorrow and joy. It is the joy of 22 years of freedom for Lithuania until the Soviet Union once again invaded and oppressed her people. It is the sorrow we must feel because the oppression of the Lithuanian people continues.

As we enter this assembly we are not harrassed for our political differences, not tormented for our individual moral and ethical beliefs, not stifled by the notion that our thoughts will possibly become our jailors. We must remember that the people of Lithuania are not afforded the same freedoms of thought, speech, or religious choice which we in this great assembly take for granted.

We do well to remember the fight of our own Nation for freedom—a fight which has enabled us to grow, prosper, and achieve. We are, despite our shortcomings, the freest nation in the world; thus, we must bear the burden in our hearts when another people is denied the basic liberties that we hold so dear.

I ask my fellow colleagues and Americans to stand up and protest the treatment of Lithuania. It is time, as the Lithuanian World Congress resolution of 1958 declared—"to reaffirm on every suitable occasion the inalienable rights of the Lithuanian people to national independence and individual freedom." It is unconscionable that a people should not live free in their own land. There is no place for such barbarism in the modern world. We must make the cause of Lithuania, and all people unfree, our own cause. Today is a day to remember Lithuania. Today is a day to renew our commitment and hope that independence will be a reality, not merely a memorial, for all the people of the world.

DEPLORABLE CONDITIONS IN BRITISH HOSPITAL CITED

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. CRANE. Mr. Speaker, for the past several years I have been citing the numerous problems in the British National Health Service as examples of what we can expect if national health insurance were to be adopted in the United States. NHS in Britain has resulted in shortages of hospital beds; long waiting lists, even for necessary surgery; and the emigration of skilled physicians to the United States and other Western countries.

In August 1975, I personally visited many of Britain's finest hospitals and was shocked by the antiquated buildings and equipment. But a recent article in the Londan Daily Telegraph revealed that sanitary conditions, which are presumed to be of the highest standards in hospitals, are worse than at public eating places in one of London's medical centers. Ironically, hospitals are exempt from public hygiene regulations and, therefore, can get away with unsanitary practices that would have instantly closed them down otherwise.

I am inserting this article into the RECORD in the hope that it will be a sobering lesson for those who advocate that the Federal Government take over the health care system in the United States:

HYGIENE AT HOSPITAL ATTACKED

Standards of hygiene at the Central Middlesex Hospital, Park Royal, Northwest London, were intolerably bad, local public health officers said yesterday.

Long-standing conditions of neglect had not been put right despite a call more than two years ago for action to remove vermin and insects.

There were still no separate handwashing facilities in kitchens, and drugs were stored alongside food in the refrigerators.

Any restaurant or canteen with similar failings would have been closed long ago. But hospitals were exempt from public hygiene regulations.

100,000 POUNDS SPENT

A hospital spokesman said 100,000 pounds had already gone towards putting things right. More needed to be done but spending restrictions were making this difficult.

Mr. William McLellan, chairman of Brent borough council environmental health committee said hot water, soap and soda could deal with some of the hospital's problems.

Mr. Robert Govett, environmental health officer, said hospital authorities had fobbed on constructive suggestions for improvement.

A NATIONAL ENERGY POLICY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. HARRINGTON. Mr. Speaker, during the district work period, I received a copy of a resolution passed by the Massachusetts State Senate, which I believe all of us can benefit from. The Massachusetts Senate is urging the Congress to develop a national energy policy.

We can ill afford any further delays in formulating a national energy policy. I would like to submit for the RECORD a copy of the senate resolution as well as my response to the Massachusetts Senate:

RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT A NATIONAL ENERGY POLICY

Whereas, The well-being and security of this nation depend upon assured quantities of reasonably priced energy; and

Whereas, This winter has resulted in serious energy shortages in many areas of this country; and

Whereas, America's dependence on imported oil has increased since the oil embargo of 1973; and

Whereas, Efforts at development of alternatives to petroleum as a source of energy are fragmentary and halting; and

Whereas, Nuclear fission, fusion, coal gasification, and solar energy all require careful evalutaion and a concerted national effort for their implementation; and

Whereas, The research and development required to institute such a policy will foster the creation of an advanced technological infrastructure; now therefore be it

Resolved, That the Massachusetts Senate respectfully urges the Congress of the United States to enact a national energy policy; and be it further

Resolved, That copies of these resolutions be sent by the Clerk of the Senate to the Congress of the United States, and to the members of the Massachusetts congressional delegation.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 15, 1977.

Hon. KEVIN B. HARRINGTON,
President, Massachusetts State Senate, State House, Boston, Mass. 02133

DEAR KEVIN: Yesterday I received a copy of the Resolution passed by the Massachusetts Senate urging the Congress to enact a national energy policy. Your frustration and sense of urgency have not been shared by the Nixon and Ford Administrations, or the Congress. Your resolution is a welcome reminder that we are ten years late on the energy question, and I intend to insert it tomorrow in the CONGRESSIONAL RECORD.

An energy policy is made of many separate parts on which there will be much debate and controversy. But on several matters I think there is agreement:

First, the energy policy must be comprehensive, with all its parts working toward the same ends and with the same timetable. Our current hodgepodge shows how individual policies can conflict and negate the effect of the other, to the detriment of energy consumers and energy producers. A single federal agency should be formed to provide the comprehensiveness and coordination we need.

Second, the policy must stress research and development of so-called alternative sources of energy—alternatives to oil, natural gas, coal, and nuclear fission. In varying de-

grees, these forms of energy are based on resources whch are running out.

Finally, a national energy policy must be based on an all-out effort toward conservation. Studies have shown we are wasting about one of every two units of energy we produce in America—waste exceeding the total energy consumption of Africa, Asia and Australia combined.

In translating these three goals into specific policies, there are two areas related to energy which ought to be kept in mind, as well.

Too often we find that the interest of greater energy or production run head-on with concerns for our environment and health. These head-on clashes have proved expensive, politically damaging and inevitably indecisive. We ought to establish mechanisms for sorting out the energy-environment conflicts quickly and fairly, so the agony of a Seabrook or a Dickey-Lincoln can be avoided.

An energy policy should also be mindful of its effect on low income families, and make allowances which shift the burden to those who can best afford to shoulder it. Price rises and energy taxes may be an inevitable part of a comprehensive national policy for energy production and conservation. If so, some allowances should be made to assure that this does not translate into added suffering for those who already suffer too much.

With these considerations in mind, what are the first steps? I would like to take this opportunity to express my ideas.

We ought to establish a new Department of Energy, as President Carter has suggested. The department could consolidate the activities and powers of 50 existing agencies, streamline their operations and avoid waste and duplication. The department could also submit to the country, and the Congress, an energy agenda of realizeable goals for the next two years, the next ten years, and the next 25, against which we can judge our progress and chart an agreed upon course.

The new department should also publish comprehensive and accurate data each month on energy supplies, reserves and demands, so that policies can be designed to reflect real rather than imaginary situations. Too often, current sources of information on energy are inaccurate or completely contradictory. This surfeit of misinformation has been a principal cause of our uncoordinated federal energy efforts to date.

The first item on the agenda for the new energy agency should be conservation—the best short-term solution to the energy crisis. Conservation is technologically available, easily instituted and economically sound. Devices already exist to increase the efficiency of home furnaces. Combined with a nationwide insulation program, we could cut furnace fuel consumption in half. Increased taxes on inefficient automobiles, more efficient water heating devices, recycling of paper, metal, glass and wood all would greatly add to that conservation effort.

It should be stressed that these conservation measures would not effect our national standard of living. Sweden and West Germany are two good examples of countries with high standards of living, high industrial output, and per capita energy consumption half that of ours.

Item number two on the new department's agenda should be to assure that current reserves of oil, natural gas and coal are allocated fairly. This winter is proof enough that we cannot continue our dependence on natural gas producers to get us what we need at a price we can afford. In August of last year, thirty House members and I asked the General Accounting Office to conduct an audit of the nation's natural gas reserves. While a final report won't be completed until July, it now appears as if our current shortage is more the result of reluctance to sell off gas reserves at lower profits and less the result of too little gas from too few wells.

Unfortunately, the crisis this winter has given new life to proposals for deregulation of natural gas prices. The argument in favor of deregulation is that the free market forces of supply and demand should govern the price of natural gas, not artificial ceilings set by bureacrats in Washington. I would be willing to live with that thesis if I thought a free market situation would result from deregulation. Unfortunately, I don't believe it will. There are now 300 producers of natural gas in the United States, but 12 of them—all major oil companies—supply 80 percent of the total. Only divestiture of the natural gas industry from the oil industry will provide the basis for a truly fair and equitable market situation in which deregulation could occur, and I have introduced with Congressman Udall, Seiberling and other legislation to do just that.

As for coal, I think our best efforts lie not in developing gasification and liquefication techniques so much, as developing environmentally sound methods of just burning it. Burning coal could provide us with 500 more years of energy at current rates of usage. Trying to turn it into natural gas would produce only about one fifth the energy overall, probably at much greater expense.

The third item on the Department of Energy agenda should be accelerated development of what have been called "alternate" sources of energy—alternatives to oil, gas, and uranium, which may run out sometime during the next century.

Solar and geothermal energy are the two alternate sources which come readily to mind, both because they are safe, clean and renewable and because the necessary technology is already available. Dr. Robert L. Hirsch, the top federal official in this field, told a Congressional Committee last year that "There is no question of technical feasibility in the major solar technologies—they all work. The major problem is cost in all cases." It is projected that by 1980, solar water and space heating will be cost competitive with all other forms of energy in almost all parts of the country, either as primary or secondary sources of energy. And in some states, plans are already being approved for generating stations using steam extracted from earth's core.

In order to foster accelerated research and development in this field, and encourage new techniques for mass production, I have introduced legislation with 30 colleagues to provide low-cost, long term federal loans for installation of solar space and water heating in private homes and multifamily housing projects. In addition, I would like to see the federal government take the lead by installing this type of equipment in all of its new buildings, both for heating and cooling.

We could go on with this discussion for literally hundreds of pages. But I wanted you to know that there are some of us who are worrying about energy supply and energy prices, trying to do something about it, and sensitive to your all-too-legitimate frustrations with the lack of leadership exercised in this field by Congress and the White House.

Yours sincerely,

MICHAEL J. HARRINGTON.

INTELLECTUALS ARRESTED BY KGB

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. DOWNEY. Mr. Speaker, recently I was informed of the arrest, by the Soviet Union's KGB, of Mykola Rudenko and Oleksiy Tykhiy. Mr. Rudenko and Mr. Tykhiy are the cochairmen of the Ukrainian Citizens Group to Monitor the Helsinki Accords.

The arrests were made Saturday, February 5, and no official information as to the whereabouts or the charges leveled against these two respected Soviet intellectuals have yet been released.

It is both unfortunate and curious that the leaders of a group established to evaluate the Hensinki Conference were arrested only months before the scheduled Belgrade, Yugoslavia, conference to review compliance with the Helsinki accords.

We cannot let up on our attempts to focus world opinion on the practices of persecution in the Soviet Union. We, as Americans, should express our moral indignation when those like Mykola Rudenko and Oleksiy Tykhiy, whose diligent efforts have been to uphold the agreements set forth by the Hensinki accords, find that they themselves are the victims of persecution and repression.

In the spirit of the Helsinki agreement and in light of Secretary of State Cyrus Vance's visit to the Soviet Union in late March, I urge my colleagues attention to the cases of Mr. Rudenko and Mr. Tykhiy to see that they do not suffer any unjustified imprisonment.

LITHUANIAN INDEPENDENCE

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RHODES. Mr. Speaker, 59 years ago, on February 16, 1918, the Republic of Lithuania came into being. On June 15, 1940, it was overwhelmed by Russian communism. Many of its people were relocated, taken from their homeland, and sent to Siberia.

It is most fitting that the U.S. Congress pay tribute to the brave people of Lithuania, to the more than 30,000 freedom fighters who have lost their lives in a courageous attempt to throw off the yoke of repression.

Today, throughout the Communist empire, a new spirit is stirring. Downtrodden peoples are growing restless under the soul-deadening burdens of totalitarianism, the atheistic indifference to personal dignity and identity.

Communism is reacting with its characteristic brutality. As we observe the anniversary of Lithuania's struggle, we must demand that our Government take a firm stand on enforcement of the human rights section of the Helsinki agreement.

The colossus of communism is discovering that the spirit of freedom has not died among those Baltic peoples, and their descendants and relatives who have fled to freedom.

It is important that we in the United States honor their heroic efforts to regain freedom, and offer our strongest support for people everywhere who seek to rule themselves and control their destinies. At this point I include the following:

LITHUANIAN AMERICAN COMMUNITY OF THE U.S.A., INC., WESTERN REGION,

February 1, 1977.

Hon. JOHN J. RHODES,
House Office Building,
Washington, D.C.

MY DEAR REPRESENTATIVE: Americans of Lithuanian origin or descent and their friends in all parts of our great nation will commemorate two very important anniversaries this month (starting February 12th): (a) they will observe the 726th anniversary of the formation of the Lithuanian state when Mindaugas the Great unified all Lithuanian principalities into one kingdom in 1251; and (b) they will mark the 59th anniversary of the establishment of the modern Republic of Lithuania on February 16, 1918.

The United States Congress marks these anniversaries each and every year. We kindly ask you to take part in the commemoration of the Lithuanian Independence Day in the United States Congress. That will take place during the second part of February of 1977.

Enclosed you will find a copy of an essay prepared by us which could be one of the sources for your remarks in the House of Representatives.

Needless to say, all Lithuanian-Americans and other freedom-loving constituents of yours will really appreciate the aid and assistance given by you to this crusade to free the Baltic States.

Thank you.

Sincerely,

V. P. VIDUGIRIS,
President, Lithuanian-American Community, of the U.S.A., Inc., Western Division.

LITHUANIA'S SEVEN-CENTURY QUEST FOR FREEDOM (RED TERROR IN LITHUANIA, LATVIA, AND ESTONIA)

It isn't often that a nation fights on both sides of a major war and comes out with a prize derived from each adversary.

The younger generation of today wasn't even born when it all happened. For on the 15th of June, a tragic anniversay will be recorded. On that day in 1940 the Soviet Union—then an ally of Nazi Germany—annexed Lithuania, Estonia and Latvia, which the Red Army had invaded and occupied after the conquest of Poland. Later on, when Hitler turned on the Russians in June 1941, America came to their aid and, a consequence of the victory of the Western allies, the Soviet Union was able to secure control over the so-called independent governments in Poland, Czechoslovakia, Hungary, Romania, Bulgaria and East Germany.

Without Hitler's help, the Russians wouldn't have acquired the Baltic States. Without America's aid, they wouldn't have won control of the "captive nations" of eastern Europe.

ANCIENT NATIONS

The Balts are proud people who have lived peacefully on the shores of the Baltic from time immemorial. For instance, this year marks the 726th anniversary of the formation of the Lithanian state. Mindaugas the Great unified Lithanian principalities into one kingdom in 1251.

The Baltic peoples have suffered for centuries from the "accident of geography." From the West they were invaded by the Teutonic Knights, from the East by the Russians. It took remarkable spiritual and ethnic strength to survive the pressure from both sides. The Lithuanians, Latvians and Estonians, it should be kept in mind, are ethnically related neither to the Germans nor the Russians.

MOST BRUTAL OCCUPATION OF ALL TIME

Since June 15, 1940, it began one of the most brutal occupations of all time. Hundreds of thousands of Balts were dragged to trains and jammed into cars without food and water. Many died from suffocation. The pitiful survivors were dumped out in the Arctic or Siberia. The Baltic peoples have never experienced such an extermination and annihilation of their people in their long history through centuries as during the last almost four decades. Since June 15, 1940, these three nations have lost more than one-fourth of their entire population. The genocidal operations and practices being carried out by the Soviets continue with no end in sight.

Since the very beginning of Soviet Russian occupation, however, the Balts have waged an intensive fight for freedom. During the period between 1940 and 1952 alone, some 30,000 Lithuanian freedom fighters lost their lives in an organized resistance movement against the invaders. The cessation of armed guerrilla warfare in 1952 did not spell the end of the Baltic resistance against Soviet domination. On the contrary, resistance by passive means gained a new impetus.

SUCCESSFUL REVOLT AGAINST SOVIETS

The year of 1977 marks the 36th anniversary of Lithuania's successful revolt against the Soviet Union. During the second part of June of 1941, the people of Lithuania succeeded in getting rid of the Communist regime in the country: freedom and independence were restored and a free government was reestablished. This free, provisional government remained in existence for more than six weeks. At that time Lithuania was overrun by the Nazis, who suppressed all the activities of this free government and the government itself.

WORLD OPINION

The principle of self-determination of peoples is no longer honored. The rest of the world, while occasionally voicing protests, made no positive effort to interfere with the virtual seizure of the countries of Lithuania, Latvia and Estonia.

But what about world opinion? If a long and expensive war like that which was fought in Vietnam could be waged in order to protect the right of self-determination for the South Vietnamese people, why should the same right for the peoples of the Baltic States be disregarded?

Ten years ago, both houses of Congress, by a unanimous vote, adopted a resolution (H. Con. Res. 416, 89th Congress) urging the President "to direct the attention of world opinion at the United Nations and at other appropriate international forums and by such means as he deems appropriate, to the denial of the rights of self-determination for the peoples of Estonia, Latvia and Lithuania, and to bring the force of world opinion to bear on behalf of the restoration of these rights to the Baltic peoples." The resolution says in part:

"The subjection of peoples to alien subjugation, domination, and exploitation constitutes a denial of fundamental human rights, is contrary to the Charter of the United Nations, and is an impediment to the promotion of world peace and cooperation . . .

"All peoples have the right to self-determination; by virtue of that right they freely determine their political status and freely pursue their economic, social, cultural, and religious development."

The time has come for the whole world to demand that the principle of self-determination be respected and that the nations of Lithuania, Latvia and Estonia, too, shall be free from domination and be permitted to choose their own form of government. For that is what self-determination really means.

CONFRONTING THE SOVIETS WITH THEIR ACTS OF AGGRESSION

The United States Government still refuses to recognize the forced incorporation of the Baltic States into the Soviet Union. But this lack of official recognition by our Government is not enough. Our diplomatic representatives at the United Nations and elsewhere should be prepared to confront the Soviet Union with its acts of aggression against Lithuania, Latvia and Estonia when Soviet spokesmen raise the cry of "imperialism" against our own country.

The Soviet Union has signed the United Nations Declaration of Human Rights. This document describes the fundamental privileges which are due to every individual from a state in which he lives. These include the rights of assembly, of free elections and of freedom of worship. Most importantly, they include the right to move freely over the borders for emigration or temporary visiting.

The United States and other countries of the free world should urge the Kremlin leaders to make these rights described in the Declaration available to the Balts and other captive people.

CRIME—AND THE DEATH PENALTY

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. SIMON. Mr. Speaker, I am not among those who could be labeled as "soft on crime." I will soon be introducing a measure which would require that once a person is convicted of a criminal charge in Federal court and sentenced, that the sentence should be commenced immediately rather than be postponed pending appeal. I believe our State governments should enact similar legislation. It makes no sense to read and hear time and time again about people who have been found guilty of committing a crime, then are out on appeal and commit the same crime while out on appeal.

But the Gary Gilmore execution, or suicide, in my opinion encourages crime rather than discourages it. It brutalizes all of us. We reserve capital punishment for the children of the poor and that strikes me as a gross injustice.

Anthony Lewis had a column which I think makes a great deal of sense and which I call to the attention of my colleagues:

LET'S DO IT

(By Anthony Lewis)

In the early morning of Nov. 13, 1849, Charles Dickens came upon a crowd outside Horsemonger Lane Jail in London. People were waiting to see a Mr. and Mrs. Manning hanged for the murder of their lodger. Dickens watched through the hours until sunrise, as the crowd screamed and laughed and sang "Oh Mrs. Manning" to the tune of "Oh Susannah." Later that day he wrote a letter to The Times of London.

"A sight so inconceivably awful as the wickedness and levity of the immense crowd collected at that execution could be imagined by no man . . ." he wrote. "I am solemnly convinced that nothing that ingenuity could devise to be done in this city, in the same compass of time, could work such ruin as one public execution."

Three days later, after some other comment, Dickens wrote a second letter to the editor. He said executions attracted as spectators, "the lowest, the most depraved, the most abandoned of mankind." And he said steps should be taken to limit titillation of the public by stories about a condemned person.

"I would allow no curious visitors to hold any communication with him," Dickens said. "I would place every obstacle in the way of his sayings and doings being served up in print on Sunday mornings for the perusal of families."

Not even Dickens, with his sense of the grotesque, could have imagined the spectacle enacted last week in the United States. The last sayings and doings of a murderer were detailed by the press. His picture graced the weekly journals. And the grossest details of his execution were reproduced on television, to be savored by millions of families in their homes.

Most people I know who have been physically present, when the state killed a human being—prison wardens, priests, newspaper reporters—have thereafter been opposed to capital punishment. Twenty years ago, on assignment as a reporter, I watched an electrocution in the District of Columbia jail. When it was over, the room smelled of roasted flesh.

But to experience such scenes vicariously removes, for many, the nausea factor. Television drama has made blood and violence as acceptable as cherry pie. It was only a small additional step to re-stage an actual execution. And so we had the scene of Gary Gilmore's death on the evening news programs, and sketches of his last moment in serious newspapers.

The great innovation in the Gilmore case was an execution literary agent. A movie producer named Lawrence Schiller signed the condemned man and his relatives to an exclusive contract for a film to be shown on television. Schiller was allowed to interview Gilmore in prison and then to attend the execution.

The agent gave the press the juicy details of the end. When the execution order was read out by an official, Schiller said, "Gary looked at him, holding his own, not quivering." It was Schiller who said he "believed" Gilmore's last words were 'let's do it"—a phrase that the press flashed across the land.

The slaughter of gladiators and Christians in the Circus Maximus is generally regarded as a symptom of the decadence of Rome. What does it say about a country when punishment for crime becomes a circus, to be reenacted in every home?

Murderers do not usually deserve sympathy. But the objection to having the state kill them in turn is not sentimental. Using the apparatus of official power to extinguish a life has corrupting consequences—the more so when capital punishment is, as it has become, a spectacular occasion: an event cruel and unusual.

In the absence of convincing evidence that executions deter murderers, there must be a suspicion that the practice goes on to satisfy an atavistic public desire for dramatized vengeance. Revival of the death penalty in the United States may indeed encourage murder by persons such as Gary Gilmore—a man with suicidal impulses, who could have seen a way to assure his own spectacular death.

LITHUANIAN INDEPENDENCE DAY

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. MINISH. Mr. Speaker, I ask that this body pause for a moment to reflect on an event affecting all free men. Today marks the 59th anniversary of the Independence of Lithuania.

Unfortunately, that freedom was short lived. For in 1940, following a brief span of 22 years in which the Lithuanian people demonstrated the highest capacity for self-government, the Russians ended that freedom.

Since that time, the people of Lithuania have been firm in their efforts to retain their own language, their own culture, their own identity. Throughout the world, persons of Lithuanian descent have cherished the dream of independence.

At this point in American history, with 200 years of freedom as a foundation for future growth, illustrated by the recent, orderly transition of power from one source to the next, let us extend our sincerest wishes that the brave nation of Lithuania soon regains its deserved place among the free nations of the world.

TO IMPROVE HEALTH CARE IN KANSAS

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. GLICKMAN. Mr. Speaker, recently I received word of the fine job the University of Kansas is doing to improve health care throughout Kansas. I would like to bring the following report to the attention of my colleagues in the House of Representatives with the hope that those of them representing rural districts might use this information in whatever beneficial way they deem advisable and as a corollary, also see fit to provide those of us who represent similar districts with information on the steps being taken in these other districts to guarantee fine rural and small town health care.

At the University of Kansas, there is no higher priority than the efforts that have been taken to produce more doctors, nurses, and other health care professionals, and to encourage them to practice in Kansas—in locations where they are most needed. Since there has been much public attention given to this problem, I would like to share the following example of creative thinking and implementation in the area of health care with my colleagues in the House of Representatives:

THE UNIVERSITY OF KANSAS,
Lawrence, Kans., December 28, 1976.

To: Members of the Kansas Legislature.
From: Archie R. Dykes, Chancellor.

MEMORANDUM

In the period of time since the 1976 Legislative Session was adjourned two committees of the Legislature—the Special Committee on Health and Welfare headed by Senator Sowers and the Interim Committee on the Medical Center chaired by Representative Burgess—have reviewed efforts that are being made to meet the health care needs of our state. We in the University of Kansas have been pleased with the work of these two committees and believe their efforts will be helpful to us in our efforts to provide doctors, nurses and other health care professionals for our state and especially for the smaller communities and rural areas of Kansas.

Because of the interest of all members of the Legislature in efforts to improve the availability and quality of health care in our state, we thought it appropriate to summarize in a single memorandum some of the steps the University has taken and some of the new efforts which are just getting underway. For clarity, these are enumerated as follows.

A. EDUCATION OF MORE DOCTORS

1. Increased numbers of medical students.—In 1970, the entering class in the KU School of Medicine numbered 125. This year, for the second year, we have 200 students in the first year of the medical program—representing a 60% increase in five years. Based on the number of medical students in ratio to population, we are now educating doctors in Kansas at a rate approximately 50% higher than the national average. It will be four or five years before these increased numbers of students complete their training, but the larger number of physicians should contribute significantly to meeting the state's health needs in the coming years.

2. Office of Student Development.—Because of our concern that perhaps not enough students from the smaller communities and rural areas of our state consider entering the health professions, we have established an Office of Student Development. The primary responsibility of this office will be to provide consultation services for faculty and counselors at high schools, colleges, and universities throughout Kansas, and to help attract qualified students to the study of medicine, nursing, and allied health. In this effort, special attention will be given to encouraging students from medically underserved areas of the state to consider the study of medicine, and these students will be encouraged to return to medically underserved areas after they have completed their training.

3. Medical School Admissions.—Considerable discussion has occurred among various persons and groups throughout the state as to the advisability of changing the admissions criteria for the School of Medicine. The major objective of the plans which have been discussed is to identify persons who are likely to locate in rural and medically underserved areas of the State of Kansas after they have completed their medical education.

The University of Kansas has taken several steps to meet this objective. Personnel at the Medical Center are studying plans developed by other states to help meet the needs of medically-underserved areas, including admissions criteria and procedures. From a study of these plans, we hope to reassess our criteria and procedures, utilizing those parts of other plans which might be effective in Kansas, while at the same time preserving the quality of students admitted to the School of Medicine.

As an additional effort to refine our admissions process and to secure external participation, six lay citizens, appointed each year by the Governor, have been added to the medical school admissions panel. Representing all geographic regions of the state, we believe their participation in the admissions process will assure that the health care needs of Kansas are well represented in the selection of medical students. Hopefully, this will result in bringing into the medical school students who are strongly committed to Kansas and who are likely to practice their profession here. Moreover, six practicing physicians, mostly primary care practitioners from over the state, serve on the admissions panel and bring to the selection process the perspective of community doctors.

B. EDUCATION OF MORE NURSES AND ALLIED HEALTH PROFESSIONALS

1. Expansion of the Graduate Nursing Program.—The State of Kansas has, through recent legislation, embarked upon a major

program of upgrading nursing education in the state. The statutory requirement that persons teaching nursing education possess a master's degree has resulted in an expansion of the graduate nursing program in the University of Kansas College of Health Sciences. This expansion will result in increased capacity to prepare nurses throughout the state, and to provide continuing education for nurses currently in practice. An increase in the number of nurses in the state as well as an increase in the quality of health care provided by nurses may be expected as a result of this program.

The graduate program in nursing at the College of Health Sciences, which focuses on developing clinical nurse specialists who can provide a large measure of support for practicing physicians, has grown immensely, and graduate nursing education courses are being offered by the School of Nursing in locations throughout the state as a convenience for nurses who cannot travel to Kansas City for their studies. Initial response to these course offerings has been virtually overwhelming, with more than 150 nurses expressing interest in the graduate nursing program, nearly double the number of nurses (82) now enrolled in graduate study.

2. Baccalaureate Programs in Allied Health.—Our Board of Regents has approved proposals for baccalaureate programs in Emergency Medical Services, Nurse Anesthesia, and Respiratory Therapy. As the number and quality of highly trained allied health personnel increases, some of the current workload of practicing physicians can be relieved, allowing them to devote more of their time to matters which require their personal attention.

3. Team Concept for Health Care Providers.—With the expansion of our medical school enrollment, increasing capacity to prepare nurses, and expansion of programs in allied health, the ground work is being laid for a team concept for providing health care. Training programs in our College of Health Sciences now emphasize the need for medical, nursing, and allied health students to learn to work together, and to share common bases of knowledge.

C. EXPOSURE OF MEDICAL STUDENTS TO COMMUNITY PRACTICE

1. Strengthening the Medical Preceptorship Program.—We believe an essential part of a medical student's education is having opportunity to observe the practice of medicine in a doctor's office. Consequently, we have strengthened the Medical Preceptorship Program to require medical students to spend more time with a practicing physician. Under the restrictive three-year curriculum, undergraduate medical students were able to spend only one month in a preceptorship, but under the new flexible curriculum, students will spend a minimum of two months with a practicing physician in a community setting.

2. First Week of Medical School in Practicing Physician's Office.—We are now studying the possibility of requiring each admitted medical student to spend the first week of medical school in the office of a practicing physician. This experience at the start of the medical school could assist in orienting the medical student toward community practice. While there are several logistical problems to be worked out, we believe the idea is worth pursuing.

3. The Harper Program.—The Harper Program represents an excellent opportunity to expose medical students to the advantages of practicing in smaller communities. The unique set of circumstances which allowed the Wichita State Branch of the KU School of Medicine to develop the program in Harper does not occur often. However, we do think that other such programs can be developed, and we plan to do so as opportunities permit.

D. EXPOSURE OF MEDICAL RESIDENTS TO COMMUNITY PRACTICE

1. Medical Residencies in Locations Over the State.—Of all factors determining where a physician will locate, the place where the medical residency is served apparently is one of the most important. Consequently, we have increased the number of programs for training residents in locations other than Kansas City and Wichita. In the 1975–76 school year, 39 residents spent 106 man-months in residencies away from Kansas City and Wichita; this year, 68 residents will have spent 175 man-months in such residencies, and we are planning further expansion of this effort. At the present time, we have residents in Family Practice, Internal Medicine, Pediatrics, General Surgery, and Obstetrics/Gynecology serving residency rotations in Topeka, Garden City, Halstead, Hays, Kingman, Norton, Minneola, Belleville, Phillipsburg, Howard and other locations. Having our residents spend part of their residencies in such communities throughout the state serves, we believe, three major purposes: it broadens their education, it exposes them to the advantages of practice in communities other than major metropolitan areas, and it provides additional medical service to the communities to which they are assigned.

2. Integrated Family Practice Residency Program.—The University's most ambitious effort to expose medical residents to community practice is the Integrated Family Practice Residency Program.

Briefly, the program calls for residents to spend the first year of their residency training associated with the basic medical disciplines either at Kansas City or at Wichita; then for the second and third years of training, these residents will be based in "headquarters" cities over the state where community physicians will serve as faculty and mentors. While based in "headquarters" cities, residents will rotate into smaller communities for periods of time, thereby gaining exposure to communities and areas which are not now sufficiently served by medical practitioners.

As things now stand, it appears the Integrated Family Practice Residency Program will be in operation in two locations and perhaps three or four by FY 1979. With an anticipated expansion to 48 residencies within four years, this program represents an important opportunity to attract physicians to the smaller communities of Kansas.

E. EMPHASIS ON PRIMARY CARE

1. Plans for expansion of the Department of Family Practice.—By the beginning of Fiscal Year 1978, the Department of Family Practice at the Medical Center will be providing educational training for 24 residents and 40 medical students annually. This represents an increase of more than 25 percent over the FY 1976 level of training, and we plan to double the size of the department as quickly as possible. Since our greatest need in Kansas is for family physicians, we believe it is important to increase the Department of Family Practice rapidly.

2. Primary Care Residencies.—In addition to the expansion of the Department of Family Practice, we have established a goal of having at least 50 percent of the graduates of the medical school selecting residencies in primary care fields by next year. To accomplish this, we have requested for Fiscal Year 1978 12 additional residencies to be assigned to primary care departments. In the years ahead, we hope to be able to further increase the number of residents taking their training in primary care.

F. EFFORTS TO IMPROVE AVAILABILITY OF HEALTH CARE IN RURAL AREAS OF THE STATE

1. Office of Rural Health Affairs.—We have appointed a member of our medical faculty—a doctor who grew up in Hiawatha, Kansas—as Director of the Office of Rural Health Affairs. His understanding of the rural health care needs of smaller communities, combined with his experience on the medical faculty, will enable him to direct talents and resources of the College of Health Sciences toward a program that will improve the availability of health care throughout the state. His responsibilities will include the development of support necessary for improving rural health, working with students and faculty to help them understand the special opportunities for practice in rural areas, serving as liaison with communities to assist them in their physician recruitment efforts, and devising new programs which would assist medically-underserved areas of the state. We believe this new office can serve an exceptionally important function in assisting communities who are recruiting physicians and in developing efforts to place physicians in less-populated areas of Kansas.

2. Transportation.—We are, with the assistance of persons trained in designing transportation systems, attempting to devise a transportation network that will enable persons to get to clinics and hospitals by whatever means are necessary to meet medical exigencies. Such a system ultimately would include private and public ambulance services, military helicopters, conveyances such as the mobile neonatal intensive care unit (Jaystork), and hospital vehicles.

3. Referral System.—In concert with development of a transportation network, it is important to devise a primary/secondary/tertiary care hospital referral system. Any such effort will likely stir some controversy, but if we in Kansas do not initiate the development of such a system, some Federal agency undoubtedly will within the next few years. Consequently, we believe initial planning for a primary/secondary/tertiary care referral system should be coordinated with development of a transportation network and made applicable to the unique requirements of our state.

4. Physician Placement Service.—Virtually every professional school in a college or university has a placement service. Medical schools, however, constitute a general exception. Since assisting physicians seeking a place to establish medical practice and assisting communities seeking physicians constitutes an essential component of our total effort to improve the availability of health care in Kansas, we believe such an office represents a service that is much needed in Kansas. The Special Committee on Health and Welfare also recognized this need and recommended developing such an office.

5. Development of a Health Care Data Base and Research Unit.—We believe, and the Special Committee on Health and Welfare recommended, that the State of Kansas needs to develop a means of systematically and periodically assessing the distribution of doctors, nurses, and allied health professionals in Kansas, and to assist in developing outreach programs that will improve distribution of heath care. The availability of such information in a Kansas Health Care Data Base would facilitate efforts to improve distribution of health care providers.

6. Community Assistance Programs for Education of Medical Students.—From various indications we have received, we believe there may be some medical students who would be willing to practice in communities which help support them during medical school. Consequently, we are developing a

file of communities willing to help finance the education of a medical student and are using that information to put medical students and communities in contact with each other. This, too, may help communities in their efforts to attract physicians.

G. SUPPORT FOR PRACTICING PHYSICIANS

1. Locum Tenens Program.—One of the most effective and important developments that has occurred in the past year is the locum tenens program. This program makes available advanced medical residents who can relieve practicing physicians who need vacation time, or who need time away from their offices to attend postgraduate courses or because of other reasons. This has proven to be an attractive program, so much so that requests are beginning to exceed our capacity to respond. We have sent medical residents and, in some cases, medical faculty to communities all over the state which need medical assistance for a short period of time.

We are currently reviewing our training program for residents to see if modifications can be made so that the capacity to respond to these requests can be increased. Further, we are opening this opportunity to more members of our faculty as a means of increasing our capacity, as well as to provide an opportunity for more members of our faculty to experience the practice of medicine in a community setting.

2. Continuing Education for Practicing Physicians.—We are continuing to give emphasis to postgraduate education for doctors throughout the state. As doctors are encouraged to establish medical practices in the smaller communities and rural areas of our state, it is essential that opportunities be provided for professional renewal and growth. Each year almost half of the practicing physicians in the State of Kansas enroll in some course offered through the Division of Continuing Education, and our continuing medical education program remains one of the best and most active in the country.

3. Services for Practicing Physicians.—We have for some time had an inward WATS line so that physicians over the state may consult with clinical specialists at the Medical Center about unusual medical problems. We plan to continue this service and expand it as necessary. Additionally, we will continue to provide medical library materials to practicing physicians on request. These services, along with continuing medical education programs, keep physicians in smaller communities from feeling isolated from their professional colleagues.

* * * * *

The foregoing describes efforts the University of Kansas is making to address the health care needs of our state. While some of these efforts have been described earlier, I thought it might be informative to combine them with a summary of other steps we are taking in a single comprehensive report. We have tried to cover a number of topics in this report, so the information about each is relatively concise. If you should want additional information or if you should have questions about any of these efforts, or about other matters, please let me know.

We know you share fully our concern that every effort be made to improve the availability and quality of health care in Kansas. We in the University of Kansas have no higher priority, and we look forward to working with you to assure that all the citizens of our state have access to health care, whether they live in rural areas or urban centers, in small towns or medium-sized cities, in western or eastern Kansas. We shall continue to do everything possible to educate increasing numbers of doctors, nurses, and allied health professionals and to encourage them to establish practices in Kansas and in locations where their services are most needed.

WHO IS RESPONSIBLE FOR THE NATIONAL GAS CRISIS?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. McDONALD. Mr. Speaker, for years the natural gas industry has warned of severe natural gas shortages unless Congress removed price controls. So long as prices are held below market levels, further exploration and development will be unprofitable, capital will flow elsewhere and shortages will inevitably result, it was argued.

Now this reasoning is not too hard to grasp—that the marketplace is ruled by the law of supply and demand can be understood by children in elementary school. Even liberals seem to sense its existence in some vague sort of way, as witness their concern that piddling $44,000 per year salaries are allegedly driving Government executives into private industry.

Yet many liberals seem to have a blind spot with respect to those who produce what they wish to redistribute. Surely supply and demand and other laws of reality do not apply to producers, they seem to be saying. If shortages of natural gas have developed, the existence of price controls for 22 years is merely a coincidence. There must be a better explanation, one consistent with our moral sense of the inherently evil nature of the productive—a conspiracy among producers to withhold from consumers what is rightfully theirs by virtue of the fact that they have not produced it.

It is interesting to observe just how selectively this theory is applied. I am aware, for example, of no charges of a conspiracy to withhold executives from the Government employment market.

Just as the inverted sense of morality implicit in such a theory has no relation to reality, neither do the specific charges that natural gas is being withheld. The following editorial from the New York Times of February 1, 1977, points out that a careful look at the manner in which natural gas is produced and marketed gives no support to the charges that producers are hoarding natural gas:

THOUGHTS FOR AN EMERGENCY ABOUT THOSE THEORIES OF CONSPIRACY . . .

"Those pipeline guys in the South have learned how to make money from the camel drivers," opined Mel Perez, who represents 4,700 General Motors workers laid off by natural gas curtailments in New Jersey. Mr. Perez is not alone in believing that the current gas shortages were manufactured by suppliers eager to emulate the OPEC oil cartel. Reports from New Jersey suggest that many local officials and homeowners have resisted Governor Byrne's order to cut back thermostats. The gas is somewhere, they argue, and will be delivered when the gas companies extract enough gold from panicky legislators.

A careful look, however, at the way that natural gas is produced and marketed lends little support to conspiracy theoreticians. Local utilities simply have no incentive to hold back. They make money only by distributing the gas they buy from pipeline companies through contracts open to inspection by state regulators. Besides, it would be almost impossible for utilities to hoard gas in their limited storage facilities. Interstate pipelines, the conduits of all natural gas used in the Northeast, are equally free of incentive (or capacity) to hold out on their customers, the utilities. Pipelines are limited by the Federal Power Commission to a fixed fee per cubic foot of gas above the price they pay at the source; the more they move, the more their stockholders collect.

That leaves just one possible conspirator: the natural gas producers. In theory these primary suppliers could be holding out on the system, storing precious fuel in capped wells and underground reservoirs. In practice, though, significant concealment would be extremely difficult. Moreover, the circumstantial evidence also points away from conspiracy. Gas companies have been meeting production levels forecast early this fall and those levels would have been sufficient to see us through a normal winter. Are we to believe in a plot which could only have succeeded in the (then) unlikely circumstance of an especially bitter season?

This is not to say that the long-term prospects for gas production have not been influenced by expectations of higher future prices. The market for fuel produced and sold within a single state—and thus out of reach of Federal regulators—has captured a major portion of newly discovered supplies. Why sell gas to an interstate pipeline at the regulated rate, $1.42 per thousand cubic feet, when local utilities in Texas will pay $2.10? It is conceivable, even probable, that gas fields subject to Federal Power Commission controls have not been developed in recent years, the gas companies anticipating the collapse of regulation. To put it another way, if the companies had been in a hurry to sell at regulated prices, they would now owe their stockholders an explanation.

The bottom line: turn down your thermostat. Nothing anyone does this winter is going to get much more gas for hard-pressed consumers. Conservation now, a new energy policy in the weeks to come.

ATTENTION U.S.A.

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RHODES. Mr. Speaker, I would like to share with my colleagues the following editorial which recently appeared in the Phoenix Gazette. It was brought to my attention by an old friend, Mr. J. C. Dunn of Scottsdale, Ariz., who suggested that it be "must" reading for every Member of Congress:

IRONY OF HISTORY

Who won the war?

This is a question that Britons might well ask themselves, for the nation is now in a position where it must tailor its economy to satisfy the demands of foreigners. Among them: The West Germans and the Japanese, Britain's two deadliest enemies in World War II.

On the verge of bankruptcy, Britain was forced to ask the International Monetary Fund for $3.9 billion to keep its economy afloat.

After chastising Britain for having failed in the years since the war to put its economic house in order, eight IMF members and one non-member, Switzerland, agreed to put up the money, but they made the credit conditional on "various performance clauses."

Among other things, this will force the British government to curtail spending, take measures to curb inflation, and keep the lid on wage increases.

To make sure that Britain doesn't ignore the performance clauses and simply waste the money, the nine foreign nations are giving the government only $1.14 billion immediately. It will get another $1.11 billion during the rest of the year, but the consortium will review what Britain has done to reform its economy by then before releasing the final $1.64 billion.

For Britain, the most humiliating thing about this is that West Germany and Japan are putting up the biggest chunk, $1.44 billion, and therefore will have the biggest say on whether it gets the $1.64 billion.

German and Japanese armed might never was able to make the British bow, but what they couldn't accomplish the economic mismanagement of the country by successive Tory and Labor governments did.

Britain, in other words, defeated itself, thereby becoming an economic vassal of its World War II foes.

It's a terrible comedown for a nation that created the Industrial Revolution and once was the greatest economic power in the world, as well as the world's banker.

But the British have nobody to blame but themselves.

CONGRESSIONAL ETHICS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for February 16, 1977, into the CONGRESSIONAL RECORD:

CONGRESSIONAL ETHICS

The time has come for the United States Congress to get serious about its ethics. The standards of conduct for Congressmen must be made clear so that trust can be re-established in an institution that touches the life of every American.

The first impression that comes to one who delves into the matter of Congressional ethics is that standards of conduct are easier to talk about than they are to formulate. The life of a Congressman is filled with subtle ethical complexities. The legislation he acts upon affects not only his constituents but also himself. Someone will always be ready to charge him with acting in his own interest and against the interest of others. He lives in a world of controversy and must choose among difficult options hundreds of times each year. Each time he makes a decision someone becomes angry with him and accuses him of acting with ulterior motives. He is often subjected to a double standard. The businessman who makes money is a success, but the Congressman who makes money is suspect. Most people go to church to worship, but as a constituent once told me, a Congressman goes to "grandstand". A Congressman makes numerous financial arrangements and there are no clear guidelines for him. What is a campaign expense and what is a personal expense? Is entertaining a group of constituents at the Capitol a personal expense or a cost of doing business? Where is the fine line between official duties and partisan politics?

It is the feeling of many who observe the Congress that there are simply too many abuses of office by members of Congress. Since 1968, 15 Congressmen have been indicted on criminal charges and at least a dozen have been convicted. Last year several members were involved in scandals (Wayne Hayes and Wilbur Mills were the most prominent), and the Korean businessman, Tongsun Park, dispensed thousands of dollars to Congressmen.

A trip can be an important part of a Congressman's duties, but it can also be a junket. Instances of double payment for expenses and collection of expenses for trips not taken have been reported. There is also a potential conflict of interest when large fees are paid to Congressmen for speaking engagements. Such fees may prompt some legislators to cast votes favorable to powerful benefactors. Some members own shares of stock in corporations seeking federal contracts, or belong to law firms representing clients involved with the federal government. Free rides in corporate jets and the access-buying of large political contributions are also parts of the problem.

Observers have noted that some Congressmen act as if they were above the ethical and legal standards that apply to ordinary citizens. The special perquisites of office, the trading of votes for favors, the compromises that are part of the legislative process, the constant pressure to look good, the false posturing on issues, the demands of being polite and interested in all kinds of people, the ordinary deceptions of the legislative trade (such as introducing bills to satisfy a constituent when the bill has no chance of passage or consideration and may not even be supported by the Congressman), and the insistence from folks back home to get everything possible for the district eventually blind members to what actions are right and what actions are wrong.

The Wall Street Journal has said "Is there something in this (legislative) process—the type of ambition required to stand for office, the temptation to indulge in pretense, the necessity to manipulate people, the clubbish tolerance of the peers you find in office—that in the end warps character?"

Although I believe that the great majority of Congressmen are hard-working, dedicated and honest, I recognize that reforms are needed. Each day I see evidence of grinding pressure, old-fashioned integrity and courage on Capitol Hill, but the press usually does not see it or chooses not to report it. In all candor, however, I would have to say there are also instances of senility, venality and stupidity.

I have concluded that the Congress must draft a strong Code of Ethics. What that Code of Ethics should contain is now a subject of intense debate. The proposals that are being discussed, and which I personally favor, include the following: public disclosure of income, restrictions on outside earned income, a ban on gifts, the abolishment of unofficial office accounts (often referred to as "slush" funds), limitations on the franking privilege, and restrictions on foreign travel (particularly "lame-duck" travel).

It is necessary for the House Ethics Committee, which has been inactive for eight years, to enforce the Code of Ethics vigorously. What is clear is that Congress, which sometimes investigates other persons and institutions with fervor, is undergoing a searing examination of itself. I think there is a good chance, when we have run the course, that Congress will be more worthy of respect than when we began.

MISCONCEPTIONS ABOUT THE ENERGY CRISIS

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. WIRTH. Mr. Speaker, this winter has been a recordbreaking cold period for the eastern two-thirds of the country. Once again the Nation was reminded of the critical energy situation. I feel it is important that we realize the severity of the crisis is not temporary. It is no longer practical to move from one crunch to another. This is the second major shortage we have faced in the last 4 years. I feel it is representative of the need for some long-range energy planning. A serious effort must be made to inform the public that we must find alternative energy sources.

I would like to share with my colleagues an article that appeared in the Oil Daily newspaper, on Thursday, February 3, 1977. It is an interview with Dr. David Gottlieb, head of the University of Houston's Department of Social Services. Dr. Gottlieb discusses the misconceptions held by many Americans regarding the realities of the energy shortage. These misconceptions highlight the need for developing credible information sources for the public:

EDUCATOR SAYS AMERICAN PUBLIC DOES NOT BELIEVE IN ENERGY CRISIS

(By Jim Drummond)

HOUSTON.—An educator rapped "the oil corporations" here Tuesday for "overdoing it with Congress," then painted a disheartening picture of the kind of public relations task they face.

Dr. David Gottlieb, head of the University of Houston's Department of Social Services, cites UH studies indicating that few Americans believe this country faces a long-range energy crisis.

This winter's snows and freezeups haven't convinced them, he told the Houston chapter of the American Petroleum Institute.

"As soon as the thaws come and the natural gas is there again, they'll react as they did when adequate gasoline supplies returned after the Arab oil boycott. They'll feel you (oilmen) are sitting on the gas, and when the price is right, plenty will be available. It will be hard to convince them otherwise when there is no shortage," Gottlieb said.

Gottlieb said his investigators found no great difference between the attitudes of Texans and the rest of the U.S. population. He summarized the public's opinions as:

A strong belief in the miracles of science. ("Someone in some laboratory is only a step away from a solution of the energy problem.")

"Big and small corporations wouldn't do anything so dumb as to run out of the products they sell."

"If the chips are down and someone else has energy, we'll get it, no matter what."

"The reappearance of adequate amounts of energy, when it comes, will prove there isn't any crisis and never has been."

Asserting that the public's beliefs are the key to government action, Gottlieb outlined a series of peculiarities said to make energy opinion-making difficult. Some of his observations:

Those who believe there is a crisis are the more likely to use energy. They are the affluent, whose shift to larger automobiles is a matter of record. By contrast, our poorer citizens believe least in the crisis but conserve the most energy because they are short of cash. So dollars are more important than attitudes.

As to credibility, no one ranks very high. Television has the highest rating, but this has fallen a bit lately. The government's mark is up a bit; so inexplicably, is that of oil companies and utilities. Unfortunately, the cynical public is most likely to get its energy information from the service station operator, "and he doesn't like you oilmen at all."

Those who believe oil's version of the crisis are most likely to be oil company employes,

held any post in one through four during the incumbency of the President or of the last preceding President, if that President was of the same political party; and sixth, a national campaign manager or chairman of a national campaign committee seeking the election or re-election of the President, and seventh, also Members of Congress.

The Federal criminal offenses included are: First, crimes involving abuse of Federal office; second, crimes involving the financing or conduct of elections and election campaigns; and third, crimes involving obstruction of justice, perjury, or conspiracy to obstruct justice, commit perjury or defraud the United States.

Appointment of such a prosecutor is mandated in specific situations such as those involving allegations that someone in a limited group of persons committed a Federal criminal offense involving abuse of Federal office, violation of election laws, or perjury or obstruction of justice.

Furthermore, the bill would require the Attorney General to apply for the appointment of such a prosecutor if he determines that the investigation or prosecution of any Federal criminal wrongdoing may so directly and substantially affect the political interests of the President, the President's party, or of the Attorney General himself that it would be inappropriate for the Justice Department to conduct the investigation or prosecution.

The special prosecutor is appointed by a panel of three judges of the U.S. Court of Appeals for the District of Columbia Circuit. The judges on the panel are disqualified from participating in the decision of any case involving a special prosecutor appointed by the panel. In addition to appointing the special prosecutor, the panel also defines that prosecutor's area of prosecutorial jurisdiction. Within that jurisdiction, the special prosecutor is independent of the Justice Department and may exercise all of the powers of the Attorney General.

This bill provides that a special prosecutor is subject to removal from office by the panel of judges for extraordinary impropriety or for such incapacitation or other condition as substantially impairs the performance of that prosecutor's duties. The office of Special Prosecutor terminates when the Special Prosecutor notifies the Attorney General that the investigation and prosecution of all matters within the office's prosecutorial jurisdiction have been completed or so substantially completed that it would be appropriate for the Justice Department to complete them. In addition, the Special Prosecutor must file a final report with the panel of judges. The bill gives the panel of judges discretion to terminate the office of a Special Prosecutor at any time—either on its own or at the suggestion of the Attorney General.

H.R. 2711 contains a sunset provision that provides that the mechanism it sets up expires 5 years after the effective date of the legislation. As to matters pending at the expiration date, the bill provides that the legislation shall be in effect with regard to them until they are completed.

The sunset provision is to insure that this mechanism is experimental, and should it prove to be unwieldy or, hopefully, unnecessary, its provisions will expire after 5 years.

This legislation will not only remove partisan bias from a sensitive area, but also the public's perception of such bias. Respect for law can only exist in an atmosphere of faith and trust in our governmental institutions and in the fair and fearless prosecution of those who betray their public trust for personal or political gain.

There are several salient reasons for authorizing a temporary special prosecutor rather than creating a permanent office. The availability of lawyers of stature and achievement for this difficult post would be diminished if the post were permanent. But certainly top-caliber people could be retained to investigate and prosecute a particular set of allegations or a crisis.

Mr. Speaker, in the flurry of self-cleansing ethics proposals that are being offered almost daily, we must not forget the lessons of the recent past. I urge my colleagues to consider this proposition and support it.

SOLAR ENERGY FOR HOMES ACTS

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. BAUCUS. Mr. Speaker, as natural gas supplies dwindle into nonexistence during this winter of cold and crisis, shivering Americans are turning their eyes toward the Sun. They read of the fortunate few who live in scattered homes around the country which are heated by solar power. Their owners can afford to laugh in the face of gas cutbacks, because they know that their source of heat—the Sun—will not run out. The advantages of solar power are becoming abundantly clear. Current and prospective homeowners as well as builders are seeking information on where to buy solar systems, how much they cost, and how to finance them. Those who look hard enough are surprised to learn that laws and programs at the State, local, and even Federal levels actually discriminate against their purchase of the attractive solar systems.

Solar power has been gaining ever-increasing attention in recent years, and with good reason. Solar systems are clean and quiet. They rely on the Sun, a renewable source of energy which requires no pipelines or powerlines. Some systems can even be used to air-condition as well as to heat. Congressional interest in solar power is reflected in the explosive growth of appropriations related to its development and demonstration. In view of the advantages of solar power, it certainly seems strange that discriminatory laws and programs remain on the books.

The heart of most governmental discrimination against solar power is a set of laws and programs, previously adopted, which reflect the old thinking of the age of apparent energy abundance. Under this old thinking, the cost or value of a home heating system was viewed as its cost at installation only. The cost of a furnace, for example, did not seem to include the cost of the fuel which went into it.

Today, energy experts recognize that the true cost of a heating system—what they call its "life-cycle cost"—does include the cost of the fuel which feeds it. Solar systems generally have higher initial costs but lower life-cycle costs than conventional system. In other words, solar users save more on fuel over time than the extra amount they have to pay when purchasing solar equipment. Discrimination results primarily from laws and programs which only consider the higher initial costs of solar systems.

At the State and local level, property tax laws often discriminate against solar power. When a homeowner adds a solar system to an existing home or includes one in a new home, the value of that home is higher because the solar system costs more initially than the conventional system it replaces. When a home's value rises, so do the property taxes on it. Even though solar users are essentially doing their neighbors a favor by conserving energy, they get charged a higher tax for it. Because of this, they are less likely to buy a solar system in the first place.

Unfortunately, our Federal house is also not in order when it comes to solar discrimination. In our case, the discrimination occurs in the many Federal programs of loans and loan guarantees for purchasing or improving homes. These programs enable potential borrowers to obtain loans for homes or home improvements at lower than market rates of interest. However, these programs have limits on the size of the loans which may be made or guaranteed. Many borrowers are discouraged from putting solar systems in their homes because their higher initial cost would put the total loan amount over the limit. The unrealistic limits force people to choose low-initial but high-life-cycle cost conventional heating systems in order to qualify for a low-interest loan.

I propose a simple solution which would end Federal discrimination against solar power. I propose to amend all of the current FHA, VA, and FmHA loan programs to allow the limits to be raised by up to 20 percent, only if needed to cover the higher cost of solar systems. Such a change would enable those choosing solar heating systems to include such systems in their loan applications. My proposal is embodied in the three bills which I introduced yesterday, known collectively as the Solar Energy for Homes Acts.

This proposal has several advantages. First, it could be easily implemented. Instead of creating a new loan program, a short, simple amendment changes existing programs. Hence, no new administrative bureaucracy would be needed. Furthermore, since it deals with loan and not spending programs, the proposal would cost the taxpayer virtually nothing. Finally, the intermediate performance criteria developed by HUD in the solar heating and cooling demonstration program would enable Federal loan agencies to provide consumer protection in the purchase of solar systems with Federal loan funds.

I do not claim that adoption of my proposal will cause an immediate rush

although not the younger employes, who tend to be more doubtful as their ages decrease. Those who believe what environmentalists say blame the petroleum industry and the government; those who believe the government blame oilmen and environmentalists. But very few Americans fail to listen to environmentalists, who are perceived as "nice people out there trying to preserve butterflies."

Most Americans are willing to make sacrifices if they can give up what will cost them the least in convenience. For example, many are willing to retain the 55 miles-per-hour national speed limit on the grounds this may save lives and is not being enforced in any event

Gottlieb, nevertheless, characterized Americans as neither stupid nor selfish, just overindulged to the point of regarding luxuries like television sets and electric dishwashers as necessities. If they can be convinced there is an energy emergency, he said, and particularly, that it will adversely affect their own children, "I believe attempts to provide them with the facts will have some impact."

The educator accused big oil companies of wasting millions on television advertising that conveys the image the public had expected them to convey.

"When Exxon runs an ad showing granddaddy and sonny driving through a beautiful landscape in which hardly a valve shows and says that's how it develops oil product, the public yawns," he observed. "What if Exxon had announced instead: 'Well, we had a bad oil spill and really contaminated the shore there for a while. But that's how it goes—you win some and lose some.' My God, how much attention that would attract!"

Gottlieb nominated petrochemical executives and environmentalists as "polar extremes" on energy but maintained they are more alike (in education, affluence, dislike of federal policies, etc.) than unlike. Their main differences, he said, are over energy-environmental tradeoffs and public policy. He added, "One wonders what would occur if a serious and rational interaction between these two groups were attempted."

REUSS AMENDMENT TO THIRD BUDGET RESOLUTION

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. REUSS. Mr. Speaker, when the House considers the third budget resolution on February 22, it is my intention to offer an amendment requiring an increase in Federal revenues by $1.7 billion over the $348 billion revenues presently contained in the resolution.

In order that Members may be aware of the amendment and my reasons for offering it, I include its text, and my recent letter explaining the amendment:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 15, 1977.

DEAR COLLEAGUE: The third budget resolution for fiscal 1977, which comes before the House on February 22, raises the direct job-making portion of President Carter's stimulus package from $1.8 billion to $3.5 billion, and adopts the package's $13.8 billion tax stimulus, thus raising the proposed deficit by an additional $1.7 billion, to a total of $70 billion.

The addition emphasis on direct job-making programs, I believe, is well justified. But the resulting increase in the overall deficit seems ill-advised.

Quite apart from the fact that President Carter has several times said that he believes the size of his stimulus package is "adequate", there are two reasons to be wary of increasing the overall deficit of the President's request.

Most importantly, Chairman Arthur Burns of the Federal Reserve has indicated that he would be accommodating in his monetary policy toward a deficit restricted to the amount requested by the President, but that any enlargement of this would be the cause for monetary tightening and higher interest rates. Higher interest rates—and Congress would be powerless to stop them—would have a devastating effect on both housing and capital investment, two important sectors of the economy that are currently showing signs of malnutrition.

Secondly, a Congressional boosting of the presidentially-requested deficit could have an adverse effect upon financial markets. Further market weakness would simply intensify existing problems of capital adequacy.

Accordingly, I plan to introduce a simple amendment increasing revenues by $1.7 billion over the $348 billion revenues in the third budget resolution. It will then be open to the tax-writing committees either to cut down on the proposed $13.8 billion of tax reductions by $1.7 billion, plug tax loopholes in that amount, or obtain the needed revenues in any other way.

The amendment's effect would be to maintain a deficit no greater than that requested by the President, although shifting the emphasis slightly toward job-making programs and away from tax reductions.

My amendment is supported by Dr. Lawrence Klein of the Wharton School, a leading economic adviser to the President, who testified on February 8 before the Joint Economic Committee: "My preference would be for your change in the package, to make an inroad into the tax concession, and beef up the public works aspect."

If this reasoning appeals to you, I ask for your support.

Sincerely,

HENRY S. REUSS,
Member of Congress.

Amendment to H. Con. Res. 110 to be offered by Mr. Reuss.

At Page 1, line 5, strike "$348,500,000,000" and insert "$350,200,000,000"

At Page 1, line 7, strike "$10,600,000,000" and insert "$8,900,000,000"

At Page 1, line 13, strike "$70,315,000,000" and insert "$68,615,000,000"

At Page 1, line 14, strike "$720,500,000,000" and insert "$718,800,000,000"

EMPLOYMENT TAX CREDIT

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. DERRICK. Mr. Speaker, I should like to note today that I am reintroducing with cosponsors, legislation to provide the American businessman with an employment tax credit. The purpose of this bill is to serve as an incentive to expand the labor market in the private sector with a minimum of Federal administration and at the least possible cost to the Federal Treasury.

Sixty Members of the House of Representatives have endorsed the concept and philosophy employed in the bill and I wish to urge my distinguished colleagues on the Ways and Means Committee to give serious thought and consideration to an employment tax credit.

Basically, if enacted, this bill could:

Create an estimated 1.5 million jobs at an estimated cost to the Treasury of $3,100 per job.

Allow an employment tax credit equal to 50 percent of the salaries of 10 new employees per business.

Set a ceiling of $80,000 per tax credit per business per year.

Stimulate the creation of jobs in the small business sector—small, labor-intensive firms and businesses.

Automatically expire in 5 years and is, therefore, not a permanent feature of the Tax Code.

Require the Secretary of the Treasury to report to the Congress during the second and fourth years of implementation, the job creation effect of the tax credit, net loss of revenues to the Treasury, and other information needed for effective congressional review.

Create a jobs program that is streamlined, free of unnecessary oversight by numerous agencies and departments. An employer would simply declare his participation in the program when filing his tax return and be subjected to audit by the Internal Revenue Service, as is the current practice.

The above proposal has been endorsed by members of both political parties with varying philosophies. I have been exceptionally pleased with the nonpartisan support this bill has generated based on our desire to initiate positive tax relief as a means of creating jobs.

As I have said before, the Congressional Budget Office has projected that 7 million new jobs are needed in this country by 1980 to absorb new entrants to the labor force and to reduce unemployment to 5 percent. Eighty percent of the American work force is employed in the private sector and it has been the growth of the private sector which has made our economy the strongest in history.

This 50-percent tax credit means that the Federal Government is willing to go half-way with private business to solve our No. 1 domestic problem, unemployment.

Every job created under this formula will cost the Treasury, in lost revenues, approximately $3,100. In comparison, a public service employment job costs $8,500 and a public works job costs between $10,000 and $12,000. And, I would like to note that the latter two figures are conservative estimates.

Almost half of all American workers are employed in the wholesale and retail trades, the service industries, and in small manufacturing companies. Almost two-thirds of all U.S. employers have less than eight employees. Even though the tax credit is available to every business in the United States, it will clearly have the greatest impact on the small businessman, the one individual who is in need the most.

For the RECORD, I wish to insert the names of my colleagues supporting an employment tax credit:

The following Representatives are cosponsors of H.R. 2691:

Mr Abdnor, Mr. Akaka, Mr. Breckinridge, Mr. Brodhead, Mr. Broyhill, Mr. Burgener, Mr. Duncan of Tennessee, Mr. Duncan of

Oregon, Mr. Fountain, Mr. Flowers, Mr. Gephardt, Mr. Hannaford.

Mr. Hansen, Mr. Leach, Mr. LeFante, Mr. Lehman, Mr. McHugh, Ms. Mikulski, Mr. Miller of California, Mr. Moakley, Mr. Moorhead, Mr. Mottl, Mr. Neal, Mr. Runnels.

Mr. Ottinger, Mr. Panetta, Mr. Quayle, Mr. Rinaldo, Mr. Rose, Mr. Rosenthal, Mr. Scheuer, Mr. Sebelius, Mr. Sisk, Mrs. Spellman, Mr. Stanton, Mr. Tucker, Mr. Wilson.

Mr. Wirth, Mr. Whitehurst, Mr. Yatron, Mr. Young of Florida, Mr. Pressler, Mr. Jones of Oklahoma, Ms. Oakar, Mr. Beard of Rhode Island, Mr. Patterson, Mr. Preyer, Mr. Bedell.

Mr. Pattison, Mr. Harrington, Mr. Rooney, Mr. Badillo, Mr. Oberstar, Mrs. Fenwick, Mr. Collins, Mr. Kostmayer, Mr. John Burton, Mr. Downey, Mr. Ertel, and Mr. Nowak.

FIRE PROTECTION SERVICES MUST BE MAINTAINED AT A SAFE LEVEL

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. RICHMOND. Mr. Speaker, one of the saddest factors resulting from the Nation's economic difficulties is the reduction in vital human services as a means of tightening budgets.

It is clearly understood that the recession has produced a need for a certain amount of belt tightening, but I believe it must also be understood that no budget cut should permit any human lives to be placed in jeopardy. The closing of local firehouses and the dismissal of substantial numbers of fire personnel do just that.

Though the evidence is not conclusive enough to point the finger directly at budget cuts, the loss of several human lives in localities across the country over the past several months has brought into focus what the budget-cutting strains on the fire department mean in human terms.

Firemen are seriously concerned with their ability to do the job with one less man on the rig, and with fewer personnel covering a greater area. In New York City, companies in Brooklyn are covering for companies in Manhattan, and some companies in Brooklyn must go across the Verrazano Bridge to assist in fighting fires in Staten Island. For the fireman, arriving at a fire when it is large and dangerous rather than when it is small and manageable can be both costly to lives and property.

In my district in Brooklyn, the residents of the Northside area were horrified when they learned that Fire Engine Co. 212, which normally serviced the community, was to be disbanded. The people who live in Northside, which is primarily composed of wood frame attached houses built prior to 1900, knew that in the case of a fire every second counted. As expressed by the Northside Community Development Council:

> Thirty seconds could mean the difference between one apartment burning and one block burning and between life and death.

For a community which is in the process of rebuilding itself, the destruction caused by a fire, which with proper facilities and personnel could have been restrained, can be both costly and demoralizing to a revitalization effort.

In New York City, 800 men were laid off in 1975. Though all but 240 were rehired, the increase in retirements in addition to the dismissals seriously depleted the strength of the fire department. And in Washington, D.C., the rotating firehouse system was cited as the cause of four or five deaths in the Northwest and Northeast sections of the city.

Volunteer fire and rescue organizations which have complemented the services of the fire departments in large cities, and which are very often the sole source of protection in many suburban and other smaller communities, have always faced financial difficulties. Rising fuel prices have further aggravated this situation. Equipment for these volunteer organizations has often been bought with the proceeds from bingo games and cake sales, and with solicitations from passing motorists. General revenue sharing funds have permitted some communities to take advantage of more modern equipment and emerging technologies, but this is true for only a small percentage. For the 24,000 volunteer firefighting and ambulance corps throughout the Nation, every penny counts.

For these reasons, I have introduced two bills to insure the delivery of adequate fire services to all of our communities.

H.R. 3016 would provide emergency financial assistance to local firefighting units in order to maintain essential services. The funds authorized under this bill would be available at the discretion of the Secretary of the Treasury and would be available when a locality could demonstrate that its only other recourse was to reduce services below a safe level.

H.R. 3017 is a bill to clarify a long-standing private ruling by the Internal Revenue Service that volunteer fire departments and rescue operations should be exempted from Federal excise taxes. A 1955 ruling did set a precedent for excluding these departments from taxes on manufactured items, such as tires, petroleum products, and necessary vehicles. Because of their status as governmental organizations however, the IRS has never specifically exempted them. Consequently, organizations have only received the exemption after requesting an interpretation from the IRS. The International Association of Fire Chiefs predicts this bill will enable these organizations to devote their limited savings, not to the payment of Federal and other taxes, but to the delivery of essential services.

I believe both these bills will prevent a reduction in fire protection services and I commend them to my colleagues.

WELFARE REFORM

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ROSENTHAL. Mr. Speaker, welfare is one of the biggest expenses facing Americans today, and the evidence is overwhelming that the taxpayer is not getting his money's worth. It costs every American taxpayer $548 to support the 25 million persons receiving public assistance.

Behind the waste and failure of the $45 billion system is the Federal Government's lack of a uniform policy to prevent abuse, relieve the States of staggering and unfair financial burdens or insure equitable and sufficient coverage.

A coordinated nationwide overhaul of public assistance is long overdue. The four principal Federal welfare programs—food stamps, medicaid, aid to families with dependent children, AFDC, and supplemental security income for the aged, blind and disabled, SSI—are administered by hundreds of Federal, State, and local agencies. A lack of coordination and clear delineation of responsibility have invited abuses. For example, a 1976 General Accounting Office investigation revealed that improved communication among Federal assistance agencies could reduce SSI payments by $60 million, correct $4 million in annual underpayments, eliminate 35,600 duplicate payments and save millions in administrative and medicaid costs.

Another congressional study suggested that possibly half of all welfare program outlays may be unnecessary, improper or illegal. Only a small fraction of the costly errors stem from fraudulent aid applications. Fraud among vendors, vague and wordy Federal regulations, misprogramed computers, careless employees and time-consuming procedures account for the largest losses. In fact, the growing complexity of welfare programs has caused AFDC administrative costs to soar 192 percent in the last 5 years, compared with increases of 115 percent in total program costs and only 24 percent in the number of recipients.

The Federal Government distributes welfare assistance to the States according to the benefits each State offers its citizens. Thus the Federal share diminishes as the State contribution increases.

Since we have at least 50 separate welfare systems in this country instead of a single, nationwide program, inconsistency and inequity prevail. Under present practice, a State which is miserly in support for the poor and disabled can have the Federal Government pick up a bigger percentage of the tab than a State which is more generous. For example, Mississippi pays AFDC recipients an average of $14.35 a month and Washington pays 78 percent of that amount. But Washington assumes only 50 percent of the costs in New York, which pays higher benefits. As a result, New York winds up paying $2.2 billion more for AFDC each year than Mississippi.

A further inequity forces cities like New York to pay half of the State's share of local welfare costs. In 1975 New York City alone spent $700,000 more than the entire State of Mississippi for the care of the poor.

Welfare recipients also suffer acutely from the program's failings. To qualify for assistance, applicants are shunted from one office to another, harassed by shifting regulations, forced to break up

their families and discouraged from finding jobs. Moreover, even with public assistance, the majority will remain poor; program benefits are unable to provide most of the poor with enough money to meet their basic needs. In 1976, the Federal SSI program provided $236 a month nationwide to a couple, or about 87 percent of the poverty level, and AFDC paid between 6 and 50 percent of poverty level, depending on the State.

The welfare crisis was exacerbated by disastrous Federal economic policies which resulted in high unemployment and spiraling inflation. In 1975, 2.5 million additional persons dropped below the dividing line into poverty. This created a ballooning of Federal administrative and support services, adjustments in public jobs programs and demands upon locales to fill needs not met on the Federal level.

The absence of comprehensive Federal coverage has prompted many States to shape their own assistance programs or to supplement the Federal grants. These suplements to basic SSI benefits range from none to $271 a month, depending on the State. Additional assistance is provided by some States for rent payments, emergency clothing, furniture, food, temporary shelter and the replacement of essential heating, cooking, refrigeration, water supply and plumbing and sanitation equipment.

There is one solution to the "welfare mess"—the creation of a comprehensive, federally funded system of uniform coverage, standards and benefits, adjusted only for regional cost-of-living differences. Such a program would ease significantly the financial problems of our locales. Full Federal reimbursement for welfare costs would release $1 billion of New York City's revenue for other urgent needs. Even Federal assumption of only 75 percent of welfare costs would mean a savings to State and local governments of $4.8 billion.

This new national welfare system must have strong work incentives. We must avoid, at all costs, a society in which those who work are worse off than those who do not. The reform legislation should reduce program benefits gradually as earned income increases. This would avoid work disincentives created by an abrupt eligibility cutoff.

Work-enabling expenses such as day care should be deductible from the income eligibility level so the recipient will not be penalized for the unavoidable costs of holding a job. Registration at local employment agencies and active job seeking should be prerequisites for eligibility for all able-bodied persons.

The new Federal welfare program also should insure that no families are forced to break up in order to qualify for benefits. Eligibility should be extended to childless couples, intact families, individuals, retired couples, and dependent children and their parents. Emergency needs now covered by some welfare programs should be incorporated into the national system.

The Federal Government also must assume its rightful responsibility for investigating abuses. Toward this end, the 94th Congress passed and President Ford signed my bill to establish an inspector general's office at the Department of Health, Education, and Welfare. Its primary responsibility is to assure that HEW funds are disbursed lawfully, economically, and efficiently. This office will provide States with expanded resources, experience, and direction so they can cope with the sophisticated array of schemes and devices used to evade the law. It is often far more economical to conduct investigations at the Federal level because many fraudulent operations cross State lines or occur in many areas of the country. A nationwide approach and perspective in meeting these challenges is essential.

Welfare reform is vital if the urban areas of our country, including New York, are to remain economically viable and if our country is to treat its poor justly. Producing an efficient and responsive program of welfare reform will be a lengthy and complex task. In the meantime, many of this country's State and local governments need immediate relief from the inequitable and staggering financial burden of welfare.

LITHUANIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ANNUNZIO. Mr. Speaker, it is a privilege for me to join Lithuanian-Americans all over this Nation in commemoration of an outstanding event in the rich history of Lithuania. Fifty-nine years ago, on February 16, 1918, a courageous people proclaimed to the world its right to stand proudly among free countries.

The very brief time—less than a quarter of a century—that the Lithuanian people enjoyed the privilege of living in independence has left an important impression on the Lithuanian people. And the years of Communist domination and Nazi occupation have made their love of freedom all the more keen.

Under the brutal domination of Soviet communism, the Lithuanian people have been under intense pressure to forsake their history and traditions, and to this day, Lithuanians have proudly resisted outside pressures and remain faithful to their language, culture, and religion.

In 1974, Miss Nijole Sadunaite was arrested by Soviet authorities and in 1975, she was sentenced to 3 years of harsh regime in a forced labor camp to be followed by 3 years of internal exile simply for the possession and distribution of the publication entitled, "Chronicle of the Catholic Church in Lithuania."

Mr. Speaker, Rev. Casimir Pugevicius, the executive director of Lithuanian-American Catholic Services, has written an introduction to No. 10 of the Chronicle of the Catholic Church in Lithuania, and a portion of the introduction follows:

INTRODUCTION

In 1940, when the Soviet Union occupied Lithuania by force, 85.5 percent of the country's more than 3 million inhabitants were Roman Catholic, 4.5 percent Protestant, 7.3 percent Jewish, 2.5 percent Orthodox, and 0.2 percent of other persuasions.

In the two archdioceses and four dioceses were: 708 churches, 314 chapels, 73 monasteries, 85 convents, three archbishops, nine bishops, 1271 diocesan priests, 580 monks, of whom 168 were priests. Four seminaries had 470 students. There were 950 nuns.

Nuns cared for 35 kindergartens, 10 orphanages, 25 homes for the aged, two hospitals, a youth center, and an institute for the deaf-mute.

There were 18 Catholic primary schools and the same number of Catholic high schools. Religion was taught in all public schools.

Catholic organizations numbered about 800,000 members. In 1935, there were 28 Catholic magazines and newspapers, with a total circulation of 7,000,000.

On June 15, 1940, the Red Army marched into Lithuania; the independent government was replaced by a puppet regime.

On July 14–15, rigged elections were staged. On July 21, with the Red Army surrounding the assembly house, the new People's Diet "unanimously" declared Lithuania a Soviet Socialist Republic.

On June 25, 1940, the Church was declared separate from the state, and the representative of the Holy See was expelled.

Parish lands were confiscated, clergy salaries and pensions were cut off, and their savings confiscated. Churches were deprived of support. Catholic printing plants were confiscated, and religious books destroyed.

On June 28, 1940, the teaching of religion and recitation of prayers in schools was forbidden. The University's Department of Theology and Philosophy was abolished, and all private schools were nationalized. The seminaries at Vilkaviskis and Telsiai were closed, and the seminary at Kaunas was permitted to operate on a very limited scale. The clergy were spied upon constantly.

On June 15, 1941, 34,260 Lithuanians were packed off in cattle-cars to undisclosed points in the Soviet Union. After World War II, the mass deportations resumed and continued until 1953.

Vincentas Borisevicius, Bishop of Telsiai, was arrested on February 3, 1946, and condemned to death after a secret trial. Before year's end, his auxiliary, Bishop Pranas Ramanauskas, was also arrested and deported to Siberia. Bishop Teofilius Matulionis of Kaisiadorys and Archbishop Mecislovas Reinys of Vilnius were deported to a Siberian labor camp. Archbishop Reinys perished in prison at Vladimir, November 8, 1953. By 1947, Lithuania was left with a single bishop, Kazimieras Paltarokas, of Panevezys. He died in 1958.

In 1947, the last convents and monasteries were closed, their communities dispersed, and all monastic institutions were outlawed.

In 1972, the Chronicle of the Catholic Church in Lithuania, clandestinely published in that country, began to reach the free world at irregular intervals. Primarily intended to keep Catholics in Lithuania informed of the situation of the Church there, these Lithuanian samizdat also serve as a constant appeal to the free world not to forget the plight of a people struggling against overwhelming odds to defend their religious beliefs and to regain their basic human rights.

Mr. Speaker, I was glad to appeal to the Soviet Ambassador recently on behalf of Miss Sadunaite, and also alert the Department of State in this matter. Copies of my letters follow as well as a copy of the reply I received from the State Department:

DECEMBER 9, 1976.

Mr. ANATOLY F. DOBRYNIN,
Ambassador, Union of Soviet Socialist Republics, Office of the Embassy, Washington, D.C.

DEAR MR. AMBASSADOR: It has come to my attention that in 1975 Miss Nijole Sadunaite was sentenced to three years of harsh regime

in a forced labor camp to be followed by three years of internal exile in the Soviet Union for distributing and possessing the publication entitled, "Chronicle of the Lithuanian Catholic Church."

As you know, this act by Soviet authorities is in direct contravention of the 1975 Helsinki Accord and the 1948 Universal Declaration of Human Rights, both of which were signed by your nation, and I would be most appreciative if you would use your good offices to see that Miss Sadunaite is released, or at the very minimum, is granted a retrial of her case.

Thank you for your assistance and cooperation in this matter.

Sincerely,

FRANK ANNUNZIO,
Member of Congress.

DECEMBER 9, 1976.

Mr. ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations, Department of State, Washington, D.C.

DEAR MR. MCCLOSKEY: It has come to my attention that in 1975 Miss Nijole Sadunaite was sentenced to three years of harsh regime in a forced labor camp to be followed by three years of internal exile in the Soviet Union for distributing and possessing the publication entitled, "Chronicle of the Lithuanian Catholic Church."

As you know, this act is in direct contravention of the 1975 Helsinki Accord, as well as of other international agreements signed by the communists, and I would be most appreciative if you would let me know the action being taken by the Department to protest this action and to see that she is released or, and the very minimum, request Soviet authorities grant a retrial of her case.

Thank you for your cooperation and assistance in this matter.

Sincerely,

FRANK ANNUNZIO,
Member of Congress.

DEPARTMENT OF STATE,
Washington, D.C., December 30, 1976.

Hon. FRANK ANNUNZIO,
House of Representatives

DEAR MR. ANNUNZIO: Thank you for your letter of December 9 concerning Miss Nijole Sadunaite who is imprisoned in the Soviet Union.

We have made clear to the Soviet Government at various levels and on numerous occasions that the American people deplore the persecution of individuals for their political, cultural or religious beliefs. Our policy of promoting respect for human rights is both traditional and well known. The Soviet Government is fully aware of American concerns for the situation of religious believers in the Soviet Union.

Although our ability to produce direct positive results in individual cases of religious repression is limited, we do believe that our continuing efforts in the field of human rights have an overall ameliorating effect.

Sincerely,

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

Mr. Speaker, Nijole Sadunaite and many others are sacrificing their own well-being for the freedom of their peoples in the captive nations and on this commemoration of Lithuanian Independence Day, I proudly join with Americans of Lithuanian descent in my own 11th District, in the city of Chicago, and all over this country as they share with Lithuanians everywhere the fervent prayer that their bravery and strength of character will soon be rewarded, that right will triumph over injustice, and that Lithuania will be free once more.

A TRIBUTE TO JOE GIDYNSKI

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. NEDZI. Mr. Speaker, a few days ago, Joseph C. "Joe" Gidynski, a very good friend of the Nedzi office, passed away suddenly. He was in his seventies.

Mr. Gidynski was such an interesting man, as well as a friend, that his passing should not go unmentioned. He was, moreover, a familiar face to Congressmen of Polish descent. I myself met Joe Gidynski in 1962, shortly after my first election, when he came to the office to tape a Voice of America broadcast.

He had two very substantial and distinguished careers, one in Poland and one in the United States. His life was divided, as it was for so many, by the tumultuous events of World War II, particularly the Nazi invasion of Poland in September of 1939.

Mr. Gidynski was a well established attorney in Poznan with an extensive practice, in addition, in Warsaw many years prior to the war. His knowledge of Polish history and law was so wide-ranging that even in his semiretirement he was retained as special counsel by both American and European law firms on specialized litigation relating to Poland. He also wrote extensively and was an art collector.

When Poland fell, Mr. Gidynski escaped to America with virtually none of his worldly goods. He graduated from Columbia University Law School and was a member of the New York and District of Columbia Bars.

In the mid-1940's, he began his second career as director of the Polish section of Voice of America.

In this capacity, his voice and pseudonym became familiar to millions of listeners in Poland during the most difficult years of the Cold War. He also scored two memorable journalistic scoops.

Around 1951, he broadcasted on a daily basis the stunning revelations of Russian complicity in the Katyn Forest Massacres. A special House committee, headed by Congressman Ray Madden of Indiana and including Congressman Thaddeus Machrowicz, later a Federal judge, traveled to Germany, France, and England detailing the cruel murder by the Russians of the cream of the Polish Officer Corps, which had surrendered when Russia attacked Poland.

His second journalistic beat had dramatic consequences. In 1955, Joseph Swiatlo, the Polish Communist chief of police of Warsaw, defected to the West. He brought with him a vast body of detailed information establishing Russian penetration and control of the Polish Government. Joe Gidynski flew to Europe and interviewed Swiatlo in several weeks of steady broadcasts beamed over the Iron Curtain. These broadcasts shattered official myths and helped lead to the "October Revolution" in Poland in 1956, which required Khrushchev's emergency flight to Warsaw to make concessions of a kind which permitted liberalization in Poland.

Mr. Gidynski remained with Voice of America until 1971, and was an area division chief at the time of his retirement.

He remained vitally interested in foreign policy and in Polish and Eastern European affairs. He practiced some law in Washington and continued his lifelong pursuit of encouraging Polish artists and writers. He contributed articles to intellectual Polish journals, particularly in Paris.

A physical fitness enthusiast, he walked several miles a day and also was a regular visitor to mineral baths in Hot Springs, Ark. This regimen helped him overcome the effects of two serious accidents.

Joe was a popular figure with my staff because of his enthusiasm for life and his old world charm. Beyond that, his pursuit of knowledge was untiring and he was a ready resource whenever we were seeking out historical data and other information on Polish affairs.

He is survived by his wife, a physician, his son, an engineer, and his daughter, a psychologist.

Polonia has lost a scholar and worthy son. America, his adopted land, has lost a patriot. We who valued his friendship do not want to allow his passing to fall into a void and so we pay tribute to him and well remember the good cheer and rare knowledge and marvelous anecdotes he brought into our lives.

On a Saturday morning, 10 days after Mr. Gidynski's passing, a group of his friends gathered on the roofdeck of his apartment building in the Kalorama section of Washington.

They had obeyed Joe's wish that his passing should not be marked by any formal observances, but they wanted to pay an informal tribute to him nevertheless.

And so on this roofdeck, with its sweeping view of the city, a place where Joe had often relaxed, they came together. None of them is celebrated, none is ever likely to make the Style section of the Post. But they are highly intelligent, dedicated, multilingual, well traveled—and known to each other. They, and people like them, constitute a valuable part of the real life of the capital.

A touching tribute to Joe, written by his old friend Serban Vallimarescu, of USIA, who was ailing, was read by Aldo d'Allessandro, assistant to the director of the Voice of America.

Mr. Vallimarescu's words are set forth below:

I am truly sorry that I cannot be with you this morning.

I very much wanted to be here to pay my respects to the memory of a man who was an old and respected colleague whose companionship I always enjoyed—whose counsel and advice I always valued, and whose energy and enthusaism I always admired.

Joe was 20 years my senior in age, but I often felt that he was the younger of us in spirit . . . and, yes, even in body.

About a month ago Joe and I had lunch together, as we tried to do at least once a month. Whatever the reasons I was depressed that day, and not very good company.

Joe never alluded to my rather grim mood. Instead, he talked about the exciting things that were happening in Poland—about the Polish intellectuals, workers, students, about Sakharov and Solzhenitsyn, about the opportunities the Carter administration had to promote the cause of human rights.

It was exciting, it was stimulating, it was convincing. By the time we parted my mood was very upbeat indeed. Joe had buoyed my spirits—not with chit-chat, gossip or idle chatter, but with intellectual and spiritual arguments.

I went back to the office ready to do battle and feeling much more hopeful about the future of mankind—thanks to my friend, Joe Gidynski.

Joe was a gentleman of the old school, but he did not live in the past. He did not waste time bemoaning the "good old days." For Joe was an activist by nature, not a day dreamer.

Joe was an idealist, but not an ideologue . . . He was a realist with a cause. And the cause was our common one—freedom, dignity and justice for all men and women on this earth.

And with the enthusiasm and the optimism of the true believer, and the young at heart, he never despaired that this cause would prevail.

I am proud to have been his friend, and I will sorely miss him.

May he rest in peace.

TAXPAYER ASSISTANCE FOR THE ELDERLY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. VANIK. Mr. Speaker, because of the numerous changes in 1976 in the Nation's tax laws, many taxpayers are likely to be confused or have questions as they fill out their tax returns this spring. The Nation's complex tax laws can be particularly confusing to the Nation's elderly, both because of the complexity and because of the numerous special provisions for retirement income, credits for dependent care, et cetera.

Therefore, I am today introducing legislation which would provide for a special program of assistance for the elderly within the IRS Taxpayer Service Division. In addition to providing assistance to volunteer organizations to train tax consultants for the elderly, the amendment would authorize the IRS to hire retirees—particularly some of its very experienced former personnel—to assist others in the preparation of their tax returns. I believe it is possible that if this legislation is passed promptly—perhaps as an amendment to the tax stimulus now being considered by the Committee on Ways and Means—that it could provide some assistance in the current, difficult tax filing season, as well as help the IRS better prepare for future tax filing seasons.

The need for this legislation and the problems facing the elderly as they prepare their taxes was eloquently described by Mr. Richard Halberstein in the latest issue of People & Taxes:

[From People & Taxes, January–February 1977]

COMPLEX FORMS: PROBLEMS TO OLDER TAXPAYERS

(By Richard Halberstein)

On August 27 the House-Senate Conference Committee for the 1976 Tax Reform Act eliminated a Senate amendment to spend $2 million to help elderly taxpayers meet their filing requirements. The same day, the conferees also agreed to liberalize tax treatment for owners of historic structures. It might be unfair to conclude that Congress thinks more of older buildings than older taxpayers. But the failure to pass the $2 million assistance provisions does show insensitivity to the needs of older citizens at tax time, and delays for at least another tax season the possibility of making it as simple and pleasant as possible for them to file their returns.

The provision mentioned would have authorized IRS to assist private volunteer organizations to train tax consultants for the elderly. The agency also would have hired retirees to work in programs for older taxpayers and would have reimbursed expenses of volunteers doing similar work. Most importantly, the amendment would have resulted in greater publicity for tax provisions of particular interest to the elderly. The lack of adequate publicity and education about available tax saving provisions and about free tax assistance services is a serious handicap to older citizens.

The annual ordeal of preparing tax returns will be more complicated for everyone this year because of several retroactive (often tax-saving) changes in the 1976 Act. The "short form" is longer, and commercial preparers are predicting a 20% increase in business. Older taxpayers, especially those with fixed lower incomes, generally have more intricate and confusing tax situations anyway. Thus they will be seriously affected by these changes. As usual, older persons will have difficulty determining whether they must file at all, or whether any of the new provisions apply to them.

Many older persons were unaware of the old retirement income credit, and it is a safe presumption that many who qualify will not know about the new elderly credit for 1976 (new schedules R and RP). Most older persons with pension, disability or survivor's annuity incomes do not understand how the tax laws apply to them or the forms for reporting such income. Relatively few persons last year knew about the "earned income credit," or the "personal exemptions credit," and predictably very few retirees will be aware of the new rules for taxation of "sick pay," or disability payments or gains from sales of personal residences. And for some reason, too many older taxpayers believe that no income is taxable after age 72.

A congressional committee concluded a few years ago that as many as half of all older Americans overpay their federal taxes because they are unaware of tax-saving provisions, do not know where to seek competent inexpensive or free help, or both.

As a partial answer to this problem, the Senate Special Committee on Aging issues a pamphlet entitled "Protecting Older Americans Against Overpayment of Income Taxes." This is a checklist of deductions, exemptions and credits that may be available to the elderly. Copies are available free to anyone sending a return mailing label to the committee at Rm. 225, the Dirksen Senate Office Building, Washington, D.C. 20510.

But a checklist, while helpful, is not the answer. The IRS needs to make special efforts to inform elderly taxpayers of the programs available nationally and locally to provide free tax assistance.

One operation which should get greater attention—and be modified for the benefit of the elderly—is the IRS taxpayer assistance program. This program is intended to provide free help to people preparing their own tax returns, but it is not intended to be a complete tax preparation service. Each year journalists and congressional staffs create embarrassment for the IRS by asking the same tax question of several taxpayer assistance offices and report receiving several different (often conflicting) replies. Error rates, telephone delays, and incompetence met in the program have been mentioned frequently in the press and by the House Ways and Means Oversight Subcommittee. This particular program, as it stands now, is not much help to older poorer taxpayers.

The IRS does issue an annual pamphlet (Publication 554, "Tax Benefits for Older Americans") available from any local IRS office, which contains information useful for the elderly. IRS would greatly improve its treatment of older taxpayers if it offered them a return preparation service and made a greater effort to furnish copies of Publication 554 to all older persons who could use it, not just those who ask for it.

Older persons cannot be expected to wait for long periods in an IRS office, and often find it hard to arrange transportation. IRS could provide special appointments for them at locations which might be more convenient for example. So far the attitude of IRS (concurred in by the General Accounting Office which examined the assistance program last year) is that IRS should not attempt to compete with the many existing tax preparation services.

Another program which needs greater publicity and attention is Volunteer Income Tax Assistance (VITA), operated through the IRS to provide training and services to local volunteer organizations. According to an IRS official, this year's VITA program will emphasize training volunteers to assist the elderly with tax problems, and will utilize local newspapers and other media to publicize locations and times for assistance. Information about VITA is available from local IRS offices, or from VITA, 1111 Constitution Ave., N.W., IRS Building, Washington, D.C. 20005.

A program which is receiving more attention each year is the nationwide "Tax Aide" project operated by the American Association of Retired Persons and another organization, the National Retired Teachers Association.

Tax Aide started modestly nine years ago with four counsellors helping 75 elderly taxpayers in Washington. Last year, AARP estimates, more than 300,000 persons were given help with their forms by over 5,000 counsellors in 1,200 cities and towns. The phenomenal growth of Tax Aide alone shows the crying need of older persons for assistance on tax returns.

Tax Aide publishes an excellent easy-to-read pamphlet called "Your Retirement Income Tax Guide" which discusses filing requirements, how to seek outside help with taxes, and recent relevant law changes. (For information about the program or the pamphlet, write Tax Aide, 1909 K Street, N.W., Washington, D.C. 20049).

The tax problems of the elderly obviously center more on getting the annual task accomplished than on particular provisions of law. The Federal Council on Aging (an independent government advisory body) recently completed a study concerning the problems facing older taxpayers. The Council concluded that federal tax law properly favors taxpayers over 65 compared with others because of the different daily living situations faced by the elderly, especially those on fixed incomes. Yet, it seems obvious the elderly still need much more from Congress and the IRS, not in the form of further tax reductions or gimmicks, but information, education and assistance in utilizing present law fully.

In this writer's view, the following suggestions should be considered immediately by Congress and the IRS:

IRS should modify its taxpayer assistance program to provide complete tax services for all older taxpayers, including special locations and service by appointment. Congress should enact rules for omission of penalties and interest when ever older taxpayers make appointments before the filing date, regardless of when IRS finally can provide personnel to assist them;

IRS should change its VITA program to

give first priority to training volunteers (preferably qualified retirees) who seek to assist older taxpayers;

Taxpayers over 65 (or where one spouse is over 65) should be permitted to file their tax returns as late as June 15th in order to avoid the problems of seeking and obtaining help during the peak period before April 15, especially where inclement weather prevails during the tax season. In such cases interest on any amounts due would be calculated at the regular rate from April 15th; and

The older taxpayers' assistance program rejected by the Conference Committee last year should be enacted, thus providing greater information to older taxpayers through the media, and increased IRS participation in training and funding local volunteer organizations assisting older taxpayers.

1976 TAX ACT WILL AFFECT SENIOR CITIZENS

The Tax Reform Act of 1976 contains several important changes effective this year. Several provisions are of particular importance to older taxpayers, and may result in reduced taxes.

CREDIT FOR DEPENDENT CARE

For 1976, taxpayers whose household contains a child under 15 or a spouse or other "dependent" incapable of self-care, may qualify for a credit of 20% of the expenses of caring for such person (up to stated maximums). These expenses must have been paid so that the taxpayer could work full or part time. A tax credit is a direct subtraction from taxes, whether or not the taxpayer itemizes other personal expenses as deductions. More information is available from IRS Publication 503, which is free, from the instructions accompanying IRS Form 2441.

PERSONAL EXEMPTION CREDIT

For 1976, taxpayers of all ages are entitled to a tax credit equal to $35 for each "exemption" indicated on line 6(d) of this year's tax forms (taxpayer, spouse, and all dependents, but not including special "exemptions" for age or blindness), or 2% of taxable income (line 47 of Form 1040, or line 15 of Form 1040A) but not more than $180, or $90, if married and filing separately. This provides increased tax savings over last year's credit.

CREDIT FOR THE ELDERLY

For 1976, the old "retirement income credit" has been replaced by a simpler and more liberal credit for the elderly. Taxpayers over 65 (or under 65 if retired under a public system) may be able to reduce taxes by as much as $375 if single, or $562.50 if married. This credit is reduced by any exempt social security or other exempt retirement income, and is phased out as the taxpayer's income begins to increase over $7,500 for singles, or $10,000 for married couples. Computation for this credit is still complicated though the credit is more equitable for older persons. More information is available from IRS Publication 524, free, and IRS's new Form R and accompanying instructions (Form RP for persons under 65 on a public retirement system is on the back on Form R).

"SICK PAY" AND DISABILITY

Under prior law, employees and disabled retirees (still under the age of normal retirement) were able in certain circumstances to exclude up to $100 per week from sick pay or disability annuity payments. In light of the new expanded tax credit for the elderly (above) the sick pay or disability exclusion for those over 65—even if totally disabled—has been repealed effective for 1976. Many older taxpayers who previously qualified for up to a $5,200 exclusion ($100 each week), may find that their tax liability is greater than expected for 1976, and that withholding taxes taken out during the year are not sufficient to cover such liability.

AMNESTY: A DIFFERENT VIEW

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. DRINAN. Mr. Speaker, I bring herewith to the attention of my colleagues a perceptive article written by Mrs. Anne Barclay Priest on the question of amnesty.

Mrs. Priest, in this article reprinted from the Boston Globe of February 11, 1977, reminds us in a dramatic and poignant way of the profound accountability which all persons have for their conduct.

The article follows:

AMNESTY: A DIFFERENT VIEW

(By Anne Barclay Priest)

All my adult life, I guess, I've rather enjoyed my prejudice against the Germans. What horrors of genocide and atrocities of World War II couldn't one call up to justify it?

Then, summer before last, on my farm in Nova Scotia, I met my East German refugee neighbors, Karl and Erika (now Canadian citizens). There was a drought at the time and, since I have the only artesian well around, I spread the word for anyone who needed water to come help themselves. One day Karl and Erika came for water and I invited them in for a drink. We sat around my kitchen table and drank vodka. It prompted Karl to reminisce.

"I haven't had any vodka since the war," he said, and smiled for a moment. He is a man of slight build. His handsome face resembles one of those carved Swiss wooden figures, a rather curvy mouth, the rest in lean, flat planes. He leaned back in his chair to tell his story.

"Back when I was proud to be in the German army, I was in charge of all the trucks on the Russian front and we were billeted in a small village."

I felt my whole body turn cold. He said he was proud. How could he? How should I behave? I found that I was automatically reacting politely. After all, he was my guest. His story continued.

"Every village had its own vodka factory. Since the water was hopelessly polluted, we drank nothing but vodka."

"But how could you fight battles when you were all drunk? I asked.

"Why do you think we lost the war?" laughed Erika.

It was funny and so utterly unexpected that I laughed, too.

They left eventually and I cleaned up the kitchen, my head a mess of confusion, with my body trembling, my ancient prejudices hammering. I guess it wasn't until the following morning that I recalled the key phrase: "Back when I was proud . . ." What an admission!

For days my anguish continued. I had been a child during the depression and a teenager during World War II. I had grown up firmly believing that America was good. All this was fortified in every way during Roosevelt's years, during WWII and during the Marshall Plan. But, of course, the Vietnam war ate away at all those feelings, as I had opposed the war early.

But even through the worst time of the Vietnam war and the Nixon rot, I was somehow able to keep alive the faith in our goodness. And now, triggered by one amusing story from a German, the whole structure of that faith was crumbling. For the first time I believed what he and so many other Germans had said about the horrors of Buchenwald, Dachau, Auschwitz—"But we didn't know . . ." I had always felt that they didn't know because they didn't want to know. And, in a way, I still feel that.

Recent memories: I had spent the final three weeks of the '72 campaign organizing Johnstown, Pa., for McGovern. The city's only daily newspaper, the only TV station and one of two radio stations were owned by the same man, a rightwing Republican. And the people supported the Vietnam war all the way. The McGovern supporters were a lonely lot. I literally had to hide my long-haired workers in the back of the headquarters.

For days these jumbled thoughts did battle in my head. And, suddenly, the light shone with a strange new brilliance on the question of amnesty.

It is a tribute to our country and to the fact that we have freedom of the press, that we were able to get the facts about the true nature of the Vietnam war. In Hitler's Germany, the young didn't have that possibility. And yet, how many single-paper cities like Johnstown, Pa., are there in this country? What a struggle did so many have to make to get those facts? How many people today are shaking their heads in confusion and saying, "But we didn't know . . ."?

So what kind of a person did it take in 1967–70 to get those facts and then to be willing to go to jail or be exiled in Canada or Sweden? We need those men right here today. Men who have the courage to seek out the truth and the moral strength to act on it, no matter what the cost.

As a nation we need that act of love that asks forgiveness. Nothing can diminish the bravery of the men who did go to war. They responded to what they perceived as a nation's need. They were victims of a deception and manipulation greater than this country has ever seen before. No amnesty or lack of amnesty can change that.

For the families of men who gave their lives in Vietnam the burden is double. They lost their loved ones. Surely, many must wonder if their sacrifice was for nothing, for a corrupt government (ours!) and to cover up lies from the CIA. I weep for them. No matter what happens with amnesty, it doesn't change the quality of their sacrifice. But to use that sacrifice as an excuse to keep from offering amnesty to those with vision and courage, those who refused to take part in that immoral war, merely continues the manipulation of all of us.

We need those men now. We need their courage, their dogged perseverance and their strong sense of justice.

Along with my new insight came the crumblings of my anti-German prejudice. It seems to have been based on a belief, not that America was good, but that it was better. That belief is gone forever, thank heaven. We are a fortunate nation in many ways. And we have the entire range of frailties as human beings everywhere. It is important to make that distinction clear.

H.R. 3431

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mrs. CHISHOLM. Mr. Speaker, on February 9, 1977 Representative CLAUDE PEPPER introduced H.R. 3431, a bill to amend the Elementary and Secondary Education Act of 1965 and provide for an additional title—"Special Demonstration Programs in the Biomedical Sciences for Secondary Students from Disadvantaged

Backgrounds." This legislation authorizes a 5-year research and demonstration project to establish model partnership programs between higher education institutions and community agencies in order to provide disadvantaged students with academic enrichment, motivational development, and work experience in the biomedical sciences. The goal of these programs is to increase the opportunities for disadvantaged students to pursue college and professional careers in the biomedical sciences.

I want to personally commend Mr. PEPPER for developing this innovative legislation, which I believe takes an important step toward eliminating many of the barriers preventing disadvantaged students from pursuing careers in the biomedical sciences. Also, I would like to encourage my colleagues, who have not done so already, to consider joining the 50 House cosponsors for this legislation. Finally, as a prime sponsor, I would like to share the text of this bill with my colleagues and the public:

H.R. 3431

A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to establish demonstration programs to education, motivate, and encourage secondary school students from disadvantaged backgrounds to pursue professional training at the graduate level in the biomedical sciences

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking out "and VII" before paragraph (a) in section 801 (20 U.S.C. 881) and inserting in lieu thereof "VII, and X"; and

(2) by adding after section 907 (20 U.S.C. 900a–5) the following new title:

"TITLE X—SPECIAL DEMONSTRATION PROGRAMS IN THE BIOMEDICAL SCIENCES FOR SECONDARY SCHOOL STUDENTS FROM DISADVANTAGED BACKGROUNDS

"FINDINGS AND PURPOSE

"SEC. 1001. It is the purpose of this title to—

"(1) introduce secondary students from a disadvantaged background to the challenges, opportunities, and needs of serving in communities which have a need for professionals trained in the biomedical sciences;

"(2) motivate and educate these students to successfully pursue careers in the biomedical sciences;

"(3) develop academic, cognitive, and communicative skills in these students;

"(4) to rectify disadvantages resulting from foreign language barriers; and

"(5) instill awareness and concern in these students for the health of their families and communities;

by offering these students academic programs in mathematics, the sciences, and English, study skill development, experiences in laboratory and health care delivery settings, and frequent exposure to individuals trained, or receiving training, in the biomedical sciences.

"DEFINITIONS

"SEC. 1002. For the purposes of this title:

"(1) The term 'school of biomedical science' means an institution of higher education which provides training leading to a doctorate or master's degree in a biomedical science.

"(2) The term 'demonstration program' means a demonstration program funded under this title.

"(3) The term 'applicant' means an institution which has made application under section 1005 for assistance under this title.

"(4) The term 'student from a disadvantaged background' means an individual who is enrolled in good standing in a secondary school and who comes from a deprived educational or economic background.

"(5) The term 'deprived educational background', with respect to a student, means an educational environment that has not provided those skills, knowledge, exposures, and experiences that would enable the student to undertake successfully a course of study in a biomedical science at an institution of higher education.

"(6) The term 'deprived economic background', with respect to a student, means an environment in which the income of the student's family provides only for basic necessities, such as food, housing, clothing, and transportation.

"(7) The term 'biomedical science' means a field relevant to the study of human biology, and includes chemistry, biology, medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, and public health.

"DEMONSTRATION PROGRAMS TO EDUCATE, MOTIVATE, AND ENCOURAGE STUDENTS FROM DISADVANTAGED BACKGROUNDS TO PURSUE PROFESSIONAL TRAINING AT THE GRADUATE LEVEL IN THE BIOMEDICAL SCIENCES

"SEC. 1003. (a) The Commissioner is authorized, after consultation which the advisory committee established under subsection (c), to make grants to, and to enter into contracts with, institutions of higher education for the purpose of offering five-year demonstration programs to educate, motivate, and encourage students from disadvantaged backgrounds to pursue professional training at the graduate level in the biomedical sciences.

"(b) The Commissioner, in his selection among applications meeting the requirements for approval under section 1005, shall give special consideration to each such qualified applicant that proposes the offering of a demonstration program to students enrolled in secondary schools located in a health manpower shortage area (designated under section 332 of the Public Health Service Act) or in a rural area.

"(c)(1) The Commissioner shall appoint and advisory committee composed of members who represent diverse backgrounds, such as consumers of health care services, residents of urban and rural health manpower shortage areas, secondary school personnel, and professionals in the biomedical sciences, to advise the Commissioner on the approval of applications for assistance under this title.

"(2) No member of the advisory committee shall participate in the consideration of an application submitted by an applicant which, or which proposes involvement of a secondary school system which, employs such member.

"(d) The amount of money provided in any grant or contract entered into for a demonstration program shall not exceed $1,200,000 for the five-year period of such program provided under section 1004(a)(1).

"PROGRAM ACTIVITIES

"SEC. 1004. (a) Each demonstration program shall—

"(1) except as provided in subsection (b), extend over a period of five academic years;

"(2) be carried out in cooperation with a public secondary school system, or with a combination of such systems, which is located in the region in which the applicant is located and which has a relatively high proportion, as determined by the Commissioner, of students from a disadvantaged background enrolled in the secondary schools in such system;

"(3) provide that not less than 100 students from a disadvantaged background, who are enrolled in the ninth grade in such public school system in the first academic year in which the program is offered, participate in the program for not less than 100 hours during such academic year;

"(4) provide for validation of the participation of a student from a disadvantaged background in such program by a science teacher or the parent or guardian of such student;

"(5) make arrangements to use in such program—

"(A) the research and other facilities and personnel of schools of biomedical science located in the area in which such program is offered;

"(B) the special knowledge of individuals from disadvantaged backgrounds who live in the area in which such program is offered and who are employed in the biomedical sciences;

"(C) the expertise of teachers in secondary schools and institutions of higher education located in the area in which such program is offered; and

"(D) the talents and experience of other groups located in the area in which such program is offered, such as parent-teacher associations, foundations, civic groups, and professional organizations, which would further the goals of such program;

"(6) expose students from a disadvantaged background to professionals trained in the biomedical sciences and to the resources of the biomedical sciences, including those described in paragraph (5), and such other academic and health-related experiences as are designed to—

"(A) inform and educate such students to the challenges, opportunities, and needs of serving in the biomedical science professions;

"(B) educate and motivate such students to successfully pursue careers in the biomedical sciences;

"(C) cultivate the development of academic, cognitive, and communication skills in such students; and

"(D) instill awareness, concern, and information in such students for the health of their families and communities;

"(7) provide academic counseling to students from a disadvantaged background who are participating in the program, and may provide such counseling to other secondary schools students, on the range of opportunities available in the biomedical sciences upon completion of high school, college, and professional training, and on the financial and other prerequisites to pursue such opportunities;

"(8) provide for the offering, by a school of biomedical science during each academic year of such program, of a course or courses in one or more of the biomedical sciences which (A) encompasses at least 100 hours of classroom, laboratory, and fieldwork experience, and (B) uses the facilities of such school, including laboratories, libraries, classrooms, audiovisual equipment, conference and meeting rooms, and other necessary facilities to students from a disadvantaged background, and may provide that such course be open for enrollment by other students;

"(9) provide for the offering—

"(A) on the campus of the applicant or of a cooperating undergraduate institution of higher education,

"(B) in the summer following each academic year of the demonstration program, and

"(C) to each student from a disadvantaged background who has participated satisfactorily for not less than 100 hours in the demonstration program in the previous academic year,

of a summer program consisting of at least six weeks of intensive academic study in mathematics and chemistry taught by college faculty and graduate students; and

"(10) provide for the tracking (through documentation of a student's cumulative grade average in high school, scholastic aptitude test scores, acceptances to colleges and universities, and grade point average and major pursued at the end of the first-year of college) of each student from a disadvantaged background, who has participated in the program for not less than 100 hours in the first academic year in which the program is offered, to evaluate the impact of the program on the careers pursued by students from a disadvantaged background participating in the program.

"(b) The Commissioner may not provide funds under this title to an institution for a demonstration program during the third, fourth, or fifth academic year (hereinafter in this subsection referred to as the 'program year') of such program unless not less than 50 per centum of the particular students from a disadvantaged background who—

"(1) participated for not less than 100 hours in the demonstration program, and

"(2) were enrolled in the ninth, tenth, or eleventh grade,

during the second academic year preceding the program year also participated for not less than 100 hours in the demonstration program during the academic year preceding the program year.

"APPLICATIONS

"SEC. 1005. (a) Any institution desiring assistance under this title shall make application therefor in accordance with the provisions of this title and other applicable law and with regulations of the Commissioner promulgated for the purposes of this title. The Commissioner shall approve an application under this title only if he determines that the demonstration program for which the application seeks assistance—

"(1) will be operated by the applicant and that the applicant will carry out such program in accordance with this title;

"(2) will provide for the activities described in section 1004(a);

"(3) will involve in a formal role in policy-making decisions in such program an individual who is employed at an administrative level, no lower than principal or dean, in a secondary school whose students are involved in such program; and

"(4) has been planned, and will be carried out, in consultation with an advisory council which is composed in accordance with subsection (c).

"(b) In approving an application for assistance under this title, the Commissioner shall insure that there is cooperation and coordination of efforts among the demonstration programs, including the exchange of materials and information among such programs.

"(c) Each demonstration program shall have an advisory council composed of at least nine members—

"(1) at least one-third of whom are parents of students from a disadvantaged background who are eligible to participate in such program;

"(2) at least one-third of whom are—

"(A) teachers or counselors working in secondary schools whose students are participating in such program;

"(B) individuals involved in a parent-teacher association, or similar organization, working with secondary schools participating in such program; or

"(C) civic leaders from the communities located in the area in which such program is offered; and

"(3) who are appointed in a manner prescribed by the Commissioner by regulation.

"USE OF FUNDS

"SEC. 1006. Funds appropriated to carry out this title may be used to cover all or part of the cost of establishing and carrying out demonstration programs, including the cost of stipends, allowances, travel, and subsistence expenses (in such amounts as may be determined in accordance with regulations of the Commissioner) to students from a disadvantaged background during their participation in a summer program offered pursuant to section 1004(a)(9).

"APPROPRIATIONS AUTHORIZED

"SEC. 1007. For the purpose of carrying out this title, there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1978. Sums appropriated pursuant to this section shall remain available for expenditure and obligation on or before September 30, 1983.".

MAYOR WISNIESKI'S LETTER

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. MOTTL. Mr. Speaker, I have just received a most thoughtful letter from Mayor Winfred "Pete" Wisnieski of Independence, Ohio, who is one of the most respected mayors in the Greater Cleveland Area. He is very much in tune with what many Americans are thinking.

In his correspondence, Mayor Wisnieski raises some excellent points as to what he feels are some of the shortcomings of the Federal Government. I found myself agreeing with the mayor's diagnosis of the problems of today, and feel that his thoughts should receive some degree of permanency.

Consequently, I would like to have Mayor Wisnieski's letter in its entirety placed in the CONGRESSIONAL RECORD to give all of us something to think about:

DEAR CONGRESSMAN MOTTL: Enclosed find a copy of the Cleveland Press dated 1/26/77 and entitled "Tax rebate: Use it to pay heat bill". This rebate is a great thing if you want to give money back to people to pay bills, then I'm for it 100%. However, if it is given back to put people to work, I feel you are going in the wrong direction. The only way to put people to work through the government is by Public Works Projects where the money will be actually spent to put people to work on projects and when the projects are completed, the taxpayer will have something to show for the money he pays the government.

While writing, I'd like to point out another thing. You are going to have to do something to control inflation. Everyone is saying that inflation is quieting down but, each year or two, the unions come back for more money and what can you do, except give it to them, as much as you can afford. This sets off another round of inflation and you know what this does to people on fixed incomes and senior citizens, especially in communities like ours which has a large amount of senior citizens.

I know you in Washington are in a better position as I've read in the papers where you are about to give yourselves an increase in salary which those on fixed incomes are unable to receive. Not only that, but when you read where you in Washington pay only $2.00 for a haircut while we pay $5.00 for one in Independence, you can see what your voters have in their minds.

Whether you realize it or not, the senior citizens with their organizations throughout the country are going to be the voting force in coming elections.

I feel the only way you can control inflation is by putting controls on everything across the board, not only wages. As the newspapers say, you are afraid to put out money for putting people to work because it will start another round of inflation so, it's time you recognize this fact. You also have controls on oil and gasoline at the present time and by being afraid to remove these controls in fear of spiraling prices, it shows the controls do do some good. The papers this past week carried an article where the present 13c postage stamp may increase to $1.00 in the near future. In looking back in history, every country going in the direction the United States is now, had a calamity with money and had to revalue their currency structure. I hope this doesn't happen in our United States.

These are not my suggestions alone but from the average residents in our community that I've spoken to. I am sure your leadership will be able to stabilize our inflation and get people back to work again.

Thank you for your cooperation.

Very truly yours,

WINFRED WISNIESKI,
Mayor, City of Independence, Ohio.

ESSAY: FORESTS: USE AND RENEWAL FOR MY COMMUNITY

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. BRECKINRIDGE. Mr. Speaker, every so often there comes along one of our young people who is able to catch the essence of one of our national problems in a clear and uncomplicated way. Such a one is 13-year-old Sylvia Jane Stephens of Harrison County Junior High School.

Sylvia, who is from Cynthiana, Ky., won her county's Conservation Essay Contest with words that in a fresh and important way point out to all of us the importance of wanting and working to preserve our forests. I congratulate her for her perception and commend her for writing her essay "Forests: Use and Renewal for My Community," submitted here from the Cynthiana Democrat newspaper:

FORESTS: USE AND RENEWAL FOR MY COMMUNITY

(By Sylvia Jane Stephens)

Look around you! What do you see? Wood, wood, wood. Did you ever think of how many uses of wood there are? Doors, counter tops, desks, wooden floors, sidings of houses, cabinets, the pencil and paper you are writing on, and many types recreational equipment, are all made of wood. Wood comes from forests, and there are more than one hundred eighty million acres of forest land in the United States. If we do not protect our forests and conserve their use, then we will not have much forest land left in the future.

Forests provide homes for many animals, jobs for people, heat for homes, and recreation for the family. Forests save the land from erosion, provide shade when it is hot, and absorb sound. Forests help to purify the water, and provide a place to go when you want to get away from all the big cities, and just have a place to sit down and think.

I was privileged enough to get to see a forest from the inside out this past summer while I was "backpacking". It is hard to describe my experiences inside the forest, be-

cause you really have to experience it for yourself. When I was in the forest all I could hear was quietness interrupted by an occasional leaf dropping, or a mountain breeze blowing between the trees. I was with nature itself. There was no pollution, and when I took a deep breath, my lungs about burst from all the fresh air produced by the trees. There were no mean people in the forest, because it is so nice experiencing the beauty, that the people were too content to be mean. The mountain springs were so cold that when I stuck my hand in the spring, my hand got numb. But the best of all was not seeing any "manmade" objects, or hearing any horns blow. The forest provides a place of solitude for mankind.

When Kentucky was just a pioneer territory, twenty-five out of twenty-six million acres of land were covered with forests. These forests were unexplored and uninhabited by human beings. The trees were so close together, that the branches and leaves formed a mat that the sun scarcely ever got through.

When the pioneers came to Kentucky, they used the forests as cropland, and grazing land for their livestock. The pioneers used the timber for building cabins, furniture, fuel, and sport. After they wore away the soil and used up all the minerals, they went to another piece of land and burned off the forest.

Loggers started coming to Kentucky and they cut down the trees. The loggers did not care if a tree fell on a sapling and killed it. Their only interest was profit.

Fires killed hundreds of acres of forest land a year. The greatest cause of forest fires is people being careless. People not extinguishing campfires, and the uncontrolled burning of brush, cause raging fires that destroy everything in their path. Two other leading causes of forest fires are smoking and incendiary. Incendiarism is the practice of starting fires purposely, by people who think they will be helping the land, or for spite.

Droughts damage many of our trees in the forests every year. If the drought is bad enough, it may kill the tree or stop its growth. If the trees die or stop growing then many animals will die of hunger.

Disease and insects are another leading cause of killing trees. Insects carry certain diseases with them, and when they start eating the bark or the leaves of the tree, the tree will get the disease, and the tree somtimes dies.

While I was in the mountains last summer, I saw where wild razorback boars were eating the roots of many trees and killing the trees and the grass. When the roots of the trees have been eaten or chopped off, the tree cannot get water, causing it to die.

While drought, disease, insects, and damage from forest animals kill some trees, mankind is still the greatest destructive force of our forests. So today Kentucky forests cover only forty-six percent of the land.

People can help save and preserve our beautiful forests, if they would only try. People everywhere in the United States as well as Kentucky can send all the old and used paper to recycling plants so thousands of trees will not have to be cut down just for pieces of paper.

Forest owners can cut the dead and diseased tree, and plant new young trees. Forest owners can cut down certain areas of trees and plant new trees that will grow and mature faster.

We can try to prevent forest fires by cleaning out all the dead and dried up trees and brush, and have good fire emergency squads ready to fight the fires and keep them under control. Something everyone can do is to make sure that his cigarette is out before he throws it out the window, or just put the cigarette in the ashtray.

To prevent wild animals from eating the roots of the trees, we could have open hunting season on the animals that are overpopulated. But these solutions will not help if the people do not help!

Unfortunately no one can make you want to save and preserve our forests. You have to want to save them yourself! By the time that you decide it is important to have forests, it may be too late, because all of our beautiful forests may be gone.

CONGRESSIONAL SALUTE TO THE PEOPLE OF LITHUANIA IN COMMEMORATION OF THE 59TH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ROE. Mr. Speaker, I wish to join my colleagues and the Lithuanian American community today in commemorating the 59th anniversary of Lithuanian Independence Day and salute the people of Lithuania who steadfastly cling to the richness of their cultural heritage and seek freedom of expression, religion and basic individual human rights in the country of their birth.

As we sit in session today and reflect on the history of the people of Lithuania, we look to the country of Lithuania situated at the southern end of the eastern coast of the Baltic Sea, right at the European continent's geographic center. Historians tell us it emerged as a unified state in the early decades of the 13th century and became internationally recognized as the Kingdom of Lithuania in 1251 A.D.

After centuries of vast expansion eastward and southward, in 1569 Lithuania became a partner in the Polish-Lithuanian Commonwealth, which lasted till 1795 when it was partitioned between Austria, Prussia, and Russia. Lithuania fell under the Russian rule.

Lithuania succeeded in reestablishing its independence in 1918, at the end of World War I, but was occupied again in 1940 by the armed forces of Russia, now known as the Soviet Union.

During the last Congress we were instrumental in establishing the Commission on Security and Cooperation in Europe (Public Law 94–304) to monitor international compliance with the Helsinki Agreement. We also reaffirmed our Nation's policy of nonrecognition of the legality of the 1940 incorporation into the Soviet Union of the independent states of Lithuania, Latvia, and Estonia. I was pleased to sponsor and vigorously support these congressional resolutions.

Mr. Speaker, we are all agreed that there is a continuing need for concerted action in mustering world opinion as a viable force in achieving universal understanding and agreement on basic human rights principles to eliminate government controls that dominate the personal freedoms of the individual to live and worship in the land of his or her choice and stifle the independence and sovereignty of a nation of people.

On February 10, 1977, I joined with many of our colleagues in sending the following letter to the President:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 10, 1977.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Having been heartened by your Administration's statements in defense of human rights and civil liberties abroad, we view recent actions in the Soviet Union, renewing repression of political dissent there, as a significant test of the strength of America's commitment to the principles you have voiced.

In this regard, we are pleased to note the statement of concern issued by the Department of State this past Monday, February 7th, over the arrest of Mr. Alexandre Ginzburg.

The simultaneous expulsion of George Krimsky, an Associated Press correspondent in Moscow, and the arrest of Alexandre Ginzburg amount to a clear disregard of the principles contained in the 1975 Helsinki accords which the Soviet Union agreed to honor. Mr. Krimsky, it is obvious, is being penalized for his energetic reporting of the activities of Soviet dissenters. Mr. Ginzburg, who has been acting on behalf of Alexandre Solzhenitsyn in aiding the families of Soviet political prisoners and who has been an active member of the public Soviet groups established to promote compliance with the Helsinki accords, is being singled out for punishment as a means of intimidating others. In both instances, Soviet officials have acted in direct contravention of the Helsinki pledge to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his full and free development."

Such behavior requires an effective and credible response from the American government. Soviet leaders must recognize that they cannot, with impunity, violate their international agreements. Good faith compliance with the Helsinki accords must be made a test of good faith in negotiating other, bilateral undertakings.

By insisting on Helsinki compliance, your Administration can honor the commitment you have made to protect human rights, strengthen the Helsinki accords as an instrument of such protection and establish a reliable foundation for honorable dealings with the Soviet Union.

Mr. Speaker, on behalf of the people of my congressional district and the State of New Jersey, I join in the annual observance of our Lithuanian heritage and trust that through our mutual endeavors and responsibilities that we will strive to continue to achieve international understanding and agreement that will eliminate the oppression of people and restore "human rights" and the rights of self-determination by the people of Lithuania and other captive nations of the world.

DEEP SEABED MINING

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. BREAUX. Mr. Speaker, I have joined with Chairman JOHN MURPHY in sponsoring legislation which I believe to be one of the most important issues to come before Congress this session. Our bill, entitled the "Deep Seabed Hard Min-

erals Act," will authorize the U.S. mining companies to continue in the development of their technology to recover manganese nodules from the seabed on an interim basis. I must stress the concept of an interim basis—the authority contained in this bill would not extend beyond the time when an international law of the sea treaty is ratified by and becomes binding upon the United States.

We in the Congress have been patiently waiting for some resolution of the differences at the U.N. Law of the Sea Conference for too many years now. Every time we propose to assist U.S. citizens to fully enjoy their rights on the high seas, our State Department and others have urged postponement of congressional action. We have clearly cooperated in this mutual endeavor with our colleagues at the State Department, but now it is time to look for other alternatives. I have personally been distressed to witness the series of concessions made by the U.S. negotiating team during the last few LOS conferences. The U.S. team has been acting in good faith to resolve the differences between our national interests and those of developing countries of the world. This is admirable on the part of the United States, but how many concessions can be made without any given in return by other nations?

The main impasse at the conference concerns the management of mineral resources on the deep seabed and the rights of nations to conduct activities to recover these resources. The resources to which I refer are manganese nodules—hard mineral rocks which lie on the seabed floor in abundant quantities. These nodules contain valuable concentrations of manganese, copper, cobalt, and nickel which are critical materials to our national economy. To assure developed and developing countries a secure source of supply for these minerals is a goal worthy of serious consideration. The bill which I am sponsoring today would achieve this goal.

The bill would allow the Secretary of Commerce to issue licenses to qualified U.S. nationals for the purpose of exploration and preparation for commercial recovery of nodules on the sea floor. Qualifications are set forth in the bill in a restricted manner to prevent speculators from "sitting" on a mining site. The Secretary would also be directed to issue comprehensive environmental standards after conducting baseline and site surveys of the ocean mining areas.

An integrity of investment provision in the bill is key to stimulating U.S. industry to continue their technology development. This provision would offer protection to U.S. corporations in the event that a future treaty would prevent them from a continuation of deep seabed development activities.

This bill represents a moderate approach to a series of very profound conflicts, and I firmly believe that the Congress must attempt to assist in arriving at alternatives. As chairman of the Oceanography Subcommittee of the Committee on Merchant Marine and Fisheries, I am dedicated to holding comprehensive hearings during the next few months with a view toward resolving some of the disputes presently pending before the Law of the Sea Conference. Mining of the deep seabed offers great new potentials to U.S. and foreign economies. We must find solutions where the international forum has failed, and I believe that this bill offers the concepts which can achieve eventual success.

TAX SIMPLIFICATION

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mrs. KEYS. Mr. Speaker, I am today introducing tax simplification legislation which could cut in half the paperwork required by most taxpayers.

You may not remember, but there was a time when filling out your tax forms was simple. In 1955, the short form was a 3-by-7-inch card the size of today's W–2 form, and it required only four easy mathematical calculations to complete. Astonishingly, the instructions were 1 page long—and that page included the tax table and a copy of the form for the taxpayer's use.

It hardly needs to be said that the complexity of tax returns has increased substantially in recent years. The 1976 short form requires 13 separate mathematical computations—5 more than last year. At the same time, the 1040A instructions have increased from 8 pages to 12.

By far the greatest burden on the taxpayer is in the computations he is required to make. In 1946, a taxpayer could simply submit his W–2 form and the IRS would calculate his tax. This year the taxpayer is forced to compute his own standard deduction in a complex formula that reads:

If you checked the box on line 2 or 5, enter the greater of $2,100 or 16% of line 13a—but not more than $2,800.

Similar alternate calculations are required if other boxes have been checked.

A study done by the University of Michigan in 1965 found that the second most difficult problem encountered by taxpayers was the computation of their tax.* The present structuring of the tax forms can certainly have done nothing to relieve this burden. Although the short form was intended to provide the taxpayer with a simple means of preparing his own form, over 22 percent of those filing short forms last year found it necessary to go to a tax return preparer for assistance.

The measure I am proposing would cut the short form in half by requiring the IRS to compute the tax of individuals using the standard deduction who elect to have the IRS calculate their tax. Such a provision would eliminate as many as 21 of the 39 lines on the 1976 short form. Coupled with President Carter's proposed changes in the standard deduction, this measure could significantly reduce the work of well over half of all taxpayers.

The IRS is presently required to calculate the tax of an electing individual who is entitled to take the standard deduction and whose gross income from wages, dividends, and interest is less than $10,000. In recent years, however, this provision has fallen into disuse. In 1956, 40 percent of those filing the short form availed themselves of this service. By 1968, the number had dwindled to 10 percent. More recently, that figure has sunk to 1 percent.

There are a number of reasons for this decline. One is the complete disappearance of the short form between 1969 and 1971. However, the primary reason lies in the failure of IRS to inform taxpayers of the availability of the service. In 1975, there was an inconspicuous notice at the bottom of the 1040A short form noting the availability of IRS computation. This year the notice has been moved to the back side and refers the taxpayer to a small box buried on page 10 of the 1040A instructions.

The staff of the Federal Paperwork Commission has recently reviewed this problem and made the following recommendations to reduce taxpayer paperwork:

1. The IRS should develop and place into effect a program to encourage all eligible taxpayers to file income tax returns on Short Forms 1040A.

2. The IRS should review each of the additional information requirements which preclude use of Short Form 1040A to see whether they could not be resolved to permit expanded use of the simpler form.

3. IRS should further simplify Short Form 1040A by eliminating all items not required by IRS to determine tax liability such as "occupation" and "names of dependents."

4. IRS should rewrite the Instructions for preparing Short Form 1040A at a lower reading comprehension level since a 90 percent comprehension of the present Instructions requires a college level reading ability.

5. IRS should vigorously encourage wider tax payer use of IRS tax computation by:

a. Designing of the Short Form 1040A to emphasize ease of use when IRS computes the tax.

b. Stressing advantages of IRS computation in the Instructions.

c. Using public information channels to stress advantages of IRS computation.

There are numerous advantages to IRS computation which should be emphasized in the instructions:

1. IRS computation substantially reduces the possibility of mathematical error delaying a refund.

2. The IRS will compute the tax by the method which is most advantageous to the taxpayer.

3. If additional tax is due, the taxpayer may delay payment until he is billed by the IRS.

4. Since no computation of any sort is required, there is no need to pay a tax return preparer.

While increased utilization of this service will significantly reduce the burden on the taxpayer, it will not unduly increase the work of the IRS. At present, every tax return, whether short or long, is checked by computer for mathematical errors. First the form is visually verified to see that the W–2 forms and enclosed payments correspond to the appropriate lines on the form. Then every return is keypunched to feed all sources of income, withholding, and other information into the computer to confirm mathematical calculations.

*The first is gathering the data for itemizing

to buy solar heating systems. There are other more significant incentive packages under consideration on Capitol Hill, and other State and local barriers yet to be removed. My point is simply that we have no business taking up incentives at all until we remove roadblocks. My proposal is essentially a small one—but it can be implemented quickly, easily, and cheaply.

THE B–1 BOMBER PROGRAM AND MILITARY PROCUREMENT REFORM

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. DOWNEY. Mr. Speaker, I have long opposed the B–1 bomber program as an ill-advised alternative for strengthening our strategic bomber force. The cost-effectiveness of this program, which I am convinced is very poor, is an issue that still awaits a final resolution by the Congress and the new administration.

Our experience with the B–1 program is also indicative of a more comprehensive problem, military procurement reform. In a recent letter, Adm. Gene R. La Rocque of the Center for Defense Information points out, I believe correctly, that the future of military procurement reform is inextricably tied to the final decision on the B–1 program. I would like to share Admiral La Rocque's letter with my colleagues and urge them to carefully consider his arguments:

CENTER FOR DEFENSE INFORMATION,
Washington, D.C., January 14, 1977.

Hon. THOMAS DOWNEY,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN DOWNEY: The B–1 bomber program is a cancer in the military budget.

Either the President or the Congress must excise this exorbitantly wasteful program without further equivocation. If it is not done, all the U.S. military services will be sapped by the cost of the B–1 program, and the American taxpayers will be penalized by the failure of our national leaders to act decisively on their behalf. In this year alone, $3 million *a day* goes into keeping the B–1 alive. The total cost during the new administration's four-year term of office will approach the $12 Billion mark.

The issue is not whether the B–1 is a good airplane. At close to $100 million per copy, it ought to be. The real question is whether this country needs to stampede into a new manned bomber program. This cannot be considered in isolation from the other strategic nuclear systems on land and at sea which will continue to provide our main deterrent to a Soviet attack.

The facts have been on hand for a long time, with very little new except for the rising program costs of the B–1:

The Air Force wants 244 new B–1 bombers. By latest official estimates their purchase price will be $23 Billion.

Their operating cost over 20 years will add nearly $30 Billion to the purchase price.

Another $14 Billion will have to be spent on new aerial tanks and missiles for the B–1, and these will cost $28 Billion to operate and maintain along with other support needs. In 1976 dollars *the potential cost of the B–1 program is at least $95 Billion*—a $4¾ Billion annual mortgage on the military budget for the next 20 years.

The Air Force does not plan to retire its B–52s, even if it gets the B–1. Its leadership has conceded there are "no structural problems which would require a B–52 phase-out schedule in the 1990's," and consequently envisions "over 300 B–52s remaining in the active inventory for the rest of this century."

The U.S. currently has 420 B–52s in 25 operational squadrons, and another 185 in reserve. Over half of this force, principally the later model bombers, have up to 20 more years of useful service, and it can be modernized if required by shifts in the strategic balance, at a fraction of the $95 billion that would be wasted on the B–1 and its support.

We've got the B–1 problem on our hands because of a basic flaw in the way our military services go about deciding their hardware requirements. Essentially, they commit themselves too early to a weapon system, and close off all reasonable alternatives. They put themselves in the position of dressing up their choice with yards of specious rationales, and they put presidents and congresses in the difficult position of going along with them because there are no alternatives.

Fortunately, the B–1 program does have a clear-cut alternative: cancellation. Many other military procurement requests will not be so lucky—witness the Navy's shipbuilding program.

There is a cure for this lamentable situation, and all it lacks is the convincing and energetic support of the President and his Secretary of Defense. The last Congress enacted far-reaching reforms in the military procurement system. The Defense Department has so far done nothing to breathe life into these reforms, apparently preferring business as usual. In the meantime, new "B–1s" are being dreamed up by the military services and some of them undoubtedly will be wrapped up in the next military budget. The list of doubtful projects is long and expensive: nuclear strike cruisers for the Navy, new attack helicopters for the Army, still another fighter-interceptor for the Air Force, and more amphibious equipment for the Marines.

We cannot afford to go on this way. The B–1 itself should be promptly terminated on its own merits, but I would hope such a decision would also signal the Pentagon that Congress is serious about procurement reform, that our new President is committed to eliminating waste and inefficiency throughout government, and that we, the taxpayers, have the ultimate decision on what kind of armed forces we want.

Sincerely,

GENE R. LA ROCQUE,
Rear Admiral USN (Ret),
Director.

LIBERIAN TANKERS

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. STUDDS. Mr. Speaker, in preparing for hearings and for legislative action on the issues of oil spill liability and oil tanker safety, I have conducted a bit of research into the past and present character of the Liberian tanker fleet. Because of the extremely high level of interest shown in this subject in recent weeks, I issued the following special report to my constituency which I thought might also be of interest to my colleagues:

Last December the largest oil spill in U.S. history occurred from the tanker *Argo Merchant* which grounded, broke up, and spilled nearly all of its 7.5 million gallon cargo of heavy fuel oil into the Northwest Atlantic. Two days later, the tanker *Sansinea* suffered a massive explosion while moored in Los Angeles harbor. On December 24, 5,000 gallons of bunker oil escaped through a fracture in the hull of the *Oswego Peace* into the Thames River in New London, Connecticut. On December 27, the tanker *Olympic Games* grounded and spilled 133,000 gallons of crude oil into the Delaware River and, the next day, the tanker *Dalphne* ran aground while approaching a harbor in Puerto Rico.

All of these incidents involved vessels flying the flag of the nation with the world's largest tanker fleet, Liberia.

ORIGINS

In 1947 the nation of Liberia, which is about the size of Ohio, did not have a significant shipping fleet, nor did it have a body of maritime law. Its one port, Monrovia, was suitable for small vessels only, and its economy depended primarily on its ability to produce rubber in large quantities. Who, one might ask, had the vision to see that Liberia was capable of becoming the largest maritime nation in the world?

Oddly enough, the answer is Edward R. Stettinius, Jr., former United States Secretary of State. Mr. Stettinius gathered a group of lawyers and politicians together in New York that year and proceeded to write the laws of the Liberian shipping industry. They also drafted changes in the Liberian corporation laws to make it easy for those wishing to join the Liberian fleet to do so. They established the Liberia Company, with headquarters in New York, to administer the Liberian shipping industry, and then created the International Trust Company, with offices one block from the White House in Washington, to handle finances.

According to a State Department official of the time, the International Trust Company was also intended to be a bank deposit for flight capital ("hot money"), accepting such deposits into numbered or concealed accounts, as did banks in Geneva and Tangier. Fortunately, however, this particular aspect of the Stettinius scheme was successfully discouraged by a special review committee of the State Department.

On January 30, the Liberian Legislature approved an act which it described officially as "approving the statement of understanding entered into on the 3rd day of September A. D. 1947 by and between the government of the Republic of Liberia and the Stettinius Associates, Inc. and incorporating the Liberia Company." The Stettinius group, and the Liberian shipping industry, were in business and the long road toward the *Argo Merchant* had begun.

GROWTH OF THE INDUSTRY

Most of those who own Liberian-flag ships have never been to Liberia. Most Liberian-flag ships have never been there either. If you happen to have a spare ship and want to switch registry, you don't go to Monrovia, you go instead to the office of Mr. Fred Lininger (a member of the original "Stettinius group"), Deputy Commissioner for Maritime Affairs, in his office at 103 Park Avenue in New York. Registration, complete with all the paperwork, should be finished in 48 hours.

As the owner of a Liberian vessel, you will have to pay no income taxes on your earnings from that vessel. You will not have to pay high wages, you will not have to comply with U.S. Coast Guard safety or maintenance standards. No record of true ownership will be kept by the Liberian Government. If your captain learns of an oil spill coming forth from your ship but he de-

At the same time, the computer calculates the tax on the basis most advantageous to the taxpayer including regular tax, alternative tax (schedule D), and income averaging (schedule G). Because the IRS already provides computation services on a limited scale, it would be very little additional burden for them to expand their services.

The measure which I am proposing would encourage the use of this service by eliminating the limitation on the size of one's income and providing assistance to all taxpayers having certain types of income. Little-used classifications of income presently appearing on the short form such as dividends would be removed. The free space could then be used for inclusion of the elderly credit and the child care credit which now require use of the 1040 long form.

Elimination of items such as dividends and FICA withholding would require approximately 500,000 taxpayers with these entries to switch to the longer form. However, the addition of a few simple questions regarding the elderly and child care credits would permit 6.4 million elderly and working parents to use the short form—assuming they also took the standard deduction.

I am presently preparing a sample short form which will include these credits and return the form to the size of the W–2. The form would: First, make it clear that the IRS would compute the tax; and second, briefly state the advantages of such computation.

Under my proposal, any taxpayer who wished to continue to do his own calculations could use a worksheet provided for him in the 1040A instructions or file the 1040 long form.

One usually characterizes progress as a "step forward" for the country. In this case what we need is a long step back—back to simplicity. I am confident that this measure will mean a return to simplicity for the vast majority of taxpayers and I hope it will receive the support of my colleagues.

THEY ARE GIVING US GAS, ALL RIGHT

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mrs. MEYNER. Mr. Speaker, the experiences of this winter have forced us to deal not only with the immediate gas crisis, but to contend with the future. If we are to do anything constructive about the crisis, we need reliable data. The problem is, we just do not have it. No one does.

This is not the first time, nor will it be the last time, that we will be forced to rely on insufficient data. Last month, President Ford presented an ill-timed, ill-advised proposal to remove the price controls from gasoline. This provided a not-so-fortunate opportunity to deal with data distortions—the same kind of distortion that troubles us now. Illustrative of the data gap was a Federal Energy Administration report which said that decontrol would have a "minimal impact" on the consumer, and a Congressional Research Service study which indicated that decontrol would cost the American consumer $6 to $8 billion.

Now, as we sift through the morass of evaluations of natural gas deregulation, discrepancies, deficiences, and selective estimates are obfuscating the debate. We in Congress, administration officials, and the millions of Americans who rely on the delivery of natural gas, do not know where to turn for the answers. We are forced to base our approach on conflicting data, much of which is supplied by the gas companies themselves. Estimates of the available reserves of natural gas are as high as 1,200 trillion cubic feet. But, natural gas companies deny this.

Someone is lying to us.

Questions persist. What are our natural gas reserves? What are our needs? Are the gas companies holding back supplies in order to force deregulation? What are our exploratory needs for the future? And, most importantly, where and when are we going to get the facts?

Mr. Speaker, I am entering into the RECORD, for the information of my colleagues and our constituents, an article that appeared recently in the New Republic and Washington Post. The author, James Nathan Miller, calls upon Congress to force a full disclosure of the facts. We need an immediate disclosure that is not tainted by the influence of vested interests. A disclosure that will provide us with a beginning for the formulation of our future policy and a guide for our current debate. I share Mr. Miller's concerns and beliefs: I ask that Congress initiate the kind of investigation called for in the article, the kind that—once and for all—will provide us with the facts:

THEY ARE GIVING US GAS, ALL RIGHT

(By James Nathan Miller)

The companies that supply U.S. energy are trying to convince Congress and the public that the present cold-weather crisis actually does prove that there is a long-term shortage of natural gas. If they succeed, the U.S. soon will have a gas deregulation law that's based on data that are at best doubtful and at worst false. To understand what's involved, it's essential to realize that the deregulation question actually involves two very different kinds of shortage, which press accounts have jumbled together. There is a true, demonstrable shortage in deliveries of gas. The reasons for it are the apparent physical inability of pipelines to satisfy the demand created by the record-breaking cold wave, and the unwillingness of producers to meet this emergency demand at a controlled price when they know they can get several times as much if they can force the removal of controls.

The second shortage is something quite different. It is an alleged shrinkage in the country's long-term underground reserves of gas. The companies that own the long-term reserves—and claim that the shortage exists—also claim that the size of their holdings is a trade secret; as a consequence, the figures that could prove or disprove the existence of a reserve shortage are hidden behind a curtain of secrecy that the present cold spell has done nothing to pierce.

For many years the gas industry has claimed that underground stocks of "proved" reserves have been declining at an alarming rate. "Proved" reserves are the only ones that the country can be certain about. They represent gas fields that the producing companies have drilled into, measured with considerable precision and deemed to be economically recoverable. Beyond the "proved" reserves there are others labelled with adjectives representing the spectrum of geological speculation: "probable," "inferred," "possible," etc.

How much does the U.S. now possess in these various categories? The most recent estimate of the industry's trade association, the American Gas Association (AGA), is that there are 228-trillion cubic feet of proved reserves now in the ground, or about a 10-year supply at the present national consumption rate. But nobody expects us to run out in 10 years, because geologists know that there are huge amounts of the less certain categories waiting to be discovered; most estimates conclude there are between 700 and 1200 trillion more cubic feet of gas ultimately available; some go much higher. This means we probably have enough to carry us several decades into the next century if we go out and prospect for it. Which brings us to the industry's main argument for deregulation.

The producers say that, because government regulation is holding down the price of gas, they haven't been doing the expensive exploratory work that's necessary to move the "probable," "possible," etc. fields into the "proved" column. According to AGA's figures, the decline in proved reserves began in 1968. From 1945 to 1968, the gas companies managed to discover a lot more gas each year than the country consumed. So for 22 years our proved stockpiles kept increasing, until they reached a peak of 293 trillion feet in 1967. Since then, according to industry figures, new discoveries each year have totalled less than consumption, and the proved reserves have shrunk from 293 to 228 trillion feet. At that rate, we will run out of proved by the end of this century.

But the "proved" figures come from only one source: the gas producers themselves, who draw them up in complete secrecy. Thus for the critical set of statistics that underlie the whole deregulation debate, the country depends totally on the chief private participant in the debate. In the last few years several outside investigations have turned up evidence that these figures may be fundamentally incorrect. They may be a statistical delusion—a gross underestimation of the nation's true reserves.

Proved estimates require a large amount of raw data—core samples, pressure readings, voltage measurements, etc.—that can be obtained only by actual drilling into the gas pockets. Acquiring these data for all the country's 6300-odd gas fields is a colossal physical job, and only the gas industry itself owns the billions of dollars' worth of equipment necessary to do it. The only group the producers are willing to confide some of their information to is the AGA, for its once-a-year survey of the nation's total reserves. Each year the association assigns 100 industry geologists to its so-called Committee on Natural Gas Reserves. These geologists annually canvass the producers in their assigned areas for the necessary data to form their own estimates.

In 1970, responding to suspicions that had been voiced about the accuracy of the figures, the chairman of the Reserves Committee described the system in detail to the Federal Power Commission. He said the drawing up of the estimates was a rigorously supervised process specifically designed to eliminate any chance of manipulation by the producing companies. He said the companies gave the 100 geologists all the data they needed, and that the geologists, regarding themselves as public servants rather than as representatives of their companies, were scrupulous about insulating themselves from company pressure. All the geologists used the same precise AGA estimating formulas, said the official, and the resulting national estimate was "one of the most consistent and reliable series of statistics available anywhere." The FPC, which is known as one of the most supine of regulatory agencies in its relations with the industry it regulates, accepted this testimony at face value, and looked no further.

Last year a House committee headed by Rep. John Moss (D., Calif.) conducted an investigation that drew a very different picture of the way the process worked. Moss' picture was based partly on facts turned up by an investigation by the Federal Trade Commission of AGA's estimates in the Gulf of Mexico, and partly on testimony by industry officials, including some of the geologists who had drawn up the AGA estimates for the Gulf.

What Moss found was that the whole estimating process was dominated by a few of the largest gas producing companies. These companies were allowed to choose the geologists who served on the Reserves Committee, and they regarded these geologists not as servants of the public but as their own representatives. AGA made no attempt to make the geologists follow its own estimating rules, and in fact the AGA man in charge of the program admitted that he had no idea of what estimating methods they used. Under oath, the geologists admitted that they ignored AGA's definition of what constituted "proved" reserves and, in case after case, gave whatever estimates their companies wanted them to give. One admitted that his company drew up all his estimates for him. Another said that when a company refused to give him information on a gas field, he simply listed the field as "zero"; in one year he listed five such fields. Another geologist said that companies often refused to give him any information at all, and he was forced to make "ballpark" guesses based on scraps of information from the trade press. Moss turned up one huge field containing 400 billion cubic feet of gas that had been unlisted for two years, even though it had two platforms and 13 wells and its existence was known to the entire industry. If this single field had been included in AGA's figures, it would have increased the AGA's 1974 national estimate of new-field discoveries by 23 percent.

The FTC's investigators, after a five-year examination of AGA's estimating methods, had recommended taking the association and the companies to court for "concertedly maintaining a deficient reporting system" that produced "serious underreporting." The FTC commissioners rejected this recommendation on what appears to have been political grounds. Moss uncovered a memo in the FTC files recommending against any legal action that might encourage "continued FPC regulation into the distant future." The FTC investigation, now seven years old, drags on.

The obvious reason the companies have to give AGA incorrect figures is the propaganda value of proving that a national shortage exists. But there is a more immediately practical reason: The Supreme Court ruled in 1968 that the FPC could let producers *increase* the price of gas whenever AGA's figures showed that their rate of new discoveries had *decreased*. Thus the fewer new discoveries the producers tell AGA about, the more they can charge their customers. Interestingly enough, the first drastic drop in the new-discovery figures appeared in the AGA statistics that were issued a few months after this landmark decision.

The industry claims that AGA's figures are accurate because two national surveys of proved reserves—one by the FPC, the other by the Federal Energy Administration—came up with totals that were only a few percentage points different from AGA's. However, FPC and FEA both have been lobbying for deregulation; and though the two agencies claim that their surveys were completely independent of the industry, both surveys actually depended heavily on industry cooperation and in fact couldn't have been carried out without it.

The FPC, in its survey, selected 158 out of the nation's 6,300 gas fields, and asked the industry for the raw data on these fields. On the basis of this information the FPC's geologists projected a national estimate that was only 10 percent different from AGA's. The FPC's methodology was developed by a "technical advisory task force" whose chairman and cochairman were Exxon geologists, and a majority of whose members were industry executives. Three subsequent analyses of the 158-field sample by others all concluded that the sample had been drawn up in such a way as to minimize the possibility of finding underreported fields.

As to FEA's study, its dependence on industry-generated figures was also self-evident. In authorizing the FEA's survey, Congress gave the energy agency power to subpoena whatever raw data it needed from the producers. But FEA chose not to subpoena anything, even when companies refused to provide requested information. Instead, it used only what information the companies were willing to turn over voluntarily. Since this is the same information AGA depends on, it doesn't seem surprising that FEA's and AGA's reserves estimates were almost identical.

Besides failing to report reserves, the companies are withholding from the market large quantities of gas that they *have* reported. By law, when companies discover produceable quantities of gas in fields leased from the federal government, they are required to market it at the federally regulated price. But Moss' staff exposed cases in which companies—at the very time they were warning of a gas shortage—had failed to produce very large quantities of gas available in fields in the Gulf of Mexico developed under federal lease. President Carter's energy chief James Schlesinger was quoted last week in Newsweek as saying, "I keep hearing about gas that's been squirrelled away, but whenever we get close to it, it becomes evanescent." He should look at Moss' findings; they are not evanescent.

Here is one example of what the Moss committee discovered. By law, companies that lease oil- and gas-producing land from the federal government must turn over all their raw data on these leases to the United States Geological Survey. By subpoenaing the AGA's (hitherto secret) estimate of reserves in the Gulf of Mexico (all developed under federal lease) and comparing this to USGS's own (hitherto secret) estimate of the reserves in the Gulf, the Moss staff was able to make the first direct comparison between the AGA's detailed estimates of reserves in a specific group of fields and another set of estimates for the same fields that were based on the companies' own raw data. Moss found that the USGS estimate was 60 percent higher than AGA's: 23.5 trillion feet for USGS, 14.7 trillion for AGA. Thus, in only 153 fields (2.4 percent of the nation's 6300 fields) AGA apparently had missed 8.8 trillion feet of gas. This is a little more than twice as much as the estimated 3.5 trillion feet of delivery curtailments that are involved in this winter's gas crisis.

The AGA insists that to compare its figures with USGS's is comparing "apples" and "oranges," because USGS said it was estimating "measured" reserves, while AGA uses the "proved." But USGS says that the two terms are "essentially synonymous."

From all the above, it seems apparent that the present 3.5-trillion crisis in pipeline deliveries caused by a record-cold winter tells us nothing about the more fundamental question of what the companies' reserves actually are and why they are not making them available in sufficient quantity. The answer to these questions will come when and if Congress uses its subpoena power to conduct a survey of the industry's holdings that is demonstrably and unquestionably independent of the industry's influence. I don't pretend to know what such a survey will prove; perhaps it will confirm the industry's figures. But it is startling to realize that the nation's basic energy policy is being formulated on the basis of a fundamentally important set of statistics supplied by an industry that has every incentive to misrepresent them.

LITHUANIAN ANNIVERSARY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. DERWINSKI. Mr. Speaker, it has now been 59 years since the people of the Republic of Lithuania declared their independence from the Russian empire. On this date, February 16, 1918, this small nation on the Baltic Sea sought to assert their rights of freedom and national independence; and did so for 22 years before the liberty that they enjoyed was destroyed when the Soviet armies forcefully annexed that Republic within its Union of Soviet Socialist Republics.

Although approximately one-fourth of its citizens were removed from their homeland in an attempt to destroy their unity and identity, the Lithuanians have not repressed their desires for individual freedoms and self-determination.

Well over a million people of Lithuanian background live in the United States, many thousands of them in Illinois. I am pleased to join with them in the commemoration of this anniversary of the establishment of the independent state of Lithuania.

As a result of migrations, deportations, and repopulations from other sections of the Soviet Union, over half of the people now living in Lithuania are unable to speak Lithuanian. However, not only their language but their national, religious and cultural heritage face ex-

tinction, because of the oppression inflicted by Communist doctrine.

Although the Lithuanian peoples are not allowed to celebrate this meaningful occasion in their own country, it is significant that a country whose people have not been allowed to govern themselves for 37 years still has strong national ties. The hopes and aspirations of these peoples have not been diminished as evidenced by their continuing defiance of the Soviet regime.

We condemn the Soviet suppression of such fundamental rights as repugnant to the principles of free world nations. The United States has consistently refused to sanction the forcible occupation of Lithuania and Baltic neighbors. This policy reinforces Lithuanians in their determination to await national independence and free existence of human rights.

I would hope that some day very soon we may not have to speak in Congress of the anniversary of the loss of liberty by the Lithuanian people; but instead, we will speak of Lithuania's realization of the ideals of personal liberty, independence, and human dignity. Until that day, we all owe a debt to the Lithuanian people for reminding us through their struggle, of how precious and valuable is freedom and how costly is the loss of that freedom.

As we pause to mark this anniversary, we recognize also the large contribution made by the more than 1 million Americans of Lithuanian descent to the development of the United States and the preservation of its ideals of freedom and liberty. But let us never forget the continuing struggle of the Lithuanian people for the fundamental human liberties long suppressed by harsh Soviet domination.

HUMAN RESOURCE DEVELOPMENT: A. H. RASKIN REPORTS

HON. STANLEY LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. LUNDINE. Mr. Speaker, I have long been an admirer of A. H. Raskin, the respected columnist and editorial writer for the New York Times who specializes in reporting on labor issues. Recently, Mr. Raskin wrote an article on labor-management cooperation which appears in the February 1977 issue of Psychology Today. He pointed out that efforts to improve the quality of working life and increase the participation of workers in the decisionmaking process are growing throughout the world, particularly in the United States and in the industrialized democracies of Western Europe.

The principles cited by Mr. Raskin have wide application. Efforts to improve economic performance by encouraging the full use of the talents and capabilities of American workers can and will benefit every segment of American society: Workers and management alike.

Such principles are embodied in the Human Resource Development Act, H.R. 2596, which I introduced into the Congress on January 27, 1977. At this time I would like to insert into the RECORD the full text of Mr. Raskin's article:

THE HERESY OF WORKER PARTICIPATION

(By A. H. Raskin)

An insidious idea is penetrating the hierarchical cell-blocks of industry all over the world. A productive system built on the theory that efficiency is best attained through paramilitary lines of command is experimenting with the heretical notion that everybody may come out ahead if workers are recognized as grown-up human beings with useful contributions to make on how to do their jobs and even on how to run the company.

It would be preposterous to suggest that this concept is sweeping forward with the irresistibility of a tidal wave, but high levels of worker participation in functions traditionally reserved to management are already widespread in Western Europe's industrialized democracies. Gingerly moves in the same direction are being made by significant elements in American industry and labor.

The search for ways to improve the quality of working life by giving workers a more assertive voice in the work place stems from a spreading awareness that fatter pay envelopes and other conventional incentives are no cure for the frustrations many employees feel performing empty jobs in dreary factories or offices.

The expressions of job reform are infinite. In some places committees representing the workers are called in to help decide the basic layout of the factory and the types of equipment that will be used. Autonomous work teams rotate jobs, map production schedules, assign time off, propose departmental budgets, and take over most of the responsibilities of first-line supervision.

In many cases workers designate foremen from within their ranks, leaving their former bosses free for more challenging duties. Even such sacrosanct managerial prerogatives as the power to hire or fire are now occasionally entrusted to departmental work groups. In line with this trend, some companies are permitting workers to establish their own pay systems.

The rigidities of the old five-day, 40-hour work schedule, with every worker punching in and out at the same time, have been relaxed. In many enterprises, including such robotized bureaucracies as the Social Security Administration in Baltimore, flextime arrangements now allow workers, especially mothers with small children, plenty of latitude about when they come to their desks and when they go home.

The sabbatical has stopped being something for teachers only. In a handful of companies, executives and other key personnel get a year off with pay or half-pay every 10 or 15 years. The union contract covering steel workers gives them three months of paid vacation every five years in addition to normal paid time off of four to six weeks each year. Pressure is building up in many industries to introduce midcareer sabbaticals as a means of letting employees go back to school as adults and reconsider what they want to do with their lives.

Perhaps the most intelligently planned and most cooperatively engineered American experiment aimed at increased shop-floor democracy is the one jointly sponsored for the last three years by the General Motors Corporation and the United Automobile Workers. Their experiments in trying to make jobs more satisfying to the workers range from job realignment and redesign to troubled-employee programs geared to assisting workers with family and mental-health problems. Educating foremen and union-shop stewards away from adversarial attitudes has been a major stumbling block in some plants, but both sides are enthusiastic about the overall results.

None of these innovations is introduced as an indulgence to the work force. The initiative usually comes from management itself out of recognition that a younger and better educated work group, brought up in an era of skepticism about the eternal correctness of established values, is more likely to be productive if it senses that there is some worth and purpose in what it is doing.

Not every employer who comes forward with a project for job enrichment is genuinely interested in fostering more industrial democracy. His motive may be just the opposite—to build a wall against unionization of his business; or to create a mechanism for speeding up production without adequate sharing of the financial benefits with his workers.

Fear of such manipulative designs on the part of management has made most American union leaders suspicious of the whole trend toward increased worker involvement. No labor movement in the free world supports the basic tenets of capitalism the way labor in the United States does, which may help explain why it is so distrustful of anything that seems to erode the dividing line between managment and labor in the enterprise system.

George Meany is as dedicated as any pillar of the Naional Association of Manufacturers to the proposition that it is management's function to manage and it is labor's function to represent the interests of employees at the collective-bargaining table. That is why, even in the new climate of experimentation, almost nothing is being done in this country toward putting worker representatives on corporate boards of directors. Such representation has been general in West Germany since World War II and is now being established by law as a requirement in most of the Common Market and Scandinavian countries.

The theory does not always hold. Not every worker wants a job with variety and challenge. Even some well endowed with imagination prefer to dream their private dreams while going through the metronomic routine of a slumberous assignment. Many jobs, by their very nature, can never be anything but drudgery, devoid of pride or inspiration, however ingenious the attempts at reform.

What eventually evolves in the U.S. will undoubtedly differ from the patterns now taking shape in Europe, but the shifts already discernible point away from the dehumanizing effects of an economy dominated by multinational conglomerates toward increased self-fulfillment in the workplace.

DAVID LEVY ON VIOLENCE AND THE NETWORKS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. WAXMAN. Mr. Speaker, over the past 2 years, increased attention has

again been focused on the amount and pervasiveness of violence on television. In that time we have witnessed the formulation and termination of the family hour, the mobilization of public opinion against the continuing exhibition of gratuitous violence on the screen, the involvement of groups such as the American Medical Association and the Parent-Teacher Association in efforts to educate the public and guide a consumer-based response to televised violence, and the endeavor of the National Citizens' Committee for Broadcasting and such firms as J. Walter Thompson to identify for the public the sponsors of violent programing.

The result of these efforts has been an inceased awareness on the part of the American people, the advertisers, and the Hollywood production community that it is possible to bring the widespread desire to limit televised violence to bear on the networks, who exercise ultimate responsibility over which programs will be produced. People are demanding that television shows be less violent. Advertisers are beginning to refuse to sponsor violent programing. The Hollywood production community is forcefully expressing its desire to create new and imaginative shows, with broad appeal, which are not constrained by the lowest common denominator of action entertainment.

The House Subcommittee on Communications has provided, over the last year, a forum for the expression of views on this issue. On March 2, we will continue our hearings by receiving testimony from the networks, the FCC, the National Association of Broadcasters, and others who have a central obligation to be responsive to these concerns.

The subcommittee's hearings in Los Angeles in August 1976 generated several suggestions from many constituencies as to how to approach the issues presented by televised violence.

At that time, David Levy, a noted and talented producer, joined three of his colleagues in speaking for the caucus, a group of more than 100 of Hollywood's leading producers, writers, and directors. The caucus has worked informally but closely with the networks to evolve an imaginative response to the need to broaden the current base of television programing.

Recently, David Levy published an article in the Los Angeles Times which suggested that the networks voluntarily reach a consensus on newer, alternative standards for programing—a consensus which would foster the development of nonviolent entertainment with the potential for attracting large audiences.

I believe David Levy's proposal has some merit, and can make a beneficial contribution to our continuing review of these concerns. I am pleased, therefore, to attach his article for the consideration of my colleagues:

[From the Los Angeles Times, Jan. 30, 1977]

TV VIOLENCE: A SCRIPT FOR VOLUNTARY CLEANUP

(By David Levy)

The growing movement to do something about violence on television found a focus last week in Chicago, where the national PTA held hearings and discussed possible action against the major networks. Challenges of television station licenses and boycotts of crime programs' sponsors were spoken of as possible options.

One spokesman for the industry was nearly shouted off the stage when he asserted that "television is the least permissive medium in a very permissive age" and added, "There is honest confusion about what is violence."

The PTA, which has been criticizing gratuitous, excessive and socially harmful violence on television for years, will hold a similar hearing in Los Angeles Feb. 22 before drafting a final report and announcing a course of action.

We know there is violence on television. And if there is a cancer that threatens to destroy much of the good that television has to offer, it is violence.

No network official, no advertiser—except, perhaps, the manufacturers of guns whose products get a free ride on television in (living?) color—can defend the large number of shows in which blood and mayhem, brutality and sadism, pimps and prostitutes and hoodlums, mangled bodies and corpses are essential ingredients of storytelling. And who can defend the practice of bringing into our homes graphic illustrations of how to commit a rape, mug the elderly, steal the price of a "fix" or solve human problems with gunfire? What pride can there be in offering so many programs with such tasteless ingredients?

The men and women who operate the networks and those who commit advertising funds supporting programs of dubious quality are caught in the bind. The networks seek vast audiences in order to sell their products. There is nothing wrong in reaching for large numbers, but the result has been an overuse of action adventure programs, meaning mostly police and private-eye series.

Network officials have firm policies that prohibit the excessive use of violence, but the interpretation of what is or is not excessive varies. There is, however, near unanimity in most quarters about the central issue: There is simply too much violence on the air no matter how well justified individual violent actions may be in the development of a particular story.

What should be done about it? First, network officials should be congratulated on their Second Season schedules which recently were announced. The scheduling of Who's Who and the success of CBS' 60 Minutes in prime time are encouraging signs that viewers may soon be seeing more varied, and possibly more worthwhile, television. Another telling sign for the future is the indication that the scheduling of contemporary "action" shows apparently has reached its peak.

Still another sign of change for the better came when Robert T. Howard, president of NBC television, promised last week that the network will deemphasize violence in the future. He said there are few crime programs among the 50 new pilot programs to be announced in mid-April.

No business is more competitive than network television. The battle for ratings—which simply means the drive to obtain the greatest number of viewers each half hour—places severe strains on the networks. If one kind of show is a ratings winner, then that type will proliferate despite public criticism.

The violence problem is exacerbated by the fact that crime dramas are naturals for late evening scheduling. The Family Hour, whatever the motives of those who decreed it, was responsible for the unfortunate concentration of such programs into the last two hours of prime time, 9 to 11 p.m., thus creating the heavy impact of "crime time."

That, plus the long-established practice of block programing—a successful type of program almost inevitably is followed by a similar program—helps create the sheer tonnage of crime drama. Since crime drama plays better in one-hour form, two such programs scheduled back-to-back make such action adventure extremely visible.

Much criticism of television violence in the past has come from groups like the PTA, government agencies, the surgeon general's office and the academic community. Now they are being joined by important advertisers such as General Foods Corp. and advertising agencies such as J. Walter Thompson. Obviously the time is ripe for something to be done about it, and the framework for doing so is already in place.

The practical way for the three networks to cut the number of crime programs without affecting their competitive standing would be for them to use the neutral offices of the Dept. of Justice. The networks recently approached the Justice Dept. for approval of pooling their resources in assuming the costs of broadcasting the 1980 Olympics. Through its business review procedure, the Justice Dept. helps industry ascertain in advance whether contemplated joint actions might trigger antitrust suits.

The three networks could use this same machinery as a pragmatic way out of their dilemma. They would not have to take public positions on whether crime programs are too violent, and no question of censorship would be involved. They would simply notify the Justice Dept. that they were planning mutual actions dealing with violence and were doing so in the public interest.

They might then agree on voluntary action along these lines:

Prohibition of back-to-back crime time programing, which would break up the 9 to 11 p.m. concentration.

Limitation of a crime series to no more than 90 minutes per episode.

Limitation of the number of such programs, perhaps to two or three per week per network, possibly by the start of the 1978–79 season.

Such voluntary action would give the networks sufficient time to develop new program formats for the 1978 season and allow the producers of such programs to turn their resources toward new forms. It should, in part, satisfy the social critics of television, be approved by sponsors who find the advertising of their goods and services often incompatible within programs of contemporary violence and should win the applause of the public as a statesmanlike move to improve the general quality of network programing.

It would be appropriate, I think, for the PTA, the advertisers and other interested groups to urge the networks to begin such a course of voluntary action. In addition, the National Assn. of Broadcasters should endorse the idea and call on its members to adopt the same vountary restrictions as the networks.

HOUSE OF REPRESENTATIVES—*Thursday, February 17, 1977*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

I am come that they might have life and that they may have it more abundantly.—John 10: 10.

O Thou who art the life of the true-hearted and the light of the whole-hearted, we pray that the guidance of Thy Spirit and the graciousness of Thy presence may bring forth the best within us as we labor together this day. Out of the depths of our need we come seeking insight and inspiration for those of us charged with directing the affairs of our country.

Undergird us by Thy grace that we may be diligent in our efforts, dependable in our loyalty, and dedicated to our high desire that justice and peace may be realized on our planet. Together may we go forward to build a stronger nation and a better world with life and liberty for all.

In the spirit of the Master we offer this our morning prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

THE CONGRESSIONAL PAY RAISE

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, regarding the proposed congressional pay raise, let me say this.

We find ourselves in this harsh winter of 1977 with literally millions of our citizens out of work. Inflation has reduced the value of every dollar. Prices have risen to such levels that many of our citizens on modest incomes cannot afford even the basic necessities of life.

In this cold winter, we see schools forced to close for lack of heat. We see people thrown out of work by factory and business shutdowns. We see utility bills so high that literally hundreds of thousands of our citizens cannot pay them—certainly not those on fixed meager incomes where a single utility bill may exceed a pension check.

In other times and in different circumstances, a pay raise "maybe." But in times as dire as these, a pay raise for Members of Congress of $12,900 a year, more than many of our people earn, to be paid for by those suffering the ravages of inflation and unemployment, is nothing short of unseemly. Surely, we do not want to be compared with Marie Antoinette who, when told the French poor were without bread, said, "Let them eat cake."

This proposed pay raise—costing millions of dollars a year—is now scheduled to become law without requiring a single Member of this House to go on record. True democracy cannot function this way.

Mr. Speaker, I most respectfully call for the leadership of this distinguished House not only to permit, but to require, a vote on this question—and to hold us here in session, however long it takes, to get this matter out of committee and brought to a record vote in the whole House.

Mr. Speaker, let us vote this pay raise either up or down, and let the people to whom we are accountable be the judge of our actions.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON H.R. 3347

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the bill H.R. 3347, rescinding certain budget authority recommended in the message of the President of September 22, 1976.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO CONSIDER H.R. 3347 IN THE HOUSE AS IN COMMITTEE OF THE WHOLE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that when the bill H.R. 3347 is called up, that it be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE CONGRESSIONAL PAY RAISE

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, I rise to speak in opposition to the proposed congressional pay raise.

Failure of the House of Representatives to vote on the pay raise issue represents an abandonment of our constitutional responsibility. We have been elected by the people to represent their interests and to provide leadership for this great Nation.

Allowing a pay raise to become law without a vote will erode confidence in our Government and make the speeches in this Chamber calling for sacrifice in reducing inflation a mockery and an exercise in hypocrisy.

During my tenure in this body I have voted against pay raise bills and additions to expense allowances to make it clear to my constituents and the American people that our call for sacrifice is one of deeds and not just empty words.

I have sponsored legislation to prohibit pay increases becoming effective during the term of those voting for them.

Members of this body are entitled to a reasonable compensation for their services. Let those we represent judge our actions on their behalf by putting each Member on public record on the issue of congressional salaries. Only by so doing do we deserve their confidence and respect.

During the past 4 years I have heard many eloquent speeches in this Chamber demanding openness and accountability in Government. If these are to be believable I urge you and the Members of your party to join JOHN RHODES, the Republican leader, in putting the issue of pay raises to a recorded vote in full view of the American people.

CONGRESSIONAL PAY RAISE

(Mr. CORCORAN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CORCORAN of Illinois. Mr. Speaker, yesterday, the Ad Hoc Subcommittee on Presidential Pay Recommendations of the Post Office and Civil Service Committee held its final meeting. That subcommittee refused to take the steps necessary to bring the matter of salary increases to the full committee and to the House for a recorded vote.

As one of the original cosponsors of House Resolution 115, which would disapprove the President's recommendations, I am disappointed with this action, or lack of action.

For those of us who oppose this pay raise, and the methods by which it is being brought about, there is still a chance, however slim, of defeating this measure. Yes, it will require major parliamentary maneuvers; yes, it will be a wrenching and traumatic experience; yes, it will put us on the spot. But I believe there is no other way for us to face up to our responsibilities as the elected representatives of the people than by a recorded vote on this issue.

I will not dwell on the reasons why I am opposed to an increase in congressional salaries. I have stated those reasons before, and many of my colleagues have stated the same objections themselves. Further enumeration of those arguments would serve little—if any—purpose. Instead, I would like to elaborate on the reasons why this House should, at the very least, have the political courage to take a vote on this issue.

There is, of course, the right of the people to know where each of us stands on this issue. If some of our Members feel a need for increased compensation, then

they should be willing to go before their constituents and support their position.

More important than this, however, is the need for this House to be candid with itself. Many of the Members of Congress have bemoaned the reckless spending policies in which this country has indulged. Only yesterday, a column in the Washington Post predicted that Congress will be taking a hard line approach to pay raises for Federal employees. If we really believe what we say about the need to cut Government spending, then we must prove it.

The people of this country are already convinced that we in the Congress are more concerned with ourselves than with the good of the country. By refusing to at least go on the record in this matter, we will only confirm that suspicion.

In short, Mr. Speaker, this Congress must hold itself accountable to the American people. They expect, and deserve, no less.

FOR ECONOMIC RECOVERY WITHOUT INFLATION LET US CUT THE TAX RATES INSTEAD OF TRYING TO SPEND OUR WAY

(Mr. KEMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEMP. Mr. Speaker, in my remarks yesterday I mentioned that the Revenue Act of 1964 was the most substantial tax reduction the Congress has ever authorized since the 1920's. Its impact was such that total individual income tax liabilities were reduced by approximately 20 percent. This was accomplished primarily by reducing the highest marginal tax rate from 91 to 70 percent, and reducing the lowest rate from 20 to 14 percent. The immediate results were evident in a rise in employment and a drop in inflation with a sustained period of real economic growth.

Today, however, a considerable amount of inflation has eroded real income and vital investment in our economy. This has had the effect of pushing all incomes into higher tax brackets without increasing the real purchasing power of those incomes. The result is that almost everyone is paying a higher proportion of their income in taxes than they were in 1964.

By way of illustration, in the early 1960's only about 3 percent of all tax returns were subject to marginal tax rates over 30 percent. Today, nearly a third of all tax returns are in these higher brackets. If Congress does not act, there will be a 25- to 30-percent increase in taxes for all Americans by 1981.

Mr. Speaker, high tax rates have built into our tax system strong disincentives to production, investment, and employment which in turn is preventing real economic growth. If we can remove these disincentives by substantially reducing tax rates in the same way President Kennedy did in the early 1960's, we will have such a stimulus to new investment, production, and jobs creation that the Treasury would actually make up for the tax cuts through increased revenues and reduced transfer payments. This is precisely what happened after passage of the Revenue Act of 1964. I think it is time we followed that example and left more money in the hands of hard-working American people. In the interest of equity and in the interest of stimulating work production and investment, I urge the Congress to adopt a permanent reduction in the tax rates for all.

APPOINTMENT OF COMMITTEE TO ESCORT THE PRESIDENT OF THE UNITED MEXICAN STATES INTO THE CHAMBER

The SPEAKER. The Chair appoints as members of the committee to escort the President of the United Mexican States into the Chamber the gentleman from Texas (Mr. WRIGHT), the gentleman from Indiana (Mr. BRADEMAS), the gentleman from Washington (Mr. FOLEY), the gentleman from Wisconsin (Mr. ZABLOCKI), the gentleman from Texas (Mr. YOUNG), the gentleman from Texas (Mr. GONZALEZ), the gentleman from California (Mr. ROYBAL), the gentleman from Texas (Mr. DE LA GARZA), the gentleman from Texas (Mr. KAZEN), the gentleman from Louisiana (Mr. LONG), the gentleman from Arizona (Mr. RHODES), the gentleman from Illinois (Mr. MICHEL), the gentleman from Michigan (Mr. BROOMFIELD), and the gentleman from New Mexico (Mr. LUJAN).

RECESS

The SPEAKER. Pursuant to the order of the House of Monday, January 31, 1977, the House will stand in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 6 minutes a.m.), the House stood in recess subject to the call of the Chair.

MEETING BY THE HOUSE OF REPRESENTATIVES TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED MEXICAN STATES

The SPEAKER of the House presided.

The Doorkeeper (Hon. James T. Molloy) announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

(At 11 o'clock and 35 minutes, a.m.,) the Doorkeeper announced the President of the United Mexican States, President Jose Lopez Portillo.

President Lopez Portillo, escorted by the Committee of Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the House, it is my great privilege, and I deem it a high personal honor and pleasure to present to you His Excellency, Jose Lopez Portillo, President of the United Mexican States.

[Applause, the Members rising.]

President LOPEZ PORTILLO. Mr. Speaker, distinguished Members of Congress, it is a great honor to stand before you and a privilege to bring you a message from my people, the people of Mexico.

I seek understanding, balance, and respect.

I offer our good will; good, because in our circumstances we are willing to treat others as we would wish others to treat us, even if those circumstances were changed. That, I know, is the golden rule, valid among men as among nations. By following it, we can become better people and rise above that other law which holds that he who owns the gold makes the rules. The world of the arbitrary is based on the latter. The world of democracy, of the just, is based on the former.

Allow me to refer to some known facts:

We are geographic neighbors, sharing a border more than 3,000 kilometers in length. We exemplify two different historical experiences within the concept of what was, at one time, a new world.

You constitute a powerful political unit, and it is difficult to be powerful.

We are a long way from being powerful. It is also difficult to be the neighbor of a nation as powerful as yours. We run two grave risks: arrogance, which is easy but sterile, and submission, which is easy but abject.

We have chosen instead the difficult path of dignity, based on the liberty we want to maintain and the responsibility we wish to assume. That path has brought me here today.

To those who hold to one of the extremes of our ideological geometry, my presence here means that I have come to receive instructions from the seat of empire; to adherents to the other extreme, it means that I have come to smooth the way for denationalized and untrammeled business.

Rather, I affirm that I have come before you as the Constitutional President of my country to present the real facts of our situation and the problems they imply at a moment which is of critical importance to us. What can a president offer, and what should he demand of his powerful neighbors, when he is convinced, as I am, of the actuality of the Mexican Revolution and of the political option it entails, whereby we seek to combine liberty with justice in a world in which, as we have said before, there are those who sacrifice liberty to justice, others who have instituted a Leviathan of order, sacrificing both liberty and justice, and still others who have lost everything in a sea of disorder?

We want understanding. I have studied the American Revolution at length. I know that the Constitution of the United States is the rational product of the Age of Enlightenment. It was the first to be written, and is now almost two hundred years old, which speaks for the genius and congruity of the illustrious men who laid the foundations on which it is based.

Lincoln, that colossus of your history, said that this nation was "conceived in liberty and dedicated to the proposition that all men are created equal". That same conviction recently led President Carter to state, with solid and simple pride, that "We have found a high level of personal freedom and are now struggling to bring about equality of opportunity". That is what gives strength and effectiveness to American democracy. We for our part share the same concern.

I would like our democratic stand to be well understood: before we can guarantee equal opportunities we must guarantee equal security, because there are painful inequalities in our internal situation that are due to a lack of real capacity. And that security—security against such elemental risks of life as hunger, disease, ignorance and neglect—can only be provided as a service of the state. This is in plain terms what we call "social justice": the just treatment which a society owes to any man who belongs to it, independently of his own capacity, and which is aimed at improving that capacity. That is our dream. It entails cost and requires generation of wealth.

Because of this, democracy is defined in our Constitution not only as a regime of law or political system, but also as a life-style based on the constant economic, social and cultural improvement of our people. That is the abiding purpose of our Revolution, now institutionalized. Josephus Daniels, an unforgettable American ambassador, showed that he understood this clearly when, in 1941, he said: "Mexico has its own particular concept of Revolution. It has come to regard good government in the light of its revolutionary practice. While with others, 'revolution' is a stage reached, preached and passed, with Mexico it is a continuing and vital condition to successful government that it shall first be 'revolutionary'. Hence progress is its hallmark".

In meeting this challenge, we do not want the present circumstances to make us lose our way or our structures by forcing us, as others have been forced, to extremes. We know our Revolution is still alive.

Undoubtedly, these are difficult times for the whole world, but they are particularly grave for those of us who live in developing countries. Growth problems find no solution in what remains of the Bretton Woods system. To our monetary, financial and trade problems we must add the technology gap and multinational forms of organization. To none of these situations do we have answers that depend on us.

Developing countries face a colossal debt. Serious growth problems exist, and in order to survive, those without oil have even begun to export the products they need to maintain and improve their standards of living.

In the face of this dramatic situation we could, of course, try to find who is guilty or who is responsible. I would counsel, however, that we seek what is most essential—those who can provide a solution—rather than to punish the sinners.

I consider that for some time now, individual nations have been unable to solve basic problems by their own efforts alone. International solutions are inevitable, and there are, of course, many: some bilateral, others multilateral; some specific, others general.

Some are based on dominating political hegemony, others on economic power, including that power which is beginning to be dangerous even to the powerful—a stateless, faceless power that is transnational.

None of these hegemonic solutions clearly reveal their purposes, nor do they expose themselves to the light of reason, right or simple conscience.

My people believe that national lacks can only be remedied by rights and obligations assumed through sovereign, free and responsible participation in open and established forums.

This is the alternative the world faces: hegemonies that are veiled because they cannot be openly admitted, or sovereignties that make commitments because in doing so they express their will to improve; the road we want to follow is the latter. I speak on behalf of my people's sovereignty before the representatives of the sovereignty of the American people.

We share a common reality. Let us make of its contradictions a conscious, open and rational expression of problems. In this way we shall move forward toward a solution favorable to both. Our shared problems involve both people and the exchange of goods and services. Some are licit, others are not.

We are neighbors, and we shall go on being neighbors as long as the earth circles the sun.

We are aware that the United States is concerned over many problems with many countries. Mainly, of course, with industrialized nations: problems of security, nuclear balance, limitation of the arms race, the search for favorable conditions for United States trade and foreign investment, as well as other questions such as exploration of the moon, Mars and, soon, Jupiter. Someone must attack these problems in order to face the future.

There are also questions pending between this great nation and developing countries: the Middle East conflict, currently in abeyance, with its implications for oil politics, and in Asia and Africa, problems of hegemonic influence, of poverty, oppression and racial discrimination, which forebode international turbulence in the near future.

It would appear that for the United States, the basic problems with Latin America are limited to the negotiations on the Panama Canal and the evolution of relations with Cuba. The repression of human rights in Chile constitutes another though lesser irritant, due to the reaction of the American liberal sector.

As far as Mexico is concerned, a special policy was established in 1933, when President Roosevelt stated: "In the field of world policy I would dedicate this nation to the policy of the good neighbor—the neighbor who resolutely respects himself and because he does so, respects the rights of others—the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors".

Nevertheless, owing to recent events, incidents which under different circumstances would have been dealt with by our embassies, have been ruthlessly brought to light and given unprecedented publicity that has exposed them to the attention of the American public in a sometimes virulent and not always objective manner.

A whole series of factors has transformed the traditional relations between Mexico and the United States. Financing, trade, currency, foreign investment, tourism, migrant labor, drug traffic, prisoners, and relations with the Third World have all taken on new political dimensions.

All these problems derive from the different levels of development on either side of the long border which is the busiest in the world. In order of importance, you are our first client and we are your fourth. The balance of trade is very unfavourable to us and, at times, restrictions are placed on imports that might eliminate the deficit, thus aggravating our economic problems by causing unemployment. It is understandable that many of our men want to work in your country in order to improve their standard of living, as has been the case in other times and places. Due to these and other well-known and reprehensible reasons, some of our people, together with some of yours, cultivate drug crops and deal in narcotics. Therefore many of the problems that bother you the most are closely related to our economic problems.

Mexico must solve its own problems and you should examine those of your decisions which may adversely affect or undermine our development efforts and, above all, the spirit of the political ideal of international coexistence.

Mexico has never been, nor is it now, the leader of any continent or group of countries. Our past major conflicts have taught us hard lessons. We fought alone, and alone won our independence and liberties. Neither do we proclaim isolation, because it is politically unattainable in the world in which we live. If we propose solutions to improve the living conditions of different peoples, we do so with deep respect for their national characters, as we are convinced that universality can only be attained through national solutions. It is not a matter of leadership, but of participation.

I have come to contribute an awareness of reality and a conception of problems from our point of view, which we ask you to take into consideration. I have come to agree to continue reaching agreements, because neither dialogue nor analysis should cease.

I am here to remind you that our common American continent continues

south of the border, that it requires from your powerful nation the establishment of a sensible policy based on efficient mechanisms that will help to eliminate or reduce fundamental problems; a policy aimed at achieving a lasting equilibrium that only your government, as such, can establish, because the private interests that today almost exclusively rule our relationship are unable, or perhaps, unwilling to attain that balance.

I have come to insist that unless a new international economic order, based on rights and obligations, is put into effect, it will not be surprising if weak countries despair in the absence of guarantees of fair treatment that often means survival itself and seek to unite, as the strong do, in order to overcome our weakness when faced with lack of understanding or abuse. This is not a crime, nor does it deserve punishment; it deserves a solution.

In short, we, like you, want a better world for our children; we want to be freer and more respected; we want peace and justice. To a great extent, at least where my country is concerned, this depends mainly on the industrialized countries.

I have come to pose again a serious question that I once put before an international forum: Does humanity belong to the industrialized countries, or do they belong to humanity?

That is why I have said it is difficult to be powerful. But how gratifying it must be to know oneself to be strong and to deserve that power.

Thank you very much.

[Applause, the Members rising.]

At 12 o'clock and 10 minutes p.m., the President of the United Mexican States, accompanied by the Committee of Escort, retired from the Hall of the House of Representatives.

The Doorkeeper (Hon. James T. Molloy) escorted the invited guests, the ambassadors, ministers, and chargés d'affaires of foreign governments, from the Chamber.

The SPEAKER. The Chair announces that the House will continue in recess until approximately 12:20 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 22 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST FOR ADJOURNMENT OVER TO MONDAY, FEBRUARY 21, 1977

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, as the gentleman from Texas well knows, a great many of us would like to have a chance to vote on the issue of the pay raise. I am well aware of the action taken by the Committee on Post Office and Civil Service and the expressions that were made by the Speaker and others of the leadership here yesterday that we are to be denied that right. However, as the gentleman from Texas also knows, the pay raise will take effect, as I understand it, Saturday at midnight unless this House acts in some manner. We would hope that the leadership might reconsider its present stand and bring to the floor of the House, in whatever manner, either today or tomorrow, that legislation so that there could be a vote. And, against that remote possibility, we would also hope the leadership would be willing to remain in session.

Will the gentleman from Texas respond to that?

Mr. WRIGHT. Mr. Speaker, I would be happy to respond to the gentleman from Maryland if the gentleman will yield.

Mr. BAUMAN. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, as the gentleman from Maryland fully recognizes, the rules of the House are being followed. I am sure the gentleman from Maryland makes no implication that anybody in the leadership on either side of the aisle has endeavored in any way, or in any respect or under any circumstances to thwart or obstruct or to change those rules. The gentleman from Maryland is also well aware of the rights and privileges available to every Member of the House. The rules are being followed and that is about all that one can expect of a parliamentary body.

Mr. BAUMAN. Mr. Speaker, I would ask the gentleman from Texas further is it then the majority leadership position that there is no possibility of a vote on the issue even in the event that we should stay in session?

Mr. WRIGHT. If the gentleman will yield still further, those possibilities exist within the rules of the House, I would say to the gentleman, and that if a manifest will existed among a substantial number of the Members of the House, that it would have been expressed in such a way that it would have brought this matter to the floor.

I think the gentleman from Maryland is aware of the numbers and is aware of the great thrust some years ago, in 1967, I believe, when the law was enacted creating the system, in which editorialists in the newspapers, and others, throughout the country, were urging that Congress take this question out of the political arena by creating a commission, and a high level, blue ribbon commission, to make those determinations. In response to those objections, and in response to that great will that it be taken out of the political arena, the Congress did enact that legislation, and the legislation is being followed. The law is being followed, I will say to my friend, the gentleman from Maryland, although it does seem difficult at times to get anything out of the political arena.

Mr. BAUMAN. I appreciate the very lucid response given by the majority leader. I do not think that anyone charges the law is not being followed or the rules are not being followed.

Obviously the gentleman knows what the request is that the gentleman from Maryland is making, and that others in the body have made repeatedly over the last few days, which is that we have a chance to vote. Obviously, if we are not here, we cannot vote, and so against the possibility that we might have a chance to vote, I would object to the request.

REQUEST TO CONSIDER HOUSE RESOLUTION 115

Mr. BEDELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Res. 115) disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress for the fiscal year ending September 30, 1978, which was introduced by the gentleman from Iowa (Mr. GRASSLEY).

The Clerk read the resolution as follows:

H. RES. 115

Resolved, That the House of Representatives, in accordance with section 225(1) of the Federal Salary Act of 1967 (81 Stat. 643; Public Law 90–206), hereby disapproves all of the recommendations of the President of the United States within the purview of subparagraphs (A), (B), (C), (D), and (E) of section 225(f) of the Federal Salary Act of 1967, transmitted by the President to the Congress in the budget for the fiscal year ending September 30, 1978.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. BURKE of Massachusetts. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

REQUEST FOR ADJOURNMENT OVER TO MONDAY, FEBRUARY 21, 1977

Mr. WRIGHT. Mr. Speaker, I renew my unanimous-consent request that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, for the reasons previously stated, I do feel that we should stay here and vote on the pay raise issue. It would be my intention to ask for a roll call vote on the motion to adjourn if it is put, and we can interpret a no vote to show those who are willing to stay here. For that reason, I object.

The SPEAKER. Do I understand the gentleman from Maryland has objected?

Mr. BAUMAN. Yes, I object.

The SPEAKER. Objection is heard.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I take this time to inquire of the distinguished majority leader the program for next week.

Mr. WRIGHT. Mr. Speaker, would the gentleman yield?

Mr. MICHEL. I will be happy to yield.

Mr. WRIGHT. Mr. Speaker, next week will be clearly the busiest week the Congress has had this session and will be undoubtedly one of the most important weeks that we can have throughout the year. For that reason I should like to suggest the importance of all Members' presence certainly from Tuesday on.

Mr. Speaker, on Monday the House will meet at noon. There are no bills scheduled for suspension and none for consent. By tradition the reading of Washington's Farewell Address will consist of the business for the day, Monday.

On Tuesday the House will meet at noon. There will be first a joint meeting to receive the Prime Minister of Canada.

Following that four bills are scheduled under suspension of the rules, and votes on suspension will be postponed until the end of all suspensions. Those bills will be:

H.R. 26—Providing for increased notice of air carrier fare charges;

H.R. 27—Providing reduced fare transportation for elderly and handicapped persons;

H.R. 735—Relating to eligibility for aliens to register aircraft; and

H.R. 736—Relating to requirements for emergency locator transmitters.

Following that there will be H.R. 3347, the helium rescission bill;

House Resolution 261—Providing for the Committee on House Administration Funding; and then

House Concurrent Resolution 110—The third concurrent resolution on the budget for fiscal year 1977, with general debate only to be conducted during that time.

Then on Wednesday we would hope that the House, meeting at 3 o'clock, would again take up the conclusion of House Concurrent Resolution 110, and we would hope to complete consideration of that resolution on Wednesday.

Thursday and the balance of the week the House would meet at 11 a.m. and be considering H.R. 11, providing increased authorization for the 1976 public works jobs program, subject to a rule being granted.

I should like to suggest that it is planned that the House will adjourn by 3 p.m. on Fridays and by 5:30 p.m. on other days except Wednesdays when circumstances may require us to meet quite late.

Mr. MICHEL. Do I understand now from the majority leader that the last statement he made would apply for all days for the balance of the session?

Mr. WRIGHT. This is a plan that has been agreed to earlier that would last for the first several months of the session, during which time we can test its validity and see how well it accommodates the problems and the needs of the House and the committees of the House. The idea would be that we would have a target that Members could rely upon for daily adjournment but that Members, because of that, must expect to remain on Wednesdays until all business is completed that has been scheduled for those days.

Mr. MICHEL. Let us take for example next Tuesday when there are several suspensions scheduled and general debate on the concurrent resolution, and we get to 5:30 and only half of the time has expired for the general debate, would it be the gentleman's view that we simply hold fast to 5:30 and carry over the general debate until the following day or would there be a degree of flexibility to the extent that there are only a few more speakers, let us wrap up general debate, so it does run to a quarter of 6 or 6 o'clock

Mr. WRIGHT. The plan would be to follow this program that was established earlier this year and scheduled to continue until May 15. That therefore would imply that we would rise or plan to rise at or about 5:30. It was hoped we would conclude most of the general debate by that hour. If we are unable to do so, then of course general debate would have to be continued the following day.

Mr. MICHEL. I thank the gentleman.

Mr. WRIGHT. I would say of course there is the usual reservation that conference reports may be brought up at any time and any further program may be announced later.

Mr. MICHEL. I thank the majority leader.

MOTION TO ADJOURN TO MONDAY, FEBRUARY 21, 1977

Mr. WRIGHT. Mr. Speaker, I move that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. The question is on the motion.

The question was taken and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. Does the gentleman demand the yeas and nays or object to the vote?

Mr. BAUMAN. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. May the Chair announce so the Members may understand, this is a question on adjourning to Monday next. If the House fails to adjourn to Monday we will meet tomorrow at 11 a.m. In the event there is no quorum tomorrow the House will meet on Saturday at 11 a.m. I just want the Members to understand the procedure and what may happen.

The gentleman from Maryland has asked for the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 109, nays 224, not voting 98, as follows:

[Roll No. 22]

YEAS—109

Alexander	Flood	Pattison, N.Y.
Ammerman	Foley	Preyer
Annunzio	Ford, Mich.	Price
Applegate	Fraser	Rangel
Badillo	Giaimo	Reuss
Bingham	Gonzalez	Rodino
Blanchard	Hall	Rooney
Boggs	Hawkins	Rose
Bolling	Holland	Rostenkowski
Brademas	Howard	Roybal
Breaux	Johnson, Calif.	Seiberling
Brodhead	Kastenmeier	Shipley
Brooks	Krebs	Simon
Brown, Calif.	Krueger	Sisk
Burke, Mass.	Le Fante	Solarz
Burlison, Mo.	Long, La.	Stark
Burton, Phillip	McCormack	Steed
Butler	McFall	Stokes
Carter	McKay	Thompson
Chisholm	Michel	Tonry
Clay	Mikva	Udall
Collins, Ill.	Milford	Ullman
Corman	Miller, Calif.	Van Deerlin
Cotter	Mineta	Vanik
Daniel, Dan	Minish	Vento
Danielson	Mitchell, Md.	Waggonner
de la Garza	Moss	Waxman
Dellums	Murphy, Ill.	Wiggins
Dicks	Murphy, N.Y.	Wilson, C. H.
Dingell	Murtha	Wilson, Tex.
Duncan, Oreg.	Myers, Michael	Wolff
Eckhardt	Nedzi	Wright
Edwards, Ala.	Nix	Yates
Edwards, Calif.	Nolan	Young, Tex.
Erlenborn	Oberstar	Zablocki
Evans, Colo.	Patten	
Fascell	Patterson	

NAYS—224

Allen	Broomfield	Drinan
Ambro	Brown, Mich.	Duncan, Tenn.
Anderson, Calif.	Broyhill	Edgar
Andrews, N.C.	Buchanan	Edwards, Okla.
Andrews, N. Dak.	Burgener	Ertel
Archer	Burleson, Tex.	Evans, Del.
Ashbrook	Byron	Evans, Ga.
Ashley	Caputo	Evans, Ind.
Aspin	Carr	Fenwick
AuCoin	Cavanaugh	Findley
Badham	Cederberg	Fisher
Bafalis	Clausen, Don H.	Fithian
Baldus	Cochran	Flynt
Barnard	Cohen	Ford, Tenn.
Baucus	Coleman	Fountain
Bauman	Conable	Frenzel
Beard, R.I.	Corcoran	Frey
Beard, Tenn.	Cornell	Gammage
Bedell	Coughlin	Gaydos
Benjamin	Crane	Gephardt
Bennett	D'Amours	Gibbons
Bevill	Daniel, R. W.	Gilman
Blouin	Davis	Ginn
Boland	Derrick	Glickman
Bonker	Derwinski	Goldwater
Bowen	Devine	Goodling
Breckinridge	Dickinson	Gore
Brinkley	Dodd	Gradison
	Downey	Grassley
		Gudger

Guyer	Lundine	Roe
Hagedorn	McClory	Rogers
Hamilton	McDade	Rousselot
Hammer-schmidt	McDonald	Runnels
	McEwen	St Germain
Hanley	McHugh	Sarasin
Hannaford	Madigan	Satterfield
Hansen	Mahon	Schroeder
Harris	Markey	Schulze
Harsha	Marks	Sebelius
Heckler	Martin	Sharp
Hefner	Mathis	Shuster
Hightower	Mattox	Sikes
Hillis	Mazzoli	Skelton
Hollenbeck	Meyner	Skubitz
Holt	Mikulski	Smith, Nebr.
Hubbard	Miller, Ohio	Snyder
Huckaby	Moakley	Spellman
Hughes	Moffett	Spence
Hyde	Mollohan	Stanton
Ichord	Montgomery	Steiger
Ireland	Moore	Stockman
Jacobs	Murphy, Pa.	Stratton
Jeffords	Myers, Gary	Studds
Jenkins	Myers, Ind.	Thone
Jones, Okla.	Natcher	Thornton
Kasten	Neal	Traxler
Kazen	Nichols	Treen
Kelly	Nowak	Trible
Kemp	O'Brien	Tsongas
Keys	Panetta	Volkmer
Kildee	Pease	Walgren
Kindness	Pepper	Walker
Kostmayer	Perkins	Wampler
LaFalce	Pickle	Whalen
Lagomarsino	Pike	White
Latta	Poage	Whitehurst
Leach	Pressler	Whitley
Lederer	Quayle	Whitten
Lent	Quie	Wilson, Bob
Levitas	Rahall	Winn
Lloyd, Tenn.	Regula	Wirth
Long, Md.	Rhodes	Wylie
Lott	Richmond	Yatron
Lujan	Rinaldo	Young, Fla.
Luken	Risenhoover	Young, Mo.

NOT VOTING—98

Abdnor	Forsythe	Pettis
Addabbo	Fuqua	Pritchard
Akaka	Harkin	Pursell
Anderson, Ill.	Harrington	Quillen
Armstrong	Heftel	Railsback
Beilenson	Holtzman	Roberts
Biaggi	Horton	Robinson
Bonior	Jenrette	Roncalio
Brown, Ohio	Johnson, Colo.	Rosenthal
Burke, Calif.	Jones, N.C.	Rudd
Burke, Fla.	Jones, Tenn.	Ruppe
Burton, John	Jordan	Russo
Carney	Ketchum	Ryan
Chappell	Koch	Santini
Clawson, Del	Leggett	Sawyer
Cleveland	Lehman	Scheuer
Collins, Tex.	Lloyd, Calif.	Slack
Conte	McCloskey	Smith, Iowa
Conyers	McKinney	Staggers
Cornwell	Maguire	Steers
Delaney	Mann	Stump
Dent	Marlenee	Symms
Diggs	Marriott	Taylor
Dornan	Meeds	Teague
Early	Metcalfe	Tucker
Eilberg	Mitchell, N.Y.	Vander Jagt
Emery	Moorhead, Calif.	Walsh
English		Watkins
Fary	Moorhead, Pa.	Weaver
Fish	Mottl	Weiss
Flippo	Oakar	Wydler
Florio	Obey	Young, Alaska
Flowers	Ottinger	Zeferetti

Messrs. STRATTON, MURPHY of Pennsylvania, BONKER, and FINDLEY changed their vote from "yea" to "nay."

So the motion was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair announces that when the House adjourns today, it will adjourn to meet tomorrow.

PERMISSION FOR COMMITTEE ON HOUSE ADMINISTRATION TO HAVE UNTIL MIDNIGHT TOMORROW, FRIDAY, FEBRUARY 18, 1977, TO FILE REPORT TO ACCOMPANY HOUSE RESOLUTION 287

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight Friday, February 18, 1977, to file the report to accompany that portion of House Resolution 287 which was referred to and considered by the Committee on House Administration.

AN ACT OF FUTILITY

(Mr. CARTER asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, if I ever saw an exercise in futility it has occurred just today. Why in the world do we vote not to adjourn when we have no business to be taken up on the floor tomorrow? If it is a protest vote then it is silly and it does not mean one thing and it is not going to inure to the benefit of the Members or to anyone else. But, for myself, I want to go back to the hills of Kentucky. Mammy Bradshaw is sick and I want to see her.

If we have any business here then I am willing to stay here.

I wish that some of the Members of this House would take a little courage into themselves and vote their convictions, which they are not doing, I am afraid—and I say that in all candor and sincerity.

Anyway, let us have a good weekend.

Thank you, Mr. Speaker.

THE HOUSE SHOULD VOTE ON THE PAY RAISE

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, in view of the vote that would keep us here tomorrow, I call on the most honorable leadership of this House to use their influence to bring from the committee, for our consideration tomorrow, the congressional pay raise bill so that we may go on record as voting it up or down, as the true democratic process demands. If we do not have the courage to do that, and to utilize this time when we are back here tomorrow, indeed, as the distinguished Member from Kentucky, Dr. TIM LEE CARTER, just said, it will be an act of futility and a total waste of time. But it need not be so if those in position of leadership will exercise their prerogatives and responsibilities.

PARLIAMENTARY INQUIRY

Mr. CARTER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CARTER. Mr. Speaker, I should like to ask the question of the majority leader as to the agenda for tomorrow.

The SPEAKER. The Chair will respond there is no business scheduled for tomorrow.

Mr. CARTER. I thank the distinguished Speaker. With his permission, then I will go back to the mountains of eastern Kentucky and see Mammy Bradshaw.

PARLIAMENTARY INQUIRY

Mr. DEVINE. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. DEVINE. Mr. Speaker, I make this parliamentary inquiry as a result of the vote not to adjourn over until Monday and the announcement that the House would reconvene at 11 o'clock tomorrow. Are there any circumstances that the Chair could perceive under which the pay raise legislation would be considered by the House tomorrow?

The SPEAKER. The only possibility would be if unanimous consent were asked, and the Chair would recognize a gentleman or gentlewoman for that purpose, and if there were not an objection, then there would be a vote. That would be the only possibility. The Chair has been informed that there will be objections.

Mr. DEVINE. I thank the Speaker.

THE HOUSE HAS ACTED

(Mr. FORD of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Michigan. Mr. Speaker, the question was just asked, and it is being asked elsewhere, how could the House act on the matter of the more than 23,000 people who are affected by the Presidential Pay Commission recommendation as submitted by President Ford. The House has acted. By unanimous consent the committee which I chaired invited all three major networks in, and they televised, live, the meeting, at which the Republican member of the committee who was present offered the same resolution that has been discussed here. Debate took place. Rollcall votes occurred, and by a vote of 4 to 1 and 4 to 0 we rejected each of the resolutions that was then pending before the committee.

The House has acted, Mr. Speaker, I submit in the way in which the House has traditionally acted ever since the creation of the committee system on important legislation. I, on the basis of the experience we have had with this committee, earnestly solicit the Members of the House who are playing games to understand that grandstand stunts will do nothing to enhance the public's understanding of its impression of the image of this institution. The tactics being followed today do nothing but keep us from getting on with the more important things this House should be doing.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I should just like to serve notice that I will be here tomorrow, and I will be here Saturday, and I will be prepared to object to any request for unanimous consent on each day that we meet.

REQUEST FOR ADJOURNMENT OVER TO MONDAY, FEBRUARY 21, 1977, AT 11:30 O'CLOCK A.M.

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn until 11:30 o'clock a.m. on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, did I understand the Speaker's response to be earlier to the inquiry of the gentleman from Kentucky (Mr. CARTER) that there is no way the leadership will permit the pay raise to come up?

The SPEAKER. There is no way in which under the rules the leadership has any jurisdiction, nor in any manner whatsoever can the leadership of this House bring this resolution before the House. The Chair noticed that well over 219 Members voted not to adjourn, but there is no possible manner in which the leadership can bring this legislation up. The gentleman is well aware of that.

Mr. BAUMAN. The gentleman from Maryland, further reserving the right to object, regrets that this matter will not be permitted to come to a vote. In something of this nature and of this magnitude the gentleman from Maryland would have hoped the leadership would allow a vote. It is clear that many Members want such a vote in view of the fact that two-thirds of the House today voted not to adjourn.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. ASHBROOK. Mr. Speaker, I object.

I was on my feet and I object.

The SPEAKER. The gentleman was on his feet and the gentleman objects, and so when the House adjourns today it will adjourn to meet tomorrow at 11 a.m.

PROPOSED PAY RAISE

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute.)

Mr. MAZZOLI. Mr. Speaker, I would appreciate the indulgence of the gentleman from Michigan in giving me some advice. I would propound a question to the gentleman from Michigan, if he is willing.

This pay raise appears to be inevitable and everything appears to be a foregone conclusion as of today. As the gentleman knows I appeared before his committee urging there be a vote on this issue. I wonder if the gentleman might clarify what happens next October, if the gentleman's committee does not report a bill or take any action on the congressional pay raise matters. Do we then become qualified for two separate automatic cost-of-living adjustments next October without having a vote on the issue?

Mr. FORD of Michigan. Mr. Speaker, if the gentleman will yield I have to tell him honestly that my committee has outlined a set of recommendations which include the recommendation patterned on the Whalen proposal that would affect the matter when pay raises go into effect in the future, but we did not have before us nor did we consider the Comparability Act, which is not involved in the matter being discussed and which has everybody excited now.

Had this House and the other body not played some election year politics in 1974, we would not be facing the trauma that some people seem to feel over this issue at the moment. In 1975 for the first time, there went into effect a provision that linked the legislative compensation to the rest of the Government on automatic cost-of-living increases, and only one of the two adjustments since then has gone into effect. I found during these hearings that most Members of the House do not know what their salary is, because everybody thinks it is $44,600. It is not. It is over $46,800 now. But we voted in the House last year to deny ourselves the money in the current budget appropriation for legislative compensation. The statute that raised that level of compensation is still in effect.

And assuming that the cost-of-living index was on a continual rise, the recommendation or the effect of that statute would be to increase the compensation of everyone in the Government from the bottom to the top by the same percentage. Had we had that device in place and received exactly the same kind of adjustments that the General Schedule employees got, there would not be any adjustment necessary now. The Peterson Commission would have, we presume, reported that the compensation of the top executives and the judicial and legislative branches, as well as the chief of staff and the military people, who will receive an increase when the rate for Level V goes up, was adequate because it would have kept pace with the rest of the Government.

As it is, the automatic increases for the rest of the Government employees have amounted to approximately 65 percent during the period of time when the 23,000 plus people covered by this legislation received a 5-percent increase.

Mr. MAZZOLI. Mr. Speaker, I thank the gentleman for this information.

Mr. Speaker, I thank the Members of the House for indulging me.

Mr. Speaker, I do believe that come next October there will be two separate cost-of-living increases for us that will be effective without a vote, without any further action of the House.

Mr. Speaker, I would only say to the gentleman from Michigan that I admire the gentleman very much. I have worked with the gentleman in the Committee on Education and Labor. I would hope that the gentleman's committee would look into that matter.

Frankly, I think we are not entitled to anymore cost-of-living increases, but beyond that, to decide whether this procedure is the best procedure, I think, is the job of the whole House.

Mr. FORD of Michigan. There would only be one increase next October, not two, assuming that there is a comparability increase for the General Schedule employees.

ADJOURNMENT TO MONDAY, FEBRUARY 21, 1977, AT 11:55 A.M.

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11:55 o'clock a.m. on Monday, February 21, 1977.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. ASHBROOK. Mr. Speaker, I reserve the right to object.

Mr. SKUBITZ. Mr. Speaker, I reserve the right to object.

The SPEAKER. The reservation is already made.

Mr. SKUBITZ. Mr. Speaker, I would like to ask the gentleman from Michigan this question. In view of the fact there is not any business on the calendar for tomorrow and the statement that was made by the gentleman from California (Mr. CHARLES H. WILSON) that he will object to any unanimous-consent request that is placed before the body, does that mean that the meeting tomorrow would just be a useless gesture?

Mr. FORD of Michigan. Mr. Speaker, if the gentleman will yield, I suppose one could characterize it that way. I would like to assure the gentleman from California that I intend to be here as a backstop if the gentleman has to go to the bathroom or anything. I will be here to object.

I have just spent 2 of the most interesting weeks of my life in this body with a whole variety of people in this country who are trying to tell us what to do. I really feel very strongly that having legislated as openly as we did and held hearings and generated some 700 people's testimony that it is an insult to my committee as being representative of the entire committee structure of the House to be treated in this sort of shabby fashion; so I will be here to object until the cows come home. We will not get a vote on this issue if I can help it. We had a vote in my committee.

Mr. ASHBROOK. Mr. Speaker, further reserving the right to object, when the gentleman from Michigan made the motion a few moments ago, I did object. I do intend to withdraw that objection. I can see very clearly there is no chance

for a vote. My friend, the gentleman, has been very honest in saying that there is nothing to be gained by having a token session on Friday.

I am reminded a little bit, I would say, of the Broadway critic who observed a play some time ago and wrote, as a part of his review in a famous New York newspaper that, "a creeping paralysis set in, which turned out to be the plot."

I think in many ways that is basically what has happened here. We can see the plot, whatever else it is called. The American people can see it too. While I do have some reservations, I think it would be a vain thing to object, and on that basis, Mr. Speaker, I would withdraw my previous objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BILL MOORHEAD AND JACK KEMP INTRODUCE THE NATURAL GAS STRIPPER WELL EXEMPTION BILL WITH BROAD BIPARTISAN SUPPORT

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, my colleague from Pennsylvania (Mr. MOORHEAD) and I introduced the natural gas stripper well exemption bill this afternoon with broad bipartisan support. We were joined in that introduction by another 33 Members of the House.

This legislation is of substantial importance, and so is the nature of its support. Support for this bill has come not only from Democrats and Republicans alike, liberals, moderates and conservative alike, but also from those who oppose and those who support the total deregulation of natural gas. I think it cannot go unnoticed that one of its principal sponsors, BILL MOORHEAD, is one of the most knowledgeable authorities on energy and natural gas in the entire country, having served in prior sessions as the chairman of the House Subcommittee on Conservation, Energy, and Natural Resources.

Today's bill would exempt sales by small producers—very tightly defined—of certain natural gas from regulation by the Federal Power Commission and from the requirement of certificates of public convenience and necessity of section 7(c) of the Natural Gas Act. We are legislating here principally over the "mom and pop" wells throughout Appalachia and parts of the Midwest, where the only things these well owners usually have to their names are their land, a pickup truck, and these low-production wells. These owners are typically small farmers, trying very hard to earn a living. In recent years, the low wellhead prices for this gas have caused many wells to be capped. No one will ever know how many additional wells were not drilled. I add, parenthetically, that because of the constitutional questions which could be raised if we treated wells in Appalachia and parts of the Midwest differently from identical wells in other parts of the country, the bill has been written to include all low-production natural gas wells meeting the definitions in the bill. The principal effect, however, would be on wells in these Appalachian and Midwestern areas.

Our bill does not get into the broader questions of deregulation.

Our purpose here is to increase the flow of natural gas in interstate pipelines by getting capped stripper wells uncapped, by encouraging the testing of new or improved techniques to increase flows from stripper wells already flowing, and by providing more economic incentive to operate additional stripper wells.

This question is of particular importance to the Appalachian region, the Northeast, and the Midwest for two reasons. First, because these areas are where most of these wells are located, and additional wells and additional dollar resources will help the economies of those areas. Second, because this is where additional natural gas supplies are needed to reopen plants and businesses and public institutions, and to keep them open.

The gas we need brought to the surface through this legislation is very closely associated with the eastern gas shales question. These shales underlie 160,000 square miles in 13 States and contain tremendous volumes of natural gas now trapped within them. Current estimates range from 460 to 1,200 trillion cubic feet. That volume can best be understood by realizing that estimates of all natural gas reserves in the entire country—without those eastern field gases—is only about 240 trillion cubic feet. This gas is trapped below Pennsylvania, New York, Ohio, Illinois, Michigan, Indiana, Virginia, Alabama, Kentucky, Maryland, Mississippi, Missouri, Tennessee, and West Virginia.

Of all the natural gas now moving in interstate commerce, about 2 to 3 percent of it derives from stripper wells. Inasmuch as the latest natural gas shortage shows us just how close—how narrow the dividing line is between having enough gas or not having enough—one can see the importance of doubling or tripling the output from these stripper wells. One can also see the little effect it would have on the final price of natural gas at the burner tip for consumers. Yet to the small producers who own these wells, it would be enough to uncap them, try to increase the flow, or start up new ones.

Several questions have been raised about this legislation, since we proposed its introduction, and I think they should be addressed. I have already addressed myself to the question as to which areas of the country are legally and effectively encompassed by the definition in the bill. But there are others.

Where did the definition of small producer—not in excess of 10 million Mcf per annum—come from? It is Congress most recent definition of a small producer, found in the changes in the tax laws on depletion allowances of last Congress. That was the cutoff used in that law, and we felt it best to stick with Congress most recent indication of what it considered to be a small producer.

Where did the pressure definition—14.05 psia—come from? This is the standard pressure classification used by the regulatory agencies.

How do we know this seemingly innocuous bill is not a backdoor way of helping the big natural gas companies? This is taken care of in the definition of the small producer. A small producer will mean an independent producer of natural gas—so right there we declare the producer must be an independent—first, who is not affiliated with a natural gas pipeline company or a producer who is not included within this definition; two, whose total sales of natural gas on a nationwide basis, together with such sales of affiliated producers, are not in excess of 10 million Mcf at 14.05 psia during any calendar year; and, three, whose average production per well for all wells for such calendar year is not in excess of 100 Mcf per day. An affiliated producer is defined as those persons who, directly or indirectly, control or are controlled by, or are under common control with, a small producer. I cannot think of a tighter definition.

Does this exemption of one size of natural gas producer not undercut efforts to deregulate the entire industry? It may or it may not, but I think Congress' principal responsibility is to assure an increased flow of natural gas to homes, factories, schools, and other institutions, and this bill would help do that.

I think this answers all the questions which were raised.

The following Members joined in the introduction of today's legislation:

Mr. ASHLEY of Ohio.
Mr. BROWN of Ohio.
Mr. DAN DANIEL of Virginia.
Mr. DENT of Pennsylvania.
Mr. DERWINSKI of Illinois.
Mr. DEVINE of Ohio.
Mr. DUNCAN of Tennessee.
Mr. EDWARDS of Oklahoma.
Mr. FLIPPO of Alabama.
Mr. GUYER of Ohio.
Mr. HARSHA of Ohio.
Mr. HYDE of Illinois.
Mr. KEMP of New York.
Mr. KINDNESS of Ohio.
Mr. LOTT of Mississippi.
Mr. MADIGAN of Illinois.
Mr. MOLLOHAN of West Virginia.
Mr. MOORHEAD of Pennsylvania.
Mr. MOORHEAD of California.
Mr. MURPHY of Pennsylvania.
Mr. MURTHA of Pennsylvania.
Mr. NEAL of North Carolina.
Mr. PERKINS of Kentucky.
Mr. PREYER of North Carolina.
Mr. PRICE of Illinois.
Mr. QUILLEN of Tennessee.
Mr. RAHALL of West Virginia.
Mr. REGULA of Ohio.
Mr. RUDD of Arizona.
Mr. STOCKMAN of Michigan.
Mr. SYMMS of Idaho.
Mr. VANDER JAGT of Michigan.
Mr. WALSH of New York.
Mr. WHITEHURST of Virginia.
Mr. YATRON of Pennsylvania.

Mr. Speaker, I wish the leadership of the House and of its energy committees

was insisting upon the immediate consideration of energy and natural gas legislation. I personally do not see any reason why we should wait on public hearings until the President's message comes up to us on April 20. Much could be done before then, considering the President's message once it got here. But, when you are in the minority, there is little one can do about that.

It is my hope, therefore, that my friend, Jim Schlesinger, and his associates will incorporate the provisions of today's bill in their proposals to the President, and that the President would accept them. Should this not be the case, I would hope the Congress would incorporate today's bill in any legislation it sends back to the White House for signature.

This legislation could have been passed by the House last year. Two of my colleagues from the other side of the aisle, JOHN MURTHA, from Pennsylvania, and BOB MOLLOHAN, from West Virginia, and I put this text into the RECORD in December of 1975, announcing our intention to offer it as an amendment to the Krueger natural gas bill. We were on the floor preparing our remarks the next month, when that legislation was suddenly transformed by a substitute amendment changing its entire character. We never did, therefore, have the chance to offer it.

It is a new ball game this year. The need for additional natural gas is more apparent than ever. The cosponsors for our bill is both much larger and more influential. I hope it will become law this year.

Mr. Speaker, one of the best articles written in years on the importance of drawing the natural gas locked in the eastern shales out of those shales appeared in this month's issue of Petroleum Independent. Authored by W. Gibson Jaworek, a Ph. D. in geology and former chairman of the Independent Petroleum Association of America's Cost Study Committee, this article shows what must be done to get more of this gas to market. It is very closely related to the bill we introduced today.

That article follows:

THE DEVONIAN SHALE FRAC

(By W. Gibson Jaworek)

New ideas and solutions for solving the US energy supply deficiency may require more careful review by producers of geologic formations in geographic areas long thought devoid of significant remaining oil and natural gas. The Devonian gas shales of the Appalachian Basin are such an example.

The shales, often called black and/or brown shales, underlie 160,000 square miles in 13 eastern states and range in thickness from a few feet to over 8,500 feet. Much of this shale contains natural gas. Current estimates range from 460 to as much as 1,200 trillion cubic feet. Even though more than 600,000 and possibly 750,000 wells have been drilled in the area, few have tested the eastern portion of the Basin where the shales are thickest.

The U.S. Energy Research and Development Administration (ERDA), with support of the 13 states in the Appalachian region, has initiated an eight-year program. "The Eastern Gas Shales Project," to stimulate increased commercial production of natural gas by providing reliable resource (geologic) data and developing economic extraction (fracturing) alternatives for the low-permeability shale formations.

The program funding, excluding monies provided by industry for commercial demonstration tests, is approximately $10 million in FY 1977, and planning budgets through FY 1983 are projected to cumulatively amount to $80 million. As a minimum objective, the program is expected to add 3.5 trillion cubic feet of reserves of gas in the Appalachian Basin and triple the average open flow production rate of new shale wells through fracturing improvements, while doubling the average total gas reserves added per well drilled. The results could be much greater.

For the independent producer active in the Appalachian Basin, the research program promises a revival of drilling for an area which has been nearly dormant for many years.

Production of shale gas is not new. Wells drilled in Fredonia, New York, in the 1820's—150 years ago—tapped the shallow shales for natural gas for residential cooking needs and for fuel for a lighthouse on Lake Erie. The "play" eventually extended along the lake to Cleveland, and a few of the wells continue to produce to this day.

The largest shale gas field to date, the Big Sandy field of southwestern West Virginia and northeastern Kentucky, was discovered in 1910 and has produced a total of 3.1 trillion cubic feet of gas from 4.616 wells. Other fields, some of which are still producing, are located in West Virginia, Ohio, Pennsylvania, Virginia, Kentucky, Michigan, and other Appalachian states. Most recently, shale gas has been discovered in the Quebec lowlands of Canada near St. Hyacinte. Here the fractured shales are of Cambrian or Ordovician geologic age, but are related to the Devonian formations as sediments deposited in the Appalachian Basin.

History may not always repeat itself. Nevertheless, the future course of development of Devonian shale gas warrants the interest, the support and the encouragement of the independent producer, the industrial and home gas consumer, and the cooperating state and federal agencies. In the context of the next decade this new (old) fuel resource can contribute, to some measure, to increasing domestic supplies of hydrocarbons in one region, and possibly serve as a guide to unlocking other overlooked resources in other areas.

Initiating the program was not easy and required the combined efforts and interests of several, often uncoordinated, groups and persons. The following may illustrate the point.

The Eastern gas shales have not been considered a significant energy resource by either government or industry, except in occasional reports by the US Geological Survey. Until now, economic incentives have not existed to develop the shales because of interstate FPC price regulation and the fact that well production is small, though long-lived; and peak producing rates are short, requiring long investment payouts. Costs are several times the national average for producing natural gas.

The natural gas potential of the Devonian shale has been seriously overlooked by several authoritative surveys. For example, the 1973 FPC Natural Gas Survey, charged with assessing "all potential future sources of gas," neglected to include the shales. Other surveys of US resources have likewise omitted their potential.

The Columbia Gas System and the Dow Chemical Corporation, both of which have had modest research programs underway to evaluate the shales for several years, in 1975 increased their efforts to evaluate its potential. In early 1975, also, a series of folio maps were published by the USGS describing, from the meager data available, the geologic framework of the Appalachian Basin as it pertains to the shales together with information on shale gas producing areas.[1]

Columbia and Dow proposed cost-sharing demonstrations on the Devonian shales to ERDA shortly after the agency's formation in 1974. Their proposals were given prominence by Rep. William Moorhead (D-Pa.) at hearings held before his subcommittee on Conservation, Energy and Natural Resources (House Government Operations). The Columbia proposal, which involves massive hydraulic fracturing experiments at three well sites in West Virginia, was approved by ERDA on June 19, 1975. The Dow proposal, which involves in situ combustion of the organic portion of the shale in Michigan, locally called the Antrim shale, was initiated on October 13, 1976.

With these strong indications of cooperative interest by industry in shale gas development, 36 congressmen from the Appalachian region, led by Reps. Jack Kempt (R-N.Y.) and Jack Murtha (D-Pa.), urged the Congress to provide a major funding provision in the ERDA FY 76 appropriation. Important support was also provided by Governor James Rhodes of Ohio and that state's two senators, Glenn and Taft. The governors of the states included in the Appalachian Regional Commission, extending from Alabama to New York, also approved a resolution urging that at least $100 million be invested by government and industry in Devonian shale gas development.

The result of these efforts was an initial $11.5 million funding to ERDA for gas stimulation research in the shale and geologic resource studies. On May 17, 1976, the American Gas Association lent its support to the program and urged an expedited and greater cooperative effort by ERDA with the gas industry "for enhancement of natural gas recovery from Eastern and Western tight rock formations."

Funding for the Devonian shale project for FY 77 was increased by the Congress to about $16 million, although the exact expenditures of moneys may be below that amount. During the past year the program emphasis has been on planning and staffing the project.

The response of the Congress and ERDA for recognizing the need for a multifaceted research effort on gas shales can be contrasted with related decisions affecting the natural gas development in the Appalachian Basin by the Federal Power Commission.

In May 1975 the Columbia Gas System, in addition to applying to ERDA for a cost-sharing, massive-fracturing demonstraion of the shales, also requested approval by the FPC of an $8.5 million research program, involving fifty test wells in Ohio, West Virginia and Virginia, to provide geologic information and to test "novel explosives and hydraulic fracturing materials and designs." The program was estimated to take 36 months to complete.

With no adverse interventions the FPC (on August 18, 1976) denied rate approval for the experiments on extremely dubious grounds. The project, thus, has been shelved.

In a similar manner applications by independent producers in the region for higher natural gas wellhead prices, based on proven costs were only approved by the FPC on March 22, 1976, after prolonged two-year proceedings. No better illustration of the ineptness of the Commission might be given

[1] Oil and Gas Data From Devonian and Silurian Rocks in the Appalachian Basin, by Wallace de Witt, W. J. Perry, Jr. and Laure G. Wallace. Folio Maps 1-917A and 1-917B.

in their lack of concern for new gas supply for the U.S.

The impact of regulatory delay by the FPC on West Virginia natural gas production is particularly striking. Production in that state peaked in 1918, again in 1943, and resumed an upward growth in the postwar period. As shown below (see box), the annual volume reached a third maximum in 1970, but the delay in higher regulated prices in 1974 caused a precipitous drop in the following year.

Marketed production of West Virginia natural gas

	(bcf)
1918 (first peak)	265
1943 (second peak)	223
1970 (third peak)	242
1971	234
1972	214
1973	208
1974	202
1975	154

Source: Bureau of Mines.

Another frustration for Appalachian natural gas producers was the failure of passage in late 1975 and early 1976 of natural gas legislation and a proposed amendment—the so-called Kemp/Murtha/Mollohan amendment—to deregulate "stripper gas" production from FPC controls. The amendment was supported by most area legislators.

However, the Eastern Gas Shales Program at ERDA did proceed during 1976. The project consists of the following elements: [2]

1. An inventory of the natural gas resource and recoverable reserves contained in the eastern shales.

2. A characterization of the nature of the shales in the three sedimentary basins in the East (Appalachian, Illinois and Michigan).

3. The development of exploration methods for locating fractured shale and other gas reservoirs associated with shale.

4. The performance of research and development studies on methods for improving gas recovery from shales.

5. The implementation of a concurrent field-test program to transfer the concepts in exploration, drilling, stimulation and production to the natural gas industry.

6. The performance of environmental assessments to assure acceptable environmental impacts from exploratory and demonstration activity.

7. The performance of economic analyses to indicate commercial viability of various options.

8. The transfer of developed technology to the private sector as rapidly as possible by the timely publication of information. (Emphasis supplied)

The project will be initially managed by ERDA's Morgantown (W. Va.) Energy Research Center and geologic studies will be supervised by Wallace de Witt, Jr., of the US Geologic Survey, whose research in the Appalachian Basin initiated the impetus and revival of the oil and gas potential of Devonian and Silurian rocks.

The Devonian shale program can be a test of the joint efforts of a government agency and the producing industry to solve the impending oil and gas shortage. Cooperation in such difficult, costly, but promising projects is essential if this nation is to benefit totally from its natural resources. If this particular program is not successful, however, there are other geologic occurrences of natural gas, onshore, that only require innovative geologic and engineering techniques. These include methane in coal beds, natural gas from tight sand formations, and methane from geopressurized water zones.[3]

The next source of major US supply of natural gas could be, as the first, from the Devonian shales. The contribution to the energy effort in this area by the independent producer will be delayed, of course, until the new techniques are proven. At that time the independent will be anxiously called upon.

[2] Project 1 Plan Document, Fiscal Year 1977, Eastern Gas Shales Project, Energy Research and Development Administration. Washington, D.C. 20545. October 1976.

[3] "Natural Gas from Unconventional Geologic Sources," a report of the National Research Council, Board on Mineral Resources, Commission on Natural Resources, National Academy of Sciences, Washington, D.C., 1976.

REIMBURSEMENT TO MEDICAL TREATMENT FACILITIES FOR CARE PROVIDED TO INDIGENT ILLEGAL ALIENS

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. BOB WILSON) is recognized for 5 minutes.

Mr. BOB WILSON. Mr. Speaker, I am most happy to join with the gentleman from California (Mr. SISK) in cosponsoring legislation to reimburse medical treatment facilities and local governments for care provided in emergencies to indigent illegal aliens.

I am sure that we all agree that the overall economic implications of the illegal alien problem are grave indeed. There are the questions of job loss and of excess welfare cases. But to a great number of Americans, the illegal alien problem is a distant one.

However, there is one side of the question that all of us feel—and that is taxes. Specifically, the paying of taxes to administer health care to those who enter our country illegally. To the local taxpayer, the money he or she pays is already high enough. But to pay an additional sum to support such illegal aliens through community health care facilities is to add an onerous burden to our citizens, especially those in our border cities and States.

Mr. Speaker, the illegal alien problem is a national one, and I think it not fair to ask but a few of our fellow Americans to bear this excess burden. It is the responsibility of the Federal Government to maintain the integrity of our borders and if it cannot do so, then it should be the job of the Federal Government to provide some measure of relief to our local governments who are having to foot the bill for medical care for these aliens. The legislation we have before us will go far toward helping out those of us who are in the frontlines dealing with the problem.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. RAHALL) is recognized for 5 minutes.

Mr. RAHALL. Mr. Speaker, on February 9, 1977, I missed the vote on H.R. 692, the Small Business Act and Small Business Investment Act amendments, due to the Committee on Public Works and Transportation's markup on H.R. 11, the Local Public Works Capital Development and Investment Act of 1977.

Mr. Speaker, if I would have been here my vote would have been yea.

SHOULD PROFITS ALWAYS TAKE PRECEDENCE OVER CONSUMER BENEFITS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, several months ago I applauded a step taken by a major bank which was a definite boon to consumers. I am speaking of a major revision in consumer credit loan notes. This bank, on its own initiative, undertook the formidable task of translating the traditional complicated loan note into a simplified clear document easily understood by the average consumer.

As one who has long been a supporter of simplifying technical consumer documents, I saw this as a positive and noteworthy move by a leading bank. As one who has also worked years to see consumer credit protection legislation enacted, I can appreciate the frustration of wanting immediate gratification.

However, just as no one expects an acorn to grow overnight into a full-size oak tree, neither should the bank creators of this new loan note expect to double their profits from anticipated loan increases due to the simplified loan.

I was somewhat disheartened during our consumer informational hearings when I heard a witness express doubt about the value of revised consumer loan notes. Apparently there is some skepticism among a few bankers since they expected immediate and tangible results from this expensive and difficult program they invested in.

Let me assure you, I am not against banks implementing profitmaking ideas—on the contrary, they should be strong and financially secure. However, most banks could afford to invest time and money in consumer-oriented programs for the long-range benefit of both the bank and the consumer.

Perhaps banks are accustomed to seeing tangible profits in such ventures as speculative loans or real estate investments. While I can assure you that investing in consumer relations won't net banks a predictable dollars and cents income, I do know banks will profit immeasurably in time.

It might be a little more difficult to monitor and record how much the bank is profiting, but an overall attitudinal change should be clearly evident. It stands to reason that if consumers find one service of the bank sympathetic to their needs, they might be willing to trust the bank in other areas. Since it has been determined that consumers now make up two-thirds of banks' deposits, banks should be aware of the importance of meeting consumer needs in all areas.

I would like to return to the theory that everyone will profit from this step toward simplifying consumer credit transactions. One example cited by

another bank on the west coast that has also been streamlining everything from consumer loans to credit card applications, is the benefit to bank personnel.

Loan officers have experienced far fewer difficulties and questions from consumers about technical terms and complicated phrases. This has undoubtedly eased the burden for the loan officers as well as pleased the consumer.

I look forward to the day when consumers can walk into any financial institution and read and readily understand credit contracts without legal assistance.

While the leaders in this trend towards simplifying consumer credit forms may be somewhat skeptical about the immediate rewards, let me assure them that benefits will become evident. They should note the increase in smaller banks toward joining the simplification trend—a trend which will soon become a standard expected by consumers dealing in credit transactions.

CIVIL RIGHTS AMENDMENTS ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California, (Mr. EDWARDS) is recognized for 20 minutes.

Mr. EDWARDS of California. Mr. Speaker, yesterday I introduced with my colleague, Mr. DRINAN, the Civil Rights Amendments Act of 1977, a comprehensive revision of title VII of the Civil Rights Act of 1964 relating to equal employment opportunity and title VIII of the Civil Rights Act of 1968 concerning fair housing. Title I of the bill contains the Equal Employment Opportunity Reorganization Act of 1977 while title II is entitled the "Fair Housing Amendments Act of 1977."

TITLE I

The first title of the bill addresses the immediate need for a major restructuring of Federal equal employment opportunity efforts to end discrimination against this Nation's minority and female citizens. Although there has been progress in the last decade, the Federal effort to end employment discrimination based on race, ethnicity, and sex is fundamentally inadequate. It suffers from a number of important deficiencies including lack of overall leadership and direction, the diffusion of responsibilities to a number of agencies, the existence of inconsistent policies and standards, the absence of joint investigative or enforcement strategies, and the failure of agencies to develop strong compliance programs.

In particular, the promise of title VII of the Civil Rights Act of 1964 in creating the Equal Employment Opportunity Commission—EEOC—remains essentially unfulfilled. EEOC is the primary Federal agency charged with the enforcement of equal opportunity requirements. However, while the agency has been the most progressive in setting policy defining discrimination and shaping case law interpreting title VII, EEOC appears to be unable to meet its congressional mandate to eliminate employment discrimination. A recent report in the Washington Post described the agency as "in shambles—leaderless, confused, swamped in trivia, afloat but rudderless" while the New York Times called for the administration "to restructure radically" EEOC's internal workings.

I believe that, while many of the deficiencies of present enforcement by EEOC are attributable to poor and unstable leadership, inept administration, and insufficient resources, title VII contains substantial structural defects which have contributed to the present totally inadequate compliance efforts. In its 1975 report evaluating Federal agencies with major responsibilities for insuring equal employment opportunity, "The Federal Civil Rights Enforcement Effort—To Eliminate Employment Discrimination," the U.S. Commission on Civil Rights took a similar view and recommended extensive revision of title VII. Further support for statutory change was proposed in a staff report released by Congressman HAWKINS' Subcommittee on Equal Opportunities in December 1976. The report recommended sweeping changes in the Federal enforcement program, including consolidation of equal employment opportunity enforcement authority in EEOC.

The bill which Congressman DRINAN and I introduced, therefore, aims to correct these substantial shortcomings under the present law. One of the major criticisms of EEOC has been that its organizational structure and the roles of the Chairman, the Commissioners, and the General Counsel have created fragmentation of Commission operations. My bill would realine the responsibilities of the Commissioners and vest quasi-judicial powers in the five-member body. Authority over personnel and administration would be transferred from the Chairman to a newly created position of Chief Executive Officer—CEO—which would replace the existing office of General Counsel, and would oversee all the administrative and enforcement activities of EEOC. In supporting the creation of a similar position, a draft proposal for EEOC reorganization circulated by the Congressional Black Caucus has pointed out that administration, staff morale, and program effectiveness would all be improved through the development of clear lines of authority.

The General Accounting Office, furthermore, indicated in its 1976 report, "the Equal Employment Opportunity Commission has made limited progress in eliminating employment discrimination," that different evidence standards and little cooperation between EEOC litigation and compliance efforts have hindered the agency's effectiveness. The Commission's failure to utilize its law enforcement authority also appears to have resulted in part from lack of integration between the litigation and compliance functions. As the Equal Opportunities Subcommittee staff report pointed out—

> The Office of General Counsel maintains two separate organizational structures in the field which results in conflict, duplication and delay.

By combining all enforcement activities under a Chief Executive Officer, we intend to create a unified and consistent approach to charge resolution in which compliance and litigation are complementary and consecutive steps rather than independent options.

In addition to revamping the structure of the agency, the bill envisions a completely revised enforcement system. At present, EEOC enforces title VII primarily by investigating charges of employment discrimination, attempting conciliation of these charges, and, where conciliation fails, bringing civil suits against discriminatory parties. The abysmal failure of this process is well-documented in the Equal Opportunities Subcommittee staff report:

> Charges filed with the Commission are not resolved in a timely fashion. The inability of the Commission to resolve the steadily increasing backlog of charges threatens to transform the Commission from a law enforcement agency into a charge processing agency. At the end of the first twelve months of fiscal 1976, 127,800 charges were pending, including charges filed in 1967.
>
> Few of the charges filed with the EEOC result in successful resolution; approximately half of the charges are closed without investigation, only one in eight are successful conciliations. The rate of no cause findings has increased substantially as EEOC's caseload has increased.

The bill I am introducing today with Congressman DRINAN would give EEOC administrative adjudication authority to process complaints of employment discrimination. Under this system, charges may be reviewed in administrative proceedings and, if necessary, cease and desist orders issued by EEOC to terminate any unlawful employment practice. The Commission would serve as a quasi-judicial review panel for appeals in the administrative process. EEOC, of course, would retain its current authority to litigate in both individual and systemic discrimination cases but a position paper of the Leadership Conference on Civil Rights concluded:

> Court litigation is cumbersome and time consuming and the courts are best used to deal with cases involving unresolved questions of law or other matters of public importance and not as a forum for routine, day-to-day enforcement.

The addition of administrative enforcement powers should increase the agency's ability to handle its massive workload, and has been supported by the Civil Rights Commission, the Leadership Conference, and Congressman HAWKINS' subcommittee report as an effective enforcement tool to EEOC.

At the same time EEOC's ability to combat discrimination will be strengthened, the bill also seeks to increase the alternatives available to complainants by extending the time limitation on filing either a charge with EEOC or a civil action. In addition, those persons wishing to pursue private actions may seek moneys from an equal employment opportunity loan fund established by these amendments to defray the expenses of

plaintiffs' attorneys prior to a court determination on any award of attorney fees and costs. In this respect, my bill reflects the Civil Rights Commission recommendation in its 1975 employment report and is designed to facilitate speedy action on discrimination complaints by creating several avenues for possible action.

In its 1975 report, the Commission on Civil Rights concluded that—

> The diffusion of authority for enforcing equal employment mandates among diverse agencies is one of the paramount reasons for the overall failure of the Government to mount a coherent attack on employment discrimination.

I share the Commission's view that this fragmented administrative picture has resulted in duplication of effort, inconsistent findings, and a loss of public faith in the objectivity of the program. In addition, attempts to coordinate the overall Federal effort have consistently failed. The Equal Employment Opportunity Coordinating Council, created to promote coordination and eliminate inconsistencies in the operations of Federal agencies with compliance responsibilities, has failed in its mission and has even been used to thwart structural and administrative changes that would improve enforcement.

For example, three Council members, the Department of Justice, the Civil Service Commission, and the Department of Labor, recently issued testing guidelines which are in conflict with those developed by EEOC, the primary Federal agency in the employment field. Aside from questions of merit of the new guidelines, the result is that the courts, industry, unions, and minorities are left without uniform guidance on policies and standards for compliance.

Congressman DRINAN and I, therefore, propose to vest in EEOC the duty and authority to develop substantive standards for compliance with the equal opportunity mandate. These standards would be binding upon both private employers as well as Federal agencies with civil rights responsibilities. In addition, the bill would transfer to EEOC jurisdiction over Age Discrimination and Equal Pay Act complaints, and the present Attorney General authority over State and local governments, thus consolidating similar enforcement schemes.

Another element in the consolidation approach of this bill would transfer to EEOC the functions now exercised by the Civil Service Commission—CSC—and the Labor Department's Office of Federal Contract Compliance—OFCC. The rationale for reassignment of OFCC's supervision and coordination responsibilities to EEOC were convincingly articulated by the House Committee on Education and Labor in its report (H. Rept. No. 92–238, June 2, 1971):

> The Committee believes that the transfer will benefit both the administration of the contract compliance program and the Title VII program. The two programs are addressed to the same basic mission—the elimination of discrimination in employment.
>
> The obligations imposed on the government contractor by the Executive Order would reinforce the obligations imposed by Title VII. The transfer would promote the centralized enforcement of all Federal employment non-discrimination programs. It would reduce administrative overlap and encourage coordination. Clarity, uniformity, and predictability in policy and practice are aided by having the definition of discrimination and the shaping of remedies developed by a single agency. More significantly, it will authorize a single agency with a full complement of enforcement mechanisms that can be coordinated in the attack on employment discrimination.
>
> Studies have shown that current jurisdictional overlap between the Office of Federal Contract Compliance and the Equal Employment Opportunity Commission have contributed to confusion, duplication and a general lack of coordination of equal employment opportunity enforcement programs.
>
> Although administrative efforts have been made to coordinate the overlapping legal jurisdictions of the Commission and OFCC, such as the memorandum of understanding agreed to in May 1970, they have not been effective. Each agency has continued independently to develop its goals, policies and programs. As a result, the entire Federal effort to end employment discrimination in the private sector has suffered.

Similarly, studies by committees and subcommittees of Congress and by the Commission on Civil Rights and the experience of organizations of the Leadership Conference on Civil Rights all have concluded that the Civil Service Commission has failed in the mission assigned to it by Congress under the Equal Employment Opportunity Act Amendments of 1972 of insuring equality of employment opportunity in the Federal service.

Congressional intent, as evidenced by the legislative history of the amendments and decisions of the Supreme Court, was to assure, so far as possible, that Federal workers enjoyed the same rights and remedies as workers in the private sector. The history of administrative proceedings and litigation under the act since 1972 has been that of frustration of that intent by the Commission. The leadership conference has documented the refusal of the agency to comply with the discrimination prohibitions:

> The Civil Service Commission has, with the support of the Civil Division of the Justice Department (at times over the opposition of the Civil Rights Division), opposed the right of Federal employees to trials de novo under the Act, their right to file class action complaints, the right to have the 1972 amendments applied to cases pending at the time of passage, the right to have EEOC standards and precedents applied to Federal employment and other rights granted under the Act.

It has refused to apply to Federal agencies standards it applies to contractors with which it does business. Its concept of affirmative action also falls short of that which it applies to Government contractors. In many other ways it has aided in preventing the promises of the 1972 amendments from becoming reality.

These problems would be ameliorated under my bill which would divest CSC of responsibility for supervising equal job opportunity in Federal employment. These duties would properly be vested with the commission that has chief responsibility for enforcing the law—EEOC. All of the departments and agencies would retain line responsibility to prevent discrimination in their own employment and by their contractors and recipients, but they would be supervised and coordinated in their operations by EEOC. The Commission would promulgate a uniform set of procedural standards, modified as necessary by EEOC or each agency to meet the needs of particular programs.

Title I of this bill encompasses many additional and important concepts which should be examined carefully. I would, however, like to point out for special attention the expansion of the coverage of the act's prohibitions to the handicapped and to certain legislative and judicial branch employees. Both of these proposals will require serious investigation to determine what specific action is required. I have suggested a method of enforcement for legislative and judicial branch employees but other alternatives should be discussed to identify the most effective procedure. I am, however, convinced that Congress can and must no longer exempt itself from the equal opportunity mandate it has established as the law for the rest of this Nation and that we must take steps to meet the same high standard of compliance we demand of our Federal and private employers.

As we introduce this bill, much discussion and speculation has been circulating on the best method to effect the changes that many civil rights groups have concluded are necessary in equal employment opportunity enforcement. Some of the basic proposals for reform in this bill could be implemented through other than legislative means; that is, reorganization and Executive order. Some, such as cease and desist authority, could not. However, I believe that the legislative process can provide the most effective forum to stimulate public comment on the proposals, to identify the appropriate vehicle to institute the revisions, and to indicate congressional concern to the administration. We must, however, act now for we share a responsibility to make equal opportunity a reality, not an unrealized promise.

TITLE II

Mr. Speaker, the second title of the bill which I introduced today, with my colleague, Mr. DRINAN, is intended to make much-needed improvements in title VIII of the Civil Rights Act of 1968, otherwise known as the Fair Housing Act.

Back in March of 1976, when my subcommittee, the Subcommittee on Civil and Constitutional Rights, began its fair housing hearings, one of our most distinguished witnesses, Dr. Robert C. Weaver, himself a former HUD Secretary, recommended that we review the provisions of title VIII to determine whether the legislation is adequate "to achieve the goals enunciated by Congress."

Indeed, only this past September, again in hearings before my subcommittee, former HUD Secretary Carla Hills, when discussing title VIII, stated that the current HUD enforcement powers, limited to conference, conciliation, and persuasion, "have proved inadequate to secure compliance with the substantive

provisions of the title." Former Secretary Hills went on to indicate that because of its lack of enforcement powers, HUD is finding it difficult to process housing discrimination complaints in a timely manner. She stated that "respondents know all too well that HUD has no meaningful enforcement power" and "many have virtually ignored (HUD's) conciliation efforts because they have no inducement to cooperate." In sum, her position was that the present title VIII enforcement structure "is an invitation to intransigence."

Faced with this unequivocal pronouncement on the part of a department charged with enforcing a major civil rights provision, I feel that the time has come to examine, as thoroughly as possible, various alternatives for putting teeth into HUD's now feeble fair housing enforcement machinery. Some, including former Secretary Hills, have urged that the way in which to correct the deficiency is to authorize the Secretary of HUD to bring civil actions to assure that acts of housing discrimination are redressed and deterred. The bill which Congressman DRINAN and I have introduced today would take a different approach. It would authorize the Secretary to conduct administrative proceedings on housing discrimination charges and, when warranted, to issue cease-and-desist orders requiring that the discriminatory practices be terminated.

The cease-and-desist approach was recommended by the U.S. Commission on Civil Rights, in its December 1974 report, "The Federal Civil Rights Enforcement Effort—1974, To Provide * * * for Fair Housing." Similarly, in a recent Potomac Institute publication, Equal Housing Opportunity: The Unfinished Federal Agenda, David Falk and Herbert M. Franklin recommended that HUD be given cease-and-desist powers. Indeed, those authors suggest that such an approach is preferable to authorizing HUD itself to sue in Federal court.

Another provision contained in the bill which I have introduced would make it unlawful to discriminate against the handicapped in the sale or rental of housing, the financing of housing and the provision of brokerage services. This provision is similar to a number of measures which were pending before my subcommittee during the 94th Congress. Because of the relative newness of the issue and the lack of any substantial body of precedent, it is one which will require very careful analysis during any hearings called on the bill. Clearly, handicapped persons in this country must not be treated as second-class citizens and have denied to them housing opportunities which they should have. Extensive testimony will have to be taken on whether or not there are unreasonable barriers set up against the handicapped, in terms of housing opportunities and also on what the proper parameters of any prohibitions should be.

The bill which I have introduced would also make it unlawful for insurance companies and their agents to refuse to write an insurance policy insuring against hazards to a home because of the racial or ethnic composition of persons residing in the home or in the neighborhood in which the home is located. Since the passage of title VIII in 1968, another discriminatory housing practice, which may or may not be prohibited by that title, has come to our attention; that is the practice of insurance companies refusing to write homeowners' policies because of the race of the owner or the racial composition of the neighborhood. Hearings on my bill should thoroughly explore the extent to which this practice exists and whether or not existing law is sufficient to prohibit such practices. Mr. Speaker, I would think that few could deny the importance of exploring this issue if we are to check adequately the constant process of deterioration now taking place in our inner city and minority neighborhoods. For race alone to prevent a homeowner from obtaining adequate insurance coverage cannot be allowed.

Discriminatory land use practices would also be prohibited under the revisions which I propose to title VIII. My amendment would make it unlawful for towns and other communities to exclude low- or moderate-income housing, through zoning, housing codes, and so forth, because the housing is eligible for government, including Federal, assistance or because of the race or economic status of the prospective occupants. In some respects, this would serve simply as a clarifying amendment because there is precedent indicating that title VIII already prohibits the adoption or enforcement of land use policies which exclude housing on racial grounds. I should also note that it is my understanding that the land-use litigation now brought under title VIII is distinguishable from cases alleging violations of the Constitution. Under the statutory cases, a prima facie case of racial discrimination is established upon proof of adverse racial impact, whereas, under the Constitution, proof of discriminatory purpose must be shown. See *"Village of Arlington Heights v. Metropolitan Housing Development Corporation,* —— U.S. —— (1977)."

That aspect of my amendment which would make it unlawful to exclude low- or moderate-income housing because of its eligibility for governmental—including Federal—assistance is almost identical to an amendment which was proposed by HUD back in 1970. I would also propose to make it unlawful to discriminate against low- or moderate-income housing because of the economic status of the prospective occupants. Mr. Speaker, it would seem to me that we, the Congress, have as great an interest in insuring that land use policies do not discriminate against the poor as in insuring that they do not discriminate against racial minorities.

All of these facets of my land use amendment must be thoroughly explored and analyzed during any hearings called on the measure. Moreover, since in his recent confirmation hearings, Attorney General Griffin Bell stated that, under his leadership, the Justice Department would move to strike down discriminatory land use policies, I believe that we need to begin intensive study of the need for amendments such as the one which I propose. This bill will provide an excellent opportunity for the new administration to comment on the adequacy of existing legislation for fulfilling its commitment to move against restrictive zoning and other restrictive land use policies.

The last major provision in the bill which I have introduced would establish a fair housing loan fund from which private litigators can borrow funds to bring housing discrimination cases. It is believed that in many instances, it would be inadequate to provide for the payment of attorneys' fees, after the completion of a suit, to a prevailing plaintiff. Initial costs and expenses involved in filing such a suit may preclude the bringing of the suit altogether. For this reason, it is important that we study this concept of a fair housing loan fund, and its need, if we are to further the objectives of title VIII. I have proposed the creation of a similar fund in my suggested amendments to title VII of the 1964 Civil Rights Act, the title prohibiting employment discrimination.

Mr. Speaker, to put all of this into perspective, I believe that we must simply say that the promise of fair and open housing embodied in the 1968 enactment of title VIII has fallen far short of being fulfilled. In recent testimony before my subcommittee, Dr. Reynolds Farley, a demographer from the University of Michigan, analyzed why American neighborhoods continue to be so highly segregated along racial lines. Dr. Farley concluded that the cause continues to be discrimination. Indeed, he went to great lengths to urge that those who suggest that the cause is economic are in error. He stated that:

> If people were in fact residentially distributed according to their economic resources rather than their skin color, residential segregation by race would be low.

In view of such documentation and studies, the time is now to examine why such discrimination persists and to study alternatives for legislative reform which might in fact make our fair housing promise a reality.

Mr. DRINAN. Mr. Speaker, yesterday I joined with Congressman DON EDWARDS, chairman of the Judicial Subcommittee on Civil and Constitutional Rights, in introducing the Civil Rights Amendments Act of 1977. This proposal seeks to improve the enforcement mechanisms in the Federal statutes forbidding employment and housing discrimination. Title I of the bill, entitled "The Equal Employment Opportunity Reorganization Act of 1977," deals with employment problems arising under title VII of the Civil Rights Act of 1964. Title II, the Fair Housing Amendments Act of 1977, deals with housing problems arising under title VIII of the Civil Rights Act of 1968.

It has frequently been observed that employment and housing discrimination are inextricably linked. The inability of minorities, women, and handicapped individuals to obtain decent housing is frequently related to their inability to obtain decent employment. Conversely, discrimination in housing regularly precludes such persons from gaining access to good jobs. This is particularly true with respect to suburban employment,

where the bulk of expanding employment opportunities has been concentrated as employers have moved out of the cities.

TITLE I—EMPLOYMENT

Let me first address title I of the bill. The need to revise the enforcement scheme of title VII of the Civil Rights Act of 1964 has long been recognized. Since 1964, when Congress declined to give the Equal Employment Opportunity Commission enforcement powers, commentators have called repeatedly for a strengthened Commission and an expanded title VII. Congress responded in part to those calls for reform in 1972. It is time now to respond once again.

CEASE AND DESIST AUTHORITY

Since 1964 advocates seeking to strengthen EEOC have regularly proposed to give it cease and desist powers. In the 1969 Brookings Institution study for the Civil Rights Commission, "Jobs and Civil Rights," Richard Nathan concluded:

Cease and desist authority for the EEOC is essential no matter what else is done.

During consideration of the amendments to title VII in 1971–72, the question arose again. Congress decided to give EEOC the right to sue, putting aside once more the cries for an effective administrative remedy.

The need to give EEOC cease and desist power has not diminished and suggestions to provide it have not subsided. In July 1975, the Civil Rights Commission released volume V of its massive study on the "Federal Civil Rights Enforcement Effort." In that volume, "To Eliminate Employment Discrimination," the Commission recommended that EEOC be given cease and desist authority.

Finally in December 1976, the Education and Labor Subcommittee on Equal Opportunities, chaired by Representative HAWKINS, released its "Staff Report on Oversight Investigation of Federal Enforcement of Equal Employment Opportunity Laws." Among other recommendations, the report called for legislative changes to give EEOC the power to issue cease and desist orders.

In light of this history and the present need to strengthen EEOC, title I of this bill would provide the long awaited cease and desist authority. Hopefully it will fare better in this Congress than it has in the past. The present need is quite critical. A number of recent reports, studies, and newspaper accounts have documented the severe backlog and other management problems presently plaguing the EEOC. Providing cease and desist authority would help the Commission improve its processing and resolution of complaints.

ELIMINATING DUAL STRUCTURE

Title I would also make other important changes in EEOC operations. When the Commission was given the right to sue in 1972, the amendatory law created the Office of General Counsel and grafted it on to the existing arrangement. As a consequence, a dual structure has developed within the EEOC. The recent reports of the General Accounting Office and Mr. HAWKINS' subcommittee staff thoroughly document the need to eliminate that bifurcation. Title I would consolidate that dual structure into a single enforcement process under the direction of one person, the chief executive officer.

EEOC AS PRIMARY AGENCY

Furthermore studies have shown the need to make EEOC the primary authority at the Federal level in equal employment opportunity matters. Title I of this bill addresses that need in several ways. First, it would give EEOC the power to issue substantive regulations which would have the force of law. Such authority would extend to all persons and entities covered by the statute, including the agencies of the Federal Government. In this way, private companies and individuals who deal with the Government will not be subjected to the differing standards which are sometimes applied by different Federal agencies. Although the Equal Employment Opportunity Coordinating Council, created in 1972, was designed to resolve those inconsistencies, its failure is well known. Title I abolishes the Council as the Civil Rights Commission and the Hawkins subcommittee staff report recommend.

Second, certain equal employment opportunity responsibilities, now lodged in other agencies, will be transferred to EEOC over a period of time. Three areas of jurisdiction, now within the Labor Department, would be transferred on a staggered basis: Equal Pay Act, Age Discrimination in Employment Act, and Executive Order 11246 relating to the Federal contract compliance program. In addition, the enforcement authority for Federal employment, now in the Civil Service Commission, would also be transferred in time. I should note that each Federal agency would retain its initial responsibilities to insure equal employment opportunity both in its contracts and programs and its own employment. It would be counterproductive to divest agencies totally of all duties to insure fair employment.

Third, after 3 years, the authority of the Justice Department to bring pattern or practice suits against State and local governments would be terminated. During that period, EEOC would have concurrent authority with Justice for such suits. In addition, the authority of Justice during the transition to initiate its own litigation, without awaiting a referral from EEOC, would be clarified. While the Department has made a significant contribution to the development of the law under title VII, Congress has steadily narrowed its jurisdiction. It is now time to phase it out altogether.

SYSTEMIC VERSUS INDIVIDUAL DISCRIMINATION

Because of the tremendous backlog at the EEOC and because of the need to maximize the use of existing resources, there has been a great amount of discussion over the question whether the Commission should continue to concentrate its efforts on individual complaints or whether it should focus on systemic discrimination. Persons equally knowledgeable of and concerned with employment discrimination hold differing views on the matter. It is not a question which is easily resolved. In true congressional fashion, title I of the bill seeks to accommodate the concerns of both camps.

As drafted, the bill would require the Chief Executive Officer—CEO—to conduct only a "preliminary inquiry" on each individual complaint. After such inquiry, CEO would have the discretion to continue the investigation, to refer the case for arbitration—with the consent of all parties—or to a certified State or local civil rights agency, or to proceed no further, giving the complainant a meaningful opportunity to engage private counsel if additional action is needed.

The bill also authorizes the Commission to initiate its own investigations into systemic discrimination—the bill uses the phrase "pattern or practice." If the CEO determines that a pattern or practice exists, she or he could proceed immediately to court—with the prior approval of the Commission—or file an administrative complaint. By giving the CEO greater discretion with individual complaints and by providing self-initiating authority in pattern or practice cases, it is expected that the Commission would allocate more of its resources attacking systemic discrimination and would resolve individual complaints without expanding them beyond their immediate facts.

PRIVATE REMEDIES

Title I also is designed to strengthen the private enforcement remedies of title VII. The bill removes the existing requirement that an individual must first file a complaint with EEOC before proceeding to court. Second, it lengthens the statute of limitations in which to file court complaints both before and after EEOC has processed the charge. Third, in order to stimulate greater use of private counsel, the bill creates an equal employment opportunity loan fund from which individuals could borrow money to finance title VII litigation. This provision is patterned after the revolving insurance fund presently in the Federal Credit Union Act. See 12 U.S.C. 1783.

EXPANDED COVERAGE

Title I of the bill also amends title VII to cover additional employees and applicants for employment. For the first time, discrimination on the basis of "handicap" is added to the list of prohibitions—"age" is added after 2 years by the transfer of jurisdiction under the Age Discrimination in Employment Act from Labor to EEOC. In the area of Federal employment, title VII is expanded to include members of the uniformed service and employees in the legislative and judicial branches of the Government. The bill exempts personal staffs of elected officials and article III judges, preserving their right to sue under the Constitution as recently interpreted in *Davis* v. *Passman*, —— F.2d —— (5th Cir., 1977).

Title I also seeks to encourage voluntary compliance. To promote the objectives of equal employment opportunity, the bill authorizes the Commission to provide technical and financial assistance to persons desiring to develop or

implement an affirmative action plan, an idea suggested in the Hawkins subcommittee staff report. Assistance under this provision is precluded if the applicant is under a court or agency order involving equal employment opportunity.

TITLE II—HOUSING

It has been almost 9 years since Congress enacted title VIII of the Civil Rights Act of 1968, commonly referred to as the Federal Fair Housing Act. In those years, it has become apparent that the Act needs to be amended to correct deficiencies which have developed in its enforcement. Those inadequacies are detailed in the 1974 report of the Civil Rights Commission entitled "To Provide * * * for Fair Housing," and the recent publication of the Potomac Institute, "Equal Housing Opportunity: The Unfinished Federal Agenda," written by David Falk and Herbert M. Franklin.

CEASE AND DESIST AUTHORITY

The first priority is to give the Department of Housing and Urban Development administrative powers to conduct hearings and issue orders requiring violators to cease and desist from their unlawful practices. As in title I of the bill, this provision in title II is intended to provide a fair, speedy, and inexpensive remedy for victims of housing discrimination. The orders of HUD are to be self-executing. Unlike the National Labor Relations Board, the burden will not be on HUD to seek court enforcement if the order is ignored. Indeed disobeying an administrative order will subject the violator to civil penalties assessed by the Secretary of HUD.

JUSTICE DEPARTMENT

Title II also expands the litigation responsibilities of the Justice Department. Under this bill, it will have the authority to bring suits at the request of the HUD Secretary upon a finding of reasonable cause, upon a violation of an administrative order, or to collect the civil penalties imposed by HUD. In none of these instances would there need to be a pattern or practice of discrimination, the present limitation on Justice law suits. In addition Justice would be permitted to seek monetary damages in its pattern or practice litigation, a remedy which, according to the Fouth Circuit Court of Appeals, Justice does not presently have.

PRIVATE REMEDIES

As in title I, title II of the bill strengthens the private remedies in the statute. The attorney fee provision is improved and a fair housing revolving fund is established to provide loans to private litigators. Furthermore the statute of limitations is extended so that victims of housing discrimination will have a fair opportunity to file administrative and judicial complaints. This provision will also encourage voluntary settlements because complainants will not need to file charges immediately to protect their rights. It will allow greater opportunity for the complainant and the respondent to discuss the matter and seek a resolution.

EXPANDED COVERAGE

Title II also expands the coverage of the Act in two respects. First, as in title I, the fair housing amendments add "handicap" to the list of proscriptions. A few years ago Congress included "sex" in the act; it is now time to include discrimination based on handicap.

Second, the owner-occupied exemption in existing law is modified. Under the present statute, an owner of a dwelling with four or less units may discriminate under title VIII if such owner occupies one of the units—although such discrimination is probably illegal under the Civil War civil rights statutes. To make the remedies under title VIII parallel with these older laws, the bill narrows the exemption to cover only rooms rented in a single family unit. The revision also allows the renter, as well as an owner, to claim the exemption, thus eliminating the artificial distinction between owners and tenants contained in the present statute.

AMBIGUITIES CLARIFIED

Title II also clarifies three ambiguities which exist in title VIII. The first relates to "redlining," the practice of banks and other lenders to deny mortgage loans because of the racial or ethnic composition of the neighborhood in which the dwelling is located. Although the Federal Home Loan Bank Board and the Justice Department—in rare unanimity on fair housing matters—have taken the view that section 805 of existing law prohibits such practices, the coverage is sufficiently uncertain to merit this clarifying change.

A similar amendment is made regarding the writing of insurance in areas of racial concentration. As with mortgage lending redlining, it has been the practice of some insurance underwriters to refuse to enter into contracts of insurance because of the racial or ethnic composition of the neighborhood surrounding the dwelling. While fair housing organizations, such as the National Committee Against Discrimination in Housing, have argued that such refusals are covered under title VIII, it is sound legislative policy to make it perfectly plain and thus this change is also included in title II.

A third area of clarification involves the practice of excluding low- or moderate-income housing from a municipality. The courts have held that local officials may not use their land-use powers to prevent the construction of low- or moderate-income housing. In a landmark case brought by the Justice Department in 1971, the Court of Appeals in St. Louis enjoined municipal officials from excluding lower-income housing because it violated title VIII. United States against City of Black Jack. The Court held that conduct which has a racially discriminatory purpose or effect violates title VIII.

The recent decision of the Supreme Court in Village of Arlington Heights against Metropolitan Housing Development Corp. has clouded the issue. Although that case did not involve title VIII—it was based on the 14th amendment—it has cast a shadow across a uniform string of decisions by the courts of appeals in this area. To clarify the standard of illegality and the burden of proof in exclusionary cases arising under title VIII, this provision is included in title II of the bill.

CONCLUSION

In short, Mr. Speaker, the amendments made by this bill are needed if the goals of equal employment and housing opportunity are to be achieved. It has been suggested that some of these changes can be made by administrative action without any statutory amendments. Undoubtedly some improvement could be made by new personnel at both EEOC and HUD in the processing and resolution of complaints. The Franklin and Falk study, to which I referred earlier, makes a number of worthwhile suggestions for change at the administrative level. Similarly the staff report of the Hawkins subcommittee suggests comparable action at the EEOC. I would hope that administrators at both agencies would study those and other critical reports very carefully to see what might be accomplished at that level.

But we cannot escape the widely held view that certain legislative changes are essential if EEOC and HUD are to perform their tasks with maximum efficiency, fairness, and benefits to the victims of discrimination. The authority to issue cease and desist orders is a critical need for both these agencies; such powers cannot be given by administrative fiat, including reorganization.

Furthermore there is a danger that changes at the administrative level will be undertaken without the opportunity for all affected groups and individuals to participate in the decisionmaking process. The congressional forum is most appropriate for involving a wide range of persons who are concerned with the operations of these agencies.

In this connection I wish to extend my appreciation to persons inside and outside of Congress who, at our request, commented on the initial draft of title I of this bill which was circulated in early December. Since that time a number of changes have been made which improved those sections of the bill. In addition the recent report issued by Representatives Moss' subcommittee entitled, "Federal Regulation and Regulatory Reform," contains a wealth of information and suggestions on sound organization for regulatory agencies. This bill reflects many of those ideas and our appreciation is extended to Chairman Moss.

So that a short description is readily available to all, Congressman EDWARDS of California, and I wish to insert at this point a section-by-section analysis:

CIVIL RIGHTS AMENDMENTS ACT OF 1977—SECTION-BY-SECTION ANALYSIS

TITLE I—EQUAL EMPLOYMENT REORGANIZATION ACT OF 1977

Section 101. Short title of Title I.

Section 102. (a) Removes the present Title VII exemption of employment practices of American companies abroad regarding aliens;

(b) Adds definition of national origin to apply Title VII to employment of resident aliens to overturn Supreme Court decision in *Espinoza* v. *Farah Manufacturing Co.*

Section 103. (a) Handicap is added to Title VII as a prohibited ground for discriminating in employment practices except when the absence of a handicap is a bona fide occupational qualification. The term "handicap" is

defined to reflect the language used in the Rehabilitation Act of 1973 as revised by the 1974 Rehabilitation Act Amendments.

(b) Employment discrimination against persons forty years of age and over is added to the prohibition of Title VII. The Age Discrimination in Employment Act of 1967 which established a similar prohibition enforced by the Labor Department is repealed and the program's personnel and appropriations transferred to EEOC.

Section 104. (a) Eliminates the Title VII provision which allowed different wage scales on the basis of sex if authorized by the Equal Pay Act.

(b) Repeals the Equal Pay Act and transfers the program's personnel and appropriations from the Labor Department to EEOC.

Section 105. (a) Eliminates the pre-eminent status of the Chairman and gives the Commission as a body the authority to appoint hearing examiners and special assistants.

(b) Creates the position of "Chief Executive Officer," (CEO) a presidential appointee, who will exercise exclusive authority to direct EEOC's enforcement activities and eliminates the present Office of General Counsel. The CEO is authorized to appoint all staff other than hearing examiners and special assistants to the Commission. Commission approval would be required prior to litigation by the CEO.

(c) Removes requirement that EEOC litigation in the Supreme Court be conducted by the Attorney General and authorizes EEOC attorneys to represent the agency.

(d) Allows Commission to resolve itself into panels of three to conduct its business.

(e) Authorizes the Commission to submit appropriations requests and legislative recommendations directly to Congress, reserving the right of the President to comment on such submissions.

(f) Deletes intervention provision as redundant with revised authority in section 706.

(g) Provides that the Commission, upon a CEO recommendation, designate funds to monitor compliance agreements.

Section 106. Revises Section 706 of Title VII to reflect the duties assigned to the newly-created Chief Executive Officer (CEO), streamlines the enforcement process, and liberalizes the complainant's right to sue.

(a) The process begins with the filing of a charge by a complainant. After a preliminary inquiry, the CEA may refer the charge to voluntary arbitration or a State or local agency; hold the charge for further investigation; or notify the complainant and respondent that there is an inadequate basis to process the charge. The CEO may give weight to either an arbitral decision or a finding by a State or local agency in the determination whether to process further a charge. In the investigation of any charge, the CEO is given access to any relevant information and is authorized to issue subpeonas to insure the availability of such information or witnesses.

(b) The CEO investigates each charge retained after a preliminary inquiry. In addition, the CEO may on his/her initiative investigate a patern or practice case of violation of this title. After an investigation, the CEO may file either an administrative or judicial complaint, or determine that there is an inadequate basis to process the charge. If the CEO decides to file a complaint, no conciliation is required, but the CEO may settle the complaint at any time in the complaint process.

When an administrative complaint is filed with the Commission, notice is given to the respondent and a hearing date is set before an administrative law judge (hearing examiner). At the conclusion of the hearing, the examiner dismisses the complaint or makes findings of fact and conclusions of law and enters an appropriate order, including a direction to "cease and desist" from the unlawful conduct.

The order is filed with the Commission and becomes final unless, within 20 days, the respondent, the CEO or an aggrieved person makes objections. If objections are filed, the Commission examines the record and makes its decision. Again the losing party or parties may appeal to the Court of Appeals from an adverse decision of the Commission. Thirty days are allowed for such appeals. Again, if no appeal is taken, the Commission's decision becomes its final order. The failure of the respondent to appeal either the decision of the examiner or the Commission immediately subjects the respondent to civil penalties for disobeying that final order. The Commission is not required to go to court to enforce its orders but only, assuming no appeal by the respondent, to impose civil penalties up to $1000.00 per day.

(c) With the approval of the Commission, the CEO may file a judicial complaint which proceeds in the courts as any other civil complaint. Further, the CEO may seek preliminary relief if prompt action is necessary.

(d) The statute of limitations is revised to provide that a charge may be filed with the Commission up to one year (presently 180 days) from the date of the alleged unemployment practice or 180 days after a finding by a State or local agency on the same complaint.

(e) The right to sue by individual victims is altered to permit the complainant to file a civil action within three years from the date of the alleged unlawful employment practice or, if a complaint has been filed with the Commission, at any time up until the CEO files either and administrative or judicial complaint. Suits by the complainant are then precluded although intervention and appeal rights are retained by the individual. In addition, the statute of limitations is lengthened on filing a civil action from 90 days to one year after EEOC action ceases. Furthermore, the CEO may not file a complaint based on the same charge if the individual sues first, although the CEO may intervene if the Commission certifies the case as one of general public importance.

(f) Civil penalties of up to $1000.00 per day are made available for noncompliance with Commission orders. The penalties are assessed by the CEO and may be collected in a civil action.

(g) Additional revisions are made in the scope of remedies available to the court or hearing examiner after a finding of unlawful employment practices including compensatory and punitive damages. A provision is also added to authorize the suspension or termination of Federal funding or contracts after notice to the respondent and appropriate Federal agency, and back pay awards are lengthened from two years to five years. The attorney fee section is amended to provide that both a hearing examiner and the court are authorized to award attorney and expert witness fees at interim stages of the proceeding.

Section 107. (a) Amends present section 707 to clarify existing law and allow the Attorney General to file a self-initiated pattern or practice suit against State or local governments without a referral of a complaint from the Commission.

(b) Provides that the Commission and the Attorney General exercise concurrent jurisdicton over suits against State or local governments although an action by either party against the same defendant on the same charge would preclude the other from initiating litigation. The Attorney General, the Commission or an aggrieved person is authorized to intervene in such a suit. Three years after enactment, the Attorney General's jurisdiction over State and local governments is terminated.

Section 108. (a) Renames Section 709 of Title VII to read "State Agencies, Research and Records."

(b) Empowers the Commission to certify State and local fair employment practice agencies for one year periods. Recertification is not automatic but may be made after an evaluation by the Commission of the performance of the agency. Such certification allows the CEO, a hearing examiner, the Commission and the courts to give appropriate weight to the findings of such agencies.

(c) Eliminates present Section 709(e) on confidentiality of information.

Section 109. Revises present law to authorize the Commission to issue substantive as well as procedural regulations on compliance with this title.

Section 110. (a) The Equal Employment Opportunity coordinating Council is abolished and the Commission is established as the primary Federal agency for developing and enforcing equal employment opportunity standards for the Federal Government's enforcement activities. The Commission is required to prescribe regulations for each agency on its civil rights programs.

(b) The Commission is authorized to bring a civil action against any agency which fails to comply with the regulations developed by EEOC for civil rights enforcement activities.

Section 111. The present Section 717 of Title VII is revised to transfer the monitoring of Federal employment from the Civil Service Commission to EEOC and to expand its coverage to certain employees of the legislative and judicial branches.

(a) The prohibition of discrimination in "Federal Government employment" is amended to include handicap. The prohibition applies to employees or appointees in executive agencies, military departments or the uniformed services. In addition, legislative and judicial branch employees are covered other than persons either on personal staffs of or in policymaking positions with elected officials or judges. Also the Library of Congress and the General Accounting Office are included under the prohibition.

(b) The appointing authority and each superior of the appointing authority for each position is responsible for enforcing compliance with the prohibition of discrimination in Federal employment.

(c) Provides that complaints about executive agencies, military departments and the uniformed services be filed with the relevant agency or unit. EEOC is required to establish rules for the handling of these complaints. Persons with complaints regarding positions in the legislative and judicial branch, the Library of Congress and the General Accounting Office must file a civil action for relief under this title.

(d) An appeal of the final agency action on a complaint may be made within thirty days to the Commission. The Commission will act as an appeals review board and handle the appeals in the same way as those from hearing examiners in administrative complaint.

(e) Provides that a complainant may sue immediately concerning a violation of this title, after the final disposition of a complaint or after the failure to take action on a complaint. Actions under this section will be subject to the same procedures and remedies as those under Section 706.

(f) Transfers to EEOC the review and evaluation of equal employment opportuntiy plans for executive agencies previously conducted by the Civil Service Commission.

(g) Gives to the Librarian of Congress and the Comptroller General the same authority to monitor compliance with this section in the Library of Congress and the General Accounting Office as is exercised by EEOC in Federal employment.

(h) Transfers the personnel, property and

appropriations designated for activities under Section 717 from the Civil Service Commission to EEOC.

(i) Requires continued compliance with existing mandates for nondiscrimination in federal employment.

Section 112. Transfers the functions of the Secretary of Labor in the Federal contract compliance program to EEOC one year after enactment. The transfer does not affect the role of delegate compliance agencies under that program but does require that compliance activities be consistent with standards developed by EEOC.

Section 113. Establishes an equal employment opportunity loan fund in the Treasury Department to be administered by EEOC's Chief Executive Officer. Money from the fund will be available to assist private plaintiffs who are financially unable to litigate Title VII complaints. Such loans must be paid back with interest to the extent costs and fees are recovered through the judicial process. The CEO is given the discretion to cancel loan obligations if the plaintiff loses or if the costs are not sufficient to cover the loan. An authorization of $10 million is made for appropriations to the fund.

Provides that EEOC may furnish technical and financial assistance to persons covered by Title VII in order to implement affirmative action programs. An approved plan will not bar subsequent administrative or judicial action for a violation of this Title but shall be considered in any such proceeding. EEOC is required to promulgate eligibility regulations before approving any such assistance, but persons under court or agency order are not eligible for financial assistance.

Section 114. Repeals obsolete provisions of Title VII concerning numbers of employees required for coverage.

Section 115. Directs the Bureau of Labor Statistics to compile work force data and to make it available to EEOC, other agencies and interested persons.

Section 116. Requires EEOC to submit reports to Congress every six months on the status of pending charges.

Section 117. (a) Provides that the Act with certain exceptions will be effective 180 days after enactment.

(b) The transfer to EEOC of authority for Federal employment and the contract compliance program will take place one year after the effective date. In addition, the amendments regarding age and equal pay will not be in force until two years after the approval of this Act. Finally, the Attorney General's authority over State and local governments is terminated three years after the effective date.

(c) Provides that the President shall appoint the Chief Executive Officer within 60 days after approval of this Act.

(d) Requires the CEO in consultation with the Commission to prepare for transition to new structure created by this Act.

TITLE II—FAIR HOUSING AMENDMENTS ACT OF 1977

Section 201. Provides that the short title of this Act will be the Fair Housing Amendments Act of 1977.

Section 202. Provides in the law that the short title of the 1968 Act (which is being amended) will be the Civil Rights Act of 1968. This simply establishes in the law itself the short title which is usually used when referring to the 1968 Act.

Section 203. Provides that the short title of Title VIII of the 1968 Act shall be the Fair Housing Act. Again, this simply establishes in the law a title normally used when referring to Title VIII.

Section 204. Broadens the definition of "discriminatory housing practice" to include any violation under the Act and not merely those made illegal under Section 804, 805, or 806.

Section 205. Narrows the owner-occupied exemption in present law which allows discrimination generally in the sale or rental, by owners of single family dwellings and in the rental of units in owner-occupied dwellings with four or less independent units. The new exemption, to apply prospectively, would apply only to a single-family, owner-occupied dwelling in which space is being rented.

Section 206. Subsection 206(a) amends the catchline of section 804 of the Act by indicating that other practices, in addition to discrimination in the sale or rental of housing, will be made unlawful in section 804, as amended.

Subsection 206(b) amends section 804 of the Act by providing that the new and narrower owner-occupied exemption, discussed above, exempts certain housing from the section 804 prohibitions dealing with the sale or rental of housing.

Subsection 206(c) amends section 804 of the Act my making it unlawful for insurance companies and their agents to refuse to write home insurance because of the racial composition of the neighborhood or the occupants of the home; and for towns or other communities to exclude low- or moderate-income housing, through restrictive zoning or other land use policies, because of the housing's eligibility for government assistance or because of the racial or economic status of the prospective occupants of the housing.

Subsection 206(d) amends sections 804, 805, and 806 of the Act by making it unlawful to discriminate in the sale or rental of housing on account of handicapped status. That subsection also makes it unlawful to discriminate in the financing of housing and to deny access or membership in multiple listing services, etc. because of the handicapped condition of an applicant. Race, sex and religious discrimination are already prohibited in these housing activities. Subsection 206(d) would simply add "handicap" as another prohibited ground for discriminating in such housing activities.

Subsection 206(e) amends section 805 of the Act by explicitly prohibiting the practice of redlining. Although there is precedent indicating that redlining is already prohibited under Title VIII, this amendment is proposed solely for purposes of clarification.

Section 207. Amends section 808(e)(3) of the Act by giving HUD the authority to provide financial as well as technical assistance to public and private civil rights organizations seeking to remedy housing discrimination.

Section 208. Revises the enforcement mechanisms in the Act. Under present law HUD has only the authority to investigate and conciliate violations and to issue guidelines (but not regulations which have the force of law) interpreting the Fair Housing Act. This section would give HUD the authority to issue cease and desist orders through administrative proceedings and to promulgate substantive rules and regulations.

The new section 810, added by this section of the bill, provides for the filing of housing discrimination charges, with HUD, by the Secretary and by aggrieved persons. HUD is authorized to investigate such charges and when reasonable cause exists to believe that the charge is true, the HUD Secretary must either refer the charge to Justice for suit or file an administrative complaint (based on the charge) on which there shall be notice and opportunity for a hearing.

In determining whether or not reasonable cause exists, the HUD Secretary is authorized, when appropriate, to rely on findings of specially-certified state and local fair housing enforcement agencies.

After the conclusion of any hearing, the Secretary may issue an order awarding appropriate relief. Such relief may include money damages, equitable and declaratory relief, and punitive damages not exceeding $10,000 in the case of each willful violation.

A final order of the HUD Secretary is appealable in an appropriate court of appeals and, in such an appeal, the findings of the Secretary shall be conclusive if supported by substantial evidence.

The Secretary is authorized to assess civil penalties against persons who violate final orders of the Secretary once those orders become unreviewable.

The new section 811, added by this section of the bill, outlines the enforcement role of the Attorney General. The Attorney General is authorized to file, on the Attorney General's own initiative, civil actions intended to remedy pattern or practice violations or to remedy violations against groups of persons when the issues involved are of general public importance.

The Attorney General is required to bring civil actions necessary to enforce the Secretary's final orders, to collect any civil penalties assessed by the Secretary, and to remedy discriminatory housing practices when the Secretary has found reasonable cause and referred the matter to the Department of Justice.

The Attorney General is also authorized to file suits requesting prompt preliminary relief when a HUD investigation indicates that prompt judicial action is necessary.

The new section 812, added by this section of the bill, outlines private judicial enforcement rights. An aggrieved person may file a civil action to remedy a discriminatory housing practice. The statute of limitations is lengthened. However, such a suit may not be filed if the aggrieved person has already filed a charge, dealing with the same actions, with HUD and the Secretary has already commenced proceedings toward the issuance of a remedial order based on that charge.

The court, in cases brought by aggrieved persons, may appoint an attorney and authorize the commencement of actions without fees.

The new section 813, added by this section of the bill, provides that attorney fees may be awarded to prevailing parties in both judicial and administrative proceedings.

The new section 814, added by this section of the bill, authorizes the HUD Secretary, in consultation with the Attorney General, to issue rules and regulations implementing the Fair Housing Act.

Section 209. Amends section 817 of the Act by broadening that section to provide a civil remedy for interferences with or intimidations relating to the exercise of rights granted by the title. Present law technically provides such remedies only for violations of section 803, 804, 805, and 806 of the Act.

Section 210. Adds a new section (Section 818) at the end of the Act. Section 210(a) adds a new section 818 which establishes a fair housing loan fund from which private litigators can borrow money for housing discrimination cases. If the borrower wins the suit, the money must be returned to the extent the court awards fees and costs. Otherwise the Secretary of HUD is authorized to cancel the loan in whole or in part.

If the HUD Secretary determines that such is necessary, the Secretary of the Treasury is required to make loans to the Fair Housing Loan Fund, with such loans not exceeding in the aggregate $1,000,000 at any one time.

Ten million dollars is authorized to be appropriated for the establishment of the fund.

Section 210(b) of the bill redesignates the present sections 818 and 819 of the Act as sections 819 and 820, respectively.

Section 211. Conforms Title IX of the 1968 Act (criminal penalties for intimidations) to add "handicap" as a basis for a criminal violation.

Section 212. Amends Title 28 of the United States Code to provide for judicial review

of HUD Secretary orders in the court of appeals.

GENERAL LEAVE

Mr. BARNARD. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include extraneous material on the subject of the special order today of the gentleman from California (Mr. EDWARDS).

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

LEGISLATION TO INSURE DEVELOPMENT OF U.S. OCEAN MINING CAPABILITIES AND SUPPORT CONTINUATION OF LAW OF THE SEA CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, today I have introduced, along with several of my distinguished colleagues, a bill to insure the development of American deep sea mining capabilities and to support the work of the Third United Nations Conference on the Law of the Sea. Known as the Ocean Mining Incentive Act of 1977 this bill seeks to make a step toward the realization of deep ocean resource extraction for the benefit of the people of both the United States and the world.

The Law of the Sea Conference has been characterized by Secretary of State Cyrus Vance as "one of the most significant negotiations that this country has ever been involved in * * *." Now, although this conference is a highly significant negotiation involving the establishment of a body of law for more than 70 percent of the surface of the planet, it has been an agonizingly slow process. I am aware, Mr. Speaker, of the great concern which exists as to the future prospects for agreement at the Law of the Sea Conference. It is my view that an effective Carter ocean policy in conjunction with a moderate approach to the deep seabed question on the part of Congress is the best manner in which we can proceed toward a successful treaty.

I support the idea of providing the basic incentives to industry necessary for them to proceed with their ocean mining operations on an interim basis.

I reject the idea of granting large blocks to ocean miners through a licensing system because of the deleterious effects this could have at the United Nations.

Mr. Speaker, we are walking a narrow tightwire with any deepsea mining legislation—between going too far with congressional action and destroying the conference and yet providing industry with what it needs to develop U.S. ocean mining capability.

The Ocean Mining Incentive Act of 1977 is a moderate and balanced approach to a very difficult question. I am confident that moderate ocean mining legislation can be beneficial to the United States and to the international negotiating process. The Law of the Sea is after all, a microcosm of all international relations and a favorable outcome can be highly symbolic and precedent-setting for future cooperation in the international community. This is not to say that American interests should ever be disregarded to our detriment. Rather, the Congress has a rare opportunity to demonstrate its support for our ocean mining industry and its support for a Law of the Sea treaty.

I urge my distinguished colleagues to give their consideration to this important legislation and I look forward to close and constructive cooperation with all those interested in the weeks to come.

VETERANS' BENEFITS PASS-THROUGH BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Tennessee. Mr. Speaker, I rise today to reintroduce for the fifth time H.R. 904, the Veterans' Benefits Pass-Through bill. As you know, a general increase in the level of social security benefits a veteran receives results in a decrease in his veterans' pension. Since so many of these people depend on these two forms of fixed income as their sole means of support, the effect of this procedure can be devastating. It assumes that the veteran is somehow immune to the cruel bite of inflation, whose incidence falls most heavily on the person with a fixed income.

I would like to thank my distinguished colleague, Mr. CONTE, for working with me on this bill. Through our joint efforts we have obtained the cosponsorship of more than 120 of our colleagues in the House of Representatives. With such an overwhelming display of support in the House and in the veterans' service community I am confident that this bill will be enacted into law during the 95th Congress.

At this point I want to share with my colleagues a letter from Mr. Harold Say, the legislative director of the Veterans of World War I of the United States, thanking me for getting behind this piece of legislation. It is only one of several such expressions I have received in recent weeks:

VETERANS OF WORLD WAR I,
Alexandria, Va., February 14, 1977.

Hon. HAROLD E. FORD,
House of Representatives,
Longworth House Office Bldg.,
Washington, D.C.

DEAR REPRESENTATIVE FORD: Please know how we appreciate your effort to get Social Security increases eliminated from calculations on income limitations.

In fact our organization has contended for several years that Social Security should not be counted at all in income limitations, and particularly in its increases.

The increases were designed to benefit all the elderly; to up their income. This it did, except in the case of the veteran on pension. He has been kept right where he was on income or had it cut.

Our thanks for your effort.

Sincerely,

HAROLD B. SAY,
Legislative Director.

Mr. Speaker, let me once again urge those Members who have not yet joined us to cosponsor H.R. 904 and help repay those veterans who served their country in its time of need by ending the discriminatory process that causes an increase in their social security benefits to result in a decrease in their veterans' benefits.

CONGRESSIONAL PAY RAISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. EVANS) is recognized for 5 minutes.

Mr. EVANS of Indiana. Mr. Speaker, I urge that the congressional leadership schedule a prompt vote on disapproving the proposed congressional pay increases.

The most troublesome thing is that if we do not act, this pay increase will take effect automatically without a vote on the matter. The Constitution vests the Congress with legislative authority and gives us the power of the purse. This House misuses the powers with which it is entrusted when Members give themselves a pay raise in such an undercover manner.

If we put off a possible pay raise until the start of the next Congress, it would allow a general election to fall between the time of a vote on the pay raise and the time the increase would go into effect. This would allow the public to have its rightful input into the decisionmaking process. The public is entitled to see how their representative votes on this issue. If a pay raise is needed to attract new candidates to consider public office, a guaranteed raise in 2 years will be soon enough.

At a time when so many Americans are out of work, nothing could be less important than for Congress to raise its pay, especially without going on record as favoring or opposing it.

Many Americans are experiencing a severe winter which is inflicting many hardships, both physical and financial. A pay raise now manifests an insensitivity to the public and heaps another burden on the backs of the taxpayers.

LEGISLATION TO CREATE NEW JUDGESHIP POSITIONS IN FEDERAL DISTRICT COURTS AND CIRCUIT COURTS OF APPEALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, at the request of the Administrative Office of the U.S. Courts I am today introducing legislation that would create new judgeship positions in the Federal district courts and the circuit courts of appeals.

This bill was drafted by the Judicial Conference of the United States as a result of its 4-year survey of the needs of the courts. The measure is intended to

address the crucial problems of the Federal courts caused, in large part, by a substantially increased caseload in recent years.

Within the next month, the Judiciary Subcommittee on Monopolies and Commercial Law, which I chair, will conduct hearings on this very important issue. The subcommittee shall examine, not just the current situation, but the very difficult problems that confront the Federal judiciary in the future should the caseload continue to expand at the current rate.

In addition, I know that the gentleman from Wisconsin (Mr. KASTENMEIER), chairman of the Subcommittee on Courts, Civil Liberties and the Administration of Justice, intends to examine the broad issues and problems that confront the Federal courts and which threaten both the interests of justice and the rights of those who come before the courts.

Mr. Speaker, the administration of justice in the United States is of vital importance to us all. It is the system whereby we protect our cherished freedoms and defend the constitutional rights of our citizens. There is no question that more Federal judges must be appointed to handle the existing workload. But there is also no question that we cannot continue to appoint more and more judges indefinitely.

It is to this question of the future, as well as to those of the moment, that we must address ourselves.

Our system of justice has served us well in America for two centuries. I know that all of us who share responsibilities for that system share also the single purpose of improving where possible the already high standards of performance.

HELSINKI COMMISSION HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, the Commission on Security and Cooperation in Europe will begin hearings February 23 and 24 in room 2172 of the Rayburn House Office Building on U.S. policy toward implementation of the 1975 Helsinki accords' provisions on human rights and expanded flow of people and information. The hearings on both days are open to the public. They will begin at 10 o'clock.

On February 23, the Commission will hear the testimony of Mr. Leonard Garment, until recently the U.S. Representative to the United Nations Commission on Human Rights, and Mr. Vladimir Bukovsky, a political prisoner in the Soviet Union for 12 of his 34 years. Mr. Bukovsky, who was released last December and sent to the West in an exchange with imprisoned Chilean Communist Party leader Luis Corvalan, will be making his first public appearance in the United States.

On February 24, the Commission witnesses will be Mr. Tad Szulc, a writer on Eastern European affairs; Mr. Tomas Venclova, a poet who recently left the Soviet Union where he is a member of the Lithuanian Group to Promote Observance of the Helsinki Agreements in the U.S.S.R.; and Dr. Andrew Zvarun, president of the Helsinki Guarantees for Ukraine Committee of Washington, D.C.

These initial hearings will focus on the expectations the Final Act has aroused, the actions private citizens have taken to further implementation of the act and the response they expect of the U.S. Government. The Commission is fortunate to have witnesses with first-hand experience with both the repression of human rights and the struggle against that repression. The hearings will also give Commissioners an opportunity to hear expert advice on the United States and East European approach to compliance with the underlying principles of the accords and the specific provisions that make the application of those principles measurable.

HIGHER EDUCATION FOR THE ECONOMICALLY DISADVANTAGED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 60 minutes.

Mr. STOKES. Mr. Speaker, I bring to your attention again today the fact that equal educational opportunity does not yet exist in this society and will not exist so long as there are identifiable groups disadvantaged in regard to participation in postsecondary education. Included among present barriers to postsecondary access and success are race, poverty, inferior preparatory education, rural isolation, limited English speaking ability, and physical handicap. Since the midsixties the Federal Government has spearheaded efforts to expand postsecondary opportunity by utilizing both a coordinated package of student financial aid programs, and a program of supportive and compensatory services at both the secondary and postsecondary levels. The latter effort, special programs for students from disadvantaged backgrounds, commonly referred to as TRIO, is presently authorized under section 124 of the Education Amendments of 1976. TRIO includes four very effective, existing programs—special services for disadvantaged students, talent search, Upward Bound, and educational opportunity centers. Recognizing the critical importance of informational and supportive services, Congress doubled the authorization level for TRIO in the 1976 educational amendments. This increased recognition was well advised: All of us representing our Nation's cities and isolated rural areas know of the need to increase the options available, to point out existing options, and to create new options for our Nation's youth.

LEGISLATIVE HISTORY

A. TALENT SEARCH

The talent search program was created by section 408(a) of the Higher Education Act of 1965 (Public Law 89–329), as a recruiting mechanism to identify students who would be eligible to receive educational opportunity grants authorized by the same legislation. The program ordinarily had three objectives:

(1) to identify qualified youths of exceptional financial need and encourage them to complete secondary school and to undertake postsecondary educational training; (2) to publicize existing forms of student financial aid; and (3) to encourage secondary school or college dropouts of demonstrated aptitude to reenter educational programs, including postsecondary-school programs.

B. UPWARD BOUND

The Upward Bound program traces its origin to pilot projects funded during the summer of 1965 with private moneys from the Carnegie Corp. and research and demonstration funds for experimental programs from the Office of Economic Opportunity. The pilot projects were designed as summer units for low-income students who would enter college the following September, but were in need of intensive college preparatory programs.

As the results were analyzed, the Office of Economic Opportunity decided that a year-round program was needed to meet the special needs of disadvantaged students preparing for college, including both summer and academic year activities. They also extended services to students throughout the 2 or 3 years prior to high school graduation who could be characterized as "academic risks." The new program was subsequently authorized as a national program under the 1966 amendments to the Economic Opportunity Act, becoming a component of the community action programs in the spring of 1966. The Higher Education Amendments of 1968 transferred the Upward Bound program from the Office of Economic Opportunity to the Office of Education where it has remained an integral component of TRIO services.

C. SPECIAL SERVICES FOR DISADVANTAGED STUDENTS

The Higher Education Amendments of 1968 also amended section 408 of the Higher Education Act of 1965, to provide a program of special services for disadvantaged students who were in college. The program was intended to provide remedial and other special services for students with academic potential who are enrolled or accepted for enrollment at higher educational institutions. The 1968 legislation authorized projects to provide: First, counseling, tutorial, or other educational services, including special summer programs, to remedy such students' academic deficiencies; second, career guidance, placement, or other student personnel services to encourage or facilitate such students' continuation or reentrance in a higher education program; or third, identification encouragement, and counseling of any such students with a view to their undertaking a program of graduate or professional education. The program became operational on July 1, 1970.

The Education Amendments of 1972 omitted reference to any specific activities and defined the program as simply "remedial and other special services for students with academic potential" enrolled at host institutions.

D. EDUCATIONAL OPPORTUNITY CENTERS

The Education Amendments of 1972 further amended the Higher Education Act of 1965, to establish educational opportunity centers in areas with major concentrations of low-income populations to provide, in coordination with other applicable programs and services: first, information with respect to financial and academic assistance available for persons residing in such areas desiring to pursue a program of postsecondary education; second, assistance to such persons in applying for admission to institutions at which a program of postsecondary education is offered, including preparing necessary applications for use by admission and financial aid officers; and third, counseling services and tutorial and other necessary assistance to such persons while attending such institutions.

E. NEWLY AUTHORIZED PROGRAMS

In the 1976 Education Amendments two additional programs were created—service learning centers, a postsecondary program similar to special services but open to a broader range of students, and a training authority for personnel employed in educational opportunity programs.

THE NEED FOR TRIO

Today, a student from a family in the bottom income quartile has less than one-third the chance of a student in the top income quartile of completing college. Moreover, minorities continue to be underrepresented among college graduates. For example, while blacks made up 12.1 percent of college aged youth and 9.2 percent of students attending postsecondary institutions, they received only 5.1 percent of the baccalaureate degrees awarded in 1973–74. The TRIO programs are designed to assist in eraddicating these educational inequities. In order to adequately address such disparities, the entire complex of variables affecting choice and success in postsecondary education must be dealt with.

The underrepresentation and disproportionate attrition rates of minorities in postsecondary institutions also exacerbate unemployment among minority youth. According to an October 1975 "Special Labor Report on Unemployment of School Age Youth," minority youth, not in school and without high school diplomas, had a 35.4 percent unemployment rate in 1975, while minority high school graduates had a 24.1 percent unemployment rate, minority students with 1 to 3 years of college education a 20.3 percent unemployment rate, and minority college graduates a 6.2 percent unemployment rate.

The statistics on anticipated earnings also underscore the importance of college completion for this population. According to the U.S. Census Report on Educational Attainment, black males who are high school graduates can expect to increase their income by an average of $388 a year by completing 1 to 3 years of college. By graduating from college, black males gain another $2,040 yearly. The average percentage increase in annual incomes for black females was 13 percent for 1 to 3 years of college and 57.9 percent for 4 years of college.

Further, the TRIO programs also insure an increase in the representation of minority students in graduate and professional programs. While in 1971–72 blacks made up 10.8 percent of the 20–24 age group, black enrollment in professional programs was as follows: law 4.0 percent, medicine 4.5 percent, dentistry 3.6 percent, engineering 2.1 percent, architecture 4.0 percent, communications 2.5 percent, and doctoral programs 1.1 percent. An attack on this problem must include support for college level and precollege level programs directed toward providing the intensive academic assistance necessary to equip underprepared students for success in the most competitive disciplines and institutions.

THE STUDENTS SERVED

In 1975–76, TRIO programs served 284,350 students, 32,000 in upward bound programs, 112,600 through talent search programs, 89,750 in special service programs, and 50,000 students at educational opportunity centers. Fifty percent of the students were black, 23 percent were white, 17 percent were Puerto Rican or Chicano, 7 percent were Native American and 3 percent were of other backgrounds. The majority of students involved in the programs met Federal poverty criteria.

PROGRAM EFFECTIVENESS

The TRIO programs have been shown to be effective in meeting their legislative mandate. Perhaps most surprising of all is information on talent search programs. Based on placement data for midwest programs it appears likely that talent search projects have contact, prior to enrollment, with almost 25 percent of the minority students who enter postsecondary institutions each year.

Upward Bound, too, has been highly successful. This program has been the most widely and most recently studied of the TRIO programs, and the results of these evaluations have been clearly favorable. For example, a recent study commissioned by the Office of Education found that:

(1) The Upward Bound Program is increasing entry into postsecondary education for disadvantaged students. Among high school graduates in the class of 1974, 71% of UB participants entered postsecondary education compared to 47% of the comparison students, and

(2) Rate of entry to postsecondary education was found to be positively related to length of participation in Upward Bound: 78% of the students participating in UB grades 10 through 12 entered postsecondary education, whereas, only 68 to 69% of those who entered UB in grades 11 or 12 entered postsecondary education.

The study also indicated that upward bound increased a student's probability of staying in college once he did enroll.

Special services projects have been less adequately studied but available data on supportive services at the college level is also encouraging. For example, the University of the State of New York conducted a study in 1974 which revealed that disadvantaged students at campuses after the inception of higher education's opportunity programs performed more successfully than their counterparts at the same campuses prior to such programs. The total overall grade point average for HEOP students was 2.33 while that of non-HEOP students was only 1.79; program students exhibited a higher percentage of graduates—51 percent than the non-program group—35 percent, and fewer HEOP students left for academic reasons—15 percent than the non-HEOP students—35 percent.

All four of the TRIO programs insure that financial aid dollars, particularly those invested in the basic grant program, are fully utilized and wisely spent. A 1974 California study indicated that only a quarter of the seniors in Los Angeles high schools serving low-income districts were aware of their eligibility for financial aid. It is the informational services provided by talent search and Upward Bound which alert students to these programs and assist their families in filling out the fairly complicated financial aid application forms. Moreover, it is only the instructional services provided by special services and Upward Bound programs which assist students in strengthening their basic academic skills and accordingly allow them to stay in college once they enroll. Only if students remain through graduation will the investment their country is making in them with the basic grant, the State student incentive grant, and campus based grant and loan programs receive an adequate return.

TRIO programs also provide additional long-term benefits to the Nation in indirect ways. Data tends to suggest that the cost of financing these special programs is more than returned to the Federal Government within one generation. Taxes paid on the anticipated increases in earnings of successful program completers provide sufficient revenue to cover the programs' costs. It has also been pointed out that special programs serve to reduce other Federal costs such as the uncontrollable expense of income maintenance and unemployment compensation programs.

SOME TYPICAL PROGRAMS

Let me mention briefly a few of the TRIO programs with which I am familiar. The handicapped student services program at Wright State University in Dayton, Ohio, is funded by both State funds and a special services grant. The program provides handicapped students physical assistance in the tasks of daily living, personal assistance including vocational counseling and adapted orientation, and academic assistance including proctoring and a taping service. The office also serves as a link to the surrounding community by providing information on architectural accessibility and developing programs to reduce misconceptions of handicapped people which subsequently reduce their chances for employment and independence. Over 500 students—students with hearing losses, speech impediments, epilepsy, heart conditions, mobility and visual handicaps are served by the project. Over 70 percent of the students served have mobility handicaps.

Another project of interest is the Upward Bound program which has been located at the University of Wisconsin at Stevens Point since 1968. For most of that period the program was charged with providing services to the entire northern two-thirds of the State. Upward Bound at Stevens Point is particularly concerned with meeting the needs of American Indian students from the reservations and small towns which dot the area. The project provides an on-campus summer program to help each student learn to feel comfortable in an academic setting, discover his or her own potential, and graduate from high school. All students are encouraged to consider some kind of further education or training, and are assisted in securing suitable placement.

Classes are usually 1 hour in length, and time for supervised study, individual help, and small group instruction is also provided. Upward Bound classes are not intended to duplicate or replace regular high school offerings, but rather to stimulate interest, provide basic skills, and serve as an introduction to a subject. Small classes, individualized and programed instruction, and innovative methods and materials are used to encourage students to become involved in the learning process and to experience academic success. Native American traditions and values are recognized and included within the curriculum.

During the academic year, students are obligated to show good attendance at their own school, work for satisfactory grades, and study outside of school hours. The target schools provide monthly reports on each student and the project staff maintains contact with all students particularly those in need of support or encouragement. A 1974 study of the Stevens Point project indicates that it has been successful in keeping students in high school until graduation and also very successful in placing its graduates in postsecondary programs.

A unique example of a talent search approach is a statewide project operating in Connecticut. That project, Conntac, provides individual counseling to over 1,000 students, and information services to over 4,500 persons annually. In a recent study of the project's 10-year history it was found that 78 percent of Conntac's clients entered postsecondary institutions, and that 68 percent of the students placed completed the program which they entered. This project receives 50 percent of its funding from TRIO and an additional 50 percent from the State.

One should look also at the upward bound program at Marquette University in Milwaukee. That program has three components: general upward bound, prehealth services, and preengineering. The preengineering component, for example, serves 65 students and provides classes, laboratory work, field trips, seminars, and direct exposure to persons teaching or working in the field of engineering. Students aim at developing the skills necessary for success in an engineering curriculum in college and a greater awareness of career options available in this field where the underrepresentation of minority persons is so critical. The preengineering component at Marquette is supported through joint funding from an Upward Bound grant and contributions from 15 local corporations.

There is also a special services program at Cleveland State University serving my own district with which I have been highly impressed. The program enrolls over 1,000 students each year and provides counseling and academic services to assist them in adjusting to college. Prior to enrollment the students' academic needs are diagnosed and special individualized coursework in reading, writing and mathematics is prescribed. Throughout their first year of enrollment, students are required to maintain weekly contact with the project's counseling staff. The Cleveland State program has a retention rate of 70 percent.

Unfortunately, during the past 4 years, TRIO programs have not been given sufficient attention or support. Inflation has severely eroded the resource base first provided. Today Upward Bound, for example, can only serve three-quarters of the students it served in 1973. The dangers in this approach were pointed out by a study commissioned by the California Legislature in 1974. That study concluded that now that substantial attention has been given to using financial aid programs to provide individuals access to colleges, increased attention must also be directed to programs of academic and personal assistance. A further lack of attention to the provision of information, counseling, tutoring, basic skills instruction, and other services for the disadvantaged can only be shortsighted. Such a failure would result in a Federal educational policy at the postsecondary level which, on the one hand, promises to expand opportunity through financial aid programs, and on the other hand, preserves class related distinctions among individuals and groups which insure de facto inequality. Postsecondary education has proven to be a viable vehicle for the attainment of equality for America's underclasses, but postsecondary opportunities will continue to be restricted until the noneconomic as well as the economic barriers to higher education are more fully addressed.

HEARINGS ON U.S. REFUGEE POLICY AND PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that the Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary will hold a public hearing on Thursday, February 24, 1977.

Subjects to be discussed at the hearing include: U.S. refugee policy; our humanitarian assistance programs for refugees; and my legislation, H.R. 3056, which would amend the Immigration and Nationality Act to revise the procedures for the admission of refugees into the United States.

The hearing will be held in room 2226, Rayburn House Office Building, at 9:30 a.m. and testimony will be received from the Department of State.

THE FEDERAL GOVERNMENT SHOULD COMPENSATE LOCALITIES FOR REVENUES LOST ON FEDERAL AND FOREIGN-OWNED PROPERTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, I am today introducing legislation which would provide for Federal payment in lieu of taxes on Federal property, on foreign missions and consulates, and on property owned by international organizations. I am doing so because I believe that it is unfair to expect already hard-pressed localities to provide regular services without the revenues that usually accrue from local property taxes.

There are many localities which must bear this burden, but I would like to discuss this matter as it relates to New York City, the most financially hard pressed of localities. At present New York City loses about $52 million annually on tax-exempt property owned by the Federal Government.

Furthermore, an additional $8 million in property tax revenues is lost from foreign diplomatic missions and consulates.

Finally, the tax-exempt property of the United Nations costs the city treasury $2 million per year. No one should view this legislation as simply a bill for the relief of New York City, however. Residents of Oak Ridge, Tenn., for instance, are concerned about the fiscal survival of their city if voluntary Federal payments are not forthcoming on the huge Federal complex there. Towns containing military installations receive some impact aid at present, but I do not believe it approximates the tax revenues that would be recouped if that property were taxable.

There is precedent for such action by the Federal Government, which, I believe, compels us to move forward with this legislation.

Last year Congress enacted, with the unanimous support of the New York State delegation, Public Law 94-565 which provides Federal payment in lieu of taxes from the U.S. Department of the Interior for federally owned park land. This $118.2 million per year program will assist primarily Western States to offset the loss of revenues from vast expanses of federally owned tax-exempt property. Under this program New York City will receive $15,000. At the time that I voted for this legislation, I said that I considered that vote to be "bread upon the waters."

The legislation I introduce today is intended to provide balance to Federal programs in this area. It will help cities such as New York, it will help areas with military installations, and it will help towns in which the Federal Government holds a great amount of property.

Under my legislation localities would apply to the Administrator of the Gen-

eral Services Administration for payment commensurate to revenues lost from certain tax-exempt properties. An independent verification of the appraisal would have to be included in the application. Yearly payments would be made.

This legislation will not solve the fiscal problems of our cities; it is not intended to. It will simply relieve some of the undue financial strain which many localities must currently endure. I hope that Members from urban, suburban, and rural areas will join together in support of this effort.

MARTIN LUIS GUZMAN: 1887–1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. DE LA GARZA) is recognized for 5 minutes.

Mr. DE LA GARZA. Mr. Speaker, humanity lost a most rare and precious gem, Mexico lost one of its most illustrious sons, the United States and all democracies of the world lost a true believer in the basic concept of liberty and justice, and I lost a dear friend in the death of Don Martin Luis Guzman on December 22, 1976.

Don Martin was a soldier, a man of letters, legislator, philosopher, good son, loving father, devoted husband, friend—a friend who attached no reservations to his friendship.

There are so many things to say about this great and gentle man that volumes could be written to cover his brilliant career.

On another day, I will be honored to speak at length about this extraordinary man, but today when we have the President of Mexico Lic. Jose Lopez Portillo as our guest. I take these few minutes for a very humble tribute to Don Martin. Somehow I feel Don Martin would be honored, as Mexico and the Mexican people would be honored, if mention were made to all of us about this great man.

Respectfully I ask my colleagues to join with me in extending our sympathy to Dona Ana West de Guzman, his loving wife, and to his sons, Martin Luis, Hernando and Guillermo Guzman West.

THE TORTURE OF NORTHERN IRELAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, the practice of torture is repugnant to decent men and women everywhere, regardless of nationality. Unfortunately, the practice of torture is as universal as is our shock and indignation when new cases appear before the eyes of the world.

It is my sad duty today to present for the attention of the House an article from last week's papers noting that our good friend and ally, Great Britain, has confessed before the European Court of Human Rights that she has carried out systematic torture of human beings in Northern Ireland.

In confessing her guilt, after years of charges, including the present case being pressed by the Republic of Ireland, the British represented to the court that the torture had been discontinued and would never occur again.

Certainly we can all join with people of good will on both sides of the Atlantic in issuing a heartfelt sigh that such a horrifying confession has been made by the nation which gave us Magna Carta. We also hope that by publicly confessing her crimes against humanity, Great Britain can help those other nations of the world using torture—be they in the Orient, in South America, in Africa or in the Middle East—to face the shame of their actions and to stop them.

I would note that I have personally visited Northern Ireland to see for myself the horror that is the daily experience for men and women, the children, soldiers, and police—all of those who in the broadest sense are victims of the strife in that troubled land.

I was able to visit the shocking prison camp at Long Kesh, site of so many the allegations of torture which the world now knows to be substantiated. Long Kesh has since been razed, but the scars of that place remain a black mark on British history, and a sorry episode in Western history.

Mr. Speaker, my point is that we in the United States are not powerless to prevent acts of torture by other governments. The critical spotlight of world attention can have a cleansing effect if properly focused—as in the case against Great Britain now before the European Court of Human Rights.

I would note that some 4 years ago I began my fight to hold hearings on allegations of violations of human rights in Northern Ireland. This House has been presented with the results of unofficial hearings I held in New York in the the fall of 1975, after the Department of State successfully blocked Washington hearings.

As in the case of so many matters affecting us, the American people are the last to know what the rest of the world has long known. Certainly the people of Northern Ireland knew the British were torturing their people, and the relatives of the victims who live in our country knew as well.

What did we gain by our silence? Only further disillusionment and cynicism—and several more years of unmonitored torture by our friend and ally.

Mr. Speaker, the interests of millions of Americans in activities against their friends and relatives overseas are clearly not being served by official U.S. Government policies which turn a blind eye to atrocities by our allies.

Our eyes are no longer blinded on Northern Ireland, and I accordingly urge that full hearings now be held so that the full story can be told, in hopes of working toward a peaceful and lasting solution to the political, social and economic problems which prompt the violence in Northern Ireland.

[From the New York Times, Feb. 9, 1977]

BRITAIN CONCEDES USE OF TORTURE IN NORTHERN IRELAND

STRASBOURG, FRANCE, Feb. 8.—The British Government conceded today that it had used five torture techniques on detainees in Northern Ireland, but gave a solemn pledge to the European Court of Human Rights that it would never do so again.

The British Attorney General, Sam Silkin, gave the pledge in an effort to persuade the Irish Government to drop its proceedings against Britain. It is the first case of its kind to come before the court.

Mr. Silkin told the panel of 18 judges that British forces would never again use the so-called "five techniques" of interrogation about which Ireland had complained.

These are hooding a prisoner, harassing him with noise, putting him on a bread and water diet, depriving him of sleep, and making him lean against a wall for long periods, off balance with arms out-stretched.

The preliminary hearing in Strasbourg, which ends tomorrow, is designed to establish the scope of the court's jurisdiction regarding the Irish complaint.

Unless Ireland decides to drop its case against Britain after Mr. Silkin's speech, the court will meet again—probably in April—to discuss specific accusations of ill-treatment.

The Irish Government, in a voluminous dossier submitted to the European Human Rights Commission here in 1971, charged numerous cases of torture and other ill-treatment by British security forces in Northern Ireland in the months after the introduction of internment without trial in August, 1971.

Some of these allegations were upheld by the commission after a four-year investigation in which 119 witnesses were heard, among them senior security officers.

The commission found that in certain cases Britain had violated Article 3 of the Human Rights Convention, which forbids torture or inhuman or degrading treatment as punishment.

Mr. Silkin said today that his Government was not contesting the commission's findings. He said that, after an official inquiry into the conduct of the security forces in Northern Ireland, the use of these five techniques had been halted in 1972 and compensation paid to those who had suffered.

Mr. Silkin referred to a submission to the court by the Irish Attorney General, Declan Costello, that Ireland sought a court order obliging Britain to undertake never again to have recourse to those techniques.

Following his Government's solemn pledge, Mr. Silkin said: "We hope that the court will be enabled to face a situation in which the objective of the applicant government has in fact been accomplished."

"We dare to hope also," he went on, "that in doing so we shall enable the applicant government to agree that there is no longer any adequate reason for them to pursue a course which can only divide us in a situation which cries out for the fullest cooperation between us."

CONGRESSIONAL PAY RAISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, today I directed a letter to you concerning the subject of the congressional pay raise.

In it, I solicit your support for a bill I have introduced which would change the methods and procedures governing pay adjustments for Members of Congress.

Now, these adjustments largely occur automatically—without a public vote. Some have termed this a "back-door" approach.

I believe a public vote on all such questions is essential if Congress is ever

to regain esteem and credibility with the people.

You, Mr. Speaker, have always stood for and voted for openness and accountability for the House. I believe my bill is a furtherance of openness and accountability. I hope my bill will receive your warm support.

I ask permission to include my letter to you, Mr. Speaker, at this point in the RECORD:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 17, 1977.
Hon. THOMAS P. O'NEILL,
Speaker of the House,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Much to my chagrin—and the public's—we are about to permit a substantial pay raise for Members of Congress by way of the "back door." That is, without a public vote on the question.

Several of our distinguished colleagues have joined me in a legislative effort to prevent pay raises for Members of Congress unless there is a public vote taken on the question.

We are not all in agreement on the propriety of the pending pay raise. Some support the raise, others oppose it. I tend to support it.

But, we all are agreed on one thing. The current mechanics and procedure for handling pay raise questions is akilter and needs to be changed.

My bill, the Congressional Pay Reform Act of 1977, would (1) divorce pay raises for Members of Congress from those for Executive and Judicial Branch employees; (2) eliminate all automatic cost-of-living increases for Members including those adjustments scheduled for this coming October; and (3) require that all pay raises for Members of Congress be subject to a public vote.

Unfortunately, Mr. Speaker, it appears all but certain that the pending pay raise will become effective this weekend without a hitch—and without a vote. This is too bad.

But, Mr. Speaker, it is never too late to correct a mistake. Pay adjustments will be proposed by future Quadrennial Commissions and future cost-of-living adjustments will be submitted (same as this coming October.)

We must take prompt action on my bill—or on other similar measures pending in the House—so that the wide open "back door" for pay raises is closed once and for all.

I intend to reintroduce my Pay Reform Act of 1977 in the very near future. I shall be seeking and encouraging others to co-sponsor the bill.

I also intend to write the House Post Office and Civil Service Committee urging that it continue its debate on the salary and compensation issue. It is too important a matter to be dropped—even if the pending salary adjustment goes through as now seems certain.

Mr. Speaker, in view of your strong commitment to openness and accountability, your actions in the House, and in line with the changes we have already seen under your leadership, I hope that you will personally support this change.

Sincerely,

ROMANO L. MAZZOLI,
Member of Congress.

RESTORE REBATES FOR ALL TAXPAYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. HARRIS) is recognized for 5 minutes.

Mr. HARRIS. Mr. Speaker, I understand that yesterday, February 16, 1977, the House Ways and Means Committee voted to modify President Carter's economic stimulus program by phasing out rebates to taxpayers in the $25,000 to $30,000 range and eliminating rebates altogether for taxpayers earning more than $30,000. I oppose this action.

A family with two dependents earning $30,000 pays somewhere around $5,000 per year in Federal income taxes. The same family with a $40,000 income pays about $8,000 in Federal income taxes; and, a family earning $50,000 pays about $12,000.

While a $50 rebate is miniscule compared to the Federal income tax liability of these taxpayers, I believe that it is a mistake to assume that these families could not use the assistance or that they would not spend the rebate. Like other families, these people face higher fuel bills due in large part to the severe winter this year. Inflation has cut into their already tight budgets.

To pay for the high cost of housing, medical care, food, utilities, or other basic expenses, in many families both the husband and wife have sought employment. When both spouses work, it is not at all uncommon for their combined income to be in the neighborhood of $30,000. I do not believe that we should eliminate these families from the rebate program.

There is no question that we need real tax reform. Many wealthy individuals and giant corporations pay little or no Federal income tax. We ought to close their loopholes; and, we need a simple, fair tax system. But we will not accomplish that goal by denying rebates to families who pay $5,000 or $8,000 or $12,000 in Federal income taxes.

I hope the Ways and Means Committee will reverse its action. If the committee would like to promote greater tax reform—and save money—I suggest that the rebates to businesses be granted to only those corporations which currently pay a significant portion of their net income in Federal taxes. Corporations, such as Gulf, which paid only 1.9 percent of its $2.6 billion net income in Federal taxes, should not have an additional opportunity to reduce their tax payments. Again, I urge the Ways and Means Committee to restore rebates to families with incomes exceeding $30,000.

PROPOSED PAY INCREASE

Mrs. LLOYD of Tennessee asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. LLOYD of Tennessee. Mr. Speaker, I commend my good friend, the gentleman from Tennessee, Mr. ALLEN, for his statement. What we have just witnessed is the desire of an overwhelming majority of the Members of this House to face up to the responsibility of voting "yea" or "nay" on the congressional pay raise.

I have opposed this raise since it was first rumored in last December that the Quadrennial Presidential Commission on Executive Legislative and Judicial Salaries would recommend such an exorbitant increase. I was disappointed that former President Ford submitted the recommendation and that President Carter has let it stand.

It is my firm belief that the question of a congressional pay raise should be publicly addressed by the Congress and thereby give our constituents the chance to see where we stand.

Recently public opinion surveys have indicated that the American people generally hold the Congress in very low esteem. We should make every effort to regain the respect for and confidence in the House of Representatives which are essential to the effective operation of our representative form of Government. I suggest we take the first step toward this by facing the responsibility of addressing ourselves publicly on this issue. The American people have a right to demand that their elected officials are accountable for what the Federal Government does. We should comply with their wishes.

At a time when our Nation and its people are beginning to recover from a severe economic recession, I think the question of a pay raise of this amount is highly inappropriate. I have joined with several of my colleagues in calling for disapproval of the raise, in order to demonstrate to the American people our willingness and desire to be prudent with their tax dollars. This is an excellent opportunity for us to prove to our constituents that we are sincere in our desire to hold down Federal spending.

I object to any system which allows Members of Congress to receive a pay hike without first voting on it. I also have serious reservations about the validity of the conclusions drawn by the President's Commission on Executive, Legislative, and Judicial Salaries. For example, the Commission contends that a prime factor in the case for higher pay scales is the excessive dropout rate among executive level Federal employees. But the annual attrition rate last year in executive level jobs was only 2.8 percent. I know of only one Member of Congress who left office for the purpose of increasing his earning power, and less than one-third of 1 percent of all Federal judges left the bench last year to return to private practice. There are an estimated 30 qualified applicants for every vacancy in Federal career executive assignments.

In a similar fashion the argument that Federal workers are underpaid is open to question. The average Congressman received a $700 a year raise upon entering office. In addition, while it is true many Federal employees took a pay reduction upon entering Government service, it should also be pointed out that their lifetime earning potential is increased over their private sector peers as a result of this work. In short, they will make a higher salary upon leaving the Federal Government as a result of their Government service. Finally, no consideration is given to the nonsalary benefits of Federal employees. The chief benefit is the civil service pension plan. Under this retirement plan the average executive level Federal worker receives $400,000 in pension income for which he is eligible at age 57.

Members of Congress and Federal judges receive additional pension benefits. All of these pensions are indexed against the cost of living to prevent any erosion in purchasing power which results from inflation. I believe that taken all together, these benefits constitute a compensation package for the executive level official far above the benefits prevailing in the private sector.

For Members of Congress to permit themselves to accept a substantial pay increase at a time when the majority of our constituents have serious difficulty being able to afford the food, clothing, housing, health care, and other essentials which make their lives tolerable, is unconscionable. We should take the initiative in providing responsible fiscal leadership and now, on this issue, is a very good time to start.

Mr. Speaker, although I am deeply opposed to this pay raise, I recognize that some Members of this Congress support the increase. If this is the will of the majority of the House then the raise should be adopted in open vote, but I also believe that before the raise is effective we ought to give the American people the opportunity to pass judgment on this proposal. I am therefore sponsoring legislation with the gentleman from Ohio (Mr. WHALEN) which would prohibit any pay raise from taking effect until the beginning of the Congress following the session in which the raise was adopted. This would allow the people we represent to judge us on the basis of our vote on a pay raise, and express their will in an election before that raise can be effective.

PRINTING OF RULES OF THE COMMITTEE ON EDUCATION AND LABOR

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, in accordance with rule XI 2. (A), I submit for publication in the CONGRESSIONAL RECORD the rules of the Committee on Education and Labor, U.S. House of Representatives, adopted by the committee February 1, 1977:

RULES OF THE COMMITTEE ON EDUCATION AND LABOR, 95TH CONGRESS

INTRODUCTION

The rules of the Education and Labor Committee of the U.S. House of Representatives have been promulgated and adopted in conformity with House Resolution 5 of the Ninety-fifth Congress, and are consistent with the rules adopted by the Democratic Caucus of the Members of the U.S. House of Representatives for the Ninety-fifth Congress and in other respects preserve those provisions of the rules and reforms governing the Committee for the previous Congress.

Paragraph (k)(2) of clause 2 of rule XI, Rules of the House of Representatives, provides that a copy of the committee rules and clause 2 of rule XI shall be made available to witnesses before the committee.

This print is furnished in accordance with that requirement.

Rule 1. Regular and Special Meetings.—(a) Regular meetings of the committee shall be held on the second and fourth Tuesdays of each month at 9:45 a.m., while the Congress is in session. When the Chairman believes that the committee will not be considering any bill or resolution before the committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances makes practicable, a written notice to that effect and no committee meeting shall be held on that day.

(b) The Chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the Chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the Chairman, those members may file in the offices of the committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request the Chairman does not call the requested special meeting to be held within seven calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) All legislative meetings of the committee and its subcommittees shall be open. No business meeting of the committee, other than regularly scheduled meetings, may be held without each member being given reasonable notice. Such meeting shall be called to order and presided over by the Chairman, or in the absence of the Chairman, by the ranking majority party member of the committee present.

Rule 2. Questioning of Witnesses.—Committee members may question witnesses only when they have been recognized by the Chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness can be extended only with the unanimous consent of all members present. The questioning of witnesses in both committee and subcommittee hearings shall be initiated by the Chairman, followed by the ranking minority party member and all other members alternating between the majority and minority party. In recognizing members to question witnesses in this fashion, the Chairman shall take into consideration the ratio of the majority to minority party members present and shall establish the order of recognition for questioning in such a manner as not to place the members of the majority party in a disadvantageous position. The Chairman may accomplish this by recognizing two majority party members for each minority party member recognized.

Rule 3. Records and Rollcalls.—Written records shall be kept of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a rollcall is demanded. The result of such rollcall vote shall be made available by the committee or subcommittee for inspection by the public at reasonable times in the offices of the committee or subcommittee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition and whether by proxy or in person, and the names of those members present but not voting. A record vote may be demanded by one-fifth of the members present or, in the apparent absence of a quorum, by any one member.

Rule 4. Subcommittees.—There shall be eight standing subcommittees, the jurisdiction of each shall include the following:

Subcommittee on Elementary, Secondary and Vocational Education.—Education from pre-school through the high school level and vocational education.

Subcommittee on Labor-Management Relations.—Relationships between employers and employees and their representatives.

Subcommittee on Labor Standards.—Wages and hours of labor.

Subcommittee on Employment Opportunities.—Comprehensive employment and training; work incentive and equal employment opportunities.

Subcommittee on Select Education.—Special education programs, handicapped, aging, arts and humanities.

Subcommittee on Postsecondary Education.—Education beyond the high school level.

Subcommittee on Compensation, Health and Safety—Workers compensation and workers health and safety.

Subcommittee on Economic Opportunity.—All matters dealing primarily with the Economic Opportunity Act of 1964, the Juvenile Delinquency Prevention and Control Act of 1968, and agriculture labor and migrant workers, including their dependents.

The majority party members of the committee may provide for such special and select subcommittees as determined to be appropriate.

Rule 5. Ratio of Subcommittees.—(a) On each subcommittee there shall be at least two majority party members for each minority party member, plus one majority party member. The Chairman of the committee and the ranking minority party member of the committee shall be ex officio members of each subcommittee established pursuant to Rule 4. In calculating the ratio of majority party members to minority party members, the ex officio members of the subcommittees shall be included.

Rule 6. Special Assignment of Members.—To facilitate the oversight and other legislative and investigative activities of the committee, the Chairman of the committee may, at the request of a subcommittee chairman, make a temporary assignment of any member of the committee to such subcommittee for the purpose of enabling such member to participate in any public hearing, investigation, or study by such subcommittee to be held outside of Washington. Any member of the committee may attend public hearings of any subcommittee and shall be afforded an opportunity by the subcommittee chairman to question witnesses.

Rule 7. Subcommittee Chairmanship.—The majority party members of the committee shall have the right, in order of full committee seniority, to bid for subcommittee chairmanships. Any such request shall be subject to approval by a majority of those present and voting in the majority party caucus of the committee. Members so elected shall be chairman of their respective subcommittees.

Rule 8. Subcommittee Scheduling.—Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view

toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible. Available dates for subcommittee meetings during the session shall be assigned by the Chairman to the subcommittees as nearly as practicable in rotation and in accordance with their workloads.

Rule 9. Subcommittee Rules.—The rules of the committee shall be the rules of its subcommittees.

Rule 10. Committee Staffs.—Except as provided in Rule XI, clause 5(d) of the Rules of the House of Representatives, the staff of the House Committee on Education and Labor shall be appointed as follows:

A. The subcommittee staff shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of the majority party members of the subcommittee within the budget approved for the subcommittee by the full committee;

B. The staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority party members of the committee shall determine within the budget approved for such purposes by the committee;

C. The employees of the committee not assigned to a standing subcommittee or to the minority under the above provisions shall be appointed, and may be removed, and their remuneration determined by the Chairman in consultation with and with the approval of the majority party members of the committee within the budget approved for such purposes by the commitee.

Rule 11. Supervision Duties of Committee Staffs.—The staff of a subcommittee shall be under the general supervision and direction of the chairman of that subcommittee. The staff assigned to the minority shall be under the general supervision and direction of the minority party members of the committee who may delegate such authority as they determine appropriate. The staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the Chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate authority as he determines appropriate.

Staff members shall be assigned to committee business and no other duties may be assigned to them.

Rule 12. Hearings Procedure.—(a) The Chairman in the case of hearings to be conducted by the commitee and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee or subcommittee determines that there is good cause to begin such hearing at an earlier date. In the latter event the Chairman or the subcommitee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the Chairman by a majority of those minority party members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

Rule 13. Meetings—Hearings—Quorums.—(a) Subcommittees are authorized to hold hearings, receive exhibits, hear witnesses, and report to the committee for final action, together with such recommendations as may be agreed upon by the subcommittee. No such meetings or hearings, however, shall be held outside of Washington or during a recess or adjournment of the House without the prior authorization of the committee Chairman or a majority of a quorum of the subcommittee: *Provided*, That where feasible and practicable, 14 days notice will be given of such meeting or hearing.

(b) One-third of the members of the committee or subcommittee shall constitute a quorum for taking any action other than amending committee rules, closing a meeting from the public, reporting a measure or recommendation, or in the case of the committee authorizing a subpoena. For the enumerated actions a majority of the committee or subcommittee shall constitute a quorum. Any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

(c) In the absence of the chairman of the committee or a subcommittee, the ranking majority party member present shall preside.

Rule 14. Subpoenas.—A subpoena may be authorized and issued by the Committee or subcommittee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the Members of the full Committee voting, a majority being present. Authorized subpoenas shall be signed by the Chairman of the Committee or by any Member designated by the Committee.

Rule 15. Reports of Subcommittees.—(a) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(b) In any event, the report, described in the proviso in paragraph (d) of this rule, of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the subcommittee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.

(c) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report:

"This report has not been officially adopted by the Committee on Education and Labor (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(d) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed upon the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the committee shall by majority vote otherwise direct: *Provided*, That no bill reported by a subcommittee shall be considered by the full committee unless it has been in the hands of all members at least 48 hours prior to the meeting, together with a comparison with present law and a section-by-section analysis of the proposed change.

Rule 16. Proxies.—(a) A vote by any member in the committee or in any subcommittee may be cast by proxy, but such proxy must be in writing and in the hands of the chief clerk of the committee or the clerk of the subcommittee, as the case may be, during each rollcall in which they are to be voted. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(b) Proxies shall be in the following form:

Hon. _____.
House of Representatives,
Washington, D.C.

DEAR _____: Anticipating that I will be absent on official business/or otherwise unable to be present, I hereby authorize you to vote in my place and stead in the consideration of _____ and any amendments or motions pertaining thereto.

_____,
Member of Congress.

Executed this the _____ day of _____, 19___, at the time of _____ p.m./a.m.

Rule 17. Authorization for Travel.—(a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be paid from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the Chairman. Travel may be authorized by the Chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee or any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee.

Before such authorization is given there shall be submitted to the Chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the Chairman. Such prior authorization shall be given by the Chairman only upon the representation by the appropriate chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with Rule 12 of the committee.

(c)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittees prior authorization must be obtained from the Chairman, or, in the case of a subcommittee, from the subcommittee chairman and the Chairman. Before such authorization is given, there shall be submitted to the Chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the Chairman or the chairman of a subcommittee (except that individuals may submit a request to the Chairman for the purpose of attending a conference or meeting) and shall be limited to members and permanent employees of the committee.

(3) The Chairman shall not approve a request involving travel outside the United States while the House is in session (except in the case of attendance at meetings and conferences or where circumstances warrant an exception).

(4) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the Chairman covering the activities of the subcommittee and containing the results of these activities and other pertinent observations or information gained as a result of such travel.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and of the Committee on House Administration pertaining to such travel.

(e) Prior to the Chairman's authorization for any travel the ranking minority party member shall be given a copy of the written request therefor.

Rule 18. Oversight.—(a) In order to enable the Committee to carry out its responsibilities under Rule X, clause (2) of the Rules of the House of Representatives, each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that subcommittee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(b) The Chairman of the committee with Rule 4, from time to time in order to fulfill the committee's responsibility under Rule X, clause (3)(c) of the Rules of the House of Representatives, shall assign matters to subcommittees for reviewing, studying, and coordinating, on a continuing basis, all laws, programs, and Government activities dealing with or involving domestic educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees.

(c) The Chairman of the committee, consistent with Rule X, clause (2)(d) of the Rules of the House of Representatives, shall from time to time assign matters to subcommittees for reviewing and studying on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

Rule 19. Referral of Bills, Resolutions, and Other Matters.—(a) Each bill, resolution, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule 4 referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within two weeks, unless, by majority vote of the majority party members of the committee, consideration is to be by the full committee.

(b) In carrying out paragraph (a) with respect to any matter, the Chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule 4, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee), or divide the matter into two or more parts (reflecting subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter, pursuant to Rule 4, to a special ad hoc subcommittee, appointed by the Chairman (from the members of the subcommittees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the committee thereon, or make such other provisions as may be considered appropriate.

(c) Referral to a subcommittee shall not be made until three days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

Rule 20. Committee Reports.—(a) All committee reports on bills or resolutions shall comply with the provisions of clause 2 of Rule XI of the Rules of the House of Representatives.

(b) No such report shall be filed until copies of the proposed report have been available to all members at least 36 hours prior. No material change shall be made in the report distributed to members unless agreed to by a majority vote: *Provided*, That any member or members of the committee may file, as part of the printed report, individual, minority, or dissenting views, without reference to the preceding provisions of this rule.

Rule 21. Budget and Expenses.—The Chairman, in consultation with the majority party members of the committee shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, for necessary travel, investigation, and other expenses of the committee and after consultation with the minority party membership, the Chairman shall include amounts budgeted to the minority party members for staff personnel to be under the direction and supervision of the minority party, travel expenses of minority members and staff, and minority party office expenses. All travel expenses of minority party members and staff shall be paid for out of the amounts so set aside and budgeted. The chairman of each standing subcommittee, in consultation with the majority party members thereof, shall prepare a supplemental budget to include funds for each additional staff, and for such travel, investigations, etc., as may be required for the work of such subcommittee. Thereafter, the Chairman shall combine such proposals into a consolidated committee budget, and shall present the same to the committee for its approval or other action. The Chairman shall take whatever action is necessary to have the budget as finally approved by the committee duly authorized by the House. After said budget shall have been adopted, no change shall be made in such budget unless approved by the committee. The Chairman or the chairman of any standing subcommittee may initiate necessary travel requests as provided in Rule 16 within the limits of their portion of the consolidated budget as approved by the House, and the Chairman may execute necessary vouchers therefor.

Once monthly, the Chairman shall notify the committee, in writing, that a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the committee is available to every Member in the office of the Clerk of the Committee. Such report shall show the amount and purpose of each expenditure and the budget to which such expenditure is attributed.

Rule 22. Recommendation of Rule for Appointment of Conferees.—Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall recommend to the Speaker as conferees the names of those members of the subcommittee which handled the legislation in the order of their seniority upon such subcommittee and such other committee members as the Chairman may designate with the approval of the majority party members. Recommendations of the Chairman to the Speaker shall provide a ratio of majority party members to minority party members no less favorable to the majority party than the ratio of majority members to minority party members on the full committee. In making assignments of minority party members as conferees the Chairman shall consult with the ranking minority party member of the committee.

Rule 23. Broadcasting of Committee Hearings.—(a) When any hearing or meeting of the committee or a subcommittee is open to the public, that hearing or meeting may be covered in whole or in part by television broadcast, radio broadcast; and still photography, or by other such methods of coverage. Such coverage of hearings and meetings is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions and requirements of clause 3 of Rule XI of the rules of the House of Representatives.

Singh in 1696. Raja Singh is trained in the theological tradition of Sikhism of that time.

He is also a graduate of the Yale Divinity School, concentrating on the synthesis of religion and theology. The Raja is well-known to eminent religious leaders of all major religions of the world. He has travelled the world over, and is able to read the texts of Christian, Moslem, Jewish, Hindu and Buddhist scriptures in the original classical languages. The experiences he lived through in his principality of Patiala and province of Punjab, have strong parallels to the situation South Africa faces today.

STATEMENT

Recently South Africa has evoked much comment, most of it deludedly superficial. There is a greater diversity in South Africa than the world realizes and remarkable qualities in some of its peoples that have not been generally recognized.

For example the Afrikaner are a brave and devout nation, and some people feel, even among my distinguished Christian co-religious of high rank, that the Dutch Reformed Church has been unwisely treated as a pariah through some of the policies of the World Council of Churches and the Vatican toward South Africa. The deep spiritual qualities of the Afrikaner can become an important factor in encouraging the Unity in Diversity in the world's religions and cultures in these critical times.

The Boers and the Zulus are both martial nations of great renown, like the Sikhs known throughout the world over. In common, Afrikaner, Zulu and Sikh fought courageously for a righteous purpose, recognizing their force as they shook the foundations of the British Empire at the height of its power.

The Communist world, where conscientiousness toward religion, nationality and morality are non-existent, is now an imminent threat. Those religious leaders who encourage an escalation of conflict in South Africa—rather than bringing love and harmony as good neighbors in the philosophy of Unity in Diversity—are knowingly or unknowingly, unconscientiously and irreligiously acting detrimentally in regard to universal, fundamental religious values in life, temporal and spiritual.

It would be catastrophic and extremely shameful if South Africa should endure a similar tragedy to that inflicted on the subcontinent of India in general and the Punjab in particular, during this century. One should learn from the lessons of history.

AMENDING THE SOCIAL SECURITY SYSTEM

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. WHITEHURST. Mr. Speaker, although there is a relatively wide divergence of opinion concerning the means by which the social security system should be financed in the future, nearly every knowledgeable observer agrees that the system faces serious difficulties for which solutions must be found. As a result of recent changes in the law and the Nation's poor economic performance in the last few years, the social security trust fund could be depleted in the early 1980's. The long-range outlook for social security is even bleaker as a result of changing demographic conditions and the cumulative effect of ill-conceived provisions in the Social Security Act of 1972. If the current law is not altered, the social security trust fund's deficit in 75 years would be 8 percent of the national payroll subject to social security taxes. The dollar amount of this deficit would be about $4 trillion.

I am introducing legislation which would reduce the long-term deficit by at least 50 percent. In passing the 1972 Social Security Amendments, the Congress made what amounts to a technical error resulting in tremendous increases in benefit levels. The 1972 act provided automatic cost-of-living increases for social security beneficiaries. This was the intent of Congress and it is a reasonable provision. However, the law coupled cost-of-living increases for retirees with increases in future benefit levels for current workers. The problem with this is that future benefit levels are also affected by increases in wage levels—the normal changes that occur in a worker's earnings during his lifetime. As a worker's earnings rise, his future benefits rise. Consequently, under the present law future benefits levels are raised for both increases in prices and wages. Since wage levels normally reflect price increases, future benefits are now being "double indexed" for inflation.

The practical effect of the current law is startling as lower paid workers would actually earn more from social security than they would working. The current replacement rate—that is, the percentage of preretirement income received as social security benefits—is 66 percent for low-paid single workers. If a wife's benefit is counted, the rate will rise to over 178 percent if the law is not changed.

The measure I am introducing today would correct this flaw by "decoupling" the computation of benefits for future beneficiaries from that of current beneficiaries. The bill would retain automatic cost-of-living increases for current beneficiaries. The bill would retain automatic increases for future benefits. Current replacement rates would be maintained and future benefits would increase as average wages increase. This would reinstate the traditional means of determining social security benefit levels and would remove the wholly unwarranted and unintended results of the 1972 law.

My bill would also correct another inequity of the current law. Benefits for a young disabled worker and his family, for example, often exceed the benefits received by a retiree with a long work history. This results from the practice of setting benefit levels based on average monthly earnings. Under my proposed system, a worker's yearly earnings during his working career would be updated and expressed in terms of the earnings levels that prevail just before he retires, becomes disabled, or dies. Thus, if a worker's 1955 wages were $3,000, and wages generally are now 2½ times higher than in 1955, the $3,000 would be updated to $7,500. This wage indexing system would resolve the anamoly of a worker with a relatively short, but recent work history receiving more than a worker with a lengthy work record who has his benefits based largely on outdated, low wages.

I would emphasize that my proposal is a moderate one. Existing replacement rates would be maintained, thereby insuring that no future worker would receive lower benefits than are currently paid. However, by stabilizing the replacement rates, the bill would avoid the enormous increases in benefits resulting in many workers receiving more in social security payments than they did in wages.

This legislation would not entirely solve future social security financing problems, although it would be a major first step by reducing the long term deficit by 50 percent. Aside from the problem caused by combining both wage and price increases in computing future benefit levels, changing demographic conditions are also a major cause of the future difficulties of the social security system. For several years after World War II, the United States had an extremely high birth rate. At the present time, the birth rate is quite low. The result is that shortly after the turn of the century, we will have a relatively small work force paying social security taxes to provide benefits for a relatively large group of retirees. Former Treasury Secretary Simon and others have suggested a slight and gradual increase in the retirement age to resolve this problem. Although I would not support this now, it might well make sense to gradually increase the retirement age to 67 beginning in the year 2000. Other knowledgeable observers have suggested reducing the current replacement rates by 10 percent or more to wipe out the long term deficit. Still others have suggested using general revenues to remove the burden from the social security trust fund. All of these suggestions deserve the serious and immediate consideration of the Congress. However, the most obvious flaw in the current system which would result in the greatest savings over the long term would be corrected by the legislation I am introducing today. I urge my colleagues to act expeditiously on this proposal.

DOUBT AND TORMENT . . . THE AFTERMATH OF ABORTION

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. HYDE. Mr. Speaker, in the 4 years since the Supreme Court decision legalizing abortions, reams of material have been written by opponents and proponents of this ruling.

A facet of the abortion controversy that until recently has been almost totally ignored is the range of complex emotions—uneasiness, bewilderment, remorse and guilt—that lingers in the aftermath of every aborted child. And though the unborn child can be destroyed and discarded, the emotions that linger cannot be so easily cut from the participants' hearts with a physicians scapel, nor washed from their minds with a saline solution. Lingering sorrow and guilt often lives on in the hearts of many who have participated in removing life from the womb.

Joan Beck's column in the Chicago Tribune of January 31, discusses the emotional turmoil surrounding abor-

(b) The general conduct of each hearing or meeting covered under authority of this clause and the personal behavior of committee members, staff, other government officials and personnel, witnesses, television, radio and press media personnel, and the general public at the hearing or other meeting, shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House.

(c) Persons undertaking to cover committee hearings or meetings under authority of this rule shall be governed by the following limitations:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of Rule XI of the Rules of the House of Representatives, relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

Rule 24. Changes in Committee Rules.—A proposed change in these Rules shall not be considered by the committe unless the text of such change has been in the hands of all Members at least 48 hours prior to the meeting in which the matter is considered.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. MARRIOTT (at the request of Mr. RHODES), for Wednesday and Thursday, February 16 and 17, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. EDWARDS of Oklahoma) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 15 minutes, today.

Mr. GRASSLEY, for 1 hour, on Friday, February 18, 1977.

Mr. MILLER of Ohio, for 15 minutes, today.

Mr. BOB WILSON, for 5 minutes, today.

Mr. MILLER of Ohio, for 15 minutes, on Friday, February 18, 1977.

(The following Members (at the request of Mr. BARNARD) to revise and extend their remarks and include extraneous material:)

Mr. RAHALL, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. EDWARDS of California, for 20 minutes, today.

Mr. FRASER, for 10 minutes, today.

Mr. FORD of Tennessee, for 5 minutes, today.

Mr. EVANS of Indiana, for 5 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. STOKES, for 60 minutes, today.

Mr. EILBERG, for 5 minutes, today.

Mr. KOCH, for 10 minutes, today.

Mr. DE LA GARZA, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. HARRIS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. EDWARDS of Oklahoma) and to include extraneous matter:)

Mr. LAGOMARSINO.

Mr. SARASIN in three instances.

Mr. SHUSTER.

Mr. SEBELIUS.

Mr. RINALDO.

Mr. LOTT.

Mr. WHITEHURST.

Mr. GRADISON.

Mr. STEIGER.

Mr. HAGEDORN in two instances.

Mr. LATTA.

Mr. FORSYTHE.

Mr. ARCHER.

Mrs. SMITH of Nebraska.

Mrs. FENWICK.

Mr. DON H. CLAUSEN.

Mr. COLEMAN.

Mrs. HOLT.

Mr. CARTER in two instances.

(The following Members (at the request of Mr. BARNARD), and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. HAMILTON.

Mr. BINGHAM in five instances.

Mr. MOLLOHAN.

Mr. BRODHEAD in two instances.

Mr. ROSENTHAL in 10 instances.

Mr. VENTO in two instances.

Mr. MURPHY of Illinois.

Mr. LUNDINE in 10 instances.

Mr. SOLARZ in three instances.

Mr. BALDUS in two instances.

Mr. BREAUX.

Mr. MOAKLEY in two instances.

Mr. ANNUNZIO.

Mr. MILFORD.

Mr. FORD of Tennessee in two instances.

Mr. STARK.

Mr. HUCKABY in two instances.

Mr. LAFALCE.

Mr. FASCELL.

Mrs. COLLINS of Illinois.

Mr. WRIGHT.

Mr. ASHLEY.

Ms. OAKAR.

Mr. BLOUIN.

Mr. HANNAFORD.

Mr. KRUEGER.

Mr. HAWKINS in three instances.

Mr. AMBRO.

Mr. KOCH in three instances.

Mr. MCDONALD in three instances.

Mr. RICHMOND in two instances.

Mr. WOLFF in two instances.

Mr. RAHALL in three instances.

Mr. HARRIS.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.J. Res. 240. Joint resolution to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes; and

H.J. Res. 239. Joint resolution extending the filing date of the 1977 joint economic report.

ADJOURNMENT

Mr. BARNARD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 16 minutes p.m.), under its previous order, the House adjourned until Monday, February 21, 1977, at 11:55 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

757. A letter from the Assistant Secretary of Defense (Comptroller), transmitting the selected acquisition reports and SAR summary tables for the quarter ended December 31, 1976, pursuant to section 811(a) of Public Law 94–106; to the Committee on Armed Services.

758. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to authorize additional appropriations under title II of the Public Works Employment Act of 1976; to the Committee on Government Operations.

759. A letter from the Deputy Assistant Secretary of Defense (Administration) transmitting notice of two proposed new records systems for the Department of the Navy, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

760. A letter from the Acting Assistant Secretary of the Interior for Administration and Management, transmitting notice of proposed change in one of the Department's records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

761. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a report on the Corporation's implementation of the Privacy Act of 1974 during calendar year 1976; to the Committee on Government Operations.

762. A letter from the Comptroller General of the United States, transmitting a summary of open GAO recommendations for legislative action as of December 31, 1976 (OCR–77–1002, February 16, 1977); to the Committee on Government Operations.

763. A letter from the Chairman, Indian Claims Commission, transmitting the Commission's final determination in Docket No. 134, *The S'Klallam Tribe of Indians, Plaintiff,* v. *The United States of America, Defendant,* pursuant to section 21 of the Indian Claims Commission Act; to the Committee on Interior and Insular Affairs.

764. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the Government of Iran for permission to transfer certain U.S.-origin defense articles to the Government of Jordan, pursuant to section 3(a) of the Arms Export Control Act; to the Committee on International Relations.

765. A letter from the Administrator, Federal Energy Administration, resubmitting the Strategic Petroleum Reserve Plan (Energy Action No. 10), to correct the omission of an energy action identification number from the original transmittal (H. Doc. No. 95–12, pt. II); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

766. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations at the Federal Building-U.S. Courthouse, Providence, R.I., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

767. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FLYNT: Committee on Standards of Official Conduct. H. Res. 287. Resolution to amend the Rules of the House of Representatives, and for other purposes; with amendment (Rept. 95–21, pt. I). And ordered to be printed.

Mr. MAHON: Committee on Appropriations. H.R. 3347. A bill to rescind certain budget authority recommended in the message of the President of September 22, 1976 (H. Doc. 94–620), transmitted pursuant to the Impoundment Control Act of 1974. (Rept. No. 95–22). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 3630. A bill to amend the Internal Revenue Code of 1954 to provide that certain income from a nonmember telephone company is not taken into account in determining whether any mutual or cooperative telephone company is exempt from income tax; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3631. A bill appropriating funds for construction of the Natchez Trace Parkway; to the Committee on Appropriations.

By Mr. BREAUX:

H.R. 3632. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mr. OBERSTAR, Mr. SANTINI, Mr. ROE, Mr. CORRADO, Mr. PRICE, Mr. SCHEUER, Mr. DENT, Mr. HUBBARD, Mr. BOWEN, Mr. FORSYTHE, Mr. LEGGETT, Mr. DOWNEY, Mr. TREEN, Mr. HAWKINS, Mr. EMERY, Mr. DUNCAN of Tennessee, and Mr. HOLLAND):

H.R. 3633. A bill to provide additional funds to the States for carrying out restoration projects and programs, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BRODHEAD (for himself, Mr. BLANCHARD, Mr. PURSELL, Mr. NEDZI, Mr. CEDERBERG, Mr. KILDEE, Mr. DIGGS, and Mr. CARR):

H.R. 3634. A bill to amend the Internal Revenue Code of 1954 to repeal the excise tax on trucks, buses, and tractors and parts and accessories for such vehicles; to the Committee on Ways and Means.

By Mr. BROYHILL (for himself, Mr. FAUNTROY, Mr. NEAL, Mr. JENRETTE, Mr. EDWARDS of California, Mr. SANTINI, Mr. PREYER, Mr. LONG of Louisiana, Mr. GILMAN, Mr. MARTIN, Mr. QUIE, Mr. STARK, Mr. HOWARD, Mr. MURPHY of New York, Mr. LEACH, Mr. MIKVA, Mr. D'AMOURS, Mr. QUILLEN, Ms. COLLINS of Illinois, Mr. HEFNER, and Mr. KRUEGER):

H.R. 3635. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. COCHRAN:

H.R. 3636. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. COCHRAN (for himself, Mr. BOWEN, Mr. LOTT, Mr. MONTGOMERY, and Mr. WHITTEN):

H.R. 3637. A bill granting the consent of Congress to the Mississippi-Louisiana bridge construction compact; to the Committee on the Judiciary.

By Mr. COCHRAN (for himself, Mr. DORNAN, Mr. EDWARDS of Oklahoma, Mr. MCKINNEY, and Mr. MOORHEAD of California):

H.R. 3638. A bill to amend the Internal Revenue Code of 1954 to provide that the mileage rate used to determine the amount allowable as a deduction for the business use of automobiles shall be the same as the rate used to reimburse Federal employees; to the Committee on Ways and Means.

By Mrs. COLLINS of Illinois:

H.R. 3639. A bill to amend chapter 4 of title 23, United States Code, to authorize the Secretary of Transportation to make incentive grants to any State which uses certain information relating to auto safety devices in its procedure for the issuance of motor vehicle operating permits; to the Committee on Public Works and Transportation.

By Mr. CONABLE (for himself and Mr. WHITEHURST):

H.R. 3640. A bill to repeal the carryover basis provisions added by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. CONABLE (for himself, Mr. BURGENER, Mr. CAPUTO, Mr. FISH, Mr. MCKINNEY, and Mr. NEDZI):

H.R. 3641. A bill to amend title XVIII of the Social Security Act to establish a program of long-term-care services within the medicare program, to provide for the creation of community long-term-care centers and State long-term-care agencies as part of a new administrative structure for the organization and delivery of long-term-care services, to provide a significant role for persons eligible for long-term-care benefits in the administration of the program, and for other purposes; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. COUGHLIN (for himself, Mr. BLANCHARD, Mr. BOLAND, Mr. BROWN of Ohio, Mr. BUCHANAN, Mr. BURGENER, Mr. CARTER, Mr. CLEVELAND, Mrs. COLLINS of Illinois, Mr. COLLINS of Texas, Mr. DAN DANIEL, Mr. DICKINSON, Mr. DORNAN, Mr. DUNCAN of Tennessee, Mr. EDGAR, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, Mrs. FENWICK, Mr. FREY, Mr. HARKIN, Mr. HYDE, and Mr. KOSTMAYER):

H.R. 3642. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in higher education; to the Committee on Ways and Means.

By Mr. COUGHLIN for himself, Mr. LOTT, Mr. LUNDINE, Mr. MAZZOLI, Mr. MONTGOMERY, Mr. MOORHEAD of California, Mr. MOTTL, Mr. MURPHY of New York, Mr. PURSELL, Mr. RAILSBACK, Mr. RINALDO, Mr. SARASIN, Mr. SCHEUER, Mr. SCHULZE, Mr. SOLARZ, Mr. SPENCE, Mr. STANTON, Mr. STOKES, Mr. WHITEHURST, Mr. CHARLES H. WILSON of California, Mr. WON PAT, and Mr. YATRON):

H.R. 3643. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses

incurred in higher education; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. MOORHEAD of California, Mr. DEVINE, Mr. BURGENER, Mr. KINDNESS, Mr. MONTGOMERY, Mr. WHITEHURST, Mr. TRIBLE, Mr. MCDONALD, Mr. LOTT, Mr. WAGGONNER, Mr. BURKE of Florida, Mr. ARCHER, Mr. KETCHUM, Mr. KEMP, Mr. COCHRAN, Mr. SPENCE, Mr. BEVILL, Mr. BARNARD, Mr. SEBELIUS, Mr. MARTIN, and Mr. DAVIS):

H.R. 3644. A bill to limit the U.S. contributions to the United Nations; to the Committee on International Relations.

By Mr. FISHER (for himself, Mr. ANDERSON of Illinois, Mr. BAUCUS, Mr. BEARD of Rhode Island, Mr. BUTLER, Mr. DOWNEY, Mr. EILBERG, Mr. FINDLEY, Mr. FRENZEL, Mr. HAWKINS, Mr. JEFFORDS, Mr. MOAKLEY, Mr. SCHEUER, Mr. SIMON, Mr. WEISS, and Mr. WHITEHURST):

H.R. 3645. A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of State and local governments, to protect such employees from improper political solicitation, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FISHER (for himself, Mr. LONG of Louisiana, Mr. MURPHY of New York, Mr. STEERS, and Mr. YOUNG of Florida):

H.R. 3646. A bill to provide that individuals who retired on disability before October 1, 1976, shall be entitled to the exclusion for disability payments under section 105(d) of the Internal Revenue Code of 1954 without regard to the income limitation in such section, and for other purposes; to the Committee on Ways and Means.

By Mr. FISHER (for himself, Mr. DUNCAN of Tennessee, Mr. SEIBERLING, Mr. CHARLES WILSON of Texas, and Mr. YOUNG of Florida):

H.R. 3647. A bill to amend the Internal Revenue Code to provide renters with a credit against income tax; to the Committee on Ways and Means.

By Mr. FORD of Tennessee (for himself, Mr. CONTE, Mr. BLOUIN, Mr. BROOMFIELD, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CORCORAN, Mr. DE LUGO, Mr. EVANS of Georgia, Mr. EVANS of Indiana, Mr. FASCELL, Mr. FLORIO, Mr. GLICKMAN, Mr. HUGHES, Mr. HYDE, Ms. KEYS, Mr. MCCLOSKEY, Mr. MARLENEE, Mr. MOTTL, Mr. PRICE, Mr. PRITCHARD, Mr. RAHALL, Mr. SKUBITZ, Mr. THONE, and Mr. VOLKMER):

H.R. 3648. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. FORD of Tennessee (for himself, Mr. DUNCAN of Tennesee, Mr. AMMERMAN, Mr. BRODHEAD, Mrs. CHISHOLM, Mr. CLAY, Mr. COHEN, Mrs. COLLINS of Illinois, Mr. CORRADA, Mr. DAN DANIEL, Mr. DIGGS, Mr. DOWNEY, Mr. EDGAR, Mr. EILBERG, Mr. ERTEL, Mr. FREY, Mr. GRASSLEY, Mr. HAWKINS, Mr. HEFTEL, Mr. HOWARD, Mr. JENRETTE, Mr. JONES of Tennessee, Mr. KILDEE, Mr. KOCH, and Mr. KOSTMAYER):

H.R. 3649. A bill to amend the Internal Revenue Code of 1954 to encourage the employment of handicapped individuals by providing a tax credit for a certain portion of the wages paid to such individuals; to the Committee on Ways and Means.

By Mr. FORD of Tennessee (for himself, Mr. DUNCAN of Tennessee, Mr. LAFALCE, Mr. LEHMAN, Mrs. LLOYD of Tennessee, Mr. MATHIS, Mr. MCKINNEY, Mr. METCALFE, Mr. MITCHELL of New York, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOFFETT, Mr MURPHY of New York, Mr. NEAL, Mr. NOLAN, Mr. RAHALL, Mr. RICHMOND, Mr. ROE, Mr. ROYBAL, Mr. RYAN, Mr. SANTINI, Mr. SCHEUER, Mr. SOLARZ, Mrs. SPELLMAN, and Mr. STOKES):

H.R. 3650. A bill to amend the Internal Revenue Code of 1954 to encourage the employment of handicapped individuals by providing a tax credit for a certain portion of the wages paid to such individuals; to the Committee on Ways and Means.

By Mr. FORD of Tennessee (for himself, Mr. DUNCAN of Tennessee, Mr. TREEN, Mr. WALKER, Mr. CHARLES WILSON of Texas, Mr. WINN, and Mr. YATRON):

H.R. 3651. A bill to amend the Internal Revenue Code of 1954 to encourage the employment of handicapped individuals by providing a tax credit for a certain portion of the wages paid to such individuals; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. EDGAR, Mr. EMERY, Ms. MEYNER, Mr. SEIBERLING, Mr. SOLARZ, and Mr. STEERS):

H.R. 3652. A bill to insure the development of U.S. ocean mining capabilities and to support the continuation of the Law of the Sea Conference negotiations; jointly to the Committees on Interior and Insular Affairs, International Relations, and Merchant Marine and Fisheries.

By Mr. GUYER:

H.R. 3653. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. HAGEDORN:

H.R. 3654. A bill to amend title II of the Social Security Act to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. HAGEDORN (for himself and Mr. BREAUX):

H.R. 3655. A bill to authorize the construction of replacement locks and dam for Locks and Dam 26, Mississippi River, Alton, Ill., to revoke authority for 12-foot-channel studies on the upper Mississippi River and its tributaries, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HARRIS (for himself, Mr. GLICKMAN, Mr. JEFFORDS, Mr. SHARP, and Mr. TSONGAS):

H.R. 3656. A bill to provide that the rates of pay for Members of Congress shall be the rates in effect on September 30, 1976, until such time as they are fixed otherwise by law, and to provide that the pay for certain executive, legislative, and judicial offices and positions may not be increased until a comprehensive code of public conduct has been enacted; to the Committee on Post Office and Civil Service.

By Mr. HAWKINS (for himself, Mr. BADILLO, Mr. BEARD of Rhode Island, Mr. BINGHAM, Mr. CARNEY, Mrs. CHISHOLM, Mr. CLAY, Mr. CORRADA, Mr. FORD of Tennessee, Ms. HOLTZMAN, Miss JORDAN, Mr. KOCH, Mr. METCALFE, Mr. NIX, Mr. NOLAN, Mr. NOWAK, Mr. OTTINGER, Mr. RANGEL, Mr. RICHMOND, Mr. RODINO, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SIMON, Mr. SOLARZ, and Mr. STOKES):

H.R. 3657. A bill to establish and translate into practical reality the right of all adult Americans able, willing, and seeking to work to full opportunity for useful paid employment at fair rates of compensation; to combine full employment, production, and purchasing power goals with proper attention to balanced growth and national priorities; to mandate such national economic policies and programs as are necessary to achieve full employment, production, and purchasing power; to restrain inflation; and to provide explicit machinery for the development and implementation of such economic policies and programs; to the Committee on Education and Labor.

By Mr. HILLIS:

H.R. 3658. A bill to amend title 38, United States Code, to revise the eligibility requirement for the receipt of a headstone or marker for veterans whose remains are unrecoverable; to the Committee on Veterans' Affairs.

H.R. 3659. A bill to amend title 38, United States Code, in order to revise the provisions therein relating to the acquisition of land by the Veterans' Administration for national cemeteries; to the Committee on Veterans' Affairs.

By Mr. HOWARD:

H.R. 3660. A bill to amend the Disaster Relief Act of 1974 to authorize the President to make any loan, grant, or other assistance currently available under Federal disaster assistance programs available to areas suffering economic loss as a result of a fuel shortage due to severe weather conditions, and for other purposes; jointly to the Committees on Public Works and Transportation, Small Business, and Banking, Finance, and Urban Affairs.

By Mr. HUCKABY:

H.R. 3661. A bill to repeal the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. HUCKABY (for himself, Mr. WAGGONNER, Mr. BREAUX, Mr. LONG of Louisiana, Mrs. BOGGS, Mr. TONRY, Mr. TREEN, and Mr. MOORE):

H.R. 3662. A bill granting the consent of Congress to the Mississippi-Louisiana bridge construction compact, to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 3663. A bill to amend the Consolidated Farm and Rural Development Act for the purpose of making family-owned corporations and partnerships eligible for assistance with respect to real estate and operating loans under such act; to the Committee on Agriculture.

By Mr. KEMP (for himself, Mr. MOORHEAD of Pennsylvania, Mr. ASHLEY, Mr. BROWN of Ohio, Mr. DAN DANIEL, Mr. DENT, Mr. DERWINSKI, Mr. DEVINE, Mr. EDWARDS of Oklahoma, Mr. FLIPPO, Mr. GUYER, Mr. HARSHA, Mr. HYDE, Mr. KINDNESS, Mr. MOLLOHAN, Mr. MOORHEAD of California, Mr. MURTHA, Mr. NEAL, Mr. PRICE, Mr. QUILLEN, Mr. REGULA, Mr. RUDD, Mr. SYMMS, Mr. VANDER JAGT and Mr. WALSH):

H.R. 3664. A bill to exempt sales by small producers of certain natural gas from regula-

tion of the Federal Power Commission and from the requirement of certificates of public convenience and necessity of section 7(c) of the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP (for himself, Mr. MOORHEAD of Pennsylvania, Mr. DUNCAN of Tennessee, Mr. LOTT, Mr. MADIGAN, Mr. MURPHY of Pennsylvania, Mr. PERKINS, Mr. PREYER, and Mr. YATRON):

H.R. 3665. A bill to exempt sales by small producers of certain natural gas from regulation of the Federal Power Commission and from the requirement of certificates of public convenience and necessity of section 7(c) of the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP (for himself and Mr. NOWAK):

H.R. 3666. A bill to amend the worker adjustment assistance provisions of the Trade Act of 1974 in order to provide that workers may be covered under certification of eligibility to apply for such assistance if they are totally or partially separated from adversely affected employment within 2 years before the date of the petition for such certification; to the Committee on Ways and Means.

By Mrs. KEYS:

H.R. 3667. A bill to amend title XVIII of the Social Security Act to provide payment for rural health clinic services; jointly to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. KOCH:

H.R. 3668. A bill to provide for payments in lieu of taxes to local governments by the Administrator of General Services based upon the amount of certain tax-exempt property owned by the United States and foreign governments within such locality; to the Committee on Government Operations.

By Mr. KRUEGER (for himself, Mr. BROWN of Ohio, Mr. O'BRIEN, Mr. BARNARD, Mr. PREYER, Mr. ANDREWS of North Dakota, Mr. KASTEN, Mr. BREAUX, Mr. ANDERSON of Illinois, Mr. CHAPPELL, Mr. HIGHTOWER, Mr. FORSYTHE, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, Mr. HOLLAND, Mr. JONES of Oklahoma, Mr. EMERY, Mr. GIAIMO, Mr. HANSEN, Mr. MARTIN, Mr. GAMMAGE, and Mr. TREEN):

H.R. 3669. A bill to assure the availability of adequate supplies of natural gas at reasonable prices for consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. LLOYD of Tennessee:

H.R. 3670. A bill to amend the Home Owners' Loan Act of 1933 respecting secured loans upon single-family dwellings; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. LOTT:

H.R. 3671. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 3672. A bill to amend the "Railroad Revitalization and Regulatory Reform Act of 1976" and the "Regional Rail Reorganization Act of 1973"; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIS (for himself, Mr. POAGE, and Mr. MOORE):

H.R. 3673. A bill to require that imported palm oil and palm oil products made in whole or in part of imported palm oil be labeled, to provide for the inspection of imported palm oil and palm oil products, to require that imported palm oil and palm oil products comply with certain minimum standards of sanitation, and for other purposes; to the Committee on Agriculture.

H.R. 3674. A bill to amend the Tariff Schedules of the United States with respect to the rates of duty for palm oil; to the Committee on Ways and Means.

By Mr. MIKVA (for himself, Mr. DOWNEY, Mr. ROSENTHAL, and Mr. SCHEUER):

H.R. 3675. A bill to establish a system of local control over airport noise problems; to the Committee on Public Works and Transportation.

By Mr. MIKVA (for himself, Mr. BEDELL, Mr. COHEN, Mr. COTTER, and Mrs. FENWICK):

H.R. 3676. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to defer a portion of his income tax based upon the amount of certain expenses paid or incurred by him in connection with the education or training at an institution of higher education or a vocational school of the taxpayer, his spouse, or any dependent; to the Committee on Ways and Means.

By Miss OAKAR:

H.R. 3677. A bill to encourage localities to develop strategies and to use available Federal assistance for the preservation of neighborhoods, and the reclamation of existing housing stock; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PATTEN:

H.R. 3678. A bill to amend the Federal Water Pollution Control Act to provide for additional authorizations, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. PEPPER:

H.R. 3679. A bill to amend the Railroad Retirement Act of 1974 with respect to the annuities payable under such act to the widows of retired railroad employees; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS (for himself, Mr. PHILLIP BURTON, Mr. GAYDOS, Mr. MOTTL, Mr. HEFTEL, Mr. KILDEE, Mr. DRINAN, Mr. SARASIN, Mr. BRODHEAD, Mr. MOAKLEY, Mr. DE LA GARZA, Mr. BOWEN, Mr. DUNCAN of Tennessee, Mr. WON PAT, Mr. ROYBAL, Mr. HANNAFORD, Mr. GLICKMAN, Mr. TRIBLE, Mr. PATTEN, Mr. PREYER, Ms. BOGGS, Mr. MITCHELL of Maryland, Mr. PURSELL, and Mr. BAUCUS):

H.R. 3680. A bill to authorize a career education program for elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. MOLLOHAN, Mr. CARNEY, Mr. RODINO, Mr. DELLUMS, Mr. ROSE, Ms. SPELLMAN, Mr. MAZZOLI, Mr. SCHEUER, Mr. OTTINGER, Mr. STOKES, Mr. MOORHEAD of Pennsylvania, Mr. RICHMOND, Mr. MURPHY of New York, Mr. ABDNOR, Mr. PEPPER, Ms. MEYNER, Mr. LOTT, Mr. MOFFETT, Mr. CLAY, Mr. AKAKA, Mr. LE FANTE, Mr. LUNDINE, Mr. MURPHY of Pennsylvania, and Mr. FRASER):

H.R. 3681. A bill to authorize a career education program for elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

By Mr. PERKINS (for himself, Mr. PHILLIP BURTON, Mr. HAWKINS, Mr. PRESSLER, Mr. LE FANTE, Mr. MURPHY of Pennsylvania, and Mr. CORNELL):

H.R. 3682. A bill to make certain technical and miscellaneous amendments to provisions relating to vocational education contained in the Education Amendments of 1976; to the Committee on Education and Labor.

By Mr. QUIE:

H.R. 3683. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for regular physical examinations; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. RAHALL:

H.R. 3684. A bill to provide for judicial review of administrative determinations made by the Administrator of the Veterans' Administration; to apply the provisions of chapter 5 of title 5, United States Code, to the rules, regulations, and orders of the Veterans' Administration; to provide for the use of a reasonable fee for attorneys in rendering legal assistance to veterans with claims before the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RODINO:

H.R. 3685. A bill to provide for the appointment of additional judgeships for the U.S. district courts and courts of appeals, and for other purposes; to the Committee on the Judiciary.

By Mr. RODINO (for himself, Mr. EILBERG, Mr. FLOWERS, Ms. HOLTZMAN, Mr. DRINAN, Mr. MAZZOLI, Mr. FISH, Mr. BLANCHARD, Mr. BADILLO, Mr. CARNEY, Mr. FRASER, Mr. LEHMAN, Mr. MIKVA, Mr. NOLAN, Mr. OBERSTAR, Mr. PATTEN, and Mr. TSONGAS):

H.R. 3686. A bill to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 3687. A bill to amend the Immigration and Nationality Act to exclude from admission into and to deport from the United States all aliens who persecuted others on the basis of religion, race, or national origin under the direction of the Nazi Government of Germany; to the Committee on the Judiciary.

H.R. 3688. A bill to provide that the amendments to section 121 of the Internal Revenue Code of 1954 increasing from $20,000 to $35,000 the amount to which the adjusted sales price of a residence of an individual over age 65 is compared shall apply to taxable years beginning after December 31, 1975; to the Committee on Ways and Means.

By Mr. ROE (for himself and Mr. APPLEGATE):

H.R. 3689. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976; to the Committee on Public Works and Transportation.

By Mr. ROE (for himself and Mr. PEASE):

H.R. 3690. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. ROGERS:

H.R. 3691. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; jointly to the Committees on Merchant Marine and Fisheries, and Public Works and Transportation.

By Mr. ST GERMAIN (for himself, Mr. REUSS, Mr. WYLIE, Mr. ZEFERETTI, Mr. RANGEL, Mr. TSONGAS, Mr. ANNUNZIO, Mr. SIMON, Mr. MOAKLEY, Mr. DELLUMS, Mr. RODINO, Mr. MILLER of California, Mr. BOLLING, Mr. WEAVER, Mr. METCALFE, Mr. HARRINGTON, Mr. MOORHEAD of Pennsylvania, Mr. JEFFORDS, Mr. BROWN of

California, Mr. SCHEUER, Mr. EDGAR, Mr. BADILLO, Mr. LLOYD of California, Mrs. BOGGS, and Mr. BEARD of Rhode Island):

H.R. 3692. A bill to provide for consumers a further means of minimizing the impact of inflation and economic depression by narrowing the price spread between costs to the producer and the consumer of needed goods, services, facilities, and commodities through the development and funding of specialized credit sources for, and technical assistance to, self-help, not-for-profit cooperatives, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ST GERMAIN (for himself, Mr. MINISH, Mr. CONYERS, Mr. JOHN L. BURTON, Mr. MCHUGH, Mr. OTTINGER, Mr. MIKVA, Mr. MITCHELL of Maryland, Mr. MAZZOLI, Mr. WAXMAN, Mr. LAFALCE, Mr. ROYBAL, Mr. FRASER, Mr. HANNAFORD, Mr. DODD, Mr. KASTENMEIER, Mr. SEIBERLING, Mr. VENTO, Mrs. SPELLMAN, Mr. MCKINNEY, Mr. DRINAN, Mr. BALDUS, Mr. DERRICK, Mr. DIGGS, and Mr. HUBBARD):

H.R. 3693. A bill to provide for consumers a further means of minimizing the impact of inflation and economic depression by narrowing the price spread between costs to the producer and the consumer of needed goods, services, facilities, and commodities through the development and funding of specialized credit sources for, and technical assistance to, self-help, not-for-profit cooperatives, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ST GERMAIN (for himself, Mr. D'AMOURS, Mr. ROSENTHAL, Mr. LEHMAN, Mr. CORRADA, Mr. GEPHARDT, Mr. FAUNTROY, Mr. BLANCHARD, Mr. ALLEN, Mr. UDALL, Mr. OBERSTAR, Mr. MAGUIRE, Mr. HAWKINS, Mr. HARKIN, Mr. BAUCUS, Mr. EDWARDS of California, Mrs. MEYNER, Mr. STEERS, Ms. CHISHOLM, and Mr. RICHMOND):

H.R. 3694. A bill to provide for consumers a further means of minimizing the impact of inflation and economic depression by narrowing the price spread between costs to the producer and the consumer of needed goods, services, facilities, and commodities through the development and funding of specialized credit sources for, and technical assistance to, self-help, not-for-profit cooperatives, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SATTERFIELD (for himself and Mr. HAMMERSCHMIDT):

H.R. 3695. A bill to amend title 38 of the United States Code in order to revise and improve the program of making grants to the States for the construction, remodeling, or renovation of State home facilities for furnishing hospital, domiciliary, and nursing home care for eligible veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 3696. A bill to amend title 38 of the United States Code to clarify the requirement that medical services be provided by the Veterans' Administration in certain cases; to the Committee on Veterans' Affairs.

By Mr. SISK (for himself, Mr. ANDERSON of California, Mr. BURGENER, Mr. CARTER, Mrs. CHISHOLM, Mrs. COLLINS of Illinois, Mr. DANIELSON, Mr. DE LA GARZA, Mr. KETCHUM, Mr. KREBS, Mr. LAGOMARSINO, Mr. MAGUIRE, Mr. MOSS, Mr. MURPHY of New York, Mr. RANGEL, Mr. SCHEUER, Mr. SIMON, Mr. UDALL, Mr. VAN DEERLIN, Mr. WAXMAN, Mr. BOB WILSON, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.R. 3697. A bill to amend the Public Health Service Act to provide financial assistance to medical facilities for treatment of certain aliens; to the Committee on Interstate and Foreign Commerce.

By Mrs. SPELLMAN:

H.R. 3698. A bill to require that the allowance available to a teacher in a Department of Defense overseas dependents' school shall be provided without regard to the location at which the teacher was recruited; to the Committee on Post Office and Civil Service.

By Mrs. SPELLMAN (for herself, Mr. HARKIN, Mr. JENRETTE, Mr. KOCH, Mr. LE FANTE, Mr. MCKINNEY, Mr. MIKVA, Mr. MITCHELL of Maryland, Mr. OBEY, Mr. RUSSO, and Mr. STOKES):

H.R. 3699. A bill to amend the Public Health Service Act to provide health care services for pregnant adolescents before and after childbirth; to the Committee on Interstate and Foreign Commerce.

By Mr. STARK (for himself, Mr. JENRETTE, Mr. CORMAN, Mr. WEISS, Mrs. CHISHOLM, Mr. DOWNEY, Mrs. COLLINS of Illinois, Mr. BADILLO, Mr. FAUNTROY, Mrs. BURKE of California, Mr. STOKES, Mr. ROYBAL, Mr. MOAKLEY, Mr. MITCHELL of Maryland, Mr. HAWKINS, Mr. SCHEUER, Mr. FARY, and Mr. MOFFETT):

H.R. 3700. A bill to amend the Consumer Credit Protection Act to prohibit certain practices in the case of second mortgages which secure residential real property; to the Committee on Banking, Finance and Urban Affairs.

By Mr. STEIGER (for himself and Mr. CHARLES WILSON of Texas):

H.R. 3701. A bill to amend the Flood Disaster Protection Act of 1973 to make compliance with its provisions voluntary; to the Committee on Banking, Finance and Urban Affairs.

By Mr. STRATTON (for himself and Mr. BOB WILSON):

H.R. 3702. A bill to amend title 10, United States Code, to make certain changes in the Retired Serviceman's Family Protection Plan and the Survivor Benefit Plan as authorized by chapter 73 of that title, and for other purposes; to the Committee on Armed Services.

By Mr. THONE:

H.R. 3703. A bill to repeal the carryover basis provisions added by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. VANDER JAGT:

H.R. 3704. A bill to amend the Immigration and Nationality Act to facilitate the adoption of more than two children; to the Committee on the Judiciary.

H.R. 3705. A bill to amend the Internal Revenue Code of 1954 to allow taxpayers electing the standard deduction to take a separate deduction for charitable contributions and to allow low- and middle-income taxpayers a deduction of up to 200 percent of such contributions; to the Committee on Ways and Means.

By Mr. VENTO:

H.R. 3706. A bill to exercise the power of the Congress under article IV of the Constitution to declare the effect of certain State judicial proceedings respecting the custody of children; to the Committee on the Judiciary.

By Mr. WYDLER (for himself, Mr. AMBRO, Mr. DOWNEY, Mr. LENT, Mr. PIKE, and Mr. WOLFF):

H.R. 3707. A bill to amend section 112 of title 28 of the United States Code to divide the eastern judicial district of New York into two divisions; to the Committee on the Judiciary.

By Mr. FREY:

H.J. Res. 262. Joint resolution proposing an amendment to the Constitution of the United States to establish a procedure in addition to impeachment for the removal of judges of the Supreme Court of the United States whose conduct is or has been inconsistent with the good behavior required by article III, section 1, of the Constitution; to the Committee on the Judiciary.

By Mr. LAFALCE:

H.J. Res. 263. Joint resolution to provide for the designation of the second Sunday of each December as "Honor Thy Parents Day"; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.J. Res. 264. Joint resolution calling for an immediate moratorium on the killing of the eastern timber wolf; to the Committee on International Relations.

H.J. Res. 265. Joint resolution requesting the President to proclaim the second week of May as "Municipal Clerks' Week"; to the Committee on Post Office and Civil Service.

By Mr. FOLEY (for himself and Mr. WAMPLER):

H. Res. 298. Resolution to provide funds for the expenses of the investigations and studies to be conducted by the Committee on Agriculure; to the Committee on House Administration.

By Mr. FRENZEL (for himself, Mr. RHODES, Mr. MICHEL, Mr. ARMSTRONG, Mr. BAUMAN, and Mr. COUGHLIN):

H. Res. 299. Resolution to amend the Rules of the House of Representatives, and for other purposes; divided and referred as follows: title I, section 301, titles IV, V, and VI to the Committee on Rules; title II and section 303 to the Committee on Standards of Official Conduct; section 302 to the Committee on House Administration.

By Mr. MATHIS (for himself, Mr. POAGE, and Mr. MOORE):

H. Res. 300. Resolution expressing the sense of the House relative to foreign palm oil development loans; jointly to the Committees on Agriculture, and Banking, Finance and Urban Affairs.

H. Res. 301. Resolution expressing the sense of the House relative to a study by the Secretary of Agriculture on palm oil imports; jointly, to the Committees on Agriculture, and International Relations.

By Mr. SOLARZ:

H. Res. 302. Resolution to declare a "state of war", against the dreaded disease, Amyotrophic Lateral Sclerosis; to the Committee on Interstate and Foreign Commerce.

By Mr. THONE:

H. Res. 303. Resolution to insure that the quality and quantity of free broadcasting service not be impaired; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 3708. A bill for the relief of United Broadcasting Co. of Florida, Inc.; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 3709. A bill for the relief of Jack R. Misner; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 3710. A bill for the relief of Assad Barakat; to the Committee on the Judiciary.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

* All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the fourth calendar quarter 1976:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essental answers are printed, and are indicted by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Agricultural Trade Council, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Webb M. Alspaugh, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. American Mid-East Trade Association, c/o Mitchell, George & Belt, 315 Westgate Building, Austin, Tex. 78701.

A. Robert L. Anderson, John Deere Road, Moline, Ill. 61265.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.

A. Bache Halsey Stuart, Inc., 100 Gold Street, New York, N.Y. 10038.

A. Sydney Baron & Co., Inc., 540 Madison Avenue, New York, N.Y. 10022.

A. Delores P. Berry, Georgetown Station, P.O. Box 3554, Washington, D.C., 20007.
B. National Ecumenical Coalition, Georgetown Station, P.O. Box 3554, Washington, D.C. 20007.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. BlueRay Systems, Inc., 375 North Broadway, Jericho, N.Y. 11753.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. New England Power Co., 20 Turnpike Road, Westborough, Mass. 05181.

A. John L. Birkinbine, Jr., 222 South Prospect Avenue, Suite 130, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.

A. Helen Blank, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Parents Committee, Inc., 52 Vanderbilt Avenue, New York, N.Y. 10017.

A. Jack A. Blum, Suite 604, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Independent Gasoline Marketers Council, Inc., 1001 Connecticut Avenue NW., Suite 604, Washington, D.C. 20036.

A. Robert E. Bradford, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Shirle L. Brown, P.O. Box 2213, GPO, New York, N.Y. 10001.
B. SLB Enterprises, 250 West 43d Street, New York, N.Y. 10036.

A. William J. Burhop, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.

A. Jack Carpenter, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Charles S. Carter, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos'., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. Allen R. Caskie, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Citizens Watchdog Committee on Domestic and International Terrorism, 1316 Fenwick Lane, Suite 815, Silver Spring, Md. 20910.

A. Clark Oil & Refining Corp., 8530 West National Avenue, Milwaukee, Wis. 53227.

A. Wade P. Clarke, John Deere Road, Moline, Ill. 61265.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.

A. Contract Carrier Conference of American Trucking Associations, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

A. Janet R. Cooper, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Glass Dealers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Douglas Couttee, Active Ballot Club, Retail Clerk International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

A. Curtis, Mallet-Prevost, Colt & Mosle, 100 Wall Street, New York, N.Y. 10005.
B. United States Trust Company of New York, 45 Wall Street, New York, N.Y. 10005.

A. Daniel Davidson, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency (cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, and associate member Plumas-Sierra Rural Electric Cooperative).

A. Dennis N. Davis, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third-Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. Harley M. Dirks, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill., 60610.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Aberrant Behavior Center, 1250 Dallas Federal Savings Tower, Dallas, Tex. 75225.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Longfellow Corp., P.O. Box 4605, Midland, Tex. 79701.

A. Richard M. Donaldson, 1735 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. Robert H. Doyle, 1120 Connecticut Avenue, NW., No. 316, Washington, D.C. 20036.
B. Water Quality Association, 437 East Butterfield Road, Lombard, Ill. 60148.

A. Daniel J. Edlman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. EMI Medical, Inc., 3605 Woodhead Drive, Northbrook, Ill. 60062.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. The Confederated Tribes of Warm Springs, Warm Springs, Oreg. 97761.

A. Thomas Elwood, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

A. Glenn R. Erickson, SMACNA, 8224 Old Courthouse Road; Tysons Corner, Vienna, Va. 22180.
B. Sheet Metal and Air Conditioning Contractors' National Association, Inc., 8224 Old Courthouse Road, Tysons Corner, Vienna, 22180.

A. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38130.

A. Edward T. Fergus c/o Bache Halsey Stuart, Inc., 100 Gold Street, New York, N.Y. 10038.
B. Bache Halsey Stuart, Inc., 100 Gold Street, New York, N.Y. 10038.

A. Bernard A. Feuerstein, 65 Brewster Road, Scarsdale, N.Y. 10583.
B. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017.

A. Charles D. Fleishman, 20 North Wacker Drive, Chicago, Ill. 60606.
B. American Fishing Tackle Manufacturers Association, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Robert J. Flynn, 8150 Lakecrest Drive, (Apt. 807), Greenbelt, Md. 20770.
B. Citizens' Band Exchange, Inc. (CBX), 1100 17th Street NW., Suite, 1000, Washington, D.C. 20036.

A. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Fourth Pro-Life Congressional District Action Committee, c/o Nancy C. Spurgeon, Box No. 38, Route 2, Vinemont, Ala. 35179.

A. Robert D. Gahagen, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Thomas Joseph Gaye, 1612 K Street NW., Washington, D.C. 20006.
G. Ferroalloys Association, 1612 K Street NW., Washington, D.C. 20006.

A. Michael E. Goldman, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union,

Suite 1101, 1730 K Street NW., Washington, D.C. 20006.

A. Jerry Guth, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Suite 400, Washington, D.C. 20006.
E. Central Bank for Cooperatives & Associated District Banks, P.O. Box 17389, Denver, Colo. 80217.

A. Lee C. Hanson, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Arthur Harding, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Richard L. Healy, American Society for Medical Technology, 1725 DeSales Street, NW., Washington, D.C. 20036.
B. American Society for Medical Technology, Suite 200, 5555 West Loop South, Bellaire, Tex. 77401.

A. Robert B. Heiney, Box 627 LOW, Locust Grove, Va., 22508.
B. Gerber Products Co., Fremont, Mich.

A. John P. Helm, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. William E. Hibbs, 4515 Willard Avenue, 1918 South, Chevy Chase, Md. 20015.
B. The National Ecumenical Coalition, Georgetown Station, P.O. Box 3554, Washington, D.C. 20007.

A. Richard C. Holmquist, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Belinda Lea Hudnall, 1880 Columbia Road NW., Washington, D.C. 20009.
B. The Appalachian Coalition, P.O. Box 147, Jenkins, Ky. 41537.

A. International Environmental Education Services, Inc., 1520 Gridley Lane, Silver Spring, Md. 20902.

A. Glenn F. Jackson, 325 Pennsylvania Avenue SE., Washington, D.C.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C.

A. E. A. Jaenke, 1735 I Street NW., Washington, D.C. 20006.
B. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.

A. Charles E. Joeckel, Jr., Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

A. Calvin P. Johnson, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Glidden-Durkee, Division of SCM Corp., 900 Union Commerce Building, Cleveland, Ohio 44115.

A. James V. Jordan III, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. Charles W. Karcher, 1735 Midland Building, Cleveland, Ohio 44115.
B. Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland Ohio 44115.

A. Linda E. Katz, 2745 29th Street NW., Washington, D.C. 20008.
B. Chicago, Rock Island & Pacific Railroad Co., La Salle Street Station, Chicago, Ill. 60605.

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B. American Collectors Association, 4040 West 70th Street, Minneapolis, Minn 55435.

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B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

A. Nick L. Laird, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

A. Edwin E. Lamb, P.O. Box 9902, Riviera Beach, Fla. 33404.
B. Americans for the National Dividend, Inc., P.O. Box 9902, Riviera Beach, Fla. 33404.

A. Rick C. Lavis, 1775 K Street NW., Suite 310, Washington, D.C. 20006.
B. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001; El Paso Alaska Co., Pouch 7009, Anchorage, Alaska 99510.

A. Maureen Clancy Lindsey, 1016 16th Street NW., Washington, D.C. 20036.
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A. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.

A. Robert W. Long, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Buddy L. Mawyer, 8224 Old Courthouse Road, Tysons Corner, Vienna, Va. 22180.
B. Sheet Metal and Air Conditioning Contractors' National Association, Inc., 8224 Old Courthouse Road, Tysons Corner, Vienna, Va. 22180.

A. McCollister, Belcher, McCleary, Fazio, Mixon, Holliday & Jones, 2506 Virginia Avenue NW., Washington, D.C. 20037.
B. Aetna Life and Casualty, 151 Farmington Avenue, Hartford, Conn. 06115.

A. McCollister, Belcher, McCleary, Fazio, Mixon, Holliday & Jones, 2506 Virginia Avenue NW., Washington, D.C. 20037.
B. Insurance Association of Connecticut, 60 Washington Street, Suite 1304, Hartford, Conn. 06106.

A. McCollister, Belcher, McCleary, Fazio, Mixon, Holliday & Jones, 2506 Virginia Avenue NW., Washington, D.C. 20037.
B. Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.

A. McCollister, Belcher, McCleary, Fazio, Mixon, Holliday & Jones, 2506 Virginia Avenue NW., Washington, D.C. 20037.
B. Organization for the Management of Alaska's Resources, Inc., Box 516, Anchorage, Alaska 99510.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Big Prairie Farms, Inc., c/o J. J. White, 100 State Street, Beardstown, Ill. 62618.

A. McDermott, Will & Emery, 111 West Monroe Street, Chicago, Ill. 60603.

A. Mitchell, George & Belt, 315 Westgate Building, Austin, Tex. 78701.
B. American Mid-East Trade Association, c/o Mitchell, George and Belt, 315 Westgate Building, Austin, Tex. 78701.

A. Mitchell, George & Belt, 315 Westgate Bulding, Austin, Tex. 78701.
B. Texas Association of Citizens for Local Land Control, 9219 Katy Freeway, Suite 112, Houston, Tex. 77024.

A. Marian E. Moe, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Stree SE., Washington, D.C. 20003.

A. John C. Monsul, 4601 North Park Avenue, Chevy Chase, Md. 20015.

A. Sol Mosher, Crown Zellerbach, 1160 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. Robert J. Mullins, P.O. Box 39251, Denver, Colo.
B. Farmers' Educational & Cooperative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.

A. Claude J. Murphy, 208 South LaSalle, Suite 683, Chicago, Ill. 60604.

A. The National Ecumenical Coalition, Georgetown Station/P.O. Box 3554, Washington, D.C. 20007.

A. National Utility Contractors Association, 815 15th Street NW., Washington, D.C. 20005.

A. Louis James Nelson III, N.A.M., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Peter J. T. Nelsen, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Agricultural Trade Council, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Peter J. T. Nelsen, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Special Committee for Free Trade, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Julia J. Norrell, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

A. Northeast Utilities Service Co., Selden Street, Berlin, Conn.

A. O'Conner & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Hennepin County, 2300 Government Center, Minneapolis, Minn. 55487.

A. James G. O'Hara, 1200 17th Street NW., Washington, D.C. 20036.
B. General Motors Corp., 1660 L Street NW., Washington, D.C.

A. Cordell J. Overgaard, 1 First National Plaza, Chicago, Ill 60602.
B. Big Prairie Farms Inc., c/o J. J. White, 100 State Street, Beardstown, Ill. 62618.

A. James M. Peirce, Jr., 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

Susan Perry, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.

A. Daniel B. Priest, 1717 K Street NW., Washington, D.C. 20036.
B. Harshe-Rotman & Druck, Inc., 1717 K Street NW., Washintgon, D.C. 20036.

A. Pro-life Congressional District Action Committee, Seventh District, P.O. Box 204, Moundville, Ala. 35474.

A. J. Gene Raymond, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Gary Allen Reber, International Development Services, P.O. Box 5758 Walnut Creek Calif. 94586.
B. Home Still, Inc., Bismarck, N. Dak.; Distilled Water Corp, Walnut Creek, Calif.

A. Jane E. Redicker, 1028 Connecticut Avenue NW., Washington, D.C. 20036,
B. Agricultural Trade Council, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Rental Industries, 160 Central Park South, New York, N.Y.

A. Russell W. Richardson, Lear Siegler, Inc., Suite 1002, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Lear Siegler, Inc., Aerospace/Electronics Group, 3171 South Bundy Drive, Santa Monica, Calif. 90406.

A. Richard D. Ridegway, 6730 South Shore Drve, Chicago, Ill. 60649.

A. E. Philip Riggin, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

A. William C. Rountree, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. Whitfield A. Russell, 2600 Virginia Avenue, NW., Washington, D.C. 20037.
B. Northern California Power Agency (cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, and associate member Plumas-Sierra Electric Cooperative).

A. Allan Schimmel, 639 South Carolina Avenue SE., Washington, D.C. 20003.
B. Consolidated Rail Corp., P.O. Box 23451, L'Enfant Plaza Station, Washington, D.C. 20424.

A. Barbara J. Shailor, 1851 Columbia Road NW., Washington, D.C. 20009.
B. Energy Action Committee, 1523 L Street NW., Washington, D.C. 20005.

A. Ann K. H. Simon, Verner, Liipfert, Bernhard, McPherson & Alexander, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Commonwealth of Puerto Rico, La Fortaleza, San Juan, P.R. 00902.

A. Stanley C. Simon, Simon, Twombly & Held, 2 Turtle Creek Village, Dallas, Tex. 75219.
B. Southland Corp., 2828 North Haskell Avenue, Dallas, Tex. 75204.

A. Allan F. Small, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employes, 1016 16th Street NW., Washington, D.C. 20036.

A. Julius Pariser Sommer, 89–31 161st Street, Suite 301, Jamaica Queens, N.Y. 11432.
B. Federation of the Italian-American Democratic Organization of the N.Y.S., Inc., 89–31, 161st Street, Suite 301, Jamaica, Queens, N.Y. 11432.

A. Charles E. Spahr, 1750 Midland Building, Cleveland, Ohio 44115.
B. Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. Special Committee for Free Trade, 1028 Connecticut Avenue NW., Washington, D.C.

A. George Spiegel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency (Cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah and Associate Member Plumas-Sierra Rural Electric Cooperative).

A. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Walter M. Starke, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. Stroock & Stroock & Lavan, 1100 Connecticut Avenue NW., Suite 1110, Washington, D.C. 20036.
B. J. Aron & Co., Inc., 160 Water Street, New York, N.Y. 10030.

A. Eugene F. Sturgeon, 182 Crater Lane, Kensington, Conn.
B. Northeast Utilities Service Co., Selden Street, Berlin, Conn.

A. Susman, Stern, Heifetz, Lurie & Sheehan, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105 and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Midland Enterprises, Inc., 1400 580 Building, Cincinnati, Ohio 45202.

A. Susman, Stern, Heifetz, Lurie & Sheehan, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105 and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Valley Line Co., 120 South Central, Clayton, Mo. 63105.

A. Frank A. Taylor, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Texas Association of Citizens for Local Land Control, 9219 Katy Freeway, Suite 112, Houston, Tex. 77024.

A. Wayne Thevenot, 1800 M Street NW., Suite 375, Washington, D.C. 20036.
B. Kelso & Co., Inc., 111 Pine Street, San Francisco, Calif. 94111.

A. Third Congressional District Pro-Life Action Committee, 509 Hillyer High Road, Anniston, Ala. 36201.

A. Grace F. Thorpe, P.O. Box 942, Tahlequah, Okla. 74464.

A. George Tilton, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., 1016 16th Street, NW., Washington, D.C. 20036.

A. Gerald C. Tobin, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. Voice in the Wilderness, c/o Fred L. Maxwell, 2035 West Central Boulevard, Orlando, Fla. 32805.

A. Victoria J. Wagner, Georgetown Station, P.O. Box 3554, Washington, D.C. 20007.
B. National Ecumenical Coalition, Georgetown Station, P.O. Box 3554, Washington, D.C. 20007.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. Chemtex Fibers, Inc., 850 Third Avenue, New York, N.Y. 10022.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours, Wilmington, Del. 19898.

A. Nancy E. Ware, 4515 Willard Avenue, 1918 South, Chevy Chase, Md. 20015.
B. National Ecumenical Coalition, Georgetown Station, P.O. Box 3554, Washington, D.C. 20007.

A. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.

A. Dennis W. Weissman, American Society for Medical Technology, 1725 DeSales Street NW., Washington, D.C. 20036.
B. American Society for Medical Technology, Suite 200, 5555 West Loop South, Bellaire, Tex. 77401.

A. William Weitzen, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036. (For Aerospatiale, 37 Blvd de Montmorency, 75016 Paris, France).

A. Linzee Weld, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N.Y. 10022.

A. Alton W. Whitehouse, Jr., 1750 Midland Building, Cleveland, Ohio 44115.
B. Standard Oil Co (an Ohio Corporation), Midland Building, Cleveland, Ohio 44115.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Arthur Andersen Co., 1666 K Street NW., Washington, D.C. 20006.

A. William & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Superior Oil Co., First City National Bank Building, Houston, Tex. 77002.

A. Lucinda L. Williams, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.

A. Wade S. Williams, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of CPAs, 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Peters D. Willson, Apt. 309, 2147 O Street NW., Washington, D.C. 20037.
B. Zero Population Growth, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Morgan Guaranty Trust Co., 23 Wall Street, New York, N.Y. 10005.

A. Winston P. Wilson, 523 N. Forrest Street, Forrest City, Ark. 72335.
B. Northrop Corp., 1701 Fort Myer Drive, Suite 1208, Arlington, Va.

A. Marcia E. Winslow, 4515 Willard Avenue, 1918 South, Chevy Chase, Md. 20015.
B. National Ecumenical Coalition, Georgetown Station/Post Office Box 3554, Washington, D.C. 20007.

A. Frank R. Wolf, 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.
B. Gerber Products Co., Fremont, Mich.

A. John Yarmola, Seafarers International Union of North America, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
B. Seafarers International Union.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036; American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036; St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

A. Frances Zwenig, 133 C Street SE, Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the fourth calendar quarter 1976:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e.g., salary, fee, etc.)

6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year

8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C. 20037.
E. (9) $41.97.

A. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Ad Hoc Committee for Competitive Telecommunications, 520 North Capitol Street No. 800, Washington, D.C. 20001.
D. (6) $99,760. E. (9) $43,065.

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,999.96.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $10,326.29. E. (9) $10,326.29.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,800. E. (9) $3,502.06.

A. Donald G. Agger, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc. 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37, Boulevard de Montmorency, 75016 Paris, France).
D. (6) $91.36.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (6) $1,936.40.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $10,582.57. E. (9) $10,532.57.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $750. E. (9) $226.57.

A. John N. Ake, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Gibbs Oil Co., 40 Lee Burbank Highway, Revere, Mass. 02151.
D. (6) $3,000.

A. Akin Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C.
B. Society of Independent Gasoline Marketers of America (SIGMA), 230 South Bemiston Street, St. Louis, Mo.
D. (6) $7,500.

A. Alcalde, Henderson, O'Bannon & Kline, Ltd., 1911 North Fort Myer Drive, No. 1207, Rosslyn, Va. 22209.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla. 33622.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Kline, Ltd., 1911 North Fort Myer Drive, No. 1207, Rosslyn, Va. 22209.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson, O'Bannon & Kline, Ltd., 1911 North Fort Myer Drive, No. 1207, Rosslyn, Va. 22209.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. Hormel Foundation, Austin, Minn. 55912.

A. Willis Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,875. E. (9) $3,422.68.

A. Roger D. Allan, 1957 D Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Maxton Allcox, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $5,625.

A. Anne Genevieve Allen, International Airport, Los Angeles, Calif. 90009.
B. Rockwell International, B–1 Division, International Airport, Los Angeles, Calif. 90009.
D. (6) $120.22. E. (9) $227.98.

A. John Allen, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $300. E. (9) $20.

A. Webb M. Alspaugh, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $750. E. (9) $650.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Aircraft Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $1,120. E. (9) $463.02.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue, NW., Washington, 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue, NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $1,050.23. E. (9) $1,050.23.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $488.23. E. (9) $101.37.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,560.18. E. (9) $5,560.18.

A. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,630.83. E. (9) $1,630.83.

A. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $911.

A. American Dental Association, 211 E. Chicago Avenue, Chicago, Ill. 60611.
D. (6) $7,652.68. E. (9) $7,652.68.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $47,528. E. (9) $47,528.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $83,920.88.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209
D. (6) $300. E. (9) $300.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $61,621.25. E. (9) $550.

A. American Honey Producers Association, P.O. Box 368, Minco, Okla. 73059.
D. (6) $5,475. E. (9) $6,739.54.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $7,970.48. E. (9) $4,887.36.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $44,208.13. E. (9) $44,208.13.

A. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
E. (9) $3,087.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $4,885.70. E. (9) $2,934.26.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,398.75. E. (9) $21,333.14.

A. American Mid-East Trade Association, 315 Westgate Building, Austin, Tex. 78701.
D. (6) $9,900. E. (9) $7,229.02.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $6,865.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
E. (9) $4,000.

A. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $877.82. E. (9) $2,420.50.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $1,553.68. E. (9) $1,553.68.

A. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $1,866.90. E. (9) $1,866.90.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,616.45. E. (9) $6,626.16.

A. American Petroleum Institute, 2101 L Street, Washington, D.C. 20037.
D. (6) $6,950. E. (9) $43,337.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $7,689.73. E. (9) $7,689.73.

A. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
E. (9) $8,985.83.

A. American Postal Workers Union AFL–CIO, 817 14th Street NW., Washington, D.C. 20002.
D. (6) $2,105,302.61. E. (9) $129,523.92.

A. American Public Transit Association, 1100 17th Street NW.,Washington, D.C. 20036.
D. (6) $4,657.06. E. (9) $4,657.06.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $804.48. E. (9) $804.48.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers and Forwarders Association of America, Inc., 1 World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $244.69. E. (9) $92.30.

A. American Textile Manufacturer Institute, Inc., Wachovia Center, 400 South Tryon Street., Charlotte, N.C. 28285.
D. (6) $25,045.81. E. (9) $25,045.81.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $53,276.76.

A. American Veterinary Medical Association, 1522 K Street NW., Suite No. 828, Washington, D.C. 20005.

A. Anthony L. Anderson, Sun Co., Inc., Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $5,000. E. (9) $1,175.

A. C. Ann Anderson, Suite 1009, Connecticut Building, 1150 Connecticut Avenue, NW., Washington, D.C. 20036.
B. NL Industries Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $1,000.

A. John L. Anderson, 400 First Street, NW., Washington, D.C. 20001.
B. Time Inc., Rockefeller Center, New York, N.Y. 10020.
D. (6) $2,000. E. (9) $500.

A. Wm. C. Anderson, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street, NW. Washington, D.C. 20036.
E. (9) $5.

A. Scott P. Anger, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Enserch Corp., 301 South Hardwood, Dallas, Tex. 75201.
D. (6) $200. E. (9) $116.55.

A. J. Donald Annett, 1050 17th Street NW., No. 500, Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $100.

A. APA Co., 400 First Street NW., Washington, D.C. 20001.
B. University of Health Sciences, Chicago Medical School, 2020 West Ogden Avenue, Chicago, Ill. 60612.
D. (6) $750.

A. Appalachian Hardwood Manufacturers, Inc., 164 South Main Street, NCNB Building, Room 408, High Point, N.C. 27260.

A. Leonard Appel, Wilson, Woods, Villalon & Hollengreen, 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., P.O. Box 1478 Hewitt Avenue Marine Terminal, Everett, Wash. 98206.
E. (9) $408.35.

A. Clarence A. Arata, 1129 20th Street NW., Washington, D.C. 20036.
B. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $3,750.

A. John Christian Archer, 1730 Rhode Island Avenue NW., Suite 213, Washington, D.C. 20036.
B. Brown & Root, Inc., 1730 Rhode Island Avenue NW., Suite 213, Washington, D.C. 20036.
D. (6) $1,800. E. (9) $197.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Greeting Card Publishers, Meridian Building, 170 Mason Street, Greenwich, Conn. 06830.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1106 16th Street NW., Washington, D.C. 20036.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Howard Arnett, Pacific Power & Light Co., 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $1,140. E. (9) $663.70.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,833.34.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $1,250. E. (9) $157.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refining Co., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $1,250. E. (9) $157.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $875. E. (9) $41.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Council on Atmospheric Sciences, c/o Ralph Engel, Chemical Specialties Manufacturing Association, Inc., 1001 Connecticut Avenue, Washington, D.C. 20036.
D. (6) $6,673. E. (9) $89.

A. Jean Arthurs, 4023 25th Road, Arlington, Va. 22207.
B. Society of Military Widows, Box 254, Coronado, Calif. 92118.
D. (6) $600.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Employers, Inc., 6009 Rittiman Plaza, San Antonio, Tex. 78218.

A. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Third-Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $200.

A. Association of American Publishers, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $4,733.70. E. (9) $4,733.70.

A. Association of American Railroads, American Railroads Building (Room 211), 1920 L Street NW., Washington, D.C. 20036.
D. (6) $1,418.57. E. (9) $1,418.57.

A. Association of Data Processing Service Organizations, 210 Summit Avenue, Montvale, N.J. 07645.
D. (6) $8,939. E. (9) $502.50.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C.
D. (6) $2,750. E. (9) $4,300.

A. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.
D. (6) $3,400. E. (9) $3,400.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $500.

A. Fritz E. Attaway, 1600 I Street NW., Washington, D.C. 20006.
8. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Robert L. Augenblick, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Virgina, 22101.
D. (6) $2,200. E. (9) $2,191.16.

A. Richard W. Averill, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $920. E. (9) $396.

A. Craig H. Baab, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $600. E. (9) $100.

A. Donald L. Badders, TRW Credit Data, 5565 Sterrett Place, Suite 527, Columbia, Md. 21044.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90802.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. William W. Bailey, 1700 Pennsylvania Avenue N.W., Washington, D.C. 20006.
B. Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C., 20006.
D. (6) $3,000. E. (9) $43.45.

A. David L. Baird, Jr., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $33.15.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Girl Fashions, Inc., 128 Office Plaza, 220 Forbes Road, Braintree, Mass. 02184.
E. (9) $107.32.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Bernie Shoe Co., 70 Washington Street, Haverhill, Mass. 01830.
E. (9) $107.32.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Bibb Co., P.O. Box 4207, Macon, Ga. 31208.
E. (9) $1,750.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Boston Co., 1 Boston Place, Boston, Mass. 02106.
D. (6) $7,102.99. E. (9) $599.90.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. John Swenson Granite Co., Inc., Concord, N.H. 03301.
E. (9) $107.32.

A. Baker & McKenzie, 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Jos. Weiss & Sons, Inc., 930 Jamaica Avenue, Brooklyn, N.Y. 10208.
E. (9) $107.32.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Magnatex Corp., 620 Commercial Bank Tower, Midland, Tex. 79701.
D. (6) $19,872.41. E. (9) $808.15.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Welpro, Inc., New Zealand Road, Seabrook, N.H. 03874.
E. (9) $107.32.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Donald Baldwin, Donald Baldwin Associates, Suite 906, 1625 I Street NW., Washington, D.C. 20006.
B. American Electric Power Co., 2 Broadway, New York, N.Y. 10004.
D. (6) $4,130.30.

A. Markham Ball, Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer (for Cooperative for American Relief Everywhere, Inc.), 600 First Avenue, New York, N.Y.

A. Thomas H. Barksdale, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,837.50. (9) $189.75.

A. Sydney Baron & Company, Inc., 540 Madison Avenue, New York, N.Y. 10022.
E. (9) $4,500.

A. Richard L. Barr, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.

A. Robert W. Barrie, General Electric Co., 777 14th Street, NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. David S. Barrows, 214 Century Building, Portland, Oregon 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $306.93

A. William M. Bates, Public Relations, Inc., 814 Carnegie Building, Atlanta, Ga. 30303.
B. Georgia Farm Bureau Federation.
D. (6) $4,500. E. (9) $682.67.

A. Laurie C. Battle, 1709 New York Avenue, NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,912.50.

A. John F. Battles, Massachusetts Petroleum Council, 11 Beacon Street, Boston, Mass.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Gary Lee Bauer, 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. DMMA, 1730 K Street NW., Suite 905, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $1,565.

A. Richard H. Bauer, 1025 Connectict Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $295.27.

A. John N. Bauman, 312 Barr Building, 910 17th Street NW., Washington, D.C. 20006.
B. White Consolidated Industries, Inc., 11770 Berea Road, Ceveland, Ohio 44111.
D. (6) $5,000. E. (9) $372.74.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24011.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.
D. (6) $278.80. E. (9) $527.50.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.
B. GPU Service Corp., 260 Cherry Hill Road, Parsippany, N.J. 07054.
D. (6) $416.74. E. (9) $343.53.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $2,186.89.

A. Christine T. Beatty, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $2,250. (9) $73.24.

A. Allison Beck, 113 Fourth Street SE., Washington, D.C. 20003.
B. Energy Action Committee, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $131.75. E. (9) $1.75.

A. Thomas Belford, 2030 M Street, NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street, NW., Washington, D.C. 20036.
D. (6) $5,600.

A. C. Thomas Bendorf, 1620 I Street, N.W., Washington, D.C. 20006.
B. Association of Trial Lawyers of America, 1620 I Street, NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $400.

A. C. Robert Benedict, 1211 Connecticut Avenue NW., Suite 602, Washington, D.C. 20036.
B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.
D. (6) $300. E. (9) $20.00.

A. Bruce Benefield, TRW, Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $500.

A. Kenneth U. Benjamin, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,825. E. (9) $169.

A. John C. Bennett, Pouch 7009, Anchorage, Alaska 99510.
B. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001; El Paso Alaska Co., Pouch 7009, Anchorage, Alaska 99510.
D. (6) $3,750.

A. Kathleen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. William C. Bennett, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200. E. (9) $25.

A. Benrus Corp., Benrus Center, Ridgefield, Conn. 06877.

A. Nancy C. Benson, 1625 I Street NW., Suite 514, Washington, D.C 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.

A. Gene S. Bergoffen, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Loews Corp., 666 Fifth Avenue, New York, N.Y.
D. (6) $3,000.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Renter Industries, 160 Central Park South, New York, N.Y.
D. (6) $1,000.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Seagrave Corp., 350 Fifth Avenue, New York, N.Y.
D. (6) $3,000.

A. Berman & Associates, 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Sydney Baron & Associates, 540 Madison Avenue, New York, N.Y.
D. (6) $4,500.

A. Berman & Associates, 1776 E Street NW., Suite 7701, Washington, D.C. 20006.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York. N.Y.
D. (6) $6,000.

A. Berry, Epstein & Standstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N. Y. 10017.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. OEHEG, Sudtiroler Platz 8, A–6020 Innsbruck, Austria, Austrian Hard Cheese Association, OEMOLK, P.O. Box 176, A–1013 Vienna, Austria, Austrian Soft Cheese Association.

A. Berry, Estein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.
D. (6) $1,248.26. E. (9) $123.26.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. BlueRay Systems, Inc., 375 North Broadway, Jericho, N.Y. 11753.
D. (6) $90. E. (9) $9.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. Geothermal Kinetics, Inc., 301 West Indian School Road, Phoenix, Ariz. 85013.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. New England Power Co., 20 Turnpike Road, Westborough, Mass. 05181.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. The Society of Plastics Industry, Inc., 1150 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. Sogen Swiss International Corp., 190 Wall Street, New York, N.Y. 10005.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $11,494.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Charles L. Binsted, No. 301, 2021 K Street NW., Washington, D.C. 20006.
B. National Congress of Petroleum Retailers, No. 301, 2021 K Street NW., Washington, D.C. 20006.
D. (6) $1,554. E. (9) $1,575.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

A. Birch, Horton, Bittner & Monroe, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. General Teamsters Local 959, State of Alaska, 1200 Airport Heights Road, Anchorage, Alaska 99504.

A. Tracy Bird, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $275.

A. Susan Engelhart Bistline, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $1,375. E. (9) $115.

A. Robert B. Bizal, 1000 16th Street NW., No. 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $52.92.

A. Donna C. Blair, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $75. E. (9) $75.

A. Richard W. Blake, 1776 K Street NW., Washington, D.C. 20006.
B. National Sugarbeet Growers Federation, Greeley National Plaza, Suite 740, Greeley, Colo. 80631; 1776 K Street NW., Washington, D.C. 20006.

A. Kenneth T. Blaylock, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $15,912.56. E. (9) $2,548.94.

A. Edwin C. Bliss, National Association of Manufacturers, Western Division, P.O. Box 998, Mt. View, Calif. 94042.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $550.

A. Richard W. Bliss, 1200 18th Street NW., Washington, D.C. 20036.
B. Business Round Table, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $675. E. (9) $210.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Becky Bogard, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electrification Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $184.95.

A. L. H. Bonin, Jr., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corporation, Pittsburgh, Pa. 15230.
D. (6) $2,400. E. (9) $350.

A. Thomas C. Borzilleri, 1909 K Street, NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street, NW., Washington, D.C. 20049.
D. (6) $236.92.

A. G. Stewart Boswell, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th St., NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, South Tryon St., Charlotte, N.C. 28285.
D. (6) $2,600. E. (9) $143.40.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. A. D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $2,363.72.

A. Kenneth J. Bousquet, 2021 K Street NW., No. 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600. E. (9) $506.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pa., P.O. Box 925, Harrisburg, Pa. 17108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Robert R. Bowers, West Virginia Petroleum Council, Suite 714 Atlas Building, Charleston, W. Va. 25301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Edward L. Bowley, 817 14th Street, NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street, NW., Washington, D.C. 20005.
D. (6) $10,604.94. E. (9) $1,940.31.

A. Richard P. Bowling, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $252.79.

Melvin J. Boyle, 1125 15th Street, NW., Washington, D.C. 20005.
International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $8,500.

A. Frank W. Bradley, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., Subsidiary of Standard Oil Co. of California, Suite 1204, 1700 K Street, NW., Washington, D.C. 20006.
E. (9) $100.00

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Assn., 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Joseph E. Brady, 5018 E. Summer Moon Lane, Phoenix, Ariz. 85044.
B. National Coordinating Committee of the Beverage Industry, 5018 E. Summer Moon Lane, Phoenix, Ariz. 85044.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Jacques Bramhall, Jr., 199 Cherry Hill Road, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.
D. (6) $1,250.00.

A. David C. Branand, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Robert M. Brandon, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. Breed, Abbott & Morgan, 1 Chase Manhattan Plaza, New York, N.Y. 10005.
B. Lehman Brothers, et al., One William Street, New York, N.Y.
D. (6) $1,364.00.

A. Jerome J. Breiter, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

A. Claude S. Bringar, Sr., 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calf. 90017.
E. (9) $152.26.

A. Wally Briscoe, 918 16th St., NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $912.50. E. (9) $30.00.

A. Belva B. Brissett, 1771 N. Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,406.25. E. (9) $335.33.

A. David A. Brody, Washington Office, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $450.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $4,500.

A. Phillip Wayne Brooks, Volunteer State Oil Committee, 19th Floor, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $200. E. (9) $126.20.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employees, 3600 River Road, Rosemont, Ill. 60018.
D. (6) $24,868.55. E. (9) $24,868.55

A. J. Robert Brouse, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

A. Donald K. Brown, 3539 Carolina Street, San Pedro, Calif. 90731.
B. Cerrell & Associates, 5967 West 3d Street, Suite 302, Los Angeles, Calif. 90036.

A. Donald K. Brown, 1127–11th Street, Suite 544, Sacramento, Calif. 95814.
B. Hughes Air Corp., 3125 Clearview Way, San Mateo, Calif. 94403.

A. Donald K. Brown, 1127–11th Street, Suite 544, Sacramento, Calif. 95814.
B. Summa Corp., P.O. Box 14000, Las Vegas, Nev. 89156.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. Centar Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.
D. (6) $1,000. E. (9) $265.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. National Association of Life Sciences, 9200 Leesburg Turnpike, Vienna, Va. 22180.
D. (6) $100. E. (9) $150.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue, NW.
D. (6) $250.

A. Michael F. Brown, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Richard A. Brown, 2030 Allen Place NW., Washington, D.C. 20009.
B. Full Employment Action Council, 815 15th Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $401.

A. Travis T. Brown, 2525 49th Street NW., Washington, D.C.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $562.50. E. (9) $181.50.

A. Stanley R. Browne, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Council of Housing Producers, 8th Floor, 9255 Sunset Boulevard, Los Angeles, Calif. 90069.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Foodservice Manufacturers Association, 1 East Wacker Drive, Chicago, Ill. 60601.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Franchise Association, 7315 Wisconsin Avenue, Bethesda, Md. 20014.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Restaurant Association, Suite 2600, One IBM Plaza, Chicago, Ill. 60611.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue, NW., Suite 900, Washington, D.C. 20036.
B. New York State Urban Development Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Brownstein Zeidman Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. PruLease, Inc., 1255 Boylston Street, Boston, Mass. 02215.

A. Brownstein Zeidman Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. ServiceMaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.

A. Lawrence E. Bruce, Jr., 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,938. E. (9) $12,389.

A. Jacqueline Brunell, American Nurses'

Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $1,553.68. E. (9) $1,553.68.

A. Paul A. Brunkow, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, nue NW, Suite 750, Washington, D.C. 20006.
D. (6) $1,300.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW, Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1—Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,143.44. E. (9) $610.54.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48231.
D. (6) $2,000. E. (9) $226.05.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.
D. (6) $3,375. E. (9) $153.02.

A. George J. Burger, Jr., 150 W. 20th Avenue, San Mateo, Calif. 94404.
B. National Federation of Independent Business, 150 W. 20th Avenue, San Mateo, Calif. 94404.
D. (6) $1,000. E. (9) $700.

A. William J. Burhop, 1709 New York Avenue, NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue, NW., Washington, D.C. 20006.
D. (6) $1,375. E. (9) $127.56.

A. Thomas G. Burke,* 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $51.84.

A. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C.
D. (6) $46,143. E. (9) $738.04.

A. Phillip C. Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $806.25. E. (9) $94.63.

A. George Burham, IV, United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $123. E. (9) $119.

A. Charles S. Burns, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200. E. (9) $762.45.

A. James J. Butera, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,937.50. E. (9) $195.40.

A. Business Executives Move for New National Priorities, 901 N. Howard Street, Baltimore, Md. 21201.
D. (6) $5,033.87. E. (9) $1,253.14.

A. Harry W. Buzzerd, Jr., 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $250. E. (9) $250.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006 (for Badger Meter, Inc.).

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, DC. 20006 (for Cabot Corp.).

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006 (for Encyclopaedia Britannica, Inc.).

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006 (for Insurance Association of Connecticut).

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006 (for Jos. Schlitz Brewing Co.).

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006 (for U.S. Steel, Corp., et al.).

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 1 Market Plaza, San Francisco, Calif. 94119.
D. (6) $1,000. E. (9) $50.

A. C. Richard Calkins, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. F. Patricia Callahan, 1211 Connecticut Avenue Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $150. E. (9) $34.55.

A. Victoria R. Calvert, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Donald L. Calvin, New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Eagle Signal, 736 Federal Street, Davenport, Iowa 52803.
D. (6) $3,000.

A. Arthur E. Cameron, 918 16th Street NW., Suite 406, Washington, D.C. 20006.
B. Prismo Universal Corp., et al., 4 Research Place, Rockville, Md. 20850.
D. (6) $4,915.50.

A. Camp, Carmouche, Palmer, Carwile & Barsh, Pioneer Building, Lake Charles, La. 70601.
B. Louisiana Department of Conservation, State of Louisiana, P.O. Box 44275, Capitol Station, Baton Rouge, La. 70804.
D. (6) $500.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $132.58.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $276.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. David Caney, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,500.

A. W. Dean Cannon, Jr., 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
D. (6) $1,500.

A. David L. Cantor, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $167.50. E. (9) $10.37.

A. Marvin Caplan, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $5,031.65. E. (9) $125.86.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Aetna Life & Casualty, et al., 151 Farmington Avenue, Hartford, Conn. 06156.
D. (6) $39,625. E. (9) $254.56.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $5,951.06. E. (9) $65.35.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Salomon Bros., 1 New York Plaza, New York, N.Y. 10004.
E. (9) $217.53.

A. Charles R. Carlisle, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $8,875. E. (9) $393.24.

A. Chapin Carpenter, Jr., Magazine Publishers Association, Inc., 1629 K Street NW., No. 603, Washington, D.C. 20006.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) $296.06.

A. Henry A. Carrington, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. Charles M. Carroll, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale 37, Boulevard de Montmorency, 75016 Paris, France).

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. John R. Carson, 20 Chevy Chase Circle, Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
D. (6) $6,250.

A. Harlon B. Carter, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Matthew J. Carey, 1155 15th Street NW., Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $100.

A. Ann M. Case, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $300. E. (9) $87.

A. Frank H. Case III, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $50. E. (9) $25.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South Africa Sugar Association, P.O. Box 507, Durban, South Africa.
D. (6) $30,000. E. (9) $3,245.23.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Catholics for a Free Choice, 201 Massachusetts Avenue NE., No. 312, Washington, D.C. 20002.
D. (6) $1,078.50. E. (9) $3,313.69.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $50. E. (9) $109.94.

A. Frank R. Cawley, Room 511, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,375. E. (9) $51.88.

A. Charles E. Chace, Nebraska Petroleum Council, 334 South 13th Street, Lincoln, Nebr. 68508.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,240.50.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $544.79.

A. J. W. Chandler, York Division, Borg-Warner Corp., 1101 17th Street, NW., Washington, D.C. 20036.
B. York Division, Borg-Warner Corp., South Richland Avenue, York, Pa. 17405.
E. (9) $30.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich 48202.
D. (6) $3,000. E. (9) $4,274.49.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston Tex. 77002 (for Belco Petroleum Corp., 1 Dag Hammarskjold Plaza, New York, N.Y. 10017).
D. (6) $20,475. E. (9) $46.06.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex., 77002 (for Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002).
D. (6) $6,862.50. E. (9) $640.60.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex., 77002 (for Petroleum Equipment Suppliers Association, 1703 First City National Bank Building, Houston, Tex. 77002).
D. (6) $2,000.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. (9) $250.

A. Howard P. Chester, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stone, Glass & Clay Coordinating Committee, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $6,870. E. (9) $580.94.

A. Chevron Employees of Contra Costa, P.O. Box M, Concord, Calif. 94524.
D. (6) $737.80. E. (9) $149.33.

A. Children's Rights, Inc., 3443 17th Street NW., Washington, DC. 20010.
D. (6) $46.35. E. (9) $57.98.

A. James Childress, American Consulting Engineers Council, 1155 15th Street, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $100.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. James Ciarroccki, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washingington, D.C. 20036.
D. (6) $753.76. E. (9) 51.71.

A. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
D. (6) $57,927.79.

A. Patrick J. Clancy, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $9.95.

A. Carlton S. Clark, 1412 Gas & Electric Building, Baltimore, Md. 21203.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $44.04. E. (9) $12.79.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,900. E. (9) $8.

A. Kimball Clark, Association of American Railroads, 40 Ivy Street SE., Washington, D.C., 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $64.38. E. (9) $41.25.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,500.02. E. (9) $156.75.

A. Thomas R. Clark, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $135.

A. Vernon A. Clark, 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
D. (6) $550. E. (9) $237.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburg, Kans. 66762.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,076.92.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW, Washington, D.C. 20036.
B. Banque Nationale de Paris, 75450 Paris, France CEDEX 09.
D. (6) $516.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.

A. Walter S. Clement, P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Ry. Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $170.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Ave., New York, N.Y. 10017.
E. (9) $55.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp. Louisville, Ky. 40201.
E. (9) $55.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers Tobacco Co., 4100 Roxboro Road, Durham, N.C. 27702.
E. (9) $55.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Lorillard, a Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.
E. (9) $55.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Philip Morris Inc., 100 Park Avenue, New York, N.Y. 10017.
E. (9) $55.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C. 27102.
E. (9) $55.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $110. E. (9) $15.22.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.
D. (6) $150. E. (9) $37.50.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.
E. (9) $1.50.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. New York Cocoa Exchange, Inc., and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.
D. (6) $750. E. (9) $225.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Teleprompter Corp., 50 West 44th Street, New York, N.Y., 10036.
D. (6) $5,500. E. (9) $1,650.

A. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.
D. (6) $6,875. E. (9) $16,000.

A. Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $1,749.

A. John J. Coffey, Suite 638, 2101 L Street NW., Washington, D.C. 20037.
B. Western Oil & Gas Association, 609 South Grand Avenue, Suite 910, Los Angeles, Calif. 90017.
D. (6) $825.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,124.97. E (9) $193.60.

A. Jerry S. Cohen, Suite 708, 1776 K Street NW., Washington, D.C. 20006.
B. National Congress of Petroleum Retailers, Suite 301, 2021 K Street NW., Washington, D.C.
D. (6) $3,000.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. Chase Manhattan Bank, N.A., 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $10,166.57. E. (9) $1,782.58.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. H. H. Robertson Co., 2 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,250. E (9) $10.17.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. PPG Industries, Inc., 1 Gateway Center, Pittsburgh, Pa. 15222.

A. E. William Cole, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $250.

A. Eleanor Cole, 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $1,000. E (9) $1,000.

A. Ken W. Cole, 500 Jefferson Building, Houston, Tex. 77002.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $7,000. E. (9) $183.49.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C.
B. General Motors Corp.
D. (6) $2,500. E. (9) $2,424.61.

A. Stacey W. Cole, New Hampshire Petroleum Council, 23 School Street, Concord, N.H. 03301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee of American Tanker Owners, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Crown Central Petroleum Corp., 1 North Charles Street, Baltimore, Md. 21203.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Cardio-Pulmonary Contractors Association, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $2,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. National Pharmaceutical Alliance, P.O. Box 13547, St. Petersburg, Fla. 33733.
D. (6) $7,500.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Guild of Authors and Composers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street Washington, D.C. 20036 (for American Imported Automobile Dealers Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Maritime Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for American Society of Association Executives).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Association of Trial Lawyers of America).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Boating Industry Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Chicago Board Options Exchange).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Council of State Chambers of Commerce).

man needs can be addressed with a spirit of cooperation in the search for imaginative and enlightened domestic policies.

As a citizen and Representative of the Nation's most urbanized State, I believe that one of the most critical needs is to renew the commitment of the Federal Government to help a safe, healthful, and humane living environment for our urban populations. Nearly, three-quarters of us live in urban places in the United States, and yet we have, of late, too often failed to provide the tools needed by our urban States and localities to maintain an environment worth looking at and living in.

Most assuredly, this has not been our intention. In the pellmell growth of metropolitan areas during the 1950's and 1960's we recognized that the quality of life of those caught up in this growth was diminishing rapidly. Among the early responses to this problem was the establishment by Congress in 1958 of the Outdoor Recreation Resources Review Commission. The Commission's report, issued in 1962, helped to bring about the recognition that natural beauty, ecological balance, and the healthful use of leisure time are essential in an urban nation. More specifically, the Commission's report affirmed the right of all Americans—including urban Americans—to the protection of landscape resources which possessed important ecological, scenic, and recreational values. Many new land conservation programs were enacted by Congress as a result of that report, and many programs already in placed were expanded. In effect, the report and the enactments it spawned established the Federal Government as a full partner in the effort to preserve outstanding landscapes during a period of rapid economic growth and urban expansion.

It is worth asking at this juncture—at the beginning of a new Congress and a new administration—whether we are fully living up to the goals and expectations we created 15 years ago. To be sure, the Congress in its last session was able, finally, to increase the Land and Water Conservation Fund. This can help, but even an expanded fund can hardly be expected to reduce the arrears accumulated over the past years of inaction as well as meet the new demands that will be placed upon it.

As a result, State and local governments, lacking resources of their own to preserve large ecological, scenic, and recreational areas, will continue to apply to the Congress for the inclusion of such areas into the National Parks System—itself seriously in arrears in manpower and money.

As the Congress struggles to deal with these demands, it is becoming clear that however hard we try to provide National Parks to serve urban populations, the process is ultimately self-defeating. The enormous cost for land acquisition, development and management, if applied fairly to all urban areas, is simply not sustainable. Even now, the National Park Service is seriously overextended, its capacity to manage existing urban parks as well as natural areas in question. Though we have succeeded in establishing a few urban parks, the effort has not uniformly met urban needs, nor has the distribution of Federal funds for the purpose been fair and equitable. In the end, the effect of such a procedure has been to deny, for lack of funds and manpower, the protection of many crucial landscape resources.

It is my view that Federal policy in this regard is at a turning point. It is becoming obvious that another way must be found to meet the burgeoning demand for the preservation of outstanding landscapes to provide a humane living environment for an urban population. It is essential that all levels of government fully exercise their capabilities in a new kind of cooperative effort to the end that such landscapes can be protected with means other than outright purchase for inclusion in the National Park System. The alternative to national park designation ought to be something other than the relegation of outstanding landscapes to indiscriminate development.

Unless a new kind of Federal policy to deal with this problem can be formulated, it is certain that many treasured landscapes will simply be lost. One such area for which this fear is very real is the Pine Barrens in my home State of New Jersey. The Pine Barrens are, according to a recent report of the Bureau of Outdoor Recreation, among the most outstanding natural areas in the country—a relict biota of the last ice age containing many rare and unusual species of plants and animals in an ecosystem still undergraded by development. The preservation of this 1,500 square mile area, almost miraculously spared from suburban sprawl in the densely populated Northeastern urban corridor, is essential for many reasons.

Ecologically, the Pine Barrens are critical: the area overlies the major part of an aquifer which stores some 17.7 trillion gallons of water—an amount equal to 10 years of rainfall. But because of the highly porous soil and the shallow depth of the aquifer, this giant underground reservoir could be easily polluted should urban sprawl take place, endangering essential water supplies for an expanding population.

Scenically, the Pine Barrens provide a vast open space, laced with waterways—a remote, quiet, unbroken forest of pine and oak, unusual in such an urbanized region. Recreationally, the Pine Barrens provide boating, hunting, fishing, hiking, nature study, and camping to some 50 million people who live within striking distance of the area. There are inherent economic values associated with this landscape, too. The unusual combination of soils, water table, and climate make the Pine Barrens first in the Nation in blueberry production, and third in cranberry production.

Taken together, all these values have persuaded the Bureau of Outdoor Recreation that the Pine Barrens meet Department of Interior criteria for what is called "national significance." This means, in effect, that the area could qualify as an addition to the National Park System either as a "natural area" or as a "national recreational area."

But what would be its chances were this vast resource to be proposed as a national park? Fifteen hundred square miles constitutes nearly 1 million acres of land, land located in an area where per-acre value typically is calculated in the thousands of dollars. The brutal reality is that despite the importance of this place, the cost of acquisition would simply be unsupportable. An alternative might be to isolate a smaller section within the Pine Barrens for a national park designation. But this would fail to provide adequate protection for the ecosystem as a whole, and for the aquifer which this ecosystem so beneficially provides. Moreover, at whatever size, traditional national park management might not be appropriate for an area in which existing communities and the indigenous agriculture, among other land uses, are valued and should be maintained.

It is, therefore, my intention shortly to introduce a bill for the protection of the Pine Barrens, not as a national park, but in a way which calls upon a Federal-State-local partnership to produce a program for preservation of this landscape resource by using the specific capabilities of each level of government for the role each is best suited to play. Under the bill the Federal Government would provide financial and technical support for the delineation of a Pine Barrens ecological reserve and for the development and implementation of an area-wide management plan and program.

The program would be recommended to Congress by a land management commission, similar in structure to the existing Pinelands Environmental Council and broadly representative of all those who have a stake in the conservation of the Pine Barrens. This commission, as a prerequisite for Federal assistance, would be empowered by the State of New Jersey to oversee the regulation of land uses and the control of developments of area-wide significance.

The role of municipal governments within the Pine Barrens would be to help frame, and to lead in the sensitive implementation of, a management plan which while preserving ecological, scenic, and recreational values, nevertheless allows the area to be a "living landscape"—a place where the land is not locked up as though in a museum, but where appropriate growth and change can be accommodated. Finally, my bill would require that all other Federal programs—grants, loans, and direct activities—would have to be consistent with an approved land management plan.

This approach to protecting the resource values of the Pine Barrens in New Jersey represents, I believe, a new and fruitful policy departure of interest and importance to other urban States. It can be a departure which will reestablish the Federal Government in its position as a full partner in the preservation of areas which, though meeting many criteria for national park status, are not best suited for outright acquisition or for traditional national park management. Because there are many areas meeting this description, in many States, I am at work also on a second bill, generic legislation complementary to the Pine Barrens bill.

The generic bill would establish a Federal policy and an ongoing program consistent with the approach I recom-

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Energy Advances, Inc.).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Machinery Dealers National Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for National Association of Engine and Boat Manufacturers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for National Medical Care, Inc.).
D. (6) $700.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for Reading Co.).

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Ad Hoc Committee for a Fair Natural Gas Policy, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
D. (6) $600. E. (9) $684.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $100.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Bicycle Manufacturers Association of America, Inc., 1101 15th Street NW., Washington, D.C. 20005.
D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $450.

A. Collier, Shannon, Rill, Edwards & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Tool & Stainless Steel Industry Committee, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
D. (6) $1,250. E. (9) $525.

A. Frank Collins, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,000. E. (9) $225.

A. Paul G. Collins, 1 Jackson Walkway, Providence, R.I., 02903.
B. New England Commercial Banking Caucus, 1 Jackson Walkway, Providence, R.I. 02903.
D. (6) $2,400. E. (9) $419.74.

A. Robert B. Collyer, 1800 M Street NW., 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
D. (6) $550. E. (9) $1,290.

A. Sharon Comey, Suite 1014, 1025 Connecticut Avenue N.W., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $370.68.

A. Committee for Do-It-Yourself Household Moving, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Committee for Public Advocacy, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $646.47. E. ((9) $2,867.60.

A. Committee Urging Regulatory Reform for Efficient National Trucking (Current), 1000 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
D. (6) $4,350. E. (9) $6,228.01.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,348,835.10. E. (9) $330,735.13.

A. Raymond F. Conkling, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.

A. Ross Conlin, Chessie System, 840 Washington Building, Washington, D.C. 20005.
B. Chessie System, Terminal Tower, Cleveland, Ohio 44101.
D. (6) $2,000. E. (9) $1,000.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
E. (9) $868.51.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48231.
D. (6) $500. E. (9) $509.92.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.
B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. John J. Connolly, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $400.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.
E. (9) $242.80.

A. Container Corp. of America, 1101 15th Street NW., No. 205, Washington, D.C. 20005.
B. Container Corp. of America, 1 First National Plaza, Chicago, Ill. 60607.

A. Contract Carrier Conference of American Trucking Associations, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $8,000.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill. 60611.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $2,600.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $116.21. E. (9) $9.10.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.
B. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Frederick N. Cook, Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 2101 L Street, Washington, D.C. 20037.
D. (6) $210.

A. Howard Lee Cook, Jr., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,575. E. (9) $20.

A. James A. Cook, Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Suite 101, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $750.

A. Benjamin Y. Cooper, Jr., 3251 Old Lee Highway, Suite 501, Fairfax Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 507, Fairfax, Va. 22030.
E. (9) $10.18.

A. Charles M. Cooper, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $11.75.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Jesse D. Cooper, North Dakota Petroleum Council, P.O. Box 1395, Bismarck, N. Dak. 58501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $22.62.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $1,350. E. (9) $624.02.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.
D. (6) $3,000. E. (9) $4.60.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufac-

turers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D (6) $7,500. E. (9) $57.38.

A. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $3,500. E. (9) $1,025.

A. Darrell Coover, 1625 I Street NW., No. 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $346.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,187. E. (9) $100.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.
B. Clean Air Act Motorcycle Amendments Committee, 33832 Violet Lantern, Dana Point, Calif. 92629.
D. (6) $5,000. E. (9) $200.41.

A. Corcoran, Youngman & Rowe, 1511 K Street NW., Suite 1100, Washington, D.C. 20005.
B. Frank G. Kingsley, 285 Canoe Road, New Canaan, Conn. 06840.
D. (6) $20,000. E. (9) $177.73.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $17.60.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.
D. (6) $200.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International, Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $6,667.

A. John E. Cosgrove, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $8,696.80.

A. Cotton Warehouse Association of America, 1707 L Street NW., Suite 540, Washington, D.C. 20036.
D. (6) $2,056.13. E. (9) $2,056.13.

A. Council for the Preservation of Worldwide Meetings, 1101 16th Street NW., Third Floor, Washington, D.C. 20036.
E. (9) $5,875.

A. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $1,250.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $629.85. E. (9) $401.42.

A. Council to Save the Post Card, Suite 700, 725 15th Street NW., Washington, D.C. 20005.
E. (9) $40.08.

A. Counihan, Casey & Lomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Adhesive & Sealant Council, 2350 East Devon Avenue, Suite 225, Des Plaines, Ill. 60018.

A. Counihan, Casey & Lomis, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Association of Bituminous Contractors, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Industrial Diamond Association, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Linen Supply Association of America, 975 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Printing Ink Manufacturers, 550 Mamaroneck Avenue, Harrison, N.Y. 10528.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

A. Douglas Couttee, 775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $8,792.48. E. (9) $2,079.11.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.
E. (9) $4.29.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Association of American Publishers, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $7,500.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Business Men's Assurance Co. of America, BMA Tower, 1 Penn Valley Park, Kansas City, Mo. 64141.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $62.30.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.
D. (6) $10,000. E. (9) $165.43.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The May Department Stores Co., Sixth and Olive Streets, St. Louis, Mo. 63101.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, c/o HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Inc., Post Office Box 1537, Salisbury, Md. 21801.
E. (9) $91.24.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Pineapple Growers Association of Hawaii, 1902 Financial Plaza of the Pacific, Honolulu, Hawaii 96813.
E. (9) $34.57.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Pyramid Ventures Group, Inc., Post Office Box 1671, Morgan City, La. 70381.
E. (9) $14.39.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., Post Office Box 1521, Houston, Tex. 77001.
E. (9) $31.87.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.

A. Carol A. Cowgill, 470 L'Enfant Plaza East SW., Suite 3100, Washington, D.C. 20024.
B. American Academy of Family Physicians, 470 L'Enfant Plaza East SW., Suite 3100, Washington, D.C. 20024.
D. (6) $500.01. E. (9) $111.39.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. The National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.
D. (6) $225.

A. William J. Cox, 1707 L Street NW., Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.
D. (6) $7,848.05. E. (9) $4,893.95.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $349.14.

A. William D. Crawford, 400 First Street NW., Room 820, Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $1,470.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of

America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. P. H. Croft, 2000 Massachusetts Avenue, NW., Washington, D.C. 20036.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,050. E. (9) $1,220.17.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 40203.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 40203.

A. Jack A. Crowder, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $1,500. E. (9) $40.67.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C.
D. (6) $2,500.

A. Barry M. Cullen, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $95. E. (9) $80.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $438. E. (9) $1,420.

A. Cummins Engine Co., Inc., 1000 Fifth Street, Columbus, Ind. 47201.
E. (9) $1,594.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of N.A., AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $9,979.23. E. (9) $1,845.87.

A. Everett E. Cutter, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

A. Cystic Fibrosis Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
E. (9) $17,229.94.

A. William K. Dabaghi, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $68.

A. Dairymen, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.
E. (9) $180.

A. Thomas A. Daly, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Tracy Danese, P.O. Box 013100, Miami, Fla. 33101.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.

A. David S. Danielson, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $40.38. E. (9) $25.

A. Joan E. Dannenbaum, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
B. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $2,500. E. (9) $200.

A. Fred E. Darling, 110 Maryland Avenue, NE., Suite 511, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the USA (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.

A. Philip J. Daugherty, 815 16th Street, NW., Washington D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $4,934.15. E. (9) $58.58.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $174.68.

A. Daniel Davidson, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington D.C. 20037.
B. Northern California Power Agency.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.
D. (6) $1,660. E. (9) $149.80.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
D. (6) $400.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.
D. (6) $100.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.
D. (6) $150.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $735. E. (9) $128.12.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
D. (6) $100.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $1,200.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $5,500.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. Charles W. Davis, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. United Insurance Co., 1 Wacker Drive, Chicago, Ill. 60601.
D. (6) $1,660. E. (9) $149.80.

A. David R. Davis, Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. George R. Davis, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Ovid R. Davis, P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $175. E. (9) $415.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $1,040. E. (9) $146.34.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $833.33. E. (9) $100.41.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Federated Research Corp., 421 Seventh Avenue, Pittsburgh, Pa. 15219.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $560.93. E. (9) $31.32.

A. Walter L. Davis, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines, 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
E. (9) $40.31.

A. Charles W. Day, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $382.71. E. (9) $36.15.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. John Russell Deane III, 1128 16th Street NW., Washington, D.C. 20036.

B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
D. (6) $300.

A. Gaston de Bearn, Hoffmann-La Roche, Inc., 1775 K Street NW., Suite 300, Washington, D.C. 20006.
B. Hoffmann-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. Tony T. Dechant, P.O. Box 39251, Denver, Colo.
B. The Farmers' Educational and Cooperative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $201.79.

A. John L. Delano, Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $93.48.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,555. E. (9) $353.76.

A. John H. Denman, Missouri Oil Council, 208 Madison Street, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $359. E. (9) $42.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $625. E. (9) $200.

A. Wells Denyes, Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $10.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors & Publishers, 1 Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Flavor and Extract Manufacturers Association of the United Sates, 900 17th Street NW., Washingon, D.C. 20006.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., 1 Liberty Plaza, New York, N.Y. 10006.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Xerox Corp., Stamford, Conn. 06904.

A. John P. Devers, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,050.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $250.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 1776 F Street NW., Washington, D.C. 20006.
B. American Can Co., American Lane, Greenwich, Conn. 06830.
D. (6) $8,565.20. E. (9) $25.77.

A. Ralph B. Dewey, 1150 17th Street NW., No. 1109, Washington, D.C. 20036.
B. Pacific Gas and Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $1,485. E. (9) $591.15.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Krauss-Maffei AG, Krauss-Maffei-Strasse 2, Munich, Federal Republic of Germany.
D. (6) $1,125. E. (9) $572.98.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Societe Nationale Industrielle Aerospatiale, 37, Boulevard de Montmorency, 75016 Paris, France.
D. $90,317.99. E. (9) $15,146.97.

A. Charles J. DiBona, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John M. Dickerman, John Dickerman & Associates, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $6,677.77. E (9) $368.02.

A. John R. Dierker, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $300. E. (9) $165.50.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.
D. (6) $2,238.62. E. (9) $138.62.

A. Michael F. Dineen, Lumbermen's Mutual Casualty Co., Suite 206, 600 Pennsylvania Avenue SE., Washington, D.C.
B. Lumbermen's Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $1,600.

A. Direct Selling Association, 1730 M Street NW., Washington, D.C., 20036.
E. (9) $2,287.

A. Harley M. Dirks, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $608. E. (9) $50.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $68,948.78. E. (9) $68,948.78.

A. Disabled Officers Association, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $1,784.78.

A. Dennis C. Dix, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Co.'s, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $112.50. E. (9) $26.54.

A. Hollis M. Dole, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $350. E. (9) $325.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Richard M. Donaldson, 1735 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (an Ohio corporation), Midland Building Cleveland, Ohio 44115.

A. Gary W. Donnelly, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $29.32.

A. James A. Dorsch, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.
D. (6) $413.44. E. (9) $209.40.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Univest Corp., 647 West Virginia Street, Milwaukee, Wis.
E. (9) $205.56.

A. Richard Morgan Downey, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,375.

A. Shirley Downs, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,038. E. (9) $2,892.

A. Robert H. Doyle, 1120 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Water Quality Association, 477 East Butterfield Road, Lombard, Ill. 60148.
D. (6) $750.

A. Nancy Drabble, 133 C Street SE., Washington, D.C.
B. Congress Watch, 133 C Street SE., Washington, D.C.
D. (6) $2,000.

A. James E. Drake, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,502. E. (9) $542.

A. Andrew Drance, Room 511, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $83. E. (9) $6.30.

A. Thomas E. Drumm, Jr., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Macmillan, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $550.

A. Franklin B. Dryden, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $350.

A. Lawrence M. Dubin, One First National Plaza, Chicago, Ill. 60603.

B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $1,200.

A. Evelyn Dubrow, 1710 Broadway, New York City, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York City, N.Y. 10019.
D. (6) $5,385.90. E. (9) $3,071.71.

A. Morgan D. Dubrow, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Michael J. Duff, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint & Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $250.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $300. E. (9) $400.

A. Robert A. DuLong, 1421 Peachtree Street NE., Suite 201, Atlanta, Ga. 30390.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,562.50.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $60.

A. Douglas G. Dunn, 1133 15th Street NW., Room 503, Washington, D.C. 20005.
B. (6) Northern Natural Gas, 2223 Dodge Street, Omaha, Neb. 68102.
D. (6) $1,500.

A. Dunnells, Duvall & Porter, 1220 19th Street NW., Suite 400, Washington, D.C. 20036.
B. Savings Banks Association of New York State, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,293.75.

A. David F. Dunning, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $592.31.

A. Richard O. Duvall, 1220 19th Street NW., Suite 400, Washington, D.C. 20036.
B. Dunnells, Duvall & Porter, 1220 19th Street NW., Suite 400, Washington, D.C. 20036.

A. L. L. Duxbury, Burlington Northern, Inc., Suite 506, 2000 L Street NW., Washington, D.C. 20036.
B. Burlington Northern Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $1,750. E. (9) $2,500.54.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Jean F. Dye, 12700 Lake Avenue, Cleveland, Ohio 44107.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

A. Jack D. Early, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association, Madison Building, 1155 15th Street, NW., Washington, D.C. 20005.
D. (6) $150. E. (9) $9.50.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecaster, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert E. Ebel, Enserch Energy, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,450. E. (9) $1,180.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Jack Eckerd Corp., P.O. Box 4689, Clearwater, Fla. 33518.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Safety Belt Council, 271 North Avenue, New Rochelle, N.Y. 10801.
D. (6) $1,500. E. (9) $28.50.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20005.
B. Manufactured Housing Institute, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,250.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20036.
B. National Insulation Contractors Association, 1120 19th Street NW., Suite 405, Washington, D.C. 20036.
D. (6) $500. E. (9) $3.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
D. (6) $500. E. (9) $52.85.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Suite 1104, Arlington, Va. 22209.
D. (6) $750.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $10,625. E. (9) $4,382.02.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Republic of Turkey/Embassy of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $21,300 E. (9) $7,153.33.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215 Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $376.92.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago,. Ill.
D. (6) $162.50.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. Navajo Nation, Window Rock, Ariz. 86515.

A. Jonathan W. Edwards, 507 Second Street NE., Washington, D.C. 20002.
B. Portland General Electric Co., 621 Southwest Alder Street, Portland, Oreg. 97205.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $175. E. (9) $35.63.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $134.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va.
B. Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $175.

A. El Paso LNG Co., P.O. Box 2185, Houston, Tex. 77001.
E. (9) $20,997.37.

A. George K. Eliades, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
D. (6) $320. E. (9) $410.

A. J. Burton Eller, Jr., 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,000.

A. Charles W. Elliott, Wisconsin Petroleum Council, 25 West Main Street, Room 703, Madison, Wis. 53703.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $394.35. E. (9) $652.49.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. D. A. Ellsworth, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $8,250. E. (9) $916.36.

A. Thomas Elwood, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $210.

A. William Emerson, TRW Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $625.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $235.

A. Energy Action Committee, Inc., 1523 L Street NW., Washington, D.C. 20005.
D. (6) $990.35. E. (9) $1,601.77.

A. Gertrude Engel, 2450 Virginia Avenue, NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa. 17405.
D. (6) $2,100. E. (9) $339.61.

A. M. Dale Ensign, Husky Oil Co., 1800 M Street NW., Suite 295, Washington, D.C. 20036.
B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.
E. (9) $50.

A. Grover W. Ensley, National Association of Mutual Savings Banks, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,107.70.

A. John L. Erickson, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co.
D. (6) $623. E. (9) $1,143.30.

A. George T. Esherick, United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $115. E. (9) $285.

A. Brock Evans, Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $8,500. E. (9) $291.95.

A. David C. Evans, Suite 900, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Joseph O. Evans, 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.

A. Robert D. Evans, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Vernon L. Evans, 1000 16th Street NW., Washington, D.C. 20036.
B. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $100.

A. Robert R. Fahs, 130 15th Street NW., Washington, D.C. 20005.
B. Cargill, Inc., P.O. Box 9300, Minneapolis, Minn. 55440.
D. (6) $2,500. E. (9) $5.

A. Richard M. Fairbanks III, Beveridge, Fairbanks & Diamond, 1 Farragut Square South, Washington, D.C. 20006.
B. Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Robert J. Falasca, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C. 20005.

A. Thomas B. Farley II, 2101 L Street NW., Washington, D.C. 10037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $150. E. (9) $33.10.

A. Farmers' Educational & Co-Operative Union of America (National Farmers Union) P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $66,209.94. E. (9) $39,486.81.

A. R. Roy Fausset, 1800 M Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
E. (9) $807.99.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $4,500. E. (9) $4,500.

A. Arthur S. Fefferman, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Andrew A. Feinstein, 133 C Street SE., Washington, D.C.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. Stuart F. Feldman, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee for Public Advocacy, Suite 931, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,065.

A. Stuart F. Feldstein, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,930.

A. Kenneth E. Feltman, 222 South Prospect Avenue, Suite 130, Park Ridge, Ill. 60068.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,437.50.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.
D. (6) $8,882.07. E. (9) $355.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Joint Committee of Printing & Publishing Industries of Canada, Suite 1001, 150 Ferrand Drive, Don Mills, Ontario M3C 1H6, Canada.
E. (9) $140.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $6,860.86.

A. Peter J. Finnerty, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $100. E. (9) $115.

A. Matthew P. Fink, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. James Finley, 1660 L Street NW., Suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.
E. (9) $250.

A. Frederick Finn, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,400. E. (9) $16.

A. Firearms Lobby of America, 329 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $11,001.75. E. (9) $10,516.04.

A. First Class Mailers Association, Inc., 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
D. (6) $250. E. (9) $23.

A. Margaret Fitzgerald-Bare, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,400.

A. Susan Garber Flack, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $75.

A. James J. Flanagan, 20 Turnpike Road, Westborough, Mass. 01581.
B. New England Power Service Co., 20 Turnpike Road, Westborough. Mass. 01581.
D. (6) $747.30. E. (9) $562.91.

A. James F. Fleming, United Egg Producers, 991 National Press Building, Washington, D.C. 20045.
B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
D. (6) $1,000.

A. Carl J. Fleps, Greyhound Corp., 1629 K Street NW., Suite 300, Washington, D.C. 20006.
B. Greyhound Corp., Greyhound Tower, Phoenix, Ariz. 85077.

A. James F. Flug, 2904 Brandywine Street NW., Washington, D.C. 20008.
B. Energy Action Committee, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $458.32.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $385.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Badger Meter, Inc., 4545 West Brown Deer Road, Milwaukee, Wis. 53223.
D. (6) $2,160.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.
D. (6) $850.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $6,380. E. (9) $3.75.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $4,300. E. (9) $13.65.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Joseph Schlitz Brewing Co., 235 West Galena Street, Milwaukee, Wis. 53201.
D. (6) $625.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., et al.; 71 Broadway, New York, N.Y. 10006.
D. (6) $17,654. E. (9) $197.52.

A. Hubert V. Forcier, 1300 Northwestern Bank Building, Minneapolis, Minn. 55402.
B. American Lutheran Church, 422 South Fifth Street, Minneapolis, Minn. 55415.
D. (6) $1,000.

A. Hubert V. Forcier, 1300 Northwestern Bank Building, Minneapolis, Minn. 55402.
B. Lutheran Welfare Services of Illinois, 4840 West Byron, Chicago, Ill. 60641.
D. (6) 1,400.

A. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. Gerard J. Forney, 141 Battery Street, San Francisco, Calif. 94111.
B. Uranium Enrichment Associates, Limited Partnership, 141 Battery Street, San Francisco, Calif. 94111.
D. (6) $4,500. E. (9) $200.

A. John S. Forsythe, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Francis C. Fortune, 3211 S. Leisure Boulevard, Silver Spring, Md. 20906.
E. (9) $28.90.

A. David H. Foster, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $2,475. E. (9) $311.75.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.

A. David E. Fox, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $262.50. E. (9) $107.58.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Frances E. Francis, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency.

A. Frances E. Francis, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Richmond Power and Light of the city of Richmond, Ind.

A. Ron Frank, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street, NW., Washington, D.C. 20036.
E. (9) $750.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $944.72. E. (9) $107.42.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,212.50.

A. Harry L. Freeman, American Express Co., 1700 K Street NW., Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.
E. (9) $949.49.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $830.

A. Pamela B. Freer, International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $3,625.05. E. (9) $562.66.

A. David T. French, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $100. E. (9) $15.

A. George L. Frick, Delaware Oil Men's Association, 437 North duPont Highway, Dover, Del. 19901.
B. American Petroleum Institute, 2101 L Street, NW., Washington, D.C. 20037.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Border Patrol Council, c/o Richard Brannick, Road 2, Dexter, N.Y. 13634.
D. (6) $30.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $320. E. (9) $123.57.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $837.50. E. (9) $103.49.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Cheyenne River Sioux Tribe, Box 100, Eagle Butte, S. Dak. 57625.
D. (6) $805.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Hualapai Tribe of Arizona, Peach Springs, Ariz.
D. (6) $156.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska 99926.
D. (6) $922.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Nez Perce Tribe, Lapwai, Idaho.
D. (6) $180.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak. 57770.
D. (6) $1,378.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Laguna, N. Mex.
D. (6) $1,381.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Rosebud Sioux Tribe, Rosebud, S. Dak.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Salty River Pima—Maricopa Indian Community, Route 1,. Box 120, Scottsdale, Ariz.
D. (6) $125.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Seneca Nation of Indians, Box 231, Salamanca, N.Y. 14779.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Vought Corp., P.O. Box 5907, Dallas, Tex. 75222.
E. (9) $3,713.30.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $600. E. (9) $55.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $1,000. E. (9) $321.26.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $89,420. E. (9) $12,782.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. Chase Manhattan Bank, National Association, One Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $214. E. (9) $882.87.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $250.

A. Cornelius F. Froeb, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Paul K. Frost II, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C.

A. Vicki Love Frost, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,999. E. (9) $229.15.

A. Full Employment Action Council, 815 15th Street NW., Washington, D.C. 20005.
D. (6) $15,000. E. (9) $12,977.54.

A. Ronald K. Fuller, 1150 Connecticut Avenue NW., No. 517, Washington, D.C. 20036.
B. San Diego Gas & Electric Co., 101 Ash Street, San Diego, Calif. 92112.
D. (6)$900. E. (9) $87.78.

A. Terry Gabrielson, 470 L'Enfant Plaza East, SW., Washington, D.C. 20024.
B. Transcontinental Gas Pipe Line Corp., 2700 South Oak Post Road, Houston, Tex. 77001.
D. (6) $450.

A. James E. Gaffigan, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $296.17. E. (9) $43.01.

A. Robert D. Gahagen, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Norman S. Gaines, 1150 Connecticut Avenue NW., Suite 805, Washington, D.C. 20036.
B. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27102.
D. (6) $700. E. (9) $20.

A. Mark J. Gallagher, 1707 L Street NW., Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $6,841.17. E. (9) $651.71.

A. Peter N. Gammelgard, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institue of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,750. E. (9) $1,135.30.

A. William B. Gardiner, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $11,750. E. (9) $152.75.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,000.02. E. (9) $1,072.59.

A. Paul Gardner, Jr., Kennedy, Webster & Gardner, 888 17th Street NW., Washington, D.C. 20006.
B. Banque Nationale de Paris, 75450 Paris, France CEDEX 09.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $870.

A. Philip Gasteyer, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Association, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,125.

A. Margaret Gehres, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C., 20036.
E. (9) $376.92.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
E. (9) $173.75.

A. Mary Condon Gereau, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
D. (6) $2,725. E. (9) $89.50.

A. Donald H. Gerrish, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Llewellyn H. Gerson, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $212.50 E. (9) $9.85.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $681.

A. Anne Marie Gibbons, 2600 Virginia NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $400.

A. Joseph L. Gibson, Montgomery Ward & Co., Inc., 1101 15th Street NW., No. 205, Washington, D.C.
B. Montgomery Ward & Co. Inc., 535 West Chicago Avenue, Chicago, Ill. 60610.
D. (7) $734. E. (9) $150.

A. William L. Gifford, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., Fairfield, Conn. 06431.
D. (6) $115.

A. Norma J. Gilbert, 1776 K Street, NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street, NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,500.

A. Arthur P. Gildea, Holiday Park East, Room 428–432, 801–B West 8th Street, Cincinnati, Ohio 45203.
B. National Conference of Brewery & Soft Drink Workers, International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, Affiliate, 300 South Ashland Boulevard, Chicago, Ill. 60607.

A. Mark W. Gillaspie, P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. James T. Gillice, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (6) $45.

A. Caesar A. Giolito, 1700 18th Street NW., Washington, D.C. 20009.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
E. (9) $2,025.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.
B. Class I Railroads in Tennessee.

A. Glass Packaging Institute, 1800 K Street NW., Suite 400, Washington, D.C. 20006.

A. George L. Gleason, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
(D) (6) $137.50. E (9) $10.26.

A. Martin J. Gleason, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $7,423. E. (9) $100.

A. Godfrey Associates, Inc., 918 16th Street NW., Suite 500, Washington, D.C. 20006.
E. (9) $472.66.

A. Horace D. Godfrey, 918 16th Street NW., Suite 500, Washington, D.C. 20006.
B. Godfrey Associates, Inc., 918 16th Street NW., Suite 500, Washington, D.C. 20006.
D. (6) $312.50. E. (9) $472.66.

A. Harvey S. Gold, Velsicol Chemical Corp., 910 17th Street NW., Suite 1000, Washington, D.C. 20006.
B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
D. (6) $386.55. E. (9) $43.68.

A. Howard S. Goldberg, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Jack Golodner, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.
B. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Ruth Gonze, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $200.

A. Don A. Goodall, 1625 I Street NW., Suite 514, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $104. E. (9) $22.05.

A. Charles E. Goodell, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
D. (6) $8,000.01.

A. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.
B. Florists' Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48037.

A. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.
B. Hecon Corp., Flextime Division, 31 Park Road, Tinton Falls, N.J. 07724.

A. Gould, Reichert & Strauss, 2613 Carew Tower, Cincinnati, Ohio 45202.
B. Francis J. Rorke, et al., Box 1336, Cristobal, Canal Zone.
E. (9) $110.27.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Lawrence T. Graham, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $296.16. E. (9) $15.20.

A. Allan Grant, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,225.

A. Wm. W. Grant, Utah International, Inc., 1150 Connecticut Avenue, Washington, D.C. 20036.
B. Utah International, Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $102.75.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $942. E. (9) $25.

A. Robert K. Gray, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.
b. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
E. (9) $85.

A. Donald R. Greeley, 1101 17th Street NW., Suite 603, Washington, D.C. 20036.
B. Celanese Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $625. E. (9) $40.50.

A. Samuel A. Grayson, Union Pacific Railroad, 611 Idaho Building, Boise, Idaho 83702.
B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68179.

A. Alan J. Greenwald, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 F Street NW., Washington, D.C. 20036.
D. (6) $488.

A. Claiborne D. Gregory, Virginia Petroleum Institute, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $2,000.

A. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Theodore R. Groom, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Ad Hoc Group on Life Insurance Co. Taxation of Pension Funds.

A. Theodore R. Groom, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101.

A. Wesley E. Gross, 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.
B. Dairymen, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.
D. (6) $150.

A. Frank N. Grossman, Atchison, Topeka & Santa Fe Railway Co., 1100 Connecticut Avenue NW., Suite 840, Washington, D.C. 20036.
B. Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.
B. WEMA, 2600 El Camino Real, Palo Alto, Calif. 94306.
D. (6) $3,500. E. (9) $256.79.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $724.98.

A. C. James Hackett, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. James M. Hacking, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $343.27.

A. Loyd Hackler, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $95.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
B. Hy-Gain Electronics Corp., 100 North 56th Street, Lincoln, Nebr. 68505.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson., 1701 Pennsylvania Avenue NW., Suite 404, Washington, D.C. 20006.
B. Williams Companies, National Bank of Tulsa Building, Tulsa, Okla. 74104.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Paul Hallisay, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $4,050. E. (9) $1,724.91.

A. Jerald Vinson Halvorsen, Allied-General Nuclear Services, 2120 L Street NW., Suite 245, Washington, D.C. 20037.
B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

A. Newman T. Halvorson, Jr., 888 16th Street NW., Washington, D.C. 20006.
B. Trustees of the Penn Central Transportation Co., 1700 Market Street, Philadelphia, Pa. 19103.
D. (6) $3,898.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Business Roundtable, 888 17th Street NW., Washingon, D.C. 20006.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Freda R. Caspersen, P.O. Box 595, Venice, Fla. 33595.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Hardaway Co., 11th Street and Third Avenue, Columbus, Ga.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Philip W. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036 (for National Labor-Management Foundation).
E. (9) $13.35.

A. Theodore J. Hamilton, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036

(for United States Industrial Council, Nashville, Tenn.)
D. (6) $750. E. (9) $35.35.

A. Christopher G. Hankin, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $26.02.

A. George J. Hanks, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., No. 1250, Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Patricia L. Hannahan, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Meyers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $200.

A. Lee C. Hanson, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Asociation of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. Arthur Harding, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,100.

A. Robert B. Harding, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $35. E. (9) $5.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Andrew E. Hare, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $374. E. (9) $124.

A. William J. Hargett, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Stret NW., Washington, D.C. 20036.
D. (6) $2,167. E. (9) $792.99.

A. Bryce L. Harlow, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Bryce N. Harlow, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45302.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $110. E. (9) $96.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $600. E. (9) $200.

A. A. J. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $561.93. E. (9) $34.33.

A. Godfrey Harris, 9200 Sunset Boulevard, Suite 404, Los Angeles, Calif. 90069.
B. Embassy of the Republic of Panama, 2862 McGill Terrace, Washington, D.C. 20008.

A. Saul J. Harris, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $167.50. E. (9) $1.24.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $600. E. (9) $956.

A. Fred L. Hartley, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $20.

A. Rita M. Hartz, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $8,076.95.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Walter A. Hasty, Jr., 888 17th Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017 and 888 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $171.79.

A. Charles W. Havens, III, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $25.

A. Sidney G. Hawkes, The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D. (6) $540.

A. John H. Hawkins, Jr., 600 North 18th Street, Birmingham, Ala. 35291.
B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.
D. (6) $2,125. E. (9) $1,151.51.

A. Paul M. Hawkins, 1750 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.

A. Robert T. Hayden, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,080.75. E. (9) $656.

A. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.
D. (6) $5,450.34. E. (9) $5,450.34.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $431.25.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington D.C. 20036.

A. William H. Hecht, 1776 K Street NW. Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,300. E. (9) $400.

A. Robert E. Heggestad, 2203 California Street NW., Washington, D.C. 20008.
B. Manufactured Housing Institute, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $5,208.

A. John F. Heilman, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $7,000.

A. Phil D. Helmig, 410 East College Street, Roswell, N. Mex. 88201.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Richard Dean Henderson, 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., No. 1008, Washington, D.C. 20036.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 East 42d Street. New York, N.Y. 10017.
D. (6) $1,500. E. (9) $162.24.

A. George F. Hennrikus, Jr., 1625 I Street, NW., Washington, D.C. 20006.
B. Retired Officers Association, 1625 I Street, NW., Washington, D.C. 20006.
D. (6) $3,054.

A. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

A. Jack E. Herington, 1801 K Street, NW., Suite 1201, Washington, D.C. 20006.
E. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $500. E. (9) $345.37.

A. Herrick, Allen, Davis, Bailey & Snyder, 1701 K Street NW., 706, Washington, D.C. 20006.
B. Music Operators of America, Inc., 228 North La Salle Street, Chicago, Ill. 60601.
D. (6) $84. E. (9) $21.10.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive

mend for the Pine Barrens which could be applied to all such areas throughout the Nation. The need for such a program—in fact a "second system" of national parks—has become increasingly evident. Besides the Pine Barrens, two other areas for which roughly similar legislation has been introduced are cases in point: the Nantucket Island area off Cape Cod in Massachusetts and the Santa Monica Mountains near Los Angeles, Calif.

In both these cases, legislation has been proposed which calls for the kind of partnership I believe is necessary, though the details are different in some respects. It seems clear to me that a broadly consistent approach, and a program to support it, is perfectly possible so that these three areas—Nantucket, the Santa Monicas, the Pine Barrens—and many others like these can be assured of protection.

The "second system" I envision would rely on State and local as well as Federal initiative and authority in resource planning and management. The units of this system, which have been called green-line parks by some since they would be delineated by a green line on maps rather than the solid green of parks wholly in public ownership, would contain a mix of public and private land. The public, and quasi-public, land—much of it already in place in the typical potential green-line park—could continue to be managed by individual agencies, but policies would be coordinated to maximize public land values under a comprehensive program of land management.

Federal funding would permit an area-wide management commission, created by State action, to carry out a plan effectively expressing a Federal-State-local conservation objective on both public and private land. Federal support would not be used to compel management commissions to adopt any given land management approach, but rather to insure that they can avail themselves to various approaches to land conservation and can assure landowners and local governments that plan implementation will not cause undue hardship.

Mr. Speaker, I have brought my intentions to light in this way—that is, by offering a description of legislation without attaching the legislation itself—in order that these ideas receive full discussion at the conceptual level before the all-important details are filled in. In my view, a "second system" of national parks—green-line parks, if you will—represents a good deal more than a simple adjustment in existing policy, but rather a new policy departure in the Federal role in landscape preservation.

The fate of the Pine Barrens depends in part on the establishment of a new policy. And, in turn, the establishment of new policy depends in part on initiation of preservation programs for prototype areas such as the Pine Barrens.

It is my belief that a new policy can be framed which can make the Federal expenditure for landscape preservation go farther than it ever has before, which can forge a creative, new partnership among various levels of government, and which can, in the end, do much to protect the natural beauty, the ecological integrity, and the recreational opportunities of many of our remaining landscape resources, so vital to urban populations, in a way that is affordable, fair, and permanent. I would welcome comments from my colleagues on these matters.

PAY FREEZE DRIVES TOP FEDERAL AIDES OUT OF GOVERNMENT

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 1977

Mr. STEERS. Mr. Speaker, over the past 8 years, top grade civil service employees have been held under a pay ceiling that has not permitted them to have any significant salary increase until the pay levels for Members of Congress are raised.

These loyal and able civil servants have been rewarded for their service by a pay increase of only 5 percent over the past 8 years—during which inflation has raised their costs 57 percent. The situation for many of them has become intolerable.

Significant numbers of Federal executives are leaving Government service for higher paying jobs in private industry. Those who remain in Government service often labor at the same salary as lower grade employees although their responsibilities and work loads are much greater.

Although I do not favor an immediate pay hike for Representatives and Senators, I understand the plight of career employees and wish that the Federal system—like that of the State of Maryland—permitted career personnel salaries to be higher than those of elected officials.

An important report on the problem is contained in this Washington Post article "Pay Freeze Drives Top Federal Aides Out of Government":

[From the Washington Post]

PAY FREEZE DRIVES TOP FEDERAL AIDES OUT OF GOVERNMENT

(By Lynn Darling)

Fred J. Cassibry is demoralized. He describes the economic landscape of his life with the kind of despair usually reserved for hurricane survivors returning to the wreckage of their home town.

Patiently he catalogues the humiliations to which his present financial condition has reduced him—the mounting bills, the thousands of dollars in loans he cannot repay, the friends he avoids because he cannot afford tc return their dinner invitations.

"You think you've achieved something in your life," he says. "You work hard. And then to find you really haven't accomplished anything—it's demoralizing."

Cassibry, however, is not an addition to the welfare rolls or the unemployment line. He is, as he has been for the last 11 years, a U.S. District Court Judge in New Orleans, La.

Currently, Cassibry earns an annual salary of $42,000. Barring any unexpected changes by Congress, he and his judicial colleagues, executive level federal officials and the members of Congress themselves will be getting a pay raise on Feb. 20.

With the exception of a 5 per cent cost-of-living increase they received last year, it will be the first pay raise they have received since 1969. During that time, salaries for these officials—as well as for the Civil Service "supergrades," GS levels 16 through 18—have remained frozen, while the cost of living has increased by two-thirds. Salaries in private industry, meanwhile, increased an average of over 50 per cent.

The result, according to the report of the Commission on Executive, Legislative and Judicial salaries that makes quadrennial pay proposals to the President, has been a "crisis" in the higher reaches of the federal bureaucracy where "the rate of good people leaving the government in the upper grades has become a flood."

The frozen salaries have led to a situation where federal judges are leaving the bench and the black robe behind in record numbers, where the average tenure of a presidential appointee below the Cabinet secretary level is about two years, where supergrade Civil Service employees are opting for early retirement with increasing frequency since their retirement benefits include an annual cost-of-living increase denied them if they stay on the job.

According to Social Security Commissioner James B. Cardwell, his agency lost six of its top level employees in 1975 because, he said, "in the face of the frozen salary levels, retirement just became too attractive." In addition, Cardwell said, it took the Social Security Administration over a year to find someone to fill the position of Chief Actuary for the agency—over 30 potential candidates refused the job, he said, because of the low pay.

The man who did take the job said he will probably leave it in about six months because he cannot afford to work at a job that pays half of what he could earn in the private sector.

With the average American earning a salary of approximately $11,000 in 1975, the last year for which figures are available, the travails of a $42,000-a-year federal judge or a $36,500 GS–18 are not likely to produce much sympathy from the majority of those who pay their salaries. In fact, according to a Commission survey of opinions about where government spending should be increased, "even 'welfare,' not traditionally an area in which many Americans want increased spending, fared better in the survey than government salaries."

Nevertheless, the Commission warned, "If we continue down the path of the past eight years, in which the politics of survival have required no pay raises at all, we must accept the implications of a government of only the rich, or only the young and untried. . . ."

Not to mention the demoralized. Judge Cassibry, 58, is one of over 140 federal judges who have joined an unprecedented suit that claims that the eight-year freeze on their salaries has resulted in a constitutionally forbidden decrease in their pay—due to inflation. The suit, filed last year, is currently pending in the U.S. Court of Claims.

The impending raise, Judge Cassibry feels, "doesn't make up for it. I'll never be able to catch up." It is, he said, "incredible that people do this to a group of public servants."

Since he has been a federal judge, Cassibry said, he has had to take out $18,000 in loans "to try and maintain my standard of living." His wife, he said, has had to go to work as a real estate agent to help pay for the college education of three of his children, he has sold a dearly beloved 24-foot inboard motor boat, and given up membership in a country club.

In addition, Cassibry feels that he "can't associate with the friends I used to. I can't have them picking up the check for dinner when I know I can't afford to do the same. It makes me wonder what have I done with my life now."

And as the buying power of his salary has waned, so, said Cassibry, has his incentive. "I used to have a fine record," he said, "I used to work night and day. Now I put in my eight

Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $2,730. E. (9) $1,227.93.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.
B. Self-Determination for District of Columbia, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $100.

A. Andrew I. Hickey, Jr., 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $12,690.60. E. (9) $605.74.

A. Paul T. Hicks, Rhode Island Petroleum Association, 154 Francis Street, Providence, R.I. 02903.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $84. E. (9) $25.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $400.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill 60018.
D. (6) $735. E. (9) $128.12.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
D. (6) $100.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $1,200.

A. J. Thomas Higginbotham, Mellon Bank, N.A., Pittsburgh, Pa. 15230.
B. Mellon Bank, N.A. and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $1,441.95.

A. Gerald (Jerry) Hill, 6 Executive Park Drive, Atlanta, Ga. 30329.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. J. Eldred Hill., Jr., 1800 M Street NW., 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M. Street NW., 460 South, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $2,000.

A. Kathryn Hilton, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,375. E. (9) $18.

A. Arthur Hintze, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $50.

A. Claude E. Hobbs, Westinghouse Electric Corp., 1801 K Street NW., 9th Floor, Washington D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Howard E. Hoelter, Illinois Petroleum Council, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 2101 L Street NW., Washington D.C. 20037.
D. (6) $134.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Association 30/32 St. Mary Axe, London EC3A 8ET, England.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

A. Izetta B. Hoge, 490 L'Enfant Plaze East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaze East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $400.

A. Thomas P. Holley, 1625 I Street NW., Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $192.42.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

A. Thomas D. Holman, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,275.

A. Eric Holmes, Jr., Petroleum Council of Georgia, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga. 30303.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $593.75.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne K. Horiuchi, Japanese American Citizens League, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, National Headquarters, 1765 Sutter Street, San Francisco, Calif. 94115.
D. (6) $687.

A. Hormel Foundation, Austin, Minn. 55912.

A. Michael E. Horrell, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $176.25. E. (9) $10.09.

A. John F. Horty, 4614 Fifth Avenue, Pittsburgh, Pa.
B. Council of Community Hospitals, 4614 Fifth Avenue, Pittsburgh, Pa.

A. James N. Horwood, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency.
D. (6) $825.

A. James N. Horwood, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Richmond Power & Light of the City of Richmond, Ind.

A. Craig Hosmer, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $270. E. (9) $8.66.

A. Houger, Garvey & Schubert, 1019 19th Street NW., 8th floor, Washington, D.C., 20036.
B. Quileute Tribe of Indians, P.O. Box 1587, La Push, Wash. 98350.
E. (9) $156.53.

A. Thomas B. House, 919 18th Street NW., Washington, D.C. 20026.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Mary Greer Houston, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. (for Farm Labor Research Committee).
D. (6) $250.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Paul N. Howell, 800 Houston Natural Gas Buidling, Houston Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. John B. Howerton, 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.
D. (6) $1,200. E. (9) $634.16.

A. James C. Hughes, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Peter W. Hughes, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $650.19.

A. David C. Hull, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $330.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc.,

A. James Floyd Humphreys, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,333.

A. Keith R. Hundley, 1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $300. E. (9) $191.48.

A. Richard M. Hunt, Suite 1009, Connecticut Building, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. NL Industries, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $2,000.

A. Milton F. Huntington, Maine Petroleum Association, 283 Water Street, Augusta, Maine 04330.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. James L. Huntley, Active Ballet Club Department, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $8,652.20. E. (9) $1,040.58.

A. Hunton & Williams, P.O. Box 1535, Richmond, Va. 23212.
B. National Association of Electric Companies, 1140 Connectciut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $1,500.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $130.

A. Raymond D. Hurley, Suite 1010, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. E. Hamilton Hurst, 2901 Butterfield Road, Oak Brook, Ill. 60521.
B. Nalco Chemical Co., 2901 Butterfield Road, Oak Brook, Ill. 60521.
E. (9) $10.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
D. (6) $200. E. (9) $25.

A. David C. Hyer, Ohio Petroleum Council, 88 East Broad Street, Columbus, Ohio 43215.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. F. N Ikard, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,375. E. (9) $669.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $525.

A. Independent Data Communications Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $625. E. (9) $625.

A. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $9,124.31.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $11,612.16. E. (9) $11,612.16.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $7,401.68.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $22,098.16.

A. International Union, United Automobile, Aerospace and Agricultural Implement, Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $149,713. E. (9) $149,713.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $1,470.75. E. (9) $7,483.91.

A. Investment Company Institute, 1775 K Street, NW., Washington, D.C. 20006.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Robert A. Jablon, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the City of Fort Pierce, the Gainesville-Alachua County Regional Electric Water & Sewer Utilities, the Sebring Utilities Commission, Cities of Homestead, Kissimmee, Lakeland, Starke, and Tallahassee, Fla.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.

A. Herbert N. Jasper, 520 North Capitol Street NW., No. 800, Washington, D.C. 20001.
B. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street NW., No. 800, Washington, D.C. 20001.
D. (6) $10,384.62.

A. Joseph A. Jeffrey, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Linda Jenckes, 1730 Pennsylvania Avenue NW., Suite 220, Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. James Courtney Jennings, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. W. Pat Jennings, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.
D. (6) $2,000. E. (9) $1,456.84.

A. Chris L. Jensen, Florida Petroleum Council, 111 North Gadsden Street, Tallahassee, Fla. 32301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $77.75.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. Charles E. Joeckel, Jr., Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $3,125.

A. Ronald P. Johnsen, 1625 I Street NW., Suite 302, Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $175. E. (9) $147.96.

A. Anita Johnson, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Bob Johnson, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $2,031.25. E. (9) $115.

A. Bruce T. Johnson, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,308. E. (9) $3,357.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, DC. 20036.

A. Jess Johnson, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex.
D. (6) $500.

A. John B. Johnson, Alabama Petroleum Council, 660 Adams Avenue Suite 188, Montgomery, Ala. 36104.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $343.75. E. (9) $551.78.

A. John Paul Johnson, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $9,343.80. E. (9) $883.54.

A. Rady A. Johnson, 1000 16th Street NW., No. 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Reuben L. Johnson, P.O. Box 39251, Denver, Colo.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union) P.O. 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $6,461.56. E. (9) $208.16.

A. Spencer A. Johnson, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $300.

A. Stanley L. Johnson, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $30.

A. Wilson S. Johnson, National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $2,000. E. (9) $1,400.

A. David Johnston, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. James D. Johnston, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $1,604.46.

A. Joint Corporate Committee on Cuban Claims, care of Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $1,900.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,408.56.

A. Charlie W. Jones, 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $200.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Firestone Tire & Rubber Co., 1200 Firestone Parkway, Akron, Ohio 44317.
D. (6) $225. E. (9) $6.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y., 10017.
D. (6) $3,600. E. (9) $14.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stackpole-Hall Foundation, St. Mary's, Pa.
D. (6) $495. E. (9) $6.

A. Ernest W. Jones, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. H. Daniel Jones III, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Co., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $325. E. (9) $15.48.

A. James E. Jones, Jr., 1776 F Street NW., Washington, D.C.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60600.
E. (9) $960.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $14,980.

A. Robert S. Jones, 900 Union Commerce Building, Cleveland, Ohio 44115.
B. Chemical/Metallurgical Division, SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.
E. (9) $50.

A. Ronald K. Jones, 7841 Doane Court, Springfield, Va. 22152.
B. Manufactured Housing Institute, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $6,500. E. (9) $122.55.

A. James V. Jordan III, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
D. (6) $27. E. (9) $310.

A. Brenda Joyce, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $750. E. (9) $200.

A. Robert E. Juliano, Hotel and Restaurant Employees and Bartenders International Union, 1666 K Street NW., Suite 304, Washington, D.C. 20006.
B. Hotel and Restaurant Employees and Bartenders International Union, 120 East Fourth Street, Suite 1300, Cincinnati, Ohio 45202.
D. (6) $7,500. E. (9) $8,329.64.

A. H. Richard Kahler, 1030 15th Street NW., Suite 720, Washington, D.C. 20005.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill., 61629.
D. (6) $2,500. E. (9) $2,492.86.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $8.

A. Charles W. Karcher, 1735 Midland Building, Cleveland, Ohio 44115.
B. Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. William J. Keating, 725 15th Street NW., Room 500, Washington, D.C. 20005.
B. National Grain & Feed Association, P.O. Box 28328, Washington, D.C. 20005.

A. Keck, Cushman, Mahin & Cate, 8300 Sears Tower, 233 South Wacker Drive, Chicago, Ill. 60606.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $555. E. (9) $286.77.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
E. (9) $275.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.
B. Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250.

A. Jefferson D. Keith, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

A. John B. Kelley, 1025 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Avco Corp., 1175 King Street, Greenwich, Conn. 06830.
D. (6) $1,300. E. (9) $250.

A. Paul J. Kelley, 2727 North Central Avenue, Phoenix, Ariz. 85004.
B. Amerco, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.
E. (9) $3,110.

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Robert F. Kelly, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. George Kelm, 1 First National Plaza. No. 5200, Chicago, Ill. 60603.
B. Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.
D. (6) $150.

A. Thomas J. Kenan, George, Kenan, Robertson & Lindsey, 1000 Fidelity Plaza, Oklahoma City, Okla. 73102.
B. Coquina Oil Corp., P.O. Drawer 2690, Midland, Tex. 79701.
E. (9) $1,130.19.

A. James J. Kennedy, Jr., Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $7,000. E. (9) $2,108.80.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $19.90.

A. Robert T. Kenney, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, NY. 10017.

A. William J. Kenney, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $220. E. (9) $150.

A. John V. Kenny, 1620 I Street NW., Suite 615, Washington, D.C. 20006.
B. Southern Pacific Co. and affiliated companies.
D. (6) $4,565. E. (9) $806.71.

A. Kenyon & Kenyon, Reilly, Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, et al., 1461 West 16th Place, Yuma, Ariz. 85364.
E. (9) $10.

A. T. Michael Kerr, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County, & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $4,270.21. E. (9) $60.80.

A. Carl F. Kettler, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,875. E. (9) $664.11.

A. Daniel L. Kiley, 8 North Jefferson Street, Roanoke, Va. 24042.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $187.50. E. (9) $270.62.

A. James L. Kimble, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $320.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $3,383.07.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Ralph W. Kittle, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $992. E. (9) $244.

A. Richard P. Kleeman, 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Washington, D.C. 20036.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. dupont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Andrew Kneier, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,600.

A. Gary D. Knight, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $16.49.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill., 60684.

A. Ruth E. Kobell, P.O. Box 39251, Denver, Colo.
B. Farmers' Educational & Cooperative Union of America (National Farmers Union), P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $2,865.40. E. (9) $49.98.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. George W. Koch, 1425 K Street NW., Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Robert M. Koch, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $26.76.

A. Robert M. Koch, Jr., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $28.67.

A. Horace R. Kornegay, Suite 1200, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. Paul A. Korody, Jr., 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $750.

A. Kenneth S. Kovack, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,080.75. E. (9) $2,066.42.

A. Mylio S. Kraja, 1608 K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania St., Indianapolis, Ind.
D. (6) $6,695. E. (9) $1,542.26.

A. Amos Kramer, Kansas Petroleum Council, 8th and Jackson Street, Suite 1414, Topeka, Kans. 66612.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Stephen W. Kraus, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Raymond R. Krause, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $350.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Richard W. Kreutzen, Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., Subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $92.

A. Anthony L. Kucera, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $200.

A. Lloyd R. Kuhn, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $9,120. E. (9) $1256.79.

A. Thomas R. Kuhn, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300 Washington, D.C.
D. (6) $285. E. (9) $10.31.

A. Daniel M. Kush, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $157.75.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $13,022. E. (9) $4,804.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $20,335.66.

A. Edward J. Lachowicz, Garfield House, Apt. 600, 2844 Wisconsin Avenue NW., Washington, D.C. 20007.
B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.

A. Sarah M. Laird, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $574.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. David P. Lambert, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. David R. Lambert, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Harry J. Lambeth, 725 15th Street NW., Suite 700, Washington, D.C. 20005.
B. Council to Save the Post Card, 725 15th Street NW., Suite 700, Washington, D.C. 20005.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
D. (6) $173.75. E. (9) $25.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $860.65.

A. Richard G. Larsen, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Ernst & Ernst, 1225 Connecticut Avenue

NW., Washington, D.C. 20036 (for Ling-Temco-Vought, Inc.).

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. Glenn T. Lashley, American Automobile Association, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. District of Columbia Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Latham & Watkins, 555 South Flower Street, Los Angeles, Calif. 90071.
B. James L. Walker, S. T. Timmons, William Rapien, and Russell K. Kendall, in care of 6315 Bandini, City of Industry, Calif. 90040.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,000. E. (9) $350.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Robert W. Lee, John Birch Society, 1028 Connecticut Avenue NW., No. 1004, Washington, D.C. 20036.
B. John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass. 02178.

A. Michael L. Lehrman, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale 37, Boulevard de Montmorency, 75016 Paris, France).

A. Michael L. Lehrman, 3012 Cortland Place NW., Washington, D.C. 20008.
B. Plessey Co. Ltd., Ilford, Essex, England.
D. (6) $13,944.92. E. (9) $1,270.

A. Richard J. Leighton, Vorys, Sater, Seymour & Pease, 1701 K Street NW., Suite 800, Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.
B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.
D. (6) $1,000. E. (9) $200.

A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $809.58.

A. Earl T. Leonard, Jr., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $500. E. (9) $659.

A. Herbert J. Lerner, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Ernst & Ernst, 1225 Connecticut Avenue, Washington, D.C. 20036 (for Ling-Temco-Vought, Inc.).

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of Community Hospitals, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.

A. Harry LeVine, Jr., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 777 14th Street NW., Washington, D.C.

A. David Lewis, American Optometric Association, 1730 M Street, NW., Washington, D.C. 20036.
B. American Optometric Association, care of Alvin Levin, O.D., 120 S. Hanover Street, Carlisle, Pa. 17013.
D. (6) $182.69. E. (9) $160.51.

A. Robert G. Lewis, P.O. Box 39251, Denver, Colo.
B. Farmers' Educational and Cooperative Union of America (National Farmers Union) P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $1,852.31. E. (9) $47.54.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. County of Baltimore, 111 West Chesapeake Avenue, Towson, Md. 21204
D. (6) $1,200. E. (9) $167.60.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Lake Superior District Power Co., 101 West Second Street, Ashland, Wis. 54806.
D. (6) $363.84. E. (9) $86.19.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Madison Gas & Electric Co., 100 North Fairchild Street, Box 1231, Madison, Wis. 53701.
D. (6) $807.30. E. (9) $191.25.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $8,992.75. E. (9) $3,842.40.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Northern States Power Co., 100 North Barstow Street, Eau Claire, Wis. 54701.
D. (6) $1,091.25. E. (9) $258.51.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Superior Water, Light & Power Co., 1230 Tower Avenue, Superior, Wis. 54880.
D. (6) $218.70. E. $51.81.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wayne County Board of Commissioners, 706 City County Building, Detroit, Mich. 48226.
D. (6) $7,500. E. (9) $415.04.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Electric Power Co., 231 West Michigan, Milwaukee, Wis. 53201.
D. (6) $3,136.35. E. (9) $629.29.

A. Ron M. Linton, 1015 18th Street, NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Michigan Power Co., 231 West Michigan, Milwaukee, Wis.
D. (6) $883.35. E. (9) $209.27.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Power & Light Co., Madison, Wis. 53701.
D. (6) $1,514.94. E. (9) $358.88.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Public Service Corp., P.O. Box 700, Green Bay, Wis. 54305.
D. (6) $1,464.30. E. (9) $346.89.

A. Charles B. Lipsen, 6414 Earlham Drive, Bethesda, Md., 20034.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $287.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Room 1010, Washington, D.C. 20036.
D. (6) $125. E. (9) $32.70.

A. H. Richard Lloyd, Jr., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $5.

A. Harold D. Loden, 1030 15th Street NW., Washington, D.C. 20005.
B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C. 20005.

A. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.
E. (9) $3,000.

A. Nils Lofgren, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Christopher LoPiano, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C.
D. (6) $913.36. E. (9) $48.

A. Edward J. Lord, 1608, K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,747. E. (9) $93.87.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $500. E. (9) $100.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 423 Park Avenue South, New York, N.W. 10016.
D. (6) $250. E. (9) $10.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Massachusetts Cooperative Bank League, 225 Franklin Street, Boston, Mass. 02110.
D. (6) $50. E. (9) $5.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $2,275.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., United Technologies Building, Hartford, Conn. 06101.
D. (6) $7,500. E. (9) $432.78.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $300. E. (9) $11.29.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
D. (6) $750. E. (9) $96.77.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $120.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $8,174.60. E. (9) $12,602.90.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. James H. Mack, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $622.50. E. (9) $500.

A. Duncan H. Mackenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.
D. (6) $218. E. (9) $1,526.42.

A. John P. Mackey, Ad Hoc Committee on Defense of Life, Inc., 810 National Press Building, Washington, D.C. 20045.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $4,125. E. (9) $4,432.08.

A. J. Jeronie Madden, Suite 1200, 1030 15th Street NW., Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty, Indianapolis, Ind. 46206.
D. (6) $7,000. E. (9) $500.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,500.

A. John F. Mahoney, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $711.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $10.

A. Andre Maisonpierre, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,195.

A. J. Wilson Malloy, Jr., Eastman Chemical Products, Inc., 500 12th Street SW., Washington, D.C. 20024.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $200. E. (9) $6.50.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $2,081.08. E. (9) $345.62.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $7,875. E. (9) $81.10.

A. Mike Manatos, 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45203.
D. (6) $26.68. E. (9) $26.68.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
E. (9) $200.

A. Forbes Mann, 1155 15th Street NW., No. 1004, Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $2,000. E. (9) $550.

A. Manufactured Housing Institute, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $1,622.55. E. (9) $1,622.55.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,050.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.
B. National Star Route Mail Carriers Association, 324 East Capitol Street, Washington, D.C. 20003.

A. March For Life, Inc., P.O. Box 2950, Washington, D.C. 20013.
D. (6) $10,776.25. E. (9) $10,132.28.

A. Ronald M. Marcus, American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,000. E. (9) $100.

A. Marine Engineers' Beneficial Association, AFL–CIO, District No. 1—Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.
E. (9) $9,666.77.

A. Thomas P. Marinis, Jr., 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, 2100 First City National Bank Building, Houston, Tex. 77002. (for: Waterwood Improvement Association, 4400 East Broadway Boulevard, Box 5626, Tucson, Ariz. 85703.)
E. (9) $36.23.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $347.13.

A. Matthew J. Marks, Prather Seeger Doolittle Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Heterochemical Corp., 111 East Hawthorne Avenue, Valley Stream, Long Island, N.Y. 11580.

A. Ralph J. Marlatt, 1511 K Street NW., Washington, D.C. 20005.
B. Professional Insurance Agents (PIA), 1511 K Street NW., Washington, D.C. 20005.
E. (9) $950.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Jeremiah Marsh, 1 First National Plaza, Suite 5200, Chicago, Ill., 60603.
B. Union Bank of Bavaria, 1 First National Plaza, Suite 4454, Chicago, Ill. 60603.
D. (6) $750.

A. C. Travis Marshall, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $500. E. (9) $235.

A. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. J. Paull Marshall, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
E. (9) $231.

A. John B. Martin, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $603.08.

A. Katherine E. Martin, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $47.50. E. (9) $35.

A. Steven A. Martindale, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $913.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $500. E. (9) $200.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $18.49.

A. Mike M. Masaoka, Suite 520, The Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. American Japanese Trade Committee, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Association on Japanese Textile Imports, Inc., Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Assoication of Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, Suite 520, the Farragut Building, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishikawa & Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Cliff Massa III, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. David Masselli, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,600.

A. P. H. Mathews, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $193.20. E. (9) $73.25.

A. Charles D. Matthews, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. National Ocean Industries, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
D. (6) $2,250. E. (9) $399.87.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $404.79.

A. Charles E. Mattingly, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $5,043.

A. Robert R. Mattson, 200 East Randolph Drive, Mail Code 6402, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $380. E. (9) $311.24.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.

A. Anthony F. Mauriello, care of N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Thomas H. Maxedon, Kentucky Petroleum Council, 4010 Dupont Circle, Suite 469, Louisville, Ky. 40207.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $410. E. (9) $19.68.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 502, Washington, D.C. 20001.
B. Amalgamated Meat Cutters & Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $8,425. E. (9) $75.

A. H. Wesley McAden, Cook Industries, Inc., 1707 L Street NW., Suite 650, Washington, D.C. 20036.
B. Cook Industries, Inc., 2185 Democrat Road, Memphis, Tenn. 38116.
D. (6) $1,500.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,250. E. (9) $138.

A. John A. McCart, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $2,320.78.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
D. (6) $301. E. (9) $34.17.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Cities Service Co., Box 300, Tulsa, Okla. 74102.
D. (6) $10,760.25. E. (9) $79.62.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.
D. (6) $278.25. E. (9) $16.92.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., 1 Gulf & Western Plaza, New York, N.Y. 10023.
D. (6) $4,791.50. E. (9) $194.82.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42nd Street, New York, N.Y. 10017.
D. (6) $14,546.50. E. (9) $139.38.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Montgomery Coca-Cola Bottling Co., Inc., North Perry and Jefferson Streets, Montgomery, Ala. 35102.
D. (6) $997.50. E. (9) $2.49.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600 Washington, D.C. 20036.
B. Tidewater Marine Service, Inc., 3308 Tulane Avenue, New Orleans, La. 70110.
D. (6) $420. E. (9) $1.75.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.
D. (6) $11,161.88. E. (9) $81.19.

A. James T. McCorkle, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,125. E. (9) $23.

A. Robert E. McCoy, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, Suite 819, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio.
D. (6) $284.60. E. (9) $81.50.

A. D. McCurrach, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.

A. Albert L. McDermott, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $653.63. E. (9) $282.20.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Bankers Life & Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.
D. (6) $1,660. E. (9) $149.80.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $400.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $735. E. (9) $128.12.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $1,200.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $5,500.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trustees Under Will of Warren Wright, care of the First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. United Insurance Co. of America, 1 Wacker Drive, Chicago, Ill. 60601.
D. (6) $1,660. E. (9) $149.80.

A. McDermott, Will & Emery, 111 West Monroe Street, Chicago, Ill. 60603.
D. (6) $414.30. E. (9) $1,471.50.

A. Robert C. McDiarmid, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency, 1400 Coleman Avenue, Santa Clara, Calif.
D. (6) $522.50.

A. Robert C. McDiarmid, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Town of Reading, Mass.
D. (6) $27.50.

A. Jack McDonald, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Jack McDonald Associates, Inc., 6845 Elm Street, No. 512, McLean, Va. 22101 (for Lear Siegler, 3171 South Bundy Drive, Santa Monica, Calif 90406.
D. (6) $1,500.

A. James McDonald, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Jack McDonald Associates, Inc., 6845 Elm Street, No. 512, McLean, Va. 22101. (for Lear Siegler, 3171 South Bundy Drive, Santa Monica, Calif. 90406.
D. (6) $1,500.

A. Jack McDonald Associates, 6845 Elm Street, No. 512, McLean, Va. 22101.
B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.
D. (6) $6,000. E. (9) $3,225.

A. Michael D. McDonald, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Michael B. McFarland, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $575. E. (9) $34.58.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $8,983.10.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,555. E. (9) $628.80.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,555. E. (9) $579.37.

A. Peter E. McGuire, National Association of Retired & Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired & Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106 Hotel & Restaurant Employees & Bartenders International Union, 1666 K Street NW., Washington, D.C. International Conference of Police Association, 1239 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $800. E. (9) $800.

A. Clarence M. McIntosh, Jr., Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $952.75.

A. Lyn McIntosh, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $138.75. E. (9) $6.70.

A. Robert McIntyre, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. National Headquarters, Marine Corps League, 933 North Kenmore Street, Suite 321, Arlington, Va., 22201.
D. (6) $22. E. (9) $48.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the USA (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $4,076.87. E. (9) 7,888.90.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $250.

A. William F. McManus, 777 14th Street NW., Washington, D.C.
B. General Electric Co., Fairfield, Conn. 06431.
D. (6) $375. E. (9) $125.60.

A. C. W. McMillan, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,500.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., et al., 12 South 12th Street, Philadelphia, Pa. 19107.
D. (6) $25,291.72. E. (9) $3,274.04.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. Republic of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $6,300. E. (9) $420.35.

A. Harry McPherson, Suite 1100, 1600 L Street NW., Washington, D.C. 20036.
B. Commonwealth of Puerto Rico, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970 4th Financial Center, Wichita, Kans. 67202.

A. George G. Mead, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,241.07.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $132.30. E. (9) $0.47.

A. Richard A. Mehler, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $400.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, Professional Society, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $600. E. (9) $500.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,555. E. (9) $552.08.

A. Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
B. National Association of Farmers Elected Committeemen, care of Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
E. (9) $43.12.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $135. E. (9) $145.

A. Marilee Menard, 1155 15th Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $600.

A. Faye L. Mench, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association, American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $134.08.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Asso-

ciation, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $46.52.

A. Lawrence C. Merthan, Carpet and Rug Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. Carpet and Rug Institute, Dalton, Ga. 30720.

A. Nancy S. Metler, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $47.50.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $549.

A. John G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Mid-Continent Oil and Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $230.10. E. (9) $1,036.40.

A. Roy H. Millenson, 1707 L Street NW., Room 480, Washington, D.S. 200036.
B. Association of American Publishers, 1707 L Street NW., Room 480, Washington, D.C. 20036.
D. (6) $1,700. E. (9) $125.

A. A. Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Miller, Cassidy, Larrocca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.
B. Alaska Federation of Natives, International, 1333 Queen Ann Avenue, North, Seattle, Wash. 98109.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Columbia Gas System, Inc., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $150. E. (9) $35.17.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.
D. (6) $3,700. E. (9) $82.22.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pacific Lighting Corp., Box 60043 Terminal Annex, Los Angeles, Calif. 90060.
D. (6) $500. E. (9) $73.25.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $575.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $48.48.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $375. E. (9) $395.82.

A. Harriet Miller, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association, American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $137.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

John F. Mills, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,350. E. (9) $135.

A. Linda F. Mills, 1629 K Street NW., Suite 403, Washington, D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.

A. Mitchell, George & Belt, 315 Westgate Building, Austin, Tex. 78701.
B. American Mid-East Trade Association, 315 Westgate Building, Austin, Tex. 78701.
D. (6) $6,000. E. (9) $856.30.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.
E. (9) $142.

A. Graham T. T. Molitor, 1629 K Street NW., Suite 403, Washington, D.C. 20006.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.

A. John Moller, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. John S. Monagan, Suite 1010, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Benrus Corp., Benrus Center, Ridgefield, Conn. 06877.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Suite 1010, Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $850. E. (9) $18.51.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Montgomery Ward & Co., Inc., 1101 15th Street NW., No. 205, Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60671.
D. (6) $52.50. E. (9) $150.

A. G. Merrill Moody, Association of American Railroads, 40 Ivy Street SE, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $64.38. E. (9) $76.75.

A. O. William Moody, Jr., 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $948.29.

A. Alan J. Moore, The Atchison, Topeka & Santa Fe Railway Co., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

A. Howard Moore, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. E. Joyce Morgan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Earl J. Morgan, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $400. E. (9) $250.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $588. E. (9) $33.09.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

A. James A. Morrissey, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, South Tryon Street, Charlotte, N.C. 28285.
D. (6) $1,000. E. (9) $88.

A. Jack Moskowitz, 2030 M Street NW., Washington D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,100. E. (9) $99.50.

A. Lynn E. Mote, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Roger L. Mozingo, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $110.

A. Robert M. Mulligan, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Mullin, Connor & Rhyne, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.
D. (6) $558.78. E. (9) $24.81.

A. Tracy Mullin, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $100. E. (9) $15.

A. Robert J. Mullins, P.O. Box 39251, Denver, Colo.
B. The Farmers' Educational & Co-Operative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $2,553.86. E. (9) $17.44.

A. Daniel J. Mundy, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building & Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $7,673.34. E. (9) $11,43.03.

A. Beverly J. Murphy, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $220.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. William T. Murphy, Jr., 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $2,550. E. (9) $400.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific RR., 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $200. E. (9) $75.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $100. E. (9) $41.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42 Street, New York, N.Y. 10017.
D. (6) $100. E. (9) $29.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $100.

A. D. Michael Murray, 1120 Connecticut Avenue, Washington, D.C. 20036.
B. National Association of Industrial and Office Parks, 1901 North Fort Meyer Drive No. 1100, Arlington, Va.
D. (6) $200. E. (9) $58.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C.
D. (6) $100. E. (9) $54.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $161.50.

A. Thomas H. Mutchler, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $300. E. (9) $30.

A. Harold D. Muth, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. American Waterways Operations, Inc. (AWO), 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $300. E. (9) $11.

A. Lawrence P. Mutter, 6849 Old Dominion Drive, McLean, Va. 22101.
B. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.

A. Fred J. Mutz, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Gary D. Myers, 1015 18th Street NW., Washington, D.C. 20036.
B. Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $500 E. (9) $158.15.

A. J. Walter Myers, Jr., P.O. Box 95385, Atlanta, Ga. 30347.
B. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. John J. Nangle, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $159.50 E. (9) $159.50.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $414.05. E. (9) $912.83.

A. National Association for Free Enterprise, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $2,729.33. E. (9) $8,076.20.

A. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
D. (6) $1,382.81. E. (9) $1,382.81.

A. National Association of Food Chains, 1726 I Street NW., Washington, D.C. 20006.
D. (6) $450. E. (9) $450.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $1,591,934.64. E. (9) $65,915.35.

A. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $33,201.85. E. (9) $33,201.85.

A. National Association of Mutual Insurance, Cos., 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $8,340.85. E. (9) $8,340.85.

A. National Association of Plumbing-Heating-Cooling Contractors, 1010 20th Street NW., Washington, D.C. 20036.
D. (6) $689.30. E. (9) $689.30.

A. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill.; 925 15th Street NW., Washington, D.C.
E. (9) $20,832.31.

A. National Association of Wheat Growers, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
D. (6) $688.46. E. (9) $4,861.50.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $8,743.53. E. (9) $6,777.55.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,650. E. (9) $1,650.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $20,842.75. E. (9) $20,842.75.

A. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $634.90. E. (9) $3,677.92.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Washington, D.C. 20036.
D. (6) $35,389. E. (9) $10,452.31.

A. National Committee for Research in Neurological and Communicative Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $4,400. E. (9) $6,445.45.

A. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.
E. (9) $130.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $7,434.23. E. (9) $7,434.23.

A. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,854.80. E. (9) $15.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.
D. (6) $156.29. E. (9) $156.29.

A. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $356.675.07. E. (9) $29,850.83.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $332,800. E. (9) $28,158.62.

A. National Grain and Feed Association, 725 15th Street NW., P.O. Box 28328, Washington, D.C. 20005.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $145,897.29. E. (9) $14,462.50.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $85,275. E. (9) $397.50.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $355.70.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $29,733.60. D. (9) $32,323.37.

A. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
D. (6) $8,147.96. E. (9) $8,147.96.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr. 68107.
D. (6) $2,724.28. E. (9) $2,724.28.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $5,155.59. E. (9) $5,155.59.

A. National Motor Sports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $506.87.

A. National Oil Jobbers Council, 1750 New York Avenue NW., Suite 230, Washington, D.C. 20006.
D. (6) $93,629. E. (9) $26,512.25.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $7,880. E. (9) $5,970.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
E. (9) $1,845.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $2,562. E. (9) $2,562.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $4,874.10.

A. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $565,571. E. (9) $736.

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,500.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $11,600.

A. National Solid Wastes Management Association, 1120 Connecticut Avenue NW., No. 930, Washington, D.C. 20036.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $4,011.69.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,409.60. E. (9) $2,884.34.

A. National Tire Dealers and Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $655. E (9) $655.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill. 60201.
D. (6) $1,780. E. (9) $2,163.33.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $1,825. E. (9) $6,660.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $50. E. (9) $10.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,722.

A. Connie M. Nelson, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules, Inc., 910 Market Street, Wilmington, Del. 19899.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. A. S. Nemir Associates, Suite 1230, Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar and Alcohol Institute, Rio de Janeiro, Brazil.
D. (6) $3,000. E. (9) $429.

A. NETWORK, 224 D Street SE., Washington, D.C. 20003.
D. (6) $22,394.99. E. (9) $2,709.07.

A. Billy C. Newbold, 1155 15th Street NW., Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. $2,400. E. $100.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C.; 1 IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $2,500. E. (9) $26.45.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,812.50. E. (9) $810.11.

A. Charles E. Nichols, 101 Connecticut Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NE., Washington, D.C. 20001.
D. (6) $925. E. (9) $270.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,375. E. (9) $549.

A. Edwin J. Nielson, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,500. E. (9) $281.63.

A. Donald R. Niemi, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $770. E. (9) $1,050.

A. Patrick J. Nilan, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $10,616.43. E. (9) $2,519.18.

A. NL Industries, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $3,000.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Charles M. Noone, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.
D. (6) $1,500. E. (9) $286.44.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48231.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Dana Corp., P.O. Box 1000, Toledo, Ohio 48697.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.

A. Andrea K. Nordell, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $28.53.

A. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
E. (9) $753.12.

A. Richard B. Norment IV, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $475.

A. Robert H. North, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $12.44.

A. Victor L. Nutt, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.

A. Seward P. Nyman, 20 Chevy Chase Circle, Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle, Washington, D.C. 20015.
D. (6) $650.

A. Mary E. Oakes, 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.

A. Coleman C. O'Brien, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $600. E. (9) $11.

A. John F. O'Brien, c/o Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Raymond V. OBrien, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.

B. International Telephone & Telegraph Corp., 320 Park Avenue, N.Y. 10022.
D. (6) $50. E. (9) $23.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $102.90. E. (9) $35.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., No. 600, Washington, D.C. 20006.
B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., 600, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $131.98.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $462.21.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.
D. (6) $8,972.50. E. (9) $346.75.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., No. 600, Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, New York, N.Y. 10001.
D. (6) $2,200. E. (9) $50.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill.

A. Robert C. Olde, Jr., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $400. E. (9) $100.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.
B. Philippine Sugar Institute.
D. (6) $3,000. E. (9) $250.

A. Patrick E. O'Donnell, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $75.

A. Neil H. Offen, 1730 M Street NW., Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $1,287.50. E. (9) $288.03.

A. Jane O'Grady, Amalgamated Clothing & Textile Workers Union, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Amalgamated Clothing & Textile Workers Union, AFL–CIO, 15 Union Square, New York, N.Y. 10003.
D. (6) $6,284.98. E. (9) $864.32.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $6,625.03.

A. Robert Spencer O'Leary, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,375.

A. Alvin E. Oliver, 725 15th Street NW., Room 500, Washington, D.C. 20005.
B. National Grain & Feed Association, P.O. Box 28328, Washington, D.C. 20005.
D. (6) $38.78.

A. William P. Oliver, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $193.33.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. George C. P. Olsson, 25 Clifford Road, Plymouth, Mass. 02360.
B. Ocean Spray Cranberries, Inc., Hanson, Mass. 02341.
D. (6) $337.50.

A. Samuel Omasta, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $20.11.

A. John F. O'Neal, 600 New Hampshire Avenue NW., No. 952, Washington, D.C. 20037.
B. Wheat & Wheat Foods Foundation, 14 East Jackson Boulevard, Suite 1010, Chicago, Ill. 60604.
D. (6) $172.50. E. (9) $19.26.

A. Evan J. O'Neil, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $240. E. (9) $20.20.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue NW., Washignton, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. John L. Oshinski, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $6,155. E. (9) $789.12.

A. Roland A. Ouellette, 1660 L Street NW., Suite 501, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $4,465.77.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $247.25. E. (9) $16.50.

A. Raymond S. Page, Jr., Hill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $530. E. (9) $250.

A. G. Oliver Papps, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lew M. Paramore, Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation Association, Box 1160, Kansas City, Kans. 66117.

A. Herschell E. Parent, Arkansas Petroleum Council 302 Commercial National Bank Building, Little Rock, Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Michael J. Parker, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $850.

A. Paul Parkhurst, Chevron Oil Co., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $75.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $638.34.

A. Kenton H. Pattie, 3150 Spring Street, Fairfax, Va. 22030.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $1,924.98.

A. David J. Pattison, 1750 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $700.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ad Hoc Committee of Zonal Electric Heating Manufacturers, 150 Avenue L, Newark, N.J.
E. (9) $17.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Guild of Authors and Composers, 50 West 57th Street, New York, N.Y. 10019.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20006.
E. (9) $50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Armco Steel Corp., General Offices, Middletown, Ohio 45042.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601; National Association of Engine and Boat, Manufacturers, P.O. Box 5555, Grand Central Station, New York, N.Y. 10017.
E. (9) $65.75.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.
E. (9) $108.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Committee for American Movie Production (AMP), c/o Mr. Marvin Korman, 711 Fifth Avenue, New York, N.Y. 10022.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Energy Advances, Inc., 1375 Perry Street, Columbus, Ohio 43201.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Hobby Industry of America, 200 Fifth Avenue, New York, N.Y. 10010.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.
E. (9) $234.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. King Ranch, Inc., Kingsville, Tex. 78363.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Landmark Services, Inc., 900 Ohio Drive SW., Washington, D.C. 20024.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Machinery Dealers Association, 1400 20th Street NW., Washington, D.C. 20036.
E. (9) $175.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mail Order Association of America, P.O. Box 7047, Alexandria, Va. 22307.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. McDermott, Will & Emery, 111 West Monroe Street, Chicago, Ill. 60603.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.
E. (9) $700.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 17365.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Northwest Pipeline Corp., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $1,250. E. (9) $410.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Pyrotechnic Signal Manufacturers Association, Inc., 1730 K Street NW., Suite 1300, Washington, D.C. 20006.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston-Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C.
B. Reading Co., Reading Terminal, 12th and Market Streets, Philadelphia, Pa. 19107.

A. Patton, Boggs & Blow, 1200 17h Street NW., Washington, D.C. 20036.
B. Revlon, Inc., 767 Fifth Avenue, New York, N.Y. 10022.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
E. (9) $2,104.28.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corporation of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Uncle Ben's Inc., 1300 Westheimer Boulevard, Houston, Tex. 77001.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Longines-Wittnauer Watch Co., 145 Huguenot Street, New Rochelle, N.Y. 10810.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

A. Jack Pearce, Pearce & Brand, 1000 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $9,075. E. (9) $1,174.27.

A. Pennsylvania Power & Light Co., Two North Ninth Street, Allentown, Pa. 18101.
E. (9) $846.77.

A. Pennzoil Co., P.O. Box 2967, Houston, Tex. 77001.
E. (9) $5,200.

A. Dominic V. Pensabene, Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., No. 200, Washington, D.C. 20006
B. Coalition of Concerned Charities, in care of Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.
D. (6) $16,000. E. (9) $16,000.

A. J. Carter Perkins, Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,875.27.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,223. E. (9) $168.39.

A. Mary B. Peterson, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,875.06.

A. Paul F. Petrus, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,200.

A. John Pflieger, Time, Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,750. E. (9) $400.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
E. (9) $26.65.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Scott H. Phillips, 800 Houston Natural Gas Building, Houston, Tex. 77002.
B. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Daphne Philos, 1707 L Street NW., Suite 515, 1707 L Street NW., Washington, D.C. 20036.
B. Association of Media Producers, 1707 L Street NW., Suite 515, Washington, D.C. 20036.
D. (6) $250.

A. Sam Pickard, 1101 17th Street NW., Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Satellite Business Systems, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $8,589.05. E. (9) $1,350.

A. Harlan Pomeroy, 500 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
B. Baker, Hostetler, Frost & Towers, 500 Southern Building, 15th and H Streets NW., Washington, D.C. 20005 (for the Hall Chemical Co., P.O. Box 197, Wickliffe, Ohio 44092).

A. Judith A. Pond, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $200. E. (9) $104.

A. S. J. Poray-Tucholski, P.O. Box 1681, Whittier, Calif. 90609.
B. Bermejo River Project Development Association.

A. Everett O. Post, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 2005.
D. (6) $250. E. (9) $14.05.

A. John Post, 888 17th Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue New York, N.Y. 10017 and 888 17th Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $40.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Edmond A. Potter, NCR Corp., 2301 Research Boulevard, Rockville, Md. 20850.
B. NCR Corp., 1700 South Patterson Boulevard, Dayton, Ohio 45479.
D. (6) $8,150. E. (9) $815.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Robert D. Powell, 734 15th Street NW., Suite 401, Washington, D.C. 20005.
B. National Business Aircraft Associates, Inc., 425 13th Street NW., Washington, D.C. 20004.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $562.50. E. (9) $136.95.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenter & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $3,524.62. E. (9) $155.

A. William C. Prather, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $650.

A. Dan Prescott, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $75. E. (9) $38.

A. Lloyd T. Preslar, DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $562.50.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $43.45.

A. Jerry Z. Pruzan, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $100. E. (9) $100.

A. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,653.70. E. (9) $2,653.70.

A. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $25,283.55. E. (9) $26,873.58.

A. Philip N. Pulizzi, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Donald E. Purcell, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K. Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle III, 1000 16th Street NW., No. 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Robert N. Pyle, Suite 450, 1707 L Street NW., Washington, D.C. 20036.
B. American Bakers Association, Suite 650, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $2,050.

A. Robert N. Pyle, 1707 L Street NW., Washinton, D.C. 20036.
B. Automotive Parts Rebuilding Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $700.

A. Robert N. Pyle, 1707 L Street NW., Washington, D.C. 20036.
B. Fur Conservation Institute of America, 855 Avenue of the Americas, New York, N.Y. 10001.

A. Quality Management Committee, 1500 Southwest Taylor, Portland, Oreg.
D. (6) $20,000. E. (9) $14,858.56.

A. William A. Quinlan, 3045 Riva Road, Annapolis, Md. 21401.
B. Associated Retail Bakers of America, 735 West Sheridan Road, Chicago, Ill. 60613.
D. (6) $208. E. (9) $27.04.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW.. Washington, D.C. 20001.
D. (6) $2,684.97.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $51.70.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $19,560. E. (9) $19,560.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.

A. Donald A. Randall, 1000 Connecticut Avenue NW., Suite 1201, Washington, D.C. 20036.
B. Automotive Service Councils, Inc., Suite 112, 188 Industrial Drive, Elmhurst, Ill. 60126.
D. (6) $4,000. E. (9) $1,472.08.

A. Arthur G. Randol, 1750 K Street NW., Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $221.25. E. (9) $7.63.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $200.

A. Magda Ratajski, P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $125.

A. G. J. Rauschenbach, 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $1,500. E. (9) $820.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $337. E. (9) $65.11.

A. Timothy J. Redmon, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $693.75. E. (9) $612.74.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Jerry Rees, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
B. National Association of Wheat Growers, Suite 1030, 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $1,252.35.

A. J. Mitchell Reese, P.O. Box 1166, Pittsburgh, Pa. 15230.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $1,500. E. (9) $300.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $1,296.38.

A. J. E. Reinke, 1030 15th Street NW., Washington, D.C. 20005.
B. Eastern Air Lines, Inc., 1030 15th Street NW., Washington, D.C. 20005.
E. (9) $78.50.

A. W. W. Renfroe, 69 Fountain Place, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Foun-

tain Place, Capital Plaza, Frankfort, Ky. 40601.

A. Diane Rennert, 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $369.06.

A. Reserve Officers Association of U.S., 1 Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $1,433.37. E. (9) $2,278.60.

A. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $4,653.

A. William L. Reynolds, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $600. E. (9) $136.

A. Austin T. Rhoads, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. C. Brewster Rhoads, Jr., 15th floor, 1 Parkway, Philadelphia, Pa. 19102.
B. The Bell Telephone Co. of Pennsylvania, 1 Parkway, Philadelphia, Pa. 19102.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.
E. (9) $410.

A. Ronald C. Rice, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Theron J. Rice, Continental Oil Co., 1130 17th Street NW., No. 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La. 70427.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. Richard D. Ridgeway, 6730 South Shore Drive, Chicago, Ill. 60649.
E. (9) 188.

A. Peter S. Ridley, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $325. E. (9) $55.

A. Morris A. Riley, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,750. E. (9) $52.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $500. E. (9) $15.75.

A. Stark Ritchie, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Geo. W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $6,250. E. (9) $832.

A. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27101.
E. (9) $1,935.

A. William Neale Roach, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Kenneth Roberson, 193 Stuart Road, Valley Stream, N.Y. 11581.
B. Meat Importers Council of America, Inc., One Penn Plaza, New York, N.Y. 10001.

A. William S. Roberts, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $75.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington D.C. 20009.
D. (6) $245.90.

A. Antoinette K. Roche, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $500. E. (9) $525.

A. James Anthony Rock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.
D. (6) $86.54. E. (9) $14.85.

A. Thomas G. Roderick, 1101 16th Street, NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.
E. (9) $242.80.

A. Ted V. Rodgers, Suite 304, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Companies and affiliates, 246 North High Street, Columbus, Ohio 43216.
D. (6) $2,500.

A. Mitchell Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. Donald A. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $1,062.50.

A. Frank W. Rogers, 2101 L Street, NW., Suite 724, Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L. Street NW., Washington, D.C. 20037.
D. (6) $580.

A. Frank W. Rogers, 313 Cambridge Road, Alexandria, Va. 22314.
B. Vetco Offshore Industries, Inc., 5808 Telephone Road, Suite 201, Ventura, Calif. 93003.
D. (6) $100.

A. Terrence L. Rogers, 1325 Massachusetts Avenue, NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $4,388.30. E. (9) $126.54.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. John F. Rolph III, 1120 Connecticut Ave- Charleston, W. Va. 25327.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., P.O. Box 1986, Charleston, W. Va., 25327.
B. Appalachian Power Co., P.O. Box 1986, Charleston, W. Va. 25327.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C., 20036.

A. Albert B. Rosenbaum III, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William F. Ross, South Carolina Petroleum Council, 716 Palmetto State Life Building, Columbia, S.C. 29201.
B. American Petroleum Institute, 2101 L Street NW., Washingon, D.C. 20037.

A. William C. Rountree, 1050 17th Street NW., Washington, D.C. 20036.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $700. E. (9) $449.

A. Rouss & O'Rourke, Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V. (UNPASA), Balderas 36, Mexico, D.F., Mexico.
D. (6) $3,537.50. E. (9) $2,830.86.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $218.25. E. (9) $176.92.

A. John W. Rowland, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Kathryn Coe Royce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $328.12. E. (9) $78.90.

A. Nicholas L. Ruggieri, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Leonard H. Ruppert, New Jersey Petroleum Council, 170 West State Street Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Perry A. Russ, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists and Ornamental Horticulturalists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $2,556.82. E. (9) $207.05.

A. Whitfield A. Russell, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency.
D. (6) $39. E. (9) $7.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $185.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Association of Bioanalysts/International Society of Clinical Lab Technologists, 411 North Seventh Street, St. Louis, Mo.
D. (6) $400. E. (9) $1,168.84.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $200. E. (9) $1,430.83.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street NW., Washington, D.C.
D. (6) $1,500. E. (9) $1,975.25.

A. John F. Ryan, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $23. E. (9) $6.85

A. William H. Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., 20036.
D. (6) $3,613.15. E. (9) $27.08.

A. Fred J. Sacco, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. Aminoil U.S.A., Inc., Post Office Box 94193, Houston, Tex. 77018.
D. (6) $100.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. Signal Companies, Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.
D. (6) $100.

A. Charles E. Sandler, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,000.

A. Peter G. Sandlund, Room 400, 919 18th Street NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Associations, 30-32 St. Mary Axe, London EC3A 8ET, England.
D. (6) $300.

A. Thomas H. Saunders, 1800 M Street, Suite 700 South, Washington, D.C. 20036.
B. Dow Chemical Co., Midland, Mich. 48640.

A. Harold B. Say, 916 Prince Street, Alexandria, Va. 22314.
B. Veterans of World War I of the U.S.A., Inc., 916 Prince Street, Alexandria, Va. 22314.
D. (6) $105.

A. Thomas T. Scambos, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Krauss-Maffei AG Krauss-Maffei Strasse 2, Munich, Federal Republic of Germany).
D. (6) $154.13. E. (9) $8.25.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $18.49.

A. Stephen I. Schlossberg, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $9,480.20. E. (9) $1,890.64.

A. Richard M. Schmidt, Jr., 1920 L Street NW., Suite 700, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.

A. Robert L. Schmidt, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $191.

A. Mahlon C. Schneider, Hazeltine Gates, Chaska, Minn. 55318.
B. Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
D. (6) $250.

A. Frank Schneller, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert I. Schramm, 1725 K Street NW., Suite 909, Washington, D.C. 20006.
B. Superior Oil Co. and Superior Farming Co., 1725 K Street NW., Washington, D.C. 50309.

A. N. Donald Schroeder, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Robert L. Schulz, Iowa Petroleum Council, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $71.50.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,125. E. (9) $374.15.

A. Bari Lee Schwartz, 2030 M Street NW., Room 300, Washington, D.C. 20037.
B. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C. 20037.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,170.40. E. (9) $487.52.

A. Carl F. Schwensen, 1030 15th Street NW., Suite 1030, Washington, D.C. 20005.
B. National Association of Wheat Growers, 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $1,074.42.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,250.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J. 07960.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Colonial Penn Group, Inc., & Affiliated Corp., 5 Penn Center Plaza, Philadelphia, Pa. 19103.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Occidental Life Insurance Co. of California, Occidental Center, Los Angeles, Calif. 90054.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 502, Washington, D.C. 20036.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. SCM Corp., Chemical/Metallurgical Division, 5601 Eastern Avenue, Baltimore, Md. 21224.
E. (9) $50.

A. Seagrave Corp., 350 Fifth Avenue, New York, N.Y. 10019.
E. (9) $3,153.50.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $100. E. (9) $5.98.

A. Durward Seals, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $24.87.

A. Self-Determination for D.C., 2030 M Street, NW., Room 300, Washington, D.C. 20036.
D. (6) $12,860. E. (9) $3,600.

A. Roger D. Semerad, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $80.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $100. E. (9) $4.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $405. E. (9) $416.80.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW, Washington, D.C. 20006.
D. (6) $1,475. E. (9) $92.27.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $470. E. (9) $585.

A. James M. Shamberger, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $25.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $18.49.

A. John J. Sharkey, Room 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $909.48 E. (9) $79.51.

A. Sharon Pierson Semmes Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Detroit, Toledo & Ironton Railroad Co., 1 Park Lane Boulevard, Dearborn, Mich. 42816.
D. (6) $985.

A. Sharon Pierson Semmes Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Oklahoma Natural Gas. Co., P.O. Box 871, Tulsa, Okla. 74102.

A. Richard N. Sharood, 919 18th Street NW., Suite 820, Washington, D.C. 20006.
B. Great Lakes & European Lines, Inc., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Institute of Foreign Bankers, 489 5th Avenue, New York, N.Y.
D. (6) $2,323.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. National Committee on Lock & Dam 26, 1129 20th Street NW., Washington, D.C. 20036.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,963.73. E. (9) $2,726.78.

A. Jowanda Shelton, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $4,500.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Norman R. Sherlock, 1709 New York Aevnue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,526.25. E. (9) $643.51.

A. Morris Shipley, Room 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $695. E. (9) $30.15.

A. Fred B. Shippee, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

A. James K. Shiver, 1629 K Street NW., Washington, D.C. 20006.
B. Diamond Shamrock Corp., Cleveland, Ohio.

A. W. Ray Shockley, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $2,550. E. (9) $29.14.

A. Bernard H. Sieracki, Illinois Petroleum Council, 200 East Randolph Drive, Suite 5106, Chicago, Ill. 60601.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,500. E. (9) $18.75.

A. Mark S. Sigurski, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C.
D. (6) $370. E. (9) $175.00.

A. Harry G. Silleck, Jr., 20 Broad Street, New York, N.Y. 10005.
B. Trustees of Erie Lackawanna Railway Co., Midland Building, Cleveland, Ohio.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D. C. 20006.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $3,568.50. E. (9) $1,670.74.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Government of the Netherlands Antilles, Fort Amsterdam, Willemstad, Curacao, Netherlands Antilles.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corp. of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Savings and Loan League, 1200 17th Street NW., Washington, D.C. 20036.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Venture Capital Association, 4300 Sigma Road, Dallas, Tex. 75240.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Venezuelan-American Chamber of Commerce & Industry, Apartado 5181, Caracas 101, Venezuela.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $794.66.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,900. E. (9) $165.

A. Jean Head Sisco, 1616 H Street NW., Washington, D.C. 20006.
B American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $500.

A. James A. Skinner, Jr., 1136 2d Avenue North, Nashville, Tenn. 37208.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125.

A. Roma D. Skeen, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $171.18.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. G. Bernard Slebos, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.

B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $2,000. E. (9) $152.29.

A. Jonathan W. Sloat, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $40,500.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., No. 400, Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $5,500. E. (9) $1,518.18.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20006.
D. (6) $6,250. E. (9) $0.30.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Florida East Coast Railway Co., One Malaga Street, St. Augustine, Fla. 32084.
D. (6) $2,500. E. (9) $24.29.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, New York, N.Y. 10001.
D. (6) $8,500. E. (9) $467.96.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Pennzoil Co., Pennzoil Place, Houston, Tex. 77001.
D. (6) $6,000. E. (9) $12.09.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $537.22.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006 (for Florist Transworld Delivery Association).
B. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006 (for Hecon Corp., Flextime Division).
B. Edward Gottlieb & Associates, 633 Third Avenue, New York, N.Y. 10017.

A. J. Kenneth Smith, Sun Co., Inc., Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $5,000. E. (9) $1,225.

A. Michael P. Smith, 485 Lexington Avenue, New York, N.Y.
B. New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
D. (6) $92. E. (9) $137.

A. Robert Bland Smith, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $5.

A. Robert William Smith, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $50. E. (9) $22.91.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co.
D. (6) $375. E. (9) $273.52.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $250. E. (9) $64.35.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C.
B. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C.
D. (6) $738.04.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,941.

A. J. R. Snyder, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $100.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $19,953.30. E. (9) $4,294.27.

A. Carl A. Soderblom, 1 East First Street, Suite 905, Reno, Nev. 89501.
B. Nevada Railroad Association, 1 East First Street, Suite 905, Reno, Nev. 89501.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $3,500. E. (9) $1,025.

A. Souther, Spaulding, Kinsey, Williamson & Schwabe, 1200 Standard Plaza, Portland, Oreg. 97204.
B. Quality Management Committee, 1500 Southwest Taylor, Portland, Oreg.
D. (6) $10,000. E. (9) $4,858.56.

A. Charles E. Spahr, 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
B. Schenley Distillers, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Robert A. Spelman, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.

A. George Spiegel, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Northern California Power Agency (cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, and Associate Member Plumas-Sierra Rural Electric Cooperative).
D. (6) $275. E. (9) $20.

A. Larry Spiller, 1155 15th Street NW., Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,850. E. (9) $75.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $483. E. (9) $100.

A. J. Roy Spradley, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

A. Harold L. Springer, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Krauss-Maffei AG, Krauss-Maffei-Strasse 2, Munich, Federal Republic of Germany).
D. (6) $113.54. E. (9) $7.75.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,718.25. E. (9) $262.18.

A. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $2,549.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., (Suite 415), Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. Walter M. Starke, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.
D. (6) $38. E. (9) $168.

A. State & Federal Associates, Inc., 1101 15th Street NW., Suite 303, Washington, D.C. 20005.
B. Schering-Plough Corp., Galloping Hill Road, Kenilworth, N.J. 07033.
D. (6) $4,387.50. E. (9) $108.92.

A. Eugene H. Stearns, American Petroleum Institute, 200 East Randolph Drive, Chicago, Ill. 60601.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Travis P. Stewart, Hoffman-La Roche Inc., 1775 K Street NW., Washington, D.C. 20006.
B. Hoffmann-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $500. E. (9) $200.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

A. Kenneth F. Stinger, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D. C. 20036.
D. (6) $6,000. E. (9) $344.

A. B. R. Stokes, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $250.99.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. Sandra J. Strebel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. The cities of Anaheim and Riverside, Calif.

A. Roger J. Stroh, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $262.50. E. (9) $24.17.

A. George W. Strong, P. O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P. O. Box 1188, Houston, Tex. 77001.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. National Organization for the Reform of Marihuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $909.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $3,125. E. (9) 326.20.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.
D. (6) $2,400.

A. Sullivan, Beauregard, Clarkson & Moss, 1800 M Street NW., Suite 925, Washington, D.C. 20036.
B. Newport News Shipbuilding & Dry Dock Co., 4101 Washington Avenue, Newport News, Va. 23607.
D. (6) $135.

A. Harold R. Sullivan, Suite No. 700, 1010 16th Street NW., Washington, D.C. 20036.
B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.

A. Roger H. Sullivan, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Aiea, Hawaii.
E. (9) $13.30.

A. Susman, Stern, Heifetz, Lurie & Sheehan, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105 and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Midland Enterprises, Inc., 1400 580 Building, Cincinnati, Ohio 45202.
D. (6) $3,750. E. (9) $344.17.

A. Susman, Stern, Heifetz, Lurie & Sheehan, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105 and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Valley Line Co., 120 South Central, Clayton, Mo. 63105.
D. (6) $3,750. E. (9) $63.13.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006 and 3100 First National Bank Tower, Atlanta, Ga. 30303.
B. Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Suite 800, Washington, D.C. 20006.
B. Governors of the Knights of Ak-Sar-Ben, 63d and Shirley Streets, Omaha, Nebr. 68106.
D. (6) $1,000.

A. Irving W. Swanson, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Noble J. Swearingen, 101 Second Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $9,375.04.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $410. E. (9) $215.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.
B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.
D. (6) $294.51. E. (9) $215.93.

A. Norman Wilson Tanner, Jr., 1660 L Street NW., Suites 215–216, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suites 215–216, Washington, D.C. 20036.
D. (6) $112. E. (9) $218.

A. Task Force Against Nuclear Pollution, Inc., P.O. Box 1817, Washington, D.C. 20013.
D. (6) $10,567.68. E. (9) $11,183.81.

A. Daroid W. Taylor, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, 350 West Terra Cotta Avenue, Crystal Lake, Ill. 60014.

A. David K. Taylor, Jr., 1100 Connecticut Avenue NW., No. 1030, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $375.

A. Sid Taylor, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C.
D. (6) $150. E. (9) $222.

A. William A. Taylor, Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William K. Tell, Jr., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C., 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. John T. Thielke, Economics Laboratory, Inc., 4 Corporate Park Drive, White Plains, N.Y. 10604.
B. Economics Laboratory, Inc., Osborn Building, St. Paul, Minn. 55102.
D. (6) $2,500. E. (9) $570.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,432.

A. Kenneth W. Thompson, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. William D. Thompson, General Motors Corp., 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,702.67.

A. Eugene M. Thore, 1707 H Street NW., Washington, D.C. 20006.
B. Aetna Life & Casualty, CNA Financial Corp., Connecticut General Life Insurance Co., Equitable Life Assurance Society of the U.S., Fidelity Mutual Life Insurance Co., IDS Life Insurance Co., Metropolitan Life Insurance Co., Penn Mutual Life Insurance Co., Prudential Insurance Co., Reserve Life Insurance Co., State Mutual Life Assurance Co., Travelers Insurance Co.
D. (6) $34,240. E. (9) $237.24.

A. Terence Hastings Thorn, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,270. E. (9) $500.

A. Robert T. Thornburg, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $593.30.

A. Gil Thurm, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,500. E. (9) $145.91.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 32220.
D. (6) $6,000. E. (9) $6,420.92.

A. Paul J. Tierney, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
B. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Wallace Tillman, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $168.75.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $88.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America, 1620 I Street NW., Washington, D.C. 20006.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Genesco, Inc., 111 Seventh Avenue North, Nashville, Tenn. 37202.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6) $50.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $83.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $166.

A. Michael L. Tiner, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $5,647.83. E. (9) $597.30.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Mild Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Tobacco Associates, Inc., 1101 17th Street NW., Suite 912, Washington, D.C. 20036.
E. (9) $2,526.

A. Warren D. Toburen, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $439.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., No. 1010, Washington, D.C. 20036.
D. (6) $211. E. (9) $42.55.

A. William D. Toohey, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Discover America Travel Organizations, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,425. E. (9) $50.

A. John Tope, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Howard A. Topel, 1000 Connecticut Avenue, Washington, D.C. 20036.
B. Mullin, Connor & Rhyne, 1000 Connecticut Avenue, Washington, D.C. 20036 (for Alberto de la Vega-Ripol, 804 Garching Konigsbergerstr. 2, West Germany).
D. (6) $12.56. E. (9) $3.

A. John M. Torbet, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rockwell International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $52.50. E. (9) $119.77.

A. Jay C. Townley, 715 South Harvey, Oak Park, Ill. 60304.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $55.35.

A. John P. Tracey, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Joseph P. Trainor, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,520. E. (9) $893.39.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
E. (9) $325.74.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $7,250.

A. George G. Troutman, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $350.

A. Ronald R. Tullos, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Bruce H. Turnbull, National Retail Merchant Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchant Association, 100 West 31 Street, New York, N.Y. 10001.
D. (6) $100. E. (9) $15.

A. John G. Turner, Jr., Chevron Oil Co., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $70.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Shela C. Turpin, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. St. Clair J. Tweedie, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
D. (6) $700. E. (9) $20.

A. Wayne Underwood, 1030 15th Street NW., Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
E. (9) $7,037.66.

A. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30035.
E. (9) $1,610.

A. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $3,827.48. E. (9) $3,827.48.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
E. (9) $2,692.28.

A. U.S. League of Savings Associations, 111 E. Wacker Drive, Chicago, Ill.
E. (9) $55,662.23.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.
E. (9) $445.68.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001
D. (6) $3,924.47.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. John A. Vance, 1150 17th Street NW., No. 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $150. E. (9) $81.42.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite 912, Washington, D.C. 20005.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22208.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite 912, Washington, D.C. 20005.
B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite 912, Washington, D.C. 20005.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.

A. Lois W. Van Valkenburgh, 3512 Halcyon Drive, Alexandria, Va. 22305.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $85.

A. Gerard J. Van Heuven, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $475. E. (9) $611.40.

A. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
E. (9) $496.23.

A. Jerry T. Verkler, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $3.50.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. R. Eric Vige, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW., (Suite 415), Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., (Suite 415), Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Andrew Vitali, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,000. E. (9) $450.

A. Marcos von Golhman, 6700 Belcrest Road, Hyattsville, Md. 20782.
B. Guyana Airways Corp., 6700 Belcrest Road, Suite 625, Hyattsville, Md. 20782.

A. Robert J. Wager, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jerome R. Waldie, 100 Indiana Avenue N.W., Washington, D.C. 20001.
B. Alameda Naval Employees Association, Alameda Naval Air Station, Alameda, Calif.
D. (6) $1,500. E. (9) $184.41.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. American Association of Independent News Distributors, 50 California Street, San Francisco, Calif. 94111.
D. (6) $2,100. E. (9) $125.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Friends of the Earth, 529 Commercial, San Francisco, Calif.
D. (6) $624. E. (9) $115.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $8,748.06. E. (9) $310.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Franchise Association Coalition, 242 North Wolf Road, P.O. Box 773E, Wheeling, Ill. 60090.
D. (6) $1,500. E. (9) $152.86.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Recording Industry Association of America, 1 East 57th Street, New York, N.Y. 10022.
D. (6) $2,499.99. E. (9) $125.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Task Force One, Federal Employees Organization, Point Mugu, Calif.
D. (6) $500. E. (9) $60.

A. Robert E. Waldron, Associated Petroleum Industries of Michigan, 930 Michigan National Tower, Lansing, Mich. 48933.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $421.25.

A. E. F. Waldrop, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $156.67.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allen Products Co., Inc., P.O. Box 2187, R.D. No. 3, Allentown, Pa. 18001.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Co. of America, Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. AMAX, Inc., et al., AMAX Center, Greenwich, Conn. 06830.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Airlines, 633 Third Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bechtel Corp., 1620 I Street NW., Washington, D.C. 20006.
D. (6) $375.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Business Roundtable, 888 17th Street NW., Suite 601, Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Room 310, Washington, D.C. 20036.
D. (6) $375.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Airlines, Inc., 10 Rockefeller Plaza, New York, N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Encyclopaedia Britannica Inc. & Affiliates, Publishers, 425 North Michigan Avenue, Chicago, Ill. 60611.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., American Road, Dearborn, Mich. 48121.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Fluor Engineers & Constructors, Inc., 2500 South Atlantic Boulevard, Los Angeles, Calif. 90040.
D. (6) $375.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Geothermal Kinetics, Inc., 301 West Indian School Road, Phoenix, Ariz. 85013.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., 1800 K Street NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Bank of Commerce, P.O. Box 1359, Laredo, Tex. 78040.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street, Suite 700, Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Laredo National Bank, et al., Laredo, Tex. 78040.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Magma Power Co., 631 South Witmer Street, Los Angeles, Calif. 90017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. McCulloch Oil Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Bankers Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pullman-Kellogg, Division of Pullman, Inc., 1300 Three Greenway Plaza East, Houston, Tex. 77046.
D. (6) $375.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio 43666.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trailer Train Co., 300 South Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Oil Co. of California, 461 South Boylston, Los Angeles, Calif. 90017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash., 98401.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Wheelabrator-Frye Inc., 299 Park Avenue, New York, N.Y. 10017.

A. Thomas C. Walker, P.O. Box 3151, Houston, Tex. 77001.
B. Browning-Ferris Industries, Inc., P.O Box 3151, Houston, Tex. 77001.

A. R. Duffy Wall, Freeport Minerals Co., 1800 M Street NW., Washington, D.C.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Purolator, Inc., 255 Old New Brunswick Road, Piscataway, N.J. 08854.
D. (6) $69.66.

A. Donald L. Wallace, Jr., 1707 L Street NW., Suite 540, Washington, D.C. 20036.
B. Cotton Warehouse Association of America, 1707 L Street NW., Suite 540, Washington, D.C. 20036.
D. (6) $1,025. E. (9) $475.16.

A. Raymond C. Wallace, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. J. W. Walsh, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.
D. (6) $350.

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,246. E. (9) $284.09.

A. Michael O. Ware, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $625.

A. Peter F. Warker, TRW, Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $350.

A. Leonard Warner, P.O. Box 100, Ashburn, Va. 22011.
B. Len Warner, Inc., P.O. Box 100, Ashburn, Va. 22011.
D. (6) $1,000. E. (9) $1,630.

A. Washington State NARAL, P.O. Box 15549, Seattle, Wash. 98115.
D. (6) $1,944.38. E. (9) $1,452.79.

A. George A. Watson, Suite 800, 1612 K Street NW., Washington, D.C. 20006.
B. Ferroalloys Association, 1612 K Street NW., 20006.
E. (9) $1,500.

A. Michael A. Watson, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $1,500.

A. Ralph J. Watson, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rockwell International, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $115.

A. George B. Watts, 1155 15th Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $600.

A. Ray Wax, c/o Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
E. (9) $104.77.

A. W. H. Weatherspoon, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington D.C. 20037.
D. (6) $100.

A. Douglas M. Webb, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $2,800.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77036.
D. (6) $600.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sand Springs Home, c/o E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.
D. (6) $1,725.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Skyway-to-Highway, Inc., 901 Eighth Street NW., Washington, D.C. 20001.
D. (6) $435.50.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Truck Body & Equipment Association, Inc., Suite 1220, 5530 Wisconsin Avenue NW., Washington, D.C. 20015.
D. (6) $1,895.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $660.

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 S. Hanover Street, Carlisle, Pa. 17013.
D. (6) $553.85. E. (9) $672,65.

A. Weisman, Celler, Spett, Modin, Wertheimer & Schlesinger, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. William Weitzen, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036. (for Aerospatiale, 37 Boulevard de Montmorency, 75016 Paris, France).

A. William Weitzen, 6821 Granby Street, Bethesda, Md. 20034.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Krauss-

Maffei AG, Krauss-Maffei-Strasse 2, Munich, Federal Republic of Germany).

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C. 20006.
B. William H. Sullivan, Jr., 500 Neponset Avenue, Dorchester, Mass. 02122.
E. (9) $428.07.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250. E. (9) $673.61.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $750. E. (9) $450.

A. Harvey J. Wexler, Continental Airlines, Inc., 1025 Connecticut Avenue NW., No. 317, Washington, D.C. 20036.
B. Continental Airlines, Inc., International Airport, Los Angeles, Calif. 90009.
D. (6) $200. E. (9) $140.44.

A. Brian B. Whalen, 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester, 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,250. E. (9) $325.91.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $10,000. E. (9) $2,175.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. Fertilizer Institute, 1015 18th Street N.W., Washington, D.C. 20036.
E. (9) $25.

A. Wheeler, Van Sickle, Anderson, Norman & Harvey, 25 West Main Street, Madison, Wis., 53703.
B. Marshall & Ilsley Bank, 770 North Water Street, Madison, Wis. 53202.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Joseph E. Seagram & Sons, Inc., 375 Park Avenue, New York, N.Y. 10022.
E. (9) $6.60.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $20.

A. John C. White, 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street, NW., No. 1008, Washington, D.C. 20036.

A. John S. White, Marathon Oil Co., 1800 M Street NW., Suite 975, Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $736.33.

A. Leonard M. Wickliffe, 1620 I Street NW., Suite 615, Washington, D.C. 20006.
B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.
D. (6) $9,624.99. E. (9) $5,746.16.

A. Richard J. Wiechmann, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Thomas D. Wilcox, 919 Eighteenth Street NW., Washington, D.C. 20006.
B. National Association of Stevedores, 919 Eighteenth Street NW., Washington, D.C. 20006.

A. Patricia B. Wild, Economics Laboratory, Inc., 4 Corporate Park Drive, White Plains, N.Y. 10604.
B. Economics Laboratory, Inc., Osborn Building, St. Paul, Minn. 55102.
D. (6) $1,000.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW.. Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.
E. (9) $1,551.97.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $66.82.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 210 Summit Avenue, Montvale, N.J. 07645.
D. (6) $148.50. E. (9) $4.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., Suite 2100, 36 South State Street, Salt Lake City, Utah.
E. (9) $212.37.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 Elizabeth Street, Bethlehem, Pa.
E. (9) $8.94.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana.
E. (9) $234.28.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $52.18.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Data Communications Manufacturers Association, Inc., (IDCMA), 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $610. E. (9) $15.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Insurance Agents of America, 85 John Street, New York, N.Y. 10038.
D. (6) $505. E. (9) $10.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 48, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $55.67.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Benenson Realty Co., 380 Madison Avenue, New York, N.Y. 10017.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Milos Forman, Hampshire House, New York, N.Y.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.

A. Harding deC. Williams, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Medicorp, Inc., 111 Presidential Boulevard, Bala Cynwyd, Pa.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C., 20005.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bangor Punta Operations, Inc., 1 Greenwich Plaza, Greenwich, Conn. 06830.
E. (9) $2.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Brown & Root, Inc., Box 3, Houston, Tex. 77001.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Wm. T. Burton Industries, Inc., 101 North Huntington Street, Sulphur, La. 70663.
D. (6) $150.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Street, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38180.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wis. 53201.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Jack E. Lawton and Williams B. Lawton, Route 2, Box 316, Sulphur, La. 70663.
D. (6) $900.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.

A. Williams & Jensen, 1130 17th Street NW., NW., Washington, D.C. 20036.
B. The Louisiana Land & Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
D. (6) $20.

A. Williams & Jensen, 1130 17th Street NW., Washinton, D.C. 20036.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Martin Ryan Haley & Associates, Inc., 40 Central Park South, New York City, N.Y. 10019.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Matilda Grey Trust, P.O. Box 20001, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Association of Water Companies, Box 387, Washington, D.C. 20044.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Powell Lumber Co., P.O. Box P, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Smith Kline Corp., 1500 Spring Garden, Philadelphia, Pa. 19130.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Superior Oil Co., First City National Bank Building, Houston, Tex. 77002.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Tyson Foods, Inc., Drawer E, Springdale, Ill. 72764.
D. (6) $250.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Truck Body and Equipment Association, Inc., Suite 1220, 5330 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Vinson, Elkins, Searls, Connally & Smith, 21st Floor, First City National Bank Building, Houston, Tex. 77002.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

A. Harry D. Williams, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $500.

A. Robert E. Williams, United Airlines, 1825 K Street NW. No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $391.90.

A. Samuel M. Williams, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $600.

A. Thomas C. Williams, 1 Farragut Square South, Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.

A. Wade S. Williams, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of CPAs, 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Bertram C. Willis, International Telephone and Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone and Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022
D. (6) $35. E. (9) $4.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $1,014.

A Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. Dorothy R. Wilson, Suite 1205 East, 4201 Cathedral Avenue NW., Washington, D.C. 20016.
B. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,080.

A. R. J. Winchester, P.O. Box 2967, Houston, Tex. 77001.
B. Pennzoil Company, P.O. Box 2967, Houston, Tex., 77001.
D. (6) $3,600. E. (9) $1,600.

A. Rusell C. Wisor, 1600 Rhode Island Ave., N.W., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $624. E. (9) $109.85.

A. Richard F. Witherall, 420 Denver Club Building, Denver, Colo.
B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo.
D. (6) $550. E. (9) $1,290.

A. Glenn P. Witte, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. James E. Wolf, 2020 14th Street, North Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Rd., La Crosse, Wis. 54601.
D. (6) $600. E. (9) $32.40.

A. Sidney M. Wolfe, 200 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
A. Nathan T. Wolkomir, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D.(6) $9,230.74. E. (9) $388.74.

A. Don Womack, Suite 1013, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texas Utilities Services Inc., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $562.50. E. (9) 58.87.

A. Merle E. Wood, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Ewing M. Kauffman, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $425. E. (9) $482.35.

Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $505. E. (9) $713.01.

A. Perry W. Woofter, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,000. E. (9) $94.80.

A. Ronald L. Wooten, 1100 Ring Building, Washington, D.C. 20038.
B. American Mining Congress, 1100 Ring Building Washington, D.C. 20036.
D. (6) $25.55. E. (9) $8.80.

A. George M. Worden, Suite 1000, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Edward E. Wright, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $6,000.

A. Wyatt and Saltzstein, 1300 Wyatt Building, Washington, D.C. 20005.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $2,687.50. E. (9) $125.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1140, the Watergate, 600 New Hampshire Avenue, Washington, D.C. 20037.
B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.
D. (6) $125.

A. John Yarmola, 815 16th Street NW., Suite 510, Washington, D.C. 20006.
B. Seafarers International Union, 815 16th Street, Suite 510, NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $124.95.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. Citibank, N.A., 399 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $168.47.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,982.

A. Reynolds Young, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Eugene A. Yourch, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Robert Zacharias, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C.

A. Donald Zahn, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $428. E. (9) $165.

A. Lynn Zakupowsky, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,400. E. (9) $450.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $326.61.

A. Roger H. Zion, Resources Development, Inc., 1155 15th Street NW., Suite 418, Washington, D.C. 20005.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036; American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036; St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,750. E. (9) $925.

A. Barry Zorthian, Time Inc., 888 16th Street NW., Washington, D.C.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.
D. (6) $3,000. E. (9) $750.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md. 20014.
B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.
D. (6) $500. E. (9) $83.70.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.

A. Frances Zwenig, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,750.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the first calendar quarter 1977:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

A. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street NW., No. 800, Washington, D.C. 20001.
D. (6) $72,750. E. (9) $73,414.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,600. E. (9) $3,348.52.

A. Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $800.40. E. (9) $809.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $13,488.87 E. (9) $13,488.87.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Ricardo R. Alvardo, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Aircraft Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $980. E. (9) $300.22.

A. Robert Alvarez, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,500.01.

A. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $53,770. E. (9) $189,506.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va., 22209.
D. (6) $300. E. (9) $300.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $16,529.66 E. (9) $16,529.66

A. American Israel Public Affairs Committee, 1341 G Street NW., No. 908, Washington, D.C. 20005.
D. (6) $18,664.81. E. (9) $27,231.08.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $7,491.70. E. (9) $3,210.55.

A. American Rivers Conservation Council, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,183. E. (9) $1,881.70.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $200.

A. Scott G. Anderson, Scott Anderson Productions, Inc., Heron House, Reston, Va. 22090.
B. Burlington Northern, Inc., 176 East Fifth St., St. Paul, Minnesota 55101.
D. (6) $4,500. E. (9) $2,555.24.

A. Apco Oil Corp., P.O. Box 1841, Oklahoma City, Olka. 73101.

A. John Christian Archer, 1730 Rhode Island Avenue NW., Suite 213, Washington, D.C. 20036.
B. Brown & Root, Inc., 1730 Rhode Island Avenue NW., Suite 213, Washington, D.C. 20036.
D. (6) $2,800. E. (9) $375.

A. Roy A. Archibald, National Education Association, 1705 Muchison Drive, Burlingame, Calif., 94010.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,180.90. E. (9) $100.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $8,750.01.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $1,250. E. (9) $81.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refining Co., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $1,250. E. (9) $81.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $1,166. E. (9) $86.00.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Commissioner of Baseball, 15 West 51st Street, New York, N.Y. 10019.
E. (9) $107.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Great Western Financial Corp.. 8484 Wilshire Boulevard, Beverly Hills, Calif.
D. (6) $7,500.

A. Jean Arthur, 4023 25th Road, North; Arlington, Va. 22207.
B. Section of Military Widows, Box 254, Coronado, Calif. 92118.
D. (6) $600. E. (9) $84.84.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77074.
E. (9) $181.97.

A. Associated Employers, Inc., 6009 Rittiman Plaza, San Antonio, Tex. 78218.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Third-Class Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. The Authors League of America, Inc., 234 West 44th Street, New York, N.Y. 10036.
D. (6) $378.50. E. (9) $378.50.

A. Donald L. Badders, TRW Credit Data, 5565 Sterrett Place, Suite 527, Columbia, Md. 21044.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90802.
D. (6) $105. E. (9) $77.15.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
E. (9) $2,534.98.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Sydney Baron & Co., Inc., 540 Madison Avenue, New York, N.Y. 10022.
E. (9) $3,750.

A. James C. Barr, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
D. (6) $300.

A. Richard L. Barr, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Does Moines, Iowa 50309.
E. (9) $712.12.

A. Roger V. Barth, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Association of Clinical Chemists, 1725 K Street NW., Washington, D.C. 20036.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $800.

A. John N. Bauman, 312 Barr Building, 910 17th Street NW., Washington, D.C. 20006.
B. White Consolidated Industries, Inc., 11770 Berea Road, Cleveland, Ohio 44111.
D. (6) $5,000. E. (9) $550.13.

A. E. Richard Beckman, 63 Checkerberry Lane, Framingham, Mass. 01701.
B. Damon Corp., 115 Fourth Avenue, Needham Heights, Mass. 02194.
D. (6) $480. E. (9) $70.

A. R. C. Beerbower, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Winston Everett Bell, P.O. Box 5463, Las Vegas, Nev. 89102.

A. William S. Bergman, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Collectors Association, Inc., 4040 West 70th Street, Minneapolis, Minn. 55435.
D. (6) $3,087.50. E. (9) $1,303.10.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor, Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $10,673. E. (9) $302.45.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 S. Stanford Way, Whittier, Calif. 90601.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th and Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01608.

A. Brent Blackwelder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $3,866.66.

A. Boasberg, Hewes, Finkelstein & Klores, 2101 L. Street NW., No. 906, Washington, D.C. 20037.
B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.
D. (6) $10,749.99.

A. Christie K. Bohner, 900 17th Street NW., Suite 1000, Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.
D. (6) $200. E. (9) $375.

A. BOMA International, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
E. (9) $2,350.

A. Thomas C. Borzilleri, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association, American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $203.

A. Rodney A. Bower, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $100.

A. Gene M. Bradley, 955 L'Enfant Plaza N., SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Washington 98124.
D. (6) $587. E. (9) $794.

A. S. Gail Bramblett, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th St. NW., Washington, D.C. 20036.
D. (6) $3,256.35. E. (9) $151.20.

A. Bread For the World, Inc., 207 E. 16th Street, New York, N.Y. 10003.
D. (6) $117,196.35. E. (9) $99,347.84.

A. Bregman, Abell, Solter & Kay., 1900 L. Street NW., Suite 610, Washington, D.C. 20036.
B. The Air Transport Association of America, 1709 New York Ave. NW., Washington, D.C. 20006.
D. (6) $825. E. (9) $80.

A. Gregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $650. E. (9) $95.

A. Betsy Bretz, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $377.44.

A. Belva B. Brissett, 1771 N St., NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,406.25. E. (9) $155.14.

A. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street, Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $26,461.06. E. (9) $26,461.06.

A. Joe B. Browder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Environmental Policy Center, 317 Pennsylvania Avenue, SE., Washington, D.C. 20003.
D. (6) $195.31.

A. John J. Brown, 1125 17th Street NW., Washington, D.C. 20036.
B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $600.

A. Richard A. Brown, 2030 Allen Place NW., Washington, D.C. 20009.
B. Full Employment Action Council, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $4,500. E. (9) $340.25.

A. Thomas C. Brown, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $3,600. E. (9) $100.

A. Travis Taylor Brown, 2525 49th Street NW., Washington, D.C.

A. A. T. Brust, Cromwell Street, Luke, Md. 21540.
B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $30. E. (9) $15.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corporation, 12000 Lynn Townsend Drive, Highland Park, Mich. 46231.
D. (6) $2,000. E. (9) $189.72.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $4,000. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $700.

A. John M. Burdick, 401 Sligo Avenue, Silver Spring, Md. 20910.
B. Citizens Committee on Natural Resources, 1000 Vermont Avenue NW., Washington, D.C.
D. (6) $3,000. E. (9) $89.

A. William J. Burhop, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington D.C. 20006.
D. (6) $371. E. (9) $7.71.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $8.

A. James L. Burridge, 10 Hardwick Place, Rockville, Md. 20850.
B. F.M.C. Corp., 1625 I Street NW., Suite 520, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $623.15.

A. John E. Campbell, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $220.40.

A. Ronald A. Capone, Kirlin, Campbell & Keating, 1150 Conn. Avenue NW., No. 800, Washington, D.C. 20036.
B. Council of European & Japanese National Shipowners' Association, 30–32 St. Mary Axe, London, EC3A 8ET, England.
D. (6) $7,000. E. (9) $338.49.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,953.30. E. (9) $411.44.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. John B. Carroll, Carroll, Carroll & Butz, 918 Onondaga Savings Bank Building, Syracuse, N.Y. 13202.
B. Diary Farmer Distributors of America, Chittenango, N.Y.
D. (6) $6,000. E. (9) $954.44.

A. Matthew J. Cary, 1155 15th Street NW., Washington, D.C.
B. American Consulting Engineers Council, 1155 15th Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $100.

A. John L. Casey, 345 Park Avenue, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 E. 59th Street, New York, N.Y. 10022.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Apco Oil Corp., P.O. Box 1841, Oklahoma City, Okla. 73101.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $3,501.25. E. (9) $337.23.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Northwest Energy Co., P.O. Box 1526, Salt Lake City, Utah 84110.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South African Sugar Association, P.O. Box 507, Durban, South Africa.
D. (6) $25,000. E. (9) $1,992.25.

A. Linda Chavez, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $6,500. E. (9) $570.25.

A. James M. Childress, 1155 15th Street NW., Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000. E. (9) $100.

A. Citizens Committee on Natural Resources,, 1000 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $8,755. E. (9) $6,021.

A. Carlton S. Clark, 1412 Gas & Electric Building, Baltimore, Md. 21203.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.
D. (6) $161.46.

A. Clark Oil & Refining Corp., 8530 West National Avenue, Milwaukee, Wis. 53227.
E. (9) $765.15.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Joint Corporate Committee on Cuban

Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.

A. Coalition Against Strip Mining, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,800. E. (9) $143.60.

A. Carl A. S. Coan, Jr., 15th and M Street NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets, NW., Washington, D.C. 20005.
D. (6) $8,812.49. E. (9) $2,992.94.

A. Jeffery Cohelan, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $2,916.

A. Rhea L. Cohen, 10 Greendale Place, Greenbelt, Md. 20770.
B. Sierra Club, 324 C Street SE., Washington, D.C. 20003.
D. (6) $3,375. E. (9) $183.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Vance, Sanders Exchange Fund, 1 Beacon Street, Boston, Mass. 02108.
E. (9) $221.59.

A. Timothy A. Colcord, 1620 Eye Street NW., Washington, D.C. 20006.
B. National BankAmericard Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $6,875. E. (9) $8,365.75.

A. Robert E. Cole, 1660 L Street NW., Washinton, D.C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $920.34.

A. Marvin K. Collie, 2201 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002 (for: Brown & Root, Inc., P.O. Box 3. Houston, Tex. 77001).
E. (9) $20.42.

A. Marvin K. Collie, 2201 First City National Bank Building, Houston, Tex. 77002.
B. Vinston, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. (for Joan Stroud, Rural Delivery No. 2, West Grove, Pa.).
E. (9) $466.07.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.
B. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Bicycle Manufacturers Association of America, Inc., 1101 15th Street NW., Washington, D.C. 20005.
D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
B. Tool & Stainless Steel Industry Committee, 1666 K Street NW., Suite 701, Washington, D.C. 20006.
D. (6) $1,250.

A. Frank Collins, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,000. E. (9) $225.

A. Committee for Humane Legislation, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $43,195.33. E. (9) $16,560.81.

A. Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $3,150. E. (9) $3,376.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 1200 Lynn Townsend Drive, Highland Park, Mich., 48231.
D. (6) $500. E. (9) $579.73.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.
B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. Consumer Action Now, Inc., 49 East 53d Street, New York, N.Y. 10022.
D. (6) $1,063.36. E. (9) $1,941.92.

A. Howard Lee Cook, Jr., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,575. E. (9) $620.

A. James A. Cook, 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.

A. Glen S. Corso, 15th & M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $3,375. E. (9) $150.45.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $6,358.

A. David Cosson, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $27,102.89. E. (9) $21,646.60.

A. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $1,250.

A. Council To Save the Post Card, Suite 700, 725 15th Street NW., Washington, D.C. 20005.

A. John A. Couture, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $825. E. (9) $199.91.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. Joseph M. Cribben, 3104 Valley Lane, Falls Church, Va. 22044.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $75.19.

A. Cuba Claims Association, Executive Committee, P.O. Box 014004, Miami, Fla. 33131.
E. (9) $19.

A. Robert J. Cushman, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,350. E. (9) $429.14.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,680. E. (9) $84.

A. Dairy Farmer Distributors of America, Chittenango, N.Y.
E. (9) $6,954.44.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $3,000. E. (9) $776.23.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Committee for 806.30 and 807, 2001 I Street NW., Washington, D.C. 20006.
E. (9) $85.94.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Committee in Support of Existing U.S. Tariff Policy with Respect to Honey, M–50 at Springville, Onsted, Mich. 49265.
E. (9) $121.29.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Computer Systems of America, Inc., 141 Milk Street NW., Boston, Mass. 02109.
D. (6) $16,000. E. (9) $860.25.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Confederation Europeenne de L'Industrie de la Chaussure (European Confederation of Footwear Industry), Rue du Luxembourg 19—BTE 14, 1040 Bruxelles, Belgium.
E. (9) $5.50.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. Micam-Anci, Milano, Italy.
E. (9) $5.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines, 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
E. (9) $1,113.97.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Atlantic Time Products, St. Croix, V.I.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Assocation, 1709 New York Avenue NW., Washington, D.C. 20005.
D. (6) $3,000.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Beneficial Finance Co., Beneficial Building, Morristown, N.J. 07960.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. C. I. T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.
B. Vitex Manufacturing Co., Ltd., and Amity International Corp., St. Croix, V.I.

A. Gaston de Bearn, Hoffmann-La Roche Inc., 1775 K Street NW., Suite 300, Washington, D.C. 20006.
B. Hoffmann-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017.
B. Mrs. Mia Le Comte, et al., Box 113, Great Barrington, Mass. 01252.
E. (9) $8,090.91.

A. Ray Denison, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $8,730.90. E. (9) $387.32.

A. L. E. Dennis, Brotherhood of Railway, Airline, and Steamship Clerks, Freight Handlers, Express Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline, and Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $420. E. (9) $341.

A. Disabled Officers Association, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $3,974.34.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Aberrant Behavior Center, 1250 Dallas Federal Savings Tower, Dallas, Tex., 75225.
D. (6) $500. E. (9) $500.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. American Committee for Shaare Zedek Hospital, 6 East 46th Street, New York, N.Y. 10017.
E. (9) $2.78.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Federal Express, 2837 Sprankel, Memphis, Tenn.
D. (6) $3,281.25. E. (9) $3,281.25.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Helena Vertac Chemical Co., 5100 Poplar Avenue, Memphis, Tenn. 38137.
D. (6) $1,020.26. E. (9) $1,020.26.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. National Association of Property Owners, c/o Mr. David Witts, 5353 First International Building, Dallas, Tex. 75270.
D. (6) $19,946.76. E. (9) $19,946.76.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. Norton Manufacturing Co., P.O. Box 9067, Memphis, Tenn. 38109.
D. (6) $500. E. (9) $500.

A. James F. Doherty, 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $8,437.50

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. Chase Manhattan Bank, National Association, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $70.50. E. (9) 20.90.

A. John C. Doyle, Jr., 317 Pennsylvania Avenue S.E., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,000.

A. Louise C. Dunlap, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,937.50. E. (9) $110.41.

A. John H. Dunne, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $100.

A. David F. Dunning, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $508.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $750.

A. Clifford E. Edwards, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $217. E. (9) $49.

A. Glenn Ellefson-Brooks, 7601 Tiverton Drive, Springfield, Va. 22152.
B. Women's Lobby, Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $190.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. D. A. Ellsworth, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill.
D. (6) $8,250. E. (9) $1,652.43.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $725.

A. John W. Emeigh, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Energy Action Committee, Inc., 1523 L Street NW., Washington, D.C. 20005.
D. (6) $7,508.39. E. (9) $15,307.64.

A. Steven L. Engelberg, 1737 DeSales Street NW., Suite 400, Washington, D.C. 20036.
B. American Association of Marriage and Family Counselors, 225 Yale Avenue, Claremont, Calif. 91711.
D. (6) $2,794. E. (9) $497.20.

A. John R. Englehorn, Box 948, Stamford, Conn. 06904.
B. Texasgulf, Inc., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,031.26. E. (9) $719.39.

A. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $23,726.18. E. (9) $44,695.85.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

A. Brock Evans, Sierra Club, 324 C Street SE., Washington, D.C. 20003.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $7,000. E. (9) $277.30.

A. Constance Everett, 5423 Harwood Road, Bethesda, Md. 20014.
B. Citizens Committee on Natural Resources, 1000 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $1,385.

A. Federal Express Corp., AMF Box 30167, 2837 Sprankel, Memphis, Tenn. 38130.
E. (9) $290,616.35.

A. Leon Felix, Jr., National Education Association, 1419 Joan Drive, Palatine, Ill. 60067.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,180.90. E. (9) $75.

A. Bernard Fensterwald, Jr., 1707 H Street NW., Suite 1005, Washington, D.C. 20006.
B. National Nutritional Foods Association, 7727 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $1,200. E. (9) $216.20.

A. Bernard A. Feuerstein, 65 Brewster Road, Scarsdale, N.Y. 10583.
B. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017 (for Mrs. Mia Le Comte).
D. (6) $8,076.96.

A. Charles Louis Fishman, 633 East Capitol Street SE., Washington, D.C. 20003.
D. (6) $23,500. E. (9) $2,054.77.

A. Robert R. Fitzgerald, 13174 Putnam Circle, Woodbridge, Va. 22191.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $3,038.76.

A. Susan Garber Flack, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $75.

A. Carol Tucker Foreman, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $1,587. E. (9) $100.

A. Greg N. Friberg, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Mr. and Mrs. Walter L. Laqueur, 2100 Washington Avenue, Silver Spring, Md. 20515.

A. Gary R. Frink, 2506 Virginia Avenue NW., Washington, D.C. 20037.
B. The National Committee for Effective No-Fault, 2506 Virginia Avenue NW., Washington, D.C. 20037.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. Chase Manhattan Bank, National Association, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $642. E. (9) $2,765.48.

A. Jeffrey A. Fritzlen, Clark Oil & Refining Corp., 1150 Connecticut Avenue, NW., Suite 1005, Washington, D.C. 20036.
B. Clark Oil & Refining Corp., 8530 West National Avenue, Milwaukee, Wis. 53227.
D. (6) $500. E. (9) $265.15.

A. Full Employment Action Council, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $7,550. E. (9) $29,364.54.

A. David C. Fullerton, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Margaret Gehres, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Leo J. Gehrig, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $3,007.68. E. (9) $450.75.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $3,333.30 E. (9) $3,419.41.

A. James M. Gibson, 956 North Monroe Street, Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,183.75.

A. Caesar A. Giolito, 1700 18th Street NW., Washington, D.C. 20009.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
E. (9) $2,025.

A. Martin J. Gleason, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $7,644. E. (9) $100.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.
B. Actors Equity Association, 1500 Broadway, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 815 16th Street NW., Washington, D.C.
B. Council of AFL–CIO Unions for Professional Employees, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Frederick D. Goss, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $475.

A. Carl F. Graham, 7575 East Fulton Road, Ada, Mich. 49355.
B. Amway Corp., 7575 East Fulton Road, Ada, Mich. 49355.
D. (6) $233. E. (9) $359.

A. James W. Green, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,210.25. E. (9) $481.80.

A. P. Michael Greenwald, American Hospital Association, 1 Farragut Square South, Washington D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $963.18. E. (9) $212.97.

A. Theodore R. Groom, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ad Hoc Group on Life Insurance Co. Taxation of Pension Funds.
D. (6) $100.

A. Theodore R. Groom, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101.
D. (6) $200.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $24,551.65. E. (9) $24,551.65.

A. Gun Owners of America, 951 Arden Way, Sacramento, Calif. 95815.
D. (6) $19,736.50. E. (9) $36,604.82.

A. James M. Hacking, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $294.

A. Loyd Hackler, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $110.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Belize Sugar Industries, Ltd., Belize City, Belize (Central America).
D. (6) $8,767.86.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A. and Azucarera Nacional, S.A., Panama City, Panama.
D. (6) $3,040.14. E. (9) $6.49.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah, 84101.
D. (6) $6,000. E. (9) $90.14.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sociedad Agricola e Industrial San Carlos, S.A., Compania Azucarera Valdez, S.A., Azucarera Tropical Americana, S.A., Tababuela Industrial Azucarera, C.A., Ecuador.
E. (9) $8.40.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sugar Association of the Caribbean, Port of Spain, Trinidad.
D. (6) $8,767.86. E. (9) $22.66.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. Robert E. Harman, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,710.50. E. (9) $75.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchain Road, Wilmington, Del. 19807.
D. (6) $612.50. E. (9) $885.15.

A. Michael M. Hash, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,164.06. E. (9) $190.83.

A. Walter A. Hasty, Jr., 888 17th Street NW., Washington, D.C. 20006.
B. Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017
D. (6) $1,000. E. (9) $216.94.

A. Charles W. Havens III, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $25.

A. Barbara Heller, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,030. E. (9) $1,945.74.

A. Ross E. Heller, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.

A. Jack E. Herington, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $5,600. E. (9) $3,943.68.

A. Herrick, Allen, Davis, Bailey & Snyder, 1701 K Street NW., No. 706, Washington, D.C. 20006.
B. Music Operators of America, Inc., 228 North La Salle Street, Chicago, Ill. 60601.
D. (6) $1,850. E. (9) $115.09.

A. Janet Hieber, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,400.

A. Hill, Christopher & Phillips, 1900 M Street NW., Washington, D.C. 20036.
B. Association of Closed-End Investment Cos., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $805.

A. Hill, Christopher & Phillips, 1900 M Street NW., Washington, D.C. 20036.
B. California Housing Finance Agency, 1120 N Street, Sacramento, Calif.

A. Hill, Christopher & Phillips, 1900 M Street NW., Washington, D.C. 20036.
B. Maremont Corp., New England Division, Box 111, Saco, Maine 04072.

A. Arthur Hintze, 1957 E Stret NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Ralph D. Hodges, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 2036.
E. (9) $50.

A. William H. Hoffman, 1000 16th Street NW., Washington, D.C. 20036.
B. American Iron and Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $125.

A. Austin B. Hogan, Jr., American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,740.47. E. (9) $564.42.

A. Arthur L. Howard, 6801 Industrial Road, Springfield, Va. 22151.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
D. (6) $31.95. E. (9) $2.60.

A. Peter W. Hughes, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $549.

A. Edward L. Hule, 4630 Montgomery Avenue, Suite 200, Washington, D.C. 20014.
B. National Association of Air Traffic Specialists, Inc., Suite 200, 4630 Montgomery Avenue, Washington, D.C. 20014.
D. (6) $5,115.39. E. (9) $153.93.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Gregory A. Humphrey, 11 Du Pont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO, 11 Du Pont Circle NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $508.04.

A. David J. Humphreys, Paulson & Humphreys, 5272 River Road, Suite 400, Washington, D.C. 20016.
B. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $12,935.

A. Gerard F. Hurley, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.
B. National Club Association, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $300.

A. Deborah Imle, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $1,281.25. E. (9) $150.21.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Institute of Foreign Bankers, 489 Fifth Avenue, New York, N.Y.
D. (6) $1,380.37. E. (9) $5,660.

A. INTALCO Aluminum Corp., P.O. Box 937, Ferndale, Wash. 98218.
E. (9) $390.

A. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
E. (9) $4,700.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. David L. Ivey, 1101 17th Street NW., Washington, D.C. 20036.
B. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $2,687.50. E. (9) $25.87.

A. Deborah Jacobs, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $288.

A. Walter K. Jaenicke, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $925. E. (9) $316.50.

A. E. A. Jaenke, 1735 I Street NW., Washington, D.C. 20006.
B. E. A. Jaenke & Associates, Inc. 1735 I Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Gary L. Jarmin, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $3,124.94.

A. Herbert N. Jasper, 520 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
B. Ad-Hoc Committee for Competitive Telecommunications, 520 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
D. (6) $11,596.16.

A. Ronald P. Johnsen, 1625 I Street NW., Suite 302, Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $175. E. (9) $130.83.

A. Nicholas Johnson, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.

A. David Johnston, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Joint Corporate Committee on Cuban Claims c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $1,200.

A. Ernest W. Jones, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue, Washington, D.C. 20036.
B. Dresser Industries, Inc., 1100 Connecticut Avenue, Washington, D.C. 20036.

A. H. Richard Kahler, 1030 15th Street NW., Suite 720, Washington, D.C. 20005.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $527.11.

A. John B. Kelley, 1025 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.
D. (6) $1,300. E. (9) $515.

A. Kennedy, Holland, DeLacy & Svoboda, 1900 One First National Center, Omaha, Nebr. 68102.
B. Governors of the Knights of Ak-Sar-Ben, 63d and Shirley Streets, Omaha, Nebr. 68106.
D. (6) $750. E. (9) $275.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $14,000. E. (9) $3,828.96.

A. John V. Kenny, 1620 I Street NW., Suite 615, Washington, D.C. 20006.
B. Southern Pacific Co. and affiliated companies.
D. (6) $4,565. E. (9) $120.

A. T. Michael Kerr, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $5,015. E. (9) $11.85.

A. Carl F. Kettler, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,750. E. (9) $702.76.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $1,125. E. (9) $1,522.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,117.50. E. (9) $201.40.

A. Paul K. Kirkpatrick, Jr., 1000 Ouachita National Bank Building, Monroe, La. 71201.
B. National Association of Manufacturers of Agricultural Trailers, Inc., 421 North Crockett Street, Sherman, Tex. 75090.
E. (9) $10.77.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Biscuit & Crackers Manufacturers' Association, 1660 L Street, Washington, D.C. 20036.
D. (6) $150. E. (9) $106.45.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C 20005.
B. Morton-Norwich Products, Inc., 110 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $3,750. E. (9) $642.19.

A. Louis C. Kramp & Associates, 1819 H Street NW., Suite 420, Washington, D.C. 20006.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
D. (6) $1,225.

A. Joseph A. Kuchler, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $215.38 E. (9) $27.60.

A. Dan Kuykendall, 918 16th Street NW., Suite 402, Washington, D.C. 20006.
B. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

A. Ralph D. B. Laime, National Education Association, 245 Northampton Drive, Willingboro, N.J. 08046.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,180.90. E. (9) $75.

A. Lake Carriers Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Harry J. Lambeth, 725 15th Street NW., Suite 700, Washington, D.C. 20005.
B. Council To Save the Post Card, Suite 700, 725 15th Street NW., Washington, D.C. 20005.
D. (6) $255.

A. Lane & Edson, 1800 M Street NW., Suite 400, Washington, D.C. 20036.
B. The National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450.

A. Laurence F. Lane, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $283. E. (9) $72.23.

A. Frederick C. Langenberg, 1000 16th Street NW., Washington, D.C. 20036.
B. American Iron and Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $125.

A. Clifford LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,200. E. (9) $177.72

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $3,825.

A. Susannah Lawrence, 317 Pennsylvania Avenue, Washington, D.C. 20003.
B. Consumer Action Now, Inc., 49 East 53d Street, New York, N.Y. 10022.
D. (6) $231.20. E. (9) $231.20.

A. John H. Leach II, P.O. Box 11125, Santa Ana, Calif. 92711.
B. Let The People Be Heard Committee, P.O. Box 1125, Santa Ana, Calif. 92711.
D. (6) $852. E. (9) $1,260.

A. Robert J. Leigh, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
D. (6) $750.

A. David M. Lenny, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. Dale Lestina, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,005.35. E. (9) $264.99.

A. Joseph A. Letorney, National Education Association, 112 Union Street, South Weymouth, Mass. 02190.
B. National Education Association, 1201 16th Sreet NW., Washington, D.C. 20036.
D. (6) $3,336.90. E. (9) $75.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.
D. (6) $45,322.93. E. (9) $36,959.90.

A. Russell B. Light, 955 L'Enfant Plaza North, SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $942.31. E. (9) $1,048.78.

A. Loews Corp., 666 Fifth Avenue, New York, N.Y. 10019.
E. (9) $2,500.

A. J. Patrick Logue, American Hospital Association, One Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,346.73. E. (9) $135.94.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 432 Park Avenue South, New York, N.Y. 10016.
D. (6) $250. E. (9) $10.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Massachusetts Co-operative Bank League, 225 Franklin Street, Boston, Mass. 02110.
D. (6) $50. E. (9) $5.

A. C. Lance Lujan, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,525.85. E. (9) $181.97.

A. James E. Lyons, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $435. E. (9) $200.

A. Forbes Mann, 1155 15th Street NW., No. 1004, Washington, D.C. 20005.
B. LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $2,500. E. (9) $550.

A. Ronald M. Marcus, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,000. E. (9) $100.

A. Carl Marcy, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,000.

A. Ralph J. Marlatt, 1511 K Street NW., Washington, D.C. 20005.
B. Professional Insurance Agents (PIA), 1511 K Street NW., Washington, D.C. 20005.
E. (9) $1,750.

A. John B. Martin, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $517.

A. Charles H. Mauzy, National Education Association, 3951 Snapfinger Parkway, Decatur, Ga. 30032.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,180.90. E. (9) $75.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,900. E. (9) $318.50.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $360. E. (9) $150.

A. Gardner S. McBride, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. BOMA International, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $750.

A. Richard M. M. McConnell, 1156 15th Street NW., Suite 315, Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Suite 315, Washington, D.C. 20008.
D. (6) $300.

A. John L. McCormick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,999.99.

A. Stanley J. McFarland, 1201 16th Street NW.,Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $6,030. E. (9) 550.95.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $8,730.90 E. (9) $683.65.

A. Joseph B. McGrath, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $7,875. E. (9) $1,318.94.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,401.90 E. (9) $469.44.

A. Frank M. McManus, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Can Manufacturers Institute, 1625 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $124.03.

A. Margaret E. McNamara, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,242.26.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $8,730.90. E. (9) $562.08.

A. Faye L. Mench, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $115.

A. Edward L. Merrigan, 1700 K Street NW., Washington, D.C. 20006.
B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y., 10017.
D. (6) $9,375. E. (9) $2,323.70.

A. Edward L. Merrigan, 1700 K Street NW., Washington, D.C. 20006.
B. Riviana Foods, Inc., P.O. Box 2636, Houston, Tex. 77001.
D. (6) $6,250. E. (9) $361.41.

A. Harriet Miller, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $217. E. (9) $32.

A. Maya Miller, 1310 New Hampshire Avenue NW., Washington, D.C.
B. Women's Lobby Inc., 201 Massachusetts Avenue NE., Washington, D.C. 20002.

A. Richard M. Millman, 1730 M Street NW., Suite 908, Washington, D.C.
B. National Council of Senior Citizens, Inc., 1511 K Street NW., Washington, D.C. 20005.
D. (6) $4,500. E. (9) $583.42.

A. Clarence Mitchell, NAACP, 733 15th Street NW., Suite 410, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Howard Moore, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6). $588. E. (9) $21.66.

A. Robert M. Morris, 341 East Ohio Street, Chicago, Ill. 60611.
B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
E. (9) $686.56.

A. Christopher M. Mould, 1666 Connecticut Avenue NW., Washington, D.C. 20009.
B. National Board of Young Men's Christian Associations 291 Broadway, New York, N.Y. 10007.
D. (6) $270.

A. Karen Mulhauser, 706 7th Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 7th Street SE., Washington, D.C. 20003.
D. (6) $464.

A. Rosemary G. Murray, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
E. (9) $396.17.

A. John J. Nangle, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill.
D. (6) $1,000. E. (9) $150.

A. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $27,238. E. (9) $12,718.64.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $391.47. E. (9) $515.05.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $23,328.92. E. (9) $23,664.32.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $44,488.38. E. (9) $12,795.46.

A. National Association of Air Traffic Specialists, Suite 200, 4630 Montgomery Avenue, Washington, D.C. 20014.
D. (6) $63,259.20. E. (9) $5,269.32.

A. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $98,332.19. E. (9) $54,509.15.

A. National Association of Independent Lumbermen, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $34,876.46. E. (9) $27,769.51.

A. National Beer Wholesalers' Association of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.
D. (6) $18,095. E. (9) $516.41.

A. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.
E. (9) $11,159.99.

A. National Campaign To Stop the B–1 Bomber, 318 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $7,387.05. E. (9) $7,187.17.

A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.
D. (6) $236. E. (9) $203.61.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $911,982.88. E. (9) $4,031.59.

A. National Council of Agricultural Employers, 237 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
D. (6) $220. E. (9) $2177.

A. National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $18,271.05. E. (9) $13,269.27.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Western Railroad Association, 222 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $3,576.67. E. (9) $631.73.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $57,615.20. E. (9) $15,375.90.

A. The National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $596,266.60. E. (9) $3,937.94.

A. National Forest Products Association, 1619 Massachusetts Avenue NW., Washingon, D.C. 20036.
D. (6) $3675. E. (9) $10,211.65.

A. National Franchise Association Coalition, 242 North Wolf Road, P.O. Box 773E, Wheeling, Ill. 60090.
D. (6) $4,450. E. (9) $4,224.

A. The National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $5,621.73.

A. National Rehabilitation Association, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
D. (6) $5,059. E. (9) $1,100.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $211,559.97. E. (9) $100,208.69.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $9,785. E. (9) $3,593.09.

A. National School Transportation Association, 9001 W. Braddock Road, Springfield, Va. 22151.
D. (6) $1,769.62. E. (9) $1,769.62.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,185.80. E. (9) $2,966.60.

A. National Telephone Cooperative Association, 2626 Pennsylvania Avenue NW., Washington, D.C. 20037.
E. (9) $1,225.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill. 60201.
D. (6) $1,351.75. E. (9) $1,974.44.

A. A. S. Nemir Associates, Suite 1230 Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar & Alcohol Institute, Rio de Janeiro, Brazil.
D. (6) $3,000. E. (9) $463.

A. Billy C. Newbold, 1155 15th Street NW., Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $2,400. E. (9) $100.

A. Frank Newham, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. H.W. Newman, 927 South Walter Reed Drive, Arlington, Va. 22204.
B. U.S. Coast Guard Chief Petty Officers Association, 927 South Walter Reed Drive, Arlington, Va. 22204.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
9. (D) $100.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., No. 500, Washington, D.C. 20006.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48231.
D. (6) $100. E. (9) $5.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., No. 500, Washington, D.C. 20006.
B. Dana Corp., P.O. Box 1000, Toledo, Ohio 48697.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., No. 500, Washington, D.C. 20006.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $100. E. (9) $5.

A. Carl A. Nordberg, Jr., 1701 Pennsylvania Avenue NW., No. 500, Washington, D.C. 20006.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.
D. (6) $1,000. E. (9) $75.

A. Northwest Energy Co., P.O. Box 1526, Salt Lake City, Utah 84110.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $337.50.

A. Richard C. O'Hare, 1120 Investment Building, Washington, D.C. 20005.
B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. Dudley L. O'Neal, Jr., 925 15th Street NW., Washington, D.C.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 60611.
D. (6) $6,500. E. (9) $628.26.

A. John F. O'Neal, 600 New Hampshire Avenue NW., Suite 952, Washington, D.C. 20037.
B. Wheat and Wheat Foods Foundation, 14 East Jackson Boulevard, Suite 1010, Chicago, Ill. 60604.
D. (6) $705. E. (9) $323.52.

A. Charles J. Orasin, 810 18th Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $2,769.24.

A. Edward R. Osann, 1321 South Carolina Avenue SE., No. 3, Washington, D.C. 20003.
B. Save the Dunes Council, P.O. Box 863, Chesterton, Ind. 46304.
D. (6) $900. E. (9) $700.04.

A. J. Denis O'Toole, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $4,781.25. E. (9) $791.51.

A. Pack River Co., 425 Peyton Building, Spokane, Wash. 99201.
E. (9) $7,352.50.

A. Juris Padegs, 345 Park Avenue, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. William G. Painter, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Rivers Conservation Council, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,112.40.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $8,437.80. E. (9) $290.94.

A. Richard W. Peterson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
E. (9) $2,200.

A. Grant C. Pinney, 730 North Balsam Street, Ridgecrest, Calif. 93555.
B. Sierra Sands Unified School District, 730 North Balsam Street, Ridgecrest, Calif. 93555.

A. Port of Seattle, P.O. Box 1209, Seattle, Wash. 98111.
E. (9) $42.50.

A. John Post, 888 17th Street NW., Washington, D.C. 20006.
B. Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.
D. (6) $400. E. (9) $40.

A. Robert D. Powell, 734 15th Street NW., Suite 401, Washington, D.C. 20005.
B. National Business Aircraft Association, Inc., 425 13th Street NW., Washington, D.C. 20004.

A. Prather, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Bankers' Association for Foreign Trade, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Prather, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $2,000.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, 1776 F Street NW., Suite 201, Washington, D.C. 20006.
B. Seafarers International Union of North America, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
D. (6) $552.50.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Bermuda Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Denver Water Department, 144 West Calfax Avenue, Denver, Colo.
D. (6) $14,250.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York, N.Y.
D. (6) $3,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. National Ski Areas Association, 99 Park Avenue, New York, N.Y.
D. (6) $1,500.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Princess Hotels International, 1345 Avenue of the Americas, New York, N.Y.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.J.
D. (6) $900. E. (9) $3.20.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif.
D. (6) $206.25.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Security Pacific National Leasing, Inc., P.O. Box 7722, San Francisco, Calif.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Stimson Lumber Company & Miller Redwood Co., 315 Pacific Building, Portland, Oreg.
D. (6) $125.

A. Ragan & Mason, 900 17th Street NW., Washington, D.C.
B. Uranium Enrichment Associates, 1620 I Street, Washington, D.C.
D. (6) $55,730. E. (9) $674.45.

A. James H. Rathlesberger, 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 501, Fairfax, Va. 22030.
E. (9) $12.07.

A. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $2,251.42. E. (9) $64,061.19.

A. Recreation Vehicle Industry Association, P.O. Box 204, 14650 Lee Road, Chantilly, Va. 22021.
E. (9) $12,935.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Lawrence D. Reedy, American Association of Advertising Agencies, 1730 M Street NW., Suite 805, Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, Pan Am Building, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $600.

A. Pratt Pemmel, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Rivers Conservation Council, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $486.90.

A. Rentar Industries, 160 Central Park South, New York, N.Y. 10019.
E. (9) $2,096.

A. Reserve Officers Association of United States, One Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $1657.90. E. (9) $2068.59.

A. W. A. Reynolds, 4400 Lincoln Boulevard, Suite 155, Oklahoma City, Okla. 73105.
B. Aerospatiale, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $575. E. (9) $379.87.

A. Edmund B. Rice, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $246.15. E. (9) $11.22.

A. Pamela Rich, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,950.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Pan American World Airways, Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $3,000.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. John Riley, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Street NW., Washington, D.C. 20005.
D. (6) $787.51. E. (9) $1.77.

A. John R. Rivers, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,215.47. E. (9) $238.88.

A. RJR Industries, Inc., 401 North Main Street, Winston-Salem, N.C. 27101.
E. (9) $2,740.

A. James C. Roberts, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. Robert Robertson, 1050 17th Street NW., Washington, D.C. 20036.
B. National Association of Independent Lumbermen, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $13,461.49. E. (9) $1,012.73.

A. Ron Robinson, National Education Association; P.O. Box 558, Mercer Island, Wash. 98040.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,180.90. E. (9) $100.

A. Frank W. Rogers, 2101 L Street NW., Suite 724, Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,380.

A. Frank W. Rogers, 313 Cambridge Road, Alexandria, Va. 22314.
B. Vetco Offshore Industries, Inc., 5808 Telephone Road, Suite 201, Ventura, Calif. 93003.
D. (6) $1,500.

A. Nathaniel Rogg, 15th & M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.
D. (6) $3,101.20. E. (9) $136.95.

A. Perry A. Russ, 901 N. Washington Street, Alexandria, Va. 22314.
B. Society of American Florists & Ornamental Horticulturists, 901 N. Washington Street, Alexandria, Va. 22314.

A. C. Hill Rylander, 425 13th Street NW., Washington, D.C. 20004.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $6,303.73.

A. Henry Schacht, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) 888.73.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,181.60.

A. Frank Schneller, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert I. Schramm, 1725 K Street NW., Suite 909, Washington, D.C. 20006.
B. Superior Oil Co. and Superior Farming Co., 1725 K Street NW., Washington, D.C. 20006.

A. William H. Schweitzer, 805 15th Street NW., Suite 500, Washington, D.C. 20005.
B. Baker, Hostetler, Frost & Towers, 805 15th Street NW., Suite 500, Washington, D.C. 20005 (for Soap & Detergent Association), 475 Park Avenue South, at 32d Street, New York, N.Y. 10016.
D. (6) $150.

A. Seafarers International Union of North America, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
E. (9) $552.50.

A. Roger D. Semerad, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $80.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,475. E. (9) $139.44.

A. Yvonne L. Shafer, National Education Association, c/o Classroom Teachers of Dallas, 3816 San Jacinto Street, Dallas, Tex. 75204.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,501.30. E. (9) $100.

A. James M. Shamberger, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $25.

A. Steven Shamburek, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,500.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.
B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y.

A. Jowanda Shelton, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $4,100.

A. Jewell R. Shepperd, National Board of YMCA, 1666 Connecticut Avenue NW., Washington, D.C.
B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.
D. (6) $40.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C.

A. Norman R. Sherlock, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,526.25. E. (9) $888.81.

A. Nelson T. Shields, 810 18th Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 810 18th Street NW., Washington, D.C. 20006.
D. (6) $150.

A. Anthony T. Shtogren, 8130 Boone Boulevard, Vienna, Va. 22180.
B. DATRON (Data Transmission Co.), 8130 Boone Boulevard, Vienna, Va. 22180.

A. Margaret A. Siegel, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $5,186. E. (9) $195.59.

A. Mark S. Sigurski, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $400.83.

A. Jean Head Sisco, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Suite 220, Washington, D.C. 20006.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $3,750. E. (9) $267.55.

A. Hall Sisson, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $3,333.30. E. (9) $3,424.77.

A. Jonathan W. Sloat, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $97.50. E. (9) $12.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C.
D. (6) $5,500. E. (9) $1,123.11.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20006.
D. (6) $6,250. E. (9) $49.63.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Bankers Joint Stock Land Bank of Milwaukee, Wis.
E. (9) $4.87.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Florida East Coast Railway Co., 1 Malaga Street, St. Augustine, Fla. 32084.
D. (6) $2,500. E. (9) $154.06.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, New York, N.Y. 10001.
D. (6) $8,500. E. (9) $1,432.78.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Oscar Dooley Associates, Room 2650, First Federal Building, Miami, Fla. 33131.
E. (9) $1.50.

A. Smathers, Merrigan & Herlong, 1700 K Street NW., Washington, D.C. 20006.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77001.
D. (6) $6,000. E. (9) 89.32.

A. John M. Snyder, 1721 DeSales Street NW., Washington, D.C. 20036.
B. Citizens Committee for the Right to Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $4,050.

A. Leland R. Sorteberg, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $217. E. (9) $16.

A. Girardeau A. Spann, Public Citizen, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.
B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.
D. (6) $300. E. (9) $10.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $624. E. (9) $185.

A. Larry N. Spiller, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,850. E. (9) $75.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letters Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $217. E. (9) $11.

A. George E. Steele, Jr., Steele & Utz, 1225 19th Street NW., Suite 700, Washington, D.C.
B. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C.
D. (6) $8,500. E. (9) $8,500.

A. Travis B. Stewart, Hoffman-La Roche Inc., 1775 K Street NW., Washington, D.C. 20006.
B. Hoffman-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $500. E. (9) $200.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. American Industrial Clay and Georgia Kaolin Division of Yara Engineering Corp., 511 Westminster Avenue, Elizabeth, N.J. 07207.
D. (6) $1,000. E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.
D. (6) $800. E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW, Washington, D.C. 20006.
B. Carnegie Corp. of New York, 437 Madison Avenue, New York, N.Y. 10022.
D. (6) $2,000. E. (9) $150.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Central States Health & Life Company of Omaha, Howard at 18th Street, Omaha, Nebr. 68102.
D. (6) $1,000. E. (9) $200.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Connecticut Mutual Life Insurance Co., 140 Garden Street, Harford, Conn. 06115.
D. (6) $500. E. (9) $5.
A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Engelhard Minerals and Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Equifax, Inc., P.O. Box 4081, Atlanta, Ga. 30302.
D. (6) $5,000. E. (9) $500.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $500. E. (9) $5.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $1,000. E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. J. M. Huber Corp., Thornall Street, Edison, N.J. 08817.
D. (6) $1,000 E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01101.
D. (6) $500. E. (9) $5.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mutual Benefit Life Insurance Co., 520 Broad Street, Newark, N.J. 07101.
D. (6) $500. E. (9) $5.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mutual Life Insurance Co. of New York, Broadway at 55th Street, New York, N.Y. 10019.
D. (6) $500. E. (9) $5.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Life Companies, 550 Pharr Road NE., Suite 605, Atlanta, Ga. 30305.
D. (6) $1,000. E.(9) $200.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. New England Mutual Life Insurance Co., 501 Boyston Street, Boston, Mass. 02117.
D. (6) $500. E. (9) $5.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Northwestern Mutual Life Insurance Co., 720 East Wisconsin Avenue, Milwaukee, Wis. 53202.
D. (6) $500. E. (9) $5.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga. 31082.
D. (6) $1,000. E. (9) $30.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.
E. (9) $105.

A. Fred Tammen, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
B. National Rehabilitation Association, 1522 K Street, Suite 1120, Washington, D.C. 20005.
D. (6) $5,500. E. (9) $300.

A. Taxation With Representation, 2369 North Taylor Street, Arlington, Va. 22207.
D. (6) $6,656.99. E. (9) $11,904.76.

A. Fred D. Thompson, Thompson, Liebengood & Crawford, First American Center, Nashville, Tenn. 37238.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $3,702. E. (9) $1,164.77.

A. Eugene M. Thore, 1707 H Street NW., Washington, D.C. 20006.
B. Aetna Life & Casualty; CNA Financial Corp.; Connecticut General Life Insurance Co.; Equitable Life Assurance Society of the United States; Fidelity Mutual Life Insurance Co.; IDS Life Insurance Co.; Metropolitan Life Insurance Co.; Penn Mutual Life Insurance Co.; Prudential Insurance Co.; Reserve Life Insurance Co.; State Mutual Life Assurance Co.; Travelers Insurance Co.
E. (9). $830.89.

A. John P. Tracey, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
E. (9) $1,000.

A. Joseph P. Trainor, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,250. E. (9) $1,922.26.

A. W. M. Travarrow, 976 National Press Building, Washington, D.C. 20045.
B. American Motors Corp., 27777 Franklin Road, Southfield, Mich. 48076.
D. (6) $4,875. E. (9) $417.50.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Nancy B. Usera, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Collectors Association, Inc., 4040 West 70th Street, Minneapolis, Minn. 55435.
D. (6) $1,824. E. (9) $1,303.10

A. R. Dick Vander Woude, National Education Association, 648–A Dauphine Court, Elk Grove Village, Ill. 60007.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,180.90. E. (9) $75.

A. Marcos von Golhman, 6700 Belcrest Road, Suite 625, Hyattsvile, Md. 20782.
B. Guyana Airways Corp., 6700 Belcrest Road, Suite 625, Hyattsville, Md. 20782.

A. Abe J. Voron, 6204 White Oak Lane, Tamarac, Fla. 33319.
B. National Radio Broadcasters Association, Suite 1450, 500 Fifth Avenue, New York, N.Y. 10036.
D. (6) $1,250. E. (9) $975.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. Alan S. Ward, 805 15th Street NW., Suite 500, Washington, D.C. 20005.
B. Baker, Hostetler, Frost & Towers, 805 15th Street NW., Suite 500, Washington, D.C. (for the Soap & Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016).
D. (6) $100.

A. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
E. (9) $9,000.

A. Leonard Warner, P.O. Box 100, Ashburn, Va. 22011.
B. Len Warner, Inc., P.O. Box 100, Ashburn, Va., 22011.
D. (6) $1,000. E. (9) $1,630.

A. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
E. (9) $1,208.39.

A. Ray Wax, c/o Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
E. (9) $142.60.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $1,650.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77036.
D. (6) $750.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sand Springs Home, c/o E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.
D. (6) $3,400.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Skyway-to-Highway, Inc., 901 Eighth Street NW., Washington, D.C. 20001.
D. (6) $6,055.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Truck Body & Equipment Association, Inc., Suite 1220, 5530 Wisconsin Avenue NW., Washington, D.C. 20015.
D. (6) $1,200.

A. Webster & Sheffield, 1 Rockefeller Plaza, New York, N.Y. 10020.
B. Aluminum Association, 750 Third Avenue, New York, N.Y. 10017.
D. (6) $4,040. E. (9) $600.

A. William B. Welsh, 1625 L Street NW., Washington, D.C. 20036.
B. American Federation of State, County & Municipal Employees, AFL–CIO, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $11,329. E. (9) $100.

A. Wenchel, Schulman & Manning, 1625 K Street NW., Washington, D.C. 20006.
B. William H. Sullivan, Jr., 500 Neponset Avenue, Dorchester, Mass. 02122.
E. (9) $80.29.

A. Carol Werner, 706 Seventh Street SE,, Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $4,131.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. Gordon A. Whitt, 6801 Industrial Road, Springfield, Va. 22151.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
D. (6) $1,008.54. E. (9) $165.30.

A. Richard J. Wiechmann, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $124.20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Medicorp, Inc., 111 Presidential Boulevard, Bala Cynwyd, Pa. 19004.
D. (6) $500. E. (9) $35.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bangor Punta Operations, Inc., 1 Greenwich Plaza, Greenwich, Conn. 06830.
D. (6) $400.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Brown & Root, Inc., Box 3, Houston, Tex. 77001.
D. (6) $4,000. E. (9) $160.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Wm. T. Burton Industries, Inc., 101 North Huntington Street, Sulphur, La. 70663.
E. (9) $15.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Federal Express Corp., AMF Box 30167, Memphis, Tenn. 38180.
D. (6) $450. E. (9) $45.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $150. E. (9) $15.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wis. 53201.
D. (6) $120. E. (9) $12.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Jack E. Lawton and William B. Lawton, Route 2, Box 816, Sulphur, La. 70663.
E. (9) $82.50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.
D. (6) $3,100. E. (9) $290.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Louisiana Land & Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
D. (6) $500.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Martin Ryan Haley & Associates, Inc., 40 Central Park South, New York, N.Y. 10019.
E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Matilda Grey Trust, P.O. Box 20001, Lake Charles, La. 70601.
E. (9) $15.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Association of Water Cos., Box 387, Washington, D.C. 20044.
E. (9) $100.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Powell Lumber Co., P.O. Box P, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. SmithKline Corp., 1500 Spring Garden, Philadelphia, Pa. 19130.
E. (9) $90.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Truck Body & Equipment Association, Inc., Suite 1220, 5330 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Tyson Foods, Inc., Drawer E. Springdale, Ill. 72764.
E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Vinson, Elkins, Searls, Connally & Smith, 21st Floor, First City National Bank Building, Houston, Tex., 77002.
E. (9) $90.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

A. Thomas C. Williams, 1 Farragut Square South, Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.
D. (6) $2,000. E. (9) $125.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
B. Mortgage Insurance Co. of America, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
D. (6) $2,000. E. (9) $489.40.

A. John C. Williamson, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
B. National Apartment Association, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, National Association, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $65.83. E. (9) $22.51.

A. Irwin Wolkstein, American Hospital Association, 1 Farragut Square, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $207.06. E. (9) $10.40.

A. Burton C. Wood, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $6,421.86. E. (9) $1,664.35.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,269. E. (9) $440.10.

A. Thomas K. Zaucha, 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $750.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $497.50.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash. 99155.
D. (6) $76.50. E. (9) $12.02.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Lummi Tribe of Indians, 2616 Kwina Road, Bellingham, Wash. 98225.
E. (9) $1.06.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.
D. (6) $90. E. (9) $10.04.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Metlakatla Indian Community, P.O. Box 8, Metlakatla, Alaska 99926.
E. (9) $1.06.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Northern Cheyenne Indian Tribe, P.O. Box 128, Lame Deer, Mont. 59043.
D. (6) $10. E. (9) $2.39.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.

A. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $10,240. E. (9) $10,449.64.

A. John L. Zorack, 8802 Law Court, Springfield, Va. 22152.
B. Federal Express Corp., Memphis International Airport, AMF Box 30167, Memphis, Tenn. 38130.
D. (6) $9,000. E. (9) $1,245.30.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md. 20014.
B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.
D. (6) $500. E. (9) $27.80.

EXTENSIONS OF REMARKS

ALL VOLUNTEER FORCE—CURRENT STATUS AND PROSPECTS—III

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. STEIGER. Mr. Speaker, one of the greatest concerns about the All Volunteer Force has been over whether it would be representative of the American public as a whole. The Defense Department's transition document for the Carter administration indicates that the Volunteer Army is remarkably representative.

Four measures were used in reaching this conclusion: income, region, sex, and race. Only in the case of men-women ratio is there a wide disparity with the national average. Even here, the Volunteer Army is a vast improvement over its drafted predecessor, though, as there has been an active effort to recruit women into all services since the end of the draft.

Income comparisons between the services and the American population show very close parallels. In almost every category, from lowest income to highest, there is only a small percentage point difference. Table 8 includes more detailed information on this.

Regionally, the All Volunteer Force is virtually a mirror image of the Nation. The top 10 States in population, with 53 percent of the male youth population, account for 53 percent of accessions. The top 20 States in population, with 75 percent of the male youth population, make up 75 percent of accessions.

From the standpoint of race, we again see a representative military force. The percentage of blacks in the military has grown significantly since fiscal year 1974, a good reflection of the increased opportunities offered minorities in today's military. The number has stabilized in the last couple of years.

Todays' military, then, is very representative of the population from which it is drawn. Chapter 4 of the report bears thoughtful study:

CHAPTER 4—REPRESENTATION

Four relevant measures of whether the AVF is representative of the American population are income, region, sex and race.

INCOME

Table 8 below reveals that previous fears that the AVF would only attract the poor did not materialize. In fact, the AVF is representative of all income groups.

TABLE 8.—PERCENT DISTRIBUTION OF EARNINGS OF PARENTS OF RECRUITS (MAY 1975) COMPARED WITH U.S. FAMILY INCOME (MARCH 1975)

	Army	Navy	Marine Corps	Air Force	All services	U.S. family earnings, March 1975		Army	Navy	Marine Corps	Air Force	All services	U.S. family earnings, March 1975
0 to $2,999	8.7	3.9	8.9	3.6	6.4	5.3	$11,000 to $13,999	15.2	17.8	16.2	19.4	17.0	14.8
$3,000 to $7,999	24.0	17.8	20.6	17.7	20.5	21.0	$14,000 to $19,999	18.7	23.1	23.5	25.2	22.0	22.3
$8,000 to $10,999	19.6	16.3	17.1	17.8	18.1	14.5	$20,000 plus	13.9	21.1	13.6	16.2	16.0	21.8

Source: Preliminary results, May 1975 AFEES Survey; Consumer Income, Families by Total Money Income, Money Income of Families and Persons in the United States, U.S. Department of Commerce, Bureau of Census.

REGION

The AVF also is representative of the American youth regionally. Table 9 indicates that the top ten states in population, which consist of 53% of the male youth population, account for 53 percent of accessions; the top 20 states in population, which consist of 75 percent of the male youth population, account for 75% of accessions.

TABLE 9.—COMPARISON OF STATE DISTRIBUTIONS OF U.S. MALE POPULATIONS (AGES 17 TO 21) AND MALE ENLISTED ACCESSIONS, ALL SERVICES, FISCAL YEAR 1976

State	Percent of total — Population	Army	Navy	Marine Corps	Air Force	All services	State	Percent of total — Population	Army	Navy	Marine Corps	Air Force	All services
California	9.2	9.9	11.0	10.8	9.9	10.3	Indiana	2.6	2.7	2.7	3.4	2.8	2.8
New York	7.9	6.8	7.3	7.9	7.6	7.2	North Carolina	2.6	3.1	2.0	1.7	2.0	2.4
Texas	5.9	5.7	6.0	6.2	6.6	6.0	Georgia	2.3	2.8	2.0	1.9	1.9	2.3
Pennsylvania	5.6	5.0	5.6	4.7	5.6	5.2	Virginia	2.2	2.7	1.8	2.1	1.9	2.3
Illinois	5.3	4.4	4.6	5.6	3.2	4.4	Wisconsin	2.2	1.9	2.0	3.3	2.1	2.2
Cumulative percent	33.9	31.8	34.5	35.2	32.9	33.1	Cumulative percent	64.9	63.9	65.6	66.5	64.9	65.0
Ohio	5.1	5.5	6.0	5.1	6.6	5.8	Missouri	2.2	2.2	2.7	3.0	2.4	2.5
Maine	4.5	4.6	5.2	4.9	4.3	4.8	Tennessee	2.0	2.2	1.7	1.4	1.9	1.9
Florida	3.6	4.2	3.9	3.2	4.6	4.1	Alabama	1.9	2.0	1.6	1.4	1.4	1.7
New Jersey	3.3	2.6	3.1	2.7	2.7	2.8	Minnesota	1.9	1.6	2.1	2.2	1.8	1.9
Massachusetts	2.6	2.0	2.4	3.0	3.1	2.4	Maryland	1.9	1.8	1.7	1.7	1.6	1.7
Cumulative percent	53.0	50.7	55.1	54.1	54.2	53.0	Cumulative percent	74.8	73.7	75.4	76.2	74.0	74.5

WOMEN

The number of women as a percent of enlisted accessions increased substantially from FY 1964 as compared to FY 1974 but has leveled off over the past two year period. Table 10 below presents these trends.

TABLE 10.—WOMEN AS A PERCENT OF ENLISTED ACCESSIONS, FISCAL YEAR 1964 AND 1974-77

Fiscal year	Army	Navy	Marine Corps	Air Force	All services
1964	1.1	2.6	2.4	2.1	1.8
1974	8.3	8.0	2.6	10.6	8.2
1975	9.9	7.9	2.5	13.0	9.0
1976	8.5	6.1	2.5	12.0	7.9
1977 (planned)	9.2	3.7	2.6	13.0	7.6

The number of women as a percent of total strength increased substantially since FY 1964. This increase is projected to continue over the next several years. Table 11 presents these trends.

TABLE 11.—WOMEN AS A PERCENT OF STRENGTH, OFFICER AND ENLISTED, FISCAL YEARS 1964 AND 1974-78

Fiscal year	Army	Navy	Marine Corps	Air Force	All services
1964	1.2	1.1	0.8	1.0	1.1
1974	3.9	3.1	1.5	3.8	3.5
1975	5.4	4.0	1.5	5.0	4.6
1976	6.3	4.4	1.8	5.8	5.3
1977 (planned)	6.7	4.4	1.9	7.0	5.7
1978 (planned)	6.7	4.4	2.0	8.5	6.2

RACE

The number of blacks as a percent of DoD non-prior Service (NPS) enlisted accessions increased significantly from FY 1964 as compared to FY 1974 but has decreased since FY 1974. The proportion of black accessions in the Army is slightly higher, but the fear of a predominantly black Army has not materialized. Table 12 presents these trends in black accessions.

TABLE 12.—BLACKS AS A PERCENT OF NONPRIOR SERVICE ENLISTED ACCESSIONS, MEN AND WOMEN, FISCAL YEARS 1964 AND 1974-76

Fiscal year	Army	Navy	Marine Corps	Air Force	All services
1964 [1]	13.7	4.7	8.5	9.6	10.6
1974	27.4	11.1	21.5	16.6	20.9
1975	23.0	10.6	20.4	14.7	18.2
1976	24.4	8.6	16.0	9.9	16.9

[1] Includes males only, other minorities: Asian Americans and American Indians (Navy only includes blacks), and includes Army inductees.

The number of blacks as a percent of DoD strength also increased significantly from FY 1964 as compared to FY 1974 but it has stabilized in recent years. The Army enlisted black strength shows some growth from FY 1974 as compared to FY 1976 but the rate of growth is quite moderate. Table 13 presents the trends in black strengths. The discrepancy between black officer and enlisted strength is a problem area. All the Services are attempting to increase their black officer content while facing stiff competition from other sectors for black college graduates.

TABLE 13.—BLACKS AS A PERCENT OF STRENGTH, OFFICER AND ENLISTED, MEN AND WOMEN, FISCAL YEARS 1964 AND 1974-76

	Army		Navy		Marine Corps		Air Force		All services	
	Enlisted personnel	Officer personnel	Enlisted personnel	Officer personnel	Enlisted personnel	Officer personnel	Enlisted personnel	Officer personnel	Enlisted personnel	Officer personnel
1964 [1]	11.8	3.3	5.9	0.3	8.7	0.3	10.0	1.5	9.7	1.8
1974	21.3	4.5	8.4	1.3	18.1	2.5	14.2	2.2	15.7	2.8
1975	22.2	4.8	8.0	1.4	18.1	3.0	14.6	2.5	16.1	3.1
1976	23.7	5.2	8.0	1.6	17.0	3.4	14.7	2.8	16.6	3.4

[1] December.

SEND THE BOYS HOME

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. MILFORD. Mr. Speaker, I have stated my opposition to the Select Committee on Assassinations and outlined my reasons many times.

Rather than add to those statements, I would like to share with my colleagues an editorial which appeared Sunday, February 13, in the Dallas Times Herald—to which I add a hearty "Amen."

SEND THE BOYS HOME

Enough is enough. The present bickering among the House Select Committee on Assassinations, its chairman and its chief counsel have so undermined public confidence in the panel's integrity and competence that it is pointless to continue its work—if, indeed, its work has begun.

The committee, created in the waning days of the last Congress to investigate the assassinations of President Kennedy and Dr. Martin Luther King Jr. and write the definitive report on those crimes, has been more headache than help from the beginning.

Its troubles began with the appointment of Richard A Sprague as its chief counsel. Mr. Sprague may be a competent investigator, but he apparently knows not the first thing about dealing with congressmen.

He shocked Congress by demanding a whopping $13 million to finance the work of a "bare bones" staff of 170 lawyers and investigators over a two-year period. He alarmed many congressmen with his reported plans to use hidden transmitters, polygraphs and voice stress machines in his work. His penchant for pleading his case in the press has gained him a reputation as a headline-seeker.

His behavior and demands almost convinced the present Congress that the committee he was hired to serve should not be re-instituted this year. But the House, apparently reluctant to admit that it made a mistake, finally voted to give the panel two months and $84,000 with which to provide evidence to justify continuing its investigations.

This reprieve has led only to further controversy. The committee chairman, Rep. Henry Gonzalez of Texas, squabbled with Mr. Sprague over the size of his staff, then tried to fire him. The other 11 committee members backed Mr. Sprague. So it appears that the committee and its staff may snipe and backbite all the way to its April 1 deadline.

The value of the committee and its work has been highly questionable from the beginning. It is doubtful that even competent, professional investigators could, so many years after the events they are investigating, find enough new evidence to put dents in the previous work of the Warren Commission and the Justice Department. What few scraps might still be available probably would inspire even more outlandish conspiracy theories, instead of convincing the American public that "the whole truth and nothing but the truth" had surfaced at last. After such an expensive and clamorous fishing expedition, we may be assured that Mr. Sprague and the committee will give us some fish, even if they have to smell more of politics than truth.

The House has little choice now but to allow the committee and its staff to continue along its noisy way until April 1. Then, we hope, it will withdraw the boys' allowance and send them home.

EYEGLASSES SHOULD BE INCLUDED UNDER MEDICARE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. ANNUNZIO. Mr. Speaker, I rise today in support of a bill I have introduced, H.R. 2020, which would provide urgently needed coverage for optometric and vision care services for the elderly under medicare.

Despite the fact that the medicare program has made a significant contribution to the health of our Nation's aged since its inception 10 years ago, there are still a number of services for which the program fails to provide coverage. One of the most serious gaps is the lack of coverage for vision services for the elderly. For the most part, medicare currently excludes optometrists from the definition of recognized practitioners under the program and prohibits payments for eyeglasses and eye exams. The only exception is for prosthetic lenses furnished by optometrists following cataract surgery if the need for such lenses is certified to by the attending physician.

Vision care represents the most glaring example of both the great need of our Nation's elderly for medical appliances and the inadequacy of the existing pricing and delivery system for meeting that need. And, tragically enough, older Americans comprise the greatest bulk of the population needing vision care. At the present time, over 20 million Americans over 65, or 92 percent of our Nation's elderly require and own eyeglasses or contact lenses. Over 5 million of these people need new corrective lenses, because the ones that they now have either do not help their sight or actually harm it. Countless additional elderly Americans need eyeglasses, but do not have them. This vast need for proper glasses is especially critical, because many eye diseases, such as glaucoma and senile cataracts, can lead to blindness if they are not detected and treated promptly. Since the rate of blindness among Americans over 65 is 8½ times as great as the number in the under-65 population, it becomes more and more apparent that the crucial vision needs of the elderly are largely ignored.

The present delivery system for eyeglasses is full of pitfalls. The New York Department of Consumer Affairs conducted a survey, and fully one out of five eye examinations given to investigators resulted in unnecessary prescriptions for eyeglasses, and faulty prescriptions for glasses were dispensed in a number of other instances. What is an elderly person to do, with limited mobility and limited funds?

Moreover, the Subcommittee on Health and Long-Term Care of the Select Committee on Aging conducted a survey last Congress on costs of eyeglasses in the Washington area. The survey demonstrated a 230-percent variance in the cost of identical eyeglasses with glass lenses and an almost 200 variance in the cost of the identical eyeglasses with plastic lenses.

The situation can become desperate for an elderly person, and one of the most serious gaps in our medicare program is the lack of coverage for vision services for the elderly. I have introduced H.R. 2020 to amend title XVIII of the Social Security Act to include these crucial services. I urge my colleagues to support this bill. We must change medicare to be more responsible to our older Americans, to enable our elderly to live in dignity and security and as comfortably as possible.

STATE OF THE MAILS

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. GLICKMAN. Mr. Speaker, last July, the Postal Subcommittee of the Post Office and Civil Service Committee reported out a resolution that placed a 1-year moratorium on post office closings and other cutbacks in service. Since that time, the U.S. Postal Commission has been holding hearings throughout the country to try to determine the state of the mails.

On February 10, I presented testimony before the Commission on Postal Service at hearing in Atchinson, Kans. My testimony, though brief, outlines what I believe should be the major factors taken into consideration before further decisions are made. While I realize that the Commission's report is due on March 15, and that many of my colleagues have already made their views known on the record, I did want to share what I consider to be some of the more salient issues to which we in Congress as well as the Postal Commission should address ourselves.

Following is that statement I presented to the Commission last week:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 10, 1977.

DEAR FRIENDS: A postal service which allows open and easy communication among the citizens of this nation at rates that are reasonable and with service that is both accessible and effective constitutes a basic support of political, social, and economic freedom. With this in mind, it is with great interest and concern that I address myself to this hearing.

In the three months since my election and the one months since taking office, I have received, both in my Washington office and my District office in Wichita, a large number of inquiries regarding the United States Postal Service. These inquiries have ranged from complaints about late or slow deliveries, the rising costs of postal services, to a large number of people seeking solutions to the increasing problem of the closing of certain postal facilities.

With postal rates rising and threatening to rise even further, citizens have become increasingly concerned that postal service be prompt, reliable, and efficient.

Although constituent complaints about the rising costs of postal services are frequent, an even greater number of citizens have voiced their opposition to changes in postal service and, in some instances, the closing of certain postal facilities.

For example, my offices have begun receiving a large volume of inquiries regarding proposed changes of postal services in the town of Murdock, Kansas. Several of the

citizens of the area served by the Murdock Post Office are concerned about this matter and even more are disturbed at the lack of information from the Post Office regarding the exact nature of the proposed changes in service. Although many of these citizens can understand that, since theirs is a small community, it may be economically wiser for the Postal Service to serve them from another community, they remain concerned about the impact of these changes upon the vitality and the future of their community. For the small community of Murdock, Kansas, the Post Office represents a vital and necessary contact with the rest of the nation.

The impact of the closing of certain Post Offices is not felt solely in the small towns such as Murdock. Numerous citizens have voiced concern and opposition regarding the closing of certain branch stations within the city of Wichita. For these citizens, the problem is not that once their neighborhood Post Office closes will they no longer have any contact with the rest of the nation, but that once these stations are closed, they will suffer the inconvenience and expense of traveling to other facilities in the city. Many of these citizens operate businesses in which they find it necessary to make several trips to the Post Office everyday, so the closing of neighborhood facilities means the problem of traveling to facilities farther away is compounded.

While it is easy to understand the constituents' complaints in regard to the rising costs of postal service, I believe we need to go further and examine these complaints in another light as well. That is, these citizens view the Post Office as a vital public service. The closing of small town Post Offices and branch facilities is, for many citizens, an example of the Federal government's neglect of the development of their towns and their neighborhoods.

I would like to ask the Commissioners this morning to examine and act upon the statements presented not solely in terms of profits and expenses. Although we can not deny the very important aspect of rising costs and the need to keep these costs within reason, we must not also deny the fact that the Post Office is a vital public service.

Sincerely,

DAN GLICKMAN,
Member of Congress.

AMERICAN JEWS THREATENED BY TERRORISTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. McDONALD. Mr. Speaker, in a free society threats against the safety of any of our citizens are threats against the safety of all of us. The Terrorist New World Liberation Front has recently threatened the lives of American Jews if the State of Israel institutes the death penalty for terrorists who have taken human life. According to the NWLF, which consists of, among others, remnants of the Symbionese Liberation Army:

If Rabin imposes the death penalty upon Palestinian freedom fighters, this will be met with swift revolutionary justice. We will retaliate against Zionist terrorism against Palestinian freedom fighters with swift action against the Jewish-American ruling class.

These Zionist ruling class pigs will not butcher poor people fighting for a just life without suffering drastic repercussions. The Jewish-American ruling class cannot protect themselves well enough for a sufficient amount of time. They should consider this carefully!

CONSIDER THIS

We will show the Jewish-American ruling class how extremely vulnerable they are, here in the belly of the beast. Their lives will be in grave jeopardy if mad-dog Rabin imposes this massacre on the Palestinian people.

We call on all comrades to move directly against all Jewish-American ruling class bloodsuckers if Rabin moves to massacre freedom fighters! These ruling class dogs are influential both here and in Israel and are extremely vulnerable!

Note that the Communist New World Liberation Front has adopted the old Nazi technique of using Jews and Zionists as synonyms. Many Jews are not Zionists and many Zionists are not Jews. The Castroite terrorists are threatening American citizens with retaliation if a foreign government adopts a policy which they oppose. It is clear from the bombings that have taken place in California, organized by this group, that they are very capable of carrying out their violent threats.

We must not allow these threats against our fellow Americans to be carried out. Our Government has a responsibility to stop terrorist acts. We must have passage of Congressman JOHN ASHBROOK's antiterrorist bill which has been bottled up in the House Judiciary Committee for the past 2 years. We need the reestablishment of the House Committee on Internal Security to investigate and develop additional antiterrorist legislation. The FBI and local police departments must be encouraged to reestablish the units that have previously maintained surveillance of these terrorist groups.

PROPOSED PAY INCREASE

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HUCKABY. Mr. Speaker, as a new Member of the House of Representatives, I must express my disappointment, and the disappointment of a majority of my constituents, at the manner in which this Congress has avoided confronting the sensitive issue of Federal pay raises.

We all know that if the citizens of this Nation were allowed to vote on the salary proposals, the increases would be rejected. Simply stated, the majority of Americans do not believe that Federal employees—including some Members of Congress—perform well enough to justify their current salaries.

Despite the failure of this body to address the issue with a record vote, it is obvious that many Members favor the pay raises. Many of them advance the argument that higher salaries are needed to attract the most highly qualified persons to the Federal Government. They say that this is one issue on which the Congress must bite the bullet, by accepting whatever public criticism results from the higher salaries.

But I submit that this Congress is not biting the bullet on this issue. Instead of letting the American people know how each of us feels about the salary increases, parliamentary tactics have been used to prevent Members from having to vote. This course of action reflects no credit on a Congress which is already discredited in the eyes of many Americans.

Indeed, how can the American people be expected to sit still for this raid on the Federal Treasury—which will cost taxpayers an additional $110 million annually—when they are being asked to sacrifice for the good of the Nation? Apparently, this Congress is willing to volunteer their fellow Americans for sacrifices, but the Members are unwilling to sacrifice themselves. This pay increase will grant Members of this body an additional $12,900 each year—an amount equal to the entire annual income of many American families.

Mr. Speaker, if we are ever to restore public confidence in our governmental institutions, we must confront these issues directly, instead of hiding behind automatic provisions and ignoring the wishes of the people.

ANSWERING SAULNIER CRITICISM OF THE FULL EMPLOYMENT BILL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HAWKINS. Mr. Speaker, in the CONGRESSIONAL RECORD of February 10, Senator GOLDWATER inserted a critique of the Humphrey-Hawkins bill by Dr. Raymond J. Saulnier, which also appeared in Business Horizons. Dr. Saulnier served as Chairman of the Council of Economic Advisers during the second term of the Eisenhower administration, and is now at Barnard College of Columbia University. I have no complaint that Dr. Saulnier's economic philosophy and views of national economic policy differ from mine, and will not discuss that matter. Instead, I limit my comments to the gross errors of fact, hard to explain, in Dr. Saulnier's treatment of the Humphrey-Hawkins bill.

First. Dr. Saulnier states that the bill's "approach to unemployment reduction is still to put people in public jobs at market rate of pay, but with nothing done to promote private, self-supporting employment." Entirely to the contrary, the bill concentrates first and foremost upon the expansion of private employment, which it designates as the top priority, and details many approaches toward that end. The bill specifically provides that last-resort public service jobs shall not be undertaken until 2 years after enactment, and then only if the President transmits a finding to the Congress that all the other provisions under the bill are not reducing unemployment in accord with the target of reducing it to 4 per cent within 4 years of enactment. The bill contains many other limitations upon public serv-

ice employment. The many materials issued in connection with the bill have made it clear that the public service employment at its peak would probably be less than 1 million of the 9 million additional jobs needed within 4 years of enactment. Nor does the bill provide that the public service jobs be at market rates of pay. To the contrary, it provides only that people working on these jobs, which they canont obtain if they refuse to accept or voluntarily leave private jobs, shall be paid not less than the minimum wage, and not less than the wage paid by the same employer to those doing the same type of work.

Second. Dr. Saulnier states that it is—

The determination of its [the bill's] authors to launch the federal government into comprehensive national economic planning. . . . And since there is no change in what the bill proposes to spend, and no change in its insistence on ruling out monetary restraint, the strictures introduced in the latest version against allowing inflation to accelerate are a virtual guarantee that the planning would involve early recourse to direct controls.

The above statement by Dr. Saulnier is categorically erroneous. The bill is aimed solely toward improved planning by the Federal Government of those policies and programs which the Government has been undertaking and will continue to undertake in any event. The bill expressly prohibits any planning of the private economy, such as setting goals for private production or employment in specific sectors or allocation of private production. The bill does not propose any levels of Federal spending nor any degree of monetary restraint or expansion, but instead leaves this to be worked out by the President, the Congress, and the Federal Reserve year by year. The bill neither calls for nor contemplates the direct controls. It does set up a more comprehensive group of other specific policies to deal with inflation than have been in any previous legislation except in times of large-scale war.

Third. Dr. Saulnier says that "it is still true that enactment of the bill would preempt the opportunity to attack structural unemployment constructively," and that its proponents would not concede this. We gladly claim, as one of the strong features of the bill that, more than previous effort, it contains a wide range of programs to deal with structural problems through use of microeconomic measures to supplement macroeconomic measures.

Fourth. Dr. Saulnier states that—

The bill would do nothing to correct policies of government, principally those governing taxes and industrial regulation, that are obstacles to the accumulation and investment of capital.

Entirely to the contrary, by promoting full markets for products, the bill removes the main obstacle to adequate investment of capital. The bill contemplates that, under its full employment and balanced growth plan, tax and other measures to promote adequate capital investment would be developed year by year, to the extent necessary, on a parity with measures directed toward other sectors. The bill specifically calls for periodic review of Government regulations, with the purpose of getting rid of unnecessary or hurtful regulation, and modifying necessary regulation to the extent found desirable.

Fifth. Dr. Saulnier states that the start-up cost of the bill would be $48 billion imposed upon the Government in the first year, and half that amount in each succeeding year. This is a wild exaggeration, based upon the errors described above in Dr. Saulnier's analysis of the bill, with a lot of imagination thrown in for good measure. Prospective costs under the legislation, bearing no resemblance to Dr. Saulnier's figures, are discussed fully in the new pamphlet referred to below, and indeed have been discussed in earlier available documents.

Sixth. Dr. Saulnier's contention that operations under the bill would make the direct controls inevitable is based upon an incorrect portrayal of every phase of the bill that Dr. Saulnier discusses.

In the same issue of the CONGRESSIONAL RECORD, immediately following Dr. Saulnier's critique, there appears a summary of the revised Humphrey-Hawkins bill which in itself demonstrates the incorrectness of the major points made by Dr. Saulnier.

For those interested in a more complete discussion of the Humphrey-Hawkins bill, and a more comprehensive refutation of what Dr. Saulnier has had to say, I call attention to the new pamphlet issued in January 1977 on the Humphrey-Hawkins bill, this being a discussion of the issues by Senator HUMPHREY and me. Any Member of the House or the Senate or any concerned staff member may obtain a copy or an additional copy of this pamphlet by contacting my office or Senator HUMPHREY'S office, respectively. Those not in the Congress who desire the pamphlet will be informed as to how it may be obtained if they contact my office.

IT'S JUST BEGINNING

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. FORD of Tennessee. Mr. Speaker, the 95th Congress has already spent a good deal of time considering our Nation's energy crisis. While I enthusiastically supported the Emergency Natural Gas Act of 1977, Public Law 95–2, I realize that it only gives us a breathing spell at best. We are all aware that lasting, long-term solutions must be formulated. Congress and the American people face many hard decisions in setting out a meaningful energy policy.

The problems ahead were perhaps no better summarized than in the Memphis Commercial Appeal on February 8. In this issue Michael Grehl and the editorial staff showed great understanding and insight into the energy crisis. As we deliberate over energy policy I hope my colleagues will refer to this editorial, which I am inserting into the RECORD at this point:

IT'S JUST BEGINNING

The emergency power which Congress gave President Carter to divert natural gas to areas where it is scarce will expire April 30. Carter has promised to put together a comprehensive energy program for America by April 20.

That means that he hopes to do in 10 weeks what the previous two presidents failed to do in eight years—find a way to meet the nation's energy needs for a future in which demand will grow while supplies we now have access to are shrinking.

A lot hinges on how seriously the American people take the energy problem.

If Carter is to make any headway in establishing a blanket policy for energy production and consumption, he has got to win public support for two hard-to-take realities:

Everybody has got to use less energy.

The cost is going to rise.

Convincing people that this is inevitable is difficult. We are a nation of energy wasters. We love it that way. We get mad if somebody tells us the fun has got to stop.

Jimmy Carter had a go at it in his TV chat with the country last week. He told us that to solve the energy problem we're all going to have to make sacrificies. And how. Carter is low-key. He understated the case.

But his chief energy adviser, former Defense Department and CIA chief James Schlesinger, was firmer in an interview with U.S. News & World Report this week:

"We must recognize that we have been burning the candle at both ends as far as energy is concerned . . . Americans have never believed in physical shortages. Many Americans today believe that these shortages somehow or other have been contrived by the industry. That is not true; they are real . . . Once the gasoline lines disappeared after the (1973) embargo, the American public came to believe—in fact, was informed by some political leaders—that the energy crisis was over. It is not over. It is just beginning. And if this particular episode is taken as a warning—as a portent of what is to come—that would be the chief thing that this country could have learned."

The brief period of abundant, cheap energy that has existed since World War I is already over.

But here we are, a nation geared to heating, cooling, driving and running factories on cheap energy.

It's the cheapness of the product that has encouraged waste—and the energy producers have pushed high consumption by the market.

The public skepticism Schlesinger mentioned is understandable. Who made Americans energy addicts? Answer: The big energy companies—and government. Oh, we were willing. But it is no wonder that foreign countries have no sympathy. The Times of London said scornfully last week: "It is the weather that has brought the American energy crisis to the surface. Energy consumption has always, however, been more profligate in the United States than in any other country."

Are the energy companies to blame? Some think that the natural gas shortage this winter would be less severe if some gas were not being held back from the pipelines. Interior Secretary Cecil Andrus takes the allegations seriously enough to have ordered a preliminary investigation. If facts point that way, he will enlarge the inquiry next week. Certainly the people have a right to know if profiteering or hoarding is taking place.

But it's the long-term energy crisis that must be solved. This winter is just another sign of worse to come if the U.S. does not stop its profligacy—and find alternate sources of energy.

Our national concern with protecting the environment means the cost of extracting and burning even so plentiful an energy supply as coal will be expensive. It means rigorous care about offshore oil drilling and deep ports.

But most of all, solving the energy problem means the necessity, as Schlesinger put it,

to "engage the moral enthusiasm of the American people."

If President Carter can deliver a comprehensive program to Congress by April 20, then it will be after the cold has passed and the blossoms of spring will be adorning the parks of Washington.

Only if the public insists, in that gentler climate, on hard, far-reaching decisions and conscientious sacrifices can Carter succeed where others have failed.

In other words, we've got to tell Congress and Carter we want to use less and pay more. We have to believe with Schlesinger that "there is no alternative but to get serious."

GENERAL ACCOUNTING OFFICE SETS STUDY ON COFFEE PRICES

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. RICHMOND. Mr. Speaker, we are all too familiar with the downcast and downtrodden of society who searched endlessly for only a nickel for a cup of coffee.

In a few months, millions of coffee drinkers will be searching endlessly for a pound of coffee which costs less than $5.

If present trends continue, consumers will have seen their favorite blends rise from $1.20 a pound just 19 months ago, to today's astronomical prices of between $3.25 and $4 a pound.

The spectacular increase in coffee prices mandates a thorough investigation not only by the Federal Government, but also the dramatic concern demonstrated by State legislators. I applaud my friend, Assemblyman Harvey Strelzin, Democrat, of Brooklyn, for taking the initiative to hold important hearings of his committee on consumer affairs and protection on February 2 to look into coffee prices.

Next week, on February 22 and 23, as chairman of the Agriculture Subcommittee on Domestic Marketing, Consumer Relations and Nutrition, I will join with Congressman BENJAMIN ROSENTHAL, who chairs the Government Operations Subcommittee on Commerce, Consumer and Monetary Affairs, to hold joint coffee hearings into the coffee crisis.

Our broadly representative panels will seek to investigate the entire flow of coffee from the South American plantation to the dining room table. Moreover, we will determine whether there is a real shortage or whether American consumers are in the midst of one of the most machiavellian market manipulations in modern times.

The first question which we will consider is when did the coffee crisis begin? Some say it began in December when my good friend, Commissioner Guggenheimer, correctly articulated the public's outcry and indignation against high coffee prices by calling for a coffee boycott.

Some say it began on a Brazilian coffee field in July 1975, when a killing frost allegedly destroyed almost 60 percent of that nation's coffee crop. Others contend that the earthquake in Guatemala, the unrest in Angola and the inflation in Colombia precipitated the coffee crisis. Yet, I believe as do many experts that these natural and manmade disasters were only the tip of the iceberg. The real answer to why the coffee crisis is amongst us, the answer to why green bean prices have skyrocketed by 300 percent in 19 months, lies in the same region of the world as does the solution to the energy crisis . . . in the oil fields of the Middle East.

Coffee producing nations such as Brazil, Colombia, Mexico, the Ivory Coast and Uganda are all victims of the same energy crisis. That is their international balance of payments continue to deteriorate as they pay off their huge oil based foreign deficits. Hence, these nations decided perhaps individually, perhaps collectively to balance their trade by increasing their coffee prices.

Brazil, the largest coffee producing nation in the world, has raised its coffee export income from $900 million in 1975 to more than $2.3 billion in 1976.

The increase in government revenue was the direct result of an unusually high tariff imposed on each pound of coffee leaving the country. In December, the Brazilian tariff was $80 a bag. A bag of coffee contains 132 pounds of beans. In early January the Brazilians raised their tariff to $100 a bag and last week the Brazilians raised their tax to $103 a bag or 77 cents for every pound of coffee leaving the nations, and most likely they will increase that tax again.

Many people in the coffee industry argue that only coincidentally did Colombia raise this tariff to $1.47 a pound, that at the same time Mexico imposed a 42 cents a pound tariff and that the Ivory Coast, which has experienced neither a natural disaster nor a revolution, inflated its tariff to at least $1.90 a pound. I cannot agree that this is a coincidence. I believe that this is a textbook example of conscience parallelism among the coffee producing nations to milk the American and worldwide coffee consumers in order to pay off the billions of dollars they owe to the OPEC nations. So, in fact, the oil cartel which has terrorized the world's petroleum consumers has, in biblical terms, begat the coffee cartel.

It must be noted that many members of the coffee cartel claim that the high prices of coffee are only a function of supply and demand. However, demand has remained consistent in the United States, 20 million bags annually, while per capita consumption has decreased, to its lowest level in 20 years, to 9 pounds per person per year.

Moreover, we must explode the fairy tale that supplies are low. According to the USDA and other reliable sources there are approximately 59 million bags of coffee in storage with Brazil alone having at least 20 million bags of coffee on hand. The current supplies are sufficient to meet projected worldwide demand, coupled with worldwide production for the coming year expected to reach 70–72 million bags, we certainly have enough coffee.

The central question we should now address is whether we, as consumers, are strong enough to resist the pressures of the new coffee cartel, whose tentacles reach into American coffee cannisters stealing consumers' dollars.

What we can do is reduce our consumption by 50 percent. Instead of having a coffee break in the morning and in the afternoon, I suggest Americans start drinking tea or boullion. Consumer abstinence will send a signal to the coffee cartel that we are not going to tolerate coffee prices which reach $5 a pound.

Moreover, there is another issue which we as New Yorkers cannot tolerate and that is the potential loss of 1,000 jobs. Recently I visited with Mr. Irwin White, president of the White Coffee Co. and the New York Coffee Roasters Association. Mr. White informed me that the 25 small coffee roasters in Metropolitan New York are in danger of going out of business.

The increase in raw coffee and taxes imposed by the International Coffee Producers are forcing these small roasters, who employ an average of 50 workers each, to increase their interest payments and raise their costs of doing business. However, these small firms are unable to pass along their increased expenses to consumers because of their market position and the already outrageous cost of coffee at the supermarket. If these trends continue, small roasters such as the White Coffee Co. will no longer be competitive. They will be unable to borrow sufficient capital to cover their raw material costs and will be forced out of business.

The loss of employment and revenues from these companies will indeed have a profound effect upon the economy of our city in addition to the obvious hardship which would be imposed on the workers in the roasting industry.

Moreover, consumers who rely upon the small companies to provide quality coffee will no longer be able to purchase their favorite blends at reasonable prices.

The General Accounting Office, the investigative arm of the Congress, has agreed to undertake an extensive 6-month study of the international coffee supply and demand situation. The Comptroller General of the United States, Mr. Elmer Staats, has said that the GAO will analyze the International Coffee Agreement; review the marketing policies and procedures of the largest suppliers of coffee to the United States, assess the adequacy of Federal information collection efforts concerning coffee supplies, as well as review the interrelationship of U.S. coffee processors and marketing systems to the international coffee trade. The project has been assigned to the International Division of the GAO and is already underway.

Finally, we should remember that one of the first challenges posed to the consumers of this Nation resulted in a famous victorious event in our history—the Boston Tea Party. In this our third century, concerned consumers can initiate another historical commodity revolt by bringing down the cost of coffee to a reasonable level through a consumer boycott and consumer abstinence.

F–18 AIRCRAFT FOR IRAN

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues correspondence I have had with the Department of State on the possible sale of a land-based version of the Northrop F–18 aircraft to Iran.

This proposal to sell sophisticated aircraft which the U.S. Government does not now intend to buy for its own military services is the latest in our open-ended policy of arms sales to Iran.

Iran ordered 80 F–14 aircraft in 1974 for $2.2 billion, and has received less than a fourth of them. Last October, letters of offer and acceptance were issued to Iran for 160 F–16 aircraft in the amount of $3.8 billion, and there are some indications Iran would like to order more F–16's.

The Government of Iran is now expressing an interest in participating in the development of a land-based version of the F–18 by offering to finance feasibility and developmental studies for this aircraft that could cost under $7 million and therefore not be submitted to Congress. A sale of 250 F–18's desired by Iran could amount to over $4.0 billion.

I am sure my colleagues realize the foreign policy implications of this sale and of foreign participation in the development of a U.S. weapon system at such an early stage.

I urge the Department of State and the Department of Defense to examine this proposed study and sale carefully and consult with Congress on these matters prior to making any decision, even on Iranian participation in a feasibility study.

Our entire arms sales policy to Iran and the Persian Gulf needs scrutiny and definition. Our close military supply relationship with Iran should be based on what is in our interests, on Iran's defense needs and its absorptive capacity and on avoiding excessive arms proliferation in the Persian Gulf region.

In addition, closer scrutiny is needed of the activities of American defense contractors and American technical personnel in the Persian Gulf.

I am inserting copies of the correspondence as well as an article from the New York Times on the matter:

WASHINGTON, D.C.,
November 15, 1976.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: On November 18, 1976, the New York Times reported that the Northrop Corporation is "promoting a $4 billion sale to Iran of a new Navy fighter plane, the F–18". This article also stated Northrop is being supported in its efforts by the U.S. Navy.

Approval of any such transaction or any financial arrangement that might constitute consent to such a sale in the future while Congress is not in session would be counter to the intent and substance of Section 36(b) of the Arms Export Control Act which provides for Congressional review of any sale of major defense equipment amounting to over $7 million.

In my judgment the sale of F–18 aircraft to Iran would have unforeseen consequences on the political and military situation throughout both the Persian Gulf and the Middle East and should not be approved without Congressional review.

I would therefore expect that no action will be taken to issue a letter of offer to sell F–18s to Iran, or otherwise to commit the United States to this transaction in any way until 1977.

In this regard, I would like to know:

1. Does the United States Government approve of the Northrop Corporation's efforts to promote a transaction with Iran?

2. Did the Northrop Corporation have the prior approval of the State Department to undertake talks with the Iranian Government on the possible purchase of F–18s?

3. In the State Department's view, did the Northrop Corporation violate the intent, spirit or the letter of the law by undertaking such discussions?

I would appreciate a prompt answer to this inquiry.

With best regards.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Special Subcommittee on Investigations.

WASHINGTON, D.C.,
December 15, 1976.

Hon. LEE H. HAMILTON,
Chairman, Special Subcommittee on Investigations, Committee on International Relations, House of Representatives.

DEAR MR. CHAIRMAN: The Secretary has asked me to thank you for your letter of November 15, inquiring with regard to a possible sale of F–18 aircraft to Iran. I sincerely regret the delay in this reply.

The Government of Iran, following discussions with representatives of the Northrop Corporation, has requested an offer from the United States for the sale of F–18L aircraft and has offered to help finance the development on this land-based model of the aircraft. We recognize the need for the most careful consideration of the Iranian proposal. You may be assured that before replying to the Iranian Government we will consult with Congress and will comply fully with both the letter and the spirit of the Arms Export Control Act. No action which might be construed as a United States Government commitment to the proposed sale will be taken before Congress convenes in January.

The Northrop Corporation did not request the Department of State's permission before it held discussions with the Government of Iran. Under present regulations, such permission is required for a sales promotion to the extent that it involves the export of an item on the United States Munitions List or related technical data. (An export of technical data occurs whenever such data is conveyed orally, visually, or in written form to a foreign government or foreign national.) We have reminded Northrop personnel of this requirement here in Washington and also through our Embassy in Tehran. In response to inquiries, the corporation has stated that its discussions of technical data with Iranian officials have been limited to those aspects of the F–18L which are common to the earlier "Cobra" (YF–17) aircraft design. The technical data relating to the latter aircraft were provided to Iran pursuant to an authorization granted in 1972; applications from the corporation for licenses to export F–18 technical data to Iran and other countries remain under review. We have no evidence of any violation by the Northrop Corporation in this case.

We are examining our regulations to ensure that our export controls are consistent with our responsibilities under the Arms Export Control Act and with the conduct of a sound foreign policy.

Sincerely,

KEMPTON B. JENKINS,
Acting Assistant Secretary for Congressional Relations.

NAVY AIDS NORTHROP IN BID TO SELL IRAN ON NEW JET MODEL; COST-SAVING DEAL COULD ESTABLISH PRECEDENT—PENTAGON PAUSES BEFORE GIVING APPROVAL

(By John W. Finney)

WASHINGTON, November 7.—With active support from the Navy, the Northrop Corporation, a major defense contractor, is promoting a $4-billion sale to Iran of a land-based version of a new Navy fighter plane, the F–18.

The sale, if approved by the Defense Department, would be mutually beneficial to Northrop and the Navy, which helps explain the partnership that has developed, with Northrop pushing the sale from abroad while the Navy pushes it from within the Pentagon.

At no substantial cost to itself, Northrop would obtain a new plane to replace the F–5, which the Hawthorne, Calif., company has been highly successful in selling overseas. Through the foreign sales, the Navy would be able to hold down the rising costs of the F–18, which was originally sold to Congress as a lightweight, low-cost fighter.

TO BE FINANCED BY IRAN

The proposed arms deal with Iran, however, presents several unusual features, which are causing the Defense Department to pause before approving the transaction.

The projected sale of 250 F–18's to Iran was instigated by Northrop without the express approval of the Defense Department. Iran would be purchasing a weapons model that the Defense Department does not plan to buy for its own military services.

Furthermore, Iran would finance the development of the land-based version of the F–18, thus perhaps setting a precedent for a foreign country to influence weapons developments and foreign military sales programs in the United States.

The proposed sale goes back to a letter Sept. 12 that Gen. Hassan Toufanian, Iran's Vice Minister of War, sent to Defense Secretary Donald H. Rumsfeld, somewhat to the surprise of defense officials. In the letter, General Toufanian said that Iran, starting in 1982, had a requirement to replace its F–4 fighters with more modern aircraft, and "we have determined that Northrop's land-based derivative of the U.S. Navy F–18 will best fulfill this requirement."

In the letter, Iran offered to pay the cost of developing a land-based version of the F–18, at a cost that Northrop estimated at $250 million. According to the latest Pentagon estimates, the F–18, when delivered in the 1980's, will cost $15.8 million per plane, meaning that a fleet of 250 would cost Iran around $4 billion.

NORTHROP'S CHAIRMAN NAMED

The Toufanian letter, according to defense industry sources, was drafted with the assistance of Thomas V. Jones, Northrop's Chairman of the Board, who was in Iran at the time.

As described by a well-placed Pentagon official, "Jones spread the word around Teheran that the sale had been approved by the Defense Department, which was just not true."

In mid-October, members of the Defense Systems Acquisition Review Committee—the top Pentagon group that passes on weapons programs—met to consider the Iranian request. The immediate problem was whether production of the land-based version of the F–18 might interfere with delivery of the plane to the Navy, which plans to buy 800 carrier-based models.

Both the Navy and Northrop have assured

the Defense Department that development of the land-based model would not interfere with production of the F–18 for the Navy and would lower the cost of the carrier-based version.

REVIVAL OF SALES COMPETITION

In some ways, the entry of a land-based version of the F–18 is a revival of the competition between Northrop and General Dynamics to build a new light-weight fighter for the Air Force.

Northrop, with its F–17, lost that competition to General Dynamics, which is building the F–16 for the Air Force.

Despite a Congressional injunction, the Navy refused to accept the F–16 as its new fighter and instead chose a carrier version of Northrop's F–17, which was redesignated the F–18. The F–18, however, will be built by McDonnell Douglas Corporation, with Northrop in the role of principal subcontractor.

If Northrop can find a way to finance development of a land-based version, it will become the principal contractor, with a large potential foreign market for the plane. The Navy and Air Force would then have competing planes to be sold abroad, each anxious to push those sales so as to lower the cost of the plane to itself.

While basically similar to the Navy's F–18, the land-based version would require considerable redesigning, which the Defense Department does not intend to finance because it sees no need for the plane in the American inventory.

STATE DEPARTMENT'S DECISION

In addition to 80 F–14 interceptors, Iran has ordered 160 F–16's at a cost of $3.9 billion. Just why the Shah of Iran should want both the F–16 and the F–18, basically comparable planes, is not clear to Defense officials, but apparently he envisions the use of the single-engined F–16 as a high-altitude dogfighter and the twin-engined F–18 as a close-support tactical fighter-bomber.

Meanwhile, according to Pentagon and industry sources, the Navy command has been but also to recover $300,000 a plane from Iran The sale would permit the Navy not only to lower the unit production cost of the F–18 but also to recover $300,000 a plane from Iran in the basic cost of developing the fighter.

Alan Woods, Assistant Secretary of Defense for Public Affairs, said no decision had been made by the Defense Department to support the proposed sale of F–18's, but he acknowledged that no immediate decision was required of the Pentagon.

Rather, he said, it is up to the State Department to "determine whether as a matter of policy it is in our interest to sell the plane to Iran."

CONGRESSIONAL PAY RAISE

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. RAHALL. Mr. Speaker, I oppose, and I hope to have the opportunity to vote against the proposed pay increase for Members of Congress.

I was not a Member of 94th Congress that approved the method for this pay raise, but I am fully aware of the fact that many of the residents in my district of West Virginia do not even come close to earning $13,000 a year, the amount Members of Congress stand to receive from the increase.

I feel it is unfair to my constituents, as well as the rest of the people we serve in this body, to move ahead without a vote and receive more benefits from the taxpayers who are already hard pressed.

I understand the difficulty our Nation has in filling Government positions with qualified individuals. Many of those who are highly qualified, are unable to make the sacrifice to themselves and their families to serve their country. But I feel it is time to draw the line.

The unemployment rate in the United States is between 8 and 11 percent. In my district, many are just barely living on social security or benefits from black lung claims. I believe we at least owe these individuals a vote on the matter of raising our pay.

Therefore, I intend to continue to explore parliamentary procedures to bring the measure to the House floor. If we have to stay in session all week to do so, I intend to stay.

The American people deserve to know where each Member of Congress stands on this issue.

FREE HIGHER EDUCATION FOR SENIOR CITIZENS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. SOLARZ. Mr. Speaker, the demise of the extended family in our society has created a host of serious hardships for our country's senior citizens. Among these is the lack of opportunities open to older Americans for meaningful and productive lives after they have left the workforce. While not as dramatic and visible as the problem of material deprivation, the loss of the sense of personal worth and dignity caused by inactivity can be painful and damaging.

The Senior Citizen Higher Education Opportunity Act which I am introducing can help to fill a void that now exists in many senior citizens' lives. If enacted, it would establish a national program of tuition-free college courses for senior citizens, by requiring each institution of higher education with 5,000 or more full-time students to allow older Americans to enroll in classes on a space-available basis. Institutions which failed to comply would lose certain forms of Federal assistance.

As a New York State assemblyman, I helped initiate a similar program at the City University of New York. That program, which is now 3 years old, has been a great success, enrolling nearly 1,000 senior citizens. Like the City University program, the proposed Federal policy can boast of one feature which very few Government programs can claim—it costs practically nothing. This is because the program only allows senior citizens to enroll in classes which regular students have not filled; therefore, no additional teaching, maintenance, or building costs are incurred by the university. The only additional burden is a small administrative cost, which the universities can cover by charging fees to the students.

This legislation does not use a heavy handed approach in enforcement. It deliberately does not involve capitation grants or student loans and grants, because such programs are critical to the financial survival of most colleges and universities. It does, however, make some less critical programs dependent on compliance. An example is the college library resources program, which grants funds to 80 percent of the Nation's 2,500 institutions of higher education, but does not give any one institution more than $5,000 a year.

It is not the purpose of this legislation to coerce the colleges and universities to do something that will adversely affect them. Given the success of the senior citizen program at the City University, I believe that after a few years most institutions of higher learning, realizing now little the program costs and how much senior citizens can add to the entire educational experience, will voluntarily continue this program. However, before these institutions have some first-hand experience with the program, they will have unfounded fears which will deter them from adopting it on their own. It is for this reason that I believe the threat of the withdrawal of certain Federal funds is a necessary part of the legislation.

"Youth," the old saying goes, "is wasted on the young." This is especially true when it comes to education. Too often the competition for grades or the anxieties and diversions of adolescence prevent young college students from really appreciating a liberal arts education. With their wealth of leisure, their maturity, and their freedom from career ambitions, many older Americans will be able to experience the joy of knowledge which may have eluded them in their younger days.

TRIBUTE TO MR. BILL EDGAR

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. STARK. Mr. Speaker, I would like to share with my colleagues my appreciation of Bill Edgar, a dedicated public servant who is leaving his position as city manager in the community of Pleasanton, Calif. In accepting his resignation, the city is losing the services of one who has repeatedly demonstrated his talent in areas both within, and extending beyond, his professional career.

Mr. Edgar chose municipal administration as his life's work in spite of his opportunities for a more financially rewarding career in private industry. After his introduction to city management as administrative assistant in Fresno, Calif., Bill joined the city of Pleasanton as director of finance. He subsequently was promoted to the position of city manager, and in this capacity has made major improvements in the physical condition of the city, as well as the structure of its administrative organization. Both the community and Mr. Edgar himself attribute much of his success to the ease with which he was able to establish and

maintain a working relationship with the Pleasanton City Council.

Mr. Edgar's contributions to the Pleasanton community were not limited to his job with the city. He also held a position as part-time teacher at Chabot College in Hayward, Calif., thus demonstrating his interest in, and respect for, our youth.

Mr. Edgar's resignation marks a great loss to the Pleasanton community. However, I feel assured that in his service to the city of Sacramento as assistant manager, his contributions will continue to be as memorable and valued as they have been thus far in his career.

TESTIMONY BY CONGRESSMAN MARK W. HANNAFORD FOR THE SPECIAL AD HOC SUBCOMMITTEE ON PRESIDENTIAL PAY RECOMMENDATIONS

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HANNAFORD. Mr. Speaker, under leave to extend my remarks I include my testimony before the Special Ad Hoc Committee on Presidential Pay Recommendations:

Mr. Chairman, thank you for this opportunity to submit for the record my views on the Congressional pay raise proposed by the Commission on Executive, Legislative, and Judicial Salaries and former President Ford and on the Congressional pay raise system in general.

I am against a raise in Congressional salaries at this time. We are currently suffering through a period of economic instability in which, as the elected leaders of this country, we have consistently asked our constituents to tighten their belts and lower their standards of living for the common good. I believe it is hypocritical to request this sacrifice from those we serve when we are unwilling to take steps to make sacrifices ourselves. Furthermore, by including ourselves in the yearly General Schedule employees' pay increase, we have unnecessarily politicized the salaries of other public servants and contributed to the growing credibility gap between Congress and the people.

I believe that three corrective measures are needed to create a Congressional pay raise system that will reflect the inherent integrity of Congress. First, Congressional salary increases should be extricated from the General Schedule salary system and restored to a place in the public forum. Second, we should adopt the policy of having all increases instituted at the beginning of the following Congress. This practice has been used successfully in my home state of California and in several other states to prevent legislators from directly and immediately benefiting from their own generosity. Last, a moratorium should be placed on any Congressional salary increase until a comprehensive and substantive code of ethics has been written and instituted. This code should include provisions for public disclosure of finances, restrictions on outside earned income, a system of accountability for expense allowances, and prevention of conflict of interest investments. I agree with the Commission and Mr. Ford that these are necessary steps toward preventing abuse of Congressional privilege.

I am hopeful that this Congress will enact the proposals I have outlined.

PAY RAISE: CONGRESSIONAL REFORM?

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. SEBELIUS. Mr. Speaker, as a freshman Congressman in 1969, I opposed the recommendations by President Johnson and agreed to by President Nixon that led to a congressional pay increase. I did so, not failing to recognize the need to achieve comparability between the private and Government sectors and the need to attract public servants of the highest quality, because of the way in which this entire business was conducted and the example that was set.

Then our Nation was laboring under conditions of high inflation and taxes and an increasing budget deficit. I felt both the magnitude and the timing of the pay increase were ill advised and made all the more unconscionable by the fact that the leadership of the Congress did not permit Members to vote publicly on the issue.

At that time, I stated publicly I could not support any salary increase for Members of Congress until progress was made in reducing Federal expenditures and putting our fiscal house in order. On one hand, Americans were asked to tighten their belts with a 10-percent surtax, and on the other, the slide was greased for a 41.6-percent salary increase for Senators and Representatives.

Mr. Speaker, my position did not change in 1975 when the Congress engineered a cost-of-living escalator into law and by one vote authorized another pay raise.

My position on congressional salary increases remains unchanged today and the issues have not changed. If anything, our economic problems are worse. We continue to be plagued by huge Federal deficits, high taxes, inflation, and a growing energy crisis. The citizens of my district are experiencing a farm price crisis and tight credit. I believe a salary increase at this time would be counterproductive and create a rippling effect of inflationary wage demands throughout our economy. Perhaps more important is the example that would be set at a time when President Carter is calling for a period of self-sacrifice.

Mr. Speaker, I do not see how Washington can ask the American people to practice self sacrifice without first setting the example.

I noted with interest that the Quadrennial Commission acknowledged a "crisis in confidence" in public office holders. In addition to its unanimous proposal for salary increases, the Commission further recommended adoption of a new "Code of Public Conduct" by the executive, legislative, and judicial branches of our Government. However, Mr. Speaker, it seems to me that some Members of this body support the proposed pay raise as a prerequisite for congressional reform. Simply put, I feel these Members have put the cart before the horse on this issue.

President Lincoln once said:

If you forfeit the confidence of your fellow citizens, you can never regain their respect and esteem.

By allowing the recommended pay increase to take effect without a public vote, I believe this Congress is failing to set the example and will further widen the breach of public confidence and trust in their elected officials.

Mr. Speaker, I urge immediate and favorable consideration of the resolutions of disapproval that I and others have introduced. Such a resolution would not only halt the current pay raise, but could also be the catalyst for action on various pay raise reform measures. I would hope we will soon see the day when Members of Congress will be able to consider congressional pay in an atmosphere of calm and reason by means of a procedure that mandates a public vote, and in such a way that any pay raises would affect Members elected to future sessions of Congress.

IMMEDIATE ACTION NEEDED ON JOBS CREATION ACT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. SHUSTER. Mr. Speaker, rumblings are being heard again from advocates of H.R. 50, the so-called Full Employment and Balanced Growth Act. Appropriately enough, this legislation has the same numerical designation as it had in the 94th Congress and is the same bad idea as it was in the 94th Congress. Direct Government funding for thousands of public service jobs will not only expand an already bloated Federal bureaucracy, but it will once again propel this country toward double-digit inflation.

In order to help combat this "tunnel vision" type of legislation, I added my name as a cosponsor to Congressman JACK KEMP'S Jobs Creation Act of 1977. Embodied in this legislation are the tools to create hundreds of thousands of jobs in the private sector. The major thrust of this bill is for a permanent, across-the-board cut of 10 percent in personal income tax rates, elimination of the double taxation of dividends and an increase in the corporate surtax exemption to $100,000 to help small businesses. With these incentives and others, goods and services will increase in the private sector with a corresponding growth in the number of new jobs created. These jobs will, instead of draining the Treasury, broaden the tax base and contribute toward sustained noninflationary growth.

I strongly urge the House Ways and Means Committee to act expeditiously on this vital legislation. The sooner the American people are given the proper tools to deal with the problem of unem-

ployment the sooner that problem will be solved.

SENIOR CITIZENS SUPPORT H.R. 84, THE TENANTS' TAX JUSTICE BILL

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HARRIS. Mr. Speaker, I am pleased to advise my colleagues that both the National Council of Senior Citizens and the National Association of Retired Federal Employees have announced their support for the tenants' tax justice bill, H.R. 84.

This bill ends the discrimination in our current tax laws against tenants by extending property tax relief to renters. Unlike other taxpayers, tenants are denied the right to claim their property tax payment for Federal income tax purposes. Under H.R. 84, tenants can claim a tax credit of 25 percent of property taxes paid through their rent. For the average taxpayer, a tax credit of 25 percent is approximately equivalent to a full deduction.

Tenants are of all ages and rent all types of dwelling units. Renters are young, middle aged, and elderly; they rent single family homes, townhouses, garden apartments, and high rises. Why should our tax laws discriminate against those who cannot afford to own and maintain a home, or who for strictly personal reasons would prefer to rent. Why should it make any difference whether one pays his property tax directly to the local government or through his landlord? Clearly, our tax laws would be more equitable if we allowed tenants to claim their property tax payment for Federal income tax purposes.

The article which follows appeared in the February 1977 edition of Retirement Life, the official magazine of the National Association of Retired Federal Employees:

TWENTY-FIVE PERCENT TAX CREDIT FOR TENANT RENTS WINNING SUPPORT

Approximately 36 percent of American taxpayers currently live in rental dwellings, and between 20 and 25 percent of their monthly rent goes for local property taxes from which the renter currently receives no tax advantage, according to Virginia's Representative Herbert Harris (D).

So Harris and more than 63 of his House colleagues have joined in sponsoring legislation to grant these tenants a tax credit for local property taxes included in their rents.

The proposed measure, known as the Tenants-Tax-Justice-Bill, would provide renters a tax credit of 25 percent of the proportionate share of local property tax reflected in their rent. The credit would be available to all tenants, regardless of whether they itemize deductions. Harris estimates that under his bill a typical tenant, paying $250 per month in rent, would save about $150 a year in federal income taxes. Harris explains, "For the average tenants a tax credit of 25 percent of the property tax is equivalent to the full property tax deduction which the homeowner now claims."

Harris' bill has the strong support of the National Tenants Association, and early hearings on the legislation are being urged before the Ways and Means Committee of the House. The bill fell short of Senate passage by only 12 votes last year, so passage and enactment during this Congress is not a far-fetched goal.

Enactment of the Tenants Tax Justice Bill would not cause any loss of income or higher taxes to apartment owners since their net taxable income will remain the same regardless of who claims credit for paying the property tax. Who can oppose a bill like this? Certainly NARFE will throw its full support behind this bill for renters. Individual members of the Association could aid its passage by letting their own Representative know of our interest in this pending bill.

The article which follows appeared in the February 1977 edition of the Senior Citizens News. This newspaper is published by the National Council of Senior Citizens:

TENANT TAX EQUITY BILL IS PRESENTED AS CONGRESS OPENS

A bill that would save approximately $150 per year in federal income taxes for the average rent-paying tenant has been introduced in the opening session of the 95th Congress.

The bill, which has the support of the National Tenants Association, was presented by Rep. Herbert E. Harris (D-Va.) Sixty-three House cosponsors have thus far joined Harris in asking for passing of the bill.

Under current law tenants are not allowed to claim a deduction on their federal income tax for local property taxes paid through their rent. The Harris bill, known as the Tenants Tax Justice Bill, would correct this inequity by allowing a tax credit of 25 percent of the proportionate share of local property tax reflected in his rent.

The credit would be available to all tenants, whether or not they itemize deductions.

"Many middle-income tenants and elderly people living on retirement income take a standard deduction because they don't have enough deductions for itemizing," Harris said. "For the average tenant, a tax credit of 25 percent of the property tax is about equivalent to the full property tax deduction which the homeowner now claims."

Harris said that about 36 percent of Americans live in rental dwellings, and "between 20 and 25 percent of their monthly rent goes to local property tax."

Commenting on the Harris bill, the National Tenants Association called it "a positive step in correcting an inequity that has existed between tenants and homeowners for too long."

They also pointed out that passage of the bill "would stimulate the economy by putting money in the hands of consumers who need it most."

A similar bill had been introduced in the last session of Congress, and missed Senate approval by only 12 votes.

"The support we gained in the House and Senate gives us a solid foundation to build on this session," Harris stated, adding that initial House efforts will focus on gaining early hearings, before the tax-writing Ways and Means Committee.

Harris called the legislation, known as H.R. 84, "particularly timely," and noted that it would ease housing problems in several ways.

"Many Americans find that they are unable to buy a home because of constantly rising purchase, maintenance and tax costs; . . . and still others, for strictly personal reasons, have decided that they would prefer to rent. The average citizen in a free society has the right to make such a decision without suffering tax disadvantages. . . . By extending property tax relief to tenants, the bill reduces the federal income tax liability of many average Americans."

Charging that, "Public policy has discriminated against tenants for too long," the Virginia Democrat asked for quick action by Congress on a bill that would "treat the Nation's tenants with fairness and equity."

CONGRESSIONAL PAY RAISE

HON. DELBERT L. LATTA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. LATTA. Mr. Speaker, I was astounded to learn that you have taken a position which will deny the Members of the House of Representatives an opportunity to vote on the proposed congressional, executive, and judicial salary increases, well knowing that they will become effective on February 20 unless the Congress disapproves of the Salary Commission's recommendations. I was also extremely disappointed that our Republican leader, Mr. RHODES of Arizona, was denied permission on yesterday for the immediate consideration of a resolution of disapproval on the proposed pay increases. The action of your Democrat-controlled Special Civil Service Subcommittee headed by Congressman WILLIAM D. FORD, Democrat of Michigan, killing the 17 separate resolutions—with a total of 54 House sponsors—to disapprove the pay raises on the same day was equally distasteful to me. Having personally introduced one of the resolutions of disapproval, House Resolution 276, which was killed by Congressman FORD's subcommittee, and never having voted for a pay raise for myself during my years of public service, it goes without saying that I would have supported a resolution of disapproval had you given the House the opportunity of voting on the matter. Frankly, I do not know how this 2-to-1 Democrat-controlled Congress would have voted on such a resolution of disapproval had it been given the opportunity to do so, but I am confident that even those Members supporting increased salaries would have stood in a better light with their constituencies had they had an opportunity to vote their convictions.

Mr. Speaker, Congress made a serious mistake in 1967 when it voted to create a Salary Commission and in clothing it with authority to make recommendations on salaries which would become law unless overturned by the President or the Congress. Frankly, I believed then as I do now that such a delegation of legislative authority is unconstitutional and should not be permitted. Needless to say, I am glad that I cast my vote against the creation of the Commission at that time and have since introduced several bills to abolish it.

Certainly, Mr. Speaker, since your Democrat party controls this Congress by more than a 2-to-1 majority, you have the votes and the responsibility to abolish this Commission before it is called upon once again by law to make recommendations for salary adjustments in 4 years.

It matters not how much the cost of living has increased since the present sal-

aries were put in place or how much checks have increased for other Government workers, retirees, or those in the private sector since 1969, salaries for individuals under the Commission's jurisdiction should not be increased as proposed.

It cannot be denied that the proposed salaries are well below increases granted Federal workers, 65 percent; Federal retirees, 72 percent; social security recipients, 84.4 percent; and those in the private sector, 70 percent, since that time, but Members of Congress should not be put in the position of having to defend or oppose the Commission's presidentially reduced recommended 22-percent increase on which they had no vote.

COMMEMORATING 1977 ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. MILLICENT FENWICK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mrs. FENWICK. Mr. Speaker, this week, on February 16, we observed the 59th anniversary of the reestablishment of an independent State of Lithuania. On that day also, more than 700 years elapsed since the original founding of Lithuania as an independent nation. I am happy to join Americans of Lithuanian ancestry in commemorating both these anniversaries together with the Lithuanian people. On this occasion, I want to take a little time to express my interest and concern for the Lithuanians. In our modern, interdependent world, events in Lithuania do interest Americans and U.S. reactions to these events do profoundly affect the Lithuanian people.

Lithuania is not a very large country. Her neighbors are larger, stronger, and more powerful and have been big and strong and powerful for centuries. The United States, however, has not recognized the incorporation of Lithuania into a larger U.S.S.R. without the consent of the Lithuanian people and is concerned with what is happening to Lithuanians and other people similarly unfortunately situated.

In 1975 an international agreement was signed at Helsinki involving basic human rights. In Belgrade, in June of this year, there is to be a review conference on the actual workings of the Helsinki agreement. At this time, I should like to join my colleagues in the House of Representatives who have expressed interest in having our representatives to the Belgrade conference diligently pursue full implementation of the basket III provision of the Final Act of the Helsinki European Security and Cooperation Conference, to the end that greater respect for human rights in Lithuania and elsewhere may prevail and peace and stability and full potential development may be assured for our friends abroad and in the long run for the United States and the world community.

REASSURANCES ON ETHICS INQUIRY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. SARASIN. Mr. Speaker, I know many of us in this body are concerned about continuing allegations of impropriety or ethical violations by Members of the Congress, especially with regard to South Korean influence within the legislative branch.

It is essential that the public be assured that these allegations and suspicions be investigated and publicly aired with the thoroughness that their seriousness requires.

I am sure that many of us were heartened by the public statements of one of the newer members of the House Ethics Committee, Mr. CAPUTO, of New York, contained in a recent interview published in the Washington Star. I would like to submit the text of that interview for the consideration of any Members who may have missed it:

A FRESHMAN CONGRESSMAN ON ETHICS

(Rep Bruce F. Caputo is a freshman Republican from New York who actively—and successfully—sought a seat on the House Ethics Committee. He was interviewed by Washington Star Staff Writer Ron Sarro.)

Question: Why would a freshman congressman want to be a member of the Ethics Committee, a committee where you can only make enemies in the House?

Caputo: It was pretty clear to me that members of Congress, on both sides of the aisle, were walking away from their responsibility to do something about the ethics of Congress. They were afraid of making enemies, they were afraid that they'd become unpopular within and without the Congress. It seemed to me there was a need for somebody who was willing to work at it and be objective and fair, but also persistent.

Q: Do you see some political advantage down the road to perhaps doing a good job on cleaning up the House?

A: I think there would be a favorable reception by voters to the notion that somebody in Congress was trying to sort out how members relate to lobbyists, how they receive money, how they spend money, and clarifying what is done. And then there should be an equally good reception, maybe even stronger, in not just disclosing these things but going on to meet the cause and prohibiting them. One of the problems down here is that there's a sense that disclosure somehow cures problems. To my horror and disappointment, people are perfectly prepared to indicate they own stock in banks and then to go ahead and serve on the banking committee; they sell life insurance and serve on committees that deal with that issue. We've got to do more than merely disclose these things. We've got to start prohibiting them.

Q: The committee has a reputation for being something of a pussycat. How did you find it?

A: I never knew the old committee. It's substantially changed. There are three, four or five new members. I had the feeling in the one meeting we've had to date that there was at least a willingness to spending a lot more money, hiring a lot more lawyers, investigating a lot more allegations, and probably with a lot more vigor than had been the case in the past. I certainly feel that way about it. I don't want anyone to get the feeling that this is either partisan or weak or incomplete, or somehow lacking in a desire to let the chips fall where they may. If anyone has done something wrong, then (a) it's going to be disclosed, and (b) it's probably going to be penalized, and (c) I hope we're going to develop legislation that will prevent this kind of thing from happening again.

Q: The Korean situation is an area the committee is going to handle. Do you have any feeling as to how many congressmen might have been involved?

A: If feeling means something upon which I would predicate judgment, then no. All I have is what lawyers call hearsay—what other people have said has happened. But if feelings is a more general term, yes, I have feelings that upwards of 50 members of Congress have received gratuities with some sort of knowledge—maybe not explicit, concrete knowledge—that the donor was an agent of a foreign government, a representative of business or a business enterprise with a matter before the Congress. I have a general feeling that some much smaller number, around 10, had very direct knowledge who the donor was and what was expected of them in return.) So that my feelings in that non-legalistic sense are pretty discouraging.

Q: By letting the chips fall where they may, what is going to happen if investigation leads into the level of the House leadership?

A: Well, that's why I chose that metaphor. I would hope that the leaders would be treated the same way any junior member would, that we would not be influenced by the authority or the personality of an individual member. To me, it is just as wrong for an important senior legislator to receive a gratuity from an agent of a foreign government and extend some sort of promise that he will vote favorably or unfavorably on some specific piece of legislation as it is for a junior member to do the same thing. It is my intent and it is my hope that others have the same intent to be sure that we treat everybody fairly and equally.

Q: What things do you think are grounds for punishment?

A: I think that's a very important question and it's my hope that we all give some thought to that before we get too deep into this. I think convictions on a felony that leads to a sentence of two or more years is explicitly treated in the rules of the House and you have to be expelled if that happens to you. Now what happens for convictions of a felony where the sentence is one to two years? I think you ought to be expelled even though that it is not now in the rules. What happens for a misdemeanor when you get up to a one-year sentence? That's closer because some misdemeanors involve drunk driving and I don't think you want to expell a guy who had too much to drink and drove an automobile. But I would be severe with that.

Q: Much of the allegation thus far has concerned money and gratuities. How do you handle that, short of a conviction?

A: Well, with things like money, travel, an honorary degree, I think you want to look at whether he had knowledge that the offerer was an agent of a foreign government or business or some other person trying to influence Congress. If he had knowledge that's more severe than if he did not. Then you ought to go the next step of was there any implied or explicit reciprocity for the extension of gratuity. And if there was knowledge and reciprocity, then I think you ought to expell. You can't let people buy votes in Congress.

Q: What about sex or, say, a Korean agent throwing a birthday party for somebody?

A: With both of those, I would say that if

the recipient understood that the person offering was a representative, an agent, of a foreign government or a business or some other institution seeking to influence Congress, I would say that is in the censure category. If he not only had knowledge that this person was in that position but he then implied there would be some reciprocity for the extension of those gratuities, then I think you're in the expulsion area. So that where it is, you can make a list of seven or eight kinds of ways to extend a gratuity to a legislator. If he had knowledge, that's in the censure or reprimand zone, if he indicated some reciprocity that's in the expulsion zone.

Q: What can the Ethics Committee do about former congressmen?

A: They have some benefits which presumably we could terminate.

TRIBUTE TO "DICK" SMITH—MAN'S CONSCIENCE WITH NATURE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. LAGOMARSINO. Mr. Speaker, most of us have a common weakness; we take the measure of a man after he is gone.

Wednesday night, February 2, 1977, a vacancy was created in the wilderness world and in the environmental community of California that is not likely to be filled in our lifetime. Richard J. "Dick" Smith, environmentalist, nature counsellor, teacher, artist, newspaperman, craftsman, conservationist, and wise "companero" on the trail, died while tending one of nature's animals he loved so dearly: his horse.

Dick had many interests and they all somehow involved his love of nature and his concern for its well being.

Everyone did not always agree with Dick, but they always listened, for they knew he spoke with authority; if they did not agree, they had better take a second look. More often than not Dick Smith prevailed.

Dick will be missed by prestigious groups and commissions throughout California and by people in every walk of life; by children who listened to his nature talks; by me and my staff who more than once had the benefit of his expertise on legislation pertaining to our environment; and even by those who occasionally found themselves on the receiving end of his always constructive criticism. All of us voice our grievous loss. There is a place, however, where Dick Smith will be mourned and missed in silence—on the high and lonely trails of his beloved back country. He had an understanding of nature rare among men.

Because we are all saddened by the loss of this singular man, and because of his enormous contribution to his fellow man, I ask the Members of the House to join with me and all those who knew him in extending heartfelt condolences to his wife Olive, his four children, and five grandchildren.

AMERICANS SUFFERING FROM CANCER-PHOBIA

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HAGEDORN. Mr. Speaker, while Federal regulation in a wide variety of areas is sorely lacking in any sort of cost-benefit analysis, perhaps nowhere is this shortcoming more evident than with respect to Federal regulation of chemical substances. The health and dietary benefits which chemicals, drugs, and pesticides have brought us are commonly taken for granted. At the same time, limitations upon the ability of companies to develop and market chemicals has become increasingly pervasive. The least hint that laboratory rats may be adversely affected by huge doses of a substance has served as justification for excluding it entirely from the marketplace. Dr. Elizabeth Whalen, currently a research associate at Harvard, has argued in a recent issue of the National Hog Farmer that these policies, as well as the overall attitude toward chemicals that these policies express, are not only of limited effectiveness in promoting chemical safety, but that they may also be diverting our attentions from more real threats to our health. Following are excerpts from Dr. Whalan's thoughtful article:

[From National Hog Farmer, January 1977]

AMERICANS SUFFERING FROM CANCER-PHOBIA

(By Dr. Elizabeth M. Whalan)

Americans are in the grip of a new disease. The symptoms of this serious malady include anxiety, distrust, fear and occasional anger, resentment, panic and emotional outbursts, Susceptibility is near universal—old, young, male, female, highly educated or not. This disease is generally transmitted by the misdirected efforts of so-called consumer advocates, unsettling books, articles and newspaper headlines and, most recently, by a series of television specials about ill health in America.

The disease is cancer-phobia.

In October, 1975, CBS Reports presented a one-hour documentary, "The American Way of Cancer." In June of last year, that same network followed up with another special report, "The Politics of Cancer." In September an hour-long NBC news program asked the question, "What Is This Thing Called Food?" After viewing these three shows one could not help but conclude that we are in the midst of an industrially-produced cancer epidemic, surrounded by a sea of carcinogens, at the mercy of an array of noxious chemicals peculiar to the American environment.

The average viewer was probably unaware that these reports, to a greater or lesser degree, contained inaccuracies, served to confuse known cancer risks with hypothetical ones, cleverly used emotionalism and horror stories to establish guilt by association, and throughout transmitted the stinging current of innuendo that we were all the victims, rather than the beneficiaries of advancing industrialization.

It is very possible that media presentations such as these actually promote cancer in America by distracting viewers' attention from serious and widespread cancer threats, increasing pressure to spend limited research moneys on low priority areas and discouraging the type of research which might eventually lead to a major breakthrough in cancer prevention and/or treatment. Media-induced cancer-phobia may be cancer's ally.

INACCURACIES

Correspondent Dan Rather opened "The American Way of Cancer" by stating that the "United States is number one in cancer . . . if you're living in America your chances of getting cancer are higher than anywhere else in the world." These statements are false. According to the American Cancer Society publication, Cancer Facts and Figures, there is significant variation from country to country in age-adjusted cancer mortality, ranging from 163 per 100,000 population in Luxembourg to 21 per 100,000 in Thailand. The United States falls in between with an overall age-adjusted mortality rate of 132.7 per 100,000.

Correspondent Lesley Stahl, in "The Politics of Cancer," referred to this country's "soaring" cancer death rate. Again, this is false. Certainly the mortality rate from various forms of cancer is very much higher today than it was at the turn of the century. But it's essential to take into account that the life expectancy of the average man and woman was rather limited then. For instance, a white male born between 1900 and 1902 could, at the time of birth, expect to live only 48 years. Today the life expectancy for males at birth is nearly 70 years. Men and women born in the early part of this century generally died from scarlet fever, whooping cough, diphtheria, pneumonia, influenza or tuberculosis before cancer had a chance to affect them.

What is more relevant is the recent cancer trend: in mid-September at a Harvard school of public health-sponsored conference on the origins of human cancer, a research team from the National Cancer Institute and the Georgetown University school of medicine reported that the age-adjusted cancer death rate rose from 130.2 to 132.7 between 1968 and 1975. This increase is hardly dramatic enough to use the adjective "soaring."

But even more important, the CBS reference to a generally increasing cancer trend obscured the most important statistical cancer observation: in this seven-year period, respiratory cancer increased over 23 percent in white males and 61 percent in white females. Cancer of other sites either declined (for instance, stomach cancer) or stabilized (for instance, breast cancer). Were it not for the upsurge in respiratory cancer, the overwhelming proportion of which is the direct result of cigarette smoking, the cancer death rate in this country would be declining.

The concern here is not simply that health statistics and trends were misrepresented on the CBS cancer documentaries, but rather that the implicit premise of both shows was that general cancer mortality figures were both staggeringly high and on the increase.

The producers of the NBC show "What Is This Thing Called Food?" are to be complimented for omitting major inaccuracies of this sort. But on the other hand, in addressing the topic of food safety today, there is such a backlog of consumer anxiety about "those chemicals" in food and the role they might play in cancer and other dread diseases, that repetition of the oft-cited disease statistics might have been considered unnecessary.

OVERLOOKING MAIN RISKS

It is somewhat difficult to believe that three major network shows purporting, among other things, to alert the public on high risks of cancer, omitted discussion of the two most important sets of cancer facts which epidemiologists have collected.

Rather, in an evening news segment included in "The Politics of Cancer," informed us that "environmental pollution may account for up to 90 percent of causes of cancer in this country." "Environmental pollution" is a seriously misleading politically loaded term. Actually it is environmentally related causes which most scientists feel play a major role in some 80 to 90 percent of human cancers. But even more important, than the misrepresented terminology, was Rather's failure to note that it is cigarette smoking and imprudent dietary habits which make up the great majority of the 80-90 percent "environmentally related" total.

Estimates on the exact percentages vary, but cancer epidemiologists and statisticians are in general accord that (excluding superficial skin cancers, which are the most common of all cancers) between 30 and 35 percent of all cancer deaths occurring each year in this country are directly induced by cigarette smoking. This includes cigarette-induced cancer of the lung, bladder, oral cavity and other sites.

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Another 30 to 35 percent of all American cancer deaths are attributable to an imprudent diet, that is, one which includes excessive amounts of fat and cholesterol. This latter association was recently stressed by Dr. Gio B. Gori, deputy director of the National Cancer Institute's division on cancer cause and prevention, when he testified at hearings before the Senate select committee on nutrition and human needs. Gori went so far as to suggest that imprudent diet is correlated with as many as 50 percent of cancers in American women.

* * * * *

Thus, 80 to 90 percent of the cancer deaths in this country may be the result of environmental causes, but only when you use that term in the broadest sense to include tobacco use and overnutrition. Those two factors alone account for 60 to 70 percent of malignancies. Smaller, but not negligible, portions of other environmentally induced cancers are the results of other factors.

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MAGNIFYING HYPOTHETICAL

It would seem logical that if a TV network were to serve the purpose of educating individuals about how they might reduce their chances of developing cancer, it would focus on the dangers of cigarettes and overburdening the body with too much rich food, giving other factors time commensurate with the risk they pose, and noting that the cancer risk of occupational chemicals and certain drugs are relevant only to a small group of individuals who have been, or are, exposed to large doses.

In actuality, however, none of the three special reports elaborated on the known cancer risks. The topics of cigarettes, fatty, cholesterol-rich diets, and other known risks of general interest were mentioned only in passing. Instead the three documentaries focused on purely hypothetical risks and those which are not directly relevant to the population as a whole. In both these latter areas the documentaries bolstered their positions by telling only part of the story.

For instance, CBS stressed the hypothetical by devoting time in "The American Way of Cancer" to the topic of nitrite use in cured products. Correspondent Rather and those whom he interviewed, noted that nitrites under some circumstances can combine with other substances known as amines to form nitrosamines, which are potent animal carcinogens.

It sounded very frightening and it's likely that a number of viewers elected not to have a bacon, lettuce and tomato sandwich after the show. But what was not pointed out was that nitrite, when used in curing meats, is at best a hypothetical health risk. No human cancer deaths, or for that matter no human deaths of any kind, have been linked with the regulated use of nitrite in cured products.

While raising anxieties about nitrite, CBS failed to point out that nitrite is a natural component of human saliva. A person generates approximately as much nitrite in his own salvia in a day as he would from consuming three meals in which cured meats were served as the first course. Nor was it mentioned that the nitrate in vegetables such as spinach or beets converts to nitrite when stored in the refrigerator overnight. The nitrite in saliva and day-old vegetables is the same nitrite used in curing meats and has the same potential for conversion to nitrosamines.

Finally, the benefit-risk ratio in nitrite use was obscured by stressing the hypothetical risk of cancer. The clear danger of botulism in nitrite-free products was considered to be incidental, and perhaps unnecessary, and the ramifications of banning nitrite—namely the devastating impact on the pork industry and possible withdrawal of a major source of protein—was not acknowledged.

Similarly, "The Politics of Cancer" discussed at length the potential dangers of aldrin and dieldrin, two agricultural chemicals which have now been banned by the environmental protection agency.

The implication was that these pesticides played a role in American cancer mortality. No mention was made of the fact that these chemicals were challenged and eventually removed from the market solely on the grounds that they caused liver tumors in mice, and despite the evidence that they were not carcinogenic in dogs or other animals and apparently had no adverse effect on workers who had been exposed for many years to many hundred times the level of the chemical which might appear in the form of residues in foods.

Following the same pattern, NBC planted notes of concern about a yet-to-be approved sweetener aspartame, although the chemical had successfully survived hundreds of laboratory experiments and demonstrates no characteristic which would suggest it would be carcinogenic or in any other way threatening to human health.

In addition to focusing on hypothetical cancer risks, all three shows made use of the technique of wide-reaching generalizations based on small bits of scientific evidence.

"The American Way of Cancer" extensively discussed asbestos, a fiber which is known to increase the probabilities of lung cancer and a rare lung tumor known as mesothelioma among those exposed to large amounts of it. But in reality, asbestos poses no known risk to the overwhelming majority of TV viewers.

Similarly, both "The American Way of Cancer" and "The Politics of Cancer" commented on vinyl chloride, dubbed by CBS in an earlier documentary "the plastic peril." During the late 1940's and 1950's so-called pot cleaners in the plastics industry were exposed to high levels of vinyl chloride monomers (VCM), the raw materials from which plastics are made. Tragically, starting in the early 1970's, a number of cases of an invariably fatal liver malignancy, angiosarcoma, were diagnosed among these men. After establishing this fact, CBS proceeded to raise questions about the safety of plastic food wrap—"No one knows whether they are dangerous or not. There hasn't been adequate testing"—without noting that it was only workers exposed to high levels of the VCM who were affected and that there is no reasonable risk posed to the individuals who use plastic wrap or plastic containers.

At the very most, if one had highly sensitive techniques, one might find trace amounts at the level of parts per billion of the VCM in some of the rigid or semi-rigid plastic food materials. But then, if you tested long and hard enough, you could probably find anything in anything. This level is not of practical significance.

The commentaries on occupational chemicals such as vinyl chloride and asbestos did not note that while there have been deaths associated with these, the very same chemicals have also saved many, many lives. The furor over asbestos in "The American Way of Cancer" did not include mention of the fact that this miracle fiber has for years offered a means of fire protection. In discussing the much maligned plastics, the report overlooked its indispensable use in the medical field, specifically blood bags and medical tubing, which has saved thousands of lives. On another level, it might have noted that the banning of plastic bottles on some hypothetical cancer risk would inevitably lead to more home accidents, some quite serious, from broken glass.

But probably the most extreme example of extrapolation from one bit of information revolves around the case of diethylstilbestrol. Both "The American Way of Cancer" and "What Is This Thing Called Food?" closely examined this subject, the latter show dedicating almost one-fourth of its air time to DES.

DES was used between the late 1940's and early 1960's in an effort to prevent threatened miscarriage, and eventually led to the development of a rare form of vaginal cancer in the daughters of some 4 of every 1,000 treated women. Obviously this drug-induced cancer tragedy is sobering and the implications for future drug testing are clear, especially when the drugs are to be used during pregnancy.

But the question the documentaries were addressing was not the use of DES as a drug, but its use as a cattle growth stimulant. Unfortunately, both presentations equated the use of the drug during pregnancy and the presence of traces of the chemical in a small percentage of beef livers, the implicit message being "look what happened when it was used in pregnancy; maybe contaminated beef products with traces could do the same thing." And again, the documentaries failed to tell the whole story.

First, rather than contributing to cancer risk, the use of DES may actually reduce cancer and other health hazards by promoting more efficient production of leather meat.

Second, there is growing evidence that the alleged "traces of DES" found in some beef livers may not be DES at all, but rather a metabolite of the estrogen which most likely has a lower biological potency than the parent compound.

Third, even if the traces were full strength DES, the fact remains that all estrogens, natural or otherwise, can induce both animal and human cancers when administered at high doses. DES has no known carcinogenic potential that is distinct from its estrogenic property. Wheat germ, unpolished rice, vegetable oils, honey, soybeans and various other legumes have significant amounts of estrogen. Dr. Thomas H. Jukes, of the division of medical physics at the University of California, has noted that in a meal of ground round steak from DES-implanted cattle, whole wheat bread, mashed potatoes, green peas and salad, the food containing the smallest amount of estrogen would be the meat.

Fourth, and even more fundamentally, a woman's body regularly produces estrogen. It has been estimated that it would take 500 pounds of liver containing 2 parts per billion of DES to be equivalent (in terms of DES quantity) to the daily production of estrogen by a reproductive-age woman. Critics are quick to argue "if estrogens are contained naturally in certain foods and are produced by the body, there is no justification for adding more by an artificial method." But this ignores the fact that the amount of estrogens normally in the diet and the quan-

tities of estrogen produced daily by the body are so large that the amounts added to beef and lamb by the use of DES are too small to exert an effect against the background.

Fifth, the doses of DES used as a drug, and the traces which may appear in livers of implanted cattle, are not comparable. A common dosage given to mothers at the time the drug was prescribed in pregnancy corresponded to 100,000 tons of liver from DES-implanted cattle. Prof. Hardin Jones of the University of California estimates that the risk from eating beef liver containing 0.7 parts per billion of DES (the average amount found in the six livers that led to the move to ban DES) to be one case in 1,500 years in the entire U.S. population, assuming current liver consumption rates. Meanwhile, other causes of cancer would kill 525,000,000 Americans during that same period.

Little attempt was made in either "The American Way of Cancer" or "What Is This Thing Called Food?" to weigh this "risk" against the very conservative FDA estimate that a banning of DES will cost consumers $503 million annually.

SENSATIONALISM, INNUENDO

The criticism of the biased reports on occupational cancers and the former drug and current cattle growth stimulant DES is not meant to overshadow the tragedy experienced by the small number of victims and their families. There is no doubt that in the past serious cancer and other health risks have accompanied certain occupational tasks and medical regimens, and certain agricultural chemicals (like kepone) have sometimes been carelessly used, resulting in harm to human beings. There remains a great deal to be done to further promote safety in these areas.

If CBS or NBC were doing a special on occupational diseases or medically-induced cancers the closeup on asbestos, vinyl chloride and DES victims would be more understandable. But in an hour-long special report that has a title suggesting it is going to examine the primary causes of cancer in America, was it necessary to include scenes of the funeral of an asbestos worker? In evaluating the appropriateness of the use of DES as a cattle growth stimulant, was it relevant to include a heart-rending interview with the mother of a vaginal cancer victim? (Both the CBS "American Way of Cancer" and the NBC show had an extensive interview with one Mrs. Grace Malloy, the NBC food show dedicating time to a detailed description of the physical deterioration of her daughter).

The same supportive use was made of innuendo: for example, in "The Politics of Cancer," Lesley Stahl follows up on a discussion of the possible dangers of agricultural chemicals by stating grimly, "Today and every day this year over 1,000 Americans will die of cancer." The implication was there: somehow these pesticides played a role in cancer mortality. One can't help but conclude that these forms of sensationalism were included only to support an editorial position of the documentaries' producers.

But the prize for most questionable form of sensational innuendo to make a point must go to NBC for initiating a discussion of chemicals which can induce hereditary changes or birth defects and then showing pictures of horribly deformed children. The commentator, Betty Furness, offered a disclaimer: "We show these tragic visible forms of birth defects without implying that the cases bear any relation to food . . ." The question to the producers of "What Is This Thing Called Food?" is: If these deformities have no relation to food, why are you showing them?

All three television documentaries masqueraded as unbiased presentations on the topics of cancer causation and food safety, but a highly emotionally-charged message came through loud and clear: we have a cancer epidemic in this country and rapid, uncontrolled industrialization is to blame. "Agribusiness," it is subtly and not subtly suggested, is making money at the expense of American health.

In CBS "The Politics of Cancer," Anthony Mazzochi of the Oil Chemical and Atomic Workers Union summarized this point of view, "Industry is going to go on and get richer and fatter and the only thing we're saying is they can't act like mad bombers. They have to act like the rest of us civilized folk and agree to some restraints. We can't allow the mugging to continue."

* * * * *

What these shows are not doing is educating the public about cancer. If one were to conduct a survey right now on the relationship between food and cancer it is likely that 95 out of 100 people would state that it was red dye No. 2, DES, nitrites and plastic wrap which composed the diet cancer link, being totally unaware of the solid association between various malignancies and excessively rich diets. Furthermore, none of the shows addressed themselves to the two most critical cancer issues which face us today:

First, they overlooked the question of what the term "safe" really means. Instead the correspondents simply expressed shock and outrage that scientists and federal agencies did not "know if something was safe." A simplistic logical deduction should have convinced them that there is no way of proving anything is safe, since in testing one is looking for harmful effects, not for any ultimate proof of safety.

Over a hundred tests may show no problem, and then the 101st may note a tumor. Does that mean the chemical in question is not safe? In considering safety, one must introduce some common sense and be aware that there will always be someone who is screaming for a ban, no matter what the nature of the evidence. This statement holds for scientists with seemingly impeccable credentials, since dissension from the majority opinion is an efficient means of getting attention.

Second, the correspondents neglected to deal with the question of how we should make judgments about the regulation of environmental chemicals. Instead they spoke glibly and frequently about "cancer-causing agents" not pointing out that in most cases that designation was based on a limited number of animal tests.

It was obvious that the producers had swallowed whole the assumption that mice are little men and that a chemical that causes cancer in an animal should be banned without further question. CBS offered labor union leader Mazzochi's comments on this subject: "If mice die from inhaling something or eating something I want something stopped until someone proves to me that the substance they inhaled or ingested is safe."

Obviously, given that ordinary food such as lima beans and potatoes contain significant amounts of hydrogen cyanide and arsenic respectively, that concentrated forms of either would promptly kill the hardiest of laboratory animals, and that the basic natural substances such as vitamin A can, in some circumstances, increase tumor incidence in animals, Mr. Mazzochi's toxicological principles, if applied literally, leave us with nothing to eat or drink.

What is surprising here is that, on this vital and complex issue of how we classify carcinogens, the network correspondents were uncharacteristically uncritical. They seemed more than willing to overlook the reality that as we become more scientifically sophisticated and are able to detect traces of chemicals on the parts per billion level, the zero tolerance principle becomes unrealistic. They were unable or unwilling to deal with the fact that we cannot afford to continue banning substances because a minute trace of something way down the assembly line may have caused a problem among heavily exposed workers, or because one species of animal develops an increased incidence in one type of tumor.

What these special reports are doing is scoffing at the advances of technology, what they sarcastically refer to as "something pretending to be cheese" and "the miracle of science," overlooking, for instance, the major strides the food industry has made in improving health.

* * * * *

What these "health specials" are also doing is alarming people unnecessarily and creating an atmosphere of cancerphobia which serves to distract viewers from real health threats, on the grounds that since "everything causes cancer" they might as well forget about all health warnings. In doing so they are removing responsibility for cancer prevention from the individual and placing it on a collective group known as "industry." For some viewers this is probably very comforting, in that it is so much easier to sit at home and worry about asbestos, vinyl chloride and DES than it is to give up smoking or change one's eating habits.

Further and equally important, shows of this nature might (if they have not already) dampen incentives for corporate research and development. Who would be interested in investing millions of dollars in a new food additive (perhaps one that might inhibit stomach and colon cancer) if later, in an atmosphere of media-induced anxiety, it could be banned at the drop of a rat?

Finally, shows like "The American Way of Cancer," "The Politics of Cancer" and "What Is This Thing Called Food?" only further confuse federal research priorities. As a result of these reports and the understandable public concern which follows, it's likely that even more money will be spent evaluating and re-evaluating food additives, plastic wrap and the like, leaving meager revenue to invest in areas of cancer research where there is a potential payoff in terms of saving human lives.

In these respects, biased media reports such as these may be promoting cancer, not joining in the war against it.

THE HANDICAPPED EMPLOYMENT ACT OF 1977

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. FORD of Tennessee. Mr. Speaker, I rise today to reintroduce, H.R. 905, a bill to provide a tax credit to encourage the employment of handicapped individuals. As stated in the RECORD of January 4, the need for this measure is indeed great. Surveys by the Social Security Administration and the President's Committee on the Employment of Handicapped Individuals show high unemployment—double that of other citizens—and lower education and income levels among the handicapped in comparison to other Americans.

This legislation is modeled after the highly successful work incentive—WIN—tax credit program which according to the Senate Finance Committee, has been responsible for transferring some 300,000 Americans from the welfare rolls to the payrolls.

Mr. Speaker, I am greatly pleased that

since its introduction on January 4, 1977, H.R. 905 has gained broad bipartisan support. I am delighted that my colleague on the Ways and Means Committee, JOHN DUNCAN has agreed to work with me to secure swift enactment of this important measure. To date the bill has more than 50 cosponsors with several other members of the Ways and Means Committee represented.

In addition, this legislation has received the support of several organizations including the American Coalition of Citizens with Disabilities, the American Foundation for the Blind, the Paralyzed Veterans of America, the National Association of the Deaf, and the United Cerebal Palsy Association.

Mr. Speaker, we in Congress have an opportunity and a responsibility to provide the incentives necessary to establish equality of employment opportunity for our handicapped citizens. It is with this in mind that I urge the Members of this body to cosponsor the "Handicapped Employment Act." Only through its adoption can we in Congress truly hope to enable the handicapped American to live independent, dignified and self-sufficient lives.

PAY INCREASE EXTREMELY UNPOPULAR

HON. ALVIN BALDUS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. BALDUS. Mr. Speaker, most of the people in my district are against a congressional pay increase. Since I have been elected to Congress to represent the views of nearly 500,000 people in western Wisconsin, I will vote against the increase.

I have received more mail on this issue this year than on any other recent issue, including the energy shortage, the drought, or the state of the national economy. The strong feelings against the increase are very understandable. The amount of the increase is more than the median income in Wisconsin. In relation to the average salary, a Congressman's salary already appears to be very high. Most of the people I have talked with do not feel that their taxes should go toward increasing that salary any further.

I have also found that there is some misunderstanding about how the pay increase issue came about. There is a belief, however unfounded, that we simply came back to Washington and voted ourselves more money.

With all of the media attention the issue has received, there seems to be a number of facts that are still not well known by the public.

For instance, it is not generally understood that the pay raise recommendation was made by the independent, nine-member Commission on Executive, Legislative, and Judicial Salaries or that former President Ford approved the recommendation.

It is not well known that it was President Ford who expressed the frustration of trying to fill high positions in the executive and judicial branches of the Government at salaries which could not compete with high positions in private industry. The congressional increase was recommended by the Commission to maintain equity with the higher executive and judicial salaries.

Despite any misunderstandings, the fact remains that the pay increase is extremely unpopular. My vote against it will represent the overwhelming opinion of the people of western Wisconsin.

EQUAL TREATMENT LAW WILL PRODUCE NEW JOBS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. VENTO. Mr. Speaker, one of the largest and most critical areas of our persistently lagging economy is the building and construction industry.

And that industry has been lagging to an even greater and more tragic extent than other major parts of our economy. It lags, for example, a considerable distance behind industrial production, another major bellwether of economic recovery.

I am completely convinced, Mr. Speaker, that there can be no real or enduring emergence from our 8-year-old recession that does not include the building and construction industry.

This multibillion-dollar industry is afflicted with 27 percent unemployment, a staggering figure, more than three times the national jobless rate for all workers.

I am informed by the U.S. Labor Department that at least 670,000 building and construction workers are unemployed nationally. I am told by sources within the industry, both management and labor, that this 670,000 figure is distinctly low. Let us just assume that the industry's jobless level is about 700,000.

The first thing that must be said about these 700,000 unemployed is the horrendous waste.

It is an appalling double-barreled waste.

First, the American housing shortage is enormous and has been enormous for years. Millions of couples who want to build or buy their own homes cannot do so because of the industry's stagnation. The unmet demand for home construction is so huge that economists cannot agree how huge it is.

The second waste is just as terrible and just as hurtful to the American economy and its recovery. This waste is the loss of purchasing power.

We need to reflect on this. When 700,000 workers—most of them skilled craftsmen—are out on the street year after year the loss of purchasing power goes into the billions of dollars. Yes, billions.

Food stores lose money. Auto dealers lose. Appliance retailers lose. Doctors and dentists lose. Insurance agents lose. Clothing stores lose. Colleges lose. The ripple-effect is incalculable.

What I have said about the national effect of the building and construction industry's stagnation applies only to a slightly lesser extent to the Twin Cities of St. Paul and Minneapolis. We are slightly better off than other sections of the country, but still the figures are depressing.

In fact, in the Twin Cities area the jobless rate for some building and construction crafts is even higher than the 27-percent national rate.

Lathers in our area, for example, are 30 percent unemployed.

Other jobless figures for the Twin Cities include: 25 percent for plumbers; 20 percent for bricklayers; for electricians and electrical workers the rate is nearly 19 percent. And so it goes.

Other Members of this Congress, I know, can cite similar figures from their districts.

The point is that in my district and their districts the economic loss to the local community, to local business, has to be astronomical.

And let us not forget for a moment that such heavy unemployment rates as I have cited mean two other major losses.

First, they mean a large and continuing depletion of unemployment compensation funds at a time when these funds are running into the red by more and more billions of dollars.

And second, these high jobless rates also mean a tremendous loss in taxes for the National, State, and city governments because jobless men and women do not pay taxes.

All this is pertinent to H.R. 3500, a bill to provide equal treatment for craft and industrial workers. This legislation, true enough, corrects an injustice inflicted on the building and construction crafts, but it is also expected to provide a spur to the lagging industry. I feel confident that it can and will.

Mr. Speaker, I will not go into the sorrowful history of this legislation, because I am sure that will be covered by my colleagues who lived through that disappointment in the House as I did not.

It needs only to be said that there will not be a reversal, a betrayal of promise, by the White House this year after both Houses of Congress pass this legislation by substantial majorities as they did last year.

This legislation can serve to bring management and labor in the building and construction industry into a closer and more workable understanding of each other's problems. It can serve to reduce suspicions, resentments, and conflicts.

In doing that, this legislation can create an improved labor-management harmony which in turn will encourage more building, more construction, more jobs.

This prospect of greater harmony and consequently expanded construction is no idle fancy or hope.

I say that because of the highly significant story that appears at the top of page 1 of the Washington Post on February 16. This is a report that every Member should keep in mind when, sometime in the future, he votes on this legislation.

Very briefly the Washington Post story reports that the District of Columbia's building and construction unions have agreed not to strike and have given up other long-held rights and benefits during work on a half-billion-dollar redevelopment of the city's west end neighborhood. This came as an announcement by the unions and a major builder.

The Post report tells us that this precedent-setting agreement in the Nation's Capital came after 4 months of negotiations and "clears the way for construction to begin, possibly this week, on the first phase of the private redevelopment of the neighborhood just east of Georgetown." This huge undertaking, we are informed, "is planned to include residential and commercial construction in an area now filled with old row houses, warehouses and vacant land."

But historical accuracy requires me to point out that the District of Columbia agreement, landmark though it may be, has three notable predecessors in my district which encompasses St. Paul, Minn.

Comparable union-management agreements, containing no-strike stipulations, were negotiated in recent years between the St. Paul Building Trades Council and construction firms for the building of our city's civic center, 18 public schools, and most recently the projected multimillion-dollar transit system to be known as the St. Paul People Mover.

These most auspicious agreements—auspicious because they set precedents that may be followed and adopted elsewhere around the country—should be known to Members of the House following introduction yesterday of the equal treatment for craft and industrial workers bill.

These agreements prove my point that improved labor-management harmony can result in more construction and more jobs, thus helping to lift this nearly paralyzed industry out of its recession.

I believe we may be witnessing the start of a bright new era, a new beginning, for the building and construction industry and for its hundreds of thousands of workers.

LITHUANIAN INDEPENDENCE

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Ms. MIKULSKI. Mr. Speaker, February 16 is a day of great significance for individuals of Lithuanian origin because it marks the 59th anniversary of the reestablishment of an independent Lithuania. The creation of this independent state was unfortunately short lived due to the advent of World War II. In 1940, the Soviet Union occupied her land only 22 years after her people had fought so hard for their freedom.

Since then those who did not flee from their homeland have been subjected to instances of political repression, religious persecution, and a denial of their human rights. A case in point is that of Nijole Sadunaite who has been imprisoned for her participation in the publication of the Chronicle of the Lithuanian Catholic Church. I have joined with Representatives DONALD FRASER and NEWTON STEERS in sending a letter to Leonid Brezhnev citing the violation of human rights to which she is being subjected. Most notably her freedom of expression is being abridged which is guaranteed in the Universal Declaration of Human Rights. Her religious freedom, as set forth in the Helsinki agreement, has also been ignored. It is my hope that cases such as Nijole Sadunaite's will be justly resolved.

EXEMPTION FOR SMALL PRODUCERS OF NATURAL GAS FROM FEDERAL POWER COMMISSION REGULATION

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. ASHLEY. Mr. Speaker, I am today introducing, along with 33 of my colleagues, legislation designed to exempt small producers of natural gas from Federal Power Commission regulation, as well as from the requirement of certificates of public convenience and necessity of section 7(c) of the Natural Gas Act.

This much-needed bill would not only provide short-term relief from the current natural gas crisis which has hit my district—and many of yours—so very hard, but it would also offer long-term direction in forging a meaningful, comprehensive national energy policy.

For immediate purposes, there can be little doubt that passage of this bill would generate significantly larger quantities of natural gas, by eliminating the artificially low price ceilings as they affect the small, independent producer. The ceilings have driven many independents from the field, resulting in inevitably slashed production, including in some instances, prematurely capped wells. The initial victim of these unrealistic regulations has obviously been the independent producers themselves; the ultimate victim, however, has been and will continue to be the consumer. This legislation offers us the opportunity to provide short-term relief by rectifying an anomaly in the existing maze of regulations, without debating the queston of regulation per se. We owe the independent producers and the consumers that much.

In a narrow sense it can be argued that this bill is a regional bill. Certainly most of the small, independent producers are concentrated throughout Appalachia, the Midwest and portions of the Eastern United States. Parenthetically, this may help to explain why these regions were the hardest hit by the natural gas crisis, and the bitter cold of this winter. But, in a larger sense, this is a bill which is national in scope, providing long-term benefits. For, by beginning to draw rational distinctions and set realistic priorities in the natural gas field, we point the way toward a comprehensive, meaningful national energy policy.

NATURAL GAS AND LOS ANGELES, CALIFORNIA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. ANDERSON of California. Mr. Speaker, in yesterday's mail I received a copy of the American Gas Association Monthly magazine for December 1976. On page 27, the mayor of the city of Los Angeles, Tom Bradley, touches on the role natural gas plays in the life of Los Angeles.

Mayor Bradley's remarks follow:

NATURAL GAS IS VITAL TO LOS ANGELES GROWTH

(By Thomas A. Bradley)

I think it is appropriate that the gas industry has come to Los Angeles, Southern California for its Annual Meeting, because the phenomenal growth of this section of the country has been made possible largely through abundant and relatively cheap sources of energy.

We rely on natural gas as one of those major sources of energy. I am told that 27 per cent of the nation's stationary energy needs are met by natural gas. In Los Angeles, over 50 per cent of those needs are met by natural gas. Ninety-five per cent of our water is heated by natural gas, 92 per cent of our space heating is by natural gas, and 75 per cent of our cooking is by natural gas. You can fully understand how much we appreciate your industry, and the great impact it has had on the growth of this community.

This was not always true. In the early history of the United States, this section of the country was really on the frontier, far removed from the natural sources of this kind of energy. We did have one thing going for us. We had a great coastline and through the vision and the wisdom of some of our early settlers we developed a man-made harbor in Los Angeles. We poured wood into that harbor, and then the coal that made generation of natural gas possible in this community was brought from Australia. That gas lighted our streets and heated our homes. Then, in the early part of the twentieth century, natural gas uses expanded beyond any expectations. The rest is history.

What I need to point out, however, is that despite this phenomenal growth, despite this record which I have just capsuled for you, we now face a serious crisis. We are told by experts that within a couple of years we may be faced with such a shortage of natural gas that some of our interruptible customers may have their gas spigots turned off. As serious as that would be in terms of bankruptcy and tragedy for those businesses and industries which rely upon natural gas and have no ability to convert to other forms of fuel, the thousands of jobs which would be lost, the impact upon the economy of this community, would be far more devastating. For this reason, I hope in the course of this conference you can find some of the hard answers to the difficult questions that face us—such as providing the transportation of natural gas from other parts of the world, even from the north slope of Alaska. You are going to deal with the issue of LNG, and I hope that

we are going to find the wisdom and the courage to follow the advice that you give us.

You, I am sure, are going to be concerned with rates. You are going to be concerned about your image, and I must tell you I think the credibility of leaders in every field of human endeavor today is being questioned, whether we are politicians or business people. That cynicism is pervading our society and making it increasingly difficult for you to sell your message. But I must say that you must join with other leaders, including politicians, in trying to communicate the gravity of the problem to the American people. And I pledge to join with you in trying to get this message across. I will help in trying to communicate the need for them to understand that there will have to be some trade-offs. We are going to have to face the fact that we are living in a time of limited energy resources. And unless we face up to it, this nation is going to be in trouble.

In this community, where we rely so heavily upon natural gas, I can tell you that we are going to do all within our power to alert people to that fact, and to the danger that we face. It is my hope that you will meet these difficult questions with the wisdom and courage to find the right solutions.

CONGRESSIONAL PAY RAISE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HILLIS. Mr. Speaker, the public is aware of what the Congress is doing relative to pay raises and their protest is most understandable. The public is demanding that their elected officials be held accountable for their positions on the pay raise issue. This demand is perfectly reasonable. I, too, must register strong opposition to the mechanism employed in implementing the Peterson Commission's salary recommendations.

Personally, I consider the Commission's salary recommendations for Members of Congress far too high. The real issue before this body is not the Commission's recommended 28.9 percent increase in salary, but the method used to implement this increase. These raises will go into effect automatically without there being any debate on the merits of the proposed increases nor a vote taken on whether or not the increases should be initiated.

I am not surprised that public confidence in Government officials has declined substantially in the last decade given our use of back door methods to implement substantial pay increases—especially at a time when we are asking all to economize. It is most important that the legislative branch be accountable and how can we be accountable on this issue when we are not required to make our positions known? My constituents want the Congress to vote on this issue. I want to represent my constituents by making my position on this issue known through the voting process.

The Constitution requires the Members of Congress to be responsible for setting their own salaries by law. Good conscience requires that we be responsible to our constituents by being open about our views on this issue. We must live up to this responsibility.

NATURAL GAS: THE HIDDEN RESERVES

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HUGHES. Mr. Speaker, I call the attention of my colleagues to a very informative article that was reprinted in the Washington Post of Sunday, February 13, 1977, entitled "Natural Gas: The Hidden Reserves." Any who might have doubt as to the value of an independent audit of this Nation's gas reserves should read this informative article by Mr. James Nathan Miller.

Among other facts, Mr. Miller points out that:

Reserve estimates that have declined markedly since 1968 have been manipulated by oil and gas producers making a sham of the arguments of the American Gas Association that its surveys have been precise and independently made.

The year 1968, curiously enough, is also the date that the U.S. Supreme Court ruled that the Federal Power Commission could let producers increase the price of gas whenever AGA figures showed that the rate of new discoveries had decreased.

The House of Representatives' Interstate and Foreign Commerce Subcommittee on Oversight and Investigations uncovered the fact that 153 fields surveyed by that organization and the U.S. Geological Survey produced a variance of 8.8 trillion cubic feet of gas. The lower AGA figure for those 153 fields—2.4 percent of the Nation's 6,300 fields—is more than twice as much as the estimated 3.5 trillion feet of delivery curtailments involved in this winter's gas shortage.

Mr. Speaker, can we afford to delay any longer the creation of a National Commission on Natural Gas Reserves so as to compile a comprehensive audit of this Nation's gas reserves?

The industry should welcome such a probe. If its estimates are accurate, the American people are ready to make sacrifices through conservation and higher prices.

As Members of Congress we must honestly ask ourselves if we can continue to attempt to set national energy policy based on the submission of supply information from an industry which has an inherent conflict of interest in the matter. We have a responsibility to the people we represent to find out just what the facts are.

The 20 cosponsors of my legislation to establish a National Commission on Natural Gas Reserves welcome additional support. Please notify Mr. Jonathan Spear of my staff on extension 56572 should you seek more information or wish to cosponsor this legislation.

At this point, Mr. Speaker, I submit the very enlightening article by Mr. Miller:

[From the Washington Post, Feb. 13, 1977]

NATURAL GAS: THE HIDDEN RESERVES

(By James Nathan Miller)

The companies that supply U.S. energy are trying to convince Congress and the public that the present cold-weather crisis actually does prove that there is a long-term shortage of natural gas. If they succeed, the United States will have a gas deregulation law that's based on data that are at best doubtful and at worst false.

To understand what's involved, it's essential to realize that the deregulation question actually involves two very different kinds of shortage, which press accounts have jumbled together. There is a true, demonstrable shortage in deliveries of gas. The reasons for it are the apparent physical inability of pipelines to satisfy the demand created by the record-breaking cold wave and the unwillingness of producers to meet this emergency demand at a controlled price when they know they can get several times as much if they can force the removal of controls.

The second shortage is something quite different. It is an alleged shrinkage in the country's long-term underground reserves of gas. The companies that own the long-term reserves—and claim that the shortage exists—also claim that the size of their holdings is a trade secret; as a consequence, the figures that could prove or disprove the existence of a reserve shortage are hidden behind a curtain of secrecy that the present cold spell has done nothing to pierce.

For many years the gas industry has claimed that underground stocks of "proved" reserves have been declining at an alarming rate. "Proved" reserves are the only ones that the country can be certain about. They represent gas fields that the producing companies have drilled into, measured with considerable precision and deemed to be economically recoverable. Beyond the "proved" reserves there are others labeled with adjectives representing the spectrum of geological speculation: "probable," "inferred," "possible," etc.

How much does the United States now possess in these various categories? The most recent estimate of the industry's trade association, the American Gas Association (AGA), is that there are 228 trillion cubic feet of proved reserves now in the ground, or about a 10-year supply at the present national consumption rate. But nobody expects us to run out in 10 years, because geologists know that there are huge amounts of the less certain categories waiting to be discovered. Most estimates conclude there are between 700 and 1,200 trillion more cubic feet of gas ultimately available; some go much higher. This means we probably have enough to carry us several decades into the next century if we go out and prospect for it. Which brings us to the industry's main argument for deregulation.

THE INDUSTRY ESTIMATES

The producers say that, because government regulation is holding down the price of gas, they haven't been doing the expensive exploratory work necessary to move the "probable," "possible," etc. fields into the "proved" column. According to AGA's figures, the decline in proved reserves began in 1968. From 1945 to 1968, the gas companies managed to discover a lot more gas each year than the country consumed. So for 22 years our "proved" stockpiles kept increasing, until they reached a peak of 293 trillion feet in 1967. Since then, according to industry figures, new discoveries each year have totaled *less* than consumption, and the "proved" reserves have shrunk from 293 to 228 trillion

feet. At that rate, we will run out of "proved" by the end of this century.

But the "proved" figures come from only one source: the gas producers themselves, who draw them up in complete secrecy. Thus, for the critical set of statistics that underlie the whole deregulation debate, the country depends totally on the chief private participant in the debate. In the last few years several outside investigations have turned up evidence that these figures may be fundamentally incorrect. They may be a statistical delusion—a gross underestimation of the nation's true reserves.

Proved estimates require a large amount of raw data—core samples, pressure readings, voltage measurements, etc.—that can be obtained only by actual drilling into the gas pockets. Acquiring these data for all the country's 6,300-odd gas fields is a colossal physical job, and only the gas industry itself owns the billions of dollars' worth of equipment necessary to do it. The only group to which the producers are willing to confide some of their information is the AGA, for its once-a-year survey of the nation's total reserves. Each year the association assigns 100 industry geologists to its Committee on Natural Gas Reserves. These geologists annually canvass the producers in their assigned areas for the necessary data to form their own estimates.

In 1970, responding to suspicions that had been voiced about the accuracy of the figures, the chairman of the reserves committee described the system in detail to the Federal Power Commission. He said the drawing up of the estimates was a rigorously supervised process specifically designed to eliminate any chance of manipulation by the producing companies. He said the companies gave the 100 geologists all the data they needed and the geologists, regarding themselves as public servants rather than as representatives of their companies, were scrupulous about insulating themselves from company pressure. All the geologists used the same precise AGA estimating formulas, said the official, and the resulting national estimate was "one of the most consistent and reliable series of statistics available anywhere." The FPC, which is known as one of the most supine of regulatory agencies in its relations with the industry it regulates, accepted this testimony at face value, and looked no further.

A DIFFERENT PICTURE

Last year a House Commerce subcommittee headed by Rep. John E. Moss (D-Calif.) conducted an investigation that drew a very different picture of the way the process worked. Moss' picture was based partly on facts turned up by an investigation by the Federal Trade Commission of AGA's estimates in the Gulf of Mexico, and partly on testimony by industry officials, including some of the geologists who had drawn up the AGA estimates for the Gulf.

What Moss found was that the whole estimating process was dominated by a few of the largest gas producing companies. These companies were allowed to choose the geologists who served on the Reserves Committee, and they regarded these geologists not as servants of the public but as their own representatives. AGA made no attempt to make the geologists follow its own estimating rules, and in fact the AGA man in charge of the program admitted that he had no idea of what estimating methods they used.

Under oath, the geologists admitted that they ignored AGA's definition of what constituted "proved" reserves and, in case after case, gave whatever estimates their companies wanted them to give. One admitted that his company drew up all his estimates for him. Another said that, when a company refused to give him information on a gas field, he simply listed the field as "zero"; in one year he listed five such fields. Another geologist said that companies often refused to give him any information at all, and he was forced to make "ballpark" guesses based on scraps of information from the trade press.

Moss turned up one huge field containing 400 billion cubic feet of gas that had been unlisted for two years, even though it had two platforms and 13 wells and its existence was known to the entire industry. If this single field had been included in AGA's figures, it would have increased the AGA's 1974 national estimate of new-field discoveries by 23 per cent.

The FTC's investigators, after a five-year examination of AGA's estimating methods, had recommended taking the association and the companies to court for "concertedly maintaining a deficient reporting system" that produced "serious underreporting." The FTC commissioners rejected this recommendation on what appear to have been political grounds. Moss uncovered a memo in the FTC files recommending against any legal action that might encourage "continued FPC regulation into the distant future." The FTC investigation, now seven years old, drags on.

THE PRICE INCENTIVE

The obvious reason the companies have to give AGA incorrect figures is the propaganda value of proving that a national shortage exists. But there is a more immediately practical reason: The Supreme Court ruled in 1968 that the FPC could let producers increase the price of gas whenever AGA's figures showed that their rate of new discoveries had decreased. Thus, the fewer new discoveries the producers tell AGA about, the more they can charge their customers. Interestingly enough, the first drastic drop in the new-discovery figures appeared in the AGA statistics that were issued a few months after this landmark decision.

The industry claims that AGA's figures are accurate because two national surveys of proved reserves—one by the FPC, the other by the Federal Energy Administration—came up with totals that were only a few percentage points different from AGA's. However, FPC and FEA both have been lobbying for deregulation; and though the two agencies claim their surveys were completely independent of the industry, both surveys actually depended heavily on industry cooperation and in fact couldn't have been carried out without it.

The FPC, in its survey, selected 158 out of the nation's 6,300 gas fields, and asked the industry for the raw data on these fields. On the basis of this information the FPC's geologists projected a national estimate that was only 10 per cent different from AGA's. The FPC's methodology was developed by a "technical advisory task force" whose chairman and cochairman were Exxon geologists and a majority of whose members were industry executives. Three subsequent analyses of the 158-field sample by others all concluded that the sample had been drawn up in such a way as to minimize the possibility of finding underreported fields.

As to FEA's study, its dependence on industry-generated figures was also self-evident. In authorizing the FEA's survey, Congress gave the energy agency power to subpoena whatever raw data it needed from the producers. But FEA chose not to subpoena anything, even when companies refused to provide requested information. Instead, it used only what information the companies were willing to turn over voluntarily. Since this is the same information AGA depends on, it doesn't seem surprising that FEA's and AGA's reserves estimates were almost identical.

SQUIRRELED AWAY

Besides failing to report reserves, the companies are withholding from the market large quantities of gas that they have reported. By law, when companies discover produceable quantities of gas in fields leased from the federal government, they are required to market it at the federally regulated price. But Moss' staff exposed cases in which companies—at the very time they were warning of a gas shortage—had failed to produce very large quantities of gas available in fields in the Gulf of Mexico developed under federal lease.

President Carter's energy chief, James Schlesinger, was quoted last week in Newsweek as saying, "I keep hearing about gas that's been squirreled away, but whenever we get close to it, it becomes evanescent." He should look at Moss' findings; they are not evanescent.

Here is one example of what the Moss subcommittee discovered. By law, companies that lease oil-and gas-producing land from the federal government must turn over all their raw data on these leases to the U.S. Geological Survey. By subpoenaing the AGA's (hitherto secret) estimate of reserves in the Gulf of Mexico (all developed under federal lease) and comparing this to the Geological Survey's own (hitherto secret) estimate of the reserves in the Gulf, the Moss staff was able to make the first direct comparison between the AGA's detailed estimates of reserves in a specific group of fields and another set of estimates for the same fields that were based on the companies' own raw data. Moss found that the Survey estimate was 60 per cent higher than AGA's: 23.5 trillion feet for the Survey, 14.7 trillion for AGA.

Thus, in only 153 fields (2.4 per cent of the nation's 6,300 fields) AGA apparently had missed 8.8 trillion feet of gas. This is a little more than twice as much as the estimated 3.5 trillion feet of delivery curtailments that are involved in this winter's gas crisis.

The AGA insists that to compare its figures with the Survey's is comparing "apples" and "oranges," because the Survey said it was estimating "measured" reserves, while AGA uses the "proved." But the Survey says that the two terms are "essentially synonymous."

From all the above, it seems apparent that the present 3.5-trillion-foot crisis in pipeline deliveries caused by a record cold winter tells us nothing about the more fundamental questions of what the companies' reserves actually are and why they are not making them available in sufficient quantity. The answer to these questions will come when and if Congress uses its subpoena power to conduct a survey of the industry's holdings that is demonstrably and unquestionably independent of the industry's influence. I don't pretend to know what such a survey will prove; perhaps it will confirm the industry's figures. But it is starting to realize that the nation's basic energy policy is being formulated on the basis of a fundamentally important set of statistics supplied by an industry that has every incentive to misrepresent them.

CZECH AND SLOVAK-AMERICAN CELEBRATION

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Ms. OAKAR. Mr. Speaker, on Saturday, February 19, I will be joining with the Czechs and Slovaks of Cleveland in their annual cotillion ball.

It is with great pride that I participate in this event. Cleveland is one of the ethnic capitals of America, and the cotillion ball is a special time for Czech and Slovak-Americans to rejoice in their

own customs and traditions, and in their proud history.

It is also a time that reminds us of our close ties with the people of Czechoslovakia. The passion for freedom in that land is strong today, perhaps stronger than it has ever been. The gallant men and women of Czechoslovakia who are today standing up for their freedom deserve the complete and unhesitating support of the United States, and I hope and will work to see that this Congress does all that it can in their behalf.

CONGRESSMAN ANNUNZIO INTRODUCES THE CONSUMER FOOD LABELING ACT

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. ANNUNZIO. Mr. Speaker, I rise in support of H.R. 2180, a bill I have cosponsored called the Consumer Food Labeling Act.

As the name implies, the Consumer Food Labeling Act calls for expanded labeling on food products to disclose all ingredients and changes in ingredients, nutritional content, open-dating and storage information on perishable and semi-perishable foods, knowledge of manufacturers, packers, and distributors, unit pricing, product grading standards, and prohibition of misleading brand names.

Title I, the Truth in Food Labeling Act, calls for the disclosure of all ingredients on the food package. Consumers need to know what goes into a food item for reasons such as medical and religious. Food allergies are an obvious medical reason. Ingredients such as grains and milk products may be added in minute amounts in processing for consistency and texture. However, a person who must be on a gluten-free diet, must be able to know if the food contains any form of wheat, rye, oat, buckwheat, or barley. This means knowing what is in such foods as ice cream, salad dressings, canned soups, and even cold cuts. Ingestion of gluten would have serious effects on this person's physical well-being.

The passage of this act will insure that unidentified ingredients are not present.

Just as we want to know what ingredients our foods are composed of, another measure of food value is the nutritional content of the product. Title II, the Nutrition Labeling Act requires the label to contain a statement of nutritional value of the commodity, and to appear in conspicuous and easily legible type on the package.

The act covers three basic areas of food composition: analysis of nutritional content, that is fats, vitamins, protein, calories, et cetera; the net weight and drained weight of products which are packaged, such as canned fruits and vegetables; and the major ingredients by percentage weight of combination food items after processing.

Dr. Johanna Dwyer, of the Frances Stern Nutrition Center in Boston, feels that "people want to know how much of the protein in the chicken dinner is chicken, how much is soy, and so forth—for price, if for no other reason."

Among all the regulations which insure the consumer of purchasing fresh products, title III, the Open-Dating of Perishable Food Act is perhaps the most important.

A definition is in order: open-dating merely means to print or stamp the date on the food package, in terms of day; day and month; or day, month, and year, depending on the perishability of the product.

Open-dating is not a new issue. In March 1974, Dr. Margaret L. Ross, consultant for First National Food Stores reported in the Journal of the American Dietetic Association, that consumers want foods to be open-dated.

Very often a commodity will have a closed or coded date, so that only the manufacturer or food store will know when it may no longer be fresh. A study released by the Department of Agriculture in 1973 showed that uncoded dates on perishable foods pleased shoppers and reduced costs due to spoilage or unsold products.

At the present time, open-dating is voluntary, and while many food manufacturers and supermarket chains have instituted it, as well as some State and local governments, we need a law for the entire country to avoid confusion and consumer misinformation.

Also vital in preventing foods from deteriorating is proper storage. This act will require the label to state proper storage conditions to assist the consumer.

Eleven years ago, the French Government enacted a comparable law providing for the labeling of the "date limit for consumption and, if necessary the precautions to be observed for the preservation of the product * * *" Although Italy does not require expiration dates, the country's High Commissioner of Health has the power to order the indication of expiration dates on the labels of food products, if deemed in the interest of public health.

Extensive food legislation was enacted by the Belgian Government when it passed the Law on Commercial Practices in July 1971. One of its articles mandated that the geographic origin of the merchandise must be indicated on the products. We wish to go further with title IV, the Marketing Practices Disclosure Act. In essence, it would require that labels on packaged foods contain the names and places of business of the manufacture, packer, and distributor.

Schoolchildren always want to get an "A", because that shows they have done the best work. But, did you know that in food grading, an "A" may not be the best? Depending on whose standards are being followed, "A" could be the lowest grade of "AAA," "AA," and "A," and "No. 1" may also rank second or third.

Sound confusing? Indeed it does for the majority of shoppers. Title V, the Consumer Food Grading Act would initiate a system of retail quality grade designations for consumer food products expressed in a uniform and understandable way.

Many commodities are graded, such as meat, poultry, fruits, vegetables and grains. However, grade standards are not required by Federal law to be on the merchandise package, even when required by law to be graded. Thus, the consumer may not know what grade he is purchasing. The new requirement would enable the consumer to know the quality of the product and be able to select which grade suits his needs. The highest quality is not always needed, and the consumer should be given the opportunity to choose.

Unit pricing has become an ideal method in choosing food items of similar quality. Often a consumer will look for the unit pricing label on a grocery shelf, only to find to his or her consternation, that the wrong product has been shelved above that label, that the correct product is there, but in the wrong size unit, or the label is missing altogether.

Title VI, the Unit Pricing Act, is designed to assure the consumer easy access to both the unit price and the total selling price of a food commodity.

Though labeled title VII, the New Ingredients Notification Act ties in closely with title I, since they both involve ingredient labeling. When a manufacturer introduces a new ingredient into a product, this act will demand that it must bear a label describing such a change, for a period of 6 months.

Consumers have every right to know if their favorite food item has been changed in any way. A new ingredient may precipitate a price increase or decrease, for that item, and the public should be made aware why it may occur. If the taste or flavor of a certain food has improved, the consumer can know which ingredient has enhanced the product. The manufacturer can also receive more precise feedback on it, rather than having the consumer say merely that the product as a whole is good or bad.

The amount of food advertising is increasing every year, and reaches more and more people. The potential for abuse is astounding, and it is vital to enact controls to insure consumer protection.

Title VIII, the Misleading Brand Names Act, is designed to amend the Federal Trade Commission Act by expanding the meaning of "unfair or deceptive act or practice" to include advertising which inherently misleads the public through misuse of brand names.

It is apparent that the Consumer Food Labeling Act is not without precedent. Several Western European countries have taken action in this regard. American consumers have campaigned for more complete food labeling, and the food industry should be commended for already complying voluntarily with many of the provisions of this act. However, we must view the total spectrum of the food labeling situation and come to grips with the need for uniform standards. I urge the support of my colleagues for H.R. 2180.

BRING IT TO A VOTE

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. MOLLOHAN. Mr. Speaker, in reiteration of my earlier position, I wish to go on record as being unalterably op-

posed to the tacit approval of the President's pay raise proposals by the refusal of this body to permit a vote on the issue.

I do not question the validity of the findings of the Peterson Commission. I do, most seriously, question the wisdom of increasing our own salaries at a time when this Nation is recovering very sluggishly from a severe economic recession and when the most severe winter on record has left many of our plants idle and our people unemployed.

Of utmost importance to all of us and the Nation is the restoration of public confidence in the integrity of the Congress and the Government. We can promote this confidence and serve the interests of democracy best by affording each and every Member of this body the opportunity to vote directly, openly, and on the record for or against a pay raise for the Members of Congress.

I urge, Mr. Speaker, that my colleagues demonstrate their sincerity on this issue. I urge, as well, that we, as a body, act to bring this matter out in the open and thus remove the impression of subterfuge that has been created.

OPPOSED TO PAY RAISE

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. RINALDO. Mr. Speaker, in a few days, a salary increase is slated to go into effect for Members of Congress. I am opposed to this increase, and I am deeply disturbed that there will be no opportunity for the House to vote openly on the matter.

I have submitted testimony to the Subcommittee on Presidential Pay Recommendations expressing my opposition to the increase and urging the subcommittee to report this issue to the floor. Unfortunately, they have not heeded my recommendation.

I would like at this time to submit that testimony in the RECORD for the benefit of my colleagues.

The testimony follows:

TESTIMONY SUBMITTED BY REPRESENTATIVE MATTHEW J. RINALDO

Mr. Chairman, the Constitution (Article I, Section 6) provides that "Senators and Representatives shall receive a Compensation for their Services, to be ascertained by Law . . ." The Founding Fathers prescribed an equitable and fair procedure for the determination of congressional salaries.

In my judgment, however, they would wash their hands of the current skirmishing and dodging around the issue that has occurred in the House of Representatives. I don't believe they would endorse such an effort, which is designed to prevent an open floor vote on an issue that has enflamed citizens around the country.

If a majority feel the raise is necessary, are they unable to take that position publicly on the House floor? If they feel the public does not understand the job of being a representative, don't they have an obligation to bring a resolution of disapproval to the floor and explain in debate exactly why this raise is necessary?

I believe they do. I have introduced a package of legislation which is designed to accomplish three goals:

1. To make an open vote mandatory in any increase in congressional salaries.

2. To disapprove the proposed pay boost of almost 30%.

3. To provide that pay adjustments for members of Congress may take effect no earlier than the beginning of the Congress next following the Congress in which they are approved.

Our obligation to write the best laws we can extends to ourselves as much as it does to all other citizens. We should not try to circumvent public opinion by keeping silent on this issue; if we do, it will only come back to haunt us and further taint a reputation that has been badly tarnished by the Korean pay scandal and the Wayne Hays affair.

It is clear to me that respect for this body, and for Congress as a whole, will not be restored unless we are willing to do some deliberate soul-searching. How can we expect the American people to believe we are serious about reforming our ethical code when we are afraid to vote openly on our own salaries? We are faced with a ludicrous situation: at the same time the Commission on Administrative Review is handing down its recommendations on higher standards for members of Congress, we are using the old standards to give ourselves a hefty pay boost.

This is unconscionable. I strongly urge the members of this committee to act swiftly to bring this matter to the floor for an open, recorded vote.

This is the very least our constituents deserve.

SALARY SHELL GAME

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. AMBRO. Mr. Speaker, in a recent edition of a respected national publication there were two lengthy side-by-side stories with the following headlines: "House Leaders Pave Way for Big Pay Raise" and "Congress Rates Ninth in Poll on Ethics."

There was a subliminal message in the positioning of those two news stories and the newspaper's layout editor is to be congratulated for his perception and creativity.

The $13,000 pay increase that is about to go into effect without ever reaching the House floor for a vote certainly will do nothing to improve the rating of Congress in such polls. Those polls, in turn, explain why the public has reacted so negatively to this pay proposal.

The public does not have a very favorable opinion of the Congress, as an institution, and this parliamentary shell game with a pay raise will do nothing to enhance the image of the House of Representatives. The Senate at least had the character to vote on the recommendations.

I made a statement last week before the ad hoc committee that held 3 days of hearings on these proposals. I would like to take just a little time to repeat some of the points I made in that testimony and ask each of you to consider these remarks:

STATEMENT BY CONGRESSMAN JEROME A. AMBRO BEFORE THE AD HOC SUBCOMMITTEE ON PRESIDENTIAL PAY RECOMMENDATIONS

I will be the first to admit that the subject of Congressional salaries is one that inflames the passions and emotions of the public. Setting those salaries at a level that is both fair and commensurate with the demands of the office, at a level sufficient to attract the highest calibre of person to the job, is no simple task.

I do not claim to have any instant answers to that dilemma, but I nevertheless recognize that the present arrangement is unsatisfactory

One might say that the question of salaries should be taken completely out of the hands of legislative bodies and turned over to an impartial citizen's panel. We, in effect, have a procedure similar to that now, but it is within the jurisdiction of this legislative body, the Congress, to reject the recommendations of the President's Commission on Executive, Judicial and Congressional salaries. Failure to reject these recommendations has the same effect, however, as approving pay increases, at least in the public perception.

On the other hand, if the recommendation of an impartial citizen's panel has the force of law and is not subject to legislative review, then you are removing the accountability factor that is present when elected legislatures at all levels throughout the nation vote on salary increases. Who would answer the public outcry if that citizen's panel found that Congressmen and Senators should earn $100,000 annually?

Practically speaking, the most workable alternative and the one which I endorse is to have salary questions taken up by legislative bodies early in the election year, and if an increase is warranted, then that increase should take effect for the newly elected legislative body after the next election. In that way, no public official would ever be able to raise the pay for the position that he now holds but, both the public and potential candidates would be fully aware of the salary scale.

It is the only approach that both maintains accountability while diminishing to some degree the stigma of a self-serving public official increasing his own salary. The procedure would not totally eliminate controversy. There is none that will.

It would present both candidate and incumbent with a clear idea of the salary for the next term. It would put the salary up for grabs, so to speak, for the man the public deems best suited for the job by electing him.

In the absence of such a procedure, and with the present subterfuge in mind, then I think it is imperative that this salary recommendation which will almost certainly go into effect, be tightly and inexorably tied to a comprehensive Congressional Code of Ethics that incorporates many of the things some of us have insisted upon in the past.

This pay recommendation should be coincidental with a Code of Ethics that includes among other things:

Mandatory annual financial disclosure showing not only debts, assets, all sources of income and a bottom line net worth for both the Member of Congress and his spouse, but one that includes a listing of all real estate transactions and business connections as well.

A strict limit on outside earnings.

A prohibition on mixing campaign and personal funds.

I want to clarify my position on these reform proposals. I do not believe, as a matter of principle, that salary increases should be a condition for approval of such a Code of Ethics. I think such proposals should have been approved long before this and should have been acceptable to this Congress on their own merits. In the absence of that commitment to honesty and integrity in government, I believe such a Code should now be linked to this salary recommendation, since such a connection appears to be the most expeditious way for implementation of these long overdue ethical standards for the House.

I also don't want any misunderstanding about my view of the pay hike. The argu-

ments for the increases are persuasive. There has been no increase in Congressional salaries in almost eight years during which the cost of living rose by two-thirds and salaries in the private sector went up by 70%. Good men and women are leaving government service in droves. More than 50 Congressmen and Senators retired from the last Congress, most of them citing the increasing demands of the job and the financial hardships imposed by public office.

The current salary, established in 1969, meant something far different then than it does now. It would be hypocritical for any, but a few of our wealthier colleagues, to claim that the increase would not be welcomed. With no income other than my Congressional salary, and with two children in college and another about to enter, homes to support on Long Island and an apartment to maintain in Washington and with end-of-session business trips to Long Island coming out of my own pocket because my travel allowance has run out, the financial demands on me are considerable.

Nevertheless, we all earn about $44,000 annually as Congressmen, many times the national average. The proposed increase of $13,000 is more than millions of Americans will earn in a year. We all knew the salary when we ran for this office and we should be prepared to live within that income—the term and the salary represents, in effect, a contract with the people.

During a period of great financial difficulty for the majority of Americans, a period marked by calls for restraints and belt-tightening, it is patently wrong for this Congress to permit such a self-serving maneuver, designed to disguise a whopping 29% salary increase.

Mr. Speaker, I will not take any additional time recounting my statement. But I would caution those in this Chamber that the very persuasive arguments in support of the raises and an honest belief that they are justified do not constitute, by themselves, sound reasons for this Chamber to take the restrictive course of action that it has.

Since we apparently will have no opportunity to defeat these recommendations in a recorded vote, then I ask every Member of the House to insist that we act, and act soon, on a stiff Code of Ethics which includes the restrictions I referred to earlier.

Those editorial writers and "good government" groups who are supporting this pay package have done so in the belief that it will increase honesty and integrity in government. I think we should make a firm, legally-binding commitment toward that end by passing legislation that establishes ethical standards for the Congress. Enforcement of those standards will prevent the type of abuses by the very few that too often have sullied unjustly the image and reputations of every Member of this Chamber.

PRAYER FOR SPRING 1961 AND 1977

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. BRODHEAD. Mr. Speaker, one of my constituents, Mrs. Edith Linderman, has received considerable notice for her fine poetry. Included in her credits is a book of poems, "Once Upon A Teacher, which describes the feelings and experiences of thousands of teachers everywhere.

In 1961, Mrs. Linderman wrote a poem which eloquently expressed the hope and aspirations of our Nation on the occasion of President Kennedy's inauguration. I believe that this poem is equally applicable to the present, and I would like to share it with my colleagues:

PRAYER FOR SPRING, 1961 AND 1977

(By Edith Linderman)

Let more than roots of roses stir this vehement spring.
Let splendor moving up a quickening land
Be more than green unrolling of earth's carpeting.
From south to north let there be summoning
Of all earth's creatures to the sunlit days.
Above the beating rains on desolate mining towns,
On silent factories—let a man listening
Beside his winter doorway, hear a thundering
Isaiah clap of mortal voice again
Piercing the frozen crust of man's concern for man.
That he may lift his head, may thrust with bud and twig
His winter spirits upward to new flourishing.
Let more than roots of roses stir this vehement Spring!

ALL-VOLUNTEER FORCE—CURRENT STATUS AND PROSPECTS—IV

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. STEIGER. Mr. Speaker, a major question which has been raised about the All-Volunteer Force is whether or not we can afford to sustain the size military we need. Critics of the Volunteer Army have repeatedly pointed to the share of the defense budget taken up by military personnel costs.

Their criticism is unfounded, since the percentage of the military budget going to active military personnel has gone down from 31 to 27 percent from fiscal year 1972 to fiscal year 1977. Retiree pay has increased, but this is not attributable to the end of the draft.

A return to the draft, the defense transition report states clearly, would affect personnel costs very little—producing a reduction of only about $300 million. Even if we abandoned pay comparability, a congressional and Defense Department goal well before the advent of the Volunteer Army, we would save only $1.7 billion. Meanwhile, many junior enlisted men at the minimum wage would return to the poverty level conditions they had before we established comparability. Additional welfare and other public assistance costs would virtually negate any savings in the defense budget, not to mention the demoralizing and degrading notion of asking draftees to suffer financial hardship and discrimination because society as a whole would not bear the costs of defense.

I urge your careful attention to chapter 5 of the defense transition document, discussing sustainment issues:

CHAPTER 5—SUSTAINMENT ISSUES

RESERVES

A major AVF problem is the manning of the Reserves. Present strength problems and current trends are serious.

The Total Force policy emphasizes increased reliance on the Reserve Components to augment the active forces in a crises scenario. The Selected Reserve must provide units to augment active force units; the Individual Ready Reserve (IRR) will be the primary source of individuals trained for replacement and augmentation.

Table 14 presents the most recent Selected Reserve strengths. It is worth noting that almost all Reserve Components strengths are below the Congressional Floor. The bulk of the shortfalls occur in the Army Reserve and Army National Guard. These two components currently have a 44,000 shortfall; this is expected to exceed 108,000 by end FY 1978.

TABLE 14.—*Selected reserve strengths* [1]

(As of Oct. 1, 1976)

[In thousands]

	Actual strength	Congressional floor	Shortfall
ARNG	367	390	23
USAR	192	212	20
USNR	98	97	(1)
USMCR	29	33	4
ANG	91	93	2
USAFR	49	52	3
Total DOD	826	878	52

[1] May not add due to rounding.

The projected large reduction in IRR strengths over the next five years is also serious. The IRR is composed of service people who separate and have a remaining Reserve obligation. The total Active/Reserve obligation is 6 years. With the advent of the AVF, longer active duty enlistments have shortened the time remaining out of the 6-year obligation to serve in the IRR. Table 15 presents these declining strength trends.

TABLE 15.—*Enlisted Individual Ready Reserve (IRR) Strength, Actual for FY 1976 and Projections, FY 1977–82**

[In thousands]

IRR Strength:	
Fiscal year 1976	469
Fiscal year 1977	401
Fiscal year 1978	373
Fiscal year 1979	348
Fiscal year 1980	355
Fiscal year 1981	319
Fiscal year 1982	298

* Program Objective Memorandum estimates.

In light of the increasing importance of the IRR as a source of trained manpower in the Total Force policy, this decreasing trend in the IRR must be reversed. To solve these problems, more resources and DoD management attention will be required. With the support of ODASD(RA) the Army has included in their FY 1973 budget both man-

*Unpublished manuscript, Richard D. V. Cooper, *Defense Without the Draft*, RAND Corporation, 1976.

power and funding to place full-time recruiters and trainers in Selected Reserve units. The Reserve Compensation System Study Group is evaluating Reserve pay with a report due by December 1977. Also, the Army Chief of Staff has made the Reserves one of his highest priorities.

PAY COMPARABILITY AND BENEFITS

The Services have expressed concern that failure to achieve and maintain military pay comparability with the civilian sector will negatvely impact on recrutment and retention as well as lead to an increased potential for unionization. The Services believe that their ability to compete with the private sector for new enlistees will be impaired if pay levels for lower grade enlsted personnel do not keep pace with the civilian sector.

However, the RAND Corporation has developed age-adjusted pay comparisons between earnings for year-round, full-time, Caucasian high school graduates and earnings (RMC) for the first two years of military service. These comparisons indicate that the average military pay was 104% of civilian pay in 1972, 101% in 1973, 105% in 1975.* Thus, indications are that current pay available to potential enlistees is competitive for Cucasian high school graduates and would be even more attractive to non-high school graduates and minority group members. It is equally important for recruiting success that the youth market has a keen awareness that pay is comparable.

The Services have recently briefed the Secretary of Defense and the Armed Forces Policy Council on the "Erosion of Benefits" problem. Important benefit issues include changes to commissary subsidies, medical care, clothing allowance, leave sellback, GI bill, modification of Retired pay, and other benefits. Concern about such changes is clearly supported by survey data, and indicate greater concern among career as opposed to new enlistees and first-term enlisted personnel. Future pay and benefit decisions must be carefully considered for their negative impacts on active force morale, and on future retention.

COST OF THE AVF

From FY 1971 through FY 1974 the annual DoD budget cost of the AVF was expressed by Project Volunteer, a special budget category which included recruiting and advertising, administrating programs, special AVF initiatives, e.g. civilianization of KP, special pays and bonuses, and the annual budget cost of the large 1971 pay raise for junior enlisted personnel. The total annual Project Volunteer cost of approximately $3 billion was widely publicized as the cost of the AVF.

Since FY 1974 attention has been directed toward an alternative cost concept—the opportunity cost of the AVF. This opportunity cost is the annual budget savings which would occur if the DoD returned to the draft. When viewed in this light, the annual cost of the AVF was estimated in FY 1974 to be about $\$1\frac{1}{3}$ billion, considerably less than the $3 billion budget cost. This opportunity cost estimate assumed that pay comparability levels would be maintained even if the draft returned. This assumption is reasonable given that pay comparability was a DoD objective years before the draft was eliminated, and that anything less than comparability pay levels appears to be practically and politically infeasible. However, if pay comparability were abandoned in a return to the draft, and if the Federal minimum wage level for junior enlisted personnel were established, manpower costs could be reduced by $1.7 billion in FY 1977.

JUST "A CLOSER LOOK" WITH PHIL

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. ARCHER. Mr. Speaker, the Dallas Morning News recently carried a column by William Murchison which discussed a new, but already highly regarded, daily radio program in Houston. The program, which features Phil Nicolaides as its host, is broadcast on KLYX–FM, but is soon expected to be syndicated nationwide.

It is highly unusual for a major daily newspaper in Dallas to devote such attention to a radio program in the largest city in Texas—Houston. Perhaps the quality of the program, and its host, is the impelling reason for such a column. I am sure my colleagues in the House of Representatives will find this item to be of interest to them:

JUST "A CLOSER LOOK" WITH PHIL

(By William Murchison)

Phil Nicolaides—who for some reason always reminds me of Daniel Moynihan; perhaps it is the puckish eyebrows—came to Texas in 1972 to run the near-successful gubernatorial campaign of Republican Hank Grover.

Liking the climate, both physical and political (Phil is an unregenerate conservative), he moved his public relations and advertising business from New York City to Dallas. Then, last winter, to my ineffable regret, he defected to Houston.

But the news from the Gulf Coast is heartening: Not content merely to mastermind the advertising and press relations of candidates like James Buckley, Jesse Helms, John Whittington, Pedro Aguirre, and Philip Gramm, Phil has taken up journalism as a sideline. He is a radio broadcaster. And breathes there, I wonder, a more lucid or invigorating one?

It is not just Phil's personality that is lucid and invigorating. So are his ideas, which are sculpted out of solid conservative marble. He is a fighter. And how eloquently he does fight!

That is, after all, the purpose of his new endeavor—to fight. The Nicolaides program, "A Closer Look," which appears daily on Houston's station KLYX–FM and is designed for syndication, was the idea of a profoundly conservative businessman, much alarmed at the lack of exposure in the media for conservative viewpoints.

The businessman, James E. Lyon, who is chairman and chief executive officer of the River Oaks Bank & Trust Co., argues that "The struggle to save the free market and the values on which this nation rests requires a long-term effort in the arena where this battle is being fought daily—in the media."

"All of us," says Lyon, "are only too familiar with the fact that liberal commentary (often masquerading as 'interpretative reporting') dominates the airwaves. Traditional American values are undermined or openly mocked. Concern for national defense is dismissed as 'cold war hysteria'." Businessmen are routinely portrayed as devoid of social conscience: Despoilers of the environment, indifferent to the real needs of the consumer and caring little for the health and safety of their employes."

What can business do? Plenty, it seems. Already it "spends billions of dollars to promote its products and services. Isn't it time we set aside a modest portion of our advertising budget to promote and defend the values and the system that have made our prosperity possible?"

Enter, at this point, Nicolaides, who for six or eight months has been causing the airwaves to sizzle. Elegantly sizzle, I mean. Phil, an erstwhile philosophy prof at Fordham University, has the audacity to talk of Zoroastrianism by way of refuting the white liberal notion that Americans invented white as a symbol for good and black as a symbol for evil; Phil would have us know that Ahura Mazdah, god of light and goodness, and Ahriman, god of darkness and evil, go back even farther than Americans for Democratic Action.

It will be gathered from such an insight that Phil's commentaries have to do with much more than economics; likewise he talks of bureaucracy, Africa, Red China, the media, abortion, Jimmy Carter and Henry Kissinger.

When last I was in Houston, I heard him take the hide off the bureaucrats who pronounced an all-boy chorus of fifth and sixth graders a mortal sin against Title IX. "All this daffiness," declared Phil, "stems from those who subscribe to a philosophical error—totalitarian egalitarianism. Not satisfied with the essential equality of all human beings in the sight of God, they demand accidental equality as well. Every member of the human race must be identical, indistinguishable, interchangeable—like so many Kleenex tissues."

This is strong talk, of course. How is it going over in Houston? Very well, one gathers. Hardly had Nicolaides made his debut as commentator before popular demand caused Lyon to increase the number of airings from one to two daily. Much of his stuff has been reprinted in the Congressional Record. Bill Buckley himself has praised the program as "fresh, tough, electric, engrossing."

"To my knowledge," says Lyon, "we have not lost a single customer because of the program. Even those who sometimes disagree tell us they enjoy listening to a substantive, issue-oriented conservative commentary."

That is the Nicolaides style all right—substantive, issue-oriented and, I might add, hugely entertaining. What a pity Houston is so far away.

CONFIDENTIAL FUNDS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. RAHALL. Mr. Speaker, confidential funds or slush funds with which I am concerned have become of great interest in the recent past. For this reason I am cosponsoring legislation that will amend the Budget and Accounting Act of 1921. The legislation provides the Comptroller General with the power to audit confidential funds.

The use of confidential funds are not at present subject to GAO audit which is a most unhealthy practice. Such funds present a grave potential for abuse. They may conceivably be used by executive officials for illegal surveillance purposes or for entertainment not specifically authorized without fear of an audit by the GAO.

We must begin to improve the pub-

lic's confidence in government and I urge my fellow Congressmen to support this most important piece of legislation.

NUCLEAR POWER—VITAL TO AMERICA'S ENERGY INDEPENDENCE

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. MURPHY of Illinois. Mr. Speaker, in the wake of the natural gas shortage, our country has been forced once again to reexamine its national energy policies.

Tragically, while Americans' consumption of energy continues to grow, domestic energy production continues to decline. America is more dependent on foreign nations for fuel than ever before.

In April 1974, the time when the Arab oil embargo ended, the United States imported 20 percent of its oil. In 1976, imports rose to 33 percent, and then jumped to 40 percent in December. In January 1977, the United States imported more than half of its oil, according to figures compiled by the American Petroleum Institute.

Our increasing dependence on foreign oil is alarming. Unfortunately, this winter's natural gas shortage has stimulated new demands for oil and electricity. Some factories using natural gas have turned to oil, and many homeowners burning gas have switched to electric heat. Consequently, oil imports are on the rise.

If the United States is to halt its ever-increasing dependence on OPEC countries and other foreign nations for fuel, it must further develop alternative sources of energy.

One of those sources is nuclear power. While controversy has swirled around the building of nuclear powerplants, many Americans sense the important role nuclear power can play in meeting our energy needs. Accordingly, in June 1976, Californians rejected by more than 2 to 1 a referendum that would have limited severely the construction or planning of future nuclear powerplants.

I would like to bring to the attention of all House Members an article which shows the importance of nuclear power as an energy source. The article tells how, at a time when coal-fired plants were experiencing problems caused by frozen coal and equipment, nuclear powerplants operated with little or no difficulty. In fact, the article states:

It can probably be said, with only slight exaggeration, that nuclear power bailed the country out of an emergency on the morning of January 17.

Mr. Speaker, I am inserting in the RECORD the article to which I have referred:

[From the Chicago Tribune, Jan. 31, 1977]

NUCLEAR POWER DID MUCH TO SAVE THE UNITED STATES IN FRIGID STATES

(By Frank Starr)

WASHINGTON.—On a cold morning two weeks ago Monday an event of major significance occurred: the whole eastern half of the nation had an electric power emergency.

That it didn't develop into a major blackout like the one in 1965 was partly a result of new procedures instituted after that earlier event to prevent such blackouts. Nonetheless some power companies had to go to their last-resort procedure—cutting off power to customers.

What was especially significant about it was that, whereas such crises had heretofore been summer phenomena, this one occurred in the dead of winter—partly because of record low temperatures. Combined with natural gas [or other fuel] shortages which already threaten, this new problem could mean serious economic and human damage in the future.

What happened was this. Utilities in a band of states from Indiana, Michigan, and Kentucky east to Virginia experienced a record winter demand of 56,200 megawatts that day. But in addition to the 11,000 megawatts of Midwest generating capacity already out on routine maintenance, another 9,000 megawatts was incapacitated because coal piles were frozen, coal was wet, or oil and coal barges were paralyzed in Ohio River ice.

Elsewhere, equipment was crippled by ice deposits, and high winds snapped ice-heavy transmission lines. Across the whole interregional network of power exchanges, the 60-cycle frequency began to sag—a sign the demand was not being met.

Phone calls began between regional power pools and to individual companies. All excess capacity was ordered onto the line in an effort to hold the frequency up. The next step was 5 per cent voltage reductions. Then came appeals to industrial consumers to cut back demand. And finally in Virginia, Georgia, and some parts of Florida, customers, including residential users, suddenly found their power going off for an hour or more at a time.

The New England and New York power pools were exporting electricity to the Midwest and the South. New York, for the first time ever in winter, reduced voltage by 5 per cent in order to be able to export. Even New Brunswick in Canada was putting on extra capacity.

An unusual thing had happened.

Previously the nationwide weekly output had always peaked in the summer. A record of 41.79 billion kilowatt hours set in the summer of 1973 had stood for almost three years until last summer, when it hit 43.8 billion.

But even on the week before that Monday, Jan. 17, the record had been broken once again—with a 45.5 billion total.

But here is the kicker. The East Central states were 90 per cent dependent on coal much of which was locked under mountains of ice or was wet when brought in. Dayton [Ohio] Power and Light, for example, was operating at 50 per cent of capacity.

But the areas that were bailing out the coal-fired generators were largely nuclear powered. In the New England pool, all seven of the nuclear plants were operating and providing 30 per cent of the output. Only one plant there is coal-fired; the rest use oil. Northeast Utilities in Hartford, Conn., is entirely nuclear.

According to the Edison Electric Institute, the utilities' trade association, Chicago's Commonwealth Edison, which is normally 40 per cent nuclear, had coal freezing problems. But with a 5 per cent voltage reduction it met its demand through an increase of nuclear output to 48 per cent. Six of its seven plants were on line with one out for routine maintenance.

The only nuclear-powered plant reported incapacitated by the cold weather was Virginia Electric Power Company's Surrey installation, which failed because ice from the James River clogged its water intakes.

In short, it probably can be said, with only slight exaggeration, that nuclear power bailed the country out of an emergency on the morning of Jan. 17.

The antinuclear lobby won't be pleased about that, but it did happen.

FINANCIAL ETHICS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HAMILTON. Mr. Speaker, yesterday I introduced legislation, House Resolution 287, which would implement the recommendations of the House Commission on Administrative Review relating to financial ethics. These recommendations are the result of a number of months of study by the Commission's Task Force on Financial Accountability which I chair, and we believe they constitute a tough and realistic approach to the issue of congressional ethics.

The Commission has no illusions that it can recommend rules which will completely eliminate conflicts of interest, or that regulations can be devised which will assure that power will never be abused. Nor does it believe that public affection for Congress will rise to great heights simply as a result of ethics reform. However, the Commission does believe that to deal with the issue of congressional ethics the Congress itself must take action to minimize avoidable conflicts of interest and provide the public with the information it needs to monitor any potential conflicts.

The Speaker of the House and the Democratic Caucus have directed the Commission to make recommendations to the House concerning ethical practices and financial accountability. The Commission has responded to this mandate by focusing its attention on: First, financial disclosure; second, outside earned income; third, acceptance of gifts; fourth, unofficial office accounts; fifth, certain aspects of the franking privilege; and sixth, travel. Several days of hearings were held on these subjects and the Commission received testimony from Members and officers of the House, State government officials, and public witnesses. The Commission has also conducted surveys of public and congressional attitudes toward many of these issues. The results of these surveys indicate significant support for the Commission's recommendations.

Our job does not end with these recommendations, however. Within the next few months, my task force and other task forces of the Commission will make recommendations to: First, assure that official allowances are appropriate and that expenditures from such allowances are fully disclosed and accounted for; second, improve the administrative practices of the House; and third, deal with the use of time, sources of information, and personnel systems.

Mr. Speaker, it would be too costly to print the full text of the resolution in the RECORD. However, the Commission's report on these recommendations includes not only the full text of House Resolution 287 but also a full discussion of all the issues involved in the resolution. A copy of the Commission's report has been sent to each Member and is available upon re-

quest to anyone else. A summary of each title of the resolution follows:

SECTION-BY-SECTION SUMMARY

TITLE I: FINANCIAL DISCLOSURE

Section 101—Amends House Rule XLIV.

This section amends Rule XLIV, effective July 1, 1977, as follows:

Part A: Procedural rules and definitions

Financial disclosure statements must be filed with the Clerk of the House by April 30 of each year beginning in 1978. The Clerk is directed to transmit a copy of each report to the Committee on Standards of Official Conduct on the same day the report is filed with him, and that Committee must make the reports available for public inspection. A copy of reports filed by Members must also be sent by the Clerk to the secretary of state or equivalent state officer in the state represented by the Member. In addition, the Clerk must compile all Members' disclosure statements as a House document by June 1 of each year.

Part B: Contents of reports

Members, officers, their principal assistants, and professional committee staff must file a financial disclosure statement containing the following information:

(1) *Income*—(including honoraria) sources and amounts aggregating over $100 from any individual source.

(2) *Gifts*—source and value of "gifts" of transportation, lodging, food, or entertainment aggregating $250 or more from one source. Source and value of all other gifts aggregating $100 or more from one source. Exempted from disclosure requirements are:

a. gifts from a relative

b. gifts valued at less than $35

c. gifts of personal hospitality of an individual

(3) *Reimbursements*—Aggregating $250 or more from any individual source.

(4) *Holdings*—The identity and category of value* of any property held, directly or indirectly, in a trade or business or for investment purposes or the production of income and which has a fair market value of at least $1,000 as of the close of the preceding calendar year.

(5) *Debts*—The identity and category of value* of each liability owed, directly or indirectly which is in excess of $2,500 as of the close of the preceding calendar year, excluding mortgages on personal residences.

(6) *Securities Transactions*—The identity, category of value*, and date of any transaction, directly or indirectly, in securities or commodities futures during the preceding calendar year which exceeds $1,000, except for transactions donating such securities to charitable or tax-exempt organizations.

(7) *Real Estate*—The identity and category of value* of any purchase or sale, directly or indirectly, of real property, or of any interest therein, during the preceding calendar year and which exceeds $1,000 in value as of the date of such purchase or sale, excluding personal residences.

The disclosure statements must also include the same information respecting the spouse of the person reporting if such items are under the constructive control of that person. As defined and interpreted by the Committee on Standards of Official Conduct, the financial interests of a spouse are regarded as constructively controlled by the person reporting "if enhancement of those interests would substantially benefit the person reporting."

The first disclosure statement to be filed on April 30, 1978 will be effective for the period from October 1, through December 1, 1977. Securities transactions and capital gains are exempted from the first filing.

This section also provides that any Member who announces in advance of the first filing date that he will not be a candidate for re-election may file a disclosure statement in accordance with the existing disclosure rule, rather than comply with the new disclosure requirements.

TITLE II—CODE OF OFFICIAL CONDUCT AMENDMENTS

Section 201—Amends Clauses 4 and 7 of House Rule XLIII.

This section amends Clause 4 of Rule XLIII by providing that a Member, officer, or employee of the House shall not accept gifts aggregating $100 or more in any calendar year from any person having a direct interest in legislation before the Congress or who is a foreign national. This provision specifies that parties with a direct interest in legislation include any person registered under the Federal Regulation of Lobbying Act of 1946 (or any successor statute), his officer, or director, or any person retained by him for the purpose of influencing legislation. Exempted from this prohibition are gifts of personal hospitality of an individual, gifts from a relative, and gifts of less than $35 in value.

This section also amends Clause 7 of Rule XLIII by striking present language which permits the use of proceeds from fund-raising events for other than campaign purposes if the donors are so advised in advance. This provision thus prohibits the conversion of proceeds from testimonial dinners or other fund-raising events to personal use under any circumstances.

TITLE III—UNOFFICIAL OFFICE ACCOUNTS; OFFICIAL EXPENSE ALLOWANCES

Section 301—Establishes a new House Rule XLV—Prohibition of Unofficial Office Accounts.

This section prohibits any Member from maintaining an "unofficial office account," which is defined as any account maintained to defray otherwise unreimbursed expenses allowable under the IRS Code as ordinary and necessary expenses in the operation of a congressional office, including any newsletter fund. No funds may be paid into any unofficial account after the adoption of this rule, and such accounts must be abolished by the effective date of the increase in the allowance for "official expenses" as provided in the next section.

Section 302—Change in Allowance for Official Expenses.

This section makes two changes in Members' allowances: 1) effective upon enactment, the allowance for "official expenses outside the District of Columbia" is changed to an allowance for "official expenses" incurred anywhere in the United States, thereby ending the artificial distinction between costs incurred in the Member's home district (or other parts of the country) and those incurred in the Capital; 2) effective January 1, 1978, the annual allowance for "official expenses" is increased by $5,000. The need for this increase is demonstrated by the widespread use of unofficial office accounts and political funds to supplement existing allowances for district office operations, travel within the district, newsletters, and other official expenses.

Section 303—Amends Clause 6 of House Rule XLIII.

This section amends Clause 6 of Rule XLIII by striking out "Unless specifically provided by law," thus prohibiting the conversion of campaign funds to personal use.

TITLE IV—LIMITATIONS ON THE USE OF THE FRANK

Section 401—Establishes a new House Rule XLVI—Use of the Frank.

This section imposes the following limitations with respect to postal patron mailings: 1) postal patron mailings must be sent at the most economical rate available, (sending such mailings under 3rd class rates would save an estimated $9.5 million in annual postage costs); 2) beginning January 1, 1978, the total number of postal patron mailings in any calendar year may not exceed the equivalent of six district-wide mailings, (except for mailings which relate solely to a notice of appearance or scheduled itinerary of a Member); 3) a sample or description of any postal patron mailing must be submitted to the Commission on Congressional Mailing Standards for an advisory opinion prior to mailing. This provision would not constitute prior restraint, but rather is designed to protect the Member against unwarranted charges of abuse of the frank and to protect the public against such potential abuses.

This section also provides for the following restrictions on mass mailings: 1) mass mailings shall not be frankable unless the cost of preparing and printing the mailing is paid exclusively from public funds, thereby ending the situation in which a small amount of private funds can level enormous amounts of public funds to pay for postage; 2) any Member who is a candidate for statewide public office may not send any mass mailing under the frank outside his congressional district; 3) a Member may not send a mass mailing under the frank less than 60 days prior to a primary or general election in which he is a candidate.

TITLE V—FOREIGN TRAVEL

Section 501—Amends Clause 2(n) of House Rule XI.

This section amends Clause 2(n) of Rule XI relating to committee travel by providing that if a Member or committee employee is reimbursed for any expenses by other sources, then his per diem allowance may not exceed the amount of the unreimbursed expenses (other than for transportation), up to the maximum per diem rate. In addition, a committee member or employee may not be reimbursed for the cost of transportation outside the United States unless the Member or employee has actually paid for the transportation.

This section specifies that these restrictions concerning foreign travel authorized by committees also apply to travel outside the United States authorized by the Speaker or under any other provision of House Rules.

Sections 502, 503—Amend Clause 5 of House Rule XI and Clause 8 of House Rule I. These two sections prohibit the use of committee funds or the contingent fund to pay for the travel of lame-duck Members. For purposes of this prohibition, a retiring Member becomes a lame-duck after the general election or once the House has adjourned sine die, whichever comes first. A member who is defeated in the general election becomes a lame-duck following that election.

TITLE VI—OUTSIDE EARNED INCOME

Section 601—Establishes a new House Rule XLVII—Limitations on Outside Earned Income.

This section provides that no Member may have outside earned income in excess of 15% of his annual salary as a U.S. Representative, and no Member may accept any honorarium in excess of $750 in value. The effective date for this limitation is January 1, 1979.

Outside income is defined as wages, salaries, professional fees, honoraria, and other amounts received, or to be received, as compensation for personal services actually rendered. Excluded from these limitations are: (1) the salary of the Member as a U.S. Representative; (2) income for services rendered prior to the effective date of the rule, or before becoming a Member; (3) tax-qualified pensions and annuities; and (4) income from a family trade or business, as long as the personal services rendered by the Mem-

*Categories of value; less than $5,000; between $5,000 and $15,000; between $15,000 and $50,000; between $50,000 and $100,000; over $100,000.

ber in such family trade or business do not, in and of themselves, generate any significant income.

TITLE VII—SELECT COMMITTEE ON ETHICS

Section 701—Establishes a Select Committee on Ethics.

This section establishes a Select Committee on Ethics to be composed of thirteen Members appointed by the Speaker. This committee will consider and report legislation which will incorporate into permanent law the recommendations of the Commission on Administrative Reivew which are adopted by House Rule, as well as other items, including the Commission's recommendations which cannot be adopted by House Rule. These recommendations are: (1) imposing a sanction of up to one year in prison and/or a fine of $10,000 for knowing and willful falsification of a financial disclosure statement; (2) applying the same financial disclosure requirements to candidates to Congress as are mandated for incumbent Members of Congress.

The Select Committee is also directed to adopt interpretive regulations respecting the application of Rule XLIII (Code of Official Conduct), Rule XLIV (Financial disclosure), Rule XLVI (Use of the Frank), and Rule XLVII (Outside earned income).

OPPOSITION TO PAY RAISE

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. GUYER. Mr. Speaker, once again the cries and feelings of outrage by our people have fallen upon deaf ears. One need not read the mail, talk on the phone, scan the newspapers, or listen to the commentaries on radio or television to get the message that the American people do not approve of, nor are they sympathetic to, a raise in the salaries of Members of Congress, judges, or high-level Federal officials at a time when men and women are out of work, families are cold, and in many cases hungry, and the country generally paralyzed with the Arctic weather and energy shortage that has caused havoc, catastrophe, and heartbreak in hundreds of areas.

Ten years ago, a Quadrennial Commission was established by Congress, composed of nine members. Three were appointed by the President, two by the President of the Senate, two by the Speaker of the House of Representatives and two by the Chief Justice of the Supreme Court. The Commission was to meet each 4 years and make recommendations for salary levels of Members of the Congress, the Vice President, Justices of the Supreme Court, Speaker of the House of Representatives, President pro tempore of the Senate, judges, Cabinet members and more than 20,000 other Federal career executives.

The idea was to create an impartial body to make equitable studies and recommendations, and report to the President. He, in turn, was empowered to make his own recommendation, or revisions, and report them to the Congress. In theory, it was lovely. In practice, it was a sham. It became a quiet way by which Members could avoid having to record a vote of "yes" or "no" for all to see. The gimmick was, that if neither the House nor Senate disapproved withing 30 days, the salary recommendations automatically became effective on that date.

The public seldom separates one Congressman from another, so they put us all in one bag and say: "Just as we thought. They did it again. They got themselves a whopping raise, and never took a vote or held a debate."

Some of us who happen to believe that Congress should set a national example in economy, feel that the best place to start is right here at the Capitol, and the best vehicle to prove our sincerity is in the matter of our own salaries. I have voted against all salary increases in the 4 years I have been here, and I wanted the opportunity to once more register my disapproval.

We returned from the Lincoln Day recess with the belief we would surely have the matter on the floor for an open vote.

Myself, along with Congressman CHARLES WHALEN, and 80 other cosponsors, introduced a measure on January 6 called the Congressional Pay Raise Deferral Act.

The Committee on Post Office and Civil Service, instead of hearing testimony on this bill and others, appointed an ad hoc committee which did go through the motions of allowing testimony and witnesses to appear. However, they knew, and we knew, our bill would never reach the floor for a vote.

Our bill, incidentally, simply provides that no pay raise could be authorized by Members of Congress in the term in which they were serving. It could only be applied to the following term of office, and then, only by passing through the normal procedures of committee hearings and final vote by the members.

A poll taken by CBS showed that more than 300 Members of the House favored the right to vote on the pay raise issue, in whatever form. By a series of parliamentary procedures, no opportunity was ever presented for such a vote to be taken.

Our minority leader, JOHN RHODES, asked for unanimous consent to have his resolution (H. Res. 115) considered. His resolution would have disapproved the pay raise recommendation. It takes only one member to object, and, of course, one did.

As a last effort, on February 17, we tried for, and received a record vote on adjournment. The idea being, if we could vote against adjournment, we still held a slim thread of hope of getting action on either Friday or Saturday before the deadline for the pay raise to take effect. Adjournment was defeated by a vote of 109 yea and 224 nay so we were still alive.

However, with a quiet ploy, a voice vote for adjournment was taken—rapidly gaveled, and we were adjourned.

I want to go on record as being opposed to the pay raise, opposed to the manner in which it was achieved, and I want the people of our district to know it was not accomplished by our consent, or our approval.

The actual raise itself is about the amount of the average American family's annual income. With millions of our people on social security, veterans' pensions, small fixed incomes and others disabled, handicapped, up in years, and unsure of their future, I feel we have permitted a great disservice to our people, and one that will come back to haunt us.

I do not dispute the right to review all salaries, and the authority to make changes when conditions justify, but I am equally sure that our people demand "business in the open," and an opportunity for everyone to hear, read, and to know the merits of our actions.

With inflation rampant, goods and services either costly or scarce, and people looking to us for some of the answers, I believe we should if anything, take a good look at reducing, not raising salaries. If we want elimination of extravagant programs, wasteful bureaus, and unnecessary expenditures, and hopefully a balanced budget and nondeficit spending, we should look in the mirror and say "Let it begin with me."

AGRICULTURAL RESEARCH CAN MAKE THE DIFFERENCE

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. SEBELIUS. Mr. Speaker, despite the best efforts of farmers across this country, 8 or 9 percent of our crops each year are lost to weeds at an estimated value of some $2.5 billion. What can be done about it?

One of our colleagues, WILLIAM C. WAMPLER, of Virginia, ranking Republican member of the House Committee on Agriculture, discusses this in a recent speech to a meeting of the Weed Science Society of America in St. Louis, Mo., on February 8. I commend his speech to your attention. The text of it follows:

SPEECH OF REPRESENTATIVE WILLIAM C. WAMPLER

Thank you, Chester Foy. I am grateful for that warm reception, which is most welcome in this chilly weather. I am pleased to be here . . . with men and women whose interests and concerns I share. I particularly appreciate the support of the WSSA for the National Agricultural Research Policy Act which I introduced last year and reintroduced this year. This time, I am convinced it will be enacted . . . but more about that in a moment.

When Mr. Foy asked me to report on what is happening in Washington and on the outlook for agricultural research, I thought it would be appropriate as part of this report to also bring you the latest on President Carter's brother, Billy, who has made a special hit in the nation's capital.

The other night, I understand the President and Billy were returning to the White House late and their car passed a huge brewery with all its lights on, smoke pouring from its stacks and hundreds of workers streaming in and out. The President pointed to all of this activity and said, "Look at that, Billy. Doesn't that prove something to you? You aren't ever gonna be able to drink up all the beer they can make." Billy thought a moment and said, "Maybe not. But at least I got 'em working two shifts!"

At times, I am sure many of you feel the Federal government is working two shifts, when you come face to face with what I consider government over-regulation . . . whether it be OSHA controls over where outdoor toilet facilities must be located for field workers or EPA regulations banning pesticides or herbicides on farms.

At the present time, Americans spend less of their total income on food than the citizens of any other nation—approximately 17 percent. If EPA is successful in banning the use of pesticides and herbicides and similar weed killers, the U.S. Department of Agriculture estimates the total combined output in this country of crops, livestock and forests would be reduced by at least 25 percent. One result: the price of farm products would rise at least 50 percent and the percentage of income Americans would spend for food would go up to 25 percent or more.

Although we are all concerned about the environment in which we live, I frankly get more than a little perturbed with nonfarmers who have never walked the fields or milked a cow or cut a stalk of sileage trying to tell men and women who depend upon the land for their livelihood how to run their business. I get more than a little dismayed with the dilettantes whose all too casual concern about nature somehow sets them up as instant and respected authorities on how our land and water and air should be used.

Of all the people in this country, farmers are the closest to nature. They have learned to respect the land on which they live and work and the air and water which they need for survival. Sure, they seek better management techniques, better technology and better ways to produce foods, fibers and forest products—for their success depends upon it. But they are nature's true friends and the environment's real defenders.

To me, it seems like the federal bureaucracy is working overtime to solve problems which it too often helped create in the first place . . . problems which either didn't really exist before or which didn't require the overkill used to solve them.

However, there is one problem which is real and which the Congress and the Administration must face up to this year—the need to revise or extend this nation's basic farm laws. This is a problem which will affect not just farmers or ranchers but all Americans whose economic well-being is directly tied into the kind of laws which will replace the Agricultural and Consumer Protection Act of 1973 which expires later this year.

1973 . . . that seems a long time ago, doesn't it? Four years . . . Vietnam . . . Watergate . . . Bicentennial . . . Jerry Ford . . . and now a new President and a new Administration.

And four years is a long time ago, too, for basic farm and food laws.

Let me illustrate this point with some arithmetic from a Congressional point of view.

Four years ago, Bob Bergland was a sophomore Minnesota Congressman serving with me on the Agriculture Committee.

Today, he has a new job, as you know. Incidentally, I understand his father, now in his 80s, told him he should have kept his old job in Congress. Maybe he was right—for the Secretary of Agriculture's job is a thankless one in any administration.

Since the enactment of the '73 Act, some 161 new House Members and 29 new Senators have arrived in Washington. In fact over half the House—229 Members—has been elected since 1972 and nearly two-thirds since 1970. In the Senate, 42 members are in their first term.

In the House there now is:

A new Speaker—"Tip" O'Neill;

A new Minority Leader—John Rhodes;

A new Majority Leader—Jim Wright.

In the Senate, there now is:

A new Majority Leader—Senator Byrd;

A new Minority Leader—Senator Baker.

In the House Agriculture Committee, we now have:

A new Chairman—Tom Foley;

A change in nine out of the 10 Subcommittee Chairmen;

A staff of 55—compared to 20 four years ago.

In fact, only 16 out of the 46 Members on this year's Agriculture Committee were in the House in 1973.

On top of that, we have a new Congressional Budget Office and new Budget Committees in both the House and the Senate, all of which now have a total staff in excess of 350 people.

For those who care about the scope and direction of these important laws, the arithmetic I have recited should be studied because there really is a "new ballgame" in Washington these days.

There are a lot of new players in the White House, in USDA, and in Congress.

But the teams are basically the same as in the past. One set of players wants more government and is willing to spend your money—not their own—to get it. The other, which is much smaller in number, seeks to maximize your decision-making while minimizing the imposition of Washington-based wisdom on the country.

It is my sincere hope that the Carter Administration people won't try to turn the clock back on that basic 1973 farm legislation. I hope they will remember what the present laws have achieved for American agriculture and for this country . . . for it is from this record of achievement that the Carter farm policy must proceed if agriculture is to continue to prosper and grow and it is against this record that the new Administration will be judged four years from now.

The Agriculture and Consumer Protection Act of 1973 moved us away from 40 years of Federal controls and toward a market-oriented system which offered farmers maximum incentives to produce food and fiber.

The results were dramatic: millions of acres of previously idle land were freed up for production, crops hit record levels, rural incomes reached new highs and exports leapfrogged each of the past seven years to set successively higher records.

Since President Carter's party will control both the executive and legislative branches for at least two years, I am hopeful that, before taking precipitous action, they will first take a good look at the agricultural legacy of the past eight years . . . and that it will be used as a base on which to expand and build. Personally, I believe the Congress should seriously consider a four-year extension of present programs.

In the meantime, however, it may well be necessary—until the new people of Peanut Paradise on the Potomac settle into their jobs—for Congress to enact a simple one-year extension of all the expiring parts of the 1973 legislation: Food Stamps, Farm commodity programs, Food for Peace—the P.L. 480 program—and FIFRA.

If nothing else, let's take to heart the advice of the new Director of the Office of Management and Budget when he recently said:

"If it ain't broke, don't fix it!"

The present farm programs aren't broke. They aren't even badly bent. They work. And they should be continued.

There is one area of agricultural activity, however, which needs fixing. I am referring to the urgent need to increase agricultural research into ways to produce cheaper and better food and fiber and forest products. I am referring to the long overdue need to provide better direction, better coordination and better organization to the far-flung agricultural research activities of the Federal government.

For instance, are you aware that there are six different research agencies in the U.S. Department of Agriculture alone, with responsibilities for their activities for their activities split between two Assistant Secretaries of Agriculture? Are you aware that there are 52 different agricultural experimental stations in this country spread out over 50 states, each doing its own thing? Are you aware that the Department of Health, Education and Welfare, the National Science Foundation, the National Institutes of Health, the Environmental Protection Agency and the Energy Research and Development Administration all carry on agricultural-related research of some kind or another?

Lack of effective coordination among these widely-spread efforts hampers our ability to focus on the really high priority research needs of this country—in particular, on developing ways to produce and distribute food, fiber and forest products more efficiently and more effectively—on probing ways and means to better control weeds.

That's why I introduced with bipartisan backing on the opening day of the 95th Congress, the National Agricultural Research Policy Act of 1977—or H.R. 78, as it is designated. This is the same bill which I introduced last year and which passed the House of Representatives by a vote of 373 to 7. So far, more than 30 Members of the House Agriculture Committee have joined as co-sponsors on this bill, including Committee Chairman Foley and Secretary Bergland, when he was still a House Member. Among other things, this bill would:

Substantially increase expenditures for agricultural research, particularly for state agricultural research stations and land grant colleges to carry out graduate study in the food and agricultural sciences.

Establish the post of Assistant Secretary of Agriculture for Research, Education and Extension to coordinate all Federal agricultural-related research.

Create a broad-based 23-member national research policy advisory board to develop and recommend new policies, goals and strategies to the Secretary of Agriculture.

Establish a program of competitive Federal grants to stimulate research into ways to increase agricultural production and improve food nutrition.

With bipartisan backing in the Congress and expected support by the Carter Administration, I feel certain that H.R. 78, perhaps slightly modified, will be enacted early in the first session of this new Congress. This will be a major step forward in restoring agricultural research to its proper role in the Federal Government.

If there's a need to expand agricultural research generally—and there is—there is a particular need for it in the case of weeds. For one thing, we need to develop a better understanding of the effects of pesticides and herbicides and other weed killers on the environment. Although we know these products destroy weeds, we know all too little about their actual impact on human health, plant and animal growth, soils, water and the total environment. So let's find out before we go off half cocked in one direction or another.

We need to determine which herbicides and combination treatments are most effective in reducing tillage to a minimum or even to zero in crop production.

We need to develop the best possible disposal practices for unused pesticides and herbicides and their wastes which could otherwise constitute a threat to the environment.

Having raised these points, however, let me make it plain that I am well aware that we must not only protect the environment against potential hazards of weed control, but we must protect as well this nation's capacity to produce food and fiber from the hazards of weeds themselves. We must, in short, achieve a balance.

The way it is today, despite our best efforts, we still lose eight to nine percent of our crops to weeds each year . . . at a value of more than $2.5 billion. That's far too high.

Nearly a century and a half ago, Alexis de Tocqueville, the famous Frenchman who traveled widely and reported extensively on America, had this to say about agriculture.

"Agriculture," he said, "is perhaps, of all the useful arts, that which improves most slowly among democratic nations."

Although agriculture has come a long way

from de Tocqueville's time, his words still carry the ring of truth. Agriculture does improve more slowly than we'd like. But we can do something about it.

Since the WSSA has supported expanded research in the past, I look to you and your organization for support in the enactment of H.R. 78, the National Agricultural Research Policy Act of 1977.

With your continued support, we'll make research the key to unlocking the best in American agriculture—de Tocqueville not withstanding.

Thank you.

THE NEW SECRETARY OF LABOR, F. RAY MARSHALL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HAWKINS. Mr. Speaker, the article which appears below from Encore magazine, presents a refreshing characterization of Secretary of Labor, F. Ray Marshall. Mr. Marshall is a dedicated public servant, concerned and compassionate to the Nation's unemployment problems, especially as it impacts disadvantaged groups in the country. Mr. Marshall's past record involving research and study of employment and racial discrimination is indeed admirable. I wish to commend him for his past service in this area of equal employment and submit the article, as follows:

[From Encore American & Worldwide News, Jan. 17, 1977]

F. RAY MARSHALL: RUNNING ON THE RIGHT TRACK

(By Gene Berg)

With Black unemployment currently—and traditionally—running twice as high as that of Whites (15–16 percent) and unemployment among Black youths running 45–50 percent, Blacks will be looking to the Carter administration for a top priority: jobs.

Whatever directions Carter takes to stimulate the economy and reduce unemployment, as he pledged in the campaign, he may be influenced by a man who is still relatively unknown to the nation. That man is F. Ray Marshall, the Secretary of Labor-designate.

Marshall is a University of Texas professor who, according to colleagues, has an abiding interest in improving the lot of the disadvantaged—male and female, Black and White—especially those from rural areas. His principal academic interest over the years has involved expansion of employment opportunities for women and members of minority groups, and he has written an impressive number of books and articles on the subject. He has been instrumental in encouraging Blacks to enter apprenticeship programs for skilled trades and in persuading unions to take Blacks into such programs. Most recently he has developed programs to train women for professional positions.

Ernest G. Green, executive director of Recruitment and Training Program (RTP) calls Marshall "an excellent choice" for Secretary of Labor. Green says Marshall is "someone we've had a working relationship with for the past six years." RTP is a national nonprofit human resource development corporation primarily concerned with recruitment, preparation, and placement of minorities, women, and other disadvantaged groups into skilled apprenticeship positions in the construction industry and the private industrial sector.

Says Green of Marshall: "I feel he'll be a strong advocate of affirmative action and anti-discrimination, of training that leads somewhere, for the jobs that exist and will exist in the future. He has a concern about employment being the key rather than tax cuts. He has done a significant amount of research on the causes of unemployment and the various remedies. He's an academician who does sensible research, applicable to today's problems."

AFL-CIO head George Meany, who had supported someone else for Secretary of Labor, also applauded the choice of Marshall. He described him as "a labor economist whose views are liberal, informed, and sensible." Meany once introduced Marshall to Aleksandr I. Solzhenitsyn, the dissident Soviet author, as "one of the few American professors who understands the working people."

Marshall's roots are southern, rural, and poor.

F. (for Freddie) Ray Marshall was born in Oak Grove, La., on Aug. 22, 1928, and shortly thereafter his family moved to Mississippi. His mother died when he was a small child, and he was raised in a Mississippi Baptist orphanage. He used to get up at 3 a.m. to milk the cows and do other chores.

At 15 he ran away from the orphanage, leaving junior high school to work in a dental laboratory in Jackson, Mississippi. After a few months he lied about his age and enlisted in the wartime Navy. He served as a radioman in the Pacific during World War II.

After the war, Marshall married Patricia Williams and decided to finish his education. Although he never completed junior high or attended high school, he was accepted by Hinds Junior College in Raymond, Miss., studying there under the G.I. Bill. Then he transferred to Millsaps College in Jackson, where he received a B.A. degree. He was an outstanding student and from that point on never left the academic life.

He received a master's degree from Louisiana State University in 1950 and a doctorate in economics at the University of California at Berkeley in 1954. He was assisted by a grant from a Rockefeller Foundation program designed to develop college teachers from the rural South, and that reportedly led him to return to the South to teach rather than teach at prestigious universities in the North. Marshall taught at the University of Mississippi and Louisiana University, and at 34 became a full professor at the University of Texas in 1962.

During these years—the late 1950s and early 1960s—Marshall was "an outspoken champion of desegregation when that was not a popular position to take in southern universities," according to one associate.

In 1967 Marshall went to the University of Kentucky to serve as chairman of the economics department, but two years later he returned to the University of Texas, lured back, according to a senior professor, by "an enormously attractive salary." The Marshalls by then had five children, who today range in age from 14 to 19.

At Texas, Marshall served briefly as department chairman, but reportedly did not like the position, especially the social demands that went with it. "He likes to work a lot more than he likes to party," one colleague has said.

Marshall usually puts in a 20-hour day and has been described as "extremely productive" as an academic. In addition to teaching a graduate seminar in labor economic, he is director of the Center for manpower research center at the university. Study of Human Resources, a full-scale manpower research center at the university. He has 94 published books and papers to his credit, the titles of which reflect his specific areas, of concern: *Blacks in Apprenticeship, Employment Discrimination in the South, The Economics of Racial Discrimination, Rural Poverty in the South, The Role of Unions in the American Economy.*

Since 1974 Marshall has been chairman of the Federal Apprentice Commission, which advises the Secretary of Labor on training matters. He is president-elect of the Industrial Relations Research Association, a professional association of labor economists and other manpower specialists. He is also president of the National Rural Center, which sponsors research into the economic needs of rural areas.

"He leads an extremely busy life," said a friend, "but just to talk to him you'd never know it. He never seems harried and rarely loses his temper."

Neither his wife nor his friends could tell interviewers of any hobby or sport that Marshall likes, but he does enjoy spending his weekends at the family's 50-acre farm in Leander, 26 miles northwest of the Austin campus. He describes it as "a real small farm by Texas standards."

Marshall reportedly was initially reluctant to leave the campus and Texas, but then became more and more excited about the possibilities and opportunities of office. "He said he planned to come into Washington with his feet running," said an associate.

Marshall says he has one simple objective: "to put our people back to work" by encouraging jobs in the private sector. But he adds, "Once we've done all we can [in the private sector] I favor public employment as a way to put people back to work."

Ernest Green predicts that Marshall will "really leave his mark on the Labor Department."

FOOD AND POPULATION: II

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. RICHMOND. Mr. Speaker, this is the second in a series on population and food statements that I will be making to the House of Representatives.

Recently, a subcommittee of the House Appropriations Committee approved $190 million in emergency economic assistance to Egypt following the worst civil disorders there in the past 25 years. These funds are needed, we are told, to strengthen the government of President Anwar Sadat and as an indication of U.S. support.

The thousands of words that have been written on this matter in the past few weeks have all indicated that Egypt's central problem is an economic one. Most analysts have suggested that the problems can be solved, at least temporarily, by substantial foreign borrowing, anticipating up to a total of $12 billion between now and 1980.

However, none of the suggestions advanced by international economists, government leaders, private businessmen, or editorial writers have dealt with the real crisis in Egypt—overpopulation and the degradation of her agricultural land.

According to the U.N. Food and Agricultural Organization, Egypt has about two-tenths of 1 acre of arable land to support each of its citizens. This represents one quarter of the world average and is less than the arable land per cap-

ita average for the overwhelming majority of the nations of the world. It is obvious that Egypt's population cannot be supported on two-tenths of an acre per person. Thus the need for net imports of 2.9 million metric tons of cereal grains—1974.

Thirty years ago, with a population of approximately 20 million people, Egypt imported only half a million metric tons of grain. Her rice, cotton, and onion exports—her major agricultural products—amounted to $582 million.

But today, her cereal grain net imports have increased fivefold to almost 3 million metric tons annually and her exports of agricultural products have grown to $743 million annually. But this increase has not been nearly enough to pay for the food and fuel needed to support an additional 20 million people.

If the present rate of population growth continues, Egypt's 39 million people will have become 78 million in about 30 years. Instead of having 0.2 of an acre of arable land to support each of its citizens, it will have 0.1 of an acre—if desertification and salination do not further reduce the small amount of land they now have.

Thirty years ago, Egypt could not support its population on four times that amount of land. How can it do so with one-quarter that amount of land in the future? They will have to import, at a minimum, twice as much food as they do today. With a growing world population and with no prospect of a dramatic increase in the world's food reserves, food prices can be expected to rise dramatically—exactly the problem that caused the Egyptian food riots and economic problems currently in the news.

Mr. Speaker, we must ask now, where will all this food come from? Perhaps we will be willing to keep assisting them, but the bill will get stiffer each year and the problem will keep getting worse. When we can no longer maintain this aid, what happens to Egypt then?

There are many who have suggested that Egypt attempt to increase the yields on its available farmland. This is certainly supportable. But today, there are only a few nations—primarily in Europe—with substantially higher yields per acre for cereal grains. These nations grow about 25 percent more grain per acre.

If Egypt grew grain at the same rate as the Netherlands, for example, she would produce about 20 percent more food than she currently does, or close to a total of 10 million metric tons a year. This would not even eliminate the need for current food imports while dramatically increasing the need for fertilizer and other expensive agricultural inputs.

In short, Mr. Speaker, unless Egypt deals with the problem of its exploding population, no amount of economic, food, or technical assistance will ultimately help her. If we in this country and the Congress truly want to help her, and I think we do, should we not admit to ourselves and indicate to the Government of Egypt that her real problem is population growth? The facts indicate that this is her problem.

OUR NATION'S TRANSPORTATION SYSTEM

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. WRIGHT. Mr. Speaker, I have just read and wish to share with my colleagues an address by Archie L. Wilson, president of Dixie Carriers, Inc., of Houston, Tex.

Mr. Wilson's firm is one of the leaders in water transportation along the gulf coast. As such he is part of an industry which contributes greatly to the prosperity of the region.

What impresses me about Mr. Wilson's remarks is his call for a balanced transportation system involving all modes of transportation. He says:

Standing back from it all, I think the proper tests to be applied are really two: is the transportation system going to have the capacity to handle the business as the economy grows? Will the most efficient means of transportation be available to you? It's no use saying to an industry that needs a pipeline that there are plenty of trucks, or to a man who needs a railroad that there are plenty of pipelines, or to a man who needs a barge line that there are plenty of railroads. All modes are needed, particularly modes that compete with each other because competition is the most effective way of assuring maximum efficiency on the part of everyone.

Mr. Wilson addressed the Rotary Club of Beaumont, Tex., on January 12, 1977, calling on the business leaders of the community to take a much more active interest in transportation issues. He said:

As your Congressman, Jack Brooks, is never tired of reminding us, Rotterdam in the Netherlands dramatically expanded its role in the refining and chemical manufacturing business for Europe because it was the first to build a port capable of handling the supertankers. It began on its port in the 1950's—its new and deeper channel had to be dug out of sight of land into the North Sea. The economic benefits of that foresight were enormous.

Mr. Speaker, I insert the text of Mr. Wilson's speech in the RECORD at this point:

TRANSPORT EFFICIENCY AND FUTURE ECONOMIC GROWTH ON THE GULF COAST

(By Archie L. Wilson)

I appreciate the opportunity of coming over to Beaumont and once again visiting with the Rotary Club. As Peter Wells stated, I was a member of this club for many years and it was one of the most enjoyable relationships that I have ever experienced. I am somewhat at a disadvantage because I have known most of you for many years and you have already heard all of my stories and jokes. So I cannot follow my usual custom of opening my talk with humorous stories. I can say to you this, however, that Beaumont is one of my very favorite places. My family and I were very happy here and often talk about the quality of the people who live in Beaumont.

My main purpose today will be to give to the Rotary Club what I hope will be food for thought on a subject I believe most people take too much for granted, particularly here on the Gulf Coast.

That subject is transportation.

We've had the best of all possible worlds here in the Gulf region: efficient pipelines, competitive barge service, excellent ocean service, competitive trucking, and a half a dozen good railroads.

The Gulf region measures its freight in hundreds of millions of tons. Its chief product is bulk—bulk petroleum and petroleum products, chemicals, grain, iron ore, and then, in Beaumont alone, thousands of tons of steel and scrap.

I looked at the port figures for Beaumont the other day. Waterborne commerce hasn't changed much in the past 10 years—30 to 32,000,000 tons is about it. But changes are on the way. New pipelines, expanded barge service, the impact of the ultra-large tankers at the Seadock facility off Freeport, possible negative changes and possible positive changes in government policy on transportation, and, finally, improvement of the Gulf Canal. In many of these transport changes Beaumont and the Golden Triangle of Beaumont, Port Arthur and Orange could be left behind, by-passed. On the other hand, the opportunities provided by change could have a highly favorable effect on the local economy. That the situation will remain unchanged in the future is unlikely, at least I think so.

And so I would like to suggest that the business leaders of this community begin to take a much more active interest in transportation issues. As your Congressman, Jack Brooks, is never tired of reminding us, Rotterdam in the Netherlands dramatically expanded its role in the refining and chemical manufacturing business for Europe because it was the first to build a port capable of handling the supertankers. It began on its port in the 1950's—its new and deeper channel had to be dug out of sight of land into the North Sea. The economic benefits of that foresight were enormous.

The barge industry is not one of the nation's giants by any means, but our organization, the Water Transport Association, had an idea in the early 1970's which still makes a lot of sense. Transportation, we said, was so crucial to the well-being of the economy that all the different modes should unite behind a common program to develop overall improvement of the efficiency of transportation as a system. Weakness in any part of the system was of great concern to everyone making up the rest of the system. At the time this program—one aspect of which was the Surface Transportation Act—consisted mainly of aid to faltering railroads. The Surface Transportation Act was supported by the Association of American Railroads, Water Transport Association, and the American Trucking Associations. All modes subscribed to the overall goal of improving national transport efficiency. We all knew that providing needed aid to railroads would result in the development of more efficient railroads and that improved rail efficiency would have a competitive impact on barge lines and trucks, but we believed, and we still believe, that improved efficiency in transport is an over-riding national goal worth pursuing, let the chips fall where they may. Improved efficiency and reduced costs benefit the customers and the consumers we all serve, strengthens the economy and therefore, in the long run, is good for everybody.

A lot of progress was made under that philosophy. Programs that at other times might have foundered in controversy passed without dissent. There are many who believe that the railroads would not have been able to achieve their $6.4 billion aid program early last year without that climate of intermodal cooperation. Time and again the Congressional leaders promoting the program were able to say that there was no opposition from other modes of transportation to the multi-billions in rail aid.

When we come to water transportation,

what we're talking about is taking advantage of the fundamental laws of physics that really can't be denied. A ton of freight transported on water requires less effort and less energy than a ton of freight transported on land. The nation has developed as a permanent asset some 25,000 miles of domestic waterways which today carry about 17 per cent of the intercity freight, counting the Great Lakes.

We are naturally most concerned in our area with navigation on the Mississippi-Gulf Canal system because it has had such a profound effect on improving the standard of living, the quality of life, and the efficiency of production and distribution in the midcontinent region. But we should not forget that navigation is only one part of a multifaceted program for assuring adequate water supplies for the southwest, cheap hydroelectric power for the northwest, controlling floods all over the country, as well as satisfying other important national objectives, including improving the quality of the environment.

After all, there is no more water available on our continent today than there was when the Indians were here all alone. Without proper management of our water resources, we simply could not sustain the present population or the present level of economic activity. Water resource management cuts across so many crucial national interests that the federal government is made responsible for developing and carrying out effective programs.

These are all positive programs, looking toward balanced development of the economy. The issue that needs your attention today is a new negativism on transportation that seems to have gained a foothold in recent months.

Now that large amounts of federal aids to railroads have been enacted, the railroad attitude to other modes has changed. They are saying that the efficiency of their competition must be held down.

They are opposing slurry pipelines for coal. The coal industry tells us that there is more than enough western coal for the railroads to handle, more in fact than they will be able to handle. At the same time, the advocates of slurry pipelines say that a pipeline can transport some of the western coal more efficiently than railroads. Instead of allowing the market place to settle that argument, the railroads are opposing eminent domain for the pipelines and preventing any market place test.

Similarly they are opposing more efficient sizes and weights for trucks. And they are opposing navigation projects—except, of course, the ones they need at seaports. They've succeeded, by a spoiling suit, for example, in stopping the reconstruction and modernization of a much-needed new Lock and Dam 26 at Alton, Illinois. If this type of thinking is allowed to prevail, any improvement in the locks and flood gates in the Gulf Intracoastal Canal can be stopped. This could and would drastically affect the economy of the Golden Triangle.

Railroads are also the leading advocates of imposing a special tax on shallow draft navigation to get the barge costs up.

One effect of such increased costs might be to divert present barge traffic to pipelines or railroads. But there is also another dimension which the railroads themselves have candidly announced. There's a lot of profitable traffic which moves on railroads at so-called water competitive rates. Congress has been told in rail testimony that rail freight rates are "lower than they would otherwise be" because of barge competition by $500,000,000 to $750,000,000 a year. If barge rates could be pushed up by imposing a tax, rail rates on the water-competitive traffic—traffic which remains on the railroads, such as wheat brought by rail to Beaumont at good profits to the rails—would go up.

You can see right away these are important issues. Unfortunately they haven't had the attention they deserve. I am urging that you acquaint yourself with the arguments because the future participation of Beaumont in the production, handling, and distribution of the dry and liquid bulk business of the Gulf Coast is very much at stake if the wrong answers emerge from the controversy.

Standing back from it all, I think the proper tests to be applied are really two: is the transportation system going to have the capacity to handle the business as the economy grows? Will the most efficient means of transportation be available to you? It's no use saying to an industry that needs a pipeline that there are plenty of trucks, or to a man who needs a railroad that there are plenty of pipelines, or to a man who needs a barge line that there are plenty of railroads. All modes are needed, particularly modes that compete with each other because competition is the most effective way of assuring maximum efficiency on the part of everyone.

Let me give you some thoughts on the user tax which the railroads would like to see the barge lines and their customers—many of you in this room—pay.

Exponents of waterway user taxes rely on two arguments. They say first that the use of federal funds for navigation improvement adversely affects water competitors and distorts the competitive relationship. Our competitors put it bluntly: it's subsidized competition and therefore unfair.

Any proper analysis of that argument of course would require a full accounting of the use of federal funds for all modes. Indeed, we favor the development of a combined transport account in the Government so that information on aids to all modes will be available in one place. This is not easy to do because one can't just compare the federal outlays. Indirect, as well as direct, aids must be included. We in WTA know something about these indirect aids to railroads because we have been active in supporting many of them over the past decade. They include hundreds of millions in tax incentives. They include relief from hundreds of millions in special burdens whether it is passenger service, railroad retirement expenses, or discriminatory local taxation. They include grants, loans and loan guarantees. The very substantial commitment to the use of federal funds contained in the $6.4 billion rail aid act passed last year is an example.

Federal investment in shallow draft navigation has amounted to about $4.5 to $5 billion since 1824 and currently runs about $400,000,000 a year. A cursory examination of rail aid shows it to be far and away in excess of navigation investment.

So the complaint of subsidized competition, "the railroads pay for their right of way, the barge lines are free-loaders" really doesn't stand analysis. The railroads do own their right of way, but they get billions of dollars of federal aid in other ways. If all the direct and indirect federal benefits to railroads were placed alongside the aids to navigation, and were added up, one would find that the water carriers are behind, not ahead. A tax on navigation would therefore create or aggravate an inequity to water carriers.

The other reason given for imposing a tax on waterways is that there is said to be a national policy which requires that all federal outlays must be recovered. But when one comes to analyze that proposition, one finds that isn't so either. Some federal outlays are recovered; some are not. The Congressional policy is that where the benefits of the federal investment are widely diffused through the economy the costs are not recovered. If everyone benefits, then everyone should pay, is the way it is expressed. Navigation savings are very widely diffused. They include everyone who pays a light bill in the river valleys, all the farmers, and so on.

You haven't had to think about such issues as these in many years. But it is very much to your interest to look at them now.

Let me give you a very concrete issue involving the future of the Golden Triangle. This area, along with all other commercial ports on the Gulf Coast, was given a major economic stimulus by the construction of the Gulf Intracoastal Waterway. Growth of course benefited the railroads among other economic interests. The waterway has resulted in $27 in transport savings for every $1 of investment in construction and maintenance.

For nearly 20 years a program to modernize the canal has been hanging fire. The benefits of modernization of course would far outweigh the costs.

The present canal is too narrow and too shallow. Whereas on the Mississippi River, towboats of 11,000 horsepower push barge tows of up to 40,000 tons, here on the canal the biggest tow is a string of four or five barges, one ahead of the other and the biggest boat is 1,000 to 1,200 horsepower.

Widening the channel to 200 feet would permit tows of ten barges, more than double the present capacity.

The net result of this would be a reduction in costs of something like thirty per cent, an improvement in efficiency well worth achieving in an inflationary world and one that would be particularly helpful to Beaumont.

I have recently made proposals to some of the oil companies participating in Seadock for barging petroleum from Freeport to the Golden Triangle at costs which we feel would be less than the cost of expanding and operating new pipelines, using current technology, and current widths and depths. Improvement of the canal would of course make the barging proposal for supplementing pipelines even more attractive.

But there is a powerful move afoot to frustrate improved efficiency in transportation by water, highway, and pipeline. In the coming months, these questions could be answered unfavorably for the Gulf Coast.

The sound standard to which all reasonable men can repair is one that promotes both adequacy of transport capacity by all modes for the future and optimum efficiency. The right answers are not all that difficult to find; but nothing will more surely guarantee the wrong answers than a policy of neglect. So my message to you today as business leaders in Beaumont is to become involved in understanding the issues and then, through all your various organizations, become involved in acting vigorously in Beaumont's best economic interests.

FAST ROUTE TO NEW JOBS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HAWKINS. Mr. Speaker, on February 8, 1977, the Subcommittee on Employment Opportunities will commence hearings on the comprehensive employment and economic proposals of the President and Members of Congress.

A timely and incisive article by Tom Wicker appeared in the New York Times on Sunday, February 6, 1977, which states the case for increasing the amount of Public Service jobs created under the President's economic stimulus proposals. I would therefore like to share this article with my colleagues.

[From the New York Times, Feb. 6, 1977]

FAST ROUTE TO NEW JOBS

(By Tom Wicker)

Chairman Robert N. Giaimo of the House Budget Committee says there's a "broad consensus" within the committee and the Dem-

ocratic leadership for expanding President Carter's public works program from $1.8 to $3.5 billion this year. The aim is to create more jobs than the Carter economic stimulus proposals would.

Jobs developed through public works projects, however, are costly, in that they also require heavy machinery and building materials and the like. Public works projects take time to get under way although Mr. Giaimo argued that $24 billion worth of approved projects are "sitting on the shelf" awaiting funding.

Congress has insisted, moreover, that public works appropriations be allocated 70 percent to areas with above-average unemployment and 30 percent to areas with below-average unemployment—and this pork-barrel procedure means nearly a third of the money has to go to areas least affected by unemployment.

Taking all that into account, the Carter Administration did not rely too heavily on public works—under Secretary of Commerce Juanita Kreps—for its job creation proposals. Instead, Secretary of Labor Ray Marshall is busily developing a public service jobs program that he and the Administration believe has at least the following advantages over public works:

Public service jobs cost less, because heavy equipment and the like is often not needed.

The jobless can be swiftly put to work on directly targeted projects like national park maintenance.

Other government costs, notably welfare and unemployment compensation can be quickly reduced and income tax revenue enlarged, as the jobless go on public payrolls.

Turning the jobless quickly into consumers has further stimulating impact throughout the economy.

Mr. Marshall originally had hoped for an even bigger public-service jobs program than the Carter proposals permit. Nevertheless, he is planning now to double the existing annual rate of public service employment in only six months—thus quadrupling the program, with further increases next year.

Mr. Marshall is insisting, however, that "we put people to work doing useful things" and that the job training programs he is also expanding "make a better worker." Particularly in the case of young people, he says, giving them "useless work" to do or meaningless training for jobs that don't really exist says to them that they, too, are useless—which all too many of the poor and disadvantaged believe of themselves anyway.

Besides, Mr. Marshall knows, taxpayers must not be given the idea that public service jobs are make-work, or that the Administration is merely "throwing money" at unemployment or conducting income-maintenance programs. That impression, he says, has unfairly discredited many programs of the 1960's, when "the overwhelming evidence is that they helped the people who went into them." Criticism of a 30 percent drop-out rate for the Job Corps, in his view, might more realistically be praise for a 70 percent completion rate.

To the extent possible, Mr. Marshall also intends to keep public service employment concentrated in areas that "relate to other national goals." He is getting a house-weatherizing program under way, for example, as well as national parks and forests maintenance projects, and hopes soon to have units at work on deteriorating railway roadbeds.

The economist Gar Alorovitz has pointed out that 150,000 nurses' aides are needed to lift the lowest-standard hospitals to the national average, and that 500,000 teacher aides would be required just to get national teacher-pupil ratios back to pre-Nixon Administration levels. As Hubert Humphrey put it more than a year ago.

"This country is desperately short on goods and services of the most basic nature. How ironic, how tragic it is that there are millions of idle people on the one hand and so much undone work on the other."

Measured against that gap, the Carter stimulus proposals are limited indeed—with just about a third of the impact, Mr. Alperovitz estimates, of the Johnson Administration's 1965 stimulus, when unemployment was only 4.5 percent instead of today's 7.3 percent. Ray Marshall also said at his confirmation hearings that he had hoped for a bigger stimulus, and one more concentrated on job creation than tax cuts and rebates.

He is an economist who refuses to be spooked by the specter of inflation. "With so much slack in the system," he said the other day, the nation could move vigorously to turn the non-productive jobless into productive workers.

"Don't forget," he added, "if they're consuming but not producing, unemployment is inflation."

TRAILS WEST NATIONAL HISTORICAL PARK

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mrs. SMITH of Nebraska. Mr. Speaker, I have submitted H.R. 1782 to authorize the Secretary of the Interior to establish the Trails West National Historical Park in the States of Nebraska and Wyoming. In view of our renewed commitment to recreation lands, it would be fitting for Congress to authorize the preservation of these unique historical landmarks within the National Park System—an action which has received wide support from my fellow colleagues as well. This proposal would link Ash Hollow State Historical Park, Courthouse and Jail Rocks, Mud Springs Pony Express Station, Chimney Rock National Historic Site, Scott Bluff National Monument, and Fort Laramie National Historic Site to form the Trails West Park. I hasten to add that this park would be very inexpensive since most of the above sites are either present Government property or would be donated by the State.

The milestones of the old Oregon and Mormon trails which comprise this proposal deserve to be preserved and interpreted as a national park because they embody a unique combination of two of the major thematic guidelines developed by the Department of the Interior's National Park Service for preservation of historic areas. First, these natural wonders belonged to the hunting grounds of the original inhabitants of this continent and were the focal point of many of their legends long before the initial explorers ventured into this area. Second, fur traders, gold seekers, and settlers alike poured past these landmarks on the Oregon and Mormon trails to make westward expansion and "manifest destiny" a reality.

It is furthermore noteworthy that the National Park Service major thematic facets relating to the Mormon trail, trappers, and mountainman exploration, fur trade of the 1824 to 1839 era, and the open range cattle industry are not presently represented in the National Park System at all. This indicates the region's national importance and argues strongly for making the area a national park.

Local efforts to muster national attention for the historic resources of the North Platte Valley began years before President Woodrow Wilson signed the proclamation to establish Scotts Bluff National Monument on December 12, 1919. Fort Laramie still sheltered troops in 1890, but later the State of Wyoming obtained title to the property and in 1938 it was transferred to the National Park Service. It has since been honored as a National Historic Site. In 1953 the Secretary of Interior's Advisory Board on National Parks, Historic Sites, Buildings, and Monuments recognized the national historical significance of Chimney Rock and recommended some action to perpetuate its historical values. It has since been designated as a National Historic Site. In 1960 the Advisory Board recommended that Ash Hollow be studied to ascertain its merit for classification with other points of exceptional value. Four years later in 1964, the Advisory Board concurred in the National Park Service recommendation of Registered National Historic Landmark status. I hope now that Congress will act promptly to authorize the Secretary of Interior to acquire and develop the necessary lands, most of which are already government property or will be donated by the State at no cost to the taxpayers.

The North Platte Valley, in which these historical sites and resources lie, has been a human migration corridor for centuries. Various Indian tribes struggled for control of this natural thoroughfare before King Richard let his English crusaders into the Holy Land. Among the first white men to disturb this ancient Indian hunting ground was Robert Stuart who marveled at these same wonders on his way to John Jacob Astor's fur trading post in Oregon. Thirty years later in 1843 the vanguard of a vast pioneer army passed through the valley, soon to be known as the major route of emigrants bound for Oregon or central California. Their course was determined by two objectives: Fort Laramine, which offered supplies and protection, and South Pass, the lowest and broadest break in the Continental Divide.

Four years later Brigham Young led his followers up the valley on the north side of the Platte River. This heroic group had 500 of their most able men drafted for a lengthy march into the Mexican War just weeks before the main camp departed west, but that did not delay their departure. Thousands would follow these forerunners on both the Oregon and Mormon trails, particularly during the California gold rush when over 150,000 adventurers pushed through the valley within 2 years.

Ash Hollow was one of the significant landmarks which characterizes the courage of our westward-bound forefathers. The monotonous miles of prairie expanse were first interrupted by this deep canyon through which the Oregon trail descended in a series of steep and dangerous grades from the plateau to the river bed. Even today a marker indicates where ropes were used to ease wagons down abrupt Windlass Hill. Old diaries

often mention the casualties to men, beasts, and equipment suffered in the descent. An English traveler making the voyage in 1849 reported that riders dismounted, wagon wheels were locked, and the conestogas steadied with ropes. Despite all the precautions, he noted, two mules were killed by a break-away wagon.

In addition to such hazards, there was always the danger of Indian ambush in the narrow ravine. On a grassy slope near the mouth of the hollow are a number of pioneer graves, among them Racheal Patterson, a young girl who was shot by Indians on the path to the spring in 1849.

Ash Hollow was a popular Indian hunting area. And in 1835 it was the scene of a day-long battle between the Pawnee and the Sioux. After all arrows and bullets were spent the two fierce tribes struggled at knifepoint until the Pawnees finally retreated back down the Platte. Twenty years later and a few miles further up the Platte, battle cries were again heard. But this time it was Gen. W. S. Harney leading his cavalry against a band of Sioux who would not respect the relentless march of the pioneers.

Following the Oregon Trail upstream along Highway 26, one passes the grave of Amanda Laman who died of cholera on June 23, 1850. Her husband left his company to return to St. Louis for a gravestone, and he returned with it as a member of a later train.

The next milestone for the westward travelers was Courthouse and Jail Rocks. According to one account, this massive formation of twin cliffs was named by early pioneers from St. Louis who thought it resembled their country buildings. A nearby cliff of the same formation had the words "Post Office" etched on it, and travelers often deposited letters in boxes hewn in the soft stone base hoping that an east-bound trapper would convey them back to civilization.

Mud Springs Pony Express Station, situated a few miles southeast of Courthouse Rock, is not precisely on the route of the trails west, but as a home station for the famed Pony Express riders, it had a major influence on the area. This situation linked Julesburg on the South Platte River with Courthouse Rock's Station.

Chimney Rock was probably the most famous landmark on the trail. It was within view to 19th century voyagers for several days and was a natural wonder for the more than a quarter million emigrants who paused at the base of that milestone. From the center of an eroded plateau, a narrow shaft of stone juts upward approximately 150 feet. Its name was attached by Joshua Pitcher in 1827. The Indians, however, called it "wigwam." This column of stone was the subject of more mentions in pioneer journals than any other point on the overland migration route.

Scotts Bluff was the first butte of dominating height to prophesy of the rugged highlands ahead. Many climbed to the summit to view the great trails 800 feet below. This massive promontory, named for Hugh Scott, a fur trapper who died in the vicinity around 1828, was noted by the earliest tribes whose records have been preserved. To these Indians, Scotts Bluff was Me-a-pa-te or "the-hill-that-is-hard-to-go-around." This area was a particularly choice hunting ground of the Sioux, Cheyenne, and Arapaho, for here vast herds of buffalo came to water. In 1860–61 Pony Express riders galloped through Mitchell Pass. And they were followed shortly by the first transcontinental telegraph. The Overland Mail, Pony Express, Pacific Telegraph, and Overland Stage all built stations near the cliff.

In the late 1870's and 1880's Scotts Bluff was the geographical center of the open-range cattle industry, the last great romantic episode of the frontier. With the arrival of the first homesteaders in 1885, the frontier disappeared and the bluff joined the other landmarks as symbols of the Nation's past.

Fort Laramie has earned its place in our national heritage as well. Two experienced fur traders, William Sublette and Robert Campbell, built the first fort on the Laramie River in 1834. The owners called it William after the senior partner, but it was known to most as "Laramie" after the nearby river, named for a French-Canadian trapper, Jacques La Ramee, killed by Indians on its banks in 1821. The outpost quickly became one of the major trading centers of the Rockies.

Fort Laramie was the most important stop on the westward trek. The plains lay behind; the mountains loomed ahead. Defective wagon parts had to be repaired or replaced, and depleted stores replenished here. Often overanxious travelers would leave the fort too late in the fall only to be trapped by an early snow in one of the mountain passes. Two Mormon handcart companies met this fate in 1856, and one in every four perished before relief arrived.

Besides its role in the westward emigration, the fort was also a key military post. On June 26, 1949, the Army purchased the fort for $4,000. Almost immediately other buildings were erected until Fort Laramie became a sprawling military base—too large to be walled in but strong enough to deter Indian attack.

In 1854 the fort's commander insisted upon the surrender of an Indian accused of stealing a traveler's cow, and sent Lieutenant Grattan with 30 men to enforce his demand. The demand was refused and a dispute followed. In the ensuing engagement Grattan and his entire detachment were killed. This incident marked the beginning of Indian wars which would rage for over 35 years.

It is clear that this area merits the recognition this bill would provide, but I would like to reemphasize one practical matter to which I alluded earlier—the relative inexpense of this proposal. Scotts Bluff National Monument and Fort Laramie National Historic Site are already fully Government owned and have been substantially developed for visitor enjoyment. Ash Hollow, Chimney Rock, and much of the Mud Springs Station are State property and would be donated to the Federal Government. Even those few places, amounting to less than 2,000 acres, where acquisition would be necessary are not expensive irrigation land. This means, Mr. Speaker, that for a very modest cost these areas can be acquired and developed as a national historical park. Preservation of these landmarks would be very successful because they are substantially unmarred, except by time. Appropriate interpretation of these great natural and historic monuments would be an extremely worthwhile addition to our Nation's cultural heritage. Accordingly, I urge the Congress to act promptly on this legislation.

LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT ACT

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. MILFORD. Mr. Speaker, the Committee on Public Works and Transportation has just finished its work on H.R. 11, legislation to extend the Local Public Works Capital Development and Investment Act. During hearings on this bill, many witnesses testified before the Economic Development Subcommittee particularly concerning the inequities which existed in the formula used to distribute funds.

At this time, I would like to place in the RECORD the testimony of the Honorable Roy Orr, county commissioner of Dallas County, regarding the situation of Dallas County relevant to this bill.

TESTIMONY PRESENTED TO THE UNITED STATES HOUSE OF REPRESENTATIVES PUBLIC WORKS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT BY DALLAS COUNTY COMMISSIONER ROY ORR

Mr. Chairman, it is an honor and a privilege to present testimony on a very important subject—the Local Public Works Capital Development and Investment Program of 1976.

First, let me state that I believe in the concept of the Local Public Works Act. This type of economic stimulus program not only provides short-term employment opportunities for individuals currently unemployed but also provides the long-term benefit of construction of needed public facilities for local communities. Furthermore, we should realize that not only economically depressed areas of our nation should be provided with economic stimuli and the benefit of long-term economic planning, but other areas experiencing economic growth should also be provided with selective stimulas and equal planning assistance, if the nation as a whole is to grow and prosper.

It is my intention to note some of the problems that the County of Dallas encountered with the 1976 Local Public Works Act, no doubt our experience is similar to that of many other major urban areas throughout the country.

In November of 1976, the County of Dallas prepared and submitted nine applications for funding under the Local Public Works Employment Act. The requested funding represented not only a new and expanded employment opportunity for numerous unemployed workers residing in the County of Dallas, but also financial support for the construction of needed public facilities. Our projects involved the construction of needed bridges on major thoroughfares within Dallas County.

The existing structures, due to their de-

teriorated conditions, are significantly restricting economic development in these respective areas. The County of Dallas received notification that none of the nine projects submitted for consideration were funded, primarily because of the County's low rate of unemployment and comparatively high per capita income. We had difficulty competing with other areas of smaller size due to the per capita income criteria and larger areas which had more intense concentrations of unemployment. As previously indicated, that low rate of unemployment, now hovering at 4% (almost 20% in the construction trades)—as a function of the size of the County of Dallas—represents almost 25,000 individuals in the County of Dallas who consider themselves to be a part of the work force and are currently out of a job. Our concern is I am sure shared by other urban counties that did not receive project funding under Title I. Because unemployment tends to concentrate itself in urban areas, some adjustment to the way funds are distributed inside the state should be developed. In Texas, 40% of the state's unemployed work force is located in six major urban areas—only 24% of the state's 55 million dollars in funding under Title I was spent in four of those areas.

There are many ways to revise the funding mechanism. I would encourage your consideration of alternatives which would equitably address the unemployment needs of all jurisdictions and certainly those areas that have a low rate of unemployment, but because of their size, have relatively large numbers of unemployed.

We would also recommend that you eliminate any consideration of per capita income from the funding mechanism, and also implement a requirement that any jurisdiction submitting applications for project funding under this Act be required to use only unemployment data from their jurisdiction as a basis for the submission of their application. This would minimize the possibility of an urban area being deprived of funding, as a result of having affluent residents within its jurisdiction.

More importantly, I am suggesting that when additional Title I funds are appropriated, that applicants which were denied funding are considered prior to submission of new applications. In view of the $24 billion in grant requests received by the Commerce Department, I believe it is appropriate to fund those units of government which already exerted considerable time and resources in developing their applications.

Another matter of very grave concern to us in Dallas—and in the State of Texas—is the distribution pattern of the 2 billion dollar appropriation between the states. As you will recall, the Economic Development Administration allocated the appropriation among the states in the following manner:

70% of the appropriation or almost 1.3 billion dollars was distributed to states based upon the state's share of the total national unemployed population;

The remaining 30% of the appropriation was distributed among the states based on the severity of unemployment—rate of unemployment and this is the portion of the mechanism which is the greatest cause for concern to us in Texas.

The result of this financing scheme was most inequitable, Texas, received only $55 million. The total when compared on a statewide unemployed per capita basis to other states dramatically demonstrates the disparity in funding. On an unemployed per capita basis, Texas received $190 per unemployed person, while New Jersey received $391, New York $365, Michigan $459 and California $293. Florida which has an unemployed population of 319,000 people received 136 million dollars while Texas, which has 292,000 persons unemployed, barely 27,000 fewer than Florida, received only 55 million dollars. This funding pattern is, in basic fact, inequitable and suggests that there is some difference, some disparity or circumstance, to being unemployed in Florida rather than Texas. It is our contention that this mechanism used to distribute funds among the states be revised to distribute funds in a more even and equitable manner.

I am, therefore, recommending that each state receive a proportion of the final appropriation for this program based only on its numerical share of the total national unemployed work force.

I believe that adjustments to the funding mechanism for Public Works Projects could result in a more equitable and even distribution of project funds and would allow major urban areas, rural areas and suburban communities a fair opportunity to meet the objectives of the Act:

1. By providing jobs for people currently unemployed

2. Financially supporting the construction of facilities which will have a lasting community-wide benefit.

Please accept my gratitude for this opportunity to present these observations regarding the Local Public Works Act. We, in Dallas County are interested in responding to the needs of those 25,000 people in our County who are unemployed and feel quite strongly that our County and its citizens should not be penalized simply because our community-wide rate of income is relatively high.

CODE OF ETHICS NEEDED BEFORE PAY RAISE

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HARRIS. Mr. Speaker, I would like to share with my colleagues in the House a February 10 editorial from the Washington Star in which the newspaper endorses my bill, H.R. 2991, to postpone any pay raise until new ethics requirements are in place.

Nineteen Members have joined me as cosponsors of this legislation, a bill which carries out the call of the December 1976 Commission on Executive, Legislative, and Judicial Salaries that Congress move quickly to enact a strong, new ethics code.

The Obey Commission has now completed its work and made its recommendations to the House. The "pay raise" deadline is February 20. Time is short, but sufficient time remains to show the American people we are serious about ethics reform, that we believe our first priority is tough, new standards of conduct—not salaries.

I hope other Members will join me in putting ethics first.

The Washington Star editorial follows:

HOLD THEIR FEET TO THE FIRE

Once members of Congress get a pay raise, how much incentive will there be to adopt a strict code of ethics? Rep. Herbert Harris of Northern Virginia's 8th district apparently doesn't think there will be much, and he may be right.

A special House task force has recommended a stiff ethics code but its adoption seems unlikely before the big pay hike for congressmen and other top federal servants is scheduled to go into effect February 20. Even when, and if, it is adopted, the effective date of several provisions may be delayed; the task force has recommended, for example, that a proposed restriction on outside income be put off until the 96th Congress takes office in 1978.

A special committee of the Senate also is working on an ethics code but there doesn't seem to be a big hurry on that side of the Capitol to get it on the books.

Mr. Harris has proposed holding Congress' feet to the fire by freezing salaries of congressmen, federal judges and federal appointees until comprehensive ethics standards are established. His legislation, introduced Monday, would allow pay raises for upper echelon Civil Service employes to go into effect as scheduled.

There's a good deal to commend Mr. Harris's approach. The presidential commission that recommended the pay raises, while it didn't precisely say that adoption of an ethics code and approval of the pay raises should be done at the same time, called a code of conduct for legislative, executive and judicial officials an "indispensable prelude to a popular acceptance of a general (pay) increase."

There's also logic in Mr. Harris's contention that freezing congressional salaries would hasten the adoption of ethics standards.

Furthermore, the exemption of Civil Service employees from the freeze would take care of the most critical pay need. Some 20,000 career employees in the top four Civil Service grades, who have had only a 5 per cent increase in eight years, would receive substantial salary increases.

There has been no great rush to support Mr. Harris's bill and probably won't be. But if nothing else, perhaps it will be at least a small spur toward enactment of ethics standards.

A second feature of Mr. Harris's bill also deserves attention. It would repeal the congressional action of 1975 that gives members of Congress automatic increases when Civil Service pay scales are increased under the "comparability" process designed to keep the pay of rank-and-file federal employes on a par with salaries in private business. We agree with Mr. Harris that it is "wrong to politicize the pay of rank-and-file, career federal employes."

Congressional pay should be in a category by itself. Members of the House and Senate should be required to vote proposed increases for themselves up or down; the decisions, which must take into account considerations affecting their political careers, should not affect the fortunes of other federal servants.

SMALL RAILROAD OPERATORS

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. McDADE. Mr. Speaker, I am presenting for introduction today a bill which will benefit many of America's small railroad operators who began operation after conveyance of the bankrupt railroad's property to ConRail. After extensive deliberation, the Congress created a number of legislative solutions to improve rail transportation in America. Unfortunately, due to a number of unforeseen circumstances, the beneficiaries of this legislation have not been able to utilize the benefits intended for them.

The small subsidized line operators, who operate the branch lines which Con-

Rail chose to avoid, were to be provided with a full subsidy for the special costs demanded by ConRail to serve the small branches. Understandably, due to the great administrative tangles which faced ConRail after conveyance day, only the first 3 months of ConRail billing has been forwarded to the States which send these bills to the branch line operators. This requires that the subsidized operator must make decisions on continued future operation without the adequate data Congress intended them to have. The result might be extremely burdensome. The Congress intended to provide small operators with a 100-percent subsidy for 1 year during which all cost data would be made available. The operator would then have sufficient information upon which to base a future shipping decision; that is, rail versus motor freight. Unfortunately, this cannot occur. Consequently, this bill will extend 100 percent funding for 1 more year so that the intent of Congress can be fulfilled.

Additionally, Mr. Speaker, my bill extends for 1 year the Federal subsidy for branch line rehabilitation. As with the operation subsidy, federally financed rail repair cannot be undertaken as Congress intended.

During the summer of 1976, the small branch operators were scrambling to organize, develop financing, and receive operating agreements. Not until the autumn of 1976 were they in a position to request and receive professional information on track rehabilitation. This information could not be acted upon until winter months, and consequently, very few repairs were accomplished.

Coincidental to the application for Federal repair funds from the operators through the States, the Federal Railroad Administration, by counsels' opinion, decided only to fund repair work already completed as differentiated from repair work obligated. Because the vast majority of rehabilitation work remained uncompleted, very little will qualify for the full Federal subsidy. This problem is further compounded by the failure of the FRA to approve the State rail plans which are required before subsidy for any purpose—either operation or repair—may be obtained. Congress did not intend this result. Many miles of track may well remain rated at only 10 miles per hour or less: Exactly the problem that has made rail transportation noncompetitive. Unfortunately, these small operators do not have the financial resources to tackle this rehabilitation project and cannot develop either the debt or equity funding necessary. The moneys intended for this project remain unused and, but for the passage of this bill, are likely to be woefully underutilized.

The costs of this extension of 100 percent funding will be at best minimal. The funds appropriated last year for this use are available until expended. This means that no new moneys need be appropriated either for operation or repair subsidies. Rather, they will be utilized as intended by the Congress.

Mr. Speaker, I urge a speedy hearing on this bill. The construction season will soon be upon us. Potential jobs may well be lost if delays occur. Additionally, many small operators may, without this funding, decide that the costs are too high and abandon their efforts to utilize these branch lines that are so essential to our Nation's transportation system. On this matter, we do not enjoy the luxury of delay.

THE ENERGY CRISIS REVISITED

HON. ROBERT (BOB) KRUEGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. KRUEGER. Mr. Speaker, Dr. John J. McKetta recently submitted to an interview by Dresser Industries, Inc., regarding his current views on our Nation's energy crisis. Dr. McKetta was one of the first to call attention to the importance of this issue to our national welfare, and his past observations and criticisms were extremely prophetic. I hope that all my colleagues will read his comments as they ponder the right course for America to take in formulating a national energy policy during this session of the 95th Congress:

THE ENERGY CRISIS REVISITED

Q. Dr. McKetta, for more than a decade you have consistently stated that the United States energy situation was growing progressively worse. Is that still your view?

A. In 1971, I termed the circumstances serious. But we have since passed that point. We are now facing disastrous consequences from our inability to meet our energy needs.

Q. What are our chances of rectifying our energy predicament?

A. Unfortunately, since the gravity of our problem was spotlighted by the Arab oil embargo in 1973, almost everything we have done has tended to worsen the situation. Time is running out on us. Even if we could move tomorrow to develop a workable energy policy and were able to implement it at once, we would still experience at least a deterioration in our standard of living in this country by 1985. If we do not move quickly, the situation will become dire.

Q. Would you please elaborate on what you mean by dire?

A. I mean that we will experience deep and painful disruptions in our whole economy. We will have a severe recession by 1985, brought about by shortages of domestic energy. In fact, unless we move immediately, there will be an energy shortage in the United States that we simply cannot imagine at this time. Most of this is, and will be, caused by the vote consciousness and shortsightedness of our government in energy matters.

If we allow our energy programs to drag on as they are today, I predict the government, by 1985, will have on its payrolls a large number of "regulators" who will appear at our homes to make certain that we maintain low temperatures in the winter and high temperatures in the summer, and that our clothes dryers are permanently disconnected. Air conditioners in automobiles will be banned and we will drive on Saturday and Sunday for emergency purposes only.

I further predict that escalator use will be prohibited, elevator use severely limited, that unemployment will be as high as 14 percent, prime interest rates as high as 15 percent and that we will have the worst recession in the history of the country.

Q. Since the oil embargo, the prices of crude oil have gone up substantially; drilling activity has been increasing steadily and the Federal Power Commission recently set a new price ceiling of $1.42 per thousand cubic feet on new interstate natural gas. Haven't these factors brightened the domestic energy outlook?

A. The $1.42 price level has not been fully resolved. If it were, it would improve to a small degree the economics of gas production. Still, all the factors you cite can do little, if anything, to prevent the disasters we face. The increase in drilling activity has been insignificant when weighed against the problem.

In 1974, the U.S. produced 9 million barrels of oil per day. The figure declined to 8.5 million in 1975, and declined again in 1976, even while demand was rising at higher than expected rates. We aren't gaining in production—we are continuing to lose ground. We aren't moving toward energy self-sufficiency; we are moving farther away from it. Just a few years ago, we were importing about 25 percent of the oil used in this country. In 1976, we imported approximately 45 percent, and the figure is still growing. Our increasing dependence on imported oil brings greater risks of another embargo, and more intimidation in the conduct of our foreign policy. This endangers and jeopardizes our nation.

Since 1956, our total energy demand growth rate has outstripped our total energy production growth rate, causing a disturbingly high growth rate in energy imports.

Q. What about energy sources other than oil and gas? Can we count on them to close the gap between our production and demand?

A. Our projection regarding other U.S. energy sources has declined substantially between 1970 and 1975. In 1970, we estimated that all of our energy sources could provide 95 quadrillion British Thermal Units by 1985. Our 1975 estimates show that we were overly optimistic and now we expect only 62 Q's* from all energy sources by 1985.

While our predictions of oil and gas production by 1985 have been revised downward by 3 Q's, predictions of supplies of other energy sources, such as coal, nuclear, geothermal, solar and synthetics, have been revised downward by almost 30 Q's. The outlook now is that coal will be the only energy source other than oil and gas that can make a significant contribution to our energy supplies over the next ten years.

Nuclear energy, for example, will provide only about 9 Q's by 1985, if all planned nuclear plants are actually built.

At the same time, 1975 predictions of 1985 energy demand have been revised upward from the 1970 estimates. The chart shows the supply and demand estimate made in 1970 and the 1975 revisions through 1985. As may be noted, the gap between the supply and demand estimates widens perilously. What's more, in 1976, it appears that we will not be able to produce even at the low level of the 1975 estimates.

Obviously, we must make every effort to develop all energy sources, but oil, gas and coal are the only ones that can make a significant contribution to our needs in the immediate future, or, at least, the next two decades. We have no choice but to concentrate our efforts on hydrocarbons, especially oil and gas, until other sources of energy are able to share the load—probably around the year 2000.

Q. What are the consequences of our rising energy imports?

A. First, we must conclude that our increasing dependence upon imported oil could result in a profound and dangerous weakness in the U.S. position abroad. Today, for ex-

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* 1 Q equals one quadrillion British Thermal Units. This is the energy in 1 trillion cu. ft. of gas or 46 million tons of coal or 180 million bbls. of oil or 243 million megawatt hours.

ample, we face the dilemma of supporting Israel, with whom we have religious and friendly ties, or supporting the Arab states, whose oil supply is vital to our nation.

Second, there is the specter of economic disaster. In 1976, the U.S. cost of imported energy liquids will be $37 billion. It was only $6 billion in 1973. If we project import trends based on our 1970 production and demand projections, we would need to import 8 billion barrels of oil during the year 2000. The cost of that amount of fuel could be over $200 billion. This is equivalent to 20 million new jobs at $10,000 per person per year. If we use 1975 projections for production and demand, the situation becomes even more disastrous.

We should also keep in mind that our rising bill for energy imports has the same effect as if our tax bill were increasing . . . the result is that industry has less funds to provide new jobs and consumers have less funds available to spend to support employment.

Q. Is our growing dependence on imported oil proof that the United States is running out of oil and gas?

A. No, the tragedy of our problem is that the crisis is developing even though expert scientific studies indicate there are sufficient domestic resources of crude oil and natural gas to last for the foreseeable future, and certainly until other energy sources, such as nuclear power, develop to the point of supplying the greater part of our needs. As of 1975, the U.S. had proved recoverable reserves of about 228 trillion cubic feet of gas and 34 billion barrels of oil. Estimates of undiscovered U.S. recoverable potentials go as high as 750 trillion cubic feet for gas and 104 billion barrels for oil.

Q. You mentioned earlier that in addition to oil and gas, coal must be used more extensively. Why is the use limited now?

A. In 1970 the Mine Safety Act and EPA regulations caused declines in the production and usage of coal. Twenty-two percent of the total mines were closed during 1970–71. Since that time, restrictions on the use of high sulfur coal have decreased usage. Production and usage have risen since 1971, but 1975 levels will have to triple by 1985 if we are to approach self-sufficiency.

Q. What must be done to reverse the energy situation in this country?

A. Simply stated, we must close the gap between supply and demand. More precisely, we must adopt an energy policy that establishes specific objectives and provides the incentives and controls required to achieve them.

Our strategy should be to increase domestic production and reserves of oil and gas over the short term, say to 1990, to gain time for development of our alternate energy resources.

Q. Specifically, what steps should be taken to accomplish this?

A. One of the first steps should be to return to a free market for energy. If we decontrol the price of oil and gas, we will have higher prices. Although basically unpopular higher prices would help correct our energy situation in two ways: first, they would slow demand; second, they would spur domestic exploratory drilling, which would eventually increase both our production and reserves. We know from the experiences of other countries that when gasoline costs more than a dollar a gallon, consumption drops substantially.

Higher prices for oil and gas would also encourage greater recovery of oil and gas from existing wells. Only about 35 percent of known oil deposits is recoverable using present technology. Higher prices would allow technological advances which, in turn, would contribute to improvement in recovery rates of existing oil reserves. Also, there are known natural gas deposits that are not now commercial; higher prices would change the economics, encourage drilling in those fields and help increase our gas production.

In addition, we need to triple the use of coal, because it represents our most abundant and easily accessible source of domestic energy.

Q. Do you have other thoughts about making the problem less severe?

A. In addition to accelerating our production, we need to conserve energy through more efficient use. One area subject to significant improvement is power generation. For example, the conversion of natural gas to electricity results in an energy loss of over 30 percent. Also, we should convert immediately to coal for electrical power generation, especially in states that do not produce large quantities of natural gas.

We should declare a moratorium on automotive catalytic converters and exhaust gas recirculation devices, except in the few cities with special environmental problems, and put lead back into gasoline so that we could return to the more efficient engines for automobiles.

We must become reasonable about environmental demands and establish trade offs between energy development and environmental constraints. We need to review many of the obstructive governmental regulations. We have to take a more rational approach to the prudent use of nuclear energy. Finally, research must be increased to develop every practical energy source as rapidly as possible.

Q. Is it too late to head off our energy shortage?

A. Yes, it is too late to completely eliminate the gap between supply and demand over the next 15 years. Some of the actions we just discussed, however, would decrease oil demand by about 2 million barrels per day and increase the oil supply by some 3 to 4 million barrels per day by 1985.

As I said at the outset, time is running out. No matter what we do, we are going to feel the adverse effect of the energy crisis on our living standards.

America has the resources to solve our energy problem. Our only hope is that the U.S. Congress will put national interests above politics and adopt a comprehensive energy policy that will reduce our energy problem to manageable proportions.

DR. JOHN J. M'KETTA

Dr. John J. McKetta is Professor of Chemical Engineering at the University of Texas and among the country's most qualified spokesmen on the subjects of energy and environment. In 1970–1971, he served as Chairman of the Advisory Committee on Energy to the Secretary of the Interior and, during that period, was among the first authorities to call attention to the serious energy problem facing a then unaware United States. His predictions have been chillingly accurate.

Mr. McKetta is a charter member and a director of the National Council for Environmental Balance. He was Chairman of the Committee on National Air Quality Management for the National Academy of Science and Engineering, 1970–75. In 1976, Dr. McKetta received the coveted Lamme Award from the American Society of Engineering Education, the Joe J. King Professional Engineering Achievement Award and the Triple E Award from the National Environmental Development Association for outstanding contributions to the national issues of energy, environment and economics. He is widely published internationally on these subjects as well as chemical technology, processing and design.

Dr. McKetta's wide scope of interests and accomplishments make him exceptionally well qualified to present a balanced, expert opinion and timely warning about the threatening nature of our country's energy situation today.

THE ITALIAN HERITAGE OF WATERBURY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. SARASIN. Mr. Speaker, on Saturday, February 26, 1977, the Italian Heritage, Inc. of Waterbury, Conn., will be holding its second Carnevale Festival. In celebration of this occasion, I would like to take this opportunity to honor this social organization which has done so much for the city of Waterbury, for Italian-American groups in the area, and for the preservation of the Italian culture.

In April 1975, a group of people from various Italian organizations in Waterbury met together at 30 Center Street to discuss the forming of a new group that would include all Italian-American men, women, and children in the area. Their chief aim would be to promote Italian cultural activities as well as supporting those programs which would benefit the community.

Some of the original members were: Angelo Barbino, Frank Albini, Angela R. Pugliese, Joseph Petino, Charles Lanza, Angelo Izzi, Sal Terenzo, Rosario Costa, Victor Guerrera, John Sarlo, Anthony Mastrantuone, Albert Izzi, Josephine Negaro, Florence Lorusso, Thomas Garrantano, Fred Perugini, Matt Cipaldo, Carmine Gugliotti, Ugo Ciarlo, Frank Porto, Jr., William Bochicchio, Joseph Tramuta, Peter Augelli, Carl Padula, Ed Maglio, Vincent Bruno, Angelina DeAngelis, Sue Calvo, Mary Cappello, Pat Longo, Sal Coppola, Salvatore Perugini, George Testa, Dan Morrelli, and Vincent Onalfo.

These individuals represented such clubs as the Favale-Generali ITAM War Vets, Lega Sicilina, Pontelandolfo Community Club, Ladies of Unico, Ceremaggiore Community Club, Unico National—Waterbury Chapter, Sons of Italy—Leonardo DaVinci Lodge.

The first function of this new united group was a revival of the Italian festival which had not been held for half a century. Lakewood Park was chosen as the site because it was the popular rendezvous place for Italians 50 years ago when Lakewood was a recreation and picnic area with an amusement park and carousel. The festival, held in August 1975, was planned and put together in less than 2 months. Many members felt that the festival should wait until the following year, but the majority ruled that they had waited long enough for this event and that it must go on. The festival turned out to be an outrageous success, drawing over 10,000 people. Seeing all the happy faces of the people in attendance was evidence enough that all the hard work and planning was well worth the effort.

Italian Heritage, Inc., followed up with a carnevale in February 1976. This was patterned after the traditional pre-Lenten celebration. Held in the State armory, the largest hall in the Waterbury

area, it drew 1,200 people which filled the hall to capacity. It was another smashing success. Everyone enjoyed the nostalgia, the renewal of old friendships, the gaiety, the laughter, and the plain, good old-fashioned fun.

After 1 year of existence, the organization had a membership of over 400 people. By 1977, the rolls had increased to over 650. The club branched into other activities. In the spring of 1976, they raised over $2,000 and collected clothing to aid the Italian Earthquake Relief Fund. Monthly meetings are held at the St. Lucy's School auditorium, courtesy of the pastor, Father Thomas Ritucci. The club offers Italian lessons and encourages the learning of Italian ethnic dances. Currently, they are working to establish two music scholarships to send students to Siena, Italy for 6 weeks to study Italian and their music specialty. For this, they will receive college credits from Columbia University.

But Italian Heritage, Inc., has one ultimate dream—to build a large Italian community cultural center. It would be a monument to the community and a source of deep pride to the Italian people, something that would encourage the performance of the arts. Plays, operas, art exhibits, lectures, and other events could be held in this center. The center is a long way into the future, but with determination, leadership, and the willingness of the members to work together toward this goal, it can be done.

I believe that Italian Heritage, Inc., will one day see its cultural center built. If all of their past accomplishments are a good indication, they have the inspiration, the drive, and the strong desire to see that their dreams become reality.

I can only bear witness to the wonderful things they have done for the city of Waterbury, not only in bringing together all the Italian-Americans, but in their vibrant celebration and preservation of the Italian culture. I know that their second carnevale festival will be as big a success as the first, if not bigger, and I want to wish them many more enjoyable festivals in the future.

PAY RAISE HANDLING HURTS CONGRESSIONAL IMAGE

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. COLEMAN. Mr. Speaker, during the past campaign I told my constituents of my intention to oppose automatic pay raises for Members of Congress. I also voiced my opposition to newly established methods of insulating Congressmen from the impact of inflation. Lastly, I promised my constituents I would work to improve the quality of congressional actions and ethics so the image of the legislative body of our Nation might contribute to a new American pride in governmental institutions.

Because of the tactics of the majority in the House of Representatives, the image of the Congress is being hurt instead of helped. By the House's refusal to vote on the pay raise question, the people of this Nation do not know what their elected Representatives believe. And when the people are in doubt, they may decide to blame all of us for something many of us have had no control over and have opposed.

I strongly feel the Congress should be on record as favoring or opposing this pay raise. I feel our constituents have the right to know how we voted on this issue.

Earlier this week, I expressed my views on this issue in a letter to Chairman ROBERT N. C. NIX of the Post Office and Civil Service Committee. Following is the text of that letter:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 16, 1977.

Hon. ROBERT N. C. NIX,
Chairman, House Post Office and Civil Service Committee, Cannon House Office Building, Washington, D.C.

DEAR CHAIRMAN NIX: I would like to express my strong support for H. Res. 115, the Congressional Pay Raise Disapproval Resolution, which is before your Committee. Unless your Committee acts promptly on this resolution, the House of Representatives will not even have the chance to vote on the salary increase which the President has recommended. I do not feel we are being honest with the people we were elected to serve by allowing a scheduled pay raise to take effect automatically without a vote.

I object to the "backdoor" approach which insulates Members from having to publicly register their support for the raise. I strongly support the legislation introduced by Congressman Rhodes to amend the Federal Salary Act of 1967, to require recorded votes on salary proposals. As you know, this resolution would empower any Member to force a recorded vote on salary proposals.

By tying Congressional pay raises to cost-of-living increases, the Congress abdicated its responsibility to combat inflation. What incentive will Congress have to control inflation if its Members are insulated from the effects of inflation? Therefore, I call upon you to hold hearings on the various proposals before your Committee which would repeal the cost-of-living mechanism for Congressional pay raises.

Sincerely,

E. THOMAS COLEMAN,
Member of Congress.

SOLARZ INTRODUCES BILL ON OPIC AND BRIBERY

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. SOLARZ. Mr. Speaker, yesterday I reintroduced a bill (H.R. 3603) which passed the House last year to require the termination of investment insurance issued by the Overseas Private Investment Corporation, OPIC, in any case in which the insured investor engages in the bribery of a foreign official for the purpose of influencing the actions of that government in connection with the project for which OPIC insurance has been obtained.

Last year the identical bill, H.R. 14681, passed in both the International Relations Committee and on the floor of the House, only to be stalled in the Senate during the last few weeks of the session. The bill was the only piece of legislation to pass the House which responded in any way to the widespread allegations which have had serious deleterious effects on the conduct of American foreign relations in several foreign countries.

The bill provides one method for dealing with the allegations of bribery. The underlying principle behind the bill is that a U.S. governmental agency such as OPIC should not be insuring investments where the officials or agents of the insured corporation engage in bribery of foreign officials in connection with their investments.

The bill is not an attempt to impose our standards of morality on others. In fact, most countries already prohibit bribery. According to a congressional research study prepared in March 1976, almost all the countries in which OPIC insures investments do have laws against bribery, with about half providing penalties of less than 5 years and half providing penalties of 6 to 10 years.

Moreover, no one need be concerned that the bill would cause a company to be summarily deprived of its insurance. The bill provides full due process procedures in the Administrative Procedures Act to any company accused of illegal payments, including the right to adequate notice, to counsel, and to present evidence. Determinations under the bill can be appealed to the U.S. Court of Appeals.

The problem of bribery has proved to be a serious one with no easy answers. I am concerned not just by the demonstration of shabby morality or the corruption that the bribery feeds but also with the extent to which the conduct of American corporations abroad has damaged American foreign relations. Last year headline after headline appeared concerning some new American multinational company coming forward with an admission of corporate bribery or other foreign payments. And all too often unfortunate political repercussions followed these stories.

In Japan, the government of Takeo Miki was replaced at least in part due to the severe strain resulting from its handling of the alleged Lockheed payoff scandal in the country. At a time of uncertainty due to the shifting balances of power in Asia and uncertainty over our own role in the region, our strongest and most stable ally in the region was undergoing unnecessary turbulence.

In another case, the U.S. ties with a second close ally, the Netherlands, were similarly shaken by the allegations surrounding Prince Bernhard, husband of Queen Juliana and Inspector General of the Armed Forces, suggesting that he received $1.1 million in Lockheed payoffs.

Finally, the payoff scandals involving American corporations and various Italian politicians is a continuing saga in Italian politics, and became an election issue during the parliamentary elections last June. The Communist Party in Italy had many issues to use against the domi-

nant Christian Democratic Party, but the allegations of widespread payoffs only provided an additional strong club to use against past governments.

In short, what is at stake in the bribery scandals is much more than the individual interests of corporations which are competing for a share of foreign markets. What is in fact at stake is the foreign policy and national interest of the United States. It is clearly in our interest to put a stop to these pernicious practices.

At a very minimum a governmental agency such as OPIC should not be insuring contracts where bribery has been used to obtain a contract or to secure advantages. OPIC was, after all, created as an instrument of American foreign policy and is an agency of the United States. That a governmental agency would be in the business of insuring contracts where bribery has been involved is to me contrary to the whole purpose for which OPIC was created.

There are, to be sure, risks and complications in canceling insurance of a company in a case where bribery has been found. But there are even greater risks in continuing to act as before. Revelations of illegal payments have served to embarrass the United States as well as the recipient countries. And the Congress should act to discourage bribery before it creates additional problems for American foreign policy.

Joining me as cosponsors of this legislation are the following 34 Members of Congress:

Daniel K. Akaka, Max Baucus, Berkley Bedell, William M. Brodhead, Yvonne Brathwaite Burke, Shirley Chisholm, William Clay, William S. Cohen.

Baltasar Corrada, Robert F. Drinan, Harold E. Ford, Donald M. Fraser, Sam Gibbons, Augustus F. Hawkins, Elizabeth Holtzman, William J. Hughes.

Andy Ireland, James A. S. Leach, Clarence D. Long, Matthew F. McHugh, Andrew Maguire, Helen S. Meyner, Barbara A. Mikulski, Abner J. Mikva, Norman Y. Mineta.

Robert N. C. Nix, Leon F. Panetta, Robert A. Roe, Edward R. Roybal, James H. Scheuer, Paul Simon, Gladys Noon Spellman, Newton I. Steers, Jr., Charles W. Whalen, Jr.

IMMIGRATION AND JOBS DISPLACEMENT REFORM ACT

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. LOTT. Mr. Speaker, today I have introduced legislation to amend the Immigration and Nationality Act for the dual purposes of strengthening penalties in the law for knowingly employing an illegal alien and to reduce the number of aliens lawfully admitted to the United States during periods of high unemployment. My bill contains many very similar provisions that were included in H.R. 8713, a bill amending the Immigration and Nationality Act, which was ordered reported from the House Committee on the Judiciary on July 30, 1975, but was never considered by the full House of Representatives in the 94th Congress.

A brief summary of my bill follows:

(1) Establishment of a 3-step procedure for imposing sanctions against an employer who knowingly hires an illegal alien:

(a) initial citation;

(b) $1,000 fine per alien for first violation after receipt of a citation;

(c) $5,000 fine and/or one year imprisonment per alien for each additional violation.

(2) Grants amnesty to an illegal alien continuously present in the United States since June 30, 1970, who is a close relative of a United States citizen or permanent residence alien or whose deportation would result in unusual hardship.

(3) Requirement that HEW disclose the name and address of any illegal alien receiving assistance under the Social Security Act.

(4) Provision for deportation of any alien who has become a public charge.

(5) Imposition of a criminal penalty for forging or counterfeiting border crossing cards, alien registration receipt cards, or other entry documents.

(6) Directs the Secretary of State and the Attorney General to proceed to reduce the issuance of immigrant visas whenever the quarterly unemployment rate average exceeds 5 percent. For every percentage point above 5 percent, the number of immigrant visas issued the next quarter would be reduced by 10 percent.

Mr. Speaker, I have been advised that there may be as many as 6.5 million illegal aliens presently in the United States. While it is difficult to find fault with their desire to immigrate to America and while we may have sympathy for them, most of these persons come here seeking employment opportunities to the detriment of the American worker. Upon their arrival, these unlawfully admitted aliens create several problems in our economy: They compete for jobs with low-salaried laborers, depress the wages of U.S. workers, take jobs from Americans causing them to look to various Government agencies for assistance, and contribute to some extent to our balance-of-payments difficulties by sending money earned here to their native countries.

With the national unemployment rate currently hovering around 7.3 percent, I believe it is time that Congress act swiftly, not so much in the direction of temporary public employment, but more toward preventing the displacement of American workers from those jobs that already exist in our economy. My bill would accomplish this goal by placing the U.S. employer on guard against hiring an illegal alien and by reducing the number of legally admitted aliens when our national rate of unemployment exceeds 5 percent.

The three-step penalty procedure in the legislation begins with the service of a citation by the Attorney General on an employer found employing an illegal alien. Should an employer knowingly hire an illegal alien within 2 years after receiving such a citation, he may be fined up to $1,000 per alien. Finally, a subsequent violation by an employer will result in a fine of not more than $5,000 and/or imprisonment of not more than 1 year for each violation.

The second major thrust of this bill is to tie the issuance of immigrant visas with the national rate of unemployment. During periods when the average unemployment rate for a quarter is above 5 percent, the number of immigrant visas for the next quarter is to be reduced. The amount of the reduction is computed by multiplying the average quarterly unemployment percentage in excess of 5 percent times an amount equal to 10 percent of the maximum number of aliens who may be admitted during that quarter.

Mr. Speaker, it is obvious that we have more workers than we have jobs in this country. The legislation which I have introduced today is not intended as a panacea, but in my view it will go a long way toward putting Americans back to work.

AGAINST PAY RAISE

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. FORD of Tennessee. Mr. Speaker, I feel compelled to rise today to express dissatisfaction with the way in which the proposed pay raise for the Members of both houses of Congress will go into effect. As a candidate for the office of Representative from Tennessee's Eighth Congressional District, I pledged my personal commitment to oppose congressional pay increases and kept that promise.

As you recall, a similar effort appeared in the 94th Congress. On July 30, 1975, a vote was taken on a measure that would have authorized an automatic cost-of-living increase for high officials of all three branches of Government. President Ford signed the measure into Public Law 94–32 on August 9, 1975. I voted against the bill, objecting not only to the increase but also to the way it was presented—as an amendment to an obscure Senate bill on the Postal Service—thinking then, as now, that the American people should be fully aware of what Congress was doing in this regard. The Senate bill was not the proper vehicle for granting a pay raise. In response I cosponsored H.R. 9364, which would repeal the cost-of-living increases as they applied to Congressmen and Senators. This bill was offered as an amendment to the legislative appropriations bill for 1977, Public Law 94–440, which was signed into law October 1, 1976.

Now the pay raise has reappeared. President Ford included the recommendations of the Commission on Executive, Judicial, and Legislative Salaries in the budget for fiscal year 1978. Thus, the raise was designed to go into effect automatically with no action by the Congress. This is certainly a backwards way of doing things. Most actions are taken by an affirmative vote, but this one will be taken automatically and can be stopped only by a negative vote.

On February 2 the Senate defeated an amendment to the measure reorganizing the Senate committee system which would have disapproved the pay increase. By holding hearings, hopefully the House Committee on Post Office and Civil Service would report a resolution to the full House to give the Members a chance to go on record on this issue. A letter to the

committee chairman, Mr. NIX, expressing this desire now appears:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 7, 1977.

Hon. ROBERT NIX,
Chairman, House Committee on Post Office and Civil Service, Washington, D.C.

DEAR CHAIRMAN NIX: As you know the Congressional pay increase will go into effect automatically on February 20th, unless the Senate or the House rejects it. The Senate refused to kill the proposed pay increase last Wednesday, February 2, by a vote of 56 to 42.

Because this proposal has been referred to your Committee's jurisdiction without any indication that it will be brought before the House for action, I am writing to you with the hope that this will not be the case. I strongly feel that my colleagues and I should be afforded the opportunity to cast our votes on this important matter. An issue of such a controversial nature should be acted on by the full House and made available for public record.

I am, therefore, requesting that your Committee use its power to insure that this resolution will be considered by the full House. I am convinced that this is the only way.

Sincerely,

HAROLD FORD,
Member of Congress.

As you know, the committee concluded its hearings on February 16 without reporting a resolution to the full House. Many Members deplore this inaction. It is very important for the constituents of the Congress, who ultimately pay the salaries, to know how their Representatives voted on pay increases for themselves.

Mr. Speaker, this is a time of crisis in our Nation's history. Our economy is in a state of stagnation which has only been compounded by the ravages of this winter's cold weather and the resulting energy crisis. President Carter has asked the American people to make great sacrifices for the good of all. How can the Congress of the United States, which is supposed to set an example for the people, justify this exercise of self-indulgence in this time of great need? Only today several long-distance phone calls came in from constituents asking how Congressmen can raise their salaries by an amount greater than the total yearly earnings of many people. Members of Congress are hard pressed to answer this question, but I promised to do all that was possible to stop the pay increase. A short while ago I voted against the motion to adjourn until Monday at noon as a form of protest to the back-door method in which the pay increase is being handled.

Mr. Speaker, the Members of Congress here today should take time to reflect on what has been done, and I thank you for granting the time to express these feelings.

JUDICIAL REVIEW FOR VETERANS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. RAHALL. Mr. Speaker, today I am introducing a bill to amend title 38 of the United States Code to provide for the judicial review of administrative decisions promulgated by the Veterans' Administration, and to allow veterans full access to legal counsel in proceedings before the Veterans' Administration.

The Veterans' Administration differs from other Federal agencies in that its regulations and most of the resulting adjudicated decisions on individual cases are not subject to the scrutiny of the Federal courts. Under title 38, United States Code, section 211(a), the Veterans' Administration is insulated from judicial review, thus denying veterans and their dependents or survivors access to due process of law on decisions of benefit eligibility.

Adjudication of VA benefits falls mainly within two areas: Disability eligibilities and pension eligibilities. In each instance, a local three-member board, made up of VA employees, determines the veteran's eligibility and level of disability payment. The only recourse for a veteran desiring to challenge this determination is an appeal to the Board of Veterans' Appeals, also composed of VA employees in Washington, D.C. The decision of the Board is final and unless new and material evidence is presented, the case is closed. At no point in the process are there provisions for review of VA regulations and adjudicative decisions by persons outside the agency.

Most Federal agencies are subject to the Administrative Procedure Act—title 5, United States Code—which allows judicial review of final administrative actions. Under section 702 of the act, "a person suffering a legal wrong because of agency action, or adversely affected or aggrieved by agency action within the meaning of a relevant statute" can seek judicial recourse. The court can determine whether the agency observed the statutory requirements and adhered to constitutional requirement in its application of administrative procedures.

For example, the Social Security Administration, which uses procedures similar to the Veterans' Administration in establishing disability claims, is covered by the Administrative Procedure Act, and thus its decisions are ultimately subjected to the scrutiny of the Federal courts.

Although veterans may be represented by attorneys in proceedings before the Veterans' Administration, section 3404 (c) of title 38 limits attorneys' fees to $10. The fee limitation, which was implemented more than a century ago in the best interest of the veteran, now imposes a severe burden on veterans seeking just treatment. Less than 2 percent of the claimants appealing to the Board of Veterans' Appeals are represented by legal counsel. Currently, veterans can obtain assistance without charge in the presentation of their claims before the Veterans' Administration from national veterans' service organization representatives and VA counselors. In most cases, the assistance provided by these counselors is of sufficient quality and provides the VA Rating Board with sufficient evidence to render a fair and equitable decision on the claim. However, if a veteran desires the representation of an attorney in these proceedings, the prohibitive fee restriction of $10 places severe restraints on this right.

I believe this de facto prohibition of legal representation may be a denial of the veterans' right to due process as provided by the fifth amendment. Veterans who desire outside legal representation in VA proceedings should be able to exercise that right. In this regard, too, the Social Security Administration offers a far better system. Although it was also once bound to the $10 fee limitation, that agency long ago instituted a sensible formula to determine reasonable attorneys' fees on a case-by-case basis. Legal representation more than doubled as a result. It is time for the VA to follow suit.

Mr. Speaker, opponents of this proposal argue that opening the VA to judicial review would flood the Federal courts with cases. That claim, however, is baseless.

The Veterans' Administration does process tens of thousands of benefit claims annually, but a review of the statistics shows that the Board of Veterans' Appeals, the final reviewing body for disputed claims, handled only 43,000 cases, or a fraction of the original number, in fiscal year 1975. Of these, 26,000 were reversed or remanded to the local rating boards for their reconsideration. This left approximately 17,000 cases which could have been brought before Federal courts for review. This number would likely be even smaller, because of the financial burden of litigation and the refinement of the internal claims adjudication procedures of the VA. It must also be pointed out that the veteran must exhaust all internal administrative remedies and follow the procedure act before a case can be brought before the Federal judiciary.

The real issue, however, is clear. Do we deny the American veteran access to judicial review, because Congress feels justice is too expensive or would increase the workload of our judicial system? I think not.

Some opponents to the concept of judicial review of VA decisions also say that such issues as disability compensation and benefit eligibility are too technical for the courts to review. But that argument ignores the fact that most other agencies such as the Social Security Administration with its complex and technical regulations, are subject to independent review by the courts of their adjudicative procedures. Furthermore, the Federal court, under the guidelines of the Administrative Procedures Act, would only entertain appeals for the review of a final VA action if it is alleged that the final action is first, arbitrary and capricious; second, an abuse of discretion; third, an excess of statutory jurisdiction; fourth, if it failed to observe the procedure as required by law; or fifth, if it was otherwise unlawful.

Still another argument against judicial review is that it would destroy the uniformity of VA decisions. It is my belief that an independent review of VA regulations, under the provisions of the Administrative Procedure Act (title 5, United States Code, sections 556 and 557), and review of individual VA ad-

judicated decisions will only improve the uniformity of the decisionmaking process.

Although the VA now publishes its proposed rules and regulations, which ultimately govern its administrative and adjudicative procedures, it is not required to do so under Federal statute. Once these regulations become final, they are not subject to the scrutiny of the Federal judiciary. Therefore, the VA not only writes its own rules and regulations, but they are immune from the public and judicial review that most other Federal agencies are subject to under law. Once the VA renders a final decision on the case, that decision is final. To the veteran, this means that not only are the administrative decisions which determine his benefit eligibility exempt from court review, but so are the regulations and procedures which shape those decisions. There is no avenue for appeal outside the agency.

Mr. Speaker, this legislation will require the VA to comply with the specific rulemaking procedures set forth in chapter 5 of the Administrative Procedures Act. By placing the VA under the scrutiny of the well-structured rulemaking procedure of that act, veterans and other affected parties will be granted the right to challenge proposed rules. Congress will thereby insure some degree of protection from the tyranny of unrestrained and capricious bureaucratic action.

Mr. Speaker, I believe that a fundamental issue before Congress today is the accountability of Federal agencies. To deny a citizen access to an attorney, and also to isolate a Federal agency from the scrutiny of the Federal courts goes against the very principles of our constitutional system.

OCEAN DUMPING BACKGROUND INFORMATION

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. FORSYTHE. Mr. Speaker, the ocean disposal of sewage sludge has never been accepted as a long-term solution to our sludge disposal problems. Unfortunately, no viable alternatives to dumping have been developed. Consequently, we have been forced to continue a procedure which can be aptly titled an environmental tragedy.

Unfortunately, while sludge dumping is a highly visible contributor to environmental degradation, other factors also produce major effects on our ocean environment. In order to clarify this highly complex situation, I would like to provide for the information of my colleagues in the House some background information on ocean dumping and a recent proposal to shift the present site in the New York Bight to a new site 106-miles off the New Jersey coast:

OCEAN DUMPING

INTRODUCTION

Ocean dumping in the New York Bight area began in 1924, ushering in a host of environmental ills. The deterioration of the dumpsite area, accompanied by a decline in the health of local fish resources, is an environmental tragedy.

Unfortunately, the plummeting quality of New Jersey's and New York's coastal waters can be attributed to a broad spectrum of stresses—not just ocean dumping. The most notable contributor of pollutants to the coastal waters is estuarine input. Each day, streams and rivers carry untold quantities of untreated sewage, industrial wastes, and contaminated sediments into our coastal waters.

This past summer, two environmental disasters occurred in the mid-Atlantic region. Debris, sometimes referred to as "floatables," washed up on the Long Island coast line. These floatables have been traced by scientists to pollutants entering the New York Bight system through the Hudson River-Raritan Bay estuarine system.

The summer of 1976 also witnessed a massive fish kill off New Jersey's coast. Scientists have linked this fish kill to an extensive bloom of algae. This bloom of algae began in January of 1976 along the edge of the Continental Shelf from Cape Cod to Cape May. Scientific monitoring of dumpsite activities indicates that sewage sludge dumping played no role whatsoever in this unusually vast January bloom. As the algae moved towards shore, it decayed—consuming oxygen. Thus, broad expanses of New Jersey's bottom waters became oxygen-depleted. Furthermore, highly abnormal weather conditions in 1976 prevented bottom waters from mixing with oxygen-rich surface waters. Therefore, oxygen-depleted conditions persisted, and bottom-dwelling fish resources, such as surf clams, suffocated. In addition, some of the decayed algae (bearing a resemblance to sewage sludge) washed up on New Jersey's coast line.

While these two environmental disasters have brought the environmental problems of the mid-Atlantic area into a sharp focus they were not caused by the ocean dumping of sewage sludge. This report analyzes the impact of ocean dumping in the mid-Atlantic region. This report examines the logic in moving dumping activities to new dumpsites and summarize the scientific consensus that such a move is likely to cause "more harm than good." In particular, the wisdom of moving large-scale dumping activities to deep-water sites is discussed and the reasons why scientists oppose this move, which would "permanently and adversely change the ecosystem." [1]

A short-sighted and prodigal proposal to move all ocean dumping to a site 106 miles off-shore is discussed in this report. This proposal, announced by New Jersey Commissioner of the Department of Environmental Protection, David Bardin, would permanently degrade the deep-water dumpsite. Mr. Bardin admitted at the time of his recommendation that "pitifully inadequate data on both the biological and physical conditions" exist for the 106-site and that his recommendation is "not based on the firm and solid evidence we would prefer."

I have looked into this proposal and found frightening possibilities. Scientists believe that dumping at the 106-site will "permanently and adversely change the ecosystem." A study conducted by the National Oceanic and Atmospheric Administration determined that dumping at the 106-site could introduce waste materials into areas where important red crab, flounder, butterfish, lobster, squid, and hake fisheries exist.[2]

Furthermore, Mr. Bardin suggests that sewage sludge dumping was an important factor in the summer fish kill and that a shift to the 106-site would reduce the likelihood of future fish kills. The scientific data do not support this claim and, it appears to me, this natural disaster is being used by DEP to justify a fundamentally unsound proposal. All evidence presented during hearings held this summer by the Subcommittee on Fisheries and Wildlife Conservation and the Environment, of which I am the ranking Republican member, and the Oceanography Subcommittee of the House Merchant Marine and Fisheries Committee supports my position. A high official from the National Oceanic and Atmospheric Administration has summarized the scientific consensus, stating on the record: "It is evident from all information available that the dumping of sewage sludge at the existing site had a negligible effect in causing either the wash-up of floatables on Long Island's south shore beaches or the fish kill off the coast of New Jersey. The sewage sludge dumpsite should not be moved." [3]

Furthermore, moving dumping activities to the 106-site away from the present sites will cause potentially great environmental damage at the new site, while offering little relief for the present site. Scientists note that the present dump site would not improve because of the continuing "mass-emission rates of pollutants from shoreline outfalls, rivers and embayments." [4] A NOAA technical report concludes: Available evidence does not indicate any environmental advantages which might result from moving of sludge site. Temporary utilization of a new site is likely to result in more harm than good.' [5] Thus, the proposal to move ocean dumping to the 106-site is scientifically indefensible.

The proposal to move the dumping to the 106-mile site would, according to the New Jersey DEP, cost an extra $24 million a year annually. The $24 million increase does not include increased fuel costs (DEP estimates 9 times as much fuel would be required) and the cost of obtaining additional ocean dumping barges.

I firmly believe in both fiscal and environmental conservation. Squandering millions of dollars of funds, increasing fuel consumption, and risking severe environmental damage in an area adjacent to key fishing grounds is, in my mind, a reckless and irresponsible endeavor.

Finally, this report describes the plan which I have formulated to efficiently and expeditiously end ocean dumping. I plan to introduce amendments to the Marine Protection, Research and Sanctuaries Act as soon as our committee business is underway which would require ocean dumpers, when requesting a permit, to pay a significantly increased permit fee. Under this plan, ocean dumpers would have to pay for the administrative costs involved in processing ocean dumping permit applications, and for research into constructive alternatives for sewage sludge disposal. My plan will increase the costs of ocean dumping to such an extent that existing constructive alternatives will be economically preferable to ocean dumpers. Simultaneously, the costs of these constructive alternatives will be reduced as a result of research funds generated by penalty fees.

I feel that this proposal will induce municipalities such as New York and Philadelphia to turn as quickly as possible to constructive alternatives. These alternative techniques are capable of converting sewage sludge into soil conditioner, sanitary land fill, or energy. At the same time, no additional environmental deterioration of the mid-Atlantic region will result from ocean dumping activities. I am both hopeful and confident that the proposed plan, based on a careful analysis of the existing situation and a thorough assessment of all alternatives, is the best possible way to end the destructive practice of ocean dumping and to encourage and expedite constructive uses of these wastes. I feel strongly that this approach, which makes optimum

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Footnotes at end of article.

use of our financial and environmental resources, is unquestionably superior to other proposals regarding mid-Atlantic ocean dumping. I particularly oppose suggested recommendations which are based on political expediency—not environmental concern—including the proposal to move all dumping activities to the 106-mile site.

FEASIBILITY OF ALTERNATE DUMPSITES

While scientific studies indicate there is some logic in using either of two dumpsites located 25–30 miles off the New Jersey coast, there is no doubt that wastes containing solids should not be dumped at the 106-mile site. The almost total lack of data regarding the 106-mile site makes any recommendation to dump secondary sewage at this site ill-conceived.

The National Oceanic and Atmospheric Administration has been responsible for studying potential sites for dumping sewage wastes. Much of NOAA's effort has involved examining two sites approximately 25–30 miles off the New Jersey coast. An EPA environmental impact statement on the Ocean Dumping of Sewage Sludge in the New York Bight concluded: "Continued dumping of present volumes of sewage sludge at the existing dumpsite would result in slight additional adverse environmental impact." [6] EPA determined that moving the dumpsite would not significantly improve the water quality of the Bight Apex because the vast majority of pollutants entering the Apex are from other sources. EPA flatly recommended that, "The existing sewage sludge dump site should continue to be used." [7]

EPA summarized its study of the likely consequences of shifting dumping from the existing site to either of the sites 25–30 miles off the New Jersey coast:

"A thorough review of the most recent information, including onsite investigations, indicates that the proposed action, immediate designation and use of an alternate dumpsite, is unjustified. Continued use of the existing dumpsite is not a present threat to public health or to water quality along the beaches of Long Island or New Jersey. Moving the present sludge dumping operations to an alternate dumpsite without adequate justification will result in the unnecessary contamination of a relatively pristine area of the Bight. Moreover, contamination of a new area will not be balanced off by a recovery of the existing dumpsite. The existing site and its surrounding area are not expected to significantly improve even if sludge dumping is terminated because pollution from other sources will continue." [8]

While the scientific community has determined that ocean dumping should not be moved to alternate sites which have been adequately studied, scientists are even more adamant in opposing dumping at a site where the ramifications are not understood—such as the 106-site. Mr. Gerald Hansler, EPA's Region II Administrator, has stated in hearings before our Subcommittee in early 1976 that on-shelf dumping should be considered, "because of the unknown environmental risk associated with off-shelf dumping of solids". [9]

Dr. Wilson Talley, Assistant Administrator for Research and Development of EPA, summarized, during Sept. 1975 hearings before the Committee on Science and Technology, the scientific sentiment about dumping at a deep-water site such as the 106-site: "There is considerable question among the scientific community regarding disposal sites off the Continental Shelf, and monitoring of such sites is both extremely difficult and expensive". [10] Dr. Holger Jannasch of the Woods Hole Oceanographic Institution added that if there must be offshore waste dumping, it should be done in shallow water where the organic material "can be recycled in a more controlled manner". [11] Waters at the 106-site are over one mile deep. It should be noted that liquid wastes, which are currently being dumped at the 106-site to a limited extent, stay near the surface and are recycled. However, when wastes, such as sewage sludge, contain particulates, they tend towards the deeper waters and serious environmental complications occur.

The National Academy of Sciences, in a report submitted to EPA entitled *Disposal in the Marine Environment: An Oceanographic Assessment*, was very forceful in its findings in regard to using a deep-sea dumping site such as the 106-site. The NAS report concluded, "No disposal site should be abandoned in favor of a new site until field data evaluation demonstrates that the new site is less objectionable from an environmental standpoint than the old site." [12] The report continues, "Data supporting the deep sea as a site for waste disposal are lacking; therefore, extreme caution must be applied to any but the most innocuous use of the area." [13]

Scientific objections to dumping wastes containing solids, such as Philadelphia and New York sewage sludge which has undergone secondary treatment, center on three concerns. First, solids dumped at a deep-water site will tend to sink to the bottom. At depths upwards of 9,000 ft., very little decomposition occurs because of the high pressure and low temperature. Thus, solid wastes dumped at deepwater sites will generally not be recycled and will be, for all intents and purposes, a permanent intrusion on the marine environment.

Second, investigating the impact at such depths will be virtually impossible. Scientists cannot effectively monitor the processes which will occur in such deep water; therefore, severe environmental damage may go undetected. Third, currents in this area are not understood. Persistent contaminants could be transported anywhere in the Northwest Atlantic Region. For example, there is evidence that sewage sludge dumped at the 106-site could, over the course of years, partially contaminate rich Northwest Atlantic fishing grounds.

The persistence of solids in deep-water areas had been well-documented. In a paper entitled, "The Oceans as Ultimate Sinks for Wastewaters and Wastewater Residuals," Dr. Richard Barber and Dr. William Kirby-Smith relate the following incident:

"In 1968 the research submersible *Alvin* of the Woods Hole Oceanographic Institution sank in 1540 meters [about 5,000 ft.] of water during a launching accident in which the crew of three escaped safely. A photograph taken eight months after the sinking by USNS *Mizar* showed the submersible lying on its side with the hatch open. After ten months *Alvin* was raised and the crew's lunches were found to be surprisingly well preserved. . . . The Woods Hole group (Jannasch *et al.*, 1971) found that the appearance, taste, smell, consistency and bacteriological condition of several sandwiches and apples indicated that little microbial degradation had occurred." [14]

Dr. Barber and Dr. Kirby-Smith conclude from this incident that—

"The very low turnover rates indicate that organic rich waste would accumulate on the sea bottom if dumped beyond the continental shelf and the organic overload from even a short period of dumping might persist for centuries or longer. Taking togetner the evidence for very slow microbial degradation and the fragile nature of the deep ocean benthic community, we can predict that any significant amount of waste disposal will permanently and adversely change the ecosystem. The evidence upon which we base this prediction is meager but adequate to state with some confidence that organic waste disposal beyond the continental shelf would violate the basic recommendation of the Ocean Dumping Law in that permanent degradation of the deep ocean community will result." [15]

Scientists at Woods Hole have indicated that, along with the greatly decreased decomposition of wastes in deep waters and the greater sensitivity of deep water organisms, monitoring is a major drawback of off-shelf dumping. Since serious environmental degradation cannot be detected, corrective measures cannot be taken.

The fact that sewage wastes dumped at the 106 deepwater site can cause severe environmental damage is complicated by the ocean currents in the area. A NOAA report entitled, "May 1974 Baseline Investigation of Deepwater Dumpsite 106" concluded, "Little is known of the circulation in the area of the deepwater dumpsite, although waters shoreward and seaward of this site have been studied extensively." [16] The NOAA report points to a number of potentially grave consequences of dumping at the 106 site, including contamination of rich fishing grounds.

The report notes:

"Prolonged southerly winds after a dump could quite conceivably cause waste materials to drift onto the upper slope, where the developing red crab fishery would be active or even to the outer shelf where there are several seasonally active fisheries (flounder, porgy, butterfish, lobster [caught] by US. fishermen; squid and butterfish by the Japanese: squid by the Spanish; hakes by the Soviet block)." [17]

Thus, the scientific evidence makes it clear that moving the dumping activities of Philadelphia and New York has little-understood, yet potentially disastrous, consequences. Furthermore, moving dumping activities away from the New York Bight carries little hope for improvement of the Bight area. In hearings before our Committee in early 1976, Dr. Donald Marineau, Deputy Associate Administrator for Marine Resources of NOAA, stated that ". . . moving the dumpsite would not result in any significant overall improvement of the water quality of the Bight apex because the effects of the dumped sewage sludge are masked by the larger mass-emission rates of pollutants from shoreline outfalls, rivers and embayments." [18] The logic seems clear that, in the words of Dr. Martineau, "The sewage sludge dumpsite should not be relocated." [19]

FOOTNOTES

[1] "The Oceans as Ultimate Sinks for Wastewaters and Wastewater Residuals.", by Richard T. Barber and William Kirby-Smith, in: *Ultimate Disposal of Wastewater and Their Residuals*, F. C. McJunkin and P. A. Vesilind, editors, Water Resources Research Institute, N.C. State University, 1973, p. 205.

[2] *May 1974 Baseline Investigation of Deepwater Dumpsite 106*, NOAA Dumpsite Evaluation Report 75–1, Rockville, Md., Dec., 1975, p. 263.

[3] *Ocean Dumping—Part 3*, Joint Hearings before the Subcommittee on Fisheries and Wildlife Conservation and the Environment and the Subcommittee on Oceanography of the Committee on Merchant Marine and Fisheries, July 24, 1976, September 30, 1976, Serial No. 94–41, GPO, 1976, p. 120.

[4] *Ocean Dumping—Part 2*, Hearings, op. cit., Jan. Feb., March, 1976, Serial No. 94–25, pp. 214-15.

[5] Ocean Dumping in the New York Bight, NOAA Technical Report ERL 321–Mesa 2, Boulder, Colo., March, 1975, p. 66.

[6] Environmental Impact Statement on the Ocean Dumping of Sewage Sludge in the New York Bight, Draft, V.S. EPA, February 1976, p. 273.

[7] *Ibid.*, p. 277.

[8] *Ibid.*, p. 7.

[9] Ocean Dumping—Part 2, op. cit., p. 323.

[10] The Environmental Effects of Dumping in the Oceans and Great Lakes, Hearings before the Subcommittee on the Environment and the Atmosphere of the Committee on Science and Technology, Sept., 1975, No. 55, GPO, 1976, p. 206.

[11] *Ibid.*
[12] Disposal in the Marine Environment: An Oceanographic Assessment, National Academy of Sciences. Washington, D.C., 1976, p. 53.
[13] *Ibid.*
[14] "The Oceans as Ultimate Sinks for Wastewaters and Wastewater Residuals, op. cit., p. 203.
[15] *Ibid.*, p. 205.
[16] op. cit., p. 113.
[17] *Ibid.*, p. 263.
[18] *Ocean Dumping—Part 2*, op. cit., pp. 214–15.
[19] *Ibid.*, p. 214.

NATURAL GAS PRICES MUST BE DEREGULATED

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. KASTEN. Mr. Speaker, several weeks ago we met to pass the Emergency Natural Gas Act of 1977. At that time, no one pretended that this measure was anything more than a stop-gap approach to meet the crisis situation that had developed in several areas of the country. We all knew then that congressional action on the energy issue had only begun and that the real work lay ahead.

We can no longer postpone action to establish a comprehensive national energy policy—a policy that will promote conservation, increase supply and develop new alternative fuels.

With respect to natural gas, I believe we can move quickly. I am, therefore, pleased to join my colleague, Congressman ROBERT KRUEGER, in the introduction of legislation to deregulate the price of natural gas.

Mr. Speaker, I do not believe it is necessary to provide a lengthy discussion of why this legislation must be enacted soon. While confusion may exist as to the accuracy of statistical data on the size of current reserves, we must face up to the broader issues involved in the debate on deregulation.

Since 1945 natural gas moving in the interstate market has been subject to price controls. As a result of such controls on a premium fuel, prices have been artificially depressed supposedly to protect the consumer. Because of its low price, natural gas consumption grew at an average of 6.5 percent annually during the 1950's and 1960's. By 1974 it was providing over 30 percent of our energy needs.

At the same time that demand was increasing, however, exploration and development of new reserves was declining. Since 1968 we have been consuming more natural gas every year than producers have been adding to reserves.

The severity of this winter's shortages underscores the short-sightedness of our policy. The issue is no longer low consumer prices but whether we can get sufficient supplies in the first place.

We cannot continue a policy of artificially depressing prices or this winter's shortages will become the prelude to a constant losing battle every time the weather turns cold. We have lived on borrowed time for too long. No excuse mitigates the stark reality of Americans losing their jobs, missing school or freezing in their homes because of a natural gas shortage.

The legislation we are sponsoring will alleviate that situation by removing the obsolete structure of price controls which has impeded exploration and development of new reserves. It would permit natural gas to reach its market price. Yes, it means that consumers will pay higher prices. But, it also means that we will be providing the necessary incentives to discover new sources of supply.

The bill we are introducing does the following:

Immediately deregulates the price of new onshore production of natural gas at the wellhead;

Phases deregulation of offshore production over a 5-year period;

Prices during that interval would be determined on the basis of prospective costs, capital formation needs, promotion of energy conservation and consumer protection;

Establishes a priority for essential agricultural and industrial use of gas in interstate commerce, subject only to provisions for residential and small commercial use and health and safety requirements;

Grants priority status for natural gas use in the production of fertilizer and essential agricultural chemicals;

Bans the use of natural gas for boiler fuel;

Mandates an FPC study of the natural gas industry with accumulation of information on reserves and usage of current supplies.

Mr. Speaker, I see no reason to engage in a prolonged study of this bill. We have addressed these issues before, most recently in the last Congress. While I have voted consistently to decontrol the price of natural gas, it seems that when the weather gets warm and the pressure is off, decontrol legislation is set aside for further consideration. I sincerely hope that this is not the case this time around.

Deregulation will not solve our energy problems. It is the first essential step that must be taken in the development of a comprehensive national energy policy. The sooner we begin, the better for the American people.

LITHUANIAN INDEPENDENCE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. MOAKLEY. Mr. Speaker, on this day, 59 years ago, an event of extreme significance occurred for those of us who embrace the ideals of freedom and the protection of human rights. February 16, 1918 marks the anniversary of the Lithuanian Declaration of Independence.

A nation whose history can be traced to the 11th century, Lithuania has been thwarted time and time again from functioning as a free and independent nation. After 120 years of cruel subjugation to Czarist Russia, followed by German occupation during World War I, the proud Lithuanian people threw off the yoke of totalitarianism, declared its independence and started on its role as a free nation, full of hope and promise.

Having been held in Communist hands now for so long, recounting their recent history shows the world a people firmly dedicated to freedom and self-determination in the face of overwhelming odds. Within just a few short months of her independence, Lithuania again found herself engaged in a fight for her very survival against the armies of both the White Russians and the Russian Bolsheviks attempting to restore Russian rule. By 1921, though, Lithuania had succeeded in repelling its massive neighbor to the east and had firmly established her independence.

For a time during the post war period, it looked as though Lithuania was finally assured of a separate national identity. She entered into diplomatic relations with the major European powers in a spirit of friendship and cooperation. She experienced the normal domestic growing pains of most new nations but maintained relative political stability.

Adolf Hitler's rise to power signaled danger for Lithuania and her sister states along the Baltic Sea. He had clear designs in Eastern Europe, and those most certainly involved the Baltic States. In addition, the Soviet Union had revived its expansionary hopes with respect to the communizing of Eastern Europe as a natural defense against Germany. Lithuania was, once again, caught between the hammer and the anvil.

The years 1939 and 1940 sealed the little country's fate. In July of 1939, Germany seized Memel and within a month of that occurrence Germany and Soviet Russia signed that now infamous nonaggresion pact. As we now know, this agreement contained secret clauses giving Stalin a free hand in dealing with the Baltic States. Stalin soon proved himself capable of exercising this free hand. Early in 1940, under severe diplomatic pressure from the Russians, the Lithuanians allowed the stationing of Red troops on Lithuanian soil. With no hope of assistance from the Western World, the Lithuanians capitulated to the Soviet demands. With the whole world watching France fall to the Nazi machine, the Baltic States were simply incorporated into the Soviet Union without so much as a nod of disapproval from the West.

Lithuania would not give up resistance. When the Germans invaded Lithuania in 1941, Lithuanian nationalists rose up in righteous indignation and shipped the Soviets back to Russia. Unfortunately, the Reich's policy differed little from that of the Kremlin and 3 years of Nazi oppression began.

Late in 1944, Soviet armies reoccupied Lithuania, and the Communists resumed the reign of terror initiated in 1940.

After the end of the war, news leaked out to the West that a mass deportation of Lithuanians to the Soviet hinterland was occurring while thousands of more fortunate individuals escaped to freedom across the Baltic Sea.

I have mentioned the struggle of the Lithuanian people over the past 70 years in tribute to the silent and subjugated status of 3 million of our fellow human beings. We must offer hope, not despair and faith, not resignation in the Lithuanians' dream of freedom and self-determination.

Soviet domination has endured now for 33 years. Propaganda would assure those of us in the West that the Lithuanian people are delighted with their satellite status: that Soviet methods of farming and industrial techniques have prompted industrial growth never before dreamed of in Lithuanian history. We are told that the Soviet educational systems and social reforms have fostered a cheerful and great people. Obviously, this is a sham. The people of that once proud land are still yearning for freedom. The spirit of Lithuanian freedom is not dead—it does not even lie dormant. It exists in the hearts of all freedom loving Lithuanians throughout the world.

It is clearly understandable as I mentioned at the outset, why Lithuanian Independence Day is a special day in the annuals of man's quest for freedom. Our activities here in this Chamber today, as well as those in Lithuanian communities around the country carry with them a recognition of that fact and a feeling of hope for the future of the captive Lithuanian people.

We must never forget the fight waged by Lithuanians for freedom. As Americans we enjoy the blessings of freedom. Lithuanian-Americans have a special stake in striving for that freedom for all men, for all peoples.

THE PLO'S TERRORIST SUPPORT NETWORKS IN THE UNITED STATES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. McDONALD. Mr. Speaker, the second of two support conferences for the Palestine Liberation Organization will be held at the Maryland 4-H Center in Chevy Chase, Md., this weekend, February 20–22, 1977. The occasion will be the national membership conference of Breira "Alternative" in Hebrew, which pretends to be a Zionist organization but which in fact is a support group for the Soviet-supported terrorist PLO.

The support campaign for the Palestinian terrorist organization has two parallel branches: a "Jewish operation" coordinated in the United States through Breira designed to split away traditional support for Israel; and an "Arab operation" of U.S. revolutionary Marxists long in direct contact with the PLO terrorists such as the Middle East Research and Information Project—MERIP—the Palestine Solidarity Committee—PSC—and other groups.

The two parallel terrorist support campaigns come together in the Institute for Policy Studies—IPS—a Washington-based, internationally active "think tank" which in its many projects and scenarios for revolutionary change has never excluded the role of violence and which has members of terrorist organizations on its domestic and foreign staffs.

Featured at the Breira conference will be Matti Peled, chairman of the Israel Council of Israeli-Palestine Peace, who has been meeting with the PLO terrorists and urging support for PLO demands, particularly that a PLO-run mini-state be set up on the West Bank under the protection of the Soviet and Third World-dominated United Nations which would provide the PLO with the base from which to attack Jordan and Israel. Peled will be joined by Irving Howe, a writer who previously found virtue in the Vietcong cause; and by Arthur Waskow, a founder and senior fellow of the Institute for Policy Studies.

Waskow and Peled were featured this past weekend at another, related PLO support conference also held at the Chevy Chase 4–H Center and sponsored by the American Friends Service Committee—AFSG—in cooperation with the Washington area chapter of Breira which is called Tzedek Tzedek "Justice" in Hebrew, referring to Deuteronomy 16: 20. Tzedek Tzedek is headed by the ubiquitous Arthur Waskow.

On November 15, 1976, at the behest of Art Waskow and other IPS figures, the American Friends Service Committee arranged a meeting between representatives of the Palestine Liberation Organization, Breira, and three leading members of American Jewish organizations. One month later, Waskow described his version of the meeting in an op-ed page essay in the New York Times, December 16, 1976.

The representatives for the PLO terrorists were Sabri Elias Jiryis, named by Waskow as "the PLO's leading expert on Israel and Zionism"; and Dr. Isam Sartawi, "one of the high commanders of Al Fatah and a close aide of Yasir Arafat." Jiryis, an Israel Arab educated at Hebrew University, was expelled from Israel when his membership in Arafat's Al Fatah terrorist group was discovered. Wrote Waskow of the two terrorists, "They or their close associates had met previously with leading Israeli doves and in New York with American-Jewish leaders," attempting to justify the meeting. Waskow omitted the fact that the "leading Israeli doves" are really Peled and his pro-PLO "peace" group, and that the "American-Jewish leaders" were members of Breira.

Those who met with the PLO representatives, in addition to Waskow, were Rabbi Max Ticktin, vice-chairman of Breira and national director of the department of field services and leadership training of B'nai B'rith's Hillel Foundations who has long been a Waskow crony in the radical Fabrangen coffee house and other projects; Olya Margolin, a member of the staff of the National Council of Jewish Women; David Gorin, regional director of the American Jewish Congress in Washington, D.C.; and Herman Edelsberg, the former director of the B'nai B'rith International Council.

Waskow claimed that the PLO representatives "began the conversation by stating that the PLO is prepared to accept the existence of 'two sovereign states on the territory of Palestine—a Palestinian state and a Jewish state.'"

Messers. Gorin and Edelsberg said after reading Waskow's New York Times article that exactly the opposite was true. The PLO speakers said that the PLO was the legitimate government of Jordan and the territory of Israel—the original area of the British Palestine mandate—and that it would accept a "Jewish state in Palestine" but not the State of Israel.

Waskow then constructed an elaborate argument on behalf of "an independent Palestinian state on the West Bank and Gaza." Asserted Waskow, Israeli acceptance of a PLO-run state "would strengthen Palestinian doves" whom he identified as Jiryis, Sartawi and therefore their leader, Arafat. The publicity campaign to present Arafat and the PLO as "moderates" has been underway for several years in the mass media.

As planned, the PLO's U.S. meetings have been a propaganda triumph. As I pointed out to my colleagues on July 2, 1976, the plans for the U.S. meetings were developed by leading members of the Institute for Policy Studies early in 1976. The proposal originated with Saul Landau, a Castroite Comunist who is co-director of IPS's international operation, the Transnational Institute—TNI—the IPS codirectors Richard Barnet and Marcus Raskin, and Samuel Rubin, retired Faberge chairman, Old Left activist, and major source of overt funding for IPS/TNI. It is noted that Arthur Waskow was not part of this early planning cabal.

Rubin was to set up private meetings among PLO representatives, Breira, Israeli "doves" who favor accommodation with the terrorists, several public officials, and members of the American Jewish community.

Even if unsuccessful in establishing a rapport between the PLO terrorists and the Americans, the very fact of the meetings could be used to "legitimize" the terrorist organization and its methods. And this, despite the vehement protests of Messrs. Edelsberg and Gorin, is what has happened: Waskow's PLO meeting is being used to claim a new "neutrality" of attitude toward the PLO.

A brief political background on "moderate" terrorism is in order at this point. In 1974 a split developed in the Palestine Liberation Organization, an umbrella coalition of several terrorist organizations which was taken under the tutelage of the Soviet Union in 1968 after the defeat of the Syrian and Egyptian armies in the six day war. In brief, the PLO majority which included Yasser Arafat's Al Fatah, Naif Hwatmeh's Democratic Popular Front for the Liberation of Palestine—DPFLP—and As Saiq's, guerrilla units which were part of and under the command of the Syrian Army, decided to follow the Soviet Union's sug-

gestion and support U.N. Resolution 242 for a Geneva Middle East Peace Conference and press for any territory on the West Bank, Golan Heights or Gaza Strip to be placed under PLO control. As a tactical tradeoff, the PLO "moderate" majority would restrict its international terror operations, letter bombs, and assassinations and would restrict terroristic activity to Israel where bombings, arson, land mines and similar outrages against civilian noncombatants has continued.

Supported by the "hard-line" countries such as Libya and Iraq, the PLO minority led by the Marxist-Leninist George Habash of the Popular Front for the Liberation of Palestine—PFLP—and Iraq's own Arab Liberation Front—ALF—guerrillas split and became known as the Rejection Front. Both factions are receiving support from the Soviet Union. The Rejection Front receives arms and equipment from the Soviet bloc via Libya and Iraq which redistribute weapons for the Soviets. The July 1976 hijacking of the Air France jet to Entebbe was a Rejection Front operation to gain demands for the PLO and Lebanese leftists in the civil war.

Arafat's reduced PLO split with the Syrians after the PLO, which controlled the southern parts of Lebanon, allied itself with Lebanese Communist and revolutionary groups in an attempt to take over Lebanon in a civil war. The Syrian Army invaded Lebanon in June—"Black June" as the PLO calls it—and eventually defeated the PLO/Lebanese left forces.

In September 1976, a Palestinian commando unit called Black June, linked to both the Rejection Front leadership in Iraq and to Al Fatah, raided the Semiramis Hotel in Damascus killing civilians and taking hostages. Syrian authorities counter-attacked and publicly hanged the captured terrorists. In mid-November, Black June terrorists attacked the International Hotel in Amman, Jordan. Jordanian Army personnel stormed the hotel and killed all but one of the terrorists. The captured terrorist confessed and provided a great deal of information about the new terrorist campaign. He too was later hanged. Early in December, Black June took responsibility for the wounding of the Syrian foreign minister in an attempted assassination in Damascus. The PLO revolutionaries have repeatedly stated that the more moderate Arab governments, particularly Jordan and Saudi Arabia, are their targets for destruction as well as Israel.

Although the regular PLO and the Rejection Front differ on tactical matters, their goals are virtually identical and the two factions remain in close touch.

BAGHDAD SYMPOSIUM

Representatives of both Arafat's PLO and Habash's Rejection Front attended and participated in the November 1976 "International Symposium on Zionism as a Racist Phenomenon" held in Baghdad and organized by the Iraqi Government.

Some 300 pro-PLO activists from the Soviet bloc, Western Europe, Africa, the Middle East, and North America listened to over 40 "research papers" delivered by "scholars" like Roger Garudy, a member of the Politburo of the French Communist Party; Elia T. Zureik of Queens University, Canada—"Consequences of Zionism for Palestinian Class Structure"—Joe Stork of the Institute for Policy Studies and the closely related Middle East Research and Information Project—MERIP—"A Political Analysis of the Economic Dimensions of the Arab Resistance to Zionism"—Alan R. Taylor, professor of International Relations at American University; Prof. Gordon Walter; Lincoln University political science professor Richard P. Stevens; Michael C. Hudson of the Association of Arab American University Graduates—AAUG—and director of Georgetown University's Center for Contemporary Arab Studies; and Abdeen Jabara, a Detroit member of the National Lawyers Guild and past president of the AAUG who is suing the Federal Government on the grounds that he was overheard on 13 national security wiretaps. Jabara's lawyer, John Shattuck of the American Civil Liberties Union, has said he is sure his client would not have been involved with "very many" foreign agents. The question is how many is "very many"—13?

The Baghdad conference, attended by both PLO factions, reaffirmed the terrorists' demand for the destruction of the present Israeli State.

Jabara in the late 1960's and early 1970's was editor of Free Palestine which militantly supported the actions of the terrorist organization. IPS/TNI fellow Eqbal Ahmad, an expert on "counter-counter-insurgency" active in exposing U.S. antiguerrilla plans, has written for the Free Palestine publication. In 1971, with IPS codirectors Richard Barnet and Marcus Raskin among the plaintiffs, Jabara filed suit in Federal court to obtain U.S. "Government studies on contingency plans for U.S. military intervention in the Middle East," a set of documents of immeasurable benefit to the Soviet Union and the PLO.

The Institute for Policy Studies and the AAUG set up by attorney Jabara have worked together and through the Middle East Research and Information Project—MERIP—in which a number of openly pro-PLO IPS staffers have worked, including some now active in Breira.

IPS figures such as Marc Raskin, Sharon Rose, Joe Stork, and Paul Jacobs have been featured speakers at AAUG meetings. Jacobs, who admitted publicly in the early 1960's that he had been a Communist Party, U.S.A. member for 7 years, is a fellow of IPS's international subsidiary, Transnational Institute—TNI. The IPS/TNI codirectors in 1976 were the Castroite Communist Saul Landau and Orlando Letelier, exposed after his murder last September as a paid Cuban intelligence agent, if not a direct KGB operative.

Another TNI employe is Tariq Ali, a Pakistani living in Great Britain who is a leading member of the United Secretariat of the Fourth International, the Trotskyite coordinating body which engages in terrorism itself, and which maintains contacts with dozens of Marxist terrorist organizations. The Fourth International Trotskyites are also on excellent terms with the Cuban Communists, and has coordinated terrorist activities with the Cubans since 1962. The Fourth International has maintained contact with Palestinian terrorists for many years. Tariq Ali's International Marxist Group, the British Fourth International section, is in contact with CIA defector Philip Agee, who openly admits to working with Cuban espionage officials in his attacks on the CIA.

Tariq Ali's salary is in effect paid by IPS trustee Sam Rubin, whose foundation gave more than $1.2 million to TNI in 1973. When Ali was in this country in 1968, he met with the leaders of the U.S. Fourth International section—the Socialist Workers Party—SWP—and addressed the AAUG national convention.

THE AFSC CONFERENCE

In addition to Arthur Waskow's Tzedek Tzedek, cooperating with the American Friends Service Committee in producing the conference on the "New Imperative for Israeli-Palestinian Peace" were the Washington chapter of Clergy and Laity Concerned—CALC—an "anti-imperialist" group formerly active in the Communist-dominated coalitions which organized in support of the Vietnamese Communists; Women's International League for Peace and Freedom—WILPF—which works in cooperation with the Soviet-controlled propaganda and terrorist support organization, the World Peace Council; the War Resisters League—WRL—a militant socialist-pacifist organization whose leadership recently denounced people of conscience concerned over the thousands of political prisoners being held by the Vietnamese Communist regime; the United Church of Christ, United Church Board for World Ministries; SANE, a nuclear disarmament group which follows the World Peace Council line; and the Fellowship of Reconciliation—FOR—which has made faltering attempts to coordinate the efforts of IPS, the Communist Party, U.S.A.'s Committee for a Just Peace in the Middle East, and various New Left and pacifist groups in support of the PLO.

The AFSC leaders decided years ago that the world's problems can be traced to the free enterprise system and free societies. The utopia looked to by the AFSC is socialist, and the use of terrorism and armed violence to attain that "utopia" is not condemned by the AFSC on the grounds that the violence and terrorism is designed to produce a "good" end. AFSC supports the Communist dictatorships in Cuba, Red China, Laos, Vietnam, and Cambodia; and it also supports the Soviet-backed Marxist terrorist groups, euphemized as "national liberation movements," in southern Africa and the Middle East.

Among the better known participants in the conference—a mere 235 persons registered—were Richard A. Falk, a professor of international law at Princeton, a senior fellow at the Institute for World Order, a long associate of IPS; Arthur Waskow, IPS and the Breira executive committee; Rev. Richard Fernandez, now on the staff of the Institute for

World Order and formerly head of Clergy and Laity Concerned; Gail Pressberg, AFSC national office; and Matti Peled. Max Ticktin, the Breira "vice-chairperson" who heads B'nai Brith's Hillel project on the campuses, in the words of one activist attending "bugged out" under pressure.

Matti Peled said he recognized "signals" from the PLO which showed to him that the PLO had gone "far enough" to meet conditions for recognition as the only official representative of the Palestinian people as outlined in campaign speeches of President Carter.

This was stated even more strongly by PLO spokesman Isam Sartawi who addressed the meeting via telephone from Paris. Sabri Jiryis was also scheduled to make a telephone address, but a bad connection in Beirut prevented him from being heard.

Sartawi said that a Middle East peace would be impossible without inclusion of a "duly constituted legitimate and freely chosen Palestinian body," but maintained that the PLO is the "sole legitimate representative of the Palestinian people." No one has elected the PLO to be anyone's representative, but the PLO has carried out a terrorist campaign to intimidate Palestinians.

Sartawi said that the PLO recognized "Israelis' right to exist." But this sounded like the Al Fatah spokesman was merely saying that individual citizens now living in Israel will be permitted to remain alive, not that the country, Israel, will be recognized.

Both Sartawi and Peled emphasized that no Middle East peace agreement is possible without recognition of the "Palestinian people." Certainly no reasonable person would argue against the fact that the Palestinian people living in Gaza and the West Bank have an important role to play in a peace agreement. The question is really whether a revolutionary terrorist group which as a matter of tactics and policy consistently commits atrocities on innocent civilians—both Arab and Jewish—to attain its ends is to be recognized as the legitimate spokesman for all Palentinians. In effect, those who proclaim the PLO the legitimate representative group for all Palestinians undermine responsible leaders who are not terrorists and who can express the interests and grievances of their people without recourse to barbarism and totalitarianism.

The Western constitutional democracies are under a sustained attack from Marxist-Leninist totalitarians. Many areas of the Far East and Africa have fallen to dictatorship. We must not abandon the Palestinian Arabs, whether they live on the West Bank, in Jordan or elsewhere, to the thugs of the PLO.

RATE CONTROLS KEEP OHIO GAS UNDERGROUND

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. GRADISON. Mr. Speaker, I have written and spoken at length of the need to deregulate natural gas prices in order to spur production to meet our long-term energy needs. In my work on this subject I have come across an article which gives eloquent testimony to the contention that price controls keep natural gas in the ground. Written by Philip Greer and Myrun Kandel, this article depicts graphically the impact of natural gas price controls on Ohio, where 1.3 trillion cubic feet of gas await development. According to the authors, the economics of administered price controls militates against development.

I believe this article clearly lays out the overwhelming argument for deregulation of natural gas prices. I include it in the RECORD at this point for the information of my colleagues before we consider any comprehensive energy policy:

[From the Cincinnati Post, Feb. 10, 1977]

RATE CONTROLS KEEP OHIO GAS UNDERGROUND

(By Philip Greer and Myrun Kandel)

There's an ironic twist to the physical and economic suffering brought on by the big freeze. While above ground, factories have been closed, schools shut and stringent conservation measures put into effect to stretch out dwindling supplies of natural gas, under that same ground, in some places, there's enough gas to keep everyone warm and working.

The problem is that under the present price structure for natural gas, it's not profitable enough to get it out.

The Ohio-Pennsylvania-West Virginia triangle, according to oil and gas experts, is one of the best gas-drilling areas in the country. On a national average, about 90 percent of the wells drilled in the United States turn out to be dry, they said. But in that triangle the figures are reversed—about 90 percent bring in producing wells.

What's more, gas wells in Texas, Oklahoma and Louisiana can go down more than 15,000 feet through hard rock before they reach gas, while those in Ohio have produced at 2000 to 3000 feet.

Ohio has 1.3 trillion cubic feet of proven gas reserves. But estimates put the total of "probable" and "undiscovered" reserves at an additional 1.8 trillion cubic feet. That's only a drop in the bucket compared with the total U.S. proven reserves of 705 trillion cubic feet, but it's located in one of the nation's leading industrial states.

Victor D. Alhadeff, chairman of ENI Corp. in Seattle, a major bankroller of independent oil and gas drillers, said wells can be drilled in Ohio in as little as eight days. In contrast, he said, a recently-completed well in Louisiana took seven months to drill. "It's like the difference between putting up a one-family house and a 40-story office building," he observed. However, the accessibility of gas in Ohio and the high success rate of wells drilled there aren't enough to stimulate widespread drilling. The main barrier, oil and gas men contend, is the federal ceiling of $1.42 per thousand cubic feet on interstate sales.

In most producing states, the federal price ceiling doesn't apply to natural gas sold within the state where it's produced. But in Ohio, according to Alhadeff, that doesn't work. "The majority of the acreage is owned by utilities, and they have to abide by the ceiling even if they sell within the states," he explained.

"As a practical matter, it's one of the most exciting areas in the country," Alhadeff said. "There's enough gas there to more than offset the shortages they have now."

Still, he added, of the more than $42 million his company put into drilling programs last year, only $2.5 million went to Ohio. "It's the economics," he said.

Frances Wright, former president of east Ohio Gas Co., who now is a consultant at Prescott, Ball and Turben, a Cleveland-based brokerage house, noted that the production of most natural gas wells drilled in Ohio is sold as soon as they come in. The result, he pointed out, is that most of the gas is committed to large industrial users—Republic Steel, General Motors, Ford and Jones and Laughlin, among others.

In some cases, the corporations that own the land arrange for outside producers to drill the wells, with the provision that they have first call on the gas that's produced.

There have been reports that producers in some parts of the country had capped their wells, holding the gas in reserve in anticipation of higher prices.

"We don't have a situation in Ohio where wells are capped," Wright said. "The individual wells are so small that the producers have to start getting their money back right away." In addition, he said, some fields require a great many wells to be drilled for full development. In Ashtabula County in northeast Ohio, Lone Star Gas Co. had to drill nearly 70 wells to complete a field, he added.

Wright said he had been trying to find eight million cubic feet a day of uncommitted production for a client. "I've only been able to find three million," he said. "I doubt there's much uncommitted gas in the state."

AMYOTROPHIC LATERAL SCLEROSIS

HON. STEPHEN J. SOLARZ

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. SOLARZ. Mr. Speaker, today I introduced in the Congress, a resolution to declare a "state of war" against the dreaded disease, amyotrophic lateral sclerosis. This resolution is a simple statement by which the Congress would declare its resolve to combat relentlessly this killer of thousands of young American men and women.

ALS, popularly known as Lou Gehrig's disease, is a neurological disorder affecting adults, generally in the prime of life. It is characterized by a degeneration of motor cells in the spinal cord and brain. This degeneration leads rapidly to paralysis and ultimately death. Over 10,000 adults are stricken with ALS each year for no apparent reason and with no real hope for recovery.

Like polio, ALS attacks the motor cells of the brain and spinal cord. Initially many patients show problems in speech, swallowing, and chewing while others have loss of strength in an arm or leg. The onset of the disease is slow but after a few weeks the patient is struck with violent twitching and painful cramps. Then he quickly sinks into a near paralysis.

Initial diagnosis is quite difficult and often confused with multiple sclerosis. The expected lifespan for the post-diagnosis patient is a disturbing 3 or 4 years. Over 60 percent of the ALS patients are men who after a comparatively illness-free life suddenly are left useless and unable to move a single muscle.

This severe paralysis is responsible for more than the loss of one man or woman. It is a human problem of staggering magnitude. A simple calculation will demonstrate this clearly. There are at least

10,000 new ALS cases in the United States every year. The patient is typically male, who is the head of a household and in most cases the large expenses associated with ALS depletes both the bank account and the spirit of the family. Based on an average income of only $7,000 per annum, an estimate of the loss of earning power to the economy is at least $200 million a year. In addition, a like amount in Government transfer payments for welfare and aid for dependent children realize a net loss to the economy of $400 million. Clearly a cure for ALS would be one of the great milestones in medical history.

This resolution asks for no money; asks for no special week, day, or hour. This resolution simply asks the Congress to care.

FEDERAL AID IN FISH AND WILDLIFE RESTORATION ACT AMENDMENTS

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. BREAUX. Mr. Speaker, today I am introducing a bill to amend the Federal Aid in Fish and Wildlife Restoration Act of 1937 and provide State wildlife agencies additional funds for their wildlife restoration and hunter education programs. This bill was reported favorably from the Merchant Marine and Fisheries Committee late last year. A rule was granted, but the House did not have an opportunity to consider the proposal before adjournment of the 94th Congress.

The bill I am introducing today would establish an 11-percent manufacturers' excise tax on component parts of handloaded ammunition. The receipts would be added to others in the Federal aid in wildlife restoration program and distributed to the States for wildlife restoration projects and hunter education programs.

Mr. Speaker, let me explain as concisely as I can the Federal aid in wildlife restoration and the effect my bill would have on it.

That program was initiated in 1937 at the request of sportsmen, conservationists, State wildlife agencies, and the sporting firearms industry. It has been funded since that time by an 11-percent manufacturers' excise tax on sporting firearms and factory-made ammunition. The tax is collected at the factory, but it is paid by sportsmen. The program is not supported at all by general tax revenues. The U.S. Fish and Wildlife Service even retains enough of the receipts to pay Federal administrative costs. The act provides for that. The remainder is divided among State wildlife agencies to pay 75 percent of the cost for wildlife projects approved by the service. The State fish and wildlife agencies provide 25 percent of the funding. All the money from the sporting arms and factory-made ammunition tax is invested in wildlife restoration. As of December 31, 1975, that source had provided $670 million solely for wildlife conservation purposes.

The accomplishments of this program are without parallel worldwide. The States have purchased more than 3.2 million acres for wildlife. In addition, 51 million more acres have been placed under State wildlife department management through long-term leasing agreements. Totally, more than 54 million acres, an area larger than the six New England States, Maryland, and Hawaii combined, have been reserved primarily for wildlife. Additionally, a wealth of valuable research important to the conservation of wildlife has been and still is being funded by that program.

In 1970, Congress bolstered the program by redirecting the longstanding—since 1932—10-percent manufacturers' excise tax on handguns from general receipts to the Federal aid in wildlife restoration program. Unlike the excise tax on sporting firearms and factory-made ammunition, which must be used only for wildlife purposes, Congress gave the States the option of using up to one-half of their apportionment from the handgun tax for hunter education and supporting shooting ranges. The other half is for wildlife purposes. That was done in response to the need for hunter education programs conducted by the State agencies.

Fifty States have hunter education programs. In 25 of those States, hunter education programs are mandatory for all first-time hunters. These programs have proven very successful in teaching safe gun handling and many lives have been saved. Safe and responsible firearms use is only a part of the program however. Through other and equally important aspects of the program, sportsmen are becoming more familiar with complex wildlife laws and regulations and the need for such rules. Recreationist-landowner relations are improving through the programs teaching respect for private and public property. The entire science of wildlife management and the sport of hunting is benefiting.

Ranges built under the program are used to support the entire education effort and to provide safe public facilities for millions of skeet and trap shooters. But even here I want to emphasize that in the expenditure of this money the division between education and ranges is controlled by the State wildlife agency.

In 1972, Congress enacted a bill which imposed an 11-percent manufacturers' excise tax on certain items of archery equipment. The receipts are used just like those from handguns.

For those interested, a more detailed description of the Federal aid in wildlife restoration program and its accomplishments can be found in a U.S. Fish and Wildlife publication entitled "Thirty-Five Years of Shared Wildlife Management," released in 1974.

My bill would add the remaining logical items of sporting equipment to those already being taxed for wildlife and hunter education purposes. It would establish an 11-percent excise tax on component parts of handloaded ammunition. It would direct that one-half of the receipts from that source and one-half of those received from the taxes on handguns and archery equipment be used for hunter education and shooting range purposes. The remaining 50 percent would be used for wildlife purposes.

It has been estimated by members of the components industry that at least $6 million would be collected annually through this new tax. Other than adding this new money, the only significant change that my bill would make in present law is to mandate that a full 50 percent of the tax receipts from handguns, archery equipment, and component parts—not sporting arms and factory-made ammunition—be used temporarily by the States for hunter education purposes. This was done to accommodate purchasers of handguns, archery equipment, and component parts, who are largely target shooters and not hunters, and to encourage State agencies to improve their hunter education programs. Both the components purchasers and State agencies support this provision.

There is widespread agreement that hunter education is a socially desirable objective. In time, I have every expectation that its good results will equal those of automobile driver education now in so many high school programs.

I should also point out that the language mandating that a full 50 percent of the tax receipts from handguns, archery equipment, and component parts be used for hunter education programs would not reduce the total amount of money available for wildlife restoration projects. It would, in fact, provide much additional funding for wildlife restoration in the long run.

According to the U.S. Fish and Wildlife Service, $11.8 million in handgun and archery gear taxes were distributed to the States last year. The States used $8.3 million of that for wildlife and $3.5 million for expanding hunter education programs. The percentage of available funds used for hunter education has risen steadily since 1970.

If my bill had been in effect last year, the total receipts from the three sources would have been about $17.8 million. The States would have received $8.9 million for wildlife—$600,000 more than they did—and $8.9 million for hunter education and ranges—$5.4 million more than they did.

Mr. Speaker, the States are in dire need of additional funding to continue and improve their wildlife restoration work and to upgrade their hunter education programs. Inflation takes its toll annually. The agencies are saddled continually with more and more responsibilities. Wildlife management needs grow as human population and associated development increase. And education needs intensify as the number of hunters and other wildlife users multiply.

The bill I am introducing today takes all these things into consideration. It would greatly increase the money available for hunter education and target range programs. It also would increase the overall funding for wildlife restoration efforts. And in the long run, it would add larger and larger amounts to those wildlife programs. One reason for this is the fact that income from the tax will increase each year. Another is because the Merchant Marine and Fisheries Committee realizes that the requirement that 50 percent of the handgun, archery equipment, and ammunition

component taxes be used for hunter education and target ranges may provide for hunter education programs would not provide more funds than the States need for those purposes in future years. Consequently, it has committed itself to a review of the program in 5 years with the idea of removing the mandatory 50 percent language if the States so desire. That commitment was stated in the committee report on the bill last year. In that way the wishes of the purchasers of component parts, who would be paying the tax, and the State wildlife agencies, who would be administering the funds, are satisfied.

I believe this bill is a reasonable compromise for all interested parties. The skeet, trap, and target shooters who would pay the tax support it. So do 48 of the 50 State wildlife agencies. It is rare that Congress receives a request to help fund an important program accompanied by an offer to pay the cost. That is the case with this proposal, however, and I urge my colleagues to support it.

MIKHAIL MAGER

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. BRODHEAD. Mr. Speaker, the harassment and intimidation that often follows a Soviet Jew's request to emigrate from Russia is well known and well documented. Despite the Soviet Union's endorsement of the Helsinki accords, which call for special efforts on the part of signatory nations to facilitate the reunion of divided families, case after case has come to my attention indicating that the Soviet Union does not take its responsibility in this matter seriously.

One such case involves Mikhail Mager of Vinnitsa, Ukrainian SSR. Mager and his family applied for exit visas over 4 years ago. While his family was allowed to emigrate to Israel, Mager was refused permission on the grounds of security, even though he held no sensitive positions in either military or civilian life. Letters I have sent to Soviet officials on Mikhail's behalf have gone unanswered.

As a last resort, Mikhail Mager has begun a hunger strike. Members of Congregation Shaarey Zedek, which is located in the congressional district I represent, have begun a fast in sympathy with Mager, and I wish to share with my colleagues a letter I received from Rabbi Irwin Groner and Synagogue President Harold Berry:

CONGREGATION SHAAREY ZEDEK,
Southfield, Mich., February 11, 1977.

Congressman WILLIAM BRODHEAD,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BRODHEAD: In the name of the total membership of our Congregation of over 1700 families, we present to you our plea on behalf of Mikhail Mager of Vinnitsa in the Soviet Union. Mikhail Mager has been forcibly separated from his wife and parents for over four years. On January 15, 1973, when his family applied for permission to emigrate to Israel, all were given permits, except Mikhail who was turned down on grounds of "security," even though he held no sensitive position, either in civilian or army life. At the time the family was assured that Mikhail would be allowed to join them "soon." Since then, his five-year wait for army clearance passed in 1975, and still he has been repeatedly refused an emigration permit. He has been subject to government harassment and intimidation.

In hopeless desperation, Mikhail is now resorting to a hunger strike which will begin Thursday, February 17. His entire family is supporting him by conducting a hunger strike during the same time at the Western Wall in Jerusalem.

Mikhail Mager has been adopted by our Synagogue and our members feel a strong kinship with him. His young wife has addressed our Congregation during her visit in this country and many of our members have been in contact with him by mail and phone, whenever possible.

Congregation Shaarey Zedek and all the citizens of this community unite in expressing their determination that Mikhail Mager be permitted to join his family, as he has been promised. The most basic human rights of this young man are being abused by this cruel separation, and we wish to enlist our government's support for him.

We ask that the Soviet authorities honor the fundamental principles of human decency, which are the very basis of international accord. We hereby request that you forward our deep concern for Mikhail and our continuing solidarity with him to our State Department, as well as to the Soviet Embassy in Washington. The Soviet authorities should be reminded of their responsibilities to human rights under the Helsinki agreement. We believe that the fulfillment of those responsibilities is the indispensible condition for an enduring understanding between the American and Soviet governments.

Sincerely yours,
RABBI IRWIN GRONER,
HAROLD BERRY,
President.

I have written to the President of the United States and to the Soviet Ambassador in an effort to assist Mikhail Mager. His struggle for personal freedom is truly representative of the struggle of thousands of other refusniks in the Soviet Union.

BUDGET CONTROL

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mrs. HOLT. Mr. Speaker, at this point I believe we should reflect on what the Budget and Impoundment Control Act of 1974 did not do. It did not provide any appropriate sense of fiscal discipline to the Congress or to the Budget Committee. We certainly have not been controlling the budget. It is out of control.

Last September we adopted the second budget resolution for the 1977 fiscal year. It established a ceiling on outlays of $413.1 billion, estimated that this would require deficit spending of $50.6 billion, and projected the national debt at $700 billion.

But this is the world of the pork barrel and the dole, so here we are with a third budget resolution for fiscal 1977 that raises the ceiling on outlays to $418.8 billion, increases the deficit to $70.3 billion, and projects the national debt at $720.5 billion. This resolution is designed to accommodate an "economic stimulus" program of higher spending and lower revenues, and I fully expect that we will face a fourth budget resolution for fiscal 1977.

The stimulus provided by the third budget resolution is likely to be inflationary because: First, it comes at a time of general economic advancement; and, second, it swells a deficit that was already outrageously large. I believe we should be very wary of the cumulative effects of deficits that amount to $45 billion for fiscal 1975, $66 billion for fiscal 1976, and now an estimated $70.3 billion for fiscal 1977.

I believe the Budget Committee and the Congress are devoting excessive amounts of time and energy to analyzing economic data from the last month or the last quarter. We should address ourselves to the trend of years, because the effects of what we do today will last for years.

Instead, we find ourselves attempting to fine-tune the economy, breathlessly awaiting the latest reports of economic indicators, asking questions such as how much stimulus is enough, and how much can we provide without igniting inflation, and what can we do about an act of God that caused a 2-month deep freeze. If we continue with this exercise, we will be back here with a new budget for every quarter of the year, with all the usual excuses for increasing spending every time. It is the wrong approach.

There is no way to fine-tune an economy which reacts to millions of decisions made independently of Government by consumers, workers, and businessmen. However, the actions of the Federal Government can have an impact on the longer-range trends of the economy.

The trend that we have experienced in recent years is the rapid growth of Government and the slowing of economic growth in the private sector. The huge and increasing Government drain on earnings and capital, and the inflationary folly that we can achieve prosperity with massive public debt, are the prime causes of our economic ills.

As Government takes more resources, less is available for the private, productive sector of the economy and less wealth is created to sustain the American people. Government cannot spend us to prosperity because more Government means less production, and more Government handouts without increasing production is a sure road to inflation.

The proposed stimulus package authorized by the third budget resolution is a gimmicky and quick-fix kind of thing that offers us no promise of durable, real economic growth. One can only hope that it is modest enough to avoid serious harm to the economy.

If the Congress is really interested in promoting sustained economic expansion that is healthy and noninflationary, then it will enact permanent, across-the-board tax reductions matched by cuts in Federal spending.

This would be the best way to increase spendable income, stimulate production by increasing the rewards of investment and work, and provide new jobs by stimulating investment.

IN MEMORY OF BEN COBER

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. DON H. CLAUSEN. Mr. Speaker, northern California recently lost one of its most distinguished citizens when Mr. Ben Cober passed away at the age of 84.

Ben Cober was one of the last of a vanishing breed—the self-made man who started to work at an early age to help his family, and continued working long and hard in a very successful journalistic career culminating as owner and publisher of the Ukiah Daily Journal, one of northern California's outstanding newspapers.

In addition to his journalistic endeavors, Ben had an exceptionally wide range of interests and was very active in civic and community affairs. He sincerely liked and enjoyed people and had a zest for living.

I enjoyed the personal privilege of working very closely with Ben Cober in projects and programs promoted by the Redwood Empire Association. Also, he was extraordinary in his efforts to give me advice and counsel on congressional matters. But, above all, Ben Cober was a champion for the people of Ukiah and Mendocino County. He stood tall in the forest of big men who have dedicated their lives to the benefit of their fellow man. I take great pride in claiming Ben Cober as a close personal friend. We shall all miss him very much.

The high esteem in which he was held in the Redwood Empire is reflected in the following two newspaper articles, which indicate the deep loss felt by his fellow citizens:

JOURNAL PUBLISHER EMERITUS STROKE VICTIM—BEN COBER WRITES "30" TO CAREER

Ben A. Cober, publisher emeritus of the Ukiah Daily Journal, wrote "30" to his long career as a newspaperman Sunday.

Memorial services to pay tribute to a man who had been a guiding influence in Ukiah social, political, civic and business affairs for close to 50 years will be held Wednesday at 2 p.m. at the Ukiah Methodist Church.

Ben Cober, who was born Benjamin Alstot Cober on Dec. 4, 1892 at Ogden, Utah, was 84 years of age at the time of his death here in the community to which he had devoted more than half his life. Although he had been in failing health the past few years, the end came quickly with a sudden stroke at his Burke Hill residence Sunday morning. He was taken immediately by ambulance to Hillside Hospital but was pronounced dead on arrival.

The Rev. Arthur Gafke of the Ukiah Methodist Church, of which Mr. Cober had been a member from his first days here, will officiate at the services in conjunction with Ukiah's Masonic lodge and burial will be in Ukiah Cemetery. Zimmerman Mortuary is in charge of arrangements.

His widow, Mrs. Daisy Cober, has requested that any contributions be made to the Shriner's Crippled Children's Fund, as this was one of her husband's special interests. Nelmes Smith, retired manager of the Ukiah branch of the Bank of America and a longtime friend of the Cober family, will accept remembrances in his friend's name at the Smith's home, 426 W. Church Street.

Ben Cober was a big man, not only in size— family records show that he weighed 12 pounds at birth and stood six feet tall in his prime—but in the breadth of his knowledge and experience in his chosen field and his love of the good life. He was always a participator, never a spectator.

His first contact with the newspaper world was as a child, selling newspapers in Ogden to help his widowed mother keep the family together. He then became a messenger boy for Western Union, learned telegraphy and at the age of 18 became the agent-telegrapher for Union Pacific Railway Company at Island Park, Idaho and, a short time later, also took on the job of postmaster. His "spare," time was devoted to fishing, organizing his own orchestra in which he played saxophone, mandolin and mandola, and correspondence courses in bookkeeping. In later years, he become an ardent golfer.

It was not until he was 35 that he embarked on what was to become his life's work. He bought the Mill City Logue in Mill City, Oregon, on Dec. 6, 1927, sold it the following August and came to Ukiah where he bought a half-interest in the Redwood Journal from Sam Ray Sr. The first issue of the Journal under the new ownership was published Sept. 3, 1929, and, in February, 1931, Ben Cober became full owner of the Journal, which was then a weekly. It later changed to a semi-weekly and then to a daily.

In the interim, he purchased the Ukiah Dispatch Democrat, an opposition weekly established in 1870—the oldest newspaper in Mendocino County—and published both papers from the Redwood Journal's Main and Standley Street plant. He later bought the Sebastopol Times, commuting there twice weekly before he sold that paper to devote all his energies to the Ukiah publication which, when it went daily in 1954, was renamed the Ukiah Daily Journal.

In later years he acquired the Willits paper and entered into a partnership with Robert Gerber, publisher of the Ukiah News, a weekly. In mid-1968 he decided it was time to relax and sold both the Journal and the Willits News to the present ownership, remaining as publisher emeritus until his death.

This man, whose coverage of the news ranged from Charles Lindbergh's solo flight across the Atlantic to man's landing on the moon, managed to pack a lot of living into his 84 years. He was a past president of Ukiah Rotary, member of the state, county and city Chamber of Commerce, past director of the Ukiah Chamber, a charter member of the Ukiah Elks lodge which he helped organize here and served two terms as exalted ruler, past president of the Redwood Empire Association, past Republican Central committeeman, a member of the San Francisco Press Club, the Commonwealth Club, the Playboy Club, the Navy League, a Mendocino County deputy sheriff, former Mendocino State Hospital trustee, member of the American Legion and, as publisher of the Daily Journal, a member of the 100 Year Club which consists of newspapers which have been in publication for the past 100 years.

An active Mason, Mr. Cober was a past master of the Mill City, Ore. Masonic lodge, charter member of the Marilyn chapter, No. 145, Eastern Star, Mill City, was voted into the Ukiah lodge of Royal Arch Masons and given the Master Mark (First Degree) and went from the Royal Arch to Commandery (32nd Degree); thence initiated into the Shrine at Oakland.

During World War I, he was in the service as a radio operator in a field signal battalion and in World War II he served as chairman of the county and city public information committee.

Survivors, in addition to his wife, include Muriel Andrews, a niece from West Los Angeles; his great nephew, Doug Andrews of Los Angeles; and a step-daughter, Marilyn Cowan of Ukiah.

BEN COBER, RETIRED UKIAH PUBLISHER, DIES SUNDAY FOLLOWING STROKE

Ben A. Cober, 84, retired publisher of the Ukiah Daily Journal and past president of the Redwood Empire Assocation, died Sunday following a stroke in a rest home on the Mendocino coast. He is survived by his wife, Daisy, a former deputy county superintendent of schools in Lake County, whom he married in 1963 after the death of his longtime wife and business associate.

Cober was a native of Ogden, Utah. In 1892, and except for World War I signal corps service, he was a railway telegrapher and station agent for both the Union Pacific and Southern Pacific railroads. At Mill City, Oregon, he had also branched out as a newspaperman, running a small weekly paper, as well as corresponding for the Salem Capital-Journal and serving as postmaster.

Late in 1927 he bought a half interest in the then weekly Redwood Journal in Ukiah. Subsequently, he bought out his partner and then purchased the Democrat-Dispatch from the Thurstons, followed by the Ukiah Republican-Press in 1950, out of which he went daily in 1951-52.

Cober was a Royal Arch Mason, a Shriner, and an avid traveler—by rail, air and highway, individually or in groups. Until ill health overtook him ten years ago, he was a bon vivant of the first order and one never knew what day or what hour he would arrive in Fortuna or Eureka for a jolly visit, always with his cameras and a storehouse of wild and funny stories.

Funeral services took place Wednesday from the Ukiah Methodist Church, the same edifice from which Ben and Daisy were married in 1963. The services were concluded, we thought, when the minister dashed down the aisle to ask the happy couple to do it over again. The Journal's society editor had a breakdown with her camera and had missed the picture. Ben had one around his neck and loaned the distraught gal his own camera to do the job.

That day was also Ben Cober's birthday and he couldn't leave on his wedding trip until another ceremony at midnight, the passing of the holy grail to the Forest Lodge bar owner who became the same age at midnight. All of this was accompanied on a violin by an ex-heavyweight wrestler who doubled as a bartender. This made it very difficult to drive home to Fortuna.

ARE THE COURTS GOING TOO FAR?

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. HAGEDORN. Mr. Speaker, there is growing awareness among Members of the Congress and the public that the Federal executive branch is not the only institution of Government that has steadily taken unto itself new powers and authorities in recent years. A writer for the National Observer recently noted that—

Political commentators have bored us for years with talk of the power struggle between the Legislative and Executive branches of our government, but the real power grab

has been by the Judiciary. The Supreme Court makes more social policy in a month than Congress does in a decade. Executive decisions, especially at the local level, are nothing more than proposals offered up for approval or amendment by the judges of our ruling branch of government."

Under the guise of interpreting the Constitution, Federal courts have increasingly vested in themselves the authority to decide social policy matters of the kind traditionally reserved for the executive and legislative branches of Government. A lawyer and former staff member of the Brookings Institution, Mr. Donald Horowitz, has summarized the problem very well in an article in Commentary magazine. Following are some excerpts from this perceptive analysis:

ARE THE COURTS GOING TOO FAR?

(By Donald L. Horowitz)

The last two decades have been a period of considerable expansion of judicial responsibility in the United States. Although the kinds of cases judges have long handled still occupy most of their time, the scope of judicial business has broadened. The result has been involvement of courts in decisions that would earlier have been thought unfit for adjudication. Judicial activity has extended to welfare administration, prison administration, to education policy and employment policy, to road building and bridge building, to automotive-safety standards, and to natural-resource management.

In just the past few years, courts have struck down laws requiring a period of in-state residence as a condition of eligibility for welfare. They have invalidated presumptions of child support arising from the presence in the home of a "substitute father." Federal district courts have laid down elaborate standards for food handling, hospital operations, recreation facilities, inmate employment and education, sanitation, laundry, painting, lighting, plumbing, and renovation in some prisons; they have ordered other prisons closed. Courts have established equally comprehensive programs of care and treatment for the mentally ill confined in hospitals. They have ordered the equalization of school expenditures on teachers' salaries, established hearing procedures for public-school discipline cases, decided that bilingual education must be provided for Mexican-American children, and suspended the use by school boards of the National Teacher Examination and of comparable tests for school supervisors. They have eliminated a high-school diploma as a requirement for a fireman's job. They have enjoined the construction of roads and bridges on environmental grounds and suspended performance requirements for automobile tires and air bags. They have told the Farmers Home Administration to restore a disaster-loan program, the Forest Service to stop the clear-cutting of timber, and the Corps of Engineers to maintain the nation's non-navigable waterways. They have been, to put it mildly, very busy, laboring in unfamiliar territory.

What the judges have been doing is new in a special sense. Although no single feature of most of this litigation constitutes an abrupt departure, the aggregate of features distinguishes it sharply from the traditional exercise of the judicial function.

First of all, many wholly new areas of adjudication have been opened up. There was, for all practical purposes, no previous judge-made law of housing or welfare rights, for example. To some extent, the new areas of activity respond to invitations from Congress or, to a much lesser extent, from state legislatures. Sometimes these take the form of judicial-review provisions written into new legislation. Sometimes they take the form of new legislation so broad, so vague, so indeterminate, as to pass the problem to the courts. They then have to deal with the inevitable litigation to determine the "intent of Congress," which, in such statutes, is of course nonexistent.

If some such developments result from legislative or even bureaucratic activity (interpretation of regulations, for example), then it is natural to see the expansion of judicial activity as a mere concomitant of the growth of the welfare state. As governmental activity in general expands, so will judicial activity.

But that is not all that is involved. Much judicial activity has occurred quite independently of Congress and the bureaucracy, and sometimes quite contrary to their announced policies. The very idea is sometimes to handle a problem unsatisfactorily resolved by another branch of government. In areas far from traditional development by case law, indeed in areas often covered densely by statutes and regulations, the courts have now seized the initiative in lawmaking. In such areas, the conventional formulation of the judicial role has it that courts are to "legislate" only interstitially. With the important exception of judicial decisions holding legislative or executive action unconstitutional, this conventional formulation of what used to be the judicial role is probably not far from what judges did in fact do. It is no longer an adequate formulation.

What the courts demand in such cases, by way of remedy, also tends to be different. Even building programs have been ordered by courts, and the character of some judicial decrees has made them, *de facto*, exercises of the appropriation power. A district court order rendered in Alabama had the effect of raising the state's annual expenditure on mental institutions from $14 million before suit was filed in 1971 to $58 million in 1973, a year after the decree was rendered. Decisions expanding welfare eligibility or ordering special education for disturbed, retarded, or hyperactive pupils have had similar budgetary effects. "For example, it is estimated that federal court decisions striking down various state restrictions on welfare payments, like residency requirements, made an additional 100,000 people eligible for assistance."* It is no longer even approximately accurate to say that courts exercise only a veto. What is asked and what is awarded is often the doing of something, not just the stopping of something.

To be sure, courts have always had some say in the way public funds were spent. How else could they award damages against the government? But even in the aggregate, decisions ordering a municipality to pay for an injury sustained by someone who trips over a loose manhole cover are not generally important enough to influence the setting of public priorities. The recent decisions that require spending to achieve compliance with a newly articulated policy are something else again.

It is also true that both affirmative and negative relief (orders to do something and orders to stop doing something) have a long history in English equity jurisprudence. The hoary remedies of mandamus and specific performance both require affirmative action—but action of a very circumscribed, precise sort, the limits of which are known in advance of the decree. Mandamus traditionally compels performance of an official duty of a clear and usually trivial sort; generally, compliance is measured by performance of one or two simple acts. Specific performance compels compliance with certain kinds of contractual obligation, the exact nature of the obligation spelled out in the contract. But specific performance is not traditionally awarded to compel performance of a contract for personal services, one significant reason being that the courts would then find themselves deep in the management of a continuing relationship, perhaps a whole business enterprise.

Again, therefore, compelling the performance of certain affirmative acts is nothing new in principle, but it is new in degree. The decree of a federal district judge ordering mental hospitals to adhere to some eighty-four minimum standards of care and treatment represents an extreme in specificity, but it is representative of the trend toward demanding performance that cannot be measured in one or two simple acts but in a whole course of conduct, performance that tends to be open-ended in time and even in the identity of the parties to whom the performance will be owed. Remedies like these are reminiscent of the kinds of programs adopted by legislatures and executives. If they are to be translated into action, remedies of this kind often require the same kinds of supervision as other government programs do.

This leads to still another difference in degree between adjudication as it once was and as it now is. Litigation is now more explicitly problem-solving than grievance-answering. The individual litigant, though still necessary, has tended to fade a bit into the background. Courts sometimes take off from the individual cases before them to the more general problem the cases call up, and indeed they may assume—dubiously—that the litigants before them typify the problem.

Once again, of course, it is all too easy to fabricate an idealized judicial past that consigned judges merely to resolving individual disputes. It has not been that way. In articulating the law of negligence from one case to the next, judges have tried to lay down a standard of care calculated to reduce the incidence of personal injury and property damage without unduly raising the expense of doing so. Many other common-law rules could be described in similar terms, as much efforts to frame behavioral standards as to apply them. Some of the most formidable difficulties faced by common-law judges have arisen in cases that present the judges with an inescapable choice between doing justice in the individual case and doing justice in general.

For all that, however, the individual and his case remained indispensable. Courts paid particular attention to the interplay between the facts of the individual case and the facts of the class of cases they projected from it. Without the particular case, the task of framing standards was devoid of meaning. It is inconceivable, for example, that even a great, innovative common-law court like the New York Court of Appeals early in this century would have countenanced deciding a case that had become moot. That some issues might forever escape judicial scrutiny because of the doctrine that a moot case is not a case at all would have struck even bold judges of a few decades ago as entirely natural.

Today it is repellent to many judges. For the view has gained ground that the judicial power is, by and large, coterminous with the governmental power. One test of this is the withering of the mootness doctrine in the federal courts. The old prohibition on the decision of moot cases is now so riddled with exceptions that it is almost a matter of discretion whether to hear a moot case. The argument for deciding a case that has become moot is often the distinctly recent one that there is a public interest in the judicial resolution of important issues. In contrast, the earlier view was that there was a public interest in avoiding litigation. By the same token, dismissal for mootness has become a practice reserved for invocation when it is unimportant, inconvenient, or impolitic to decide the issues a case raises.

What this shift signifies is the increasing subordination of the individual case in judicial policymaking, as well as the expansion of

judicial responsibility more nearly to overlap the responsibilities of other governmental institutions. The individual case and its peculiar facts have on occasion become mere vehicles for an exposition of more general policy problems. Consequently, somewhat less care can be devoted, by lawyers and judges alike, to the appropriateness of particular plaintiffs and to the details of their grievances.

At the same time, the courts have tended to move from the byways onto the highways of policy-making. Alexander M. Bickel has captured, albeit with hyperbole, the thrust of the new judicial ventures into social policy. "All too many federal judges," he has written, "have been induced to view themselves as holding roving commissions as problem solvers, and as charged with a duty to act when majoritarian institutions do not." The hyperbole is itself significant: many federal judges regard themselves as holding no such commission, yet even they have embarked on "problem-solving" ventures. This is the surest sign that the tendency is not idosyncratic but systemic: it transcends, in some measure, individual judicial preference and calls for systematic explanation. . . .

The appropriate scope of judicial power in the American system of government has periodically been debated, often intensely. For the most part, what has been challenged has been the power to declare legislative and executive action unconstitutional. Accordingly, the debate has been cast in terms of legitimacy. A policy accustomed to question unchecked power views with unease judicial authority to strike down laws enacted by democratically elected legislatures. Where, after all, is the accountability of life-tenured judges? This question of democratic theory has been raised insistently, especially in times of constitutional crisis, notably in the 1930's and again in the 1950's.

The last word has not been heard in these debates, and it will not soon be heard. The structure of American government guarantees the issue a long life. But, for the moment, the debate seems to have waned with the growing recognition that there are elements of overstatement in the case against judicial review. The courts are more democratically accountable, through a variety of formal and informal mechanisms, than they have been accused of being. Equally important, the other branches are in many ways less democratically accountable than they in turn were said to be by those who emphasized the special disabilities under which judges labor. Hence the many academic discussions of the need for "representative bureaucracy," for a less insular Presidency, and for reform of the procedures and devices that make Congress undemocratic internally and unrepresentative externally. (That students of any single institution often tend to see that institution as the flawed one is a useful indication of the limited perspective that comes from single-minded attention to any one institution. It should properly make us chary of drawing inferences about the courts without an institutionally comparative frame of reference.)

As the debate over the democratic character of judicial review wanes, there is another set of issues in the offing. It relates not to legitimacy but to capacity, not to whether the courts *should* perform certain tasks but to whether they *can* perform them competently.

Of course, legitimacy and capacity are related. A court wholly without capacity may forfeit its claim to legitimacy. A court wholly without legitimacy will soon suffer from diminished capacity. The cases for and against judicial review have always rested in part on assessments of judicial capacity: on the one hand, the presumably superior ability of the courts "to build up a body of coherent and intelligible constitutional principle"; on the other, the presumably inferior ability of courts to make the political judgments on which exercises of the power of judicial review so often turn. If the separation of powers reflects a division of labor according to expertise, then relative institutional capacity becomes relevant to defining spheres of power and particular exercises of power.

The recent developments that I have described necessarily raise the previously subsidiary issue of capacity to a more prominent place. Although the assumption of new responsibilities can, as I have observed, be traced to exercises of the traditional power to declare laws unconstitutional, they now transcend that power. Traditional judicial review meant forbidding action, saying "no" to the other branches. Now the judicial function often means requiring action, and there is a difference between foreclosing an alternative and choosing one, between constraining and commanding. Among other things, it is this difference, and the problematic character of judicial resources to manage the task of commanding, that make the question of capacity so important.

Yet judicial intervention in matters of social policy has greatly increased and will not soon decrease. This expansion of judicial responsibility means, first, a broadening of the sphere of judge-made law, into areas that might once have been called "social welfare" and were not considered "legal" at all. It also means an expansion of the scope for judicial initiative within these areas. Courts are no longer as confined to the interstices of legislation as they once were—now the statute is often a mere point of departure—and they are no longer as inhibited as they once were from delving into supervisory or administrative responsibilities in connection with the remedies they award. They are more often found requiring detailed, affirmative, and specific action than previously. They are less constrained, too, by the limitations of the cases and the litigants before them. More openly, self-consciously, and broadly than before, the courts are engaged in efforts to shape or control the behavior of identifiable social groups, groups not necessarily before the court: welfare administrators, employers, school officials, policemen.

What that means is that there is somewhat less institutional differentiation today than two decades ago. There is now more overlap between the courts and Congress in formulating policy and between the courts and the executive in both formulating and carrying out programs. That is, the types of decisions being made by the various institutions—their scope and level of generality—seem to be converging somewhat, though the processes by which the decisions are made and the outcomes of those processes may be quite different—as different as the groups who maneuver to place an issue before one set of decision-makers rather than another, or who, defeated in one forum, turn hopefully to the next, believe them to be. Thus, to say that there is convergence in the business of courts and other institutions is not tantamount to saying that it makes no difference who decides a question. On the contrary, it matters a good deal, for the institutions are differently composed and organized. The real possibility of overlapping responsibilities but opposite outcomes makes the policy process a more complex and drawn-out affair than it once was.

The recency, the incompleteness, and the incremental history of these developments should not obscure their portentousness. It is just possible that these modifications in the scope of judicial power will one day amount to a major structural change. We regard as quaintly and unduly restrictive the medieval conception of legislation as mere restatement of customary law. Future generations may likewise view our distinctive association of adjudication with the grievances of individual litigants as an equally curious affectation.

It may be, of course, that something much less significant than this is in the offing. For the purposes of this discussion, it makes little difference. The changes of degree that are already visible are quite enough to raise important questions about the consequences of using the judicial process for the resolution of social-policy issues.

Many of the most serious questions relate to the way in which courts get their information. Consider the position of the judge. His formal function is to decide a dispute between two parties, a role for which his training and experience generally equip him well. The legal rules and machinery through which the judge works are also geared to the controversy between the parties. Virtually all of the conventions of litigation leave the initiative to the parties. What they elicit, the judge hears. What they neglect, he neglects. The rules of evidence are also designed with the litigants' case, and that alone, in mind. Evidence about their relationship, their characteristics, their transactions, is generally relevant and admissible. Evidence about more general conditions is often inadmissible and, when admissible, is treated far more circumspectly, both by the law and by the judges who apply it.

Most of the time these rules and conventions are well adapted to the business of the courts. Focusing on litigants and their controversy is perfectly appropriate when their own controversy is all that is at stake. But when questions of social policy arise in the guise of a lawsuit, that is another matter. Then the controversy between the litigants is really secondary to the larger questions that their lawsuit raises. The judge can learn all there is to learn about the parties and their dispute without bieng very much wiser about the general problem their case is said to reflect.

As a matter of fact, the judge may be seriously misled if he pays close attention to the facts of the case before him, for that case is almost surely unrepresentative of the general class of cases it is supposed to represent. Enough is known about when and why people bring suit to know that the average plaintiff is not just like everybody else with a similar problem. No lawyer who seeks a favorable decision in welfare rights or prison reform or any other field will, if given a choice, be content to bring just a run-of-the-mill case to court. Instead, he will choose the worst case, the most extreme case, that comes his way.

So the cases that come to court are by no means typical, and a judge who masters the facts of the case before him has at best a very rough—and sometimes stereotyped—idea of the dimensions of his policy problem. How the courts are to inform themselves of the diverse social conditions that are increasingly relevant to decision is a question that insistently demands an answer.

The judge's difficulties, however, only begins there. After he is convinced that some unlawfulness has been identified, a remedy has to be devised. At this point, the judge, like all other policy-makers, has gone into the prediction business. He has to sense what is required to get the results he aims at, and he must forecast the consequences of various alternative decrees that might be formulated.

Yet the same rules, conventions, and procedure that focus the judge's attention on the litigants and the history of their controversy also focus the judge on the past more than the future. Since court decisions declare rights and duties arising out of previous transactions, the framing of the decree usually gets far less meticulous attention than does proof of the "wrongs" which give rise to the decree. Litigation tends to be backward-looking, and orienting it toward forecasting is no simple matter.

Questions also remain about the way in which court orders are carried out. Accustomed to thinking in terms of "compliance" or "noncompliance," judges do not necessarily sense the scope that exists for effectuating a judicial decree in one way rather than another. Yet what happens to a decree after it leaves the courthouse is every bit as important as what has gone before.

In fact, the accessibility and rationality of the judicial process may lead the participants to think that the problem of implementation is more straightforward than it is. One reason the policy issue is in court at all may be that action on it has been thwarted in the other branches of government by the myriad influences and interests that are represented there. In court, fewer interests are represented, and fewer still are in a position to thwart action. Hence the attractiveness of the judicial forum for groups that find it hard to get their way in the other branches.

The judicial process thus reduces the number of participants and makes it possible to cut through to an apparent solution. But the courts cannot make the complex pattern of interests disappear altogether. If all the parties who have some stake in a policy decision one way or the other are not fully represented in court, they may nonetheless reappear and make their influence felt at the implementation stage. And so the judge who decrees this or orders that may later find that he has in fact produced something rather different from what he had in mind. The simplification of social and political complexity that occurs in the courtroom is only temporary.

After a number of such experiences, sensitive judges may well wonder whether the institution over which they preside, admirably suited as it is to processing individual cases, is really the right setting in which to thrash out the perplexing social-policy questions that increasingly come to court. Some judges may begin to think of ways to augment their capacity; others may prefer to emphasize the venerable canons of judicial restraint. And some may ultimately come to embrace Jeremy Bentham's blunt assertion that "amendment from the judgment seat is confusion."

RELIGIOUS BROADCASTS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. WHITEHURST. Mr. Speaker, I am sure that many of my colleagues have received a great deal of mail regarding the rumor that the FCC is considering banning religious broadcasts. I have received numerous letters on the subject from constituents who are gravely concerned about such a possibility.

It is for this reason that I would like to share the article by Ms. Janis Johnson which appeared in the Thursday, February 17, 1977, edition of the Washington Post. I hope that it will help lay the unfortunate rumor to rest and reassure the many people who have been distressed by the story.

The article follows:

MAIL PROTESTS ALLEGED RELIGIOUS BROADCASTS BAN

(By Janis Johnson)

During the past 18 months, the Federal Communications Commission has been inundated with more than 5 million letters sent by Americans who erroneously believe the commission is considering a petition to ban religious broadcasting.

An average of 8,000 letters each day have been arriving in the commission's mailroom at 1919 M St. NW. The FCC has hired two extra employees and temporarily rented additional space to handle the letters. Last fall, the commission destroyed about 4 million letters after it got permission to do so from the General Services Administration.

Practically all the mail is a form letter. The letter claims that atheist Madalyn Murray O'Hair, who got the Supreme Court to ban prayers and bible readings in public schools, is behind an effort to get religious broadcasts banned from the airwaves.

"We don't know what's behind it," said Roscoe E. Long, chief of the policy and rules division of the FCC's broadcast bureau.

"It seems to be some kind of organized effort by well-meaning people who are afraid something is happening, and there is a certain appeal in writing their government about a very sensitive issue in this country: government and religion," he said.

Long said the commission is hesitant about putting out appeals to people to stop writing over radio and TV stations because as licensees these stations might consider such a request for air time "coercive."

Lately, Long said, he has even had indications that nonreligious groups such as the American Association of University Women and the American Farm Bureau are becoming involved in the mass mailing to the FCC.

FCC officials say they have tried everything they can think of to dispel the rumor that a petition aimed at ending religious broadcasting exists or that O'Hair, president of American Atheists, is involved in such an attempt.

They have given media interviews, made personal appearances, sent letters to editors, telephoned letter writters, developed lengthy press releases and form letters and sought the cooperation of groups like the National Religious Broadcasters and major religious denominations to inform the public of the truth.

Last July, TV Guide—which reaches 46 million adults each week—carried a cover story called, "The Rumor the FCC Can't Kill," and still the mail comes in. In fact, it is increasing, and no one can explain why, said Long.

O'Hair who lives in Austin, Tex., also is being deluged. "You don't know how many Bibles . . . tape cassettes . . . records and record sets I get from religious nuts who think I'm involved with this," she said.

"I get rosaries in the mail, telephone calls. Just last week we had to physically extrude a protestor from our office. I'm running for City Council and they're trying to inject this into the campaign. I'm starting to make more TV appearances just to say my hands are clean on this issue."

The FCC did consider a petition two years ago that sought some curbs on fundamentalist religious broadcasts. It was vigorously opposed and generated 700,000 comments, more mail than any other subject in FCC history.

The petition filed in December, 1974, by Jeremy D. Lansman and Lorenzo W. Milam, broadcast consultants in California, asked the FCC to "freeze" applications by religious institutions for TV or FM channels that are reserved for educational stations.

The case did not involve religious programming on any commercial network or station, where the preponderance of religious shows exist. Immediately, however, it was misinterpreted, and the deluge of mail began.

The FCC unanimously denied the petition on Aug. 1, 1975, declaring that the First Amendment requires government agencies to be neutral toward religion.

About the same time, the rumor got started that O'Hair was involved, and since then, some of the protesting petitions to the FCC have contained as many as 10,000 signatures.

The form letters charge that "if her (O'Hair's) attempt is successful, all Sunday worship services, currently being broadcast either by radio or television would cease. Many elderly people and shut-ins, as well as those recuperating from illness or hospital visits, depend on radio and television to fulfill their worship needs every week."

It also warns against O'Hair's effort to stop astronauts from praying and reading the Bible in outer space, an attempt that died in the courts in 1971.

Long's staff does not answer the mail, except for the hundreds of congressional inquiries about the nonexistent petition, and he said he has no estimate of the cost to taxpayers in staff time devoted to the imaginary issue.

He has computed that postage on the mail received has cost $650,000. "Just think of all the work which could have been done in the churches with that money," he mused.

NBC'S 3-HOUR SMEAR OF SENATOR JOSEPH McCARTHY—PART II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1977

Mr. McDONALD. Mr. Speaker, on February 9 I shared with my colleagues some preliminary observations on the NBC fictionalized 3-hour diatribe against Senator Joseph McCarthy. Since that time, my office has received numerous phone calls and letters from people who have known and worked with the Senator. They were unanimous in their condemnation of the unfair television presentation. They were able to advise my staff of additional sources of information to refute the allegations made by NBC.

The TV program used every technique of skillful propaganda. The most effective of these was the use of fictional statements put in the mouths of real individuals as well as those attributed to nonexistent characters. The most vicious anti-McCarthy statements were those made by fictional characters invented by the author.

Throughout the program, Senator McCarthy was shown drinking in the office and offering drinks to newsmen and other visitors. This helped create the image of Senator McCarthy as an irresponsible person and a drunkard. My staff has talked to Mrs. Larry Lent who, under her maiden name, Larry Lawrence, worked as Senator McCarthy's secretary. She told us that in all the years that she worked closely with Senator McCarthy she never saw him take a drink in the office and never saw him offer a drink to anyone else in the office. In fact, he did not have liquor available in his office.

The NBC TV show made much of the reputation of Senator McCarthy's charges of communism in the State Department by the Tydings committee. The Tydings investigation could really be the subject of a book, but I will confine myself to a view observations based on a careful reading of the transcript and

other relevant documents. The Tydings committee star witness was Earl Browder, former secretary general of the Communist Party, USA. In this capacity, he would have had knowledge of contact between State Department officials and the Communist Party, or Soviet officials. While Browder answered some questions which indicated that he had no knowledge of certain persons' Communist membership, he refused to answer questions which might show contact between State Department officials and Tung Pi Wu, a Chinese Communist leader.

The unanswered questions had been asked by Senator Hickenlooper on behalf of the Republican minority. He further refused to answer the Senator's questions on whether certain persons were known to him to be members of the Communist Party. Browder was cited for contempt of Congress. At his trial Browder argued that he was not in contempt of the committee but only of the Republican minority. He implied that the purpose of the committee was not to find Communists in the State Department but to disprove McCarthy's charges.

Browder stated in his own defense, "The committee was sharply divided, irreconcilably divided, hopelessly divided into a majority and a minority; and Senator Hickenlooper was a member of the minority and could not possibly speak for the committee as a whole." According to Browder, "these two committees, acting under the name of one, were directing their efforts toward completely different and irreconcilable aims."

The court was convinced by Browder's argument and granted the defendant's motion for a judgment of acquittal. For an extremely interesting discussion of the case and the reproduction of the relevant documents, including the trial transcript, see "Contempt of Congress, the Trial of Earl Browder," privately published by Earl Browder, circa 1951, Yonkers, N.Y.

In 1960 Browder boasted of the power that the Communist Party had had during his years as leader from the early 1930's to the middle 1940's. He said:

Entering the 1930's as a small ultra-left sect of some 7,000 members, remnant of the fratricidal factional struggle of the 1920's that had wiped out the old "left wing" of American socialism, the CP rose to become a national political influence far beyond its numbers (at its height it never exceeded 100,000 members), on a scale never before reached by a socialist movement claiming the Marxist tradition. It became a practical power in organized labour, its influence became strong in some state organizations of the Democratic Party (even dominant in a few for some years), and even some Republicans solicited its support. It guided the anti-Hitler movement of the American League for Peace and Democracy that united a cross-section of some five million organized Americans (a list of its sponsors and speakers would include almost a majority of Roosevelt's Cabinet, the most prominent intellectuals, judges of all grades up to State Supreme Courts, church leaders, labour leaders, etc.). Right-wing intellectuals complained that it exercised an effective veto in almost all publishing houses against their books, and it is at least certain that those right-wingers had extreme difficulty getting published. (Socialism in America, by Earl Browder, privately reprinted from St. Anthony's Papers, London, by Earl Browder, Yonkers, New York, 1960, page 101.)

The television program made much of an incident involving the late J. B. Matthews which had been used so effectively by the Eisenhower administration to attack Senator McCarthy. The Senator had appointed Dr. Matthews who had formerly been the Research Director of the Special Committee on Un-American Activities from 1938–45 as the staff director of the McCarthy committee. The enemies of McCarthy used an article written by Dr. Matthews prior to his appointment in an effort to discredit Senator McCarthy. Matthews was quoted as saying:

The largest single group supporting the Communist apparatus in the United States today is composed of Protestant clergymen.

They neglected to quote further where Matthews said:

It hardly needs to be said that the vast majority of American Protestant clergymen are loyal to the free institutions of this country, as well as loyal to their solemn trust as ministers of the Gospel. In a sense, this overwhelming majority is embarrassed by the participation of the minority in the activities of the most sinister conspiracy in the history of the world.

The international Communist conspiracy aims at the total obliteration of Judeo-Christian civilization. Communist dogma is diametrically opposed to every tenet of Judeo-Christian theology and philosophy.

Matthews had talked about 7,000 out of some 250,000 ministers who had been enticed into Communists fronts. As J. B. Matthews, the Nation's leading expert on Communist fronts, had said over and over again the purpose of the Communist in using fronts was to ensnare unsuspecting dupes. The enemies of McCarthy turned Matthews statement on its head by implying that he was saying that the majority of clergymen had joined Communist fronts. It would be like saying, "the majority of those implicated in the Watergate scandal were attorneys," and being accused of saying that the majority of attorneys were implicated in the Watergate scandal. The first would be true, the second would be nonsense. Senator McCarthy wanted to fight back, but Dr. Matthews, being a man of principles, would not allow him to bear the brunt of the attack and insisted on resigning. Then the affair took a strange turn as the cabal around President Eisenhower got into the act. As Roy Cohn described it in his book, "McCarthy":

Matthews insisted on resigning, but before he could do so the affair took a new turn.

On July 9, President Eisenhower received a telegram from three leading clergymen urging him to speak out against "the sweeping attack on the loyalty of Protestant churchmen."

The message was signed by the Reverend John A. O'Brien of the University of Notre Dame, Rabbi Maurice N. Eisendrath, the president of the Union of American Hebrew Congregations, and the Reverend Dr. John Sutherland Bonnell, pastor of the Fifth Avenue Presbyterian Church. As national co-chairmen of the Commission on Religious Organization of the National Conference of Christians and Jews, they represented a combined force that could not be ignored.

A group of Eisenhower advisers, including Sherman Adams, James Hagerty, and Emmet John Hughes, drafted a presidential reply which gave full support to the churchmen's protest. In angry terms, the White House message charged that "generalized and irresponsible attacks that sweepingly condemn the whole of any group of citizens are alien to America. Such attacks betray contempt for the principle of freedom and decency and condemn such a vast portion of the churches or clergy as to create doubt in the loyalty of all. The damage to our nation is multiplied."

The press, viewing the statement as a direct presidential slap at McCarthy, made headlines of it. Thus, when McCarthy reluctantly accepted Matthews' resignation later that same day, it was generally regarded as a move forced on the Senator by White House censure.

But the clergymen's protest and the presidential reply turned out to be a prearranged affair, cynically stage-managed by the White House staff to injure McCarthy. The full story of the goings-on within the Executive Mansion was confirmed in 1963, when Hughes published *The Ordeal of Power*, a revealing chronicle of his years as one of Eisenhower's speech writers. Recalling the Matthews incident, Hughes said he and other aides watched with fascination as, "defying the instant public outcry" over the article, "McCarthy seemed to stand by Matthews' side."

"Suddenly," Hughes said, "the Wisconsin Senator was vulnerable to direct attack on an unclouded issue."

Hughes then recounted how he, Deputy Attorney General William Rogers, and other staff members working with colleagues in New York who were safely unconnected with the White House, "decided to encourage a telegram of protest to the President from the National Conference of Christians and Jews in New York."

"We also agreed on the need to move swiftly," said Hughes, "since McCarthy was too astute not to realize at almost any hour that Matthews had become a dangerous liability who would have to be dismissed.

"Accordingly, while our mutual friends outside government spurred the National Conference in New York, I hastened the same day to get the agreement of Sherman Adams to our plan *and to draft the President's reply to the message we still awaited.*" [my italics]

In other words, this presidential message that rang with indignation was actually worked up before receipt of the protest to which it was supposed to reply.

The stage was set, but the stage managers neglected to let the President in on their strategy. This omission almost wrecked the scheme. When they finally succeeded in provoking a protest from the church leaders, they were unable to reach Eisenhower to get him to sign the prepared reply.

"By the time the signals were at last cleared," Hughes recalled, "afternoon was upon us; the President, not yet even advised of what was afoot, was closeted with important visitors; and the rumor was raging across Capitol Hill that McCarthy was about to dismiss Matthews and publicly invite applause for his own fair-mindedness. Soon I began to get increasingly frantic phone calls from Rogers on the Hill: 'For God's sake, we have to get that message out fast, or McCarthy will beat us to the draw.'"

Adams suggested taking the reply to the President alone, Hughes said, adding somewhat sheepishly, "since the President tended by now to discount the heat of my own feelings about McCarthy."

At last they got the President to affix his signature—not a moment too soon, for while the stencil for the mimeographed press release was being recut for minor changes, word came from Rogers that Senators McCarthy and Mundt had just finished conferring and were on their way to the Hill, probably with Matthew's resignation.

At this point the Vice President, according to Hughes, buttonholed McCarthy in the Senate Office Building and kept him in conversation until Hughes could telephone the "all clear" signifying that the presidential statement was in the hands of the press.

Thus were the clergymen's protest and the presidentail reply maneuvered by the group of Eisenhower aides who, as Hughes freely admits, had long been awaiting an opportunity to get Senator McCarthy over a barrel. (McCarthy, By Roy Cohn, New York, 1968, Pages 61–63.)

Here we had Richard Nixon, Vice President of the United States, deliberately delaying Senator McCarthy so that the maximum propaganda affect could be obtained from President Eisonhower's unfair attack on Senator McCarthy.

An obscure west coast television reporter wrote a review praising the TV program. His review was entitled "Worse Than Hitler." This, of course, is the kind of hysterical nonsense that the television program was designed to create. One interesting thing in the review though was a quotation of a statement that the author claimed Edward R. Murrow had made to him. Murrow, who did the first TV smear of Senator Joseph McCarthy, was quoted as saying:

What I think about McCarthy or what he thinks of me is not the important thing. The last few days have proved to us all that TV is a potent force. The big question now is—who controls it?

Twenty-three years later that question is still important. Do a small group of men with a bias against the views of the majority of Americans have the right to present only their views in a monopoly controlled medium? I believe they do not. The first amendment rights of the majority of the American people require that the free flow of ideas be presented on television, not just the views of the liberal idealogues.

I have written to NBC requesting 1½ hours of prime Sunday evening television time to answer the charges made against Senator McCarthy who is no longer here to defend himself. This is only half of the time used by NBC to make the charges. I will keep my colleagues informed about whether NBC sees fit to act fairly in this matter.

SENATE—*Monday, February 21, 1977*

(Legislative day of Tuesday, February 1, 1977)

The Senate met at 12 meridian, on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We shall pray today in the words of President George Washington's prayer for his country.

Let us pray—

"Almighty God: We make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large. And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the Divine Author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy nation. Grant our supplication, we beseech Thee, through Jesus Christ our Lord." Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, February 11, 1977, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

JOINT REFERRAL OF NOMINATION

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the nomination of Samuel Winfred Brown, Jr., of Colorado, to be Director of the ACTION Agency, be jointly referred to the Committees on Human Resources and Foreign Relations, it being my understanding that this request has been cleared with the chairmen of both committees.

The ACTING PRESIDENT pro tempore. As in executive session, without objection, it is so ordered.

EXECUTIVE D, 95TH CONGRESS, 1ST SESSION—REMOVAL OF INJUNCTION OF SECRECY

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from a treaty with Mexico on the execution of penal sentences which was signed in Mexico City on November 25, 1976 (Ex. D, 95th Cong., 1st sess.), which was transmitted to the Senate during the recess on February 15, 1977, by the President of the United States. I ask that the treaty with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the United Mexican States on the Execution of Penal Sentences which was signed in Mexico City on November 25, 1976.

I transmit also, for the information of the Senate, the report by the Department of State with respect to the Treaty.

The Treaty would permit citizens of either nation who had been convicted in the courts of the other country to serve their sentences in their home country; in each case the consent of the offender as well as the approval of the authorities of the two governments would be required.

This Treaty is significant because it represents an attempt to resolve a situation which has inflicted substantial hardships on a number of citizens of each country and has caused considerable concern to both governments. It received the approval of the Senate of the United Mexican States on December 30, 1976. I recommend that the Senate give favorable consideration to this Treaty at an early date.

JIMMY CARTER.

THE WHITE HOUSE, *February 15, 1977.*

NOMINATION OF LAURENCE N. WOODWORTH TO BE ASSISTANT SECRETARY OF THE TREASURY

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I send to the desk the nomination of Laurence N. Woodworth, of Maryland, to be Assistant Secretary of the Treasury, vice Charles M. Walker, resigned.

Mr. President, I also send to the desk a communication from the chairman of the Committee on Finance indicating that the committee recommended that when this nomination is received by the Senate that it be confirmed immediately without referral to committee. I ask unanimous consent that the letter may be printed in the RECORD.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FINANCE,
Washington, D.C., January 18, 1977.

ROBERT C. BYRD,
Majority Leader, U.S. Senate,
Washington, D.C.

DEAR SENATOR BYRD: The Committee on Finance last week held hearings on the anticipated nominations of W. Michael Blumenthal to be Secretary of the Treasury, Joseph A. Califano, Jr. to be Secretary of Health, Education, and Welfare, and Laurence Woodworth to be Assistant Secretary of the Treasury.

This morning the Committee met in executive session and voted to recommend that when these nominations are received by the Senate, they be confirmed by the

Senate without being referred to the Committee on Finance.

I have received written communications from each of the anticipated nominees stating that if confirmed by the Senate, they will respond to requests to appear and testify before any duly constituted committee of the Senate.

With every good wish, I am

Sincerely,

RUSSELL B. LONG,
Chairman.

Mr. ROBERT C. BYRD. Mr. President, this has been cleared with the minority side, I believe, and I ask unanimous consent that the Senate proceed to the immediate consideration of the nomination, as in executive session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The nomination will be stated.

The second assistant legislative clerk read the nomination of Laurence N. Woodworth, of Maryland, to be Assistant Secretary of the Treasury.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Tennessee desire recognition?

Mr. BAKER. I do, Mr. President.

NOMINATION OF ADM. STANSFIELD TURNER

Mr. BAKER. Mr. President, on February 10, 1977, the President forwarded to the Senate the nomination of Adm. Stansfield Turner as Director of Central Intelligence with the stipulation that he so serve in the grade of admiral. Today, on the eve of confirmation hearings by the Senate Select Committee on Intelligence, I would like to express my personal concern over that aspect of the nomination that would press a ranking commissioned officer on active duty status into service as the Director of Central Intelligence.

While active military service is neither technically disqualifying for this position nor without historical precedent, it is noteworthy that one has to reach back 24 years to the postwar infancy of the Central Intelligence Agency to find such a precedent. Furthermore, the stipulation of service in grade is without precedent in the history of the Central Intelligence Agency.

The Director of Central Intelligence has never been perceived as a coveted duty assignment for the military careerist. Quite to the contrary, the Director of Central Intelligence has a unique position as principal intelligence adviser to the President, head of the U.S. intelligence community, and Director of the Central Intelligence Agency. Our history has demonstrated the wisdom of insuring that the Director of Central Intelligence retain a large measure of real and apparent independence from other elements of the intelligence community in discharging these responsibilities. Any perceived limitations on the arms length deliberations of the Director of Central Intelligence would threaten to impair both the Director's effectiveness and the credibility of the intelligence community at home and abroad. To risk such a perception at a time when our intelligence community is making great strides to restore an impaired credibility is, in my opinion, both unnecessary and unwise.

I express these reservations without any intention of impugning the qualifications of the Director-designate. On the contrary, I have met with Admiral Turner and am most impressed with him as an individual. I salute his outstanding record of achievement. The reservations I today express are solely with a concept—with the symbolism apparent in that concept.

I have personally urged Admiral Turner to resign his commission, an action that would avoid this unnecessary problem and enable him to serve his country in civilian ranks as nobly as he has in military service. I believe it timely and appropriate that I share these reservations with my colleagues in the Senate.

SENATE JOINT RESOLUTION 23—THE MARIGOLD AS NATIONAL FLORAL EMBLEM

Mr. BAKER. Mr. President, I suspect that some of our colleagues who have served a number of years in this body would feel that something was missing in the Senate if a new Congress convened without the introduction of a resolution to designate the marigold as our national flower.

Well, I certainly would not want to disappoint them or the many Americans devoted to this beautiful flower, and I am today introducing a joint resolution providing for the adoption of the American marigold as the national floral emblem of the United States.

I might point out, for the information of some of our junior colleagues, that my late father-in-law, Senator Everett M. Dirksen, introduced this resolution in four successive Congresses. After his death in 1969, Senator Mansfield, the former majority leader, and I carried on Senator Dirksen's effort; and I am pleased and proud to again propose legislation to fulfill his longtime dream.

Senator Dirksen devoted some of his most colorful rhetoric to extolling the virtues of his favorite flower:

I can think of nothing greater or more inspiring—

He said—

than a field of blooming marigolds tossing their heads in the sunshine and giving a glow to the entire landscape. The marigold beguiles the senses and ennobles the spirit of man.

His introduction of legislation making the marigold the national flower created a good deal of controversy. Other Members of Congress offered measures to confer the honor upon their own States' flowers, including the rose, the iris, and the carnation. The daisy, dandelion, and even the corn tassel were suggested as candidates. In the midst of the storm, however, Senator Dirksen stood firm; and I feel that his arguments in favor of the marigold outweigh those which have been advanced on behalf of any other flower.

The marigold is possessed of a history rich in folklore. Cultivated by the Aztecs for its beauty and because it was thought to have medicinal value, the marigold was carried to Spain by Hernando Cortez, from whence its popularity spread throughout Europe and Northern Africa. I understand that monks and nuns, in dedicating the flower to the Virgin Mary, called it "Mary's gold," giving rise to the common name "marigold" and making the marigold a symbol of religious faith.

The marigold was later brought to North America by European colonists; and it soon became a favorite in gardens throughout the Colonies, including that of George Washington at Mount Vernon. Since that time, the marigold has been improved through the efforts of American seed growers so that it has attained greater hardiness, a wider variety of colors and larger flowers.

It is now easily grown from seed and can be found in great profusion throughout all 50 States. It is loved by millions of Americans for its great beauty and embodies, more than any other flower I can think of, the quality of the American spirit—humility, strength of character, endurance, and hope.

The United States is the only major "free" country in the world which lacks a national floral emblem. Whereas the rose is the national flower of seven nations, the marigold is not the national flower of any foreign nation, nor is it the State flower of any of our States. It grows well in every State, however; and the legislatures of three of our States, Georgia, Illinois, and Indiana, have approved resolutions recommending that the marigold be adopted as our national flower.

Mr. President, I hope that the 95th Congress will make it possible, by approving this resolution, for the marigold, a flower which belongs to America and all Americans, to take its place beside the American eagle and the American flag as a symbol of the United States.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, knowing full well that there was no possibility that I could rise to the grandeur of the occasion and the precedent that has been established by Senator Dirksen on such occasions in the past, I will refrain from trying.

But, Mr. President, I send to the desk a joint resolution to that effect and ask for its appropriate referral.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

S.J. RES. 23

Whereas the peoples of the world have from time immemorial adopted emblems—flags, birds, flowers—for their countries, representatives of their national virtues; and

Whereas the people of the United States have similarly adopted emblems—the American flag and the American eagle—to represent the virtues of this country; and

Whereas each of the fifty sovereign States of the United States, in addition to its State flag, has a floral emblem which it cherishes as its own; and

Whereas the United States is the only major "free" country in the world without a floral emblem; and

Whereas the American marigold represents the character of the United States more appropriately as an emblem than does any other flower in that it is an American native and native of nowhere else in the world; grown in abundance in the home gardens of every State in the Union yet not the floral emblem of any State in the Union; grown easily and quickly from seed; already acknowledged as a symbol of religious faith; a flower in its very appearance representing not just beauty but a rugged humility of character; and, like the American eagle and the American flag, an exclusively American emblem, unclaimed by any foreign nation: Therefore be it.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the flower commonly known as the American marigold is hereby designated and adopted as the national floral emblem of the United States, and the President is requested to declare such fact by proclamation.

Mr. RANDOLPH. Mr. President, will the minority leader yield?

Mr. BAKER. I am happy to yield to the distinguished senior Senator from West Virginia.

Mr. RANDOLPH. Mr. President, on many occasions in the past, the able Senator who occupied your chair, your father-in-law, Everett Dirksen of Illinois, pleaded eloquently for the marigold. Somewhere along the way we must find some appropriate manner in which to remember him in just one of the many crusades that he began and fought for during his extraordinary service in this body. Everett and I came to the Congress in 1933 being sworn in together on March 4 of that critical year in our Nation's history.

Mr. BAKER. Mr. President, I thank the Senator from West Virginia who served long and diligently with Senator Dirksen and who I know from personal experience shared my esteem and respect for him.

FEDERAL SALARY INCREASE

Mr. BAKER. Mr. President, the salary increase for Members of Congress, the Cabinet, the Federal judiciary, and other high-ranking Federal officials has now gone into effect, both Houses of Congress having failed to disapprove it. I believe that the Congress has made the right decision in this matter; and, as I have stated before, I endorsed the salary recommendations of the Commission on Executive, Legislative, and Judicial Salaries.

The difficulties surrounding implementation of this pay raise lie not, in my view, with the Peterson Commission's recommendations, but with the mechanism which the Congress has established in order to carry out its constitutional mandate to set its own salary. I believe we must modify that mechanism, and I would support, at the minimum, changes requiring that salary increases could not become effective until after a congressional election has intervened.

In the meantime, however, it is incumbent upon us to act promptly upon the report of the Special Committee To Propose a Code of Conduct for Members and Employees of the Senate. This committee, established under Senate Resolution 36, will report to the Senate on March 1; and, under the terms of the resolution, the report will automatically become the pending business of the Senate at that time. I assure my colleagues of my firm commitment to passage of a code of conduct for the Senate next month.

Mr. President, the distinguished majority leader and I have conferred at some length about this matter; and I look forward now to the completion of the undertaking which he and I described when we first stated that we intended, as the joint leadership, to support this proposal for a pay increase. The completion of the cycle to which I refer is the consideration promptly of the recommendation for a code of ethics.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, I share the viewpoint expressed by the distinguished minority leader regarding an official code of conduct for Senators and officers and employees of the Senate.

Mr. BAKER and I today prepared a letter which is being distributed to each of the 15 members of the Special Committee on Official Conduct, expressing our strong support for a code of ethics that will be perceived by the American people as a strong, clear, and strict code of conduct.

At the time the Republican leader and I introduced the resolution creating the Special Committee on Official Conduct, we stated clearly that regardless of whether or not the President's pay raise proposal went into effect, the Senate would enact a strong code of ethics. The pay raise has now become effective. The Senate now has a high duty to enact a strong code of ethics that will reflect well upon the Senate and that will restore the respect of the people for the Senate as an institution, a respect that it deserves.

Mr. BAKER. Mr. President, I thank the distinguished majority leader, and I commend him for his leadership in this effort. It was my pleasure to join him in the original statement, and it will be my pleasure to join him in a further effort to see that an appropriate code of ethics is adopted.

Mr. President, I reserve the remainder of my time.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of the Senate of January 24, 1901, as modified on February 4, 1977, the Senator from California (Mr. HAYAKAWA) has been appointed by the Vice President to read Washington's Farewell Address.

Mr. HAYAKAWA. It is my honor and privilege to read, under appointment of the Vice President of the United States and in observance of George Washington's Birthday, the text of his Farewell Address, as delivered at the close of his Presidency on September 17, 1796.

Mr. HAYAKAWA, at the rostrum, read the Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which our suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my

qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgement of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite movement, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it: accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for charac-

terizing parties by *geographical* discriminations,—*northern and southern—Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presupposes the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reigns of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of fraction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful depotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; forments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another, The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power,

by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for through this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, and partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas? Is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachment for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve

upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES, *17th September, 1796.*

The ACTING PRESIDENT pro tempore (Mr. METCALF). If the Senate will indulge the Presiding Officer completely out of order for half a minute, the Senator from Montana has been privileged and honored to read this message twice, which is two more times than George Washington ever read it.

I know from experience how hard it is to read, Despite the nobility of the sentiments, the long sentences and the complex clauses make it a very difficult message.

I, therefore, offer my sincere congratulations to the Senator from California and congratulate him and honor him for the splendid presentation. It has never been better read in this Chamber.

Mr. RANDOLPH. Mr. President, I add my commendation to that of the Presiding Officer for the understanding manner in which the Senator from California (Mr. HAYAKAWA) has read the Washington Farewell Address.

I had the privilege of reading the address in 1962 and 1970.

Washington's words were first read in the Senate of the United States in 1888. It has been read each year beginning in 1896. We have had the 81st reading of the address this afternoon.

(At this point, Mr. MORGAN assumed the Chair.)

Mr. RANDOLPH. Mr. President, I join the Senator from Montana, who has just left the Chair, in indicating that many of the sentences are lengthy and involved. Some are very long—in fact, almost 90 words in a sentence. But the constant truths, regardless of the brevity or length of the structure of the address, continue, at least in part, to be worthy of guides for those of us who are living in 1977.

I ask unanimous consent, Mr. President, to have the Introduction, as prepared by the Legislative Reference Service of the Library of Congress, printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTION

Washington's Farewell Address was not an address in the sense in which we customarily use the term; that is, it was never publicly read by Washington before an audience, but was first published in the Philadelphia *Daily American Advertiser* of September 19, 1796.

Washington's main purpose in making public his Farewell Address was to eliminate his name from the third presidential election. In 1792 he had hoped to avoid a second term and had asked Madison to prepare a draft of a valedictory address but friends had prevailed upon him to accept another term.

The first part of the Farewell Address gives Washington's reasons for retiring from public office; the second part, perhaps the most

important, presents his thoughts on the desirability of a strong union and the principles upon which domestic tranquility could be maintained and foreign respect induced; the third part justified his policy of nutrality toward France and England and connected that justification with the other principles of the address, which were based on his personal experiences in leading a revolutionary army and directing an untried republican government.

There has been controversy over the authorship of the Farewell Address, particularly to the extent to which Hamilton and Madison participated in its drafting. It is not possible here to recount in detail the arguments and counter-arguments on the subject. Victor Hugo Paltsits, who has examined carefully the related documents, has this to say in his book, *Washington's Farewell Address:* "* * * He [Washington] drew upon each source and altered or introduced words at will, even words that were in no anterior draft. In the final analysis he was his own editor; and the Farewell Address, in the final form for publication, was all in his own handwriting. It was then in content and form what he had chosen to make it by processes of adoption and adaptation in fulfillment of what he desired. By this procedure every idea became his own without equivocation."

The reading of the Farewell Address on Washington's Birthday, or, if that falls on Sunday, on the following day, has become an established custom in both Houses of Congress. It was read in the Senate as early as 1888, and has been read annually since 1896. In the House of Representatives it was read in 1899, in most of the years from 1909 to 1928, and annually since 1934. Thus each year we recall Washington's sincere and unselfish counsel to his own and future generations.

Mr. RANDOLPH. Mr. President, few persons have knowledge of the background of the address as Mr. HAYAKAWA set forth in this preface. September 17, as the Senator has stated, was the date when George Washington signed his name but it was first published in the Daily American Advertiser in Philadelphia on September 19, 1796.

I quote from the words as read today, and as they have been read in this Chamber annually for 81 years:

> Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections.

It is noteworthy that President Washington recognized there would be those citizens who would have their birth in this good country, but there would be those men and women who would come to our country to live from literally all parts of the world. We have his counsel across the years in these further words:

> You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

Washington then, and hopefully we now, must recognize that in this problem plagued world in which we labor there is a need, perhaps more than ever before, for not alone tolerance for another nation or the peoples who live there. Beyond the tolerance, hopefully, we need an understanding, if we can bring it into focus, which will provide us the great joy of living as neighbors in a world of peace.

So it is with that faith that I conclude.

Mr. DOLE. Mr. President, I would like to take this opportunity to congratulate Senator HAYAKAWA for his excellent rendition of Washington's Farwell Address. I found myself truly inspired by this presentation, and wish to thank the Senator for it.

Washington's words ring as true today as they did in 1796. The value of his advice remains at a premium and the course which he charted for America's destiny has served our Nation well these many years. Of particular note in these debt-ridden days of our Federal Government are these words: "As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ingenerously throwing upon posterity the burden which we ourselves ought to bear."

Another excellent example of the value of his advice are these comments on the subject of religion and morality. "Of all the dispositions and habits which lead to political prosperty, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them.

Washington still serves all Americans as a source of inspiration. I would like to congratulate the Senator from California on his presentation which properly drew our attention to the words of General Washington.

Mr. BAKER. Mr. President, let me simply say that I wish to express my personal gratitude to the Senator from California for his eloquent delivery of the traditional farewell address.

I noted with interest the enthusiasm and the obvious feeling that the Senator from California had in making that presentation to the Senate on this occasion. I express my thanks to him and that of our other Republican colleagues for his effort on this occasion today.

Mr. SCOTT. Mr. President, I add my word of commendation to our distinguished colleague from California on his reading of Washington's Farewell Address.

We are rather proud of the fact that our first President was a Virginian. I had the opportunity 10 years ago during my first year in the House of Representatives of reading the Farewell Address. I believe it is a custom that has existed in both bodies over the years. I think it is a custom that should continue to be observed.

I am sorry that Washington was born on the third Monday of February rather than the 22d of February.

We are so anxious to have long weekends that we observe the anniversary of the birth of our first President on a day that was not actually his birthday. But that should not detract from our observance of the birth of our first President, President's birthday, as it is known at this time.

Mr. President, a Boy Scout group from Yorktown is in the Capitol. My grandson is one of those Scouts, and I am very pleased that they can be with us.

Yorktown, of course, is the place where Cornwallis surrendered to General Washington. This particular troop happens to be sponsored by the Crooks Memorial United Methodist Church, which my daughter and son-in-law and their family attend.

I mention this as a very appropriate time for this group of Boy Scouts, with all they represent, to visit the Capitol, coming as they do from Yorktown, where some would say America won its independence.

TIME LIMITATION AGREEMENT—SENATE CONCURRENT RESOLUTION 10

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as Senate Concurrent Resolution 10, the concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1977, is made the pending business before the Senate, there be a time limitation thereon of 5 hours, with the understanding that not to exceed 4 hours would be carried over until tomorrow.

The PRESIDING OFFICER (Mr. MORGAN). Is there objection

Mr. JAVITS. What bill is this?

Mr. BAKER. Mr. President, if the Senator will yield, this is a time limitation on the concurrent resolution revising the congressional budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, with respect to the concurrent resolution, I understand that there is a limit of 5 hours, by unanimous consent.

Mr. ROBERT C. BYRD. Yes.

Mr. JAVITS. And any amendment may take not more than 2 hours.

Mr. ROBERT C. BYRD. Yes.

Mr. JAVITS. Suppose there are amendments, and the time is crowded. Does the Senator intend that there shall be no debate on them, that they simply shall be voted on at the end, or does he intend to give any time to amendments, even a brief time? It seems that when we do that, we get into trouble. I will not object, because the business has to be expedited, but I think the leader should think about that and allow perhaps 10 minutes.

Mr. ROBERT C. BYRD. I think that could be done. If we should get into that situation, I would attempt to so arrange it.

Mr. JAVITS. I thank the Senator.

THE PRESIDENT'S COMMITMENT TO HUMAN RIGHTS

Mr. ROBERT C. BYRD. Mr. President, during the current controversy over con-

tacts between American citizens and Soviet "prisoners of conscience"—dissidents—the whole world has been able to recognize clearly the most basic difference between our form of government and the government of the Communist dictatorships.

Whether he is an ordinary tourist, an Associated Press reporter, or the President of the United States, an American citizen finds it impossible to accept the proposition that a free expression of his beliefs and opinions is wrong.

I am sure that Mr. Carter spoke for many Americans as well as for himself when he responded to a letter from Andrei Sakharov, expressing his firm commitment to the promotion of human rights. This open communication between a Soviet scientist and the President of the United States is more surprising to Soviet citizens and to the Soviet Government than it is to the average American. We are quite used to the free and frequent use of first amendment rights. They are a basic foundation for our Democratic government.

The Soviet Union, of course, has signed several treaties, both in the United Nations and at Helsinki, which give lip service to freedom of expression and human rights. This has not, however, made freedom of expression acceptable or possible in their country. It is not acceptable or possible in many places in the world today.

That fact must never be allowed to restrict our own freedom of expression—on the contrary, we can hope that our responsible use of our own freedom will encourage others to continue to struggle for theirs.

I am sure that the American President will continue to use his office to emphasize the commitment of his administration and this Nation to the principles of human rights and full freedom of thought, speech, and action. In that effort he will have my support, and the support of the American people.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of February 11, 1977, messages submitting sundry nominations and withdrawing certain nominations were received on February 14, 15, 16, and 18, 1977, from the President of the United States.

(The nominations and withdrawals received during the adjournment are printed in today's RECORD at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

APPROVAL OF BILL AND JOINT RESOLUTION

A message from the President of the United States announced that he had approved and signed the following:

On February 16, 1977:

S. 649. An act to authorize payment of salaries of certain members of Senate committee staffs at the rates paid to them on January 4, 1977.

On February 17, 1977:

S.J. Res. 10. Joint resolution to extend the period of time in which the American Indian Policy Review Commission must submit its final report and to increase the authorization of appropriations for such Commission.

INTERNATIONAL FISHERY AGREEMENTS—MESSAGES FROM THE PRESIDENT—PM-36, PM-37, PM-38, AND PM-39

The PRESIDING OFFICER laid before the Senate the following messages from the President of the United States:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the Republic of Korea, signed at Washington on January 4, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution in order to bring this Agreement into force by that date.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement for 1977 between the United States and Japan, signed at Washington on February 10, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

Also transmitted for the information of the Congress is a governing international fishery agreement between the United States and Japan for 1978–1982 initialled at Washington on February 10, 1977. This Agreement will be resubmitted for favorable consideration following its signature by the United States and Japan later this year.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the European Economic Community, signed at Washington on February 15, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and Spain, signed at Washington on February 16, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the messages from the President of the United States, pursuant to Public Law 94-265, transmitting governing international fishery agreements between the United States and the European Economic Community, Spain, Japan, and the Republic of Korea be jointly referred to the Committee on Commerce, Science and Transportation and the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTIONS SIGNED

Under authority of the order of February 11, 1977, a message from the House of Representatives was received on February 16, 1977, stating that the Speaker had signed the following enrolled joint resolutions:

H.J. Res. 239. Joint resolution extending the filing date of the 1977 Joint Economic Report.

H.J. Res. 240. Joint resolution to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes.

The joint resolutions were signed on February 16, 1977, by the Vice President.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer laid before the Senate a message from the President of the United States submitting the nomination of R. James Woolsey, of Maryland, to be Under Secretary of the Navy, which was referred to the Committee on Armed Services.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–661. A letter from the Secretary of Defense transmitting, pursuant to law, a report of approvals under section 407(a) of the annual compensation of any officer or employee of a Federal Contract Research Center in excess of $45,000 from Federal funds (with an accompanying report); to the Committee on Armed Services.

EC–662. A letter from the Secretary of Labor transmitting, pursuant to law, a report on exemplary rehabilitation certificates for the calendar year 1976 (with an accompanying report); to the Committee on Armed Services.

EC–663. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, notice that the appropriations to the Department of the Treasury for the Internal Revenue Service—"Salaries and expenses," "Accounts, Collection and Taxpayer Service," and "Compliance"—for the fiscal year 1977, have been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriations; to the Committee on Appropriations.

EC–664. A letter from the Rear Admiral, U.S. Navy Chairman and Contracting Officer Navy Claims Settlement Board transmitting, pursuant to law, notice that the Newport News Shipbuilding and Dry Dock Co., Newport News, Va., has submitted claims under contract N00024–68–C–0355, requesting an increase in ceiling price of over $150 million; to the Committee on Appropriations.

EC 665. A letter from the President of the Export-Import Bank of the United States transmitting, pursuant to law, a report of the actions taken by the Export-Import Bank of the United States during the quarter ended December 31, 1976 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC 666. A letter from the Secretary of the Interior transmitting, pursuant to law, a National Park Service study of the Sawtooth National Recreation Area (with an accompanying report); to the Committee on Energy and Natural Resources.

EC 667. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Speed Limit 55, Is it Achievable?" (with an accompanying report); to the Committee on Governmental Affairs.

EC 668. A letter from the Auditor of the District of Columbia transmitting, pursuant to law, a copy of the letter report concerning "D.C. General Fee Setting Procedures" (with an accompanying report); to the Committee on Governmental Affairs.

EC 669. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of two orders in the cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC 670. A letter from the Comptroller of the International Boundary and Water Commission, United States and Mexico, transmitting pursuant to law, the report of the International Boundary and Water Commission for the Calendar year 1976 (with an accompanying report); to the Committee on the Judiciary.

EC 671. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered in 507 cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of such aliens (with accompanying papers); to the Committee on the Judiciary).

SPECIAL REPORT SUBMITTED DURING ADJOURNMENT—REPT. NO. 95–20

Under authority of the order of February 11, 1977, Mr. EASTLAND, from the Committee on the Judiciary, submitted the annual report of the Subcommittee on Internal Security on February 17, 1977.

REPORT OF THE COMMITTEE ON FOREIGN RELATIONS—REPT. NO. 95–21

Mr. SPARKMAN, from the Committee on Foreign Relations, submitted a report entitled "Legislative Activities Report of the Committee on Foreign Relations," which was ordered to be printed.

SPECIAL REPORT OF THE CRIMINAL LAWS AND PROCEDURES SUBCOMMITTEE—REPT. NO. 95–22

Mr. McCLELLAN, from the Committee on the Judiciary, submitted a special report entitled "Special Report of the Criminal Laws and Procedures Subcommittee," which was ordered to be printed.

SPECIAL REPORT OF THE SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS—REPT. NO. 95–23

Mr. McCLELLAN, from the Committee on the Judiciary, submitted a report entitled "Special Report of the Subcommittee on Patents, Trademarks, and Copyrights," which was ordered to be printed.

MEASURES REREFERRED PURSUANT TO SENATE RESOLUTION 4

Under the authority and direction of the provisions of Senate Resolution 4, agreed to by the Senate Friday, February 4, 1977 (legislative day, February 1), the following measures are rereferred as indicated:

Referred from Post Office and Civil Service to Governmental Affairs:

S. Resolutions 50, 52, 66; Senate bills 10, 75, 80, 94, 168, 201, 224, 245, 295, 298, 303, 313, 320, 359 386, 408, 413, 444, 518, 546, 565, 599, 646.

Referred from Commerce to Energy and Natural Resources:

Senate bills 19, 109, 110, 112, 197, 256, 271, 273, 325, 357, 420, 428, 542, 743.

Referred from Joint Committee on Atomic Energy to Energy and Natural Resources:

Senate bills 63, 266.

Referred from Public Works to Commerce, Science, and Transportation:

Senate bills 114, 564.

Referred from Interior and Insular Affairs to Commerce, Science, and Transportation:

Senate bill 550.

Referred from Aeronautical and Space Sciences to Commerce, Science, and Transportation:

Senate bills 365, 657.

Referred from Interior and Insular Affairs to Select Committee on Indian Affairs:

Senate joint resolution 10; Senate bills 103, 115, 202, 214, 468, 470, 471, 482.

Referred from Commerce to Environment and Public Works:

Senate bills 212, 363, 415.

Referred from Interior and Insular Affairs to Environment and Public Works:

Senate bill 367.

Referred from the Joint Committee on Atomic Energy to Environment and Public Works:

Senate bill 495.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated.

By Mr. BARTLETT (for himself and Mr. BELLMON):

S. 744. A bill to restore public accountability for decisions affecting the compensation of Members of Congress and other Federal officials; to the Committee on Governmental Affairs.

By Mr. TALMADGE:

S. 745. A bill to provide a priority system for certain agricultural uses of natural gas; to the Committee on Energy and Natural Resources.

By Mr. McGOVERN:

S. 746. A bill to provide emergency price and income protection for farmers for the 1977 crops, to assure consumers an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. JAVITS:

S. 747. A bill to amend the Federal Aviation Act of 1958 and the Airport and Airway Development Act of 1970 to establish a program for the reduction of aircraft noise, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. PELL:

S. 748. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually; to the Committee on Banking, Housing and Urban Affairs.

By Mr. ANDERSON (for himself, Mr. HUMPHREY and Mr. HEINZ):

S. 749. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expense allocable to the use of any portion of a dwelling unit in the trade or business of providing day care services whether or not such portion is exclusively used in such trade or business; to the Committee on Finance.

By Mr. JAVITS:

S. 750. A bill to amend the Internal Revenue Code of 1954 to provide for the reduction of certain excise taxes on the transportation of persons and property by air, and for other purposes; to the Committee on Finance.

By Mr. GRIFFIN:

S. 751. A bill to authorize the Secretary of Agriculture to make financial assistance available to agricultural producers who suffer losses as the result of having their agricultural commodities or livestock contaminated by toxic chemicals dangerous to the public health, or whose agricultural commodities or livestock have been contaminated so as to adversely affect the economic viability of the

farming operation; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BAKER:

S.J. Res. 23. A joint resolution providing for the designation and adoption of the American marigold as the national floral emblem of the United States; to the Committee on the Judiciary.

By Mr. RANDOLPH:

S.J. Res. 24. A joint resolution to authorize and request the President to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BARTLETT (for himself and Mr. BELLMON):

S. 744. A bill to restore public accountability for decisions affecting the compensation of Members of Congress and other Federal officials; to the Committee on Governmental Affairs.

REFORMING THE CONGRESSIONAL PAY SYSTEM

Mr. BARTLETT. Mr. President, the recent increase in pay for Members of Congress has prompted more intense public criticism of Congress than any other development I have observed recently. Our constituents are objecting not only to the size of the raise which we received, but also to the manner in which the raise was approved. I fully share the sentiments of those who object to the size of this raise and to the backdoor manner in which it was approved.

In response to this situation, I am sending to the desk a bill which I offer for myself and Mr. BELLMON. This measure would do two things. First, it would require that pay increase proposals made by the Commission on Executive, Legislative, and Judicial Salaries be voted on by each House of Congress. The vote would have to occur within 60 calendar days of the date on which the recommendations were submitted and would be by a recorded vote reflecting the views of each Member. Second, this bill would repeal the recent salary increases so as to subject this most recent increase and any future increases to the procedure I have just described.

Under the present law, pay adjustments for selected members of the legislative, judicial, and executive branches are proposed by the Commission on Executive, Legislative, and Judicial Salaries every fourth fiscal year.

The Commission's recommendations are submitted to the President, who then submits such of them as he approves to the Congress. Unless Congress disapproves the recommendations through legislation, they go into effect automatically.

It is this automatic increase feature which is the most obnoxious part of the whole system. The recent pay increase went into effect because efforts to pass a disapproval resolution were opposed or ignored. Congress avoided efforts to force a direct vote on the pay raise question. It is my opinion that the increase would have been defeated in a record vote.

The size of the pay increase was almost as unreasonable as the way we got it. At a time when the state of our economy is forcing all Americans to tighten their belts, we have no business indirectly approving a $13,000 salary increase for ourselves. It is an unfair system indeed that allows the Congress to cause inflation by its wild spending practices, then to turn around and insulate itself from the effects of that inflation by giving itself a backdoor pay increase of $13,000.

Senator BELLMON and I believe that Members of Congress should be prepared to stand and be counted when the issue of their own pay arises. Congress should not be allowed to hide behind the cloak of anonymity that is afforded by the present system. The bill which I now offer for Senator BELLMON and myself will once again put pay decisions in the public eye just like every other piece of legislation we vote on. It repeals the recent pay increase and forces public votes on future pay increases.

This change in pay determinations for Federal officials will bring a new sense of responsibility to pay increase decisions. Each Member of Congress will be required to take a public stand on these important decisions. Such a requirement is wholly proper and in keeping with a system of government where representatives are accountable to the people who elect them. I believe that this proposal will significantly improve the process for making pay decisions. I urge that the Senate give prompt and favorable consideration to this bill.

By Mr. TALMADGE:

S. 745. A bill to provide a priority system for certain agricultural uses of natural gas; to the Committee on Energy and Natural Resources.

Mr. TALMADGE. Mr. President, today, I am introducing a bill to amend the Natural Gas Act to provide for a priority allocation system for essential agricultural uses of natural gas. Similar priorities were included in natural gas legislation which passed both the House and Senate during the 94th Congress.

The Federal Energy Administration has long recognized the unique energy requirements of agriculture by guaranteeing essential inputs, production, and processing with 100 percent of their current refined petroleum product needs. The purpose of this legislation is to extend this priority to essential food and fiber sector uses of natural gas.

The bill provides for the following:

First. A natural gas priority for essential agricultural purposes second only to the needs of existing residential and small commercial users. The priority would include but is not limited to fertilizer and agricultural chemical production, food and fiber processing and packaging, crop drying, and irrigation.

Second. The priority would apply to these activities as it relates to plant protection, process, and feedstock requirements. It would also include boiler fuel requirements insofar as alternate fuels are not available, except propane.

Third. The priority would apply to meeting the natural gas requirements of existing plants—for present or expanded capacity and to meet requirements that would be involved in new plants.

Fourth. The priority system would apply to both interstate and intrastate gas supplies. State regulatory agencies having jurisdiction over intrastate natural gas supplies would be given 90 days to adopt rules for implementing the above mentioned agricultural priority system. In the event any State fails to adopt such rules within that period, the Federal Power Commission is required to do so for each State.

Agriculture is America's largest industry. It is literally the lifeblood and the cornerstone of this Nation's economy. The production of food and fiber is important not only for obvious domestic needs but also because of the energy crisis. Our dependence on oil imports makes the $22 billion in agricultural exports vital to this Nation's balance of payments.

To achieve this high level of food and fiber production, U.S. agriculture has substituted fossil fuel energy for human and animal energy. Over the last three decades, on-farm employment declined by 6.5 million persons while the U.S. population increased by 60 percent—tractor horsepower rose sixfold and on-farm fuel consumption rose fourfold.

This phenomenally low manpower requirement and high degree of efficiency is made possible by the fact that U.S. agriculture is the most energy intensive in the world. Unfortunately, heavy dependence on energy from fossil fuel makes agriculture more vulnerable to fuel shortages than the Nation as a whole.

The most critical need farmers have for energy is assurance of its constant availability. Agriculture is not an industry that can withstand cutbacks or curtailments of energy. It is different from other industries in that lost production cannot be made up.

The fuel needs of agriculture are unique. Specific fuels are needed at specific times for specific purposes. Many farm products are not in a form desirable for human consumption and must be processed to be edible. Other products are highly perishable in the raw state and must be canned, frozen, or dried to make them storable. This takes fuel.

Direct and indirect uses of most natural gas in agriculture are special because substitutes are difficult under current technology. Input manufacturing, such as anyhdrous ammonia plants—source of nitrogen fertilizers—and petrochemical plants—source of herbicides, pesticides, plastic wrappings for food processing—designed to use natural gas as the source of feedstock, cannot convert to other feedstocks because they are not designed or built to do so. At the same time, technological problems of purity, odor, taste, and appearance prevent use of alternate fuels such as fuel oil in some types of food processing.

Enactment of my bill, in my judgment, is essential to the maintenance of current levels of food and fiber production. I hope, for the sake of 215 million Americans and the hundreds of millions of people elsewhere in the world who depend upon us for their food, that Congress will recognize this problem and take expeditiously the necessary legislative action.

By Mr. McGOVERN:

S. 746. A bill to provide emergency price and income protection for farmers for the 1977 crops, to assure consumers an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EMERGENCY FOOD AND AGRICULTURE ACT OF 1977

Mr. McGOVERN. Mr. President, I send to the desk for appropriate reference the Emergency Food and Agriculture Act of 1977. The distinguished chairman of the Senate Committee on Agriculture and Forestry (Mr. TALMADGE) has introduced with cosponsorship of other committee members as well as other Members of the Senate the Food and Agriculture Act of 1977 commonly referred to as the 1977 farm bill. It is the product of endless hours of research by members of the able staff of the Agriculture Committee and is truly an omnibus bill in that it provides for a 5-year commodity program, addresses itself to agriculture research, pesticides, foodstamps. Food for Peace, and other singularly important matters of a viable farm program. I commend the distinguished chairman for his diligence and leadership in assembling this intricate piece of legislation. I also commend him for the extensive schedule of hearings he has announced on this bill.

For the purposes of my own constituency the committee bill fell short of some of my expectations in that it failed to address itself to the matter of disaster legislation—"disaster reform." We in the Upper Great Plains have just experienced the worst drought in this century. Present disaster legislation is in the words of Secretary Bergland, "a disaster in itself." I thus shall propose a disaster bill so that the committee can consider it during the hearings.

The committee failed in its bill to deal with expanded Federal crop insurance. I think that we must move in this direction and I have earlier in the session introduced a bill to expand this principle for deliberation by the committee.

The commodity section of the committee bill failed to live up to the expectations of my constituents in that they were led to believe during the recent Presidential campaign that "cost of production" would be the magic panacea for target prices and loan levels. They are not at all convinced that the target price for wheat in the committee bill of $2.91 represents a fair assessment of the cost of producing a bushel of wheat. They are further not convinced that $2.18 represents the cost of producing a bushel of corn. Needless to say they are disappointed in the minimum loan levels of $2.18 for wheat and $1.71 for corn.

No one can question the diligence of the Committee staff in arriving at these figures. We can, however, differ with the approach used in the formula. The committee in computing the land factor in cost of production used a 35-year land cost average. Farmers in my State feel this to be a mistake and insist that the use of "current land values" is the only responsible approach in computing cost of production.

Fortunately the Economic Research Service of the U.S. Department of Agriculture has recently completed a study on cost of production. Their conclusions are contained in a committee print dated January 21, 1977. Under this study and using current land values the cost of production per bushel for the 1977 wheat crop is $3.55. The cost of production for corn per bushel is determined to be $2.52. Other basic crops are computed in similar fashion. My constituents feel that loan rates should be at a minimum of 85 percent of the cost of production.

The legislation I send to the desk today carries forth these figures and applies them only for the 1977 crops. The committee bill is a 5-year bill. Permit me to suggest that we not be too hasty in committing ourselves to a 5-year program based on cost of production concepts that are relatively new to us. Certainly we have no experience record in this field. Perhaps it would be more prudent to adopt only a 1-year extension on the commodity programs, see how it works, and make necessary adjustments next year. Let me make it perfectly clear, however, that I do not irrevocably commit myself to this concept. I do feel, however, that it is a prudent suggestion and an option that the committee should have as a viable alternative in committee deliberations. It is for that reason that I consider the legislation I introduce today to be important. I also feel that I am striking a blow for the views of my own constituents in offering this alternative.

Critics of this bill will be quick to point out the negative implications it might have on the world market. To these critics I want to first of all point out a table indicating the support farmers receive in other producing nations for wheat translated into American dollars, compiled by the National Farmers Union:

COMPARATIVE PRICE SUPPORT LEVELS—WHEAT

Beginning this week and continuing for the next several weeks, this Newsletter will publish data on comparative price support levels on some major commodities in a number of the producing nations. While there are many variations in price support measures and in the techniques by which they are implemented, the price floors will be shown in U.S. dollars and measures and will be generally comparable in purpose and effect. The weekly tabulations will show that the U.S. is consistently on the low side in its support of farm commodity price levels. Today's table deals with the domestic support level for wheat and is reported in U.S. dollars per bushel:

United States (1976-77)	$2.25
Chile (1976-77)	4.50
Japan (1976)	10.20
European Community * (1976)	4.24
Brazil (1976)	4.80
India (1976)	3.24
Canada (1976)	3.00
Australia (1976)	2.98

* France, West Germany, Holland, Belgium, Luxemburg, Italy, Great Britain, Ireland, Denmark.

Should we not be equally solicitous of our own farmers?

It is true that the support prices at the loan level I have suggested tend to exceed world prices. This, of course, chills the bones of the grain traders. On the other hand, let us remember that the United States and Canada control 80 percent of the world wheat export market. Might it be appropriate for Mr. Bergland and Mr. Vance to dispatch their envoys to Canada and elsewhere and negotiate a world wheat price that takes into consideration the cost involved in producing a bushel of wheat by the American farmer? A recent statement by Senator Hagen Argue, chairman of the Standing Committee on Agriculture in the Canadian Parliament, suggests that the Canadians would be receptive. Senator Argue in a press release dated November 8, 1976, says—

Action must be taken now. The United States and Canada are the dominant wheat exporting countries. They should take the lead now to place a just and reasonable floor under wheat prices. International wheat stabilization is possible if our two countries will act.

The world trembles when the OPEC countries meet and they wait hopefully for only a 10- or 15-percent increase in the price of crude oil. I doubt that there would be even a tremor among the Europeans if the United States and Canada proposed the stabilization of world wheat prices above the figures I am suggesting for loan rates.

Mr. President, I ask unanimous consent that the text of the Emergency Food and Agriculture Act of 1977 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 746

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Food and Agriculture Act of 1977".

TITLE I—PAYMENT LIMITATIONS FOR WHEAT, FEED GRAINS, AND UPLAND COTTON

SEC. 101. Section 101 (1) of the Agricultural Act of 1970, as amended, is amended by striking out "$20,000" and inserting in lieu thereof, "$30,000".

TITLE II—DAIRY

DAIRY PRICE SUPPORT

SEC. 201. Section 201 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new subsection as follows:

"(d) Notwithstanding the foregoing provisions of this section, effective for the period beginning with the date of enactment of this subsection and ending on March 31, 1978, the support price of milk shall be established at no less than 90 per centum of the parity price therefor, on the date of enactment, and the support price shall be adjusted thereafter by the Secretary at the beginning of each quarter, beginning with the second quarter of the calendar year 1977, to reflect any estimated change during the immediately preceding quarter in the index of prices paid by farmers for producton items, interest, taxes, and wage rates. Such support prices shall be announced by the Secretary not later than thirty days prior to the beginning of each quarter.".

PRODUCER HANDLERS

SEC. 202. Section 206 of the Agricultural Act of 1970, as amended, is amended by inserting after "Agriculture and Consumer Protection Act of 1973" the following: "and the Food and Agriculture Act of 1977".

TITLE III—WOOL PROGRAM

SEC. 301. The National Wool Act of 1954, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 711. Notwithstanding any other provision of this Act, in 1977 wool and mohair shall be supported at not less than 90 per centum of the parity price therefor." .

TITLE IV—WHEAT PROGRAM

LOAN RATE AND TARGET PRICE

SEC. 401. Effectve for the 1977 crop, section 107 of the Agricultural Act of 1949, as it appears in section 401 of the Agricultural Act of 1970, as amended by the Agriculture and Consumer Protection Act of 1973, is amended to read as follows:

"SEC. 107. Notwithstanding any other provision of law—

"(a) Loans and purchases on each crop of wheat shall be made available at not less than 85 per centum of the cost of production per bushel.

"(b) If a set-aside progrm is in effect for any crop of wheat under section 379b(c) of the Agricultural Adjustment Act of 1938, as amended, payments, loans and purchases shall be made available on such crop only to producers who comply with the provisions of such program.

"(c) Payments shall be made for each crop of wheat to the producers on each farm in an amount determined by multiplying (i) the amount by which the higher of—

"(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under subsection (a) for such crop.

is less than the cost of production per bushel, times in each case (ii) the allotment for the farm for such crop, times (iii) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide a fair and equitable yield. The cost of production per bushel for the 1977 crop of wheat is determined to be $3.55. If the Secretary determines that the producers are prevented from planting any portion of the farm acreage allotment to wheat or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the cost of production. If the Secretary determines that, because of such a disaster or condition, the total quantity of wheat (or of cotton, corn, grain sorghums, or barley planted in lieu of wheat) which the producers are able to harvest on any farm is less than 66⅔ per centum of the farm acreage allotment times the projected yield of wheat (or of cotton, corn, grain sorghums or barley planted in lieu of wheat) for the farm, the rate of payment for the deficiency in production below 100 per centum shall be the larger of (A) the foregoing rate, or (B) one-third of the cost of production. The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis.".

TITLE V—FEED GRAIN PROGRAM

LOAN RATE AND TARGET PRICE

SEC. 501. (a) Effective only with respect to the 1977 crop of feed grains, section 501 of the Agricultural Act of 1970, as amended by the Agriculture and Consumer Protection Act of 1973, is amended by—

(1) amending section 105 (a) (1) of the Agricultural Act of 1949, as it appears therein, to read as follows:

"(a) (1) The Secretary shall make available to producers loans and purchases on the 1977 crop of corn at not less than 85 per centum of the cost of production, and

(2) amending section 105(b)(1) of the Agricultural Act of 1949, as it appears therein, to read as follows:

"(b)(1) In addition, the Secretary shall make available to producers payments for the 1977 crop of corn, grain sorghums, and, if designated by the Secretary, barley, computed by multiplying (i) the payment rate, times (ii) the allotment for the farm for such crop, times (iii) the yield established for the farm for the preceding crop wtih such adjustments as the Secretary determines necessary to provide a fair and equitable yield. The payment rate for corn shall be the amount by which the higher of—

"(A) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(B) the loan level determined under subsection (a) for such crop

is less than the cost of production per bushel. The cost of production per bushel for the 1978 crop of corn is determined to be $2.52. The payment rate for grain sorghums and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. If the Secretary determines that the producers on a farm are prevented from planting any portion of the farm acreage allotment to feed grains or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the cost of production. If the Secretary determines that, because of such a disaster or condition, the total quantity of feed grains (or of wheat, or cotton planted in lieu of the allotted crop) which the producers are able to harvest on any farm is less than 66⅔ per centum of the farm acreage allotment times the yield of feed grains (or of wheat, or cotton planted in lieu of the allotted crop) established for the farm, the rate of payment for the deficiency in production below 100 per centum shall be the larger of (A) the foregoing rate, or (B) one-third of the cost of production.".

TITLE VI—UPLAND COTTON PROGRAM

COTTON PRODUCTION INCENTIVES; LOAN RATE AND TARGET PRICE

SEC. 601. Effective only for the 1977 crop of upland cotton, paragraphs (1) and (2) of section 103 (e) of the Agricultural Act of 1949 as they appear in section 602 of the Agricultural Act of 1970, as amended by the Agriculture and Consumer Protection Act of 1973, are amended to read as follows:

"(1) The Secretary shall upon presentation of warehouse receipts reflecting accrued storage charges of not more than 60 days make available for the 1977 crop of upland cotton to cooperators nonrecourse loans for a term of 10 months from the first day of the month in which the lion is made a such level as will reflect for Middling one-inch upland cotton (micronaire 3.5 through 4.9) at average location in the United States not less than 85 per centum of the cost of production, except that if the loan rate so calculated is higher than the estimated average world price for American cotton of such quality for the marketing year for which the loan determination is made, the Secretary may adjust the loan rate for upland cotton to not less than 90 per centum of the estimated world price. The loan level for the 1977 crop of upland cotton shall be determined and announced within 30 days after the enactment of the Emergency Food and Agriculture Act of 1977. Notwithstanding the foregoing, if the carryover of upland cotton as of the beginning of the marketing year for the 1977 crops exceeds 7.2 million bales, producers on any farm harvesting cotton of such crop from an acreage in excess of the base acreage allotment for such farm shall be entitled to loans and purchases only on an amount of the cotton of such crop produced on such farm determined by multiplying the yield used in computing payments for such farm by the base acreage allotment for such farm.

"(2) Payments shall be made for each crop of cotton to the producers on each farm at a rate equal to the amount by which the higher of—

"(A) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such crop, as determined by the Secretary, or

"(B) the loan level determined under paragraph (1) for such crop

is less than the cost of production per pound. The cost of production per pound for the 1977 crop is determined to be 57.95 cents per pound. If the Secretary determines that the producers on a farm are prevented from planting any portion of the allotment to cotton because of drought, flood, or other natural disaster, or condition beyond the control of the producer, the rate of payment for such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the cost of production. If the Secretary determines that, because of such a disaster or condition, the total quantity of cotton which the producers are able to harvest on any farm is less than 66⅔ per centum of the farm base acreage allotment times the average yield established for the farm, the rate of payment for the deficiency in production below 100 per centum shall be the larger of (A) the foregoing rate, or (B) one-third of the cost of production. The payment rate with respect to any producer who (i) is on a small farm (that is, a farm on which the base acreage allotment is ten acres or less, or on which the yield used in making payments times the farm base acreage allotment is five thousand pounds or less, and for which the base acreage allotment has not been reduced under section 350(f)), (ii) resides on such farm, and (iii) derives his principal income from cotton produced on such farm, shall be increased by 30 per centum; but, notwithstanding paragraph (3), such increase shall be made only with respect to his share of cotton actually harvested on such farm within the quantity specified in paragraph (3).".

By Mr. JAVITS:

S. 747. A bill to amend the Federal Aviation Act of 1958 and the Airport and Airway Development Act of 1970 to establish a program for the reduction of aircraft noise, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. JAVITS. Mr. President, I introduce a bill entitled "The Aircraft Noise Reduction Act of 1977," and I ask unanimous consent that an explanation of the bill be printed at this point in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS

Section 1 of the draft bill cites it as the Aircraft Noise Reduction Act of 1977.

Section 2 of the draft bill inserts a new section into title IV of the Federal Aviation Act of 1958 directing the Civil Aeronautics Board to establish a program for the reduction of aircraft noise to meet standards established by the Federal Aviation Administrator. The Board would be required to establish the program within one year

after receiving a petition. The Board, upon petition, would be empowered to establish, after notice and hearing, a noise reduction surcharge and a method for distributing the revenues received from that surcharge. The bill contemplates that the revenues would be placed in trust and disbursed by a Board-appointed trustee or trustees to individual carriers in accordance with the Board's guidelines. Intrastate carriers would be eligible to participate in the program as well as interstate carriers.

Section 3 of the bill amends section 14(f) of the Airport and Airway Development Act to ensure that any funds unused under an agreement approved by the CAB and deposited in the general fund of the Treasury or, if it is in operation, the Airport and Airway Trust Fund, will be used solely for noise reduction projects at airports.

Section 4 of the bill establishes under the Airport and Airway Development Act of 1970 a new grant-in-aid program for aircraft noise reduction. It authorizes the Secretary of Transportation to make grants to interstate and intrastate air carriers and commercial operators to finance the retrofitting of such categories of two-, three-, and four-engine subsonic turbojet-powered airplanes as are designated by the Secretary in order to comply with regulations issued by the FAA Administrator under section 611 of the Federal Aviation Act establishing noise levels for aircraft. This provision would allow, but not require, the Secretary to make grants for the modification of about 50 Boeing 747's, and about 75 stretched DC-8s if he determines that replacement of these aircraft is not feasible or if the replacement fund that would be established by the Board is not available for this purpose. The total amount of the grants could not exceed $300 million and would be financed from the surplus existing in the Airport and Airway Trust Fund (currently $1.5 billion).

Section 5 of the bill amends the definition of the term "airport development" in section 11(3) of the Airport and Airway Development Act of 1970 to permit airport development grants-in-aid to be used by airport sponsors for the acquisition and installation of equipment for monitoring aircraft noise.

By Mr. PELL:

S. 748. A bill to encourage the conservation of energy by requiring that certain buildings financed with Federal funds are so designed and constructed that the windows in such buildings can be opened and closed manually; to the Committee on Banking, Housing and Urban Affairs.

OPEN WINDOWS IN BUILDINGS—A PART OF OUR ENEGRY CONSERVATION EFFORT

Mr. PELL. Mr. President, I am today introducing legislation which would require that certain Federal buildings or those financed with Federal funds be designed in such a way that windows can be opened and closed manually.

This measure was introduced during the 94th Congress and accepted as an amendment with certain modifications during Senate debate on the Emergency Housing Act of 1975. Unfortunately, title III of the act relating to the establishment of energy conservation performance standards for new residential and commercial buildings which included my amendment was dropped during the conference on the emergency housing legislation.

In reintroducing this legislation, I recognize that last August Congress enacted the Energy Conservation and Production Act which provides for Federal energy conservation performance standards for new residential and commercial buildings. I was, indeed, proud to have joined Senator KENNEDY as one of the principle cosponsors of this measure, now Public Law 94-385.

My purpose in calling attention to this legislation again is to emphasize my concern over the tremendous present waste of energy associated with both residential and commercial buildings and to further emphasize that it is not necessary in my opinion, to wait for further study or the establishment of design criteria to achieve meaningful thermal energy savings.

To underscore this point, one of the most remarkable evidences of such waste in my opinion, is the fact that most modern office and commercial buildings are constructed so that it is impossible to open a window. These buildings are designed to provide a completely controlled artificial environment—heat in the winter and air-conditioning in the summer without regard for the weather outside. The result is a substantial waste of energy resources on many days when reasonable comfort could be achieved by opening the windows.

As a step toward reducing this waste and move more quickly toward our thermal efficiency goals, my bill would require all buildings constructed or financed by the Federal Government in the future, be designed and constructed so the windows can be opened and closed manually.

The potential for energy savings should not be underestimated. Air conditioning in residential and commercial buildings now consumes about 3 percent of the total energy used each year in the United States. That comparison, however, understates the impact of air-conditioning demands on our national energy supply. For example, at a time when we have realized belatedly the need for a long-term and continuing energy conservation program, energy use for air-conditioning is growing at a rapid rate—about 15 percent each year.

In addition, the demand for electricity for air-conditioning obviously is not spread evenly through the year. It is concentrated into a few short months. To meet the relatively brief peak demand for electricity for air-conditioning requires the use of relatively inefficient and costly peakload electrical generating equipment.

Mr. President, as I have remarked earlier, it is not necessary to wait for further study or the establishment of design criteria to achieve meaningful thermal energy savings. We could reduce our growing use of energy for air-conditioning simply by constructing buildings so our offices and shops would be opened to the natural environment. Such a step along with other energy conservation measures that have been easy to implement and have proved very successful during the past few years, especially the 55-mile-per-hour speed limit and the daylight savings time extension, could greatly reduce the need for measures which would result in further economic disruptions and unnecessary sacrifices for Americans.

By Mr. ANDERSON (for himself, Mr. HUMPHREY and Mr. HEINZ):

S. 749. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expense allocable to the use of any portion of a dwelling unit in the trade or business of providing day care services whether or not such portion is exclusively used in such trade or business; to the Committee on Finance.

Mr. ANDERSON. Mr. President, I am pleased to introduce today with my colleague from Minnesota, Senator HUMPHREY, and Senator HEINZ, legislation to allow families who provide day care services in their homes to continue to take reasonable tax deductions for their business expenses.

Under the Tax Reform Act enacted last year, expense deductions for businesses operated within homes were restricted by a new "exclusive use test." In other words, business expenses incurred within a home are now deductible only if the area or room in question is used solely for business purposes.

This provision is an important, valuable reform. It has, however, presented serious problems for family day care providers. Since the children served by home day care are generally not confined to certain rooms or areas, legitimate deductions for depreciation, rent and utilities routinely occur throughout the home. Disallowing these deductions places severe burdens on taxpayers providing this unique service, and could cause many of them to go out of business. By placing unworkable requirements on home day care providers, the Government could cause needless difficulty to them and the families they serve.

The legislation I am introducing today would exempt providers of home day care to children and other individuals—such as the elderly—from the exclusive use test. I am hopeful that it will address the problems described in the following letter written by a family day care provider in New Brighton, Minn.:

I . . . have a modest 2-bedroom home and care for 5 or 6 children. They use most of my home, bedrooms for naps, kitchen for eating and TV, other rooms and a nice big yard for play. Considering the need for child care, I have felt good about caring for these children. Most of them are without a father in their home, their mother having a difficult time making ends meet . . . I have kept my prices down, trying to be a part of the answer. (I averaged just under $4 a day per child.) Now I will have to borrow the money to pay my income taxes.

Considering the deductions granted to many businessmen for good meals, travel expenses to conventions, etc., I feel it is a sad situation when I can make so few deductions for things (oil, electricity, etc.) that I share with these children. I'm sure this situation would cause many child care mothers to quit. Please do all you can to change this situation as soon as possible.

Mr. President, I ask unanimous consent that the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (c) of section 280A of the Internal

Revenue Code of 1954 (relating to exceptions for certain business or rental use; limitation on deductions for such use) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) Use in providing day care services.—Subsection (a) shall not apply to any item to the extent that such item is allocable to the use of any portion of the dwelling unit on a regular basis in the taxpayer's trade or business of providing day care services to individuals."

(b) Paragraph (5) of section 280A(c) of such Code (as redesignated by subsection (a)) is amended by striking out "paragraph (1) or (2)" and inserting in lieu thereof "paragraph (1), (2), or (4)".

(c) The amendments made by this section shall apply to taxable years beginning after December 31, 1975.

By Mr. JAVITS:

S. 750. A bill to amend the Internal Revenue Code of 1954 to provide for the reduction of certain excise taxes on the transportation of persons and property by air, and for other purposes; to the Committee on Finance.

Mr. JAVITS. Mr. President, I introduce a bill to amend the Internal Revenue Code, and I ask unanimous consent that an explanation of the bill be printed in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS

Section 1 of the draft bill reduces the rate of the airline ticket tax from 8 percent to 6 percent upon the effective date of the imposition of an aircraft noise reduction surcharge approved by the Civil Aeronautics Board (CAB) under a proposed amendment to title IV of the Federal Aviation Act of 1958 contained in the proposed Aircraft Noise Reduction Act of 1977.

This section preserves the provisions of existing law which (1) reduce the ticket tax to 5 percent after June 30, 1980, and (2) terminate the international enplanement fee after June 30, 1980.

Section 2 of the bill reduces the rate of the airline waybill tax from 5 percent to 3 percent upon the effective date of the imposition of a noise reduction surcharge approved by the CAB under the proposed amendment to the Federal Aviation Act of 1958. Again, this section preserves the provision of existing law which terminates the airline waybill tax after June 30, 1980.

Section 3 of the bill amends section 208(f) of the Airport and Airway Revenue Act of 1970 (relating to permissible expenditures from the Airport and Airway Trust Fund) to allow Trust Fund monies to be used for the following two new purposes provided for in amendments to the Airport and Airway Development Act of 1970 contained in the proposed Aircraft Noise Reduction Act of 1977—

(1) grants to aircraft operators for the purpose of retrofitting aircraft for noise reduction purposes; and

(2) grants to airports under the Airport Development Aid Program for the purchase and installation of noise monitoring equipment.

By Mr. BAKER:

Senate Joint Resolution 23. A joint resolution providing for the designation and adoption of the American marigold as the national floral emblem of the United States; to the Committee on the Judiciary.

(The remarks of Mr. BAKER when he introduced the joint resolution appear earlier in today's RECORD.)

By Mr. RANDOLPH:

Senate Joint Resolution 24. A joint resolution to authorize and request the President to issue annually a proclamation designating the first Sunday of September after Labor Day of each year as "National Grandparents Day"; to the Committee on the Judiciary.

NATIONAL GRANDPARENTS DAY

Mr. RANDOLPH. Mr. President, today I introduce a joint resolution to authorize and request the President to issue annually a proclamation designating the Sunday following Labor Day of each year as "National Grandparents Day."

I have sponsored similar measures in the 93d and 94th Congresses. The Senate approved such a legislation during the 93d Congress. But, the House was unable to act on it. Unfortunately no action was taken on Senate Joint Resolution 211 during the 94th Congress. I believe by designating the Sunday following Labor Day more people will be able to visit and honor their grandparents. The summer vacations should be over and the weather will still be pleasant enough to visit our grandparents and those citizens residing in nursing and care homes.

Mr. President, a West Virginian, Mrs. Marian McQuade, Oak Hill, has spearheaded this movement for the past 5 years to create the nationwide observance. Mrs. McQuade has spent many hours urging the Governors of the 50 States to proclaim such a day. She is now working closely with the appropriate aging commissions and agencies in the country for their support and their help in earning public support.

Mrs. McQuade, mother of 15 and a grandmother, got the idea working at a nursing home for the elderly. "So many of these people are shut up and neglected, even though they have grandchildren living, Mrs. McQuade said, "I thought maybe if we had a Grandparents Day some of these people would get the love and attention they need so badly."

Mr. President, I do hope we can proclaim such a day to honor our loving grandparents.

ADDITIONAL COSPONSORS

S. 4

At the request of Mr. DOLE, the Senator from Rhode Island (Mr. PELL), the Senator from Oregon (Mr. HATFIELD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 4, a bill to amend the Internal Revenue Code.

S. 197

At the request of Mr. GRIFFIN, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 197, the Conservation Gas Act.

S. 198

At the request of Mr. GRIFFIN, the Senator from New York (Mr. JAVITS) and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of S. 198, the Residential Insulation Credit Act.

S. 199

At the request of Mr. GRIFFIN, the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 199, the Conservation Gas and Residential Insulation Credit Act.

S. 256

At the request of Mr. PEARSON, the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from North Dakota (Mr. YOUNG), and the Senator from Michigan (Mr. GRIFFIN) were added as cosponsors of S. 256, the Natural Gas Act Amendments of 1977.

S. 418

At the request of Mr. BAYH, the Senator from Montana (Mr. METCALF), the Senator from Vermont (Mr. LEAHY), the Senator from Oregon (Mr. HATFIELD), the Senator from Rhode Island (Mr. PELL), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Michigan (Mr. RIEGLE), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 418, the Displaced Homemakers Act.

S. 484

At the request of Mr. PEARSON, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 484, to amend title XVIII of the Social Security Act.

S. RES. 81

At the request of Mr. BAYH, the Senator from Rhode Island (Mr. PELL), the Senator from Maryland (Mr. SARBANES), the Senator from New York (Mr. JAVITS), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Jersey (Mr. WILLIAMS) were added as cosponsors of Senate Resolution 81, a resolution relating to the expulsion of George Krimsky by the Soviet Government.

AMENDMENT NO. 40

At the request of Mr. MCCLELLAN, the Senator from North Dakota (Mr. ABOUREZK) was added as a cosponsor of amendment No. 40, intended to be proposed to S. 11, a bill to provide for the appointment of additional district court judges.

SENATE RESOLUTION 89—SUBMISSION OF A RESOLUTION TO ESTABLISH A SELECT COMMITTEE OF THE SENATE

(Referred to the Committee on Human Resources.)

Mr. GRIFFIN submitted the following resolution:

S. RES. 89

Resolved, That there is hereby established a select committee of the Senate, which may be called, for convenience of expression, the Select Committee on Improper Activities in the Labor Management Field, to conduct an investigation and study of the extent, if any, to which criminal or other illegal, improper, or unethical activities are engaged in by any

persons, acting individually or in combination with others in the field of labor-management relations or in related groups, organizations, insurance, pension, or other programs established for the interest, benefit, participation, or welfare of employees or employers to the detriment of the interests of the public, employees, or employers, and to determine whether in its judgment any occurrence which may be revealed by the investigation and study indicate the necessity or desirability of the enactment of new legislation to safeguard and/or strengthen the integrity of labor-management relations and the collective-bargaining system.

SEC. 2. (a) The select committee created by this resolution shall consist of eight Members of the Senate, four of whom shall be appointed by the President of the Senate from the majority Members of the Senate upon the recommendation of the majority leader of the Senate, and four of whom shall be appointed by the President of the Senate from the minority Members of the Senate upon the recommendation of the minority leader of the Senate. For the purposes of paragraph 6 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member, chairman, or vice chairman of the select committee shall not be taken into account.

(b) The select committee shall select a chairman and vice chairman from among its members, and adopt rules of procedure to govern its proceedings. The vice chairman shall preside over meetings of the select committee during the absence of the chairman, and discharge such other responsibilities as may be assigned to him by the select committee or the chairman. Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee and shall be filled in the same manner as original appointments to it are made.

(c) A majority of the members of the select committee shall constitute a quorum for the transaction of business, but the select committee may fix a lesser number as a quorum for the purpose of taking testimony or depositions.

SEC. 3. That the select committee is authorized and directed to do everything necessary or appropriate to make the investigation and study specified in the first section. Without abridging or limiting in any way the authority conferred upon the select committee by the preceding sentence, the Senate further expressly authorizes and directs the select committee to make a complete investigation and study of the activities of any and all persons or groups of persons or organizations of any kind which have any tendency to reveal the full facts in respect to the following matters or questions:

(a) the disappearance of James R. Hoffa, former International President of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, hereinafter identified as IBT;

(b) any and all agreements, promises, commitments, pledges, surity arrangements or agreements or financial transactions of any nature entered into between any person or group of persons representing, or authorized to represent, acting as consultants or authorized to act as consultants in any capacity to and/or for the IBT or any of the IBT pension funds or other welfare and/or benefit funds associated with, employed by, directed by or controlled by the IBT or IBT pension or welfare funds and any other person, group of persons, associations, partnerships, or corporations, the purpose of which is, was, or would be to secure or resecure, finance or refinance the development, construction, or improvement of any real estate or real property of any nature;

(c) any and all transactions, agreements, loans of money, or any other item of value or commitments to loan money or any other item of value, entered into between any person or group of persons representing or authorized to represent, acting as consultants or authorized to act as consultants in any capacity to and/or for the IBT or any of the IBT pension funds or other welfare and/or benefit funds associated with, employed by, directed by, or controlled by the IBT or IBT pension or welfare funds and any person or group of persons, association, partnership, or corporation engaged in business venture of any nature established for or engaged in gambling or gaming enterprises of any nature, or any business venture of any nature established to or engaged in the manufacture and/or supply of gambling or gaming paraphernalia;

(d) any and all group health and/or accident insurance policies, or insurance policies or agreements of any nature entered into by or between any person or persons with any insurance or reinsurance company for the benefit of any or all members of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America;

(e) any and all allegations of influence, control, or domination exercised by any person or group of persons alleged to be involved in or associated with organized criminal syndicate activity over the affairs, agreements, administration, or day-to-day activity or operations of any person or groups of persons associated together for the benefit of labor and management organizations;

(f) whether the integrity of labor and management relations is inadequately safeguarded, because of a lack of appropriate legislation, or because the existing laws of the United States are inadequate, either in their provision or manner of enforcement, and if so, whether new legislation should be enacted.

SEC. 4. (A) To enable the select committee to make the investigation and study authorized and directed by this resolution, the Senate hereby empowers the select committee as an agency of the Senate—

(a) to employ and fix the compensation of such clerical, investigatory, legal, technical, and other assistants as it deems necessary or appropriate;

(b) to sit and act at any time or place during sessions, recesses, and adjournment period of the Senate;

(c) to hold meetings for taking testimony on oath or to receive documentary or physical evidence relating to the matters and questions it is authorized to investigate or study;

(d) to require by subpena or otherwise the attendance as witnesses of any persons who the select committee believes have knowledge or information concerning any of the matters or questions it is authorized to investigate and study;

(e) to require by subpena or order any department, agency, officer, or employee of the executive branch of the United States Government, or any private person, firm, or corporation, or any officer or former officer or employee of such firm or corporation to produce for its consideration or for use as evidence in its investigation and study any books, checks, canceled checks, correspondence, communications, documents, papers, physical evidence, records, recordings, tapes, or materials relating to any of the matters or questions it is authorized to investigate and study which they or any of them may have in their custody or under their control;

(f) to make to the Senate any recommendations it deems appropriate in respect to the willful failure or refusal of any person to appear before it in obedience to a subpena or order, or in respect to the willful failure or refusal of any person to answer questions or give testimony in his character as a witness during his appearance before it, or in respect to the willful failure or refusal of any officer or employee of the executive branch of the United States Government or any person, firm, or corporation, or any officer or former officer of same, to produce before the committee any books, checks, canceled checks, correspondence, communications, documents, financial records, papers, physical evidence, records, recordings, tapes, or materials in obedience to any subpena or order;

(g) to take depositions and other testimony on oath anywhere within the United States or in any other country;

(h) to procure the temporary or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946;

(i) to use on a reimbursable basis, with the prior consent of the United States Government department or agency concerned and the Committee on Rules and Administration, the services of personnel of any such department or agency;

(j) to use on a reimbursable basis or otherwise with the prior consent of the chairman of any other of the Senate committees or the chairman of any subcommittee of any committee of the United States Senate the facilities or services of any members of the staffs of such other Senate committees or any subcommittees of such other Senate committees whenever the select committee or its chairman deems that such action is necessary or appropriate to enable the select committee to make the investigation and study authorized and directed by this resolution;

(k) to have direct access through the agency of any members of the select committee, chief majority counsel, minority counsel, or any of its investigatory assistants jointly designed by the chairman and the ranking minority member to any date, evidence, information, report, analysis, or document or papers relating to any of the matters or questions which it is authorized and directed to investigate and study in the custody and under the control of any department, agency, officer, or employee of the executive branch of the United States Government, having the power under the laws of the United States to investigate any alleged criminal activities or to prosecute persons charged with crimes against the United States which will aid the select committee to prepare or conduct the investigation and study authorized and directed by this resolution;

(l) to procure either through assignment by the Rules Committee or by renting such offices and other space as may be necessary to enable it and its staff to make and conduct the investigation and study authorized and directed by this resolution;

(m) to expend to the extent it determines necessary or appropriate any moneys made available to it by the Senate to perform the duties and exercise the powers conferred upon it by this resolution and to make the investigation and study it is authorized by this resolution to make.

(B) Subpenas may be issued by the select committee acting through the chairman or any other member designated by him and may be served by any person designated by such chairman or other member anywhere within the borders of the United States. The chairman of the select committee, or any

otner member thereof, is hereby authorized to administer oaths to any witnesses appearing before the committee.

(C) In preparing for or conducting the investigation and study authorized and directed by this resolution, the select committee shall be empowered to exercise the powers conferred upon committees of the Senate by section 6002 of title 18 of the United States Code or any other Act of Congress regulating the granting of immunity to witnesses.

SEC. 5. The select committee shall have authority to recommend the enactment of any new congressional legislation which its investigation considers it is necessary or desirable to safeguard the integrity and purity of labor-management relations.

SEC. 6. The select committee shall make a final report of the results of the investigation and study conducted by it pursuant to this resolution, together with its findings and its recommendations as to new congressional legislation it deems necessary or desirable to the Senate and at the earliest practicable date, but no later than December 31, 1976. The select committee may also submit to the Senate such interim reports as it considers appropriate. After submission of its final report, the select committee shall have four calendar months to close its affairs, and on the expiration of such four calendar months shall cease to exist.

SEC. 7. The expenses of the select committee through December 31, 1977, under this resolution shall not exceed $1,250,000, of which amount not to exceed $250,000, shall be available for the procurement of the services of individual consultants or organizations thereof. Such expenses shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee.

AMENDMENTS SUBMITTED FOR PRINTING

REORGANIZATION OF GOVERNMENT AGENCIES—S. 626

AMENDMENT NO. 41

(Ordered to be printed and referred to the Committee on Governmental Affairs.)

Mr. HARRY F. BYRD, JR. Mr. President, I applaud President Carter's commitment to bring about a reorganization of the executive branch of the Federal Government.

Just a few days ago, the Senate approved a measure to bring about some reorganization and consolidation of the operations of this body. This was a step in the right direction—although it did not go nearly far enough.

Likewise, I feel strongly that the hard-working American taxpayers want a more efficient, responsive, and less costly Federal bureaucracy.

To achieve this, the President has asked Congress to restore to him the powers granted under the Executive Reorganization Act. He has asked for additional modifications to the act to give him greater flexibility to amend and improve his reorganization plans once submitted to the Congress, and authority to submit more than one plan at a time to speed the reorganization process.

The President has also indicated his intention to provide information regarding the improvements in management, efficiency, and delivery of Federal services which his proposed plan would produce.

These are all steps in the right direction, and I want to support the President in this regard.

However, his plan as embodied in S. 626 has a serious omission.

The Executive Reorganization Act, as currently written, would require the President to submit, with any reorganization plan, information on the reduction of expenditures which such plan would bring about. S. 626 eliminates this requirement.

I recognize that providing such cost reduction data would be a sometimes difficult task for the Executive. But, Mr. President, if Government reorganization is in fact going to benefit the American people, there must be some reduction in the expenditure of the taxpayers' hard-earned dollars.

In evaluating any reorganization plan, the Congress and the public must and should know what costs are involved. More and more of our people recognize that we will not get the cost of living under control until we get the cost of Government under control.

I will offer an amendment which will retain the requirement that any reorganization plan submitted by the President contain information about the reduction of expenditures resulting from such plan.

Mr. President, I submit my amendment to S. 626, which is pending in the Senate Committee on Governmental Affairs.

The PRESIDING OFFICER. The amendment will be received and printed.

APPOINTMENT OF ADDITIONAL JUDGESHIPS—S. 11

AMENDMENT NO. 42

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. CRANSTON. Mr. President, today I submit an amendment on behalf of myself and Senator METCALF to the omnibus district judgeship bill (S. 11) to implement the recommendation of the Judicial Conference for the addition of 25 new judgeships on various circuit courts of appeals. I greatly welcome the coauthorship of the distinguished Senator from Montana (Mr. METCALF), who has worked hard over the years for the good of the Ninth Circuit Court of Appeals.

Our purpose is to bring the circuit judgeship bill before the full Judiciary Committee for consideration along with S. 11 and amendment No. 40 to S. 11 introduced by Senator MCCLELLAN on February 10.

Nearly 9 years have passed since Congress last enacted legislation to create additional judgeships for the U.S. courts of appeals. It is a tribute to the hard-working Federal judiciary that the Federal appellate courts have been able to keep up with an ever-increasing workload. But the situation in the ninth circuit, which includes California, Arizona, Nevada, Hawaii, Oregon, Washington, Idaho, Montana, Alaska, and Guam, has reached crisis proportions.

Federal appellate justice in the ninth circuit is subject to inordinate delays. In 1968 with 13 judges, the circuit terminated 919 appeals; in 1975, still with 13 judges, the circuit terminated 2,450 appeals but the backlog numbered 2,636. Delays of 2 years are not unusual.

Virtually everyone agrees on the need for more judges in the ninth circuit. As the report of the Senate Judiciary Committee on S. 729 observed last September:

> The history of the Ninth Circuit demonstrates that there is a compelling need for additional manpower and resources to meet the problems which have resulted from this phenomenal rise in caseload.

The Judicial Conference in its legislative proposal recommends 10 new judgships for the ninth circuit, a number which I fully support.

The ninth circuit has other problems. The large number of judges, the vast territory encompassed by the circuit and the huge caseload have eroded the effectiveness of the court over the years. There are several proposals to solve these problems—all of them having merit.

We believe it to be of utmost importance, however, to keep the issue of reorganization of the ninth circuit separate from the need to add more judges to the circuit.

We strongly urge the Committee on the Judiciary to act first on adding more judges to the circuit bench.

If we can supply the circuit with the judicial man and womanpower it needs, I am confident that a reasonable and satisfactory answer can be found to the question of realinement and reorganization of the circuit.

Our amendment, I believe, offers this option to the committee.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD together with a statement by Circuit Judge John D. Butzner, Jr., of the fourth circuit on the judgeship requirements of the U.S. courts of appeals submitted this morning to the Judiciary Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 42

At the appropriate place in the bill, insert the following new section:

SEC. —. (a) The President shall appoint, by and with the advice and consent of the Senate, one additional circuit judgeship for the first circuit, two additional circuit judgeships for the second circuit, one additional circuit judgeship for the third circuit, three additional circuit judgeships for the fourth circuit, two additional circuit judgeships for the sixth circuit, one additional circuit judgeship for the seventh circuit, one additional circuit judgeship for the eighth circuit, ten additional circuit judgeships for the ninth circuit, one additional circuit judgeship for the tenth circuit, and three additional circuit judgeships for the District of Columbia.

(b) In order that the table contained in section 44(a) of Title 28, United States Code, will, with respect to each circuit therein, reflect the changes in the number of judgeships made by section 2 of this act, such table is amended to read as follows:

Circuits:	Number of judges
District of Columbia	12
First	4
Second	11
Third	10
Fourth	10
Fifth	15
Sixth	11
Seventh	9
Eighth	9
Ninth	23
Tenth	8

JUDGESHIP REQUIREMENTS OF THE UNITED STATES COURTS OF APPEALS

Nearly nine years have passed since the U.S. Congress last enacted legislation to create additional judgeships for the United States Courts of Appeals. That legislation was enacted on June 18, 1968 and included nine additional judgeships in five courts of appeals. The basis for that law was a comprehensive study conducted by the Judicial Conference of the United States in 1966 and early 1967.

Since 1968, the Judicial Conference has conducted two quadrennial surveys of the judgeship need of the eleven courts of appeals. The first of these was completed in 1971 when the Conference recommended the creation of 10 additional judgeships in six courts of appeals. This recommendation was updated in 1972 to include eleven judgeships in seven courts.

In March 1974, the Judicial Conference decided that the survey scheduled for that year should be underaken even though the legislative proposal growing from the previous study had not been enacted by the Congress. As a result of that action the 1974 survey was completed in September 1974 when the Conference recommended 13 additional judgeships in eight courts of appeals. Eleven of these 13 judgeships were the same as those previously recommended in 1972.

In September 1976, the Judicial Conference recommended that 16 additional judgeships be created for the U.S. Courts of Appeals. This figure included the 13 previously recommended plus three additional judgeships for the U.S. Court of Appeals for the District of Columbia. Of the 16 judgeships recommended at that time, only the three for the District of Columbia were recommended after a review of the current workload situation. The remaining 13 were not reviewed even though some of those recommendations were originally made on the basis of the 1970 quadrennial survey. However, in January of this year the Committee on Court Administration conducted a complete review of the workload situation in all courts of appeals. This review was the basis for the current Judicial Conference recommendation of 25 additional judgeships which is under consideration here today.

The Committee on Court Administration conducted its review in order to provide Congress with the most current Judiciary assessment of the judgeship requirements of the U.S. Courts of Appeals. If Congress were to act on legislation without these current requirements, it would be basing its action on Judicial Conference recommendations, which for some courts were, initially made nearly six years ago when the need for additional judgeships was not as great.

In conducting its current review the Committee on Court Administration developed its recommendations by interpreting and updating with 1976 data the analysis contained in your committee's report on S–286 in the last Congress. This procedure was used because a specific statistical standard which can be applied to all courts of appeals has yet to be established by either the Judiciary or the Congress.

While the Congress has not enacted legislation for additional judgeships in the courts of appeals in nearly nine years, we were pleased that the Senate did pass an Omnibus Circuit Judgeship Bill, S–286, during the second session of the 94th Congress. However, the seven additional judgeships included in that bill would not meet even the minimum requirements of the 11 U.S. Courts of Appeals. Just since the passage of S–286 in 1976, the workload of the courts of appeals has increased by more than 10%. Data compiled since July 1976 indicate that the increasing trend in workload is continuing. Since the enactment of the last judgeship bill in 1968, the filings in these courts have more than doubled while the number of authorized judgeships has remained constant at 97.

During this same nine-year period a number of measures have been taken to improve the productivity of the judges of the courts of appeals and prevent an astronomical increase in the backlog. A review of the statistics shows that these efforts have been successful in increasing the termination rate. Since 1968 the disposition rate in the courts of appeals has nearly doubled, rising from 8,264 cases terminated in 1968 to 16,426 in 1976. However, even with this increase in terminations the pending caseload has grown from 6,615 at the end of 1968 to 14,110 at the end of 1976, an increase of 113%.

In maintaining the impressive disposition rate the judges of the courts of appeals are working harder than ever before. The courts are continuing to look for methods and procedures which will aid in improving on this disposition rate. In order to handle the tremendous caseload most of the courts have found it necessary to limit the number of cases which can be permitted oral argument. In addition, time limits for argument in these selected cases have been shortened and the number of places of holding court reduced to save judge time. The courts have also adopted opinion publication plans which reduce the percentage of cases which will be decided by time consuming signed opinions. Senior judges and visiting judges are also making significant contributions in the courts of appeals. In 1976 these judges participated in more than 20% of the cases decided after oral argument or submission on briefs.

I realize that many of the operational changes have been beneficial and the courts, like all other institutions, must be open to more effective and efficient procedures, and I believe we are. However, there is a limit to the amount of change that can be tolerated while still maintaining the effective system of justice which we have today. In my opinion we have reached that limit. It is indeed questionable whether the current standard of productivity can be maintained unless we are provided with the necessary judgeships. The alternative is to downgrade the quality of our work to a greater degree than anyone, especially the appellate bench, would seriously consider.

NOTICES OF HEARINGS

REVIEW OF PROGRAMS FOR THE HANDICAPPED AND EXTENSION OF THE EDUCATION OF THE HANDICAPPED ACT

Mr. RANDOLPH. Mr. President, as chairman of the Subcommittee on the Handicapped, I announce that our subcommittee has scheduled hearings on review of programs for the handicapped and the extension of the Education of the Handicapped Act. The hearings will be held on Monday, February 28, 1977, and Wednesday, Mach 2, 1977, in room 4232, Dirksen Senate Office Building starting at 9:30 a.m.

Persons wishing to testify should contact Mrs. Patria Forsythe, professional staff member, 10–B Russell Senate Office Building (202) 224–9075.

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. SPARKMAN. Mr. President, I should like to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs, will hold a 3-day hearing—February 23, 24, and 25, 1977—on S. 208, the National Transportation Assistance Act of 1977.

The hearing will be held in room 5302, Dirksen Office Building, and will begin at 10 each morning.

The subcommittee would welcome statements for inclusion in the record of hearings.

NOMINATION OF MAX CLELAND TO BE ADMINISTRATOR OF VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, as chairman of the Senate Committee on Veterans' Affairs, I announce that the committee will hold hearings on the nomination of Mr. Max Cleland as Administrator of Veterans' Affairs at 9:30 a.m., February 25, 1977, in room 318 of the Russell Office Building. At that time the committee will take testimony from the nominee and representatives of veterans organizations and any other interested members of the public wishing to testify. Persons wishing to testify or submit statements should contact Michael Burns, program director of the committee, at 224–9126.

ADDITIONAL STATEMENTS

LIFE IN ISRAEL

Mr. RIBICOFF. Mr. President, I have frequently spoken about the difficult problems facing those wanting to emigrate from the Soviet Union. Today, tens of thousands of people are trying to decide whether to emigrate. Their decision is a painful one. They have learned the high cost of emigration. Often it means being harassed and intimidated by the authorities, being isolated from friends and fellow workers, enduring lengthy delays and bureaucratic foulups, and sometimes imprisonment. Even after going through the anxiety and the suffering, they know there is only a faint hope of actually receiving permission to leave the Soviet Union.

Unhappily, most people facing the emigration dilemma know very little about the life they will lead if they are finally allowed to emigrate. The lack of information, of realistic expectations about life in a new country, only complicates the already overwhelming decision of whether or not to leave the country they have spent their lives in. So a person facing this decision knows that if he applies for an exit visa he will very likely lose his job and his friends, be shadowed by the KGB and have to fight his way through the maze of emigrations

rules and regulations. All for the vague promise of a life in another country about which he knows nothing. As I said, it is almost an impossible decision for a person to make.

Moshe Giterman is one man who faced this decision and was lucky enough to receive permission to emigrate. Mr. Giterman went to Israel, where he has been living for 2 years. After adjusting to his new life, Moshe Giterman wrote a letter to those in the Soviet Union who are wrestling with the emigration decision now. Based on his observations and experiences in Israel, Mr. Giterman has tried to answer some of the major questions about life in Israel for those who may want to leave Russia. He writes about the economy and the chances of finding work, the threat of war in the Middle East, and social problems like adjusting to a new culture, speaking a different language, and a new relationship between Government and the individual.

Mr. Giterman's analysis of life in Israel is perceptive and informative. Mr. Giterman's letter was written in Russian, and it combines the perspective of a foreigner experiencing life in a new and different society with a native sensitivity and understanding of that new life. My feeling is that his letter will help remove some of the doubts and uncertainties about life in Israel, and in the West as a whole, for many of those deciding whether to emigrate. Mr. President, I ask unanimous consent that a translation of Moshe Giterman's letter be printed in the RECORD.

There being no objection, the translation was ordered to be printed in the RECORD, as follows:

TRANSLATION FROM THE RUSSIAN

(By Sandra Byrd)

DEAR FRIENDS: After having lived in Israel I want to tell you about this country. In Russia, we had very scant knowledge about Israel and I thought that soon after my arrival here I will be able to tell you all about it. However, each time I decided to write, I realized that my impressions were still too superficial. Now, I believe it is time to give you a full report.

I can imagine the conflicting information you are receiving from Israel—ranging from enthusiasm down to pessimism. As an eyewitness I want to help you to understand all the complexities of life here. All the complaints which I have heard, revolve around a few subjects: "bureaucracy" ("they are not concerned with us"; "they dont like us"); life is provincial, the state is a religious state, the language completely strange, difficult economic conditions, constant threat of war, difficulties in finding a job, etc. The enthusiasm is essentially based on the fact that the country is "Jewish" that "all are one family", there are many interesting people and "this is a land of the future".

Actually, all our conceptions of Israel were misconceptions of this country which is aware of its special role after 4000 years of Jewish history, replete with greatness and heroism but also with humiliation and great suffering. But, for a better explanation, I want to remind you of the more recent historical facts. In 1948, when Israel was born 600,000 Jews lived there. This groups guaranteed the leadership of economic and political life and a portion of these people became professional politicians. Another group worked the land and made the desert land bloom. Many came to Israel after their liberation from Nazi death camps and remained sensitive to human suffering. All these people were preoccupied with their efforts and too busy to notice the radical changes which took place and the growing up of a new generation. This, then, is connected with the difficulties which arose.

A disproportionately large part of population emerged, which was not engaged in productive work. The flow of American money so badly needed by the country did nothing to stimulate the entrance of a majority of employable people into the labor force. These difficulties multiplied greatly in 1951–1952 when the country absorbed within a couple of years over 800,000 Arab Jews which lent considerable strength to the country, but added to the number of people having no skill.

The native Israeli had no feeling of unbroken attachment to the Jews of the whole world and this led to the conception of "Jew" and "Israeli". Suffice it to say that many young Israelis got to know about the tragedy and the heroism of the Jews during the holocaust only after the Eichman trial.

Israel is a democracy and, perhaps, more of a democracy than many so-called "democratic countries". The older generation which created and strengthened the state is being replaced by a new generation, more educated, more dynamic, and more talented for solving the internal and external problems of Israel. I believe that the most important factor is that we have a large percentage of idealists rather than fanatics, for whom financial gains are not a decisive matter.

Starting with the complaint against "bureaucracy" in Israel: For us, who are used to life in the Soviet Union, it becomes difficult to let go of the idea that "they are against us and that we must fight "them". In the USSR, the individual plays a dual role in two spheres of existence. One sphere is his relationship to the official authorities, society at large, professional associations and the party, while the other micro-structure encompasses the family friends and close associates. In a democratic society, as a rule, there is no division between the larger and the smaller structure and there is no necessities for playing a dual role. By arriving in Canada or the United States, you become a Canadian or American Jew and you have to adapt to the specific life of the Jew in a non-Jewish, albeit, democratic country. This, too, entails certain dualities as you and your family live in the non-Jewish world while your feelings and heart is with the Jewish people and with Israel, especially when the latter is threatened by danger. Only by coming to Israel can anyone arriving from the USSR immediately acquire all rights of a citizen, plus a lot of advantages and benefits of a formal and informal nature which facilitate life in a new country. Therefore, though fully aware of the responsibility I am assuming, I want to advise each of you that everyone of you will find a place in this country and that you will certainly be taken care of in a material as well as in a moral sense. The results will, of course, depend on the character of the individual. The possibilities vary but, let me say, that "repatriation to Israeli indeed constitutes the only true solution."

Now to the misgivings expressed concerning "provincialism": The fact is that all serious literature and art requires the knowledge of Hebrew. There are some Russian newspapers and magazines but these are, for the most part unprofessional, or cater to a low taste, stressing primitive sex, etc. Persons of high education or secondary education who have a specialty, attend a network of Ulpans where they study Hebrew, but the fact is that at the end of the first half of the study (2½ months) less than half of those who started remain at the Ulpan and at the end of the course, there are only a handful. Although almost all immigrants know conversational, "everyday" Hebrew, but the literally Hebrew, including the language of the press, radio and television, cannot be understood by the new citizen of Israel which, naturally, results in his frustration. This relates also to the movies which are, as a rule, played in the English language and to the theater which is in Hebrew. Needless to say, there are family tragedies when the children, who learn Hebrew quickly, are ashamed of their parents in front of their friends when the parents make mistakes. You are familiar with this problem; in the USSR, the children were frequently ashamed of the parents "Jewishness." Thus, Israel's "provincialism" is fiction....

Let me tell you something about the economic and military situations. It is necessary to mention, at this point, the matter of the Jews emigrating from Russia but not going to Israel. This action on the part of the Soviet Jew constitutes in the opinion of many, a certain immorality with respect to those who fought for the possibility to emigrate to Israel and who are now behind Soviet bars. The immigration of the Soviet Jew to other countries than Israel also makes it harder for the Jews who are still in Russia to get permission to leave. There are a few cases where emigration to the West appears more appropriate. But in the majority of cases to leave Russia for another country to be dispersed there, is a grave mistake.

To name just some of the difficulties: 1. Instead of having your status regulated by the Government, as in Israel, in Canada or the United States you depend solely on local Jewish communities and, in this sense, you prolong your status of "not being a free person". 2. In Israel, in contrast to other countries, you will continue to work in your special field. 3. The process of being absorbed in your new country is much more difficult and, in fact, never ends, after you settle in a land where the Jews are a minority. 4. Finally, you are exposing yourself and your children to a future emigration . . . i.e. to Israel and will disturb, once more, your still unsettled life. Let us return to the economy; from the viewpoint of stand of living, Israel has a normal economy, where you figure ¼ to ⅓ of your income for food, ¼ to ⅓ for rent and from ¼ to ⅓ for other needs, transportation, entertainment and the rest, if there is any, for savings. Until recently this was possible but now, in analogy with the world-wide inflation, this standard can be kept up only when two people work in one family. Compared to your standard, you will immediately discover that you spend 80% of your income for food. Besides, there are no lines to stand in when shopping, the service is quite different, your children eat all kinds of fruit the whole year, not to mention the many automobiles owned by Jews from the USSR who never even dreamed about owning a car before their emigration.

However, in connection with the great defense expenditures, the standard of living in Israel is still lower than in some Western countries, where your apartment may have one more room or your car be half a meter longer. So that the question of the economy cannot be dominant in your decision "where to immigrate".

The military (defense) situation in Israel is a much more serious matter. Israel fought five wars with the Arabs, during its short existence. Although there is must hope now for peace, another war is not impossible. During the times when no fighting takes place, all young men and women join the army, after graduating from school. They serve about two to three years and all reserve personnel serve about 2 months a year. All this is due to the fact that Israel cannot maintain a large permanent army. As far as terrorist activities are concerned, they produce much less victims than does the crime going on in Western countries. A lot of people are killed in Israel in automobile accidents. However, we have almost no crime and my 16 year old daughter can walk at any time, day or night, with her girl friends

through the streets of Tel Aviv without fear. . . . Today Israel is strong, we have our own country, arms, and are ready to accept all Jews. Therefore, for obvious (or perhaps, not so obvious reasons) the Jews of Israel feel more secure than, for example, the Jews of South America, where the antisemitism grows before your eyes, or the Jews of the USSR about their futures, if and when a political upheaval occurs there. The placid life of the Jews in the USA may turn out to be an illusion and the need to emigrate may occur anywhere within one generation. Many American Jews are aware of that and, for this reason, they consider Israel their other homeland. The question arises whether it pays for the Jew emigrating from the USSR, to spend time at a "transfer station", knowing that he will have to go on, anyway.

As regards the immigrant children, they adjust much quicker to the new life than their parents and learn Hebrew much faster. Children are of great concern in Israel. A kindergarten teacher is a highly respected person and spends much time preparing for the profession. The children in Israel have no complexes about being Jewish and proudly call each other by their Hebrew names, Chaim, Shlomo, Sara . . . The educational system in Israel is based on the American method. School starts when the child is 6 and lasts for 12 years, with the last two years spent in studying special subjects such as, e.g. biology, literature, sociology, and so on. The teacher's salaries are rather high and they are highly respected. They are entitled to a paid sabbatical year every 7 years. Two foreign languages are part of the curriculum and may be selected (such as Arabaic, English, French, Spanish or Italian). Acceptance to a University is a relatively simple matter, with the exception of medicine where competition is stiff. The University education, as well as the scientific work are at a high level. The last three classes of high school as well as the college education must be paid for. However, there are many stipends and scholarships for those unable to pay or for families with many children. But, none of the aforedescribed can reproduce for you the atmosphere in which the children of Israel study. There are excursions, debates, recreational and educational activities. During all the years of Israel's existence, the highest attention was, and is being, paid to the needs of the children. For example, the design for housing begins with the childrens' facilities. As a result of all this, the children grow up normal, secure, without any "hangups", perhaps even a little too self-confident!

I believe that many of us are uneasy about the question regarding the role played by religion in the life of Israeli society. Contrary to popular belief religion is separated from the state in almost all matters. Only in three circumstances will you be affected by, or associated with, religious practices: with the exception of Haifa, there are no buses or trains on Saturday, although taxis are available. You will be in contact with religion in the matter of marriage and divorce (that is, depending on your temperament, once, twice or more, in your lifetime) and one time for all of us, at your funeral. The religious party in Parliament is repesented only at 17%. On Yom Kippur no one drives a car, and a considerable number of the population attends synagogue on holidays. Thus, you have all the chances you want to participate in religious activities, but nobody forces you to do it. At the same time, many of the Jews escaping from the aetheism of Russia who immigrate to Canada or the USA and depend on Jewish charitable organizations, pretend to be religious in order to please their benefactors.

Many of you will be interested to know about job possibilities in Israel and the opportunity to continue in your own professions.

During the last few years a goodly number of people came to Israel who have a higher education, so to speak, an academic education. The work difficulties exist almost exclusively among this group. However, every third or fourth physician or engineer working now in Israel came here from the USSR, during the past four or five years. This shows how much Israel has gained by the arrival of these new citizens. At the same time, it is clear that difficulties occur in finding work to fit one's particular specialty.

In Russia, we have specific needs for specialists which have no counterpart in Israel, and the people having such professions will doubtlessly have to change their qualifications. I am thinking here about engineers in the field of coal mining, and water transport (we simply have no rivers), lawyers and some other professionals. For these and other professionals, we have a developcd system of "re-education", courses of the most varied type which take two years during which time you will be completely supported by the Government. In the year 1975, alone, about 2000 newcomers studied new, and improved old skills in 80 courses (for example, in bookkeeping, kindergarten teaching, nursing, social work, dentistry, etc.) Furthermore, there are special absorbtion centers for engineers and physicians where, right after coming to Israel, together with the study of Hebrew, they will study their own specialty as it applies to Israel and the terminology in Hebrew relating to their profession. Another example concerns music teachers and musicians which arrived in Israel within the past few years. Music schools were opened in many places throughout the country. These were created primarily with the thought in mind of finding work for the newcomers, but the schools found such enthusiastic reception that the idea worked out to the satisfaction of all concerned. The more Jews will come here from the USSR, the faster the questions of employment will be solved. There is no contradiction in this.

I already expressed the thought that the difficulties of adjustment are in proportion with the Jewish awareness of the individual. Therefore, in preparing to come to Israel, it is important to acquaint yourself with Jewish history, religion, language and to educate your children in this respect. The Jew thinks independently and cannot remain a follower in a herd of sheep. Therefore, the Jew always strives to better himself whether it be in the Galuth or in his own country. In this sense, the phrase "we came to Israel" is not complete and ought to supplemented: "we came to Israel in order to . . . ."

The obcene resolution passed by the United Nations, branding Zionism a racist ideology, again proved that we cannot rely on general principles of morality and on no one but ourselves. To be a Jew when you are truly saturated with your heritage, is a great blessing. It is my full conviction that only here, in Israel, is it possible to really know and feel what it means to be Jewish.

I repeat again and again—please come here. Your future, the future of your children and their children is connected with Israel. We need Israel as much as Israel needs you. The part being played by the present newcomers is as important to the future of Israel and was the part played by the Russian Jews of a past generation—who were the architects of Israel.

Don't postpone your arrival here. To delay may mean foregoing a unique opportunity to return to Judaism and to secure a normal existence for future generations of our people.

Till we meet again . . . we are awaiting you!

LITHUANIAN INDEPENDENCE DAY

Mr. CASE. Mr. President, I wish to congratulate Lithuanians throughout the world on the occasion of the 59th anniversary on February 16, of the declaration of independence of Lithuania. The origins of the Lithuanian State go back to the 12th century and her cultural traditions continue to flourish—despite the heavy hand of Soviet rule.

As a member of the Helsinki Commission, I especially welcome the recent formation of a Lithuanian group to monitor compliance with the Helsinki accords in the U.S.S.R. On December 1, 1976, in Moscow, five Lithuanians—Viktoras Petkus, a religious activist, Etian Finkelstein, a jewish activist and physicist, Father Karolis Garuckas, a priest in an eastern Lithuanian village, Tomas Venclova, a noted poet, and Ona Lujanskaite-Poskiene, a writer and veteran of Soviet labor camps—announced the formation of a Lithuanian Helsinki group and denounced repressive measures against the Lithuanian Catholic Church—the banishing of two bishops, Julijonas Steponavicius and Vincentas Sladkevicius, to small villages outside their dioceses. Further repressive measures against religion in Lithuania were outlined in a new Soviet law subjecting religious societies to strict control by secular authorities, thereby violating the Helsinki accord.

Hoping to diminish the effectiveness of the group, the Soviet authorities "requested" that Tomas Venclova leave the Soviet Union.

In the near future, Mr. Venclova will appear before our Helsinki Commission as a witness and I look forward to his testimony to provide information on the newest developments in civil liberties and culture in Lithuania.

Once again, let me extend my best wishes today to all Lithuanian Americans and let us all work together so that Lithuanians wherever they are, will be free to practice their religious, cultural, and political rights as they see fit.

NEW YORK TIMES ON AG-LAND TRUST

Mr. McGOVERN. Mr. President, the February 16, 1977, edition of the New York Times has taken a thoughtful look at the Ag-Land trust proposal of the Continental Illinois National Bank in conjunction with the brokerage house of Merrill, Lynch, Pierce, Fenner & Smith.

It is a reasoned approach touching on both the social implications and the investment aspects of the plan. I commend the Times for the restraint and the careful approach it recommends. For the benefit of Senators interested and concerned with the issue, I ask unanimous consent that the editorial I have referred to be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE GREENING OF THE PENSION FUNDS

It should come as no surprise that imaginative marketers are about to sell a mutual fund whose assets are not stocks and bonds but farm land. The value of good farm land has easily tripled in the last six years, while the Dow Jones Average has remained soggy. Now Merrill Lynch and the Continental Illinois Bank are proposing Ag-Land I, a fund which would buy $50 million in farm land and lease it back to farmer

tenants. The units of Ag-Land I would be sold to pension funds, which already are the nation's largest investors.

This alarms Bob Bergland, the Secretary of Agriculture, who says that such land speculation "could drive the cost of land so high we won't be able to eat." Mr. Bergland feels that Ag-Land farms would compete unfairly with family farms. And obviously, if Ag-Land I is successful sold, there will be an Ag-Land II and an Ag-Land III, and still more marketers will arrive to tap the flow of pension-fund money, which is $12 billion a year.

Mr. Bergland's objections touch upon the larger issue of absentee corporate ownership and operation of farms. Several states have now passed restrictions on absentee corporate operations to try to protect their family farms. But while a number of large American corporations have made farm investments, so far the $300 billion pool of pension money has remained outside the area.

Normally pension funds are passive investors. They receive their dividends and interest without tax liability. If they are active investors, the businesses they own must pay the same taxes as competing businesses. A pension fund which owned a Chinese laundry would pay taxes on its operating income. Continental Illinois is asking that the taxes on the operating income on its Ag-Land farms be tax-exempt, or tax-deferred to the retiring pensioner, Ag-Land proposes to hold its farms at least five years, but if it wins the traditional tax exemption it could sell a farm and buy another without paying a capital gains tax on an appreciated farm. It is these distinctions from ordinary farming that have led Mr. Bergland to bring up the charge of unfair competition.

There are no restrictions on the types of business in which a pension fund may invest, as long as the investments are proper, prudent and consistent with Internal Revenue. So Mr. Bergland can only appeal to the I.R.S. to test the exemption of the proposed funds, and to the Congress, which will begin hearings on Friday. He is apparently responding to the emotional reaction of farm organizations.

We would like to see the Secretary develop his arguments. The Ag-Lands, and imitators no doubt even now on the drawing boards, might indeed provide capital to a capital-hungry sector, as their sponsors argue. They might also lead in less desirable directions. Five years ago, aggressive marketers brought out and sold $20 billion in real estate investment trusts. That relatively sudden infusion produced a flash boom-and-bust in the real estate markets. American agriculture is a major export and a sensitive part of the economy. Beyond the standard fears of the family farmer, we would like to know what the implications are.

THE NOMINATION OF PAUL C. WARNKE

Mr. SPARKMAN. Mr. President, at its meeting tomorrow, the Committee on Foreign Relations will consider the nomination of the Honorable Paul C. Warnke to be director of the Arms Control and Disarmament Agency, and to have the rank of ambassador during his tenure of service as director of the Arms Control and Disarmament Agency. Mr. Warnke is being nominated as an ambassador so that he can be chairman of the U.S. strategic arms limitation talks—SALT—delegation.

In view of the considerable interest in the Warnke nominations, I wish to share several letters and other material with my fellow Members.

The first item is a letter to Senator HUMPHREY from the Honorable Gerard C. Smith, a former Director of the Arms Control and Disarmament Agency and chief negotiator of SALT. I find one of Mr. Smith's comments of particular interest:

When one of my hats was temporarily donned by a White House aide, a result was that because of "executive privilege" the Congress was unable to receive testimony from that negotiator. I wonder if the proponents of severance of the two hats have considered that a repetition of that situation might be one result if their effort is successful.

Mr. Smith refers, of course, to former Secretary of State Kissinger, who, at the time of SALT I was national security adviser to President Nixon. Mr. Kissinger was heavily involved in the 1972 summit meeting which put into final form the SALT I Treaty on the Limitation of Anti-Ballistic Missile Systems and the interim agreement limiting strategic offensive arms.

Although the Committee on Foreign Relations made a strong effort to have Dr. Kissinger appear in open session in regard to the agreement, he never did so. "Executive privilege" was cited as the reason. Although Committee Members had a chance to pose a few questions to Dr. Kissinger at a large briefing for Members of Congress at the White House, and further chances to talk to him privately without a transcript, there never was comprehensive detailed questioning in public.

In retrospect, I very strongly believe that it is critically important that all persons involved in such negotiations should be available, without question or quibble, to the Congress for full questioning and exploration of the issues at stake. There is no question of Mr. Warnke's availability to the Congress if he serves as director of the Arms Control and Disarmament Agency and chairman of the SALT delegation.

The second item I am sharing with my fellow members is a staff memorandum prepared for me on the precedents for an Arms Control and Disarmament Agency Director also conducting negotiations. The memorandum proves that the dual responsibilities have been the rule, rather than the exception.

The third item is a letter of opposition to Mr. Warnke written by the Honorable Paul Nitze, a former representative of the Secretary of Defense on the SALT team and a former Deputy Secretary of Defense. Mr. Nitze also appeared before the Committee in opposition to Mr. Warnke. Members may be interested in knowing that, in the two hearings held on these nominations, the Committee on Foreign Relations spent more time hearing Mr. Warnke's critics than hearing Mr. Warnke himself.

I hope that Members will read Mr. Nitze's letter together with a response to Mr. Nitze's comments by Mr. Warnke.

One very important ingredient in reaching a decision on a nominee is the attitude toward him held by those he served. Accordingly, I am including a letter from the Honorable Robert M. McNamara and the Honorable Clark M. Clifford, both of whom performed distinguished service as secretaries of defense. Mr. Warnke served both men as Assistant Secretary of Defense for International Security Affairs.

Finally, I submit a letter to me from Carl Marcy on behalf of the American Committee on United States-Soviet Relations in support of Mr. Warnke. Included with the letter in a statement by the American Committee on United States-Soviet Relations in regard to the new administration's "proper concern with the great issues of disarmament, peace, and human rights." Also included is a list of the members of the committee.

Mr. President, I ask unanimous consent that these materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WILMER, CUTLER & PICKERING,
Washington, D.C., February 14, 1977.

Hon. HUBERT HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: Here are a few thoughts about the Warnke flap.

Having once worn the two hats of the ACDA Director and the SALT negotiator, I feel with special keenness the thrust of the suggested doctrine—one man, one hat.

I thought that Congress had solved that problem long ago. Section 2 of the Arms Control and Disarmament Act says: "The formulation and implementation of United States arms control and disarmament policy in a manner which will promote the national security can best be insured by a central organization charged by statute with primary responsibility for this field . . . It must be able to carry out the following primary functions . . . b) the preparation for and management of United States participation in international negotiations in the arms control and disarmament field." Section 22 says that the Director shall "under the direction of the Secretary of State have primary responsibility within the government for arms control and disarmament matters as defined in this act." The definition is: "The identification, verification, inspection, limitation, control, reduction or elimination of armed forces and armaments of all kinds under international agreement. . . ."

Section 34 provides that under the direction of the Secretary of State the Director "for the purpose of conducting negotiations concerning arms control and disarmament . . . may 1) consult and communicate with or direct the consultation of and communication with representatives of other nations or of international organization and 2) communicate in the name of the Secretary with diplomatic representatives of the United States in this country and abroad."

As I understand it, the President in designating Warnke to be Director and negotiator is merely trying to carry out the law. In addition to this legal interpretation it seems to me that the record shows that the two hat procedure produced results, witness Bill Foster's success with the NPT and my work on the ABM Treaty.

When one of my hats was temporarily donned by a White House aide, a result was that because of "executive privilege" the Congress was unable to receive testimony from that negotiator. I wonder if the proponents of severance of the two hats have considered that a repetition of that situation might be one result if their effort is successful.

Warm regards,

GERARD C. SMITH.

FEBRUARY 18, 1977.

[U.S. Senate Committee on Foreign Relations]

STAFF MEMORANDUM

ROLE OF DIRECTORS OF THE ARMS CONTROL AND DISARMAMENT AGENCY IN ARMS CONTROL NEGOTIATIONS

Directors of the Arms Control and Disarmament Agency (ACDA) have played key roles in the negotiation of significant arms control agreements since the Limited Test Ban Treaty of 1963.

The first Director of the ACDA, William G. Foster, who served from October 6, 1961, until December 31, 1968, was also the United States representative to what was then known as the Eighteen-Nation Disarmament Conference, now known as the Conference of the Committee on Disarmament. In that capacity, Mr. Foster laid the groundwork for the Limited Test Ban Treaty of 1963, and played the primary role until the final breakthrough when Averill Harriman was sent as President Kennedy's representative to Moscow to iron out details within a matter of days.

In the mid-60's, Mr. Foster and Adrian Fisher, his deputy, negotiated at the Eighteen-Nation Disarmament Conference the Non-Proliferation Treaty. Later the Assistant Director of the ACDA, James Leonard, who was United States representative at the Conference of the Committee on Disarmament from 1969 to 1971, negotiated the Seabed Arms Control Treaty and the Biological Weapons Convention.

Since the SALT process had not started while Mr. Foster was in office, he did not head a SALT delegation. However, his successor, Gerard C. Smith, was both Director of the ACDA and chief negotiator at SALT. The SALT negotiating team carried the process to the final point of the Moscow summit meeting in 1972.

When the SALT II process began in 1973, the Executive Branch decided to have a foreign service officer as the chief SALT negotiator. Accordingly, the Senate was asked to confirm U. Alexis Johnson as Ambassador-at-Large to serve as the SALT negotiator. This was the exception to the rule of ACDA involvement in negotiation of arms control agreements.

A subsequent arms control treaty, the proposed treaty on the limitation of nuclear peaceful explosions, was negotiated by Walter Stoessel who was also United States Ambassador to the Soviet Union. However, the operating chief of the delegation, which worked out the PNE Treaty, was Robert W. Buchheim of ACDA. The Standing Consultative Commission created by the SALT I ABM Treaty and interim agreement has had as chief commisoner an ACDA employee since its inception.

Congress specified in section 2(b) of the Arms Control and Disarmament Act that ACDA's authority includes "the preparation for and management of United States participation in international negotiations in the arms control and disarmament field." Similarly, section 34 refers to the Director's consultation and communication with other governments and international organizations "for the purpose of conducting negotiations concerning arms control and disarmament."

ARLINGTON, VA.,
February 7, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: When, some ten years ago, it became increasingly clear that the United States had become strategically and politically overcommitted in Vietnam, two schools of thought began to emerge as to the proper future direction of our national security policy. In one view, U.S. foreign and defense problems would continue, indeed might become more serious as a result of Vietnam, and could well call for even more emphasis and greater prudence than had been devoted to them in the past. In the contrasting view, the problems of the past had arisen largely from our own errors springing from over-emphasis on foreign policy, and particularly its defense aspects. Those taking the latter view believed our true strategic interests were limited to Western Europe, Japan and Israel; that the USSR presented our only military threat and that that threat could be deterred with forces less capable than those that had already been authorized. Therefore—so the argument ran—significant cuts could and should be made in a wide range of defense programs requested by the Executive Branch. It was hoped that the Soviet Union would agree to make certain parallel cuts, or at least reciprocate by restraining the pace of its own programs.

There can be no question that Mr. Paul Warnke, who has now been nominated to be both Director of ACDA and head of the U.S. SALT Delegation, has been one of the most active, vocal and persistent advocates of the second point of view.

In the last year or so, an important debate has arisen over the current state and future trends of the defense situation of the United States and of those countries whose interests are important to us and generally parallel to our own. I believe there is now a wide consensus that the evidence indicates that the situation could become serious at some time in the future, given a continuation of current trends. There are, however, differences of opinion as to how soon this may occur.

It is in this context that I suggest the nomination of Mr. Warnke be considered. I believe that his testimony before the Senate Committee on the Budget, given on March 9, 1976, is relevant; particularly the last few pages thereof. He there makes it clear that he regards the principal deterrent protecting Europe, the Middle East and Japan to be the probability that the U.S. would initiate, if necessary, the use of tactical nuclear weapons against the Soviet Union, with the further probability that this would escalate to the nuclear destruction of everything he considers worth caring for and planning about in the United States. He appears to advocate this policy concurrently with taking a highly cavalier attitude concerning significant cuts, not only in almost all elements of those U.S. conventional capabilities but also in those improved U.S. nuclear capabilities that might make such escalation less likely. In listening to his testimony at the time, I was reminded of Secretary John Foster Dulles and his short-lived doctrine of massive nuclear retaliation; in 1953, however, there was the critical difference that we then still had a virtual nuclear monopoly.

I am concerned that Mr. Warnke, who has spoken with such certainty on matters of military requirements, weapons capabilities, and strategy, may nevertheless not be a qualified student or competent judge of any of these matters. It is claimed that he is a superb negotiator. I am unfamiliar with his successes in this area. I recognize that he has certain abilities as an advocate, but at least with respect to defense matters, these do not include clarity or consistency of logic. I doubt that such advocacy has much chance of success against the strategy and tactics of the highly serious and competent Soviet negotiators.

It is proper that the President's nominations be supported unless there are strong reasons for not doing so. In this instance, however, I cannot bring myself to believe that the Senate would be well advised to give its consent to Mr. Warnke's appointment. This view is reinforced by the consideration that if confirmed, Mr. Warnke would serve not only as Director of ACDA, but also as head of the U.S. SALT Delegation, charged with the basic and detailed negotiations with the Soviet SALT Delegation at Geneva. I do not believe that, in today's circumstances, it is wise to have one man doing both jobs.

Sincerely yours,

PAUL H. NITZE.

CLIFFORD, WARNKE, GLASS, MCILWAIN & FINNEY, ATTORNEYS AND COUNSELORS AT LAW,
Washington, D.C., February 11, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: At the hearing on February 8th, I was given a copy of the letter written to you by Paul H. Nitze, dated February 7, 1977. The Committee asked that I provide a response.

Mr. Nitze has failed to understand my position with respect to national security policy. Nor do I believe that his letter adequately portrays the complexity of today's defense debate.

Initially, he states that two schools of thought began to emerge about 10 years ago as to the proper future direction of our national security policy. One view, he asserts, is that our foreign and defense problems would continue and might call for even more emphasis and greater prudence. He describes the other as holding that "the problems of the past had arisen largely from our own errors springing from overemphasis on foreign policy, and particularly its defense aspects." He states that I have been "one of the most active, vocal and persistent advocates of the second point of view."

Mr. Nitze premises are incorrect. He cites no evidence to prove any such polarization among those who have studied and commented about national security policy. I do not agree that he has correctly described prevailing trends of thought. If such a division were to exist, moreover, I would fall in the first group and not the second, because I agree that U.S. foreign and defense problems have continued and will continue and that they do indeed call for even more emphasis and greater prudence.

With respect to the corollary beliefs that he associates with the second purported point of view, I do not believe and do not maintain that our strategic interests are limited to Western Europe, Japan and Israel. I do believe, however, that these are the areas in which military threats to our interests are the least unlikely and that, accordingly, our military capability should be optimized to deal with such contingencies. I would think it quite apparent that the military threat to our interests is posed currently by the Soviet Union and certainly I do not contend that this Soviet threat could be deterred with forces less capable than those that have been authorized. I have, however, questioned the past years whether we were spending more money than necessary for weapons and forces that were not the best designed to cope with realistic defense needs.

Nor have I maintained that we should reduce our military capability in the mere hope that the Soviet Union would make parallel cuts or reciprocate by restraints in the pace of its own programs. What I have suggested is that, in the strategic arms field, we might endeavor to initiate a series of reciprocal restraints, whereby any initiative we might take would be abandoned if there were not a prompt and matching Soviet response.

I can only conclude that Mr. Nitze listened to and thereafter read my testimony of March 9, 1976 before the Senate Committee on the Budget with something less than his usual meticulous attention. Nothing in this testimony remotely suggested that I regard

the prospect of our first use of tactical nuclear weapons against the Soviet Union as constituting the principal deterrent protecting Europe, the Middle East and Japan. Nor do I advocate any such policy. Instead, (p. 203), I expressed my agreement with Mr. Nitze that what best stops the Soviet Union is that we have a conventional war capability. I stated that my belief that deterrence of an all-out attack on Western Europe is strengthened by the existence of our tactical nuclear weapons and the Soviet recognition that we would use them if needed to protect our vital interests. I submit that this view is completely consistent with established NATO doctrine and that, if it is incorrect, then our tactical nuclear weapons in Europe serve no purpose and should all be removed. I do not believe that they should all be removed because, though not the principal deterrent, these weapons constitute, as I stated in my testimony (p. 204), a part of "the spectrum of deterrents."

My recognition of the essentiality of U.S. conventional capabilities was further emphasized in my suggestion that a greater risk than an all-out attack might be a "quick Soviet strike" for a limited objective and that "we should review our defense structure and make sure we have the capability to respond to that kind of contingency." (pp. 204, 206). I believe that similar concern about the adequacy of our conventional forces in Europe was recently expressed in a report by Senators Nunn and Bartlett. My firmly held and expressed position, therefore, is premised on the need for a flexible response capability and is the antithesis of the doctrine of massive nuclear retaliation.

My testimony of March 9, 1976 did state my opinion that an intensive protracted conventional war in Europe would present a substantial prospect of the use of tactical nuclear weapons and that, if the war were to continue beyond that stage, it could escalate into a strategic exchange. I did not and do not present this danger in advocacy of any massive retaliation policy. In this regard, my testimony cited the necessity for being able to continue a conventional conflict. I would find it hard, however, to believe that anyone could maintain that a major war between NATO and the Warsaw Pact forces is certain to remain conventional indefinitely or that the NATO forces would be willing to accept defeat without resort to tactical nuclear weapons. Advocacy of that position is, in my opinion, inconsistent with effective deterrence and inconsistent with our national security. Surely Mr. Nitze does not intend to imply any such defeatist philosophy.

If you or other members of the Committee have any further questions, I will of course be happy to respond to them.

Very truly yours,

PAUL C. WARNKE.

FEBRUARY 14, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: During the recent confirmation hearings before the Foreign Relations Committee on the nomination of Mr. Paul C. Warnke, our names were mentioned and linked, and some question was raised as to whether Mr. Warnke had been directly responsible to us when we were Secretary of Defense and he was Assistant Secretary of Defense for International Security Affairs. The implication of the question thus raised was that others were better placed than we to assess Mr. Warnke's character, judgment, and abilities.

He was of course directly responsible to us during his period of service at the Pentagon, and we affirm without reservation that he is a man of impeccable character and integrity, intellectual force, and exceptional ability. He was a wise and thoughtful counselor, and he demonstrated efficiency and stamina in carrying a wide range of heavy responsibilities. In particular, the Senate should understand that the position filled by Mr. Warnke at the Pentagon is charged with advising the Secretary of Defense on the full range of political-military affairs and on the arms control problem in particular. Rarely, if ever, therefore has a nominee for the role of U.S. arms negotiator had a better grounding in the perspectives and problems of both defense and foreign affairs.

In the same hearings, one witness alleged that the arms negotiator has great latitude in determining the substance of the negotiations. While the quality of the negotiator and his team are of course critical elements, we know from our own experience that the President, the State and Defense Departments, and all other relevant agencies are continuously involved, intimately and completely, in the formulation of arms control policy and in the negotiating process.

We believe Mr. Warnke is an ideal choice to assume these important responsibilities, and we believe the President was wise in deciding to combine the tasks of arms negotiator and disarmament agency administrator in one man, for they are closely related if not interdependent. We urge his confirmation for both positions.

Sincerely,

ROBERT S. MCNAMARA.
CLARK M. CLIFFORD.

THE AMERICAN COMMITTEE ON
U.S.-SOVIET RELATIONS,
Washington, D.C., February 11, 1977.

Hon. JOHN SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I write you as the Washington Representative of the American Committee on U.S.-Soviet Relations. After consultation with Members of our Executive Committtee, we want you and Members of your Committee as well as Members of the U.S. Senate to know of our support for Paul Warnke as Director of the Arms Control and Disarmament Agency as well as his nomination to the rank of Ambassador during his tenure of service as Director of that Agency.

As indicated in the attached statement which the American Committee adopted on December 8, 1976, our Committee is "filled with hope" because "the newly elected President has indicated a proper concern with the great issues of disarament, peace, and human rights."

The American Committee in stressing the importance of promoting "American security and world peace" by improving relations between the U.S. and the Soviet Union, "urges the new Administration to turn its back on past timidities and to restore both balance and initiative to American policy in this field of American-Soviet Relations."

We believe Paul Warnke, acting in accord with the frequently expressed views of President Carter and Secretary of State Vance, is an excellent choice to head the Arms Control Agency and to take principal responsibility in conducting SALT negotiations.

We believe the new Administration deserves a fair chance to see what it can do to conclude a SALT II agreement which will serve the national security interests of the United States. We believe President Carter deserves the chance to determine the direction of negotiations and select his negotiators. If the Senate does not like the results it can, in accordance with our constitutional procedures reject any treaties that may be negotiated. We recognize the important role of the Senate in the foreign relations of the U.S. We do not believe the Senate should, directly or indirectly, impose pre-conditions on the SALT negotiations.

Opponents of Mr. Warnke have expressed fears that he may be soft in his negotiating posture with the Soviet Union. There is nothing in the Warnke record to suggest such a stance. Furthermore, we are constrained to point out that the SALT negotiating team is made up of the Chairman, a representative of the Secretary of Defense, a representative of the Joint Chiefs of Staff, a representative of the Department of State, as well as a representative of the Arms Control Agency.

As the American Committee noted in its statement which is enclosed, we recognize "that there are realistic limits to the improvement of relations between Russia and the U.S. . . . Unilateral concessions are not a real issue. To our knowledge, no such concessions have been responsibly proposed, nor do we favor any."

We would appreciate it, Mr. Chairman, if this letter with its enclosures could be included in the record of the hearings of the Committee on Foreign Relations and, if you deem it appropriate, we would like to have this letter with its enclosures inserted in the Congressional Record.

Sincerely yours,

CARL MARCY.

STATEMENT OF THE AMERICAN COMMITTEE ON U.S.-SOVIET RELATIONS, WASHINGTON, D.C., DECEMBER 8, 1976

The United States is in a period of transition, and this Committee is filled with hope. The newly elected President has indicated a proper concern with the great issues of disarmament, peace, and human rights. We are encouraged by the selection of Cyrus Vance as Secretary of State.

For the past year or two American policy towards the Soviet Union has been in the main neglected, adrift, and devoid of initiative. During the recent electoral campaign, U.S.-Soviet relations suffered from much misinformation and misleading rhetoric.

The American Committee on U.S.-Soviet Relations, concerned only to promote American security and world peace through those relations, urges the new Administration to turn its back on past timidities and to restore both balance and initiative to American policy in this field.

The Committee recognizes that there are realistic limits to the improvement of relations between Russia and the U.S. We recognize that the Soviet leadership will have to make a contribution no smaller than our own. Unilateral concessions are not a real issue. To our knowledge, no such concessions have been responsibly proposed, nor do we favor any. We are under no illusions about the seriousness of the differences that divide the two governments, particularly in the field of policy toward third countries and regions.

The Committee believes that despite our disagreements, the relationship can be improved in important ways. We urge the incoming Administration to take advantage, wherever possible, of all openings for progress, including outstandingly in the SALT talks. First priorities should be given to halting the suicidal proliferation of nuclear and other weapons. The security of our country, as well as of our friends and allies, must always be a prime motivation in our relations with the Soviet Union. But security in today's world cannot be achieved by expanding armaments.

What is at stake here is the ultimate issue of international life today. We must make every effort to probe such possibilities as do exist. This will require not only discussion and negotiations, but a considerable measure of restraint, courage, and initiative on both sides. Indeed, the dangers of restraint are less than those of an all-out weapons race. We can better demand mutuality of the Soviet

Union if the United States is prepared to match whatever it may ask of others.

The many misstatements and exaggerations of the recent electoral campaign should be consigned to the past and their place taken by a sober scrutiny of the real situation in Soviet-American relations. It would be idle to underestimate the seriousness of the remaining problems. But it is simply not true that the United States in recent years has given everything and received nothing in return in its relations with Russia, or that the Soviet side has never lived up to its undertakings. A number of agreements arrived at in earlier years are working to the benefit of both parties. There is no reason to despair of reaching further agreements that would also reduce international tensions. What is needed, in the first instance, is a resolute abandonment of the stale slogans and reflexes of the Cold War; a recognition that this is a new era, with different problems and possibilities; and a determination not to be governed by the compulsions of military competition—compulsions which have seldom failed to lead to war in the past, and which in terms of the weaponry of this age are pregnant with the possibility of utter catastrophe.

Beyond these measures of restraint in the development of weaponry we should pursue constructive purposes such as mutually beneficial exchanges in trade, science, and culture; preservation of our common environment; raising living standards worldwide; and promoting the ideals of the Universal Declaration of Human Rights and the Helsinki Declaration.

The Committee will support and encourage the liberalization of emigration policies and the recognition of human freedoms, including the movement of individuals in all countries.

The American Committee on U.S.-Soviet Relations stands prepared to give the new Administration every possible help and support in any efforts it may make in the spirit of these considerations. In doing so, we are sure we will find ourselves in company with a great many other Americans.

The Committee believes that improving relations in these admittedly limited areas will gradually facilitate effective cooperation between the two superpowers in dealing with a wide range of universal life and death issues—issues that transcend ideology and are susceptible only to international solutions. Among these are environmental pollution, the population explosion, food production, developing new energy sources and controlling terrorism.

THE AMERICAN COMMITTEE ON U.S.-SOVIET RELATIONS

MEMBERS OF THE COMMITTEE

David Apter, David Apter & Associates.

Harry Ashmore, Center for the Study of Democratic Institutions.

*William Attwood, Former Ambassador, President and Publisher, Newsday.

Frederick E. Baer, President, Paper Converting Maching Co.

Charles Benton, President, Film, Inc.

Meyer Berger, M. Berger Co.

Harold J. Berman, Story Professor of Law, Harvard Law School.

William Bernbach, Doyle Dane Bernback, Inc.

Bernard B. Blier, Executive Director, Northeastern Pennsylvania Industrial Development Commission.

George B. Bookman, Vice President, New York Botanical Gardens.

Robert J. Broadwater, Vice President, Coca-Cola Co.

Howard Brooks, Provost, the Claremont University Center.

Harrison Brown, President, International Council of Scientific Unions.

Lawrence T. Caldwell, Chairman, Political Science Dept., Occidental College.

James R. Carter, Chairman of the Board, Nashua Corporation.

Willard G. Clark, President, World-Wide Sires, Inc.

Walter Clemens, Kennan Institute Advanced Russian Studies, Woodrow Wilson International Center for Scholars.

Richard Colburn, Rolled Alloys, Inc.

Randolph Compton, Kidder Peabody.

Arthur Macy Cox, Writer and Lecturer on Foreign Affairs.

Ms. E.A.P. Crownhart-Vaughan, Historian, Oregon Historical Society.

William Davidson, Director, Institute for Psychiatry and Foreign Affairs.

Kirk Douglas.

Tilford Dudley, President, Property Management and Maintenance.

Ms. Helen G. Edmonds, Distinguished Professor of History, North Carolina Central University.

Bernard T. Feld, Professor of Physics and Head, Division of Nuclear and Particle Physics, Physics Dept. MIT.

*Richard C. Fenton, President, Fenton International, Inc.

Joseph Filner, President, Noblemet.

H. S. Forrest, Senior Vice President, Control Data Corp.

Jerome D. Frank, Professor of Psychiatry, Johns Hopkins University.

Edward L. Freers, Formerly Minister-Counselor, U.S. Embassy, Moscow, and Political Adviser to Commander-in-chief of U.S. Strategic Air Command.

*John Kenneth Galbraith, Former Ambassador, Harvard University.

Philip S. Gillette, Associate Professor of Political Science, Kalamazoo College.

Marshall I. Goldman, Chairman, Economics Dept., Wellesley College.

Ms. Nancy D. Greene, President, Womens Institute of International Relations.

Rufus K. Griscom, Attorney.

Julian N. Hartt, Dept. of Religious Studies.

*The Rev. Theodore M. Hesburgh, C.S.C., President, University of Notre Dame.

John H. Hill, Hill and Knowlton.

Barry Hunsaker, Executive Vice President, El Paso LNG Co.

Robert Hutchins, Center for the Study of Democratic Institutions.

Philip C. Jessup, Former Ambassador, Former Judge on the International Court.

*Donald M. Kendall, Chairman, Pepsico, Inc.

George Kennan, Former Ambassador to the Soviet Union, Institute for Advanced Studies.

George B. Kistiakowsky, Former Presidential Sci. Advisor, Department of Chemistry, Harvard University.

*Edward Korry, Former Ambassador.

B. Larner, Vice President, C-E Lummus, Combustion Engineering, Inc.

Wassily Leontief, Nobel Laureate, Dept. of Economics, N.Y. Univ.

Mark Lewis, 3508 Lowell St. NW, Wash., DC 20016.

Carl Marcy, Former Chief of Staff of the Senate, Foreign Relations Committee, Attorney at Law.

Eugene McCarthy.

Ms. Margaret McNamara.

Sheldon T. Mills, Former Ambassador.

Patrick Morgan, Dept. of Political Science, Washington State University.

Michael L. Nacht, Program for Science and International Affairs.

Ms. Peggy Nalle, Writer, Editor.

*Fred Warner Neal, Chairman, International Relations Faculty, Claremont Graduate School.

Robert Neale, Robert Neale Real Estate Co.

Nicholas Nyary, Consultant.

Ara Oztemel, President and Chairman, Satra Corp.

Hugh Patterson, Publisher, Arkansas Gazette.

Gifford Phillips.

Gerard Piel, Publisher, Scientific American.

Samuel Pisar.

George Prill, Lockheed Corp.

Paul O. Proehl, Former Vice Chancellor, UCLA, International Trade Consultant.

H. M. Reed, Jr., Director, International Area Development, Eastern Bloc, International Paper Co.

Edwin O. Reischauer, Former Ambassador.

Alan E. Riedel, Senior Vice President, Administration, Cooper Industries, Inc., Two Houston Center.

David Riesman, Department of Sociology, Harvard University.

Howard R. Rome, Mayo Clinic, President, World Association of Psychiatrists.

Robert V. Roosa, Former Under Secretary of Treasury, Brown Bros., Harriman Co.

Peter Rubstein, Shearson Hayden Stone, Inc.

Harrison Salisbury, New York Times.

Leonard M. Salter, Wasserman and Salter, Counsellors at Law.

Terry Sanford, President, Duke University.

Sidney H. Scheuer, Scheuer and Co.

Marvin Schacter, President, Volume Merchandise, Inc.

Stephen Schlossberg, General Counsel, U.A.W.

*Robert D. Schmidt, Executive Vice President, Control Data Corp.

L. W. Scott, Jr., CRC Crose International, Inc.

Richard Shipley, President, American Casein Co.

Frederick Starr, Secretary, Kennan Institute for Advanced Russian Studies.

Christopher E. Stowell, President, W.J.S. Inc.

*Kenneth W. Thompson, Woodrow Wilson Dept. of Gov. and Foreign Affairs, University of Virginia.

Raymond L. Thurston, Former Ambassador.

Marietta Tree, Former Ambassador.

Robert C. Tucker, Department of Politics, Princeton University.

H. Peter Von Bucher, Senior Vice President, Chemtex, Inc.

James J. Wadsworth, Former Ambassador.

Thomas Watson, Jr., IBM.

William Watts, President, Potomac Associates.

*Jerome B. Wiesner, Former Presidential Science Advisor, President, Massachusetts Institute of Technology.

Eugene W. Wilkin, President, Wilkin Associates.

Harold Willens, Chairman, Factory Equipment Corp.

Leonard Woodcock, President, UAW, Int'l Union, United Automobile Aerospace and Agricultural Implement Workers of America.

Jerry Wurf, International President, American Federation of State, County, and Municipal Employees, AFL-CIO.

Herbert F. York, Former Presidential Science Advisor, Department of Physics, University of California.

Paul Ziffren, Attorney, 10889 Wilshire Blvd.

ADDITIONS TO AMERICAN COMMITTEE MEMBERSHIP LIST

George W. Hoffman, Department of Geography, University of Texas. 1/6/77

Bernard Brodie, Department of Political Science, UCLA. 1/25/77

Charles Morgan. 1/25/77

Larry Eagleburger, Department of State. 1/31/77

Gerald Freund, Dean, Humanities and Arts, Hunter College of The City University of New York. 1/31/77

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*Executive Committee, January 1977.

PROPOSED DIRECT EUROPEAN FLIGHT SERVICE FOR ATLANTA, GA.

Mr. TALMADGE. Mr. President, the Georgia house of representatives, now in session in Atlanta, has adopted a resolution which, for myself and my colleague, Senator NUNN, I bring to the attention of the Senate, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas, prior to leaving office, President Ford did not accept the Civil Aeronautics Board's recommendation of direct European flight service for Atlanta and directed that such Board give further study to the proposal; and

Whereas, the President of the United States may at any time request the recommendations of the Civil Aeronautics Board in order to take action on such recommendations; and

Whereas, the Civil Aeronautics Board may send its recommendations on this matter to the President at any time; and

Whereas, a person wishing to fly from Atlanta or other deep South locations to Europe must first fly to New York, and the same situation exists for return flights; and

Whereas, Atlanta has one of the busiest airports in the world; and it is patently unfair and discriminatory for Southerners and visitors to the South to be denied direct European flight service for Atlanta, which is the business and commercial center of the Southeast; and

Whereas, the lack of direct European flight service for Atlanta not only penalizes the traveling public, but all citizens of Georgia because it unfairly and unnecessarily impedes economic development in the State.

Now, therefore, be it resolved by the General Assembly of Georgia that the members of this Body do hereby urge the members of the Georgia delegation to the United States Congress to use their influence and persuasive powers to encourage the Civil Aeronautics Board to send its most recent recommendation of direct European flight service for Atlanta to the President of the United States for his immediate attention.

Be it further resolved that the Clerk of the House of Representatives is hereby authorized and directed to transmit appropriate copies of this Resolution to each member of the Georgia delegation to the United States Congress.

AMNER ZAVUROV VERSUS SOVIET UNION

Mr. RIBICOFF. Mr. President, I am deeply disturbed by a recent case involving a Soviet citizen who, after being granted permission to emigrate from the Soviet Union to Israel, has now had that permission withdrawn and been sentenced to 3 years in prison.

Amner Savurov was issued an emigration visa, but because of delays in the customs inspection of his personal belongings, his visa expired. Mr. Savurov had been assured by the Soviet customs officials that there would be no problem extending his visa. Nonetheless, an extension of his visa was refused. Since passports are taken by Soviet authorities at the time an exit visa is issued, Amner Zavurov was left with neither a valid exit visa nor his passport. For this offense, he was charged with not having a passport, tried without a lawyer, and sentenced to 3 years in prison.

Amner Zavurov is the victim of a Soviet "Catch-22." The charges brought against him were grossly unfair and his imprisonment is totally unjust. He is guilty of no crime except trying to obey the instructions given him by the Soviet authorities.

This is a clear example of the Soviet Union's insensitivity to the hardships imposed on individuals by the incomprehensible and unreasonable maze of rules and regulations concerning emigration. Soviet policies have made it virtually impossible to receive permission to emigrate and in this case, after Amner Savurov was granted that permission, the Soviet bureaucracy prevented him from actually emigrating.

It is crucial that the Congress continue to speak out clearly against the emigration policies of the Soviet Union and protest the unreasonable hardships facing individuals. The Soviet Union must understand that this issue will neither be forgotten nor allowed to fade away.

I have written a letter to General Secretary Brezhnev protesting the treatment of Mr. Savurov. Thirty-five other Senators joined with me in signing this letter. Mr. President, I ask unanimous consent that the text of our letter to General Secretary Brezhnev be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

February 15, 1977.

His Excellency LEONID BREZHNEV,
General Secretary, Central Committee of the Communist Party, Soviet Union, Moscow, U.S.S.R.

DEAR MR. GENERAL SECRETARY: We protest the unjust prison sentence just levied against Amner Zavurov for failing to have an internal passport that had been taken away from him by the Soviet authorities themselves.

Mr. Zavurov was tried without a defense lawyer, in violation of Soviet law. Mr. Zavurov had received permission to emigrate to Israel with his family, and had been issued an exit visa. The visa expired not through any fault of his, but because of delays in clearing his goods by customs officials who had advised him that his visa would be extended.

We appeal to you on humanitarian grounds to release Mr. Zavurov immediately and finally allow him to emigrate to Israel. It is unreasonable to prevent this man from emigrating after first granting him an exit visa. It is wrong to imprison him for attempting, in good faith, to obey the instructions given him by the authorities.

No constructive purpose can be served by a continued failure on the part of the Soviet Union to realize that this man has not committed any crime and is wrongly being punished. The world's regard for Soviet attitudes on human rights can only be hurt by the unjust imprisonment of Amner Zavurov. The insensitive attitude demonstrated in this case is another indication that the Soviet Union is ignoring its international obligations under the Helsinki Declaration of 1975. The actions taken against Mr. Zavurov will not help advance us toward our shared goal of reducing tensions between our nations. Instead, the continued imprisonment of Amner Zavurov will only cause new strain in Soviet relations with the rest of the world.

Sincerely,

Abe Ribicoff, Strom Thurmond, Robert Griffin, Daniel Patrick Moynihan, William D. Hathaway, Edward W. Brooke, John H. Heinz, Birch Bayh, Adlai Stevenson, Harrison Williams, Ernest Hollings, Henry M. Jackson, Bob Packwood, Herman E. Talmadge, Wendell R. Anderson, and Frank Church.

Pete V. Domenici, Patrick J. Leahy, George McGovern, Howard M. Metzenbaum, Donald W. Riegle, Jr., Richard Stone, Thomas F. Eagleton, Alan Cranston, John A. Durkin, Lloyd Bentsen, Dennis DeConcini, Charles McC. Mathias, Jr., John Melcher, Claiborne Pell, Paul S. Sarbanes, Robert Morgan, Edward Zorinsky, Gary Hart, Richard S. Schweiker, and William V. Roth.

"THE PRESIDENTS" AND "SIGNERS OF THE CONSTITUTION" AND "SIGNERS OF THE DECLARATION" ARE BOOKS OF UNIQUE EDUCATIONAL VALUE

Mr. RANDOLPH. Mr. President, American citizens should be increasingly aware of the National Historic Landmark book series of the National Park Service—a distinguished contribution to a better understanding of our Nation's historical heritage. Because of their superb caliber and unique educational value, these informative works belong in every school and public library in our country.

Especially notable are three recently published Bicentennial volumes: "The Presidents," "Signers of the Constitution," and "Signers of the Declaration." The biographical sketches in these books constitute a virtual pantheon of our national giants.

Earlier titles in the series include "Lewis and Clark"; "Soldier and Brave"; "Propector, Cowhand, and Sodbuster"; "Founders and Frontiersmen"; "Colonials and Patriots"; and "Explorers and Settlers."

These handsomely produced works are keyed to a popular audience and are sold by the Superintendent of Documents at a very modest price, are eminently readable and also reflect the latest scholarship. They should stir pride in our heritage, reinvigorate interest in State and local history, and bolster historic preservation on all levels.

Based mainly on the sites and buildings across the land at which major events occurred rather than historical documents, these books provide a new dimension in the presentation of history. These practical guidebooks and permanent reference works to these places, are often located in our own communities. They afford an opportunity to appreciate our national heritage in a way that can never be realized by the reading of historical narratives and formal study.

The series allows us to trod the paths of our forebears; share their trials, tribulations, and joys; understand their way of life; and visualize momentous events. This creates a vital sense of immediacy and historical reality in a proper perspective.

The projected 34-volume series is the

outgrowth of field investigations carried out by National Park Service historians and archeologists in all parts of the United States. Each book opens with a brief background narrative that highlights the main historical trends of the period or theme being treated. The second part of the volume, the site descriptions around which the work is focused, comprehensively describes National Historic Landmarks and National Park Services sites pertaining to the particular phase of history being discussed.

Profuse photographs and maps enrich the narratives. The bibliographies and comprehensive indexes offer maximum reference value.

Future books will treat all aspects of our history, including archeology, exploration and settlement, political and military affairs, economic and cultural growth, architecture, and conservation of natural resources.

These volumes reflect tremendous credit on the National Park Service. Under the leadership of Director Gary Everhardt, Associate Director for the Preservation of Historic Properties, Ernest Allen Connally, and Chief of Cultural Resources Management, Robert M. Utley, the Service is ably fulfilling its mission of furthering the historical heritage of the United States.

Deserving special commendation is the small, hard-working staff in the Historic Sites Survey Division, Office of Archeology and Historic Preservation, that produces these books. Series Editor Robert G. Ferris and Assistant Editor James H. Charleton, the only permanently assigned personnel, are temporarily assisted by Photographic Editor Dorothy Chatfield Buffmire, Writer-Editor Polly Ann Matherly, and Secretary Patricia Sylvester Brown.

I reemphasize our appreciation to Bob Ferris, the able editor of the series, and his fine staff for their devotion to the history of our Nation and for the exemplary work they have compiled.

ERNEST VANDIVER, FORMER GOVERNOR OF GEORGIA

Mr. TALMADGE. Mr. President, during confirmation hearings on Attorney General Griffin Bell, considerable controversy was generated about the role of former Georgia Gov. Ernest Vandiver during racially turbulent years in Georgia and the rest of the South.

Misleading and sometimes irresponsible accusations were made against former Governor Vandiver to which he did not have adequate opportunity to respond.

There appeared in the February 8 edition of the Atlanta Constitution an excellent column by editor Hal Gulliver which discusses the situation in Georgia during the early 1960's and which goes a long way toward putting the Vandiver-Bell controversy in its proper perspective.

I bring this editorial column to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial column was ordered to be printed in the RECORD, as follows:

ABOUT ERNIE VANDIVER AND GRIFFIN BELL

(By Hal Gulliver)

There are levels of heroism, often complex, never really simple once you get beyond the classic storming of the castle under fire, or perhaps the giving of your life to save a friend.

One of my own heroes is a fellow named Ernest Vandiver, a man whose name has been kicked around pretty severely in recent days during the confirmation hearings on Griffin Bell, now attorney general of the United States.

Bell's most grievous sin, it sounded at times, was ever to have been associated with this terrible Vandiver fellow, Bell serving as chief of staff when Vandiver was governor of Georgia from 1959 to 1963. Bell was at least a closet racist, the argument went, just because he was associated with Ernie Vandiver. The brothers Mitchell, Clarence and Parren, smallbore spirits both, and good ole Joe Rauh beat that hollow drum as best they could, talking of Vandiver as if he had invented slavery somewhere back about 1958 and tried to sell it to the rest of the nation.

Well, that's not really the way it was.

The brothers Mitchell were no doubt playing to their constituencies at the Bell hearings, empty rhetorical posturing all, and the worst thing on this front that can be said about Vandiver was that he probably played more than he should to his Georgia constituents when he was elected governor, declaring "No, not one," meaning not one black youngster in an otherwise white classroom.

The ironic thing about that is that in the context of that campaign year Vandiver was considered the moderate candidate and his political enemies were trying to picture him as the flaming liberal on school desegregation issues (which is why he ended up using the unfortunate rhetoric in the first place).

But the thing is, Vandiver wasn't in the position of posturing about on an issue so important, playing with rhetoric, as were the Mitchells and Rauh. He was the governor of a Deep South state at a tough time, the time when Georgia and states across the South were facing up in one way or the other to ending segregated public schools. There were governors and senators who chose to tear the bloody shirt, preach defiance of the law, exploit the issue for short-range political advantage. Vandiver was not one of those.

He was rather a moderate man who struggled hard to do what was right. The Sibley Commission, headed by banker John Sibley, held public hearings over the state, something that simply could not have occurred without Vandiver's backing. "If it hadn't been for the Sibley Commission there would have been all kinds of trouble in Georgia," said Warren Cochrane at the Bell hearings, Cochrane at the time the executive director of the Atlanta Negro Voters League.

In the end, only one man could make the political decision to keep the Georgia public schools open, though it meant racially integrated classrooms, and Ernie Vandiver made that decision with considerable courage.

In a political way, Vandiver was later punished for his campaign rhetoric when he ran for a U.S. Senate seat; black voters simply voted against him. And maybe that's fair enough. But it is also fair to observe that Vandiver had guts when it took guts to have guts and came down in the end on the right side of the toughest issue that any Southern governor faced in the late 1950s and early 1960s.

SUCCESSFUL FARMING'S SURVEY ON THE 1977 FARM BILL

Mr. McGOVERN. Mr. President, the Senate Agriculture Committee's first hearing on the 1977 farm bill is scheduled for February 22, 1977. Hopefully the end result will be a farmer's bill. The distinguished monthly farm magazine Successful Farming has conducted somewhat of a comprehensive survey of farmer reactions and hopes for the new legislation. Though subscribers to the magazine are heavily concentrated in Central Corn Belt States, the results of the survey should be of interest to all members of the committee as well as others in this body with farm constituencies.

Mr. President, I ask unanimous consent that the attached poll from the February 1977 issue of Successful Farming be printed in the RECORD.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

FARMERS TO GOVERNMENT: "LEAVE US ALONE—BUT STAY CLOSE BY"

ABOUT THIS POLICY SURVEY

(This report was prepared for Successful Farming by Harold Guither, Extension economist in Public Policy at the University of Illinois. He has won professional honors for his work on regional Extension project, "Who will control U.S. Agriculture?" Results of this study are based on a mail questionnaire sent to 1,500 Illinois farmers. Nearly 500 responses were received. A similar survey in Indiana showed farmers there hold nearly identical views on farm policy.)

Farmers hold diverse and sometimes inconsistent opinions on the key farm and food issues in 1977. Most producers want government out of farm production and marketing. But they also feel farmers may need some government help to survive periods of low prices or bad weather, an Illinois survey shows.

One farmer wrote, "Farmers will have to have income at or near parity levels or eventually food production will be severely restricted. Farmers have been absorbing more losses than they should."

But the desire for freedom to make decisions and support for the free market system is strong in many farmers' minds.

Wrote one farmer, "Government meddling in farm product pricing, exports and imports only hurts a healthy producing farming community."

WHAT IS FAIR?

Price is not the only factor that controls income, but it's mighty important. The table below is an average of many views of what farmers think would be fair in 1977. It's an indication of how farmers appraise their costs and needed returns.

Target prices and loan rates were a key part of the 1973 Act and will be again this year. The average target price recommended for corn was $2.21 compared to $1.57 in 1976. For wheat, $3.06 was recommended compared to $2.29 in 1976. Farmers were divided on how target prices should be established. A majority favored starting with current target prices for production items, including labor and interest, then building a program from there.

GOVERNMENT'S ROLE IN FARMING

The market-oriented policy of the past few years was designed around market prices to guide farmers in their production decisions. About 86% of the farmers agreed market prices should be permitted to move up and down without government interference. However, 50 percent also felt the government should continue using tax revenues to keep prices from dropping low when supplies are large.

A key issue in 1977 is stockpiling grain. Only 27 percent of the farmers favored the government holding grain reserves to stabilize farm and food prices.

About 24% of the farmers favor eliminating all government price and income support programs.

HOW MUCH SHOULD GOVERNMENT BE INVOLVED IN FARM PRICES?

[In percent]

	Agree	Disagree	No opinion
Let market prices guide farmers' production decisions without direct Government interference	86	9	5
Government should help support prices and income when supplies are large	50	36	14
Government should hold reserves to stabilize farm and food prices—buy when prices are low and sell when they are high	27	66	7

What are your views on acreage set-aside programs?

[In percent]

	Acreage set-aside
Should be available if needed	45
Should not be used	32
Store grain on farms from specified acreage under government finance storage programs. Such grain could not be sold unless supplies were short and price rose to a certain point	19
Other	4

What should Congress do about future farm legislation?

[In percent]

Revise the 1973 Act by raising target and loan prices closer to the cost of production	55
Eliminate all government programs	24
Keep the present law as it is	8
Let the law expire, go back to earlier prices and income support laws	3
No opinion and other responses	10

FARM EXPORTS AND IMPORTS

Farmers support an aggressive export program. Expressing strong resentment over export limitations, one farmer wrote, "Make it constitutionally illegal to meddle with marketing of farm products."

WHAT ARE YOUR VIEWS ON EXPORTS AND IMPORTS?

[In percent]

	Agree	Disagree	No opinion
Government should not restrict exports under any circumstances	57	35	8
Government should not restrict imports under any circumstances	20	69	11
United States should not make any export agreements; let each country buy as they need commodities and as we have them available	65	29	6
United States should let Japan get all it wants	60	29	11
The Russian agreements to buy at least 6,000,000,000 tons of grain and allow them to buy more is in farmers' best interest	69	18	13
United States should set up export agreements with all major buyers to assure a steady market for our farmers and stable supply for our consumers	69	19	12

FOOD AID

WHAT ARE YOUR VIEWS ON FOOD AID?

[In percent]

	Agree	Disagree	No opinion
Discontinue all Public Law 480 export assistance	43	44	13
United States should provide food aid only to countries suffering from disaster such as droughts, floods and earthquakes	63	32	5
Government should use tax funds to help buy food for low-income people	56	32	12
Food stamps and other Government assistance programs help strengthen farmers' markets	43	40	17

FARMER PLEA: "FAIR PROFIT; NO EXCESS REGULATION"

There's the old saying, "You can't have your cake and eat it, too." But that's what it's going to take to satisfy all farmers who responded to our Planning Issue Questionnaire, November 1976, "Which Way With Farm Policy?"

We received over 1,000 letters along with 3,000 responses. It's pretty clear farmers, as everyone else, don't agree, either, on what the new farm bill to be drafted by Congress this year should contain.

These two proposals stand out:

1. "We must have some guarantee of production cost either through higher target prices or loan rates."

2. "We want greater stability but aren't willing to accept more government involvement to get it."

The two pleas are somewhat contradictory—government guaranteed cost of production, yet less government involvement.

To farmers' credit, the same people don't ask for both. They realize they can't have it both ways.

The point though: It seems there are farmers who want less government involvement than there are farmers who want price guarantees.

Both stability and higher loan rates are supported by Secretary of Agriculture Bob Bergland.

The specific questionnaire results are at right; highlights include:

67.6% feel prices fluctuate way too much.

34% feel 10 percent yearly fluctuation is about right; 31.8 percent feel a 20 percent price movement is acceptable.

56.3% feel they make more money with moderately stable prices, or the 10–20% range.

Even though most want more stability, 73% said they won't accept lower commodity prices to get it.

49.1% said a grain reserve would help stabilize prices, 37.1% said it wouldn't, 13.8% didn't know and 69.1% said such a reserve, if built, should be in the control of farmers who hold the grain.

41.8% would favor a government program to stabilize prices only if it doesn't lower prices, 60.6% do not favor a farm bill to create stability if it means more government involvement and 24.7% said they don't want any farm program at all.

The average *high* corn selling price received in 1976 among respondents was $2.65, the average *low* selling price was $2.31. The actual average U.S. farm corn price during 1976 was $2.50.

The high mid-month price was $2.82; the low $2.02; a range of 40% from the low price—twice what farmers called acceptable fluctuation.

The average high selling price in 1976 for soybeans among respondents was $6.34, the average low was $5.17. The average U.S. farm bean price during 1976 was $5.60.

The high mid-month farm price was $6.73, the low $4.46, a range of 51 percent.

The average high wheat selling price in 1976 among respondents was $3.35, the low was $2.82. The average U.S. farm wheat price last year was $3.15.

The high mid-month farm price was $3.66, the low $2.39, a range of 53 percent.

Average high hog price received during the year was $49.16, low was $32.65. Average high cattle price was $38.40, low was $33.62.

PRICE DOWNTURN

Letters accompanying the questionnaire reflected market downturns the last half of the year. Reactions varied from "we need immediate help from the government" to "if the government will leave things alone, supply and demand will eventually straighten out this market."

Others accused the government of virtual betrayal of the American farmer.

YOUR ANSWERS IN BRIEF

Here's a profile of those answered the questionnaire. The husband answered 87.4 percent of the forms, the wife 1.8 percent, both 5.3 percent.

3.4 percent were less than 25 years old; 20.7 percent between 25–34; 20 percent between 35–44; 24.8 percent between 45–54; 19.5 percent between 55–64 and 11.6 percent over 65.

Only 3 percent did not graduate from high school, 41.4 percent did graduate from high school, 26.5 percent had some college, 19.8 percent were college graduates and 9.1 percent had done some graduate work.

61 percent were over $40,000 in farm income.

76 percent sold some cash grain; 14.4 percent fed cattle; 19.7 percent had cow-calf; 20.9 percent had hogs; 10.6 percent were dairy.

Nearly every state was represented though most were from the Midwest. A private research firm tabulated the results.

The questions are about price stability.

Do you think farm commodity prices:

Fluctuate way too much: 67.6%. Don't fluctuate enough: 5.3%. Flucutuate just about right for me: 27.2%.

2. What is the maximum corn prices, for example, could vary in a year and still be called "stable" in your opinion?

$2.80 and $1.92, 35%: 7.6%.
$2.80 and $2.24, 20%: 31.8%.
$2.80 and $1.96, 30%: 5.5%.
$2.80 and $2.52, 10%: 34.0%.
2.80 and $2.10, 25%: 20.4%.
Other: 5%. None: 1%.

3. Do you think you make more money with:

Very stable prices: 23.8% Moderately stable prices: 56.3%. More widely fluctuating prices: 19.9%. Don't know: .1%.

4. Most experts say to achieve price stability would mean a reduction in price from today's grain price levels. Would you accept a lower price in exchange for more market stability?

Yes: 15.0%. No: 73.0%. Not sure: 11.9%. Don't know: .1%.

5. If yes, how much of a price decrease would you accept?

1–5%: 36.6%: 6–10%: 49.6%: 11–15%: 10.7%: 16–20%: 3.1%.

6. How would you describe your attitude toward wide price fluctuation?

OK with me because there's more profit opportunity: 14.7%. OK with me, markets are supposed to fluctuate: 18.2%. Worries me because you can't plan ahead for a selling price with any consistency: 32.1%. Makes me think someone's manipulating the markets: 46.4%. Makes me think I've lost money every time price drops: 4.1%. Don't think about it one way or the other: .6% Don't know: .1%.

7. Do you feel establishing a grain reserve would help stabilize commodity prices?

Yes: 49.1%. No: 37.1%. Don't know: 13.8%.

8. Who should control a grain reserve?

In farmers' hands and under their control: 69.1%. Controlled by commodity credit corporation: 2.3%. An international grain reserve pool of all countries: 6.2%. A combination of farmer-held and government-held: 23.0%. Other: .3%. None: .1%.

9. Do you think farm prices fluctuate more under:

Democratic administration 7.4%. Republican administration: 43.3%. About the same under both: 48.6%. Don't know: .7%.

10. What's the biggest cause of commodity price fluctuation?

Unpredictable foreign sales: 21.0%. Manipulation by big grain companies: 34.2%. Manipulation by Boards of Trade: 29.9%, Philosophy of "let supply and demand prevail" by USDA: 14.1%. Unpredictable crop and livestock supply: 24.4%. Other: 4.3%. Embargo: .4%. None: .1%. Don't know: .4%.

11. Would you favor a farm program which tended to put stability into the market?

Yes, definitely. 21.3%. Only if it doesn't mean lower prices: 41.8%. No: 12.2%. Don't want any farm program: 24.7%.

12. How would you feel about a new farm bill which created more market stability—but called for more government involvement in agriculture?

Favor it: 7.5%. Favor it if government involvement was too great: 31.8%. Would not favor it: 60.6%.

13. What was the highest price you sold each commodity for this year?

Corn: $2.65. Soybeans: $6.34. Wheat: $3.35. Grain sorghum: $3.83. Fed cattle: $38.40. Fed hogs: $49.16.

14. What was the lowest price you sold each commodity for this year?

Corn: $2.31. Soybeans: $5.17. Wheat: $2.82. Grain sorghum: $3.35. Fed cattle: $33.62. Fed hogs: $32.65.

15. What kind of effect do you feel government policy has on your selling prices?

Helps: 8.8 percent. Hurts: 75.8 percent. Little or no effect: $10.3 percent. Both helps and hurts: 5.0 percent. Don't know: .1 percent.

These questions are about foreign trade policy.

16. Should the 1977 Farm Act contain a provision prohibiting government imposed export embargoes?

Yes: 73.6 percent. No. 18.7 percent. Don't know: 7.5 percent. In emergency: .3 percent.

17. Would you, under any circumstances, favor export controls in U.S. to avoid food shortages here?

Yes: 45.7 percent. No: 45.2 percent. Don't know: 9.1 percent.

18. Would you favor withholding food shipments to the OPEC countries until a more favorable oil import price to the U.S. is negotiated?

Yes: 44.7 percent. No: 40.8 percent. Don't know: 14.4 percent.

19. Our Food for Peace PL 480 (easy-credit and giveaway) are a small percentage of total export shipments. Would you favor increasing PL 480 shipments?

Yes: 31.7 percent. No: 51.9 percent. Don't know: 16.3 percent. To some countries: .2 percent.

20. If there is a sudden drop in export shipments creating lower prices here, would you favor government subsidization of private grain companies to allow them to meet lower world market prices?

Yes: 19.8 percent. No: 66.0 percent. Don't know: 14.3 percent.

21. Should we continue to restrict imports of farm products, such as dairy products, canned hams and beef?

Yes: 75 percent. No: 15.8 percent. Don't know: 9.2 percent.

22. Who really sets agricultural policy?

White House: 35.8 percent. Secretary of Agriculture: House and Senate ag committees: 44.8 percent. Big agriculture companies: 19.0 percent. Farm organizations: 3.0 percent. Labor unions: 1.8 percent. Other: .6 percent. None: .4 percent. Don't know: .7 percent.

23. Do you belong to any of these major farm organizations?

Farm Bureau: 52.6 percent. National Farmers' Organization: 9.5 percent. National Grange: 3.8 percent. National Farmers' Union: 17.5 percent. Other: .9 percent. Belong to none: 25.2 percent.

24. Does your organization reflect your views regarding government farm policy?

Yes: 64.3 percent. No: 22.7 percent. Other: 3.2 percent. Don't know: 9.8 percent.

25. Is your organization effectively representing your viewpoint in Washington on laws affecting agriculture?

Yes: 59.4 percent. No: 24.4 percent. Other: 1.1 percent. Don't know: 15.1 percent.

26. What have you done to voice your opinion on farm policy?

Letter to Congressman: 47.6 percent. Letter to editor of magazine or newspaper: 13.4 percent. Active in my farm organization: 31.3 percent. Personal visit to Congressman or other policy maker: 15.0 percent. Nothing: 27.0 percent. Other: .6 percent. Don't know: .1 percent.

NATIONAL CHILD NUTRITION INFORMATION AND EDUCATION ACT

Mr. BAYH. Mr. President, on Friday, February 11, I joined my distinguished colleague from Minnesota (Mr. HUMPHREY) and six other Senators in sponsoring the National Child Nutrition Information Act, S. 720.

Every man, woman, and child in America is a consumer of food. The importance of a good diet to our health and well being cannot be ignored. This realization may do more to change our views on good health and how to attain it than any other medical information in our lifetimes and those of our children.

The legislation we introduced approaches good nutrition in a most logical manner by focusing on educating the youth of the Nation. This approach may enable us to raise a new generation with good eating habits.

The National Child Nutrition Information Act would establish a system of grants to State educational agencies to train food service and educational personnel on the principles of good nutrition. In addition, comprehensive nutrition education programs would be instituted by using the existing school lunch and child nutrition programs as a learning laboratory. Over 25 million children who participate in school lunch programs could be reached by the nutrition education grants provided by this legislation.

The logical starting point for good nutritional training is in the school where good eating habits can be taught in the classroom and then applied and practiced in the cafeteria. A variety of foods can be offered and made a permanent part of a child's regular diet. He or she can be introduced to fruits and vegetables never eaten before and at the same time learn of their importance to good health.

The benefits of improved nutrition are numerous. They include greater capacity for work, higher productivity, and increased motivation. When good eating habits are established, a person is less susceptible to disease and if illness does strike, the severity can be greatly reduced. It is estimated that poor children would have 10 to 30 percent higher mental achievement as a result of good nutrition. Pregnant women who practice good nutritional habits have less likelihood of experiencing fetal, infant, child, or maternal mortality.

As we realize how grave our battle is for good nutrition, the statistics show that we are losing. According to the Department of Agriculture's 1965 10-year good consumption survey, more, rather than fewer, people eat an unbalanced diet today compared to 10 years ago.

Our emphasis must change from dealing with health problems after the fact to increasing preventive care As we learn more about how we eat affects our health, the importance of this approach is becoming more evident.

In July of 1976, Senator MCGOVERN's Select Committee on Nutrition and Human Needs conducted hearings on diet and its relationship to diseases. The results were frightening to us all and contain a warning we can and must heed. Six of the 10 leading causes of death in the United States have been linked to our diet. For example, in the area of cancer several experts testified that 60 percent of cancer in women and 40 percent in men can be directly related to what they eat. As eating habits change, so do the incidents of various diseases. There is a direct correlation between the rate of obesity and cardiovascular problems. By learning how our diet affects disease, we can prevent many health problems from ever occurring.

The cost of our poor eating habits is staggering. Dr. George M. Briggs, professor of nutrition at the University of California at Berkeley told the Select Committee on Nutrition and Human Needs in 1972, that the cost of poor eating habits could be costing the United States one-third of the Nation's health costs. The elimination of obesity alone might be able to save the United States $24 billion currently spent on treatment on premature cardiovascular disease. It is ironic that people that overeat, as well as people who cannot get an adequate amount of food, are malnourished.

We need a comprehensive program to educate everyone in the country about the correct standards to follow in the area of food consumption.

The Senate Nutrition Committee issued a report entitled "Dietary Goals for the United States" in January of this year. This report discusses dietary changes over the last 50 years which are having harmful effects on our health. Too much of the wrong types of food is posing a very real threat to our society. The six dietary goals urge the following changes in our present food consumption:

Increase consumption of fruits and vegetables and whole grains.

Decrease consumption of meat and increase consumption of poultry and fish.

Decrease consumption of foods high in fat and partially substitute poly-unsaturated fat for saturated fat.

Substitute nonfat milk for whole milk.

Decrease consumption of butterfat, eggs, and other high cholesterol sources.

Decrease consumption of sugar and foods high in sugar content.

Decrease consumption of salt and foods high in salt content.

The advertisement of food on television, and how it affects all viewers, must be studied closely. Many times the advertisements are nutritionally misleading and even harmful to the public.

According to Leading National Advertising, Inc., about $1.15 billion was spent on food advertising, 28 percent of the total moneys spent on advertising.

Of this $1.15 billion, only one-fourth was devoted to nutritious groups of foods such as meat, fish, seafood, and dairy products. The vast majority of the advertising, 70 percent, was directed to promoting foods high in fat, saturated fat, cholesterol, sugar, and salt. This influx of these ads could be offset with sound nutritional training in the schools.

I am also concerned with the problem of nutritious meals for the elderly. Along with 24 of my colleagues I sponsored the National Meals on Wheels Program to deliver meals to the homes of the 3 to 4 million elderly Americans who are unable to obtain a balanced diet. Our elderly citizens face unique nutritional problems. As they grow older, their metabolism changes and a reduction in calories is needed. However, the same level of proteins, vitamins, and minerals is necessary. In many cases a limited income, lack of transportation, or little or no companionship, make it next to impossible for the elderly to feed themselves adequately, much less get a nutritiously balanced meal.

To sum up, Mr. President, it is imperative that the citizens of the United States recognize the importance of good nutrition. I hope Congress will take positive action on this legislation. It is a first step toward a positive health and nutrition policy for us all.

THE INAUGURATION OF PRESIDENT CARTER

Mr. TALMADGE. Mr. President, Atlanta magazine, which I believe is the finest Chamber of Commerce magazine in the United States, published a splendid special issue on the Inauguration of President Jimmy Carter.

The issue featured a profile of President Carter, an interview with Andrew Young, U.S. Ambassador to the United Nations, and an interview with former White House Press Secretary Bill Moyers by Atlanta editor, Norman Shavin.

I bring these articles to the attention of the Senate and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

JIMMY WHO GOES TO WASHINGTON

(By Bruce Galphin)

Mr. Carter is going to Washington, but he's still Jimmy Who to three quarters of America—even among those who voted for him.

He is at once an unknown and the most publicly limned presidential challenger in history: microscoped by journalists straining to Woodward Bernstein themselves to glory; probed by an opposition convinced that if the scalpel cut deeply enough, the flesh would prove corrupt; nakedly revealed by his own uncommonly candid observations on religious conviction and sexual temptation.

In the end, a large and vital undecided bloc fell Carter's way—as comfortably as 3-2 among those who decided only in the campaign's waning hours. They responded to no flash of insight into the candidate, but to their own viscera: to party loyalty, to a gut realization that a limping economy needed fresh initiatives, perhaps above all to some empathy, some mysterious communication with the Georgia peanut farmer which said "trust me."

This appeal had elevated Carter in two arduous years of stump speeches and fleshpressing from obscure former Southern governor to captor of the Democratic Party and peaceful vanquisher of its chieftains. It had buoyed him to an impossible 35-point poll margin in the heady days before Republicans declared a truce in their blood war and handed their banner to the sitting President.

But Jimmy Carter's invocation of faith and love was ephemeral as Summer-cloud phantoms, easily dissipated by skillful Republican-raised doubts, and by the iconoclastic huffings and puffings of a media corps who with notable but rare exception covered the campaign like cubs chasing fire engines.

Those comforting Carter Summercloud assurances coalesced once more in the days before Nov. 2, tangible enough to sustain a three-point lead for the Democratic candidate—a clear majority of those who did not succumb to the confusion or self-gratification of nonvoting.

Still, Mr. Carter goes to Washington a stranger—at least, to most Americans. Trust him? They'd *like to*, after White House betrayals of confidence. They *want to*, after perceiving the American military/economic giant Gullivered by nations heretofore no more than blips on the globe. They *need to*, with consumer prices ever higher, and friends and family and sometimes themselves unable to find jobs.

So trust him they will, at least for the time. But President Carter must move fast to allay their concerns, for their trust is based on hope, not understanding of the man.

After such intense examination, external and internal, why is Carter a mystery? The reasons are a melange of regional, cultural and individual characteristics.

The simplicity of Carter's origins itself is out of sync with an America grown urban and doubting. Many of us grew up in small towns and later moved to larger cities; that is a common national pattern. But it enhances Plains' dimensions to characterize it as a "small town." Even today, double the population of Carter's youth, it is a village. And Jimmy Carter wasn't from *Plains* originally. He was from *Archery*, little more than a postal identification. He was a farm boy, considered a country outsider by the Plains kids when he enrolled in their school.

Later the boy and his family moved to Plains—a broadening of horizons barely perceptible by today's measure. But no matter his later experiences—Naval Academy, career officer's life, Georgia senator, governor, national candidate—the boyhood perspectives of Plains and Archery indelibly colored the man's vision.

. . . A community so small you knew everyone, and lifewise everyone knew you and your comings and goings . . . the rust-red main street of Georgia clay, dusty in drought, aslosh after a downpour . . . boyhood chores: pumping water, cuting stovewood.

THE CARTER PROMISE

(By Martin Shartar)

November 3 was bright and sunny in Atlanta, especially for Democrats, and noticeably so for Congressman Andrew Young. He was downtown early—smiling, shaking hands, thanking voters who had returned him to Washington for a third term. Clustered at bus stops, they were a demographic microcosm of Young's constituency: black domestics headed toward suburban kitchens, youthful white Northsiders inbound to downtown offices.

That mix had cast 66.7 percent of the majority-white Fifth District's vote, forming a coalition almost beyond analysis. Even the Voter Education Project's profile of Young's 1972 victory had hedged at offering a simple explanation for that historic campaign—Georgia's first black U.S. Representative since 1870, the first Deep South black congressman since Reconstruction, perhaps the first black American ever elected by a majority-white district.

The VEP report settled for "an intangible chemistry" between the candidate and his constituents. An hour's conversation with Young clarifies the chemistry. Its distillation is a uncommon meeting of equality and humanity.

Ask him, for example, what Jimmy Carter owes to black voters, more than 80 percent of whom—nationwide—nudged the white South Georgia peanut farmer into office.

"He owes black people the same thing he owes white people," says Young, "and that's good government and the best return they can get on the tax dollars invested in this country."

Delivering good government is a managerial challenge. "Nobody's ever tried to manage this government," declares Young. "It's a $400 billion corporation, and there's never been a President who conceived of his job as minding the store. The President expects the government to run itself, but I think Jimmy Carter has been sensitized to the management functions of the Chief Executive. And I think he's the first President who has been.

"Essentially, Presidents don't think in those terms, and the Congress didn't have a Budget Committee until this last session. We were a rich country, we thought we had endless resources and just went on and did anything we wanted to do, figuring it would all work out. Now we've got to be a little more careful."

Experience as a Southern governor will help Carter juggle diminished resources, Young suggests. "As governor of a state that's always had to be conscious of its resources, the only way he could do anything good was to manage well. He had to make the government work to have a little money extra to do some of the creative things he wanted to do."

Though described as "the Congressman who has the incoming President's ear" and the person to whom Carter is most politically indebted, Young minimizes his access *and* influence: "That's a very overrated kind of thing . . . That kind of potential power is like money in the bank. You've got it as long as you don't use it. When you start using it, it runs out quick."

Discounting influence, Young voices specific expectations from Carter's administration. "I think the key word is going to be a reconciliation of tensions in our society. If you're going to deal with inflation and unemployment, the tension between business and labor is going to have to be minimized—they have to learn to cooperate.

"The tension between Congress and the Executive branch has got to be reconciled if we're going to reorganize the government and deliver human services.

"The tension between political and economic realities has to be reconciled . . . Much of the time in the Ford and Nixon years we had foreign policy and international economic policy operating at cross purposes, literally cancelling each other out. [Carter's appointees] will tend to work as a team, and foreign policy will be integrated with domestic policy."

Young acknowledges other divisions that must be healed—urban/rural, urban/suburban, white/black, upper/lower income groups—but believes that Carter has already begun such healing.

"Just by sending Amy to a public school which happens to be 60 per cent black, 10 per cent white and 30 per cent other minorities, he'll establish a tone that will say more about race relations than any executive order or any law passed ever could. In that act, he also makes a bridge between the classes. For the President to show a new respect for public schools makes them the 'in' thing rather than private schools."

Asked if that doesn't sound overly optimistic, Young responds: "No—because I re-

member how quickly the mood changed when the John Kennedy style replaced the dour Eisenhower years. The country was revitalized almost on the eve of that Inaugural speech. It didn't have anything to do with the laws passed . . . it had nothing to do with anything except that there was a new style sweeping the country.

"And almost regardless of what he says, Jimmy Carter is a new phenomenon in the world. He represents a kind of Southern culture and style more exotic to the Eastern Establishment than anything that could come out of Boston and the Kennedys.

"That pervasive style creates a mood in the nation, a mood that will make people invest their money because they believe that good things are going to happen. People who've been pessimistic about the future will begin to feel that here's a guy who really looks like he can take charge and run things."

Other positive attitudes stem from Carter's victory, says Young. "For a man to come from Plains, Ga., a suburb of nowhere, to the top position in the world today—there's no way that can't inspire hope in all kinds of people all over the world. I got a phone call the night before the election from a friend in Africa. He said he had to talk to me *before* the election because he wanted me to know that 'the people say Carter is going to win.' . . . He meant that strange collection of folk-wisdom once attributed to witch doctors, a kind of identification with Jimmy Carter as a poor boy having made good. You get the same thing from so many places. It's important to identify with somebody who came from obscurity to prominence."

What chords did Carter harmonize to get from Plains to prominence? "He stood for all that people used to believe in and were losing faith in," Young answers. "He was personally well disciplined, he worked with his hands, he studied, he walked through the fields . . . I think it was significant that the TV commercials were all from Plains, showing a guy running for President in an open shirt and blue jeans and boots, reminding people very subtly of a simpler lifestyle when life was well-ordered and meaningful, and saying that we can still have that again."

That appetite for order transcends nostalgia: "I think we can never go back to where we were, but there are values from the past that are still relevant. It's significant that the controversy in the campaign was Carter's religion. Everybody had to make a personal assessment of their own religious faith. If they had no religious faith themselves, were they threatened by somebody who did believe in something beyond himself?"

Carter's notorious *Playboy* interview elicits laughter from Young. "Whatever else you can say about it, he said 'I'm not going to lie,' so he was brutally candid about his personal lusts. When have you ever seen a campaign where something like that would be an issue?"

Discussing the integration of Plains Baptist Church as a campaign issue, Young detects a hint of political dirty trickery. "I refuse to think this was a spontaneous event conceived of solely by [the Rev.] Clennon King. He wasn't paid—he's very sincere—but he's also very vulnerable."

And segregated churches are not a regional characteristic, says Young. "Everybody's church is still segregated . . . Maybe the Plains Church did pass a resolution in 1965 which they'd never bothered to cancel, but 11 o'clock Sunday morning is still the most segregated hour of the week . . . You'd be hard-pressed to find a couple of hundred truly integrated churches among the thousands that exist."

Young detects something beyond irony in massive black support for a Deep South candidate. "There's a note of irony to people who don't know the South and were therefore surprised. There's also a kind of beauty in it, a poignancy that fulfills the prophecy that Frederick Douglass made over 100 years ago and Martin Luther King Jr. made again in 1957. Douglass said that the struggle for freedom is the struggle to save black men's bodies and white men's souls. King said, 'Give us the ballot and we will elect to the halls of Congress and high places in this land men of good will who love mercy and do justly.' And it's happening.

"People saw in Jimmy Carter not a man who is perfect. We blacks tend to assume that all of American life is contaminated by racism—every single aspect of it—and Southerners who know that and have struggled with it in their own personal lives and in their own families, as Jimmy struggled between his mother and father from childhood, are far more trustworthy on the race issue than somebody who may have read about the problem in a book but never confronted their own racism.

"When the Congressional Black Caucus met with all the Democratic candidates, it was interesting that all of them except Jimmy Carter had Washington experience and knew most of us personally. Yet, when they came into the room with 15 or 16 black folk, they were all nervous. And it was obvious—they were defensive. They just didn't act themselves. Jimmy didn't know anybody in the Caucus personally but me, and he came in and immediately was at ease and relaxed. And people gave him a much harder grilling than they'd given anybody else, in part because I asked them to.

"I never told him this, but I went to [Rep.] Barbara Jordan and said, 'Barbara, I want you to ask Jimmy Carter any questions that comes to your mind. I don't want you to take my word for it that he's a good guy, I want you to be as tough on him as you possibly can.'

"And she said, 'Well, I'll be glad to take that invitation.' She shot four or five very straight questions—and is so authoritative in her manner of speech—but it never flustered him. He gave answers—not the things she wanted to hear all the time—but when he disagreed with some of her conclusions, he explained why. And people were appreciative of the fact that he was man enough to come in there and in a comfortable, relaxed way be himself and not be intimidated.

"I think he won more points by his disagreement than by saying the things we'd have liked him to say, because that was a mark of integrity. But he was more comfortable and relaxed than any of the others, and yet they were supposed to be the liberals and he was supposed to be the Southern moderate or conservative even.

"I think that was a thing people sensed across the country, and it could only have happened because in a way he grew up in an integrated neighborhood."

Call it what you want, Young agrees there's no white flight out of Plains.

Young also agrees that topping the list of Carter priorities is bolstering the economy. "We've got to get the economy going, and I think that's going to happen in part because of this new confidence that his Administration will inspire." Acknowledging that the market did not reflect that confidence immediately following Carter's victory, Young comments: "Republicans took a whipping. The American people vetoed them. They've got most of the money, and I think they haven't yet come to their senses. It's hard for these guys to admit that they do better financially during Democratic administrations and that Democratic economic policies have ultimately proved better for them than the Republican policies they believe in and advocate.

"There's a kind of schizophrenia there that in a good number of American businessmen takes a little time to heal. 'Pretty soon they'll realize they have an excuse to say, 'Well, maybe we misjudged him. He's not so bad after all."

And that will probably be history's evaluatin of Gerald Ford, Young suggests. "The most positive thing that can be said for Ford's presidency is that he held us together through a crisis that would normally have pulled a nation apart. He could have done a lot better in that he had a mandate from Congress that was 387 to 36 in his favor.

"Knowing that Congress, he could have worked with it and developed a cooperative approach to problems. If instead of letting us pass something, him veto it, we modify it and then come back—had he gotten together with us in the first place and agreed to a modified version and had it passed cooperatively, he would have continued in that great tradition he came into the White House with.

"But Ford got concerned too soon with Ronald Reagan snipping at his heels. It was almost as though every decision he made was designed to counter Reagan's potential influence within the Republican party. If he had kept his promise not to consider running for President, but just have pulled the nation together and been the best President we could have for two-and-a-half years, I think he would have been elected almost by acclamation.

"But he really blew it, and in a way it's tragic because he *is* a very good guy. But he didn't know who he was, and Jimmy Carter very definitely knows who *he* is."

Young describes the Carter *he* knows: "[He's] one of the best disciplined, most serious, dedicated and intelligent people I've ever met. I think, as the title of his autobiography says, he wants the best. And he understands that the best is not something for Jimmy Carter. He knows we can only have the best for this country if we are able to have the best for the least of these in our midst. As the German theologian Dietrich Bonhoeffer said, the Christian life is really a life lived for others.

"I think that's the way Jimmy Carter conceives of his life, and I think that's also the kind of burden he feels. It's a self-imposed burden that is more important than winning or losing an election. I think Jimmy Carter is going to be the kind of President who will do what's right as he sees it and not cut corners anticipating the next election."

When will the least of these be embraced by the rest of us? "I think we're getting that was already," Young responds. "We are all perfectionists in this country, and no matter how good we do, we're always much more aware of our imperfections that we are of our progress."

Evaluating Carter's election as a mark of progress, Young summarizes his positive assessment of our national mood *and* measure: "With this election we've said in a sense that the American political system can really work, that you can grow up in America in a little country town—in a backwood even—attend a segregated school and still become President of the United States.

"You can overcome racism and poverty and ignorance and disease. Jimmy Carter's life and his career demonstrate that it can be done. In a way, he challenges us to say 'Let's do it for everybody. Let's really make this the great nation that we want it to be.'"

Because of assassinations of Kennedys and King, Vietnam and Watergate, says Young, "We've begun to doubt that we are as great as we originally thought. But I think now that we're ready to see that that's life, that we're not perfect.

"I'm reminded of a quotation that Dr. King used from an old Negro preacher that said: 'We ain't what we oughtta be, we ain't what we're gonna be, but thank God we ain't what we was!'

"We can achieve so much with the technology we have, with the tremendous human resource and now with the leadership that's going to be coming from lots of different places. I don't think that Jimmy Carter is a one-man savior of this nation, but I think he will inspire lots of people to save themselves.

"He makes *me* want to be better than I've been, because I see in him a man I have to look up to. I'm not nearly as disciplined as he is, or as organized. I know that next term I'm going to be a lot better legislator than I was last term, and the things I sort of took for granted I'm really going to work on.

"I think that mood—*that we can do it*—is the pay-off of this election. And I think we will."

THE PRESS ON GUARD

Within a few weeks the relationship between President Jimmy Carter and the White House press corps will change, and what Americans will read, see and hear will be historic roles replayed: The presidency and the press will again have become adversaries.

And increasingly so because of the heightened skepticism by reporters who feel they were burned by misleading statements from the White House during the eras of the Vietnam War and Watergate.

The knowledgeable prediction comes from William (Bill) Moyers, in an execlusive interview with Atlanta. Moyers, now with CBS–TV as a producer, was press secretary to the late President Lyndon B. Johnson, and later publisher of *Newsday*.

"At first they [the White House press corps] will be curious, then inquisitive, then skeptical," he said. "You can expect a good relationship in the beginning as reporters jockey to find the proper perspective from which to look at Carter, to find out who's *in* and who's *out*, who's seen and unseen. In the White House, people unseen are often more important than the people seen. It takes a long time for the fans, when a new ball team comes to town, to learn the signals, and know how to watch the game. And that's like the first six to eight months of the new President's term.

"There is a period of fencing, probing, letting things settle in. It's not a honeymoon; they've already gotten married and moved into the house. It's a period of putting the furniture in the right place, moving it around while the house itself may besettling on new foundations. There's always a period in which protocol prevails, and you're deferential to one another. Then the innate differences in the mandates of the press and the President become sharper, more evident, more imperative. That's when they begin to quarrel, bout, challenge. The President has a mandate to govern the affairs of state; the press has a mandate to find out what he's doing."

As press secretary to Johnson, Moyers said he had no obligation to advise him which reporters were perhaps more hostile, which reporters the President should ignore for fear of hostile questions.

"The President always knew who was hostile and who was after what, because he read the papers closely and had scuttlebutt coming to him from the press corps and friends. There were times when I would inform him that a reporter was working on a story about his [Johnson's] financial arrangements, or that another was trying to find out when he was going to sign the loan to India, or one was inquisitive about whom he was going to appoint as ambassador to the U.N. Yes, if I did my work well, I knew which reporters were looking for what; I knew their general bias or curiosity about certain stories, and I would inform the President beforehand."

The role of a press secretary requires, beyond competence, the skill of a diplomat, and the agility of an acrobat. Jody Powell, press aide, has had a special relationship with Carter for years. The question is whether Powell will be funnel or filter between the press and the President.

"Both," said Moyers, "and more. A good press secretary tries to overcome the frustrations of that scriptural admonition that no man can serve two masters. Professionally, Powell has to understand the role of the press, but *personally* he has to be loyal to the President. It is a delicate exercise. Powell has to help the press, he has to report the President's activities, has to interpret the press' needs to the President, and there are times when the loyalties will confound him, and it will be difficult to do either/or. He'll have to be a little of both, and that will alienate the President at times, anger him, and at times frustrate the press. And Jody is in the middle."

But early in the new presidency, the "press will be more professionally tolerant than later when they realize the difference between [the President's] indecision and 'stonewalling.'

"I can't judge how intimate Jody is with Carter. It would surprise me if anybody could be any more privy to a President's thinking or activities than I was when at the White House. Before I became press secretary, I had spent thousands of hours with Johnson privately. I had lived in his house for six months during the 1960 campaign, and I had been closer to him than Lady Bird during the 1964 campaign. Being that close to a President is both helpful and harmful.

"You have to know a great deal about what the President is doing to know what *not* to comment on. I suspect Carter and Powell will be in trouble not because they [may] lie but because they will discover you cannot *always* tell the truth on the press' agenda or timetable. There are times when you do not lie, but you do not tell the truth because to tell the truth would be harmful to policy at that moment."

Moyers does not find post-Vietnam and post-Watergate White House reporters more critical, but they "are more *aware* of having been burned in the past. They were at a disadvantage during the Vietnam war because the Administration was trying to put the best face on information it was receiving, while reporters *in* Vietnam were dealing in interpretations and they contradicted those in Washington. The White House press corps, however, with limited access—because the access *is* limited by the White House—was confined largely to writing the President's interpretation, which was always the positive interpretation.

"It's not surprising that the most important coverage of Watergate was done by two [*Washington Post*] police reporters who were not close enough to the tempting, seductive allures of the White House to be taken in. Now the White House press corps is more determined than ever to play the Doubting Thomas. It *should*, because it's been twice burned. I don't believe they're trying to be on a peer relationship with the President. I don't know anybody in the press—except maybe some small, smug arrogant columnist who's been giving the President-elect advice about who he must appoint to office—who really considers himself on a peer relationship. And some of the columnists in Washington would never admit that the President's their peer: They would not come down to that level!"

The danger signals that the President is limiting his promised accessibility to the media are obvious; said Moyers. What are the signs?

"If Carter reduces the number of press conferences. If he issues an order to the White House staff to channel all press inquiries through the press secretary's office. If he chooses favorites in the press corps. If he becomes offensive, removed and wary . . .

"But remember: Presidents very seldom have press conferences except to serve their own convenience. And that's legitimate. The most important stories do not come out of press conferences, but from the hard and analytical work by plodding reporters calling around Washington. That is exemplified by John Osborne in *The New Republic* magazine. Osborne, the best President-watcher there is, very seldom sees the President. What he does is watch the White House, talk to people throughout the government, read, widely, and then he makes analytical judgments. And that's where you get most of your information as to what a President's up to.

"Any time a President calls a press conference, it's because he wants to espouse the *official* view of reality. But if we learned anything from Vietnam and Watergate, it's that we need an alternative view to the official view of reality: therefore, the press conference is insufficient."

Accessibility to the media is easier read than done. Just ask Moyers:

"When I left Washington [eight years ago] there were 1,600 journalists—American and foreign—accredited to the White House. How the devil does a press secretary or the President serve all of them? Many in the Texas press corps turned on me when I became press secretary because, though we had been friends in Texas and in the first days of the Johnson Administration, they felt I had 'sold out' to the national press. Well, I *did*, unfortunately, because the President had become more than a regional official.

"I know the problem Jody will face. He will have more than 1,600 members of the White House press corps wanting a bit of his time. That adds up to 37 hours a day. The President relies on him for personal advice and counsel, wanting 10 hours of his time a day. That's 47 hours. Powell's wife would like to see her husband at least 15 minutes a day. His children would like to see him 30 minutes a day. And he needs a little bit of time to go to the bathroom. Now which of these obligations . . .?"

Based on his own experiences, Moyers does have a parting shot of advice for Carter and Powell: "Learn to breathe deeply, laugh a lot, and recognize that both of you—you and the press—are trying to be responsible in a democratic process."

THE RIGHT HONORABLE PIERRE ELLIOTT TRUDEAU, PRIME MINISTER OF CANADA

Mr. SPARKMAN. Mr. President, tomorrow the Congress will have the pleasure of hearing at a joint meeting the Prime Minister of Canada, the Right Honorable Pierre Elliott Trudeau. It is not my intention this morning to deliver a long speech of welcome, although "welcome" is on the lips of all of us. Rather, I would like to review for my colleagues the formidable career of our distinguished visitor and the present relationship which exists between our two countries.

Mr. Trudeau was born in Montreal in 1919. After graduating with honors in law from the University of Montreal, he was called to the Bar of the Province of Quebec in 1943. He received a master of arts degree in political economy from Harvard University, and did postgraduate work in law, economics, and political science at the University of Paris and the London School of Economics.

Mr. Trudeau was elected to the House

of Commons in 1965. He was appointed Parliamentary Secretary to the Prime Minister in January 1966 and in 1967, he was appointed Minister of Justice and Attorney General of Canada. In April 1968, he became Prime Minister of Canada, and was reelected in the October 1972 general election.

Mr. Trudeau was married in 1971 to the former Margaret Sinclair. They have three sons.

The Prime Minister governs the second largest country in the world although its population is only about a tenth the size of the United States.

Canada has a common frontier with only one country, ours, but sometimes we forget that not only does it run 3,500 miles from east to west, but also 1,500 miles in the northwest along Alaska.

Climate and geography have forged close links between the peoples along our invisible frontier and although in some cases this has brought disagreement, we share a common culture, similar political institutions, and close business and commercial bonds.

The cross border trade every year comes to over $40 billion—greater than between any other two countries in the world.

It is estimated that 70 million of our citizens cross the border to visit the "other" country; about a million Canadians live here and about half that many Americans live in Canada.

About 60 percent of all unionized Canadian workers belong to American "international" unions. The real value of U.S. direct investment in Canada is probably in excess $50 billion, and the balance of trade between the two countries continues to show a Canadian deficit.

Even in the cultural field, the United States looms as a giant influence. More than half of the Canadians say they prefer U.S. television programs to Canadian. They read our books, magazines, and newspapers. Canadians feel that our impact is so great we stifle the development of a Canadian counterpart.

A study published a bit over a year ago by the Canadian Standing Senate Committee on Foreign Affairs contains two significant paragraphs which should make each of us more sensitive tomorrow to the Prime Minister's words of friendship and his enumeration of his country's concerns which he will be bringing to the attention of President Carter. I shall quote only part of each:

> The United States has 10 times the population and over 10 times the gross national product of Canada. In military terms it is a superpower, in economic terms a giant. Because of this disparity, Canada is more dependent, more sensitive and more vulnerable to the state of the relationship than is the United States. For Canada, it is by far the most important of all its external relationships.
>
> It is the Committee's opinion, that in a nationalist atmosphere, the Canadian government must go out of its way to ensure that difficult problems are handled in as balanced and mature a fashion as possible. . . . Further, it is important that the government be fully conscious of the number and variety of issues in contention between the two countries at any one time. . . . Once the priorities have been established, policy choices must be made as well as the strategy and techniques for proceeding. The Committee urges the government to be ever mindful of setting a constructive tone. Style and timing . . . are key elements in creating an atmosphere conducive to cooperation and problem solving.

Mr. President, I am certain that the Right Honorable Pierre Trudeau fully represents in his own self and position the "key element" conducive to cooperation and problem solving. The United States is honored and flattered that his Government has set such high store on "setting a constructive tone" that he has come to address a joint meeting and visit with this country's highest officials in the early days of President Carter's administration.

COMMENDING LITHUANIANS ON THEIR DAY OF INDEPENDENCE

Mr. LUGAR. Mr. President, I am pleased at this time to recognize Lithuanian Independence Day and to pay tribute to the proud people of that country who so steadfastly cherish their religion, their cultural traditions and their native language.

While 1977 brings the 59th anniversary of the Lithuanian Declaration of Independence, it also marks the 37th year the Soviet Union has occupied Lithuania.

Much to their credit, the Lithuanians have not despaired. Although their country is physically occupied, their minds and spirits are not dominated. The Lithuanians are a strong and noble people. They deserve the support of all freedom-loving peoples throughout the world.

Accordingly, we should demand that the Soviet Union fulfill its commitment to uphold the International Covenants on Human Rights and to meet its obligations under the final act of the Conference on Security and Cooperation in Europe.

Mr. President, I join with the Lithuanian community in Indiana and elsewhere in our country in expressing admiration and support for the people of Lithuania.

OFFICE ACCOUNT OF SENATOR BOB DOLE, JULY–DECEMBER 1976

Mr. DOLE. Mr. President, funds from my office account are utilized on a nonpartisan basis to help meet expenses incurred by my Senate office operation. All expenditures are in accordance with Senate rule 42. Records on the account are kept by Dean Crawford, a CPA, in Lawrence, Kans.

In accordance with the reporting requirements of Senate rule 42, I ask unanimous consent that the semiannual balance sheet statement for the last 6 months of 1976 on this account be printed in the RECORD. Additional information on the operation of the account or specific entries is available upon request.

There being no objection, the balance sheet was ordered to be printed in the RECORD, as follows:

BALANCE SHEET

Account balance, June 30, 1976	$1,108.96
INCOME	
Contributions	1,845.00
Reimbursement for nonqualifying travel expense inadvertently made from office acount on May 10, 1976	345.00
Total income	3,298.96
DISBURSEMENTS	
Transportation—charter	218.50
Office copies, photos, cards, etc	2,204.63
Accounting services	225.00
Total disbursements	2,648.13
Account balance, Dec. 31, 1976	650.83

(This concludes additional statements submitted by Senators.)

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in adjournment for 2 minutes.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to; and at 1:15 p.m. on Monday, February 21, 1977, the Senate adjourned until 1:17 p.m., the same day.

AFTER ADJOURNMENT

Monday, February 21, 1977:

The Senate met at 1:17 p.m., pursuant to adjournment, and was called to order by Hon. ROBERT MORGAN, a Senator from the State of North Carolina.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of earlier today be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the Calendar under rule VIII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. The Chair lays before the Senate messages from the President, reports and communications from the representatives of departments, and other communications addressed to the Senate, such bills, joint resolutions, and other messages from the House of Representatives that may re-

main from the previous day's session undisposed of.

The Chair now calls for the presentation of petitions and memorials, reports of standing and select committees, introduction of bills and joint resolutions.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair now calls for concurrent and other resolutions.

MISSING IN ACTION IN SOUTHEAST ASIA

The PRESIDING OFFICER. The Chair lays before the Senate a resolution coming over under the rule, Senate Concurrent Resolution 2, which the clerk will state.

The assistant legislative clerk read as follows:

Senate Concurrent Resolution 2, relative to military personnel missing or killed in action and body not recovered, in Southeast Asia.

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 2 p.m. today.

The motion was agreed to, and at 1:25 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. MATSUNAGA).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURES REREFERRED JOINTLY PURSUANT TO SENATE RESOLUTION 4

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that consistent with the provisions of Senate Resolution 4, agreed to by the Senate on February 4, 1977—legislative day, February 1—the following bills be jointly referred as indicated:

S. 8, previously referred to the Committee on Agriculture and Forestry, be re-referred jointly to the Committee on Agriculture, Nutrition, and Forestry and Environment and Public Works;

S. 121, previously referred jointly to the Committees on Commerce, Interior and Insular Affairs, and Public Works, be jointly referred to the Committees on Commerce, Science, and Transportation and Environment and Public Works;

S. 182, previously referred to the Committee on Commerce, be referred jointly to the Committees on Commerce, Science, and Transportation and Environment and Public Works;

S. 199, previously referred jointly to the Committees on Commerce and Finance, be re-referred jointly to the Committee on Energy and Natural Resources and Finance;

S. 407, previously referred jointly to the Committees on Armed Services, Finance, Labor and Public Welfare, and Post Office and Civil Service, be jointly referred to the Committees on Armed Services, Finance, Governmental Affairs, and Human Resources;

S. 517, previously referred jointly to the Committees on Labor and Public Welfare and Post Office and Civil Service, be jointly referred to the Committees on Governmental Affairs and Human Resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, as stated in the RECORD of Friday, February 11, 1977, bills previously referred to only one committee will not be re-referred to reflect only a change made in the name of the committee by Senate Resolution 4 where the committee retains jurisdiction. If and when such measures are reported, the new name of the committee will be shown on the reported version of the bill.

Mr. President, I ask unanimous consent that notwithstanding the provisions of Senate Resolution 4, agreed to February 4, 1977—legislative day of February 1—the Committee on Energy and Natural Resources, formerly the Committee on Interior and Insular Affairs, retain jurisdiction of S. 186, and that if and when that committee reports the measure, it then be referred to the Committee on Environment and Public Works. This has been worked out with both committees as reflected in the legislative history of Senate Resolution 4. All subsequent legislation dealing with water resources, as required by Senate Resolution 4, will be referred to the Committee on Environment and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be discharged from the further consideration of S. 122, and that the bill be referred to the Committee on Energy and Natural Resources. This bill is now in the jurisdiction of the Committee on Energy and Natural Resources under the provisions of Senate Resolution 4, agreed to February 4, 1977—legislative day of February 1—but the rereferral could not be made automatically pursuant to that resolution because the original referral to the Commerce Committee was made by unanimous consent. This matter has been cleared with both committees.

The PRESIDING OFICER. Without objection, it is so ordered.

ANNOUNCEMENT ON APPOINTMENTS TO SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

The PRESIDING OFFICER. The announcement by the Chair on Friday, February 11, 1977, appointing the Senator from Vermont (Mr. LEAHY) and the Senator from Nebraska (Mr. ZORINSKY) to the Select Committee on Nutrition and Human Needs should have included that those appointments were made in lieu of the Senator from Georgia (Mr. TALMADGE), the Senator from Wisconsin (Mr. NELSON), and the Senator from California (Mr. CRANSTON), resigned.

ORDER FOR RECESS UNTIL TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO HOUSE OF REPRESENTATIVES AT 12:15 P.M. TOMORROW AND TO RESUME CONSIDERATION OF SENATE CONCURRENT RESOLUTION 10

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow at 12:15 p.m., the Senate gather in a body to proceed to the House Chamber for the purpose of a joint meeting to be addressed by Prime Minister Trudeau.

I ask unanimous consent further that upon the completion of that joint meeting, the Senate resume its session and that it then resume consideration of Senate Concurrent Resolution 10, a concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1977.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TIME TO BEGIN RUNNING ON SENATE CONCURRENT RESOLUTION 10 FOLLOWING JOINT SESSION TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent, Mr. President, that on tomorrow the time on Senate Concurrent Resolution 10 not begin running until the Senate resumes its session following the recess for the joint meeting with the other body.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator may speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALL-VOLUNTEER FORCE—NEEDS MAJOR DEBATE

Mr. NUNN. Mr. President, as U.S. News and World Report stated in its February

14, 1977 issue, "A major debate is shaping up * * * over the fate of the country's 4-year-old experiment with All-Volunteer Armed Forces."

One of the principal reasons for this is that no single item will have as much impact on the future of our national budget as the volunteer force.

I have been concerned about the long-term feasibility of the All-Volunteer Force concept since I came to the Senate. Last year I hired William R. King, professor of business administration at the University of Pittsburgh, to work on my Budget Committee staff and to begin a comprehensive study of the All-Volunteer Force. Dr. King has just completed what I consider to be a significant work on this subject. His conclusions support my concern that the AVF may be a luxury which we may no longer be able to afford. Despite highly favorable economic and demographic conditions, the AVF has apparently not lived up to many of the expectations that the Gates Commission formulated for it.

Because I think the question of the viability of the AVF and the exploration of possible alternatives to it demand a full and comprehensive public discussion, I am beginning hearings on the AVF in the Senate Armed Services Manpower and Personnel Subcommittee on February 23, 1977. Dr. King will present his full report to the subcommittee on this date. During the course of this year's hearings, the subcommittee will review all aspects of the defense manpower authorization request and the posture of our current forces, and will also pursue issues on the All-Volunteer Force with all the military services.

The U.S. military has been "all-volunteer" since early 1973. The decision to go from a draft to an All-Volunteer Force—AVF—was made by President Nixon in 1968 when he promised an end to the draft in his campaign speeches. Congress approved this action in 1971.

In my opinion, the draft card burnings, campus riots, and sit-ins of the era probably had more to do with the decision to end the draft than did any careful analysis of the merits of an AVF.

The Pentagon has exerted great effort to make the AVF work. Our Nation has spent many extra billions of defense dollars each year on such things as increased pay, new barracks, and civilians to perform traditional KP chores. Despite this, we are operating on the "ragged edge" with high recruiting costs, undermanned reserve forces, and insufficient recruits for the active forces.

The situation for the future looks even less bright. While the number of people in military age groups peaked in the past few years, these numbers will drop off substantially each year for the next 15 years.

While unemployment was at an all-time high for youth in recent years, the improved employment situation has already begun to reflect itself in recruiting results for the last quarter of 1976. The Army was 6 percent under its recruiting objectives and the Marine Corps was off 15 percent. If forecasts of future reductions in unemployment are accurate, the better opportunities available in civilian life will pose even greater problems for military recruiters.

Military recruit pay increased 193 percent in real terms between 1964 and 1973. This compared to an 11 percent real increase for comparable civilian blue-collar workers. Such huge increases in military pay simply cannot continue unless we are willing to see huge increases in the defense budget. Yet without increased pay and bonuses, the ability of the AVF to obtain adequate numbers of recruits is in grave doubt. Despite soaring recruiting expenditures, it is becoming more difficult to convince young people to join the military unless they have few other options.

Some recent data suggests that the incremental cost of recruiting those Army recruits most difficult to persuade may be in the astronomical range of $5,000 to $12,000 each, while the average cost for all services is about $1,200 each.

Because of these high incremental recruiting costs, the cost of expanding the active forces to levels such as those which we had in the Vietnam era would be prohibitively expensive. The "All-Volunteer" Force can be more accurately described as a peacetime, high unemployment, increasing pay, decreasing force level volunteer force.

The fact that all is not well in the AVF is also made clear by Army attrition figures. In fiscal 1976, more enlisted soldiers left the service before the end of their normal term of duty than left at the end of their normal term, including those who retired. Of these early discharges, 70 percent were for adverse reasons, such as training dropouts and disciplinary probelms.

While the Active Forces are facing these problems, the problems of the Reserves are even greater. The selected Reserve is now 52,000 below its authorized floor—the level which the services believe they must maintain. The individual Ready Reserve is in even greater difficulty with a shortfall of 180,000 that is expected to continue to get worse.

These reserve problems are a direct result of the lack of a back-up draft. During the draft years, men who wanted to avoid active military duty were motivated to enlist in the reserves. By doing so, they performed the sort of service that they desired and the Nation was served with a strong reserve force. Now, these "draft-motivated" men have left the reserves and replacements have not been coming forth in adequate numbers.

The volunteer concept has an appealing sound. After all, what is more American than volunteering to serve the country? The fact is that the volunteer military force seems to have changed the concept of military service from one of "serving the Nation" to one of "getting a job."

This job orientation of military service has led to other things that are detrimental to the effectiveness of a military force. Job dissatisfaction and complaints are reflected in the high enlisted turnover rates. Demands for military unions are now increasingly being heard.

The current and potential problems of our active-duty AVF, coupled with the seriously undermanned reserves and the fact that we have no back-up draft, constitute a potentially serious defense problem for the Nation. Our Active Forces are operating on the edge of serious problems and our backup reserve forces are becoming weakened. These things suggest that we would be well advised to begin careful consideration of some alternatives to the AVF, such as a reserve draft or a comprehensive program of national service.

The time has come to take a long, hard look at the AVF. Is it working? If so, will it continue to work in a less encouraging economic and demographic climate? If not, why not? What alternatives would there be to an All-Volunteer Force? Simply a return to military conscription? Or perhaps the institution of a national service obligation?

These issues must be addressed and they must be addressed soon. There should be a thorough national debate and we should not rush into any hasty solutions. The Soviet Union has armed forces more than twice the size of ours. By virtue of comparatively low personnel costs, the Soviets have managed to undertake an unparalleled quantitative and qualitative expansion of these forces.

In the face of these facts, the United States can no longer continue down the road of steady contractions in its force levels and decreasing proportions of the defense budget allocated to weapons systems in order to meet the ever rising cost of military manpower.

If present trends continue for a period of years, we may look forward to the prospect of having exorbitantly paid but increasingly ill-equipped forces. The Soviets are not deterred by U.S. pay scales or retirement benefits. They are deterred by the size, mobility, readiness, and armament of our combat forces.

MISSING IN ACTION IN SOUTHEAST ASIA

The Senate continued with the consideration of the concurrent resolution (S. Con. Res. 2) relating to military personnel missing or killed in action and body not recovered, in Southeast Asia.

Mr. ROBERT C. BYRD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. Senate Concurrent Resolution 2 is under consideration.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. HELMS. I thank the Chair.

Mr. President, I will not take up the time of the Senate in discussing this resolution at great length. The issue is clear: Should we have a complete accounting for MIA's, or should we not? It is the opinion of the Senator from North Carolina that we should have such an accounting, and that we should hold North Vietnam to the terms of the Paris agreement and demand such an accounting. Any inclination on the part of the United States to back down from demanding an accounting for MIA's, or to declare them to be presumed dead, will

only take the pressure off North Vietnam to cooperate. Indeed, under the terms of the agreement, the Communists are required only to supply information on the missing, not on the presumed dead; so it is to the interest of the United States and in the interest of the parents, wives, and relatives of MIA's not to make any summary alteration of status of MIA's until there is such an accounting.

I would like to make three short points about my resolution now pending.

First, this resolution does not link the MIA question to any other issue. Certainly there are other issues that can be associated with it, and many of us will make those associations in differing ways. But this issue is so important that the Senate ought to express its will upon it in a statement devoted solely to that one issue. The whole subject of Vietnam is one on which many of us feel strongly, and many of those opinions are opposite in tenor. Yet there is one aspect of the war upon which all can unite in good conscience, and that aspect is the problem of getting an accounting for MIA's.

Second, this resolution calls upon the President, in his capacity as Commander-in-Chief of the Armed Forces, to require an accounting of MIA's. It does not lay blame upon any President, nor does it tell the President how he is to obtain such an accounting, nor does it link the obtaining of an accounting to any other problem in international relations. I think that it is only fair to give the new administration a chance to study the best methods of obtaining an accounting; and it would be a mistake to demand that President Carter proceed in a certain specified way before he even has an opportunity to try. The Members of the Senate themselves may differ among themselves as to the best procedure; but they should be able to agree on the principle that we still ought to require an accounting.

And that brings up the third point, namely, that it is our duty also, as U.S. Senators, to go on record, too. We cannot stand back and leave the decision entirely to the executive branch. Surely President Carter will be guided to a great extent by the opinion of the Senate at the present time. It is now 4 years since the Paris agreement was signed. President Carter is new to Washington. If the Senate does not go on record now, President Carter might not fully understand the prevailing sentiment throughout this country today.

There is no doubt in the mind of the Senator from North Carolina that we have an obligation to use the authority of our offices to insist upon such an accounting. I must confess a degree of shame in our country's record of failing to demand a full accounting of our MIA's long before now. There are repeated reports that American soldiers are still being held captive by the Communists. Meanwhile, the families of these more than 800 men have been virtually ignored in their pleas to the U.S. Government. No longer can we let them down.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (Senate Concurrent Resolution 2), with its preamble, is as follows:

S. CON. RES. 2

Concurrent resolution relative to military personnel missing in action or killed in action and body not recovered in Southeast Asia

Whereas article II, section 2 of the Constitution of the United States designates the President of the United States Commander in Chief of the Army and Navy (military forces); and

Whereas, on August 10, 1964, the Senate and House of Representatives of the United States Congress passed Public Law 88-408 authorizing the deployment of the United States Armed Forces for the maintenance of international peace and security in Southeast Asia; and

Whereas over eight hundred members of the Armed Forces authorized by the Congress and dispatched by the President to Southeast Asia are still categorized as prisoner of war or missing in action and are still unaccounted for; and

Whereas article II, section 2 of the Constitution of the United States grants to the President of the United States further power, by and with the advice and consent of the United States Senate, to make treaties; and

Whereas on January 27, 1973, the Paris Agreement on Ending the War and Restoring Peace in Vietnam (designated the Paris agreement), which, by its terms became effective on that date, was executed by duly authorized representatives of the United States, the Republic of Vietnam (South Vietnam), the Democratic Republic of Vietnam (North Vietnam) and the Provisional Revolutionary Government of the Republic of South Vietnam (the Vietcong); and

Whereas article 8(b) of the Paris agreement provides:

"The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get informaton about those still considered missing in action",

which article establishes an obligation under international law upon the parties to the agreement in favor of members of the United States Armed Forces who are categorized as missing in action and a further obligation to, if possible, exhumate and repatriate the remains of those categorized as killed in action. This obligation runs to the United States as a party to the agreement; and

Whereas the State Department as the responsible agency of the executive branch of the United States Government has exhibited no positive direction or leadership in meeting its responsibility of enforcing article 8(b) of the Paris agreement or seeking alternatives that might otherwise resolve the prisoner of war/missing in action problem; and

Whereas, on September 11, 1975, the United States House of Representatives formed the Select Committee on Missing Persons in Southeast Asia, to report within one year on the status of persons held as prisoners or missing in action and unaccounted for in North and South Vietnam, Laos, and Cambodia, which committee has been responsible for identifying or accounting for less than one-tenth of 1 per centum of Americans unaccounted for in those areas; and

Whereas the Joint Casualty Resolution Center's recent withdrawal from Thailand leaves no United States agency in Asia to locate Americans still prisoner or missing and unaccounted for in Indochina; and

Whereas knowledge that some unaccounted for military and civilian personnel, fifty-seven of whom were known to be alive and who have not been returned, were at one time prisoners of war and alive was manifested through enemy propaganda broadcasts, foreign media reports, photographs, and other sources, personnel who may be presumed to be living and retained for purposes of bargaining or blackmail by the Vietnamese, Cambodians, or Laotians now in power: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring): 1. That the President of the United States recognize his duty and responsibility as Commander in Chief of the Armed Forces of the United States and require an accounting for the person or remains of all military personnel responding to the orders of the Office of the President and who are presently categorized as prisoner of war, missing in action, or killed in action (body not recovered) in Southeast Asia on the personnel rosters of the United States Army, United States Navy, United States Marine Corps, or United States Air Force.

2. That the President of the United States, by executive fiat, require the Secretary of State to pursue, with diligence and tenacity, enforcement of the Paris agreement of January 27, 1973, with emphasis on enforcement of article 8(b) of that agreement.

3. That the Congress of the United States, having passed Public Law 88-408 authorizing the deployment of the United States Armed Forces for the maintenance of international peace and security in Southeast Asia, recognize a corresponding continuing duty and obligation to determine the fate of Americans missing or unaccounted for consequent from enforcement of that law.

4. That the President of the United States, through and by the Secretary of State, hold the Democratic Republic of Vietnam (North Vietnam) and the Provisional Revolutionary Government of the Republic of South Vietnam (the Vietcong) responsible to account for and provide essential information not otherwise available to satisfactorily dispose of the prisoner of war/missing in action problem in accordance with the Paris agreement or seek alternatives that might otherwise resolve the question of those Americans unaccounted for in Southeast Asia.

5. That responsible officeholders in the executive and legislative branches of the Government of the United States, both elected and appointed, should immediately address the authority for their office, individually and collectively, toward a satisfactory resolution of the prisoner of war/missing in action problem, make a public accounting, and remove any question as to the integrity of their function.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTABLISHMENT OF A PRESIDENTIAL TASK FORCE ON MIA/POW'S

The PRESIDING OFFICER. The Chair lays before the Senate another resolution coming over under the rule, which the clerk will now state by title.

The legislative clerk read as follows:

Mr. DOLE (for himself, Mr. YOUNG, Mr. ALLEN, Mr. GRIFFIN, Mr. TOWER, Mr. DOMENICI, Mr. THURMOND, Mr. MCCLURE, Mr. DANFORTH, Mr. WALLOP, Mr. HUDDLESTON, Mr. GOLDWATER, Mr. ZORINSKY, Mr. DECONCINI, Mr. GARN, Mr. HOLLINGS, and Mr. SCHMITT) proposes Senate Concurrent Resolution 3 to urge the establishment of a Presidential task force on MIA/POW's.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR THE APPOINTMENT OF A COMMITTEE TO ESCORT THE PRIME MINISTER OF CANADA INTO HOUSE CHAMBER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee of Senators on the part of the Senate to join with the committee on the part of the House of Representatives to escort the Prime Minister of Canada into the House Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be descinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR DECONCINI ON WEDNESDAY, FEBRUARY 23, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the two leaders or their designees have been recognized under the standing order, Mr. DECONCINI be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS CURTIS, DANFORTH, WALLOP, AND SCHMITT ON WEDNESDAY, FEBRUARY 23, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the recognition of Mr. DECONCINI, the following Senators be recognized, each for not to exceed 15 minutes: Mr. CURTIS, Mr. DANFORTH, Mr. WALLOP, and Mr. SCHMITT.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR DECONCINI ON THURSDAY, FEBRUARY 24, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after the two leaders or their designees have been recognized under the standing order, Mr. DECONCINI be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTABLISHMENT OF A PRESIDENTIAL TASK FORCE ON MIA/POW'S

The Senate continued with the consideration of the concurrent resolution (S. Con. Res. 3) to urge the establishment of a Presidential task force on MIA/POW'S

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. Senate Concurrent Resolution 3 is now pending.

UP AMENDMENT NO. 49

Mr. DOLE. Mr. President, I send to the desk an amendment in the nature of a substitute for Senate Concurrent Resolution 3 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment in the nature of a substitute will be stated.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself and Mr. YOUNG, Mr. GRIFFIN, Mr. ALLEN, Mr. TOWER, Mr. DOMENICI, Mr. THURMOND, Mr. GOLDWATER, Mr. HUDDLESTON, Mr. MCCLURE, Mr. DANFORTH, Mr. WALLOP, Mr. ZORINSKY, Mr. GARN, Mr. DECONCINI, Mr. HOLLINGS, and Mr. SCHMITT, proposes unprinted amendment numbered 49.

The amendment is as follows:

Strike out all after the resolving clause and insert the following:

Whereas, during the Vietnam war era, millions of Americans served their country honorably in military service in Southeast Asia;

Whereas on January 21, 1977, a Presidential pardon was granted to draft resisters who refused to accept their military responsibility during the Vietnam war era, and who rejected an earlier opportunity to accept clemency and perform alternate service for this country;

Whereas the Department of Defense still lists approximately 2,500 United States servicemen missing or not returned from Southeast Asia; and

Whereas the Governments of Vietnam, Laos, and Cambodia have failed to abide by basic humanitarian principles to provide the fullest possible accounting for all Americans listed in a missing status in their respective territories: Now, therefore, be it

Resolved, That it is the sense of the Congress of the United States that the honor of those Americans who upheld the dignity of the law and who served in the Armed Forces of the United States in Southeast Asia should be reaffirmed, and that the United States Government should do everything possible to address the problems of those who served in the Armed Forces during the Vietnam war era;

SEC. 2. There should be established, in view of the recent issuance of a general pardon for United States draft evaders of the Vietnam war era, a Presidential Task Force on Prisoners of War and Missing in Action to propose courses of action to achieve the fullest possible accounting for all Americans listed in a missing status in Southeast Asia, including the return of remains, and to make recommendations concerning United States policies relating to prisoners of war and Americans missing in action.

Amend the title so as to read: to reaffirm the honor of those who served in Southeast Asia and to urge establishment of a Presidential Task Force on MIA/POW's.

Mr. DOLE. Mr. President, I send to the desk an amended version of Senate Concurrent Resolution 3, to be considered in lieu of that which I introduced on January 10 of this year.

Mr. President, I might say that this was necessary because my original resolution sought concurrent establishment with the pardon issued by the President; since the pardon was issued on January 21, prior to the consideration of the resolution, it was necessary to amend it in the fashion it has been amended.

I am joined in this effort by several cosponsors, including Senators YOUNG, GRIFFIN, ALLEN, TOWER, DOMENICI, THURMOND, GOLDWATER, HUDDLESTON, MCCLURE, DANFORTH, WALLOP, ZORINSKY, GARN, DECONCINI, HOLLINGS, and SCHMITT.

The purpose of this resolution is to reaffirm the honor of those veterans and servicemen who served in Southeast Asia, and to urge the establishment of a Presidential Task Force on MIA's and POW's.

Let me say first of all that it is not the purpose of this resolution to criticize the general pardon that was granted to Vietnam-era draft evaders on January 21, 1977, although the Senator from Kansas strongly disagreed with that action.

The Senator from Kansas recognizes that there are some in this body, such as myself and the distinguished Senator from North Carolina, the distinguished Senator from Alabama, and other Senators, who strongly opposed the pardon. There are some who feel the pardon was good. There are those who feel that the pardon did not go far enough. The Senator from Kansas recognizes the differences on the question of pardoning Vietnam-era draft resisters, and this resolution does not seek to address that issue.

The purpose of this resolution is simply to express the sense of the Congress that the honor of those Americans who served with dignity in our Armed Forces in Vietnam and other parts of Southeast Asia is not diminshed by the granting of the pardon. The purpose of this resolution is to reaffirm the basic conviction that service to our country at the call to military duty is honorable.

This resolution states that we should get on with addressing the remaining problems of Vietnam veterans and of the unresolved MIA and POW question. In this respect, it reiterates our high priority of resolving these matters.

The Senator from Kansas has been contacted by numerous veterans from Kansas expressing concern that the pardon somehow degrades the honor of their service in Vietnam. They expressed the feeling that they are being dishonored by the pardon.

I believe that we should at this time reaffirm the honor of service in our Armed Forces, particularly the honor of

those who served in Vietnam and Southeast Asia. Regardless of our views on the war or our views on the pardon, I hope we can all agree that military service during the Vietnam era was honorable.

For those who were in the service at that time, or who were called up in the draft, it was not a question of whether they agreed with the war or not, but whether they would uphold the dignity of the law and respond honorably to the call to military duty. We should reaffirm our recognition and gratitude for their service.

There were 3,403,100 Americans who served in Southeast Asia, including 2,594,200 who served in Vietnam, during the period January 1, 1965, through March 31, 1973. They came from every State, and I hope every Senator will agree with me that they deserve our support and our gratitude.

PROBLEMS UNRESOLVED

There are still many problems that exist for those who served in Vietnam. We should reaffirm the priority we place on helping them solve their problems.

For Vietnam-era veterans between the ages of 20 and 24, there is still an unemployment rate of 18.3 percent. When we consider minority Vietnam veterans of the same age group, the unemployment rate jumps to 22.1 percent.

Clearly, the rate of unemployment among these Vietnam veterans is far above that of the average national rate. I believe we should give a high priority to getting them employed and in addressing any other problems that may exist.

I might add that one of the greatest problems is the lack of employment of Vietnam-era veterans in the Federal Government. Less than 1 percent of all the employees of the Department of Labor, for example, are Vietnam-era veterans.

PRESIDENTIAL TASK FORCE ON MIA'S

This resolution also calls for Presidential creation of an MIA task force. The emphasis is on getting early Presidential attention to the MIA matter, and all of my colleagues who are concerned about our MIA's should be able to support this resolution.

My resolution does not specify the composition or precise duties of the task force, which would be points of Presidential discretion. However, a task force should coordinate all existing information on our missing servicemen to provide a basis for further investigations. It should propose further courses of action by the executive branch for obtaining additional information from the governments of Southeast Asia. And the task force should propose future courses of action on related policy questions which might affect an accounting, such as normalization of relations with Vietnam, or U.N. membership for that Government. I also think the task force should be composed of civilians who are knowledgeable about the MIA issue, so that its efforts can be distinct from those of the Department of Defense or the State Department. It should not work at odds with those departments, but rather to assist and supplement their efforts.

We need a specialized group of this type, since the joint casualty resolution team, and the House Select Committee on Missing American Servicemen have terminated their activities. Significantly, the final report issued by the House select committee last month concluded that the North Vietnamese do have information on a large number of Americans killed in Indochina which has not been presented to our Government. After more than a year of investigation, the committee reported:

That each of the governments of Indochina is capable of providing some information of the fate and place of burial of a number of missing Americans.

That the North Vietnamese have information on a large but undetermined number of aviators shot down over North Vietnam and along the Ho Chi Minh Trail in Laos, as well as information on some Americans killed, or once held, in other areas of Indochina.

That the provisional revolutionary government had information on many Americans lost in air or ground combat in South Vietnam as well as the remains of 40 POW's who died in captivity. These data are now maintained by the Socialist Republic of Vietnam.

That the governments of Indochina may be capable of returning the remains of more than 150 Americans, including any located through crash site investigations.

That in addition to remains, the governments of Indochina can provide some information on other individuals and MIA-associated incidents.

Both major party platforms support further efforts to achieve an accounting for MIA's. Effective efforts to locate additional information should continue to reflect a nonpartisan character.

I submit that if we really want to "close the final chapter" on the Vietnam war, and if we want to seriously discuss possible future relations and trade with Vietnam, we must be satisfied that we have received as full an accounting as possible for these missing servicemen. This would be the purpose of the task force.

TIMING IS IMPORTANT

The MIA task force should be established early to provide continuity with previous accounting efforts. Creation of the task force as soon as possible will add measurable authority to future diplomatic efforts to achieve an accounting. It would give Hanoi early notification of the new administration's intention to pursue an accounting. And this resolution will certainly put Congress on record as supporting the new administration in those efforts to obtain further MIA information.

HEALING THE WOUNDS

Only with an intensive investigation and coordinated policy guidance by a task force, supported by executive mandate, can we hope to account as fully as possible for the 2,500 Americans still officially classified as having "Not Returned" from Vietnam, Laos, and Cambodia. Only with a final accounting can we truly hope to fully "heal the wounds" of the Vietnam war. We know that information may never be forthcoming about some of these Americans. But we also know that there is considerable additional information which we do not have, which should have been provided to us years ago by Hanoi.

The Senator from Kansas concludes by repeating that this resolution asks for the Presidential creation of an MIA task force. The emphasis is on getting early Presidential attention to the MIA matter. All of my colleagues who are concerned about our MIA's should be able to support the resolution.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The concurrent resolution (S. Con. Res. 3), as amended, was agreed to.

The preamble, as amended, was agreed to.

The title, as amended, was agreed to.

The concurrent resolution, as amended, with its preamble, reads as follows:

S. CON. RES. 3

Whereas, during the Vietnam War era, millions of Americans served their country honorably in military service in Southeast Asia;

Whereas, on January 21, 1977, a Presidential pardon was granted to draft resisters who refused to accept their military responsibility during the Vietnam War era, and who rejected an earlier opportunity to accept clemency and perform alternate service for this country;

Whereas the Department of Defense still lists approximately two thousand five hundred United States servicemen missing or not returned from Southeast Asia; and

Whereas the governments of Vietnam, Laos, and Cambodia have failed to abide by basic humanitarian principles to provide the fullest possible accounting for all Americans listed in a missing status in their respective territories: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the honor of those Americans who upheld the dignity of the law and who served in the Armed Forces of the United States in Southeast Asia should be reaffirmed, and that the United States Government should do everything possible to address the problems of those who served in the Armed Forces during the Vietnam War era.

SEC. 2. There should be established, in view of the recent issuance of a general pardon for United States draft evaders of the Vietnam War era, a Presidential Task Force on Prisoners of War and Missing in Action to propose courses of action to achieve the fullest possible accounting for all Americans listed in a missing status in Southeast Asia, including the return of remains, and to make recommendations concerning United States policies relating to prisoners of war and Americans missing in action.

The title was amended so as to read: "A concurrent resolution to reaffirm the honor of those who served in Southeast Asia and to urge establishment of a Presidential Task Force on MIA/POW's."

Mr. HELMS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THIRD CONCURRENT RESOLUTION ON THE BUDGET, 1977

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate proceed to the consideration of Calendar Order No. 17, Senate Concurrent Resolution 10.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 10) revising the Congressional budget for the United States Government for the fiscal year 1977.

The motion was agreed to and the Senate proceeded to consider the concurrent resolution.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time for the quorum not be charged against the time on either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the following members of the staff of the Committee on the Budget be allowed to remain on the floor during consideration of and votes on Senate Concurrent Resolution 10:

John McEvoy, Sid Brown, Van Ooms, Jim Storey, Dan Twomey, Tom Dine, Karen Williams, Mary Jane Checchi, Faye Hewlett, Rodger Schlickeisen, Terry Finn, Tony Carnevale, George Merrill, Ira Tannenbaum, Chris Matthews, Bob Boyd, Charles Gentry, Ted Haggart, Letitia Chambers, Gary Kuzina and Hal Gross.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I also ask unanimous consent that the following members of the staff of the Committee on Governmental Affairs be allowed to remain on the floor during consideration of and votes on Senate Concurrent Resolution 10:

Alin From and David Johnson.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, in a few moments I will undertake to begin my opening statement on the third budget resolution.

I ask unanimous consent that a statement by my good friend and the ranking Republican member of the committee (Mr. BELLMON), be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. Mr. President, I ask unanimous consent that a statement of my good friend, Senator MAGNUSON, who is the ranking Democrat, be printed in the RECORD following that of Senator BELLMON.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MUSKIE. Mr. President, at this point I am happy to yield to the distinguished Senator from Washington, who I know would like to make an important point which may bear on the budget down the road. I am delighted to yield at this point before I proceed with my opening statement.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I appreciate the indulgence of the distinguished chairman of the Budget Committee.

I rise at this time to call attention to the fact that the drought conditions in the western part of the United States have indeed reached catastrophic proportions.

The facts are that the losses in terms of agricultural products will be far greater than one anticipated just a few days ago. I need not remind our colleagues and the Nation of what this may mean in terms of the economy of the United States. We could well find ourselves short of critical food at a time when the economy is emerging from the worst winter that we have had in the East, and in the West we have had the worst drought in recorded memory.

The records of previous droughts are no comparison. It is possible that the dust bowl of the 1930's has been exceeded already in terms of potential loss.

I call the attention of my colleagues to the fact that the President, working with the various agencies involved, will indeed be called upon to ask the Congress for substantial sums of money to deal with this emergency in all its forms. Some of it will be needed for relief from financial losses; other aspects may involve the construction of temporary facilities such as aqueducts to move water from one place to another in order to meet the agricultural needs of a given area and to avoid a catastrophe.

I would just give as one example the Yakima Valley in the State of Washington, where we have over 300,000 acres of land under irrigation. We produce in that valley a wide variety of agricultural products. We have some of the largest apple and cherry orchards in the Nation. If they do not get water into that area, we could lose orchards that would take 8 to 10 years to replace.

I mention all this, keeping in mind that we do not yet have specific data as to financial requirements. I would hope that there is enough flexibility in the pending resolution so that the contingencies I have mentioned could be included in the legislative history now being presented to the Senate and upon which we will be called to vote.

I know the Senator from Maine is understanding and sympathetic to this problem. The reason I bring it up today is because I have been in touch with the administration and they hope to have some estimates to present shortly.

Mr. MUSKIE. May I say to my good friend from Washington I have read, with considerable sympathy, the press reports of the drought conditions in the West and particularly in the Northwest, which is of special interest to him. We have the reverse condition in my State. We have more snow than we are accustomed to. In the city of Buffalo, from which my mother came, we probably have had enough snow to solve the problems of the Northwest if we could get it there.

The budget process is flexible enough, of course, to respond to emergencies. Mr. Lance, the Director of OMB, indicated in his testimony before the Budget Committee that the administration had made no effort in this third resolution to try to quantify the consequences of this winter's weather conditions, whether the excessive cold in some parts of the country, the excessive snow in other parts, or the drought in the West.

He felt that it would take more time before we could quantify the budgetary implications of those problems. Obviously, the Government should be, and I think is, flexible enough to respond when we know what we need to do and what it will cost to do it.

I think it is highly appropriate that we make this legislative record as a forewarning of what we might be asked to respond to some weeks or even months down the road.

Mr. JACKSON. Mr. President, I want to thank the distinguished chairman of the committee for that statement. I think it answers the immediate problem. It will take a few days to gather the necessary quantifiable data dealing with the entire country as it pertains to the drought in the West and maybe floods hitting us in the East, as well as other effects of this unusual weather problem that is impacting so devastatingly on our economy in terms of loss of jobs, inflation, and so on. I thank the Senator.

Mr. MUSKIE. I thank my good friend from Washington.

Mr. President, the Senate today begins debate on Senate Concurrent Resolution 10, the third concurrent resolution on the Federal budget for fiscal year 1977.

The purpose of this third budget resolution is to revise the congressional budget adopted on September 16, 1976. This revision is necessary if we are to sustain a vigorous economic recovery in light of current economic conditions.

The second budget resolution for fiscal year 1977, which set binding limits on Federal revenues and spending, was intended when it was adopted to promote a strong economic recovery and meet all foreseeable needs as of that time. When it adopted that resolution, however, Congress recognized that, if economic conditions seriously worsened, additional Federal action might be necessary to stimulate the economy. We are now aware that the economy did significantly worsen during the fall, with unemployment at the end of the year—even before the current winter fuel crisis—at a higher level than it was in the first quarter of the year.

Responding to this unacceptable slowdown in the recovery and the hardship for American workers this rate of job-

lessness imposes, President Carter has, as one of his first legislative initiatives, proposed a temporary program of additional fiscal stimulus. This program would require changes in the binding spending ceiling and revenue floor contained in the second budget resolution adopted last fall.

Even before receipt of the President's recommendations, the Budget Committee had begun hearings with prominent economists representing a broad range of views to determine the appropriateness of such additional stimulus. The committee heard from prominent economic advisers to Democratic Presidents and Republican Presidents as well. We heard from Walter Heller, who had been Chairman of the Council of Economic Advisers for Presidents Johnson and Kennedy, and we heard from Paul McCracken, who was Chairman of the Council of Economic Advisers to President Nixon. We also heard several others prominent in the economic and business fields, including Messrs. Reginald Jones, chairman and chief executive officer of the General Electric Corp., and Albert T. Sommers, chief economist of the Conference Board. Nearly all of our witnesses recommended additional Federal stimulus in excess of the amounts contained in the President's subsequent request or in this budget resolution to counter the economic slump.

Subsequent to the receipt of the President's special stimulus message on January 31, 1977, the Republican policy conference of the Senate also offered a plan for Federal fiscal action to deal with the present economic situation, a plan which, by itself, would have required a revision of the third concurrent resolution.

The Budget Committee recently met for 2 days of markup sessions to consider these recommendations as well as others it had solicited and received from the other committees of the Senate. On February 10, 1977, the committee reported a third concurrent resolution on the budget. The program recommended in this resolution falls midway between the various recommendations from the President and other sources. It represents an acceleration of certain of the President's proposals to get the maximum job-creating effect in 1977, with a minimal increase in the fiscal year 1977 deficit compared to the President's proposal. It proposes revenue and spending levels which are adequate to accommodate either the President's proposals or those alternatives which have been advanced by other congressional committees.

NEW GOALS AND FISCAL TARGETS

Because the 1977 goals established in the second budget resolution are now out of reach, we must now establish new goals and pursue them vigorously.

The stimulus provided by this new budget will make it possible for the economy to resume a vigorous recovery this year. Real GNP should expand at a rate of 5½ to 6 percent during 1977 and bring unemployment to 7 percent or less by the end of the year. If appropriate policies are adopted for fiscal year 1978, this growth should be sustainable next year and the unemployment rate should fall below 6 percent by the beginning of 1979. This steady progress over the next 2 years would make it possible to aim for unemployment below 5 percent in 1980.

To achieve these goals, Mr. President, the committee recommends adoption of the following overall fiscal targets for fiscal year 1977:

Revenues of $346.8 billion;

Outlays of $415 billion;

Deficit resulting from these figures of $68.2 billion;

Budget authority of $467 billion; and

Public debt resulting from these figures of $718.3 billion.

I ask unanimous consent that a table summarizing the congressional budget for fiscal year 1977 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1977 BUDGET SUMMARY

[In millions of dollars]

		2d budget resolution ceiling		3d budget resolution recommended ceiling	
		Budget authority	Outlays	Budget authority	Outlays
050	National defense	112.1	100.65	109.2	100.1
150	International affairs	8.9	6.9	7.9	6.8
250	General science, space and technology	4.6	4.5	4.5	4.4
300	Natural resources, environment, and energy	18.2	16.2	18.8	17.2
350	Agriculture	2.1	2.2	1.6	3.0
400	Commerce and transportation	17.2	17.4	17.3	16.0
450	Community and regional development	9.55	9.05	14.3	10.0
500	Education, training, employment, and social services	24.0	22.2	30.4	23.2
550	Health	40.5	38.9	40.6	39.5
600	Income security	155.9	137.2	166.3	139.3
700	Veterans benefits and services	20.3	19.5	18.9	18.1
750	Law enforcement and justice	3.5	3.6	3.5	3.6
800	General government	3.6	3.5	3.5	3.5
850	Revenue sharing and general purpose fiscal assistance	7.6	7.7	7.6	7.7
900	Interest	39.6	39.6	37.9	37.9
	Allowances	.7	.8	.8	.8
950	Undistributed offsetting receipts	−16.8	−16.8	−16.1	−16.1
	Total	451.55	413.1	467.0	415.0
	Revenues		362.5		346.8
	Deficit		50.6		68.2

Mr. MUSKIE. The Budget Committee is reporting this third budget resolution now because of the serious economic conditions facing the country. The possibility of such additional budget resolutions to meet changed conditions, demonstrates the flexibility of the budget process. But the committee wishes to emphasize that additional resolutions should be the exception and not the rule. The Budget Act provides for such additional resolutions to meet changed conditions, not simply to take account of matters which might have been considered in the first and second resolution.

RECOVERY AND JOBS

When the second budget resolution was adopted last fall, the Congress established a set of economic goals for 1976 and 1977. The budget adopted in September was calculated to produce real GNP growth of 6.6 percent in 1976 and 5.6 percent in 1977, thereby lowering unemployment to 7.2 percent at the end of 1976 and 6.2 percent at the end of 1977.

At the time that the budget was adopted, a slowdown in the economy had begun to appear, but its likely duration was a matter of debate. Recognizing the uncertainty of the economic outlook and the possibility that the slowdown would prove temporary, the Budget Committee reported that "it does not appear to be appropriate to make any major economic policy change at this time," but noted that more expansionary policy would be required to pursue our growth and employment goals if the economic recovery faltered. In its report on the second budget resolution, the committee stated that it would be "prepared to consider a subsequent concurrent resolution early next year if the economic data received by then do not indicate that the recovery is proceeding satisfactorily."

The recovery has, in fact, Mr. President, proceeded at a rate below that projected in the second budget resolution, and the economic outlook is not encouraging. Private sector demand, and, in particular, business investment and exports, has been weaker than anticipated. Real output grew at only a 3.2-percent rate in the last half of 1976.

This slow growth of output was insufficient to reduce unemployment significantly. As a result of this slowdown, the congressional output and unemployment goals for 1977, as embodied in the second budget resolution, are now beyond reach.

The already disappointing recovery recently has been further set back by the exceptionally cold winter. Industry has experienced lower output and higher unemployment resulting from energy shortages and the cold. Serious production losses are also occurring in the agriculture sector, due to both the cold winter and the drought in the Great Plains and the West—a subject which I discussed earlier with my good friend from Washington (Mr. JACKSON). In addition, higher fuel costs are a serious drain on consumers' income and savings, and this further weakens the economy.

STIMULUS PROPOSALS

These new fiscal targets primarily reflect changes necessary to accommodate an economic stimulus program aimed at continuing the recovery. The new functional totals also incorporate the latest reestimates by the Congressional Budget Office of current spending levels under existing programs which reflect savings that have been achieved and additional costs which have arisen under current programs. I ask unanimous consent to have printed in the RECORD a table that summarizes the stimulus proposals contained in the resolution.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—3D BUDGET RESOLUTION STIMULUS PROPOSALS

[In millions of dollars]

	Fiscal year 1977	
	Budget authority	Revenues or outlays
Revenues: Tax cut		−12,000
Spending (function in parentheses):		
Countercyclical revenue sharing (450)	633	633
Local public works (450)	4,000	400
Public service employment (CETA, titles II and VI) (500)	4,400	740
Employment training and youth (CETA, titles III and IV or new title VII) (500)	1,522	622
Older Americans (500)	59	30
EPA construction grants (reimbursables) (300)	320	260
Railroad and highway construction (400)	400	200
Recreation proposal (300)	400	300
Emergency fuel bill assistance	300	300
Subtotal	12,034	3,485
$50 rebate to social security, SSI, and railroad retirement recipients or other stimulus program (600)	1,800	1,800
Total stimulus spending	13,834	5,285
Total gross stimulus (combined revenue cut and spending increase)	13,834	17,285
Reflows:		
Revenues		2,300
Spending (550 and 600)	95	−901
Net budgetary effect (gross stimulus combined with reflows)	13,929	14,084

REVENUES

Mr. MUSKIE. The resolution establishes a revenue floor for fiscal 1977 of $346.8 billion. This would permit enactment of up to $12 billion of tax relief as proposed by the Carter administration, or alternatively the enactment of permanent tax reduction or other forms of temporary tax relief of comparable amount. In arriving at this figure, the committee considered both the requirement for a prompt and adequate stimulus and the need to offset increased consumer fuel and food costs attributable to the exceptionally harsh winter.

This new revenue target for fiscal year 1977 rests upon a number of economic assumptions concerning growth in gross national product, profits, and personal income. I ask unanimous consent that a set of tables illustrating our revenue calculations, together with underlying assumptions, be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

The following table indicates the impact of the recommended level of reductions on reestimated revenue collections under current law for fiscal year 1977, and compares the recommended revenue floor to that established in the second budget resolution:

TABLE 2

[In billions of dollars]

Second budget resolution	[1] $362.5
Reestimates under tax law as of January 1, 1977	−6.0
Tax reduction stimulus	−12.0
Offsetting increased tax receipts from total stimulus package	+2.3
Total	[1] 346.8

[1] Consistent with past congressional practices, refunds in excess of tax liability are treated as reductions of revenues.

TABLE 3.—*Economic assumptions for calendar year 1977*

[In billions of dollars]

Gross national product:	
Current dollars	$1,864
Constant (1972) dollars	1,325
Incomes:	
Personal income	1,516
Wages and salaries	992
Corporate profits	163

SPENDING PROPOSALS

Mr. President, several of the new spending recommendations are intended to fund programs which will quickly produce jobs in areas of high unemployment. The proposals are aimed at those groups and sectors hardest hit by the continuing recession, especially youth and minorities, State and local governments, and the construction industry.

JOB PROGRAMS

The committee recommends that the spending ceiling be adjusted to permit a significant expansion of public service employment over the current level of 310,000 jobs to 600,000 jobs by the end of fiscal 1977 and to 725,000 jobs by the end of fiscal 1978. This adds $4.4 billion in budget authority and $0.7 billion in outlays for fiscal 1977 over what it would take to fund the existing level of jobs through fiscal 1978. The new ceiling, Mr. President, would accommodate the President's recommendation concerning the number of public service jobs to be funded under titles II and VI of CETA. The committee recommends the funding of 100,000 jobs under CETA title II and 500,000 jobs under CETA title VI in fiscal 1977 and the funding of an additional 25,000 jobs in title II and 100,000 jobs in title VI in fiscal 1978.

The committee recommends additional funds to permit expansion in job and training slots for programs directed at youth unemployment and older Americans. This adds $1.6 billion in budget authority and about $650 million in outlays.

The high unemployment rate and low earnings of youth continue to be of concern to the committee and the Nation. In 1976, Mr. President, youth represented 29 percent of the labor force, but 46 percent of the unemployed population. This recommendation provides for expansion of the number of jobs and training slots directed at the problem of youth unemployment through existing CETA title I, III, and IV programs, through a new CETA title that focuses on youth programs, or through other youth programs.

The unemployment problem among America's older workers is also severe. The resolution allows funding of an additional 15,000 public service jobs under title IX of the Older Americans Act.

PUBLIC WORKS

The resolution allows additional funding, Mr. President, for the local public works program. This adds $4 billion in budget authority and $0.4 billion in outlays.

This money will provide grants for public works projects that will produce jobs in areas of high unemployment and give assistance to workers in the construction industry, which has been hit especially hard by the recession.

We have also provided another $1.1 billion in budget authority and $0.8 billion in outlays for EPA construction grants, railroad and highway construction, and improvement in recreational facilities.

COUNTERCYLICAL REVENUE SHARING

The resolution allows an additional $633 million for countercyclical revenue sharing.

This recommendation provides full-year funding for a revised countercyclical revenue sharing program. The revised formula will be more resposive to changing levels of unemployment.

State and local governments, Mr. President, have been hard hit by the recession. This program replaces some of the revenues lost to the State and local governments because of the weak economy and helps prevent reductions in basic services and increases in State and local taxes.

In his stimulus message, the President proposed that funding for this program be increased, beginning with the July 1 payment period. The $633 million assumed in this budget resolution corresponds to the President's proposal.

The President is now considering an earlier implementation of the increased funding level, possibly beginning with the April 1 payment period. Such a change would require an additional $300 million not included in this resolution.

I add parenthetically that it is included in the President's proposed budget revisions which has been released as of today by the Executive Office of the President, the Office of Management and Budget, and this particular item is intended to help offset the increased fuel costs which are faced not only by State and local government, but by those of their citizens who are particularly hard hit by such costs.

Fortunately, the House resolution provided an additional increase in funding for the countercyclical program, so that should the Congress decide to accommodate this possibility, there will be sufficient flexibility in the House-Senate conference to accommodate the needed changes.

According to a report released this morning, Mr. President, by the Subcommittee on Intergovernmental Relations, which I chair, this money will be well spent.

The subcommittee report, which is based on the results of a survey conducted of approximately 400 State and local governments, found that this new program, enacted by Congress just last year, is working very well.

The study found that by far the greatest amount of assistance has gone to those places most in need. For example, 70 percent of all funds paid out during the third payment period under the countercyclical program went to jurisdictions with unemployment in excess of 8 percent. Among local governments, 75 percent of the funds went to jurisdictions with unemployment higher than 8 percent.

The study also found that the program can be expected to have a substantial jobs impact—somewhere in the neighborhood of 87,000 jobs per $1 billion allocated to local governments.

DIRECT RELIEF FOR INDIVIDUALS

Mr. President, the resolution also assumes special direct measures for relief of individuals and families hardest hit by the recession and the severe winter. These relief measures include direct payments to individuals who are recipients of social security, SSI, and railroad retirement benefits. In general, these are the people who are not covered in the tax relief proposals. The $1.8 billion in budget authority and outlays assumed for this purpose could be used for the President's proposal or any similar stimulus measure.

They also include an extension of the Federal supplemental benefits program for the unemployed which is scheduled to expire on March 31. This extension was considered necessary because economic conditions and unemployment remain significantly worse than projected when the measure was last extended in June 1975. This proposal adds $0.5 billion to budget authority and outlays on the assumption that the maximum benefit period will be reduced from 65 to 52 weeks.

The totals in the resolution assume about $300 million in budget authority and outlays for a program to provide emergency assistance to those low- and moderate-income families hardest hit by rising fuel bills this winter. Funds would be distributed through the Governors based upon the severity of the winter, the number of people in need of assistance, and the relative cost of fuel in each State. Funds might be paid directly to fuel supplier, with the applicant receiving a limit of $30 cash out of a maximum payment of $250.

The need for these funds is evident. This winter is the coldest in 60 years—40 percent colder than last. States in every region have felt its effects.

Subnormal temperatures have caused energy consumption to increase dramatically this winter. In New England, where conservation efforts have been widespread and effective over the past 3 years, consumption nevertheless is up 25 percent. Nationally, residential consumers are using 32 percent more energy to stay warm than they did last year.

And with the severe cold, prices for energy have skyrocketed. Fuel oil customers in New England have faced a 5 to 7 cents per gallon increase since last summer. Natural gas prices across the country have jumped more than 7 percent in the past 2 months. In fact, congressional estimates of the total residential heating bill for the Nation are that it will be between $5 billion and $8 billion this winter—up to a 49-percent increase nationwide over last year, equivalent to an average of more than $139 per housing unit.

These big heating bills hurt every consumer. But they hit hardest those least able to pay—the poor and the near poor. Every day, more and more low-income families must make the cruel choice between getting enough to eat or staying warm—paying the rent or paying the utility bill.

Energy costs have risen more than four times faster than average welfare payments since 1973. Even before this winter, elderly persons were paying 60–80 percent of their income for shelter and heat.

The need is clear. Using the best data available, Federal agencies have estimated that more than 2 million families must have financial assistance because of this winter's severe cold.

This proposal is not intended to be, nor can it be, the answer to all the problems of the poor this winter. But it does provide best coordinated Federal-State response to the financial crisis faced by many of the Nation's low-income citizens.

THE FEDERAL DEFICIT

The committee has recommended a revised Federal deficit target for fiscal year 1977 of $68.2 billion. This figure is $17.6 billion above the deficit target of $50.6 billion in the second budget resolution. $3 billion of this increase is related to reestimates of revenues and outlays under the second budget resolution. Revenues under current law are estimated to be $6 billion below those projected in September, principally because of the slowdown in the economy. Outlays for programs assumed in the second budget resolution are now estimated to be $3 billion lower than in September, reflecting the net of savings which have been achieved and unforeseen costs which have arisen under existing programs.

The remaining $14.6 billion of increased deficit reflects the net cost of revenue reductions and spending increases which the committee believes appropriate to meet the economic conditions which face us today. Our recommendation provides for a reduction in net revenue collections of $9.7 billion, after allowing for higher receipts from a stronger economy and outlays on programs not provided in the second budget resolution of $4.9 billion.

I wish to emphasize that the continuation of the large Federal budget deficit is due to the fact that the economy is operating far below capacity and only partial recovery has taken place from the worst recession in postwar history. The only acceptable path toward lower deficits in the future is the path of full economic recovery. If we maintain the recovery and promote health and vigorous growth in the private sector, we will be able to lower the deficit in future years and move toward budgetary balance.

INFLATION

We met our inflation goal last year. In the first budget resolution for fiscal 1977, we aimed for a 6-percent rate of increase in the consumer price index for 1976. The actual inflation rate was 5.7 percent, in line with the assumption made in the second budget resolution.

Inflation has been a critical problem for our society in recent years and it continues to be a very serious concern. Nevertheless, we have made substantial progress in squeezing inflation out of the economy, even though much more remains to be done.

In 1974, American consumers lived through double-digit inflation. When we drew up the first congressional budget in 1975, prices were still rising at over 9 percent annually, and food prices were going up at nearly 8 percent. By late 1976, consumer price inflation was down to about 5 percent.

I wish to emphasize that this does not mean that inflation is no longer a serious problem. The committee is acutely aware of the danger of overstimulating the economy and setting off another round of large price increases. The possibility of renewed inflation has been an important consideration in our deliberations over the appropriate size and type of stimulus package.

Inflation is always a potential danger when the economy is operating near full capacity and the demand for goods equals or exceeds our capacity to produce them. However, the inflation we are now experiencing is not the result of excess demand. Our present inflation results from the inflationary momentum built into the system, as each year's price increases are incorporated into the next year's wage and price decisions.

Considerable slack exists in the economy at present. Unemployment is still higher than at the bottom of other postwar recessions, and manufacturing industries are using only about 80 percent of their productive capacity. Judging from historical experience it should be possible for the economy to grow at a 5½- to 6-percent rate at present without adding to inflation, if an appropriate mix of policies is followed.

The consumer price index suddenly rose at a 10-percent annual rate in January, after 3- to 5-percent increases during the last few months. Price increases in the food and services components were much larger than in recent months, while prices of commodiites other than food rose at about the same rate as in December.

This large price increase was due primarily to the severe weather conditions, and we must expect a continuation of temporary price increases for some commodities in the next few months. The drought in the West has cut back on agricultural output. The natural gas shortage has closed plants in some parts of the country. The increased demand for heating fuel has led to further increases in energy prices.

It is important to recognize that this additional inflation is due to special

supply conditions and not to general excess demand. The temporary inflationary effects of these supply difficulties should not be allowed to impede the implementation of appropriate fiscal and monetary policies.

The Congress and the Nation must keep a watchful eye on inflation as we decide on fiscal policy for 1977 and 1978. Our policies of prudent expansion have allowed us to make continuing progress in reducing inflation. We must continue this progress in 1977.

Mr. President, although the Budget Committee's report has been produced in response to immediate economic conditions, we must view congressional fiscal policy in a long-term context. We must never lose sight of where we have been and where we want to go.

We have been through the most severe recession in post-war history, combined with unprecedented peacetime inflation. Only 2 years ago the unemployment rate was nearly 9 percent and inflation was over 10 percent. In part that was a result of forces outside our control. But it was also due to mistaken Government policies. We need not repeat that experience. If we choose our policies wisely, we will not do so.

The traumatic effects of that experience linger on in the economy. It takes time to reduce unemployment from those levels. It takes time to squeeze inflationary pressures out of the economy.

It will be 1980—a full Presidential term from now—before America can once again have full employment.

Even if the private sector of the economy proves exceptionally strong, we should not expect budgetary balance before 1981.

In the best of circumstances, the goals of full employment, lower inflation, and a balanced budget will prove difficult to reach. Attaining them will require not only wise policies from the Congress and administration, but much better luck than in the last few years.

The revised budget we put before you today for fiscal 1977 is directed at those goals. It represents a clear commitment to economic recovery. It continues the fiscal discipline maintained by second budget resolution. I urge my colleagues to support it.

Mr. President, at this point I would like to express my appreciation to the members of the Budget Committee, led on the Republican side by the distinguished gentleman from Oklahoma (Mr. BELLMON), and especially those members, including the distinguished Presiding Officer at the moment (Mr. NUNN), who served with the Budget Committee over the last 2 difficult years.

I welcome the addition of the new Members who are joining the committee this year. I trust they will find the experience as stimulating, interesting, and challenging as those of us have who served for the last 2 years.

I would like to make this point with respect to one of the challenges that faces us in the next 2 years. For the past 2 years the budget process has worked. I think that both outside and within this Chamber it is viewed as having worked successfully in a Congress with a majority of one party and a White House with an incumbent President of the other political persuasion.

The challenge now, which a President and a congressional majority of the same party, is to insure that the congressional process does work and continues to work as a separate, independent process, with an integrity of its own, a policymaking potential of its own, a data-accumulation base of its own, so that we will be in a position to assert our responsibilities under the Constitution over the power of the purse.

I am sure we will be watched by those who may be tempted cynically to believe that with both the White House and Congress controlled by the same party, the congressional budget process will tend to become a rubberstamp of the administration.

I want to assure my colleagues in the Senate and those Americans outside who may be watching us, that I, for one, am committed to the integrity of this congressional budget process as a separate budgetary force.

We will, of course, work with this President, and with every President, in an attempt to insure that the budgetary decisions serve the best interests of the country. At times we will agree with this President and other Presidents; at times we will disagree.

But I hope we will always follow the dictates of our own best judgment after full consideration of the options before us and the conditions and problems we are being asked to meet. Only in that way can we serve the purpose for which the congressional budget process was created. If we do not do that, we might just as well junk the whole thing.

I just wanted to make that point in this, my first, statement at this session of this Congress.

Mr. President, finally, before I yield to my good friend from New Mexico (Mr. DOMENICI), I want to take this opportunity to thank the employees of the Government Printing Office for the fine spirit of cooperation they have displayed in the printing of this resolution and report. It could not have been done anywhere else in the world in such a short time.

My one complaint about the printing process in Congress has not to do with production but with the fact that we cannot always get the colors we want. You will notice this report is printed in green ink. I would like to see it printed in red until such day as we achieve a balanced budget. But I have not been able to, you know, break through the controlling regulations. So it is printed in green. But I want to assure my colleagues that we are still in the red, and it might be a useful signal to the country if we could print it in red until we get the color as well as the contents corrected.

EXHIBIT 1

STATEMENT BY SENATOR BELLMON

I believe this is the fifth Budget Resolution presented to the Senate by the Budget Committee over the alst two years, but this is the first time Congress has been called upon to re-examine and change its budget after the Budget ceilings had been fixed just before the start of the fiscal year. This is an important occasion and as with the preceding budget resolutions, I rise to support this one although with less enthusiasm than the previous resolutions.

My desire today is not to restate the recommendations of the Committee, but rather to voice some perspectives which I believe are important in reviewing the recommendations. In particular I want to discuss—

(a) Should there even be a Third Concurrent Resolution;

(b) Which of the various economic stimulus packages can be accommodated by the Budget Committee recommendations;

(c) The very important fact that certain types of components of the stimulus package can be significantly more effective than others; and

(d) Some observations regarding the future impact of two programs discussed in the Committee's Report.

First, should there even be a Third Concurrent Resolution? We are not reconsidering the Budget decisions of last fall on the basis of some whim of spending or taxation—rather, this Resolution is in response to economic events of a serious nature. While there is little doubt that the economy is in a stage of recovery, through a series of hearings, the Budget Committee has developed the belief that some fiscal adjustment was necessary to sustain and accelerate the pace of that recovery, and that continued, unacceptably high levels of unemployment are a likely prospect unless action is taken.

I am acutely aware that there are a broad range of actions needed to help restore the vigor of the U.S. economy which do not involve immediate and direct budget impacts, such as regulatory reform and adjusting the structure and incentives of our tax system and income support programs. But these avenues of action would be delayed by debate and are thought to have relatively slow economic effects. In view of these limitations, it is incumbent upon us to use the Federal budget as an economic tool according to our best judgment. Further, if Government fiscal policy is to overcome the long established criticism that it is not sufficiently responsive to economic events, that there is too long a "lag" between the need for action and the appropriate fiscal policy response, then we must act now. It is more prudent to change the FY 1977 Budget Resolution now, rather than waiting until the FY 1978 Budget Resolution in April and May to set policies that cannot take effect until October of this year.

At the same time, however, I would make it clear that the Committee is not over-reacting to a mere wiggle or two in the economic statistics. There is considerable evidence that economic performance is below our expectations and below the economy's capability at this stage of the economic recovery.

Given the understanding that action was deemed necessary, it should be pointed out that this Third Budget Resolution demonstrates a strength, not a weakness, in the Budget process. The process is flexible enough to permit adjustment when economic or emergency conditions warrant; however, the process is not so flexible as to allow for changes whenever an economic statistic moves in an adverse direction. It is anticipated that this Resolution will prove to be a unique budgetary event, and that future years will require only the normal First and Second Budget Resolutions.

A second major point I would endeavor to leave with my colleagues concerns the general thrust of the recommendations in the Budget Resolution. In keeping with the Committee's tradition and mandate, specific legislative programs are not endorsed by this Resolution. Rather, we have attempted to set the right overall dimensions and general outline to an adjusted budget policy for the re-

mainder of this fiscal year. Specifically, it is my view that the Committee has essentially recommended that efforts to stimulate the economy at this time should be primarily through tax reductions—to encourage consumer purchases and sustain business confidence. At the same time, the Committee recognizes the need for some additional expenditure initiatives, primarily to target Federal efforts on sections of the economy or on individuals most acutely in need of employment assistance and capable of being effectively assisted through Government spending initiatives. In addition to the relative balance between these two thrusts, the total size of actions has been carefully weighed with regard both to realistically attainable and sustainable economy goals and the importance of limiting the size of Federal deficits, the weight of Federal borrowing on financial markets, and the burden of Federal debt in future budgets. We are shooting for 6 percent unemployment by the end of 1978, and hoping for better. While recognizing the uncertainties of weather and agricultural production, both in the US and around the world, and of other effects on prices, we foresee some inflationary pressures but seek to avoid acceleration of prices and wages. Finally, while the deficit for FY 1977 will be larger than if no action were taken, the Committee believes that this delay in reducting deficits will provide the economic thrust that will re-establish the trend of declining deficits and toward a balanced budget. That appears to be in jeopardy without these economic initiatives.

Beyond these general dimensions and goals, no specific policy package is endorsed by the Committee or mandated by this revised Resolution. In light of the wide-range of opinions and approaches represented by individual members of the Committee, and because further information and insights remain to be gained from the hearings and deliberations of the other Committees of the Senate, this Resolution should be viewed as accommodating a range of alternatives, although of course not the entire universe of possibilities. For instance, there is room for the proposals of the new Carter Administration. In spite of serious reservations being expressed throughout the Congress about several elements of that package, the Committee did not wish to foreclose those options. At the same time, the stimulus proposal of the Senate Republicans would fit easily within these revenue and outlay totals, and would, in my opinion, yield better economic gains, higher revenues, lower expenditures, in a smaller budget deficit than any alternative we have reviewed.

While the Budget Resolution recommended by the Committee does not endorse the Republican proposal, I would take this opportunity to express by continued support for those policies. Specifically, I favor a permanent personal tax reduction that would result in a smaller amount of revenue reduction in FY 1977, but would provide more continuing tax reductions in 1978 and beyond. This is the kind of steady and sure support to consumer spending and business confidence that is best for the continued and steady growth and employment increases. As opposed to the declining recession situation of early 1975, the economy now has an upward momentum. Growth of 4.3 percent or better is expected for 1977 and 1978 without any additional stimulus. I therefore question the need for a quick kick to the economy by means of a large one-time tax rebate. Rather, a firm but continuing nudge is needed to push the economy to a somewhat higher growth rate. Further, I question even the effectiveness of the rebate plan in providing the quick kick. The Committee heard and received evidence and analysis to suggest that most of the rebate will not be spent in the first three to six months, and that much of it will remain in savings or debt reduction after 9 months to a year.

Why should the Government borrow large sums of money and pay it out to individuals just so that they can put that money in the bank? This rebate plan will result in a bulge in the Federal deficit and Government borrowing which will bring extra pressure to bear on financial markets and Federal reserve monetary policy. In view of the speculative need for and effectiveness of the rebate plan, these pressures should and can be avoided.

On the spending side, our efforts should be directed exclusively at those who have particular and lasting difficulty finding jobs, even when the economy returns to more normal levels of performance. These are often referred to as the "structurally unemployed". At this time and in the foreseeable future, a large proportion of these individuals are young people and women. Many are relatively recent entrants to the labor market who have had little or no employment experience. The Republican stimulus proposals focus sharply on young people through training and employment programs, and on the long-term unemployed through an employment credit incentive to the private sector.

I would note that the Committee's recommendation includes a substantial increase in funds, both budget authority and outlays, for Function 450, which could be used for accelerated public works. I am in favor of a responsible level of public works, and I may support additional public works expenditures. However, it is a serious mistake to view public works initiatives as a part of an economic stimulus package, to be geared up and shut down in response to the economy's needs. In spite of the best of plans and intentions, public works just are not manageable in that way. In addition, they carry with them a legacy of maintenance that is required regardless of the state of the economy or of state and local budgets. Congress appropriated $2.0 billion last September for an "accelerated" public works program, but the Wall Street Journal last week said that even one construction person has not yet been hired some five months later. Such a program may have merit but not in a stimulus package.

A final word of caution. We will in the next three months be considered the Budget Resolution for Fiscal Year 1978. I would point out to my colleagues that in the revised FY 1977 Third Budget Resolution being considered here today, budget authority for FY 1978 in public employment and training under CETA is provided. This is done to enable 1978 program levels to be established at the same time the remaining program funds for FY 1977 are appropriated. This accommodation through a late appropriation should not be viewed as a general precedent or commitment to full advance funding for all parts of the public employment programs. Although a good part of such programs are designed as countercyclical policies and must be responsive to economic trends, advance funding may be a desirable management policy in certain circumstances. It is clearly the intent of these recommendations that this advance budget authority was being provided as a planning and management tool, to provide program sponsors with assurance that the program would be extended into 1978. This assurance would give sponsors the confidence to hire and train people as intended by the program. However, it was not intended that this budget authority would be available before FY 1978—it was not to be a "backdoor" way of getting extra 1977 funding. There should be no confusion of this point.

As said earlier, I support the Resolution, but I did want to be on record regarding the above issues.

EXHIBIT 2

STATEMENT BY SENATOR MAGNUSON

The Senate has before it S. Con. Res. 10, the third budget resolution for fiscal 1977. I support the resolution, and I urge all of my colleagues to do likewise. Its adoption is a necessary first step in the enactment of a stimulus package of tax reductions and increased spending that will provide an improved economic climate in which millions of unemployed Americans will at last be able to find productive jobs and reestabish for themseves the economic security they deserve.

The spending ceiling and revenue floor modifications that are proposed in the third budget resolution seem to me very well advised. When I first spoke in support of the fiscal 1977 budget resolution last spring, I indicated that my one major concern was that the resolution might be too cautious because it seemed to shy away from providing the extra stimulus required to assure a speedy economic recovery. I noted that "I would provide this extra stimulus . . . by spending to put people to work—directly through more public service jobs, and indirectly through accelerated investments in needed public works projects." During the early summer the recovery proceeded better than I had expected, and began to think that perhaps the extra stimulus I had sought in the first budget resolution wasn't really necessary. Now, however, it is clear that it is necessary.

In another area, I believe it is important for the Senate to be aware of the general approach taken by the Committee on the Budget in preparing this third budget resolution. Since this is the first time an "extra" budget resolution has been required in order to amend the budget ceilings established in the fall, the precedents established are important. It is significant, therefore, that the Budget Committee restricted itself to adjusting the spending ceilings and revenue floor only to respond to emergency conditions that were unforeseen at the time of enactment of the second budget resolution, and to account for certain technical budget re-estimates. Thus the committee consciously avoided opening the door to reconsideration of all of the controversial budget issues that were debated and resolved at the time of enactment of the second budget resolution.

I believe this was a wise decision. I feel it is important to the continued success of the congressional budget process that the basic dimensions of the budget be firmly established in the second budget resolution, and be adjusted thereafter only as may be required by unforeseen emergencies such as now confront us.

In conclusion, I recommend that the Senate approve the third budget resolution as reported by the Committee on the Budget It amends the previous resolution by providing room in the budget for the Congress to enact legislation providing for such stimulative measures as expanded public service jobs and other employment and employment security programs, accelerated public works, and tax reductions. The report accompanying S. Con. Res. 10 includes a number of suggestions which the Budget Committee believes the Senate should consider in enacting such legislation, and I am sure the authorizing and appropriating committees will give these the serious attention they deserve. The third resolution has been purposefully designed to allow consideration of a number of different strategies for economic recovery, and I encourage my colleagues to consider them fully before reaching a conclusion.

Mr. MUSKIE. Mr. President, I yield to my good friend from New Mexico, who

has made such a solid and always challenging contribution to the work of the Budget Committee. We are delighted to have him continue his service.

Mr. DOMENICI. I thank my good friend from Maine.

I was just wondering, on the red ink, Mr. President, perhaps our chairman would speculate with me: Does he really think we would only need the red ink until 1981 and then we can switch to green?

Mr. MUSKIE. I think if we print it in red we might achieve it in 1979 in order to avoid the embarrassment.

[Laughter.]

Mr. DOMENICI. I thank the chairman of the Budget Committee for his remarks today and, particularly, his closing remarks with reference to the independent nature of the Budget Committee and its fact-gathering and its thrusts. I think the Senator has said it exactly right. We tried to do that with President Ford in office, and we understand that our new President has some very definite approaches. Those approaches which indicate his commitment to a balanced budget as soon as possible will not find any trouble with the Budget Committee. Certainly this year, I think it is safe to say, in spite of some differences, it is virtually unanimous that we think we need a stimulus package. I do not think there is much argument on that score.

On the other hand, I think there is some genuine feeling that there are different ways to do it.

Mr. President, I do not intend to present extended remarks on this resolution since my position is reflected in the additional views and the minority views contained in Senate Report No. 95–9. I hope that my colleagues will carefully study those sections of the report and earnestly consider the points of concern and opposition expressed by minority members of the Senate Budget Committee.

My basic position is that the adjustments in revenue and spending for the remainder of this fiscal year which would be allowed by this third concurrent resolution are in excess of adjustments needed to sustain economic recovery and provide the foundation for orderly and stable growth without inflation. The aggregate of reductions in revenue and increases in spending is simply more than required to achieve our revised economic goals. Senator McCLURE and I describe an economic stimulus package in the minority views of the report which would accomplish our goals at a lower cost, both in fiscal year 1977 and in subsequent years. I strongly urge my colleagues to examine our alternative proposal, especially since we intend to join with other Senators in attempting to implement that proposal, or major parts of it, through individual revenue and spending legislation permissible under the revised budget numbers.

In that regard, Mr. President, I feel that recognition should be given to the fact that the resolution's revised figures for revenue, outlays, and new budget authority are limits, not targets. I hope we will be able to resist the tendency to reduce revenues all the way down to the level specified in the resolution. I hope we can reject the notion that we must spend and obligate to the full extent allowed under the resolution. The resolution simply sets the outside limits and if we can achieve our goals without reaching those limits, that is our duty as responsible legislators. Many of our colleagues agree with me that we can, and feeling that if we can, we must, I will actively seek an eventual combination of revenue reductions and spending increases substantially less than permitted under Senate Concurrent Resolution 10.

Mr. MUSKIE. May I say at this point that the distinguished Senator from New Mexico presented those alternatives very articulately and persuasively in the Budget Committee. I think that is one of the constructive attributes of the budget process, that whatever the source of an idea we discuss it constructively and positively and benefit from it, although we do not always agree as to it.

The second point I would make, as to which I think the Senator will be in agreement, is that some of the numbers we have put in will accommodate some of the alternatives that were debated, even though we did not nail down particular alternatives with respect to job-producing programs, for instance, or even the nature of a tax relief. So that we served our function of establishing overall ceilings but, at the same time, left some flexibility with respect to program content under it.

Mr. DOMENICI. I thank the chairman for those observations, and I wholeheartedly agree with him.

I just want to spend a few minutes addressing a couple of the issues as I see them. As our good chairman remembers, when the President's three representatives came before us to discuss their economic package—the Secretary of the Treasury, the Director of OMB, and Mr. Schultze, the chairman of the Council of Economic Advisors—I spent a great deal of time on this issue of the tax rebate, the $50 rebate.

My efforts had two or three reasons behind them: I am genuinely concerned that while we need a stimulus package that there may be a better way than the $50 rebate.

My questions basically focused around the question of why do we not have a tax cut right now for the average working man and woman in America and perhaps for a portion of America's private sector? From my standpoint I was trying to make the point that small business in America needed a permanent tax cut.

I think, in the final analysis, the position that representatives of the administration were giving on that particular point was that they wanted a tax reform package to come into being in the not too distant future and they needed to wait for that as they looked at the entire tax structure of this country.

I made the point, and I make it here for my fellow Senators that I do not believe any major reform package will not have in it a 6 to 8 percent tax cut for the average working man and woman in America and a substantially similar one, if not a little higher, for small business. The reason I make that point is that if we were to cut taxes permanently, say up to adjusted gross income of $20,000 and for small businesses $100,000 in taxable income and under, we would really not be cutting their taxes in the sense of cutting back or giving them substantially more to spend. Rather, we would just be keeping pace with what inflation has done to the average taxpayer and small businessman in America because as their incomes were increased they moved into other categories and paid more taxes and their real disposal income is really less because of inflation than it should be. Therefore, it seems to me that any reform package is going to try to adjust that either on a one shot basis or by the initiation of some kind of permanent indexing in the system.

I wanted very much to make the point in the Budget Committee and I want to make it now that I truly believe the best way to stimulate the American economy now is to build some confidence in average consumers and small business persons in America, not so they will go out and make a one-time investment but so that they will have more confidence in their position as consumers next month and the month after and so that they will see in their paychecks rather consistent new money flowing into their pockets as the result of their work. I think that will cause them to buy, plan, and spend, and I think that is the best stimulus we could put in effect.

I would say for those who are interested in the Budget Committee's report there is room. As my good friend has said, if that is what this body chooses in the revenue side, there is adequate room for us to debate and vote on that very distinct option: tax rebates versus a permanent tax cut.

It is for that reason that I am here saying to those who are concerned about whether or not this resolution provides only one avenue of approach. It does not. In other functions this particular third concurrent resolution addresses two other very important issues.

Mr. MUSKIE. Mr. President, could I make a point on the position the Senator has just discussed?

Mr. DOMENICI. Indeed.

Mr. MUSKIE. This is only for the purpose of maybe adding another dimension to the discussion of it.

First of all, with respect to the nature of the tax program that we ought to adopt, I think the Senator has described very clearly the advantages of a permanent tax cut in terms of consumer confidence and its practical economic effect down the road as an important result to achieve. I think we are in agreement on that.

I think the reasons that the administration preferred to go easy on permanent tax cuts include: First, the possibility of tying tax cuts to tax reform down the road; second, to give the administration time to consider the down-year impact on revenues as against the down-year requirement for revenues after the administration has had more time to contemplate both of those down-year effects.

The administration is committed to programs of national health insurance and welfare reform. There are other big problems staring us in the face with respect to development of alternative energy sources, mass transportation, and others that the Senator from New Mexico could add as well as I.

So, the administration chose to go somewhat slow on permanent tax reductions. It did provide for a permanent increase in the standard deduction, which is a permanent tax cut, as a partial payment on a permanent tax cut.

The Senator has made a very important point that I think is beginning to get increasing public awareness. The nature of the progressive income tax is that especially with inflation the effect of inflation is to put people in higher and higher tax brackets, thus in effect increasing taxes without legislation. Congress over the last 20 years has offset that effect by tax cuts from time to time which has managed to keep the Federal share of GNP to something like 21 or 22 percent, and I think that informally in the Budget Committee we have agreed that is the level at which the Federal share ought to be held. So that that is, I think, a strong argument for permanent tax cuts.

So the disagreement really is not as to the validity of the permanent tax cuts at some point between now and 1980 but precisely when that ought to take place with maximum benefit to our people without compromising the Government's options down the road.

There is one other factor that I wish to mention with respect to this. The President was looking for continuity in his stimulus program over a 2-year period.

It was very difficult to conceive of immediate stimulus of the size that he desired in fiscal year 1977 and which is included in this resolution and in his proposal, that is, stimulus on the order of about $11 billion which represents the tax rebate.

I think there was some discussion in the committee of other possible tax formulas that could inject that kind of money at about the time this rebate money would go into the economy, but they have not yet been developed as of the time we discussed it, so there may be some other formula that would do it. But a permanent tax cut would not do it standing by itself.

The permanent tax cut would take effect about April 1 presumably and would be reflected then in ongoing reduction in withholding rates which, of course, would add to consumer confidence, but it would not provide the stimulus of a tax rebate at this point in the economy.

With respect to continuity of the stimulus, the administration was sensitive to the need of continuity. So what it undertook to put together was a 2-year package of roughly $15 billion in each year..

The PRESIDING OFFICER. The 1 hour allotted to the resolution has expired.

Mr. MUSKIE. I do not know if anyone else wanted time. I ask unanimous consent we may have another 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. That was beginning with the tax rebate now continuing with the increase in the standard deduction, which is about $4 billion at annual rate, and then phasing in job creating programs which would begin to blossom into full size about 1978. So we would move from this tax rebate to more permanent spending programs and a permanent tax deduction the second year. The idea was that with the country assured that we have a 2-year program in place that would tend to give continuity of effort and hopefully a response of confidence and growing confidence on the part of the country.

It is not as conventional or as traditionally accepted a way of doing that as the permanent tax cut. But I think the administration is trying to put together a package that will work all around.

May I make one other point? I know the Senator will respond to this, but I have to make it. That is that beginning with 1975, we have been using temporary tax cuts to stimulate the economy. The act we enacted 2 years ago this March, I believe, was a temporary program, and indeed it included tax rebates. Then we extended the permanent part of that program, I think, at least twice since that time. It will expire at the end of this calendar year and will have to be reextended.

I know the Senator's argument to that is that the taxpayer, as he sees it in his withholding rate and as he expects it to continue, does not really know it will expire. His expectations, of course, will be reinforced by the fact that we have extended it twice. Nevertheless, it was a temporary tax cut. From the point of view of those in production, of those who make management decisions and employment decisions in this country, its temporary nature was certainly clear. They might have found a permanent tax cut preferable, but we retained the option or preserving our revenue base and our options down the road rather than enact the permanent tax cut. I guess there was also a political reason between the President and the Congress, that we wanted to maintain our options in our dialog, debate, and controversy with each other. That was another reason, I suppose, for the temporary nature of the tax cuts at that time.

Mr. DOMENICI. I thank the Senator for his observations. Let me just make three or four quick points. I do not intend to belabor the issue.

Did the chairman introduce the prepared remarks of the ranking Member, the Senator from Oklahoma?

Mr. MUSKIE. Yes, I did.

Mr. DOMENICI. Let me say first I do not disagree with the President's overall amounts by way of what stimulus might be needed for the rest of this year and next year. I do not want anyone to think that because I have what I consider to be constructive alternatives, I believe the President's proposals were outlandish. Quite to the contrary, I think there are many who will insist very strongly that the overall stimulus package is not big enough. I think it is adequate, and, as I've said, perhaps we can get by with somewhat less.

I do want to make these points, however: The deficit effect of tax rebates, in my opinion, is totally out of proportion to the stimulative effect. Once we put rebates into the system and the deficit is created, it just makes it more difficult for us to arrive at that point in time when we can have a balanced budget.

In a very real way, we are beginning to understand that we have to pay that deficit back some day. As the chairman knows, the interest on the national debt is quickly becoming one of the most significant singular items in the budget. It is over $34 billion. That is an estimate. I think we have to be concerned about that.

Second, in our particular work we are constantly looking for reflows back into the tax structure from activities that are stimulative so that we find reductions in other expenses that will thus cause us to gain substantially from stimulative efforts. I think it is obvious here, too, that tax rebates do not generate a significant amount, or might I say as significant an amount, as other kinds of stimulative expenditures.

I want to raise one other point. The chairman has discussed here the fact that we have to be concerned with commitments that are yet unfulfilled, programs that might have to come into existence because of commitments and thus we want to look at the tax revenues. We should leave them alone, so to speak, until we see those commitments. I want to address this issue.

In my opinion, after 2 years on the Budget Committee, a concept I do not think many people were talking about has become very, very paramount and significant to this Senator. That is the percentage of the gross national product that goes to government, whether it be the Federal Government alone or the Federal Government in combination with State and local governments. That is the real issue.

Will we get a balanced budget with the Federal Government taking 25 percent of the gross national product some years down the line, or will we get a balanced budget at 20 percent? We are now approaching 35 or maybe 37 percent of gross national product that is going to all government, Federal, State, and local. That is the highest ever, and it is growing rapidly. I will admit it is not growing any more rapidly at the Federal level than it is when you add up State and local governments. I believe the single most important fact about America's future is how much of the productivity of our people will go to government.

Mr. MUSKIE. Will the Senator yield?

Mr. DOMENICI. May I just finish this thought? Then I will be delighted to yield.

While I think we can cut taxes right now and worry about what fits into the tax revenue pictures of our country 2 or 3 years down the line, I would rather look at it from the standpoint of less

revenue today, percentagewise, of the GNP than keep it at its present level and then see what will fit.

I am not suggesting the chairman disagrees with that position; I am just saying that is one of the reasons that I do not think we ought to wait before we enact permanent tax cuts. I think the paramount economic facts in America in terms of our growth and the well-being of our people are two things: the bigness of Government and its inefficiency, which are directly related, in my opinion, to how much of the GNP we are going to assign by our actions, direct or indirect, to the Federal Government.

I am pleased to yield to the Senator.

Mr. MUSKIE. The records of the Federal Government's percentage of the GNP has been at about 20 percent or 21 percent since World War II. So as a percent of GNP it has been fairly steady. It is a little higher than that now because of the recession which throws percentages off. It is around 23 percent now. I think when we get back to full employment it will be at a steady base of about 20 or 21 percent.

As we said earlier, all of us would use that as a target for the size of the Federal Government for the foreseeable future. So there is no disagreement about that.

The second point I would make is that the President in his package has provided tax rebates. He has also provided some permanent tax reduction at an annual rate of $4 billion. So he is moving in the direction that the Senator from New Mexico suggests. There is also the direct job creating program. Again, it is a matter of how much you do and when. I believe the administration recognizes the importance of reducing the permanent tax take of the Federal Government at such time as it has had an opportunity to get all its ducks lined up.

The failure to move as far as the Senator would in permanent tax reductions right now does not reflect a disagreement on the part of the rest of the Budget Committee or of the President. All he is asking for is what we need.

Because of the state of the economy we need a certain amount of stimulus now. This looks like a sensible package to me now. We will look at it again as we go along, including the need for permanent tax cuts.

That, to me, is a prudent approach. That is not to say that the Senator's approach is not prudent.

It is a matter of honest differences of judgment about what to do right now. I think that is what it amounts to, and I think this dialog—hopefully—will identify some of the options which we debated in the Committee on the Budget.

I notice the Senator has another point he would like to make.

Mr. DOMENICI. I want just to say, with reference to the crisis that is upon many of our people because of increased energy costs, that it is a real one. For any Member of this body who went home to visit his people during this recess, if he did not meet with senior citizens on fixed incomes, predominantly our social security recipients, he should have. I met with a number and they are no longer reluctant to stand up and show you the condition of their expenses and the amount of money they get, and something has to be done.

I understand that our national energy policy is going to be a tough one, and I do not think we are going to have cheap energy next year for working Americans or for retired Americans or for anyone else. That is an absolute fantasy, that we are going to have cheaper energy.

On the other hand, when you have literally hundreds of thousands, if not a few million, Americans who get nothing more than a social security check—and for many of them, that check is based on incomes that are not even relevant to today's incomes, because they earned them in other economic times, some getting $189; and in my State, which is not as high as some others in terms of energy cost, many are paying $38, $40, $45, as high as $46 in energy bills. That is for simple little houses, in some instances for apartments that they rent. We just have to do something at the State level and national level to help with that.

I want to say, on that score, that while I might support the rebate for the social security people that is contained in the President's request and provided for in these recommendations, that was not its intent and that will not do the job, because that expense is not going to go away. That irrational relationship of $44 for energy to a $200 social security recipient, in our part of the country, did not come about because of severe weather. We did not have severe weather the 6 weeks that we had it back here. That is going to be an ongoing, serious problem that we must address and we must address it in a manageable manner, in an orderly manner—not with another program that is filled with regulations and they all have to go sign up for. That may help a few of our poor people, but we have to address the issue in a very broad way.

I do not have the answer. I do not know what it is. I hope the levels in the resolution will accommodate that if someone finds a manageable, orderly way to perhaps subsidize our States, perhaps subsidize ad valorem taxes, perhaps add on revenue sharing in some way to be used as an offset against property taxes. I do not know which approach to take, but it is serious and must be addressed.

In closing, on the rebates themselves for the working people of the country, as contrasted to the fixed income people, I am not opposed to that because I do not want to give the family $50 or $100 or $250. I am on record as wanting to give them a permanent tax cut, which, over the years, will give them more and give it to them consistently. But the principal reason for making these adjustments is that we need a stimulus. Our economy is not producing at as high a level as it should. There is not sufficient demand, so supply is not being generated, so people are not being put to work. But I do not think that there is good evidence that the tax rebate will be used to purchase the kinds of things that will cause that demand to increase substantially and do so with the consistency sufficient for the enterprise sector of America to respond and increase supply and hire people.

I am delighted to tell the Senate that the Committee on the Budget has done an excellent job of analyzing the makeup of unemplyoment in this country and there is a good, objective analysis now, clearly indicating that significant portions of the unemployment problem in our country are structural, not cyclical. There are various definitions of that, but let me give you mine in the context of my comment.

Cyclical is the kind of unemployment which comes about because the economy is down, and, therefore, there are not enough jobs for those who were previously employed and able and trained; whereas, structural is the kind that is going to be there substantially, even when the economy is moving ahead at satisfactory rates. Structural unemployment is the tough one. We do not know exactly how to cure it and, more importantly, it is predominantly comprised of young people.

We believe that 50 percent of the unemployed in this country are from 16 to 24 years of age. I submit that we have to find ways and means, even if it costs substantial amounts of money, to address that issue. Either we are not training them properly, or we are not matching their skills, or we are not giving them the kinds of opportunity, because of structures that are in their way—I do not know what they are, but people have said it is everything from minimum wage to the fact that they are not properly trained to the fact that it is hard to get part-time jobs for young people. We know the problems are there.

I am delighted that this particular resolution contains within its recommended figures, not by way of identifying the proposal I support specifically, but within function 500, which contains CETA and some other programs. The committee has obviously put sufficient latitude for a major American thrust at helping the unemployed youth of this country find work. I think that is absolutely mandatory.

It cannot be delayed if we figure out a program that will be cost-effective. It will be far more cost-effective than more macrostimulus as to those unemployed youth looking for work.

The facts are also very clear that macrostimulus does not respond very well in that arena, or shall I say that arena of unemployed does not respond very well to that macrostimulus. So those in the substantive committees of the Senate have some serious challenges here. I hope that we use the CETA umbrella, but that we seriously consider permitting CETA to have a principal charge for young people, a new thrust, and that they are given the latitude for the first time under the umbrella of CETA, the Comprehensive Employment Training Act, to address some effort at the private employment sector for young people under the auspices of local prime sponsors around the country, who know the dimension of the problem, know the nature of the problem, and will far better address it than for us to try to resolve that youth problem nationally as if it were homogeneous.

One last remark on that score. Much has been said in this country that youth unemployment is a problem of the big cities of America. Indeed, it is. But there is serious misunderstanding if people assume that it is exclusively or even predominantly the problem of major American metropolitan centers. It is not so, according to the best information we could find out. Heavy youth unemployment is kind of homogeneous across the country. It festers in rural America, smalltown America, medium-sized, and urban centers. And any program must be directed at all of them, in my opinion. We might have some specific help for our major cities, but there is no question that youth unemployment, the inability of young people to find something to bridge that gap between youth and adulthood and learn the system, and make something of themselves while they are in those years, is deficient across this country in urban, rural, and medium-sized towns. It is just everywhere in about the same proportion.

Mr. President, I yield the floor.

Mr. MUSKIE. Mr. President, just an additional response to the Senator.

Mr. President, the distinguished Senator has made the same eloquent plea on the floor that he did in committee in respect to youth unemployment.

As he indicated, I think the reaction of the committee was unanimously in support. Frankly, there is considerable frustration in the committee that we have really put together a program that targets that particular unemployment problem, as we hope we can find the wisdom to do before we get through the work of this session of the Congress.

So I associate myself with what the Senator said on that.

With respect to the problem of our senior citizens, I associate myself with that, also.

I make the point that that is still another addition to the agenda of items we will find ourselves dealing with which have serious budgetary implications. We have to keep our options open as much as we can while we move to deal with those immediate problems.

Mr. BIDEN. Mr. President, I am speaking today in support of the third concurrent resolution on the budget for fiscal year 1977. This resolution will provide help for those who are the innocent victims of our economic ills—both unemployment and inflation.

Quite candidly, I do not speak in favor of this resolution because I like the higher deficit numbers it proposes. I do not like them. They are not my kind of numbers.

However, I must support this resolution because responsible action to protect our Nation's economic health leaves me no alternative. Our continued sluggish economy leaves no alternative. Our continued high unemployment leaves no alternative. Our unstable inflation rate leaves no alternative.

And looking further to the future—say 5 years—the need for a healthy economy and a balanced budget leave no alternative.

There are at least two domestic policy goals for the next few years that we all share. What is more, these goals are interdependent—success in one depends on the accomplishment of the other. These major goals are the improved health of our economy—and a balanced budget. Long-term improvement and stability of the economy—including lower inflation—depend upon continued steady progress toward a balanced budget and fiscal integrity. Equally, a balanced budget depends upon an economy which thrives and provides additional revenues, and reduces unemployment and the need for many recession-created spending programs.

Accomplishing our goals of a balanced budget with low unemployment and low inflation, depend directly upon economic growth in the private sector. Ultimately, in all our economic considerations, it is private sector activity and employment that make the difference. However, although business activity in this recovery period is about average for such a period, the recession was much deeper than the others. Therefore, the private sector has been slow to pull out of the recent recession. This is evidenced by the wide agreement among business leaders that Government stimulus of the economy is essential.

A recent sobering report by the Congressional Budget Office shows that without unprecedented growth in our economy we may have to settle for only one of our two goals in the next 5 years—either high employment or a balanced budget—but not both. Right now the private sector shows no signs of being able to forge ahead on an unprecedented scale of activity. Quite the contrary; however, this does not mean we should despair of achieving our objectives. We must see what can be done.

Right now we are at a particularly delicate point. The economy has made some forward progress, but that has slacked off. Inflation is stable, but the rate is still high. Unemployment levels are unacceptable. We have a long way to go to bring the budget into balance.

However, the still ailing economy is retarding the budget's return to balance. A major question pressing us is how we should adjust our present fiscal policy to improve the economic outlook now, while moving toward a balanced budget in the next few years. We have come to a delicate turning point in the economy—with economic growth just coming out of a backslide; unemployment high; and the direction of inflation uncertain.

As we look at the needs of the economy, we must also look at the effect of various economic policies on the Federal budget and our need to bring it into balance. Will certain action—or lack of it—stimulate the economy and lead to the healthy economic climate that will help balance the budget in the years ahead? Or will what we do simply create greater deficits, unbalance the budget in the years ahead with resultant serious effects on the economy, particularly inflation?

The deficit we have now, and the further deficit that will be caused by this resolution, is primarily caused by the present unhealthly economic climate. Revenues are way down due to the recession. And many expenses, like unemployment compensation, are up due to the recession. What we need for a balanced budget is an improved economy that will increase revenues and decrease our temporary expenses. When economic progress sticks, sometimes an investment by the Federal Government—to help consumers get back in the marketplace or to encourage businessmen to move ahead—is just what is needed to get the economy rolling and balance the budget. So a relatively small investment by the Federal Government now can both help people who are hurt by the recession and provide the climate necessary to balance the budget. That is what is called for in this budget resolution.

Recent economic performance has been disappointing. After starting the year at a fast clip of 9.2 percent real growth in the first quarter, GNP growth slid to 3 percent in the last quarter.

Although economic growth for 1976 as a whole was just over 6 percent, the slide in growth during the second half of 1976 leads many economists to project GNP growth rates in 1977 as low as 4 percent. This level of real growth will not be enough to generate new jobs to make a significant dent in unemployment. Even assuming a stimulus similar to that in this resolution, the Congressional Budget Office forecasts that real GNP will grow only at a 4.7-percent rate and that unemployment may not get down to 7 percent in 1977. This is indeed a dismal outlook.

Equally dismal is the outlook for the behavior of the Consumer Price Index. The increase was around 5.7 percent in 1976. However, it may be expected to rise in 1977 and perhaps hit an annual rate of 6 percent toward the end of the year. The question is whether inflation is sufficiently calmed at this point to permit substantial economic growth without starting another inflationary spiral. Not only does inflation erode the earnings of the workingman, it also makes our efforts toward a balanced budget and a stable economy more difficult.

However, although we should welcome the slower growth in prices, should we be satisfied with it? I think not. While a rate of inflation between 5 and 6 percent is better, it is not good. It is helpful to place current figures in a historical perspective over the last 20 years. In the 10 years from 1956 through 1965, the CPI never rose more than 3 percent in any year. In the next 10 years, from 1966 through 1975, inflation rates were higher. However, even in this period of higher inflation—including the famous 12.2 percent in 1974—the rate was lower than the 5 to 6 percent range, now sometimes labeled as "tolerable," in 5 of the 10 years. So by any historic standard, our present rates of inflation are as intolerable as our unemployment rates.

One of the most difficult problems is knowing how to control inflation, short of such drastic and unacceptable means as wage and price controls. While I do not mean to propose a comprehensive

program here, one important measure deserves special mention: A balanced budget. Ironically, to achieve this may mean stimulating the economy more at this time through Federal spending or tax reduction, as is proposed in this resolution, to end a recession-induced deficit. However, once the economy starts to move ahead, it is essential that all spending be restrained and special antirecession programs be stopped. Running a Federal deficit with a full-steam economy is a sure invitation to inflationary disaster.

Fortunately, one prescription should help alleviate both of our present ills. The economic stimulus will help promptly to create more jobs and put people back to work in the private sector. In addition, the stimulus should give the economy the shove it needs to reach levels that put a balanced budget within reach. And if we can achieve the balanced budget we will remove a major inflationary pressure.

In a few months we will be back here on the Senate floor talking about a budget for fiscal year 1978. None of the problems we face today will have gone away in that short time. We will have difficult choices to make as we try to read the future. What level of economic recovery can be expect? How can we hold down the size of Federal spending in relation to the private sector? How are we going to balance the budget? These are going to be hard questions to answer and I do not profess to have the answers yet.

However, I think the path today is clear, if painful. We must proceed with this third resolution to move our country along the path to economic recovery.

Mr. MUSKIE. Mr. President, I express at this point my appreciation for Senator BIDEN's commitment to this process.

I say the same about the distinguished Presiding Officer (Mr. NUNN), who has chosen to leave us this year. In any case, we have appreciated the contribution he has made.

Mr. President, I yield the floor.

APPOINTMENTS TO SELECT COMMITTEE ON INTELLIGENCE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, in accordance with provisions of Senate Resolution 400, 94th Congress, and Senate Resolution 4, 95th Congress, appoints the following Senators to the Senate Select Committee on Intelligence: The Senator from Kansas (Mr. PEARSON) in lieu of the Senator from South Carolina (Mr. THURMOND) resigned, the Senator from Rhode Island (Mr. CHAFEE) in lieu of the Senator from Vermont (Mr. STAFFORD) resigned, and the Senator from Indiana (Mr. LUGAR) in lieu of the Senator from Oregon (Mr. HATFIELD) resigned.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 o'clock noon tomorrow.

At 12:15 p.m., Senators will gather in a body to proceed to the Hall of the House of Representatives for a joint meeting which will be addressed by Prime Minister Trudeau of Canada.

Upon the completion of the address, Senators will return to the Senate Chamber, at which time the Senate will resume consideration of the third concurrent resolution on the budget for fiscal year 1977. There is a time limit of 4 hours on the resolution. There will be a rollcall vote on the adoption of the resolution.

So there will be at least one rollcall vote tomorrow.

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 4:04 p.m., the Senate recessed until tomorrow, Tuesday, February 22, 1977, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate on February 14, 1977, under the order of February 11:

DEPARTMENT OF JUSTICE

Daniel J. Meador, of Virginia, to be an Assistant Attorney General, vice A. William Olson, Jr., resigned.

DEPARTMENT OF STATE

The following-named person for reappointment in the Foreign Service as a Foreign Service officer of class 3, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Jane Abell Coon, of the District of Columbia.

For appointment as a Foreign Service officer of class 3, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Francis Anthony Forgione, of Massachusetts.

For appointment as a Foreign Service information officer of class 3, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Frank H. Phillips, of New York.

For appointment as a Foreign Service information officer of class 4, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

James J. Hogan, Jr., of New York.

For reappointment in the Foreign Service as a Foreign Service officer of class 5, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Ernest D. Oates, of Utah.

For appointment as Foreign Service officers of class 5, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Justice Bowers Stevens, of California.
Mary Elizabeth Swope, of Virginia.
John A. Vieira, of Florida.

For appointment as Foreign Service information officers of class 5, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Tyrone William Kemp, of New York.
Craig Butler Springer, of Connecticut.

For promotion from a Foreign Service officer of class 7 to class 6:

Douglas V. Ellice, Jr., of Connecticut.

For appointment as a Foreign Service officer of class 6, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

Kirk-Patrick Kotula, of New Jersey.

For appointment as a Foreign Service information officer of class 6, a Consular Officer, and a Secretary in the Diplomatic Service of the United States of America:

David L. Evans, of Colorado.

For appointment as Foreign Service officers of class 7, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

John H. Bargeron, Jr., of Pennsylvania.
Vincent M. Battle, of New York.
Harold C. M. Baum, of New York.
Linda Adriene Baumann, of the District of Columbia.
William M. Bellamy, of California.
Anthony Benesch, of Maryland.
Robert O. Benson, of Maryland.
Brian J. Blood, of Virginia.
Ralph L. Boyce, Jr., of Virginia.
Paul Michael Bunge, of the District of Columbia.
Thomas A. Cadogan, of Maryland.
Stuart Z. Chiron, of the District of Columbia.
Charles Irvin Cohen, of Maryland.
Lawrence Witten Coor, of Arizona.
Matthew Patrick Daley, of the District of Columbia.
Mary Marchany Daniel, of Puerto Rico.
Francis Marion Davenport III, of New Hampshire.
Mark Gregory Davison, of Texas.
Sandra Addie Dembski, of Connecticut.
Joseph R. Donovan, Jr., of New York.
Carl E. Dorris, of Oklahoma.
Robert S. Faron, of the District of Columbia.
Brian M. Flora, of Florida.
C. Lawrence Greenwood, Jr., of Florida.
Douglas Alan Hartwick, of Washington.
John Martin Hoover, of Virginia.
Arnold Horowitz, of Virginia.
Vicki J. Huddleston, of Arizona.
Mark L. Jacobs, of New York.
Patricia A. Kim, of California.
Stephanie Smith Kinney, of Florida.
John Louis Klekas, of Utah.
Louis J. Kochanek, of Missouri.
Jimmy J. Kolker, of South Dakota.
Donald Roy Lyman, of Florida.
Steven R. Mann, of Pennsylvania.
Stephen George McFarland, of Texas.
Nancy M. Mason, of the District of Columbia.
Martha McLogan, of Michigan.
John Medeiros, of Massachusetts.
Wayne Edward Miele, of Florida.
James Brent Miller, of Utah.
Bruce F. Morrison, of New York.
Roger Christopher Nottingham, of Indiana.
John O'Leary, of Illinois.
David A. Olive, of Illinois.
T. Dennis Reece, of Indiana.
James Montgomery Roberts, of Texas.
Vladimir Peter Sambaiew, of New Jersey.
Edward Bryan Samuel, of Delaware.

Roger Everett Sawyer, of Indiana.
Robert J. Smolik, of California.

Richard J. J. Sullivan, Jr., of the District of Columbia.

Thomas David Sutton, of Pennsylvania.
Barbara J. Tobias, of New Jersey.
Donald Paul Trader, of Georgia.
Douglas G. Van Treeck, of Wisconsin.
Joseph Lacy Warner, of Florida.
Daniel P. Weber, of Illinois.
David Thomas Wolfson, of Maryland.
James Howard Yellin, of Pennsylvania.

For appointment as Foreign Service information officers of class 7, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Kathleen A. Brion, of Virginia.
Mark E. Dillen, of the District of Columbia.
Cindy J. Fox, of New York.
Judith L. Greenberg, of New York.
Thomas G. Hart, of Connecticut.
John F. Mizroch, of Virginia.
Marvin D. Pinkert, of Virginia.
Nancy LeRoy Rosenblum, of Michigan.
Arthur Zegelbone, of Illinois.

For appointment as Foreign Service officers of class 8, Consular Officers, and Secretaries in the Diplomatic Service of the United States of America:

Richard Warren Behrend, of Pennsylvania.
Donald E. Booth, of Massachusetts.
Raymond E. Clore, of California.
Stephen J. Gallogly, of Rhode Island.
Richard A. Garrison, of Colorado.
Marc I. Grossman, of California.
Dennis K. Hays, of Virginia.
Frank Arthur Hofmann, of Oregon.
Patrick David Husar, of Ohio.
Michael Allen Jacobs, of California.
Frances F. Kjelleren, of New York.
Paul Conley Kline, of California.
Eric A. Kunsman, of Pennsylvania.
Joan Clare Martin, of West Virginia.
Sharon K. Mercurio, of Virginia.
Nancy J. Powell, of Iowa.
Steven A. Saboe, of Minnesota.
James Curtis Struble, of California.

Elena Michele Thoren, of the District of Columbia.

Mark A. Tokola, of Washington.
Peter B. Vaden, of Virginia.
Larry L. Woodruff, of Iowa.

For appointment as Foreign Service information officers of class 8, Consular Affairs, and Secretaries in the Diplomatic Service of the United States of America:

Diane Debuck, of Virginia.
Frederick M. Knapp, of New Jersey.

Foreign Service reserve officer to be a Consular Officer of the United States of America:

Francis J. Caffrey, of California.

Foreign Service reserve officers to be Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

Gwendolyn Y. Alexis, of New York.
Edward John Bash, Jr., of Florida.
Taylor Belcher III, of Virginia.
Barbara E. Belsito, of Florida.
Patricia A. Billson, or Florida.
Paul F. Bradley, of Virginia.
Elizabeth I. Burke, of the District of Columbia.

Guy Burton, of New Jersey.
Richard F. Chiarantona, of Virginia.
Harold E. Culbertson, of California.
Marvin L. Garrett, Jr., of Texas.
Comer Wiley Gilstrap, Jr., of Maryland.
John I. Guilsher, of Connecticut.
Gardner R. Hathaway, of Virginia.
Thomas J. Hawley, of Ohio.
Joseph A. Kiehl, of Virginia.
Joseph J. Kozlowski, of New York.
Alan Bryan Cedrick Latimer, of Georgia.
M. Diane Le Zotte, of California.
John H. Lopez, of Virginia.
Richard F. Mahoney, of California.
Louis A. McCall, of Ohio.
James L. McCarthy, of Pennsylvania.
Ferenc Molnar, of Virginia.
Rosil A. Nesberg, of Washington.
Steve A. Nielsen, of Iowa.
James G. Norman, of Virginia.
Martha Ellen O'Keefe, of Colorado.
Richard W. Osborne, of Maryland.
Robert P. Richardson, of California.
John W. Sears, of Virginia.
Edward J. Smith, of Virginia.

Foreign Service reserve officers to be Secretaries in the Diplomatic Service of the United States of America:

Peter M. Cody, of California.
Charles L. Gladson, of California.
Charles J. Herter, of New York.
Carol A. Roehl, of Texas.
Allen J. Vander Weyden, of California.

Foreign Service staff officers to be Consular Officers of the United States of America:

John P. Carlson, of Virginia.
Robert M. Feathers, of California.

Executive nominations received by the Senate on February 15, 1977, under the order of February 11th:

DEPARTMENT OF DEFENSE

Thomas B. Ross, of the District of Columbia, to be an Assistant Secretary of Defense, vice M. Alan Woods, resigned.

IN THE AIR FORCE

The following Air Force officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

LINE OF THE AIR FORCE

To be major

Bauer, Fred L., [redacted].

To be first lieutenant

Engel, Connie J., [redacted].

The following Air Force officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, with dates of rank to be determined by the Secretary of the Air Force:

MEDICAL CORPS

To be colonel

Olson, Robert M., [redacted].

To be lieutenant colonel

Jones, Otis W., [redacted].
Voskovitch, James W., [redacted].

To be major

Huber, Stanley J., [redacted].
Shapiro, Allen, [redacted].

To be first lieutenant

Fort, Darrell L., [redacted].
Ramsay, John D., [redacted].
Strickland, Daniel M., [redacted].

DENTAL CORPS

To be captain

Bobroff, Andrew F., [redacted].
Huot, Robert H., [redacted].
Millsop, James K., [redacted].
Warnick, John G., [redacted].

To be first lieutenant

Daniel, Benge R., [redacted].
Rudd, Robert W., [redacted].
Stilley, John F., [redacted].

JUDGE ADVOCATE

To be major

Wilkerson, John H. L., [redacted].

To be captain

Jeroslow, Steven L., [redacted].

VETERINARY CORPS

To be captain

Bauer, John W., [redacted].

The following-named Air Force officer for reappointment to the Active List of the Regular Air Force, in the grade of colonel, Regular Air Force, under the provisions of section 1210 and 1211, Title 10, United States Code, with active duty grade of temporary brigadier general, in accordance with sections 8442 and 8447, Title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Fogle, James M., [redacted].

The following-named Air Force officer for reappointment to the Active List of the Regular Air Force, in the grade of major, Regular Air Force, under the provisions of sections 1210 and 1211, Title 10, United States Code, with active duty grade of temporary lieutenant colonel, in accordance with sections 8442 and 8447, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duty indicated:

NURSE CORPS

To be major

Coombs, Bertha L., [redacted].

The following persons for appointment as Reserve of the Air Force in the grade indicated, under the provisions of section 593, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be colonel

Ferrari, Victor J., Jr., [redacted].

To be lieutenant colonel

Adams, Richard M., [redacted].
Aldape-Cantu Hector R., [redacted].
Allen, Frank R., [redacted].
Arellano, Eugene W., [redacted].
Ariagno, Richard P., [redacted].
Armstrong, Rafael B., [redacted].
Baker, Mason R., [redacted].
Batson, Haliburton C., [redacted].
Bisharat, Emile H., [redacted].
Boyce, Merle H., [redacted].
Brenner, Harris, [redacted].
Caton, James W., [redacted].
Chelsky, Morris, [redacted].
Conn, Raymond A., [redacted].
Crowe, Findlay C., [redacted].
Davis, John B., [redacted].
Dawson, Alan D., [redacted].
Dean, Gilbert O., Jr., [redacted].
Donovan, Robert S., [redacted].
Dubin, William M., [redacted].
Erickson, Miles A., [redacted].
Frie, Charles H., [redacted].
Gibbs, Donald C., [redacted].
Gigliotti, Anthony C., [redacted].
Graham, John L., [redacted].
Hansen, John G., [redacted].
Harris, Eddie H., [redacted].
Hirohata, Ronald I., [redacted].
Hoffman, Leroy K., [redacted].
Houts, Richard E., [redacted].
Imperi, Lillian L., [redacted].
Jackson, Bruce G., [redacted].
Jardon, Oscar M., [redacted].
Jones, George P., Jr., [redacted].
Kerwood, Robert I., [redacted].
Keswani, Doulat L., [redacted].
Kimmch, Haydee J., [redacted].
Kolberg, Erick R., [redacted].
Labarre, Gary C., [redacted].
Lapan, Joseph, [redacted].
Levy, Richard A., [redacted].
Limanni, Charles, [redacted].
Lowery, Guy A., [redacted].
Malin, Sarah A., [redacted].
Mamawal, Mauro B., [redacted].
Miller, James B., [redacted].

Mintek, Victor J., xxx-xx-xxxx.
Mitteldorf, Julian W., xxx-xx-xxxx.
Morse, Harry R., xxx-xx-xxxx.
Nathan, Lester A., xxx-xx-xxxx.
Neal, Ronald H., xxx-xx-xxxx.
Pantoja, Enrique, xxx-xx-xxxx.
Rudin, Norman, xxx-xx-xxxx.
Schneider, Ernest, xxx-xx-xxxx.
Shillinglaw, Richard G., xxx-xx-xxxx.
Stoll, Friedrich E., xxx-xx-xxxx.
Strausbaugh, Curtis B., xxx-xx-xxxx.
Tindall, John P., xxx-xx-xxxx.
Watters, John A., Jr., xxx-xx-xxxx.
Wells, David M., xxx-xx-xxxx.
Wells, James R., xxx-xx-xxxx.
Whittemore, Joe D., xxx-xx-xxxx.
Wiese, Lowell M., xxx-xx-xxxx.
Wiley, John K., xxx-xx-xxxx.
Wilkins, Frederick M., xxx-xx-xxxx.
Wisehart, Willard J., xxx-xx-xxxx.

DENTAL CORPS

To be lieutenant colonel

Maestrelli, Raymond C., xxx-xx-xxxx.
McIlwain, James E., xxx-xx-xxxx.

The following-named persons for appointment as a Reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593 and 8351, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Mattingly, Thomas E., Jr., xxx-xx-xxxx.
Smith, Robert L., xxx-xx-xxxx.
Weaver, Donald S., xxx-xx-xxxx.

The following person for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of sections 593 and 1211, Title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Glade, Gerald L., xxx-xx-xxxx.

The following persons for appointment as Temporary officers in the United States Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, Title 10, United States Code, with a view to designation under the provisions of section 8067, Title 10, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Adams, Richard M., xxx-xx-xxxx.
Allen, Frank R., xxx-xx-xxxx.
Arellano, Eugene W., xxx-xx-xxxx.
Ariagno, Richard P., xxx-xx-xxxx.
Baker, Mason R., xxx-xx-xxxx.
Balletti, Albert A., xxx-xx-xxxx.
Batson, Haliburton C., xxx-xx-xxxx.
Bisharat, Emile H., xxx-xx-xxxx.
Brandt, Eldon D., xxx-xx-xxxx.
Brenner, Harris, xxx-xx-xxxx.
Brodie, Donald E., xxx-xx-xxxx.
Cabatbat, Inocenzio B., xxx-xx-xxxx.
Caton, James W., xxx-xx-xxxx.
Chelsky, Morris, xxx-xx-xxxx.
Chi Yong-Min, xxx-xx-xxxx.
Cobb, James R., xxx-xx-xxxx.
Conn, Raymond A., xxx-xx-xxxx.
Crowe, Findlay C., xxx-xx-xxxx.
Davis, John B., xxx-xx-xxxx.
Davis, Merritt G., Jr., xxx-xx-xxxx.
Dawson, Alan D., xxx-xx-xxxx.
Dean, Nowlan K., xxx-xx-xxxx.
Deiparine, Nenita C., xxx-xx-xxxx.
Dewitt, Dexter D., xxx-xx-xxxx.
Donovan, Robert S., xxx-xx-xxxx.
Drews, Genevieve A., xxx-xx-xxxx.
Dubin, William M., xxx-xx-xxxx.
Eaton, Wyley E., xxx-xx-xxxx.
Erickson, Miles A., xxx-xx-xxxx.
Frie, Charles H., xxx-xx-xxxx.
Gable, Franklin E., xxx-xx-xxxx.
Gibbs, Donald C., xxx-xx-xxxx.
Gigliotti, Anthony C., xxx-xx-xxxx.
Hall, Teodora de Leon, xxx-xx-xxxx.
Hansen, John G., xxx-xx-xxxx.
Harris, Eddie H., xxx-xx-xxxx.
Hiatt, Wood C., xxx-xx-xxxx.
Hoffman, Leroy K., xxx-xx-xxxx.
Houts, Richard E., xxx-xx-xxxx.
Imperi, Lillian L., xxx-xx-xxxx.
Jones, George P., Jr., xxx-xx-xxxx.
Kennedy, Russell V., xxx-xx-xxxx.
Kerwood, Robert I., xxx-xx-xxxx.
Keswani, Doulat L., xxx-xx-xxxx.
Kimmich, Haydee J., xxx-xx-xxxx.
Kirsch, Alan J., xxx-xx-xxxx.
Kolberg, Erick R., xxx-xx-xxxx.
Lapan, Joseph, xxx-xx-xxxx.
Lennertz, James A., xxx-xx-xxxx.
Levy, Richard A., xxx-xx-xxxx.
Liest, Edward J., xxx-xx-xxxx.
Limanni, Charles, xxx-xx-xxxx.
Lowery, Guy A., xxx-xx-xxxx.
Lozada, Eriberto S., xxx-xx-xxxx.
Luz, Pablito S., xxx-xx-xxxx.
Malin, Sarah A., xxx-xx-xxxx.
Mamawal, Mauro B., xxx-xx-xxxx.
McMullen, Douglas B., xxx-xx-xxxx.
Merwin, Ronnie R., xxx-xx-xxxx.
Mintek, Victor J., xxx-xx-xxxx.
Mitteldorf, Julian W., xxx-xx-xxxx.
Morse, Harry R., xxx-xx-xxxx.
Murdock, Kenneth A., Jr., xxx-xx-xxxx.
Neal, Ronald H., xxx-xx-xxxx.
Nemes, Ervin L., xxx-xx-xxxx.
Nemes, Zita C., xxx-xx-xxxx.
Nobles, Travis, xxx-xx-xxxx.
Northington, Floyd C., xxx-xx-xxxx.
Pantoja, Enrique, xxx-xx-xxxx.
Pettit, John W., xxx-xx-xxxx.
Pinto, Benjamin F., xxx-xx-xxxx.
Rodriguez, Aurora J., xxx-xx-xxxx.
Rodriguez-Tellez, Jaime, xxx-xx-xxxx.
Rudin, Norman, xxx-xx-xxxx.
Schmitz, George F., xxx-xx-xxxx.
Schneider, Ernest, xxx-xx-xxxx.
Seth, Suman, xxx-xx-xxxx.
Shillinglaw, Richard G., xxx-xx-xxxx.
Strausbaugh, Curtis B., xxx-xx-xxxx.
Studwell, Alfred W., xxx-xx-xxxx.
Sue, Samuel S., xxx-xx-xxxx.
Sulse, Angel De La Cruz, xxx-xx-xxxx.
Tindall, John P., xxx-xx-xxxx.
Wallace, Edward R., xxx-xx-xxxx.
Wasserman, James M., xxx-xx-xxxx.
Wells, James R., xxx-xx-xxxx.
White, Nelson P. H., xxx-xx-xxxx.
Whittemore, Joe D., xxx-xx-xxxx.
Wiese, Lowell M., xxx-xx-xxxx.
Wilkins, Frederick M., xxx-xx-xxxx.
Wisehart, Willard J., xxx-xx-xxxx.

JUDGE ADVOCATE

To be lieutenant colonel

*Brooks, William W., xxx-xx-xxxx.

CHAPLAIN

To be lieutenant colonel

*Barrett, Bruce E., xxx-xx-xxxx.

The following officer for appointment as Reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593, 8351 and 8392, Title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Stough, Carroll H., xxx-xx-xxxx.

The following officers for appointment as Reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593 and 8351, Title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Atkinson, Clarence E., xxx-xx-xxxx.
Gardner, Je E., xxx-xx-xxxx.
Patterson, Grady L., Jr., xxx-xx-xxxx.

*Recess appointments by President December 27, 1976.

LINE OF THE AIR FORCE

To be lieutenant colonel

Gemberling, Edwin L., xxx-xx-xxxx.

The following persons for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of section 593, Title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Courtwright Benjamin F., Jr., xxx-xx-xxxx.
McGuire, Robert B., xxx-xx-xxxx.

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, Title 10, United States Code:

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Bell, Lowell L., xxx-xx-xxxx.

MEDICAL CORPS

McGovern, Edward L., xxx-xx-xxxx.
Odell, Stanley E., xxx-xx-xxxx.
Resnick, Nolan, xxx-xx-xxxx.

LINE OF THE AIR FORCE

MAJOR TO LIEUTENANT COLONEL

Alexander, Howard J., xxx-xx-xxxx.
Chellino, Edward C., xxx-xx-xxxx.
Clinton, Richard E., xxx-xx-xxxx.
Davidson, Vernon L., xxx-xx-xxxx.
Fosgate, Kenneth R., xxx-xx-xxxx.
Glover, William F., xxx-xx-xxxx.
Katz, Norman E., xxx-xx-xxxx.
Middleton, Richard R., xxx-xx-xxxx.
Neukamm, David J., xxx-xx-xxxx.
Peden, Roger L., xxx-xx-xxxx.
Steele, John J., Jr., xxx-xx-xxxx.
Stitzel, John T., xxx-xx-xxxx.

MEDICAL CORPS

Anderson, John A., xxx-xx-xxxx.
Arroyoscotoliff, Hector A., xxx-xx-xxxx.
Barbour, Neil G., xxx-xx-xxxx.
Bedingfield, John R., Jr., xxx-xx-xxxx.
Beineke, Daniel D., xxx-xx-xxxx.
Bradley, Herbert E., xxx-xx-xxxx.
Calene, James G., xxx-xx-xxxx.
Candy, Jon W., xxx-xx-xxxx.
Darienzo, Charles M., xxx-xx-xxxx.
Davis, James C., xxx-xx-xxxx.
Emmite, Joseph P., xxx-xx-xxxx.
Falter, Maria L., xxx-xx-xxxx.
Fielding, John D., Jr., xxx-xx-xxxx.
Garcia, Raymond L., xxx-xx-xxxx.
Hilleboe, John W., xxx-xx-xxxx.
Koenigsberg, Edward J., xxx-xx-xxxx.
Laborati, Juan C., xxx-xx-xxxx.
Lavarreda, Carlos A., xxx-xx-xxxx.
Lina, Manuel S., xxx-xx-xxxx.
Machowski, Roman J., xxx-xx-xxxx.
Mapes, Donald L., xxx-xx-xxxx.
Moore, Allen H., Jr., xxx-xx-xxxx.
Oania, Maximo A., xxx-xx-xxxx.
Otte, Carl W., xxx-xx-xxxx.
Payne, James E., Jr., xxx-xx-xxxx.
Reeves, Homer L., xxx-xx-xxxx.
Roberge, Joseph L., xxx-xx-xxxx.
Sample, Robert L., xxx-xx-xxxx.
Shanklin, Kenneth D., xxx-xx-xxxx.
Slaton, James K., xxx-xx-xxxx.
Smith, Stuart J., xxx-xx-xxxx.
Sunday, John L., xxx-xx-xxxx.
Trevino, Saul G., xxx-xx-xxxx.
Trick, Lorence W., xxx-xx-xxxx.

NURSE CORPS

Atkinson, Angelica, xxx-xx-xxxx.
Calisi, John J., xxx-xx-xxxx.
Lee, Florence L., xxx-xx-xxxx.
Liberty, Gail N., xxx-xx-xxxx.
Williams, Ella E., xxx-xx-xxxx.

BIOMEDICAL SCIENCES CORPS.

Kamerbeek, Maria G., xxx-xx-xxxx.

The following Air Force officer for appointment as a permanent professor, United States Air Force Academy, under the provisions of section 9333(b), Title 10, United States Code:

Shuttleworth, Jack M., xxx-xx-xxxx.

IN THE NAVY

The following named line officer of the United States Navy for appointment in the Supply Corps as permanent lieutenant and temporary lieutenant commander:

Schlegel, Merrill E., II.

The following named line officer of the United States Navy for appointment in the Supply Corps as permanent lieutenant (junior grade) and temporary lieutenant:

Schaffer, John E.

Lieutenant Howard W. Dawson, Jr., U.S. Navy, an officer of the line, for appointment in the Supply Corps as permanent lieutenant.

Lieutenant (junior grade) Richard N. Bradshaw, U.S. Navy, an officer of the line, for appointment in the Supply Corps as permanent lieutenant (junior grade).

The following named line officers of the United States Navy for appointment in the Supply Corps as permanent ensigns:

Baumgarten, John A.
Maibum, David W.
Sheppard, Leslie C.
Szafran, Clifford E.
Frew, Barry A.
Nemechek, Michael M.
Spraglin, Ricardo D.

The following named line officer of the United States Navy for appointment in the Civil Engineer Corps as permanent lieutenant (junior grade) and temporary lieutenant:

Lappano, Gilbert C.

The following named line officers of the United States Navy for appointment in the Civil Engineer Corps as permanent ensigns and temporary lieutenants (junior grade):

Asmussen, William C.
Tyler, Bruce D.

Lieutenant (junior grade) Joseph D. Robert, U.S. Navy, an officer of the line, for appointment in the Civil Engineer Corps as permanent lieutenant (junior grade).

Ensign George H. Titus, U.S. Navy, an officer of the line, for appointment in the Civil Engineer Corps as permanent ensign.

The following named line officers of the United States Navy for appointment in the Judge Advocate General's Corps as permanent lieutenants (junior grade) and temporary lieutenants:

Bagley, David V., II
Champagne, Gerald E.
Park, James D.
Rae, Robert B.
Switzer, David R.
Walsh, Richard F.
Becker, Fred R., Jr.
Freidman, Leonard
Pixa, Rand R.
Smitherman, William T.
Tapajcik, John M.

The following named line officers of the United States Navy for appointment in the Judge Advocate General's Corps as permanent lieutenants:

Kusiak, Patrick J.
Monagle, Daniel E.
McCabe, Sally J.

The following named line officers of the United States Navy for appointment in the Judge Advocate General's Corps as permanent lieutenants (junior grade):

Goddard, Claud P.
Stemplewicz, John T.
Morgan, James K.

Lieutenant (junior grade) Robert C. De Gour, Supply Corps, United States Navy, for appointment in the line as permanent lieutenant (junior grade).

The following named Supply Corps Officers of the United States Navy for appointment in the line as permanent ensigns:

Duplessis, Donald L.
Harlan, Gilbert R.
Matkowski, Randy J.
Hannah, Philip J., Jr.
Kahnk, George D.

IN THE NAVY

The following-named officers of the United States Navy and Naval Reserve for temporary promotion to the grade of commander in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Commander

Abbey, James R.
Abel, Warren R.
Addicott, Raymond W.
Agnew, Alfred H.
Albright, Robert E.
Alcorn, Wendell R.
Alemian, Haig S.
Allen, Temple L.
Allwine, Robert A.
Althouse, Thomas S.
Anderson, Oliver L.
Anderson, Gerard L.
Anderson, Richard A.
Andrews, Larry J.
Antrim, Benjamin F., III
Appelgate, Terry B.*
Arnest, Charles S.
Arnold David P.
Arnold, William K., Jr.
Astleford, Nathan L.*
Athanas, Philip W.
Atherholt, William B.
Austin, Michael G.
Bagby, James L., Jr.
Bailes, William J.*
Bailey, David L.*
Bailey, Eugene R.*
Bailey, Howard L.
Baird, Don W.
Baker, Charles H., Jr.*
Baker, John L.
Baker, John S.
Baloga, Stephen J.
Barbour, Richard E.
Barker, Charles M.
Barnes, Harlan L.
Barr, Robert K., Jr.
Barrs, James M.*
Bartolomei, Marino J.
Bates, Robert C.
Beall, David A.
Beasley, Fenn C.
Benepe, John W.
Bennett, Paul L.
Berger, Thomasc J.
Beumer, Theodore H.*
Bieraugel, Eugene E.
Bissonnette, Laurence A.
Bledsoe, Robert D.
Blesch, Jerry M.
Blumberg, Lawrence B.
Blundell, Thomas E.
Bolka, David F.
Bond, Lawson G.
Bonds, John B.
Bornholdt, Robert A.
Boss, Ronald A.
Bower, Johns H., Jr.*
Bowes, William C.
Bradford, Alfred E.
Bradshaw, Wilton D.
Braham, Donald F.
Bremner, Bruce B.
Brierley, Roc M.*
Brodehl, Richard B.
Bronson, Marshall W.
Brown, Barry L.
Brown, Donald H.
Brown, George E., Jr.
Brown, Hal G.
Brown, Joseph R.
Brown, Joseph Z.
Brown, Noel W.
Browning, Robert E.
Brucato, Philip E.
Brueggeman, John L.
Brunelle, William T.
Bryant, William H.*
Buckley, Henry T., Jr.
Burritt, James G.
Butler, John H.
Byers, John A.
Byrnes, Henry F., Jr.*
Cabik, Steven R.
Cahill, Allen L.
Callahan, Joseph E.*
Callahan, Paul L.
Carlson, John A.
Carnell, Thomas E.
Carney, James A.
Carswell, Herschell R.
Caruso, Sam J.*
Cass, Dudley E.
Catlett, William J., III *
Champlain, John C.*
Chapman, Austin E.
Chasteen, Robert W.
Chesbrough, Geoffrey L.
Chesser, Marvin B., Jr.
Chinn, Donald M.*
Chipchak, Robert F.*
Christensen, Clyde V.
Christensen, Edward L.
Cima, Frank J.
Clarey, Stephen S.
Clark, David G.
Clark, Vady R.
Clark, Walter T.
Clarke, Edward J.
Cleary, Francis P.
Coates, Thomas A.
Coffee, Desmond T.
Coffey, John A.*
Cohen, Paul L.*
Coleman, Thomas M.*
Collins, Jerry C.
Collins, John J.*
Collman, Charles B.
Compton, Andrew J.
Connolly, Michael B.
Conrey, Thomas R.
Conway, Frank M., III
Conwell, Douglas M.*
Cook, Walter T.
Cooper, George T.
Cornwell, Alton E.
Covey, Robert W.
Covington, William E., III
Cox, John H.
Craig, Kenneth G.*
Craiglow, Leo H., Jr.*
Croll, Larry R.
Crooks, Stephen C.
Crow, Robert L.
Crowley, Edward J.
Currey, John M.
Cybul, Harvey J.
Daughters, Milo P., II
Davis, Curtis C., Jr.*
Davis, Edward A.
Davis, John P., Jr.
Davis, Richard C.
Dean, David T.*
Deevy, Thomas J.
Dekker, Jon K.
Denson, James K.
Derf, Tad A.
Dill, Donald L.
Dizor, Carl A., Jr.
Doll, Robert J.*
Donnelly, John J.*
Dorman, Craig E.
Downs, Charles P.
Droste, James B.
Duchesne, Robert E.
Duda, Daniel M.
Dukat, Frank
Duncan, Thomas J.
Dunham, Donald T.
Dunlap, Howard D.*
Dunstan, Richard A.
Dunton, Lewis W., III
Durbin, James L., Jr.
Dyer, Robert D.
Edgar, James R., Jr.
Edson, Darrell W.
Ehret, Howard C.
Elkins, Frank C.
Ellis, George J.
Ellis, John R.
Ellis, Wright H.*
Elmore, Lawrence L.
Emarine, Larry L.
Emerson, Norman P.
Estell, William A., Jr.
Evans, George F.*
Ewert, Lawrence E.
Fant, Robert S., Jr.
Fenno, Ted P.*
Ference, Robert J.
Ferrier, Thomas L.*
Fijak, Theodore, Jr.*
Finch, Parker T., Jr.
Finn, Edward S.
Fiori, Mario P.
Firnbach, James D.
Fischer, Ernest C.
Fitrell, Stuart J.
Flanagan, William J., Jr.
Fleitz, William V., Jr.
Flower, Roger P.
Folse, Ronald L.*
Fortney, Doyle W.
Foster, Brent D.
Frank, Allen J.
Frew, John A.
Fuller, Robert D.
Fulton, Stephen H.
Futch, Charles A.
Gabriel, Thomas O.
Gaines, William A.
Galanti, Paul E.
Gallagher, Lawrence A.
Gambacorta, Francis M., Jr.*
Gaston, Mack C.
Gee, George N.
Giuffreda, Robert N.*
Glover, William F. H., III
Gluck, John M.
Godek, Leonard S.
Goebel, David M.
Gold, Bennett A.
Goldman, Dan E., Jr.
Goldman, Robert B.
Goodman, Jerry E.
Googins, Bruce R.
Gordon, Hayes I.
Graf, Karl R.
Graham, David B.
Graham, Ian K.
Graham, Walter H.
Graves, Bibb L.*
Gravley, Thomas W.
Gray, Myron P.
Green, Norman R., Jr.
Green, William J., Jr.
Greenman, Robert P.
Griffin, Harold C., Jr.
Groff, Jon P.
Groman, Alphonse W., Jr.
Grosfils, Eric F.
Grothenhuis, John H.
Grunwald, Gerald M.
Grzymala, Thomas C.
Gudmunson, Charles E.
Guertin, Gerald A.
Gullett, Fred W.
Hall, William E.
Hamilton, Jack E.
Hammer, John L., III
Hansen, Robert R.*
Hanson, Claude L.
Hanbel, Joseph A., Jr.
Harmon, Edward K.*
Harper, Don S., Jr.*
Hargrove, James C.
Harker, Donald A.
Harrelson, Allan M.
Harris, Arthur C., III
Harris, James P.
Harrison, Edward J., Jr.
Hartman, Charles W., III
Hartman, Richard H.
Haselman, Eugene A.
Hauck, Frederick H.
Haugen, Ronald G.
Havey, Brian J.
Hayes, Richard J.
Hawley, John G.
Hayne, William J.*
Heath, William J.
Hechtman, Robert W.
Heidt, John H.*
Heinz, Michael K.
Helms, Hugh W.
Hendrick, William S.
Henry, Russell J.
Hering, Frederic S.
Hickox, Oscar J., Jr.
Hicks, Robert L.
Hicks, William L.
Hillyard, William F.
Hilty, David A.*
Hinkle, John C.
Hinson, Thomas P.
Hite, Thomas H.*
Hoag, David W., Jr.
Hodge, Henderson A., III *
Hoffman, David W.
Hoffman, William S.
Holly, Richard W.*
Hoshko, John Jr.
House, Thomas V.
Howard, Phillip S.*
Howell, Robert L.
Huber, Raymond J.*
Huchthausen, Peter A
Hughes, Frank W.
Hughes, Michael B.
Hughes, William A.
Hughes, William C., Jr.
Huling, John M., Jr.
Hunsucker, Royce H., Jr.
Hunt, Donald B.
Hurley, Robert F., Jr.
Hurst, Paul D.
Hyland, John J., III
Ibach, James S.*
Ireland, Delbert H.
Ison, William B., Jr.
Jackson, Grady L.
Jacobs, Lawrence R.*
Jacobson, Gerald
James, Franklin W.
Jensen, Jay L.
Johnston, Daniel F.
Johnston, Thomas F.
Jones, Frank A., Jr.*
Jones, Robert E.
Jordan, James F.
Joyner, James D.*
Juan, John *
Karns, Norman M., Jr.
Kasales, Joseph A.*
Kaup, Karl L.
Kaupas, Thomas R.
Kay, Norman B.
Kehrli, Lynn C. *
Keithley, Charles L., Jr.
Keller, Douglas G.
Kelly, John P.
Kennedy, John C.
Kennedy, John R.
Kennelly, Robert J., Jr
Kerr, Frank L.
Kicker, Charles K.
Kiess, Dean W.
Kilby, Kent T.

Kile, Thomas J.
Kilpatrick, Arthur L.
Kime, Steve F.
Kinney, Dennis M.
Kirk, Francis M.*
Kiseljack, Charles
Kleyn, Frederick G., III
Klintworth, Philip G.
Knabb, Kenneth K., Jr.
Kochert, Gary L.
Kogler, Robert A.*
Komarek, Jon P.*
Kordalski, Robert E.*
Kotchka, Jerry A.
Krall, John J.*
Kramer, Lawrence J.
Krause, David R.
Krekich, Alexander J.
Kronz, James C.
Kronzer, James E.
Krupp, Marvin M.
Kuhneman, Martin F.
Kunz, James C.
Labyak, Peter S.
Lacey, John S., Jr.*
Lair, James A.*
Land, Clinton D.
Lange, Peter S.*
Lantzer, Lawrence A.
Laplante, John B.
Larison, Donald E.
Larkin, Robert R., Jr.
Lasch, Charles A.
Lash, Franklin B.
Latham, Peter R.
Layton, David R.*
Lazarchick, Frank T.*
Lebrecht, Clifford W.
Lee, Richard N.
Lefebvre, Edward J.*
Lehnus, Ronald K.
Leonard, John A.
Lepak, Ronald R.
Lewis, Ernest L.
Lewis, Robert J.
Life, Richard A.
Lind, Carl V., Jr.
Little, Edwards S.
Lockett, Joseph L., III
Lockhart, Theodore C.
Lodge, Charles D.
Loftus, John B., Jr.*
Logan, Carl F.
Lombardo, Stephen W.
Loonam, Bernard J.*
Loveland, Richard S.
Lugo, Frank J.
Luke, John D.
Lunneberg, Thomas A.
Lynch, Thomas C .
Lynch, Thomas J.
Mabery, Lester R., Jr.
MacDougall, Donald G.
MacGregor, John A.
MacKay, Wiliam R., III*
Maddocks, Ronald J.
Madison, Russell L.
Mallen, Frank H.
Marnane, Joseph P.
Marshall, James A.
Marshall, William C.
Martin, David A.
Martin, Walter P.
Mason, John A.
Massey, Scott S., Jr.
Masters, David R.*
Masters, David W.
Mathiowetz, Donald R
Maxey, Fred Jr.
McBride, Michael A.
McBride, William R.
McClanahan, Ted*
McClung, Lonny K.
McColgan, John F.*
McCulloch, David H.
McCusker, Arthur E.
McDaniel, John R.*
McElmurry, Joe A.
McGrath, John M.
McGuire, James R.
McHugh, Richard G.
McKay, John N .
McKechnie, Thomas W.
McKenney, George G., Jr.
McLean, Robert
McMillan, John H.
McNeer, William P., Jr
McNeill, Corbin A., Jr.
McOlgan, Jerry M.
McPhail, Eugene B.
McRae, David A.
Melampy, Ronald F.
Melander, Errol N.
Merrill, Hugh A.
Micalchuck, David P.
Michaux, Richard W.*
Miller, George M., III
Miller, Paul D.
Miller, Raymond P.
Miller, Thomas L.
Miller, William C.
Minugh, Edward M.*
Mitchell, Eugene F.
Moessner, Paul C.
Montgomery, Robert A
Moore, James E.
Moore, John A.*
Moore, Ronald C.
Moore, William N.*
Morgan, Richard A.*
Morin, Thomas E.*
Moirtz, Carl A., Jr.
Morris, Clarence A., Jr
Morrison, Vance H.
Moses, Raleigh W.
Moynihan, Brian G.
Mulford, Michael L.*
Munsee, Stewart F.
Murdock, Charles D.
Murphy, Jerome T.
Murphy, Thomas F.
Myers, Thomas A.
Najarian, Moses T.
Narciso, John A.
Nash, John M.
Neuman, Dennis E.
Newton, Roy I.
Niederstadt, Robert G.
Njus, Ingmar J.
Nystrom, Stephen C.
Oakes, Charles W.
Oates, Anthony B.
Oconnor, Kip
Oetinger, Mark
Olson, Jerrold E.
Olson, Phillip R.
Orluck, James E.
Orth, Nelson E.
Otto, Paul E.
Owen, Kenneth J.
Owen, Robert H.
Owens, William A.
Pafias, James E.
Palm, Peter E.
Palma, Richard J.
Palmer, Robert E.
Paquin, James E.
Parker, John E.
Passarella, Anthony H.*
Patch, Frank H.
Patrick, Roger D.
Patterson, Ronald G.
Patton, Kuemen B.
Paul Martin A.
Pedisich, Paul E.*
Pelot, Kent B.
Pence, Thomas H.*
Perkins, Ernest D., II
Petersen, Louis H.*
Peterson, Robert W.
Peterson, Richard N.
Petitt, William E.*
Petrucci, Richard J.*
Pettyjohn, James R. Jr.
Pfingstag, William C.
Pfister, William C.
Phelps, Harold R., Jr.*
Phillips, Joseph L.
Phoebus, Charles R.
Plath, Richard N.
Poellnitz, Walter D., III
Pope, William H.*
Porter, Richard T.
Post, Warren L.
Powers, Thomas E.
Preston, Gerry L.*
Price, Lawrence H.*
Pryzby, Stanley J.
Pursel, John J.
Quast, Philip M.*
Raetzman, Donald P.
Randolph, William L.
Rattan, James D.*
Reader, Robert J.
Reeves, Robert D., II
Regan, James P.
Regan, John T.
Reilly, Errol F.
Rhea, Kennedy J.
Rich, James E.
Richards, Frank M.
Riddell, Richard A.
Riker, Robert T.
Ring, Henry M.
Ristad, Arnold C.
Ritt, Dayton W.
Roark, David L.
Roberson, Bernard G.
Robertson, Thomas J.
Rodgers, James C., Jr.
Rogers, Louis A.
Rohles, Gerald B.*
Ronan, Lawrence E.
Roper, James E.
Rose, Michael A.
Ross, James A.
Ross, Robert J.*
Rosson, Vernon L.
Ruff, John C.
Ruliffson, James H.
Rust, Gregory B.
Salmon, Harry P., Jr.
Salopek, Raymond*
Sammons, Charles E.
Santi, Ralph L.
Sarepera, Hillar*
Scarlett, Bernard
Schardt, Delvin L.
Schaus, Richard H.
Schiffer, John R., Jr.
Schiller, William E.
Schmeling, Leslie L.
Schmidt, Clemens E.
Schoonover, Ray R.
Schrader, John Y., Jr.
Schroeder, Arthur F., Jr.
Schroeder, David D.
Schroeder, Kenneth A. Jr.
Schwartz, Henry W.
Sclichter, Edward F.*
Scobee, Charles R., Jr.
Seeber, Lauren*
Sellgren, Charles A.*
Shapard, James R., III
Sharp, David R.
Sharpe, Raymond A., Jr.
Shea, Richard F., Jr.
Sheffield, George A.
Shoup, Linn T.
Shutt, John J.
Siemer, John R.
Simonelli, Norman W.
Simmons, Douglas W.*
Sirmans, James S.
Sloan, Dean E.
Sminkey, Robert L.*
Smith, Bernard J.
Smith, Eugene T.
Smith, Roger W.
Smrcina, Kurt L.
Snyder, Donald M.
Spinelli, Domenick A.,
Spofford, Barry A.
Stahl, Dale S., Jr.
Stanley, Joe M., Jr.*
Stanley, Maurice D., Jr.*
Stansbury, Frederick A.
Stark, John W.
Stauts, Frank L.
Steele, Boyden T.*
Steiger, Gary C.
Steinbruck, Charles G.
Stender, Richard H.
Stephens, Darrel L.
Stephenson, Robert F.
Stepp, William E.*
Sterner, George R.
Stevens, John B.
Stewart, Jake W., Jr.
Stewart, Jesse J., Jr.*
Stilwell, William C.
Stlaurent, Charles M.*
Stone, Thomas E.
Story, William F.
Stoufer, Donald A.
Straight, Donald O.*
Straight, William D.*
Strand, Richard C.
Strickler, James W.
Stubbs, Darryl A.
Stubbs, William O., Jr.
Stubsten, Eugene M.
Stuckemeyer, John A.
Sturvist, Gerald H.
Sullivan, Daniel J.*
Sullivan, Kenneth D.
Sullivan, Michael E.
Sullivan, Raymond F., Jr.
Sushka, Peter W., Jr.
Sutton, Gwynn R., Jr.
Taylor, John F.
Thaxton, David R.
Thomas, Frank H., Jr.
Thomas, Peter W.
Thomassy, Louis E., Jr.
Thompson, Giles M.
Torbit, Jerry B.
Tortora, Carmine
Trafton, Robert T.
Tredick, William H.*
Tripp, Richard W., Jr.
Trotman, George, Jr.
Tschudy, William M.
Turner, David A.
Turner, Steven L., Jr.
Ulrich, John L.*
Underhill, Ross H.
Urice, Ronel M.
Vanarsdall, Clyde J.,
Vanbrackle, Vernon L., Jr.
Vance, Richard M.
Vandergrift, Ronald W.
Vanhoy, William L., Jr.
Vanpelt, Albert M.
Vansaun, Arthur
Vansickle, Kenneth L.*
Vanslyke, James C., Jr.
Veazey, Luther T.*
Verd, George H.
Vernallis, Samuel L.
Vincent, William L.
Vogel, Raymond W., III
Volk, John S., II
Vollmar, Fredrick J. Jr.
Wagner, George F. A.
Wainscott, Robert P.
Walker, Henry E. Jr.*
Walker, Jon W.*
Walker, Ronald W.
Wallace, Roy N.
Walters, Robert M.*
Walton, Harold A.
Wann, Charles B.
Warthin, Jonathan C.
Waterman, George R.
Watkins, Donald E.
Watkins, Richard S.
Watt, Robert H.
Webb, Jack K.
Weegar, Carl A.
Weniger, Marvin J.
Westbrook, Richard E.
Wheeler, Sidney E.
White, John D., II
White, Robin J.
Whitehurst, Byron P.
Wiese, Richard J.*
Wilcox, Mack R.
Williams, David D.
Williamson, James V., Jr.
Winarski, Daniel A.*
Winstead, Shelby D.
Wisely, Hugh D.
Witman, William P.
Wolf, Rexford E.
Wood, Forrest K.
Woodford, Duval S.
Woodka, Thomas K.
Woodruff, Peter B.
Woods, James R., Jr.
Woodward, William J., Jr.
Woodworth, George P., Jr.
Wright, Jerry L.*
Wright, Timothy W.
Wunderly, William L., Jr.
Wylie, Walter J.*
Wyman, Richard E.*
Yeck, Richard C.*
Yonkers, David P.
Young, Bruce A.
Yufer, Kenneth L.
Zimmermann, Claus E.
Zlatoper, Ronald T.

MEDICAL CORPS

Adcook, Kenneth J.
Anderson, Edward F.
Anderson, Robert L.*
Barber, Keenan F.
Best, David W.
Black, Howard M., Jr.
Bloys, James A.
Bobert, Duwayne H.
Bonta, Bedford W.
Borger, James A.
Bower, Roger H.
Bradley, Vincent D.
Burton. Ronald C.
Byrd, William E.
Campbell "K" Cameron
Canada, Catherine F.
Carlson, Bruce E.
Carlton, Thomas G.
Carter, William J.
Castelli, John B.
Cate, Vasa W.
Chandler, James L.
Clark, Robert T.
Cobb, Orr M., Jr.
Cooper, George IV
Cowan, Michael L.
Cromie, William J.
Dalforno, Victor M.
Daniels, Robert K., Jr.
Danzer, David B.
Davidson, Dennis M.
Davis, Jonathan L.
Davis, William L.
Deck, David H.
Detrich, Robert E.
Doebler, Robert W.
Donaldson, John C.
Donaldson, John F.
Downs, William A.
Edge, Otis H., Jr.
Edwards, George G.
Engelman, David R.
Fielder, Dennis L.
Francis, Gary S.
Furlong, Maurice B., Jr.
Gaharan, James P.
Gavrell, George J.
Gay, Madison W.
Gendron, Richard M.
Geren, John J.
Gilmer, Graham
Graham, Gary D.
Griffin, Howard A.
Guay, Andre T.
Harlow, Mark C.
Harms, Jon W.
Harris, David L.
Harris, Joseph A.
Harris, Robert D.
Harris, Ronald T.
Hazen, Steven J.
Hicks, Frances F.
Hicks, James S.
Hricko, George M.*
Huff, Carl W.
Hunter, William L.
Hyatt, Floyd R.
Iacolucci, Joseph P.
Iacovoni, Victor E.
Jacobsen, Hart
Jacquin, Paul N.
Jensen, John H.
Johnston, Robert G.
Jones, Alan C.
Joseph, Thomas J.
Juskevich, Robert S.
Kamn, Patrick W.
Kane, Edward W.
Kao, Grace F.
Kerr, Gerald F.
Khan, Raza M.
Kingsley, John R.
Kirkorowicz, Gregory B.
Kliefoth, Arthur B., III
Koeller, Royal R.
Kohl, Frank S.
Komadina, Steven A.
Kovalcik, Paul J.
Lambert, Dennis M.
Langeberg, Charles L.
Larson, James L.
Lawson, Richard W.
Leapman, Stephen B.
Lewis, Paul E., II
Lightsey, Alton L.
Lisska, Lawrence A.
Lombardi, Dennis L.
Lowell, William G.
Mac, Phillip F.
MacNeil, Daniel J.
Maley, Bruce B.
Manjerovic, Richard M.
Marcom, Rodney A.
Martin, James A.
Martinez, Serge A.
McCluggage, Charles W.
McConnel, Michael M.
McCracken, Linton E.
McGinnis, Michael J.
McKay, Hunter A.
Miller, Joseph A. J.
Mills, Stephen C.
Milne, James R.
Mitchell, Ernest H.
Moeser, Thomas E.
Morton, Bert F.
Mummert, Kenneth L

Murchison, Robert J.
Nettles, Willard H., Jr.
Nguyen, Luat Q.
Noffsinger, Jay E.
Novak, Bernard P.
O'Brian, John T.
Owen, Charles M.
Palenschat, Douglas A.
Pepper, Tom H.
Phares, John C.
Powell, Patrick E.
Profilet, William B.
Rankin, David L.
Rankin, James J.
Rao, Bolar R.
Rasberry, Ronnie D.
Rasmussen, Eric A.
Rensink, Michael J.
Rish, Ronald L., Jr.
Roche, Jerome J., Jr.
Rockwell, Michael F.
Rose, Richard S.
Rowekamp, John D.
Ryan, Thomas F., II
Sapirstein, Mark M.
Sarlin, Robert F.
Satyamurti, Sundaram
Scordalakes, George E.
Scott, Hugh P.
Selfe, Robert W., Jr.
Shaffer, John C.
Shanahan, William J.
Shaw, Guy G., III
Shivertaker, Lawrence W.
Sigafoes, Robert B.
Simon, David R.
Slepyan, David H.
Smith, David A.
Smith, Jay S.
Southern, Thomas E.
Spencer, Donald A.
Sposato, Richard C.
Staiger, James L.
Streit, Charles C.
Suitor, Roscoe F.
Szal, Gregory J.
Tannebaum, Ira R.
Taylor, Anthony J.
Taylor, Emmett L., Jr.
Taylor, Gerald D.
Taylor, Norman W.
Taylor, Raymond F.
Templeton, John M., Jr.
Thompson, Stanley I.
Tinker, John H.
Toms, Billy R.
Townsend, James W.
Townsend, Raymond E.
Traynor, Archie R., Jr.
Underhill, Thurlow R.
Velasquez, Margarita*
Walker, Frank W.
Walsh, Thomas E., Jr.
Washburn, Michael D.
Washburn, Peter L.
Watson, Gary W.
Weed, John C., Jr.
Westbie, Donald K.
Whitecotten, Glenn L.*
Wikholm, Larry J.
Wilcox, John D., Jr.
Williams, James M.
Williams, Ronald N.
Woods, James D.
Wright, Lewis E.
Wright, Sanford J., Jr.
Wrobel, Lance J.
Youngblood, Frederick E.

SUPPLY CORPS

Abbott, Gerald W.
Aleva, David A.
Anderson, Louis G.
Baker, Charles E., Sr.
Barnes, Francis S.*
Beer, Robert O., Jr.
Berger, Paul*
Bergman, Richard H.*
Bessenger, Frank L., Jr.*
Bratschi, Gilbert W.*
Brennan Anthony C.*
Brochu, Robert A.
Bromen, Roger R.
Burnett, Michael H.
Cantrall, Edward L.
Carre, Darwin B., Jr.
Chalupsky, Raymond J.
Chappell, Ralph L.*
Cleary, Richard T., III
Conser, Richard L.
Conway, James D.*
Davidson, James P.
Dominy, Wilbur D.*
Falconer, Douglas W.*
Faust, John N., III
Fellows, Fred Y., III
Fincke, Edwin A.
Fitzgerald, Thomas P.
Fleming, James A., Jr.
Foley, Richard L.
Gainey, John M., III
Garmus, David P.
Geary, John P.
Haase, Larry L.*
Hale, Ronald A.
Hatchet, William J., Jr.*
Henry, William E.*
Hensley, Norman W.*
Henson, Verlin C.
Hernandez, Edward S., Jr.
Hodapp, Charles A.
Hutto, John A.
Janse, Anthony L.
Johnson, Thomas L.
Kavanaugh, John T.
Kiger, Charles R.*
King, William D.
Lamade, John S.*
Laurent, Daniel H.
Leon, Albert
Lynch, Michael G.
Maley, Michael D.
Mandel, Allan L.
Manning, Gary C.
March, Frederick W.*
Marshall, William B., III
Matalavage, Joseph A.*
Maxon, Bruce E.*
Mendez, Ramon E.*
Meys, Charles P.
Morris, John D., III
Moum, Jerry D.
Murphy, Henry T., Jr.*
Natole, Robert L.
Nyenhuis, Keith E.*
Natole, Robert L.
Nyenhuis, Keith E.*
Pearson, David E.
Phillips, James D.
Quigley, Patrick J.
Quinn, John T.
Redman, William E., Jr.
Reynolds, Kevin T.
Rosson, Bobby J.
Ryland, Charles W.
Sandeen, John K.
Savage, Horace J.*
Scharff, Richard D.
Schroyer, Charles D.*
Sherman, Bruce L.
Smith, Olen B., Jr.
Starnes, Bobby F.
Steen, George S., Jr.
Suter, David F.
Tarr, Nicholas W.
Thomas, Dudley J.
Thomas, Robert L.
Trbovich, George M.
Tully, Albert P., Jr.
Vanhouten, George W.*
Wachutka, James R.
Waller, Terry G.*
Weaver, Edwin R., Jr.
Whitman, Carl D.
Wilson, Michael G.
Woodward, Joseph A.
Worsena, Richard F.
Young, Everett B.*
Young, Robert R.
Zumbro, Sherrod B.

CHAPLAIN CORPS

Asher, William C. L.*
Clark, Alfred M.
Cooper, Lynn D.
Daly, John R., Jr.
Doyle, James M.
Fountain, David B.*
Harris, Donald B.
Kane, Brian E.*
Kimble, Wilford C.*
Kirk, Alston S.
Laurenzano, Roch M.*
McNeil, John R.
Muchow, Donald K.
O'Donnell, Joseph F.
O'Neil, Michael P.
Radasky, Robert M.
Roon, Albert J.
Sawyer, James D.
Tidwell, Henry A., Jr.
Westling, Lester L. Jr.*
Windle, David L.*

CIVIL ENGINEER CORPS

Bass, William M., Jr.
Black, Dorwin C.
Buckner, Ernest W.
Buffington, Jack E.
Camden, Edward B.
Carnell, Donald L.
Chapla, Paul A.
Drennon, Patrick W.
Endebrock, Robert N.
Fluharty, David H.
Frauenfelder, Henry R.
Gallen, John J., Jr.
Garbe, Warren M.
Heffernan, Thomas J.
Jensen, Allen H.*
McCahill, Dennis F.
Morrison, Paul A.
Olson, Harold M.
Petty, Larry K.
Ricker, Norman G., Jr.*
Ringel, Duane A.
Ross, Gerald H.
Rugless, James M.*
Sherman, Myron B.
Street, Clifford G.
Wells, Donald R.
Wheeler, David E.
Woll, Jerry D.

DENTAL CORPS

Anderson, William H.
Athey, Cullen L., Jr.
Bate, William S.
Beyersdorf, Ralph E.*
Branyan, Carl E.*
Cannon, Richard L.
Carlson, Roy F.*
Carson, Robert E.
Fox, Bruce R.
Haney, Patrick J.
Heilman, Mark E.
Hellman, Larry F.
Hesby, Donald A.
Huggins, Ronald W.
Jucovics, Robert L.
Klemme, Louis W.
Lippert, James L.
Lynch, Vincent M.
Maddox, James A.
Mason, Keith G.
McIntire, William O.
Melendez, Rodrigo C.
Mooney, John W.
Olson, Robert J.
Poirrier, Maxime J.
Robertello, Francis J.
Rohen, Robert M.
Sorvas, Peter G.
Stratton, Russell J.
Tidwell, Eddy
Troutman, Gary W.
Vanbelois, Harvard J.
Walter, Robert G.*

JUDGE ADVOCATE GENERAL'S CORPS

Adam, Warren H.
Berkley, Robert C.
Brush, James D. II
Carroll, Paul F.
Horst, Carl H.
Ise, William H.
Kjos, Wendell A.
Pierce, Charles D.
Powell, George B., Jr.
Rapp, Michael D.
Riddle, Ervin A.
Roach, Joseph A.
Rote, Edward A.
Sanftner, Thomas R.
Studer, John A.
Watson, Thomas C., Jr.

MEDICAL SERVICE CORPS

Biesiadny, Lawrence L.
Bolton, Ronald R.*
Boyle, John A. Jr.*
Branscum, William E.
Brown, Seth E.
Chatelier, Paul R.
Christian, Elgin R.
Cicero, Joseph D.*
Cusick, Richard A.
Dilley, Paul O.*
Emma, Carleton W.*
Furry, Donald E.*
Groce, William E.*
Grothaus, Roger H.
Hatten, Arthur D., Jr.
Heller, Billy L.
Johnson, Paul W.
Kehoe, John J., Jr.
Knight, John R.
McGuire, James S.
Morin, Richard A.
Murrell, William R.
Owens, Norman K.
Palmer, David D.
Parrish, William C.
Price, Hudson B.
Rovario, Emile E.*
Skelly, Robert S., Jr.
Stockman, Roger E.
Theisen, Charles J., Jr.
Warren, Phyllis I.
Wesolowski, Carl A.

NURSE CORPS

Benning, Luella M.
Carroll, Maria K.*
Clancy, Patricia, E.
Covington, Norma A.*
Dyer, Alice.
Henninger, Judith E.
Hudak, Geraldine J.*
McDonald, Patricia K.
Megonnell, Joann H.
Moyer, Alice A.*
Mudge, Blanche S.
O'Connell, Anne L.
Pack, Valaine.
Redo, Anne M. M.
Reynolds, Ann D.*
Staley, Patricia L.
Teagle, Beverly E.
Wills, Jacquelyn S.

The following named women officers of the United States Navy, for permanent promotion to the grade of commander in the line, subject to qualification therefor as provided by law:

Loser, Margit M.
Pane, Marietta A.
Mearls, Joanne R.
Wylie, Elizabeth G.

Executive nominations received by the Senate on February 16, 1977, under the order of February 11th:

DEPARTMENT OF JUSTICE

Wade Hampton McCree, Jr., of Michigan, to be Solicitor General of the United States vice Robert H. Bork, resigned.

Barbara A. Babcock, of California, to be an Assistant Attorney General vice Rex E. Lee, resigned.

Benjamin R. Civiletti, of Maryland, to be an Assistant Attorney General vice Richard L. Thornburgh, resigning.

Drew S. Days III, of New York, to be an Assistant Attorney General vice J. Stanley Pottinger, resigning.

Patricia M. Wald, of Maryland, to be an Assistant Attorney General vice Michael M. Uhlmann, resigned.

OFFICE OF MANAGEMENT AND BUDGET

James T. McIntyre, Jr., of Georgia, to be Deputy Director of the Office of Management and Budget, vice Paul H. O'Neill, resigned.

ENVIRONMENTAL PROTECTION AGENCY

Douglas M. Costle, of Virginia, to be Administrator of the Environmental Protection Agency, vice Russell E. Train, resigned.

Barbara Blum, of Georgia, to be Deputy Administrator of the Environmental Protection Agency, vice John R. Quarles, Jr.

IN THE NAVY

Rear Adm. Robert R. Monroe, U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

The following-named captains of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Roger F. Milnes.
George E. Gorsuch.
Eustine P. Rucci.

SUPPLY CORPS

Shirley D. Frost.
Gerald J. Thompson.

CIVIL ENGINEER CORPS

William M. Zobel.

DENTAL CORPS

Julian J. Thomas, Jr.

IN THE NAVY

The following-named officers of the U.S. Navy for permanent promotion to the grade of chief warrant officer, W-3, subject to qualification therefor as provided by law:

Ackerman, John W.
Acosta, Hector
Adams, Donald E.
Akins, Olen C.
Alexander, Robert T., Jr.
Allen, Benjamin E.
Allen, Dale J.
Alvarez, Honorio B.
Ames, Lloyd M.
Anglehart, Gary L.
Apodaca, Paul J.
Arsta, Charlie L.
Artley, Fred C.
Award, David P.
Bailey, James P.
Ball, Gary E.
Ballas, Jim W.
Banks, Paul E.
Barber, R. D.
Baron, Gilbert H.
Barrett, William J.

* Ad Interim.

Barrows, Ray L.
Barton, Hershel V.
Bartyzal, Edward T.
Beardin, Larry D.
Beasley, Roy W.
Beck, Wayne A.
Becker, John D.
Beller, Merle L.
Bellinger, Richard A.
Bence, Ronald P.
Bethune, Gordon M.
Bilodeau, Ronald L.
Blackie, John A.
Blackstock, John R.
Blocker, Gerald C.
Bolding, Larry L.
Bollinger, George E.
Bolton, Dwight E.
Book, Roy L.
Boring, George T.
Boughter, Chris E.
Bowen, Vernon R.
Bowers, William E.
Boyd, Henry L.
Brackett, Vincent G.
Bradley, Dennis L.
Brandon, Earl L.
Braswell, Wallace E.
Brayman, Thomas E.
Brennan, Thomas H.
Brewer, Clayton R.
Brigman, William M.
Brisby, Richard L.
Britts, Haven J.
Brooks, Harold E.
Brosh, Lawrence D.
Brouse, Robert A.
Brown, Harold M.
Brown, John W.
Brown, Joseph M.
Brown, Rex
Browngardt, Robert P.
Bullis, Richard A.
Bulmer, William R.
Burgess, Carl H.
Burns, Daniel P.
Burrows, Hoyt N.
Busch, Danny G.
Butters, Joseph K.
Butz, John E.
Cadora, Vincent J.
Caldwell, Ralph S.
Calveard, Samuel R.
Canfield, Frank L.
Canfield, Merton A.
Caretti, Louis S.
Carroll, Charles E.
Catlett, Howard L.
Chalmers, James D.
Chamberlain, Charles E.
Chapman, Davey S.
Christian, Jerry D.
Clarke, Alfred R.
Clemens, Paul D.
Coen, Ronald L.
Collins, James E.
Collins, Wyndolin G.
Columb, Ortha I.
Connell, James L.
Converse, Charles A.
Cowan, Jack W.
Cox, Frederick M.
Cox, William T.
Cozart, William R., Jr.
Cranmer, John M.
Chawford, Charles H.
Cronin, Richard B.
Cudia, David T.
Culberson, Jerome J.
Curry, Raymond M.
Curry, Ronald K.
Dahlman, Carl E.
Dailey, Leroy
Daub, Nevin E.
Davenport, Eugene
Davis, Jerrie W.
Dean, Alvin E.
Dean, David B.
DeLong, Richard C.
Devries, Harold M.
Dills, William J.
Dixon, James A.
Dodds, Robert L.
Doehring, Robert F.
Donohoe, James P.
Dooley, John P.
Downie, Donald A.
Dragone, Joseph A., Jr.
Duncan, Robert A.
Duryea, George W.
Easterling, James T., Jr.
Eberle, Richard R.
Emberton, James M.
Emory, Charles B.
Erskine, Robert S.
Erven, Wayne P.
Etzel, John A.
Faulk, James R.
Fenton, Don J.
Ferdinandsen, Alan T.
Fike, Delmas G.
Fisher, Glen A.
Flamboe, Edward E.
Foltz, Richard J., Jr.
Forbes, Clarence
Forsmark, William T.
Foster, Timothy W.
Fowler, Boyd C.
Fowler, John J.
Fox, Jerry W.
Frame, Daniel A.
Freeman, Stanford L.
Galen, Howard F., Jr.
Gann, Virgil E.
Garrison, Rolland R.
Gaut, Leon W., Jr.
Gay, Billy T.
Gay Donald L.
Gibbons, Thomas G.
Gibbs, Ralph W.
Gibson, Bernard E.
Giles, James
Gilliland, Larry D.
Gillum, Jerry L.
Giusti, Gerald J.
Gladding, Raymond G., Jr.,
Glynn, William G.
Godwin, Jackie E.
Goins, Donald R.
Goodell, Edward C.
Goodrich, Boyd L.
Gorans, Larry D.
Gossett, William D.
Goyette, Richard L.
Grace, Robert M.
Grampp, Gordon D.
Greene, John D.
Green, Montie R.
Greksouk, John G.
Gschwend, David A.
Gulbrandson, Charles R.
Gunn, Terrell L.
Hafner, Kenneth D.
Hager, Luther H., III
Hale, Nathaniel
Hale, Roy G.
Hall, Charlie H.
Hall, Richard W.
Hamilton, Robert E., Jr.
Hammock, Charles R., Jr.
Hanley, Claude R.
Harker, Ralph J.
Harmer, Donald W.
Harold, Thomas I.
Hartfield, Daniel T.
Harvey, James L.
Harwell, Michael A.
Haugen, Clinton J.
Havner, Jerry G.
Hawkins, Larry
Headrick, James O.
Heckel, Frederick R.
Heeger, George F.
Held, Rene
Henley, Ronald W.
Hermann, Albert J.
Herning, Robert E.
Hicks, Clayton T.
Hicks, Daniel E.
Highlands, William H.
Hillman, Cecil M.
Hinton, Herbert R.
Hite, Ralph E.
Hollis, Lon E.
Hornung, Eugene H.
Howard, Frank W.
Howard, Jimmy E.
Hoyt, William H.
Hubbard, Calvin E.
Huffman, Frank A.
Huggins, Harold T.
Hunston, Larry A.
Hunter, Thomas G.
Hurd, William D.
Husted, George G.
Huston, Kenneth D.
Iannetta, John M.
Ingram, Walter S.
Jackson, Charles W.
Jackson, James M.
Jacobs, Thomas E.
James, Charles R.
James, Dempsey D.
James, Edwin C.
James, Richard H.
James, Robert O.
Jensen, Charles L.
Jewah, Joseph H.
Joel, Noble F., Jr.
Johns, George K.
Johnson, Gary M.
Johnson, James W.
Jones, Isaiah J.
Jones, Stephen R.
Jopp, Rudolf H.
Jordan, Edwin M.
Joyner, Thomas F.
Kadlecik, Ronald M.
Kanaski, Richard S.
Keller, Burlyn L.
Kelley, Thomas F.
Kennedy, Bruce H.
Kenyon, Robert J.
Kern, Phillip E.
Kidd, James B.
Kiese, Manfred G.
Kilby, William G.
Kilmer, Harold B., Jr.
Kincade, Jerry G.
Kleis, Louis P., Jr.
Kohn, Walter
Korbelik, Oakley A.
Kostich, Michael E.
Krueger, Lloyd E.
Krug, Norman E.
Langenohl, Frederick C.
Lasky, Ralph C.
Latham, Buford E.
Lessard, Kenneth A.
Link, Spencer F.
Little, David E.
Loftis, Garland T., Sr.
Loria, Louis C.
Loss, William J.
Love, Charles E., Jr.
Love, Odell G.
Lovett, Harry L.
Lovitt, Roger A.
Lowdermilk, Richard F.
Lowen, Kenneth J.
Luce, Robert E.
Lucero, Seferino
Lueck, Wallace R.
Lynch, Daniel S.
Lyon, John D.
Malich, Thomas C.
Malloch, James E.
Manges, Joseph
Mansmith, James E.
Marsh, William H.
Marshall, Raymond L.
Marttila, Elmer E.
Massetti, Ennio
McAllister, Robert A.
McCarley, Theodore K.
McCoy, Ernest V.
McDonald, Robert L.
McDonald, Thomas H., Jr.
McGowan, Kenneth A.
McKay, Roy C.
McKinney, Terry L.
McWane, Rodney R.
Mead, Willie J.
Merrill, Wayne R.
Meyers, Orville L.
Miller, John E., Jr.
Milne, Marion K.
Minor, Donald A.
Mitchell, Roger E.
Moloney, Rodger T.
Moreau, James F.
Morin, John E.
Morris, Leon
Munn, Kenneth L.
Murner, William D.
Murphy, William D., Jr.
Muse, Paul R., Jr.
Mustin, James O.
Nadeau, James C.
Neasham, Edwin L.
Nededog, Jose T.
Nims, George E., Jr.
Nolan, Carl W.
Nowicki, Marvin E.
Oakes, Delbert, Jr.
O'Donnell, Edward J., Jr.
Ohlemacher, Richard C.
O'Sullivan, Patrick L.
Othmer, John A.
Othus, Ross B.
Ottesen, James J.
Oxford, Russell D.
Oyler, John M.
Palmer, Charles F.
Parker, James A.
Peach, Ellis E.
Pearl, John E., Sr.
Perry, Eugene J.
Peters, Kerry A.
Peterson, John E.
Phillips, William J., Jr.
Richardo, Fortunato
Pierce, John W., Jr.
Piercy, Kenneth R.
Poch, Henry W., Jr.
Porter, David P.
Potter, David L.
Powell, Ronald D.
Powers, John P., Jr.
Prestidge, Ronald O.
Prior, Melville E., Jr.
Pritchard, Jimmie D.
Proctor, Robert E.
Pruter, Thomas J.
Ratte, Richard A.
Reardon, Robert J.
Redding, Hugh K.
Reed, Raymond L.
Rehill, Peter J.
Rhudy, Carl E.
Riddlebarger, Devereaux P.
Riegger, Robert R.
Robertson, William R.
Rodgers, William K.
Royal, Robert L.
Rudden, Francis A.
Rule, George G.
Rundberg, Edward E.
Runyan, Charles E.
Russell, Perry B.
Sauls, Herbert M.
Saunders, Frankie N.
Schad, Roderick F.
Schaefer, Andrew C.
Schwaeble, Harry M.
Scott, Charles R.
Scott, Donald G.
Scott, Wayne A.
Settje, Larry A.
Shaffer, Clarence W.
Shaw, Richard D.
Sherry, Ronald E.
Shirley, Tommy F.
Shriver, John M.
Sidner, William H., Jr.
Siegel, Allen R.
Simoneaux, Ramon L.
Simpson, Neal I.
Smith, Chester B.
Smith, David L.
Smith, Kenton L.
Smith, Robert M.
Solak, Lawrence E.
South, Michael L.
Spata, August
Spatt, Frank R.
Spears, Buddy W.
Spencer, Richard A.
Sronce, Frank T.
Staehr, James P.
Stankoski, John S.
Stapp, Alton E.
Stepp, Robert L.
Stevens, Richard O., II
Stevens, William D.
Stewart, James R.
Stikeleather, Thomas G.
Stonecipher, William B.
Strackbein, Edward M.
Strusinski, John R.
Sutton, Frank C.
Sweet, John L.
Talbot, Ronald E.
Tarter, Arlan G.
Taylor, Henry H.
Terry, Robert J.
Thames, Charles M.
Thomas, Larry R.
Thomson, Francis S., Jr.
Thyfault, Marion E.
Tibbetts, Joel F.
Timms, Terry W.
Tims, Charles E.
Toomey, Terrance A.
Townsend, James L.
Turnbow, Grady W., Jr.
Turiff, David J.
Valenta, David M.
Vancleave, Jerry M.
Vanicek, Errol D.
Vanness, Henry A.
Vanvleet, Barry L.
Varley, John C.
Vassar, William L.
Vinson, Bobby H.
Wade, Phillip M.
Wall, John
Wallace, Howard A., Jr.
Wallace, Robert E.
Wathall, James E.
Webber, Thomas C.
Welch, Robert W.
Weller, Wayne L.
Wells, Cecil E.
Westhoff, Dennis A.
Whalen, Regis E.
Wharton, Charles E.
Wickliffe, Charles D.
Wilke, James G.
Willecke, Waldo L.
Wilson, Herman T., Jr.
Wilson, William C.
Wolking, Fred L.
Wood, Ray B.
Woodiel, James C.
Worley, Melvin E.
Worwetz, Harry J.
Wreath, Clarence F.
Wright, Randolph W.
Ymzon, Ramon A.
Zabetakis, Nick
Zakrajsek, Henry J.
Zell, Ronald J.
Zengen, Ralph H., Jr.
Zimmerman, James H.

The following named officers of the U.S. Navy for permanent promotion to the grade of chief warrant officer, W–2 subject to qualification thereof as provided by law:

Gelardi, Lydia C.
Kelsey, Diane M.

Adrian L. Hanna for permanent promotion to the grade of chief warrant officer, W–4 in the U.S. Navy subject to qualification therefor as provided by law.

Executive nominations received by the Senate on February 18, 1977, under the order of February 11:

DEPARTMENT OF THE TREASURY

Laurence N. Woodworth, of Maryland, to be an Assistant Secretary of the Treasury, vice Charles M. Walker, resigned.

ACTION AGENCY

Samuel Winfred Brown, Jr., of Colorado, to be Director of the ACTION Agency, vice Michael P. Balzano, Jr., resigned.

VETERANS' ADMINISTRATION

Joseph Maxwell Cleland, of Georgia, to be Administrator of Veterans' Affairs, vice Richard L. Roudebush, resigned.

IN THE COAST GUARD

The following named captain of the Coast Guard Reserve to be a permanent commissioned officer in the Coast Guard Reserve in the grade of rear admiral:

Olin A. Lively.

IN THE NAVY

Rear Adm. Kenneth M. Carr, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE ARMY

The following-named officer for reappointment to the active list of the Regular Army and Army of the United States, with grade as indicated, from the Temporary Disability Retired List, for a period of 1 day, under the provisions of title 10, United States Code, sections 1211, 3442, and 3447:

To be major general, Regular Army and general, Army of the United States

Bruce Palmer, Jr., [redacted].

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Bruce, Palmer, Jr., [redacted].

WITHDRAWALS

Executive nominations withdrawn from the Senate on February 18, 1977:

DEPARTMENT OF STATE

Lowell Bruce Laingen, of Minnesota, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta, which was sent to the Senate on January 6, 1977.

Jack B. Olson, of Wisconsin, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of the Bahamas, which was sent to the Senate on January 6, 1977.

Donald R. Norland, of Iowa, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana; to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho; and, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland, which were sent to the Senate on January 6, 1977.

Malcolm Toon, of Maryland, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics, which was sent to the Senate on January 6, 1977.

James M. Wilson, Jr., of Maryland, a Foreign Service officer of class 1, to be Coordinator for Human Rights and Humanitarian Affairs, which was sent to the Senate on January 6, 1977.

The following-named Foreign Service officers for promotion from class 1 to the class of Career Minister, which were sent to the Senate on January 6, 1977:

Harry G. Barnes, Jr., of Maryland.
Robert A. Hurwitch, of Illinois.
Richard B. Parker, of Kansas.
Thomas R. Pickering, of New Jersey.
Harry W. Shlaudeman, of California.
Ronald I. Spiers, of Vermont.
Christopher Van Hollen, of Virginia.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

J. Robert Hunter, of Virginia, to be Federal Insurance Administrator, Department of Housing and Urban Development, which was sent to the Senate on January 11, 1977.

CONSUMER PRODUCT SAFETY COMMISSION

Thaddeus A. Garrett, Jr., of Ohio, to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1975, vice Richard O. Simpson, term expired, which was sent to the Senate on January 6, 1977.

SECURITIES AND EXCHANGE COMMISSION

Patrick J. Delaney, of New York, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1981, vice A. A. Sommer, Jr., which was sent to the Senate on January 6, 1977.

CORPORATION FOR PUBLIC BROADCASTING

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for terms expiring March 26, 1982, which were sent to the Senate on January 10, 1977:

Charles H. Crutchfield, of North Carolina, vice Robert S. Benjamin, term expired.

Leslie N. Shaw, of California, vice Virginia Bauer Duncan, term expired.

Paul M. Stevens, of Texas, vice Jack Wrather, term expired.

SECURITIES INVESTOR PROTECTION CORPORATION

The following-named persons to be Directors of the Securities Investor Protection Corporation for the terms indicated, which were sent to the Senate on January 11, 1977:

For a term expiring December 31, 1977:

F. Barton Harvey, Jr., of Maryland, vice Henry W. Meers, term expired.

For a term expiring December 31, 1978:

J. W. Van Gorkom, of Illinois. (Reappointment.)

H. C. Piper, Jr., of Minnesota, vice Glenn E. Anderson, term expired.

NATIONAL LIBRARY OF MEDICINE

The following-named persons to be Members of the Board of Regents of the National Library of Medicine, Public Health Service, for the terms indicated, which were sent to the Senate on January 6, 1977:

For a term expiring August 3, 1978:

Julio E. Figueroa, of Louisiana, vice John Phillip McGovern, term expired.

Francis X. Scannell, of Michigan, vice J. Stanley Marshall, term expired.

For a term expiring August 3, 1979:

Neva Martin Abelson, of the District of Columbia, vice Susan N. Crawford, term expired.

Charles Huggins, of Illinois, vice Bernice M. Hetzner, term expired.

For a term expiring August 3, 1980:

Clara M. Ambrus, of New York, vice Ethel Weinberg, term expired.

John A. Hill, of Connecticut, vice William N. Hubbard, Jr., term expired.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

The following-named persons to be Associate Judges of the Superior Court of the District of Columbia for terms of 15 years, which were sent to the Senate on January 10, 1977:

Annice McBryde Wagner, of the District of Columbia, vice Theodore R. Newman, Jr., elevated.

Robert Alan Shuker, of the District of Columbia, vice Harry T. Alexander, retired.

Robert McCance Scott, of the District of Columbia, vice Richard R. Atkinson, retired.

Edwin C. Brown, Jr., of the District of Columbia, vice George W. Draper II, deceased.

U.S. METRIC BOARD

The following-named persons to the positions indicated, which were sent to the Senate on January 6, 1977:

Louis F. Polk, of Ohio, to be Chairman of the U.S. Metric Board for a term of 6 years. (New position.)

To be members of the U.S. Metric Board for the terms indicated: (New positions.)

For a term of two years:

Harold M. Agnew, of New Mexico.
Sydney D. Andrews, of Florida.
Andrew H. Kenopensky, of New Jersey.
Adrian G. Weaver, of Connecticut.
Virginia H. Knauer, of Pennsylvania.

For a term of four years:

Valerie Antoine, of California.
Carl A. Beck, of Pennsylvania.
Ralph V. Durham, Sr., of North Carolina.
W. E. Hamilton, of Illinois.
Harry E. Kinney, of New Mexico.

For a term of six years:

Francis R. Dugan, of Ohio.
Frank Hartman, of Michigan.
James D. McKevitt, of Colorado.
Jerry J. McReal, of Oregon.
Satenig S. St. Marie, of Connecticut.
Kenyon Y. Taylor, of Illinois.

NOMINATIONS

Executive nominations received by the Senate on February 21, 1977:

DEPARTMENT OF DEFENSE

R. James Woolsey, of Maryland, to be Under Secretary of the Navy, vice David Robert Macdonald, resigned.

IN THE MARINE CORPS

The following-named brigadier general of the Marine Corps Reserve for appointment to the grade of major general under the provisions of title 10, United State Code, section 5902:

Hugh W. Hardy.

IN THE COAST GUARD

The following-named lieutenant commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of commander:

Robert E. Hahn	Walter R. Livingstone, Jr.
Lynn D. O'Brien	Thomas J. Wholey
James E. Ramthun	Eugene B. Defilippo, Sr.
James A. Jamieson	Allyn S. Norton, Jr.
William E. Teepe	Kerney W. Bolton
Edward M. Redman, Jr.	Roger L. Oberndorf
Donald C. W. Dumlao	Nathaniel P. Neblett
John R. Quinn	Garr W. Smith
Robert J. Finan	Jerome W. Hogge, Jr.
Eugene M. Kelly	Jackson R. Iblings
Gerard A. Santerre	Dennis M. Verdow
Patrick M. Dibello	Spyridon A. Aspiotis
Charles H. Long, Jr.	Richard E. Wheeler
Paul K. Hinkley	Andrew B. Godfrey
George H. Peck III	George M. Pettyjohn
Gregory L. Crane	James P. Keating
Jerome J. Salomone	William W. Boorman, Jr.
Ronald S. St. Jean	Frederick J. Turner
Max J. Forbes	James G. Moore
Gerald B. Smith	Jay H. Barkdull
Henry H. Odom	Richard H. Crawford
Orell V. Rowe, Jr.	Leonard A. Koeth
Edwin M. Corbett	Richard L. Jaeger
Richard Gamble	John M. Bohunsky, Jr.
David J. Remondini	Ora F. Fraze III
John E. Donovan	Harold S. Goldstein
Jay H. Pearson	Robert E. Parrow
William M. Abernethy	Thomas G. Volz
Clarence F. Smith, Jr.	Marcus J. Wallace, Jr.
Robert S. Abramson	
Daniel E. Williams	

CONFIRMATION

Executive nomination confirmed by the Senate, February 21, 1977:

DEPARTMENT OF THE TREASURY

Laurence N. Woodworth, of Maryland, to be an Assistant Secretary of the Treasury.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, February 21, 1977*

The House met at 11:55 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Unto Thee, O Lord, do I lift up my soul.—Psalms 25: 1.

In the words of George Washington let us offer our prayer this morning.

"Almighty God, we make our earnest prayer that Thou wilt keep the United States in Thy holy protection, that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government, and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large.

"And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the Divine Author of our blessed religion, and without a humble imitation of whose example in these things, we can never hope to be a happy nation. Grant our supplications, we beseech Thee, through Jesus Christ our Lord." Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following date the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 227. Joint resolution making urgent power supplemental appropriations for the Department of the Interior, Southwestern Power Administration for the fiscal year ending September 30, 1977, and for other purposes.

GEORGE WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Pursuant to the order of the House on February 7, 1977, the Chair recognizes the gentleman from Pennsylvania (Mr. WALKER) to read George Washington's Farewell Address.

Mr. WALKER read the Farewell Address as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a duti ul citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the bat-

teries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite movement, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefitting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presupposes the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cun-

ning, ambitious, and unprincipled men, will be enable to subvert the power of the people, and to usurp for themselves the reigns of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of fraction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; forments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchial cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for through this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at

no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachment for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions or dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gliding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me,

uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES, *17th September, 1796.*

THE DEATHLESSNESS OF WASHINGTON'S FAREWELL ADDRESS

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I wish to compliment the distinguished gentleman from Pennsylvania (Mr. WALKER) on the fine manner in which he has just read the deathless words of our first President. These words contains advice which is good for all seasons and for all years.

I think it is in the best keeping of the traditions of the House and of the Republic that a distinguished Member of the House, such as the gentleman from Pennsylvania, should be designated each year to read Washington's Farewell Address.

Mr. Speaker, I compliment the gentleman and I thank him for his fine presentation.

WASHINGTON'S FAREWELL ADDRESS—AN EXPRESSION OF THE AMERICAN IDEAL THAT HUMAN PROGRESS CAN BEST BE ACHIEVED THROUGH INDIVIDUAL FREEDOM

(Mr. KEMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KEMP. Mr. Speaker, what a great speech and what a tremendous lesson in the role of government in our lives. I, too, would like to join the gentleman from Arizona (Mr. RHODES) in complimenting our friend, the gentleman from Pennsylvania (Mr. WALKER), for his able reading of Washington's Farewell Address. It was certainly inspiring to me, and my guests, today, from Orchard Park Middle School, to hear once again about the principles, ideals, and values upon which our country was founded. Indeed, Mr. Speaker, President Washington recognized that the most revolutionary idea in history is the American ideal that human progress can best be attained through individual freedom. Not only is it the most revolutionary idea in history, but it is the only one that has ever really worked. No government in history has ever managed to do as much for individuals as individual people have been able to accomplish for themselves when left free of government oppression.

Mr. Speaker, I think that message is as important today, in 1977, as it was when George Washington sent his farewell message to the Congress in 1796.

Mr. Speaker, the farewell words of George Washington remind us not only of our freedoms which we take too much for granted, but of our responsibilities as well. One of our most important responsibilities is to keep government in check, spend taxpayers' dollars wisely, and leave as much of the people's earnings in their own hands as possible so as to maximize not only individual freedom but economic prosperity as well.

I cannot think of a better way to celebrate George Washington's memory than to reduce the tax burden now on the backs of American people thereby stimulating our economy and preserving freedom.

TANKER SAFETY LEGISLATION

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, the recent unfortunate rash of tanker accidents has heightened congressional and public interest in meaningful tanker safety legislation; it has also widened congressional and public recognition of the inadequate safeguards that presently exist.

Today, Mr. STUDDS. Mr. BONKER, Mr. PRITCHARD, and I are introducing legislation to remedy this situation. In doing so, we are building on the very firm foundation established by the chairman of the Commerce Committee in the other body. I was fortunate enough to work in the other body when the chairman initiated action on what eventually became the Ports and Waterways Safety Act of 1972. This legislation empowers the Coast Guard to take effective action in protecting the marine environment. But in the 5 years since the passage of this legislation, the Coast Guard has proven to be less than vigilant in its regulatory role. As a result, we are introducing the Tanker Safety Act of 1977 today.

The proposed legislation has a number of important provisions. It creates a 200-mile maritime safety zone for the purposes of protecting the marine environment from the pollution of harzardous cargos carried in bulk; it establishes a comprehensive regulatory and enforcement program within that maritime safety zone; it establishes design, construction, equipment, maintenance, operation, and manning standards to promote tanker safety; it establishes a program to effectively prohibit substandard vessels from operating within the maritime zone, and it provides for a system of improved vessel inspection and enforcement. In essence, this bill sets unilateral standards which we expect ourselves and others to follow. In the past, we have relied on international standards agreed upon at IMCO—the International Marine Consultative Organization. While progress has taken place on this front, such progress has been painfully slow and incomplete.

The Canadian Government has already taken steps to unilaterally raise these standards; as long as our unilateral actions impose reasonable burdens on incoming tankships, I believe we, too, should do so. Fair-minded observers may differ on what constitutes reasonable burdens, given the clear and present danger that exists to the marine and coastal environment as a result of oil pollution. I believe it is important to note in this regard that our legislation imposes no requirement for double bottoms on either new or existing oil tankers. I think this demonstrates the cosponsors' resolve to put together a reasonable, and yet affordable reform package.

One of the reasons why double bottoms may not be necessary is that this legislation establishes a nationwide vessel traffic control system: Every port, harbor, or inland waterway through which passes an average of 100,000 barrels per day of hazardous cargo in bulk must have a VTS established.

At least 11 such areas are covered by this provision: New York Harbor, the Delaware River Ports, Portland, Maine, Boston/Fall River, Long Beach, Galveston, Rhode Island/Connecticut Ports,

Los Angeles, Norfolk/Hampton Roads, Houston, and Baltimore. The Coast Guard has already established VTS programs in San Francisco, Puget Sound, and Houston/Galveston. New Orleans and Valdez, Alaska will have a VTS in place by the end of 1977, and in 1978, a VTS will be working to protect New York Harbor. Thus this requirement will impose a significant burden on the Coast Guard, but one, as is explained below, that will not result in significant dollar outlays.

The VTS systems required by this act must include computerized tracking and data retrieval systems. Here is how the system works: An incoming ship is spotted on shore-based radar or by some other means of surveillance. The Vessel Traffic System Command Center charts the ship's course and speed via computer to determine if any congestion or collision problems are imminent. Then the computer performs a second task: It delves into its data bank to retrieve information on the incoming ship's history, safety record and certificates. Coast Guard personnel may then ask pertinent questions concerning the ship's current status. If the Coast Guard has reasonable cause to presume that the incoming ship poses serious potential hazards to the marine environment, the Coast Guard is empowered by this legislation to take any number of actions, including boarding the vessel, requiring tug escorts, or restricting passage. If the vessel is determined to be a serious threat to the coastline and marine environment, the Coast Guard can order the ship in question out of U.S. waters, unless such action would endanger the life of the crew, or provide an even greater hazard to the marine environment.

In directing the Secretary of Transportation to enforce this kind of VTS system, we will in effect be duplicating the Canadian VTS system around Vancouver. Some U.S. VTS systems utilize computers for vessel tracking, but none of them utilize the data retrieval component. In our view, it is extremely important to impose a computer tracking and data retrieval requirement nationwide, particularly in view of its low cost. The Canadian VTS system, complete with 6 radars, will cost on the order of $8 million. Of this, the computer itself costs only $100,000–$150,000; most of the expense comes from computer software. In sum, a nationwide VTS program appears to be the way to provide this country with a cost-effective means of protection against tanker accidents.

Other provisions of this comprehensive bill deserve my colleagues' attention. I think it is significant, for example, that the proposed legislation imposes certain minimum standards for all tank vessels coming into U.S. ports. In this respect, this legislation builds on the wise decision of Secretary Brock Adams to require short- and long-range radars, fathometers, and up-to-date nautical charts for all such vessels. This bill would also require loran-C receivers and transponders which will assist in locating tankers offshore, segregated ballast systems for all ships greater than 20,000 deadweight ton, and inert gas systems for all vessels greater than 50,000 deadweight tons. These retrofits must be made within 2 years.

It is my hope that a great many of my colleagues will join with us in cosponsoring this proposed legislation. It seems to me that the public is waiting for the Congress to enact tough standards for tanker safety—but standards that will not wind up costing the consumer an arm and a leg. The proposed legislation we have introduced today serves this purpose.

THE LATE HONORABLE RALPH BEERMANN

(Mr. THONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THONE. Mr. Speaker, it is with deep regret that I inform Members of the House of Representatives that their former colleague, the Honorable Ralph Beermann, was killed last Thursday in a plane crash.

Representative Beermann served in the 87th Congress and the 88th, from 1961 through 1964. As a member of the House Committee on Agriculture, he worked vigorously to maintain the independence of the family farmer. Throughout his service in Congress, he was a relentless foe against big government.

A native of Dakota County, Nebr., Ralph Beermann attended Morningside College in Sioux City, Iowa. After much-decorated service in World War II, Ralph built at Dakota City, Nebr., a very successful alfalfa processing and cattle feeding operation with his brothers. Ralph served as national president of the alfalfa dehydrators association.

Ralph Beermann throughout his life maintained a keen interest in good government. At the time of his death, he was serving his second consecutive term as a director of the Nebraska Public Power District. He was returning from testifying before the Nebraska Legislature Thursday when he crashed in his private plane.

Ralph Beerman's wonderful wife, Marjorie, was a full partner with him in all his activities of agriculture, business, and government. I am certain my colleagues join me in offering her sympathy and encouragement to continue her efforts to better her community, State, and Nation.

GENERAL LEAVE

Mr. THONE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in paying tribute to the late Honorable Ralph Beermann.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND SPAIN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–81)

The SPEAKER pro tempore (Mr. LLOYD of California) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and Spain, signed at Washington on February 16, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND EUROPEAN ECONOMIC COMMUNITY — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–80)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the European Economic Community, signed at Washington on February 15, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–78)

The SPEAKER pro tempore laid before the House the following message

from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the Republic of Korea, signed at Washington on January 4, 1977.

This agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider issuance of a joint resolution in order to bring this agreement into force by that date.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND JAPAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–79)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Fishery Conservation and Management Act of 1976 (P.L. 94–265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement for 1977 between the United States and Japan, signed at Washington on February 10, 1977.

This Agreement is significant because it is one of a series to be negotiated in accordance with that legislation. I urge that the Congress give favorable consideration to this Agreement at an early date. Since 60 calendar days of continuous session as required by the legislation are not available before March 1, 1977, I strongly recommend that the Congress consider amendment of the "Fishery Conservation Zone Transition Act" in order to incorporate this Agreement within its overall provisions.

Also transmitted for the information of the Congress is a governing international fishery agreement between the United States and Japan for 1978–1982 initialled at Washington on February 10, 1977. This Agreement will be resubmitted for favorable consideration following its signature by the United States and Japan later this year.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

LET'S REDUCE THE TAX RATES IN ORDER TO FIGHT BOTH UNEMPLOYMENT AND INFLATION

(Mr. KEMP asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KEMP. Mr. Speaker, the highest priority of the third concurrent budget resolution this week must be amendment to reduce tax rates across the board on all incomes in order to stimulate production and create jobs.

These reductions should not be temporary one-shot rebates but rather of a permanent nature that will assure more jobs and greater productivity in the private sector.

Reducing tax rates would be the most immediate and effective boost to economic recovery of all the options open to us. It would stimulate output, the purchase of additional equipment, the construction of homes and the creation of more jobs at higher real wages. In short, reduced rates will combat both inflation and unemployment.

The choice before us is so simple that it is hard to imagine anyone's not being able to see it. There are two ways to try to gain additional tax revenues: Higher tax rates with less economic activity, on the one hand, or lower tax rates with greater economic activity on the other. Obviously stimulating greater economic activity will increase tax revenues.

Deficits created by excessive spending, and rebate-type tax cuts inevitably lead to some form of tax increase, either through the tax of inflation or higher taxes to pay interest on the expanding public debt. This deficit spending adds nothing to the supply of food, clothing, housing, or other goods, and does nothing to help lower prices. It reduces the reward to labor and investment, shrinks the productive private sector, and leads to recession and layoffs.

Sound tax policy however must be considered from the standpoint of its effects on the incentives of people to work and produce, to save and invest, to build and employ. When tax rates go up and investment and employment opportunities in the private sector go down, it is not the rich who have been soaked, but the unfortunate workers who either become unemployed or must work with less productive tools and machinery. In other words, the real way to help the poor and the middle-income people of America is to create incentives once again for investment, saving, work, and production.

Attempts to benefit the less fortunate and fight poverty by trying to distribute income through the high tax rates ultimately are counterproductive. The only real way to raise the standard of living is to increase the amount of capital investment per capita by reducing the tax barriers to investment and employment.

PROF. PAUL McCRACKEN CALLS FOR PERMANENT TAX CUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, Prof. Paul McCracken of the University of Michigan is one of America's most respected economists. Recently he gave a speech before the Economic Club of Detroit in which he analyzed the present economic situation and the President's program for dealing with it. I believe that Professor McCracken's views on this subject are extremely important because the Congress will begin consideration tomorrow of the third concurrent resolution on the budget for fiscal year 1977, which contains President Carter's economic stimulus program.

It is Professor McCracken's view that President Carter's program is essentially a "Rube Goldberg contrivance." He argues instead that permanent tax cuts would do far more to help the economy, both immediately and in the long run. As he put it:

> The higher level of economic activity produced by tax reduction is a far more effective job creation program than public spending. It is more effective because it is faster and because the employment opportunities are less apt to be dead-end jobs. We tried tax reduction in 1954 and it worked. We tried it in 1964 and it worked. We tried it in 1975, and the fact that 4.2 million more people are now employed (88 percent of them in the private sector) strongly suggests that it worked once again. Because history is so clear about this, one has to suspect that those who stubbornly try to maintain this distinction between tax reduction and job creation have as their major objective simply a further expansion of political empires where both the newly created bureaucracy and the holders of public service jobs will be more explicitly beholden to government.

I believe that this analysis is absolutely correct. Many of those who so strongly support expansion of public service jobs know very well that tax cuts would do a better job of relieving unemployment. But they support public service programs nevertheless, essentially for two reasons: First, because they do not wish to sacrifice any of the Government's hold on our pocketbooks since they are afraid they may not get it back in order to pay for new programs later; and second, because they want people to be consciously beholden to Government for relieving the current economic stagnation. This is quite clear from statements by prominent Democratic economists. When asked why we should not cut taxes again before the Joint Economic Committee, one answered that it was purely a value judgment and that he simply preferred to keep the Government's taxing power intact in order to be able to pay for such things as national health insurance later on. Charles Schultze of the Council of Economic Advisers has said much the same thing.

The fact is that there is not only an important economic reason for cutting taxes now—in order to stimulate investment and job creation in the private sector—but a moral reason as well. To the extent that we are taxed, we are denied a certain amount of our liberty. Obviously, if 100 percent of our income were taxed, we would be nothing more than slaves. Therefore, it is also important from the standpoint of individual liberty to reduce the heavy burden of taxes in

America. Professor McCracken also makes this important observation. I hope that my colleagues will read his remarks in the context of Professor McCracken's devotion to a truly liberal society, one in which progress is a result of individual initiative and freedom:

"WHAT MAKES AMERICA?"

(By Paul W. McCracken) *

"What Makes America?"

This question, with which the *London Economist* began its lead article in the January 15 issue, would have been the title of these remarks today if the postal service had performed out of character and delivered this journal on time. It is, we would certainly agree, a profoundly Olympian query. Perhaps it even sounds a bit like those bicentennial questions which, after last year's rhetoric and retrospection, we would just as soon not try once again to explore. Yet it may not be amiss for us to remind ourselves of a few things here because, as people from Victor Hugo to Keynes have reminded us, ideas do influence the real world of policies and decisions.

I

In a quite unusual way the new American government, now in its third week of responsibility for the country's governance, is at a great divide as its strategy for economic policy begins to take shape. It has now within its grasp the possibility of energizing those forces and processes in the nation with a demonstrated capability for lifting material levels of living and diffusing the fruits of this progress widely to all people. It was the strategy that in a brief span of time brought this nation from an empty land to the world's most productive economy. Alternatively, through a succession of steps each of which could have powerful interest group support and a certain plausibility, the new government can take us along a road which leads to an arthritic economy, disappointed expectations of people about their material well-being, and diminished scope for a life of individual self-fulfillment—a feeling on the part of the individual, in short, that he is a statistic in the faceless masses. In which direction we finally move will be determined not only by the preferences of those in government but also by the state of the public debate outside. That is, of course, the basic *raison d'etre* of this Economic Club itself. There is some reason for optimism here because the President has given early evidence that his leadership will be aimed in the right direction. If so, he may realize his hope of being a good, and possibly even a great, American president.

The new government shapes its strategy in an environment that has its favorable auguries. For one thing it inherits an economy which after a pause is once again moving upward (though January figures are going to show some severe frostbite). Indeed, in retrospect it seems clear that by about October the economy was emerging from the lull or air pocket—with, it no doubt seems to some of you, the Fates decreeing that the renewed expansion be carefully timed to remain invisible until after November 2! Retail sales during the fourth quarter, for example, rose on a seasonally adjusted basis at the rate of 26 percent per year, and the corresponding figure for civilian employment was 2.4 percent—substantially above the 1.9 percent per year basic rate of growth of the labor force.

NOTE. Presented to the Economic Club of Detroit, February 7, 1977.

*Edmund Ezra Day University Professor of Business Administration, The University of Michigan.

Monthly increases in employment and retail sales, 1976 (seasonally adjusted)

Period	Civilian employment [1]	Retail sales [2]
January–June Av.	351	$375
July	407	−229
August	74	889
September	−162	−543
October	−46	569
November	357	991
December	222	1,690

[1] In thousands.
[2] In millions.

Source: Departments of Labor and Commerce.

Moreover, the economy is in a better state of fundamental balance than we have seen for at least six years, and this offers the opportunity for a more orderly and sustained expansion. For a variety of reasons one of the unstable forces during recent years has been the large gyrations in business inventories. The violent shift from inventory accumulation in the third quarter of 1974 to sharp liquidation in the first quarter of 1975 accounted for half of the decline in output during that sharp recession. And the 50 percent decline in the rate of inventory accumulation was a major factor in the economy's sluggishness during the latter part of last year.

Inventories are now coming into a more balanced relationship with sales. Purchasing executives report that targets for inventory reductions have now been substantially achieved. And the actual decline in the ratio of nonfarm inventories to sales since early 1975 has been substantially greater than during comparable periods after 1971 or 1961. Overly heavy inventories generally are no longer looming like an ominous cloud on the horizon of the economic outlook.

Moreover, the basic financial position and structure of businesses have been fundamentally strengthened. The earlier years of this decade gave us a painful lesson in the financial distortions that inflation will impose. As higher expected rates of inflation were added to interest rates already rising from normal market pressures, the resulting lower capitalization ratios disorganized the equity markets. The net amount of new equity money raised declined 30 percent from 1972 to 1973, with another 53 percent decline the following year.

The burden of financing then shifted to the bond market. The congestion thereby produced in the bond markets inevitably threw financing requirements into short-term borrowing. This produced a doubly dangerous situation. Businesses were, in effect financing brick and mortar with commercial paper and bank borrowing. And commercial banks found themselves with a weakening capital structure as their borrowings and deposit liabilities were increasing more rapidly than their own capital funds. It is not being overly dramatic to suggest that we had here the raw material for a major financial collapse, a situation which was handled with considerable skill both by the Administration and the Federal Reserve System.

Financial structures now have been substantially strengthened. During the last three years businesses have raised more than $100 billion of long-term money (including the equity market), and during the last two years short-term borrowing has actually declined by about $6 billion. Businesses are now in a fundamentally stronger position to finance a sustained and balanced expansion than at any time since mid-1971. And it can be assumed that corporate financial officers, after observing how three years ago some in their fraternity were doing a toe dance on the edge of the cliff, will have little inclination to take on the risks of financing longer-term projects with short-term borrowing.

Finally, that more stable price level which is so essential for more orderly planning is now within our grasp, and it will be one of the tragedies of this century if we let this opportunity slip away from us. The peak rate of inflation was actually reached in the third quarter of 1974 when our price level was rising at the rate of 13–14 percent per year.

Annual rate of increase in price indexes (seasonally adjusted annual rates)

[In percent]

Year-Qtr.	CPI	CPI-Non-Food Com.	GNP Prices
1974–3	13.4	14.6	12.4
–4	10.7	9.4	12.4
1975–4	7.3	4.3	7.1
1976–1	2.9	3.2	3.2
–2	6.1	5.7	5.2
–3	5.8	6.6	4.4
–4	3.2	5.3	6.2

Source: Basic data from Department of Labor.

While different indexes give somewhat different results, we closed out 1976 with the price level rising at about a 5 percent rate. That would still cut the purchasing power of a dollar by 50 percent in 14 years, but 14 years is considerably better than for money to lose half its real value in 5½ years, which was the rate prevailing in the June-September period of 1974. It is not being wildly optimistic to suggest that an era may be emerging during which fears about the future purchasing power of money can be less dominant in the planning of families and businesses.

II

Whether this hope is finally realized will depend on the policies that one pursues. What can be said about what they should be?

The basic requirement is that our policies encourage a persisting and steady expansion, but that we resist the temptation to try for dramatic near-term gains. A clear lesson of history is that even an economy with substantial unemployment will generate inflation if it is pushed hard. The 8.7 percent rise in consumer prices during 1973, even though the unemployment rate had declined only one percentage point below its high in the 1970 recession, serves as a reminder of this—or the sharp jump in prices from 1963 to 1973 in the face of an unemployment rate of 17 percent!

Clearly monetary policy, as calibrated by the rate of increase in the money stock, should not be made more expansive. The ratio derived by dividing GNP into the broadly defined money stock (M_2) two quarters earlier, in order to allow time for monetary changes to affect the economy, has been fairly stable historically. During the last decade this ratio has averaged 40.4 percent, and if we allow a half a percentage point on either side of this average, we would bracket 80 percent of the individual quarters. (The fourth quarter 1976 ratio was 39.7 percent.) This suggests that the path along which the money stock moves tends to be the path that the economy will tend to follow along later. The broadly-defined money stock has been rising at a 12-13 percent annual rate, and a 12–13 percent per year rate of expansion for the economy (which is the basic trail monetary policy is blazing) is at the outer limit of what is possible without unacceptably high risks of setting off a new inflation.

The President is on sound ground in his judgment that there is also a need for some

fiscal actions. While the economy is again rising, and monetary policy is adequately expansive, it would be imprudent to place the whole burden for the course of the economy on one instrument of policy. What this fiscal package should be obviously depends on what the economy needs. Even a cursory analysis is sufficient to point us in the right direction here if we will simply look at the evidence. Clearly, we have a particular problem because of a deficiency of investment. Since the low point of the recession in early 1975, nonresidential fixed investment in real terms should on the basis of historical experience have increased about 12 percent; the actual rise has been 2.7 percent. The still relatively low operating rates are part of the problem. Yet consumers in 1976 were already spending 93.2 percent of their after-tax incomes, just about in line with the historical average of 93.1 percent. How do we escape from this circle of inadequate investment because operating rates are low because consumers are not buying enough because the economy's operating rate does not generate more income because. . . .

The answer is clearly a permanent tax reduction that will lift the after-tax incomes of consumers. While there is no magic "right" magnitude, the tax reduction should produce a significant rise in take-home pay, and something like a 1 percent increase would commend itself as reasonable. In an economy already generating after-tax consumer incomes at the rate of $1200 billion per year, that would be $12 billion.

A vigorous investment revival requires not only the demand for output from increased capacity but also the means for sound financing. The sharply increased percentage of corporate profits paid in taxes must therefore also be reduced. The problem arises from inflation itself as book depreciation has fallen far behind the current economic value of capital expiring during the accounting period, and the resulting understatement of costs has produced an overstatement of profits and therefore profit taxes. The magnitudes are large. Profits taxes in 1976 were about 54 percent of profits thus more accurately measured, compared with 41 percent in 1966. And real retained earnings of corporations in 1976 were as a result 60 percent below those of 1966 (compared with a 40 percent rise in real compensation of employees).

The time has come to face this problem head-on. We should define corporate profits properly and then decide what proportion of these profits should go to the Treasury. A good beginning would be to keep actual rates where they now are but to account more fully for current costs, which apparently would reduce taxes on corporate profits by roughly $6 billion.

It is to be hoped that this issue can be examined with the candor it deserves and without any demagoguery about "taxes on people vs. taxes on businesses." Only people pay taxes. The people who have the greatest stake here are certainly not the already affluent, who will live well enough in any case, but people generally who aspire to those higher levels of real income which only more vigorous capital formation can validate, and those now unemployed who would greatly benefit if there were even now more new plants coming on stream and opening up new job opportunities.

Such an $18 billion program would not be out-sized by historical standards. It would be equal to just over 1 percent of GNP, compared with a 1.3 percent figure for the 1975 and 1954 tax cuts or 2 percent for the tax cut of 1964.

The President's fiscal proposals are not subject to criticism because of their size since in any case the second year's installment could be de-activated, but the pattern of the proposals does deserve criticism. It is too cluttered, too much of a Rube Goldberg contrivance. Allowing businesses to offset a percentage of their payroll taxes against corporate income taxes is arithmetically in the right direction, but it reflects excessive indirection and additional complexity. The tax rebate is understandably being greeted by people with decidedly more restrained enthusiasm than by politicians. The proposal is, in fact, another indication of why government has its problems of credibility. The tax rebate is offered as a seemingly major benefit, but people rightly see a massive difference between a rebate and a permanent tax reduction that would permit them to adjust their longer-run spending commitments. It is a tax reduction this year to be followed by a tax increase next year.

A particularly disappointing characteristic of the current debate has been the attempts to draw distinctions between "job creation" vs. tax reduction. The higher level of economic activity produced by tax reduction is a far more effective job creation program than public spending. It is more effective because it is faster and because the employment opportunities are less apt to be dead-end jobs. We tried tax reduction in 1954 and it worked. We tried it in 1964 and it worked. We tried it in 1975, and the fact that 4.2 million more people are now employed (88 percent of them in the private sector) strongly suggests that it worked once again. Because the evidence of history is so clear about this, one has to suspect that those who stubbornly try to maintain this distinction between tax reduction and job creation have as their major objective simply a further expansion of political empires where both the newly created bureaucracy and the holders of public service jobs will be more explicitly beholden to government.

One other quick point here. The President is to be commended for recognizing that this expansion can be managed effectively only with close coordination among the three economies that have some room for maneuver—namely, Germany, Japan, and the United States. We do not manage our own affairs intelligently unless we take into account what others are doing, but the days are also gone when other governments could ride passively up an export-led boom with the U.S. assuming the full burden of the initiative.

With something like this alternative program of permanent tax reductions, which is fully in the spirit of the President's general concerns, it is reasonable to expect that when the books are closed on this year's fourth quarter the dollar volume of business activity will be seen to have increased about 11 percent with the price level rising at about 5 percent, real output up 6 percent, and upwards of 3 million more people at work.

LEGISLATION TO AMEND THE INTERNAL REVENUE CODE OF 1954

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. BRODHEAD) is recognized for 5 minutes.

Mr. BRODHEAD. Mr. Speaker, today I am introducing legislation to provide incentives for manufacturing industries to remain in their present community rather than relocate. Specifically, my bill provides a double investment tax credit for modernizing plants which are more than 25 years old and located in areas of high unemployment.

The economic decline which is due to industrial plant relocation has produced tragic results in my own city of Detroit, and in other urban areas in the Northeast and Middle West. In these cities, elimination of jobs has caused soaring increases in unemployment compensation and welfare payments, rising vandalism and crime, and urban blight. I believe it is in the national interest, as well as in these regions' interest, to encourage the single most important factor which is needed to halt this decline: this factor is jobs.

Mr. Speaker, by creating a strong incentive for industries to modernize rather than relocate, my legislation provides one vital step toward halting the drain of jobs from the Northeast and Middle West. And it is only after this trend is stopped that other measures can be effective in returning vitality to these economically troubled areas.

The text of the bill follows:

H.R. 3713

A bill to amend the Internal Revenue Code of 1954 to encourage employment and the modernization of manufacturing plants by providing an additional investment credit for machinery placed in service in existing manufacturing plants or in nearby plants

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Investment Tax Credit Act of 1977".

SEC. 2. (a) Subsection (c) of section 46 of the Internal Revenue Code of 1954 (relating to qualified investment) is amended by adding at the end thereof the following new paragraph:

"(6) Machinery and equipment placed in service in existing manufacturing plants or in nearby plants.—

"(A) In the case of section 38 property which is qualified machinery and equipment, the amount of the qualified investment shall be 200 percent of the amount determined under paragraph (1).

"(B) For purposes of this paragraph, the term 'qualified machinery and equipment' means any machinery or equipment which is placed in service by the taxpayer on or in connection with a qualified manufacturing facility to the extent that such machinery or equipment is required to enable such facility to compete effectively with other plants or facilities.

"(C) For purposes of this paragraph, the term 'qualified manufacturing facility' means any plant or facility which is used by the taxpayer in a trade or business of manufacturing or producing goods—

"(i) if—

"(I) such plant or facility is, on the date of the enactment of the Investment Tax Credit Act of 1977, owned by the taxpayer and used by him in such a trade or business,

"(II) such plant or facility has been so owned and used by the taxpayer for 25 or more calendar years,

"(III) without new machinery and equipment, such plant or facility will have sufficiently higher production costs so that it will be unable to compete effectively with other plants or facilities producing such goods, and

"(IV) such plant or facility is, at the beginning of the taxable year, located in a local area in which the rate of unemployment exceeds 4½ percent, as determined under regulations prescribed by the Secretary; or

"(ii) if such plant or facility is located within 10 miles of a plant or facility described in clause (i).

Such term does not include any plant or facility used predominantly in a trade or business described in paragraph (3)(B).

"(D) For purposes of this paragraph—

"(i) members of the same affiliated group of corporations (as defined in section 1504

(a)) which file a consolidated return for the first taxable year ending after the date of the enactment of the Investment Tax Credit Act of 1977 and for each taxable year thereafter shall be treated as one taxpayer, and

"(ii) assets acquired by the taxpayer after the date of the enactment of the Investment Tax Credit Act of 1977 in a transaction to which section 381(a) applies shall be treated as not owned by the taxpayer on such date.".

(b)(1) Subsection (a) of section 47 of such Code (relating to certain dispositions, etc., of section 38 property) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) PROPERTY CEASES TO BE QUALIFIED MACHINERY AND EQUIPMENT.—If during any taxable year any section 38 property taken into account as qualified machinery and equipment (as defined in section 46(c)(6)(B)) in determining qualified investment ceases to be used on or in connection with a qualified manufacturing facility (as defined in section 46(c)(6)(C)), then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from not treating such property, for purposes of determining qualified investment, as qualified machinery and equipment (after giving due regard to the period before such change in use). If the application of this paragraph to any property is followed by the application of paragraph (1) to such property, proper adjustment shall be made in applying paragraph (1).".

(2) Paragraph (5) of such subsection (a) (as redesignated by paragraph (1)) is amended by striking out "paragraph (1) or (3)" and inserting in lieu thereof "paragraph (1), (3), or (4)".

(3) Paragraph (6) (B) of such subsection (a) is amended by striking out "paragraph (4)" and inserting in lieu thereof "paragraph (5)".

SEC. 3. (a) The amendments made by section 2(a) of this Act shall apply to property—

(1) which is acquired by the taxpayer on or after the date of enactment of this Act; or

(2) the construction, reconstruction, or erection of which is completed by the taxpayer on or after such date, except that there shall be taken into account only the portion of the basis which is properly attributable to construction, reconstruction, or erection on or after such date.

(b) The amendments made by section 2(b) of this Act shall apply to taxable years ending after the date of the enactment of this Act.

EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Ohio (Mr. STOKES) is recognized for 10 minutes.

Mr. STOKES. Mr. Speaker, to a large degree, affirmative action programs were responsible for the rise in the minority enrollments in medical schools during the last 7 years. In 1970, 697 minority students were registered in the first-year class of American medical schools; in 1971, 882; in 1972, 957; 1973, 1,023; in 1974, 1,106. In 1975, minority enrollment dropped to 1,036. Why did this happen?

Certainly, one can point to the decreasing national interest in affirmative action guidelines and the difficulty that the executive agencies had in getting compliance with these guidelines as factors impeding minority enrollments. In addition, these affirmative action guidelines engendered a great deal of resentment because of the extra effort and expense required to recruit and retain students not in the usual middle-class track. Of late, legal reprisals have developed because of so-called incidents of reverse discrimination.

But one also has to look at the rising costs of a medical education and the inflationary trend of the Nation which affect not only minorities, but all students from disadvantaged backgrounds. Thus, my concern has been increased, and the Nation is faced with a much broader problem in the area of health manpower.

Until a few years ago—before our national economic crisis—few students had to leave medical schools because of a lack of funds. However, many medical colleges seem to believe that accepting students during difficult economic times who do not have the resources to pay their own way puts too great a stress on both students and medical school budgets. With the total cost of a year in medical school averaging well over $7,000, students are being forced to withdraw in increasing numbers. Unless someone can point to factors indicating that the cost of a medical education will decrease, this dropout trend will continue.

Much more money must be made available to help our disadvantaged youth. I feel this way not only out of concern for the poor and near poor in this country, but also for the improvement of the medical professions as well.

Increasing the enrollment of students from disadvantaged backgrounds will lend balance and sensitivity to the traditional mode of medical education. In addition, communities in rural regions and inner city ghettos can best be served when the health professionals in that area are an integral part of the community.

If the Federal Government permits medical schools to be the domain of students from very privileged backgrounds then the Nation will suffer a tremendous loss.

CURIOUSER AND CURIOUSER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, oftentimes, a public official feels as though he has been thrown into a role in the theater of the absurd. This happened to me recently when I made some inquiries into the operation of the Hispanic Association for a Drug Free Society, otherwise known as SERA. Act I of this mockery of commonsense revolved around the director of SERA, Robert Munoz, an individual convicted on December 5, 1975, in the U.S. District Court, Southern District of New York for conspiracy to "use explosives and to extort." On February 27, 1976, Mr. Munoz was sentenced to 18 months imprisonment. This was suspended and he was placed on 2 years' parole. Thirty-one other counts against Mr. Munoz were dropped.

Despite his conviction, Mr. Munoz continues as executive director of SERA, a program whose purpose is to rehabilitate drug addicts.

Last July, J. Henry Smith, administrator of the Human Resources Administration, advised the chairman of SERA, Mr. Victor Risso, by letter that—

In view of these convictions we find it highly inappropriate and improper for him (Mr. Munoz) to serve as Executive Director or in any official capacity in any organizations with which the City of New York contracts for services.

Mr. Smith warned that unless Mr. Munoz were replaced, he would not consider any new funding for SERA.

Mr. Munoz remained, and as of November 18, Mr. Smith terminated all contracts with SERA over which he had jurisdiction. This is now the subject of litigation.

Ironically, scene 2 of this comedy started on the same day: November 18 when the board of estimate was scheduled to act on a request by another city agency, addiction services agency, for $604,129 in new funds for SERA to bring its total ongoing contract to $1,893,671. I queried, "is it possible that on the one hand one city commissioner taketh away while another giveth?"

In Congress I have been a proponent of prison reform, and I believe that those who have committed crimes and been subjected to punishment should not be subjected to further job discrimination as a result of the criminal record unless the crime and the job are related. And even then, when there has been a reasonable period of time in which rehabilitation has been demonstrated and tested there should not be discrimination. But, it makes no sense to have Mr. Munoz as director of a therapy program for individuals, some of whom have committed crimes of violence, and he himself found guilty of a serious felony.

The contract between ASA and SERA stipulates that the city may require that the contractor terminate any employee who "is convicted of any criminal charge which relates to his employment with the contractor, or which affects his ability to properly carry out his assigned functions."

As a result of my statements supporting Commissioner Smith's position that Mr. Munoz should be removed as director, I was denounced by Mr. Munoz who charged that I was being discriminatory, because he had only one felony conviction and his predecessors a minimum of four.

We went on to Act II shortly after this exchange. The papers reported that two directors of SERA had been apprehended in the dead of night by several police officers while allegedly throwing a fire bomb into an empty bus owned by SERA. Mr. Munoz reportedly refused to be a complainant on behalf of SERA against the alleged firebombers and for awhile stalled the legal process. But, the Bronx district attorney has advised me that the matter can proceed even without the cooperation of Mr. Munoz. To date, this scenario is still unresolved.

Act III began on January 6 when Brig. Gen. Eric Jackson of the Salvation Army came to see me about his problems with

SERA. The Salvation Army owns the building in which SERA's headquarters are located, 1771 Andrews Ave. in the Bronx, under a $25,000 a month lease. Since October 1975, SERA has not paid its rent. The $25,000 a month rental, however, has been specifically approved and paid to SERA by ASA. In November and December 1975, General Jackson and his general counsel appealed to city, State, and Federal funding agencies for help. The agencies replied that they had no authority to get involved even though the final disposition of their funds was in question. In response to a letter by the Salvation Army's general counsel to SERA, a check for $32,000 was rendered on January 26, 1976, leaving a balance at that time of $67,970. The current amount due the Salvation Army is $333,119.

In a tour de force, the next communication received from Mr. Munoz by the Salvation Army, dated March 16, 1976, ominously stated:

> This is to strongly request the Salvation Army to donate to the Hispanic Association for a Drug Free Society, Inc. the premises . . .

When I asked why the Salvation Army permitted SERA to remain in occupancy without paying rent, I was told that it was feared that if SERA were compelled to vacate under court order, the building would be left vacant and ultimately vandalized and destroyed. The Salvation Army would rather have no rent than no building. An interesting aside is that when the Salvation Army did receive rental payments—the lease commenced September 1973—the checks were drawn on 22 different banks. Curious?

Act IV opened with the suspense of an Orwellian drama. On February 1, Brig. Eric Jackson, property secretary of the Salvation Army, again contacted me to advise that he had just learned from an anonymous caller that SERA had suddenly vacated its headquarters at 1771 Andrews Avenue. SERA's new home was reported to be a facility formally owned by the Hebrew Home for the Chronic Sick at 1776 Clay Avenue in the Bronx.

Salvation Army officials had been denied entry to the building at 1771 Andrews Avenue for over a year and had little knowledge of its condition. At their invitation I joined them on a tour of the former SERA facility on February 4. The building had widespread damage because its boiler had been turned off during the recent extraordinary cold spell and pipes throughout the sprawling facility had frozen and cracked. A contractor who accompanied us on the the tour estimated the cost of repairs would exceed $200,000.

As I toured 1771 Andrews Avenue, members of my staff were investigating the circumstances surrounding SERA's relocation to 1776 Clay Avenue. Through calls to Federal, State, and local drug abuse agencies who funded SERA, we learned that none of the agencies had authorized such a move and that in fact, relocation of the program would be contrary to agency regulations.

The plot of Act V thickened considerably following an examination of the records of the Bronx Registrar of Deeds. Papers on file show that on January 18, title to 1776 Clay Avenue, SERA's new headquarters, were transferred, not once, but twice. First, to the 1776 Clay Avenue Corp., for the price of $75,000 in cash. And then later that very same day to SERA for the price of $325,000—$275,000 in cash and the balance in a mortgage with the Dime Savings Bank of Brooklyn according to the office of the New York City Comptroller.

Further investigation by WNEW–TV reporter Steve Bauman yielded the name of one of the principals of the 1776 Clay Avenue Corp. It is none other than the attorney who represented Robert Munoz at his 1975 felony trial.

The exact sale price of the building seems to be in question. Soon after my return to the office on the day I toured the former SERA headquarters, Mr. Munoz telephoned me. He said:

> I understand you are interested in our programs and want to know if I can provide any of the facts.

And went on to explain that SERA has paid $350,000 not $325,000 for the building through a lease-purchase agreement. Such an agreement, Mr. Munoz insisted, "will save the taxpayers hundreds of thousands of dollars." Mr. Munoz also stated that the National Institute of Drug Abuse had approved the purchase of 1776 Clay Avenue. I am unable to substantiate any of these assertions.

I have forwarded all of this information to U.S. attorney, Robert B. Fiske, who advises me his office is investigating Mr. Munoz' drug program and his recent real estate transactions.

Following my reported urging that all city funding of SERA be terminated, New York City Comptroller Harrison J. Goldin last Thursday, February 17, finally suspended funding of the program.

The U.S. attorney and his staff will have their jobs cut out for them as there are many loose ends. During the past 4 years, SERA has received at least $3.5 million annually from Federal, State, and local sources, of which approximately $339,000 was earmarked for rent each year. Where did the money go? The transaction between 1776 Clay Avenue Corp. and SERA may provide some of the answers. From all appearances, it was certainly not an arm's length transaction.

The Board of Estimates has yet to act on the ASA contract, as well as another Department of Employment contract for SERA. The patients of SERA are left in a state of limbo, uncertain about the future of their treatment program. On the sidelines, commissioners and Federal, State, and local agency officials argue whether an individual convicted of a serious felony involving violence while on the job, should head a rehabilitation program, and whether sufficient grounds exist to warrant an investigation of SERA's financial dealings. The taxpayers viewing this incredible sequence of events must be left feeling bewildered, like Alice in Wonderland watching her feet disappear in the pond below and muttering, "Curiouser and curiouser."

Mr. Speaker, for the benefit of my colleagues, I include for the RECORD copies of my correspondence with Federal, State, and local officials who share responsibility for SERA's activities as well as the New York Daily News article of February 17 concerning the termination of SERA funding by New York City Comproller Goldin:

WASHINGTON, D.C.,
November 24, 1976.

HON. DANIEL KLEPAR,
Commissioner, NYS Office of Drug Abuse Services.
HON. JEROME HORNBLASS,
Commissioner,
NYC Addiction Service Agency.

GENTLEMEN: A most bizarre situation has been brought to my attention with respect to the public funding of a narcotics program headed by an individual, Robert Munoz, who was sentenced in February of this year in the U.S. District Court for the crimes of conspiracy to extort and bomb, both of which are felonies. Despite City regulations prohibiting continued employment of convicted felons, Mr. Munoz continues to be the Executive Director of the Hispanic Association for a Drug Free Society, otherwise known as SERA. On July 28, 1976, J. Henry Smith, Administrator of the Human Resources Administration by letter advised Victor Risso, Chairman of SERA that "unless immediate arrangements are made for the resignation or removal of Robert Munoz from an official capacity, we will be unable to consider funding any new contracts with your organization and will be forced to terminate the existing contracts." By letter of November 3, Mr. Smith advised Mr. Risso that the Department of Social Services' agreement with the Hispanic Association for a Drug Free Society to provide residential treatment would be terminated as of November 18, 1976. Similarly the Department of Employment's CETA contract with SERA would be terminated on November 18th. And, it is my understanding that this termination did go into effect on November 18th.

Ironically, on the very day the Department of Social Services' agreement was to end—November 18th—there appeared on the Board of Estimate calendar an item to fund SERA to the extent of an additional amount of $604,129 to provide a total contract of $1,893,671. The funds—state funds—were to be granted by the Addiction Services Agency. As I understand it, the matter was put over by the Board and there is still an opportunity to end this outrageous situation.

Clearly, you gentleman are in a position to take the appropriate action to rescind this funding before the matter is to be brought up at the Board of Estimate again on December 2.

It is important that during the time that SERA is not funded (because of its retention of Mr. Munoz) that every person in SERA's program be given an opportunity to continue treatment in a responsible professional drug treatment program of a comparable modality but not comparable leadership.

Taxpayers are incensed with rip-offs occurring in so many of our social programs. I would appreciate having your immediate response on what measures, if any, you intend to take in this matter before December 2.

Is it possible that on the one hand J. Henry Smith taketh away and on the other, Jerome Hornblass giveth? Am I not correct, Mr. Hornblass, that you were alerted to this situation by your own staff months ago?

Sincerely,

EDWARD I. KOCH.

NOVEMBER 30, 1976.

HON. EDWARD I. KOCH,
Congressman,
New York, N.Y.

DEAR CONGRESSMAN KOCH: This is in response to you letter dated November 24th, which you released to the press.

Your letter draws erroneous conclusions and contains errors in fact. I would like to explain to you my reasoning for rejecting your emotional plea to insist on Mr. Munoz'

termination and close the program if his termination cannot be accomplished.

1. You are wrong that "City regulations prohibit continued employment of convicted felons". There are scores of City employees with criminal records who perform their job functions adequately. The whole humanistic concept of rehabilitation demands that people be given an opportunity to improve their conditions and their behavior. Indeed, I am proud that on ASA's staff as well as on the staffs of our contracting agencies, dozens of men and women convicted of crimes were given the opportunity to work and have performed faithfully and admirably.

2. The case at hand, however, does not involve a City employee. Mr. Robert Munoz is employed by a Not for Profit Corporation known as Hispanic Association For a Drug Free Society, Inc. (SERA). Therefore, the legal relationship between SERA and ASA is controlled by a contract. The contract states that ASA may require that the Contractor terminate any employee who "is convicted of any criminal charge which relates to his employment with the Contractor, or which affects his ability to properly carry out his assigned functions."

Based on the contractual interpretation, I may reasonably conclude that Mr. Munoz' conviction does not affect his ability to carry out his assigned functions and not require that he be removed from his position as Executive Director by the Contractor. Clearly, all of the interests and circumstances were weighed before we decided not to seek his removal. The decision was based on the following:

A. The Honorable Constance Baker Motley, who was the Judge at Mr. Munoz' trial and heard all of the arguments and facts as presented by the prosecution and defense did not commit the defendant to prison. Indeed, there were no instructions from the Judge to limit his employment although his position at SERA was known to the Court.

I will not attempt to be a better judge than the judge who heard the case by imposing further civil sanctions.

B. ASA and its network of programs is nurtured on the concept of hiring the ex-addict and those with criminal records. Many of these individuals have improved their own lives as well as helping others. I personally subscribe to the idea of reform and rehabilitation. Contrary to what you may think the "Once an addict—always an addict; once a criminal—always a criminal" mentality which you appear to believe in—has been disproved. The fact is that scores of people are successfully working in programs throughout the City who were arrested and often convicted for misdemeanors and felonies. They are now making significant contributions to society.

C. The Board of Directors of SERA supports Mr. Munoz in his current position. The community appears to be supportive of him too.

D. To the best of our knowledge the SERA program is delivering a needed service in an adequate manner.

E. SERA is the only Hispanic drug treatment program in the City. To close it, as you propose, would seriously disrupt our efforts in the City to curb drug abuse and addiction and would be irresponsible.

Least you draw non-logical conclusions, I want you to understand that I believe that people should be punished for violating our criminal laws. But, I also believe in safeguarding an individual's civil rights and I, moreover, subscribe to the rules of justice and fairness. The judgment I have made in this case was not an easy one but unlike you, I have a direct responsibility to treat addicts and do my best to insure that opportunities for rehabilitation and positive change by individuals are not thwarted.

An Article 78 Proceeding has been brought against the Human Resources Administration by SERA. A hearing on the matter will take place in the Supreme Court, Bronx County on December 3rd. The decision by the Court on the Petition will help me determine what further action we will take. Moreover, the disposition of the proceeding will undoubtedly cause the various city, state and federal agencies involved to agree on a mutually desirable goal.

I hope the foregoing gives you a better understanding of the situation and permits you to evaluate this matter more objectively. I am under separate cover writing to you a private letter relating to your actions.

Sincerely,

JEROME HORNBLASS,
Commissioner.

NOVEMBER 30, 1976.

Hon. EDWARD I. KOCH,
Congress of the United States, House of Representatives, Longworth Office Building, Washington, D.C.

DEAR CONGRESSMAN: This is in reply to your letter of November 24 regarding the financing of the Hispanic Association for a Drug Free Society (S.E.R.A.) while Robert Munoz is the Executive Director. Although I cannot give you a complete report now, I have asked my staff to look into the laws and regulations regarding the issues you raise involving Mr. Munoz' conviction, and also to discuss this situation with the New York City Addiction Services Agency.

Your letter raises serious questions which we will pursue fully. I promise to report back to you as soon as I can.

Sincerely,

DANIEL KLEPAK.

WASHINGTON, D.C.,
January 7, 1977.

ROBERT L. DUPONT,
Director, National Institute on Drug Abuse, Rockville, Md.

Hon. DANIEL KLEPAK,
Commissioner, N.Y.S. Office of Drug Abuse Service, Albany, N.Y.

Hon. JEROME HORNBLASS,
Commissioner, Addiction Services Agency, New York, N.Y.

GENTLEMEN: A bizzare and horrendous situation has been brought to my attention relating to the fiscal affairs of the Hispanic Association for a Drug Free Society, Inc. (S.E.R.A.)

We have been advised by the Salvation Army which owns 1771 Andrews Avenue in the Bronx that its tenant, S.E.R.A., is currently in arrears in rent payment for the period October 1975 to date, for the sum of $339,119. And that is not all. We have been furnished correspondence and memoranda which indicate that S.E.R.A.'s rental arrearage of $25,000 a month was brought to the attention of each of your respective agencies: James Brenner, former General Counsel of N.Y.C.A.S.A. was advised in November, 1975; John M. Proctor, Executive Officer of N.I.D.A. was advised in December, 1975; Commissioner Hornblass was advised in May, 1976; and Commissioner Klepak in November, 1976.

Requests for the payment of outstanding rent were made by the Salvation Army through its counsel, Donald G. Glascoff, Jr. to Victor Rizzo, Chairman of the Board of S.E.R.A. by letter of December 23, 1975. Mr. Rizzo failed to respond and instead the Salvation Army received a letter from Robert Munoz, Executive Director of S.E.R.A., dated January 26, 1976 with checks totaling only $32,000. This left a balance at the time of $67,970. The current amount due the Salvation Army is $333,119.

An even more droll aspect is a letter from Mr. Munoz dated March 16, 1976 to the Salvation Army which states, "This is to strongly request the Salvation Army to donate to the Hispanic Association for a Drug Free Society, Inc. the premises located at 1771 Andrews Avenue, Bronx, N.Y.

We are told by Brigadier General Eric Jackson, Property Secretary of the Salvation Army and counsel that they have repeatedly requested federal, state and local agencies to make provision for direct payments of rent out of the multi-million dollar publicly funded budget of S.E.R.A., and that on each occasion they were told that such an arrangement was not possible. An additional striking aspect is that on those occasions when rent was paid, the checks received came from 22 different bank accounts. Moreover, the contract signed by S.E.R.A. required the premises to be insured. To date, S.E.R.A. has failed to secure such insurance and the Salvation Army has been forced to itself insure the building at a cost of $10,000 annually over the past four years. This expenditure has not been reimbursed by S.E.R.A.

We are also informed by counsel to the Salvation Army that S.E.R.A. has received in excess of $1,300,000 during each of the past four years. The Salvation Army sought, in an effort to obtain direct rent payments, to obtain copies of various federal contracts under the Freedom of Information Act. While it eventually received the federal contracts, it has consistently been refused access to any other S.E.R.A. contracts.

Since all of these budgets included and approved rent at the rate of $25,000 a month beginning with September 1, 1973 to date, the money apparently has been diverted to other uses. Inasmuch as each of your agencies has had knowledge of this situation, we are shocked that there has not been an exhaustive examination into this matter to ascertain what happened to these monies. We are informed that a meeting was held on October 7, 1976 which was attended by Tom Sevy, David Fenimore, Noble Jones and Frances Johnson representing N.I.D.A.; Robert Munoz and an assistant for S.E.R.A.; and Brigadier Jackson and the Salvation Army counsel. We are advised by counsel that at that meeting, the N.I.D.A. officials told him that an audit report of S.E.R.A. by H.E.W. showed a clean bill of health. We find this difficult to believe and want to know why obvious diversions of public funds were not cited in the report.

We would appreciate receiving a copy of this H.E.W. audit. Counsel also advises us that he believes there was a GAO audit of S.E.R.A. If so, we would appreciate having a copy of that report.

At the present time, the Salvation Army has a judgment pending against S.E.R.A. in the amount of approximately $217,000 for rent due until June 1, 1976. Additional rent payments of $25,000 per month are still owed through January 31, 1977 making the total arrears the previously mentioned figure: $333,119.

Finally, we would appreciate knowing of the status of Commissioner Hornblass' request for an additional $604,000 contract with S.E.R.A. that was deferred by the Board of Estimate on November 18, 1976 for further consideration.

All of the information stated above was provided at a meeting held in the office of Congressman Edward I. Koch, on January 6, 1977 at which were present Congress Koch, his Executive Assistant, Jim Capalino, Brigadier General Eric Jackson and James Deering from the Salvation Army, and Donald G. Glascoff, Jr. The undersigned have no personal knowledge concerning this matter, but believe the situation requires an immediate and exhaustive inquiry by your respective offices.

We look forward to hearing from you at your earliest convenience.

Sincerely,

HERMAN BADILLO.
EDWARD I. KOCH,

JANUARY 26, 1977.

Hon. EDWARD I. KOCH,
Member of Congress,
New York, N.Y.

DEAR CONGRESSMAN KOCH: This is in response to your most recent letter and subsequent conversations between your office and Mr. Irwin Davison of mine. Please be advised that for fiscal year 1975–1976 the Addition Services Agency provided the Hispanic Association for a Drug Free Society, Inc. with $13,653 for rental of the premises at 1771 Andrews Avenue in the Bronx. In the proposed 1976–1977 contract ABA provides no funds at all for S.E.R.A. facilities.

On January 20th, the Board of Estimate, at the request of the Deputy Mayor's Office, adjourned consideration of the S.E.R.A. contract until February 3rd, 1977. The purpose of the adjournment was to await a determination of an Article 78 proceeding brought by Mr. Munoz against the Human Resources Administration.

If I can be of further assistance, please contact me.

Sincerely,

JEROME HORNBLASS,
Commissioner.

JANUARY 28, 1977.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: Thank you for your letter of January 7 regarding the Hispanic Association for Drug Free Society, Inc. (S.E.R.A.) and its difficulty in resolving its rental indebtedness to the Salvation Army. This letter will confirm the information which was conveyed to you during the recent telephone conversation with Mr. Karst Besteman.

The National Institute on Drug Abuse (NIDA) has been providing Federal assistance to S.E.R.A. for drug abuse treatment and rehabilitation efforts since September 1972. We first became aware of the difficulty that the Salvation Army was having with S.E.R.A. in February 1976. At that time we communicated to the Salvation Army that S.E.R.A. had requested only $17,223 of Federal funds in support of their rental budget of $157,430. The difference between the total rental budget and the Federal contribution, which amounted to $140,207, was to be obtained from non-Federal sources.

The drug abuse treatment and rehabilitation program which we support requires the grantee (S.E.R.A.) to match the Federal contribution with non-Federal sources. S.E.R.A. planned to use $140,207 of the total rental budget to satisfy its share of the matching requirement. S.E.R.A. has been apparently using the rental facility to satisfy its matching requirement and has deferred payments on the rental costs. The effect is that the Salvation Army property has been used as "in-kind" match rather than cash expenditure match, which is an acceptable method for satisfying the matching requirement. The Salvation Army, however, did not "donate" the use of the facility to S.E.R.A.

As we view the situation, the Salvation Army has taken proper and effective legal action to recover the indebtedness through the courts. Although this Institute has provided only a total of $34,446 for rental costs during the last two funding periods ($17,223 each for the periods of September 1975 to August 1976, and September 1976 to August 1977), we certainly can condition any future grants awarded to S.E.R.A. that Federal funding is subject to the settlement by S.E.R.A. of its indebtedness to the Salvation Army.

Our monitoring of the S.E.R.A. drug abuse treatment and rehabilitation grant project has consisted of 13 on-site visits during the last 4½ years to evaluate the drug abuse program and/or provide technical assistance. In addition, we have had a national accounting firm perform a comprehensive evaluation of the S.E.R.A. operations. A copy of that report is enclosed for your information. Deficiencies that were noted at that time have been corrected to the satisfaction of the Institute. We also have been monitoring on a monthly basis the level of Federal cash drawn by S.E.R.A. and the rate of Federal expenditures to assure that the Federal cash advanced is directed to grant related purposes.

The HEW Audit Agency recently completed its on-site audit review of S.E.R.A. as recommended by NIDA. A final report is expected to be issued by the New York Regional Audit Office within a month. We have been informed by that office that there are no significant audit findings to report. Additional information about the HEW Audit of S.E.R.A. may be obtained from Mr. Bernard Lugar, Audit Director, HEW Region II, 26 Federal Plaza, New York, New York 10007. He may be reached by telephone on area code 212, 264–4620. We are not aware of a G.A.O. audit report mentioned in your letter.

If I can be of any further assistance, or if there are any questions that I can answer, please feel free to contact me.

Sincerely yours,

ROBERT L. DUPONT, M.D.,
Director.

NOTE

Commissioner Daniel Klepak did not respond.

WASHINGTON, D.C., *February 8, 1977.*

ROBERT B. FISKE,
U.S. Attorney, U.S. Court House,
New York, N.Y.

DEAR MR. FISKE: I am writing to you to bring a very serious matter to your attention. It concerns a drug treatment program known as S.E.R.A. (Hispanic Association for a Drug Free Society) which is federally funded. The matter is outlined below and additional details are furnished in the enclosed correspondence I have had with various officials.

S.E.R.A. is under the direction of Robert Munoz, who was convicted in December of 1975 of one felony count involving conspiracy to bomb and extort money, as a result of a case brought by your office (Affirmed United States of America vs. Robert Munoz, James Sims and Carlos Cuadrado—Docket No. 76—1076). According to the office of the NYC Comptroller, Harrison J. Goldin, S.E.R.A. has received approximately $3.5 million annually in federal, state and local grants over the past four years. I have urged federal, state and local officials having jurisdiction over this program's funding to terminate all payments so long as Mr. Munoz, a convicted felon, continues to serve in any capacity. I have stressed that his criminal activity took place while he was either Chairman of the Board of S.E.R.A. or its Director, and therefore these criminal acts were job related. Notwithstanding my protestations, Mr. Munoz continues in that position.

Recently developments have occurred which also bear upon federal funding and I believe merit thorough investigation by your office. One relates to the fact that S.E.R.A. owes the owner of the building it occupied since September 1, 1973 until last week, the Salvation Army, some $339,000 in back rent. Federal, state, and local funding contracts entered into by S.E.R.A. provided $25,000 a month for a rental of the building at 1771 Andrews Avenue in the Bronx and it would appear that rent monies received by S.E.R.A. have been diverted to other uses.

Secondly, the Salvation Army advises us that the premises at 1771 Andrews Avenue vacated by S.E.R.A. last week has over $200,000 in damages. Apparently, the building's boiler was turned off during the cold weather causing all the pipes to freeze.

Thirdly, and most important from the perspective of your office, are the circumstances surrounding S.E.R.A.'s relocation to a new location at 1776 Clay Avenue in the Bronx. I have ascertained that on January 18, 1977 a corporation known as the 1776 Clay Avenue Corp. Inc. purchased from the Hebrew Home for the Chronic Sick the building at 1776 Clay Avenue for the sum of $75,000 (Title #707,4178) and on the same day transferred title to the same premises to S.E.R.A. for approximately $325,000. The office of the NYC Comptroller advises me that they understand that the sale price was $325,000 of which $50,000 was a mortgage with the Dime Savings Bank of Brooklyn and the balance was cash. This past Friday, Feb. 4, 1977, Mr. Munoz, who had heard of my interest in the matter, telephoned me. He said the purchase price was $350,000 through a lease purchase agreement but with no cash. Hence, at this moment I am uncertain of the exact details of the transaction. Furthermore, Mr. Steven Bauman, is a reporter of WNEW (Channel 5) advises me he has ascertained that one of the principals of 1776 Clay Avenue Corp. Inc. is the attorney who represented Mr. Munoz in several of his trials.

It is apparent to me that federal funds are being used for purposes that were not intended pursuant to the contract under which they were provided S.E.R.A. Moreover, on the face of it, the transaction between 1776 Clay Avenue Corp. Inc. and S.E.R.A. raises a question as to the propriety of the sale in view of the large resale profit.

The matters raised in this letter have been brought to the attention of federal, state and local authorities in the executive agencies on a number of occasions without result. I turn to you with confidence that you will launch an immediate investigation into these matters and see that violations of the law, if any, are vigorously prosecuted.

I urge that this matter be expedited and receive your immediate attention.

Sincerely,

EDWARD I. KOCH.

[From the New York Daily News, Feb. 17, 1977]

GOLDIN CITES FUND ABUSE, HALTS AID TO DRUG CLINIC

(By Claire Speigel)

City Controller Harrison J. Goldin has stopped payment of funds to a drug treatment clinic in the Bronx because an audit of the program released yesterday uncovered gross abuse of public funds.

Goldin announced that the program, the Hispanic Association for a Drug Free Society, has forged payroll checks to fictitious people and made loans to private ventures.

Furthermore, Goldin said, "there is a strange relationship in the purchase last month of a building through a corporation in which one of the principals was SERA's own attorney—hardly an arm's length arrangement."

The clinic has been drawing advances on a $604,000 contract with the Addiction Services Agency which has not yet been approved by the Board of Estimate. The contract expires next month and most of the money already has been doled out, according to Charles Blisberg, Goldin's representative on the Board of Estimate. The clinic also receives funds from another dozen city, state and federal agencies, Goldin said.

DIRECTOR WAS CONVICTED

Human Resources Administrator J. Henry Smith terminated the agencies contracts with the clinic last year on the grounds that its director, Robert Munoz, is a convicted felon. He was given a suspended 18-month sentence last year for conspiracy to bomb construction sites and extort money from contractors.

CLAIM RENT UNPAID

Munoz challenged Smith's move in Bronx Supreme Court. The Board of Estimate has delayed voting on contracts between other city agencies and the clinic pending a court decision.

Goldin said he was "deeply troubled by the facts so far uncovered by my auditors." U.S. Attorney Robert Fiske also is investigating the program.

The clinic left its old quarters at 1771 Andrews Ave. suddenly in mid-January, leaving behind an unpaid rent bill of $339,000 and great property damage, Rep. Edward Koch has charged. The Salvation Army, which owns the property, confirmed the charge. The clinic recently purchased another building at 1776 Clay Ave. at a cost of $250,000, according to Goldin.

Munoz said the clinic bought the building with federal money, supplied through the Department of Health, Education, and Welfare's National Institute of Drug Abuse, whose spokesman could not be reached for comment. Munoz denied owing the Salvation Army back rent, and said he decided to move the program because the boiler at 1771 Andrews Ave. was broken and could not be fixed.

RESEARCH IN ENVIRONMENTAL PROTECTION AGENCY IS DECLINING DANGEROUSLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AuCoin) is recognized for 60 minutes.

Mr. AuCOIN. Mr. Speaker, as Congress approaches the March appropriations hearings for the Environmental Protection Agency, it is crucial to call to the attention of my colleagues the dangerous decline of this important Agency's research program.

The subject of research may be a bore to some people, but I want to say to my colleagues that our Nation's future depends in no small measure on the quality of America's research.

More precisely, the quality of the American environment, the purity of our air, our water, and the use of our land resources depend in large part on a strong research program within this Nation's No. 1 environmental protection office, the EPA.

Today, man and his industrialized machinery are dumping agents into the environment that have had a staggering effect. And yet, we still lack answers in trying to deal with them. We simply do not know how to deal confidently with Kepone poisoning, industrial chemicals, many forms of pesticides, their net effect on our world, and how to push forward to find safer alternatives.

Someday we might.

But that "someday," Mr. Speaker, may never arrive if Congress continues to allow the steady erosion of sound research within the Environmental Protrotection Agency. Basic research into the causes and effects of pollution is the wellspring of knowledge on which sound environmental policy and effective administration is based.

Yet, in the face of this reality, I point out to my colleagues that research in EPA is seriously suffering and can only be corrected through the congressional appropriations process and determined congressional oversight.

The First Congressional District of Oregon is fortunate to have one of the EPA research facilities. Other congressional districts have similar facilities. What happens to the EPA's research budget is important to each of these districts, without question. But, in a larger sense, this also is profoundly important to the health and safety of each American citizen as well as to the environmental future of the Nation.

With appropriations hearings scheduled for early March, I hope my colleagues and the new administration will take careful note of the following information, which I am compelled to bring before them. It is an alarming story.

BACKGROUND

The Environmental Protection Agency was formed in December 1970, to carry out existing environmental laws of the Nation. The following new legislation has since been passed by the Congress and assigned to EPA for implementation:

Federal Water Pollution Control Act Amendments, 1972,

Marine Protection, Research and Sanctuaries Act, 1972,

Federal Insecticide Fungicide Rodenticide Act Amendments, 1972,

Noise Control Act, 1972,

Safe Drinking Water Act, 1974,

Energy Reorganization Act, 1974,

Resource Conservation and Recovery Act, 1976,

Toxic Substances Control Act, 1976.

Each of these pieces of legislation is complex and requires a large body of new knowledge for implementation.

The research program of EPA has shown only modest growth from the time EPA was formed until 1974. Since 1974, even with the passage of several new pieces of legislation, the base research budget of EPA has remained relatively constant at between $155 to $168 million. This base budget has been augmented with approximately $100 million for energy research each year since 1975 but no new positions were provided to carry out the research authorized and funded. The permanent positions assigned to EPA's research program have shown a steady decline since 1974 as follows:

	Cumulative decrease in positions	Remaining permanent positions
1974	-----	1989
1975	−63	1926
1976	−137	1852
1977	−191	1798
1978	−325	1664

The 1978 figure is based on the budget proposed by President Ford. If the Ford budget is approved, EPA's research program will have suffered a total loss of 325 positions since 1974 or a 17 percent loss in total strength.

IMPACT OF REDUCTION IN RESEARCH

The reduction in personnel together with relatively constant dollars, which have steadily decreased in buying power due to inflation, has resulted in significant curtailment—I repeat, curtailment—of environmental research.

This reduction in resources follows a trend in reverse of the ever increasing demands for new knowledge and data to support EPA's regulatory responsibilities. Environmental standards and regulations cannot be based on presumptions and inferences of risk. EPA must have scientific facts to support its standards and researchers must be prepared to defend these standards in the courts. Scientific evidence removes uncertainties and provides a sound basis for new regulations. Unfortunately, the dwindling research resources have made it virtualy impossible to provide the Agency with anything but superficial and brushfire support. Is it any wonder that the EPA is frequently under attack for its regulations and policies?

The lack of sound scientific evidence has limited the Agency's ability to act effectively on a number of environmental fronts. For example, regulations on ocean disposal of wastes have faced severe setbacks because of the lack of sound scientific information.

Our domestic drinking water standards for organic pollutants, many of which are known carcinogens, are lacking because of the dearth of scientific facts upon which to base such standards.

The setting of effluent guidelines for the discharge of many industrial wastes has been severely hampered and publicly criticised because sound research information was lacking.

The assessment of environmental hazards and establishment of adequate regulations for over 50,000 pesticides and other hazardous substances has been seriously hampered and publicly criticised because sound scientific information is lacking.

Many of our most eminent medical researchers are now concluding that more than 50 percent of the new cancers in the United States are environmentally caused and expect the figure to rise.

With this background it seems inconceivable that environmental research programs are being cut back or terminated.

EPA POLICY RELATIVE TO RESEARCH

Although faced with growing needs to implement complex legislation, the Administrator of EPA has been relatively unsuccessful in obtaining additional positions and dollar resources. As a result he has had to resort to shifting resources where possible within the Agency in order to cover all bases. Federal agencies are little different from industries when it comes to priorities. Research programs are the first to be cut in order to support high priority short-term problems. But without an adequate research program which can sustain sound regulatory decisions, the Agency's credibility becomes subject to question which, in turn, increases resistance to necessary regulations and ultimately leads to the downfall of a viable national environmental program.

The adverse effects of cutting research is often not seen for several years. When the problem is finally recognized there is an additional lag period before the research effort can be built up to the point where results can be produced. While the Agency's current policy of shifting resources to meet immediate demands may seem to make sense today, in the long run it can only lead to diminishing environmental protection or to regulatory decisions that may be uneconomic, inefficient or ineffective.

IMPACT OF FORD BUDGET ON RESEARCH

The fiscal year 1978 budget, as proposed by the previous administration, calls for a total reduction in research positions of 134. This would be in addition to the 191 previously lost since 1974. The impact of this position cut is as follows:

Air quality research: The proposed 60 position reduction in this program reduces total permanent strength from 460 to 400—a 13-percent reduction. The air health effects research program will receive a 25-position cut. The program has been criticized for not adequately monitoring contracts and grants, and the proposed cut will increase the load on the already short supply of human experts in EPA. The cut will also make it virtually impossible to operate a new clinical laboratory facility designed to develop critically needed dose-response data on sulfates. The air ecology program will be reduced 10 positions. This work protects and defends our secondary air standards which have a major impact on wildlife, plantlife, and soil fertility.

Water quality research: The proposed 34 position reduction in this program reduces total permanent strength from 546 to 512—6 percent reduction. Ecological effects research would be reduced 15 positions. This will result in further delays in establishing scientifically sound criteria required by the Agency to meet court-ordered data on pollutants named in a consent decree and would further reduce research on oil pollution and ocean disposal. Monitoring and technical support research programs would be reduced by 14 positions. This would significantly reduce research on the development of analytical methods standardization and effluent guidelines support. Research on land disposal of wastes would be reduced by five positions thus eliminating virtually all research in this area.

Interdisciplinary research: The proposed 40 position reduction in this program reduces total permanent strength from 228 to 188—an 18-percent reduction. The primary research programs affected by this reduction are the agricultural—nonpoint—research program and the environmental management research program both of which would be virtually eliminated. In spite of new 1976 legislation, that is, Toxic Substances Control Act and Resources Conservation and Recovery Act—solid wastes—there is no proposed change in research positions assigned to these programs nor has there been any change since 1975. Rather, there has been a recommendation by OMB to rename interdisciplinary research to toxic substances research.

The impact of the above losses will be felt primarily in field research laboratories where research is actually performed rather than Agency headquarters. Some of the Agency's 15 field research laboratories have been unable to hire any permanent employees for over 2 years and have been unable to replace those that leave due to position ceilings which are below on-board strength. This loss by attrition has resulted in serious losses of certain essential disciplines and needed research.

WHAT IS NEEDED

While the money problem is significant, it is not as acute or dangerous as is the people problem.

New programs cannot be added to old ones by simply adding dollars. New programs require additional personnel, new disciplines, different skill mixes, new ideas. Current policies of shifting dollars and assigning increasing work loads have reached their limits. The quality of performance already reflects this. What is needed is a careful assessment of the Agency's people needs in the area of research and support from the Congress and OMB to meet those needs.

The Ford budget for fiscal year 1978 should be amended to include a minimum 100-position increase rather than the 134-position cut. This increase of 234 positions over the proposed budget should be supported with an additional $25 million to cover not only increased in-house costs but an additional $10 to $15 million to support extramural research. In subsequent fiscal years, positions and adequate dollar resources should be gradually added to reach a base level of 2,500 research positions by fiscal year 1982.

SUMMARY

I hope my colleagues will see that now is the time to act. I hope my colleagues will fully appreciate the magnitude of the proposed cutbacks in the Ford budget. I hope my colleagues and the new administration will equate these effects in human terms and in terms of the toll they will take within our natural environment.

Indicative of my strong concern is the following letter I have written to the EPA Administrator-designate, and reprints of articles from publications knowledgeable about this subject.

Mr. Speaker, I insert my letter, two articles from "Air and Water Pollution Report," of January 26, 1977, and February 7, 1977, and one article from "Chemical and Engineering News," of January 17, 1977, at this point in the RECORD:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 16, 1977.

Mr. DOUG COSTLE,
Administrator-designate, Environmental Protection Agency, Old Executive Office Building, Washington, D.C.

DEAR MR. COSTLE: Before I lay my heavy burden at your feet, let me offer my most hearty congratulations on your appointment. You come from a state that I believe has made significant strides in the environmental field in the last several years. This is in part due to the effort of a sometimes Oregonian, Dan Lufkin, and of course in large part due to your work. I trust your confirmation will be swift, and unanimous.

The "burden" I mention has to do with the agency you inherit, one beset with monetary and administrative problems. I don't know for sure which is the more serious, but I suspect it is adminstrative.

The top-level administrators who will be on the job when you check in seem to be intent on a very fast reorganization and shift-in-spending program that they hope will make sense to you: They are, I believe, hoping to present you with a near fait accompli. They will defend all their actions on grounds such as "congressional pressure," and lack of funds.

The reasons for change are well taken. But the speed with which they are acting, and the decisions they are making, suggest to me other motivations. They have given us negative reaction, no leadership, and little truth.

Please consider the following personally. Seek outside advice. Let me suggest that this not be responded to by some "faithful" bureaucrat in the Environmental Protection Agency because most of the top management there needs to find work elsewhere.

Before giving you a litany of complaints, I want to state that the EPA has two laboratories in my Congressional District, and I believe they ought to stay, at least until a fair judgment can be rendered. But I am more concerned about consumers generally, and so I protest equally the actions proposed by the presently rudderless EPA to drastically cut back on research programs in Chapel Hill, North Carolina, and Ada, Oklahoma; and I object to the proposed closure of pesticide testing laboratories in Beltsville, Maryland. Let me note that the EPA may be terminating 55 positions from the laboratory at Research Triangle Park, near Chapel Hill, and 15 others at Ada, Oklahoma. Fifteen more would be taken out of Corvallis, Oregon, and 10 out of Duluth.

Mr. Costle, I propose that you immediately send a signal to the EPA administrators still on board that no further steps be taken toward reducing staff sizes, transferring staff, or eliminating programs, until you have had a chance to evaluate the situation. Let me suggest that you request, immediately, briefing papers outlining all the steps that have been taken, or that are contemplated. The urgency is underlined in the following points I bring to your attention.

1. The EPA is under pressure by Senator Kennedy to beef up the chemical registration division. Senator Kennedy has made the point that consumers are not being well-served by present EPA testing and monitoring practices.

2. In response to this pressure, the EPA apparently is robbing other divisions to find sufficient personnel for the registration division. This I find to be a classic case of robbing Peter to pay Paul—of taking away from consumers on one hand, and giving to them on another. The consumers will not benefit, and actually may well be harmed.

3. Dr. Ron Davis, EPA Office of Pesticides Programs branch supervisor at Beltsville, Maryland, has been told to provide, by February 21, a list of 21 persons who can be transferred to the Washington pesticides registration division. Dr. Davis says a few of these cannot be used in registration, and may actually lose their jobs.

4. This directive is the result of an EPA decision to close the Beltsville entomology and plant biology laboratories, and to downgrade the animal biology, pharmacology, and microbiology laboratories.

5. This decision essentially eliminates the EPA pesticides surveillance program. This is one in which enforcement officers collect pesticides "off the shelf," and determine their efficacy, and the truth of label safety warnings.

6. Dr. Davis advises me that many pesticides are being sold today that do not perform the job they are said to perform. Dr. Jack Culver, head of the Corvallis, Oregon, pesticides laboratory, can provide me—and you—with at least 25 reports disproving or strongly questioning the efficacy of pesticides being sold to consumers. As far as he is aware, no action ever has been taken on any of these reports. Consequently, the consumer can go on buying these pesticides, and get no results for his money.

7. An EPA spokesman called my office two weeks ago to give my legislative assistant preliminary information about a proposal to re-direct the Corvallis laboratory operation. At that time, he made a date for lunch. The lunch was cancelled, but he promised

a briefing in my office a week ago. Since then he has called twice to advise that things weren't all in place yet, and he would be getting back to us.

I suggest that the administrators in question are quite aware of my continuing interest, and appear to be trying to keep me at bay. I consider it a personal insult. What is more, the re-direction of the Corvallis laboratory is nothing other than a downgrading, and an effort to take positions from the Corvallis operation and transfer them to Washington.

8. This is in the face of a personal promise made to me last year that the Corvallis laboratory would be upgraded, and that vacant positions would be filled. Those vacancies have not been filled, and now we learn of the "re-direction".

9. The story with respect to the research program of the EPA is equally grim. Since 1974, even with the passage of several new pieces of legislation, the base research budget of EPA has remained relatively constant at between $155 million and $168 million. This base budget has been augmented each year since 1975, but no new positions were provided to carry out the research authorized and funded. The permanent positions assigned to EPA's research program have shown a steady decline since 1974, when there were 1,989 permanent positions. There has been a cumulative decrease since then of 191 positions—and in fiscal 1978 the EPA may lose another 134 positions.

The reduction in personnel, together with relatively constant dollars which have steadily decreased in buying power due to inflation, has resulted in significant curtailment of environmental research. This is a reverse of the trend toward acquiring more knowledge upon which to base our decisions.

As a result of all this, the following has occurred:

Regulations on ocean disposal of wastes have been set back because of the lack of sound scientific information.

Our domestic drinking water standards for organic pollutants, many of which are known carcinogens, are lacking because of the dearth of scientific facts upon which to base such standards.

The setting of effluent guidelines for the discharge of many industrial wastes has been severely hampered and justly criticized because sound research information was lacking.

The assessment of environmental hazards and establishment of adequate regulations for more than 50,000 pesticides and other hazardous substances is not really possible.

All of this is, to me, reprehensible, I suggest it illustrates a state of mind at the EPA that is more in tune with the purveyors than the consumers, more in tune with the land—and water-gobblers than with the needs of the environment.

Always there will be controversy about how much any single agency should be doing. Money is as limited a resource as any other we might name. Let me say, though, that if there is not enough money to determine the efficacy and safety of chemicals introduced into the environment, then we have to think about prohibiting the introduction into the environment—and thus the manufacture—of questionable chemicals. This would be a backward step, of course, but so would it be backward to deny consumers assurance that what they buy will do the job, and backward to protect consumers from a carcinogenic slow death.

At an "EPA research posture" hearing conducted by the House Science and Technology Committee, Congressman George Brown of California complained about the Office of Management and Budget directives under which EPA claims to be operating. He said: "OMB has selected with satanic skill those areas (research) in which I am vitally interested. Would it seem logical to you (Mr. Quarles) that I am extremely angry?"

Having expressed myself so strongly, I want to assure you that I will have no quarrel with proof that some program revisions are mandatory, and I have no quarrel with the truth that we don't have money enough to do everything. This leads me, then, to my final and most important point.

Sweeping decisions designed to cope with these problems ought to be freely considered by you—not holdovers of the previous Administration who, in my experience, have shown themselves to be less than forthcoming and less than competent.

Forgive the length of this letter. Usually I express myself in a few paragraphs. But the matter of what the previous Administration is doing to your agency needs urgent attention, and I didn't dare take the risk of being too brief.

Gratefully,

LES AUCOIN,
Member of Congress.

[From Air/Water Pollution Report, Jan. 24 1977]

FORD PROPOSES OVERALL $10.7 BILLION BUDGET FOR ALL FEDERAL ENVIRONMENTAL ACTIVITIES

Budget authority totaling $10.7-billion for all Federal environmental programs in fiscal 1978 was proposed by former President Ford in his last budget message to Congress last week (A/WPR, Jan. 17, 1977, p. 21). Up 33% over fiscal 1977 levels, the $10.7-billion figure represents environmental spending by all Federal agencies, including clean up at Federal facilities and preparation of environmental impact statesments.

At Environment Protection Agency, where the overall budget would increase $28.5-million to just over $800-million, most major increases are earmarked for implementing new toxic substances control and solid waste legislation. According to Rep. George Brown, Jr. (D.-Calif.), Chairman of House Science Subcommittee on Environment and Atmosphere, both of those laws are underfunded.

"This is a classic example of how Federal laws become meaningless, and new programs fail," Brown charged. "The Congress by overwhelming majorities, passed these major laws, with the reasonable expectation that the President would faithfully administer and execute the law. President Ford's FY '78 budget is inadequate for this purpose." Especially critical of the reduction of 134 positions in research and development, Brown said the EPA personnel cuts, combined with a research budget freeze, amount to "Presidential sabotage of the Federal environmental program. I can only hope that the new President and the Congress will reverse this foolish action."

[From Air/Water Pollution Report, Feb. 7, 1977]

BROWN SEEKS ADDITIONAL EPA MANPOWER, FUNDING, IN LETTER TO CARTER, OMB DIRECTOR LANCE

Calling the Ford Administration's fiscal 1978 Environmental Protection Agency budget "simply unworkable," Rep. George E. Brown, Jr. (D.-Calif.) last week told President Carter that EPA needs "hundreds of additional personnel" and "over $200-million in additional authorization for all of the EPA's programs." In a Feb. 1 letter to Carter and to Office of Management and Budget Director Bert Lance, Brown, Chairman of House Science and Technology's Subcommittee on Environment and Atmosphere, said EPA needs not only the restoration of the personnel cuts proposed in the Ford budget (A/WPR, Jan. 24, 1977, p. 33), but a money increase "to carry out the basic requirements of the law," increased by enactment of the new Toxic Substances Control and Resource Conservation and Recovery Acts.

"My prospective is not that of a defender of the EPA or its programs," Brown said, "but rather that of a critic who is attempting to be constructive." Noting that Ford proposed eliminating 134 positions in EPA's Office of Research and Development and a re-programming of air and water research money to implement the new laws, Brown said EPA's R&D programs "were understaffed and hampered by unstable funding even before the new laws," adding that his subcommittee has "continually identified the staffing problem as a key reason for the inadequacies of the EPA's research program."

Brown re-iterated his concern over the personnel cuts at a Science and Technology hearing last week, asking Acting EPA Administrator John R. Quarles, Jr., "Would you be surprised if I were extremely unhappy about this and do everything I can to reverse it?" Quarles, called to brief the committee on the current status of EPA's research program, had his own fears about the proposed budget cuts. Noting EPA requires continued research to deal with increasingly complex pollution discoveries, Quarles said reduced manpower would make the scientific foundation for EPA regulations "shakier and shakier," and added he was "concerned over the possible necessity to close some" of EPA's 15 laboratories. "I have no basis for encouragement that the situation may be improved at all" under the new Carter Administration, Quarles added.

A similar theme was sounded almost simultaneously by former EPA Administrator Russell E. Train, who told a conference of environmental leaders that the EPA budget submitted by Ford was "totally inadequate" to carry out legislative requirements. "The agency is spread so thin," Train added, "it is almost impossible to live up to public expectations."

Train said it appeared the Carter Administration has approved the Ford EPA budget, but Carter's chief assistant for domestic affairs Stuart Eizenstat said the "appeals process" to the new OMB has "not even begun, so it is extremely premature to talk about it." Eizenstat told the environmentalists their task force report, *The Unfinished Agenda*, would serve as a "benchmark" against which to measure the administration's environmental record (A/WPR, Jan. 31, 1977, p. 46). Eizenstat said solutions to environmental problems "will not come overnight," but said the environment "will be in the forefront of our agenda for the next four years."

[From Chemical & Engineering News, Jan. 17, 1977]

EPA CHARGED WITH POOR HANDLING OF PESTICIDES

The Environmental Protection Agency's pesticide program has been taken to task again. The Senate Subcommittee on Administrative Practice & Procedure, chaired by Sen. Edward M. Kennedy (D.-Mass.), has accused the agency of poor planning and management, among other things. Calling it a classic example of poor governmental regulation, the subcommittee further charged in a report that EPA's pesticide program has "struck an incorrect and dangerous balance between the sometimes conflicting demands of limited resources, bureaucratic efficiency, and public health."

For six years, the report says, EPA has paid little attention to warnings of government investigators, Congressional reviews, and even some of its own officials. As a result, the agency's efforts in the pesticide area will have to be completely re-examined, substantially redone, and fundamentally redirected, the report concludes. EPA administrator Russell E. Train, though "vigorously" disagreeing with certain of the report's conclusions, admits that the report does make some good points.

Under the 1972 amendments to the Federal Insecticide, Fungicide & Rodenticide Act, EPA was directed to reregister some 50,000 products in interstate and intrastate commerce. The agency was to classify these products into general or restricted use categories by Oct. 21, 1976. It was not until fall 1975 that EPA finally began the formal phase of reregistration, which involved the drafting of guidance packages for pesticide companies that wished to reregister their products. With only a year remaining from the October 1976 deadline, Congress extended the deadline to October 1977. Even so, the report charges, it will take EPA three more years to complete its task.

One of the deficiencies in the agency's management of the reregistration process, the report points out, is its decision to take shortcuts because of manpower and other shortages. These shortcuts included the review of products by batches instead of product by product, and the assumption, without real analysis, that the pesticides under review were indeed effective in controlling pests. Staff members at the agency's office of pesticide programs (OPP) were asked to merely confirm the presence of test data that had been submitted with the original registration. They were not asked to validate the adequacy or accuracy of the data.

Further, to modernize its filing system, OPP contracted with a private firm in 1974 to develop a computerized data retrieval system. However, staff members found that the printouts were often inaccurate, in that data were misfiled or missing completely. In addition, members assigned to review test data generally were lacking in scientific expertise, with only four toxicologists included in the review team. Says one of the toxicologists, "You can't expect our reviewers who have a fish and wildlife background to evaluate a two-year animal feeding study to determine if the results showed cancer."

Specifically, the report points out that EPA's decision to check for the presence and not the adequacy of test data backfired. In the course of the agency's cancellation and suspension proceedings against pesticides aldrin, dieldrin, heptachlor, and chlordane, the report claims that OPP discovered that many of the laboratories that had performed the chronic toxicity studies performed extremely "conservative" histologic examinations. In virtually every instance, independent pathologists called in by EPA diagnosed many more cancerous and precancerous tumors in test animals than did the original pathologists. And yet when top-level agency personnel were informed of this finding, they dragged their feet in responding, the report charges.

In subsequent Congressional hearings, EPA deputy administrator John R. Quarles Jr. was directed to undertake a "crash effort" to re-examine the adequacy and accuracy of the test data. In essence, the report explains, the reregistration guidance packages sent out by spring 1976, covering some 2500 products, contained inaccurate statements that test data were sufficient for reregistration. By April 1976, only one scientist was assigned on a part-time basis to reveiw correspondence files that contained the prior reviews of data by EPA scientists. Soon thereafter, the scientists found that three compounds—methoxychlor, captan, and febram—lacked adequate test data.

The subcommittee report recommends, among other things, that EPA make public test data submitted by pesticide manufacturers. In this manner, it says, the data can be evaluated by public groups, other government agencies, independent scientists, and perhaps scientists of competing pesticide companies. Such scrutiny can sharpen and improve EPA's efforts, the report maintains, and will bring to surface falsification or withholding of safety data.

EPA, the report further recommends, should consider the establishment of a health-risk office independent of any particular regulatory program. This office would, in addition to review of submitted data, have the capability to develop data on its own. It should be able to attract top-level scientific talent. To this end, the report believes that Congress should be receptive to changes in civil service rules to make government pay scales competitive with the private sector.

Administrator Train agrees that the report makes some valid criticisms and very good suggestions. But he defends his agency's pesticide program. "Our approach," he says, "is to screen out the bad actors to which our resources could be immediately devoted." To date, about 140 compounds have been ferreted out for the "rebuttable presumption against registration" process. Had not this approach been taken, Train explains, a basic de novo review of data on hand for one chemical would take two man-years, and the reregistration process would take between 10 and 20 years to complete.

EPA, Train says, is taking several steps consistent with the report's recommendations. Among other things, it has reorganized OPP to include a new hazard evaluation division for validating data and estimates of risk from a scientific point of view. It also has initiated a program to audit animal test results.

LEGISLATION TO INSURE VETERANS' PENSIONS ARE NOT REDUCED BECAUSE OF INCREASES IN SOCIAL SECURITY PAYMENTS TO RECIPIENTS OF PENSIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 15 minutes.

Mr. HAMILTON. Mr. Speaker, for some years now I have been concerned with the ways in which we reward our veterans for their dedicated service to the Nation. There is one problem that is particularly distressing: as things stand, an increase in monthly social security payments results in a decrease in veterans' pensions or compensation for persons who receive both sorts of benefit. In the past two Congresses I cosponsored legislation that would have solved this problem, but unfortuately neither measure was enacted. Therefore, I wish to introduce today a bill to insure that recipients of veterans' pensions or compensation will not have the amount of such pensions or compensations reduced on account of increases in social security payments.

At the root of the problem is the definition of countable income currently in use at the Veterans' Administration. Countable income, which includes such things as wages and social security payments, determines the amount of veterans' pension or compensation that a person may receive. Thus, when the cost of living rises and social security beneficiaries are given larger payments, or when Congress mandates an increase in such payments across the board, the Veterans' Administration lowers proportionately the amount of pension or compensation provided to a veteran who is also a social security beneficiary. In effect, the Government takes away with one hand what it gives with the other.

The bill that I am introducing would offer relief to veterans in a very simple way. It would direct the Administrator of Veterans' Affairs to disregard any general increase in social security payments when computing the countable income of a veteran. Hence, the bill would strike at the root of the problem by changing the definition of countable income. It would pass through increases in social security payments to the veteran and would not permit such payments to be deducted backhandedly from the veterans' pension or compensation. Relief would be effective retroactively as of January 1, 1973.

As I see it, the bill would be helpful to veterans in two ways. First, and more obviously, it would provide higher levels of income to approximately 4.4 million veterans who are also social security beneficiaries. Higher levels of income would bring a more comfortable life to those veterans whose meager means of support are being eroded by inflation. Second, and less obviously, it would require the Government to treat veterans' pensions and compensation as the well deserved benefits they are, not as some form of welfare or public assistance to be cut or eliminated as "earned" income rises. It must not be forgotten that many veterans paid a dear price in service to their country. Their just reward is not a handout.

It is clear to me, as it is to most Americans, that the passage of time will never diminish the debt of gratitude we owe to our veterans. Their selfless sacrifices have made the Nation proud, free and unafraid. We have an obligation to them, an obligation recognized by Teddy Roosevelt when he said:

> No other citizen deserves so well of the Republic as the veteran. They did the one deed which, if left undone, would have meant all else in our history went for nothing. But for their steadfast promise, all of our annals would be meaningless, and our great experience in popular freedom and self-government would be a gloomy failure.

We should also be aware of our veterans' contribution to the Nation in times of peace. The evidence of their leadership and contributions are all about us, in business, in public life and in the professions. Many of our most illustrious citizens are veterans. The part they have played in building a better and stronger America in nearly every area of human endeavor cannot be ignored.

Mr. Speaker, on a granite plaque at the Veterans' Administration in Washington, D.C. are etched the words: "To care for him who shall have borne the battle, and for his widow and his ophan."

The bill that I am introducing today gives us the opportunity to rededicate ourselves ever more strongly to the pursuit of this noble goal.

LEGISLATION REGARDING SECURITIES AND EXCHANGE COMMISSION'S BUDGET AUTHORIZATIONS FOR FISCAL YEARS 1977, 1978, 1979, AND 1980

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from West Virginia (Mr. STAGGERS) is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, I am introducing two bills today at the request of the chairman of the Securities and Exchange Commission. These bills deal with the Commission's budget authorizations for fiscal years 1977, 1978, 1979, and 1980. I enclose a copy of the letter from Chairman Roderick M. Hills to myself as explanation of these bills.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., February 18, 1977.

Hon. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Please find enclosed two proposed draft bills relating to the Commission's budget authorizations for fiscal years 1977, 1978, 1979, and 1980, which the Commission wishes me to commend to your attention and ask that you introduce.

These proposed bills are intended to take the place of draft legislation previously transmitted to you, and to the Speaker of the House of Representatives and the President of the Senate, on January 18, 1977 and on February 2, 1977. We are transmitting these revised drafts because of a change in the amount of increase the Commission is seeking in our fiscal 1977 budget authorization.

As you know, the Commission's authorized budget ceiling for the current fiscal year (fiscal 1977) is $55 million. However, requests for supplemental appropriations made necessary by mandatory pay increases and other urgent, unforeseen costs, would bring our total appropriations for fiscal 1977 to a level greater than our currently authorized ceiling. Therefore, we are seeking an increase in that authorization.

The bill transmitted on January 18, 1977 would have increased our fiscal 1977 authorization to $58 million. However, after consultation with the staff of our authorizing committees, we have determined to reduce that request to $56.5 million. One of the enclosed draft bills is designed to reflect that reduced request and to be substituted for the January 18 draft bill.

The proposed bill transmitted to you with my letter of February 2, 1977 would provide budget authorizations for the Commission for fiscal years 1978, 1979, and 1980. Because of the revision outlined above as to our request for fiscal 1977, certain technical changes are necessary in the text of the second bill, and I am accordingly enclosing a substitute draft of our fiscal 1978, 1979, 1980 authorization which encompasses those changes.

Thank you very much for your consideration and assistance in this matter.

With kind regards,
Sincerely,

RODERICK M. HILLS,
Chairman.

ENERGY CONSERVATION DAY

(Mr. THONE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. THONE. Mr. Speaker, within Congress there is much disagreement concerning many phases of energy policy. There is one energy area, however, where I believe we are in unanimous agreement: America is fast depleting its nonrenewable sources of energy, and conservation offers the best short term means for easing our energy plight.

All forms of fossil fuel have been so abundant and cheap in the United States that we need a dramatic impact to persuade a majority of Americans to practice conservation.

With "Earth Day" in 1971, we achieved a high level of recognition that our planet is fragile and must be protected against pollution. Therefore, I am proposing that all segments of American society similarly join in observing "Energy Conservation Day" in 1977.

Today, I am introducing a House Joint Resolution to designate October 10, 1977, as "Energy Conservation Day." We will need a few months to prepare properly for observance of such a day, yet it should be held before the winter of 1977 is upon us. The exact date of October 10 was chosen because it is a Federal holiday—the 1977 celebration of Columbus Day—and thus many citizens will have time on that day for activities outside their normal routine.

It is my hope that "Energy Conservation Day" will be a day of action, a day of learning and a day of planning. Most of all, it should be a day of impact—with all segments of American society uniting to stress the importance of wise stewardship of the Earth's nonrenewable resources.

Mr. Speaker, I urge all Members to support passage of this resolution to observe "Energy Conservation Day."

WHY BO AND MARK WON'T WORK

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, Congress is presently considering several proposals to stimulate the economy through so-called jobs programs. Virtually all of these proposals provide for a sizable increase in the Federal deficit, which will deprive the private sector of capital which is needed to create lasting, productive employment opportunities.

To put this debate in perspective, we should bear in mind that actions of the Federal Government itself have reduced the incentives for people to work and have contributed to the widespread belief that something must be done to create more jobs. Wall Street Journal writers Douglas R. Sease and William M. Bulkeley have provided us with two case studies of young men who are capable of working but who have lost their incentive to work "Bo Grier, Aristocrat of the Streets" is living with his sister and receiving disability benefits. "Mark Rinaldi: Jobless by Choice" is living with his parents and drawing unemployment compensation.

The full texts of the articles, which appeared in the Wall Street Journal on January 31 and February 1, 1977, respectively, follow:

[From the Wall Street Journal, Jan. 31, 1977]

BO GRIER, ARISTOCRAT OF THE STREETS

(By Douglas R. Sease)

ATLANTA.—Raymond "Bo Grier, 24, spends most of his afternoons and evenings shooting baskets at the Peoplestown gym in a declined inner-city neighborhood here. These are the good times, with his buddies, working off the tensions that build during the long, idle days.

The bad times are the mornings, smoking the endless chain of cigarets and watching, empty-eyed, indistinguishable television game shows at the apartment where he lives with his sister. Since it is winter, the weather is usually too bad to get out and attack the powerless power steering on his faded gold 1968 Buick Wildcat parked outside. The Buick functioning would mean a vast uplift in status—wheels instead of riding the bus.

It has been two years since Bo had any kind of steady work, and by now his ways of existing on the streets without a job may be so deeply ingrained that he may never change. Whether he does or doesn't is important to the social and economic well-being of this country, because Bo Grier is a long way from alone out there. The unemployment rate for young blacks like Bo runs stubbornly at a rate twice that of whites. And the young blacks on the streets are important contributors to crime and related problems of the ghettos.

Bo has been out of a job so long he is not even counted among the unemployed any more. Instead, he and at last count 817,000 other Americans, 27 percent of them black like him, were dumped into a separate category consisting of the jobless who said they would look for a job if they thought anybody would give them one. They are, of course, the hardest core of the hard core jobless and most share with Bo Grier a poor education, no skills and a deepening conviction that the American dream wasn't meant for them. Around government labor offices they are referred to as "the discouraged."

ASTUTE BETTOR

Categorizing Bo Grier is simple, but analyzing why he doesn't work is not. One thing that has to be considered is a slight physical handicap resulting from a landmine injury in Vietnam. It doesn't interfere with his ability to swivel and drive down the court past his opponents at the gym. But it is a definite factor in his not having a job, because the government considers him 30% disabled and sends him a $149 check every month, making his quest for a job that much less pressing.

Living with his sister is another factor. She has a job on a production line making plastic drinking cups and pays the $140 rent and $30 or so monthly utility bill.

He also does a little gambling on the side, things like making side bets at crap games and the pool hall. He considers himself an astute bettor: "I don't bet on myself, I find somebody who's hot and bet on him. That way I can make my money and leave any time I'm ready."

Like many others without jobs, and particularly those with dim prospects of getting one, Mr. Grier also supplements his income with occasional ventures to the far side of the law. It is a career at which, like all others, he is unskilled, and he loses more than he wins. He is currently on probation for a conviction on three counts of check forging and has since been arrested and charged with receiving stolen property. He says that is all a mix-up, that he is innocent.

His probation officer is supposed to be interested in helping him get a job, but he's been of little help, probably because he and Bo have never met. "If you see him, tell him to get in to see me," the probation officer, Oliver Puckett, says. Bo has been supposed to report monthly for the past six months but hasn't bothered, and nobody has bothered to find out why.

Bo's money goes out like it comes in, with little thought being given to it, to support the Buick, tickets for an occasional rock concert, clothes, food, drink, whatever.

The thing is that Bo, and many others in his situation, have enough going for them that economic survival is not the question, only the style in which one survives. And the truth is that Bo, by freeloading on his sister, stretching his government check and hustling on the side, has made such an admirable adjustment to not having a job that it is not hard to see why he is not out pounding the pavements.

He says he used to spend most of his time looking for jobs, reading the classifieds, making the rounds, filling out applications and then never hearing anything. He feels he has every right to be discouraged, and his conviction that he can't get work has turned him into an aristocrat of the streets, who now wouldn't take some jobs if they were offered to him.

He's not interested in anything paying the $2.30 minimum wage, and even $2.50 he considers borderline. "Even that's not worth it," he says. "But it's something." There are also some lines of endeavor he's just not interested in: "I'll never wash dishes," he says disgustedly. "I tried that once for Howard Johnson's. I never got tireder of anything than seeing those dishes. I quit the second night."

He also has no interest in using his GI bill to go to school to acquire a marketable skill, because it doesn't seem feasible to him. "They only give you $258 a month, and after tuition and books and clothes and getting there and back, it's just not worth it."

One expert feels that talking to Bo about his problems with work is no way to a solution, because he may not be leveling: "He is b.s.'ing you, telling you what he believes a white man wants to hear," says George Harris, a teacher at Atlanta University's School of Social Work and a veteran of street culture himself.

To "street people" a job is money and nothing more, Mr. Harris says. And if the money isn't good enough, there is no point in working. "For Bo, there's nothing about personal satisfaction in doing a job," Mr. Harris says.

Another expert, Harvard economist Martin Feldstein, feels that having a minimum wage might be a deterrent to men like Bo even looking for a job: "When you're being paid the minimum wage, you know you're the worst there is," he says. "If we didn't have a minimum wage, then an unskilled worker could take a job while thinking there's someone somewhere being paid less, who's worth less than he is."

But others take a more pragmatic approach and conclude that any problems that Bo has are of his own making. "It's a matter of initiative," says a Georgia Employment Service official. For proof, he cites the Vietnamese refugees who have settled here. "They couldn't speak English so they couldn't get jobs here like they had in Vietnam. But that didn't stop them from begging us to get them any kind of work, just so they could make some money while they went to school to learn English. Some of them got menial jobs; they're trying to better themselves. That's initiative."

He agrees it can take time for an unskilled worker to find a job but insists that anyone who hasn't landed one in three or four months isn't trying very hard. "If he's sitting out more than a year, then he's really not looking for work."

JOBS AVAILABLE

Don Winnie, owner of a temporary help agency called Action Labor Services Inc., buys that. "It's not true that blacks can't get jobs in Atlanta," he says. "About 60% of the men we hire are black. We pay mostly minimum wage, but we supply transportation to the job site. The work's a little on the menial side, but if a guy's got anything at all on the ball, he'll be looking for something better. In fact, we lose a lot of our better workers to client companies."

But the view that Bo simply lacks initiative seems simplistic to Benjamin Hooks, who will be taking over as director of the National Association for the Advancement of Colored People in March. There's much more to it, he says, including racism which is compounded by the media image whites have of unemployed young blacks. "It has to do with marketing, with selling one's self," says Mr. Hooks. Part of it is that a product of a black ghetto hasn't learned the social niceties that are an asset to whites when they apply for a job.

Bo Grier insists that he has looked long and hard during most of the two years that he's only had a couple of short-term jobs. But for whatever reasons, it is inescapably true that he's barely looking, if at all, any more.

Even when the odds look good and his self-composed criteria are met, it is difficult to stir him into the action it would take to land the job. Recently, for example, he turned down an offer for a free ride to the downtown offices of Allright Parking of Georgia, Inc., to apply for work driving shuttle buses between Atlanta Airport and a soon-to-be-opened parking facility.

The job pays $3 an hour, and Will Wood, general manager of Allright, said Mr. Grier sounded qualified. A week later, after being further encouraged to ask for the job, Mr. Grier hadn't. "That tells me he doesn't want to work," Mr. Wood says. "He's got that benefit check and that's all he wants.

EMPLOYERS SUSPICIOUS

All of which leaves Bo Grier sitting in a haze of cigaret smoke in front of the TV until it is late enough to go down to the gym and shoot baskets. He's also caught in a sort of Catch 22 of the job market—the longer he's out of work, the more suspicious employers are of his earnestness in pursuing a job. One of the questions that has become standard in job interviews is why has he been out of work so long?

The longer he is out of work, the more he molds himself into the image whites have of young blacks they don't want to risk hiring.

It's rather ironic that Mr. Grier, who is a somewhat articulate young man, understands perfectly what he must do, but seems powerless to do it: "You've got to convince people who are doing the hiring that you're willing to work. If you can do that, chances are you'll get hired."

But the chances of Bo Grier doing that are slim, and getting slimmer. Finding employment for Bo and others like him is going to be the toughest challenge the Carter administration faces in its attempts to bring the U.S. employment rate down. But as long as they are left on the streets, the Bo Griers are going to continue to be a drag on their families and on society at large, regular contributors to the crime statistics and, perhaps most meaningful, dismal failures at climbing to the levels of decency and self-respect that most Americans take for granted.

[From The Wall Street Journal, Feb. 1, 1977]

MARK RINALDI: JOBLESS BY CHOICE

By William M. Bulkeley

WEST HARTFORD, CONN.—Last March the Konover Investment Co. decided to lease its parking lot in downtown Hartford rather than continuing to operate it itself. In the resulting management change, Mark Rinaldi, who had been an attendant at the lot for two years, was laid off.

After two months without a job, Mr. Rinaldi applied for unemployment compensation. Ever since then he has received a $54 check from the state of Connecticut every two weeks. He could go on receiving it another 39 weeks.

For the spare, bearded 23-year-old who lives with his parents in this upper-middle class suburb, the unemployment checks spell the difference between the need to keep working "at some crummy job" and his present leisurely lifestyle. Mr. Rinaldi is contemptuous of the system which allows him to collect unemployment and says he thinks he, and many of the others who receive checks, "are just ripping off the government."

If the unemployment compensation weren't available, Mr. Rinaldi concedes, he is confident he could get some sort of job. But, since it's there, "I'm not going to work my head off."

Mr. Rinaldi represents one aspect of the nation's unemployment statistics that doesn't appear in most discussions of "the unemployment problem." Young people under 24, like Mr. Rinaldi, account for about half the nation's unemployed, according to a study by the Congressional Budget Office. As a result, any federal programs to ease unemployment are expected to focus on employing youth. However, for some unemployed youth such as Mr. Rinaldi, obtaining a job simply isn't urgent. Between government checks and parental support, unemployment is an acceptable life style. And it's doubtful that any federal program would touch someone like Mr. Rinaldi who is out of work by choice.

It's impossible to know how many of the people receiving unemployment compensation would be working if the money weren't available. Critics have charged that unemployment compensation, rather than merely tiding people over while they are unavoidably between jobs, has become a way of life for some. Instead of being a charitable temporary aid for a worker thrown out on the street by the vicissitudes of the economy, payments by the state last so long they serve as a disincentive to find new work, critics argue.

Many government unemployment compensation officials and legislators counter that Mr. Rinaldi's situation is the exception rather than the norm. "I think basically 95% of the unemployed population really wants to work," asserts Alfred Horowitz, director of research for the Connecticut State Department of Labor. He notes that during the 1960s unemployment was far lower than now. "It's due to our frustrations with being unable to get people back to work that we turn around and blame the people who are unemployed for being out of work," he contends.

David Pinsky, professor of labor, education and economics at the University of Connecticut and a long-time student of unemployment, agrees "there may be a few who abuse the system" who should be punished. But he says, "Just because you have embezzlers in banks, you don't close the banks."

Mr. Rinaldi apparently isn't abusing the system in any legal sense. But he is collecting unemployment compensation from the state despite expressing confidence that he could get some sort of job without any trouble.

Mr. Rinaldi doesn't fit most of the stereotypes of youth unemployment. He isn't desperately banging his head against walls trying to break into the job market. He isn't untrained and unskilled He's already held half a dozen jobs. He has training which could get him more jobs. A bright and articulate man with a quick wit, he can deal with customers and is responsible enough to work without supervision.

Yet he doesn't work and he doesn't particularly want to. Part of the problem is that none of the jobs in his past or foreseeable future offer much challenge or much money. Although he has been trained as a surveyor, he claims he couldn't get a job paying much more than $3.50 an hour—an amount, he says sardonically, which "isn't enough to induce me to go to work." If paid that amount, which is equal to about

$7,280 a year, before taxes, he says he could barely afford to rent an apartment, and by paying for food and a car he would end up with little more available money than he has now without working.

TRAUMATIC FOR SOME, BUT . . .

Contrary to much conventional wisdom about unemployment, Mr. Rinaldi demonstrates that being out of work doesn't automatically mean painful suffering. Certainly job losses are traumatic for most people, and unemployment pay, which is normally far below working wages, rarely relieves genuine hardship for some people who are laid off. But Mr. Rinaldi didn't mind being laid off, and he enjoys his current situation. In fact, a look at his situation prompts some reconsideration of just what "unemployment" really means in some instances.

Mr. Rinaldi hasn't been ambitious in the conventional sense in his working life. He took the job at the parking lot while he was training to be a surveyor at Hartford State Technical College. When he completed the course he decided he'd rather continue working 25 or 30 hours a week at the lot than take one of the three jobs he was offered as a map maker. Being a parking attendant "was relaxing," he recalls. "I didn't have to work up a sweat. I could do what I wanted."

That isn't to say the parking lot was without drawbacks. It did make some demands on his time. It wasn't terribly stimulating. And take home pay, averaging $41 a week, wasn't very lucrative. The biggest worry, however, was crime. Mr. Rinaldi was held up twice during his last few months at the lot, even though he was located a mere two blocks from police headquarters in Hartford. At that he considered himself lucky. An attendant in the lot across the street was knifed one night.

So when the management changed, Mr. Rinaldi, who had worked fairly steadily at a variety of part-time, unskilled jobs since he turned 16 years old, wasn't upset by the layoff. Living with his parents and drawing on some $1,000 he had in savings, he figured he could easily survive until he decided what he wanted to do next. Collecting unemployment pay was an afterthought suggested by friends, who at various times had, as he puts it, "been on Ella's payroll." (Ella Grasso is Connecticut's governor.)

But when he began collecting the unemployment check, any sense of urgency about finding another job disappeared. Connecticut, like most other states, requires that people receiving unemployment compensation be "actively looking" for jobs. But in practice that's nearly unenforceable. Mr. Rinaldi told the service that he was looking for a job as a carpenter's apprentice—a rare job opening in a state like Connecticut where the construction industry is severely depressed. Mr. Rinaldi concedes he hasn't any experience as a carpenter but says he'd be happy to get such a job. However, his real interest was in remaining on unemployment. "If I said I wanted to be a parking lot attendant, they'd tell me to get a job," he asserts.

So, once every six weeks, Mr. Rinaldi goes to the unemployment compensation office in a depressed section of North Hartford and checks job openings as required by the state labor department before picking up his check. The rest of his checks are mailed to him and the remainder of his time is his own.

A spokesman for the Connecticut labor department, which administers the state's unemployment compensation, says that people collecting unemployment compensation are regularly informed of job openings and told to get job interviews. He asserts, "You can't sit for 65 weeks and wait for a job." He adds that applicants are thoroughly investigated. But sources familiar with the department admit that the system isn't equipped to deal with the huge number of clients it handles when unemployment is over 9%, as it has been in Connecticut.

Mr. Rinaldi says he has never been told of a job opening by the service or even asked whether he is actually looking.

On a typical winter day, Mr. Rinaldi says he gets up at 8 a.m., "So my parents won't think I'm a bum." On cold days he goes out and warms up his mother's car because her place in the garage has been supplanted by a battered 1951 Chevy panel truck which Mr. Rinaldi is sporadically restoring. Some mornings he goes into the garage and fiddles with the vehicle but when his parents leave for work, he often returns to bed.

When he gets up again he eats and reads The Hartford Courant from cover to cover including obituaries, box scores and all the classified ads. "It's all right to be physically lazy. But I have to read something," he says. By the time he's through with the paper it's late afternoon and he can go out with some friends and have a few drinks. Evenings he often goes to various friends' homes or stays at his own home, a comfortable split-level on a side street and watches television. Some evenings he goes to Hartford's jai alai fronton, pays $1.25 for general admission standing room and slips blithely into the plush seats in the uncrowded $5 seat section right in front of the court.

PRESSURE FROM PARENTS

Although his lifestyle isn't exciting, it's certainly comfortable. He's able to indulge his penchant for imported German Hofbrau beer. And he has enough friends with cars and places to go that he isn't trapped in one place. He says the most unpleasant element of unemployment is being nagged by his parents. "They say 'go to work, everybody works'. I say 'everybody's miserable.'"

Mr. Rinaldi's lifestyle may soon change. His parents have begun actively pressuring him to start doing something, and recently they began charging him $20 a week for room and board. Mark now intends to take some electronics courses, and he also talks of getting at least a part-time job, which would put an end to his unemployment compensation.

Mrs. Rinaldi who works for the state as a purchasing agent, thinks Mark's lack of enthusiasm for work stems from the nature of the jobs he has held. "With better jobs he might have gotten a better impression" of the job market, she says. Her husband declined to be interviewed.

For his part, Mark says bluntly that if his parents ease up he'd gladly continue drawing unemployment until his benefits run out next summer. He also says that if he saw a good chance to make a lot of money, he'd jump at it. "I've learned the trail of the green is elusive," and a shot at riches would be worth some work, he says. But even then the job wouldn't be an end in itself. "I'm only interested in making a quick million and retiring," he wisecracks.

WHY JOHNNY WON'T WORK

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, Congress is presently considering several proposals to stimulate the economy through so-called jobs programs. Virtually all of these proposals provide for a sizable increase in the Federal deficit, which will deprive the private sector of capital which is needed to create lasting, productive employment opportunities.

To put this debate in perspective, we should bear in mind that actions of the Federal Government itself have reduced the incentives for people to work and have contributed to the widespread belief that something must be done to create more jobs. The author of the attached article, Charlton Ogburn, argues very eloquently that "our situation today is not one of a shortage of jobs, but of a shortage of labor." The Federal Government, according to Ogburn, is a "prime promoter of unemployment."

Mr. Ogburn's column, entitled "Why Johnny Won't Work," appeared in the Washington Post on Sunday, February 20, 1977. The full text follows:

[From the Washington Post, Feb. 20, 1977]

WHY JOHNNY WON'T WORK

(By Charlton Ogburn)

In the rivers of words poured out on the problem of unemployment, virtually no mention is made of the two elements of the problem that to me, as a consumer and self-employee, are its most striking features. One is that our situation today is one not of a shortage of jobs but of a shortage of labor. The other is that the federal government is a prime promoter of unemployment.

I feel a particular concern for these features because implicit in them is the extinction of persons like me who must meet the conditions of the marketplace unprotected by special privileges and immunities. The free society is already finished. In its place we are getting the staked-out society in which various interests, institutionally protected from competition, levy tribute on all who come their way, as medieval barons did on shipping.

In support of my thesis that we have a labor shortage, let me recall some experiences of the kind the reader can readily match with his own. Last year our 1959 dishwasher broke down and the sensible thing seemed to be to buy a new one—until we learned that installation would cost $125. That meant we'd be paying the plumber more than $35 an hour. Even an unlicensed plumber, the dealer said, would charge $75.

If I was shocked, I was even more so last fall when three men in a pickup truck asked $150 just to help me fell four trees so they would not fall on the power line. This would require putting a ladder up the tree, tying a rope around it, sawing through the butt and pulling hard on the rope. It is work I habitually do myself, so my estimate that the men were asking about $40 an hour each is probably sound.

A bill of $17.04 from a Ford dealer for repairs seems little enough, but all it paid for was the replacement of the socket of a license-plate light. The washing machine we bought in 1959 started acting up and the mechanic who previously had repaired it sent his son, who may have graduated from high school, but if so, only barely. It cost us $13 to have the lad put in an appearance and $3 for every 10 minutes of his time thereafter.

That is a good deal more than any of my friends make after 30 years or more of hard intellectual application. It is a good deal more than I make with diplomas from Harvard and the National War College, 11 years experience in the State Department, dozens of articles in leading magazines and 13 books to my credit. Consequently, it was more than I could afford.

Such gouging of the customer would have been inconceivable in the Depression of the 1930s. Nearly everyone was desperately glad of the chance to do a day's work for a day's pay. Businesses profiteering in repairs would have found their shops emptied by mechanics

working in their back yards. Today, if there is any competition to render the services so outrageously priced, it is not in evidence.

It would be difficult to convince me that unemployment statistics mean what they meant in the 1930s. Then there was no paid work for about a quarter of the labor force apart from federal programs. Today there is plenty of work at pay commensurate with its demands, at least outside areas of peculiar industrial depression.

Why, then, is it so difficult to get manual work done without having to pay disproportionately for it? My guess is that the able-bodied unemployed lack the skills in demand, even skills that can be acquired in two or three months, or lack enterprise and initiative or would rather not do work they find uncongenial even if it means living on the labors of others.

Vacuum cleaning, mopping, dusting, washing woodwork take little skill, but seven or eight years ago we gave up trying to get anyone to do them for us once a week. What such work does require is conscientiousness, and everyone we tried—I should say who condescended to try us—proved undependable and slapdash.

Despite women's liberation, educated women are apt to be less liberated now than they were 50 years ago when they had servants. Men and women of talent today are forced to take time from the improvement of that talent, from which society would gain, for tasks around the house that could as well be performed by others whose own maximum contribution to society, and to their own satisfaction in life, would come from the superior performance of those tasks to which they are fitted.

There are, no doubt, those who contend that working in another person's household is degrading where living in idleness at the expense of those whom one is too good to work for is not. This is a point of view the founders of our democracy and those who made it successful through the years would surely find incomprehensible.

Conspiring to the elimination of domestic help is the minimum wage law. There are, granted, strong reasons for the law. But whatever else it may achieve, the law ensures that men and women—and young people—whose abilities command less than the minimum rate will be denied employment, pride in working their way and the chance to improve their skills on the job and their earning ability. If the AFL–CIO has its way, the minimum wage will be $3 an hour. It is anyone's guess how many thousands that would render unemployable.

Another way by which government promotes unemployment is by providing a widely acceptable alternative to employment—and with welfare payments now coming to $36 billion a year and talk heard of a guaranteed minimum income, it is easy to see us achieving the distinction of Britain, where, as Chancellor of the Exchequer Dennis Healey observes, one can do almost as well on the dole as in a job.

A third is in exempting labor unions from legislation forbidding combinations in restraint of trade and granting them monopolies. Labor unions can and do set up barriers to employment that exclude many willing hands and, by forcing wages to artificial heights, prevent businesses from hiring as many workers as they could if wages were set by competition for jobs, as they are among non-unionized workers.

The time was when unions were labor's defense against brutal exploitation. Today they are the exploiters and their prey is the consumer. When Chrysler sits down with the UAW, the question is how big an increase in wages the poor dumb public can be made to pay for. The decision last month, according to the CBS Evening News, was a new hourly rate equivalent to $15—well over the hourly earnings of the governors of some states—and an average boost of $500 in car prices.

Unions insist that increases in the productivity of labor call for proportionate increases in wages. Though the nation seems to have swallowed it, the principle is without warrant. Labor itself is seldom responsible for its increased productivity. That comes about ordinarily from improved management, more efficient technology and larger-scale operations.

I doubt that a society can long survive when the ultimate power and the ultimate responsibility are divorced. Increasingly in ours, the one is exercised by heavy-handed interest groups while the latter devolves upon a government that is more and more their adjunct.

My anticipation is not that our society will expire but that, as government is immobilized by its inability to challenge the domineering, mutually hostile interest groups, society's frustrations will become intolerable and that this will lead to the reunion of power and responsibility under authoritarian rule.

We shall turn to a charismatic leader to make us whole again, with a national voice, and he will do so—at a price. If we are lucky we shall all be brought to heel impartially. One thing at least we can count on: Our new master will not treat manual labor as a pampered aristocracy. Even the Soviet Union, proclaiming the dictatorship of the proletariat, knows there is no future in doing that.

COAL AS ENERGY SOURCES

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, with my remarks, I am quoting a news story relative to the natural gas shortage and the need to utilize our vast supply of coal notwithstanding environmental concerns. The unique aspect of the news story is the fact that it was written May 5, 1969, nearly 8 years ago, and if we had paid heed to Mr. Boardman's comments at that time, we would not be in a crisis we face today.

[From the Columbus (Ohio) Citizen-Journal, May 5, 1969]

EXECUTIVE WARNS OF GAS SHORTAGE

"Since they decided to switch, some gas users may have to fight for heat next winter," warned an official of the state's retail coal association.

Charles H. Boardman of Columbus, a past president and current treasurer of the Ohio Coal Conference, Inc., said indications are that many schools, factories, business firms and even homes may not have enough natural gas for their heating plants.

"The gas people admit their supplies are going down, but they don't shout it from the rooftops," Boardman stated.

"The American Gas Association recently disclosed proved reserves of natural gas in the U.S. declined last year for the first time since they started keeping records in 1946. They blamed it on the steady drop in oil and gas drilling activity in the United States."

Boardman pointed out that John F. O'Leary, director of the U.S. Bureau of Mines in Washington, D.C., recently testified before the House Committee on Interior and Insular Affairs that the outlines of a major shortage of natural gas are already discernible and some gas users could be denied service next winter.

"We are already at the point where, unless there is a basic change in our underlying resource situation, we will need synthetic gas to supplement our natural supplies," O'Leary former chief of the Federal Power Commission's Natural Gas Bureau, told the congressmen.

However, O'Leary said, the nation is five to seven years away "at the most optimistic" from having a viable gas synthesis technology in place and capable of supplementing natural supplies of gas.

Since synthetic gas will "almost certainly" he needed before then, O'Leary said, "We should attack this problem as a matter of high national priority."

O'Leary said it appeared "we are on the threshold of a new era in which synthetic fuels will be manufactured in the U.S. from coal on enormous scale."

"In the meantime," Ohio Coal Conference official Boardman said, "we retail coal merchants stand ready to do what we can to keep people warm in the face of a potential gas shortage."

But, Boardman pointed out, if coal furnaces and boilers are pulled out of schools, businesses and homes there will be no equipment to burn the nation's huge proved reserves of coal.

He said it was literally "playing with fire" not to leave at least some coal equipment in buildings where changeover to another fuel was being considered.

He urged citizens to ask their public officials what coal-burning equipment they have ready—not merely as standby—but for full service.

Expressing fear that a summer lull may set in, Boardman declared:

"Ohio's retail coal merchants can supply the needed fuel this summer but would face delivery problems if everyone waited until cold, snowy weather. There are fewer retail coal dealers now than 20 years ago and they would have to schedule their deliveries.

"Now is the time for action," said the Ohio Coal Conference official "not when it's too late."

Boardman is president of the Murray City Coal & Ice Co., 1334 Edgehill rd, Columbus.

TAX REBATE? OR HANDOUT?

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, the much heralded "tax rebate" of President Carter has now been exposed in its true light as a "handout" or "giveaway."

The Columbus Citizen-Journal lead editorial today properly gives the story to the American people about giving away money the Government does not have, thus contributing to inflation that hurts everyone.

The article follows:

[From the Columbus (Ohio) Citizen-Journal, Feb. 21, 1977]

TAX REBATE? OR HANDOUT?

When President Carter unveiled his plan to stimulate the economy largely by mailing $50 checks to almost everybody, this newspaper had a number of reservations, which can be summarized as follows:

First, the $50 rebates to taxpayers and their dependents are likely to cause only a temporary burst of consumption, with no lasting benefit to the economy.

Second, the $11.4 billion in rebates will be injected into the spending stream while business is expanding without any special stimulus. The result could be economic overheating and upward pressure on prices.

Third, the current federal budget is $47 billion in deficit even before the Carter program. Increasing the shortfall by more than 20 per cent would be inflationary. And since

consumer prices in January rose at an annual rate of 9.6 per cent—almost back in double digits—inflationary threats should not be ignored.

Now Carter's plan has moved from the White House through the powerful House Ways and Means Committee, where it was changed into a scheme to redistribute wealth and boost welfare payments.

Though Carter wanted the rebates to go to taxpayers across the board, the committee promptly decided to reduce the rebates for families earning between $25,000 and $30,000 and to eliminate them entirely for families with incomes of $30,000 or more.

By cutting or denying rebates to some 8 million upper-income families, the committee figures it had "saved" $1 billion. Then it accepted a proposal by Rep. Charles Rangel, a New Yorker whose district includes Harlem, to "spend" $600 million by sending $50 to everybody covered by Aid to Families with Dependent Children, the leading welfare category.

People who earn more than $30,000 a year are among the nation's most energetic and resourceful, and they will survive the loss of $50 per family member. But they most likely will resent the treatment they got.

In effect, the committee told them: we really don't care about you, except as a source of taxes to be spent on more deserving people, such as welfare families. When there is talk about tax relief and rebates, it doesn't mean you.

There may in fact be a better way of alienating a productive group of people, of making them feel unappreciated and unrepresented and of encouraging them to claim a dubious $50 deduction on their next tax return, but we can't think of it.

Until the committee can think up better ways of fostering divisive class feelings, its present move will have to do. However, since the money will not go to those who pay the highest taxes and will go to many millions who pay no income taxes at all, in decency the words "tax rebate" cannot be used.

A better description would be "handout" or "giveaway"—of money the Government does not have and will have to borrow. Inflation, anyone?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. CARTER (at the request of Mr. RHODES), for an indefinite period, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CORCORAN of Illinois) and to revise and extend their remarks and include extraneous matter:)

Mr. COHEN, for 5 minutes, on February 23.

Mr. KEMP, for 15 minutes, today.

(The following Members (at the request of Mr. BENJAMIN) and to revise and extend their remarks and include extraneous matter:)

Mr. BRODHEAD, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. STOKES, for 10 minutes, today.

Mr. KOCH, for 10 minutes, today.

Mr. AUCOIN, for 60 minutes, today.

Mr. HAMILTON, for 15 minutes, today.

Mr. STAGGERS, for 5 minutes, today.

Mr. KOCH, for 10 minutes, on February 22.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MICHEL and to include extraneous material in five instances.

(The following Members (at the request of Mr. CORCORAN of Illinois) and to include extraneous matter:)

Mr. KEMP in two instances.

Mr. MILLER of Ohio in four instances.

(The following Members (at the request of Mr. BENJAMIN) and to include extraneous matter:)

Mr. ROSENTHAL in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. BROWN of California in 10 instances.

Mr. KOSTMAYER.

Mr. WALGREN in five instances.

Mr. BRODHEAD.

Mr. KOCH in three instances.

Mr. LLOYD of California.

Mr. GIBBONS.

ADJOURNMENT

Mr. BENJAMIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 50 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 22, 1977, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

768. A letter from the President of the United States transmitting a proposed supplemental appropriation for fiscal year 1977 for Disaster Relief (H. Doc. No. 95–82); to the Committee on Appropriations and ordered to be printed.

769. A letter from the Acting Comptroller General of the United States, transmitting his review of the proposed rescissions and deferrals and revised deferrals of budget authority contained in the message from the President dated January 17, 1977 (House Document No. 95–48), pursuant to section 1014(b) and (c) of Public Law 93–344 (H. Doc. No. 95–83); to the Committee on Appropriations and ordered to be printed.

770. A letter from the Under Secretary of the Air Force, transmitting a report covering the period July–December 1976 on Air Force experimental, developmental and research contracts of $50,000 or more, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

771. A letter from the Chairman, Federal Deposit Insurance Corporation; transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act (12 U.S.C. 1811–31b), and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

772. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–230, "To amend the Motor Vehicle Safety Responsibility Act of the District of Columbia and the District of Columbia Traffic Act, 1925, and for other purposes," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

773. A letter from the Chairman, District of Columbia Armory Board, transmitting the annual reports and financial statements for fiscal year 1976 of the D.C. National Guard Armory and the Robert F. Kennedy Memorial Stadium, pursuant to section 10 of Public Law 80–605 and section 10 of Public Law 85–300; to the Committee on the District of Columbia.

774. A letter from the Acting Chairman, Federal Council on the Arts and the Humanities, transmitting the Council's first annual report on its activities under the Arts and Artifacts Indemnity Act, pursuant to section 8 of the act; to the Committee on Education and Labor.

775. A letter from the Chairman, Federal Home Loan Bank Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

776. A letter from the Acting Secretary, Federal Trade Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

777. A letter from the Acting Assistant Secretary of Health, Education, and Welfare for Administration and Management, transmitting notice of various proposed new or altered records systems for the Department, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

778. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize supplemental military assistance to Portugal for the fiscal year 1977, and for other purposes; to the Committee on International Relations.

779. A letter from the Director, Defense Security Assistance Agency, transmitting supplementary information to accompany the quarterly report on foreign military sales letter of offer covering the transition quarter (Executive Communication No. 182), pursuant to section 36(a)(2) of the Arms Export Control Act (90 Stat. 740); to the Committee on International Relations.

780. A letter from the Acting General Counsel, United States Arms Control and Disarmament Agency, transmitting a supplemental report on political contributions made by a member of the family of Paul C. Warnke, Director-designate of the U.S. Arms Control and Disarmament Agency with the rank of Ambassador, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

781. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

782. A letter from the Secretary of Commerce, transmitting the Department's annual report covering fiscal year 1976 on its implementation of the Fair Packaging and Labeling Act, pursuant to section 8 of the act; to the Committee on Interstate and Foreign Commerce.

783. A letter from the Secretary of Transportation, transmitting a report covering fiscal year 1976 and the transition quarter on the financial condition and operations of the Railroad Revitalization and Improvement Fund and the Obligation Guarantee Fund, pursuant to section 515 of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended; to the Committee on Interstate and Foreign Commerce.

784. A letter from the Staff Director, U.S. Commission on Civil Rights, transmitting a

draft of proposed legislation to raise the limitation on appropriations for the U.S. Commission on Civil Rights; to the Committee on the Judiciary.

785. A letter from the Secretary of Transportation, transmitting the annual report for calendar year 1976 on special pay to Coast Guard officers holding positions of unusual responsibility and of critical nature, pursuant to 37 U.S.C. 306(f); to the Committee on Merchant Marine and Fisheries.

786. A letter from the Deputy Comptroller General of the United States, transmitting a report covering calendar year 1976 on position in the General Accounting Office in grades GS–16, GS–17, and GS–18, pursuant to 5 U.S.C. 5114; to the Committee on Post Office and Civil Service.

787. A letter from the Comptroller General of the United States, transmitting a report that improved management is needed in the Defense Department's information handling of contract administration (LCD–75–115, February 17, 1977); jointly, to the Committees on Government Operations, and Armed Services.

788. A letter from the Comptroller General of the United States, transmitting a report on the status of the remotely piloted aircraft programs of the Departments of the Air Force and Army (PSAD–77–30, February 18, 1977); jointly, to the Committees on Government Operations, and Armed Services.

789. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in the Health Services Administration's recording and reporting of appropriation data at the end of the fiscal year (FGMSD–76–63, February 17, 1977); jointly, to the Committees on Government Operations, Interstate and Foreign Commerce, and Appropriations.

790. A letter from the Secretary of Agriculture, transmitting the annual report for fiscal year 1976 on the Food for Peace Program, pursuant to section 408(a) of the Agricultural Trade Development and Assistance Act of 1954; jointly, to the Committees on International Relations and Agriculture.

791. A letter from the Secretary of Agriculture, transmitting a report on the global assessment of food production and needs as of the end of April 1976, pursuant to section 408(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended (89 Stat. 854); to the Committee on International Relations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MURPHY of New York (for himself, Mr. BIAGGI, Mr. TREEN, Mr. JONES of North Carolina, Mr. LEGGETT, Mr. SNYDER, Mr. GINN, Mr. BOWEN, Mr. FORSYTHE, Mr. DE LUGO, Mr. HUBBARD, Mr. LENT, Mr. ZEFERETTI, Mr. OBERSTAR, Mr. HUGHES, Ms. MIKULSKI, and Mr. AKAKA):

H.R. 3711. A bill to provide a comprehensive system of liability and compensation for oil-spill damage and removal costs, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. BRADEMAS (for himself, Mr. PERKINS, Mr. QUIE, Mr. BEARD of Rhode Island, Mr. JEFFORDS, Mr. MILLER of California, Mr. PRESSLER, Mr. KILDEE, Mr. HEFTEL, Mr. HAWKINS, and Mr. BIAGGI):

H.R. 3712. A bill to amend the Library Services and Construction Act to extend the authorizations of appropriations contained in such act; to the Committee on Education and Labor.

By Mr. BRODHEAD:

H.R. 3713. A bill to amend the Internal Revenue Code of 1954 to encourage employment and the modernization of manufacturing plants by providing an additional investment credit for machinery placed in service in existing manufacturing plants or in nearby plants; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 3714. A bill to provide for the appointment of additional judgeships for the U.S. district courts and courts of appeals, and for other purposes; to the Committee on the Judiciary.

By Mr. ENGLISH:

H.R. 3715. A bill to provide economic safeguards to American farmers when the movement of certain agricultural commodities in export markets are affected by Federal Government interference; to the Committee on Agriculture.

By Mr. FRENZEL:

H.R. 3716. A bill to require that salaries of Members of Congress cannot be increased administratively under other provisions of law unless such increases are approved by both Houses of such Congress and then only if such increases first take effect in the following Congress, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HAMILTON:

H.R. 3717. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. HAWKINS (for himself, Mr. ANDERSON of California, Mr. BROWN of California, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mr. PHILLIP BURTON, Mr. CONYERS, Mr. CORMAN, Mr. DANIELSON, Mr. DELLUMS, Mr. DIGGS, Mr. DRINAN, Mr. EDWARDS of California, Mr. FORD of Michigan, Mr. FRASER, Mr. HARRINGTON, Mr. MCFALL, Mr. MOAKLEY, Mr. MOSS, Mr. PATTERSON of California, Mr. PEPPER, Mr. ROYBAL, Mr. STARK, Mr. UDALL, and Mr. VAN DEERLIN):

H.R. 3718. A bill to establish and translate into practical reality the right of all adult Americans able, willing, and seeking to work to full opportunity for useful paid employment at fair rates of compensation; to combine full employment, production, and purchasing power goals with proper attention to balanced growth and national priorities; to mandate such national economic policies and programs as are necessary to achieve full employment, production and purchasing power; to restrain inflation; and to provide explicit machinery for the development and implementation of such economic policies and programs; to the Committee on Education and Labor.

By Mr. KASTENMEIER:

H.R. 3719. A bill to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes; to the Committee on the Judiciary.

By Mr. ROSENTHAL (for himself, Mr. BONIOR, Mr. DUNCAN of Tennessee, Mr. EDWARDS of California, Mr. O'BRIEN, Mr. PATTERSON of California, Ms. SPELLMAN, Mr. STOKES, and Mr. WEISS):

H.R. 3720. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Public Works and Transportation.

By Mr. STAGGERS (for himself and Mr. DEVINE):

H.R. 3721. A bill to amend the Securities Exchange Act of 1934 to increase the amount authorized to be appropriated for the Securities and Exchange Commission for fiscal 1977; to the Committee on Interstate and Foreign Commerce.

H.R. 3722. A bill to amend the Securities Exchange Act of 1934 to authorize specified amounts to be appropriated for the Securities and Exchange Commission for fiscal years 1978–80; to the Committee on Interstate and Foreign Commerce.

By Mr. THONE:

H.J. Res. 266. Joint resolution to designate October 10, 1977, as Energy Conservation Day, and to direct the Federal Energy Administration to prepare a report containing estimates of the amounts of fuel which could be saved through voluntary energy conservation measures; jointly, to the Committees on Post Office and Civil Service and Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

15. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to expansion of the Comprehensive Employment and Training Act; to the Committee on Education and Labor.

16. Also, memorial of the Legislature of the Territory of Guam, relative to the service of the Hon. Hiram L. Fong; to the Committee on Interior and Insular Affairs.

17. Also, memorial of the Senate of the State of Indiana, relative to a joint resolution of the Indiana Legislature adopted in 1973 requesting that Congress call a convention for the purpose of proposing an amendment to the Constitution of the United States relative to the protection of the right to live; to the Committee on the Judiciary.

18. Also, memorial of the Legislature of the Territory of Guam, relative to access to Guam by foreign airlines; to the Committee on Public Works and Transportation.

19. Also, memorial of the House of Representatives of the State of Hawaii, relative to extension of the Federal supplemental unemployment benefits program; to the Committee on Ways and Means.

PETITIONS, ETC.

Under clause 1, of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

46. By the SPEAKER: Petition of R. G. Vandenhende, Ghent, Belgium, relative to foreign policy; to the Committee on International Relations.

47. Also, petition of the Illinois Association of Chiefs of Police, La Grange, Ill., relative to the retention of Clarence M. Kelley as Director of the Federal Bureau of Investigation; to the Committee on the Judiciary.

48. Also, petition of Paul R. Ruddock, Salisbury, Rhodesia, relative to his efforts to visit the United States; to the Committee on the Judiciary.

49. Also, petition of the Chautauqua County Legislature, Mayville, N.Y., relative to Federal flood control projects; to the Committee on Public Works and Transportation.

50. Also, petition of Atanacio A. Cabus, Sr., Iligan City, The Philippines, relative to allowing his children to stay in the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

PRESIDENT CARTER DESIGNATED "A GREAT AMERICAN"

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, February 21, 1977

Mr. TALMADGE. Mr. President, Dixie Business magazine, which is published in Decatur, Ga., has designated President Carter as "A Great American" for 1976.

I ask that there be printed in the Extension of Remarks an article on President Carter by Hubert F. Lee, editor of Dixie Business.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JIMMY CARTER, "A GREAT AMERICAN"

(By Hubert F. Lee)

President-elect Jimmy Carter has been named the "A Great American" for 1976 by the editors of Dixie Business.

He was nominated by Tresia Ivey, my 11-year-old granddaughter, who termed him "a good man, a Christian, a winner, a Southerner and a statesman."

While Jimmy Carter was Governor, my phone rang early one morning. Treasia, in a thrilling tone of voice, exclaimed:

"Pa Pa, Guess what?

"I saw the Governor last night.

"And he kissed me. . ."

Our first impulse was to endorse Jimmy Carter when he announced for President in 1974.

Pencil notes dates December 10, 1974:

Colonel John Crown, . . ." it is too early to endorse. . . ."

Sam Hopkins . . ." Carter to surprise many . . . going about it in the right way."

Steve Ball . . . good idea to endorse. . ."

Past Great Americans include:

Dr. Charles F. Kettering	1955
Cecille B. DeMille	1956
Helen Keller	1957
Tom D. Spies, M.D	1958
Sen. Lister Hill	1959
Oveta Culp Hobby	1960
R. Manton Wilson, M.D	1961
Sen. John H. Glenn, Jr	1962
Bernard M. Baruch	1963
Rep. Carl Vinson	1964
American Fighting Men	1965
E. K. Gaylord	1966
Donald Douglas, Sr	1967
Eddie Rickenbacker	1968
J. C. Penney	1969
Walter R. McDonald	1970
W. O. DuVall	1971
DeWitt and Lila Acheson Wallace	1972
Sen. Herman & Betty Talmadge	1973
Robert W. Woodruff	1974
Dr. Billy Graham	1975

I recall how excited I was when I received a letter dated December 4, 1974, from Governor Carter, saying:

"Before the official announcement is made on December 12 (1974), I would like you to know that I intend to seek the Democratic nomination and election as President of the United States in 1976.

"I could not enter this formidable race if I did not believe that I could win; but, neither would I run for President without a deep conviction that I can make an essential contribution to the U.S. Government and the people it serves. I believe that the problems which plague our people can be solved with bold, competent, honest leadership. Some people may say we face an impossible task. They have overlooked several important facts.

"First, the voters want a President who will address the issues with truth, openness and common sense. I will never disappoint them. Secondly, people are disillusioned with the officials in Washington.

"They are looking for a new face, a new leader whose ideas work. People are eager to see a candidate who will talk with them—not to them—at the factory, the supermarket, the service station. I plan to take my campaign to the people, just as I did in Georgia, and with as much success. With your help, I'd like to see this country return to the high standards and ideals on which it was founded."

And so Jimmy Carter went on to win in an incredible two year odyssey.

I wrote in my Editor's Whirligig in the Winter 1974 issue, in part:

PRESIDENT—Georgia's Governor Jimmy Carter, has entered the 1976 race for President of the United States.

I was a delegate to the Georgia Democratic Convention in Macon 1966 when Lester Maddox was ratified.

Jimmy Carter was there, smiling in defeat.

I didn't think he had a chance of being elected Governor, but he did.

Now Governor Jimmy Carter plunges ahead to the President.

He made a believer out of me four years ago.

Senator Herman Talmadge, who with his wife Betty, was named the Great Americans for 1973 said Governor Carter is a 'A Great American' for any year.

Colonel W. O. DuVall, the 'A Great American' for 1971 and a supporter of Jimmy Carter as far back as 1966 and before said 'you can't say too much about Jimmy Carter as A Great American.

Dick Kattel, president of C&S and the Atlanta Chamber of Commerce says 'Jimmy Carter will make an alltime Great President.'

A. H. Sterne, Jr., famous banker who heads the Trust Company of Georgia, and a Ford supporter, said we should all close ranks and rally around the new President, who is A Great American and deserves our support.

Rosalynn Carter, and their family, will grace the White House with a manner to make the nation proud.

What a fine example for America.

PERSONAL EXPLANATION

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 21, 1977

Mr. LLOYD of California, Mr. Speaker, I was necessarily absent for the rollcall vote on adjournment which took place last Thursday, February 17. The vote was on a 1-day recess, a recess that would take Congress beyond the deadline for disapproving congressional pay raises. I have cosponsored legislation to prohibit this raise and was very much in favor of a vote on the question.

I regret that, because of a recent illness, a medical appointment at Bethesda Naval Hospital made it necessary for me to miss the rollcall vote on the recess.

THE NEW YORK DAILY NEWS EDITORIALIZES ABOUT A BETTER WAY TO CREATE JOBS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 21, 1977

Mr. KEMP. Mr. Speaker, the New York Daily News recently analyzed President Carter's economic stimulus program and concluded that it is totally misdirected and, therefore, unlikely to produce any of the benefits it is designed to provide. The fundamental problem with President Carter's program is that it does not recognize the destructive effects that high tax rates have had on the economy. They are prohibiting the formation of capital, inhibiting new investment, and destroying the incentive to work and produce. It is no wonder that so many people are on unemployment when they cannot make enough aftertax income to be as well off as they are on transfer payments and unemployment compensation which, of course, are tax free.

A significant reduction in the tax rates across the board would not only create the capital that American industry needs to expand, but would reduce the cost of hiring new workers and create a greater incentive to work harder and get off unemployment. We need jobs, jobs that produce wealth and tax revenues not more Government jobs that consume tax revenues.

The News says that a reduction in taxes is the best way to create private enterprise jobs and I totally agree with this reasoning. I offer it to my colleagues in the hope that they will support efforts this week to reduce tax rates on a permanent basis as the fastest and most efficient way to help create jobs and combat inflation.

[From the New York News, Feb. 20, 1977]

ON THE WRONG TRACK

President Carter's program for stimulating the economy offers only the most dubious prospects for short-term relief, and poses serious dangers of renewed inflation.

A relatively modest, general tax cut would be the safest, soundest remedy for our economic blues. It would increase individual purchasing power and spur demand on a healthy, sustained basis.

But Mr. Carter and the Democratic Congress have opted for one-shot gimmicks—tax rebates, adjustment of tax rates, public-works projects and federally financed jobs in local government.

The objective is to achieve a dramatic reduction in unemployment which can be merchandised for political gain two or four years hence.

There are good reasons to doubt whether this costly effort—all to be carried out with borrowed money—will accomplish even that. And Americans should be gravely concerned that the long-term effects of this quick-fix approach will be another round of runaway inflation, followed by an even more severe recession than the one from which we are emerging.

The jobless rate has remained stubbornly high, and Americans should be concerned

about it. But the general state of the economy is such that—

Drastic injections of artificial stimulants are not needed. With inflation cooled off and recovery resuming its normal pattern after a lull, the picture is basically good.

The improvement hasn't registered in the unemployment figures for two reasons.

An unusually large number of people—women and youths from the postwar baby boom—have entered the labor market in recent years.

At the same time, industrial growth has been stunted by enormous federal deficits and the drain on resources created by a rash of government income-transfer and social-welfare programs.

A change in Washington's destructive taxing and spending policies would enable private industry to create real, productive work for most of those seeking it, and do so in a way which promote solid, continuing prosperity.

Unfortunately, Mr. Carter's program is so tailored that it is more likely to retard than advance that natural process.

We can't see how it will greatly benefit even the—

Hard-core unemployed—whose lack of experience and skills makes them well nigh unplaceable in the best of times.

A depressingly high percentage of minority youngsters fall into this category. Few are apt to land jobs on public-works projects, which will go mainly to trained construction workers.

Some may make their way on to city and state payrolls via the public-employment scheme, but those will likely be temporary, dead-end positions.

Private employers may also hire youths to qualify for the President's tax-credit bribe, but we doubt that the number will be large.

Many more might be aided by the expanded job-training program President Carter has proposed. But previous efforts along the same line have not been too successful because of bad planning, poor instruction or failure to develop real motivation in the youths.

We hope the new administration has learned something from past mistakes and will try new approaches. That is, in fact, the one part of the President's plan that makes sense, and could yield high dividends.

The rest of it is only a discouraging confirmation of what we had feared—that Mr. Carter, despite his talk about fresh ideas and innovative methods, is spellbound by the illusion that government can create jobs and generate wealth by spending money it hasn't got.

It never worked before, and won't now. Private enterprise is still the most effective engine for producing jobs—and the goods and services that genuinely increase the national wealth. Why doesn't Washington understand that?

THE CONSUMER AND THE DEPARTMENT OF AGRICULTURE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 21, 1977

Mr. MICHEL. Mr. Speaker, we see and hear very much these days about the necessity of Government to communicate with the public, to explain its action and to let the public know what it intends to do. Nancy Harvey Steorts, former Special Assistant to the Secretary of Agriculture for Consumer Affairs recently reported on her own admirable efforts in this area. Her report, entitled "How Responsive Is the United States Department of Agriculture to the American Consumer?" deserves wide attention. It gives not only the results but the philosophy behind the Department of Agriculture's attempts to become more responsive to the American consumer. I am happy, therefore, to have this opportunity to introduce this splendid report into the RECORD:

HOW RESPONSIVE IS THE UNITED STATES DEPARTMENT OF AGRICULTURE TO THE AMERICAN CONSUMER?

(By Nancy Harvey Steorts)

When I initiated actions to make the Department of Agriculture responsive to the American consumer, I did so with the knowledge that consumer representation would exist only when consumers had full access to the decision making process at all levels of the Department and full use of the Department's information materials and data. The information materials help the consumer to be better educated, and access to the Department's data allows the consumer to make an independent analysis of proposals under consideration.

Additionally, I wanted to raise the consciousness of the Department of Agriculture to the American consumer by having agency heads consider the impact and benefits of their final decisions on consumers before the decisions were made. I have attempted to make the consumer part of the primary focus and constituency of USDA instead of an afterthought to be handled once decisions were reached.

CONSUMER INVOLVEMENT

To bring about consumer involvement at USDA, I was appointed Special Assistant to the Secretary of Agriculture for Consumer Affairs in July 1973. This was a first. Not only for the Department of Agriculture, but also it was the first time any Federal Agency established such a position—a full-time consumer affairs specialist reporting directly to the Secretary.

Our first experience with consumer involvement in decision making came when three proposals—net weight, nutritional labeling, and changing the beef grading standards—were being considered.

A press conference was held to announce each of these proposals, at which time the Administrators and Program Directors were present to explain the proposals to the assembled audience which included representatives from consumer organizations and industry, as well as, the media. These press conferences were followed by indepth briefings in several cities across the country. In addition, the period for commenting on the proposals was extended from the normal 30 days to 60 days so that consumers would have sufficient time for comments.

OUTREACH

As a result of this new outreach and improved communication to consumers, there were many more comments on the proposals from consumers than we experienced previosuly. Although this new method of announcing and explaining proposals helped in getting consumers better informed and more involved in agricultural issues, consumers should be given the opportunity to have input in the earliest stage of the development of a proposal.

This is the trend I see in analyzing each USDA Agency's year-end report. With the help of a blue print for consumer development in the form of the Consumer Representation Plan, the agencies are becoming more aware of the consumer. The plan was designed to insure that each USDA Agency proceed in an organized and systematic manner to meet consumers' desires to be better informed about and more involved in the agency's decision making process. Although this plan was not as comprehensive as I would have liked, it is a start in the right direction.

This final report is an analysis of our successes and failures in bringing about consumer involvement and includes specific recommendations for improvement within USDA.

AGENCY DECISION MAKING

Eight USDA Agencies have specifically stated goals of bringing consumers or their representatives into direct decision making capacities within their agency. Those agencies are Food and Nutrition Service, Animal and Plant Health Inspection Service, Agricultural Marketing Service, Extension Service, Forest Service, Agricultural Stabilization and Conservation Service, Soil Conservation Service, and Cooperative State Research Service.

Each of the eight agencies has selected difference wording to state this consumer decision making policy. Agricultural Marketing Service, for instance, included the following statements in its Consumer Activities 1976 Report:

"Through action by its Consumer Responsiveness Panel, AMS has formulated a Consumer Representation Plan, calling for several departures from established agency policy—including the issuance of a notice of intent prior to more formal actions, to allow more consumer participation in decision making."

Many of the very controversial issues relating to consumers, such as the beef grading issue, have in the past come under the purview of the Agricultural Marketing Service. It is, therefore, gratifying to see that this agency leads the others in increasing consumer input and is taking positive steps, such as the notices of intent, to involve the consumer in policy decisions.

Agricultural Marketing Service has implemented a consumer involvement policy by adopting its own Consumer Representation Plan and by having begun sincere efforts to implement its plan. Agricultural Marketing Service holds public meetings and briefings, sponsors public hearings, responds to all inquiries and complaints, and issues news releases concurrently with many Federal Register Notices.

Agricultural Marketing Service prepares facts sheets for distribution to consumer groups, holds press briefings and new conferences, prepares agency publications to explain services, and uses exhibits, visual aids and demonstrations in an effort to increase consumer awareness of the agency.

AGENCIES AND THE CONSUMER

Ten USDA agencies have specifically defined objectives of increasing information in consumers on agriculture in general, and services their agency provide in particular. These ten agencies are the Economic Research Service, Agricultural Marketing Service, Agricultural Research Service, Cooperative State Research Service, Extension Service, Soil Conservation Service, Agricultural Stabilization and Conservation Service, Foreign Agricultural Service, Animal and Plant Health Inspection Service, and Forest Service.

In its January 7, 1977 statement of Consumer Involvement, the Cooperative State Research Service provided this declaration of intent:

"CSRS is concerned that consumers do have a voice in and are informed about agricultural research activities relevant to them. Most of the research in the states is directly or indirectly of importance to consumers. CSRS strongly supports and encourages the diffusion to consumers of information coming from this research."

From my evaluation of the year-end agency reports regarding consumer plans, I con-

clude that the agencies referred to have taken the first step of implementing the Department's recent consumer representation policy by clearly and concisely stating objectives of bringing consumers into direct decision making capacities and of increasing information to consumers.

We see that agencies are issuing notices of intent prior to more formal actions, to allow more consumer participation in decision making. We see that consumer representatives were appointed to the agencies existing advisory committees and task forces in an effort to increase consumer input. We see agencies reassessing public involvement programs with specific recommendations on strengthening public involvement.

Some agencies have chosen to establish consumer affairs coordinating councils within agencies to help evaluate and exchange information regarding consumer involvement. Some agencies have established their own consumer advisory committees. Most of the agencies enumerated have made specific efforts to upgrade the clarity, completeness and conciseness of *Federal Register* Notices and Environmental Impact Statements to foster consumer understanding and encourage their participation in rule making.

Agencies which are research related have specific plans for involving consumers in the evaluation of current research and establishing projections and priorities for future research. Involving consumers in program planning and in the development of programs at the local, state, and national levels is becoming policy in USDA's agencies.

We see nationwide public participation on pre-draft, draft, and final proposals, calls for comments and public meetings throughout the country to discuss issues with the public.

INFORMATION AND DISSEMINATION

We have undertaken a number of efforts to reach more and more consumers and consumer communicators. We are helping them become aware of the vast expertise available in the Department, and we are bringing them together with knowledgeable Department personnel who are working on solutions to the issues we all face.

The ten agencies who had specifically defined objectives of providing consumers with greater information concerning agriculture furnished a record of their work in this area. Most of the ten were also concerned with providing consumers with greater information regarding the services their agency provides the public or on the actual functioning of the agency.

Reported accomplishments in the information areas include dissemination of results of a survey on consumer's behavior and attitudes and consumer briefings throughout the country to explain details on the proposals to establish regulations. We see brochures to tell consumers about various rules and regulations and leaflets distributed to consumers about rules and regulations.

We see leaflets distributed to consumers on keeping food safe and agencies reaching consumers through media interviews, consumer articles, press releases, information material, and radio and television public service spots.

We see a consumer/government/industry conference on marketing orders and public hearings on marketing orders and research and promotional orders.

USDA issued fact sheets aimed at explaining some of the more technical programs of the agencies to consumers and produced news features with facts consumers should know. We see better distribution of major press releases to consumer groups and efforts to disseminate information to consumers through professional journals and other publications.

We see the development and distribution of materials on various consumer issues in an effort to educate the public. We see in-agency programs on increasing expertise in public participation among staff.

CHANGE IN ATTITUDE

The specifics of the accomplishments of the various agencies in attempting to reach the consumer with information regarding agriculture and services of the agencies results in pages of disclosures and this is in no way a full or complete summary of them. I have chosen to generalize the accomplishment of the agencies in order to demonstrate the direction and scope of the implementation of the consumer representation policy. The Foreign Agriculture Service described its information accomplishments with the following paragraphs and I think that they are representative of the other agencies concerned with improving the consumer's right to be informed:

"In the process of improving our information services, FAS is making a conscious effort to emphasize topics of current interest and convey them with timeliness and readability. We have noted substantial pickup in press utilization of FAS material. Within the past year, FAS has initiated a radio tape service in which interviews, primarily with our attaches overseas, on timely topics are made available to several radio networks. This new service has proven very popular. Another very popular, and consumer-oriented, feature is our bi-monthly survey of retail food prices in selected foreign capitals. This feature is published regularly in *Foreign Agriculture* magazine, and we plan to improve it in 1977.

"These issuances, along with a weekly press release surveying current developments in world production and trade, go immediately and directly to reporters and wire services which serve urban people primarily. Thus, we have improved and accelerated consumer access to FAS information and the response from consumer and other urban media and interest groups bears out this fact."

More than giving us specifics of accomplishments, these paragraphs from the Foreign Agricultural Service gives us an attitude—an attitude of concern for the consumer and the understanding of the consumer's right to be informed.

If we computed the number of press releases written and distributed throughout the country this past year which informed the consumer about agriculture and the Department's services, it would undoubtedly be in the hundreds-of-thousands. But, it is more meaningful to look at the accomplishments of the agencies in both the decision making areas and information areas with a discriminating eye and be able to say that within these agencies the policies of consumer representation are definitely beginning to show through.

GREATER AWARENESS

Most of the agencies which submitted year-end report on consumer related activities offered suggestions and recommendations for improving consumer representation within their particular field, but of greater interest were the recommendations from six agencies regarding improving consumer representation throughout the entire Department. Although some are general in nature, they all reflect a sensitivity to and willingness to improve consumer representation at USDA.

Realizing that in any organization, new policy directives take time to reach full implementation, it is therefore necessary to review our consumer involvement policy by looking at attitude and awareness as the key criteria at this point.

From the Soil Conservation Service, "SCS recommends that the Secretary of Agriculture articulate the need for the public to become involved in the decision making process of government. This statement could intensify participation because citizens would feel that their views are wanted and because SCS personnel would feel that their extra effort supports Departmental objectives."

From the Forest Service comes this recommendation, "Commitment to citizen/consumer participation should be expressed in each USDA Agency's annual plan of work and budget to OMB."

From Extension Service, "The Consumer Representation Plan should be implemented as planned with every encouragement given to all USDA agencies to further involve consumers." And, the Consumer Representation Plan for USDA ". . . needs to increase visibility and accountability for assisting all consumers—rural, suburban, and urban—to better understand production, marketing and consumption of food and fiber; food policy; international trade and assistance programs, etc."

From Animal and Plant Health Inspection Service, "We should try to reach the urban consumer by mounting a detailed educational-informational program for consumer leaders through personal contact, seminars, printed materials, fact sheets, copies of proposals and legislative documents. APHIS should move promptly to finalize a consumer representation plan to give direction to consumer activities and to finalize and announce the consumer advisory committee. A formalized system of reporting our major consumer activities should be adopted and implemented."

And from Agricultural Stabilization and Conservation Service, "At the Departmental level, ASCS recommends a uniform reporting system that would assure that each USDA agency is conforming to the Departmental Consumer Representation Plan. Such a system would call for each agency consumer coordinator to compile data and forward it at regular, specified intervals to the Special Assistant to the Secretary for Consumer Affairs."

Most glaring in this report is the exclusion of several USDA agencies. These agencies neglected to articulate goals for involving the consumer in decision making capacities. This lack of direction points out profoundly that the consumer representation policy at USDA has not yet been implemented throughout the entire Department.

CONCLUSION

In final evaluation, I can say that there has truly been progress made at the Department of Agriculture in opening the doors to the consumer voice. It has been a strong team effort that has brought about a real turn-around in attitudes toward consumer representation. This could not have happened without the help and support of the many dedicated people at USDA who are sincerely conscious of meeting the needs of today's consumers.

A foundation has been laid—but the frame is still being built. As I leave the Department, I wish the new administration great success in building and cementing the relationship between the farmer and the consumer. One cannot function without the other.

RECOMMENDATIONS TO SECRETARY OF AGRICULTURE FROM SPECIAL ASSISTANT TO THE SECRETARY OF AGRICULTURE FOR CONSUMER AFFAIRS

Secretary of Agriculture.—The Consumer Advocate for the Department of Agriculture must be the Secretary of Agriculture. The Secretary is the only person who can raise the consciousness of the Department to the needs of the consumer and who can clearly demonstrate by his actions and policies that the consumer is a vital part of USDA's constituency.

Two-way Discusisons.—The Secretary of Agriculture should make each policy level official aware that his/her constituency includes the consumer. Each policy maker should demonstrate that his/her subordinates are aware of this and will reflect this in their actions. Each policymaker should

participate in two-way discussions with consumers, so that consumer input really will have an effect on decisionmaking.

Consumer Ombudsperson.—There should be a Consumer Ombudsperson at the Department of Agriculture who is a member of the policy staff and who should have available adequate resources and budget to effectively represent the consumer. The Office of the Consumer Advocate should be well staffed and should include economists, lawyers, and others so that they may effectively meet the needs of the consumer.

Consumer Advisory Committee.—USDA's National Consumer Advisory Committee should be convened as soon as possible and should meet at least four times a year. Members of this Committee, who are all qualified representatives of the consumer, should be paid for their time and reimbursed for their time and reimbursed for their expenses, as would be customary for a consultant. The chairperson of the Committee should be selected by the Committee and not be an employee of USDA.

Consumer Responsiveness Committee.—USDA's Consumer Responsiveness Committee should include representatives of consumers or members of the National Consumer Advisory Committee. The Consumer Responsiveness Committee's agenda should be made public prior to the meetings and the public should be encouraged to attend.

Special Interest Groups.—Meetings with USDA and special interest groups should be open and announced publicly prior to convening them.

Communications Strategy.—USDA should have a communications strategy to better inform the consumer about agricultural policies and issues important to them. New techniques and outreach programs are needed. Better coordination is necessary. Therefore, USDA should establish a Consumer Information Center and all consumer education activities should be coordinated on a Department-wide basis.

Tracking System.—Many consumers write and/or call the USDA. There should be a system developed to track these calls and letters, so that the policy staff is aware of what the consumer interests and needs are.

Consumer Grades.—Consumers, industry spokespersons, and agriculture officials should develop a new system of Consumer grades. A task force should be established to develop guidelines for the grades with industry, government and consumers participating.

Human Nutrition.—High priority should be placed on Human Nutrition at the Department of Agriculture. The nutrition programs should be better coordinated and under the guidance of one assistant secretary whose goal should be to bring high-level support and visibility to the programs. There is a vast amount of information available, but it needs to be better coordinated so that all of it is available to the public.

Field Offices.—Greater use should be made of USDA's regional offices and Extension Service personnel at the state and local levels. They should be USDA's outreach instruments for better informing consumers and for gathering consumer views on agricultural issues.

Philosophy of Education.—The Department of Agriculture needs to develop and implement a stronger philosophy of education for the urban consumer, as well as the rural consumer, and to fund education programs appropriate to that philosophy. The Extension Service should better utilize the services of its Home Economics staff. More funding should go to develop consumer education programs so that they are better able to serve the urban communities.

National Food Policy.—A National Food Policy should be instituted. To be meaningful, the policy must include production and consumption, since one is totally dependent on the other.

The above recommendations are made to the Secretary of Agriculture in hopes that he can make the consumer involvement at USDA 100%.

TAX REDUCTIONS VERSUS PUBLIC WORKS SPENDING: WHICH CREATES MORE JOBS?

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 21, 1977

Mr. KEMP. Mr. Speaker, one of the reasons most often cited as a justification for increased public works spending versus tax reductions to create jobs is that public works spending is supposed to work more quickly, because the jobs are created directly through Government spending rather than indirectly through the expansion of private industry.

I would argue, on the other hand, that the exact opposite is true. The effect of an across-the-board tax rate reduction would be immediate and substantial, while the evidence suggests that public works spending mostly just creates instant jobs for bureaucrats here in Washington. By way of illustration, the following editorial from the Washington Star last Thursday reports that the total number of people hired as a result of the $2 billion public works bill passed 7 months ago is exactly 250 bureaucrats at the Department of Commerce to administer the program. The editorial further suggests that even when the money is finally distributed a large part of it will be going to areas that do not really have an unemployment problem.

Mr. Speaker, unemployment is intolerable and a better way to create jobs is to cut tax rates. If tax rates were reduced it would immediately lower the cost of hiring new workers by increasing take-home pay. This means that a company would be able to pay less to hire new workers without reducing their take-home pay. Furthermore, this would create billons of dollars of capital with which to expand productive capacity, which will not only create jobs but will increase the total supply of goods and services at the same time, which in turn will fight inflation.

By contrast, public works jobs are created very slowly, due to massive amounts of redtape, indeed, there are about $19 billion of projects right now in the paperwork process, and they must be supported by taxation on the productive element of society, or by borrowing which reduces the amount of private capital available for investment. Consequently, many people are now seriously questioning the assumption that public works programs are good ways to stimulate the economy, as the following editorial demonstrates:

[From the Washington Star, February 17, 1977]

WORKINGS OF PUBLIC WORKS

Who says public works programs don't work?

Seven months ago Congress passed a $2 billion public works bill over President Ford's veto, with the aim of putting some of the nation's unemployed to work. Nearly five months ago it appropriated the money for the program.

The scorecard so far: some 250 people hired—by the Commerce Department to help figure out how to distribute the money.

More people will be put to work eventually—probably considerably fewer than the sponsors of the legislation claimed, but some.

There's a question, though, whether the money will be put where it will do the most good. One would assume that places like Pittsburgh, which has thousands of people out of work, would get some of the money. But no. Those 250 people put to work by the Commerce Department, with the help of a battery of computers, rejected Pittsburgh's application as well as those from 45 of the nation's 100 largest cities.

The hassle over who gets the $2 billion may become bigger than the argument between the Ford administration and Congress over whether public works spending is worthwhile in the first place as a means of combating unemployment.

As John Fialka pointed out in *The Star* the other day, Mound Bayou, Miss. was selected to get $4.9 million for paving the streets and constructing a new municipal building and a storage facility, which is nice for Mound Bayou—a community of 2,134 people, of which approximately 217 are out of work—but which outraged Sen. James Eastland because that was nearly half the total funds allotted to the state.

Even more startling in a long string of startling examples was Port Graham, Alaska, a hamlet of 122, which was alloted $882,997 (or $80,000 for each of the town's 11 unemployed) to build a community service center while Fairbanks, the state's second largest city, got nothing.

It's not all the fault of the Commerce Department and the computers. Part of it can be laid to Congress for trying to keep everyone happy. While 70 per cent of the $2 billion was earmarked for hard-pressed areas, Congress mandated that 30 per cent go to areas with unemployment less than the national average. Spread the goodies as far as possible is the congressional motto.

The formula concocted from congressional guidelines and Commerce Department regulations, including something called "logarithmic transformation," resulted in the bizarre pattern of allocation outlined in *The Star* articles.

But don't despair. If your community wasn't among the selected, there may still be hope. Congress is getting ready to put another $4 billion into the public works pipeline. The AFL–CIO's George Meany wants $10 billion put into it, plus another $20 billion for public service employment and anti-recession grants to states and localities, and Mr. Meany can be persuasive sometimes. If the taxpayers' money holds out and the government's printing presses don't break down, the computers down at Commerce may get around to all the applications eventually.

There's the danger, of course, that by the time the projects get going—even those under the first $12 billion installment—the federal spending may fuel the inflation rate more than it reduces the unemployment rate.

SENATE COMMITTEE MEETINGS SCHEDULED

Title IV of Senate Resolution 4, agreed to by the Senate on February 11, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of the Senate Committees, Subcommittees, Joint Committees, and Committees of Conference. This title re-

quires all such committees to notify the Office of the Daily Digest (designated by the Rules Committee) of the time, place and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure beginning today, and until the computerization of this information becomes operational, the Daily Digest will prepare such information daily for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD:

SCHEDULED MEETINGS
FEBRUARY 22

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building
Appropriations
Subcommittee on Agriculture
To hold hearings on proposed budget estimates for fiscal year 1978 for the Department of Agriculture.
1318 Dirksen Office Building
Environment and Public Works
To consider S. 427, authorizing funds to extend the public works employment program and to establish a youth community improvement project program.
4200 Dirksen Office Building

10 a.m.
Appropriations
Subcommittee on Military Construction
To hold hearings on proposed budget estimates for fiscal year 1978 for military construction.
S-146, Capitol
Armed Services
To hear Paul C. Warnke, of the District of Columbia, testify and answer questions in behalf of his nomination to serve with the rank of Ambassador during his tenure of service as Director of the Arms Control and Disarmament Agency.
1114 Dirksen Office Building
Judiciary
To continue hearings on S. 11, and printed amendment No. 40 thereto, providing for the appointment of additional district court judges.
2228 Dirksen Office Building
Select Intelligence
To hold hearings on the nomination of Admiral Stansfield Turner, to be Director of Central Intelligence
235 Russell Office Building
Select Small Business
To hold hearings to consider the impact of the 1977 economic stimulus package on small businesses.
5110 Dirksen Office Building
Special Official Conduct
Business meeting, to markup proposals for developing a code of conduct for Members and employees of the Senate.
6226 Dirksen Office Building.

10:30 a.m.
Environment and Public Works
To consider further bills proposing amendments to the Clean Air Act (S. 251, 252, and 253).
4200 Dirksen Office Building
Foreign Relations
Business meeting, to consider (1) the nomination of Paul C. Warnke, to be Director of ACDA; (2) S. 174, to amend the U.N. Participation Act of 1945 so as to halt the importation of Rhodesian chrome; (3) pending foreign service nominations; and (4) discuss committee organizatin and operating budget.
4221 Dirksen Office Building

11 a.m.
Banking, Housing, and Urban Affairs
Subcommittee on International Finance
To continue hearings on S. 69 and 92, to amend and to extend the Export Administration Act.
5302 Dirksen Office Building

11:30 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for 1977 from officials of the American Legion.
4232 Dirksen Office Building

2 p.m.
Appropriations
Subcommittee on Labor-HEW
To resume hearings on proposed budget estimates for fiscal year 1978 for the Department of Labor.
S-126, Capitol
Appropriations
Subcommittee on Public Works
To continue hearings on proposed budget estimates for fiscal year 1978 for public works projects, to hear officials of the South Pacific Division and Pacific Ocean Division, Army Corps of Engineers.
S-128, Capitol

2:30 p.m.
Human Resources
Business meeting on committee organization.
4232 Dirksen Office Building

FEBRUARY 23

9 a. m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act of 1973.
Until noon 322 Russell Office Building
Appropriations
Subcommittee on Agriculture
To continue hearings on proposed budget estimates for fiscal year 1978 for the Department of Agriculture.
1318 Dirksen Office Building

10 a.m.
Banking, Housing, and Urban Affairs
Subcommittee on Housing and Urban Affairs.
To hold hearings on S. 208, the proposed National Mass Transportation Assistance Act.
5302 Dirksen Office Building
Environment and Public Works
To continue consideration of bills proposing amendments to the Clean Air Act (S. 251, 252, and 253).
4200 Dirksen Office Building
Finance
Business meeting, on committee rules and staff budget.
2221 Dirksen Office Building
Human Resources
Health Subcommittee
To hold hearings on proposed legislation to extend programs of the Public Health Service.
4232 Dirksen Office Building
Rules and Administration
Business meeting, to discuss committee organization and rules of procedure.
301 Russell Office Building
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol
Joint Economic
To resume hearings on former President Ford's economic report to the Congress.
1202 Dirksen Office Building

10:30 a.m.
Appropriations
Business meeting, to discuss committee organization.
S-128, Capitol

1 p.m.
Appropriations
Subcommittee on Agriculture
To continue hearings on proposed budget estimates for fiscal year 1978 for the Department of Agriculture.
1318 Dirksen Office Building

2 p.m.
Appropriations
Subcommittee on Public Works
To continue hearings on proposed budget estimates for fiscal year 1978 for public works projects, to hear officials of the South Western Division and Missouri River Division, Army Corps of Engineers.
S-126, Capitol

2:30 p.m.
Banking, Housing, and Uuran Affairs
Business meeting, to discuss committee organizations and operating budget.
5302 Dirksen Office Building

FEBRUARY 24

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act of 1973.
Until noon 322 Russell Office Building
Appropriations
Subcommittee on Agriculture
To hold hearings on proposed budget estimates for fiscal year 1978 for the Department of Agriculture.
S-128, Capitol
Temporary Select Committee to Study Senate Committees
Business meeting, to consider final recommendations of the committee.
S-146, Capitol

9:30 a.m.
Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1978 for the Department of the Interior and related activities, to hear officials of the Office of Water Research and Technology.
1114 Dirksen Office Building
Human Resources
Subcommittee on the Handicapped
To resume hearings to review programs for handicapped persons.
4200 Dirksen Office Building
Joint Economic Committee
To continue hearings on former President Ford's economic report to the Congress.
345 Cannon Office Building

10 a.m.
Appropriations
Subcommittee on Foreign Operations
To resume hearings on proposed budget estimates for fiscal year 1978 for foreign aid programs, to hear Secretary of State Vance.
1224 Dirksen Office Building
Appropriations
Subcommittee on HUD-Independent Agencies
To resume hearings on proposed budget estimates for fiscal year 1978, to hear officials of the National Science Foundation.
1318 Dirksen Office Building

Appropriations
Subcommittee on Defense
To resume hearings on proposed budget estimates for fiscal year 1978 for the Defense Establishment.
1223 Dirksen Office Building
Banking, Housing, and Urban Affairs
Subcommittee on Housing and Urban Affairs
To continue hearings on S. 208, the proposed National Mass Transportation Assistance Act, 10 a.m., 5302 Dirksen Office Building.
5302 Dirksen Office Building
Foreign Relations
To consider pending nominations.
4221 Dirksen Office Building
Governmental Affairs
To consider S. 626, to reestablish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and S. 213, to provide for GAO audit of the Internal Revenue Service and of the Bureau of Alcohol, Tobacco, and Firearms.
3302 Dirksen Office Building
Select Intelligence
Subcommittee on Budget Authorization
To continue closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol
Select Small Business
To resume hearings on problems of U.S. supplemental air carriers including charter regulations, applications for low-cost scheduled service, discriminatory enforcement of CAB rules, and military airlift contract procedures.
6202 Dirksen Office Building

2 p.m.
Appropriations
Subcommittee on Transportation
To hold hearings on proposed budget estimates for fiscal year 1978 for the USRA and the Panama Canal Company and the Panama Canal Zone Government; and to hold hearings on supplemental appropriations for fiscal year 1977 and fiscal year 1978 needs of the National Transportation Policy Study Commission.
1224 Dirksen Office Building
Select Committee on Intelligence
Subcommittee on Budget Authorization
To continue closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

FEBRUARY 25

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend the Agriculture and Consumer Protection Act of 1973.
Until: Noon 322 Russell Office Building

9:30 a.m.
Appropriations
Interior Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for the Department of the Interior and related activities, to hear Secretary of the Interior Andrus.
1114 Dirksen Office Building
Commerce, Science, and Transportation
To hold hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building
Human Resources
Subcommittee on the Handicapped
To continue hearings to review programs for handicapped persons.
4232 Dirksen Office Building

10 a.m.
Appropriations
Subcommittee on HUD-Independent Agencies
To continue hearings on proposed budget estimates for fiscal year 1978, to hear officials of the National Science Foundation and Office of Science and Technology Policy.
1318 Dirksen Office Building
Banking, Housing, and Urban Affairs
Subcommittee on Housing and Urban Affairs.
To continue hearings on S. 208, the proposed National Mass Transportation Assistance Act.
5302 Dirksen Office Building

11 a.m.
Foreign Relations
Subcommittee on Foreign Assistance
To hold hearings to receive testimony concerning military and economic assistance to Portugal.
4221 Dirksen Office Building

FEBRUARY 28

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until; Noon 322 Russell Office Building
Banking, Housing, and Urban Affairs
Subcommittee on International Finance
To resume hearings on S. 69 and 92, to amend and extend the Export Administration Act, including provisions on anti-boycott and nuclear proliferation.
5302 Dirksen Office Building
Energy and Natural Resources
To hold hearings on S. 249, to establish a pilot program in the Departments of the Interior and Agriculture designated as the Young Adult Conservation Corps.
3110 Dirksen Office Building

10 a.m.
Select Small Business
To resume hearings on problems of U.S. supplemental air carriers, including charter regulations, applications for low-cost scheduled service, discriminatory enforcement of CAB rules, and military airlift contract procedures.
6202 Dirksen Office Building

MARCH 1, 1977

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

9:30 a.m.
Commerce
To resume hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building

10 a.m.
Energy and Natural Reources
Subcommittee on Minerals, Materials and Fuels
To resume hearings on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control suface coal mining operations.
3110 Dirksen Office Building

5 p.m.
Joint Committee on Defense Production
Business meeting to discuss committee organization.
Until: 6 p.m. EF-100, Capitol

MARCH 2

10 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to discuss budgetary and other committee business.
Until: Noon 322 Russell Office Building
Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To continue hearings on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Office Building

MARCH 3

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings and proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

9:30 a.m.
Commerce
To resume hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building

10 a.m.
Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To continue hearing on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Office Building

10 a.m.
Rules and Administration
Subcommittee on Privileges and Elections
To hold hearings on the proposed fiscal year 1978 authorization for the Federal Election Commission.
301 Russell Office Building
Select Committee on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 4

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

MARCH 7

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

MARCH 8

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Rules and Administration
Subcommittee on Privileges and Elections
To hold hearings on the operation of the Overseas Citizens Voting Rights Act (Public Law 94-203), and S. 703, to improve the administration and the operation of such Act.
301 Russell Office Building

Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 9

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

9:30 a.m.
Commerce
To hold closed hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 10

Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 11

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

MARCH 14

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

MARCH 15

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 16

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 21

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e. telephones, computers, etc.) policies.
235 Russell Office Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 22

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e. telephones, computers, etc.)
235 Russell Office Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Select Committee on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 23

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e. telephones, computers, etc.) policies.
235 Russell Office Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Select Committee on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 24

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Energy and Natural Resources
To hold oversight hearings on the proposal for an international petroleum transshipment port and storage center located in the Palau District, Western Caroline Islands, Trust Territory of the Pacific Islands.
3110 Dirksen Office Building

MARCH 25

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 28

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 29

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Select Committee on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 30

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 31

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Foreign Relations
Subcommittee on Oceans and International Environment
To hold hearings on S. Res. 49, expressing the sense of the Senate that the U.S. Government should seek the agreement of other govrenments to a proposed treaty requiring the preparation of an international environmental impact statement for any major project expected to have signicant adverse effect on the physical environment.
4221 Dirksen Office Building

APRIL 1

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

SENATE—*Tuesday, February 22, 1977*

(Legislative day of Monday, February 21, 1977)

The Senate met at 12 meridian, on the expiration of the recess, and was called to order by the Vice President.

The VICE PRESIDENT. We are privileged this morning to have the Most Reverend Thomas W. Lyons, Auxiliary Bishop of the Roman Catholic archdiocese of Washington, lead us in prayer.

PRAYER

The Most Reverend Thomas W. Lyons, D.D., Auxiliary Bishop of the Roman Catholic Archdiocese of Washington, Washington, D.C., offered the following prayer:

Almighty Father, as we begin the work of another day, we turn our thoughts again to You.

We thank You for the gift of life, for the gift of time, and for the opportunity to be of service to others.

Help us to be conscious always of Your presence among us. Guide us in our deliberations. Give us wisdom and understanding, concern and compassion. Assist us in our efforts to be faithful to the trust that has been placed in us and deserving of the rewards promised to those who seek peace, to those who are merciful, to those who hunger and thirst for justice, and to those who are pure of heart.

May our work which we begin with this prayer give glory to Your name and be of benefit to the people of these United States and to our brothers and sisters in every land. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Monday, February 21, 1977, be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

BIPARTISAN LEADERSHIP MEETING AT THE WHITE HOUSE

Mr. BAKER. Mr. President, I note for our colleagues that today the President of the United States conducted his first bipartisan leadership meeting at the White House. I was privileged to attend that meeting in the Cabinet Room with my distinguished colleague, the majority leader, and with our colleagues from the House. The distinguished occupant of the chair was there.

I take this opportunity to thank the President and the President of the Senate for reinitiating the concept of the joint leadership meeting. I think it does much good for our relations.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I yield 5 minutes of my time under the standing order to the distinguished senior Senator from North Carolina.

Mr. HELMS. I thank my friend from Tennessee for his courtesy.

SOL LINOWITZ: BANKER AND TREATY NEGOTIATOR—A CONFLICT?

Mr. HELMS. Mr. President, I am greatly concerned that Mr. Sol Linowitz, who is presently in Panama as a chief conegotiator of the proposed new Panama Canal treaty, is, at the same time, a director of Marine Midland Banks, Inc., and Pan American Airways, Inc. Both of these institutions have a direct financial interest in the support of the Torrijos dictatorship in Panama because of their activities there and their need to curry favor with the Panamanian Government. Indeed, Marine Midland has made risky loans directly to the Republic of Panama.

The proposed treaty, a treaty which Mr. Linowitz has long advocated, would give away billions of dollars of the American taxpayers' investment in the Canal Zone, vastly increase payments to the Republic of Panama, and strengthen the Torrijos regime, which is tottering both financially and politically.

There is no indication that Mr. Linowitz, who was not confirmed by the Senate, has taken steps to avoid the appearance of conflict of interest by resigning his directorships or private business associations. Until this matter is clarified, Mr. Linowitz should step aside; he may already have irrevocably tainted any treaty which is the product of his negotiations.

Mr. President, allow me to go into detail on these issues.

For the past week, a U.S. negotiating team has been in the Republic of Panama for the purpose of negotiating a new treaty regarding the Panama Canal. The conegotiators at the head of that team are Ambassador-at-Large Ellsworth Bunker, a career ambassador, and Ambassador Sol Linowitz, a businessman and lawyer sworn in on February 9 as special representative of the President, with the personal rank of ambassador.

The nomination of Mr. Linowitz was not presented to the Senate for advise and consent. I am informed by the Department of State that it is not the custom to seek advise and consent on appointments which are expected to be of less than 6 months' duration. The administration is of the opinion that the new treaty will be completed in less than 6 months.

Thus the Senate has not had the opportunity to investigate Mr. Linowitz' suitability for the post, nor to inquire into what many would judge to be, on the face of it, a gross impropriety and conflict of interest. It is a case which hardly seems suited to our post-Watergate morality.

According to the best information which I have been able to find, Mr. Linowitz sits on the board of directors of two large corporations which have a compelling financial interest in the outcome of events in Panama. There is no indication that he has resigned from these boards.

Indeed, press accounts from the period before he was sworn in quote Mr. Linowitz as saying that he would not take the job if he had to give up his private business associations. Biographic data furnished last week by the Department of State indicates that he is presently a member of both these boards. And both institutions have informed me that he is presently a member of their boards.

Mr. President, I ask unanimous consent that the biographic data furnished by the State Department be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, the two corporations are Pan American World Airways, and Marine Midland Banks, Inc.

Pan American, of course, has an office in Panama, and uses Panama City as a convenient midway stop on its Carribean and South American flights. It is of both logistical and financial interest to Pan American to maintain landing rights in Panama, which is seeking to develop its tourist business further.

The Marine Midland connection, however, is far more immediate. Mr. Linowitz serves not only on the board of directors of Marine Midland Banks, but also on its executive committee. And Marine Midland has, over the past few years, participated in a number of loans to the Government of Panama's dictator, Omar Torrijos. Because commercial banks regard such information as proprietary information, I have been unable to document completely the extent of Marine Midland's participation and financial exposure in Panama. But I have found an advertisement from the Wall Street Journal of November 20, 1973, announcing a loan of $115,000,000 to the Republic of Panama consummated on October 19, 1973. I am told that there are other such loans. Perhaps Mr. Linowitz could give the details.

In the usual format of such advertisements, the amount of exposure of each participating bank is not listed. However, Marine Midland is listed as a participant, along with Chase Manhattan, Bankers Trust, First National City Bank, First National Bank of Chicago, and others.

Mr. President, I ask unanimous consent that the advertisement from the Wall Street Journal of November 20, 1973, be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HELMS. Mr. President, the mere fact of the existence of Marine Midland's financial commitment to the Government Panama would be sufficient to question the propriety of a man who sits on Marine Midland's executive committee participating in the negotiations. It is unfortunate that the Senate had no opportunity to question Mr. Linowitz. But when one inquires into the actual situation in Panama, far deeper questions arise.

For the fact is that the Panamanian Government is presently in a deep financial crisis as a result of its own mismanagement, and the international banking community has grave doubts whether the outstanding indebtedness incurred by Torrijos can be paid. Moreover, if the Torrijos government falls because of its financial crisis, it could well mean the end of the bankers' paradise created by Torrijos which provides the United States and other banks with a haven for international financial transactions outside the United States.

To be brief, Mr. President, when Omar Torrijos took over Panama in a military coup, he reorganized the banking laws of the country in 1970, following the advice of the New York banking community. The new laws were so favorable that the banking industry in Panama went through a startling expansion from what was then a few banks with assets of a few millions of dollars, serving only Panama's small economy. Today, only 6 years later, there are 73 banks in Panama, with assets of $8.6 billion, involved in transactions throughout the world. In Panama, such transactions are free of taxation and enjoy other advantages. A banking office in Panama is like the flag of convenience which Panama offers to the world merchant marine.

Needless to say, Mr. President, Marine Midland is among those banks which take advantage of those transactions with an office in Panama.

Is it inconceivable, Mr. President, that the longevity of the regime of the dictator who set up this bankers' paradise is a matter of some concern to the executive committee of Marine Midland Banks, and to their colleagues in associated banking institutions?

Of course, even in a paradise, there have been some drawbacks. The principal drawback has been the insatiable appetite of the Torrijos regime for money. The indebtedness of the Republic of Panama has risen from some $167 million when Torrijos took over to an estimated $1.5 billion today. Not all of that is from commercial banks, of course. A great deal is from bilateral and multilateral lending institutions. Again it is difficult to obtain accurate figures for the current year. But the most recently available statistics from the World Bank show that at the beginning of 1975, commercial banks provided half the lending.

Moreover, a document leaked recently from Panama's Department of Planning, states that debt service alone will take 39 percent of Panama's budget in 1977—versus 7 percent in the United States—that the deficit alone may be as high as $139 million and that to refinance loans falling due, combined with the deficit, will require $324 million this year. The key paragraph in the memorandum states, in translation:

> We feel it will be extremely difficult to syndicate loans with the commercial banks in the amounts previously mentioned, taking into account that during the present fiscal period we must contract for a total of B/ 323.6 million ($323.6 million) with those sources, who in turn have become more demanding each time that an accord has to be finalized. Besides the relation between servicing the debt and current revenues of between 38.9% and 39% suggest a deteriorated capacity to service this debt and thus will increase the risk as realized by the lending institutions.

The financial crisis in Panama has been aggravated by governmental intervention into the economy with counterproductive measures, such as minimum wages, rent control, and price supports, all of which have priced Panama's exports out of the world market. A confidential memorandum sent to the Department of State by the U.S. Embassy in Panama last October had this to say:

> Economic conditions in Panama worsened steadily during the 1976 first half. There were decreases from a year ago in key indicators . . . overall growth is likely to be near zero for 1976.

Moreover, even the extraordinary upsurge of Panama's worldwide indebtedness has failed to prop up a sagging and mismanaged economy. The confidential State Department memo points out that the increase in foreign loans has made matters worse, not better:

> Increased external financial flows per se, regardless of concessionality, permit Panama to defer grappling with the core problem of low productivity until a later date when the problem will probably have worsened, unless such financing bears specifically on some aspect of costs. Indeed, much of the capital inflow of the past three years has aggravated Panama's economic malaise by exacerbating its debt service burden without enhancing overall productivity.

Mr. President, I ask unanimous consent that a translation of the memorandum from the Ministry of Planning of Panama and a copy of the State Department memorandum of October 26, 1976, be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibits 3 and 4.)

Mr. HELMS. Mr. President, the interest of Marine Midland goes beyond the normal proprietary interest which a lending institution has in a loan it has extended. The series of loans from private banks has been used to prop up an incompetent dictatorial regime; the regime for its part has returned the favor by providing a haven for the banks to expand their international operations. But the whole mutual arrangement depends upon the personal favor of the dictator who has complete control, General Torrijos. If Torrijos falls, no one can tell what kind of a government will follow.

But the banks have just about reached the limit in the amount of credit they can extend. New sources of funding the Torrijos government must be found if the present beneficial environment for the bank is to continue. The treaty negotiations have been talking about a $40 million annual payment from the United States to Panama under the new treaty.

Mr. President, is it beyond reason that the members of the banking fraternity involved in Panama are looking to the proposed surrender of U.S. sovereignty and territory in the Canal Zone as a way of propping up the Torrijos regime and providing increased revenues to his government? Is it not fair to ask whether the short range interests of those financial institutions might not be subordinated to the long-term interests of the United States?

I have many friends in the banking industry, and was closely associated for a time with the industry in my State, and I am not trying to impugn their motives. But in international situations, it is no easy matter to separate personal interests and national interests, and to make objective judgments.

For example, I think that anyone who thinks that the best way to assure stability in Panama is to give away the Panama Canal is making a disastrous mistake. Similarly, anyone who thinks we can defend the Panama Canal if we only have a status-of-forces treaty with Panama is making a big mistake. Moreover, anyone who thinks that appeasement of a left-wing dictator will provide a base for enduring relations with Panama is making a terrible mistake.

But these are judgments that will ultimately come to the Congress of the United States for debate. Meanwhile, it seems to me that it is a grave error to have a banker who is in bed with Torrijos negotiate the proposed treaty. I regret that Mr. Linowitz' nomination bypassed the usual path of advise and consent in the Senate.

Had Mr. Linowitz' nomination come before the Senate, there would have been the opportunity to question Mr. Linowitz about 18 U.S.C. 208, which says in part:

> Whoever, being an officer or employee of the executive branch of the United States Government, of any independent agency of the United States, or of the District of Columbia, including a special government employee, participates personally and substantially as a government officer or employee, through decision, approval, disapproval, recommendations, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, partner, organization in which he is serving as officer, director, trustee, partner, or employee, or any person, or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest—
>
> Shall be fined not more than $10,000 or imprisoned not more than two years, or both.

Had such questioning been possible, perhaps the Nation would have learned what steps Mr. Linowitz intended to take to avoid a conflict of interest, or the appearance of conflict of interest, as the case may be. He certainly is an employee, or a special employee; he is participating personally and substantially; he is making decisions and recommendations and rendering advice; it is a particular matter in which an organization of which he is a director has a financial interest—in fact two organizations of which he is a director. The American people deserve to know how he will avoid a conflict.

It is worth pointing out that only a week ago, U.S. Attorney General Griffin B. Bell quite properly informed Mr. Charles Kirbo, the close friend and confidant of the President, that he would be classified as a "special employee" of the government whenever he gave advice to the President—even though he was receiving no compensation from the Government. General Bell's opinion was that the conflict-of-interest statutes prohibited Mr. Kirbo, as a "special employee", from giving advice to the President on any matter in which he had a financial interest.

If this is true of Mr. Kirbo, who is not even officially employed by the Government, is it not proper to ask whether it applies to Mr. Linowitz, who has been sworn in as an ambassador and "special representative" of the President?

Mr. President, until these matters are resolved, it is inappropriate for Mr. Linowitz to participate in the negotiations. Indeed, because of press reports that substantive progress has been made during the past week toward a treaty draft, it could well be that any treaty draft ultimately produced, even if Mr. Linowitz resigns, will be fatally flawed. A controversial treaty that has the appearance of being tainted by special interests does not deserve the consideration of the Senate. Mr. Linowitz should voluntarily stand aside, and offer an explanation to the American people and the Congress.

Mr. President, I ask unanimous consent that an article from the Washington Post, "Carter Confidant Is Ruled Subject to Conflict Curbs," of February 15, 1977, be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 5.)

EXHIBIT 1

BIOGRAPHIC DATA: THE HONORABLE SOL M. LINOWITZ

Age: 62, b. Trenton, N.J.

Marital Status: Married; four daughters (Mrs. Kenneth Mozersky, Mrs. Gabriel Gerstenblith, Jan, Ronni).

Senior Partner of the international law firm of Coudert Brothers, One Farragut Square South, Washington, D.C. 20006; 200 Park Avenue, New York, N.Y. 10017.

Co-Chairman (formerly Chairman), National Urban Coalition.

President, Federal City Council.

Chairman, National Council of Foreign Policy Association.

Chairman, Commission on U.S.-Latin American Relations.

Chairman of the Board, Jewish Theological Seminary of America.

MEMBER

Board of Directors, Time, Inc. (also Chairman of Audit Committee).

Board of Directors, Pan American World Airways (also member of Executive Committee).

Board of Directors, Marine Midland Banks, Inc. (also member of Executive Committee).

Board of Trustees, Mutual Life Insurance Company of New York.

Board of Trustees, Center for Inter-American Relations.

Board of Directors, International Executive Service Corps.

National Commission on Critical Choices for Americans.

Council on Foreign Relations.

National Board on Graduate Education.

FELLOW

American Academy of Arts and Sciences.

Royal Society of Arts.

PREVIOUS POSITIONS

U.S. Ambassador to the Organization of American States (Nov. 1966–May 1969).

U.S. Representative to the Inter-American Committee of the Alliance for Progress (Nov. 1966–May 1969).

Chairman of the Board, Xerox Corporation; previously Chairman of Executive Committee and General Counsel (1955–1966).

Senior Partner, Harris, Beach, Wilcox, Dale and Linowitz (Rochester, New York, 1958–1966).

Chairman, National Committee for International Development (1964–1966).

Vice Chairman, J. F. Kennedy Center for the Performing Arts (1965–1970).

Chairman, State Department Advisory Committee on International Organizations (1963–1966).

Assistant General Counsel, Office of Price Administration (1942–1944).

Lieutenant, U.S. Naval Reserve (1944–1946).

EDUCATIONAL

A.B. Degree (1935): Hamilton College (Salutatorian); Phi Beta Kappa; Delta Sigma Rho; Phi Delta Epsilom.

J.D. Degree (1938): Cornell Law School (Editor in Chief, Cornell Law Quarterly; Phi Kappa Phi; Order of Coif).

HONORARY DOCTORATE DEGREES (LL.D. AND L.H.D.)

Allegheny College.
American University.
Amherst College.
Babson Institute.
Bucknell University.
Colgate University.
Curry College.
Elmira College.
Ithaca College.
Marietta College.
Notre Dame University.
Oberlin College.
Pratt Institute.
Roosevelt University.
St. John Fisher College.
St. Lawrence University.
Syracuse University.
University of Judaism.
University of Michigan.
University of Missouri.
Washington University.
Wooster College.
Yeshiva University.

TRUSTEE

Cornell University.
Hamilton College.
The Johns Hopkins University.
The American Assembly.
The Salk Institute.

EXHIBIT 2

REPUBLIC OF PANAMA: $115,000,000

(Ten Year Eurodollar Loan)

Managed by Citicorp International Bank Limited, Dillon, Read & Co. Inc., Smith, Barney & Co. Incorporated, and Banco Nacional de Panama.

And provided by—Asia Pacific Corporation Ltd.

Banco de Santander Y Panama.
Bank of America NT & SA.
San Francisco, California.
Bank of Montreal.
The Bank of Nova Scotia.
The Bank of Tokyo, Ltd.
Bankers Trust Company.
Banque Ameribas.
Banque Nationale de Paris
The Chase Manhattan Bank, N.A.
Citicorp International Bank Limited.
Compagnie Luxembourgeoise.
De Banques A.
Dresdner Bank Group.
The First National Bank of Boston.
Panama Branch
The First National Bank of Chicago.
First National City Bank.
The Fuji Bank, Limited.
The Industrial Bank of Japan Limited.
Interunion-Banque.
Lloyds & Bolsa International Bank Limited.
London & Continental Bankers Limited.
The Long-Term Credit Bank of Japan Limited.
Marine Midland Bank New York.
The Mitsui Trust and Banking Company Limited.
National and Grindlays Bank Limited.
Republic National Bank of Dallas.
Rothschild Intercontintal Bank Limited.
The Royal Bank of Canada.
Security Pacific National Bank.
The Sumitomo Bank, Ltd.
The Tokai Bank, Limited.
Toronto Dominion Bank.
Agent: First National City Bank.
October 19, 1973.

EXHIBIT 3

MEMORANDUM

TO Eng. Demetrio B. Lakas, President of the Republic, Presidency of the Republic.
From Nicolas Arditto Barleta, Planification Minister.
Matter Financial perspectives for 1977.

The purpose of this Memorandum is to call attention to the financial basis upon which will be defined the budget policy of 1977 thus permitting to show the pertinent limitations that are being detected in this year's budget.

(a) The current revenues should increase between B/ 43.6 million and B/ 44.2 million with respect to this year's revised income figures thus reaching totals of B/ 339.7 million or B/ 333.3 million; dependent on whether or not there is a recuperation in the economic activity during the last six months of this year.

(b) The increase in current revenues assumes an economic upturn of 3% and an inflation rate of 5% throughout 1976.

(c) It also assumes a B/ 21.0 million package increase of taxes which should not interfere significantly in the desired economic recuperation process.

(d) The technical group involved in this evalution has concluded that the following are the tributary measures that would fill the above requirements:

A consumer tax designed in such a manner as to minimize its effect on prices and on lower income groups. This type of taxation tends to divert private expenditure towards investments, thus stimulating economic development.

Reform import duties in order to replace specific value taxes by value added duties. This measure will adjust the increase of tax income to the increased cost of imported goods, and will thus help to stimulate internal production.

Limit the tax deduction permitted on interest paid for mortgage loans used to buy homes for one's personal use.

Consolidate the progressive tax structure for corporations into one tax rate in order to avoid the use of numerous companies to lower the effective tax rate.

(e) At the same time, operational expenses are estimated to increase from between B/ 50.3 million and B/ 50.7 million and will reach totals of B/ 340.6 million or B/ 341.0 million, depending on how the economy is reactivated during the second semester of this year.

(f) The fact that the increase in revenues will be inferior to the increase in expenses suggest that there will virtually be no new recourses to augment the coverage of public services.

(g) The significance of the rigidity to which the new budget elaboration will be subjected will be understood when one observes that only B/ 3.1 million will correspond to net reincorporations of previously frozen expenditures, while the remaining B/ 47.2 million correspond to commitments of an obligatory nature.

(h) These commitments of an obligatory nature can be broken down in the following manner:

(1) From between B/ 42.3 million to B/ 42.7 million for servicing the foreign debt which will increase from between B/ 87.5 million to B/ 129.8 million or B/ 130.2 million in 1977, depending on whether or not the economy recuperates during the last semester. Interest will increase from between B/ 24.8 million or B/ 25.2 million, depending on the above observation, while the

amortizations will be increased by B/ 17.5 million. Due to the tendency required to service the foreign debt, its ratio in respect to current revenue increases from 29.6% to between 38.2% and 39.0% which significantly deteriorates our capacity for further endebtedness.

(2) B/ 2.3 million of the amortization of salaries are for:

Education—B/ 1.4 million.
Health—0.4 million.
Housing—0.1 million.
Other institutions—0.4 million.

(3) B/ 1.3 million of current transferences which reflex the increase in subsidy to the National University, the payment of Balboa notes subscribed to BID and the increased consumption of water.

(4) E/ 0.4 million in salary increases to:
Health—0.3 million.
Government and Justice, Labor ——.
Presidency—0.1 million.

(5) B/ 0.3 million for the XIII the month of public functionaries.

(6) B/ 0.2 million for inclusion in the MIDA budget for personnel frozen in its investment portion of said budget and for the hiring of new auditors for the Finance Ministry.

(7) B/ 0.4 million in order to bolster the supply budget of the Health Ministry and other compulsory expenditures.

(i) Since, for the above reasons, all other expenses must be maintained at the budgeted fiscal 1976 level, it is convenient to eliminate from the budgeting process all programmed budgeting meetings in order that the respective institutions and our analyst can dedicate the most amount of their time possible to formulate, evaluate and turn in punctually their budget by program.

(j) As to the Central Government contribution towards the public investment program, we calculate that it will be B/ 78.0 million which represents an increase of B/ 18.0 million over the B/ 60.0 million that is estimated will have been contributed this year.

(k) As a result, the global deficit will be between B/ 131.9 million and B/ 138.7 million, depending on how well the economy recuperates during the second semester.

(l) To finance this deficit we will require B/ 15.6 million from the Venezuelan Investment Fund, B/ 5.0 million in Internal Bonds, and from B/ 111.3 million to B/ 118.7 million from the private banks.

(m) Thus, the amounts that must be financed as well as the amounts that must be obtained, create very concrete problems which in turn reiterate the need to increase expenses and investments only in those areas of an obligatory nature and to dedicate the most of time possible to the conscientious elaboration of a budget by programs in order to execute the largest possible amount of services required by our society with the scarce resources that are available.

(n) On the one side, the required new financing of between B/ 131.9 million and B/ 138.7 million implies that there will be pressure on the liquidity and solvency of the National Bank which must provide the Central Government the monetary resources while the 3 previously mentioned financial operations can be formalized, all of which should take at least four months. During this period, the National Bank will have to recur to its lines of credit as well as to its internal reserves which have been practically saturated during the present year by having to finance the global deficit of B/ 99.3 million which in turn is between B/ 32.6 million and B/ 39.4 million less than what has been estimated for 1977.

(n) On the other hand, we feel it will be extremely difficult to syndicate loans with the commercial banks in the amounts previously mentioned, taking into account that during the present fiscal period we must contract for a total of B/323.6 million with those sources, who in turn have become more demanding each time that an accord has to be finalized. Besides, the relation between servicing the debt and current revenues of between 38.9% and 39% suggest a deteriorated capacity to service this debt and thus will increase the risk as realized by the lending institutions.

(o) In short, 1977 lines up as extremely delicate due as much to current expenses increasing more than current revenues, as well as to the amount and structure of the new financing that must be contracted which reaches the limits available to the Nation as such.

(p) As a result of the above, I respectfully request your backing in eliminating the budgeting meetings and in demanding from the institutions that they pay the most attention to formulating and elaborating a budget by program. Also, I ratify the need for you to back the approval and execution of the taxing measures that we have presented for your consideration, once that we have finalized the pertinent studies.

With by highest consideration and appreciation.

EXHIBIT 4

(Sent by United States Embassy in Panama to the State Department on Oct. 26th, 1976)

Tags: ECON, EFIN.

Subject: Panama's Recession Is Structural—A Result of Low Productivity.

1. This message is part of a continuing series of mission economic studies of the State of the Panamanian economy and projections for its future.

2. Summary: Panama's recession, which deepened during the first half of 1976, is neither cyclical nor primarily a product of economic conditions outside Panama. In our view the economy is floundering mainly because its high cost output is not competitive in the world market and few opportunities exist for available private investment. To establish a basis for renewed subtainable growth will require actions that lead to lower costs and improved productivity. These could include easing the labor code, reducing subsidies, boosting domestic savings, and directing resource flows more toward the international service sector where Panama has natural advantages, however, most such actions would cut back social benefits granted to the working classes under the "revolution", and might not be politically acceptable under the present government, inflows of foreign capital have not been getting at the core problem of high costs (low productivity). Lack of access to relevant Canal Zone sites is delaying GOP development of infrastructure which is prerequisite to the growth of various commercial services industries by the Panamanian private sector. End summary.

3. Economic conditions in Panama worsened steadily during the 1976 first half. There were decreases from a year ago in key indicators—manufacturing, construction, external trade, unemployment, (increase), and sales to the Canal Zone (see reftel), overall growth is likely to be near zero for 1976.

4. Failure of the economy to respond to a variety of stimulants indicates that the recession is more than a cyclical maladjustment. Credit has remained relatively plentiful, with preferential rates available from the government for both agricultural and industrial projects. There are tax subsidies for new exports, and tax benefits for reinvested profits. No basic changes have been made in the "rules of the game" under which business operates, such as the labor code or tax laws, since before the onset of recession. In fact, the GOP in recent months has actively sought by various direct means to improve the business climate. A large boost in 1975 public sector spending had little effect on either private investment or aggregate demand.

5. Also, Panamanian economic problems do not seem to be caused primarily by worldwide economic trends or world trade. In contrast to Panama's continuing decline, other developing countries (LDC's) have been experiencing a quickening economic tempo so far this year in response to rapid recovery by the industrialized countries, plus some correction of structural maladjustments, LDC exports have been generally increasing as a part of the marked improvement in 1976 first half world trade (plus 10 percent) while the value of Panamanian exports remained at its 1975 level (excluding an abnormal decline in petroleum products exports), changes in Panama's economy also differed from the worldwide pattern both during the 1974–75 world recession and the years immediately preceding it. Despite sharp 1974–75 recession among the industrialized countries (zero growth), LDCs' gross domestic product (GDP) increased 5.5 percent in 1974 and 1.7 percent in 1975. Growth had begun tapering off in 1971 whereas during 1971–73 the rest of the world including Latin America experienced unprecedented boom.

6. Private investment in Panama reached a peak in 1971. Growth in manufacturing began to fall off in 1971 with a decline in the number of attractive import substitution possibilities, little increase has subsequently taken place in the volume of manufactured exports, output of both construction materials and intermediate goods stopped expending in 1973. Expansion of construction activity began slowing in 1972 and has actually been declining since 1974. Imposition of rent controls in 1973 brought private investment in low cost housing to a standstill. On the other hand, growth of the important services sector remained near 8 percent annually through 1974 (plus 3 percent in 1975) due in part to the major expansion of the foreign banking sector since 1971, growth in agricultural output has remained sluggish since 1970 at about 3 percent annually, much slower than during the 1960's.

7. Panama's basic economic weakness in our view and the reason behind current stagnation is its non-competitiveness in the world market—a structural problem involving primarily high cost production (coupled with a lack of resources) in both agriculture and industry. The export potential for Panamanian agriculture is extremely limited at present, the main exports, bananas, is in the hands of foreign plantation operators, and has probably reached its peak in an increasingly competitive world market. In general, land is of poor quality and farm labor costs are high—the $3 per day minimum wage is estimated to be at least double the rate anywhere else in Central America. The government encourages high cost production, including rice, the principal crop, by subsidizing producers through support prices typically set above the world market. Thus, Panama cannot profitably export major crops such as rice and corn and is further precluded from developing any profitable export potential for various lesser crops by the small domestic market base in Panama. Accessible forests have been cut over and there is little potential for meat exports while access to the U.S. market is restricted. Panama's sugar industry is likewise non-competitive due to high costs of both cane production and refining operations.

8. As with agriculture, Panama's manufacturing industry currently has little export or overall growth potential because of high production costs coupled with a dearth of natural resources (copper deposits have not yet been determined to be economically exploitable). Minimum wages and the general wage and benefit structure in Panama are estimated to be the highest in Central

America and among the highest in all Latin America. Higher wages and benefits in the Canal Zone exert upward pressure on wages in the republic as employers compete for the generally better qualified workers attracted by Zone wages. The dominance of the service sector in Panama's central urban areas with its higher skill levels also creates upward pressure on the entire wage and benefit structure. Employee benefits under Panama's labor code add to direct employment costs. The code exerts indirect pressures on costs through subsidies such as firing restrictions imposed on employers and, by strengthening the trade union movement, bolsters the trend toward costlier contract settlements. High labor costs encourage the substitution of capital for labor, thus boosting structural unemployment throughout the economy. Also, relative capital costs—mostly foreign sourced—are likely to rise as Panama's already high debt service burden worsens and the economic outlook for other LDCs improves relative to Panama.

9. Establishing the basis for renewed growth and improved economic well being that can be sustained will require actions that lead to a lower cost structure. One widely discussed possibility is an easing of the labor code, although its real impact on costs remains uncertain (it did not bring on recession although it may have stood in the way of needed private sector adjustments). Changes probably would not induce an immediate surge of private investment, however, the business community has made clear its conviction that changes are essential, giving them an additional psychological importance that bears importantly on the general investment climate. Changes might be a convincing sign of GOP concern over the private sector's economic plight.

10. Appropriate belt tightening also could include lowering subsidies as well as the wage/benefit structure to reduce relative production costs, and increasing personal taxes to curb consumption (particularly imports) and expand domestic savings. These effects are usually achieved indirectly by currency devaluation. Since Panama's currency is the U.S. dollar, such actions must be taken directly, in addition, resources may need to be more heavily concentrated in the internationally-based services sector where Panama has more natural advantages, with proportionately less in agriculture and the non-productive social sectors.

11. Comments:

(A) Panama's high wages, subsidies, and consumer imports—together with a moderate tax burden and little public saving—permit a standard of living which no longer appears to be supportable by Panama's inefficient domestic production.

(B) Increased external financial flows per se, regardless of concessionality, permit Panama to defer grappling with the core problem of low productivity until a later date when the problem will probably have worsened, unless such financing bears specifically on some aspect of costs. Indeed, much of the capital inflow of the past three years has aggravated Panama's economic malaise by exacerbating its debt service burden without enhancing overall productivity. Moreover, total inflows greatly exceeded the current account deficity of Panama's balance of payments, resulting in large negative "errors and omissions" (around $100 million annually) most of which probably represented outflows of domestically-owned capital.

(C) The types of actions mentioned above for addressing Panama's high cost structure run headlong into the "revolution"—the social and economic benefits granted to the urban and rural working classes over the past eight years which would need to be reversed in party in short, the "revolution" has collided with growth and one or the other must yield, whether or not actions of sufficient scope to be economically meaningful along the above lines are politically possible for the present government is questionable.

(D) Panama's best economic prospects lie in the development of its potential as a sub for servicing international commerce, various aspects of cargo handling are an essential part of the picture. Thus, the GOP has a valid case in urging early access to relevant canal zone sites needed to develop the infrastructure on which growth of various transport, storage and other commercial services. . . .

EXHIBIT 5

[From the Washington Post]

CARTER CONFIDANT IS RULED SUBJECT TO CONFLICT CURBS

(By Morton Mintz)

SEATTLE, February 14.—Attorney General Griffin B. Bell said today that presidential confidant Charles Kirbo is subject to federal conflict-of-interest laws because under a strict, 14-year old statute, he is a "special employee" of the government.

Kirbo "is a special employee every time he advises the President," Bell told a news conference here, where he is attending the American Bar Association's winter meeting. No one can give the government advice "as a friend," Bell said; in this context, "there's no such thing as a friend."

Bell also said it makes no difference under the statute that Kirbo, a partner in King and Spalding, the Atlanta law firm Bell left to become Attorney General, is not paid for advising President Carter.

Bell said he told Kirbo last November that he is in special-employee status, which prevents him from advising Carter or anyone else in government about any matter in which he or the law firm has a financial interest.

So far as is known, no friend of a past President who has provided unpaid advice in the White House has been formally classified as a special employee. The statute making such an employee subject to the conflict-of-interest laws took effect in January, 1963, during the Kennedy administration.

Charles G. (Bebe) Rebozo, for example, was a close confidant of President Nixon, but was not known to have been classified as a special employee.

In Atlanta, Kirbo confirmed to reporters that he is in special-employee status, although he collects neither a possible $100-a-day consultant's fee nor expenses when he comes to Washington.

When he comes to the White House, he said, he tries to help Carter carry out his campaign commitments and proposals, although at times he simply listens to the President.

The primary restraint of his special-employee status, he said, is that "you can't give any advice on any matter you have an interest in."

Bell, responding to reporters' questions, said that to avoid any possible conflict from arising out of his former partnership in King and Spalding he will, within a few days, provide Justice Department officials with a list of all of the law firm's clients. He said reporters will be able to see the list, which includes numerous large corporations.

Bell, who met with reporters after speaking briefly to the ABA's House of Delegates, said that Carter soon will issue an executive order creating commissions to propose candidates, on the basis of merit, for vacancies on U.S. courts of appeals.

Bell said the order will allow the commissions to propose their own candidates, rather than be bound to names submitted by senators from affected states.

The number of vacancies shortly will reach six. For each one, a commission will propose five names to the President, who will choose one for final nomination to the Senate. Each affected state will be represented on the commissions, each of which will have 11 members.

Some members will be laymen. Bell said that the draft White House order does not prohibit judges from being members, but that he doesn't know if Carter will agree with a suggestion for inclusion of judges that was made to the ABA Sunday by Chief Justice Warren E. Burger.

All told, there will be 13 commissions—one for each of nine circuits, and two each for the huge fifth and ninth circuits in the South and Far West.

In his talk to the House of Delegates, Bell pleaded for a delay until the August meeting of the ABA's policy-making body on pending resolution to overhaul the federal grand jury system.

By August, Bell said, he will have completed a review of the proposals. One of them would allow counsel to accompany witnesses in the grand jury room. At least tentatively, Bell said, he feels that this proposal would convert grand jury proceedings into secret trials, with the result that prosecutors would try to bypass grand juries and file charges by themselves.

QUORUM CALL

Mr. HELMS. Mr. President, I yield back such time as I may have remaining, and I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, for not to exceed 10 minutes, for the purpose only of the entry of statements, bills, resolutions, petitions, and memorials into the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

Is there morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF MR. PERCY TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the orders previously entered for the recognition of Senators have been consummated, Mr. PERCY be recognized for not to exceed 15 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the

Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

MAJOR REVIEW OF WATER RESOURCE PROJECTS—MESSAGE FROM THE PRESIDENT—PM 40

The Vice President laid before the Senate the following message from the President of the United States, which was referred to the Committee on Environment and Public Works:

To the Congress of the United States:

During the campaign I committed myself to a prudent and responsible use of the taxpayers' money and to protection of the environment. Today I am announcing a major review of water resource projects which will further both commitments.

Water development projects have played a critical role in developing the economy of this Nation. But many of the 320 current projects approved in the past under different economic circumstances and at times of lower interest rates are of doubtful necessity now, in light of new economic conditions and environmental policies. At this point, based upon information thus far developed by the Council on Environmental Quality, the Office of Management and Budget and the Interior Department, I have identified 19 projects which now appear unsupportable on economic, environmental, and/or safety grounds. I have attached a list of these projects. I am recommending at this time that no funds be provided for these projects in FY 1978.

I am instructing Secretary of the Interior Andrus and Secretary of the Army Alexander, working together with the Office of Management and Budget and the Council on Environmental Quality, to carry out a complete evaluation of these 19 projects and of all other water resource projects and to develop comprehensive policy reforms in this critical area. They will report back to me and to the Congress by April 15.

This review will give us the necessary facts upon which to make certain that only projects which are economically and environmentally sound will receive final approval. The FY 1978 budget reductions for the deleted projects amount to $289 million. Total potential savings from these deleted projects would amount to $5.1 billion.

I look forward to working closely with Congress to develop a coherent water resource policy.

We must work together to achieve our national goals of adequate water supplies, a sound transportation system and needed flood protection. In doing so, we must make certain that our investments are cost-effective, that the cost burdens are equitably borne, and that the environment is protected.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

WATER PROJECTS DELETED FROM FISCAL YEAR 1978 BUDGET

(Alphabetical by State)

CORPS OF ENGINEERS

Cache Basin (Arkansas).
Richard B. Russell Project (Georgia).
Freeport (Illinois).
Grove Lake (Kansas).
Dayton (Kentucky).
Paintsville Lake (Kentucky).
Yatesville Lake (Kentucky).
Atchafalaya River & Bayous Chene, Boeuf & Black (Louisiana).
Dickey-Lincoln School Lakes (Maine).
Meramec Park Lake (Missouri).
Lukfata Lake (Oklahoma).

BUREAU OF RECLAMATION

Central Arizona Project (Arizona).
Auburn-Folsom South, Central Valley Project (California).
Dolores (Colorado).
Fruitland Mesa (Colorado).
Savery-Pot Hook (Colorado, Wyoming).
Garrison Diversion Unit (North Dakota, South Dakota).
Oahe Unit (South Dakota).
Central Utah Project, Bonneville Unit (Utah).

REVISIONS TO THE 1978 BUDGET—MESSAGE FROM THE PRESIDENT—PM 41

The Vice President laid before the Senate the following message from the President of the United States:

To the Congress of the United States:

I am presenting today proposed changes in the 1978 budget.

Although I have not been able to analyze this budget in depth, these proposals do differ significantly from those of the previous administration.

Proposals have been rejected that would have needlessly added to the burden on the elderly and those who depend upon medicare, medicaid, and food programs.

I have withdrawn proposals that would have placed further financial strain on State and local governments.

Changes are included that will help us move more quickly to meet our commitments in such vital areas as the environment, education, and housing; and I am introducing measures that will help us control unacceptable inflation in medical costs.

The planned increase in defense spending, has been reduced while our real military strength is enhanced.

Revisions have been made that reflect new priorities for water resources development and also for energy, placing greater emphasis on conservation, development of nonnuclear power sources, and expanding our petroleum storage program. Later in the spring, work with the Congress will be completed on a comprehensive, long-range national energy policy.

This budget includes the economic stimulus package, which will reduce unemployment and promote steady, balanced economic growth. The package, which has been slightly changed since it was first presented to the Congress last month, provides for $15.7 billion in tax reductions and increased outlays in 1977 and $15.9 billion in 1978. It includes a $50 per capita rebate on personal income taxes; an increase in the standard deduction; reduction in business taxes to stimulate employment and provide incentives for investment; expansion in training and employment programs; increases in public works funding; and additional money for countercyclical revenue sharing grants to State and local governments.

I am also asking the Congress to extend the supplemental payments program, which is now expiring, so that unemployed workers will be able to to qualify through the end of this year for up to 52 weeks of unemployment benefits.

There are several important goals which these revisions do not reflect, because my administration has not yet had time to review all current tax and spending programs or fully prepare our own proposals. The 1978 budget is essentially still President Ford's budget, with only such limited revisions as my administration has had time to make. But these revisions do reflect our careful choices among many possible options; they are important first steps toward a Federal Government that is more effective and responsive to our people's needs.

Last year, spending estimates were too high, and economic policymaking was adversely affected. Because time did not permit detailed review of the current estimates, I have instructed the Office of Management and Budget to make a thorough review of these estimates. The Congress will be informed of any resulting revisions.

The revised budget outlined in this document continues to reflect the current overlapping and unwieldy structure of the Federal Government—a structure I intend, with the help of the Congress, to simplify and improve.

Although it has not been possible in these revisions to the 1978 budget, future budgets will reflect detailed, zero-based reviews of Federal spending programs, comprehensive reform of the tax system, and fundamental reorganization of the Government.

JIMMY CARTER.

FEBRUARY 22, 1977.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message from the President of the United States on budget revisions be referred jointly to the Committees on Budget and Appropriations.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

At 2:12 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the Speaker has made the following appointments:

Mr. STARK as a member of the Federal Council on the Arts and the Humanities; and

Mr. BURLISON of Missouri and Mr. FRENZEL as members of the Federal Records Council.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDING OFFICER laid before the Senate the following communications which were referred as indicated:

EC–672. A letter from the Acting Comptroller General of the United States transmitting, pursuant to law, comments on nine new proposed rescissions and eight new deferrals, and five supplementary reports to previously proposed deferrals contained in the President's seventh special message for fiscal year 1977 (with accompanying papers); jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, the Budget, Energy and Natural Resources, Foreign Relations, Armed Services, Banking, Housing and Urban Affairs, Small Business, Commerce, Science and Transportation, Finance, and Agriculture and Forestry, and ordered to be printed.

EC–673. A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report of the final determination in respect to Docket No. 134, "The S'Klallam Tribe of Indians, Plaintiff, against the United States of America, Defendant" (with an accompanying report); to the Committee on Appropriations.

EC–674. A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report of the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German Offset Agreement, for the quarter October 1, 1976, through December 31, 1976 (with an accompanying report); to the Committee on Appropriations.

EC–675. A secret communication from the Assistant Secretary of Defense transmitting 45 selected acquisition reports (SAR's) and SAR summary tables for the quarter ending December 31, 1976 (with accompanying reports); to the Committee on Armed Services.

EC–676. A letter from the Under Secretary of the Air Force transmitting, pursuant to law, a copy of the Air Force report on experimental, developmental and research contracts of $50,000 or more, by company for the period July 1, 1976 through December 31, 1976 (with an accompanying report); to the Committee on Armed Services.

EC–677. A letter from the Director, Legislation, JAGC, U.S. Navy, Department of the Navy transmitting, pursuant to law, notice of the intention of the Department of the Navy to donate certain surplus property to the MIL–AERO Historical Library and Museum Association, 331 Seventh Street, Newport, Minn.; to the Committee on Armed Services.

EC–678. A letter from the Acting Assistant Secretary of Defense, Manpower and Reserve Affairs, reporting that the Defense Manpower Requirements Report for fiscal year 1978 will not be submitted on February 15, 1977 as required by law; to the Committee on Armed Services.

EC–679. A letter from the Chairman of the Federal Deposit Insurance Corporation transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act (12 U.S.C. 1811–31b), and for other purposes (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

EC–680. A letter from the Chairman of the Securities and Exchange Commission transmitting, pursuant to law, the 42d annual report of the Securities and Exchange Commission covering the fiscal year July 1, 1975 to June 30, 1976 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

EC–681. A letter from the Secretary of Commerce transmitting, pursuant to law, the annual report of the activities of the Department of Commerce during fiscal year 1976 (with an accompanying report); to the Committee on Commerce, Science and Transportation.

EC–682. A letter from the Secretary of Transportation transmitting, pursuant to law, the annual report on the Railroad Rehabilitation and Improvement Fund and the Obligation Guarantee Fund for fiscal year 1976 and the transition quarter (with an accompanying report); to the Committee on Commerce, Science and Transportation.

EC–683. A letter from the Vice President of Government Affairs for the National Railroad Passenger Corporation (AMTRAK) transmitting, pursuant to law, the average daily number of passengers and the ontime performance of each train for the month of December, 1976 (with an accompanying report); to the Committee on Commerce, Science and Transporation.

EC–684. A letter from the Secretary of Transportation transmitting, pursuant to law, a report on the utilization of the authority to pay special pay to officers holding positions of unusual responsibility and of critical nature; to the Committee on Commerce, Science and Transportation.

EC–685. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, the Strategic Petroleum Reserve Plan of the Federal Energy Administration—Energy Action No. 10 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–686. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report monitoring changes in the refiner distribution and market shares of the statutory categories of refined petroleum products for the month of October, 1976 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–687. A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report monitoring the changes in market shares of the statutory categories of retail gasoline marketers for October 1976—preliminary estimates, and September 1976—final (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–688. A letter from the Acting Assistant Secretary of the Interior transmitting, pursuant to law, a copy of an application by the Hildalgo County Water Control and Improvement District No. 1 of Edinburg, Tex., for a loan under the Small Reclamation Projects Act (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–689. A letter from the Acting Assistant Secretary of the Interior transmitting, pursuant to law, financial statements of the Colorado River storage project and participating projects for the fiscal year ended June 30, 1976 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC–690. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus for alterations at the Washington, D.C., Federal Building 6, in the amount of $1,340,000 (with an accompanying report); to the Committee on Environment and Public Works.

EC–691. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus for alterations at the Hartford, Connecticut, Federal Building—U.S. Courthouse, in the amount of $1,450,000 (with an accompanying report); to the Committee on Environment and Public Works.

EC–692. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus for alterations at the Providence, R.I., Federal Building—U.S. Courthouse, in the amount of $1,665,000 (with an accompanying report); to the Committee on Environment and Public Works.

EC–693. A letter from the Secretary of the Treasury affirming his support of Treasury-proposed legislation which would provide the Treasury the authority to invest its excess operating cash in earning assets on a short-term basis for cash management purposes; to the Committee on Finance.

EC–694. A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to authorize additional appropriations under title II of the Public Works Employment Act of 1976 (with accompanying papers); to the Committee on Finance.

EC–695. A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to provide for a refund of 1976 individual income taxes and other payments, to reduce individual and business income taxes, and to provide tax simplification and reform (with accompanying papers); to the Committee on Finance.

EC–696. A secret communication from the Acting Staff Secretary of the National Security Council transmitting declassified versions of the arms control impact analyses on fiscal year 1978 Defense and ERDA programs which were submitted on January 18, 1977 (with accompanying papers); to the Committee on Foreign Relations.

EC–697. A letter from the Acting Assistant Secretary for Congressional Relations transmitting a draft of proposed legislation to authorize supplemental military assistance to Protugal for the fiscal year 1977, and for other purposes, and a report on the observance of human rights standards in Portugal (with accompanying papers); to the Committee on Foreign Relations.

EC–698. A letter from the Acting Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, international agreements other than treaties entered into by the United States within the past 60 days—dated February 17, 1977 (with accompanying papers); to the Committee on Foreign Relations.

EC–699. A letter from the Deputy Comptroller General of the United States transmitting, pursuant to law, a report containing information for the calendar year 1976 concerning positions in the U.S. General Accounting Office in grades GS–16, 17, and 18 and their incumbents (with an accompanying report); to the Committee on Governmental Affairs.

EC–700. A letter from the Chairman of the District of Columbia Armory Board transmitting, pursuant to law, the 29th annual report and financial statements of the Board's operation of the District of Columbia National Guard Armory, and the 19th annual report and financial statements of the Board's operation of the Robert F. Kennedy Memorial Stadium for the fiscal year which ended June 30, 1976 (with accompanying report); to the Committee on Governmental Affairs.

EC–701. A letter from the Acting Assistant Secretary for Administration and Management for the Department of Health, Education, and Welfare transmitting, pursuant to law, copies of four reports on new systems of records, in accordance with the Privacy Act (with accompanying reports); to the Committee on Governmental Affairs.

EC–702. A letter from the Chairman of the District of Columbia Council transmitting, pursuant to law, a copy of Council Act 1–230, "An act to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia and the District of Columbia Traffic Act, 1925, and for other purposes" (with accompanying papers); to the Committee on Governmental Affairs.

EC–703. A letter from the Chairman of the

Federal Deposit Insurance Corporation transmitting, pursuant to law, the Privacy Act System Inventory and Exemption Information report of the Federal Deposit Insurance Corporation on its implementation of the Privacy Act of 1974 for the year 1976 (with an accompanying report); to the Committee on Governmental Affairs.

EC–704. A letter from the Acting Assistant Secretary for Administration and Management for the Department of the Interior transmitting, pursuant to law, a report of a personal record system change, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–705. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, two copies of a Department of the Navy proposal on a new system of records entitled "Child Advocacy Program File" (with an accompanying report); to the Committee on Governmental Affairs.

EC–706. A letter from the Administrator of the General Services Administration transmitting, pursuant to law, two copies of a report describing a new system of records, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–707. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Issues Needing Attention in Developing the Strategic Petroleum Reserve" (with an accompanying report); to the Committee on Governmental Affairs.

EC–708. A letter from the Assistant Attorney General for Administration for the U.S. Department of Justice transmitting, pursuant to law, a report containing the statutory authority for the position, the name and date of appointment of the incumbent, and the title and grade of the position for the grades GS–16, 17 and 18 (with an accompanying report); to the Committee on Governmental Affairs.

EC–709. A letter from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, two proposed new record systems reports submitted by the Department of the Air Force, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmental Affairs.

EC–710. A letter from the Administrator of the National Credit Union Administration transmitting, pursuant to law, a report on certain new and existing systems of records, in accordance with the Privacy Act (with an accompanying report); to the Committee on Governmenal Affairs.

EC–711. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of Council Act 1–228, "An act to provide certain exhaust emission standards and equipment requirement for motor vehicles operated in the District of Columbia" (with accompanying papers); to the Committee on Governmental Affairs.

EC–712. A letter from the Chairman of the Railroad Retirement Board transmitting, pursuant to law, a copy of the annual report of the Railroad Retirement Board for the fiscal year ended June 30, 1976 (with an accompanying report); to the Committee on Human Resources.

EC–713. A letter from the Acting Chairman of the Federal Council on the Arts and the Humanities transmitting, pursuant to law, the Federal Council on the Arts and the Humanities first annual report for 1976 on the Arts and Artifacts Indemnity Act (with an accompanying report); to the Committee on Human Resources.

EC–714. A letter from the President of the Legal Services Corporation transmitting, pursuant to law, a copy of the Legal Services Corporation's first annual report (with an accompanying report); to the Committee on Human Resources.

EC–715. A letter from the Chairman of the Federal Home Loan Bank Board transmitting, pursuant to law, the Board's report for the calendar year 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–716. A letter from the Acting Secretary of the Federal Trade Commission transmitting, pursuant to law, a report describing the Commission's Freedom of Information Act activities for calendar year 1976 (with an accompanying report); to the Committee on the Judiciary.

EC–717. A letter from the Administrator of the Law Enforcement Assistance Administration, Department of Justice, transmitting, pursuant to law, the second analysis and evaluation of Federal juvenile delinquency programs (with an accompanying report); to the Committee on the Judiciary.

EC–718. A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, 1829 reports, covering the period of November 15 through December 30, 1976, concerning visa petitions which the Service has approved according the beneficiaries of such petitions third and sixth preference classification (with accompanying papers); to the Committee on the Judiciary.

EC–719. A letter from the Chairman of the Federal Election Commission transmitting, pursuant to law, the Federal Election Commission's fiscal year 1978 authorization request (with accompanying papers); to the Committee on Rules and Administration.

SEPARATION OF POWERS ANNUAL REPORT—REPT. NO. 95–24

Mr. ABOUREZK, from the Committee on the Judiciary, submitted the annual report of the Subcommittee on Separation of Powers, which was ordered to be printed.

ADMINISTRATIVE PRACTICE AND PROCEDURE—REPT. NO. 95–25

Mr. KENNEDY, from the Committee on the Judiciary, submitted a report entitled "Administrative Practice and Procedure," which was ordered to be printed.

ANNUAL REPORT OF THE SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS—REPT. NO. 95–26

Mr. KENNEDY, from the Committee on the Judiciary, submitted the annual report of the Subcommittee on Constitutional Rights, which was ordered to be printed.

ANNUAL REPORT OF THE SUBCOMMITTEE ON REFUGEES—REPT. NO. 95–27

Mr. KENNEDY, from the Committee on the Judiciary, submitted the annual report of the Subcommittee on Refugees, which was ordered to be printed.

ANNUAL REPORT OF THE SUBCOMMITTEE ON ANTITRUST AND MONOPOLIES—REPORT NO. 95–28

Mr. KENNEDY, from the Committee on the Judiciary, submitted the annual report of the Subcommittee on Antitrust and Monopolies, which was ordered to be printed.

EXECUTIVE REPORT OF THE COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, as in executive session, I report favorably from the Committee on Foreign Relations sundry nominations in the Foreign Service which have previously appeared in the CONGRESSIONAL RECORD and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The VICE PRESIDENT. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of January 10, 1977, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated.

By Mr. McGOVERN (for himself, Mr. ABOUREZK, Mr. BROOKE, Mr. CLARK, Mr. HATFIELD, Mr. HUMPHREY, Mr. LEAHY, Mr. MELCHER, Mr. METCALF, and Mr. NELSON):

S. 752. A bill to foster and continue the family farm in the United States by providing young farmers with the necessary assistance to purchase family farm units, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HUMPHREY (for himself and Mr. BAYH):

S. 753. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. SCHWEIKER, Mr. WILLIAMS, Mr. RANDOLPH, Mr. PELL, Mr. HATHAWAY, Mr. RIEGLE, and Mr. STAFFORD):

S. 754. A bill to amend the Public Health Service Act to extend through the fiscal year ending September 30, 1978, the assistance programs for health services research; health statistics; medical libraries; cancer control programs; the National Cancer Institute; heart, blood vessel, lung, and blood disease prevention and control programs; the National Heart, Lung, and Blood Institute; and National Research Service Awards; and for other purposes; to the Committee on Human Resources.

By Mr. KENNEDY (for himself, Mr. SCHWEIKER, Mr. WILLIAMS, Mr. JAVITS, Mr. RANDOLPH, Mr. PELL, Mr. NELSON, Mr. HATHAWAY, Mr. RIEGLE, and Mr. STAFFORD):

S. 755. A bill to amend the Public Health Service Act to extend through the fiscal year ending September 30, 1978, the assistance programs for comprehensive public health services, migrant health, community health centers, hemophilia programs, national health planning and development and health resources development; to amend the Community Mental Health Centers Act to extend it through the fiscal year ending September 30, 1978; and for other purposes; to the Committee on Human Resources.

By Mr. McINTYRE (for himself, Mr. PROXMIRE, and Mr. BROOKE):

S. 756. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions; to the Committee on Banking, Housing and Urban Affairs.

By Mr. GRAVEL:

S. 757. A bill to terminate the airlines mutual aid agreement; to the Committee on Commerce, Science, and Transportation.

By Mr. STONE (for himself and Mr. CHILES):

S. 758. A bill to amend the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

By Mr. ABOUREZK:

S. 759. A bill for the relief of Badr Ahmed Awadh; and

S. 760. A bill for the relief of Duane G. Wegner; to the Committee on the Judiciary.

By Mr. JOHNSTON (for himself and Mr. LONG):

S. 761. A bill to extend for 1 year the Rice Production Act of 1975; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MATHIAS:

S. 762. A bill entitled "The Congressional Ethics Act of 1977"; to the Committee on Rules and Administration.

By Mr. ALLEN:

S.J. Res. 25. Joint resolution proposing an amendment to the Constitution of the United States with respect to the terms of office and method of selection of judges of the Federal courts; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGOVERN (for himself, Mr. ABOUREZK, Mr. BROOKE, Mr. CLARK, Mr. HATFIELD, Mr. HUMPHREY, Mr. LEAHY, Mr. MELCHER, Mr. METCALF, and Mr. NELSON):

S. 752. A bill to foster and continue the family farm in the United States by providing young farmers with the necessary assistance to purchase family farm units, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

YOUNG FARMERS HOMESTEAD ACT AND THE AG-LAND TRUST

Mr. McGOVERN. I send to the desk for appropriate reference the Young Farmers Homestead Act—1977.

Mr. President, last year I introduced this same measure. It did not receive congressional action but hearings were held and the bill was clearly established by level of interest alone as a major innovation in the concept of land tenure. Various groups and individuals made unprecedented numbers of requests for copies of the bill and the explanatory remarks that I as well as other Senators made at the time it was introduced. In all, my office processed over 7,000 reprints from the CONGRESSIONAL RECORD. Letters alone from all over the country numbered more than 3,000. During the course of last year, Parade magazine, the Sunday supplement, carried an explanation of the legislation and over the course of the next 3 weeks, I had over 700 requests for details.

Mr. President, one might justly ask why I am making the above recitation. The simple answer is that the concepts contained in the Young Farmers Homestead Act are concepts whose time has arrived. If this Congress is going to make a commitment in support of rural life, then it is going to have to depart from conventional schemes of land purchasing. Though the Farm Credit Administration, the Federal Land Banks, the Farmers Home Administration, as well as the commercial banks and insurance companies deserve the full measure of social debt we owe them for past performance, it simply is not possible to enter farming today using the time honored credit tools of the past. Farming has never been an exclusive club for the landed gentry and it should not be.

If we do not move, however, the day will come in our own lifetime when only the sons or sons-in-law of rich farmers can perpetuate the breed. I, for one, view this as a highly undesirable social goal. Large problems can only be solved by bold and innovative initiatives. The Young Farmers Homestead Act is both bold and innovative. It is an idea whose time has arrived.

Mr. President, at hearings on this act held last year some segments of the banking community were critical because they viewed it as creeping socialism since it contains the provision for the Government to hold temporary title to land through a quasi-governmental corporation.

I should point out that many of the bankers serving the direct credit needs of farmers in my State and others recognize the need to expand the opportunities to get young people started in farming. They know the need for operating and expansion capital will bring this country's homesteaders through their doors just as homesteaders of the last century did to provide the basis for the formation of viable rural communities. They also know that the trend toward increasingly larger farms tends to cause search for capital to move away from the local hometown bank to large institutions in the financial centers of the Nation.

In contrast to the positive attitude displayed by our smaller banking establishments we should take note here of the response of some of the largest. They also recognize that this bill is an idea whose time has come. The Wall Street farmers represented by the eighth largest bank and the Nation's biggest brokerage house are attempting to foist off their Ag-Land I plan under the guise of a plan to help young farmers get started. But the corporate homesteaders left out the essential element. They neglected, not through oversight, but by design to provide for the eventual ownership of a piece of land. Ag-Land I and its successors will provide, not a stake in the future, but a throwback to a darker past.

The differences in the plan offered by the giants of the financial world and the plan outlined in this bill can best be illustrated by a close examination of who receives whatever benefits can be derived from the increases in land values. We know that prices for farmland increased last year an average of 33 percent in central Corn Belt States. In my own State, in spite of serious problems with drought, they jumped 17 percent. Under the modest proposal we are offering here today those increases would go toward helping the beginning farmer build an equity. On the other hand, the Wall Street farmers readily admit that their "game" is to use the sweat of the tenant farmer to line their own pockets.

Mr. President, let me suggest that the Ag-Land trust people are really making the case for the passage of the Young Farmers Homestead Act. If the Congress does not act now, the corporate homesteaders will succeed in their goal of creating not a new generation of independent farmers contributing to a healthy rural environment, but a new generation of sharecroppers dependent on the benevolence of absentee landlords.

Mr. President, last year I inserted in the RECORD dozens of editorials, letters, and news stories supporting this proposal. I shall refrain from doing the same this year. I ask unanimous consent that the text of the legislation I propose be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 752

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Young Farmers' Homestead Act of 1975".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that the escalating cost of land, farm equipment and supplies, and operating capital has made it virtually impossible in most cases for young people to enter into farming as a career; that neither the Government nor the private sector is able to meet the financial requirements necessary to permit young people of ordinary means to engage in farming on a career basis; and that it is essential for the Federal Government to provide a new program of assistance if the family farm system is to be perpetuated in the United States.

(b) It is therefore the purpose of this Act to provide the assistance necessary to permit and encourage young people to engage in farming as a career.

ESTABLISHMENT OF FEDERAL FARM ASSISTANCE CORPORATION

SEC. 3. In order to carry out the purposes of this Act, there is established as an agency within the Department of Agriculture a body corporate to be known as the Federal Farm Assistance Corporation (hereinafter called the Corporation). The principal office of the Corporation shall be located in the District of Columbia, but there may be branch offices elsewhere in the United States as authorized in this Act.

MANAGEMENT OF CORPORATION

SEC. 4. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter called the Board). The Board shall be composed of five members who subscribe to the objectives of the Act, appointed by the President by and with the advice and consent of the Senate. No more than three members of the Board shall be members of one political party.

(b) The term of office of members of the Corporation shall be four years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of members first taking office shall expire, as designated by the President at the time of appointment, one at the end of two years, two at the end of three years, and two at the end of four years.

(c) Vacancies in the Board so long as there are three members in office shall not impair the powers of the Board to execute the func-

tions of the Corporation, and three members of the Board shall constitute a quorum for the transaction of the business of the Board.

(d) With the exception of the Administrator of the Farmers Home Administration, no officer or employee of the United States shall be eligible for appointment as a member of the Board. Members of the Board shall be paid such compensation for their services as directors as the Secretary of Agriculture shall determine, but such compensation shall not exceed $150 per day each when actually engaged in the business of the Board plus travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

(e) There shall be a manager of the Corporation who shall be its chief executive officer, with such power and authority as may be conferred upon him by the Board. The manager shall be appointed by, and hold office at the pelasure of, the Board, and shall be compensated annually at rates equal to those paid assistant secretaries.

GENERAL POWERS

SEC. 5. The Corporation—

(1) shall have succession in its corporate name;

(2) may adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) may sue and be sued in its corporate name in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is hereby conferred upon such district court to determine such controversies without regard to the amount in controversy, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property;

(4) may adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers granted to it by law may be exercised and enjoyed;

(5) shall be entitled to the free use of the United States mails in the same manner as the other executive agencies of the Government;

(6) with the consent of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officials, and employees thereof, in carrying out the provisions of this Act;

(7) shall determine the character of and the necessity for its obligations and expenditures under this Act and the manner in which they shall be incurred, allowed, and paid;

(8) shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers;

(9) may, without regard to any other provision of law, negotiate for, purchase, and sell real property as authorized by this Act; and

(10) shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the Corporation and all such incidental powers as are customary in corporations generally.

PERSONNEL

SEC. 6. (a) The Board shall appoint such officers and employees as may be necessary for the transaction of the business of the Corporation in accordance with the provisions of title 5, United States Code, define their authority and duties, and delegate to them such of the powers vested in the Corporation as it may determine.

(b) In carrying out the provisions of this Act, the Secretary of Agriculture and the Board shall utilize to the maximum extent practicable, the personnel, services, and facilities of the Farmers Home Administration, the Agricultural Conservation and Stabilization Service, the Soil Conservation Service, and the Federal Crop Insurance Corporation of the Department of Agriculture, but may, whenever essential to the efficient operation of the program provided for in this Act, establish one or more branch offices throughout the United States.

LAND PURCHASE AND LEASE PROGRAM

SEC. 7. (a) The Corporation is authorized to negotiate for and purchase farmland or units which may come on the market from time to time. In no case may the Corporation purchase any farm unit (meaning land and buildings) which cost in excess of $200,000: *Provided*, That the Corporation may purchase farms or ranches of any size for subdivision into units of no more than $200,000 in value.

(b) Any farm unit acquired by the Corporation shall be made available for lease, and subsequently for sale, as herein provided.

(c) A farm unit may be leased to an eligible applicant for a period of not less than two nor more than seven years.

(d) The amount of rent charged for the rental of any farm unit shall be determined by the Corporation so as to cover the cost of all real estate or other taxes levied against such farm unit during the term of the lease by Federal or State taxing authorities plus an amount sufficient to reimburse the Corporation (on a pro rata basis) for debt service expenses incurred in acquiring such farm unit and shall be charged and collected on an annual basis as determined by the Corporation. Authority is granted to the Corporaiton to adopt variable rental schemes to take into account both bountiful and natural disaster conditions.

(e) During the term of the lease the lessee may be permitted to make real estate improvements on the farm within a five-acre area desginated by the Board. Such improvements may be made in accordance with such regulations as the Board shall prescribe and may be financed through private commercial sources, through other Federal programs, or by the Corporation and shall be deemed to be the property of the lessee in any dispute between the Corporation and the lessee.

(f) The lessee of a farm unit may not sublease the farm unit except in extraordinary cases approved by the Board.

(g) The Corporation may terminate the lease of a farm unit for any substantial violation of the lease agreement, including, but not limited to, a failure to pay the rent or other charges required under the lease agreement. The procedures for terminating a lease shall be prescribed in regulations issued by the Board.

(h) One of the terms of the lease agreement shall provide that the Corporation shall have a lien on all unharvested crops on the farm unit for all moneys owed the Corporation by the lessee.

(i) A lease initially entered into for a period of less than seven years may be extended by the lessee with the consent of the Board so long as the total term of the lease does not exceed seven years.

SALE OF FARM UNITS

SEC. 8. (a) The lessee of a farm unit may, at any time within six months prior to the expiration of his lease, make application to the Board for the purchase of such unit upon the expiration of such lease.

(b) The Board shall approve such application for purchase if it determines, on the basis of the lessee's operation of the farm unit during the period of the lease and on the basis of such other factors as the Board shall prescribe by regulation, that the lessee can successfully manage and operate such farm unit.

(c) The selling price of a farm unit owned by the Corporation shall be determined at 75 per centum of the appraised fair market value at the time of sale or the purchase cost to the Corporation whichever is larger. In addition, capital gains realized in the five years subsequent to sale shall be vested at the rate of 20 per centum per year to the purchaser.

(d) A lessee may obtain financing through any available source, but in the event that private financing is not available, then and in that event the Farmers Home Administration shall furnish the financing. In the event the Farmers Home Administration furnishes the financing, such amounts shall not count against the appropriation authorities of the Farmers Home Administration.

(e) The rate of interest on any loan made by the Farmers Home Administration of a farm unit shall be an amount equal to the rate on all interest bearing obligations of the United States forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan, adjusted to the nearest one-eighth of 1 per centum, plus one-half of 1 per centum.

BORROWING AUTHORITY OF CORPORATION

SEC. 9. (a) The Corporation is authorized to obtain funds through the public or private sale of its bonds, debentures, notes, and other evidences of indebtedness (herein collectively called Corporation debentures).

(b) Corporation debentures shall be issued at such times, bear interest at such rates, and contain such other terms and conditions as the Board shall determine, except that the amount of Corporation debentures which may be outstanding at any one time under this section may not exceed $1,000,000,000 during the first year following the date of enactment of this Act or exceed $2,000,000,000 at any time thereafter.

(c) Corporation debentures shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority and control of the United States or any officer or officers thereof.

(d) The Corporation is also authorized to issue Corporation debentures to the Secretary of the Treasury, and the Secretary of the Treasury shall purchase such debentures, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act as now or hereafter in force are extended to include such purchases. Each purchase of Corporation debentures by the Secretary of the Treasury under this section shall be upon such terms and conditions as to yield a return at a rate not less than a rate determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturity. The Secretary of the Treasury may sell, upon such terms and conditions and at such prices as he shall determine, any of the Corporation debentures acquired by him under this subsection. All purchases and sales by the Secretary of the Treasury of such debentures under this section shall be treated as public debt transactions of the United States.

DEPOSIT OF FUNDS

SEC. 10. All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States, or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or with the approval of the Secretary of the Treasury may be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are hereby authorized and directed to act as depositories, cus-

todians, and fiscal agents for the Corporation in the performance of its powers conferred by this Act.

TAX EXEMPT STATUS

SEC. 11. (a) Except as provided in subsection (b), the Corporation, its capital, reserves, and surplus, and its income and property, shall be exempt from all taxation now or hereafter imposed by the United States or by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

(b) Farm units acquired by the Corporation shall not be exempt from any tax referred to in subsection (a) of this section.

ACCOUNTING BY CORPORATION

SEC. 12. The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation. The financial transactions of the Corporation shall be audited at least once each year by the General Accounting Office for the sole purpose of making a report to Congress, together with such recommendations as the Comptroller General of the United States may deem advisable. Such report shall not be made until the Corporation shall have had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General to point out errors therein, explain or answer the same, and to file a statement which shall be submitted by the Comptroller General with his report.

ADVISORY COUNCIL

SEC. 13. (a) The Secretary of Agriculture shall appoint an advisory council to advise the Board regarding the administration of this Act.

(b) In order to obtain an advisory council with as broad a national perspective as practicable, the Secretary of Agriculture shall divide the United States into not less than ten geographic regions and appoint two individuals to the council from each such region of which one shall be engaged in farming as a full-time occupation and the other to be one who has an interest in rural America.

(c) Individuals appointed to the advisory council shall serve for such period and for such compensation and expenses which shall be reasonable as may be prescribed in regulations issued by the Secretary and shall meet upon the call of the Board but not fewer than four regularly scheduled meetings each calendar year two of which are to be held in the city of Washington, District of Columbia.

(d) In carrying out its functions under this section the functions of the advisory council shall include, but shall not be limited to—

(1) advising the Board on what the eligibility qualifications should be for leasing farm units under this Act, including maximum net income and net worth;

(2) recommending the methods for determining the net income and net worth of lease applicants under this Act;

(3) advising the Board regarding the farm or ranch training or experience that should be required for leasing a farm unit under this Act; and

(4) advising the Board regarding the terms and conditions that should be included in leasing agreements entered into under this Act.

ANNUAL REPORTS

SEC. 14. The Board shall submit an annual report to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives on or before February 1 of each year on the operations of the Corporation during the past fiscal year. The Board shall include in such report a statement of policy regarding the operation of the Corporation in the next fiscal year. The statement of policy shall become effective thirty days after the submission thereof to such committees and publication in the Federal Register unless within such thirty-day period one or both of such committees adopt a resolution disapproving such statement of policy.

RIGHT TO AMEND

SEC. 15. The right to alter, amend, or repeal this Act is hereby reserved.

APPROPRIATIONS

SEC. 16. There are authorized to be appropriated such sums, not in excess of $, for each fiscal year beginning on or after October 1, 1976, as may be necessary to cover the operating and administrative costs of the Corporation, which shall be allotted to the Corporation in such amounts and at such time or times as the Secretary of Agriculture may determine.

CRIMINAL PROVISIONS APPLICABLE TO FEDERAL FARM ASSISTANCE CORPORATION

SEC. 17. Sections 657, 658, 1006, and 1014 of title 18, United States Code, are each amended by inserting "Federal Farm Assistance Corporation," immediately after "Federal Crop Insurance Act," each time the latter term appears in each such section.

By Mr. HUMPHREY (for himself and Mr. BAYH):

S. 753. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Finance.

DISABILITY BENEFITS FOR THE BLIND

Mr. HUMPHREY. Mr. President, early this month, a delegation of members of the Minnesota Federation for the Blind came to visit me at my office. These blind citizens are not sitting at home feeling sorry for themselves. They are confronting and overcoming all the barriers that a seeing society thoughtlessly erects. I was impressed anew with their spirit, their abilities, and their determination.

The bill that I and Senator BAYH are introducing at their request is identical to legislation introduced by Mr. HARTKE and 37 cosponsors in the last Congress. It has a simple, twofold thrust. This bill would permit blind persons who have worked six quarters, or a year and a half, under social security covered employment to both qualify for and draw disability benefits so long as they remain blind, and to receive benefits regardless of their earnings.

The purpose of this bill is essentially to encourage and support the efforts of the blind who wish to be self-supporting and productive. The blind receiving social security disability insurance benefits frequently can increase their earnings only at the risk of losing the security of insurance benefits.

It is wrong to hold back persons intent on overcoming obstacles from devoting that extra dedication and that extra effort required to function in a world made to the specifications of those of us who have the inestimable good fortune and advantage of sight.

I am aware that the current earnings limitation is challenged not only by the blind but by the other disabled and by the aged who can not live on social security income alone. I have also cosponsored legislation to increase the overall limitation from $3,000 to $4,800.

A very basic problem of our systems of income maintenance are that they reward idleness. There is no better medicine, no greater tonic—and I say that from firsthand experience—than honest labor. Ambition, hard work, and the challenge of self-improvement are what this Nation is all about. Until we have a perfect system, that is equitable, we can make a good argument for certain exceptions in disability insurance coverage.

The blind point out with justice that they are frequently denied the equal educational opportunity and job experience that permit most young adults to steadily increase their earning power and secure their future on the strength of their best working years.

The number of unemployed or underemployed blind has been estimated at 70 percent. Many of these people have the capability, the desire, and the right to earn a good living. Too many of the barriers to earning are erected by society and not imposed by the nature of their handicap.

If the blind do overcome the discrimination which often sidelines them into short-term, insecure, and low-paying employment, they face substantial extra costs. Often, they must pay for special transportation and special services. Rarely will their income approach what it would be without this handicap. Disability insurance compensates for the lack of opportunities and services which limit their earning power.

The Department of Health, Education, and Welfare will be called upon to comment on this bill and to estimate its cost and appropriateness. Even if such estimates are large, society will be better for an exercise of compassion and an expression of faith in the principles of individual effort and independence. But there are dollar-and-cents benefits as well. The blind who are freed to earn to the best of their ability will be paying income and social security taxes. A part of the costs incurred will be offset as recipients eligible for disability benefits are dropped from supplemental security and other public assistance programs.

All of us are conscious of the immense demands upon our Nation's social security program and on the Federal budget. Each of us is privileged to signal by our legislative proposals those that deserve special attention. We offer this amendment to insure that any consideration of the extension, expansion, and improvement of our social security system address serious and energetic attention to the needs of the blind.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 214(a) of the Social Security Act is amended by adding "or" after the semicolon at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

"(4) in the case of an individual who has died and who was entitled to a benefit under

section 223 for the month before the month in which he died, 6 quarters of coverage;".

(b) Section 215(b)(1) of such Act is amended by striking out "shall be the quotient" and inserting in lieu thereof "shall (except as provided in paragraph (5)) be the quotient".

(c) Section 215(b) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) In the case of an individual who is blind (within the meaning of blindness as defined in section 216(i)(1)), such individual's average monthly wage shall be the quotient obtained by dividing (A) the total of his wages paid in, and self-employment income credited to, all of the calendar quarters which are quarters of coverage (as defined in section 213) and which fall within the period after 1950 and prior to the year specified in clause (i) or clause (ii) of paragraph (2)(C), by (B) the number of months in such quarters; except that any such individual who is fully insured (without regard to section 214(a)(4)) shall have his average monthly wage computed under this subsection without regard to this paragraph if such computation results in a larger primary insurance amount."

(d) Section 216(i)(3) of such Act is amended to read as follows:

"(3) The requirements referred to in clauses (i) and (ii) of paragraph (2)(C) are satisfied by an individual with respect to any quarter only if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such quarter, and (i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with such quarter, or (ii) if such quarter ends before he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with such quarter and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage; or

"(B) he is blind (within the meaning of 'blindness' as defined in paragraph (1) of this subsection) and has not less than 6 quarters of coverage in the period which ends with such quarter.

For purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a prior period of disability unless such quarter was a quarter of coverage."

(e) The first sentence of section 222(b)(1) of such Act is amended by inserting "(other than such an individual whose disability is blindness as defined in section 216(i)(1))" after "an individual entitled to disability insurance benefits".

(f) Section 223(a)(1) of such Act is amended—

(1) by striking out the comma at the end of subparagraph (B) and inserting in lieu thereof "or is blind (within the meaning of 'blindness' as defined in section 216(i)(1)),";

(2) by striking out "the month in which he attains age 65" and inserting in lieu thereof "in the case of any individual other than an individual whose disability is blindness (as defined in section 216(i)(1)), the month in which he attains age 65"; and

(3) by striking out the second sentence.

(g) Section 223(e)(1) of such Act is amended to read as follows:

"(1) An individual shall be insured for disability insurance benefits in any month if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such month, and (i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with the quarter in which such month occurred, or (ii) if such month ends before the quarter in which he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with the quarter in which such month occurred and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage, or

"(B) he is blind (within the meaning of 'blindness' as defined in section 216(i)(1)) and has not less than 6 quarters of coverage in the period which ends with the quarter in which such month occurs.

For purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a period of disability unless such quarter was a quarter of coverage."

(h) Section 223(d)(1)(B) of such Act is amended to read as follows:

"(B) blindness (as defined in section 216(i)(1)),"

(i) The second sentence of section 223(d)(4) of such Act is amended by inserting "(other than an individual whose disability is blindness, as defined in section 216(i)(1))" immediately after "individual".

SEC. 2. In the case of an insured individual who is under a disability as defined in section 223(d)(1)(B) of the Social Security Act, who is entitled to monthly insurance benefits under section 202(a) or 223 of such Act for a month after the month in which this Act is enacted, and who applies for a recomputation of his disability insurance benefit or for a disability insurance benefit (if he is entitled under such section 202(a)) in or after the month this Act is enacted, the Secretary shall, notwithstanding the provisions of section 215(f)(1) of such Act, make a recomputation of such benefit if such recomputation results in a higher primary insurance amount.

SEC. 3. The amendments by this Act shall apply only with respect to monthly benefits under title II of the Social Security Act for and after the second month following the month in which this Act is enacted.

Mr. BAYH. Mr. President, I feel great pride when I see individuals who have risen above a handicap and been able to make worthwhile contributions to their communities and the Nation.

One group of Americans which has consistently been able to overcome a problem associated with a handicap is the blind. Their determination to work and be productive members of society has always impressed me. For that reason, I am pleased to join my colleague from Minnesota, Mr. HUMPHREY, in introducing the disability insurance for the blind bill.

This is the seventh time this important legislation has been introduced in Congress. It was originally sponsored by my respected friend Mr. HUMPHREY, and subsequently by my former colleague, Mr. Hartke. The bill passed the Senate six times. Mr. JAMES BURKE of Massachusetts, chairman of the Social Security Subcommittee of the Ways and Means Committee in the House introduced identical legislation, H.R. 3049.

There are an estimated 9,596,000 people in the United States who have some degree of visual impairment. Of these, approximately 1,306,000 have such severe visual impairment that they are unable to read ordinary newsprint with either eye, even with glasses. There are 94,000,000 people in this country who wear glasses or contact lenses to improve their vision.

At least 475,000 people in the United States are legally blind and an estimated 44,350 people in this country become blind each year. Visual impairment ranks third among diseases that restrict Americans from leading productive lives. At least 32,000 blind persons are under the age of 20.

The economic aspects of blindness are staggering. The annual potential income lost because of loss of vision is conservatively estimated at $600 million per year. In addition, the loss of potential tax revenue amounts to a minimum of $140 million each year. The expense of blindness to public welfare agencies is $468,567,000 annually. The National Center for Health Statistics estimates the average cost of supporting one blind person is $2,100 per year. The estimates cost of supporting all blind persons in this country is $500 million.

Presently those who are blind and are receiving social security disability insurance benefits are faced with losing money if they pursue their efforts at employment. Under the current law, the only long range economic security belongs to those disability beneficiaries who remain idle rather than productive. Mr. President, this is clearly not what it should be, and the legislation we are introducing today will correct this unfortunate situation.

What does this legislation provide? Very simply, under the provisions of this legislation, blind people who have worked a year and a half under social security covered employment would be able to qualify for and to draw disability benefits so long as they remain blind. There would be no limit on the amount of earnings. The present law with its more restrictive work requirements does not take into account the often substantial and overwhelming economic disadvantages of blindness. Our legislation would be a first step toward reducing these disadvantages, by placing maximum encouragement and support behind the efforts of blind people to be self-supporting.

With passage of their legislation, the blind will no longer have to make the choice between staying idle and having a secure income from the Government or working and running the risk of losing their eligibility for disability benefits. The Government and the American public both win. These working citizens who are gainfully employed will pay social security taxes, thus contributing to the fund rather than only draining benefits from it. They will also contribute through the payment of income taxes, thus reducing expenditures from the general revenue. As the blind work and earn more of their income for themselves, the loss to Government in welfare payments will decrease.

Mr. President, this legislation represents an investment in our people and

their future, and I am happy to give it my enthusiastic support.

By Mr. KENNEDY (for himself, Mr. SCHWEIKER, Mr. WILLIAMS, Mr. RANDOLPH, Mr. PELL, Mr. HATHAWAY, Mr. RIEGLE, and Mr. STAFFORD):

S. 754. A bill to amend the Public Health Service Act to extend through the fiscal year ending September 30, 1978, the assistance programs for health services research; health statistics; medical libraries; cancer control programs; the National Cancer Institute; heart, blood vessel, lung, and blood disease prevention and control programs; the National Heart, Lung, and Blood Institute; and National Research Service Awards; and for other purposes; to the Committee on Human Resources.

By Mr. KENNEDY (for himself, Mr. SCHWEIKER, Mr. WILLIAMS, Mr. JAVITS, Mr. RANDOLPH, Mr. PELL, Mr. NELSON, Mr. HATHAWAY, Mr. RIEGLE, and Mr. STAFFORD):

S. 755. A bill to amend the Public Health Service Act to extend through the fiscal year ending September 30, 1978, the assistance programs for comprehensive public health services, migrant health, community health centers, hemophilia programs, national health planning and development and health resources development; to amend the Community Mental Health Centers Act to extend it through the fiscal year ending September 30, 1978; and for other purposes; to the Committee on Human Resources.

Mr. KENNEDY. Mr. President, I am pleased to introduce two pieces of legislation which, when enacted, will extend for 1 year numerous expiring health authorities under the Public Health Service Act and the Community Mental Health Centers Act. Under the provisions of the Budget Act, committee action on these expiring programs must be completed by May 15, 1977. In order to meet this requirement and at the same time give the administration a reasonable period of time to develop its views with regard to the substantive changes in this important area of health policy, I believe that a 1-year simple extension of all of these programs is needed.

I am happy to note that my good friend and colleague, the chairman of the House Subcommittee on Health and the Environment, Mr. PAUL ROGERS, introduced legislation last week to accomplish this same purpose.

There are, of course, numerous substantive changes in these laws which are being proposed by those who are affected by them. These proposals deserve serious consideration on their merits, and that consideration will be forthcoming in the months ahead.

I also wish to emphasize that these bills are cosponsored on a bipartisan basis by a host of the members of the Committee on Human Resources, including its distinguished chairman and ranking minority member Senator WILLIAMS and Senator JAVITS, and the distinguished ranking minority member of the Health Subcommittee, Senator SCHWEIKER.

Finally, Mr. President, I want to take a few more minutes to describe each of the programs proposed for extension, including a summary of their most recent accomplishments.

The first bill, S. 754, will extend the assistance programs for: First, comprehensive public health services; second, migrant health; third, community health centers; fourth, hemophilia treatment centers and blood separation centers; fifth, national health planning and development; sixth, health resources development; and seventh, community mental health centers.

The second bill, S. 755, will extend the assistance programs for: First, health services research; second, health statistics; third, medical libraries; fourth, cancer control; fifth, the National Cancer Institute; sixth, heart, blood vessel, lung, and blood disease prevention and control; seventh, the National Heart, Lung, and Blood Institute; and eighth, the National Research Service Awards.

GRANTS TO THE STATES FOR COMPREHENSIVE HEALTH SERVICES

Federal support on a continuing basis for State public health activities can be traced back to 1935, when legislation was enacted providing grants to the States for specified categories of health services, such as tuberculosis and cancer control. In 1966, the legislation was amended by the so-called Partnership for Health (Public Law 89–749), which replaced the categorical grant authorities with broad grant-in-aid programs. Formula grants were awarded to the State health and mental health authorities for comprehensive State, public health services without tailoring the grants to specific diseases.

Services that have been supported include communicable disease control, environmental services, chronic disease control, emergency and home health services, cancer and vision screening, and a variety of community mental health programs. Some States have used the flexibility of these funds to support new approaches to the delivery of health services.

This program was most recently amended in 1975, with passage of Public Law 94–63, which modified the State plan requirements to make them consistent with provisions of the National Health Planning and Resources Development Act of 1974. It also earmarked special funds for hypertension. In fiscal year 1977, $90 million was appropriated for grants to the States, with an additional $9 million appropriated for the hypertension program.

MIGRANT HEALTH CENTERS

Originally authorized under the Migrant Health Act of 1962 (Public Law 87–692), the migrant health centers program provides authority for Federal grant support to health clinics that provide services to migratory and seasonal agricultural workers and their families.

The program was most recently amended in 1975 with passage of Public Law 94–63. During the program's reexamination, it was found that serious problems continued to exist with regard to hospitalization for migrants, migrant camp sanitation and living conditions, and barriers excluding migrant participation in medicaid.

In fiscal year 1977, $30 million was appropriated for this program which provided support for 125 migrant health centers and 33 rural health initiative projects.

COMMUNITY HEALTH CENTERS

Authority for the community health centers program was originally provided under section 314(e) of the Public Health Service Act, as amended in 1966 (Public Law 89–749). The original intent of the section was to fund special projects for the development of health services for special population groups or geographic regions. Before funds had been appropriated for this section, however, it was amended in 1967 (Public Law 90–174). Its authority was focused on support of ambulatory or comprehensive health care programs serving areas with scarce or nonexistent health care services.

In the first year that appropriations were available, eight neighborhood health centers, NHC's, based on the model initiated by the then Office of Economic Opportunity, OEO, were funded. Since that time, the program has been further expanded by the transfer to HEW of NHC's originally administered by OEO.

In fiscal year 1977, $215,148,000 was appropriated for this program, which provided support for 164 community health centers and 280 rural and urban health initiative projects, serving a total population of 3,354,000.

HEMOPHILIA PROGRAMS

Special authority for hemophilia programs was provided under Public Law 94–63 to provide Federal assistance to establish comprehensive hemophilia diagnostic and treatment centers, and to develop and expand, within existing facilities, blood-separation centers.

In enacting this legislation, Congress noted that, while there were 67 existing hemophilia treatment centers in 27 States, there was a need for such facilities in areas which had no or limited diagnostic and treatment facilities. In addition, support for blood-separation centers was recognized as necessary in order to make optimal and more efficient use of blood components and to encourage the blood banking community to make components more readily available.

During fiscal year 1977, Congress appropriated $3 million for support of these programs.

NATIONAL HEALTH PLANNING AND DEVELOPMENT

The national health planning and development program was created in 1975 by Public Law 93–641. The health planning program represents the combination and redirection of preexisting Federal, State, and local planning authorities which had been operating under the now-replaced comprehensive health planning program, regional medical program, and the Hill-Burton hospital construction program.

It provides for a single new program of State and areawide health planning and development through the creation of a nationwide network of over 200 health systems agencies, the creation in each State of a State health planning and de-

velopment agency, and a statewide health coordinating council. Financial assistance is provided through Federal grants to State and local planning agencies and project grants for State rate regulation.

In reviewing the activities of the earlier planning authorities, Congress concluded that the health planning function needed a stronger legislative mandate; that the overlap and duplication of responsibilities must be eliminated; and that the generation of new health resources must be more closely coordinated with planning activities. As a result, the new law vests the newly created agencies with broader powers than under earlier programs, particularly with regard to regulation, control of Federal funds, resources development, and actual implementation of health systems plans.

For fiscal year 1977, $125 million was appropriated for the title XV planning program.

HEALTH RESOURCES DEVELOPMENT

In addition to the new planning authority Congress has also authorized Federal assistance to provide for projects for modernizing medical facilities; building new outpatient medical facilities and new inpatient medical facilities in areas which have experienced recent rapid population growth.

COMMUNITY MENTAL HEALTH CENTERS

Community Mental Health Centers, CMHC's, were created in 1963 with the enactment of the Mental Retardation Facilities and Community Mental Health Centers Construction Act to provide comprehensive mental health services to the American people, under President Kennedy's leadership. Such services represent a community outpatient alternative to State inpatient facilities for mental health care. Some 88 million people are expected to be covered by these centers during fiscal year 1977.

The original legislation authorized project grants only for the construction of CMHC's, but the scope of the program has been expanded by a series of amendments. Most recently, Public Law 94–63 required all centers to provide designated essential services as well as certain specialized services to children, the elderly, alcoholics, and drug dependent persons. It also created the National Center for the Prevention and Control of Rape, which conducts research into the legal, social, and medical aspects of rape.

In fiscal year 1977, $232,846,000 were appropriated for CMHC's and $5 million for the National Center for the Prevention and Control of Rape.

HEALTH SERVICES RESEARCH

The National Center for Health Services Research was created in 1974 by Public Law 93–353. The legislation authorizes the Secretary of HEW, working through the Center, to undertake a broad range of research, demonstration, and evaluation activities relating to health services delivery in the United States. The new law resulted from the recognition of the need for a better understanding of the behavior and performance of the health industry as a prerequisite for improving its performance.

The Center's principal activities have been managing intramural and extramural health services research programs, training persons to conduct health services research, and disseminating research findings. In fiscal year 1977, Congress appropriated $24 million for support of this program.

NATIONAL CENTER FOR HEALTH STATISTICS

Initial authority for health statistics activities was first enacted by the Congress in 1902. The National Center for Health Statistics, NCHS, created in 1960, consolidated vital statistics activities and health survey activities.

Most recently, Public Law 93–353 further extended the authority for more comprehensive health data collection. NCHS programs focus on the need for the reliable and timely production of data on the health status of the population; the health resources available for the provision of care; the utilization of those resources; and the associated costs of such care and utilization for informed health policymaking at all government levels. In fiscal year 1977, $27,636,000 was appropriated for support of these programs.

MEDICAL LIBRARIES

The original Medical Library Assistance Act was enacted in 1965 to provide for the coordination and dissemination of the increasing volume of biomedical literature. Funds were also authorized to establish regional branches of the National Library of Medicine of which there are presently 11. The program authorized by this legislation has supported the improvement of health library resources, increases in trained library manpower, and development of modern communications tools and techniques.

In fiscal year 1977, $8 million was appropriated for the program.

NATIONAL CANCER INSTITUTE AND CANCER CONTROL PROGRAMS

Authority for the National Cancer Institute, NCI, was first established in 1937. The National Cancer Act of 1971, which I authored, initiated a national cancer program, and established new research, training, diagnosis, treatment, prevention, and cooperative programs. The NCI has initiated efforts with regard to such areas as virus research, cancer screening, therapy and control, and international cooperation.

In fiscal year 1977, total appropriations for NCI and cancer control programs amounted to $815 million.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTES AND ASSOCIATED PROGRAMS

The National Heart Institute was first established in 1948. In 1972, the authority of the Institute was enlarged by enactment of the National Heart, Blood Vessel, Lung, and Blood Act (Public Law 92–423), which I authored. The new law provided for expanded, intensified, and coordinated Institute activities in accordance with a specified comprehensive national heart, blood vessel, lung, and blood disease program.

In fiscal year 1977, $396,661,000 was appropriated for the Institute to fund its numerous activities.

NATIONAL RESEARCH SERVICE AWARDS

The Federal Government has been sponsoring the training of biomedical researchers since 1930. By 1971, the National Institutes of Health, through their fellowship and training grant programs, supported 38 percent of the Nation's fulltime graduate students in the medical sciences and 21 percent in all biomedical sciences.

The National Research Act of 1974, Public Law 93–348, amended the Public Health Service Act by repealing existing research training authorities and consolidating them in the "National Research Service Awards" authority of the act. In fiscal year 1977, $118,794,000 were appropriated for this program, which is responsible for the training of future generations of research scientists for this Nation.

Mr. President, none of these programs is perfect, but each one has been important in making an effort to meet a portion of the health needs of the American people. I look forward to working with the administration in the coming months in determining what improvements can be made in each of these programs.

Mr. SCHWEIKER. Mr. President, as ranking minority member of the Senate Health Subcommittee I am pleased to join in the introduction of two important health program extension bills: the Health Services, Hemophilia and Health Planning and Development Extension Act of 1977 and the Health Services Research, Health Statistics, Medical Libraries, Biomedical Research and Research Training Extension Act of 1977.

The first bill extends existing health service and planning programs for comprehensive public health services, migrant health, community health centers, community mental health centers, hemophilia programs, and health planning efforts begun under the Health Planning and Resources Development Act.

The second bill extends assistance programs for health services research; health statistics; medical libraries; cancer control programs; the National Cancer Institute; heart, blood vessel, lung, and blood disease prevention and control programs; the National Heart, Lung and Blood Institute; and the National Research Service awards.

Both bills are simple 1-year extensions of expiring health programs through fiscal year 1978 with a few strictly technical changes in existing law. Under this legislation, program continuity will be maintained while Congress and the administration review the programs to develop any additional legislative proposals in these areas which may be required during the coming year. A 1-year extension is desirable for many of the programs involved such as the health planning law and the Community Mental Health Centers Act, to give existing law a chance to work before we embark on any new major program changes. In some cases, the original law or substantive changes enacted during the last Congress have not yet had time to be fully implemented and evaluated.

In addition, the Health Subcommittee, under the leadership of Senator KENNEDY, is planning an extensive review of federally supported biomedical and behavioral research activities during the

current session. In the meantime, until the Committee on Human Resources and the Congress approve any changes in existing programs, it is essential that we continue our strong commitment to important research activities such as those sponsored by the National Cancer Institute and the National Heart, Lung, and Blood Institute and not allow these vital disease control and research efforts to lapse.

These bills allow the committee to proceed with program reviews and develop needed modifying legislation without having to rush its consideration of substantive changes in these programs in order to meet Senate budget deadlines.

Authorization levels have not been specified in either bill as introduced and will be developed as the subcommittee and committee conduct hearings and complete work on the legislation. Hearings are scheduled for tomorrow, and interested groups have been invited to submit their suggestions for the subcommittee's consideration at that time.

I believe these bills represent a prudent and responsible approach and I am pleased to join with Senator KENNEDY in introducing them.

By Mr. GRAVEL:

S. 757. A bill to terminate the airlines mutual aid agreement; to the Committee on Commerce, Science, and Transportation.

AIRLINE MUTUAL AID PACT

Mr. GRAVEL. Mr. President, I am introducing today a bill to abolish the airline mutual aid pact.

In order to understand the full impact of the airline mutual aid pact, it is necessary to place it within the context of the overall thrust of American transportation and labor policy.

From the enactment of the Railway Labor Act in 1926 to the extension of its provisions to the airline industry in 1936, national policy has reflected the unique character and relationship of transportation to the national welfare. Congress has consistently legislated that, while the rights of business and labor must be respected and protected, every effort must be made to avoid strikes and, failing that, to assure that strikes are short in duration.

The major purpose of the Railway Labor Act as stated in section 2(1) is "to avoid any interruption to commerce or to the operation of any carrier engaged therein." The act exerts pressure on both management and labor to make and maintain agreements. Regulation of the industry is far more stringent than it would be under the Taft-Hartley Act or the Wagner Act.

Today, unions are an accepted and integral part of America's social, political and economic life. The bloody disputes between labor and management of 100 years ago that revolved around the railroad, steel, and coal industries will never be repeated. The days of the strike breakers, the mandatory 10-hour day, and the 7-day work week are gone. Sweat shop conditions have been eliminated. Child labor limitations, increased safety standards, minimum wage measures, and laws safeguarding the collective bargaining process are now cornerstones of American rights.

The Federal Government's role in labor negotiations is supplemental, except in wartime. The Congress establishes basic rules, sets minimum standards and assures that in collective bargaining the scales are not unfairly tipped one way or another.

It is against this background that we should view the airline mutual aid pact.

The pact was created in 1958 by the six largest trunkline carriers in the United States—American, Eastern, Capital, Pan Am, TWA, and United. Its original purpose was to provide a source of income from the revenues of pact members to a member whose employees were on strike. These payments, called windfall payments, were modest. They consisted solely of the increased revenues, minus expenses, that accrued to the nonstruck pact members who flew routes that directly competed with the struck member's routes.

These payments were made only when one of the three mechanisms activated the pact. They were: when strikes called by the union were due to demands that exceeded or opposed the recommendations of the Presidential Emergency Board created by the Railway Labor Act; when strikes were called before exhaustion of the prestrike procedures of the act or; in cases of what was nebulously referred to as "otherwise unlawful" strikes.

The pact has undergone radical changes since its creation. The airlines made several liberal additions between 1959 and 1964, including:

First, payments beginning with the onset of any strike;

Second, the addition of "supplemental payments" to "windfall payments."

The combination of these two payments guaranteed the struck carrier a recovery of 25 percent of its normal operating expenses.

In 1969, MAP supplemental compensation was increased to guarantee that such payments, when combined with windfall payments, would total 50 percent of a struck airline's normal operating expenses for the first 2 weeks of a strike; this figure decreased to 45 percent for the third week, 40 percent for the fourth week and 35 percent thereafter until the strike was settled.

In 1970, local service carriers—often referred to as regional carriers—were admitted to the pact.

The Civil Aeronautics Board and the courts have ruled that the mutual aid pact is not illegal. Administrative and judicial remedies have been exhausted. The matter rests in the Congress. We must decide if the continuation of MAP is good public policy and if it treats all involved—the general public, the airlines, and the working man and woman—in a manner consistent with national transportation and labor policy.

The havoc the mutual aid pact wreaks on even the most conservative concepts of collective bargaining is obvious.

Collective bargaining works only when financial hardship forces both sides to an agreement. If the financial pressure is removed from one side, there is no incentive to bargain seriously prior to, or immediately after, contract expiration.

MAP has clearly removed this pressure from the airlines in allowing the payment of up to 50 percent of normal operating costs.

During a strike, airline clerks and machinists may, if strike funds are available, receive $15 and $40 per week respectively. The pilots receive one-fifth of their salary after 1 month of a strike.

On the other hand airlines receive millions of dollars in payment for a strike. My 1975 MAP payments totaled more than $320 million. Payments are so large that airlines can make a profit during a strike.

During the 1970 strike against National Airlines, the carrier showed a net profit of $810,000 due to receipt of $28 million in mutual aid income.

In 1970, Northwest Airlines showed a year-end profit of $44 million despite a 5-month strike by airline clerks. During the walkout, Northwest received $47.3 million in MAP payments.

Northwest also received $43.6 million in payments during a 1972 strike by the airline pilots that lasted 95 days. At the end of the year, the company showed a $17.2 million profit. Clearly, it would not have done as well without the MAP compensation.

In referring to a 1973 TWA strike, TWA Board Chairman C. C. Tillinghast, Jr., stated,

> TWA's profits for 1973 would be better off if the strike were not settled before year end. Should the strike end now, Mutual Aid income would end and all expenses would resume.

TWA received $74.4 million from MAP coffers during the strike.

Ozark Airlines President, Edward Crane, stated on April 26, 1973, that "as a result primarily of the Airline Mutual Aid Pact, we do not anticipate suffering a loss of any significance during the strike."

The airline mutual aid pact has clearly removed the crucial ingredient in the collective bargaining process—the fear of financial loss or disaster—from the airlines. At the same time potential strike benefits to workers are very low.

The pact, therefore, runs counter to American labor policy.

MAP thwarts the goals of national transportation policy as the removal of financial fear from the collective bargaining process has reduced the desire of the airlines to bargain seriously prior to, or immediately after, contract termination. As a result, the duration of airline strikes has lengthened dramatically.

The nonairline work stoppages have averaged between 22 and 27 days since 1958.

Prior to the adoption of the pact, work stoppages in the airline industry averaged 15 days.

From October, 1958—the date of the first strike after the introduction of MAP—until May, 1961, the mean strike duration was 22 days.

Strikes that occurred after the 1962 MAP payment liberalization averaged 27 days. From January 1970, through November 1974, strikes averaged 73 days. If one does not include a 2-day strike

by ALPA against Braniff and the 1-day TWA–TWU strike from the figures, the average for this time period was 102 days.

Work stoppages involving local carriers averaged 117 days between 1970 and 1975.

MAP encourages the type of labor policy that the United States rejected years ago. It makes a mockery of national transportation principles, whose major goal is to encourage conditions that limit the length of strikes.

And, the American public suffers from the lack of airline service.

I am extremely hopeful Congress will abolish the airline mutual aid pact this year.

By Mr. STONE (for himself and Mr. CHILES):

S. 758. A bill to amend the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

Mr. STONE. Mr. President, I am today introducing a bill to assist refugees in our country—persons admitted under section 203(a)(7) of the Immigration and Nationality Act—who desire to become American citizens. The senior Senator from Florida, Mr. CHILES, also joins me in introducing this bill.

Americans have historically welcomed people from other nations who have suffered persecution and abuse because of their political or religious beliefs. I believe that we should also facilitate their full participation in our society and its democratic process.

Many political refugees, coming to our country in search of justice and liberty, have not been able to share in the rewards of American citizenship because they have been unable to learn English. However, such people are generally very much appreciative of justice, freedom and democracy, which were probably lost in the country from which they fled. As a result, many are already U. S. citizens in spirit if not by law.

Section 312(1) of the Immigration and Nationality Act (8 USC 1423) prohibits any person who cannot pass an English literacy test from being naturalized. This bill would amend section 312 by making it possible for political refugees at least 50 years of age having lived a minimum of five years in the United States to take the citizenship exam without being required to pass the literacy test.

It is difficult for most people in their later years to learn a new language. This bill would provide refugees past middle age with the opportunity of integrating themselves more fully in the American way of life. After years of working, paying taxes and living as Americans, it is only fitting that the language requirement, insurmountable to many refugees past middle age, be removed as an obstacle to their obtaining citizenship.

By Mr. JOHNSTON (for himself and Mr. LONG):

S. 761. A bill to extend for 1 year the Rice Production Act of 1975; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. JOHNSTON. Mr. President, today I am introducing a bill in behalf of myself and my distinguished colleague Senator LONG to extend the current rice program for 1 year, rather than the 5 years now contemplated. Last year the Congress passed legislation which drastically changed the rules of the game for rice producers by removing acreage restrictions and developing a "target" approach to rice production. I believe we should wait until the evidence is in on how these changes have affected our rice system before making long-term policy decisions.

We do know that the huge, economically depressing surpluses continue and that some have estimated the carryover will be increased by 10 million hundredweight at the end of the 1976 crop marketing season. At the same time rice acreage for both 1976 and 1977 is estimated to be lower than the 1975 acreage planted in rice. However, the impact of projected production reductions and large carryovers is not known.

Rice is the main staple product for approximately half the world's population. It is also important domestically inasmuch as it is one of the principal cash income crops in at least four States including Louisiana. Over 60 percent of U.S.-produced rice is exported, making rice a significant cash-producing crop, assuredly important to improving our Nation's balance of payments. To develop long-term policies for rice without having all the data in, therefore, is not prudent. It is my sincere hope that we will not act hastily—and possibly unwisely—but will wait until we have the data to make sound, well-based decisions on rice.

By Mr. MATHIAS:

S. 762. A bill entitled "The Congressional Ethics Act of 1977"; to the Committee on Rules and Administration.

THE CONGRESSIONAL ETHICS ACT OF 1977

Mr. MATHIAS. Mr. President, I send to the desk the Congressional Ethics Act of 1977."

For the past 16 years—since my first year as a Member of the House of Representatives in 1961—I have pressed for every Member of Congress, and every candidate for the Congress making a full public disclosure of his or her personal financial situation. I have introduced successive bills to make such disclosure mandatory, and am encouraged by the fact that each year more Senators and Congressmen voluntarily disclose personal financial assets and liabilities.

Financial disclosure can improve the political process. During his Presidency, Thomas Jefferson wrote that when a man assumes a public trust "he should consider himself a public property." This concept has been restated and reaffirmed many times since, most notably by Presidents Roosevelt, Wilson, Eisenhower, and Johnson.

The issue is not a new one to the Congress. In 1951, a committee, chaired by the late Senator Paul Douglas, rated financial disclosure as the single most important piece of legislation that the Congress could enact to lessen the appearance of conflict of interest on the part of public officials. Twenty years later, in November 1971, the Subcommittee on Privileges and Elections of the Senate Rules Committee, under the distinguished chairmanship of Senator CANNON, held hearings on bills which would have provided financial disclosure for Members of Congress and selected officials of the executive and legislative branches.

While testifying before the committee on his bill, S. 343, Senate CASE stated clearly the argument for full disclosure. He said:

> The judgment of the people, I think, will be a real and effective sanction . . . disclosure will help people to elect whom they wish by giving them full knowledge of the personal financial interests of those who present themselves as candidates for election.

We can no longer say that people are rapidly losing confidence in the ability of Congress to set, and conform to, ethical standards. They have already lost their confidence. Moreover, it is now clear that this disillusionment is not limited to the young, but pervades our society. Loss of confidence is the most dangerous and pressing problem facing the Congress today.

I believe that for the most part this attitude of distrust is unfounded. The vast majority of those in Government are hard-working men and women of impeccable integrity. Unfortunately, these people are being stereotyped by the activities of a few.

We are witnessing a continuing drop in participation in the political process by the American people. This is a threat to our representative system because its strength is based upon the consent and participation of the people. The most difficult challenge to this Congress is to restore confidence in our Government and to reverse this trend toward nonparticipation.

There are many methods that can be employed to achieve this goal. We can be more candid and open in our legislative activities. We can be more responsive to our constituents.

We also can do something much more tangible to dispel the attitude of mistrust. We can enact the bill which I offer today.

I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 762

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 11 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"SEC. 225. DISCLOSURE OF FINANCIAL INTERESTS BY MEMBERS OF CONGRESS AND CERTAIN CONGRESSIONAL EMPLOYEES

"(a) Each Member of Congress, each employee of the Congress, and each candidate, shall file annually with the Comptroller General a report containing a full and complete statement of—

"(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from the Member's, employee's, or candidate's spouse of any member of the Member's, employee's, or candidate's immediate family) received by the Member, em-

ployee, or candidate and the Member's, employee's, or candidate's spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by the Member, employee or candidate for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him or her in kind;

"(2) the value of each asset held by the Member, employee, or candidate, or by the Member, employee, or candidate and the Member's, employee's, or candidate's spouse jointly, which has a value in excess of $5,000, and the amount of each liability owed by the Member, employee, or candidate, or by the Member, employee, or candidate and the Member's, employee's, or candidate's spouse jointly, which is in excess of $5,000 as of the close of the preceding calendar year;

"(3) any business transaction, including the sale, purchase, or transfer of securities of any business entity, commodity, real property or any other asset or any interest therein, by the Member, employee, or candidate, or by the Member, employee, or candidate and the Member's, employee's, or candidate's spouse jointly, or by any person acting on the Member's, employee's, or candidate's behalf or pursuant to the Member's, employee's, or candidate's direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds $5,000 during such year; and

"(4) the amount of local, state, and Federal income taxes, and the amount of local and state property taxes paid by the Member, employee, or candidate and the Member's, employee's, or candidate's spouse for the most recent tax year.

"(b) Reports required by this section shall be filed not later than May 15 of each year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon the member the reporting requirements contained in subsection (a) shall file such report on the last day the Member, employee, or candidate occupies such office or position, or on such later date, not more than three months after such last day, as the Comptroller General may prescribe. In the case of a candidate who is not a Member of Congress, the report shall be filed not later than one month after he or she becomes a candidate.

"(c) Reports required by this section shall be in such form and detail as the Comptroller General may prescribe. The Comptroller General may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, or purchases and sales of real property of any individual.

"(d) Whoever willfully fails to file a report required by this section, or knowingly and willfully files a false report under this section, shall be fined $2,000, or imprisoned for not more than five years, or both.

"(e) All reports filed under this section shall be maintained by the Comptroller General as public records which, under such reasonable regulations as he shall prescribe, shall be available for inspection by members of the public.

"(f) For the purposes of any report required by this section, an individual shall be considered to have been a Member of Congress or an employee of the Congress during any calendar year if that person served in such position for more than six months during the calendar year.

"(g) As used in this section the term—

"(1) 'income' means income from whatever source derived;

"(2) 'security' means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

"(3) 'commodity' means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2);

"(4) 'Member of Congress' means a Senator, a Representative, a Resident Commissioner, or a Delegate;

"(5) 'employee of the Congress' means a congressional employee, as defined in paragraph (1), (2), (3), or (5) of section 2107 of title 5, United States Code, who is compensated at a rate in excess of $22,000 per year;

"(6) 'immediate family' means the child, parent, grandparent, brother, or sister of an individual, and the spouse of such persons; and

"(7) 'candidate' means an individual who seeks nomination or election as Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States. An individual shall be deemed to seek nomination for election, or election, to Federal office if he has—

"(a) taken the action necessary under the law of a State to qualify himself for nomination for election, or election; or

"(b) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office."

(b) The table of sections for such chapter 11 is amended by adding at the end thereof the following item:

"225. Disclosure of financial interests by Members of Congress and certain congressional employees.".

(c) The chapter analysis for title 18, United States Code, is amended by striking out the item relating to chapter 11 and inserting in lieu thereof the following:

"11. Bribery, graft, and conflicts of interest.".

By Mr. ALLEN:

S.J. Res. 25. A joint resolution proposing an amendment to the Constitution of the United States with respect to the terms of office and method of selection of judges of the Federal courts; to the Committee on the Judiciary.

REFORMING THE METHOD OF SELECTION OF FEDERAL JUDGES

Mr. ALLEN. Mr. President, I take this occasion to introduce a Senate joint resolution proposing an amendment to the Constitution of the United States relating to the subject of appointments and terms of office of Justices of the U.S. Supreme Court and of all judges of inferior courts created by Congress under provisions of article III of the Constitution.

Mr. President, I ask unanimous consent that the proposed resolution be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I introduced this proposed resolution in the first session of the 92d Congress as Senate Joint Resolution 38 and again in the 94th Congress as Senate Joint Resolution 175. Related reform measures, such as Senate Joint Resolution 16 of the last Congress, have been from time to time introduced by my distinguished colleague and friend from Virginia, Senator HARRY BYRD, and I have fully supported him in his efforts. Mr. President, neither my resolutions nor measures proposed by Senator BYRD have yet to be adopted or frankly, ever seriously considered; however, I feel events have occurred over recent months and years which ought to lead many Senators to the opinion that the time has now come for very serious consideration and adoption of this resolution or of a similar proposal.

In the years since I first introduced the amendment I am again proposing, the Supreme Court and the other courts of the Federal judiciary have become increasingly bold in the exercise of power in areas heretofore thought to be solely within the domain of the legislative or executive branch. In some unfortunate instances, Federal district court judges have behaved in a manner resembling political commissars or local potentates. Unmindful of the wishes of the people, they have been rightly accused of usurping the rights and power of both State and local government. Not answerable to the people, they have behaved imperiously and arbitrarily.

The Supreme Court itself has done little or nothing to curb the excesses of certain of the judges of the inferior courts of the Federal system. In fact, the Supreme Court has itself in radical departures from accepted legal principle mandated sweeping social change not endorsed by the people or the people's elected representatives. This situation can no longer be tolerated. The growing tyranny of the Federal courts must be checked. The judges of Federal courts must be made the servants of the people and not their masters.

Mr. President, there is unfortunately no difficulty in finding examples of Federal usurpation of the rights and prerogatives of the other branches and divisions of Government nor is there any dearth of examples of judicial arrogance and abuse of power, but to illustrate my point, I would nevertheless particularly call to the attention of the Senate the action of an obscure Brooklyn Federal judge which in practical effect caused to be appropriated from the Treasury of the United States money for a purpose not authorized—and, in fact, specifically forbidden—by Congress. I am referring, Mr. President, to the recent decision of Federal District Judge John Dooling which purports to enjoin the decision of the Congress not to appropriate Federal funds for welfare abortions. Senators recall the heated debate in the Senate and in the House prior to adoption of the Hyde amendment, and no one—notwithstanding a Senator's personal opinion on the merits of the amendment—no one would deny that the amendment was validly adopted by the Congress and was signed into law by the President, thus becoming an expression of the will of the people of the United States to the clear effect that funds from the Treasury of the United States were not appropriated for the purpose proscribed.

I had always understood, Mr. President, that the Congress was given exclusive power under the Constitution to appropriate money and, in fact, that appropriation bills were required to originate in the House presumed to be most in

touch with the wishes of the people—the House of Representatives. Yet one Federal judge, unheard of and unelected, has arrogated to himself the authority to appropriate money from the Treasury for a purpose he presumably deems proper and wise. Now, Mr. President, that sort of judicial usurpation has got to be brought to a halt, and my resolution will insure that the Judge Doolings of the country are made promptly to realize the limits on their authority. For that purpose, Mr. President, I am once again offering this day my resolution, and I ask its careful and serious study by Senators; I ask for hearings in the Committee on the Judiciary; and thereafter I urge its adoption.

In print, the amendment may appear to some to be complicated. In fact, it is quite simple and the thrust and objectives of the proposed amendment can be stated in clear and precise terms.

First, the proposed amendment provides that Justices of the U.S. Supreme Court be appointed in the same manner as now but that they shall serve for terms of 8 years subject to reappointment and reconfirmation by the Senate for succeeding terms of 8 years.

Second, the proposed amendment provides that all judges of all U.S. inferior courts shall be appointed in the same manner as now but shall serve for terms of 6 years and subject to reappointment and reconfirmation for succeeding terms of 6 years with the following exception:

Judges of U.S. district courts would not be appointed in the same manner as now. Instead they would be elected by the qualified voters of the district within which the respective district courts are situated and subject to reelection for succeeding terms of 6 years.

Third, Congress is empowered to stagger the terms of office of all of the judgeships to which the proposed amendment applies, as nearly as may be practicable, in such a manner as to assure that one-third of the judges of inferior courts shall terminate every second year.

With further reference to judges of inferior courts, Congress is authorized to provide, as nearly as may be practicable, in such a manner as to assure that one-fourth of the judges of the Supreme Court and one-third of the judges of inferior courts shall terminate every second year.

With further reference to judges of inferior courts, Congress is authorized to provide, as nearly as may be practicable, that one-third of those who are elected to office and one-third of those appointed to office shall terminate in the same year.

Naturally, in order to implement the above provisions, Congress is empowered to prescribe by law the time at which judges of the Supreme Court and inferior courts shall first take office under the provisions of this proposed amendment and to further prescribe initial terms of office which are shorter than terms of 8 and 6 years as the case may be.

Mr. President, it is not my purpose to elaborate further on the compelling reasons which justify this proposed amendment. It is sufficient to say that the U.S. Supreme Court and inferior Federal courts have assumed legislative and executive powers and functions and that it is imperative that this situation be corrected. It is imperative that any agency of Government which exercises legislation or executive powers of Government be made responsible to the people or to elected representatives of the people. This amendment, if adopted, would accomplish this purpose.

Mr. President, again let me say, with reference to some of the changes which have taken place in our Nation, I dare say that none has been more profound than the change resulting in the gradual accretion of powers in the U.S. Supreme Court to the extent that judicial, legislative, and executive powers and functions are exercised by the single nonelective and nonresponsive branch of Federal government. The combination of such powers in one branch of government is despotic by definition and is judicial despotism in its practical effect. I cannot believe that despotism or despotic government is a wholesome change or one that should be longer tolerated.

Mr. President, the proposed amendment which I have introduced will go a long way toward correcting the problem. In my judgment, it may take two decades to restore our judicial system to sound constitutional principles. Let us begin now.

The proposed resolution follows:

S. J. RES. 25

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Notwithstanding the provisions of the second sentence of section 1 of article III of the Constitution relating to the terms of office of judges of the United States, each judge of the Supreme Court shall hold office for a term of eight years. Each judge of an inferior court established by the Congress under such section 1 shall hold his office for a term of six years.

"SEC. 2. Notwithstanding the provisions of the second sentence of section 2 of article II of the Constitution, each judge of each United States district court shall be elected by the persons within the judicial district within which such court is situated who are qualified to vote for members of the legislature of the State in which such court is situated.

"SEC. 3. The Congress shall provide by law a division of all the judgeships to which this article applies so that, as nearly as may be practicable, the terms of office of one-fourth of the judgeships of the Supreme Court, and one-third of the judgeships of inferior courts, shall terminate every second year. Such division of the judgeships of the inferior courts shall be made in such a manner that, as nearly as may be practicable, the terms of office of one-third of the judges of any class of inferior courts who are appointed to office, and one-third of the judges of inferior courts who are elected to office, shall terminate in the same year. Whenever a vacancy occurs in any judgeship, because of the death, resignation, retirement, or removal from office of the judge holding such judgeship, his successor shall be chosen for the remainder of his term in the same manner in which he was chosen.

"SEC. 4. Judges holding office under section 1 of article III of this Constitution on the date of ratification of this article shall continue in office until their successors have been appointed or elected and have qualified for office under this article.

"SEC. 5. The Congress may carry this article into effect by appropriate legislation. The Congress shall prescribe by law the time at which the judges of the Supreme Court and of each inferior court shall first take office under this article. To carry into effect the provisions of section 3 of this article, the Congress may prescribe for the judges of each such court who first take office under this article terms which are shorter than the terms prescribed by section 1 of this article.".

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. DOLE, the Senator from Maryland (Mr. MATHIAS), the Senator from Montana (Mr. MELCHER), the Senator from North Dakota (Mr. YOUNG), and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of S. 8, to amend the Watershed Protection and Flood Prevention Act.

S. 12

At the request of Mr. DOLE, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 12, to extend the rural community fire protection program.

S. 32

At the request of Mr. KENNEDY, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor to S. 32, Continuing Education in Science and Engineering Act.

S. 120

At the request of Mr. ABOUREZK, the Senator from California (Mr. CRANSTON) and the Senator from Colorado (Mr. HASKELL) were added as cosponsors of S. 120, to amend the Disaster Relief Act of 1974.

S. 170

At the request of Mr. HUMPHREY, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 170, the Comprehensive Youth Employment Act of 1977.

S. 236

At the request of Mr. ABOUREZK, the Senator from Alabama (Mr. ALLEN) was added as a cosponsor of S. 236, to amend the Veterans Education and Employment Assistance Act of 1976.

S. 240

At the request of Mr. DOLE, the Senator from Maryland (Mr. MATHIAS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from New Mexico (Mr. SCHMITT), the Senator from North Dakota (Mr. ABOUREZK), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 240, to amend the Soil Conservation and Domestic Allotment Act.

S. 245

At the request of Mr. THURMOND, the Senator from Montana (Mr. MELCHER) and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 245, to amend title 5, U.S. Code.

S. 248

At the request of Mr. DOLE, the Senator from Maryland (Mr. MATHIAS) and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 248, to establish a National Agricultural Research Advisory Board.

S. 261

At the request of Mr. KENNEDY, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 261.

S. 297

At the request of Senator PACKWOOD from Oregon, the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. HANSEN), the Senator from Utah (Mr. GARN), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 297, a bill to label imported products and to improve their wholesomeness.

S. 317

At the request of Mr. MCGOVERN, the Senator from Oregon (Mr. HATFIELD) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of S. 317, to provide service pensions to World War I veterans and their widows.

S. 322

At the request of Mr. ABOUREZK, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 322, to authorize, under certain circumstances, payments to producers of certain agricultural commodities who are unable to plant all or a portion of their allotment for such commodities or who are unable to harvest more than one-third of their allotments for such commodities because of a natural disaster or condition beyond the control of such producers.

S. 323

At the request of Mr. ABOUREZK, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 323, to amend subtitle C of the Consolidated Farm and Rural Development Act to reduce the rate of interest on emergency loans made under such subtitle, to increase the term of such loans, and for other purposes.

S. 371

At the request of Mr. ABOUREZK, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 371, to establish a farm training adjustment program for farmers whose farming operations are adversely affected by a natural disaster.

S. 372

At the request of Mr. ABOUREZK, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 372, to assist farmers and ranchers to replace foundation herds of cattle such farmers and ranchers are forced to sell as the result of natural disasters.

S. 375

At the request of Mr. BELLMON, the Senator from Oklahoma (Mr. BARTLETT) and the Senator from New Hampshire (Mr. MCINTYRE) were added as cosponsors of S. 375, to amend the Wild and Scenic Rivers Act of 1968.

S. 408

At the request of Mr. DOLE, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 408, relating to benefits to former employees of county committees.

S. 411

At the request of Mr. PROXMIRE, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 411, the Neighborhood Preservation Act of 1977.

S. 417

At the request of Mr. PROXMIRE, the Senator from Illinois (Mr. PERCY) and the Senator from Maryland (Mr. MATHIAS) were added as cosponsors of S. 417, the National Neighborhood Policy Act.

S. 497

At the request of Mr. DOLE, the Senator from Nebraska (Mr. CURTIS), the Senator from North Dakota (Mr. YOUNG), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 497, to amend the Federal Crop Insurance Act.

S. 519

At the request of Mr. MCGOVERN, the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. CHILES), the Senator from Maryland (Mr. SARBANES), and the Senator from Florida (Mr. STONE) were added as cosponsors of S. 519, to amend the Older Americans Act of 1965.

S. 551

At the request of Mr. HUMPHREY, the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Alaska (Mr. GRAVEL), the Senator from Arizona (Mr. DECONCINI), and the Senator from Maryland (Mr. SARBANES) were added as cosponsor of S. 551, a bill to provide for grants to States for the payment of compensation to persons injured by certain criminal acts and omissions, and for other purposes.

S. 672

At the request of Mr. HUMPHREY, the Senator from North Dakota (Mr. YOUNG), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Nevada (Mr. CANNON) were added as cosponsors of S. 672, a bill to provide for the procurement by the General Services Administration of existing solar energy devices for use in Government buildings.

S. 674

At the request of Mr. CURTIS, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 674, the Sugar Act Extension of 1977.

SENATE RESOLUTION 70

At the request of Senator PACKWOOD, from Oregon, the Senator from New Mexico (Mr. DOMENICI), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors to Senate Resolution 70, to make the CONGRESSIONAL RECORD a verbatim transcript of Senate proceedings.

AMENDMENT NO. 42

At the request of Mr. METCALF, the Senator from Montana (Mr. MELCHER), the Senator from South Dakota (Mr. MCGOVERN), the Senator from South Dakota (Mr. ABOUREZK), the Senators from Kentucky (Mr. HUDDLESTON and Mr. FORD), the Senator from Alaska (Mr. GRAVEL), and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of Amendment No. 42, intended to be proposed to S. 11, a bill to provide additional district court judges.

AMENDMENTS SUBMITTED FOR PRINTING

KENNEDY CENTER ACT—S. 521

AMENDMENT NO. 43

(Ordered to be printed and to lie on the table.)

Mr. SCHMITT. Mr. President, on behalf of the Senator from Idaho (Mr. MCCLURE), I submit an amendment for printing to S. 521, the Kennedy Center bill, and I ask unanimous consent that a statement prepared by Senator MCCLURE be printed at this point in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

STATEMENT BY SENATOR MCCLURE

Mr. President, the amendment authorizes $4.5 million for repairs to the Kennedy Center, the same amount authorized in the bill as reported, S. 521. The amendment differs from the bill by authorizing the appropriation directly to the Secretary of the Interior, acting through the National Park Service. In contrast, S. 521 as reported authorizes repair funds to the Board of Trustees of the Kennedy Center, with direction to the Park Service to perform the work.

Mr. President, appropriation directly to the Park Service will avoid potential delay in beginning emergency repairs, due to the necessity of obtaining an appropriation to the Board.

The amendment would also authorize to the Park Service an additional sum of $3.7 million, for ordinary operation and maintenance of non-performing arts functions of the Kennedy Center for fiscal year 1978. Current authorization for this function expires with the current fiscal year and it will be necessary to extend this authorization.

NOTICE OF HEARINGS

COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I wish to give notice that a public hearing has been scheduled for Wednesday, March 2, 1977, at 10:30 a.m., in room 2228 Dirksen Senate Office Building, on the following nominations:

Wade H. McCree, Jr., of Michigan, to be Solicitor General of the United States vice Robert H. Bork, resigned.

Barbara A. Babcock, of California, to be an Assistant Attorney General (Civil Division) vice Rex E. Lee, resigned.

Benjamin R. Civiletti, of Maryland, to be an Assistant Attorney General (Criminal Division) vice Richard L. Thornburgh, resigning.

Drew S. Days, III, of New York, to be an Assistant Attorney General (Civil Rights Division) vice J. Stanley Pottinger, resigning.

Daniel J. Meador, of Virginia, to be an Assistant Attorney General (Office for Improvements in the Administration of Justice) vice A. William Olson, Jr., resigned.

Patricia M. Wald, of Maryland, to be an Assistant Attorney General (Office of Legislative Affairs) vice Michael M. Uhlmann, resigned.

Any persons desiring to offer testimony in regard to these nominations, shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.

SUBCOMMITTEE ON OCEANS AND INTERNATIONAL ENVIRONMENT

Mr. SPARKMAN. Mr. President, I wish to announce that there will be a meeting of the Subcommittee on Oceans and International Environment of the Committee on Foreign Relations on Thursday, March 31, 1977, at 10 a.m. in room 4221 of the Dirksen Senate Office Building to receive testimony from executive branch and public witnesses on Senate Resolution 49, expressing the sense of the Senate that the U.S. Government should seek the agreement of other governments to a proposed treaty requiring the preparation of an International Environmental Impact Statement for any major project, action, or continuing activity which may be reasonably expected to have a significant adverse effect on the physical environment or environmental interests of another nation or a global commons area.

The hearing on this resolution, which was previously scheduled for Wednesday, February 23, has been cancelled.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing, and Urban Affairs will hold 3 days of hearings, on March 2, 3, and 4, 1976, on authorizations for major housing and community development programs.

The hearings will be concerned primarily with authorization levels to be recommended for inclusion in the Congressional Budget. Additional hearings will be held in April prior to reporting major housing and community development legislation.

The hearings will be held in room 5302, Dirksen Senate Office Building, and will begin at 10 a.m. each morning.

NOMINATION OF SAMUEL WINFRED BROWN, JR. TO BE DIRECTOR OF THE ACTION AGENCY

Mr. WILLIAMS. Mr. President, I wish to announce that the Committee on Human Resources has scheduled a hearing on Thursday, February 24, 1977, at 11:15 a.m. in room 4232 Dirksen Senate Office Building, on the nomination of Samuel Winfred Brown, Jr. of Colorado to be Director of the ACTION Agency.

Persons wishing to testify or submit statements, please contact Lisa Walker of the Committee staff.

ADDITIONAL STATEMENTS

PANAMA CANAL NEGOTIATIONS

Mr. THURMOND. Mr. President, a column appeared Saturday, February 19, 1977, in the Washington Post written by Jack Anderson and Les Whitten entitled "Report Could Upset Panama Talks."

The column refers to a report prepared by Representative JOHN M. MURPHY, Democrat, of New York, about torture and murder of opponents in Panama of the current military dictator, Omar Torrijos.

As I have warned in the past, the United States is making a serious mistake by attempting to negotiate a treaty on the Canal with a government which was not freely chosen by the people of Panama.

Further, this particular government has denied its citizens many of the basic political and human rights promoted by President Carter.

By negotiating a treaty with Torrijos the Carter administration is giving more power to the current Panamanian government which Congressman MURPHY's report claims has tortured and murdered up to 32 political opponents.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(By Jack Anderson and Les Whitten)

REPORT COULD UPSET PANAMA TALKS

The United States must soon decide whether to give up the Panama Canal Zone, a colonial strip that is offensive to all Latin America.

We warned on Nov. 20, citing secret intelligence reports, that the canal issue was a "ticking time bomb" about to explode.

President Carter gave it top priority after he took charge of foreign affairs. He dispatched a crack negotiating team, headed by the veteran diplomat Ellsworth Bunker, to Panama this week. Its secret instructions are to seek a reasonable formula that will permit the United States to relinquish sovereignty over this strip of Panamanian territory.

But there are some flies in the diplomatic ointment. Ominous cracks have appeared, for example, in the Panamanian economy. Dictators habitually try to divert public attention from their domestic failures by stirring up emotional issues. There is concern that Panama's military dictator, Omar Torrijos, might forego a reasonable settlement and use the canal as a political issue.

Carter, for his part, has pledged to restore morality to U.S. foreign policy and to take a stand against nations that abuse human rights. He has just received a confidential report from Rep. John M. Murphy (D-N.Y.) about torture under Torrijos. Murphy pointedly urged the President not to surrender the Panama Canal until the allegations have been cleared up.

The disturbing report, written and translated in Panama under extreme duress, was smuggled out of the country. Some of its allegations have been confirmed by diplomatic sources.

The report charges that Torrijos' political opponents have been shot, drowned, beaten, sexually abused and electrically shocked. It names 32 persons who allegedly have been murdered by the Torrijos government.

For example, a Roman Catholic priest, Hector Gallegos, was arrested by the Panamanian National Guard in June, 1971. He had been organizing agricultural cooperatives in his impoverished parish. Apparently he found himself working against the interests of some local relatives of the Panamanian dictator. Diplomatic sources confirm that Gallegos has not been heard from since.

"The usual pattern," states the report, "is that a person is arrested without a warrant and without accusation, and then the authorities deny any knowledge of their whereabouts. Sometimes the victim is released after questioning or torture or both, and sometimes nothing more is heard about the victim."

The state police seldom allow relatives to claim the victims' abused bodies. But the report alleges that four bodies—those of student Marlene Mendizabal, student Dorita Moreno, lawyer Ruben Miro and Eduardo White—were recovered and showed evidence of torture.

There are no individual rights in Panama, where, the report alleges "the unwarranted search of homes by the military police is an everyday happening." The report includes affidavits and details about the torture that is inflicted.

It also charges, as we reported in 1973, that members of Torrijos' family are involved in international narcotics smuggling.

The allegations could upset the delicate negotiations for a new Panama Canal treaty.

Footnote: A Panamanian embassy spokesman said the charges were fabricated by American opponents of a new canal treaty and Panamanian opponents of the Torrijos regime. He invited us to visit Panama to see whether there is torture, an invitation we will be happy to accept if we can be guaranteed access, unannounced, to any prisons we wish to inspect, without government escort. Only proven terrorists, agitators and subversives have been exiled rather than being jailed, said the spokesman.

TRIBUTES TO SENATOR ABOUREZK

Mr. MCGOVERN. Mr. President, some time ago our colleague and my friend, the junior Senator from South Dakota, anounced his intention not to seek reelection when his current term expires. It was a decision which took courage and conviction. All of us in this body know, as do many in South Dakota and the rest of the country, that JIM ABOUREZK has never been found lacking in those two qualities.

His announcement was noted with regret and understanding. I ask unanimous consent that the editorial from the South Dakota State University Collegian of January 26, 1977, my hometown of Mitchell's South Dakota Daily Republic, of the same day, and the Memphis, Tenn., Press Scrimitar of January 27, 1977, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the South Dakota State University Collegian, Jan. 26, 1977]

LOSS OF SEN. ABOUREZK WILL HURT SOUTH DAKOTA

South Dakotans should be saddened by the announcement earlier this week by Sen. James Abourezk that he will not seek reelection in the 1978 general election.

Abourezk represents a voice heard far too few times in the nation's capitol. A voice which calls for changes that are desperately needed; a voice which cannot be stilled by criticism; a voice that is heard and respected by other Congressmen—something that will most likely not be achieved by his successor.

America and South Dakota need such a voice during these trying times.

Too few Congressmen have had the guts to call for a moratorium on nuclear power plants; too few Congressmen have had the guts to stand above petty politics; too few Congressmen have had the guts to fight for Indian rights; and far too few Congressmen have had the guts to support the environment as Jim Abourezk has.

He has served South Dakota well. As one farm lobbyist put it, "He has always been an outspoken supporter of the family farm-

er." The fact is, Jim Abourezk has always been an outspoken supporter of South Dakota and the United States.

Abourezk may be a prime example of a pure, untarnished South Dakotan. Born of immigrant stock, he knows the problems of the underprivileged. Raised in a rural community, he knows the effects of a drought on an agricultural economy. And being a South Dakotan, he stands behind what he believes and says—with a word that can be trusted.

His concern for his family is also typically South Dakotan. Not many politicians would give up such a promising career for their families. His background has taught him the importance of family and heritage. His statement that he was not "the least bit reluctant" about his decision demonstrates the importance his family holds in his life.

South Dakota and the nation will sorely miss Jim Abourezk. Fortunately, he does have two years remaining in which to carry on his fine job. But it will be with a saddened heart that we bid him farewell in 1978.

We wish him the best of luck in the future and thank him for all he has done—for South Dakota and for America.

[From the Daily Republic, Mail, Jan. 26, 1977]

ABOUREZK—A COMMITMENT FULFILLED

Sen. James Abourezk's announcement Monday that he will not seek re-election to that position opens the door for an even more interesting political season in 1978.

The Abourezk decision will leave Republicans and Democrats alike scrambling for a shot at the prestigious political plum.

What the general public and political experts rush to uncover, is Abourezk's ulterior motive in his decision.

But from here, we can see nothing about Abourezk's announcement that was anything but a sincere explanation of his desire to be closer to his family and practice his legal profession.

Abourezk has been and will continue in the next two years to be a credit to his political profession and a compliment to the people of South Dakota for choosing him for a position of extreme importance.

He has been a tireless worker for the good of South Dakota and for the good of a nation. In particular, he has recently been cited by both the State Dept. and the National Security Council for his efforts in keeping some Middle East nations from raising their oil prices. With that bipartisan praise, there can be no question that his efforts were recognized as a value to this country regardless of which side of the aisle was making the observation.

Abourezk is regarded as a popular senator partially because of his down-to-earth approach of running his office. He has been a responsive senator and no doubt will continue to be just that in the next two years.

As Americans, we find it hard to accept the fact that someone who has had success in political office would step away from it without much reluctance and offer the simple explanation that his family is more important. But for those who know Jim Abourezk, they can easily understand that he is a man of commitment and a man of sincerity.

It takes a certain breed of politican and a special type of person to leave office while he is ahead. This is what Abourezk will be doing, knowing that he has done his best to fulfill his only promise he made to his constituents in the 1972 campaign . . . "Work hard and do the best I can to serve the people of South Dakota."

[From the Memphis Press-Scrimitar, Jan. 27, 1977]

A SENATOR OPTS OUT

One of the nicest things that happened at the opening of Congress this year was the announcement by Sen. James Abourezk, D-S.D., that he will not seek re-election to a second term in 1978.

We say this not because we have anything against Abourezk, but because of admiration for the thoughts he expressed as he announced out. Abourezk, who is only 45, and might be expected to run again and again, said:

"I came into politics with the idea that I had a contribution to make. I never had the idea that I should perpetuate myself in office.

"I realize that it has become normal procedure for those successfully elected to office to run term after term. The temptation is great, and few are able to resist it. But I've never believed that I am indispensable."

Finally he pointed out that his work in the Senate had caused him to neglect his children and wife. He chose duty to family over politics. Altogether as graceful an exit as it is rare.

DISTURBING EARLY SIGNALS TO MOSCOW

Mr. GOLDWATER. Mr. President, how do the men in the Kremlin view the new Carter administration? This is an extremely important question because in a period of transition, powerful nations watch each and every move for indications of what kind of policy will be forthcoming in the future. It strikes me that Moscow must be overjoyed at some of the signals which are going up from Washington at the present time. It certainly must be satisfying to the Soviets when they see repeated pledges by the Carter administration to reduce defense expenditures, to cut down on arms sales to our allies, and to push for restrictions on nuclear testing with no mention of on-site inspections.

Mr. President, I am concerned about the signals which Moscow is receiving at the present time and I would like to offer the appraisal of one our Nation's most important military spokesmen, Lt. Gen. Ira C. Eaker, U.S. Air Force, retired, on this subject. Therefore, I ask unanimous consent that a recent newspaper column by General Eaker, entitled "Disturbing Early Signals to Moscow," be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

DISTURBING EARLY SIGNALS TO MOSCOW

(By Lt. Gen. Ira C. Eaker, USAF, retired)

How does our number one potential adversary now view the new administration in Washington? That is a critical question for the next four years. Our national security may depend on the answer.

The first official act of President Carter must have been a pleasant surprise to the Politburo. When he pardoned the draft dodgers, Moscow realized that this would increase the divisiveness in the U.S. and make it difficult, if not impossible, for the U.S. to raise the necessary military manpower for adequate U.S. defense forces in the future.

Next, Vice President Mondale's mission to our Free World allies included a strong plea to curtail arms sales. If Mondale could give assurance that the U.S. would reduce arms sales and influence Britain, France and other NATO allies to follow suit, Arab and Third World nations would be forced to turn to Russia for weapons. Middle East and African nations prefer U.S. weapons because they are better and cheaper. Next they prefer British and French weapons, but if these are not available, Russia is always glad to oblige.

U.S. arms sales are now running at about $10 billion annually, largely to the Arab nations. This is very fortunate as it helps to offset the quadrupled price of OPEC oil. But if the U.S. foolishly fails to seize this opportunity, Russia will promptly accept its good fortune.

Then, there is President Carter's evident desire to reach SALT agreements as soon as possible, coupled with his expressed determination "to banish all nuclear weapons from the earth." The Kremlin was undoubtedly surprised that there was no mention of on-site inspections to confirm compliance. This signals Moscow that any agreement can be made with impunity, since Russia will be trusted for good faith and compliance. The Kremlin will perceive this as a license to cheat.

President Carter's designation of U.S. unilateral disarmament advocates and confirmed pacifists to conduct our disarmament negotiations also undoubtedly meets with Soviet elation. They probably can scarcely believe their good fortune.

Perhaps the most welcomed signal the Kremlin has received from the new leadership in Washington is its determination to reduce the U.S. defense budgets. The Politburo had undoubtedly feared that the Carter cabinet might be apprehensive about recent findings of the U.S. intelligence community that Russia plans military superiority. This was a logical conclusion since they have been outspending the U.S. by 40% on military forces for several years, long after achieving parity. If this does not fill U.S. leadership with apprehension, that is very good news in Moscow.

The recent renewal of Panama Canal negotiations, the plan for increased trade with Cuba and the prospect that Hanoi will be given U.S. aid are also encouraging to Kremlin leadership.

Ambassador Dobrynin's complaint to Secretary of State Vance about our warning on the treatment of Sakarov and other Soviet dissenters may also be significant. All the details on this exchange may not have been revealed despite the repeated promise of "open diplomacy."

After the agreeable surprise of naming a cabinet more experienced and able than feared, subsequent appointments have been mainly leftists or liberals.

On balance, during the early days of the Carter presidency, Washington's signals must be gratifying to Moscow.

EQUAL OPPORTUNITIES FOR THE HANDICAPPED

Mr. RANDOLPH. Mr. President, on February 7, 1977, our able colleague from Iowa (Mr. CULVER) testified before the Subcommittee on the Handicapped during oversight hearings on legislation to aid the physically handicapped and the mentally retarded. Senator CULVER's eloquent statement focused on one aspect of human development that is often neglected in the daily lives of the handicapped—the opportunity to participate in sports and recreation. Senator CULVER has had extensive experience as a member of the President's Commission on Olympic Sports which explored closely athletic activities for disabled Americans. He presented vital recommendations for improving Federal programs in this area.

It is a privilege to have this opportunity to share Senator CULVER's effective comments with the Members of the Senate.

Mr. President, I express genuine appreciation and commendation to the Senator from Iowa (Mr. CULVER) and ask

unanimous consent that his testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD as follows:

TESTIMONY OF SENATOR JOHN C. CULVER BEFORE THE SUBCOMMITTEE ON THE HANDICAPPED

Mr. Chairman and members of the subcommittee, I am pleased to open this hearing examining the problems of attaining equal rights for the handicapped. I know that the chairman is widely respected and recognized for his support of the Nation's handicapped citizens, and I appreciate the opportunity to testify.

Mr. Chairman, in 1975, I was appointed to the President's Commission on Olympic Sports. As a member of the commission, I chaired hearings which received testimony from representatives of the many programs designed to provide opportunities for handicapped persons to compete in athletics at the local, national and international level. It is to this subject that I wish to address my comments today.

I think you will agree that in order for handicapped persons to become a total part of society, they must have the opportunity to participate in all aspects of a community's lifestyle. And recreation is surely an integral, important part of day-to-day existence.

Participation in recreation can assist the disabled in living with dignity and in functioning as independently as possible. It can also accelerate the integration of handicapped persons in a community, reducing isolation and stigma. And participation in recreation can be a major factor in the rehabilitation of an individual. It can be argued that in some instances, the provision of recreation services is the most important concern of handicapped individuals since many are confronted with enforced leisure, either as a result of their disability or continuing discrimination in the job market.

Approximately 35 million adults and children are handicapped—10 percent of the American population. While innovative and creative recreation programs are being conducted in some areas, the sad fact is that they are estimated to serve only 5 percent of the national handicapped population. This means that fewer than 2 million of our handicapped citizens can adequately participate in the cultural, recreational and leisure life of their respective communities. In rural areas, non-participation is likely to be much worse. According to Dr. John Nesbitt, chairman of the recreation education program at the University of Iowa, "Iowa's rural community make-up is causing handicapped participation in recreation to be even lower than 5 percent".

The underlying question is—whether all our Nation's people will be able to participate in the full social life of our country or whether nearly 35 million handicapped citizens will be left behind?

I believe that the compassion of the American people will answer that question in the affirmative. I hope that we do not lack the will: but existing programs do not adequately provide the means. I hope that by identifying some problems in the provision of recreation opportunities to the handicapped, I will assist this subcommittee in its efforts to evaluate and improve legislation on this subject.

Mr. Chairman, four problems plague the availability of recreational programs for the handicapped.

First, too many programs suffer from a lack of adequate funding and trained leadership.

Second, too many programs lack coordination and public awareness.

Third, too many programs still operate on a segregated basis which tends to perpetuate the concept that handicapped people are different and unable to participate in the "mainstream" of life.

Fourth, too many implemented programs are not given adequate administrative review.

First, with regard to funding. We can and should increase federal support of recreation services for handicapped individuals. I know that there can never be enough money to do all that one would like. However, because greater participation is blocked by inadequate financial assistance, this is a critical and continuing problem. Inadequate support of coaching and training for both novice and accomplished disabled athletes is a significant aspect of the funding problem. Although the federal government has increased its support of recreation services for handicapped persons, many of these additional dollars go almost exclusively to research and demonstration. Federal assistance to states for training of special recreation teachers under the Education of the Handicapped Act has grown from $150,000 in 1969 to $1 million in 1976. But this is still only 2 percent of the total Handicapped Act appropriation. Additional emphasis needs to be placed on training programs.

No reliable figures exist on the number of qualified coaches and trainers for the handicapped. And there are few career opportunities or certification programs in this area. Therefore, much of the training that the handicapped receive is done on a volunteer, non-expert basis. Even coaches of most able-bodied athletes are not trained to deal with the problems of the physically handicapped or mentally retarded. I believe that federal assistance in this area can be more effectively utilized and I would urge the subcommittee to carefully examine this problem during its deliberations.

My second point, Mr. Chairman, is that we need to develop an increased awareness of handicapped needs and capabilities. An increased awareness leads to improved coordination between all programs for the handicapped. And currently, there is, in many instances, little cooperation, coordination or communication among these handicapped groups, even those serving the same populations. This lack of awareness, for example, can mean insufficient knowledge of a new adaptive or prosthetic device which enhances the athletic abilities of a physically handicapped individual. Lack of communication also isolates individuals and groups, leading them to believe that not enough effort is being made in their behalf. Finally, failure to communicate and coordinate can result in duplications of effort, as well as competition for funding and facilities.

Mr. Chairman, I believe we can improve conditions for handicapped individuals by developing more effective outreach programs. For instance, handicapped individuals could learn about programs in their communities by advertisements, commercials, newspaper items or other possible media means. I would urge the subcommittee to examine ways for developing outreach capability.

My third point deals with segregation. There seems to be an ever-growing philosophy that handicapped individuals are interested only in programs specifically for the handicapped. It has been my experience that the handicapped person really wants integration into society—not segregation. Segregated programs and facilities needlessly delay a disabled person's incorporation into the mainstream of life. While special programs can be used effectively to prepare individuals for taking part in regular programs, they by no means should be the sole opportunity. But in order for a handicapped person to use recreational facilities, they must be accessible.

Mr. Chairman, we need to establish a vehicle to ensure accessibility and equality of opportunity in all aspects of athletics and recreation for handicapped individuals.

Major efforts are needed to enforce all legislation concerning the elimination of architectural barriers at national, state and local levels. More thought must go into the development of accessible recreation and park facilities; information regarding accessible and barrier-free recreation programs needs to be readily available for and broadly distributed to recreation planners. All existing buildings and facilities must be made accessible and new buildings should incorporate barrier-free designs. I am aware, Mr. Chairman, that legislation has been passed that would require all new buildings constructed with federal funds to be barrier-free, but there is still widespread non-enforcement of the law—which brings me to the fourth point—ensuring that laws passed by the Congress are carried out.

Mr. Chairman, our government is a government for all our people. Nowhere in the Bill of Rights is the term "people" defined to exclude those citizens with physical or mental disabilities. These people, I believe, should share equally in any federal, state, or local program designed for the general public—for they, too, are part of the general public. Unfortunately, however, this seemingly obvious fact is lost sight of time and time again by government administrators in the daily translation of the Bill of Rights into programming. I find it inexcusable, for example, that four years after the enactment of the rehabilitation act there still are no final regulations implementing section 504, prescribing a congressional mandate to prohibit discrimination against handicapped individuals. If, we, as a nation, cannot convince our own administrators about the validity of this basic premise, we're doomed to failure in our efforts to secure equality of opportunity for handicapped people.

I know that this has been a source of frustration to the subcommittee and I hope that the new administration will expedite implementation of long-delayed regulations.

While it is true that programs in athletics and recreation for the handicapped are still inadequate, improvement has been made over the past years. Through the perseverance of concerned groups, an increased effort is calling attention to recreational opportunities for disabled persons.

There are currently 30 regional and national organizations that either sponsor or promote athletic programs for approximately one million handicapped people. Of course, I am most familiar with programs in my own State. So if I might take a moment, I'd like to describe recreation programs and services in Iowa which serve as demonstrations of the important and meaningful opportunities that can be provided when enough effort is put forth.

The handicapped village of Clear Lake, Iowa is an alternative to institutionalization. The village provides its 152 residents with an opportunity to develop skills in pottery, rugmaking, and other similar crafts.

At Camp Sunnyside in Des Moines, Iowa, home-bound persons are trained in craft design. The camp was developed to assist the multi-handicapped with an emphasis placed on therapy.

In Iowa City, Iowa, the Department of Parks and Recreation, in cooperation with the University of Iowa Recreation Curriculum, has initiated a "special population involvement" program which aids 200 handicapped children and adults with various recreational activities.

Therapeutic recreation services are also offered at the University of Iowa Hospital School where occupational and physical therapy, along with medical diagnostic efforts, are emphasized. The handicapped receive special training in reading, math, and writing.

The Iowa Braille and Sightsaving School in Vinton, Iowa is a residential school for the visually handicapped. Students attending are taught shop, homemaking, and braille, among other subjects. It is possible

for the students to earn a high school certificate.

Students attending the Iowa School for the Deaf in Council Bluffs are given the opportunity to earn a high school certificate with the benefit of specially trained instructors.

Finally, special olympics for the mentally retarded has been one of our State's most successful voluntary efforts. Special olympics sports training and athletic competition has played a major role in Iowa as well as the rest of the country in changing the image of mental retardation and in instilling an appreciation of the retarded in our society.

Mr. Chairman, I am well aware that making recreational facilities and programs available to the handicapped is not a simple task; it is not just a question of ramps and other appropriate facilities, expanded staffing or more money. These, of course, will help, but recreation for the handicapped requires many levels of affirmative action: law enforcement; removal of architectural barriers; utilization of available technology; dissemination of vital information; and the application of new programs and facilities. Moreover, the problem involves many different constituencies: the general public; the handicapped; and the legal, recreational, educational, and human service professions. Thus, the resources of already established programs and services must be redirected to meet new needs.

Finally, Mr. Chairman, recreation in the rehabilitation setting cannot be looked on as slack in the day that adds a bit of zest to the routine existence. Recreation must be thought of as a service within the rehabilitation process that will enable a handicapped person to function in society as efficiently and as independently as possible. Rehabilitation is only complete when the person can function socially as well as vocationally, and when he or she no longer sees themselves or are perceived by others primarily in terms of their limitations.

HOW THE UNEMPLOYMENT PROBLEM CAN REALLY BE SOLVED—ON THE LOCAL LEVEL

Mr. HELMS. Mr. President, I received a piece of mail from the Weyerhaeuser Co. in North Carolina which outlines some of the activities of the Eastern North Carolina Opportunities Industrialization Center, Inc., an organization which helps utilize in a constructive way, the abilities of those in need of work. The OIC programs throughout the Nation have done much to bring people into the work force through locally developed and administered programs of training and job placement.

Mr. President, I also noted recently a column by a distinguished North Carolina editor, H. Clifton Blue.

I should mention, Mr. President, that Cliff Blue is a former speaker of the North Carolina House of Representatives. In his column in the Sandhill Citizen, Cliff Blue suggests a way we can bring the less-skilled thousands of unemployed men and women back onto the job rolls.

The key in this matter is, of course, providing the services that these people can provide at a cost to the employer that will make it economically possible for him to provide a job.

Mr. Blue proposes a means of seeing to it that the unemployed still receive a minimum wage while lowering the cost of labor enough to encourage employers to hire those without high-paying skills.

The OIC program and Cliff Blue's idea of a cooperative plan for employment complement each other and could accomplish wonders in combating the problem, employment for the unskilled and untrained.

Mr. President, I ask unanimous consent that the statements of the Eastern North Carolina Opportunities Industrialization Center, Inc., and Mr. Blue's column be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EASTERN NORTH CAROLINA OPPORTUNITIES INDUSTRIALIZATION CENTER

Eastern North Carolina Opportunities Industrialization Center, Inc., has become a positive force in rural eastern North Carolina by attempting to meet the needs of the unemployed, underemployed, and disadvantaged citizens. Under the directorship of Mr. E. V. Wilkins, former high school principal and educator in the area, the ENC/OIC intent became a reality, through a comprehensive program of motivational and attitudinal training geared toward job placement. Weyerhaeuser Company Foundation, through its pilot project, became a major thrust for the development of the ENC/OIC Skill Center by authorizing a venture grant. In addition, other major industries in the area supported the establishment of the OIC.

After a series of conferences, workshops, and observations of OIC of Philadelphia, Pennsylvania, and other locations, and the ideas of the Weyerhaeuser project, EMC/OIC was incorporated under the laws of the state of North Carolina as a non-profit corporation.

Roper, North Carolina OIC opened its doors on March 17, 1975. Participants at Roper have attended comprehensive motivational training classes consisting of a total of 240 hours over a period of eight weeks. A total of 150 people have taken advantage of the training opportunity at Roper and they have not been paid for attending the training, but were there because they wanted to improve their chances of finding and holding a job. This is a good demonstration of the "self help" concept of OIC. Because of the productive working relationship of the Board of Directors of ENC/OIC and Martin Technical Institute as well as friends of the OIC project, the idea of self help became a viable activity in the community.

The ENC/OIC Child Development Center began operating on April 14, 1975. Children from ages three to five who have parents enrolled in the center receive free day care for the duration of their training. Once again, ENC/OIC solved the problems of the communities by establishing a center that made it possible for parents to attend training and assisted in the development of children's needs in a rural setting. The Day Care Center at Roper is the only licensed and certified center which is meeting Day Care Center needs in Washington County, North Carolina.

To provide similar services to other areas in eastern North Carolina ENC/OIC developed two satellite programs in Lewiston and Elizabeth City, North Carolina. On December 1, 1975, fifty-three participants were received in Lewiston and on April 19, 1976, the OIC doors opened at Elizabeth City to more than thirty participants.

Serving a fifteen county area, and with the support of technical institutes, businesses and industries, and the communities, ENC/OIC has become an effective program serving rural needs in eastern North Carolina.

ENC/OIC attributes its success to the services provided and the innovative projects and training philosophy for Manpower Development.

SERVICES

Counseling—On-going counseling provided for participants in individual and group setting.

Day Care—Participants receive free day care during 8 week cycles up to 60 days after graduation.

Job Placement—Upon graduation, participants are assisted in finding jobs.

Transportation—Participants and Day Care children receive transportation to and from the Center.

Meals—Adult participants are provided hot lunches. Day Care children receive 2 hot meals and a snack.

PROJECTS

A. Rural Home Care Training—On July 12, 1976, this program began by providing classroom and clinical training, and a three (3) month internship. The training enables graduates to care for homebound patients in their respective communities. The project is supervised by a registered nurse and in cooperation with local Social Services and Health Departments. This project is equipped with a 27-foot Mobile Unit designed to provide onsite training and assistance to areas where transportation is limited.

B. Boredom Zero—This project is designed to serve youth, ages 10 to 17. With the elimination of "Boredom," the time spent in mischief and petty crime is considerably diminished. The project curriculum is flexible to the needs of the rural community, and extends to such things as, school homework hour, cultural enrichment, field trip, sports and career guidance, and a hot meal. Helping to shape and guide today's youth ensures the presence of more responsive adults in the future.

C. Rural Offender—To serve a neglected population, not only in eastern North Carolina, but across the country; ENC/OIC in cooperation with the N.C. Department of Corrections developed and implemented a Rural Offender Program. The project commenced December 6, 1976 with 15 inmates from Gates County Minimum Security Prison Unit. The project was designed with specific goals in mind: (1) Direct Placement pending parole or placement in the Work Release Program; (2) To assist with housing upon parole.

ENC/OIC will continue to develop programs geared to meeting the needs of the people of rural eastern North Carolina.

JOBS FOR THE JOBLESS

(By Cliff Blue)

Jimmy Carter has called upon the people to write and let him have their suggestions for consideration by his administration. Since the former Georgia governor has put jobs for the jobless at the top of his list, our suggestion will be on this subject.

We are leary, and question the idea of solving our unemployment through a public works program unless the public works are needed. Public works for needed projects are quite proper.

We are afraid we have too many people on the "unemployed" rolls who do not want to work. They work a few weeks then "draw" as long as possible. Too many of our unemployed have been brought up under the welfare system and have little incentive for earning a living when they can draw welfare payments and Food Stamps.

On the other hand, we have many people who are entitled to welfare aid and Food Stamps and to the deserving people we would take nothing from them, but would like to see them given greater help and support.

We are concerned about the unskilled and the untrained who add to the unemployed and welfare rolls.

We suggest the following co-op plan between the government and private enterprise to train and give them a job.

Period	Employer	Govt.	Total pay
1st 3 months	$1.00	$1.00	$2.00
2nd 3 months	1.30	.80	2.10
3rd 3 months	1.60	.60	2.20
4th 3 months	1.90	.40	2.30

We are not wedded to the above figures but a system with the government thrust toward getting the unemployed trained and-or off the welfare rolls and back to work is what we are thinking about—not some program which would perpetuate government handouts.

After this one-year of training there would be no further obligation on the trainee or the employer. Hopefully, the employer would be able to continue to offer employment at a higher rate of pay.

Remember, these people would not be on the training program if they had a job. It would be for the unemployed and untrained and if they could find a better job elsewhere while on training they could go to the better job.

The wage scale listed above is low but the whole plan is based on the theory of taking people who want to work off the unemployed rolls and giving them a chance to draw a salary while training.

This is similar to the Veteran's Training program which the U.S. Government promoted after World War II.

The G.I. on the job program trained young veterans in a similar U.S. Government approved program after World War II which proved beneficial to the veterans as well as the employer.

NEW THREAT TO FAMILY FARMING

Mr. McGOVERN. Mr. President, Members of this body know of my concern about recent announcements by Consolidated National Bank and the Merrill, Lynch, Pierce, Fenner & Smith brokerage house to acquire an initial $50 million of farmland under an Ag-Land Trust arrangement. They plan to lease the land to tenant farmers on an investment basis.

I have pointed out the pitfalls of such a scheme in other issues of the CONGRESSIONAL RECORD. The February 1977 edition of the South Dakota Union Farmer carries a story on the matter taking a position similar to my own. I ask unanimous consent that the article entitled "New Threat to Family Farming" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AG-LAND TRUST—NEW THREAT TO FAMILY FARMING

The long-term corporate invasion of American agriculture has taken a new and disturbing direction. The $16 billion Continental Illinois National Bank and Trust Company of Chicago recently announced plans to put together a massive new mutual fund whose stock will consist of working farms throughout the country.

The fund-AG-Land Trust, would be marketed by Wall Street giant brokerage house Merrill Lynch, Pierce, Fenner and Smith, Inc. Buyers would be trustees of pension funds and other tax-exempt institutions.

Harvey Borsuk, vice president of the investment banking division of Merrill Lynch told a New York Times reporter that AG-Land "would only buy up working farms, no ranches or livestock operations, and bring in management to run them."

Borsuk said the Fund plans to sell $100,000-unit shares and would limit individual institution holdings to $5 million. Overall he expects to sell between $15 and $50 million in shares to tax-exempt institutions.

William G. Sayre, vice president of Continental Illinois, who dreamed up the AG-Land scheme, says the Fund hopes to acquire land in 12 to 15 states throughout the Midwest and South. Overall the fund initially has its eye on buying up approximately 100,000 acres of farmland in 640 acre tracts.

Sayre said the fund plans to buy land from a variety of sources, including retiring farmers, liquidations and estates.

One unidentified Wall Street banker predicted that if the AG-Land plan succeeds "we may see mutual funds set up for the average investor in agricultural ventures."

Perhaps it was inevitable that the recent rapid escalation in farmland values would eventually attract Wall Street and the nation's major banks, but the announcement of the formation of the AG-Land Fund must be seen as bad news for farmers and other rural Americans throughout the country.

One major impact of the AG-Land scheme will be to further fuel the spiraling inflation in the price of farm land—inflation that is making it nearly impossible for a young farmer to get started.

Sayre asserts that the Fund will not drive up prices because "we definitely are going to be careful not to compete for property that a lot of other farmers are interested in."

The fact is the AG-Land Fund will be competing with and will be in a good position to outbid farmers in purchasing land. At the same time the Fund's promoters make no secret of the fact that they expect to reap solid, long-term profits from the continued appreciation in land values.

Continental and Merrill Lynch also claim that AG-Land Fund and other such plans would provide a major break for young people who wanted to start farming. But the proliferation of schemes such as the AG-Land Fund would likely have just the opposite effect in reducing the opportunities for young men and women to become owner-operators of farms. Moreover, plans of this type threaten to turn independent American farmers into a new generation of sharecroppers.

Anti-corporation farming laws can provide a buffer against this type operation. Sayre concedes that because of restrictions in state law, some states will not be considered for land purchases. He cites Minnesota as an example. South Dakota's Family Farm Act, passed in 1974, should mean that South Dakota is also safe from the AG-Land Fund.

But, across the United States only a handful of states have acted to protect family farmers from the incursions of corporate agriculture. Most states, including prime target areas like Illinois and Iowa have done nothing.

"This, the AG-Land scheme, is definitely another blow to family farmers in that it will drive land values higher making it even more difficult for them to stay in business or get started," commented Maurice McLinn, chief of Farmer Programs for the Farmers Home Administration in South Dakota.

South Dakota Farmers Union President Ben Radcliffe said Congressional action is needed to protect family farmers from a corporate takeover.

"Corporate control of agriculture, whether it be by Tenneco or the Continental Illinois National Bank, would be a disaster for farmers, for our rural communities and for American consumers." Radcliffe declared.

The state farm leader contended that the American family farm owned and operated by individual farm families—has been proven to be the most efficient and successful producer of food the world has ever known.

"This new corporate land buying scheme once again underlines the importance of keeping and strengthening our South Dakota Family Farm Act," Radcliffe continued. He predicted that the AG-Land proposal will lead to renewed interest in the Family Anti-Trust Act first proposed in Congress by South Dakota Sen. Jim Abourezk several years ago.

Both Congress and the U.S. Department of Agriculture may soon be taking a critical look at the Continental Bank plan. Rep. Paul Findley (R-Ill.) recently asked for an Agriculture Department study and possible Congressional Committee investigation of the land investment fund.

He urged the agriculture department to investigate the impact of the AG-Land Trust on: (1) The value of farm land, (2) the family farm structure, (3) tax rates for agriculture, (4), prospects for young men and women to become owner-operators of farms, (5) the vitality of rural communities and local units of government and (6) federal farm programs.

Continental Bank and Merrill Lynch say they are really friends of family farmers and that a Wall Street-Mutual Funds takeover of American farmland would be a boon to young and beginning farmers. With friends like these who needs enemies.

VIRGINIA KNAUER: CONSUMERS' CHAMPION

Mr. DOLE. Mr. President, it is my honor and privilege today to pay tribute to a woman who has befriended thousands of Americans through her unceasing efforts on their behalf. She defies classification and refutes all stereotypes. She has had an outstanding career in Government at the local, State, and Federal level. At the same time she has combined public service with unqualified personal success as a wife, mother, and grandmother. In this era of antiheroes, she has provided the inspiration and model for many to emulate. Her leadership ability has been attested to by her achievements and the subsequent outstanding careers of many of her former staff members. There are so many high level graduates of her operation that she has been referred to as a one-person university. This Washington institution to which I refer is Mrs. Virginia H. Knauer.

Mrs. Knauer served for the past 8 years under President Nixon and President Ford as the Special Assistant for Consumer Affairs—OCA. This dual role allowed her to represent the interest of American consumers in the highest councils of Government here and abroad. She led the fight to initiate a multiude of new programs and new services for American consumers so that they could function more effectively in the marketplace.

GOSPEL OF CONSUMERISM

After President Nixon appointed her as his Special Assistant in 1969, Mrs. Knauer enthusistically undertook her mission to preach the gospel of consumerism everywhere and anywhere. She sought out every opportunity to do this. Under her directorship, the office evolved from the President's Committee on Consumer Interests into the Office of Consumer Affairs with a $1.5 million budget and a staff of 55 people.

As a Presidential spokeswoman, she sought to restore the lines of communication that had broken down among Government, industry, business, and consumers. To do so, she effectively utilized all aspects of the media. The statistics themselves illustrate her energetic campaign: she visited each of the 50 States, including Puerto Rico and the Virgin Islands. She submitted written or oral comments on 309 occasions. She delivered 575 formal speeches, held 177 press conferences, gave 1,004 interviews and made 312 radio and television appearances and appeared in 115 magazine articles. Her efforts on behalf of consumers were further extended through her Presidential appointments to eight Cabinet-level committees.

BUYER'S BILL OF RIGHTS

Throughout all this activity she forcefully expressed the belief that consumerism is good business. Her theme was the Buyer's Bill of Rights which enunciated the consumer's right to make an intelligent choice among products and services; the right to accurate information; the right to safe and healthful products; the right to register dissatisfaction and have a complaint heard and weighed; and the right to consumer education. Consonant with these principles was her fundamental belief that she would show consumers how to help themselves.

Along with her 8 years as an elected member of the Philadelphia City Council, Mrs. Knauer's experience as director of the Pennsylvania Bureau of Consumer Protection convinced her of the critical role small and local consumer affairs offices can play in the progress of consumerism. At the outset, stimulation of more consumer offices at the grassroots level was a top priority of hers. In 1969, there were 16 such offices. In 1976, State and local consumer offices numbered 362.

VOLUNTARY ACTION

Unquestionably, Mrs. Knauer's greatest talent was her ability to persuade others that voluntary action on their part was in their own best interest. This ability to stimulate action on the part of industry and business was the hallmark of her term of service. She reached voluntary agreements with industry to provide nutritional labeling. Also three food retail chains voluntarily adopted unit pricing. Examples of other voluntary actions that were taken at Mrs. Knauer's urging include window packages on bacon; cessation of child attractive packaging of inedible or toxic household products; and promises by industry to abide by the findings showing that consumers would suffer from the elimination of individual package pricing.

Mrs. Knauer took these same skills and expertise abroad. She served as the U.S. Representative and Vice Chairman of the Consumer Policy Committee of the 23-member nation Organization of Economic Cooperation and Development—OECD. During her OECD services she presented numerous American position papers including consumer credit, labeling, safety and marketing practices, and consumer information and education.

In addition to the immediate problems confronting the Nation, Mrs. Knauer forecasted several emerging issues and lobbied for consumer involvement in the initial stages of their development. Examples of such topics include solar energy, import quotas, fuel conservation, privacy, and EFTS. Other areas addressed covered product liability, price supports, meat imports, and food programs. With the same eye to the future, Mrs. Knauer encouraged the development of the National Center for Innovation and the National Center for Appropriate Technology.

CONSUMER PUBLICATIONS

A revolution virtually occurred during Mrs. Knauer's tenure in the area of publishing consumer materials. A strong believer in the public's right to know, she immediately established Consumer News, an interagency newsletter to report Federal Government programs for consumers. Later it was supplemented by a four-page enclosure entitled "Consumer Register," which contains summaries of items of consumer concern, notices of hearings, and blank forms on which consumers can register their comments on proposed regulations. Present circulation is 25,000.

A myriad of other publications were initiated to keep consumers advised and in touch: "Directory of Federal, State, County, and City Government Consumer Offices," "State Consumer Action," "Directory of Consumer Organizations," "Forming Consumer Organizations," "Directory of Federally Funded Consumer Programs," "Low Income Communities," and "Guide to Federal Consumer Services." Since 1970, 41.3 million of these publications have been ordered by consumers.

This effort was further supplemented in a weekly newspaper column entitled "Dear Consumer," which ran in about 7,000 weekly and small daily newspapers under Virginia Knauer's byline. In addition, she hosted a weekly, 4 minute, radio program called HELP on which she interviewed prominent citizens and Government officials. Approximately 1,000 commercial stations and 449 Armed Forces networks subscribe to this show.

Recently, she launched the largest survey ever conducted by the Federal Government to discover consumer attitudes toward their experiences in the marketplace with over 200 products and services. This topped off her 5-year effort to survey State and local offices for their top 20 complaints. The results of both efforts will be an invaluable planning tool for Federal departments and agencies, business, and industry.

CONSUMER JUSTICE

Mrs. Knauer worked with the Secretary of Commerce to reconstitute the National Business Council for Consumer Affairs. It is a voluntary advisory group composed of 50 business leaders seeking identification and resolution of different consumer problems. Likewise, she was instrumental in the creation of the National Institute for Consumer Justice. This organization was dedicated to the improvement of the grievance-solving mechanisms such as arbitration and the legal remedies available to the consumer particularly small claims procedures. Many of the recommendations made in the institute's report have found their way into proposed legislation.

An outgrowth of this experience was Mrs. Knauer's proposal to establish consumer action panels—CAPS—which mediate grievances between businessmen and consumers. Her efforts have been rewarded by the formation of CAPS in several industries: major appliances, carpet and rugs, furniture, automobiles, insurance, health care services, and new homeowners.

Over and above these achievements, Virginia Knauer's most significant and profound contribution to the Nation has undoubtedly been the forceful oversight she exercised over the creation and implementation of President Ford's consumer participation plans. Mrs. Knauer was given the responsibility by President Ford to work with the Office of Management and Budget as well as the heads of 17 executive branch departments and agencies in developing plans for actively seeking consumer participation in the decisionmaking and program planning process of the Federal Government. Her efforts resulted in monumental adjustments in the process by which many Federal decisions are determined. No longer was Government to be solely "for the people." Virginia Knauer insured that Government will also be "by the people."

EXTRAORDINARY BLEND

With her departure from the public sector, the United States faces one more crisis of a dwindling natural resource. We doubt that we shall see again soon that extraordinary blend of determination, enthusiasm, and compassion unique to Virginia Knauer.

Mrs. Knauer dedicated her talents most generously to the cause of consumerism. Her mark can be seen in the advancements of health, safety, and welfare of the American consumer that have occurred in the marketplace over the past decade. For this, we are forever indebted to her and wish her Godspeed in the years ahead.

GOVERNMENT DREDGE URGED FOR THE PORT OF SAVANNAH

Mr. TALMADGE. Mr. President, the Georgia House of Representatives, now in session in Atlanta, has adopted a resolution which, for myself and my colleague, Senator NUNN, I bring to the attention of the Senate, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

A RESOLUTION

Urging the construction of a new government dredge for the Port of Savannah; and for other purposes

Whereas, the maintenance of ship channels in the orderly, safe and efficient use of the harbor is a paramount requirement in the day-to-day operation of the Port of Savannah, Georgia; and

Whereas, the Port of Savannah represents an extensive investment by the federal, State and local governments with a resultant economic asset beneficial to the Port area, the State of Georgia and the United States; and

Whereas, physically, Savannah Harbor has the problem of shoaling to a degree greater than any Atlantic seaport, which has been

controlled by regularly scheduled dredging supplemented by additional contract dredging; and

Whereas, historically, there has been assigned at the Port of Savannah for over fifty years, a U.S. Corps of Engineers pipeline dredge, and since 1947 the government dredge, Henry Bacon, had been available for regular maintenance works and to handle emergencies as they frequently occurred; and

Whereas, since the sinking of the Henry Bacon in December, 1975, the Port of Savannah has been without this vital equipment which has caused frequent shoaling and the necessity for contract dredging and greater expenses occasioned thereby; and

Whereas, the U.S. Corps of Engineers has recommended the construction of a new government dredge to replace the Henry Bacon and has also recommended that this new dredge be stationed in Savannah.

Now, therefore, be it resolved that the House of Representatives, on behalf of the Port of Savannah, hereby urges the construction of a new government dredge to be stationed at the Port of Savannah.

Be it further resolved that the Clerk of the House of Representatives is hereby authorized and directed to transmit an appropriate copy of this Resolution to Honorable Jimmy Carter, President of the United States, each member of the Georgia delegation to the United States Congress, the U.S. Army Corps of Engineers and the Savannah District Engineer.

THE JOB OPPORTUNITIES AND ECONOMIC REFORM ACT OF 1977

Mr. HELMS. Mr. President, the development of a comprehensive reform bill such as the Job Opportunities and Economic Reform Act of 1977 (S. 40) takes a great deal of research and analysis which would be impossible for Members to do alone. This is, of course, why Senators have staffs—to formulate legislation.

However, other organizations contribute to this effort as well. I understand, for example that there is a privately funded committee that has a full-time staff of 12 individuals aimed at pushing the so-called Humphrey-Hawkins bill. In my efforts to put a bill that moves away from Government intervention instead of toward it, I have received invaluable assistance from the Institute on Money and Inflation, a public policy research organization founded last year here in Washington.

Mr. President, I ask unanimous consent that a section-by-section analysis of S. 40 and the text of the proposal be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

DESCRIPTION AND ANALYSIS OF THE JOB OPPORTUNITIES AND ECONOMIC REFORM ACT OF 1977, S. 40

I. Legislative history:

Senate: S. 40 was introduced on January 10, 1977, by Senator Jesse Helms (R-NC). It has been referred to the Committee on the Budget, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Labor and Public Welfare by unanimous consent.

II. Summary of S. 40:

S. 40 is essentially a policy bill. It contains a statement of General Findings in the preamble, which highlights some of the economic problems which the bill addresses. The bill is then divided into four major titles. The first title of the bill is a policy statement outlining some of the sources of economic dislocations such as those recently experienced. It states that the act is intended to provide a stable economic environment, and that it shall be the continuing policy and responsibility of the government to reduce its intervention in the economy. Title II requires a gradual balancing of the budget. Title III would require steps which would lead to a strengthened, gold-backed currency, and Title IV establishes a Federal Commission on Barriers to Employment.

III. Major issues:

Perhaps the key issue raised by S. 40 is the establishment of a coherent free-market economic policy. Senator Helms has cited the fact that Congress has usually taken a scattershot approach to the economy as a major reason for his introduction of this measure. This approach, he feels, has contributed heavily to economic dislocations in recent years. Since the bill's approach is essentially a return to more traditional economic theories, it represents a departure from current trends in economics. In many respects it conflicts with the principles of the liberal London School of Economics theories which have enjoyed much popularity, albeit little success in recent years.

Senator Helms has indicated that the primary source of conflict between the two schools of economic thought lies in the perceived economic role of the government. The proponents of the liberal London School policies advocate an expansive governmental role. An example of their policies would be the concept that the government should serve as the "employer of last resort". Economists with a more free-market orientation have frequently criticized the London School, using Great Britain as an example. The current British economic problems, they point out, have resulted from, and increased with, government intervention in the economy. Opponents of the London School have also expressed concern over the loss of personal freedom which occurs when the government regulates some aspect of economic life.

Closely related to the question of what economic theory to follow is the question of whether or not to balance the budget. Senator Helms has expressed concern over the growing size of the federal debt. He feels that it has been a major cause of the inflation which we have experienced. He notes that as the money supply has been increased beyond its normal rate of growth, it has effectuated and increased government allocation of resources. According to Helms, it contributes to the capital shortfall which the country is currently experiencing. The long-run effect of this is to cause increased unemployment.

Opponents of the balanced budget contend that it is necessary to incur deficits in order to stimulate the economy. They further contend that, while there is always some inflation associated with deficits, it does not constitute a problem of any magnitude.

Other issues raised in the bill include a provision which would eventually bring the government's selling price for gold into line with the world price, and a provision which would create a Federal Commission on Barriers to Employment.

IV. Section-by-section analysis:

Preamble Section 2. (a): This section contains the General Findings of the act. It outlines various economic costs of the economic disruption which the nation has experienced. Among these costs are included the demise of the monetary system as a standard of value, the fact that income taxes have risen at a faster rate than income, the decrease of purchasing power experienced by those on fixed incomes, and the underutilization of capital and other resources. Other costs mentioned include the shortfall of productive capacity, the job insecurity experienced by workers in times of economic dislocations, the social costs to the family, declining government revenues, and the lack of a stable economic environment for business.

Preamble, Section 2. (b): This section contains further findings. Among these are included the fact that inflation increases unemployment by reducing consumer confidence, the fact that although barriers toward entry into the capital and labor markets must be lowered in order to insure a stable economy, no steps have been taken to do so, and the fact that federal deficits result in inflation. Further findings cite the debasement of the monetary system by the Federal Reserve Board through its creation of money to finance federal deficits, the burden created by the deficit-fueled inflation, and the need for a "sound and effective program for the Nation's economic well-being" based on "minimum government interference in the economy".

Section 101: This section is a statement of the purpose of the act. It indicates that the purpose is "to provide a stable economic environment". It also refers to the necessity to minimize Government intervention, and to the necessity of sound fiscal and monetary policy.

Section 102. (a): This section amends the Employment Act of 1946. It states that the federal government has the responsibility to avoid and reduce federal intervention in the economy whenever possible. It further states that this reduction of intervention is in recognition of the fact that the use of fiscal and monetary policy to regulate the economy is counterproductive.

Section 102. (b): This section declares that individuals should not be restricted from obtaining jobs due to government regulations, which act to prevent employers and employees from coming to mutually agreeable arrangements.

Section 102. (c): This section declares that the policies of the Federal Reserve System, concerning the regulation of the economy through expansion of the money supply have had adverse effects greater than the problems the policies were supposed to solve.

Section 201: This section is the beginning of the title dealing with balancing the budget. It is a policy declaration which states that the American economy has been adversely affected by deficit spending, that the federal government must balance the budget, and that the responsibility for balancing the budget rests with the Congress under Article I of the Constitution.

Section 202: This section amends the Congressional Budget Act of 1974. It adds language which would call for a gradual phasing in of a balanced budget. The phasing would begin in 1977, with the requirement that budget outlays not exceed revenues by more than 7%. The following year (1978), outlays may not exceed revenues by more than 4%. As of 1979, the total level of budget outlays must match total revenues. The balance of the section sets forth language to bring sections of the Congressional Budget Act of 1946 into compliance with the language of this section, by prohibiting concurrent budget resolutions from setting forth levels of outlays in excess of the level permissible under the new language of this section. It prevents a resolution from containing a figure which would create a de facto deficit.

Section 203: This section also amends the Congressional Budget Act of 1974. It is, however, more in the language of a technical, or perfecting amendment. It deletes the word "deficit" from certain sections, and makes certain other deletions and additions which are in keeping with the goal of disallowing deficits.

Section 301: This section is again, a declaration of policy. It emphasizes the importance of a sound money system. It states that the current monetary system has been subject to abuse and has lead to inflation, and other problems. It further states that inflation is considered our nation's most serious problem by the American people, and

that money redeemable in gold meets the vital needs of the United States in the foreseeable future.

Section 302: This section mandates that on or after October 1, 1980, the Secretary of the Treasury is to begin selling gold from the United States gold stocks at the price of $185 per troy ounce, and purchasing gold of similar fineness in the world market for $85 per troy ounce.

Section 303(a): This section mandates the sale of gold by the Secretary of the Treasury during the fiscal years beginning October 1, 1981, 1982, 1983, and 1984.

Section 303(b): This section sets forth the formula by which the selling price of gold for the sales mandated in section 303 (a) shall be determined. It states that the selling price shall be equal to the selling price during the most recent year during which purchases and sales were made under the act, reduced by the product of $25 and a fraction. The numerator of the fraction is to be the difference between the world-market price for gold, and the selling price which was in effect during the most recent year during which purchases and sales were made under this act. The denominator of the fraction is to be the difference between the selling price and the purchase price, as of the most recent fiscal year.

This method would, in effect, provide a narrowing range over a period of years geared at arriving at a dollar/gold price freely determined by the marketplace. Unless government violated its commitment following the final adoption of a single price for the sales and purchases of gold, and created excess dollars, there would be no net transactions.

Section 303. (c): This section sets forth the mechanism by which the Secretary of the Treasury is to determine the world-market price for gold. It is to be the average market price of gold on the major international markets for the preceding 12-month period. The only exception to this is in the case of the first year of sale, in which the preceding 10 month period will be used.

Section 304: This section authorizes the President to extend the purchase or selling price of gold for up to one year if he determines that either price has been manipulated. He must report this determination to the Congress, and either house may veto his action.

Section 401: This section establishes a Federal Commission on Barriers to Employment. The commission is to be composed of seven members, appointed by the President, with the advice and consent of the Senate. One of the seven is to be designated by the President as Chairman of the commission at the time of appointment.

Section 402: This section charges the commission with the responsibility to undertake a comprehensive investigation of the costs of various barriers to employment of individuals, to businesses, to the economy, and to the government. Any law, regulation, or judicial decree or consent agreement which prevents or tends to prevent individuals or businesses from offering or filling positions of employment shall be considered a barrier to employment under this act.

Section 403: This section authorizes the commission to receive, transmit and solicit information.

Section 404: This section requires semi-annual reports to be given on a number of matters. Among these are

1. government incentives to encourage individuals to stay out of job market;

2. laws or regulations which increase the cost of starting a business enterprise;

3. laws which increase the cost of expanding a business enterprise;

4. laws which increase the cost of maintaining or operating a business enterprise;

5. provisions obtained in the Internal Revenue Code which have an influence on or which constitute a determining factor with respect to business practices affecting employment; and

6. laws or regulations which confer special rights on any group or individual to reduce or restrict employment opportunities.

Section 405 (a): This section provides that members of the commission who are members of Congress or federal employees shall serve without additional compensation.

Section 406: This section is the administrative provision of the act. It authorizes the hiring of employees, the applicable statutes under which they shall be compensated, and similar purely administrative aspects of actually organizing the commission.

Section 407: This section authorizes that such funds as necessary to carry out the functions of the act be appropriated.

V. Commentary:

The Helms proposal is the first attempt in recent years to establish a coherent free-market-oriented economic policy. As a point of comparison, where S. 50 (the Humphrey-Hawkins Bill) would increase the government's role in the economy, S. 40 would have the effect of decreasing it. Where S. 50 concentrates on creating Public Service Jobs, S. 40 concentrates on creating an economic environment which would allow for the creation of jobs in the private sector. Senator Helms has described the contrast between the two philosophies in statements on the floor of the Senate. He said, among other things:

". . . There are those who accept the argument that if the government spends more than it takes in, then the economy will be stimulated and more people will be employed and more people will pay taxes and somehow government deficits will go away. If that is the case, then it isn't so very bad to have bad programs as long as the motives are good. Money must be spent somewhere to stimulate the economy. But, what if things were different? What if priorities had to be set? What if leaders were to become serious about setting those priorities? What would happen to marginal programs? They would start to fall by the wayside. If Congress had to choose between taxing for programs and eliminating programs, not just a lot of fat would be trimmed. Tons of blubber would be hacked away. The effects of such a happening would be entirely salutory. Resources would not be grabbed away by the government, the Federal employment would tend to stabilize. One set of government regulations would remain in effect long enough for people to understand them. . . ."

Specifically hitting the concept of Public Service Employment jobs, Helms went on:

". . . There would be some additional unemployment created by the elimination of Federal make-work jobs, and the Federal jobs administering the make-work jobs. But, if we are to make a serious attack on the unemployment situation, it will take a concerted look at what has caused unemployment: First, economic instability. There is a reduced incentive for new investment, reduced predictability and as a result, fewer new jobs in industry. Second, there is government intervention in creating barriers to employment. Barriers place a legal impediment to people coming to mutually agreeable economic arrangements. Third, there are incentives for not working. High levels of benefits for the unemployed, and penalties on social security recipients who seek employment. . . ."

There is one provision in the bill which will likely have support from both liberal and conservative members of Congress. This is the creation of a Federal Commission on Barriers to Employment. Even the most liberal member recognizes that there has been increasing public concern over the increased government involvement in the economy. This concern is likely to create a favorable environment for such a commission.

In sum, the Helms proposal calls for a reversal of federal economic policy which has been dominant since the 1930's. Recent popularity of non-Keynesian economists such as Frederick von Hayek, Milton Friedman, Ludwig von Mises and others have generated increased academic skepticism of the value and ability of government to provide beneficial stimulation to the economy through fiscal and monetary policies. Helms attempts to embody the theory into a comprehensive political program. He candidly expects little of it enacted, but hopes to start a debate with this bill that will eventually lead to the reforms he advocates.

S. 40

A bill to provide for high levels of employment, stable prices and economic growth by reform of Federal economic policy, revision of congressional spending practices, stabilization of the United States monetary system, the limitation of artificial barriers to employment, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act and the following table of contents may be cited as the "Job Opportunities and Economic Reform Act of 1977".

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GENERAL FINDINGS

SEC. 2. (a) The Congress finds that the Nation has suffered substantial economic disruption including inflation, unemployment and underemployment, the underutilization of productive capacity and the misallocation of resources, over prolonged periods of time, imposing numerous economic and social costs. Such costs include the following:

(1) The monetary system has ceased to serve as a standard of value.

(2) Individual income taxes have increased faster than real income.

(3) The disadvantaged and the elderly and those on fixed incomes are deprived of purchasing power.

(4) The Nation is deprived of the full supply of goods and services, the full utilization of labor and capital resources, and the related increase in individual income and well-being that would exist under stable economic conditions.

(5) Insufficient production is available to meet pressing national priorities.

(6) Workers are deprived of job security, income, skill development, and productivity necessary to maintain and advance their standards of living.

(7) Business and industry are deprived of a stable economic environment and consequently have lost production, sales, capital flow, and productivity necessary to maintain adequate profits, create jobs, and contribute to meeting society's economic needs.

(8) The Nation's citizens are exposed to social costs and traumas, including disruption of family life, loss of individual dignity and self-respect, drug addiction, crime and social conflict.

(9) Federal, State, and local government activity is disrupted as Government revenues decline in periods of economic contraction.

(b) The Congress further finds that—

(1) inflation increases unemployment by reducing the confidence of the consumer in the economy, it disrupts the individual's and businessman's ability to predict economic activity, and inflation thus reduces the productivity of capital, and tends to increase demands for remedies such as wage and price controls, restrictions on international commerce, subsidy programs, allocations, and economic regulations which tend to reduce the market's ability to economically allocate resources and adjust to the inflation, thus, increasing the costs of inflationary disruption to the entire economy;

(2) although a stable, noninflationary economic growth is impossible without proper monetary and fiscal policies, high levels of employment, the maximum rate of economic growth, and increased per capita income cannot be achieved without concerted efforts to reduce private and public barriers to job and capital markets, and such barriers have not been lowered, in part because this goal has not been established and implemented by the President and the Congress;

(3) Federal deficits result in economic disruption and impose great costs on the American people and the Nation's economy by providing incentives for the Federal Reserve System to increase the money supply, and by displacing private investment by causing interest rates to be higher than those which would otherwise prevail;

(4) the Federal Reserve Board, when it creates money to finance Federal deficits, debases the currency resulting in inflation and its concomitant dislocations;

(5) inflation, thus used to finance Federal expenditures, places inequitable burdens on Americans and, further, disrupts productive enterprise so as to reduce the real and potential output of the Nation's economy, thus reducing the average income of all Americans.

(6) when money is created to finance Federal deficits, the full effects of inflation are felt throughout the economy a considerable period of time after the deficits occur thus giving rise to public misinterpretations of the real cause of inflation: and

(7) a sound and effective program for the Nation's economic well-being should be based on minimum Government interference in the economy.

TITLE I—ESTABLISHMENT OF GOALS AND GENERAL ECONOMIC POLICIES

STATEMENT OF PURPOSE

SEC. 101. It is the purpose of this Act to provide a stable economic environment under which individuals and groups can act with maximum freedom, to minimize disruptive Government intervention in the economy, to provide a framework for a sound and fiscal policy and to provide for a monetary system exemplified by stable values and minimum fluctuations.

DECLARATION OF POLICY

SEC. 102. Section 2 of the Employment Act of 1946 is amended to read as follows:

DECLARATION OF POLICY

"SEC. 2. (a) The Congress declares that it is the continuing policy and responsibility of the Federal Government to avoid and reduce whenever possible intervention in the economy, recognizing that fiscal and monetary policies when used for purposes of regulating the economy tend to be counterproductive, and that the absence of such intervention tends to foster and promote free competitive enterprise; the general welfare; conditions which promote balanced growth; and useful employment opportunities, including self-employment, for those able, willing, and seeking to work and to foster and promote high levels of employment, increased production, and increased standards of living for all.

"(b) The Congress declares that all adult Americans able, willing, and seeking work should not be restricted from obtaining jobs because of Government regulations which impede the freedom of employee and employer to enter into mutually satisfactory agreements.

"(c) The Congress further declares that inflation results and has resulted from the creation of excessive quantities of money by the Federal Reserve System in its attempts to control interest rates, minimize the adverse effects of fiscal policy, and generally regulate the Nation's economy; and that such efforts have caused greater disruption and resulted in greater costs to the Nation than the conditions those efforts are intended to remedy.".

TITLE II—BALANCED BUDGETS AND ECONOMIC STABILITY

CONGRESSIONAL FINDINGS AND DECLARATION OF POLICY

SEC. 201. The Congress finds and declares that—

(1) the American economy has been adversely affected by Federal deficits which have resulted in inflation, misallocation of resources, and other hardships caused by economic instability, and in the imposition of inequitable burdens of individuals for the cost of Federal programs;

(2) the Federal Government must balance its revenues with outlays to avoid disruptive effects on the economy; and

(3) the chief responsibility for determining Federal revenues and outlays rests with the Congress in accordance with article I of the Constitution.

CONGRESSIONAL BUDGET ACT AMENDMENTS TO REDUCE DEFICITS

SEC. 202. (a) Section 301(a) of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following new sentence: "For the fiscal year beginning on October 1, 1977, the appropriate level of total budget outlays shall not exceed the recommended level of Federal revenues by more than 7 percent; for the fiscal year beginning on October 1, 1978, the appropriate level of total budget outlays shall not exceed the recommended level of Federal revenues by more than 4 percent; and for the fiscal year beginning on October 1, 1979, and each fiscal year thereafter, the appropriate level of total budget outlays shall not exceed the recommended level of Federal revenues.".

(b) Section 304 of such Act is amended by adding at the end thereof the following new sentence: "No such concurrent resolution on the budget shall set forth an appropriate level of total budget outlays which exceeds the amount permissible under the last sentence of section 301(a).".

(c) Section 310(a) of such Act is amended by inserting after the first sentence thereof the following new sentence: "No such concurrent resolution on the budget shall set forth an appropriate level of total budget outlays which exceeds the amount permissible under the last sentence of section 301(a).".

CONGRESSIONAL BUDGET ACT AMENDMENTS TO BALANCE BUDGET

SEC. 203. Effective with respect to the fiscal year beginning on October 1, 1979, and succeeding fiscal years—

(1) section 301(a)(3) of the Congressional Budget Act of 1974 is amended by striking out "or the deficit";

(2) section 301(a)(5) of such Act is amended by striking out "increased or";

(3) section 301(d)(6) of such Act is amended by striking out "or deficit";

(4) section 303(a)(3) of such Act is amended by striking out "an increase or" and inserting in lieu thereof "a"; and

(5) section 202(f)(1) of such Act is amended by striking out "and deficits".

EMERGENCY PROVISIONS

SEC. 204. The provisions of section 904 of the Congressional Budget Act of 1974 shall apply with respect to amendments made by sections 202 and 203 (other than the amendment made by section 203(5)) of this Act.

TITLE III—SOUND CURRENCY

CONGRESSIONAL FINDINGS AND DECLARATION OF POLICY

SEC. 301. The Congress finds and declares that—

(1) without a sound monetary system, the United States will suffer economic, political, and social consequences of unacceptable severity;

(2) the present monetary system has led to abuse and has resulted in inflation, economic instability, and unemployment;

(3) a sound money system cannot be dependent on the individual judgments of small numbers of individuals;

(4) a sound money system must have the trust and support of the American people;

(5) the American people view inflation as the single most important problem facing our Nation; and

(6) money redeemable in gold meets the vital needs of the United States in the foreseeable future.

UNITED STATES TREASURY SALE AND PURCHASE OF GOLD

SEC. 302. During the fiscal year beginning on October 1, 1980, the Secretary of the Treasury shall offer for sale gold from United States gold stocks at the price of $185 per troy ounce (hereinafter referred to as the "selling price"), and shall purchase such gold of equivalent fineness as shall be offered at the price of $85 per troy ounce (hereinafter referred to as the "purchase price").

ADJUSTMENTS IN SALE AND PURCHASE PRICES OF GOLD

SEC. 303. (a) During each of the fiscal years beginning on October 1, 1981, 1982, 1983, and 1984, the Secretary of the Treasury shall offer to sell and purchase gold at selling and purchase prices successively adjusted in accordance with subsection (b).

(b)(1) The selling price during each such fiscal year shall be determined as the selling price during the most recent fiscal year during which purchases and sales under this title were made, reduced by the product of $25 and a fraction, the numerator of which is the difference between the world market price (determined under subsection (c)) and the selling price which was in effect during the most recent fiscal year during which purchases and sales under this title were made, and the denominator of which is the difference between the selling price and the purchase price, as in effect during that most recent fiscal year.

(2) The purchase price during such fiscal year shall be determined as the purchase price during the most recent fiscal year during which purchases and sales under this title were made, plus the product of $25 and a fraction, the numerator of which is the difference between the world market price (determined under subsection (c)) and the purchase price during the most recent fiscal

year during which purchases and sales under this title were made, and the denominator of which is the difference between the selling price and the purchase price, as in effect during the most recent fiscal year.

(c) The world market price shall be determined by the Secretary of the Treasury as the average market price of gold at major international markets (1) during the ten-month period beginning on October 1, 1980, for fiscal year 1981, and (2) during the twelve-month periods beginning on August 1, 1981, 1982, and 1983, for the fiscal years beginning on October 1, 1982, 1983, and 1984, respectively.

EXTENSION OF TRANSITION PERIOD

SEC. 304. Notwithstanding any other provision of this title, the President may extend for not to exceed one year any purchase price or selling price established in under section 302 or 303—

(1) if he determined that the market price of gold has been manipulated in order to affect the actions of the Secretary of the Treasury under this title,

(2) if he reports such determination to the Congress, and

(3) if neither the Senate nor the House of Representatives agrees, within thirty days after receipt of the report, to a resolution stating in substance that the purchase price or selling price as established under the provisions of this title should be put into effect.

TITLE IV—FEDERAL COMMISSION ON BARRIERS TO EMPLOYMENT

APPOINTMENT OF COMMISSION

SEC. 401. (a) There is established a Federal Commission on Barriers to Employment (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seven members, to be appointed by the President, by and with the advice and consent of the Senate, one of whom shall be designated by the President at the time of appointment to serve as Chairman of the Commission.

DEFINITIONS AND PARAMETERS OF STUDY

SEC. 402. The Commission shall undertake a comprehensive study and investigation of the costs of various barriers to the employment of individuals to businesses, to the economy, and to the Government. For the purpose of its study, the Commission shall treat any law, regulation, or judicial decree or consent agreement which prevents or tends to prevent individuals or businesses from offering or filling positions of employment, as barriers to employment.

SOURCES OF INFORMATION

SEC. 403. In carrying out its study, the Commission shall solicit and receive information on barriers to employment from private organizations, individuals, and Government agencies.

CONGRESSIONAL REPORTS

SEC. 404. The Commission shall report to the Congress at least semiannually on the following matters:

(1) Government incentives to individuals to stay out of job markets;

(2) laws or regulations which increase the cost of expanding business enterprises, thereby reducing employment opportunities;

(3) laws or regulations which increase the cost of expanding busines enterprise, thereby reducing employment opportunities;

(4) laws or regulations which increase the cost of operating or maintaining a business enterprise, thereby reducing job opportunities;

(5) provisions contained in the Internal Revenue Code of 1954 which have an influence on or which constitute a determining factor with respect to business practices affecting employment; and

(6) laws or regulations which confer special rights or powers to any group or individual thereby enabling that group or individual to reduce or restrict employment opportunities.

COMPENSATION OF COMMISSION MEMBERS

SEC. 405. (a) Members of the Commission who are Members of Congress or full-time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Commission.

(b) Members of the Commission, other than those referred to in subsection (a), shall receive compensation at the rate of $100 per day for each day they are engaged in actual performance of the duties vested in the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

ADMINISTRATIVE PROVISIONS

SEC. 406. (a) The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule under section 5332 of such title.

(b) The Commission may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission but not in excess of $100 per day, including traveltime. While away from his or her home or regular place of business in the performance of services for the Commission, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

(c) Each department, agency, and instrumentality of the United States is authorized to furnish to the Commission, upon request made by the Chairman, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this Act.

(d) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold hearings, take testimony, and administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or member thereof.

AUTHORIZATION

SEC. 407. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

AGRICULTURAL LAND VALUES UNDER THE 1976 TAX REFORM ACT

Mr. McGOVERN. Mr. President, the final version of the 1976 Tax Reform Act contained a little noted section allowing an alternative land valuation formula for use in decedents' estates based on a "protectivity" concept rather than a "fair market value" criterion as provided for under prior law. I first advanced this concept in legislation introduced on the Senate side early last year and was pleased to note its acceptance by House-Senate conferees as the legislation progressed through the Congress.

The formula basically consists of taking average cash rentals for agricultural property less local taxes divided by average interest rates of new Federal Land Bank Mortgages. The resultant figure is the "use or capitalized factor." Executors by using this formula can reduce the value of land in central Corn Belt States by as much as 22 percent.

The February 1977 edition of the Farm Journal describes this procedure in an article entitled "Look What Congress Did to Your Land Values" by Laura Lane. I ask unanimous consent that the text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOOK WHAT CONGRESS DID TO YOUR FARM VALUES

(By Laura Lane)

You need to give priority this year to reviewing your estate plan and your will, because of last year's monumental changes in tax laws. But before you see your lawyer or tax consultant about revisions, you need to understand how a farm now may be valued for estate tax purposes.

The intent of Congress was to help keep a farm within the family when the owner dies, so lawmakers designed this new procedure for "special valuation" of farmland. An executor can choose to value a farm at its agricultural (current) use, rather than at its potential use—for example, as the location for a shopping mall. This "election" could be a real break for your heirs if they are eligible, says Charles F. Lein, Jr., a North Dakota tax consultant.

Here's the new formula. Value is arrived at by taking the average annual gross cash rent for comparable farms in your area, subtracting state and local real estate taxes on that land, and dividing that figure by the average annual interest rate on new Federal Land Bank (FLB) loans. Calculations are based on figures for the five most recent calendar years prior to the owner's death.

Example: For the best soils in Indiana, values for estate settlement purposes could be around $1,000 an acre. Ag economist G. A. Harrison of Purdue explains: "If you consider cash rents minus land taxes for the last five years at $80 to $100 per acre and divide by (capitalize by) a 9% FLB loan rate, the result will be around $1,000. This quality of Indiana land is now selling for more than twice $1,000 per acre."

Lein adds: "A formula such as this is much better than the old way of having to predict fair market value—how much the land would bring at a sale. That's basing the appraisal on a questionable or speculative amount."

An executor has some other options for calculating value of farmland, says J. A. Kirby, attorney and Director of Examinations, Estate Planning and Taxation, The American College, Bryn Mawr, Pa. An executor might:

1. estimate expected farm income over a reasonable period, under prudent management; then figure the land's capital value, using expected income as a fair rate of return;

2. use fair rental value of the land the same way, in order to figure the property's capital value;

3. use assessed land value in states which have a differential or use-value assessment law for farmland;

4. base land values on sales of comparable land in the area, where nonagricultural use was *not* a significant factor in the price.

Remember, once the executor selects what the law calls "special-use valuation," the estate is "locked in" at that value for estate tax purposes. All qualified heirs must sign an agreement consenting to special-use valuation when the election is made.

Not all farms qualify for agricultural valuation under the law. Lein gives principal requirements:

Real and personal property (land and machinery) must equal at least 50% of the gross estate (reduced by debts and expenses).

Land must equal at least 25% of the adjusted value of the gross estate.

The farm must pass to what the law calls a "qualified heir." That means a spouse, lineal descendants (children or grandchildren), parents, and close relatives such as brothers or sisters.

For five of the eight years prior to the owner's death he must have owned the land, and he or a member of his family must have "materially participated" in the farm operation.

Watch out for a big drawback to "special valuation." Congress tied to it a tax-recapture rule. If within 15 years after an owner's death the property is no longer used for farming or is sold to someone outside the immediate family, estate tax benefits can be wiped out. IRS can make full recapture of tax savings in the first 19 years from the qualified heir or heirs, with diminishing amounts subject to recapture for the last five.

If a qualified heir dies without having disposed of the property or without having converted the farm to a non-qualified use, there will be no recapture. Lein gives an example: "If a father died and left his farm to a son, and the special valuation was used in the father's estate, recapture wouldn't apply if the son died a year afterward and the farm was sold."

Owners of big estates need to know other provisions of the law. Under no circumstances may the special-use valuation reduce the gross estate by more than $500,000. Kirby gives this example: "Assume the adjusted gross estate at the time of the owner's death consists solely of a working farm valued at $1,800,000. He is single—his wife has died earlier. Also assume that the special-use valuation (figured by the formula above) is $1 million. Since the law provides that the maximum special-use reduction can be no more than $500,000, the valuation for estate tax purposes must be $1,800,000 less $500,000, or $1,300,000."

What would estate taxes be under the new rate schedule, assuming the adjusted gross estate is valued at $1,300,000? On the first $1,250,000 the Federal taxes are $448,300. On the next $50,000 they would be $21,500 (43%), or a total of $469,800. The new unified estate tax credit of $30,000 will apply if the owner died during 1977, so the estate would owe $439,800 estate tax within nine months.

FALSE ECONOMY ON METRO

Mr. MATHIAS. Mr. President, during the last session of Congress there was a great deal of discussion about the costs of completing the Washington Metro system. Escalation of the original cost estimates for Metro is certainly a matter of serious concern to local officials as well as to Congress, but increases in the cost of major construction projects are, unfortunately, a fact of life. When compared with the cost increases of certain highway projects, and the entire Interstate System, Metro's experience is not so unusual at all.

The most recent estimates of the cost for completing Metro have led to renewed discussion of cutting back the original system plan that was approved by Congress. New circumstances may always require a review of old plans. Nevertheless, the Washington Metro system is a project that will shape the future of the National Capital region for the next century. Short-range efforts to cut costs may have a very large price tag in the longer run.

Warren Quenstedt, Metro's deputy general manager, recently delivered an address that outlines some of the costs that will result from not completing the Metro system. I believe that our colleagues will find his comments on the potential for false economies in Metro of great interest, and I ask unanimous consent that they be printed in the RECORD, together with an edtorial comment from the Washington Star.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Nov. 21, 1976]

FALSE ECONOMY ON METRO

Warren Quenstedt, deputy general manager of Metro, had some words the other night about the Metrorail system that seem worth repeating.

He made these points:

Cutting back the rail system would necessitate purchase and support of up to 1,000 more buses, whose drivers earn salaries approaching $8 an hour. Each bus—at today's prices—means a subsidy of $30,000 a year, he said.

A cutback in Metrorail means a loss of revenue for that portion of the transit system and that, in turn, means increased subsidies would be needed from tax revenues.

Any capital cost savings in cutting back rail lines would be eaten up in large part by additional costs of expanded facilities such as parking, bus bays and unplanned bus-rail interchanges.

Metro was planned as "an efficient, economically operating whole system" serving the Washington region. Cutting back the system in certain areas—as some Northern Virginia officials appear to desire—would throw the regional concept and the financial balance out of kilter.

Mr. Quenstedt, addressing Northern Virginia builders and contractors, made the further point that the availability of public transit is an important factor in the location of new industry.

In short, the thrust of Mr. Quenstedt's speech was that cutting back on the proposed 100-mile rapid rail system would be false economy. It's a point that Metrorail critics ought to ponder seriously.

REMARKS OF WARREN QUENSTEDT, DEPUTY GENERAL MANAGER, WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY BEFORE NORTHERN VIRGINIA CHAPTER, ASSOCIATED BUILDERS AND CONTRACTORS, INC., NOVEMBER 9, 1976

Tonight I want to remind you of, some things you may already know, but may have forgotten.

And of some things you have not read in the newspapers or seen on TV.

You are aware that those who predict doomsday make the news more often than those who work quietly and achieve progress. One way to make headlines is to attack the biggest thing around. And Metro is the biggest game in town.

The doomsday criers are always with us—people with a blind fear of change. They are descendants of the people who proved that Wilbur and Orville Wright's flying machine would never become popular, much less useful.

They are the kinds of people who proved that the horseless carriage could never be popular or useful. After all—it would need hundreds of thousands of miles of costly paved right-of-way called roads, and tens of thousands of small stores with facilities for dispensing petroleum fuel along those right-of-ways—all that would be much too expensive!

Now, the same kinds of people suggest cutting the arms and legs off Metro, the region's carefully, laboriously planned, regionally-agreed-upon public transportation system. But they do not tell you the cost of not completing it.

There are others of more courageous spirit. I hear them say that "Metro should have been built 20 years ago." I'm sure you remember the regional bond referenda on Metro—a record in United States urban history—with a YES vote as high as 79 percent in a Virginia community—voting yes for the long-awaited project.

And, gentlemen, that vote was taken even before gasoline prices doubled, before pollution became a household word and a political concern, and before energy conservation became an apparent and vital necessity.

We have the second guessers, the Monday morning quarterbacks. The people who, on the back of an envelope, so to speak, rethink what this region and its people and its leaders have so carefully worked out over the years with the best resources and experts at their disposal.

I want to speak briefly about these things, and end with some thoughts about construction after Metro is built and running.

Some of the people—those who previously said nobody would ride Metro—are now silent. They now have ridden it themselves. They have seen that almost three times as many people are riding it as were predicted. They know that almost half of those riders are from the suburbs directly.

Metro will directly serve Virginia this coming summer, so those doubters ain't seen nuthin' yet. Airport to Rosslyn—downtown—and all the way to Kennedy Stadium!

It is presently popular to down-talk the bus system. Again, problems make the news more than progress. Let's look at the progress. Ridership is up ten million since the local governments, through Metro, took over the failing bus systems in 1973. Patrons continue to increase by 5% each year. In comparison, Baltimore lost 12 percent of its riders.

Today buses are cleaner, more reliable, have fewer breakdowns, show an improved on-time performance, have an outstanding safety record, and stop at more and more shelters as new ones are installed.

Individual problems, yes, of course. You hear about them because we have opened up to the public for suggestions and criticism as the bus systems never did before.

In our bus operations we have higher revenues than other cities' average. And we have higher fares. Our level of subsidy—tax money, in other words—compares favorably with other cities.

Spending public money for public transportation is very new for the taxpayers and political leaders of this region. Reason enough, perhaps, for demands for explanation—for fears of the future. Other cities have long taken it for granted. Here we were shielded while the private operators scrimped and scraped and plunged into near bankruptcy until desperation itself dictated public operation. The need for public transportation cannot be ignored. Remember—there are many who are too old, too young, too infirm or too poor to drive automobiles. But they must have transportation. This region has long dreamed of the only kind of total public transportation system that can be truly economical in the long run—a totally coordinated bus and rail operation. We are within only a few months of achieving this.

Right now we are holding hearings on the most innovative and far-reaching proposals ever advanced for transit service in this area—the coordination of bus service with train service so that buses can be more efficient and more economical, and so that trains can do what they do best in the whole scheme of things.

As a result of our proposals there have been a few outraged cries. Some are justified

and we will attend to them. But most of the outcries are heard because innovation is often called for, but not always welcomed. Most people want progress, but few people want change . . . in their daily routines or in their immediate neighborhoods.

Metro is the target of criticism by some who attack us on two fronts: (1) the 100-mile Metrorail system is too big and too expensive, and (2) the operating deficits of Metrorail and Metrobus are too large. I suppose such criticism represents the sincere and conscientious convictions of those who are doing the criticism, but I happen to disagree with them.

True enough, the original cost for Metro was estimated at $2.5 billion, but inflation raised havoc with that figure just as it has with you in the operation of your businesses. But that figure is not the whole story. At that figure the local contribution was estimated at $570 million for the entire metropolitan area.

$570 million would buy a 2.5-billion dollar public improvement. Now, with a 5-billion dollar price tag, the local regional share is $900 million. So the true increase for the local taxpayer is around 50 percent. Compare that with the price of a loaf of bread. In the face of runaway inflation, some economists call this a decrease.

Let's be more specific. For the communities of this region the cost of Metro for both operating subsidies and debt service for the capital program is 3½% of the FY 1977 budgets. For Fairfax County Metro construction and operation is 2½ percent of the budget. Police, 5.3 percent. Fire protection, 4.4 percent. Schools are 47 percent.

Is this an intolerable burden? Remember: this is an investment. And remember something else: Operating subsidies are the direct result of fare levels.

More than any other system anywhere, Metro was planned from the beginning as an efficient, economically operating whole system serving the whole region. Storage yards placed carefully to reduce wasteful deadhead train return time, stations located for economical bus transfer, and so on.

Today half of all this is under construction and another one-fourth well along in design with much of that nearing readiness for construction. Most of the toughest and most expensive part of the system—the core—is well advanced or completed. 4.6 miles are operating; ¾ miles will be opened July 1; 13.7 miles from National Airport to Kennedy Stadium begins operation July 1st, and November 1st of next year the total reaches 25 miles with service to Silver Spring.

If you want to try to handle the same number of people in the future, with a reduced system, you are talking about 300,000 more auto trips each day, with resulting pollution, tremendous added fuel cost to each individual, time lost in traffic jams, and all the rest.

Cut it back and you are asking for up to 300 more lane miles of highways—highways the citizens are going to fight and the federal government, likely, isn't going to help pay for.

The advocates of cutting it back don't tell you that cutting it back would mean you are going to have to buy and support up to 1,000 more buses, with their operators going on eight dollars an hour. Each bus—at today's prices—means a subsidy of $30,000 per year.

Cut it back and you lose perhaps one-third of the revenue and the tax subsidy will climb accordingly. And the system will cost a great deal more to operate.

Cut it back and you are asking for lawsuits from citizens who have made plans to take advantage of the improved transportation service, based on the promises of elected officials in office when decisions were made.

And ironically, if you cut back now you cut primarily the surface lines. This is less expensive construction.

I hope you realize that any capital cost savings would be in good part eaten up by additional costs of expanded facilities such as parking, bus bays, inefficient bus-rail interchanges, and the like, at a half-dozen unplanned-for terminals. There will be additional garage facilities for all those buses you will have to buy. And there will be countless mechanics and operators to hire and support. . . .

Our Board of Directors knows this. They have the responsibility to decide and they have repeatedly reviewed the question. They are determined to see METRO completed to its full 100 miles.

Improved transportation generates investment—through construction of new homes, new commercial buildings, new streets, new water treatment plants, new installations, new schools, new neighborhoods, improvements in old neighborhoods . . .

There's no question that Metro construction has had its impact upon the local construction industry, but a good deal of the activity has gone to the heavy contracting organizations who are located elsewhere. They'll move on when the special need has been filled. Our construction people tell me that our activity will phase out gradually and the void will be filled by increased activity and still other public projects. But it would not phase out gradually if the system were arbitrarily truncated on short notice.

The region cannot afford to have a second-class transportation system. The availability of public transportation is a powerful factor in the location of new industry. Mobility assures vitality.

If Virginia were to settle for inferior public transportation compared with, say, Montgomery County, we in Virginia would be at a disadvantage, to say the least. Never doubt it—we have regional competition. With better transportation Montgomery County would get the action—the new industry—homes—commercial activity.

I am talking about growth. Anything that does not grow must certainly wither and die. Growth doesn't stop. Some may challenge our projections, but we will get to them sometime. Maybe two or three years later, but we will get there. And believe me—building Metro will never be cheaper.

I say this despite the well-known escalation we all suffer from. I don't have to tell this crowd about the costs of reinforcing bars, structural steel, or asphalt paving or a thousand other things.

The good news is that right now we are in a downward trend. Since June of this year we have opened five bids totalling more than $5 million LESS than our estimates. And we have nine updated estimates from our section designers totalling $29 million dollars less than our program estimates. Our present factor for inflation is 7% per annum, compounded, until the project's completion. We now feel the factor will stand up.

So, let me sum up.

Let us not sacrifice the tremendous long-range benefit for the short term scare talk.

Let us keep an eye on the unspoken side of the arguments put forth by the faint-hearts, the short-term critics.

Let's realize that public transportation supported by public funds is here to stay. Federal contributions to our economy demand and depend on it. And I don't mean a fractionated public transit system. You are dreaming if you think that federal money will support a lot of individual public systems within this region.

Let's remember the terrible cost in dollars and pollution and traffic jams and facilities if we do not complete what the region has been promised.

Let's be aware that good coordinated public transit is essential for a healthy region, and a healthy region is absolutely essential for a healthy building industry.

You build for people. Transportation moves people to and from what you build.

And people are what you—and Metro—are all about.

LET US GET THE FACTS ON NATURAL GAS

Mr. PROXMIRE. Mr. President, this winter's natural gas shortage has renewed calls for deregulation of natural gas prices.

The emergency bill signed by the President earlier this month has already exempted emergency purchases from regulated prices through August 1, 1977. Now the major gas producers are gearing up for a spring campaign to remove controls once and for all.

Some good arguments have been made in support of deregulation as an effective way to encourage conservation of this premium fuel. Opponents have argued equally well that consumers must be protected from the monopoly characteristics of the gas industry. At some time in this first session of the 95th Congress, both sides will be heard from once again as yet another try is made to nail down this plank in America's national energy platform.

Inexcusably, it is possible that this year's debate—as in other years—will be carried forth entirely unsupported by independent data on which to base reasonable conclusions. The fact is that the Federal Government is relying solely on gas industry statistics for its information on how much natural gas we have and where it is now. Congress may very well proceed on the deregulation issue without independently verifying the figures given to us by the one industry that stands to gain enormously by fudging the facts.

James Nathan Miller succinctly described the current situation in a February 13 Washington Post article entitled, "Natural Gas: The Hidden Reserves." He shows how the critical data underlying the deregulation debate may be a "statistical delusion—a gross underestimation of the Nation's true reserves."

Mr. President, any Senator who will be voting on deregulation would be well advised to review the Miller article to get a better understanding why it would be premature to act on this issue before we get all the facts.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 13, 1977]

NATURAL GAS: THE HIDDEN RESERVES

(By James Nathan Miller)

The companies that supply U.S. energy are trying to convince Congress and the public that the present cold-weather crisis actually does prove that there is a long-term shortage of natural gas. If they succeed, the United States will have a gas deregulation law that's based on data that are at best doubtful and at worst false.

To understand what's involved, it's essential to realize that the deregulation question actually involves two very different kinds of shortage, which press accounts have jumbled together. There is a true, demonstrable shortage in deliveries of gas. The reason for it are the apparent physical inability of pipelines to satisfy the demand created by the record-breaking cold wave and the unwillingness of

producers to meet this emergency demand at a controlled price when they know they can get several times as much if they can force the removal of controls.

The second shortage is something quite different. It is an alleged shrinkage in the country's long-term underground reserves of gas. The companies that own the long-term reserves—and claim that the shortage exists—also claim that the size of their holdings is a trade secret; as a consequence, the figures that could prove or disprove the existence of a reserve shortage are hidden behind a curtain of secrecy that the present cold spell has done nothing to pierce.

For many years the gas industry has claimed that underground stocks of "proved" reserves have been declining at an alarming rate. "Proved" reserves are the only ones that the country can be certain about. They represent gas fields that the producing companies have drilled into, measured with considerable precision and deemed to be economically recoverable. Beyond the "proved" reserves there are others labeled with adjectives representing the spectrum of geological speculation: "probable," "inferred," "possible," etc.

How much does the United States now possess in these various categories? The most recent estimate of the industry's trade association, the American Gas Association (AGA), is that there are 228 trillion cubic feet of proved reserves now in the ground, or about a 10-year supply at the present national consumption rate. But nobody expects us to run out in 10 years, because geologists know that there are huge amounts of the less certain categories waiting to be discovered. Most estimates conclude there are between 700 and 1,200 trillion more cubic feet of gas ultimately available; some go much higher. This means we probably have enough to carry us several decades into the next century if we go out and prospect for it. Which brings us to the industry's main argument for deregulation.

THE INDUSTRY ESTIMATES

The producers say that, because government regulation is holding down the price of gas, they haven't been doing the expensive exploratory work necessary to move the "probable," "possible," etc. fields into the "proved" column. According to AGA's figures, the decline in proved reserves began in 1968. From 1945 to 1968, the gas companies managed to discover a lot more gas each year than the country consumed. So for 22 years our "proved" stockpiles kept increasing, until they reached a peak of 293 trillion feet in 1967. Since then, according to industry figures, new discoveries each year have totaled *less* than consumption, and the "proved" reserves have shrunk from 293 to 228 trillion feet. At that rate, we will run out of "proved" by the end of this century.

But the "proved" figures come from only one source: the gas producers themselves, who draw them up in complete secrecy. Thus, for the critical set of statistics that underlie the whole deregulation debate, the country depends totally on the chief private participant in the debate. In the last few years several outside investigations have turned up evidence that these figures may be fundamentally incorrect. They may be a statistical delusion—a gross underestimation of the nation's true reserves.

Proved estimates require a large amount of raw data—core samples, pressure readings, voltage measurements, etc.—that can be obtained only by actual drilling into the gas pockets. Acquiring these data for all the country's 6,300-odd gas fields is a colossal physical job, and only the gas industry itself owns the billions of dollars worth of equipment necessary to do it. The only group to which the producers are willing to confide some of their information is the AGA, for its once-a-year survey of the nation's total reserves. Each year the association assigns 100 industry geologists to its Committee on Natural Gas Reserves. These geologists annually canvass the producers in their assigned areas for the necessary data to form their own estimates.

In 1970, responding to suspicions that had been voiced about the accuracy of the figures, the chairman of the reserves committee described the system in detail to the Federal Power Commission. He said the drawing up of the estimates was a rigorously supervised process specifically designed to eliminate any chance of manipulation by the producing companies. He said the companies gave the 100 geologists all the data they needed and the geologists, regarding themselves as public servants rather than as representatives of their companies, were scrupulous about insulating themselves from company pressure. All the geologists used the same precise AGA estimating formulas, said the official, and the resulting national estimate was "one of the most consistent and reliable series of statistics available anywhere." The FPC, which is known as one of the most supine of regulatory agencies in its relations with the industry it regulates, accepted this testimony at face value, and looked no further.

A DIFFERENT PICTURE

Last year a House Commerce subcommittee headed by Rep. John E. Moss (D-Calif.) conducted an investigation that drew a very different picture of the way the process worked. Moss' picture was based partly on facts turned up by an investigation by the Federal Trade Commission of AGA's estimates in the Gulf of Mexico, and partly on testimony by industry officials including some of the geologists who had drawn up the AGA estimates for the Gulf.

What Moss found was that the whole estimating process was dominated by a few of the largest gas producing companies. These companies were allowed to choose the geologists who served on the Reserves Committee, and they regarded these geologists not as servants of the public but as their own representatives. AGA made no attempt to make the geologists follow its own estimating rules, and in fact the AGA man in charge of the program admitted that he had no idea of what estimating methods they used.

Under oath, the geologists admitted that they ignored AGA's definition of what constituted "proved" reserves and, in case after case, gave whatever estimates their companies wanted them to give. One admitted that his company drew up all his estimates for him. Another said that, when a company refused to give him information on a gas field, he simply listed the field as "zero"; in one year he listed five such fields. Another geologist said that companies often refused to give him any information at all, and he was forced to make "ballpark" guesses based on scraps of information from the trade press.

Moss turned up one huge field containing 400 billion cubic feet of gas that had been unlisted for two years, even though it had two platforms and 13 wells and its existence was known to the entire industry. If this single field had been included in AGA's figures, it would have increased the AGA's 1974 national estimate of new-field discoveries by 23 per cent.

The FTC's investigators, after a five-year examination of AGA's estimating methods, had recommended taking the association and the companies to court for "concertedly maintaining a deficient reporting system" that produced "serious underreporting." The FTC commissioners rejected this recommendation on what appear to have been political grounds. Moss uncovered a memo in the FTC files recommending against any legal action that might encourage "continued FPC regulation into the distant future." The FTC investigation, now seven years old, drags on.

THE PRICE INCENTIVE

The obvious reason the companies have to give AGA incorrect figures is the propaganda value of proving that a national shortage exists. But there is a more immediately practical reason: The Supreme Court ruled in 1968 that the FPC could let producers increase the price of gas whenever AGA's figures showed that their rate of new discoveries had decreased. Thus, the fewer new discoveries the producers tell AGA about, the more they can charge their customers. Interestingly enough, the first drastic drop in the new-discovery figures appeared in the AGA statistics that were issued a few months after this landmark decision.

The industry claims that AGA's figures are accurate because two national surveys of proved reserves—one by the FPC, the other by the Federal Energy Administration—came up with totals that were only a few percentage points different from AGA's. However, FPC and FEA both have been lobbying for deregulation; and though the two agencies claim their surveys were completely independent of the industry, both surveys actually depended heavily on industry cooperation and in fact couldn't have been carried out without it.

The FPC, in its survey, selected 158 out of the nation's 6,300 gas fields, and asked the industry for the raw data on these fields. On the basis of this information the FPC's geologists projected a national estimate that was only 10 per cent different from AGA's. The FPC's methodology was developed by a "technical advisory task force" whose chairman and cochairman were Exxon geologists and a majority of whose members were industry executives. Three subsequent analyses of the 158-field sample by others all concluded that the sample had been drawn up in such a way as to minimize the possibility of finding under-reported fields.

As to FEA's study, its dependence on industry-generated figures was also self-evident. In authorizing the FEA's survey, Congress gave the energy agency power to subpoena whatever raw data it needed from the producers. But FEA chose not to subpoena anything, even when companies refused to provide requested information. Instead, it used only what information the companies were willing to turn over voluntarily. Since this is the same information AGA depends on, it doesn't seem surprising that FEA's and AGA's reserves estimates were almost identical.

"SQUIRRELED AWAY"

Besides failing to report reserves, the companies are withholding from the market large quantities of gas that they have reported. By law, when companies discover produceable quantities of gas in fields leased from the federal government, they are required to market it at the federally regulated price. But Moss' staff exposed cases in which companies—at the very time they were warning of a gas shortage—had failed to produce very large quantities of gas available in fields in the Gulf of Mexico developed under federal lease.

President Carter's energy chief, James Schlesinger, was quoted last week in Newsweek as saying, "I keep hearing about gas that's been squirreled away, but whenever we get close to it, it becomes evanescent." He should look at Moss' findings; they are not evanescent.

Here is one example of what the Moss subcommittee discovered. By law, companies that lease oil- and gas-producing land from the federal government must turn over all their raw data on these leases to the U.S Geological Survey. By subpoenaing the AGA's (hitherto secret) estimate of reserves in the Gulf of Mexico (all developed under federal lease) and comparing this to the Geological Survey's own (hitherto secret) estimate of the reserves in the Gulf, the Moss staff was able to make the first direct comparison between the AGA's detailed estimates of reserves in a specific group of fields and another set of estimates for the same fields

that were based on the companies' own raw data. Moss found that the Survey estimate was 60 percent higher than AGA's 23.5 trillion feet for the Survey, 14.7 trillion for AGA.

Thus, in only 153 fields (2.4 percent of the nation's 6,300 fields) AGA apparently had missed 8.8 trillion feet of gas. This is a little more than twice as much as the estimated 3.5 trillion feet of delivery curtailments that are involved in this winter's gas crisis.

The AGA insists that to compare its figures with the Survey's is comparing "apples" and "oranges," because the Survey said it was estimating "measured" reserves, while AGA uses the "proved." But the Survey says that the two terms are "essentially synonymous."

From all the above, it seems apparent that the present 3.5-trillion-foot crisis in pipeline deliveries caused by a record cold winter tells us nothing about the more fundamental questions of what the companies' reserves actually are and why they are not making them available in sufficient quantity. The answer to these questions will come when and if Congress uses its subpoena power to conduct a survey of the industry's holdings that is demonstrably and unquestionably independent of the industry's influence. I don't pretend to know what such a survey will prove; perhaps it will confirm the industry's figures. But it is startling to realize that the nation's basic energy policy is being formulated on the basis of a fundamentally important set of statistics supplied by an industry that has every incentive to misrepresent them.

STUDYING THE LIFE OF THE WOLF

Mr. HUMPHREY. Mr. President, I wish to share with the Senate an article in the February 16 edition of the New York Times entitled "The Wolf Gets a Better Image With Biologist's Help."

This informative article by Boyce Rensberger deals with the work of Dr. L. David Mech who has been studying wolves for 18 years and is considered the Nation's leading expert on wolf behavior.

The article provides a great deal of information on how wolves are tracked by radio after having been immobilized with drugs.

Through the work of Dr. Mech and his associates a great deal has been learned regarding the habits of the wolves, both alone and in packs. In 1974 Dr. Mech also was involved in an effort to relocate four Minnesota wolves in Michigan's Upper Peninsula. While the four wolves were killed by human beings, the experiment did indicate that relocated wolves could establish themselves in a new territory and survive.

The main problem is how the wolf impacts on human beings and also other animals. With the information which Dr. Mech and his group are developing, it will be possible to develop more effective wildlife policies and also encourage a better understanding on the part of the public regarding the wolf and its role in the ecosystem.

Mr. President, I ask unanimous consent that this informative article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WOLF GETS A BETTER IMAGE WITH BIOLOGIST'S HELP

(By Boyce Rensberger)

ELY, MINNESOTA.—A crimson pool of blood lay frozen in the snow. Ravens pecked at the last shreds of what had been a deer.

"There they are!" David Mech, wolf biologist, shouted over the roar of a Cessna 180 circling tightly above the frozen lake as he pointed down at the shore. "The wolves!"

About a hundred yards from the kill in the middle of the lake, six timber wolves rested drowsily after the kill in the cold, bright sun. One jumped up to watch the little plane as it banked sharply.

Dr. L. David Mech, who has studied wolves for 18 years and is widely acknowledged as this country's leading expert on wolf behavior, marked down on a tracking form the location of the wolves, how many there were and what they were doing. Then he directed the pilot to head southwest toward the place where another wolf pack had last been seen.

Through such aerial observations, a technique he helped develop, Dr. Mech has gathered much of the evidence that has debunked many of man's oldest myths about the wolf.

Once widely hated and persecuted as a dangerous predator, the wolf today, thanks largely to Dr. Mech's research, is coming to be regarded as an ecologically important member of its wilderness habitats and as an animal with a complex and fascinating society. Once feared as dangerous to people, the wolf is now known not only as friendly and sociable within its pack, but as no threat to man. There is no documented instance of a free-living wolf attacking a person in North America.

Dr. Mech (pronounced Meech), now 40 years old, began his wolf research in 1959 as a graduate student while observing the two dozen wolves of Isle Royale National Park in Lake Superior. Today, employed by the Endangered Wildlife Research Program of the United States Fish and Wildlife Service, he is in charge of a wide-ranging, long-term study of the relatively stable population of 1,000 to 1,200 wolves in northern Minnesota. These animals are the last substantial population of wolves in the United States outside of Alaska.

The greatest concentration of these wolves is in the Superior National Forest near here in the extreme northeastern corner of the state, and the dead of winter, when the beasts can be spotted against the snow, is the best time for studying them.

As the little plane headed toward the next wolf pack sighting, Dr. Mech put his headphones back on and listened intently for a clicking signal picked up by antennas mounted on the plane's wing struts.

One of the wolves in the pack, like one in the pack sighted near its kill, was wearing a tiny, battery-powered transmitter on a collar around its neck. The signal from this constantly operating device picked up by the antennas on the plane guides Dr. Mech to the wolves.

Over the years Dr. Mech and his assistants, most of them graduate students in wildlife biology at the University of Minnesota, have trapped and radio-tagged about 140 wolves in the Superior National Forest area.

After being captured in a modified leg-hold trap, the wolves are immobilized with drugs, weighed, and identified by sex. Blood samples are taken. Ear tags are clipped on and the collar is fitted. As the drugs wear off, the wolf, transmitting on its own frequency, runs off to rejoin its pack. Because wolf packs are stable social units, the signal from a single radio collar can lead Dr. Mech or his students to the entire pack.

Because the antennas are highly directional, picking up signals from either the left or right side of the plane, depending on which antenna is used, Dr. Mech can tell where the transmitting wolf is in relationship to the plane. Dr. Mech can switch from one antenna to the other. When the signal is equally strong from the two antennas, the plane is headed directly for the wolves.

Twenty-four of the 140 radio collars are still working, the others either have stopped operating (usually after a year or so) or the wolves have been killed (wolves that venture too near human beings risk being shot or trapped). The 24 tagged animals represent nine packs, one newly formed pair that may breed to establish a new pack, and four lone wolves, animals who have left their original packs to wander alone and sometimes find a mate and a vacant "territory" in which they can establish a new pack.

Minutes after leaving the pack with the deer kill, Dr. Mech signaled the pilot to circle above a forested ridge.

"They're down there," Dr. Mech shouted. "Can't see 'em. They're probably under the trees."

After logging their position and that of some other packs, Dr. Mech headed back to the airport. Every day during winter and at least weekly during the summer Dr. Mech or his students go up in planes to find the collared wolves. One pack has been tracked for six years.

When the locations for a given wolf pack are plotted on a map, almost all fall within a tightly circumscribed territory abutting the territories of other wolf packs and almost never overlapping them. One pack, for example, has fluctuated from two to nine members over the year, but has always maintained the same territorial boundaries with its neighboring packs. On a larger scale, wolf densities usually are about one for every 10 square miles.

Wolves mark the boundaries with urine and, even when chasing prey, seldom enter alien territory. When they do, they risk attack from the resident pack.

Back at the log cabin or a Forest Service compound near Ely that serves as the wolf study's field station, Dr. Mech and half a dozen students come and go throughout the day, drying out soaked gloves, pouring hot coffee, calibrating radio receivers, exchanging information on the day's sightings. In the refrigerator, vials of wolf blood share space with bottles of beer. Several of the students track wolves from the air and others manage projects on deer, lynxes, moose, snowshoe hares, ravens and other local fauna. Many of these animals are also wearing radio collars.

By studying both wolves and their prey, Dr. Mech and his students hope to discover and understand those elements of their behavior that have evolved as ways of coping with the other species. Anatomical adaptations for attack and defense are well known but behavioral adaptations are not.

Biologists have long known that wolves have developed certain ways of hunting that maximizes their chances of killing deer. Presumably deer, who heretofore have not been intensively studied as one-half of a predator-prey relationship, have evolved defensive behaviors as well.

One deer behavior that is under study is the congregating of deer in open meadows, or deer yards, in the winter. In spring and winter deer are dispersed through the forest. Why do deer shift back and forth between two different systems of social organization?

Somehow, Dr. Mech suspects, the deer's slower metabolism in winter, the difficulty of moving in snow and the fact that fawns have grown more independent since their birth make "yarding" a better way to defend against wolves in winter but a poorer way in summer. A four-year study of deer behavior is planned in an attempt to explain this phenomenon.

One recent morning a student reported that wolf No. 2407 and its pack were found well out of their territory. Dr. Mech checked the location on a map. "That's interesting," he remarked. "Those sons of guns, they're trespassing, really striking out on their own." From the map it appeared that they would have had to cross two roads to reach their present location from where they had been the day before.

Later in the day, after a futile attempt to find a radio-collared wolf that someone reported seeing on a road with a trap on its foot, Dr. Mech drove the snow-covered roads that the "trespassing" wolves had crossed to look for scent marks. When wolves cross a road or other physical boundary, they mark the junction with urine. He wanted to collect urine samples frozen into the snow for biochemical analysis but a snowplow had recently obliterated the marks.

SOME STILL HUNT WOLVES

The biologists' interactions with the human population in and around Ely have proven both rewarding and frustrating.

Dr. Mech said that although most townspeople were sympathetic to the wolf research and favored the species' protection, a few retained the older antipathy. There is a vigilante group that kills wolves whenever possible and puts the carcasses on other people's doorsteps with notes arguing that wolves destroy deer that should be protected for hunters.

Although wolf hunting and trapping have been illegal in Minnesota since 1965, it continues. Whenever one of the collared wolves is killed, however, some sympathetic trappers notify Dr. Mech by leaving anonymous notes at a local bar.

Because some of Dr. Mech's colleagues study deer, some townspeople are puzzled that scientists who specialize in species that are seen as "natural enemies" can be friends.

"We have a ways to go in changing peoples attitudes about these animals," Dr. Mech said.

Dr. Mech says he likes to get into the field as often as possible but noted that he had a desk job with the Fish and Wildlife Service in St. Paul. There, with access to libraries and laboratories, he writes scentific papers on wolf behavior, consults with scientists and conservationists around the world. Last year he spent a month in India training biologists there in radio tracking. He also develops strategies for protecting wolves.

For example, Dr. Mech was heavily involved in the 1974 effort to relocate four Minnesota wolves in Michigan's Upper Peninsula. Within eight months after the wolves were released, all four, two males and two females had been killed by human beings. Two were shot; one was trapped and then shot; one was hit by a car.

ANIMALS CAN BE RELOCATED

The experiment did establish that relocated wolves could establish themselves in a new territory and survive. "The problem," Dr. Mech said, "is the human population. Next time we would want to do a more intensive public education effort."

Dr. Mech is a member of the Eastern Timber Wolf Recovery Team appointed by the Fish and Wildlife Service to devise a program for the protection and re-establishment of wolf populations. The group has suggested that wolves be reintroduced to wilderness areas in Michigan, Wisconsin, New York State's Adirondacks, Maine, and the Great Smoky Mountain National Park.

Dr. Mech has found that wolves can double their numbers every year. However, they do not if the area is already full and each pack's territory abuts others on all sides. Lone wolves, unable to establish a territory near their place of origin, disperse to a less desirable habitat and, in many cases, are killed by people.

Thus, Dr. Mech has found, wolf hunting or trapping can continue at a substantial rate on the fringes of prime wolf country without lowering the average wolf population.

In Minnesota, for example, the Wolf Recovery Team has recommended that controlled wolf killing be permitted in a buffer zone around the wolf's 10,000-square-mile prime range, which would remain totally protected. Limited wolf hunting or trapping, the group believes, is necessary to minimize the loss of livestock to wolves and to increase the base of local citizen support for conservation, without which wolves might not survive at all.

CANADIAN PARLIAMENT STATEMENT ON HUMAN RIGHTS

Mr. CASE. Mr. President, the Canadian Government has played an important role on the issue of human rights. It is noteworthy and praiseworthy that the Canadian Parliament recently reaffirmed its position in respect to the Helsinki accords. As a member of the U.S. Helsinki Commission, I welcome the recent motion approved by the Canadian Parliament. A motion expressing the Canadian position was introduced February 15 by Mr. Mitchel Sharpe, the Foreign Minister, and unanimously passed the same day.

I ask unanimous consent that the eloquent statement by Mr. Sharpe be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HUMAN RIGHTS IN U.S.S.R.

Canada was the strongest proponent of basket three incorporated in the final act of the Conference on Security and Co-Operation in Europe, popularly known as the Helsinki Agreement.

As such, we have reason to be concerned about what are regarded internationally as serious violations of the spirit and letter of that Agreement by the Soviet Union. I refer in particular to the recent arrest of certain citizens of that country who have been endeavouring to ensure the full implementation of the Helsinki Agreement and who have been defending fundamental human rights whenever they are menaced in the Soviet Union and elsewhere.

From my own experience as Foreign Minister, I am aware of the difficulties and dangers of appearing to interfere in the internal affairs of another country. I am also aware of the implications of selecting particular individuals for mention. Since the signature of the Helsinki Agreement, however, such matters can no longer be regarded as purely internal and there are occasions when protest is both justified and necessary, since failure to do so might imply indifference.

Accordingly, I move that the Secretary of State for External Affairs convey to the Government of the Soviet Union the disappointment and deep concern of the elected representatives of the Canadian people in Parliament assembled at the arrest of Alexander Ginsberg, Mykola Rudenko, Yuri Orlov and Alexei Tikhy.

VA'S NEW BOSS

Mr. TALMADGE. Mr. President, there appeared in the Monday edition of the Washington Star an excellent article on Max Cleland, who has been designated by President Carter as Administrator of the Veterans' Administration.

Mr. Cleland is a triple amputee veteran of the Vietnam war and this article reflects his courage, determination, and leadership. Mr. Cleland is a man of high character and outstanding ability and I am proud to have known him as a personal friend for a number of years.

Mr. Cleland is eminently qualified to direct the Veterans' Administration's important programs and activities and I am confident that he will be duly confirmed by the Senate.

I bring this article to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VA's NEW BOSS: A TAKE-CHARGE WAR HERO MINUS LEGS AND AN ARM

(By Judy Flander)

Max Cleland doesn't have either of his legs or his right arm. Max Cleland doesn't have a Purple Heart. But Max Cleland is one of the true heros of the Vietnam war and his choice by President Carter to head the Veterans Administration is so inspired that in retrospect it seems to have been inevitable.

Cleland was the first person on Carter's appointment schedule—"four hours and 40 minutes" after the inaugural.

"I was told to come to the White House at 4, the parade was hardly over when I saw him," Cleland says with great pleasure but not a trace of pride. He won't say exactly what the President wanted to see him about, but obviously the VA appointment came up in the conversation.

If Cleland hadn't been a good ole Georgia boy, it's possible that he might have escaped Carter's notice. But not likely. Graphically, of course, he's a natural.

Cleland, 34, lost his limbs in a grenade accident near Khe Sanh in 1968, while serving as a captain in the 1st Air Cavalry Division. He wasn't eligible for the Purple Heart because he wasn't wounded in action, but he received the Silver Star for gallantry in action and the Soldier's Medal for heroism in Vietnam.

Max Cleland is not a bitter man. "After I was in Vietnam a few months, my evaluation of the war changed radically," he admits. "We were obviously on thin political ice, there was weakness in the whole effort," says Cleland, who has no regrets about volunteering for Vietnam.

And he is no protester. "If I wanted to protest I could go out in the back yard and holler," says Cleland, who has no quarrel with those who did. But he's a "systems' guy. There's a difference between protest and leadership."

Cleland is a take-charge guy who hasn't changed since he was a "little blond angel one minute and a Dennis the Menace the next" as a child in Lithonia, Ga., growing up across the street from DeWitt and Winette Buice, now of Arlington, whom he regards as his second parents. "All the qualities you see in Max now came out when he was a little boy," says Winette Buice.

Cleland, today, is extremely sensitive to others needs, full of fun, exuberant, vigorous, ambitious. He has a roaring, infectious laugh that makes everyone around him feel good. "Resentment is a luxury I can't afford," he says, but he clearly doesn't consider it one of his life's necessities, either.

So well has Cleland managed to put others at their ease that Mrs. Buice has had to catch herself from saying things like, "When are you going to come over and put your feet under my table?" Cleland himself quite unconsciously makes remarks about cooling his heels.

Walter Russell, a nephew of the late Sen. Richard Russell, D-Ga., now chairman of the DeKalb Board of Commissioners, has a one-word description of Cleland—"guts."

Russell recalls the evening the two of them went to a burlesque restaurant in Georgia, Russell "in worse shape than I am now," dragging along on his cane, Cleland, still walking with difficulty on his artificial legs. Russell opened the door and Cleland drawled, "Jeesus Chreeist look at that cotton-pickin' cripple openin' that door for *me*."

Despite his extreme disability, Cleland is neither handicapped nor inhibited. If any-

thing, he's speeded up. He's a whirlwind. Two sets of wheels keep him moving fast.

He gave up artificial legs for the greater mobility of a wheelchair. He flips into it from a chair, from his bed, from his car, efficiently folds each empty pant leg under each thigh and zooms about his business. He plays tennis and basketball from his wheelchair, tucking the ball under the stump of his right arm and making baskets with his super-strong left arm and hand.

On the go, for any purpose—Cindy Prather, a Capitol committee aide, once accompanied him as he went from store to store searching for a small electrical gadget—he hurls himself into his car from the curbside, pulls the heavy wheelchair in after him, fits his right arm stump with a prothesis and, using the specially fitted hand controls, guns the engine of his 1970 Olds Toronado on which there are 159,000 miles, "all put on by myself."

You're only with him five minutes before you forget how much he lost in the Vietnam war. Because Max Cleland isn't a loser. Since Vietnam, he has served two terms in the Georgia State Senate.

"I ran for the State Senate at the same time a young fellow named Jimmy Carter ran for governor. He won. I won," says Cleland, explaining how he happened to first meet the President.

"He and I were deeply involved together in veterans' concerns." Carter backed legislation Cleland authored to beef up state money for veterans wanting to go back to school on the GI bill and he put Cleland in charge of a special committee he created to investigate the problems of returning veterans.

"I was an early, ardent supporter," says Cleland, who clearly venerates Carter. "I can't tell you how strongly I feel about him. When he said in his acceptance speech, 'to do justly and to love mercy and to walk humbly with thy God,' well, that's my favorite passage in the Bible, too.

"That's my approach to living, to tragedy, to heartbreak. I have come to this. I wasn't always this way. My country wasn't always this way, either. But now, it is a lot more restrained, a lot more open minded."

In 1974, Cleland ran for lieutenant governor of Georgia, and although he didn't make it, he came in third out of a field of 10.

Then he came to Washington, where he has been a staff member of the Senate Committee on Veterans' Affairs for the past two years. His area has been as monitor of the Veterans Administration hospital system, where he put in his time as an impatient patient.

He's glad he had that job and even happier to get his new one because "of the passion I haven't been able to shake about the injustices in the hospitals. They are out of tune and out of touch, especially with the severely wounded veterans of the Vietnam war."

After he was maimed, Cleland was forced to wait a year to get a wheelchair and artificial limbs because he was considered by the VA hospitals as "a long-term case," and therefore not in urgent need of immediate rehabilitation. He was ready to get on with his life in less than half that time.

Why did he volunteer? "There happened to be a war going on," he explains, without an American flag popping out of his lapel. As member of the ROTC in college (he is a graduate of Stetson University in DeLand, Fla., and received his master's degree in American history at Emory University in Atlanta), he became an Army officer upon his graduation, and went into active duty late in 1965.

With his training and education, he felt he had a "certain obligation as a leader. I could not sit comfortably here in the States letting less trained people go in my stead. It was a matter of conscience that I take my chances along with anybody else."

He served in Vietnam for 11 months. His accident was shortly before he was supposed to be returned to the United States.

His battalion was loading up a chopper, preparing to move to the Khe Sahn combat base when Cleland noticed a grenade. "It must have dropped off somebody's pack. People were milling around near it. Nobody else realized it was there, much less that it was live. My reactions were reflexive—to investigate, to get the thing out of the way."

The grenade blew up as he lunged toward it. It blew off his right arm and leg, and severed his left leg. Winette Buice says he told her that his only thought was to stay conscious so he could tell medics not to amputate his left leg. But it was beyond saving.

Cleland credits fast action by Army doctors for saving his life; the contrast between them and the Veterans Hospital staff in the States was the subject of his testimony before the Senate Veterans Committee hearings a year later.

"Unfortunately, I did not find the up-to-date, rapidly applied medical techniques used in saving men on the battlefield had counterparts in my rehabilitation and administrative processes," he told the committee.

Winette and DeWitt Buice went to see him in "the snake pit ward" where severely injured Vietnam veterans were bedded at Walter Reed General Hospital.

Cleland was sent there 16 days after he was hit. Although he had dictated a letter to his parents, Mr. and Mrs. Joseph Hugh Cleland of Lithonia, the day after he was wounded, and had spoken to his mother by short wave radio four days later, it took Cleland a while before he was able to call and ask them to come and see him in Washington.

But on Mother's Day of 1968, shortly after a march on Washington protesting the Vietnam war, the Buices and the Clelands were walking up the sidewalk to Walter Reed Hospital. They didn't notice Cleland watching their approach from a window, and the Buices were hanging back, thinking it wasn't their son and it wasn't their place to be there just then.

But they were wrong. "I heard this little voice calling from the window," Mrs. Buice recalls, "Well, look at that, another march on Washington!' " I knew everything was all right."

But Cleland's parents have taken his fate hard, perhaps harder than he has himself. "They know how I feel and that helps them," he says tautly. "It's not a pleasant thing."

The Clelands both worked, and the Buices were childless; they have always shared Cleland. "The Clelands had the responsibility, we had the joy," says Mrs. Buice, who doesn't in any way want to imply that she and her husband had a part in his upbringing.

But DeWitt Buice "carried" young Cleland everywhere, to sports events, to see Santa and flying in his airplane. Every Sunday morning, after his breakfast at home, Cleland came over to the Buices for a dish of strawberry jam. "His little head came just up to the table," Buice remembers.

Cleland, who grew to 6-foot-3, became an outstanding student, winning high school letters in baseball, basketball and tennis. "You'd have to call Max Cleland the all-American boy," a teacher said.

When Cleland came to Washington as an exchange student at American University in 1963, the Buices were already here (Buice, a division officer for Southern Railways, who transferred here from Georgia 16 years ago), and met him at the airport.

He sat in their apartment and said, "I'm home. I had a most unusual experience today. My parents took me to the airport and my parents met me at the airport."

The Buices introduced Cleland to their church, the First Baptist Church of Clarendon, and although he is a Methodist he attends regularly.

"He comes sashaying into that church of a Sunday mornin'," Mrs. Buice says with her soft southern accent, "looking like a million dollars. I feel like running up to him and kissing him." Lots of people do. Cleland has an eye for the pretty ladies and when you ask him if he plans to get married soon and he throws back his head and laughs lustily.

"He's no eunuch, you know," says Walt Russell.

Sometimes when the Buices talk about Cleland, there is a tremor in their voices. DeWitt Buice remembers the time he took Cleland, then about 9, to an Atlanta Crackers baseball game and a ball was knocked into the stands. "Max ran and caught it," Buice says. "Ah, he could run."

THE HOME-HEATING STAMP ACT OF 1977: SECTION-BY-SECTION ANALYSIS

Mr. MATHIAS. Mr. President, on February 3, 1977, I introduced the Home Heating Stamp Act of 1977, to establish a home-heating stamp program within the Department of Agriculture which would provide assistance to low-income and fixed-income households in meeting the cost of rising fuel bills. A section-by-section analysis of that bill, S. 609, has now been completed, and I ask unanimous consent that the text of that analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF S. 609

Section 1 provides that this Act may be cited as the "Home-Heating Stamp Act of 1977."

Section 2 sets forth the finding of Congress that the recent rise in home-heating costs is working a serious hardship on households living on fixed and low incomes and necessitates the establishment of a program of Federal assistance in meeting rising fuel expenses by utilizing the administrative apparatus of the Food Stamp Program to simplify administration and speed implementation.

Section 3 amends the Food Stamp Act's "Declaration of Policy" to include: (1) a policy declaration that low-income households should have access to purchasing power adequate to permit them to obtain reasonable amounts of home-heating fuels; home-heating fuel purchasing power imposes serious health and safety risks on low-income households; and (3) an authorization for a Home-Heating Stamp Program to reduce the hardships imposed on low-income households by high home-heating costs by permitting low-income households to obtain reasonable amounts of home-heating fuels through normal channels of trade.

Section 4(a) amends section 3 of the Food Stamp Act to establish a definition of "household" for the purposes of the Home-Heating Stamp Program. A "household" would be a group of individuals who are not residents of an institution and who live in a single economic unit or an individual living alone. Recipients of assistance under the Supplemental Security Income Program would be eligible for the Home-Heating Stamp Program regardless of any restrictions on their participation in the Food Stamp Program.

Section 4(b) amends section 3 of the Food Stamp Act to establish a definition of "State" for the purposes of the Home-Heating Stamp Program. "States" allowed to participate in the program would be the 50 States and the District of Columbia.

Section 5 amends section 3 of the Food Stamp Act to clarify the meaning of the term "food stamp program."

Section 6 amends section 3 of the Food Stamp Act to establish definitions of the terms "home-heating stamp program," "home-heating fuels," "provider," and "heating season."

"Home-heating stamp program" would mean any program established under the amended Food Stamp Act which relates to increasing home-heating fuel purchasing power among low-income households.

"Home-heating fuels" would mean fuel or energy used in a household's heating system such as heating oil, natural gas, electricity, kerosene, wood, propane, and coal.

"Provider" would mean any business entity, public or private utility, or individual that regularly provides, distributes, or delivers home-heating fuels.

"Heating season" would mean the period of time which an allotment of home-heating coupons is intended to cover. Heating seasons would be established for each State by the appropriate State agency and could not be longer than six consecutive months.

Section 7 amends a section heading in the Food Stamp Act to include a reference to the Home-Heating Stamp Program.

Section 8 amends the Food Stamp Act by deleting section 4(c) of the Act (relating to the Secretary's authority to issue regulations).

Section 9 amends section 4 of the Food Stamp Act to include authority for the Secretary of Agriculture to establish, at State option, a Home-Heating Stamp Program. Eligible households within an opting State would be provided with an opportunity to obtain reasonable amounts of home-heating fuels through the issuance of monthly home-heating coupon allotments with a greater monetary value than any charge paid by recipient households.

Home-heating coupons are to be used only (1) to purchase home-heating fuels, and (2) to offset any rent due a landlord where the household rents its residence and does not pay its home-heating fuel bill directly to a provider. Landlords accepting home-heating fuel coupons as partial payment of rent due are not to increase household rents in connection with or as a result of the use of home-heating coupons. Tenants using home-heating coupons to offset rent due are not to use more than one month's coupon allotment to offset rent due for any one month (unless an alternate arrangement is agreed to by the landlord).

Home-heating coupons are to be redeemable at face value by the Secretary of Agriculture through the facilities of the Treasury.

Section 9 also amends section 4 of the Food Stamp Act by adding a new subsection (d) which gives the Secretary authority to issue regulations for the Food Stamp Program and the Home-Heating Stamp Program.

Section 10 amends section 5(a) of the Food Stamp Act to provide that, except in the case of households that are victims of a disaster, eligibility for the Home-Heating Stamp Program is to be limited to households whose income and other financial resources are such that they are eligible for assistance under the Food Stamp Program.

Section 11 amends section 5(b) of the Food Stamp Act to provide for temporary emergency standards of eligibility (without regard to income or other financial resources) for the Home-Heating Stamp Program in the case of households that are victims of a disaster.

Section 12 amends section 5 of the Food Stamp Act to provide authority for the Secretary to establish uniform national standards of eligibility for the Home-Heating Stamp Program which are consistent with those used for the Food Stamp Program.

Section 13 amends section 6(a) of the Food Stamp Act to provide for coupons to be printed for the Home-Heating Stamp Program.

Section 14 makes a conforming amendment in section 6(d) of the Food Stamp Act.

Section 15 amends section 6 of the Food Stamp Act to provide that home-heating coupons are to be used only as specified in the new section 4(c) of the Food Stamp Act (to purchase home-heating fuels or to offset rent due a landlord) and the new section 6(g) of the Food Stamp Act (relating to the issuance and use of monthly home-heating coupon allotments). It also provides that nothing in this Act is to be construed as authorizing the Secretary to specify the prices at which home-heating fuels may be sold.

Section 15 also amends section 6 of the Food Stamp Act to provide that, under the Home-Heating Stamp Program, each eligible household is to be issued monthly allotments of home-heating coupons for the entire heating season for the State or, in the case of households applying after the beginning of a heating season, monthly allotments for the remaining number of full months in the State's heating season. It also provides that each eligible household may elect to be issued monthly allotments for periods of time shorter than an entire heating season. Furthermore, it provides that home-heating coupons may be used to pay all or part of a bill which includes the cost of home-heating fuels, that they shall be valid only for the State's heating season and one month thereafter, that they shall not be valid for more than one heating season, and that cash in change (up to $1) may be returned to those using home-heating coupons.

Section 16 makes a conforming amendment to section 7(b) of the Food Stamp Act.

Section 17 amends section 7 of the Food Stamp Act to provide that the face value of monthly home-heating coupon allotments shall be "in such amount as the Secretary (of Agriculture) determines will reflect the monthly equivalent of the minimal cost of a reasonable amount of home-heating fuel for a single heating season." Home-heating coupon allotments are to be established only after consideration of the average cost of a reasonable variety of home-heating fuels and are to be set with a due regard to minimizing the extent to which allotments might exceed the actual cost of home-heating fuels to eligible households. Home-heating coupon allotments are to be varied by household size and geographic location, to be set so as to minimize the extent to which home-heating stamp assistance might induce unnecessary consumption, and are to be adjusted annually to reflect the Secretary of Agriculture's evaluation of changes in the costs of home-heating fuels.

Section 17 also amends section 7 of the Food Stamp Act to provide that households participating in the Home-Heating Stamp Program are to be charged a standard percentage of monthly income for their home-heatinng coupon allotments. This charge is to represent a reasonable investment on the part of the household, but may not exceed the percentage of personal consumption expenditures shown to be spent on home-heating fuels by the best information available to the Secretary of Agriculture. In establishing the standard percentage charge, due consideration is to be given to the extent to which home-heating costs reduce the charge to households which simultaneously participate in the Food Stamp Program.

For purposes of computing the charge to each household participating in the Home-Heating Stamp Program, the household's net monthly income (as computed for Food Stamp Program purposes) is to be used.

Section 17 also amends section 7 of the Food Stamp Act to provide for the issuance of home-heating coupon allotments free of charge to households with net monthly incomes of less than $30 per month (for a family of four). It also provides authority for the Secretary of Agriculture to authorize the issuance of home-heating coupon allotments without a purchase requirement, if these allotments are reduced by a standard percentage of household income and if he deems this a more efficient, effective, and equitable method of providing assistance.

Section 18 amends a section heading in the Food Stamp Act to include a reference to home-heating fuel providers.

Section 19 amends section 8 of the Food Stamp Act to provide authority for the Secretary of Agriculture (in consultation with the Federal Energy Administration) to approve home-heating fuel providers for participation in the Home-Heating Stamp Program. Only approved providers could participate.

Section 20 makes a conforming amendment to section 9 of the Food Stamp Act.

Section 21 amends section 10(a) of the Food Stamp Act to provide that all practicable efforts shall be made to insure that assistance provided by the Home-Heating Stamp Program does not induce unnecessary additional consumption of home-heating fuels, that the Secretary of Agriculture shall consult with and solicit technical assistance from the Federal Energy Administration and the Department of Health, Education, and Welfare, and that the Secretary of Agriculture shall make all practicable efforts to carry out an informational program regarding insulation and other means of reducing home-heating costs.

Section 22 makes a conforming amendment in section 10(c) of the Food Stamp Act.

Section 23 amends section 10(e) of the Food Stamp Act to require State Plans of Operation in the Home-Heating Stamp Program. It also amends section 10(e) to make the appropriate provisions of the Food Stamp Act relating to the content of State Plans of Operation applicable to the Home-Heating Stamp Program.

Sections 24, 25, 26, 27, 28, 29, and 30 make conforming amendments to sections 10, 11, 13, and 17 of the Food Stamp Act.

Section 31 authorizes such appropriations as may be deemed necessary to carry out the purpose of the Home-Heating Stamp Act of 1977.

COAL AS A SOURCE OF ENERGY

Mr. McGOVERN. Mr. President, a cold wave and a natural gas shortage, with all the related problems they create, get no lack of space in the daily press. Anyone who is interested—and we all are—can learn a great deal about the problem and suggested solutions. But, when such an emergency passes, it seems harder to find balanced discussions in the newspapers about one of the most promising midterm solutions to our energy problems: increased production and use of Western surface-mined, low-sulfur coal and lignite. Many of the articles which do get published emphasize the negative rather than the positive benefits of coal: the problems created by strip mining, by burning coal to create vital electricity, and by disruption of traffic in cities and towns through which pass the long-unit coal trains.

A fellow South Dakotan, Ken Holum, who is now working to develop coal supplies for rural electric cooperatives and municipal electric utilities, took note of some articles and an editorial in the Washington Post recently and was inspired to write the letter I now ask to be printed as part of my remarks. The letter was not published by the Post, but it has been printed by the Mid-West

Electric Consumers News, the publication of an organization of rural electric cooperatives in the Midwest and Mountain States. I ask unanimous consent that it be printed in the RECORD so that my colleagues can see and share the informative discussion and the innovative suggestions made by Mr. Holum.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Midwest Electric Consumers News]

HOLUM ANSWERS WASHINGTON POST

EDITOR,
The Washington Post
Washington, D.C.
To the Editor:

To meet America's energy needs without undue reliance upon imported oil, we need a better understanding of the situation and a better climate for development of our domestic energy resources.

"The truly dismaying thing about it is that the choices (on raising oil prices as they see fit) are entirely up to OPEC. Three years after the great oil revolution and the embargo, the United States still has no very clear ideas for recapturing it."

The words are from the December 13 lead editorial in The Washington Post, which properly deplored the fact that as a nation we have done very little since 1973 to attain anything resembling energy independence. The editorial concluded wishfully that OPEC in considering new oil price increases at least is going to remind us all "how large a stake we have in the world politics of energy—and how little we have done to protect that interest."

Excellent thoughts, well expressed!

And on page one of the same issue of the Post, what did we find? Two emotion-laded, staff-written articles from Wyoming, under scare-word headlines, deploring the impact of large numbers of coal-hauling trains on the communities through which they must go to enable us to make use of the plentiful coal resources of the West, and the impact on people who have to live in boomtown coal mining towns, particularly the children.

The "really and truly" dismaying thing about it is that instead of helping create a favorable climate for development and use of our reliable and plentiful coal resources on an environmentally acceptable basis, the Washington Post and other national publications constantly give encouragement by such stories to those who would deny, or at best delay, the use of coal as one vitally essential way to meet our energy requirements. Only with coal can we avoid the dangers of depending on oil produced beyond our borders by nations over which we can expect to have no control.

Different analysts and different organizations come up with varying figures on the nation's energy needs by 1985 and on the amounts of coal or oil or uranium or whatever it will take to produce the electricity we will need by then. Despite some difference, and despite all-out efforts at energy conservation, there is general agreement that we will be using vastly more electricity 10 years from now than at present; also, that coal will have to provide about half of the fuel for all purposes.

The Washington Post's reporters and editorial writers are not uninformed, so it seems awkward to spell out some basic facts. However, in the midst of what remains a major unresolved national problem—and for purposes of this communication—I feel these should be noted:

If coal is to do its anticipated part, production will have to be almost doubled in the coming decade, from perhaps 665 million tons this year to 1.2 billion tons.

Two-thirds of that production will be needed to produce electricity for lighting, heating, cooling offices, homes and industrial plants, and for powering a large part of our nation's industry, much of it replacing imported petroleum products.

The low-sulphur, surface-mineable coal of the West, largely untouched at the moment, will have to account for 300 million tons annually by 1985, up from less than 50 million tons this year.

Uncertainty over what rules will prevail for strip mine reclamation, clean air and water, alleviation of impacts on communities and existing agriculture, and lease terms on federal coal continue to delay orderly development of western coal.

The long lead-time necessary to get heavy mining equipment (four to five years at best for a large dragline) which can't be ordered until leases and mining plans are approved, adds to the period in which we continue to be at the mercy of the OPEC leaders.

While overseas oil now supplies more than 42 per cent of America's requirements, U.S. reserves of oil and natural gas are declining.

There are national costs which must be met if we are not to undergo the economic dislocations caused by severe energy shortages; these are national needs, and the costs should be met nationally.

Certainly clean air and water standards and restoration rules for stripped lands should be enforced, but they should not be allowed to delay the opening of new mines and construction of new generating stations. And, certainly there must be alleviation of the impact of all this activity on small western towns where the coal is mined and through which it must be hauled.

On the last, there is already financing which can be used. The Federal Coal Leasing Amendments Act (S. 391) passed last summer increased the share of federal royalty payments for coal mining returned to the states where the mining will take place. Large sums will be returned if new coal leasing and new mining ever gets underway again after a long moratorium. Let Congress earmark some of this money for underpasses or overpasses to keep railroads crowded with coal trains from cutting in half the affected communities for long perids each day. Other portions of this revenue are available for schools, roads, and such other uses as the states may decide.

The mining and electric generating industries themselves already are contributing to public service and social services costs brought about by their activities.

It is possible that in spite of uncertain federal rules and increasingly difficult state rules and taxes that coal will be able to meet its share of energy needs. I know that an alert press will continue to report significant developments, support necessary legislation, and comment on what is occurring.

But, please, try to resist publishing four or five stories a year about the adverse impact of mining and growth on small towns and ranch country. Coal is needed. People need jobs and go where they are available, such as new mining areas. Some people drink too much alcohol—in boomtowns as well as more stable communities. And some people beat up helpless children. It would be surprising though if your reporters could not develop similar stories in almost any neighborhood. Such tragedies should be dealt with by a concerned and sympathetic society. We must do so while we also continue to work to meet important national needs, including the development of our essential energy supplies.

KEN HOLUM,
General Manager, Western Fuels Association, Inc.
WASHINGTON, D.C., *December 20, 1976.*

TOP RANKS DON'T FLOCK TO U.S. JOBS

Mr. GOLDWATER. Mr. President, many times, in fact, far too many, colleagues of mine on this floor will stand up and berate the retired military man for having taken a job with the Government. The Air Force Times has recently published a Civil Service Commission study of 141,800 service retirees who are pursuing second careers in civil service. Their findings put the lie to the astronomical distortions we have heard on this floor time after time. It is difficult to pick out the most salient part of this story, so I ask that the entire article from the Air Force Times of February 14 be printed in the RECORD; and before some of us are inclined to go off half-cocked in the future, I would suggest that we refer to this article and the figures.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Air Force Times, Feb. 14, 1977]

CSC STUDY: TOP RANKS DON'T FLOCK TO U.S. JOBS

(By Lee Ewing)

WASHINGTON.—A Civil Service Commission study of the 141,817 uniformed service retirees pursuing second careers as federal civil servants refutes the popular notion that senior officers flock to fill U.S. jobs after they retire.

As of June 30, 1975, the cutoff date for the study conducted for Congress, there were 177 generals, admirals and equivalent working for the U.S. government. That figure is 0.13 percent of all federally employed military retirees.

The number of flag officers retired as of June 30, 1975, was not immediately available, a Defense spokesman said, but he said the total for June 30, 1976, was 4,567. If about the same number were retired in 1975, the percentage working for the U.S. government then would be about four percent of all retired flag officers.

The study also showed that there were 2,486 retired colonels or equivalent on the civil service rolls, or 1.8 percent of the total number of military retirees working for the government. Officers below the grade of colonel accounted for the 25,019 jobs, or 17.6 percent of the federally employed retirees.

Thus, enlisted retirees hold the great (78.8 percent) majority of the 141,817 U.S. jobs filled by retirees. The study shows 111,793 enlisted retirees working for the U.S. (Besides the officer and enlisted retirees, the study included 2,342 civil servants who were receiving full Veterans' Administration benefits. Their ranks were not specified. This category accounted for 1.7 percent of the 141,817 total.)

The flag rank retirees included 16 O–10s, 34 O–9s, 67 O–8s and 60 O–7s.

Overall, the study showed that the 141,817 military retirees made up 5.05 percent of the federal workforce of 2,809,541, and that about 13 percent of all 1.1 million military retirees were working for the U.S. government.

The Civil Service Commission produced the study at the request of the House Post Office and Civil Service Committee's subcommittee on manpower and civil service.

Highlights of the study findings were released by CSC last November and were reported in the Nov. 15 issue of *Air Force Times*. The study itself was not released then, but in late January 1977 the Associated Press obtained a copy and produced news stories based on it. Subsequently, *Air Force Times* obtained a copy of the study, which was used to prepare this analysis.

Civil servants often have complained that military retirees who take U.S. civilian jobs are "double dippers" who get dual compensation—one U.S. check for military retired pay and one for civil service jobs. Military

retirees counter that they should have the same right to federal employment as other citizens, and that since their retired pay is based on basic pay only (not quarters and subsistence allowance), they must take a second job to make ends meet.

The dual compensation law was designed to prevent Regular officers from serving a full military career, then switching to a civil service job at full pay. Under that 1964 law, retired Regulars are allowed to work for the U.S. government, but are subject to certain restrictions. Retired Regular officers may draw all of their federal civilian pay plus the first $3859.89 of their military retired pay, and half of the total remaining retired pay after $3859.89 is subtracted. The dual compensation limit rises to $4045.16 effective March 1, 1977. (Some exceptions are provided under the law.)

Although the CSC study drew no conclusions about the impact of the dual compensation law, it probably was a major reason why far more non-Regular than Regular officers go to work for the U.S. as civilians after they retire.

The study showed that of the 27,682 retired officers working for the U.S. government, 5164 retired as Regulars and 22,518 as non-Regulars. Thus, retired Regular officers made up only 3.6 percent of all military retirees working for the U.S., compared with 15.9 percent for non-Regulars.

Among enlisted retirees working for the U.S., who are not restricted by the dual compensation law, there were 109,950 Regulars and only 1843 non-Regulars. That is to be expected because a very high percentage of all enlisted non-disability retirees are Regulars.

Among the military retirees federally employed at the time of the study, 121,953 (86 percent) retired for length of service (non-disability), 17,522 (12.4 percent) retired for disability, and 2342 (1.6 percent) received full VA benefits for disability.

Critics also have charged that retired military officers have secured a disproportionately high number of senior government civilian jobs. According to the CSC study, of 61,273 military retirees holding federal jobs on the General Schedule and equivalent, 39 were flag officers, 1855 were colonels, 19,343 were officers below colonel, 39,204 were enlisteds, and 832 were drawing VA pensions.

Four colonels held GS jobs in grade GS-4 or below, along with 497 other officers and 7511 enlisted personnel.

One O-7 was in a slot in the GS-5 through GS-8 range, as were 31 colonels, 2119 other officers and 14,351 enlisteds.

The largest group of military retirees on the General Schedule were the 27,805 in grades GS-9 through GS-12. They included five flag officers, 511 colonels, 11,035 other officers and 15,958 enlisteds.

In the GS-13 through GS-15 bracket, there were 18 flag officers, 1193 colonels, 5587 other officers, and 1383 enlisteds.

There were 239 retired military people in the grades GS–16 through GS–18, including 15 flag officers, 116 colonels, 105 other officers, and one enlisted.

Listed as employed under the Federal Wage Systems were no generals, four colonels, 1399 other officers, and 37,480 enlisteds.

A little over one percent of the total (1505) earned less than $6000 a year as federal civilians, and less than one percent earned $36,000 or more. The majority (66 percent) had salaries in the range of $10,000 through $17,999.

At the time of the study, 7897 of the military retirees employed by the federal government were under the age of 40—about five percent of the total.

There were also 9246 (6.5 percent) over 60. Forty-six percent were between 40 and 50, and 41 percent were between 50 and 60.

Sixty-eight percent (96,347) of the federally employed military retirees had white collar jobs, including 45,220 classified as clerical, 24,235 as administrative, 12,334 as technical, 5802 as professional, and 8756 as "other." Ninety-three percent of the retired officers and 61 percent of the retired EM working for the U.S. had white collar jobs.

Of the 45,010 military retirees in blue collar jobs, most were either skilled (21,948) or semi-skilled (14,272).

Overall, military retirees made up 4.21 percent of all federal workers on the General Schedule and equivalent, 8.72 percent of the Federal Wages Systems force, 4.83 percent of the Postal Pay Systems, 5.85 percent of the Executive Schedule, 1.32 percent of Other Pay Systems, and 2.56 percent of Unspecified Pay Systems.

More former Air Force retirees (49,688) worked for the U.S. government than those of any other service. Next was the Army (44,856), Navy (36,510), Marine Corps (7153), Coast Guard (1163), Public Health Service (103), National Oceanic and Atmospheric Administration's Commissioned Corps (two), plus the 2342 VA pensioners, who served in various services.

About 82 percent of the retirees worked in metropolitan areas. The largest group worked at the Washington, D.C. area (11,604), followed by the San Diego, Calif., area (6982), the Norfolk, Va., area (4223), and the San Francisco-Oakland area (3883).

The Department of Defense employed the most retirees (78,124), followed by the U.S. Postal Service (34,724), the VA (7288), the Department of Transportation (3585), the Treasury Department (2939), the General Services Administration (2280), the Department of Health, Education and Welfare (2076), and the National Aeronautics and Space Administration (716). Total for the executive branch was 106,820 military retirees. Only 260 military retirees were among the 14,827 federal workers in the legislative branch (including the General Accounting Office and the Government Printing Office), and only 13 of the 395 employed by the judicial branch were military retirees.

MONEY ORDER FAILURES

Mr. McINTYRE. Mr. President, I wish to call the Senate's attention to the fact that the Subcommittee on Financial Institutions, which I chair, is conducing an inquiry into the recent failures of the Universal Money Order Co.

Many American consumers have suffered substantial financial hardship as a result of this situation.

To this end, I have directed the Federal financial regulatory agencies to report to the subcommittee on the adequacy of existing laws and regulations to protect the public interest in such instances as these.

Mr. President, I ask unanimous consent that a letter which I have written to Chairman Burns of the Federal Reserve Board and an article entitled "There Can Be Alternatives to Money Orders," by Jane Bryant Quinn, which appeared in the Washington Post on February 7, 1977, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, D.C., February 9, 1977.

Hon. ARTHUR F. BURNS,
Chairman, Federal Reserve Board, Washington, D.C.

DEAR MR. CHAIRMAN: For the past 3½ years I have been actively engaged in legislative efforts relating to competition in the United States financial institutions industry and, more particularly, to the availability of retail banking services to the American public. These efforts have included successful Senate passage of the omnibus Financial Institutions Act of 1975, legislative expansion and oversight of NOW accounts in New England and, more recently, a broad-based inquiry into Federal branching policy as contained in the McFadden Act of 1927 and the Banking Act of 1933.

These efforts have revealed many complexities in our banking laws which, in my opinion, work to the detriment of the American banking public by unduly restricting competition between institutions and by arbitrarily restricting the availability and types of services which different types of institutions may offer.

This situation has given rise to many instances, as you know, of the public being forced to avail themselves of banking substitutes where banking services are not otherwise directly available, often at substantially higher prices and with attendant risks substantially greater than those involved in dealing directly with a financial institution.

I am particularly disturbed, therefore, by recent press reports alluding to the difficulties encountered by those individuals unfortunate enough to have done business with the failing Universal Money Order Company. One of these reports entitled "There Can Be Alternatives to Money Orders" by Jane Bryant Quinn, appeared in the Washington Post on February 7. A second article was in the Wall Street Journal on February 8.

It is my intention to direct an inquiry by the Subcommittee on Financial Institutions into the situation described in these reports for the purpose of examining the adequacy of existing laws and regulations to protect those in the market place who avail themselves of financial institutions and by other than depository financial institutions.

I am particularly concerned because Universal Money Orders were sold by various financial institutions and thus carried with them the aura of reliability which they obviously did not have.

The Universal Money Order situation is disturbing enough in itself. It is all the more disturbing because of the manner in which our present laws may foster the risks and costs involved to those living in areas where direct banking services are arbitrarily denied.

To this end, I would appreciate a prompt report on the adequacy of existing laws and regulations to protect the public interest in these areas, generally, and on specific actions taken by your agency to protect the public against these types of abuse. The Congress looks to the regulatory agencies for leadership on these matters, but in this area, unfortunately, the agencies have been remiss.

Sincerely,

THOMAS J. MCINTYRE,
U.S. Senator.

[From the Washington Post, Feb. 7, 1977]

THERE CAN BE ALTERNATIVES TO MONEY ORDERS

(By Jane Bryant Quinn)

NEW YORK.—Money order companies don't go broke very often, but when they do it hurts. It's just as if a bank went bust and took everyone's outstanding checks down the tubes. And since money-order companies typically deal with low-income people, the damage is particularly bad.

The Universal Money Order Co. and its affiliate, USN Co., which together did business in eight states, filed for protection under the bankruptcy laws last week. Thousands of consumers were left stranded—their bills unpaid, their legal situation unclear, and in some areas facing eviction from their apartments or having their loans called in.

Money orders are the typical mode of payment for people who for one reason or an-

other don't use banks. There are good reasons for this choice:

They may keep their money in interest-paying credit union accounts and use money orders to pay their bills. Several credit unions in Massachusetts had been affiliated with Universal Money Order.

If a person has only three or four bills to pay by check each month, it's cheaper to buy money orders than maintain a checking account.

There may be no banks in the neighborhood. In some states—particularly those that don't allow branch banking—there's little profit in starting a bank in a depressed area. Money-order and check-cashing companies serve as substitutes.

Money orders are also available from banks and the U.S. Post Office. But the poor typically buy them from neighborhood companies for payment of rent, utilities, insurance premiums, installment debt and other regular bills, chiefly because they're safer to carry or mail than cash. The person who receives the money order turns it in to the company that issued it for payment.

And there's the rub. When Universal Money Order got into trouble, the money orders couldn't be cashed in. So the creditors haven't yet received payment. Yet the consumer paid in full when he bought the money order and sent it on.

I talked with several of the states that have been affected by the bankruptcy to see what consumers are being advised to do. The legal situation is still unclear, but here are some possibilities:

Take the money order to the agent who sold it to you. Any funds he was holding at the time Universal filed under the bankruptcy laws were probably not sent to the company—and could be used to pay you back.

Make sure you're officially listed as one of the people whose money order bounced, so that when there's a financial settlement you'll be able to get at least part of your money back. Various state and local agencies are distributing forms for this purpose—call the consumer protection agency, the attorney general's office, or Legal Aid.

If you're threatened with eviction or some other precipitate act, ask for emergency help from Legal Aid, your own lawyer or your area's consumer protection office. They may be able to hold the action off. Many housing authorities, utilities, insurance companies and others have agreed to hold the money orders temporarily to see if Universal has enough funds to pay them off.

Robert Hobbs of the National Consumer Law Center in Boston, which gives technical assitance to poverty lawyers, is working on a legal theory to stem consumer losses. He argues that money orders are similar in nature to bank cashier's checks, which are treated differently in law from personal checks. Once you pay for a cashiers' check and present it to the creditor, you have discharged your debt, Hobbs says. If the bank went broke and couldn't honor the check, the creditor would have to sue the bank rather than collect again from you. If money orders were treated the same way, consumers couldn't be billed again.

Unfortunately, by the time that issue is resolved in the courts it may be moot. If creditors don't soon get payment from somewhere, the consumer may be out on the street. For absolute safety, postal money orders are probably your best bet.

KENNEDY REPORT ON AIRLINE REGULATION

Mr. MATHIAS. Mr. President, in 1974 and 1975 the Senate Subcommittee on Administrative Practice and Procedure held a series of detailed hearings on the effects of Federal airline regulation. These hearings were organized and conceived by the subcommittee's distinguished chairman, Senator EDWARD KENNEDY of Massachusetts. The subcommittee last year issued a report on its hearings which should be read by all who are concerned with this issue. I ask unanimous consent that a review of that report, by Prof. Richard Caves, be printed in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

(From the Bell Journal of Economics)

THE KENNEDY SUBCOMMITTEE'S CIVIL AERONAUTICS BOARD PRACTICES AND PROCEDURES

(By Richard E. Caves)

A major document in the current debate over deregulation of the U.S. domestic airlines is this report of the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary, U.S. Senate.[1] Stephen G. Breyer served as special counsel to the subcommittee during the preparation of the report and the hearings that preceded it. The report does not break much new ground in its technical analysis of regulated competition in the airline industry. However, it provides a clear and sophisticated synthesis of recent economic analyses of the industry and develops new evidence on the Civil Aeronautics Board's procedures and operations. The committee's recommendations strongly support relaxed controls over entry and pricing in domestic air transportation, as well as calling for reform of some shocking procedures of the Board.

During the last two decades a number of economists have studied the effect of regulation on the structure and performance of the air transport industry. Their findings display a remarkable consensus. The industry's intrinsic structural characteristics include only moderate barriers to entry and levels of product differentiation, so that an unregulated airline industry would display something close to competitive performance although seller concentration would be high in individual city-pair markets. The actual industry, as regulated since 1938, has been afflicted with blockaded entry and rigid prices that are often set high enough above minimum attainable marginal costs that extensive nonprice is induced (principally expanded flight schedules leading to low load factors). This nonprice competition elevates costs substantially over their minimum attainable level, as does the rigidity of the route structures imposed on carriers by the Board's certification procedures. The airlines have not earned more than a normal rate of return on their investment, over the long run, but they have incurred costs significantly higher than the minimum attainable.

The report's analysis of the effect of the Board's policies follows the lead of several scholars[2] in drawing heavily on a comparison between largely unregulated airlines competing in the intrastate markets of California and Texas and the regulated interstate industry. The report provides (pp. 40–53) a careful analysis of the factors that might explain the markedly lower fares found in these intrastate markets—30 to 50 percent below interstate city-pair markets of comparable size and length of haul. Even after careful allowance for differences in weather conditions, traffic delays, interline connections, etc., it turns out that the principal factor explaining the lower fares and costs per passenger is higher load factors. Higher load factors ideally permit substantially lower fares; furthermore, given the elasticity of air-travel demand, the lower fares may induce enough additional traffic that the public experiences no net reduction in the choices of departure times available. The report points out that the turnover of carriers in these markets has been high, but that the availability of service to the public has not been destabilized.

Another source of originality in the report lies in its dissection of the arguments put forth by the airlines and their supporters for continued regulation or for collusive arrangements such as agreements to restrict capacity on selected routes (for example, pp. 58–76). The report displays the clever debater's facility for skewering the many specious analyses that have been put forth. Economists who have stayed clear of the day-to-day debate over regulatory policy will enjoy this sample of the repartee.

The report's greatest substantive contribution comes not from its economic analysis but from its evidence on the procedures and practices that the Civil Aeronautics Board has employed over the last decade; how it reaches and implements major policy decisions, allocates its enforcement efforts, and the like. The report concentrates on certain major decisions and policy areas. One of these is the moratorium on new awards of competitive city-pair routes adopted in 1970, under which the CAB declined to schedule hearings on applications for new routes (pp. 77–102). In this and other policy areas, the Board used a device to avert judicial review of its decisions. Rather than setting applications by the airlines for hearing and decision, it forced the applicants to apply for an expedited hearing. If this procedural application were granted, it meant that the Board had also decided to grant the substantive application. If the application for an expedited hearing were turned down, no unexpedited hearing was likely ever to follow, but the frustrated applicant could probably not overturn the procedural ruling on appeal.

Another procedural area covered by the report is that of the Board's enforcement activities. These have been mostly concerned with adherence to a set of complex and economically meaningless rules designed to limit the use of low-fare charter flights. In general, the report concludes that enforcement activities are mostly responsive to complaints, and that complaints tend to come not from overcharged or underserviced members of the traveling public but from disadvantaged competitors or travel agents.

The report's evidence on the Board's decisionmaking processes invites some reflection on the competing political-behavioral models of the regulatory process that have emerged in recent years. These include the following approaches: (1) regulation was originally undertaken for some good public purpose, but the regulatory agency is subsequently captured by and thereafter serves those whom it regulates;[3] (2) a slightly more cynical variant of this approach holds that securing protective regulation is an economic choice made by an industry, and so the regulators serve the regulated from the start;[4] (3) regulation may pursue some good public purpose, but be frustrated by inadequate analytical capability or access to information;[5] and (4) regulation emerges as a device to smooth over a political conflict between strong interest groups by providing cross subsidies that will permit both groups to be satisfied at the expense of the passive general public.[6] Previous research on the Civil Aeronautics Board has declined to embrace any of these hypotheses in its pure form and instead has opted for a somewhat more complex explanation, stressing the consistency of the Board's actions with the promotional goals laid down in the legislation—goals that give some legitimacy to the Board's concern both with assuring the adequacy of airline profits and with promoting the cross subsidy of less profitable parts of the airline system by its more profitable parts.[7]

The report's evidence on the Board's actions in the last decade or so propels one, it must be said, toward a simple "capture"

theory of the agency's behavior. The Board appears concerned primarily with maintaining the profitability of its principal clients, the domestic trunk airlines—and not for the service of any higher social goal. The route moratorium, the Board's encouragement of collusive agreements to reduce capacity, its preoccupation with limiting the spread of low-fare charter flights, and its handling of decisions on fare levels and other key matters can hardly be interpreted other than as service to dominant firms among its client group. The Board's concern with the carriers' profits could formerly be excused by its responsibility as a provider of subsidy, but this function is long gone. The Board's concern with protecting profits on the potentially more profitable routine could once be exonerated by its goal of extending air service by cross subsidizing unprofitable routes, but little or no cross subsidy now exists (the report provides evidence at pp. 66–67).

In devising its substantive recommendations, the subcommittee weighs the possibility that the Board's role as a cartel manager could be extended to secure an efficient cartel that provided a minimum-cost service at "competitive" fares (pp. 130–160 passim). No wonder that it instead joins the mainstream of economic analysis of airline regulation and calls for greatly relaxed controls on both fares and entry. The report is both an important contribution to the current debate over regulatory policy and a scholarly study worth the attention of economists concerned with economic regulation.

FOOTNOTES

[1] U.S. Senate, Committee on the Judiciary, Subcommittee on Administrative Practice and Procedure, *Civil Aeronautics Board Practices and Procedures*, Committee Report, 94th Cong., 1st sess. (Washington, D.C.: U.S. Government Printing Office, 1975).

[2] Especially Jordan (1970).

[3] See Huntington (1952) and Bernstein (1955).

[4] See Stigler (1971).

[5] See Porter and Sagansky (1976).

[6] See Baldwin (1975) and Posner (1971).

[7] See Caves (1962) and Eads (1972).

A SHERATON ROSE

Mr. METZENBAUM. Mr. President, I ask unanimous consent to have printed in the RECORD a recent column in the Cleveland Press dealing with a great and wonderful person—Rose Perry—a lady known and loved by all who have come in contact with her over the years. She has served hundreds of prominent public figures, including both former President Ford and President Carter. She is a rare human being.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

A SHERATON ROSE

(By Bob Seltzer)

For 16 of her 21 years as a waitress, Rose Perry has carried on a love affair with the Sheraton-Cleveland Hotel, and she hopes the hostelry regains its physical and financial health of yesteryear.

Mrs. Perry, brown-eyed brunet mother of three, began her warm attachment in 1961, when she joined the hotel as it opened its grand ballroom. Her ardor for the hotel is almost a fetish.

"I am happy at the Sheraton-Cleveland," she said. "It is THE hotel. To me, it is home. I hope Art Modell will find a buyer, and preserve this fine landmark on Public Square.

"I have had the pleasure of serving presidents of the United States, senators and congressmen, and a host of celebrities and VIP's.

"Everybody is special to me. I like people, and am pleased to serve them. Many of the Secret Service agents know me. It always is gratifying when out-of-town visitors at the hotel ask for me.

"The hotel's food and service are good, but the building needs to be refurbished to regain the eminence it once enjoyed.

"I served Gerald Ford once as vice president and twice as president. The last time was at the $500-a-plate Republican dinner. He is down-to-earth and likable. He recognized me, and introduced me to Sen. Robert A. Taft. I asked President Ford how his wife was, and he thanked me for my consideration.

"I met President-elect Jimmy Carter, and thought he looked younger than his 52 years. I shook hands with former President Eisenhower, Sen. Robert Kennedy and his wife Ethel, Sen. Ted Kennedy, Gen. William C. Westmoreland, David Brinkley, and George Steinbrenner.

"I have served Sen. Hubert H. Humphrey of Minnesota, the late actress Agnes Morehead, and actor John Wayne. Wayne asked only for Scotch and water at the banquet table.

"Prominent Clevelanders I have served include Mayor Perk, judges, leading attorneys, bank presidents, and department store executives."

Mrs. Perry, solicitous and accommodating, was born at Fairpoint, O., Belmont County, daughter of a miner. When she was seven, her family moved to Cleveland, and her father joined the Fisher Body Co.

A graduate of South High School, Mrs. Perry passed a Civil Service examination and joined the Social Security Administration. She was married in 1939, and left her job to become a mother.

She later joined Local 10 of the Waiters and Waitresses Union, and worked at the Hotel Manger, the Hollenden, the Alcazar, the Statler, the Carter, and the Sahara Motor Inn to put her two sons through college.

Mrs. Perry and her husband, Louis J., a foreman at the Leece-Neville Co., live at 19102 Sunset Dr., Warrensville Heights. The Perry children are Kenneth L., 35, a salesman for Westvaco Corp., who attended John Carroll and Western Reserve Universities; Douglas A., 31, a graduate of Cleveland State University, now budget analyst for Gould Corp., and Linda, an assistant buyer for the May Co.

THE B–1 BOMBER

Mr. GOLDWATER. Mr. President, the other afternoon, while standing in front of the White House to be admitted for an appointment with the President, I was approached by a member of a protesting team of people who were protesting the B–1. They gave me a pamphlet which I have carefully read, and I am utterly shocked to see that two organizations obviously connected with church groups are the sponsoring bodies behind the stop the B–1 bomber. One group is the American Friends Service Committee and the other is the Clergy and Laity Concerned.

What disturbs me about having church groups opposed to this weapon system is not the fact that it is a weapon system, but the fact that a church organization would lend its name to such a dishonestly, disoriented piece of literature.

Let us look at a few of the things on their first page. They say that the B–1 would be one of the most expensive systems ever built. I ask these people to go back to World War II and compare the price of a B–24 or a B–17 bomber to the existing economy at that time. It would be equally as expensive.

The B–1 would perpetuate the dangerous arms race: Any weapon that we build will do this. Our job is to get our potential enemies, the Soviets, to realize this, then maybe we both can come to some agreements.

The B–1 would lose jobs compared to the same amount of money on production for civilian needs: This is absolutely ridiculous, unsupportable, and it has never been proven. Jobs created by money given to welfare are not the kind of jobs the American people need. They are permanent jobs that are not at the whim or fancy of some politician.

The B–1 would provide super profits to corporations: This is patently dishonest on the face of it because as I understand it, the profits being realized by the largest aircraft manufacturers in the country run less than 7 percent which is somewhat less than the average of other large corporations, but I would ask these church groups, where do they get their support? Is it not true that they get it from companies and people in this country making money? Or do they want to become completely dependent upon the Federal Government?

The B–1 would pose a major threat to the environment: Oh, the number of times I have heard this distorted statement. It started with the SST, now it is against the B–1; and there is not one iota of evidence to show that this is true or would be true; another lie.

The B–1 may be used against developing countries in future Vietnam-type wars. If we are smart and have the right kind of Presidents, we are not going to have any future Vietnam-type wars, but if we happen to have to go to war against a Vietnam-type country, what is wrong with any weapon we have to get it over with? That is how we lost the last one.

I could go on through this pamphlet, picking out serious misstatements or distortions. Because we are going to be faced with a proliferation of this type of dishonesty against the B–1, I wanted to make these few comments, and if any further ones are needed, I stand ready at any time to make them and back them up. It is one thing to oppose a weapons system, but let us oppose this system on honest grounds and not distorted ones.

THE HIDDEN CAMPAIGN

Mr. PROXMIRE. Mr. President, last month I introduced S. 22, the First Amendment Clarification Act of 1977, which is designed to give the United States the full benefit of a free press, electronic as well as printed.

In America today, the preferred source of news for 76 percent of our people is radio and television. Yet because of the Fairness Doctrine, the equal time rule and other controls imposed by the Federal Government, the freedom of the press guaranteed by the first amendment applies to only part, the smaller part of our news media. The quality and quantity of news and information offered through the electronic media often pale by comparison to that offered by newspapers and magazines.

Enactment of S. 22 would result in the repeal of section 315 of the Communications Act of 1934, which contains both the equal time rule and the authoriza-

tion for the Federal Communications Commission's Fairness Doctrine.

The equal time rule requires that when a legally qualified candidate for public office is given or sold broadcast time, any other candidate for that same office must be given an equal opportunity to use the same airwaves, unless the appearance occurs in the context of a legitimate news event.

On its face, this rule seems eminently reasonable. But closer examination reveals that the equal time rule is a clear abridgment of the first amendment to the U.S. Constitution. It is Government telling journalists how they should use their medium of expression. It is Government control over a part of the free press.

Under the Fairness Doctrine, broadcasters are required to air programs dealing with controversial issues of public importance and to afford reasonable opportunities for the presentation of contrasting viewpoints on these issues.

The Fairness Doctrine, unlike the equal time requirement, does not call for each viewpoint to receive the same amount of air time. Neither does it require that the other viewpoints be given in the same program.

Again, this seems at first glance to be a reasonable rule. But like the equal time rule, the Fairness Doctrine obligates journalists to devote a portion of their broadcast time to views which they, in the exercise of editorial discretion, might choose not to put on the air. The Fairness Doctrine permits that editorial discretion to be usurped by a Federal regulatory authority. Like the equal time rule, it is Government control over a part of the free press.

Mr. President, it is not my present intention to recite all the arguments in favor of S. 22 and against the fairness doctrine, the equal time rule and other governmental controls on the broadcast media.

But I would like to share with my colleagues some thoughts about the disservice done to the goal of an informed public by the fairness doctrine and equal time rule.

My remarks are prompted by an article I recently received in the mail, written by the California journalist Mary Ellen Leary, entitled "The Hidden Campaign." This article, published in the June 1976 issue of the California Journal, explores the impact of the California electronic media in the 1974 gubernatorial campaign.

Ms. Leary concludes that while television coverage dominated the campaign efforts of the candidates, the quality of television political reporting had so deteriorated from the levels of earlier years that the media campaign actually diminished the involvement of the public in the electoral process and served to erode, rather than support, the democratic process.

Ms. Leary produced some interesting statistics about media coverage of the 1974 California gubernatorial campaign which seem highly pertinent to our consideration of S. 22. Broadcasters, she notes—represented by six major television stations and five key radio stations chosen for observation and monitoring—devoted 2 percent of their total news time to reports on the campaign. Faced with covering 29 candidates in the gubernatorial primary, she explains, the broadcasters "justified their inattention on the ground that it was impossible to meet equal time and fairness [doctrine] requirements."

These observations indicate to me, Mr. President, that if political reporting is deliberately kept off the air by the operation of the fairness doctrine and equal time rule, then the purpose of these rules—to promote free and uninhibited political dialog—may be frustrated by the fears they instill in the minds of broadcast journalists.

Ms. Leary argues compellingly that these fears actually shaped the manner in which newsworthy events were reported on the air. A Los Angeles radio station, she notes, issued a verbal order that no Member of Congress could be interviewed on the air during the campaign because of the equal time doctrine. Meanwhile, in San Francisco, Ms. Leary reports a night news editor refused to broadcast Representative Jerome Waldie's report that the House Judiciary Committee had voted to subpena the President of the United States. His reason? He feared the station would be obligated to ask a Republican to comment on the story.

These anecdotes, Mr. President, suggest the manner in which the Fairness Doctrine and equal time rule operate to lead broadcast journalists down a path to self-censorship. But it is not only the first amendment right of the broadcast journalist which is at stake here. It is, as well, the first amendment right of the public to be informed about the workings of Government and the course of public affairs.

Describing the role of the media in the 1974 California gubernatorial campaign, Ms. Leary observes:

> No one raised a question on the rights of the listening public to be informed or the adequacy of the "marketplace of ideas," as broadcast has been described.

And she further explains:

> The election disclosed . . . that in practice the (equal time) proviso leads broadcasters to steer clear of political stories where possible and drain those that couldn't be avoided of any eelments that could cause equal time problems.

Mr. President, I am distressed by Ms. Leary's conclusion that television served to erode, rather than support, the democratic process and that it distorted, rather than clarified, the issues and candidates in the 1974 California gubernatorial campaign.

I believe her findings may be indicative of the predicament confronting broadcast journalism in informing the public in many areas of our country. Ms. Leary's conclusions have reinforced my previously expressed belief that the American people at large, and our national goal of an informed electorate, would be best served by the abolition of the equal time and Fairness Doctrine rules, as I have advocated through my sponsorship of S. 22.

So that my colleagues may have the opportunity to read the full text of Ms. Leary's article, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the California Journal, June 1976]

THE HIDDEN CAMPAIGN: EXCERPTS FROM A NEW BOOK DETAILING THE DISINTEGRATION OF CALIFORNIA TELEVISION POLITICAL REPORTING

(NOTE.—Over the past 18 months, Governor Jerry Brown has repeatedly been described as the most fascinating politican in America. Yet, when he was running for governor, he was viewed as "dull", and his contest with Republican Houston I. Flournoy was almost ignored by California television stations. The relationship between the candidates and the media in that election was examined in detail by the California Center for Research and Education in Government, publisher of the California Journal, under a grant from the Ford Foundation and the John and Mary Markle Foundation. The results of that study will be published this summer in a book by Mary Ellen Leary, director of the project and long-time California political writer. That book, to be published by Public Affairs Press and tentatively entitled "The Hidden Campaign," will tell in detail what's wrong with the communications link between candidate and voter in California today. (Copies will be available from the California Journal upon publication.) What follows are excerpts from the book.)

(By Mary Ellen Leary)

"I haven't seen any candidates for office do or say anything worth putting on the air—not when I have big stories on cab drivers being arrested for transporting illegal aliens, drug busts on local Navy bases, large buildings being burned down in major blazes and many other stories like that, all interesting to people right here locally."

Ray Wilson, news director of San Diego's CBS television affiliate, KFMB, was speaking just five weeks before election day. The prevailing opinion in the television world was that political news was not merely competing with other news, but that it was also somehow inferior to other news. What did interest the public, television news executives believed, was photographic excitement and actions, visible drama such as fires, accidents, crowds, picket lines, lively social conflict, human interest stories and even animal stories. Bob Moretti complained that during the primary one television station interviewed him and ran one minute of his interview and four minutes on the same newscast about "togs for dogs." At another point, he said, a different station ran six minutes on a frog-jumping contest and a few seconds on his campaign remarks.

Moretti symbolized the candidates' central predicament, especially in the primary: Television, the one medium by which they felt they could most directly present their case was closing them out. Even in the general election, television gave only snippits of time, and then, only occasionally. Politicians were not "exciting" and their campaigns lacked "action" or emotion. This came as a stunning rebuff to the main thrust of their camapign efforts. Candidates came to realize it as one press conference after another was ignored, as one solemn announcement after another was released into a void. Television executives had their own reasons to feel aggravated. They voiced respect for the electoral process, but they felt annoyed when politicians did not make their campaigns conform to television's news standards.

Between the conflicting expectations of candidate and television, the campaign process fell into a chasm, with no one alert to the need for insuring the vitality of communication between voter and candidate, no one concerned to fit television into the democratic electoral system.

Throughout the campaign the candidates pursued television. They magnified criticism of their rivals because television liked con-

flict. They designed their campaigns around scenes and activities aimed at attracting television cameras. Not only did television fail to cooperate, it actively resisted.

The television industry was intent on a pursuit of its own. It was engaged in competition for "ratings" through programs of what came to be called "happy talk" or "action news." This format stressed brevity, fast pace, and lively visuals, all of which made it inhospitable to political news. The preferred subject matter was that which taxed the viewers least, simplest to tell photographically, and least in need of explanation. It laid great emphasis on the anchorman's style—his visual attractiveness, chatty manner and light pleasantries.

THE EXCEPTIONS

Two stations, as disengaged as any other TV stations in the primary, undertook a substantial effort to maintain a serious flow of news about the two candidates in the run-off for governor. KNBC–TV in Los Angeles, whose news executives, backed up by station management, made an initial determination that the gubernatorial race was important and should be reported on a continuing basis, committed money, staff and air-time to the campaign as it unfolded for two months. In quality and in quantity, its reporting was unusual.

Often, KNBC was the only television station represented at a campaign event and, in almost every instance when the candidates were traveling outside Los Angeles, it would be the only nonlocal station present. One striking example of this was the Flournoy speech before the San Francisco Commonwealth Club, one of the most prominent California platforms afforded major political candidates. That event was a KNBC exclusive; no San Francisco station attended. Bob Eaton, KNBC's news director, expressed that station's attitude: "Politics can be interesting. I think that people are interested in the candidates and in what they are saying. Maybe in the upsurge of 'happy news' other stations thought otherwise. But if you believe all the studies that say television is one of the major factors in helping people make up their minds, even if that isn't a role we sought for ourselves, then it has been put upon us. And we do have a responsibility to do as much as we can to cover an election." Chuck Rossi, KNBC news assignment manager, confirmed the front-office support: "I didn't want to leave 'The Making of the Governor' to some Teddy White. I wanted to report it as it went along. Bob Eaton told us early to go ahead and cover the race. That's all."

The other station to make a significant commitment of staff, funds and air-time was KGO–TV, the ABC-owned-and-operated station in San Francisco. It sent two news teams to cover Flournoy and Brown for three days in mid-October. They produced four-to-five minute segments that were run, two to each program, over six successive newscasts. In addition, KGO carried lengthy interviews with each candidate and undertook considerable local coverage, using the same reporters who did the traveling. The interviews were designed to deal with issues, the travel reports with the candidates' style and personality.

Apart from these two, a few stations from Los Angeles and San Francisco made occasional forays to camps of either candidate to spend a day on the trail to film "profiles." Most major television stations, and many smaller ones as well, invited the candidates to their studios for interviews. These ran anywhere from two minutes to ten and, in rare instances, longer. As a general rule, the candidates got television news attention only when they were in the individual station's immediate range, and not always then. All stations included some news at least once about the two minor party candidates for governor. Some, during the primary, issued blanket invitations to all gubernatorial candidates to appear on a program at a specified time, a device that gave at least one opportunity to the long list of unknown people. But apart from KNBC, the concept of reporting the campaign as a continuing, unfolding process intended to inform the public about the men seeking office and their positions as expressed over a period of time clearly was not what television considered its responsibility.

THE LONE SURVIVOR

One surprising discovery was that television newsrooms had discarded specialists (apart from sports and weather reporters). They actively discouraged reporters from becoming expert in any field. As a result, there were no political reporters. In all California broadcasting, only one person, Rollin Post of public television station KQED, San Francisco, was designated as a political reporter. (A strike at the station during the campaign period kept him off camera.)

The paucity of political coverage gains significance by contrasting it with the intense interest in politics in past years. Local television news programs across the country expanded greatly in the last decade. In 1961, KNXT, Los Angeles, started "60 Minutes" of what it termed "Big News," staffing stories well and using generous film on local events. By 1965, this station offered one of the most attractive news opportunities for broadcast journalists, and other stations were emulating it. The concept of airing hour-long news spread, and political news became an important part of it. Symbolic of the growing attention to political reporting among television stations in the mid-1960's was establishment of news bureaus in the Capitol. KNXT opened its bureau in 1964, and shortly after, KNBC followed suit, along with Sacramento's KCRA. By 1965, Governor Edmund G. Brown Sr. responded to television's interest by installing a news conference room in the Capitol designed to accommodate cameras. When Ronald Reagan succeeded Brown in January 1967, the arrival of a movie actor and television personality whose "talking head" was quick with a quip attracted unprecedented TV attention to Sacramento.

John Jervis, who opened KCRA's bureau and has since quit television to work in politics, looked back on that period as a time when news editors and assignment editors were excited about the story quality of politics. "I'd get two, three, even more days to develop a story," Jervis recalled. "Nobody pressured me to produce one or two a day. There wasn't such pressure as they get today." Such encouragement is the crucial factor in developing complex stories for television, he said. And at that point, the political reporters enjoyed support and cheer from their home offices. They were urged to show initiative.

Jervis's memory is supported by that of Vic Biondi, former capital bureau political reporter for KNBC television and now press director for a state agency. Biondi called the period of the late 1960's "California's golden days of television journalism." Political stories were as exciting to editors as to reporters, he said. "We were encouraged and supported in doing backgrounders or in-depth political reports. There was a fight to get adequate time to tell the story, yes. But today, they don't haggle over time for such reports. They have simply wiped out in-depth political reporting."

GOODBYE, GOLDEN AGE

Three developments came along to tarnish the "golden age": Vietnam, the recession and "action news." The Vietnam war and the national turmoil and urban riots suddenly made sensational and highly visual news available in abundance. But it was also deadly serious. News managers began seeking lighter subject matter as relief. On top of that came a financial pinch following the 1967 recession. To California television, Sacramento bureaus began to seem extravagant. Stations began exacting more efficient performance from their staff, tightening news costs. Business offices were no longer satisfied that news was produced at a loss. They turned their attention to the revenue possibilities from local advertising within the news segments. As this money began to pour in, stations decided to increase the length of their newscasts and go after the larger audiences that trigger higher ad revenue through higher ratings. This quest for ratings brought the phenomenal known variously as "action news," "eye-witness news" and "happy talk."

For years the industry used the resources of research firms to determine audience size, most prominently A. C. Nielsen Co. and ARB (American Research Bureau). They counted television viewers through recognized market-testing methods, to "rate" stations within an area according to audience size. Data about the sex, age and buying potential of the viewers were useful to advertising purchasers. But the new consultants undertook a more sophisticated task, "qualitative research." Their professional evaluation sought such details as audience admiration for a sportscaster's smile or an anchorman's hair style, and they also dealt with the visual attractiveness of the set and the "action" in the news. Consequently, television programming became extraordinarily sensitive to what the viewer was thought to want.

THE MAGID MANIA

The two most successful firms in this field were Frank Magid & Associates, and McHugh & Hoffman, Inc. By 1974, both of them, along with other consultants, were working with a number of California stations, all in the midst of fiercely competitive efforts to enhance the audience appeal of their news programs. As in other states, a great reshuffling of news personnel accompanied these studies, for the appearance and manner of the people on screen figured importantly in the recommendations for improvement.

The first impact of the consultants was felt in San Francisco, when KGO–TV, which had been trailing in audience size, hired McHugh & Hoffman and then undertook an energetic thrust to "action news." The station promoted its news "team" on billboards, in newspapers, on buses. It dressed them in assorted costumes. It presented them as "good guys," as "happy people" whom everybody liked. KRON resisted the "happy talk," but top-rated KPIX went through successive waves of shock as KGO–TV's audience grew. KPIX also began revamping and personnel changes, some of them still under way in 1974. In this shift, political reporter Post, discovering politics was no longer taken so seriously at KPIX, moved to Public Broadcasting station KQED. KPIX retained its top rating for the evening news, but KGO–TV was on the rise. It acquired, in 1974, a new assistant news director, a new assignment editor, a new executive news producer—all but one of them fresh to the station.

Similar repercussions from efforts to entice larger audiences were being registered in other market areas in 1974. KCRA–TV in Sacramento, although dominant in its field, hired Magid to advise it about increasing news-time audiences, an effort coincident with the election period. A rival, KOVR, hired TelCon & Associates of New York. Ron Mires moved from San Francisco to join San Diego's KGTV as news director and McHugh & Hoffman was hired shortly after to consult on program improvements. About the same time KFMB–TV in San Diego hired Magid. Both stations changed faces on camera, and news style became livelier, briefer, more marked with "human interest" and with reporter "involvement."

Los Angeles, resisted the "happy talk" more than most market areas, but KNXT, after KNBC passed it in ratings, dropped many of its solid news reporters and quickened its news format. "KNXT," said Biondi,

"went silly." The consultants turned television news into mere entertainment, Biondi said. "They eliminated specialists. Television today does not offer background stories on politics or anything else. These require more than 90 seconds air time to explain, and 90 seconds has become an optimum for a news item."

This, then, is how it happened that by 1974 the movement away from specialists in television reporting and towards "generalists" had gone so far that Post with Public Broadcasting was the only television reporter in the state specializing in politics. Even those reporters assigned specifically to the campaign were not exclusively reserved for politics. Only one TV person, KNBC interviewer Bob Abernethy, emphasized the "problem" represented by the candidate's difficulty in getting access to television. It is, he said, a major question that needs to be faced. The medium, he added, has not resolved how to give candidates time before the voters and square this with its own economic priorites.

"PRIVATIZING" POLITICS

Although news directors emphasized the "dullness" of the campaign in explaining their reluctance to cover it, many of their reporters mantained that the campaign—and politics in general—could be made interesting and informative to viewers. The brevity to which most television news had been reduced, and the use of reporters on political assignments who are unfamiliar with the field, or are denied the time to background themselves are the principal reasons why political news seems dull, reporters contended. "It is very difficult to do a 20-second or a 30-second story that tells anything," said Post. "It's just got to be superficial," KNXT's bureau chief at Sacramento, Howard Gingold, said, "The emphasis these days is on visuals. We can't get into anything that takes a lot of explaining."

Many reporters kept struggling to get greater campaign coverage. Some assignment editors told of "constant arguments" over the subject. Other editors said they didn't concern themselves about the campaign because they trusted the interested reporters to "push" them into adequate coverage. Still, assignment desks and news desks remained the decision centers.

There was some resistance to the changes recommended by consultants. For instance, it was common talk at station KFMB in San Diego that its long-time political specialist, Harold Keen, was considered by Magid as too stodgy and too old for television. He stayed. His reputation and his capacity were sufficiently respected by his peers to permit them to ignore the advice. In fact, many considered Keen's political coverage a factor in KFMB's strong rating. "The great sin of broadcasting," one reporter said, "is to send a reporter to a complex hearing of some sort and he spends maybe 15 minutes, gets a little film and that night tells the world what went on. No way does he understand it. They've just got to cover more government than is being covered now and with somebody who knows something about it."

KNBC reporter Saul Halpert observed on election night that television "lets the candidates come through" to the public, but "bends the system." In the past, he reflected, there had been more communication between people about whom they favored in campaigns and why. It's different today, he felt. "Television has 'privatized' people. When you're watching, you don't want interruptions. The old-style campaigning can't function where you must deal with so many hundreds of thousands of people, and television is a different kind of communication from your neighbor's remarks at your front door about the man he favors. It is so essentially private. Two things have changed. The involvement of people has declined and candidates have altered their style of communicating with voters." After a moment's thought Halpert added: "I think these developments are not a good thing for our political system. What has happened is that people have been separated from the candidates. But I don't know how you undo this."

On the whole, news directors were not conceding the decline in news quality so many reporters dwelt upon. They usually insisted that ratings had no impact on news selection. (Yet, at one Los Angeles station, just as a news executive was explaining during an interview that ratings had no meaning to the news department, a television reporter was overheard in the hallway calling out to a buddy, "Have you seen the ratings yet?") Some newscasters said that they were never shown the ratings. At KNBC, assignment editor Rossi said, "We don't have to worry about ratings because we are presently Number One. When you have to worry is when you are slipping." But Paul Thompson, news director of Sacramento's KCRA, acknowledged that consultants' studies affected the design of news shows because they indicate the public's interest and public interest guides news selection. "Does political news rate lowest?" he was asked. "Well, I don't know whether it is lowest of all, but it is near the bottom," he replied.

BREAK IN THE BEDROCK

A basic purpose of the "fairness doctrine," which is so integral a part of government policy in the licensing of broadcasters, is the promotion of "robust, wide-open debate." In the context of California's 1974 election, it is almost an amusing phrase. Yet vigorous political exchange in matters of public interest, the U.S. Supreme Court has said (and the FCC has reiterated), is essential to the preservation of our form of government. The FCC has urged broadcasters "to make the maximum possible contribution to the nation's political process. That process is the bedrock of the Republic." In an amplification of the "fairness doctrine," the FCC emphasized "the paramount right of the listening and viewing public to be informed of the competing viewpoints on public issues." The "public interest" in broadcasting, said the Court, "clearly encompasses the presentation of vigorous debate of controversial issues of importance and concern to the public."

Against these standards, the governor's race poses some serious questions. It witnessed some of the most deliberate restrictions on the public's chance to hear political debate ever devised in this country. It occasioned both news coverage and broadcast access that were minimal rather than maximal. Candidate self-interest and broadcaster self-interest produced in the television and radio reports, if not a news black-out, certainly a gray-out. Candidates got access to the airwaves when they bought ads or turned to public television, but on commercial television the decline of interest in political reporting, the pressure for advertising revenue on the stations and the elusiveness of the leading candidate, Brown, all diminished the coverage. No one mentioned whether the public interest was adequately and fairly served. The election can hardly be regarded as an experience consistent with the spirit of the Federal Communications Act.

Nowadays, with broadcast so central to mass communication, it is impossible to examine a political campaign without encountering the standards and strictures of the FCC and its underlying mandate that the air is to be used in the public interest. This is not an easily measured requirement. Since the original legislation in 1927 the concept of licensee responsibility has grown through Congressional revisions and amendments, court opinions and FCC rules. There were three areas in which aspects of the FCC rules figured significantly. The most dramatic was the deliberate restraint on debate and on broadcast media coverage of the debates, contrived by the "agreement" struck by the two candidates and successfully imposed on the broadcasters. The second area concerns a prevalant custom in California broadcasting, especially in television, that appears to apply the "equal time" regulation even in exempt news periods. This broadcaster caution about handling political news, in the name of "equal time" and "fairness" constraints, appeared to impede coverage of the governor's race, especially in the primary. Appearance is emphasized because appearance was all that could be verified. Station managers, news directors and assignment editors frequently said that they were hampered in coverage by the ever-threatening FCC requirements, especially when confronted by so many candidates. Trailing candidates blamed their inability to get coverage on the FCC equal-time requirements. Yet, there kept intruding, through all the wringing of hands over legalisms, hints from experienced broadcast reporters or suggestions from candidates that in fact the equal time and fairness mandates may have been welcomed by the stations. Some people in politics and broadcasting considered the FCC rules a handy shield that permitted the stations to minimize political news, and thus to escape responsibility for alloting time to news they considered "boring." The third area concerns specific complaints to the FCC that arose in the campaign and events that might have occasioned complaint but did not. Although such complaints can lead to the filing of charges and, eventually, hearings and decisions, none of the protests stemming from the campaign led to such results. But there were complaints, and they suggested policy areas in need of reconsideration.

THE UNSEEN DEBATES

In the primary, the broadcasters, faced with 29 candidates for governor, virtually abandoned coverage until the last 10 days, and justified their inattention on the ground that it was impossible to meet equal time and fairness requirements with such a number of candidates. This lack of broadcast coverage became the single most significant issue in the primary. Most stations interpreted the requirements so strictly that they reduced campaign reporting to the news of candidate poll-standing, to the blatant "attacks" one candidate might make on another and to the last campaign swings around the state. Stations in the major metropolitan areas that did interview individual candidates carried the interviews during the final days of the campaign.

In the general election, the broadcasters—represented by the six major television stations and five key radio stations chosen for observation and monitoring—gave 2% of total news time to reports on the race. For radio, this amounted to 4 hours on the five stations out of 463 hours of news; for television, 6 hours on the six stations out of 257 hours of news. Do these measurements of coverage come within Congressional intent and FCC concepts of fairness?

The two major party candidates in the fall run-off—Brown and Flournoy—held six joint appearances or debates. No commercial network carried any of them statewide. None proposed such an idea, except for the weekend immediately before the election, even though Flournoy pressed to have one and found a sponsor to underwrite the cost. The upshot of television's reluctance to air a debate statewide until the campaign was all but over was that only one debate was carried, that conveyed by the public-broadcasting stations. The final debate, seen only in the Los Angeles market, was carried on KNBC's Saturday "News Conference," expanded for the occasion from its usual half-hour to an hour. The first debate was not broadcast at all. Three others were restricted to one outlet in the single market area chosen by the candidates in their "agreement," and

all of these were small-audience markets. Two of the outlets were public-broadcasting stations. Radio transmission of the debates was banned in the "agreement." All other television coverage of them usually was limited to no more than two-minute news accounts.

It would appear that such restrictions were the candidates' doing because of the pact they entered into with such solemnity. But the real explanation is much closer to broadcaster disinterest than to political machinations. Lawyers for the two—Stephen Reinhardt for Brown and John Tretheway for Flournoy—developed the 17-page document, which unilaterally imposed two limitations on broadcast access: One set the total that each might spend on media advertising at $900,000. The other specified "permitted" broadcast coverage for the six "joint appearances or debates." Newspaper coverage was not mentioned.

For both candidates, the document was a compromise. Brown aimed to diminish advertising costs "because it is demeaning for the President and the Governor and the Senator and their challengers for those offices to go around raising money to buy spots," as he explained on KNBC's June 1 debate. Brown's colleagues hinted at concern lest the Republicans raise more money than Brown could. They feared an advertising blitz. Flournoy, for his part, feared that Brown would not meet him at all in debate, and he sought to maximize their joint appearances by proposing a series of ten meetings with as much broadcast exposure as possible, preferably statewide. Brown, with superior name identification, was not eager to help his opponent close the gap. The agreement emerged from compromising those initial positions. But commercial television's attitude was complicit in this outcome. The rejection of any debate except at the peak of public interest, within the final three days, scuttled Flournoy's hopes.

COWING THE MEDIA

The Brown campaign philosophy about debates was summed up by Tom Quinn at a not-for-direct-quotation conference conducted after the election. The Brown campaign felt, he said, that the less coverage that was given the contest, the better off Brown would be. Brown was reluctant to debate, according to Quinn, because such a confrontation was the one thing that could make the campaign exciting. Quinn wanted a dull, dull campaign, and he succeeded. The Brown camp was never quite sure what was happening in the dynamics of the campaign but viewed Flournoy as a very strong opponent. As for the agreement, Quinn said he was surprised by the complete success of it although he expected that it would somehow cow the media, who are not viewed as very gutsy.

Douglas Kranwinkle, Los Angeles lawyer who served Flournoy as campaign manager, pointed out that television proffers of debate opportunities were nearly all proposed on the verge of election.

"We would have liked to have had statewide network television," he said. "None of the networks was at all interested, except maybe in the last four days. None would even consider a debate until about November 2. We felt we needed a series of debates, as early and as frequent as we could get. We had to take the best we could get."

"Are you," he was asked, "suggesting it was not just Brown but the television stations themselves who restricted the debates, and wouldn't permit statewide showings?"

"Yes, television. They simply don't have a statewide concept of presenting programs. We even had stations within the same network coming in separately and asking for conflicting times. They don't coordinate on a statewide basis at all."

After the agreement was reached, the four CBS stations did write jointly to suggest something novel for them: a debate all four would air on the Sunday before the election. The KNBC offer had been accepted by that time. Campaign managers did not relish debates one day after the other.

The prohibition on broadcast use except as specified sprang entirely from the Brown camp, Tretheway said. "We wanted all the air time we could get, anywhere. We'd have let 'em sing it or dance it. The more use, the better." But he recognized the conventional belief that leading candidates risk more by frequent appearances and lagging candidates gain, so Flournoy's team accepted the limitations.

The absurdity of the agreement was that the two candidates set limits on what campaign news broadcasters could dispense—and threatened legal action should their unilateral agreement be violated. So carefully was this specified that the language of the agreement stated, after each television debate was designated by station: "No other television or radio use of all or any part of the program may be made by any person, including a candidate or the station, except for regular news coverage."

In a flourish at the conclusion, the agreement warned: "No person other than a signatory hereto shall have any right to seek judicial remedy as a result of the existence of this agreement or any alleged violation thereof." This demolished the normal constitutional right of any citizen to petition the courts. If it was not nonsense, it was censorship. The only thing more remarkable than the extralegal document itself was the piousness with which broadcasters respected it.

Probably the gravest aspect of the affair was Reinhardt's disclosure that the legal charade was viewed seriously as a model by which future candidates might finagle similar restrictions on broadcast responsibility in elections. Looking back on the negotiations with Tretheway, Reinhardt said they had dressed up the agreement with such elaborate interdictions in legalese—power of subpoena awarded to the arbitrator, and bars against recourse to the courts, and so forth—to "formalize" the obligations on each party. "The stations," he added, "would know that they couldn't really be bound by this, but they would recognize the agreement as a step toward what they would like, so that the wishes of the parties (the candidates) should be respected if the stations wanted other candidates to do similar things in the future." That's how it worked: The prohibitions on airing campaign discussion so neatly coincided with the broadcasters' own preferences for the use of its time that no breach occurred. "I was appalled by their gutlessness," said Tretheway.

Stations might have tested the unilateral restriction this compact laid on First Amendment freedoms but none did. Chuck Rossi, assignment editor at KNBC, voiced the prevailing tolerance to the candidate's limitations: "Because of the way Brown has insisted these debates be run, we can't use it for live broadcast, but it is open for ordinary news coverage, so that is the only thing we can do."

THE NO-TIME DOCTRINE

Whatever the reason, statistics show that the campaign was minimally reported in the broadcast forums. No one raised a question on the rights of the listening public to be informed or the adequacy of this "marketplace of ideas," as broadcast has been described. Discussion erupted in the campaign over equal time and fairness either as hampering limits on political coverage or as unenforced and ineffective ideals. Russ Coughlan, station manager of KGO, expressed the prevailing view: "The fairness doctrine prevents us from lending ourselves to the campaign effort." The station would be happy to show candidates, he said, but numbers defeat them. KABC radio newscaster and talk-show host Michael Jackson said that he refused telephone calls from Senator Alan Cranston, "because it was hard to draw the line definitely that what he was talking about was really news and not campaigning." He said that he had invited former Representatives Helen Gahagan Douglas to appear on his program but "had to ask her to promise not to mention Roth (whom she had endorsed) because, if she did, I'd get into the whole equal-time mess." At KNX-radio in Los Angeles, a reporter said that a verbal order had been issued that no member of Congress was to be interviewed during the campaign because of the equal-time doctrine.

A great deal of attention has been paid to the protections offered minor contenders for political office—and the democratic system as a whole—by insistence upon equal opportunity. The election disclosed, however, that in practice this proviso leads broadcasters to steer clear of political stories where possible and drain those that couldn't be avoided of any elements that could cause equal-time problems. At KSAN radio in San Francisco, news director David McQueen said, "To avoid trouble, we go into political news in less depth than we do other news."

"Balance" was the word most frequently heard about political news coverage, and radio was especially sensitive to it. The watchfulness about balance that resulted led many news rooms to keep careful logs on each candidate's appearances to the second, just in case the FCC should query the station.

The extent to which timidity over equal time sometimes shaped the news was most graphically illustrated by an experience Representative Waldie had with KCBS radio in San Francisco. As a candidate for governor, he had become familiar with the difficulty of getting broadcast time, but knew the stations were eager to use any news he could provide on the Nixon impeachment proceedings of the House Judiciary Committee, on which he served. Logically, he was most likely to communicate with the media in his own Congressional district, which was included in KCBS's area. So when he had something to say about the committee's developments, he telephoned the San Francisco all-news station. He called at one point with what he felt was "a big news break"—the 33-to-3 vote on issuing a subpoena. "I got the station on the phone," he said, "but this night news editor sounded frightened to death. He said, 'Oh, I can't take that. I have to get a Republican to comment on it,'" Waldie was dumbfounded. "I said, 'What do you mean, you can't take it. I'm not asking any mention about the governor's race. I am on the impeachment committee. We just voted 33 to 3 to subpoena the President of the United States. That happens to be a national news story. Are you interested?'" The reply: "I just can't take that news item unless I can get a Republican to comment at the same time. I don't want to argue with you but this is too touchy around here. They are putting a lot of pressure on us." The congressman was outraged. "Who is putting pressure on you?" The fellow replied, "Oh, I didn't mean to say that. I don't mean that. Look, I didn't say that, understand?" Waldie shrugged: "So he didn't use the news. I called up some other stations and they took it gladly."

It was a reflection on the California style of campaign reporting that Kurt Malarstedt, Washington correspondent for a Stockholm television station, followed the campaign for about four days. His 45-minute report was to be aired in Stockholm November 1, paired with a segment on New York's gubernatorial race. That was more total time than many California stations devoted in all their newscasts through September and October to the election!

IN CONCLUSION

There is a blithe assumption in the broadcast world, and even among some politicians, that the public can be trusted to make an

appraisal among candidates given so direct a view of them as television provides. They might, if the candidates had meaningful access. As it functioned in the 1974 election, the medium that was initially expected to bring candidate and voter into closer relationship and to knit the citizen more comprehendingly into the process of choosing political leaders worked to the opposite result. The scant attention television gave the governor's race appeared to diminish public interest. The election had the smallest turnout of registered voters since 1946, the first election since then where turnout fell below 70 percent. Only 64 percent of registrants voted.

Ten prime conclusions have emerged from this study:

1. Television served to erode rather than support the democratic process, and it distorted the political campaign.

2. Television dominated the candidate's entire campaign effort.

3. Opinion polls are pivotal to a candidate's access to the media.

4. Television advertising represents the single largest cost factor in political campaigning.

5. There is a dramatic difference between press and broadcast agencies in the commitment to convey campaign information.

6. A marked interrelationship exists between the three communication channels—radio, television and press—and the most significant is broadcast's dependency on the press.

7. Quite apart from such interdependence, newspaper political reports were heavily influenced by television.

8. A media campaign diminishes involvement of the public in the election process and deflects the campaign and policy formation away from voter participation.

9. Broadcast stations are so affected by the federal requirements for "equal opportunity" that they apply precise measurements to the allocation of time for candidates even in exempt newscasts.

10. The responsibilities Congress imposed on broadcast concerning political campaigns are based on assumptions about news interest in politics that current conditions in the industry have invalidated.

JOE FOSS—AMERICAN

Mr. McGOVERN. Mr. President, the current issue of Frontier, a publication of Frontier Airlines which provides service to Rapid City, S. Dak., contains a sensitive and perceptive article on our former Governor, Joe Foss.

Joe's love affair with South Dakota and the outdoors goes back many years. His understanding and appreciation of the vigorous life is part of our State's oldest traditions.

Joe and I entered public life about the same time in the mid-1950's. Events brought us into the political arena in 1958 as contestants for the same office. Joe was finishing his second term as Governor of South Dakota and I was seeking reelection as the State's First District Congressman. Although I ended up with more votes then he got in that race, in a sense neither of us really lost. Joe went on to become the nationally known figure he is today—and the people in South Dakota have extended to me the privilege of serving them in the U.S. Senate.

Regardless of where Joe Foss happens to be, to us he will always be a part of South Dakota, portraying the kind of spirit and western hospitality that characterizes citizens of our State. The article referred to above also mentions a longtime mutual friend of both Joe Foss and me—Mr. Hoadley Dean—a prominent South Dakotan and a director of Frontier Airlines.

I ask unanimous consent the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOE FOSS—AMERICAN

(By C. A. Stevens)

Today, the renowned hero of World War II is director of public affairs for KLM Royal Dutch Airlines, the oldest air carrier in the world. And he is looking back on a life crammed with enough adventure and drama to fill a few hundred movie scripts.

Joe Foss was born in a South Dakota farmhouse in 1915—four miles east of Sioux Falls. He was bitten by the flying bug—as were so many youths of his time—when Lindbergh made his Atlantic flight. In 1927, his father bundled the whole family into their car and took them to Renner Field north of Sioux Falls to see the Lone Eagle and his Spirit of St. Louis—an event Joe Foss still remembers with fondness. He had no way of knowing that 28 years later Lindbergh would be flying in his squadron as a civilian technical advisor. Lindbergh flew with Joe's outfit for more than a month and they became good friends.

Joe was a senior in his school when the first of many tragedies in his life struck. His father had been plowing a field until midnight and on his way home in his 1927 automobile, a storm came up and the wind loosened a high-tension wire which sagged across the road. The top of the car struck the wire and the engine quit. Joe's father got out of the car to investigate and was electrocuted.

It became Joe's responsibility to run the farm while he was still attending Augustana College in Sioux Falls—a double-duty that didn't work out. After quitting school, he suffered another bad break in the form of a disastrous dry season. Later, he went to work in a packing plant at 43 cents an hour, but he was able to resume his college career at Augustana College and the University of South Dakota, graduating in 1940. A husky 200-pounder, he played football, boxed and was on the track team. But it was flying that was in his blood.

He had taken his first airplane ride when he was still a boy, in a Ford Tri-motor flown by Clyde Ice (who was still flying at age 83!) Clyde gave Joe and his father a ride over the city of Sioux Falls at night for $1.50.

Joe started flying in 1937, and joined the Field Artillery as a private. He enlisted in the Marine Aviation branch the day he graduated from the University of South Dakota, and immediately began primary training at Wold-Chamberlain Field, Minneapolis. He was commissioned a second lieutenant on March 15, 1942,—his wings two weeks later.

His first combat assignment as a fighter pilot—a status he achieved although 27 is supposed to be too old for fighter flying—was leading a flight of Grumman Wildcats against 18 Japanese bombers escorted by a swarm of Zeros attacking Guadalcanal. He scored his first victory on that day, blasting a Zero with one burst at close range. He also almost "bought the farm" himself (three Zeros jumped him, puncturing his oil cooler and ripping away a chunk of wing). He made a forced landing at Henderson Field with a smoking dead engine, coming in so fast that an ambulance was called out to pick up the pieces. It was the first of many narrow escapes.

In only 63 days, between October 1942 and January 1943, Foss shot down 26 Japanese planes and became the first American to tie Eddie Rickenbacker's World War I record. His flight became known as the "Flying Circus," and it was one of the best combat outfits in the Pacific with Foss a natural-born leader.

There was an occasion, however, when the Circus figured it had lost its leader. The day started out good with seven of his flight shooting down six Zeros. Joe recalls seeing five parachutes floating down empty, and above him was the sixth—with an enemy pilot dangling in the harness. At that moment the pilot unbuckled himself and jumped out. He passed Joe on his back and seconds later hit the sea. The other five flyers had apparently done the same. (The reasons for such suicidal tactics was a mystery to Joe, as he had never seen either side shoot at a parachuting man in the Guadalcanal area.) Shortly after this engagement, he spotted a two-place Japanese bi-plane with a gunner in the rear cockpit. Joe came up on this enemy aircraft so fast that he had to dive to the right to keep from crashing into it. This gave the Japanese gunner a perfect shot and he sprayed Joe's plane from nose to tail. Although his F4F was badly shot up, he made a turn-around and sent the bi-plane down in flames. Within the next few minutes he flamed two more enemy planes. During this action he became separated from his teammates and found himself heading for Guadalcanal all by himself. His engine started acting up and occasionally quit. He knew he wasn't going to make it home.

In Joe's words: "My hair stood up so straight it raised my helmet right off my head." He had an island in sight at this point and decided to ditch offshore.

The wildcat sank like a big rock, and Foss wound up floating in his Mae West fully expecting to become shark bait—he actually saw shark fins around. Everytime he put out his arms to swim, he expected to draw back a stub. Luckily, he wasn't attacked, and he headed for a bay.

After darkness set in, he suddenly heard voices—in English. Joe was fished out of the water into a canoe by a sawmill owner who later told him the bay he was aiming at was filled with man-eating crocodiles. The island itself turned out to be Malaita, and there was a mission there largely occupied by missionaries who were refugees from other islands captured by the Japanese.

Foss was given dry clothing and hung out his parachute to dry. Early the next morning, Joe was awakened by singing. Services were underway at a little thatched church with a dirt floor. The singing—a kind of weird howling would describe it better—was the chanting of natives. A Wildcat flew by piloted by Lt. Brugeman who spotted the chute and Joe. A PBY–5A sea-plane showed up later to pick him up. He hurriedly thanked everyone and gave his parachute to the nuns to make vestments for the church.

Joe returned to the squadron wearing old socks, a pair of baggy white pants and a van dyke. After a riotous reunion, Foss resumed his own war against the Japanese—despite a serious case of dysentery and malaria, which dropped him from 197 to 160 pounds and put him in the hospital for awhile.

Shortly after Foss achieved his 26th victory, the Flying Circus flight was shipped home for a rest and reassignment—with a total of 72 enemy planes to its credit, Joe's flight had lost 14 men and the squadron, commanded by Duke Davis, had 263 victories to its credit.

For Foss, the voyage home—on a ship—was a nightmare. The malaria struck again, and at one point he was so sick he overheard a sailor complaining about the canvas that would be wasted when they buried Foss at sea.

He recovered sufficiently to enjoy a thundering welcome home at Sioux Falls where a crowd of 75,000—in a town with only 41,000

inhabitants—greeted him. On May 18, 1943, Foss was presented the Congressional Medal of Honor by President Roosevelt at a White House ceremony.

He returned to combat duty late in the fall of 1943 as a major. A year later, malaria forced him to return to the U.S. for non-combat duties, and he was discharged from the Marines in 1945. His memories of the war, like most men who faced death so often are mixed—they are sharp, poignant, good—and bad. He had grown to hate the Japanese, although he respected them as valiant adversaries. He always felt, that the Zero had the best speed and maneuverability but that the F4F was more durable and had greater fire power.

After the war, he started up "The Joe Foss Flying Service" with Duke Corning, a former Navy pilot. They parlayed a one-plane operation into a 35-plane fleet. During the time the "Foss Flying Service" was in operation, Joe organized the South Dakota Air National Guard, and he and Corning put on air exhibitions throughout the country.

It was at this point that Joe's friends urged him to enter politics. He refused at first.

"Then I remembered some of the politicians who used to come to our bases in the Pacific," he says. "Most of them had backgrounds as shallow as the Missouri River and I decided maybe I could do as well."

A disastrous fire wiped out his flying service in 1949 while he was serving in the legislature.

He served in the house of representatives for one special term and two regular terms, lost the 1950 gubernatorial primary by a hair and went back in the Marines during the Korean War, flying jets. Foss then served two years in the South Dakota legislature before running for governor again. His campaign manager was Hodley Dean, who had known Foss when they were college students together. Dean, today one of South Dakota's leading businessmen and a member of Frontier Airlines board of directors, worked for the Associated Press after World War II and then served as an aide to a senator and congressman before returning to South Dakota. Dean's own business associates talked him into becoming Foss's campaign manager, the two of them criss-crossing the state in a Piper Super Cub—one of the first, and possibly the first time, a candidate has campaigned by airplane.

Foss won the primary and became governor in January 1955. To the man who had successfully managed his campaign went the job of highway commission secretary. Later Dean was named commissioner of the West River area, but his chief contribution to the Foss gubernatoral regime was his role as a trusted advisor (they have remained close friends, and often meet in such places as Washington, where Joe's office is located, the Black Hills and sometimes in Arizona where Joe now lives).

Joe's press secretary during his governorship was Bob Lee, now editor of the Sturgis (S.D.) Tribune, who remembers some anecdotes that reflect the humaneness, refreshing informality and down-to-earth close touch Joe had with his constituents.

"The Pierre Junior High School is situated just across the street from the State Capitol and during the winter a lot of kids from there would spend their lunch hour in the Capitol corridors," Lee recalls. "As the governors' right-hand man, I received complaints from the custodial crews that the kids were scattering parts of their lunches all round. So I stayed in the building over one lunch hour to see if I could catch them. Sure enough, I did. So I very officiously told them they couldn't eat there anymore. It was somewhat to my amazement when they chorused back, 'well, Joe said we could!'

"I asked Joe about it. And they were right—he had given them his permission. But the next day, he called them into his office, explained that the Capitol is a place of pride for all South Dakotans including young people, and that they shouldn't be messing it up. We had no further trouble."

Lee also recalls this story:

"When Ralph Edwards wanted Joe on his 'This is Your Life' program, it was a problem to get the governor to Los Angeles without him knowing the reason for the trip. However, Joe was chairman of the Easter Seal campaign that year for the National Association of Crippled Children and Adults, and we got them to schedule the drive's kickoff in California—as Joe had committed himself to make a number of public appearances throughout the country on behalf of the drive. When he got off the plane in Los Angeles and was greeted by Edwards, Joe thought he was being welcomed as the fund drive chairman and began making an appeal for funds for the Easter Seal Society. Of course, he was surprised to learn that he was the subject of that night's 'This is Your Life' program. But it worked out well for the Easter Seal Society too as it drummed up a lot more contributions on the West Coast."

And this one:

"On one occasion Joe was coming in for fuel at New Orleans, La., while flying a National Guard jet. He radioed to the tower that he had a governor and a VIP aboard as well as an Air Force general. The tower asked how many people were in that single-seat jet. 'One,' was Joe's reply."

After leaving the governorship of South Dakota, Foss became commissioner of the American Football League from 1959 to 1966, subsequently going into television as a producer and later as a star of the television series, "The Outdoorsman—Joe Foss." Throughout the post war years, Joe has been very active in mentally retarded and crippled children programs. He is a board member of the Sun School for Mentally Retarded Children in Phoenix, Arizona.

Today, he confesses to being a "Born Again" Christian. His own words best describe his discovery of serenity after a hectic and often harassed existence:

"I always considered myself a Christian. When I was young I played in the church orchestra and I sat right up next to the preacher. I was taught at a very early age right from wrong. All through my life I always went to church and when I was governor I taught Sunday school. I really thought that was all there was to being a Christian. During my lifetime, I've come close to death many times, in fact I came so close that my whole life passed by in a vision. And that's too close! I thought death was going to score and I wasn't ready to go and now I'm glad I didn't. I mentioned these close calls because I always thought that old Joe had a big part in saving himself. Oh, I prayed, but it was a real short and to the point prayer like: 'thank you!' I always tried to follow what my father said: 'whatever job you do do it right. If it's a digging a ditch, dig the best ditch.'

"About eight years ago I was attending a church service in Scottsdale, Arizona and the preacher was giving a hard hitting sermon. He said, 'A lot of people think they're Christians. But they're not. They go through the ceremony, but when it comes right down to it that's all they are—ceremonial and not real Christians!'

"After the service I realized that all you have to do to become a Christian is to ask the Lord to come into your life, ask him to forgive your sins and pray to God that he will have you say and do the things that he wants you to do.

"Since the day I attended that service in Scottsdale, I have asked God to give me the strength and grace to grow as a born again Christian. And I want to share with other people what the Lord has done in my life.

"I told you about the many times I've been close to death and I wasn't ready to go. I don't see how anyone can be ready without the Lord in his heart. About a year ago after speaking at a large banquet in San Antonio, Texas I started having severe chest pains. My wife, Donna, had a doctor for me in no time. He listened to my heart and said it was skipping beats. I said I didn't mind so long as it didn't skip too many in a row. Somebody said, Let's shut that music off.' The music was a rock band and I said 'it's probably keeping the rhythm of my heart going.' They took me to the hospital and put me in the seclusion room (or whatever they call it). A friend of mine showed up by the name of Chuck Connors. You know him as the TV 'Rifleman' and movie star. He stopped the whole show. Everyone left me to ask him for autographs. Which goes to show you can move off the scene in a hurry.

"For the first time in my life I wasn't worried about the prospect of not making it. As it turned out, it wasn't a heart attack, but a virus infection of the outer lining of the heart. The Lord was with me all the way on that trip and I knew I didn't have a thing in the world to be afraid of.

"I could never in the past bring myself to pray for or love my enemies. Those who have known me through the years know what I thought of enemies. However, I now love and pray for my enemies and all people. I just want everyone to enjoy this wonderful life."

Joe and Donna today reside in Scottsdale, spending time during the summer at their cabin in Wyoming. They enjoy hunting, fishing and other outdoor activities. The Sioux Falls, South Dakota Airport is named "Joe Foss Field." After the dedication, Joe Commented that he sure appreciated having the field named after him while he was still alive and kicking.

To those who know him, there could be no finer tribute to the South Dakota farmboy who personified the American dream.

HELSINKI AND THE U.S.S.R.

Mr. CASE. Mr. President, on February 10, I made a statement which said that even if the administration dropped the term "linkage," the Soviet attitudes on human rights still would have a bearing on American thinking when it came to trade credits and other facets of our relations with Moscow.

I ask unanimous consent that two newspaper editorials, which have appeared since then, be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star, Feb. 18, 1977]

WHY "LINKAGE" IS INESCAPABLE

"It goes without saying," said the Soviet Communist party's mouthpiece Pravda the other day—saying it anyway—"that the little heap of renegades presents no danger to the Soviet system." But as usual the reaction of the Soviet regime to the dissidents it classifies as "renegades" belies those bold words.

In the past 10 days—or since the new U.S. administration implemented a new policy of outspoken support for "human rights" afar—the Russians have arrested three prominent internal critics—a physicist and two poets. As usual, the charges aren't specified; but the Pravda editorial offers a clue. Possibly the three are "dazzled by the tinsel of the bourgeois way of life," or "deceived by fairy tales about the rights and freedoms of people in

the capitalist world." Two, Orlov and Rudenko, are among those who take Helsinki's "basket three" (or human rights) accords seriously enough to monitor their effect in the Soviet Union. Alexander Ginsburg, for his part, has been helping families of political prisoners with money sent by Alexander Solzhenitsyn.

The important point for U.S. policymakers is that these arrests, and the bombast of Pravda, may be taken as direct responses to President Carter's solicitude for human rights. It is less dangerous for nuclear powers to spar abstractly over internal dissent than poke at one another over real estate or missile placements. But the new administration is being tested; make no mistake of that.

The insecurity of the Soviet Union about internal dissidence is neither new nor Soviet. It is old and Russian, as any student of the Czarist period knows. But if the U.S. is now to patronize Soviet dissenters as a matter of policy the policy must be carefully measured. The paramount tests, as we see them; are two: whether the policy is responsible, and whether it is effective. The need for responsibility would seem self-evident, although some of us are content with the mere gesture. When this country makes the cause of Soviet or Czech dissenters its own, it assumes moral accountability for the result.

As for effectiveness, it must be said that if words are to be our only weapon they may do as much harm as good.

Unfortunately—one might even say, incredibly—President Carter was at pains the other day to reassure the Soviets, in effect, that ours is indeed a war of words, unrelated to other outstanding issues. This reassurance took the form of a renunciation of "linkage" between Soviet treatment of internal critics and presumably more "important" issues of trade, arms control and geopolitics.

In effect, the President's comment signals the revival of a disconcerting naivete, reminiscent of the illusions of the World War II alliance period when many Americans thought Joseph Stalin could be wheeled into good behavior.

Supporters of the new outspokenness on "human rights" are right to a limited extent: The U.S. would be false to its own values and traditions if it stood silent in the face of political oppression. The free play of public opinion renders that impossible in any case.

But the new administration must shed the notion that Soviet treatment of the Orlovs and Rudenkos, the Sakharovs and Ginzburgs, will be decisively improved by high-minded State Department scoldings. An equally likely result is that mere scoldings will excite lurking Soviet insecurities, and determine the Soviet leadership to show Mr. Carter who's boss in their own household.

If we recall correctly, it was the Manchester Guardian that used to caution Tory-hating readers that a thing could sometimes be true and wise even if Lord Halifax said it. The Carter administration should be similarly cautioned that prudence in the complex matter of "human rights" abroad can make sense even if prudence was favored by Dr. Henry Kissinger.

Is the U.S., then, powerless to influence Soviet internal policy? Or can we do so only by putting at risk the paramount need for rational accord on such issues as arms control and the Middle East? Not at all.

One available lever of "linkage" is trade—trade in grains, trade in advanced electronic technology. It will be a signal that President Carter is serious about human rights issues in the Soviet Union when he links the fortunes of the politically persecuted with our willingness to sell feedgrains and computers to the Russians. Of course, that kind of "linkage" has domestic ramifications for us. To do something effective to alleviate brutal treatment of dissidents, an American president must buck powerful lobbies and interests who take the view that "basket three" is splendid as long as it has nothing to do with our bread basket and hence has no dollar price.

[From the Baltimore Sun, Feb. 20, 1977]

FROM HELSINKI TO BELGRADE

President Carter's protests against Communist violations of human rights dramatically increase the sensitivity of the coming Belgrade review conference on the Helsinki accords of 1975. The accords were widely disparaged in the West as a "sellout" that merely confirmed Soviet hegemony in Eastern Europe. But this view failed to take account of human rights provisions the Kremlin grudgingly accepted as the Western price for participation in the Conference on Security and Co-operation in Europe.

The CSCE's greatest contribution, in the words of a congressional commission last December, "was to place the issue of human rights on the international agenda as a legitimate issue." Principle VII of the Final Act said respect for human rights and freedom of thought is "essential" to friendly relations among states. Basket III contained pledges to promote freer movement of people, ideas and information.

It is ironic that President Ford was criticized for signing the Helsinki accords by some of the same voices that are now applauding President Carter's forceful evocation of their provisions. But if the criticism had no merit so far as the substance of the CSCE document is concerned, it accurately reflected resentment toward the former administration's gingerly approach to human rights questions. Mr. Ford even refused to invite Alexander Solzhenitsyn to the White House for fear the Kremlin would block progress on arms control and other manifestations of detente. This was part of the Henry Kissinger "linkage" theory that Mr. Carter has abruptly discarded. With increasing adamancy, the new President is holding the Russians to their Helsinki pledges even as the Kremlin fulminates ever more bitterly against American "interference" in "internal" Soviet affairs.

Mr. Carter's tactics raise profound questions about the conduct of foreign affairs. The Kissinger school holds that the Communists are so nervous about discontent within their sphere that they may react by acting provocatively toward the West and reversing what progress has been made under the Helsinki provisions. The Carter school seems to operate on the theory that the Kremlin never gives more than it has to give on matters as diverse as arms control and Angola, and the West therefore should not be deterred from espousing the cause of freedom.

With Mr. Carter speaking out and Soviet-bloc dissidents becoming more active, the Belgrade review conference is looming as a key test of Western will and Communist brazenness. Will the Russians try to scrap the meeting if they see it developing as a propaganda embarrassment? The Kremlin promoted a European Security Conference for more than two decades; to jettison its own undertaking might be an even greater embarrassment. Will the Communists hurriedly snuff out dissent so internal conditions will have a surface placidity in the summer and fall? They are trying, but that does not dampen the exultation Mr. Carter is causing among the dissidents. Will the Kremlin respond by increasing international tensions? While this is a risk, the self-interest that led the Soviet Union to adopt a detente strategy still prevails.

As a newspaper that supported the Helsinki Final Act when it was in disrepute, we have a special interest in having its human rights provisions held up as a standard against which all nations should be judged. Mr. Carter should persevere—prudently, of course, but persevere nonetheless. "Because we are free," he said in his inaugural, "we can never be indifferent to the fate of freedom elsewhere."

REPORT ON THE GRAND JURY

Mr. METZENBAUM. Mr. President, I ask unanimous consent to have printed in the RECORD a report on the recent session of the Cuyahoga Grand Jury. The report is authored by the jury's foreman, David Skylar, a great and good friend. His term as the jury's foreman was a most distinguished one. He performed great service to our community.

Mr. Skylar calls his grand jury service "one of the most illuminating experiences of my life." I believe his incisive views on crime and its impact on our society are important, enlightening, and applicable to most major American cities.

It is one of Mr. Skylar's conclusions that—

If we can control guns and drugs, our society may have a chance to survive.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON THE GRAND JURY, SEPTEMBER TO DECEMBER 1976 BY DAVID SKYLAR, FOREMAN

The Grand Jury has been the bulwark of the innocent against hasty, malicious and oppressive prosecutions. It serves the invaluable function of standing between the accuser and the accused.

There have been many critics of the Grand Jury, many cries to do away with it entirely. This in my opinion would be a tragic mistake.

Citizen participation in the criminal justice system should not be tampered with or diminished.

To take part in the transformation of ordinary people from all walks of life, from all ethnic backgrounds, from different economic levels, into a tightly knit, disciplined, knowledgeable group sitting in judgment of their men is an experience of what our democratic system is all about.

Critics have suggested that the Grand Jury is untrained, naive, doesn't understand the law and is a tool of the prosecutor. At the start of the term, to some degree this is true. But these deficiencies are soon overcome. After the first few sessions, these weaknesses give way to a degree of sophistication which when blended with ordinary everyday concern, dispenses a unique brand of citizen justice—the very kind called for to represent the innocent, which is the responsibility of the Grand Jury.

To improve the Grand Jury performance and make it more effective quickly, a full day of training and briefing should be initiated. This would remove some of the hesitancy of the jurors and prosecutors. The Grand Jury foreman should be given previous foreman reports to review. These would prepare him for his job and stimulate him to take quick control of the jury.

In the final analysis—the performance of the Grand Jury is a reflection of the enthusiasm, interest and dedication of the foreman. He or she alone can make the difference between a hard working, concerned jury and one which takes a casual, cavalier attitude toward its assignment.

THE GRAND JURY AS AN INVESTIGATIVE FORCE

In addition to the traditional role of the Grand Jury, it serves another important function in American Jurisprudence.

The Grand Jury serves as an investigative body to determine whether there is probable cause to believe a crime has been committed. This investigative role is necessary for fair and effective law enforcement.

To fulfill its investigative role, the Grand Jury has been accorded broad powers of investigation and inquisition. No Judge presides to monitor the proceedings. It deliberates in secret and may determine alone the course of its inquiry. The Grand Jury may compel the production of evidence or the testimony of witnesses as it considers appropriate, and its operation generally is unrestrained by the technical and evidentiary rules governing the conduct of criminal trials.

The weakness of the Grand Jury's investigating role lies in its so-called "citizen" status. It is a non-professional group, and for the most part, only when an obvious wrong-doing is tossed in their laps, does the Grand Jury react and initiate an investigation. Thus it seems that this important role the Grand Jury can play is often unused.

It has been proven time and time again that Grand Jury investigations can be meaningful and productive.

It would be inappropriate for me to comment on the Albert Porter matter since it will soon be in court. But it is public knowledge that the so-called "flower fund" has been around for a long time. It took the Grand Jury's investigation to bring this matter to the courts.

Grand Juries can and should do more of this type of investigation. However, they are inhibited by both resources and manpower.

If the Grand Jury had its own investigative staff, as Judge Saul Stillman suggested recently, this role could be used much more for the public's benefit.

With an investigative staff of three men, assigned to the Prosecutor's office but reporting to the Grand Jury Foreman as well as the Prosecutor, Grand Juries could become an active watchdog in the public sector.

The funding for such a staff would normally come from the county. But because of the uniqueness of this idea, it is conceivable that Federal funding might very well be available from the Law Enforcement Assistance Administration. The County should consider making such a proposal and take necessary steps to file for funding through L.E.A.A.

DRUGS AND THE "NEW" DRUG LAW

During our term of the Grand Jury about 15 percent of the cases we heard were about drugs, drug addicts, drug purchases, etc. Another 25 percent of the cases we heard were drug related, i.e. the crime was committed to get money for drugs; addicts were spaced out and shot or killed people; cars were stolen, stripped for parts and so forth through the entire sad list of crimes.

Law enforcement agencies estimate that there are about 10,000 "hard" drug addicts in Cuyahoga County. Each of these "hooked" people needs $100 a day to support his habit. That's $1,000,000 a day, each and every day of the week, month, the year.

To make a buy of heroin on the street, the addict needs cash. If he doesn't have the cash, he steals for it, she sells her body for it. About $300 worth of merchandise, a TV set, CB radios, jewels, etc. gets an addict-thief the $100 cash he needs. That's the exchange rate on the streets—3 to 1.

That means to support the 10,000 drug addicts in Cuyahoga County it takes $3,000,000 a day of crime. That's over a billion dollars a year of drug related crime in this county alone.

That's the problem. Is there a solution? It would be audacious to think there is a simple answer after four months of Grand Jury service. But there are a few things we can do.

CHANGE THE "NEW" OHIO DRUG LAW

There's street talk that the best thing that ever happened to drug pushers in Ohio was our new drug law. Either through naivete or stupidity, some parts of the law play into the hands of the drug sellers. One narcotics lawman said that ". . . if the drug mob had lobbied for a better break under the law, they couldn't have been treated better than they are under the new law . . ."

There is general agreement among law enforcement professionals that Ohio's new drug law is a bad law. The law, Substitute House Bill 300 places much greater burdens upon the Police officer, the Chemist, the Prosecutor, the Judge and the rehabilitation officer, than the previous law.

The Police officer finds great difficulty in making a major drug buy since the pushers, well aware of the "bulk amount" concept of the new drug law, limit the quantity of each sale and thereby use the law to their advantage, the penalty being much less if the amount sold is small.

The prosecution chemist or analyst must provide broad discovery under the provisions of the new law, allowing the presence of defense analysts in their laboratories during identification, analysis and weighing of the substance. This presence could interfere with preserving the chain of evidence in the subsequent criminal action.

The prosecutor has great difficulty presenting the case because of the complex provisions of the new law. He must treat every case in the light of whether the illegal act was possession, trafficking, or corrupting. He must then determine what schedule the substance belongs in, whether there are prior drug offenses on the defendant's record, and finally apply the concept of "bulk amount." These bulk amounts are set arbitrarily and rather ambiguously in the form of the metric weight or set number of individual doses for each drug or class of drug. The law further provides that a gift of 20 grams or less of Marijuana is not a sale and statutorily sets out defenses to possessing large amounts, if adulterated for the possessor's own use.

From the standpoint of the courts, the Judge must now provide a hearing for a defendant to determine if he is a drug dependent or POSSIBLE drug dependent person. Under the provisions of the new law defendants charged with robbery, burglary, theft and other non-drug abuse crimes can actually receive conditional probation or treatment in lieu of conviction if they can satisfy the court that they are in *danger of becoming* a drug dependent person. This opens a Pandora's Box to the defense attorney since there are few people properly trained to make this evaluation and even fewer qualified and certified treatment programs.

These absurd post conviction remedies have also left the rehabilitation (probation and parole) offices seeking interpretations and generally increasing their work burden without giving them clear direction.

It is obvious that the new drug law places an added burden on all areas of enforcement, prosecution and rehabilitation.

The fact is, certain sections allowed for modifications of penalties and actually reduced sentences for over 400 hard drug pushers, in Cuyahoga County alone, six months before the provisions of the new law took effect.

All laws are strictly construed in favor of the defendant, and that is as it should be. However, when the Legislature sets out to decriminalize Marijuana and in fact revises the law completely it opens a fertile field of ambiguities and new interpretations which ultimately shield the "pusher" who uses these loopholes for his own protection.

Its proponents claim the new drug law is more flexible, indeed it is for the defense attorneys and drug dealers.

It is the considered opinion of the Cuyahoga County Prosecutor's Office and other law enforcement agencies that the old law which had been fully adjudicated and was straightforward and easily understood was far more effective in accomplishing what must be the ultimate purpose of all drug laws, namely deterring drug abuse and punishing perpetration. It could have been amended to decriminalize Marijuana and to encompass certain drugs with a high potential for abuse without incorporating the compliance scheduling of the Controlled Substances Act and the bulk amount concept.

What we have now is a weak, confusing and almost non-enforceable drug law.

I call upon the lawmakers of this state to immediately launch the necessary procedures to change, amend or replace the "new" drug law. Ohio's Attorney General, whose staff drafted and supported the new drug bill, should again take the leadership position in this effort. They should admit the weaknesses of House Bill 300 and move to change them.

There are many law enforcement men and women in Ohio who could lend assistance, testimony and expertise if called upon.

Now is the time to start again. Our drug law stinks. Let's change it.

A PUBLIC AWARENESS CAMPAIGN ABOUT DRUGS

Most, is not all people, in Cuyahoga County feel that . . . "It can't happen to me . . . Drugs won't touch my family . . ."

The middle class thinks drugs are a ghetto problem, the suburbanites think it's a city problem.

In some way, in some fashion—the drug problem touches all of us. The more people who become involved with the drug problem, the more people who become aware of its magnitude—the more people will learn to fear drugs.

An effort should be made in the county to enlist the help and cooperation of various groups in the communications industry to launch a massive drug awareness campaign.

The Cleveland Advertising Club could very well spearhead such an effort. Advertising agencies could be recruited to prepare TV commercials, radio materials, newspaper ads, etc. And the media could be called upon to run these materials as a public service.

Drugs are literally tearing this country apart at the seams. The public should be aware of the seriousness of this problem. I urge communicators in our area to accept this challenge.

GUNS AND CRIME

Cleveland is an armed camp. And all of the gun registration laws, gun sale laws, etc. haven't changed a thing.

It is not our intention to join in the game of "hot potato" now being played by politicians with gun laws . . . to have or not to have gun control, gun registration, etc.

But the Grand Jury sees the results of gun possession.

Since guns are a political issue—and nothing we say will change that—let's save the public from itself.

Let's change the law to make *carrying a concealed weapon* a major crime. Let's bypass the politics of the issue and make carrying a concealed weapon so tough, people will think twice of carrying a weapon.

Nobody carries a concealed weapon to do good with it. You don't build churches with a .38. If we can't inhibit the sale of guns and if people want to keep guns in their homes—there's nothing anybody seems to be able to do.

Let's stop the drug addict with a "Saturday night special" in his belt. He's sure not packing a piece for any other reason but to do somebody harm.

If the penalty for carrying a concealed weapon is so tough—maybe—just maybe, we'll deter this frightening trend of guns used in crimes.

I suggest the Ohio Legislature immediately look to amending this section of the Criminal Code.

I suggest that the spirit and meaning of the law on carrying a concealed weapon in Ohio be changed to reflect the following statement.

"If the offender has been previously convicted of a violation of this section or any offense of violence involving a deadly weapon or a dangerous ordinance, and if the second or subsequent offense is committed, then the offender is guilty of a felony of the second degree and it shall be incumbent upon the judge to sentence the offender forthwith to the state penitentiary or the reformatory as provided by law".

The second offender of the carrying a concealed weapon law is for the most part a hardened criminal. This man or woman should not be dealt with lightly.

THE COUNTY JAIL AND AID TO VICTIMS

The best thing one could say about the County Jail on 21st Street is that it won't be used any more.

It's mess—but it's clean and the Sheriff tries to take care of his charges.

The new jail in the Justice Center looks great. The big question is—will it work? Only time will tell.

The vast amount of money spent on the jail—some $40 million dollars—raises one interesting question.

With all the money spent on the care and rehabilitation of criminals—should some effort be spent to help victims. Here again the Law Enforcement Assistance Administration should come to play.

The State of Ohio's Victim Assistance Program which became effective last week does the bare minimum. It's time society recognized that the victim suffers more than the criminal—yet little or nothing is done for him.

Nationally over $15 billion dollars is spent on police, prisons, rehabilitation programs, etc. Less than 1 percent is spent on victims.

The county should pioneer some effort to assist victims of crimes. Application should be made to L.E.A.A. for funding such an effort.

I'm not suggesting we do less to rehabilitate criminals. I'm suggesting we do more to help victims of crimes.

On numerous occasions, the Grand Jury saw victims on crutches, in bandages, etc. who had already made appearances at lower courts, police line-ups, meetings with police investigators and others. Now they appear before the Grand Jury and then the courts again.

Little, if anything is done to help these people. Surely the County can investigate L.E.A.A. providing some sort of funding for victims. And perhaps the State should enhance its program.

FIFTY-NINTH ANNIVERSARY OF THE FOUNDING OF THE REPUBLIC OF LITHUANIA

Mr. MATHIAS. Mr. President, February 16 marked the 59th anniversary of the founding of the Republic of Lithuania. It is an occasion worthy of the notice of all Americans, of whatever origin or national background. Lithuanians who have come to these shores have greatly enriched our society: their dedication to democracy, their love of freedom, and their gallant efforts to attain national self-determination for Lithuania, are remarkable.

In commemoration of this day, I ask unanimous consent that the text of a resolution adopted by the Council of Lithuanian Societies of Maryland be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

We, Lithuanian Americans of the Council of Lithuanian Societies of Maryland Commemorating and celebrating the 726 years of the formation of the Lithuanian State when King Mindaugas unified all Lithuanian principalities into one Kingdom in 1251 and the 59th Anniversary of the Restoration of the Republic of Lithuania on February 16th 1918, unanimously adopt the following Resolution:—

Whereas in 1918 the Lithuanian people exercised their right of self-determination and restored the Independent Lithuanian State by establishing the Republic of Lithuania which was restored and protected by the great sacrifices of the Lithuanian people.

Whereas in the peace treaty of July 2, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was fully independent and sovereign nation, a member of the League of Nations, and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17th, 1940 invaded with overwhelming armed forces occupied Lithuania, and forcefully annexed the Lithuanian Nation in violation of all the existing treaties and the principles of the international law.

Whereas the Soviet Union has systematically conducted within Lithuania a policy of colonization, ethnic dilution, exploitation, oppression of fundamental human rights, by intensive russification, deportations, suppression of religious freedom and political persecutions which is contrary to the Charter of the United Nations, contrary to the principles of the Helsinki Agreenment and is impediment to the promotion of world peace and cooperation.

Whereas that for many centuries Lithuania having enjoyed the blessings of freedom is presently subjugated to the most brutal Russian oppression of the aspirations of the Lithuanian people for freedom and exercise of their human rights.

Now, therefore, be it

Resolved, that we demand that the Soviet Union withdraw its military forces, administrative apparatus and the imported Russian colonists from Lithuania and to restore that the Lithuanian people would govern themselves freely;

That we demand immediate release of all Lithuanians who are imprisoned for political and religious reasons and who for years are lingering in various Soviet jails, concentration and labor camps and/or kept in psychiatric wards.

That we are expressing our gratitude to the United States Government for its firm and continuous position of non-recognition of the seizure of Lithuania and forced annexation of this freedom-loving country into the Soviet Union.

That we are deeply grateful to the 94th Congress of the United States of America for passage of a new resolution expressing a sense of the Congress relating to the status of the Baltic States and we ask the President, Senators and Congressmen of the United States for their continuous support of the cause of freedom for the Lithuanian nation and the other Baltic States.

That the copies of this Resolution be forwarded this day to the President of the United States of America, to the Secretary of State, to the United States Senators from Maryland, the Members of the United States of Representatives from Maryland, the Chargé d'Affairs of Lithuania in Washington, D.C. and the Lithuanian Consuls General in New York and Chicago, to the press and the news media.

This resolution was adopted on February 20th, 1977.

THE NATURAL GAS STUDY

Mr. METZENBAUM. Mr. President, on January 31, 1977, I sent a letter to Interior Secretary Cecil D. Andrus urging him to investigate questions about whether natural gas producers have been withholding natural gas from the marketplace. Last week, the Department, acting on my request, issued a preliminary report.

The report studied a total of five natural gas fields in the Gulf of Mexico that are being leased by the Federal Government to private companies for exploration and production. After reviewing available materials, the investigators concluded that approximately 981.5 billion cubic feet of proved natural gas supplies in those five reservoirs were not being produced. The report did not speculate about the reasons such natural gas supplies have not been placed on the market. Nor did the report indicate whether similar proved reserves were not being produced in other fields.

Secretary Andrus, upon releasing the preliminary report, has announced his intention to conduct a full-scale investigation to determine accurate data on natural gas supplies on Federal lands and waters in the Gulf of Mexico. I commend the Secretary for his efforts and encourage him in pursuing this matter, which has such a serious impact on the citizens of Ohio and the country as a whole. I look forward to results of the completed study, which will allow us to move decisively to provide adequate natural gas supplies to our citizens.

I ask unanmious consent to have printed in the RECORD the letter sent to me by Secretary Andrus dated February 17, 1977, and the Department's preliminary report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, D.C., February 17, 1977.

Hon. HOWARD M. METZENBAUM,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METZENBAUM: Thank you for your letter which questions whether major natural gas producers are withholding large amounts of natural gas. As you know, I share your concern that the Nation's natural gas resources be produced diligently, consistent with good conservation practices.

On February 2, 1977, I commenced a preliminary investigation limited to four fields in the Gulf in order to decide whether or not a full-scale review of gas production was warranted. That preliminary investigation is now complete and a copy of the report is attached. You will notice the report recommends a full-scale comprehensive review.

I expect to make a statement today as to how I intend to proceed. However, I thought you would appreciate having a copy of the report in advance of that statement.

You will notice that proprietary data has been deleted from the report. In my judgment, such deletions do not affect the usefulness of the document.

Sincerely,

CECIL D. ANDRUS,
Secretary.

REPORT TO THE SECRETARY ON PRELIMINARY INVESTIGATION OF PRODUCTION CAPABILITY AND PRODUCTION LEVELS AT SELECTED NATURAL GAS PRODUCING FIELDS IN THE GULF OF MEXICO, OUTER CONTINENTAL SHELF

(Prepared by J. W. Wilson & Associates, Inc., Economic Council)

(NOTE.—Tables and appendixes referred to in text not printed in CONGRESSIONAL RECORD.)

INTRODUCTION AND FINDINGS

Introduction

This report summarizes the results of a preliminary investigation of the rate of development and actual production levels at selected natural gas producing fields in the Gulf of Mexico, Outer Continental Shelf (OCS). This preliminary investigation, which began on February 2, 1977 and was completed on February 13, 1977, was undertaken at the direction of the Secretary of the Interior. The purpose of the investigation was to assess the extent to which OCS natural gas fields in the Federal domain may be producing at less than the maximum attainable rate that is consistent with sound conservation safeguards, and to determine whether a comprehensive investigation is required.

To accomplish this objective, reserve data for five producing natural gas fields and production data for four of these same fields were studied.[1] In order to evaluate gas production records, total monthly gas production during the two-year period January, 1975 through December, 1976 was reviewed and the monthly non-associated gas production (i.e., gas-well gas as distinct from gas associated with oil production) was compared against each field's respective maximum production rate (MPR) for well completions and maximum efficient rate (MER) for reservoirs. In addition, quarterly changes in the field MER and MPR for these same four fields were analyzed.

The quantity of non-producing, proved natural gas reserves at each of the five fields was also reviewed. Specifically, a recent FPC investigation revealed that, as of December 31, 1974 (in some cases, early 1975), each field contained proved gas reserves in non-producing reservoirs which were dedicated by gas sales contracts to interstate pipeline companies.[2] U.S. Geological Survey (USGS) information was utilized to determine which, if any, of these reservoirs and reserves have been placed on production subsequent to that time. Lastly, USGS data were analyzed to identify additional non-producing reservoirs and reserves which had not been listed or reported during the course of the FPC investigation.

Findings

Monthly production data between January, 1975 and December 1, 1976 were reviewed for four large producing gas fields in the Gulf of Mexico. This review resulted in the following findings:

During this period, the rate of production decline for at least three of the four fields has been significantly greater (in one case 26.3 percent per year) than the historical experience in other OCS gas fields would lead one to expect.

In the fourth field, production reached its maximum in March of 1976, fell steeply in September, October and November; then increased back to 90.8 percent of the March peak in December.

In one field where time permitted a more detailed analysis: (a) the number of producing gas completions[3] fell from a high of 65 in January of 1975 to a low of 36 in December of 1976; (b) during that same twenty-four-month period, the number of gas reservoirs on production fell from 37 to 21; (c) all ten successful gas completions at two platforms were totally removed from production, some for an extended period of time; (d) a number of wells have experienced pressure decline, mechanical problems or have "watered out"; and (e) the reserves associated with wells where mechanical or water problems have been encountered have not been lost forever and remain to be recovered if workover operations, recompletions or the drilling of new wells into the same reservoirs by the operators are undertaken.

All four fields are producing at well below their respective MPR's and MER's (in December of 1976, production as a percent of field-wide MPR's and MER's for the combined fields was less than 64 percent and 58 percent, respectively).

Production at each field could be increased to respective MER's if new wells were drilled into currently producing reservoirs.

MER's at all four fields have been reduced. At two fields this reduction has been as large as 45.5 percent and 66.5 percent, respectively.

One of the major causes of the observed decline in field MER's is that a number of reservoirs have been taken off production and in many producing reservoirs the operators have made downward revisions to the reservoir MER's which were submitted to the USGS.

New reservoirs with proved gas reserves exist in these fields, but they have not been brought onto production to offset the declines in production, in MPR's and in MER's in old reservoirs where production has been reduced or has ceased entirely.

In addition, the four fields for which production levels were examined were also reviewed to determine the quantities of non-producing, proved reserves in those fields.

Additionally, a fifth field was examined at the suggestion of USGS personnel. This review was undertaken because the USGS had not yet performed an independent in-depth reserve evaluation on two of the original four fields selected for the preliminary investigation. This analysis of non-producing reservoirs and proved reserves yielded the following findings:

As of the fourth quarter of 1976, 225 non-producing reservoirs with 981.5 billion cubic feet (BCF) of proved reserves were located at these five fields.

188 of these reservoirs with 767.3 BCF of reserves had been reported by the operators to the FPC as non-producing in late 1974.[4]

In the three fields where USGS had performed an independent reserves evaluation, an additional 37 reservoirs containing 214.2 BCF of non-producing proved reserves had not been included in the operators' reports to the FPC.[5]

Only 19 non-producing reservoirs with 48.1 BCF of proved reserves have been brought onto production at these five fields since the operators made their filings with the FPC in 1974.

Many of the non-producing reserves are classified as gas-cap gas (in association with oil reservoirs) and, in some instances, could be brought onto production through recompletions or new wells without reducing the ultimate recovery of the associated crude oil.

In most instances, where direct comparisons could be made, wide variations were found between the operators' reserves estimates and estimates made by the USGS.

In the three fields where reserves have been evaluated directly by the USGS personnel, there were a number of reservoirs for which the operators had listed proved reserves, but which could not be identified in the USGS's studies.

INDIVIDUAL FIELD ANALYSES

The preliminary investigation took place in two stages. Between February 2 and February 7, the initial work was performed in Washington. This involved an analysis of the USGS' quarterly MER and MPR listings and the monthly gas sales volumes, by lease and field, for all OCS producing gas fields.[6] In addition, the non-producing reservoir and reserves data contained in the FPC investigation was reviewed in Washington. These data permitted an identificaton of the fields to be examined during the second phase of the preliminary investigation, which took place between February 8 and February 11 at the USGS office in Metairie, Louisiana.

The following persons from Washington participated in the investigation in Metairie:

Mr. Leo Krulitz, Office of the Secretary, Department of the Interior.

Mr. George L. Donkin, Director of Petroleum Studies, J. W. Wilson & Associates, Inc.

Dr. David S. Schwartz, Economist, Senate Antitrust and Monopoly Subcommittee.

Mr. Victor H. Zabel, Head, Reserves Evaluation Section, Bureau of Natural Gas, Federal Power Commission.

Mr. Lawrence Kruysman, Petroleum Geologist, Bureau of Natural Gas, Federal Power Commission.

Paul E. Martin, Special Assistant to Chief, Branch of Marine Oil & Gas Operations, U.S. Geological Survey.

The investigation in Metairie consisted of numerous discussions with USGS officials and personnel, and an examination of the following types of USGS data and records:

Geologic and reservoir maps.

Reservoir and field reserves studies.

Lease status reports.

Individual well, reservoir and field production reports.

Well files.

Reservoir files.

Unit files.

East Cameron Block 271 Field

Eight individual leases, each of which was acquired in December of 1970, make up the East Cameron Block 271 field.

Total gas production in 1976 amounted to 117.0 BCF.

This is one of the largest gas fields in the Gulf of Mexico OCS.

Block 271 field is operated by four oil and gas companies, and ten production platforms have been installed in the field since exploratory and developmental drilling commenced in 1971. These include the following:

Pennzoil Offshore Gas Operators (2 platforms).

Tenneco Oil Company (6 platforms).

Texaco, Inc. (1 platform).

Phillips Petroleum Company (1 platform).

The natural gas produced at this field is purchased by Tennessee Gas Pipeline Company (an affiliate of Tenneco, Inc.), Columbia Gas Transmission Company, Southern Natural Gas Company and United Gas Pipe Line Corporation (formerly an affiliate of Pennzoil). Tennessee and Columbia supply major markets in the Northeastern United States, and Southern and United serve a large portion of the Southeastern consuming region.

In January of 1975, the Block 271 field produced 16,992,192 MCF of natural gas, 98.4 percent of which was gaswell gas from 65 gas completions. Since that time, production has fallen dramatically, and in December of 1976, field-wide production was only 8,037,769 MCF, 96.8 percent of which came from 36 gas completions. This represents an annualized rate of production decline of 26.3 percent.

During the three days in Metairie, USGS personnel conducted a more detailed review of the recent production history at this field. The results of that study are presented in Appendix B. As indicated therein, "the combination of losing 24 completions and a general pressure depletion of the reservoirs in this field are the reasons explaining this appreciable rate of decline."[7]

Based upon the preliminary USGS staff analysis, many of the wells which have been

Footnotes at end of article.

taken off production appear to have encountered either mechanical problems or began to produce excessive amounts of water. In only a few cases was there an indication that the reservoirs had been permanently abandoned due to a total depletion of the original recoverable reserves. USGS personnel indicated that, depending upon the economics, many of the reserves currently shut-in could be put back on production if the operators elect to recomplete in existing well bores or to drill new wells into these non-producing zones.

In several instances, individual wells were producing at relatively high daily rates and then suddenly were taken off production. According to USGS personnel, in one case, three of the seven producing wells at Tenneco Oil Company's "B" platform experienced subsurface safety valve problems which required that the wells be shut-in pending workover operations. Moreover, as shown in Table 2:

Problems with the "B" platform wells commenced as early as May of 1975.

Only one well at this platform, the B–2, was on production between February and June of 1976.

The entire platform was shut down in June of 1976.

Although several wells resumed production in the latter part of 1976, three wells still remain shut-in.

In discussions with USGS personnel, they indicated that the production equipment for the "B" platform is, in fact, located at a satellite platform. The significance of this operational procedure is that the wells experiencing problems could have been reworked without shutting down the entire platform. Thus, it would appear that either work-over operations or possibly new wells could have been drilled at a much earlier date, perhaps as early as the summer of 1975, in order to sustain production at or near the levels attained during the early months of 1975.

Of perhaps greater significance is the fact that at least two of the wells—the B–1 and the B–8D—were producing at between 6,500 and 8,300 MCF per day when production ceased, yet the B–8D well has not yet resumed production and the B–1 well is now producing at levels substantially below that which was observed in 1975.

In a similar situation, Tenneco's "F" platform, which contained three producing completions in January of 1975, produced a cumulative total of 27 BCF of gas from the Gb–I reservoir through February of 1976, and then it was completely shut down. Although the F–2 well began producing from a new reservoir in May of last year, nonetheless, the F–1, F–4 and F–5 wells remain shut-in as of the end of 1976.

An examination by USGS of the individual well files revealed that two of these wells, the F–1 and the F–4, had "watered out" and that the Gb–I reservoir had apparently been depleted when the F–5 well ceased to produce last February. While these explanations may be quite valid, in the absence of a field-wide reservoir study, which has not yet been made by the USGS, it is impossible to conclude with certainty that all of the reserves in this reservoir have been exhausted or that other non-producing reservoirs could not be perforated and produced from these very same wells. This is particularly true because the individual well files bear the notation that, when taken off production, the F–1, F–4 and F–5 wells had only been temporarily abandoned and that no apparent problems had been encountered with respect to reservoir pressure.

In addition to the fact that many gas reservoirs in this field are no longer producing, those reservoirs currently on production are producing well below their respective reservoir MER's. This can be seen from the data presented in Table 2 of Appendix A, which shows that, for example, in December of 1976, total non-associated gas production at the Block 271 field was only 49 percent of the field-wide MER.

Several USGS officials indicated to the investigating team that most natural gas reservoirs in the Gulf of Mexico are not rate sensitive—that is to say, the quantity of recoverable reserves from a gas reservoir is not a function of the rate of withdrawal (e.g., production) from that reservoir. The USGS personnel also indicated that it would be possible to produce at or near each reservoir's respective MER, but that this would require the drilling of new wells to increase productive capacity up to that higher level when substantial divergence exists between individual well MPR's and their related reservoir MER's. Thus, it follows that additional developmental activity by the operators in this field could increase production well above the levels observed in recent months.

Not only would additional drilling result in an increase in production from currently producing reservoirs, but it would also result in virtually an immediate increase in production from a number of non-producing reservoirs in this field. This would follow because, as of the last quarter of 1976, there were 43 non-producing reservoirs in the Block 271 field which, according to the operators' estimates, contained 90.4 BCF of proved reserves dedicated to interstate pipeline companies. Moreover, inasmuch as an independent reserves evaluation by the USGS has not yet been performed on this field,[8] based upon the results of this preliminary investigation at the three fields where in-depth reserves evaluations have been made, it is highly probable that even greater quantities of non-producing reserves could be brought into production.

Tiger Shoal Field

The Tiger Shoal field is a large natural gas field on a block of leases, which were originally acquired by Texaco, Inc. from the State of Louisiana. Texaco is the only producer in this field and gas sales are made to Natural Gas Pipeline Company of America, which supplies a large portion of the Midwest, and to Texas Gas Transmission Corporation, which serves several South Central states.

Of the fields studied, the Tiger Shoal field is somewhat unique, due to the fact that it is in very shallow water and production takes place from individual wells, as opposed to multi-well production platforms which are typically utilized in deeper waters. Thus, since drilling operations at this field can be accomplished from individual well caissons, additional developmental drilling could take place with no loss of production from already existing wells. This is very significant because several non-producing reservoirs with large quantities of proved reserves are currently not scheduled to be put on production by Texaco until 1981 and 1985.

To illustrate, as shown in Table 6 of Appendix A, five reservoirs containing 150.6 BCF are currently planned to remain in a non-producing status until 1981 and a sixth reservoir representing 27.4 BCF is not scheduled to be produced until 1985. Moreover, since the USGS has made a detailed reserves study on this field, the investigating team identified six additional non-producing reservoirs which were not reported by Texaco in its response in the FPC investigation. While these reservoirs may have been discovered subsequent to Texaco's report to the FPC or, alternatively, at that time had not yet been dedicated by gas sales agreements, this situation does indicate that where the USGS has performed an independent reserves analysis, additional quantities of non-producing reserves were identified.

In addition to containing large quantities of non-producing reserves, the Tiger Shoal field has also produced at levels often significantly below its MER and, perhaps more interestingly, the MER for individual reservoirs in this field appears to fluctuate with the number of well completions in each reservoir. For example, Table 3 reveals that Texaco apparently establishes reservoir MER's on the basis of the summation of the individual well MPR's in each reservoir. Thus, as is shown therein, when new wells were added in the YI and YIIIA reservoirs, both the MPR's and the MER's increased proportionately.

These examples clearly illustrate the validity of the views expressed by the USGS staff concerning the apparent functional relationship between drilling activity and MER. Specifically, it is obvious that the productive capacity and, hence, the reservoir MER is directly related to the number of well completions in many OCS producing reservoirs.[9]

There are significant policy implications illustrated in this field that have even broader application relative to other fields in the offshore Federal Domain. Public policy must be formulated to establish the functional relationship for additional drilling to obtain optimal MER and the related MPR to sustain a production rate commensurate with maximizing deliverability and efficient well depletion.[10]

South Marsh Island Block 48 Field

Five leases make up the South Marsh Island Block 48 field. Operators at Block 48 field include Union Oil Company of California, Shell Oil Company, Gulf Oil Corporation and Amoco Production Company. Most of the gas produced at this field is purchased by Transcontinental Gas Pipe Line Corporation, which supplies gas along the Eastern Seaboard, including much of North Carolina, Virginia, Maryland, New Jersey and New York. In addition, some of the gas reserves are also dedicated to the Michigan-Wisconsin Pipe Line Company, which accounts for more than 50 percent of the interstate gas supply in Michigan. Eight production platforms have been installed by the five operators in the Block 48 field.

During the period January, 1975 through December, 1976, gas production at this field has fallen at a rate of 16.4 percent per year. This has occurred despite the fact that the number of well completions has increased from 41 to 48. Similarly, between July of 1975 and October of 1976, the total field-wide MER has been reduced by approximately 31 percent. The reduction in the MER for this field appears to be largely the result of downward revisions in individual reservoir MER's, as opposed to a reduction in the number of reservoirs currently producing. To illustrate, the following examples were noted:

MER at the B13RD reservoir fell from 30,000 MCF/Day to 11,500 MCF/Day.

MER at the NRA reservoir fell from 30,000 MCF/Day to 18,000 MCF/Day.

MER at the BU22K reservoir fell from 26,750 MCF/Day to 14,000 MCF/Day.

MER at the BU22L reservoir fell from 16,250 MCF/Day to 6,000 MCF/Day.

Obviously, to the extent that these downward revisions in MER's do not reflect the physical capacity of the reservoirs to produce, production at the Block 48 field could be enhanced within the relatively near future if the operators were to drill new wells into the large number of currently producing reservoirs. Production capacity in this field could be increased by an even greater amount were the large number of non-producing reservoirs to be brought on stream.

During the course of the FPC investigation, the operators reported a total of 64

Footnotes at end of article.

reservoirs and 294.1 Bcf of proved, dedicated reserves which are not yet producing. Moreover, many of these reservoirs, according to the operators' responses, were scheduled to be producing in 1976, however, the preliminary investigation revealed that a number of reservoirs that were to be producing at this time remain in a shut-in status. These include the following:

B–15 D; 1.2 Bcf.
10,100 R; 0.2 Bcf.
G4 RA; 4.1 Bcf.
Io RA; 13.0 Bcf.
K2 RA; 0.4 Bcf.
B13 8; 7.0 Bcf.
BUL 4; 2.5 Bcf.
BUL 5x —2; 0.5 Bcf.
BUL 14; 4.1 Bcf.
BUL 15; 12.7 Bcf.
10,100 T–1; 0.4 Bcf.

Grand Isle Block 43 Field

The Grand Isle Block 43 field consists of eleven leases, 10 of which are operated by Continental Oil Company and one lease is operated by Exxon.[11] Conoco has installed 18 platforms on its blocks and Exxon produces its lease from a single platform.

Reserves are purchased by Tennessee Gas Pipe Line Company and Columbia Gas Transmission Company, which supplies a large portion of the gas consumed in Ohio, West Virginia and Western Pennsylvania.

Between the beginning of 1975 and the end of last year, gas production in this field has declined at a rate of 14.7 percent per year. The number of well completions has also fallen from 96 to 76 in this 24 month period.

The apparent reason for the drop-off in production at the Block 43 field is that as existing well capacities have declined, new reservoirs with substantial quantities of gas have not been brought on production.

Again, the operators had indicated to the FPC that many of these reservoirs would be on production in 1976; nonetheless, they remain in a non-producing status. In addition, this field contains a number of shut-up gas-cap reservoirs, which could be produced in the near-term with no loss in ultimate oil recovery.

The investigating team also noted that in several reservoirs, the MER was increased as a result of the operator completing new wells in existing reservoirs. Again, this supports the conclusion that reservoir MER's are as much a function of developmental activity as they are of the physical characteristics of the individual producing reservoirs.

Vermilion Block 250 Field

While the investigating team was in Metairie, the USGS staff suggested that since they had not yet performed an independent reserves evaluation for two of the four fields to be analyzed, that an additional field be selected from the larger sample of fields where such reserves studies had been made. This was done and the Vermilion Block 250 was selected.

The Vermilion Block 250 field is operated by Tenneco Oil Company and all of the gas there is sold to Tenneco's affiliate, Tennessee Gas Pipeline Company.

Wide variations exist between Tenneco's reserves estimates and those made by USGS for the non-producing reservoirs in this field and in several instances, the USGS personnel were unable to identify reservoirs and reserves which Tenneco reported to the FPC.

Based upon the preliminary investigation, the investigating team recommends that the Secretary undertake a detailed and comprehensive investigation of the major fields in the Gulf of Mexico. This is essential to determine our present supply posture to meet immediate requirements for natural gas, and the availability of gas supply for the next winter's heating season. An in-depth study is required to determine the potential for accelerating deliverability from currently producing reservoirs, dedicated but non-producing reservoirs, and other shut-in reserves.

It is essential to realize that in the short time available for the preliminary investigation, the areas analyzed related to the decline in MER's, MPR's, production, dedicated non-producing reserves, and large discrepancies of operator estimates and USGS estimates of proved reserves. The areas not included in the initial investigation concern the potential for significant new supplies from gas-cap gas, producible shut-in leases, the installation of compression, potential for lowering pipeline pressure to accommodate falling well-head pressure, and varying choke size to bring actual production in line with MPR.

A broad investigation is required to interrelate MER's, MPR's and reserves to optimal production levels in the offishore gas fields. Of particular concern is the behind-the pipe reserves of gas committed to contract but not produced. For example, in the Tiger Shoal field, the operator scheduled production for the 1980–1985 period despite the fact that this gas is located in shallow water and produced from single well caissons without the requirement for a platform.

In another instance, the operator indicated that production would not commence in the 1975–1976 period, but the wells have not come on stream. For example, in the South Marsh Island Block 48 Field, there are 64 reservoirs and 294.1 BCF of proved reserves. A number of these reservoirs were originally scheduled to commence production in 1975–76 but still remain shut-in. In another instance, the producer indicated that it was uneconomic to continue production and that a specific reservoir would be shut-in, but production continued. Tenneco reported to the FPC that in the East Cameron Block 271 Field, a reservoir (Dh(3b)) containing 0.3 BCF was to be dropped. Nonetheless, it has since gone on production and had produced 2.2 BCF by the last quarter of 1976.[8] Finally, there are reporting discrepancies in the reserve estimates provided to the Federal Power Commission in comparison with those supplied to USGS.

The following members of the investigating team concur in the conclusions and recommendations contained in this report.

GEORGE L. DONKIN,
VICTOR H. ZABEL,
DAVID S. SCHWARTZ,
LAWRENCE KRUYSMAN.

The following member of the investigating team concurs in the recommendations of the group, but has a number of reservations in the text of the report.

PAUL E. MARTIN.

FOOTNOTES

[1] Four fields were selected initially and, as explained below, a fifth field was subsequently added to the reserve study at the suggestion of U.S.G.S. personnel.

[2] FPC Docket No. R175–112, Investigation of Status of Non-Producing Dedicated Reserves.

[3] Inasmuch as two or more vertically stacked producible zones are often perforated (completed) and produced through a single well bore, for the purposes of this report, it is more appropriate to focus upon "well completions", as opposed to the number of producing wells.

[4] This reflects the operators' own estimates of the reserves in non-producing reservoirs.

[5] These reservoirs and reserves may not have been dedicated or proved as of the time the operators filed their reports with the FPC.

[6] While in Metairie, actual production figures were found to vary significantly from the sales volumes used in Washington. USGS personnel explained that this is because the sales volumes data reflect accounting adjustments not related to actual production.

[7] Based upon individual well production data, USGS has estimated that about 47.8 percent of the production decline at this field is attributable to the loss of 24 completions which were producing in January of 1975.

USGS personnel estimated that 6–8 weeks would be required to map all of the reservoirs and estimate the reserves for this field.

[9] The investigating team noted numerous examples in many fields where the operators submited MER's which changed in unison with changes in MPR's for well completions.

[10] In discussions with USGS personnel, they indicated that reservoirs that are not rate-sensitive have MER's approaching infinity and that the optimal number of producing completions in a given reservoir is predicated upon "economics"—e.g., drilling costs, current and anticipated prices, time value of money considerations, etc.

[11] Both oil and gas are produced in large quantities in this field.

IN OPPOSITION TO PAY RAISE

Mr. THURMOND. Mr. President, in support of my statement several weeks ago, there has appeared in the February 2, 1977, issue of the Augusta Chronicle newspaper, Augusta, Ga., an editorial entitled "Oppose Pay Raise!"

The editors of the Chronicle are to be commended for calling to the attention of their readers the proposed pay raise for Members of Congress.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OPPOSE PAY RAISE!

As a letter to the editor on this page indicates, there is mounting opposition to the under-the-table pay raises stipulated by President Ford in his last few days in office.

With little prior publicity, the former President proposed a raise that would bring the base pay of our Washington lawmakers to $55,700. Under the so-called Quadrennial Pay Law, the Commission on Executive, Legislative and Judicial Salaries recommended the hike which conservative estimates indicate will initially cost the taxpayers $120 million.

This pay law allows the commission to review, every four years, the pay of members of the federal judiciary, the Congress and various high officials in the executive branch. The commission's recommendations are then made to the President in the last year of his term, and the President either accepts or rejects the "advice."

Also under this pay law, the President's acceptance of the commission's proposal becomes law in 30 days if it is not vetoed by the House or Senate. So, the deadline for the current raise implementation is February 16.

Concerned Americans have until this date to write their senators and representatives urging them to support legislation to block these devious raises. The blocking measures are: H.R. 115, introduced by Rep. Charles Grassley (R-Iowa) and S. Res. 39 co-sponsored by Senators John Danforth (R.-Mo.) and James Allen (D.-Ala.)

We believe Representative Grassley speaks for large numbers of taxpayers when he complains that "it is especially abhorrent that this high increase, larger than the average American family earns in one year, should go into effect without Congress ever taking a public stand on the issue."

Any member of the Congress who believes he or she deserves a raise ought to be willing to vote for it. It is our hope that Georgia Reps. Douglas Barnard and Ronald (Bo) Ginn, as well as South Carolina Third Dis-

trict Rep. Butler Derrick, and the four senators from Georgia and South Carolina not only are willing to vote on the issue—it is our hope they will actively oppose the raise.

One more note. Congressman Grassley has also introduced legislation (H.R. 1488) which would abolish the Commission on Executive, Legislative and Judicial Salaries. We wholeheartedly concur with such an approach, and we hope concerned voters will make their views known accordingly to their Washington representatives.

CARTER BUDGET REVISIONS EMPHASIZE ENERGY CONSERVATION

Mr. KENNEDY. Mr. President, on the basis of the budget revisions for fiscal year 1978 submitted today, it is clear that President Carter is making a good start in fulfilling his pledge to make energy conservation the keystone of this Nation's energy policy. I commend the President on this effort.

I have said before that the essential first step in giving energy conservation its proper emphasis is the adequate funding of those energy conservation programs that have already been passed by Congress. Many of these programs were passed over the opposition of the Office of Management and Budget which was reflecting the views of President Ford, or at least the views of certain of his energy advisers. Even though Congress passed these programs and President Ford eventually signed them into law, OMB continued its opposition by providing little, if any, funding for their implementation.

Such programs as the $2 billion program of Federal obligation guarantees for cost-effective energy conservation and renewable resource measures, the development of an energy extension service, supplemental grants to States for energy conservation information programs, and grants to States to establish consumer offices which would deal with utility regulatory commissions were ignored in President Ford's 1978 budget proposals.

President Carter has now recommended that budget authority for energy conservation activities be increased by $22 million in 1977 and $244 million in 1978 over the amounts recommended in January. A failure to have recommended such revisions would have raised serious questions about the depth of the Carter administration's commitment to a renewed emphasis on energy conservation.

I am concerned, however, that these and other energy conservation programs get off the mark as rapidly as possible. I doubt whether we can afford to postpone their implementation until the beginning of the next fiscal year in October. Congress should give the most serious consideration to providing some funding in the supplemental appropriations bill of 1977.

In addition, I am concerned about the implementation of the national energy conservation demonstration program for existing dwelling units to be implemented by the Department of Housing and Urban Development. This program was passed by Congress because we must have additional knowledge about the best way to provide homeowners with economic incentives to insulate their homes and conduct a number of other energy conservation measures. The longer we wait in collecting this information, the more difficult it will be to reach sensible decisions about the most effective Federal incentives that can be offered.

Finally, I commend President Carter for increasing the amounts available for the strategic petroleum reserve. The revised budget requests an increase in 1978 of $1.3 billion in budget authority and $858 in outlays. This larger amount will permit the Federal Energy Administration to store 250 million barrels of oil by December 1978.

It is clear that a strategic petroleum reserve is vital in the U.S. efforts to develop a more effective international energy program. However, two points must be made.

First, it is essential that the FEA provide for regional storage of crude oil and products, as specifically authorized by the Energy Policy and Conservation Act. This point has been developed in recent hearings before the Senate Interior Committee, now the Committee on Energy and Natural Resources. This is a matter of great importance to the New England States and it will be pursued.

Second, President Carter should give serious consideration to using his authority, as provided in the Energy Policy and Conservation Act, to have the U.S. Government purchase all or a portion of the oil for the strategic reserve through sealed bids or direct country-to-country negotiations. We can no longer afford to rely exclusively on private multinational oil companies as this country's agents in the international oil market. The opportunity to build a body of knowledge about the U.S. Government's direct role in international energy dealings now exists in the need to purchase oil for the strategic reserve. We should take full advantage of this opportunity, particularly since the President has all the authority he needs to move ahead.

On balance, however, the budget revisions submitted today are pointed in the right direction in terms of building a more rational and effective national energy program. Again, I commend President Carter for this good beginning.

FOREIGN SUGAR IMPORTS

Mr. TOWER. Mr. President, I am pleased to join Senator CURTIS today in sponsoring S. 674, legislation to renew the provisions of the Sugar Act, which is so greatly needed by the U.S. sugar industry.

As many of my colleagues know, the world sugar market is a residual market, where nations dump the sugar they do not need for domestic consumption, and for which they have no ready export market.

The United States is the world's largest sugar importer, and to a great extent, the American consumer is a victim of the wildly fluctuating sugar prices occurring in the world market.

Likewise, American sugar producers have no defense against the predatory practices of foreign nations which attempt to unload their unneeded product without regard to cost or return, but who would rather dump it onto the world market in hope of getting any price when sugar is in excess supply, and who would attempt to drive the price up when the sugar supply situation is tight.

We have gone from one extreme to another in the last 3 years, watching sugar prices go from 8 to 60 cents a pound. No one, from producer to consumer, benefits from such price gyrations which bear no relationship to true costs of production.

Mr. President, the Rio Grande Valley sugar growers recently presented a statement on the present sugar import situation to the international trade commission, detailing the impact on growers in Texas who are in the precarious position of growing a product for 15 cents a pound, and having to sell it for about 8–10 cents a pound.

We can correct the abuse of such a system, and thereby insure fair prices to consumers and fair returns to American sugar producers through the enactment of the legislation Senator CURTIS has introduced. I strongly support this measure and hope the Senate will act swiftly on its consideration.

Mr. President, I ask unanimous consent that the statement of Mr. Art Beckwith, president of the Rio Grande Valley sugar growers, be in the RECORD, together with several newspaper accounts of the impact of sugar imports on Texas' sugar industry.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FOREIGN SUGAR IMPORTS AND THE IMMINENT DESTRUCTION OF THE SOUTH TEXAS SUGAR INDUSTRY

The South Texas Sugar Industry is subject to imminent destruction as a result of foreign imports which have lowered sugar prices far below costs of production. In this South Texas area, with the highest rate of employment in the Nation, the economic adversity of the impact is difficult to comprehend, ranking, at least, as a calamity of major proportion.

In addition to the loss of the mill and related facilities with a book value of $37,601,156, sugarcane growers stand to lose some $40,000,000 in grinding rights equities and production facilities.

Eliminated as a major input into the area economy will be an annual payroll in excess of $7,000,000. Loss of employment will be sustained by some 900 workers, supporting in toto, some 4,500 family members. Greatly increased will be area welfare and food stamp costs.

Lost will be direct tax revenues to state and federal governments estimated to annually exceed $1,500,000; particularly deprived will be local school districts, hard pressed, at best, to provide adequate educational facilities for the ever increasing numbers of Mexican American children.

CoSTEP, an economic development agency, assigned to a 40 County South Texas area, has computed the economic impact value of the industry at $200,000,000 annually. All segments of the economy must bear the enormous loss.

The disastrous impact of the cheaply available imports upon the South Texas industry early became a stark reality to the Rio Grande Valley Sugar Growers, Inc.

Imperial Sugar Company of Sugar Land, Texas was initially closely allied with the South Texas industry; the State's only cane

sugar refiner, the competitive advantages of nearby production and storage facilities were obvious. The competitive, economic pressures of cheap foreign supplies forced this good ally to revise the economic base upon which sugar was purchased. Prior to the negotiations with the South Texas producers for purchase of the 1976–1977 production, the news media throughout the State carried stories relative to a five year supply contract with the Philippine Exchange Company which had been developed by Imperial. Photo copies of such news articles are shown in Attachments 1, 2, and 3. Negotiations were, of necessity therefore, confined largely to consideration of tollage type agreements based upon the residual return, after deduction of all costs, which included those of raw stock and processing, plus margin of profit.

A comprehensive economic analyses of the South Texas Industry reveals the production costs of raw sugar to be 14.69 cents per pound. Production costs for the seasons, 1973–74, 1974–75 and 1975–76, and as projected for 1976–77, are graphically shown in Attachment 4, identifying therein, production, harvesting, milling and debt service costs. Grower costs, developed in cooperation with the Agricultural Extension Service of Texas A&M University, are budgeted in detailed input in Attachment 5.

These basic costs have only to be related to the current FOB price of 10.17 cents per pound to portray the impending disaster of the Industry.

The recent Executive Action to increase the duty on imported sugar had no significant effect upon sugar prices; with refiner supplies protected under long term contracts, there was no basis for favorable market reaction. Consumer reaction to the "so labeled trippling" of the tariff could only be adverse to domestic producers.

Sugar stocks continue to build throughout the World in anticipation of a market outlet in the United States, the World's major importer. F. O. Licht's First Estimate of 1976–77 World Sugar Production stands at 87,-961,000 metric tons to afford an estimate of yearend residual stocks approximating 27,-000,000 million tons.

It was in good faith that a National Sugar Act would be continued in the regulation of the domestic industry, that some 115 grower members committed more than $60,000,000 in funds and production facilities to establish the South Texas Sugar Industry.

Without limitation of imports, often government subsidized and produced with cheap labor, the entire domestic industry is subject to disastrous destruction. Without a viable domestic industry, foreign domination and control of sugar, an essential source of body energy, will prevail. Invited will be the formation of cartels and subsequent exorbitant consumer prices.

The limitation of imports provides and apparent step toward resolution of the problem.

[From the Houston, Texas Post, Aug. 14, 1976]

IMPERIAL SUGAR SIGNS 5-YEAR SUPPLY CONTRACT—FILIPINOS TO SHIP 250,000 TONS ANNUALLY

(By Adine Lundgren)

Imperial Sugar Co., Sugar Land, announced Friday completion of a five-year contract with Philippine Exchange Co., Inc., the exporting agency for Philippine National Bank.

The contract will supply about 40 per cent of Imperial's total annual requirements for raw sugar but that amount could be expanded, Imperial executive vice president Robert Hanna told The Post.

Further, the company is adding to its process with a carbon house at a cost of more than $3 million. Completion is slated for April 1, Hanna said. The facility decolorizes sugar.

The Philippine contract provides Imperial with 250,000 tons of raw sugar a year with a initial shipment of 25,000 tons to arrive in September.

These shipments will be received at Imperial's post terminal in Galveston and moved to the Sugar Land refinery by rail.

The contract's price for raw sugar is based on a formula related to the net proceeds from sales of refined sugar. This means buyer and seller share the risk and responsibility, Hanna said.

Imperial's other suppliers of raw sugar include the Rio Grande Valley Sugar Growers Association, now growing its fourth crop of cane. The group provides 20–25 per cent of the sugar refinery's annual needs.

"As for the rest of our sugar, in the last year we have drawn our supplies from Louisiana, the Hawaiian Islands and 12 to 14 foreign countries, most of which are in the Caribbean," Hanna said.

Artificial sweeteners "haven't cut into the demand for sugar. And, hopefully, there'll always be a preference for sugar."

The refinery, which has a daily production in excess of 3.5 million pounds of refined sugar, dates back to 1843 and is the state's oldest business.

[From the Greenville, Tex., Herald-Banner, Aug. 19, 1976]

TEXAS COMPANY NEGOTIATES FOR FOREIGN SUGAR

The Imperial Sugar Company of Sugar Land, Texas, Texas' only pure cane sugar refiner, has recently negotiated a five-year contract with Philippine Exchange Company, Inc., the exporting agency for Philippine National Bank. The contract provides for Imperial to receive 200,000 tons of Philippine raw sugar each year commencing with an initial shipment of 25,000 tons to arrive in September. The balance of the contracted quantity will be arriving in relatively equal monthly amounts throughout the balance of the annual term. These shipments will be received at Imperial's Port Terminal in Galveston and trans-shipped to the Sugar Land refinery by rail.

This agreement will provide Imperial Sugar Company a continuing source of supply in an amount equal to approximately 50 per cent of Imperial's total annual requirement. The unique feature of that contract is that the price for the raw sugar is based upon a formula related to the net proceeds from sales of refined sugar. At today's raw sugar market, the total value of shipments over the life of the contract will approximate $240,000,000.

Imperial is Texas' oldest business having operated on the same site since 1843. Its daily production of 3,500,000 pounds of refined sugar is distributed to customers throughout the Southwest.

[From the Valley Morning Star, Harlingen, Tex., Aug. 15, 1976]

SUGAR FIRM MAKES SUPPLY PACT

The Imperial Sugar Company of Sugar Land, Texas' only pure cane sugar refiner, has recently negotiated a five-year contract with Philippine Exchange Company, Inc., the exporting agency for Philippine National Bank.

The contract provides for Imperial to receive 200,000 tons of Philippine raw sugar each year commencing with an initial shipment of 25,000 tons to arrive in September. The balance of the contracted quantity will be arriving in relatively equal monthy amounts throughout the balance of the annual term.

These shipments will be received at Imperial's port terminal in Galveston and trans shipped to the Sugar Land refinery by rail.

This agreement will provide Imperial Sugar Company a continuing source of supply in an amount equal to approximately 50 per cent of Imperial's total annual requirement.

The unique feature of the contract is that the price for the raw sugar is based upon a formula related to the net proceeds from sales of refined sugar.

At today's raw sugar market, the total value of shipments over the life of the contract will approximate $240,000,000.

Imperial is Texas' oldest business having operated on the same site since 1843. Its daily production of 3,500,000 pounds of refined sugar is distributed to customers throughout the Southwest.

ESTIMATED GROWER COSTS ON SUGARCANE

Variable Costs	
Fertilizer 18–46–0 200 lbs./AC at $195/ton	$19.50
Fertilizer 32–0–0 400 lbs./AC at $140/ton	28.00
Iron (Material & Application)	4.50
Herbicide	17.65
Insect scouting	4.00
Insecticide	22.00
Insecticide Applications—5 apps. at $2.00	10.00
Irrigation—water 8 apps. at $4.00	32.00
Irrigation—labor 8 hrs. at $2.50	18.00
Pickup Truck	7.50
Tractor & Machinery	8.00
Tractor & labor 2.87 at 2.75	7.89
Shop & miscellaneous	10.00
Interest on operating capital at 9%	10.16
Total variable costs	199.20
Fixed Costs	
Tractor & Machinery	5.25
Irrigation equipment	8.80
Land—$1200/acre at 8%	96.00
Taxes	17.00
Marketing Agreement—$500/acre at 7½%	37.50
Amortization of Seed Cane Costs	34.56
Total fixed costs	199.11
Total costs	398.31

THE THIRSTY LAND

Mr. ABOUREZK. Mr. President, as chairman of the Midwest Caucus, I want to call to the attention of the Senate an excellent series of articles about the midwestern drought which appeared in the Des Moines Register on Sunday, February 6. These articles appeared in a supplement called "The Thirsty Land" in the Sunday paper and do a good job of depicting the drought situation in South Dakota, Iowa, Minnesota, Wisconsin, Nebraska, Missouri, Illinois, Texas, Oklahoma, Kansas, Colorado, North Dakota, and Indiana.

Mr. President, I ask unanimous consent that three articles from the supplement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOUTH DAKOTA: SLOWLY, PAINFULLY GOING BROKE

BLUNT, S. DAK.—Like the land he works, David Hauschild is worn out. His face is the face of drought.

Hauschild, 28, owns no land, but leases 2,400 acres here in central South Dakota.

To maintain those leases and make any money, he needs a good crop—wheat, oats, alfalfa, some hay—year after year, plus a good market for his cow-calf operation.

But he hasn't had a good crop in three years, and in 1976 he had no crop at all. Few "cow dollars," as he calls them, either.

So he took a loss he guesses will run $50,000 to $75,000. That will push his total indebtedness to over $90,000. Now, he needs to borrow $50,000 more if he's to operate this spring.

He can't get it.

David, his father Leslie, 53, and brother Burt, 26, have separate farm operations, but they share their labor and machinery.

In the way that woe seems to beget more woe, Burt has now been effectively removed from the operation while he fights cancer, and Leslie can no longer do heavy work because of spinal arthritis.

So the load falls to David, who chores after driving home from a full-time construction job, which he was forced to take, and on which he recently smashed a finger.

"I don't know what we'd do for household money if David didn't have that job," says Cheri Hauschild, 26, who stays at home with Jennifer, 2, and Caleb, 4 months.

But the worst is yet to come, David and Cheri agree.

Mar. 1 will see him in bankruptcy, he says. The 100 cows he still has will go. The farm machinery will go. And David Hauschild will go, too.

"Somebody who's born and raised on the farm and still wants to farm, well it's pretty tough to leave," he says. "I s'pose I'll stay on with construction and try to start building all over again."

When the farm machinery goes. Burt Hauschild's farming operation will go, too, says David. "And with both of us having to go out and get non-farm jobs, Dad will have to get out," he says. "It's not a good time for us."

No one is telling Hauschild his problem is poor farm management—and his situation has been studied closely by his banker, implement dealer, Farmers Home Administration (FmHA) loan officers and officials of the South Dakota Department of Agriculture.

The problem is simpler: In the Blunt area, where the average annual rainfall is 18.79 inches, just 7.39 inches fell in 1976. The situation was only a little better the previous three years.

Conditions like that are especially tough on young farmers, like Hauschild.

"If I owned land, I wouldn't be in this trouble because I could refinance it and have operating money," he says. "But I can't buy land yet. I haven't been in farming long enough to have the capital.

"So I have to borrow and lease. My crop is the security I borrow against, and when I don't have a crop, I don't have any security. I guess there's only so far the bank and FmHA can go on loans, or so they say.

"Times like this, you can't afford to decrease the size of your operation because then you have to make twice as much to get by. The only way out of the hole is to expand, and expanding just makes the hole bigger.

"I'm just like a gopher in a sandpile."

What would help?

"$50,000," says David.

"Some terrific legislation," says Cheri.

She shares the frustration of most South Dakotans, who were stunned when the state's bid to be declared a major disaster area—and thereby be eligible for millions of dollars in federal assistance—was rejected in the late days of the Ford Administration.

What now for the Hauschilds?

"It's impossible to have any ambition," she says, "but we try to have a little hope."

Outside, the winter wind whipped at soil covered only by cow chips. The bark continued to peel off the trees in the shelter belt.

SOUTH DAKOTA: ONE SMALL TOWN IN THE MIDDLE OF A DROUGHT

HIGHMORE, S. DAK.—Here, but for the grace of God and rain, is the story of your little town.

Highmore is a pretty place, pop. 1,000, the only town in a county of 2,000. Up and down Iowa Ave.—the wide, main drag—things don't look so grim.

The bars are still full at night, people still smile—and money? Well, Duke Lawrence, 71, the barber, says: "I don't have any trouble finding someone to shoot craps with."

But things are not right.

You expect to find life pretty well charted in the Highmores of the Midwest, but here uncertainty looms. Says rancher Merle Ankrum, who is also a county commissioner: "People don't know what to do. I've never seen such indecision, and things keep getting worse."

School superintendent Leo Uken says activity ticket sales are down, requests for free hot lunches are up and attendance at Highmore Pirate basketball games is way off.

The local dentist, usually booked three months in advance, is now down to two weeks. "That's how bad it is," says county extension agent Bill Paynter. "People are just letting their teeth go."

Why?

Normal rainfall in this area is 18.79 inches a year. In 1974 and 1975, they didn't receive two-thirds of what they should have. During 1976, only 9.28 inches fell, and only 4.92 inches of that came during the April-to-September growing season.

"Look at the sizes of those growing season rains," say Paynter, fumbling through statistics he's wearing out. "The best one we had in the season was 65-hundredths, and you lose 25-hundredths of any rain to evaporation."

It's been so dry, he says, that "there isn't a natural lake or pond in Hyde County with any water in it."

It's been so dry, says banker Lee Straight, that "right here in the middle of the county, we didn't even have any thistle grow. Twenty miles north, that's about all that did grow, and the boys cut it for feed."

Farmers and ranchers here had a 97 per cent crop loss in 1976, which translates into a financial loss of $16.2 million—or $8,100 for every person in the county.

But crops are only a small piece of the agricultural picture. Livestock is the big item, or was, in a local economy that has virtually no industrial jobs.

When the pastures died last June, most cattle producers began selling part, and eventually most, of their herds.

Two years ago, there were more than 100,000 head of cattle in Hyde County. The "mini-droughts" in 1974 and '75, coupled with sagging markets, cut the number to 75,000 head in January, 1976. Now, one disastrous year later, it is estimated there are fewer than 12,000 left.

The outlook is not good.

There has been almost no snow this winter, leaving loose, unfrozen soil to the wind. "By working the ground very carefully last fall, we were able to leave it furrowed enough to hold down on wind erosion," says Ankrum.

But after the prolonged dryness, it's now easy to walk into a field and kick down 10 inches into the soil. That condition, he says, "scares us to death when we think about the winds of February and March."

There is no winter wheat crop coming in the area and, unless there is above normal rain this spring, pastures won't green and there will be no chance for summer crops.

If there are no pastures or crops, there will be no cattle. Highmore and Hyde County can't survive many more years of such herd depletion.

There's no state income tax in South Dakota. The money that government runs on is the property tax.

"Hyde County is more tax dependent on agriculture than any county in the state," says Paynter. "Unfortunately, agriculture here doesn't have much to offer right now."

County officials have already stripped their budget of "frills"—they cite a road building program and mileage for employes—in anticipation of what's coming. The school, which derives over 70 per cent of its income from the county, will lose more than $150,000 in the next 18 months because of the depleted tax base, officials estimate.

"It means cutting staff, maybe four or five from our faculty of 46," says superintendent Uken. "And it means cutting programs, and I'm not talking about just seventh-grade basketball. I'm talking whole departments."

And yet, the local economy remained fairly strong into late January.

There have been no farm foreclosures. When property taxes came due Nov. 1, there were no more delinquencies than normal.

A few businesses reported drops—the implement dealer says new machinery sales are off 90 per cent and the hardware man is down about 35 per cent—but most say they felt no change in spending habits through Christmas.

Why?

"If you've got kids," says Paynter, "you're going to scrape something together for presents. But I think it was the last big fling. People are starting to pull in their horns now.

"What happened here is that when these guys liquidated their herds, it put money in their pockets. They've been able to meet their loan payments, pay their taxes and live about the way they're used to.

"But to put it in perspective, let's say you own a grocery store. If you just keep selling but don't restock the shelves, pretty soon you're out of business," he says.

"That's what's happening in our cattle business right now. No one's restocking. And when it comes time to, is the money going to be there?"

Banker Straight says his institution's agricultural loan portfolio "has been stretched, but we're still OK." He says there has been wide-scale refinancing of farmland. "The Farmers Home Administration has done pretty well by us up to now," he says, "but I'm afraid we're going to be asking them to do a lot more.

"Before this is over here, I'm sure we're going to see 95 per cent of our farm operators needing some sort of disaster loan."

Unemployment in the county is officially listed at just over seven per cent. "That doesn't include farmers and ranchers who have sold their herds and are effectively unemployed," says Ankrum. "Add them in and you're up to 20 or 25 per cent."

An emergency public works project has put 21 such farmers to work for the county, a few others for the town.

But most are simply sitting, bidding time. Says Ankrum, who has lost $100,000 in three years and wants no more gambles: "Time is the one thing we've got plenty of."

And yet, time is running out.

IF IT IS AS DRY HERE IN 1977 AS IT WAS IN 1976 . . . IT WOULD PUT US OUT OF BUSINESS

PIERRE, S. Dak.—"Every time you flush the stool, you shoot five gallons of water.

Dewey Larson, the mayor of Wood, S. Dak., 60 miles south of here, was talking drought and how to live in it.

"So, you don't flush it as often as you should. You just can't waste the water."

His sidekick, Jim Burnham, who drives a gasoline tank truck, nodded and said, "Yeah, water's worth more than the gas I haul."

South Dakota is sick with drought, and all indications are that it's going to get sicker—even if it rains.

"We're not crying wolf," says Larry Venner, Assistant Secretary of Agriculture. "We don't want to accelerate panic, that serves no purpose. But, yes, we've got serious problems."

In the eastern half of the state, where conditions are most severe, they say it's worse

than the '30s, that it's more comparable to 1910. In many areas 1976 precipitation was the lowest on record, and the records date to the turn of the century.

The winter has produced little snow. "What we've had we call snirt," says state trooper George Samis. "That's blowing snow that's mostly dirt."

No one knows whether the spring will bring average rain. But what about the above average rain the state really needs? That's a 1-in-15 shot, says state climatologist William Lytle.

What if it's as dry in 1977 as it was in 1976?

Robert Duxbury, state Secretary of Agriculture: "It would put us out of business."

The impact is already disastrous:

Crop output in the state in 1976 was 67 percent below the 1967-to-1974 average. In 19 of the state's 67 counties, the crop loss exceeded 90 percent.

Lack of feed has forced the "sell down" of 42 percent of the cattle that were in the state a year ago. In seven counties, the sell-down figure is over 75 percent. Cattle producers are quick to point out that bad markets prevented any profit the previous two years. "If cutting numbers is what's needed to turn these damned markets around," says Jack McCullouh of the Stockgrowers Association, "then South Dakota has done its part."

Most pastures are so severely damaged that officials estimate a five-year recovery. Many will need complete restoration, they say.

Over 30 communities report severe water supply problems. Without good rain this spring, many will totally deplete supplies by mid-summer. In some towns, you *do not* ask for water in restaurants.

Wells have failed everywhere. "Used to be you could hit water at 14 feet," says Wood's Mayor Larson. "Now you go to 70 feet and still can't find much."

That's prompted widescale water hauling, and it's not unusual to pay $30 for 1,000 gallons. An average family, with normal usage, can run through 1,000 gallons in a matter of days. Says Wood grocer Warren Sinkler: "If you've got three or four kids, they find out they can all use the same tub water."

Farm foreclosures have been averted thus far with emergency loans, but state officials predict there will be many if spring crops can't be planted. Young farmers and ranchers will be hardest hit.

The total financial impact of drought in 1976 is $1.5 billion, according to the state's Drought Assistance Office. They say that figure is "conservative."

Early on, President Ford issued an "emergency declaration" covering 62 counties. "That program provided money to maintain production," says Duxbury. "What we need now are programs to maintain life and property."

But when state officials sought to have South Dakota declared a "major disaster area"—which would make even more funds available—the request was kicked around until early January and then denied.

There's bitter conjecture here that the pleas for help were lost in the shuffle of Presidential transition.

Most are hoping President Carter, a farmer, will listen to new Agriculture Secretary Robert Bergland, from neighboring Minnesota, and to South Dakota's two Democratic senators—and then respond favorably.

"The devastating conditions . . . have tested the very fiber of those in the grips of the drought," Governor Richard Kneip told legislators in his state of the state message in late January.

"I pray that God will hopefully intervene and bless all parts of this state with adequate rainfall. This prayer should be in the hearts and minds of all people."

The most seriously affected area is from Pierre to the northeast corner of the state. Average annual rainfall in that area runs from 18 to over 20 inches a year. In 1976, the average received in that area was just over nine inches. One town, Milbank, received 7.67 inches against a norm of 22.12.

What did it mean?

Jerry Bown, 41, Onida: "I work with a neighbor, and in 1975 we put up 300 stacks of alfalfa off our fields. In 1976, on the same fields, we put up three."

Don Eichacher, 41, Salem: "I had 500 acres of corn ground that normally would yield 65 to 70 bushels per acre. I got three-bushel corn on it."

Agriculture Secretary Duxbury, whose sons are the sixth generation on a ranch near Wessington: "We've got 500 acres of hay that would normally give us 750 to 1,000 tons. In '76, we got 36 tons."

Not all of South Dakota was that desperate. In the western tier of counties, rainfall was above average. But now, drought is a factor even there: The western winter wheat crop is said to be "sick."

Projections are that the economy of South Dakota is going to be eight years or more recovering.

The saddest thing, says rancher David Hauschild of Blunt, "is that the effects haven't even started to show." State officials agree with him.

"All the spending figures are up," Hauschild says. "New car sales, appliances. And people are going on long trips. But it's a false picture.

"Ranchers and farmers sold off their cattle and they have a little money. So they started buying while they had it. They take the trips because this is a once in a lifetime opportunity. Every other year, these guys have had cattle they had to stay home to feed."

The cattle sell down is a matter of particular fright to state officials.

"We're very concerned about holding our good bloodlines," says Venner. "If a guy's got 200 head, I want to see him hold at least 40 of his best. That way, when things recover, we don't have to take the culls from other states. But the guy's going to need help to keep even those 40."

The kind of help Venner is talking about is money.

To this point, many farmers and ranchers have been refinancing their land for operating capital and living money. "All we're living on is the equity that's in rising land values," says Pukwana rancher Bob Healy. "But most of us are backed so far into our land that we can't get any more from it."

There's been a rush on Farmers Home Administration (FmHA) money, with even more of a rush predicted.

FmHA official Maurice McLinn says the agency is expecting to make 4,000 production emergency loans in the state in the coming year.

"What we're talking about there is $125 million over and above the $100 million in regular loans we're making year after year," he says.

Besides the money scramble, the drought has also produced a run on irrigation equipment.

Al Griffiths, director of conservation in the agriculture department, says in 1974 the state granted 14 permits for extraction of ground water. In 1976, there were 1,000 such permits.

"Irrigation is a new and expanding art here," he says. "We're still badly in need of more technical knowledge about it.

"We're optimistic about it and we encourage it where possible, but we emphasize it's no cure-all. For one thing, it's a large investment, especially when you're talking about irrigating dry land worth no more than $300 per acre. It's a different story when you're talking about that $1,800 per acre Iowa land."

The drought has also brought calls for the rapid completion of the Oahe Irrigation Project, a long-range program that will take water from the Oahe Reservoir at Pierre and spread it east through canals.

State officials acknowledge that with the irrigation boom, they are wary of water fights.

A year ago the James River—located in east-central South Dakota and fondly called "the Jim"—was sapped by the demands of adjacent crop farms and the towns along the river.

"The state finally shut some irrigators off, and then put up spotter planes to make sure there was compliance," says Mike McNamara, chief of the Drought Assistance Office.

In an attempt to head off such squabbles, the state legislature is expected to renew efforts to delineate water rights.

That's one of about a dozen water-related matters the Pierre newspaper recently said might end up "drowning the legislature."

And the drought has put other matters before that body, too. Taxes, for example.

South Dakota has no state income tax; state government operates on sales and gas taxes. Some officials fear that decreased spending and less use of autos and farm machinery might cut heavily into state revenues and are lobbying for an income tax.

Officials of cities, counties and schools—all of which operate on a property tax that is heavily dependent upon agriculture—say some change in tax structure is necessary to overcome the losses they are sustaining with the crop failure and cattle depletion.

But state agriculture officials worry most about what drought could do to the face of farming in South Dakota.

McNamara says only two per cent of the state's farmers are under 25 years old, while 35 per cent are over 55.

"You worry that the young guys who are renting and depending on good crops may not be able to stay with farming," he says.

"And you worry that the older guys who went through the '30s seeing the handwriting on the wall and figuring this might be a good time to move to town. Who's got the money to come in behind them if they want to sell or lease?"

And then there are those at mid-career—those who have too much invested to quit, but not enough equity to be able to weather several bad years. Like Don Eichacker of Salem, they're caught.

"Luckily, I had enough assets to cover me last year, and using all my capital, maybe I can make it this year," he says. "That's reason for some hope.

"The farmer has always operated on hope. You can't take the attitude that it isn't going to rain and that we're all going to go broke. If you do, you're beat already," he says.

STATEMENT OF THE HONORABLE WILLIAM J. ROGERS, NATIONAL COMMANDER OF THE AMERICAN LEGION, BEFORE THE SENATE COMMITTEE ON VETERANS' AFFAIRS

Mr. THURMOND. Mr. President, this morning the National Commander of the American Legion, the honorable William J. Rogers, presented the Senate Committee on Veterans Affairs with the major legislative concerns of the American Legion for the first session of the 95th Congress.

The American Legion, comprised of over 2.7 million wartime veterans, is the largest veterans organization in the world. Since its formation in 1919, the American Legion through its promotion of Americanism, programs for our children and youth, its insistence upon a strong national defense, and its efforts in

maintaining adequate programs for our entire veteran population, has made incalculable contributions to the promotion and preservation of the American way of life.

In his statement before the Senate Veterans Affairs Committee, Commander Rogers expressed the concern of the American Legion for maintaining adequate staffing and appropriate budgetary levels to enable the VA to continue the furnishing of quality services and programs for our Nation's 29 million veteran population. The necessity for increased construction to meet future service demands, the desirability of expanding the National Cemetery System, and the importance of maintaining the integrity of the VA hospital and health care system in the event of the enactment of a plan of national health insurance were also emphasized. Additionally, Commander Rogers set forth the American Legion's goal for increased employment among the veterans population and stated his organization's opposition to legislative proposals for judicial review of final administrative decisions of the Administrator of the VA.

Mr. President, in order to share the legislative concerns of the American Legion with my colleagues, I ask unanimous consent that Commander Roger's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF WILLIAM J. ROGERS

Mr. Chairman and Members of the Committee:

The American Legion is most grateful for this opportunity given me, as its National Commander, to present to the Committee, matters relating to veterans affairs, that we believe will come to the attention of Congress during the present session. With the Committee's permission, I shall proceed to the matters of substance.

VETERANS ADMINISTRATION FISCAL YEAR 1978 BUDGET

Prior to completing his term of office, President Ford, in accordance with existing law, submitted to Congress his proposed Budget for Fiscal Year 1978. As of this writing, President Carter has yet to send to Congress any Budget modifications he may intend to recommend.

The American Legion is in the process of studying the Budget proposals for the Veterans Administration. Appropriation requests for Fiscal Year 1978, total $18.414 billion. We can offer several observations at this point, and subject to future Budget modifications suggested by the new Administration

Employment levels for VA are projected at 215,732, an increase over last year's level of 3,353, of which 3,488 are for medical care. We commend this increase in the medical care allocation, but we also draw attention to a projected decrease in employees totaling 571 for Veterans Services and for Compensation, Pension and Education. Based on continuing work loads, as we understand them, we question whether an employee decrease at this time will continue to guarantee prompt and efficient service to veterans in these important areas of activity. Our initial reaction to this proposed reduction is that employee decreases be deferred pending experience, especially in the education program during Fiscal Year 1978.

We are pleased with the projected increase in the requested appropriation for medical care. We are especially mindful of the increase of $27.6 million in construction funds. In our judgment, it is critical to the future of the veterans medical care program that the renovation and replacement of aging and outdated facilities, within the VA system, go forward steadily. Construction funds for two hospitals are included in the new Budget, and plans are underway for the replacement of 6 additional hospitals, as well as continuing improvements in existing facilities. We trust that Congress will view these plans favorably. They have the full support of The American Legion.

The proposed Budget includes a number of legislative proposals put forth by the outgoing Administration. We will comment on three of them.

The Budget includes again, a proposal for the elimination with what is termed "duplicate burial benefits." The use of this terminology is a distortion. The burial benefits provided for veterans, are a gratuity, intended to insure that every veteran will be buried with dignity and respect.

This is an honor surely due to those who have defended the nation in its Armed Forces. The Social Security death benefit, is an earned benefit, paid for by every citizen who pays Social Security taxes. It is wrong to refer to these as "duplicate benefits," and we hope that Congress will not look with favor on a proposal of this kind.

The outgoing Administration also proposed a return from 10 to 8 years in the period of eligibility for the education program. The 10-year period was provided by Public Law 93–337, which The American Legion supported. We see no reason whatever to regress from the present delimiting period for this benefit. The 10-year period now provided is fair and reasonable, and eligible veterans should be able to complete their education within that period of time. We hope that Congress will not entertain legislative proposals along these lines, and that the new Administration will not pursue such legislative goals.

The Budget also includes a legislative proposal to authorize an amount of $3.750 million, to enable the Federal Government to share with the states the cost of establishing and maintaining state veterans' cemeteries. This is a proposal The American Legion supports. The need for veterans' cemeteries exceeds the ability of the Federal Government to meet it entirely. So far, three states have commenced a program along these lines, and we hope other states will follow suit. The goal is to provide a suitable place of honor for the interment of the nation's veterans. National cemeteries, and state veterans' cemeteries can be the focal point for patriotic commemoration by succeeding generations of Americans of those who have defended the nation in time of war and armed conflict. This country is built upon the sacrifices of those, who, since the time of the American Revolution, have responded to the call to arms, to defend it against its enemies. It is important to our heritage that the commitment and the sacrifices of all those who have served shall never be forgotten.

VETERANS ADMINISTRATION MEDICAL CARE PROGRAM

It is not possible to submit to this Committee, a statement of this kind, without making a special reference to the VA medical care program. The American Legion is pleased that the proposed Budget includes necessary increases in fund allocations for this program. We continue to believe that the VA medical care program is the finest single health care delivery system functioning in the world today. It represents a national commitment to the welfare of American veterans that represents better than anything else could, the value the American people place on the services of those who have been members of the Armed Forces.

The triad of treatment, teaching and research that comprise the principal elements of the VA medical care program, together form a medical care system that offers to veterans the best possible hope for health care as and when they need it. The primary responsibility of the VA system continues to be the care of those who have been injured or disabled as a result of their service.

Today that responsibility is being met. And its adjunct is first class medical care for all those who, by reason of health needs, or their economic condition, have to look to the VA for assistance.

We believe that Congress views the importance of this incomparable health care program as an irrevocable commitment to the nation's veterans. Its maintenance at its present level of excellence requires constant attention, and provision of adequate funding. We look to Congress to provide the oversight and the funding, and to this end we pledge our full support.

PENSION REFORM

With reference to major legislative matters requiring attention within the veterans benefits program during Fiscal Year 1978, we believe the most important is the need for a reform of the veterans death and disability pension program. We take this opportunity to again point out that the present program is not adequate to the needs of those it is designed to serve. These are mainly those who have become permanently and totally disabled by reason of illness or age, and the dependent survivors of those who have died.

For several years past, we have petitioned Congress for legislative reform of this program to make it responsive to the needs of eligible beneficiaries. That reform has not yet been accomplished, and I can tell you, that the greatest volume of correspondence received at our Headquarters is from older veterans, and from widows who, in increasing numbers find themselves in desperate financial need, with no hope of relief from any of the Federal programs that are intended to help them, including the veterans pension program.

The pension legislation that we are proposing again this year, includes the following elements that would:

(1) assure a level of income above the national measure of poverty;

(2) prevent veterans and widows from having to turn to welfare agencies for financial assistance;

(3) treat similarly circumstanced pensioners equally;

(4) provide the greatest pension for those with the greatest need; and

(5) guarantee regular increases in pension which fully account for increases in the cost of living.

I do not believe it is necessary for me to expand on these goals in this statement. When this Committee is ready to consider the legislation we are proposing to achieve the goals, we will be prepared to support them at length.

The ultimate goal, however, that we ask the Committee to keep before it, is that all of the nation's veterans, and their dependents and survivors shall be afforded the opportunity to finish their lives in dignity, and reasonable comfort, without having to depend upon the mercies of the public welfare. We believe this is what the American people want for their veterans, and it is thus the responsibility of Congress to provide it.

DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION

The continuing responsibility of Congress to look to the needs of those who have been injured and disabled in service, and of the survivors of those who have died in, or as a result of service, must constantly be kept in view.

Historically, Congress has been responsive to these needs, and it is our sincere belief that Congress should be commended for its concern for these most deserving classes of beneficiaries.

The 94th Congress made necessary adjustments in compensation and dependency and indemnity compensation rates in response to inflationary pressures. The point is, however, that those inflationary pressures continue, and the disabled veterans and survivors have nowhere else to look but to Congress, to protect them economically from the consequences of the inflation that persists in our national economy.

It is our request that this Committee shall, in due course, review the compensation and DIC tables, in relation to the economic indexes, and propose necessary adjustments. The American Legion will support this Committee effort, and we rely on the full Congress to enact needed legislation when it is developed by the Committee.

NATIONAL HEALTH INSURANCE

The American Legion continues to observe with close attention the national debate on national health insurance. The legislative vehicle to provide such insurance will not be the responsibility of this Committee. The Members, however, will participate in the Congressional decisions on whether there shall be a national health insurance program, and what form it will take.

We are mindful that the new Administration is committed to a national health insurance program, and we anticipate that legislation to achieve it will be proposed to this Congress, either during the present session, or the next.

The basic decision as to whether the American people shall now have national health insurance is not the business of The American Legion. The impact of such a program on the VA medical care system for veterans, is however, very much the business of our organization. Through special committees, we have studied this matter for a period of several years. It is our conclusion that there will, in fact, be a measurable effect by national health insurance on the VA system. Our goal is that such effect shall not be adverse to the best interests of veterans.

To insure the achievement of this goal, we shall, at the proper time and place, submit to Congress, certain recommendations, for which we solicit the support of the Members of this Committee.

Briefly, it will be our request that legislation to effect national health insurance shall include among its basic provisions:

(1) recognition of the VA medical care program as a Federal deliverer of health services exclusively for the nation's veterans;

(2) that the VA system, as it is now constituted in the VA Department of Medicine and Surgery, shall continue to be so maintained; and

(3) that a veteran who exercises his option to seek needed medical care from the VA, shall not be required, on any statement of inability to pay, to include therein, consideration of any benefits to which he may be entitled under a national health insurance program.

The objective of these legislative requests is to insure that veterans will be able to continue to exercise the option to choose VA medical care, in a system that is designed and maintained for them and is responsive to their particular needs.

We earnestly hope for the support of all of the Members of this Committee for the inclusion of these protective provisions in a national health insurance program.

NATIONAL CEMETERY SYSTEM

One of the significant Congressional achievements in the postwar period, has been the establishment of the National Cemetery System within the Veterans Administration. This is a legislative goal of the American Legion that has been substantially achieved, with resulting benefits to veterans. A great proportion of veterans entertain a desire to find their final rest in a place of honor, in company with their comrades in arms. The establishment of the National Cemetery System, and its present expansion and development does much to make the fulfillment of this desire achievable.

The four new national cemeteries that are now being established, and the additional ones that are projected will relieve a growing need, in a nation that now has nearly 30 million veterans, whose ages span the Twentieth Century. We recommend to Congress, consideration of an additional national cemetery, as soon as possible, in the Midwest, possibly in the Michigan, Indiana, Ohio region. We continue to receive requests for consideration of national cemeteries through American Legion organizations in other parts of the country, and as the need for them becomes apparent, we shall submit further recommendations.

Additionally, as mentioned earlier in this statement, joint funding of state veterans' cemeteries will help to alleviate the need for more cemetery space for the nation's veterans.

JOBS FOR VETERANS

It is important for me, before concluding this statement, to address the continuing problem of Jobs for Veterans. No returning serviceman is truly rehabilitated until he has achieved a satisfactory position in the economic structure of the nation—that is, until he is gainfully and steadily employed.

The unemployment rate among veterans continues to be distressingly high. In January, with a national unemployment rate of 7.9 percent, the rate was 8.6 percent for young male veterans in the 20–34 age group, which includes most of the veterans of the Vietnam Era. In the youngest veterans group, those between 20–24, the unemployment rate was 18.3 percent, compared to 12.5 percent for nonveterans of the same age. The disabled and black unemployed veterans are hardest hit.

We are pleased to note that the new Administration has announced that the plight of these unemployed veterans is one of its highest priorities. We await positive action to alleviate their problem.

It must be said that in our judgment, the Department of Labor, to this point, has not measured up to its responsibilities with reference to unemployment among veterans. It has failed to implement remedial legislation, until prodded to do so by concerned Members of Congress and veterans organizations. The latest legislation intended to help unemployed veterans, Public Law 94–502, created the position of Deputy Assistant Secretary of Labor for Veterans Employment. In view of the unsatisfactory record of the Department of Labor in fulfilling legislative mandates, The American Legion still advocates the establishment of a full Assistant Secretary of Labor, with the authority to effectively carry out and coordinate veterans employment matters, with a Veterans Employment Service as a separate agency within the Department of Labor.

Among other objectives we seek, to improve the veterans unemployment rate, is a recommendation that priority employment service for veterans provided in state employment offices, be limited to wartime veterans only. This is because the veterans of the Vietnam Era specifically are having the hardest time in the job market.

Compared with earlier training programs under the Manpower Development and Training Act of 1972, veterans have been faring badly in programs under the Comprehensive Employment and Training Act (CETA). We urge corrective legislation to provide that 35 percent of all new public service jobs and training slots be filled by veterans. And since efforts have been unsuccessful to have the Department of Labor either define veterans organizations as "community based organizations," and, therefore, eligible for membership on CETA planning councils, or listed separately as organizations to be included, we seek legislation to amend CETA to ensure that veteran organizations will have a voice at the local level on employment and training programs that are federally financed.

Essentially, it must be said, that positive action is necessary, now from Congress and the Executive Branch, to achieve an immediate impact on the excessively high unemployment rate among veterans, and particularly among Vietnam Era veterans.

JUDICIAL REVIEW OF DECISIONS OF THE ADMINISTRATOR OF VETERANS AFFAIRS

Measures have been introduced to amend title 38, United States Code, to provide for the judicial review of the administrative decisions of the Administrator of Veterans Affairs.

Except as to suits arising from contracts of government life insurance and matters arising under the veterans home loan provisions, section 211(a) of title 38 of such code provides that the decisions of the Administrator on any question of law or fact under any law administered by the Veterans Administration providing benefits for veterans and their dependents or survivors shall be final and conclusive, and no other official or any court of the United States shall have power or jurisdiction to review any such decision by an action in the nature of mandamus or otherwise.

Section (b) adds that the Administrator may require the opinion of the Attorney General on any question of law arising in the administration of the Veterans Administration.

Judicial review of the Administrator's decisions has been the subject of Congressional consideration in the past, and properly so, as the ultimate decision is a question of policy to be resolved by the Congress. The arguments in favor of such legislation generally arise from a feeling that a veteran or his dependent, dissatisfied with the administrative determination, should have available recourse to judicial consideration of the claim. The fact that the Congress has consistently barred all judicial review of the decisions of the Administrator in other than contractual matters since 1924, demonstrates its views that the considerations in opposition thereto, are more compelling. As recently as 1970, in view of the increased judicial encroachment upon the finality of these decisions, the Congress firmly and unequivocally reaffirmed its intent that the Administrator's decisions be final when it added to section 211(a) the concluding words "by an action in the nature of mandamus or otherwise."

Based on our many years of presenting appellate issues to boards of original jurisdiction in VA regional offices, to the Chief Benefits Director and the Chief Medical Director for administrative review of lower decisions, and to the Board of Veterans Appeals for appellate review, it is the opinion of The American Legion that the Veterans Administration is guided by a sincere desire to serve the best interest of veterans.

If The American Legion was convinced that an advantage to veterans or their beneficiaries or survivors could be derived from a judicial review of the Administrator's decisions, we would recommend or support such legislation.

But we are not convinced and we do not believe that there would be any net advantage to veterans or their dependents or survivors as a class if judicial review of the Administrator's decisions was authorized.

There are a number of other matters of importance to veterans that should engage the attention of Congress this year. The American Legion awaits opportunity to present them. In this statement I have confined myself to those that are at or near the top of our priority list of goals.

The American Legion continues to rely upon Congress, as it has through the years, to respond to the needs of veterans, as it becomes aware of them. The bond between Congress and the nation's veterans, extends throughout our history, and the responsiveness of Congress has resulted in the most comprehensive program of veterans benefits that any nation has provided to its war veterans. For that fact The American Legion is most grateful, and we look forward to a continuing dialogue with the new Congress, in the interest of all veterans.

Once again, we thank the Members of the Committee for this opportunity.

RESOLUTIONS THAT REQUIRE LEGISLATIVE ACTION

POLICY

A. The American Legion policy on national health insurance

1976 Convention Resolution No. 139 (MA) seeks to provide that any National Health Insurance bill enacted by Congress should include the following: (1) that the medical care program operated by the Veterans Administration is recognized as one proviiding health care services exclusively for veterans, and it shall continue to be so maintained and operated, (2) that a veteran applying for medical care from the Veterans Administration, to which he is otherwise entitled, and who, in accordance with existing law and regulations is required to state his inability to pay for his own care, shall not be required to consider, in making such statement, any medical benefits that would accrue to him under the provisions of a Federal Health Care Act, (3) that if the provisions set forth above are included in a Federal Health Care Act, then The American Legion shall make on objection to any section of the Act providing for reimbursement rendered the veteran for nonservice-connected disabilities, of benefits to which the veteran may be entitled under a Federal Health Care Act, and (4) that The American Legion shall actively oppose the enactment of a Federal Health Care Act that does not include the provisions set forth in clauses (1) and (2).

B. Continue the Veterans Administration as a single agency for veterans programs

1976 Convention resolution No. 111 (KY) urges that The American Legion exert every effort and all resources as will assure that the Veterans Administration shall continue tc be the sole independent establishment in the Executive Branch, responsible for the administration and execution of benefit programs and services provided by law for veterans, their dependents, and beneficiaries.

C. Review and new authorization of veterans benefits and services

1976 Convention Resolution No. 195 (CO) urges that The American Legion use every means at its disposal to oppose enactment of those provisions of any measure which would subject Veterans Administration veterans benefits and services to a periodically scheduled review and new authorization.

D. Reassigning jurisdiction and related functions from the Committees of Veterans Affairs to any other committee

1976 Convention Resolution No. 476 (Conv. committee) that The American Legion shall vigorously oppose passage of those resolutions, either by the House of Representatives or the United States Senate, which would reassign any of the existing jurisdictions or related functions of the standing Committees on Veterans Affairs to any other Committee.

E. Continuation of the Committees on Veterans Affairs

1976 Fall NEC Resolution No. 20 urges that The American Legion, (1) supports the maintenance of Committees on Veterans Affairs in both Houses of the Congress of the United States, as necessary to the effective and economical administration of veterans programs, and the development of such additional programs as may be or may become necessary to the welfare of the nation's veterans, their dependents and survivors, (2) petitions the Temporary Select Committee to Study the Senate Committee System to include in its final recommendations, the present Committee on Veterans Affairs, with all of its present duties, powers, functions and responsibilities, and (3) vigorously oppose any recommendation, and any effort from whatever source, to abolish the Veterans Affairs Committees of the House of Representatives and the Senate of the Congress of the United States.

F. Mustering-out payments for Vietnam era veterans

1976 Convention Resolution No. 49 (OH) seeks legislation to provide mustering-out pay to members of the Armed Forces who served honorably on active duty during the Vietnam Era.

G. Reopening of the Guerrilla Recognition Program

1976 Convention Resolution No. 163 (P.I.) supports legislation for the reopening of the Guerrilla Recognition Program of the Commonwealth of the Philippines by the Department of Defense of the United States.

NATIONAL CEMETERIES

A. The national cemeteries policy of the American Legion

1976 Convention Resolution 255 (WI) calls upon the Veterans Administration to establish additional national cemeteries wherever a need for them is apparent; support legislation to provide contract burials for veterans who are indigent at time of death; support legislation to provide Federal financial assistance for the establishment of State Veterans' Cemeteries, and of Veterans Sections in cemeteries owned and operated by local government units; support legislation providing for the construction of columbaria and mausoleums wherever feasible within national cemeteries; oppose any effort, from whatever source to reduce or eliminate the present burial allowance and plot allowance provided to veterans under the laws and regulations administered by the Veterans Administration, or the reduction or elimination of the earned burial benefit payable to all citizens who qualify for it under the Social Security Act as amended; and, support legislation to abrogate the discriminatory Defense Department Order of February 10, 1967, which limits burials in Arlington National Cemetery to Medal of Honor Winners, active duty and retired members of the Armed Forces, and honorably discharged veterans who have also held high positions in the Federal Government.

B. Memorial markers for certain veterans graves

1976 Convention Resolution No. 81 (N.D.) seeks legislation which will authorize furnishing of memorial markers for graves in private cemeteries where in the remains of an honorably discharged serviceman are not recoverable.

CLAIMS AND RATINGS

A. Armed Forces retirement payments

1976 Convention Resolution No. 138 (MA) seeks legislation so as to remove the restriction against the receipt of Armed Forces retirement pay, due to length of service, concurrently with VA compensation.

B. Transportation costs for burials of certain veterans

1976 Convention Resolution No. 42 (NE) seeks legislation to provide that where an eligible veteran dies in a State Veterans' Home, the Administrator of Veterans Affairs shall pay the cost of transporting the remains to place of burial.

C. Payments to hospitalized incompetent veterans

1976 Convention Resolution No. 41 (NE) seeks legislation to provide that in any case in which a veteran having neither wife nor child is being furnished hospital treatment, or institutional or domiciliary care without charge or otherwise by the United States, or any political subdivision thereof, is rated by the Veterans Administration in accordance with regulations as being incompetent by reason of mental illness, and his estate from any source equals or exceeds $3,000, further payments of pension, compensation, or emergency retirement pay shall not be made until the estate is reduced to $1,000.

D. Improve the disability compensation propram

Adjust Compensation in Response to Cost-of Living Increases

1976 Convention Resolution No. 109 (KY) seeks legislation so as to provide that the Administrator of Veterans Affairs shall be authorized to automatically adjust monthly rates of compensation in response to cost-of-living index increases.

Adjust Dependency and Indemnity Compensation Rates in Response to Cost-of-Living Increases.

1976 Convention Resolution No. 373 (D.C.) seeks legislation so as to provide that the Administrator of Veterans Affairs be auhorized to increase monthly rates of Dependency and Indemnity Compensation in accordance with the cost-of-living index formula established for active duty personnel of the Armed Forces.

E. Improve the disability and death pension program

1976 Convention Resolution No. 39 (NE) seeks legislation to improve the death and disability pension benefits program for veterans of World War I, World War II, the Korean and Vietnams Wars, and for their widows and children.

MEDICAL AND HOSPITAL

A. Extend community nursing home care to nine months

1976 Convention Resolution No. 108 (KY) supports legislation to amend 38 USC 620 so as to extend community nursing home care at Veterans Administration expense to nine months.

B. Extend the grant-in-aid program for Philippine veterans

1976 Convention Resolution No. 166 (P.I.) seeks legislation to extend beyond June 30, 1978, the grants-in-aid program to the Veterans Memorial Hospital, Philippine Islands.

C. VA alcohol and drug treatment programs

1976 Fall NEC Resolution No. 21 urges the Veterans Administration to proceed with formulation of a comprehensive alcohol and drug treatment and rehabilitation program encompassing the entire VA system of hospitals and clinics; and, urges Congress, in funding VA health care programs, to assign high priority to the VA alcohol and drug treatment and rehabilitation programs.

INSURANCE

A. Special government insurance for Vietnam era veterans

1976 Convention Resolution No. 52 (OH) supports legislation so as to provide a special Government Life Insurance program for Vietnam Era veterans.

ARMED FORCES REVIEW BOARDS

A. Characterization of military discharges

1976 Convention Resolution No. 137 (MA) opposes any move by Congress or the military departments to eliminate characterization of discharge, to lower the requirements for an Honorable Discharge, or to demean in any way the special significance appertaining to the concept of honest and faithful service.

ARGENTINA

Mr. KENNEDY. Mr. President, I must speak once again of the conditions of human rights in Argentina. Despite the many public protests against the operation of parapolice squads either tolerated or encouraged by the government and the security forces of Argentina, the situation has deteriorated.

A report in the most recent amnesty publication indicates that the refugee communities are one of the major targets of the parapolice activity. According to the article the refugee community has become increasingly subject to persecution and assassination since the March 1976 coup.

The article states that at least 1,300 people have been killed in the last year. Some were active in politics. But others were the wife or daughter, teacher or student of the suspect individual. Young children have been abducted and killed along with their parents.

Another article on Argentina is also in the amnesty publication. This is derived from testimony given to amnesty by Washington Perez, a Uruguayan exile formerly in Argentina, on the persecution and torture of two prominent Uruguayan labor leaders, Gerardo Gatti and Leon Duarte.

Mr. President, I ask unanimous consent that these articles be printed in the RECORD. It is important that the Senate takes notice of such gross violations of human rights.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TERROR—ARGENTINA STYLE

The door bursts open in the middle of the night. Heavily armed men ransack the house—photographs, books, papers—torn, burned, or confiscated to be used as evidence in trials that never take place. If there is resistance, beating takes place on the spot. In front of wives and children, including wives and children. So begins terror Argentina style.

This chilling scene, directed and staring the rightist forces of the dreaded Triple A—the Argentine Anti-Communist Alliance—is repeated again and again with no government or police interference in the suburbs of Buenos Aires. Victims have included former Uruguayan Senator Zelmar Michelini, former President of the Chamber of Representatives in Uruguay Hector Gutierrez Ruiz, Michelini's daughter and son-in-law, noted Argentinian novelist and journalist Haroldo Conti, and husbands of ordinary Argentinian citizens or Latin American refugees.

Violence is engulfing Argentina. So far this year at least 1,300 people have been killed in the war waged by the security forces against subversives. Some of those abducted, murdered, disappeared, or imprisoned were active in politics—members of trade unions, or teachers unions before those organizations were outlawed; some leaders or members of political parties who opposed the totalitarian regimes now in power in Uruguay and Argentina; but others are singled out for persecution for being the wife or daughter of an individual being sought, for having been a teacher of or student of a suspect individual, for being a refugee, or for no apparent reason at all. The vengeance of the right wing death squad respects neither age nor profession. Young children have been abducted and killed with their parents. Last summer, the AAA shocked public opinion in Argentina with the murders of five churchmen as they kneeled in their parish residence. The murders were a random retaliation for a bombing of a police station which killed 18 policemen.

POLITICAL OPPONENTS MARKED FOR DEATH

The kidnappings and killings show no sign of abating. Recent targets of the para-police squads have been leading members of Argentine political parties, and in some cases their wives and children. The son of former deputy Jose Cane was kidnapped in Buenos Aires on October 20, and a few days later, the invalid son of former senator Pedro Avalos was dragged from his home in the northern province of Missiones. In Chubut, in the south of the country, the former secretary-general of the Communist Party, Elbio Bel, was abducted with his baby son, although the child was later returned. An official of the Popular Socialist Party, Sergio Maida, was kidnapped together with his wife in early November.

These most recent incidents followed the death in military custody of Mario Amaya, former deputy of the center Radical Party. Senor Amaya and his colleague, former senator Hipolito Solari Irigoyen, were abducted on August 17 by unidentified armed men described by the government as "members of the extreme right who had escaped the control of the armed forces." After a national outcry, the two former parliamentarians were rescued by the military two weeks later. They were not released, but taken to a military detention center "for interrogation," and reportedly beaten systematically for 15 days. Senor Amaya died from his injuries on October 19. Senor Solari Irigoyen is still in prison.

The Argentinian security forces have been reporting increasing success against the left-wing guerrilla organizations which are blamed by the government with threatening the social fabric of the country. After the March 24, 1975 coup against Isabel Peron, General Jorge Videla pledged to contain the violence and to safeguard human rights. In a speech of March 21 broadcast on national television and radio General Videla gave this assurance: "For us, respect for human rights is based not on legal mandates or international declarations, but is a result of our profound Christian convictions on the pre-eminent dignity of man as a fundamental value." Yet, there is no doubt that the paramilitary ultrarightist security forces responsible for the brutal murders of Michelini, Ruiz, the five priests, the murder of 46 people in two separate mass executions, operate with the connivance and collaboration of the regular police, armed forces, and intelligence source. Witnesses to murders and abductions have frequently mentioned the proximity of police cars and the impunity with which the masked armed men in unmarked cars gather their startled prey.

REFUGEES IN DANGER

Until very recently, Argentina had been a country open to receiving the oppressed from neighboring countries. After the military coup in Chile and the military putsch in Uruguay, it became the only country in the southern cone of Latin America to which exiles could go and receive some measure of protection. The population of political exiles relates directly to the erosion of democratic governments in the southern cone of Latin America. In general, that population consists of people with leftwing views, who are in opposition to the rightwing governments of Chile, Uruguay, Bolivia, Paraguay and Brazil.

—Paraguay: many Paraguayans have been forced to leave their country since General Stroessner came to power in 1954.

—Brazil: many Brazilians have settled in Argentina since the coup of 1964, which overthrew the democratically elected government of Joao Goulart. Many Brazilians are now refugees for the third time, having previously sought asiyum in Uruguay in the sixties and in Chile under the Allende government.

—Bolivia: many Bolivians entered Argentina after the military coup of August 1971 which brought President Banzer to power and overthrew the government of Juan J. Torres.

—Uruguay: thousands of Uruguayans have fled the country since the abolition of all civil institutions in their country in June 1973, which was formerly one of Latin America's oldest democracies.

—Chile: since the coup, thousands of Chileans have crossed the border into Argentina as a result of the political and economic repression. Many of these have entered the country illegally. Approximately 12,000 Bolivians and Uruguayans had sought political asylum in Chile under the Frei and Allende governments. All left Chile after the coup of September 1973 and the great majority were resettled in Argentina while the remainder came to Europe, notably Sweden and France.

Well founded fears of repression and reprisals keep refugees from registering either with the Argentinian authorities or refugee agencies such as the United Nations High Commission for Refugees which make accurately estimating the total number in Argentina difficult. It has been suggested that the figure is about 100,000, although this may be a conservative assessment.

MINISTRY OF SOCIAL WELFARE

After the death of Peron, political exiles were made to feel increasingly unwelcome in Argentina. With major decisions under the brief presidency of Isabel Peron being made by her foremost aide and confidante, the then Minister of Social Welfare, Jose Lopez Rega, the situation deteriorated rapidly. Right-wing assassination squads began to operate with complete impunity and the vulnerable refugee community attracted the AAA like a magnet. It was later alleged that Lopez Rega had himself created the assassination squads and that they had apparently been financed and their actions coordinated from the Ministry of Social Welfare.

As bad as the situation was under Isabel Peron and in spite of the statements made after the coup by the new Argentinian authorities that international law would be respected, the violence perpetuated against refugee communities has escalated murderously since the March 1976 coup. Just as occurred in Chile after the September 1973 coup, the refugee sector of the population became increasingly subject to persecution, torture and assassination, because, in the eyes of the security forces, exiles were seen as potential subversive elements.

RAIDS

In the days immediately following the coup, as if to demonstrate the intention of the security forces under the new government, terrifying and brutal raids were carried out on refugee centers throughout Argentina.

In Buenos Aires, one of the raids was on the Hotel Corrientes run by CAREF, a church organization to help refugees. Pastor Armin Inle, the head of CAREF, was detained for 24 hours. Refugees staying in the hotel were

beaten up and released after a few days. Before their release, some of the refugees were forced to sign documents claiming they had committed "traicon a la patria" (treason to the fatherland). They were issued expulsion orders.

In a raid on the hostel Jose C. Paz, also in Buenos Aires, 19 refugees, including two children were detained and tortured. Some were released after six days, others remained in Cordoba--a refugee center run by the United Nations—it too was raided. This center is situated in the Campo de Mayo area of Cordoba near a military barracks where many of the disappeared persons are reported to be held. Eighteen people from this center were charged with espionage in the military region and served with expulsion orders.

Similar raids were also carried out in four refugee hostels in Mendoza.

On June 11, a group of 24 refugees of Chilean and Uruguayan nationality were kidnapped from two hotels in Buenos Aires. Two Chileans from this group arrived in London in August under the British government's plan to provide visas for 75 refugees and their families at present under threat in Argentina. At a press conference the two men, Carlos Ayala and Jose Sepulveda, described their abduction which was carried out by forty heavily armed men claiming to be police. As a result of international pressure, the refugees were released, but not before they had been beaten up and subjected to electric shock treatment.

"We were continuously beaten after they took us from the hotel. We were kept blindfolded all the time and stripped of our clothes. Everyone was screaming in agony."

Both Jose Sepulveda and Carlos Ayala had fled to Argentina after the September 1973 coup in Chile.

COLLABORATION

Ary Cabrera, aged 48, married with two children, abducted in Buenos Aires on April 7 by armed men; Telba Juares, 29-year-old teacher, escaped from a Uruguayan prison and fled to Argentina in 1973, abducted in Buenos Aires by armed men; Ricardo Gil Iribarne, aged 27, an economics teacher, married with an infant child, disappeared; student, Eduardo Chiazzola, disappeared; mother, Elida Alvarez, disappeared—the documented death list of Uruguayan refugees begins. On April 23 and 24 five tortured and mutilated bodies, one of them a woman's, washed on to the Uruguayan shore of the River Plate which divides Uruguay from Argentina. The Uruguayan authorities claimed that they were persons of Asian origin, who were probably killed in a quarrel on a fishing boat some 20 days earlier. However, relatives claimed that the bodies were those of the five disappeared exiles named above. One of them had been identified despite the advanced state of decomposition of the bodies.

The evidence of collaboration between the Argentinian and Uruguayan security forces to systematically eliminate Uruguayans living in exile has been mounting steadily. Recent information has established that there are Uruguayan security forces currently operating in the country with the tacit support of the Argentinian authorities. Reliable sources have spoken of the existence of the Plan Mercurio whose objective is to get rid of all Uruguayans of leftwing tendencies living in Argentina. There is a specially selected force of Uruguayan army personnel to direct the campaign, under the direction of Colonel Ramirez, who according to information from refugees, has recently arrived from the United States. With his second in command, one Campos Hermida, a member of the Uruguayan police force, he operates from private houses without any set headquarters in Argentina. Fourteen Uruguayans who were among 60 kidnapped in two incidents in Argentina were identified by a Uruguayan armed forces communique of October 28 as subversives now in detention in Uruguay.

Uruguayan trade unionists in exile in Argentina have been particularly frequent targets of this semiclandestine operation of Argentinian and Uruguayan forces. They account for a high percentage of the kidnap and murder victims of the past months.

ADM. STANSFIELD TURNER

Mr. PERCY. Mr. President, the confirmation hearing on the nomination of Adm. Stansfield Turner to be Director of the Central Intelligence Agency was held before the Intelligence Committee today. I ask unanimous consent that my statement made at the hearing be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

We in Illinois are proud to introduce to you a distinguished native son, Admiral Stansfield Turner. Stansfield Turner is a man of many proven abilities. He is a recognized scholar, capping his number one position in his class at the Naval Academy with a Rhodes Scholarship. He has made a significant contribution to the intellectual world through his writings and as an innovative and extremely effective President of the Naval War College.

But Admiral Turner is more than an intellectual. He has consistently proven his merit as a commander both of U.S. and NATO forces. Through his naval career he has commanded minesweepers, destroyers, guided missile frigates, a carrier task group, NATO Striking Fleet Atlantic, and he is presently Commander-in-Chief of Allied Forces Southern Europe.

In his Washington assignments he has been in the vanguard of Navy and Defense decisionmaking. In highly competitive assignments on the staffs of the Chief of Naval Operations and the Assistant Secretary of Defense for Systems Analysis, and as Aide and Executive Assistant to the Secretary of the Navy he compiled an outstanding record of performance.

Now that Admiral Turner has reached the top rank in the Navy, been acclaimed for his creativity, lauded for his administrative abilities and proven himself an outstanding diplomat in his varied assignments, the President has called upon him to make use of all of these considerable talents. I can think of no more difficult challenge than that facing him as the Director of Central Intelligence. And I can think of no one better qualified to assume this key assignment. We in Illinois have no doubt that he will meet all of the challenges and take all of the frustrations in stride. I am sure that you will find Admiral Turner an excellent choice for this critical and sensitive post.

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

Mr. KENNEDY. Mr. President, one of the greatest inequities in our Nation's Federal taxation system is that millions of Americans needlessly overpay their income taxes each year. Most are unaware of the helpful deductions Congress has enacted through out the years designed to save them considerable tax dollars on tax returns.

Unfortunately, the vast majority of the Nation's taxpayers—especially our older citizens—cannot afford the tremendous cost of seeking professional assistance through private income tax preparation companies. Once again, those who can least afford it have the most to lose from the lack of coherent information on our Nation's tax laws.

To provide protection against this serious handicap, the Committee on Aging, on which I serve, has published a checklist of itemized deductions for elderly persons and, of course, other age groups as well.

The information contained in this important publication will hopefully provide millions of Americans with appropriate remedies to lessen their individual tax burdens.

This publication contains important information on most allowable deductions, for example, for those Americans who itemize their deductions, this checklist can be advantageous in determining whether or not it would be more beneficial to claim the standard deduction.

In my home State of Massachusetts, as across the Nation, the serious economic problems which affect our Nation's elderly citizens warrants greater national attention. This important publication is just a small step by Congress to insure that beneficial information on our Nation's tax laws is available to all Americans regardless of their individual income.

Mr. President, I ask unanimous consent that the Committee on Aging publications, "Protecting Older Americans Against Overpayment of Income Taxes," be printed in the RECORD.

There being no objection, the publication was ordered to be printed in the RECORD, as follows:

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

PREFACE

Over the years the Committee on Aging has published a checklist of itemized deductions to help protect older and younger Americans from overpaying their income taxes.

Hearings conducted by the Committee have made it clear that many individuals pay more income taxes than are legally due.

Some are overwhelmed by the complexities in the tax law. Others are totally unaware of helpful deductions that can save them precious dollars.

The Committee is again updating its summary to reflect recent changes in the tax law for 1976. Major revisions are required because of the enactment of the Tax Reform Act of 1976. Several provisions in the new law—such as the credit for employment-related child and dependent care expenses, the liberalization of the personal exemption credit, and the new elderly credit—will ease the tax burden for many older Americans and other taxpayers. But these measures will be of little value unless taxpayers are aware of their existence.

Once again, the Committee emphasizes that this summary is not intended to be an all-inclusive checklist for every conceivable circumstance. However, it can be useful for the vast majority of taxpayers in assuring that they claim deductions, credits, and exemptions to which they are legitimately entitled. Moreover, the checklist can provide guidance in determining whether it would be more advantageous to itemize deductible expenses, claim the standard deduction, or use the tax tables.

This summary may be valuable in other ways as well. Upon reading the checklist,

taxpayers may discover that they failed to claim allowable deductions on prior returns. These individuals, however, can obtain a refund for qualifying deductible expenditures which were overlooked by filing an amended return—Form 1040X—for the year in question. But Form 1040X must be filed within three years after the original return was due, or filed or within two years from the time the tax was paid, whichever is later.

The Committee also wants to thank the dedicated and competent staff of the Internal Revenue Service who reviewed this publication for accuracy, clarity, and readability. They have performed a valuable public service which will help many Americans in preparing their tax returns.

FRANK CHURCH,
Chairman.
HIRAM L. FONG,
Ranking Minority Member.

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULED A (FORM 1040)

Medical and dental expenses

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3 percent of a taxpayer's adjusted gross income (line 15c, Form 1040).

Insurance premiums

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3 percent limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3 percent rule.

Drugs and medicines

Included in medical expenses (subject to 3 percent rule) but only to extent exceeding 1 percent of adjusted gross income (line 15c, Form 1040).

Other medical expenses

Other allowable medical and dental expenses (subject to 3 percent limitation):

Abdominal supports (prescribed by a doctor).
Acupuncture services.
Ambulance hire.
Anesthetist.
Arch supports (prescribed by a doctor).
Artificial limbs and teeth.
Back supports (prescribed by a doctor).
Braces.
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs.
Chiropodist.
Chiropractor.
Christian Science practitioner, authorized.
Convalescent home (for medical treatment only).
Crutches.
Dental services (e.g., cleaning, X-ray, filling teeth).
Dentures.
Dermatologist.
Eyeglasses.
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).
Gynecologist.
Hearing aids and batteries.
Home health services.
Hospital expenses.
Insulin treatment.
Invalid chair.
Lab tests.
Lipreading lessons (designed to overcome a handicap).
Neurologist.
Nursing services (for medical care, including nurse's board paid by you).
Occupational therapist.
Ophthalmologist.
Optician.
Optometrist.
Oral surgery.
Osteopath, licensed.
Pediatrician.
Physical examinations.
Physical therapist.
Physician.
Podiatrist.
Psychiatrist.
Psychoanalyst.
Psychologist.
Psychotherapy.
Radium therapy.
Sacroiliac belt (prescribed by a doctor).
Seeing-eye dog and maintenance.
Speech therapist.
Splints.
Supplementary medical insurance (Part B) under Medicare.
Surgeon.
Telephone/teletype special communications equipment for the deaf.
Transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.)
Vaccines.
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).
Wheelchairs.
Whirlpool baths for medical purposes.
X-rays.

Taxes

Real estate.
State and local gasoline.
General sales.
State and local income.
Personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pensions or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends untaxed under the dividend exclusion, interest on municipal bonds, unemployment compensation and public assistance payments).

Contributions

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15c, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20 percent of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

Interest

Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc.).
Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.
Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).
Penalty for prepayment of a mortgage—deductible as interest.
Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.
Other charge accounts for installment purchases—may deduct the lesser of (1) 6 percent of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) or (2) the portion of the total fee or service charge allocable to the year.

Casualty or theft losses

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

Credit for child and dependent care expenses

Certain payments made for child and dependent care may now be claimed as a credit against tax instead of as an itemized deduction.

If a taxpayer maintained a household that included a child under age 15 or a dependent or spouse incapable of self-care, a taxpayer may be allowed a 20 percent credit for employment related expenses. These expenses must have been paid during the taxable year in order to enable the taxpayer to work either full or part time.

For detailed information, see the instructions for Form 2441 on page 17.

Miscellaneous

Alimony and separate maintenance (periodic payments).
Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.
Union dues.
Cost of preparation of income tax return.
Cost of tools for employee (depreciated over the useful life of the tools).
Dues for Chamber of Commerce (if as a business expense).
Rental cost of a safe-deposit box income-producing property.
Fees paid to investment counselors.
Subscriptions to business publications.
Telephone and postage in connection with investments.
Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees under certain circumstances.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 32, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $100 ($200 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $25 ceiling ($50 for couples filing jointly.

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) for the Presidential Election Campaign Fund.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES

Filing status:	Required to file a tax return if gross income is at least—
Single (under age 65)	$2,450
Single (age 65 or older)	3,200
Qualifying widow(er) under 65 with dependent child	2,850
Qualifying widow(er) 65 or older with dependent child	3,600
Married couple (both spouses under 65) filing jointly	3,600
Married couple (1 spouse 65 or older) filing jointly	4,350
Married couple (both spouses 65 or older) filing jointly	5,100
Married filing separately	750

Additional Personal Exemption for Age.—Besides the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1977, you will be entitled to the additional $750 personal exemption because of age for your 1976 Federal income tax return.

General Tax Credit.—A new general tax credit is available. For this credit, the taxpayer may claim the greater of (1) $35 per exemption shown on line 6d, Form 1040A or Form 1040, or (2) 2 percent of taxable income (line 15, Form 1040A or line 47, Form 1040) but not more than $180 ($90, if married, filing separately).

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10% of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976), an election may be made to exclude part of the gain based on a ratio of $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 18 months before or 18 months after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Credit for the Elderly.—A new, expanded, and simplified credit for the elderly has replaced the former more complex retirement income credit.

A taxpayer may be able to claim this credit and reduce taxes by as much as $375 (if single), or $562.50 (if married filing jointly), if the taxpayer is:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

To be eligible for this credit, taxpayers no longer have to meet the income requirement of having received over $600 of earned income during each of any 10 years before this year.

For more information, see instructions for Schedules R and RP.

Earned Income Credit.—A taxpayer who maintains a household for a child who is under age 19, or is a student or is a disabled dependent, may be entitled to a special payment or credit of up to $400. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if a taxpayer reported earned income and had adjusted gross income (line 15c, Form 1040) of less than $8,000, the taxpayer may be able to claim the credit.

Earned income means wages, salaries, tips, other employee compensation, and net earnings from self-employment (generally amount shown on Schedule SE (Form 1040) line 13). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

EDITORIAL ON PAUL C. WARNKE

Mr. THURMOND. Mr. President, the New York Daily News, in their edition of February 11, 1977, offered an editorial entitled "Warnke Is Not the Man." The thrust of this editorial is in line with the concerns expressed by many of us here in Congress.

It is felt he would not be a strong negotiator in view of his numerous statements in the past urging cancellation of important U.S. weapons systems.

The editorial writer further points out the authoritative Paul Nitze, who was at one time Mr. Warnke's boss in the Pentagon, sees the nominee as a soft negotiator.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Daily News, Feb. 11, 1977]

WARNKE IS NOT THE MAN

We entertain no delusions about the impact of our words in the salons of Washington, but when a voice as presigious and authoritative as Paul Nitze's speaks out, we trust the people who control the reins of government will lend an attentive ear.

In testimony before the Senate Foreign Relations Committee Wednesday, Nitze raised serious questions about Paul C. Warnke being named the chief U.S. arms negotiator with the Soviet Union.

Although President Carter has stoutly defended Warnke as a tough negotiator, Nitze says the opposite is true.

Nitze, former arms negotiator and deputy defense secretary, insists that all of Warnke's opinions indicate he is too soft for the job—and for the nation's safety.

During the second debate with President Ford, Mr. Carter made it clear that the U.S. would have a defense capability "second to none" if he were elected. But the record shows that Warnke, as of late last year, was willing to allow the Soviets some clear strategic nuclear advantages.

We can't figure out how Carter got Warnke's name past Zbigniew Brzezinski, the President's tough national security adviser. The two are like night and day when it comes to dealing with the Soviets.

The bottom line is that the Kremlin only respects negotiators who are strong in their convictions and who know how to drive a hard bargain. Warnke is neither, and we

hope the President will reconsider his nomination.

LATEST MERGER SERIES

Mr. ABOUREZK. Mr. President, while the Government agonizes about ways to stimulate the economy and increase capital investment in new, job-creating capacity, the corporations continue to pursue their own, counterproductive policies.

I am referring to the conglomerate policy, in which companies use the money generated by high profits not to buy new pollution control equipment, or to update their plants, or to find more energy-efficient processes to accomplish production, or to build new plants to make better goods, but to buy up existing firms. So not only do we forfeit the potential benefits of expansion into new area, or lower prices, but we also gradually lose the diverse, independently managed and owned business base that has allowed for the growth of a relatively fine-tuned economy in this country.

We have a new wave of mergers in our already topheavy economy, and it will undermine our efforts to pump productivity and expansion and jobs back into the economy. We will get administered price inflation and stagnation, despite the best efforts of the Government. It is for this reason that Senator Phil Hart urged, as I have also urged, antitrust action to break up these companies. At the very least, we have the responsibility not to let concentration increase and mergers continue to the detriment of a healthy economy.

Mr. President, I ask unanimous consent that an article detailing the latest merger series from the Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 18, 1977]

CASH-LADEN FIRMS ARE IN A MARRYING MOOD, SPURRING MERGER WAVE

(By Ralph E. Winter)

The big merger is back.

After five years or so of much-diminished corporate merger and acquisition activity, a new wave of major corporate combinations appears to be taking place. It is being sparked by factors ranging from corporate prosperity and easier credit to higher stock prices, management conservatism, and, ironically, increased government regulation.

It is still too early to say whether this round will have as great an impact on the American business scene as the merger mania of the late 1960s and early 1970s. Then, such corporate giants as Gulf & Western Industries Inc., International Telephone & Telegraph Corp., Litton Industries Inc. and LTV Corp. were assembled from scores of smaller companies. But it is clear that the current merger movement is going to result in a significant change in the structure of business. For one thing, there will be a further concentration of decision-making power in the board rooms of a smaller number of huge companies.

Of course, the urge to merge never completely died, even during the 1974–75 recession. In 1975, for instance, there were 1,288 corporate mergers, according to the Federal Trade Commission. However, that was down nearly 30% from 1,805 in 1974 and down more than 70% from the recent high of 4,542 mergers in 1969, the FTC says. Furthermore, most 1975 mergers were small; 76% involved less than $1 million of assets, the FTC says. The agency hasn't yet tabulated 1976 mergers.

A DRAMATIC RISE

In recent months, though, there has been a dramatic rise in announcements of major acquisitions—those involving tens of millions of dollars. In 1976, there were 39 announcements of mergers or acquisitions in which the purchase price exceeded $100 million. That was almost treble the 14 such transactions announced in 1975, according to W. T. Grimm & Co., a Chicago consulting concern. And 27 of those 1976 announcements came in the latter half of the year.

Major acquisitions are occurring in many industries. They range from publishing, where the S. I. Newhouse interests purchased Booth Newspapers Inc., a chain of Michigan dailies, for $303.6 million in cash to auto shock absorbers, with Tenneco Inc.'s proposed acquisition of Monroe Auto Equipment Co. for about $167 million in common stock. Last December General Electric Co. completed the largest corporate merger ever, paying $2.17 billion in stock for Utah International Inc., a giant mining and natural-resources concern.

For stockholders, the merger movement often is good news. Ordinarily, a company will pay a significant premium above the market price to grab a tempting target. For instance, the common stock of Milgo Electronic Corp. of Miami was selling at less than $20 a share a couple of months ago. But a bidding contest between two potential merger partners has pushed the most recent offer to about $36 a share.

Furthermore, some companies are raising dividends, partly in an effort to increase the price of their stock and partly to reduce their cash buildup; such moves make takeovers more expensive and less lucrative.

JITTERY MANAGEMENTS

But for many corporate managements, the merger resurgence is producing a severe case of the jitters. A calm disclaimer was the response to a recent call to the secretary of a major Midwestern company to inquire about a rumor that a huge conglomerate was accumulating his company's stock. But a follow-up call a few minutes later to tell the official that the rumor was indeed false had to be transferred to the president's office, where the secretary had dashed to discuss the takeover threat.

"Frankly, we are worried," says the chief executive of another Midwestern concern, a capital-goods maker with more than $200 million of annual sales. "We ought to make a major acquisition ourselves to use up some of our cash and make us less vulnerable to takeover."

What the merger trend means to the general public as consumers, employes and taxpayers is more difficult to assess. Merger proponents say the takeover of a smaller concern by a larger one frequently gives the smaller company additional muscle for expansion, as well as new technology, management assistance to improve efficiency, and a greater ability to survive recession.

CONCENTRATION OF POWER

But critics of the trend worry about the reduction in the number of independent companies. "This kind of concentration of power concerns me personally, but the antitrust laws as they're currently interpreted don't seem to apply unless there are direct anticompetitive aspects," says Daniel C. Schwartz, an assistant director of the FTC's Bureau of Competition.

Critics also note that an acquisition sometimes can be a substitute for constructing a new plant or introducing a new product line. "If a big company with surplus cash buys another company, it solves a problem for the buyer, but it means some new facility doesn't get built," says a top executive of a consumer-products company that recently made a cash acquisition.

Many of the companies being merged into larger concerns these days aren't floundering little businesses that need to be rescued from imminent insolvency. Nor are they necessarily being combined with closely related businesses to form a more efficient whole. Quite the contrary. Many of the large mergers and acquisitions announced recently involve the takeover of a large company by a still-larger one that is seeking to diversify into a new but usually related business.

In this, the present mergers differ both from those of eight or 10 years ago and from those of the 1972–75 era. In the earlier period, disparate enterprises were being thrown together, such as the formation of the current ITT from manufacturing, communications, insurance, leasing and other unrelated enterprises. That era was followed by a period of digestion and consolidation in which the typical acquisition involved the purchase of small enterprises that added to an existing product line.

The current round is illustrated by the recently proposed merger of Koehring Co. into Fruehauf Corp. for Fruehauf common and preferred stock valued at about $57 million.

Koehring, based in Milwaukee, had sales of $342.6 million in the fiscal year ended last Nov. 30. It is a producer of cranes and excavators, hydraulic controls, and other capital equipment. A series of divestitures of unprofitable units, combined with the economic recovery, raised its net income in fiscal 1976 to $8.9 million, or $2.52 a share, from $3.6 million, or 71 cents a share, in fiscal 1975.

For Fruehauf, which is based in Detroit, the purchase of Koehring would increase its sales about 25%. At the same time the acquisition would offer Fruehauf a diversification from its main business of producing semitrailers and freight containers. But, unlike many of the mergers of the 1970s, the businesses are somewhat related; both companies are capital-goods manufacturers.

Why have such major mergers come into favor recently? For one thing, many big companies have accumulated cash in the last year—cash that they would like to invest in productive assets. And many see a favorable cash flow for several years to come. "We pretty well know what we have to spend to meet market demands for our current products, and we are spending to accomplish that," says James W. McSwiney, chairman of Mead Corp., a Dayton-based forest-products, castings, furniture and distribution company. "But with the kind of money we're generating, we feel that we can finance a new business," he adds, explaining Mead's aggressive acquisition search.

Another factor is that stock prices are generally higher than their 1974–75 levels. Thus, a buyer would have to issue fewer shares of its stock to purchase another concern. "The use of shares or securities that can be converted into stock is much easier than it would have been a year or so ago," says Ward Smith, president of White Consolidated Industries Inc., which is also actively seeking merger partners. The stock of the Cleveland-based company is selling at around $25 a share, up from about $10 two years ago.

While stock prices are up, interest rates are down. So a buyer could market bonds or other debt securities to raise cash to purchase a company and would have to pay relatively low interest rates compared with a year or two ago. "Thus," Mr. Smith says, "it has become easier to make a deal regardless of which preference the seller may have."

At the same time, many potential merger candidates have also strengthened their balance sheets and generally cleaned up their operations, making them more attractive

targets. Koehring, for instance, wouldn't have been nearly so inviting two years ago. On Nov. 30, 1974, the company owed $66.1 million of short-term debt and another $79.2 million of long-term debt. Two years later short-term debt was down sharply to $1.1 million, all overseas, and long-term obligations were reduced somewhat to $72.9 million. Six operations that had been eating up capital and producing little or no profit in 1974 were liquidated before the end of 1976.

Ironically, the improved conditions of potential takeover targets are turning them into aggressors; as defensive maneuvers, some of these companies are seeking to acquire other concerns. For example, by late last summer Lamson & Sessions Co., a Cleveland-based nut and bolt maker, had accumulated about $10 million in cash. It had little debt and no need for sizable investment in facilities. In fact, plans already on the drawing boards to realign screw and bolt production would permit sale of a major plant and allow a sizable reduction of inventory, bringing in cash.

With its common stock selling at about $15, the company had a market value of only around $26 million. "Someone could have practically bought us with our own cash," says George J. Grabner, president. Instead of waiting for that to occur, Mr. Grabner last September made a tender offer for the stock of Youngstown Steel Door Co. and eventually bought that Cleveland-based maker of railroad-car parts for $22 million.

Surprisingly, perhaps, a relatively conservative attitude in many corporate executive suites these days is also a factor behind the present merger wave. Many executives think that it is less risky to spend $50 million or $100 million to buy a company than to spend a like amount to develop a new product, build a plant to produce it and then market it. It is easier to assess the prospects of an existing business than of a new product, they say, and investment in a going concern often starts producing a profit right away.

Also, with the huge inflation in the cost of plant and equipment in recent years, it can be a lot cheaper to buy than to build. "The cost of entering a new market is astronomical compared with buying an entity already in the business," says White Consolidated's Mr. Smith. "Even if the acquired company has some problems, it's easier to cure those problems than to have a baby."

Some executives fear that the new replacement-cost accounting will make it clear that their companies are a bargain. The replacement-cost values for plant and equipment that companies will have to show in 1976 reports are likely to be far above book value used in traditional accounting, which is based on original cost. "Our people have been developing numbers on the value of our assets on a replacement-cost basis," the president of one machinery maker says. "The relationship between those values and what the stock is worth is really scary."

Even the government appears to be inadvertently fostering takeovers, some corporate executives say.

"With the difficulty of obtaining various permits and the environmental-impact studies that must be submitted, it takes years to get a major project off the ground," says the chief financial officer of a billion dollar multinational concern. "For heavy industry, the environmental restrictions have almost reached the point of being ridiculous. And corporate executives don't know what the business environment will be like when the project is completed. All the difficulty and uncertainty tend to make companies purchase existing facilities rather than build new ones," he says, adding that it was a factor in a major acquisition his company made recently.

Finally, the abnormally cold weather and the resulting gas shortage could further encourage companies to make acquisitions with surplus cash instead of building new plants, mainly by bringing home the reality of the nation's energy problems. Existing facilities already have natural-gas allocations, electricity service and established relationships with oil suppliers. Those arrangements aren't perfect, as recent widespread shutdowns because of energy shortages prove. But they may be preferable to seeking energy for a new plant.

ANTHONY DREXEL DUKE AND BOYS HARBOR

Mr. JAVITS. Mr. President, in 1937, Anthony Drexel Duke, while still a student, decided to do something to help disadvantaged youth in New York City. Along with several friends, Tony Duke founded Boys Harbor. Over the years, it has grown from a summer program for 12 impoverished boys to its present status as a nationally acclaimed center for youth development and education.

I believe that the following text on the 40th anniversary on Boys Harbor captures the spirit of the place which has meant so much to thousands of disadvantaged boys and girls.

I ask unanimous consent that the following essay about Tony Duke and Boys Harbor be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

BOYS HARBOR CELEBRATES 40TH ANNIVERSARY

Boys Harbor has been an inspirational, educational, and vocational, vehicle for over 30,000 New York City and Jersey City underprivileged youngsters. White, Black, and Hispanic children and adolescents have been given the appropriate supportive services and educational opportunities otherwise denied them in society. Today, there are alumni of colleges such as Yale, Howard, Johnson C. Smith, Duke, Harvard, Baruch, Charleton, Wesleyn, and Lincoln.

As a nineteen year old student, Tony Duke began what was then just a summer camp when he became vitally interested in the plight of a dozen youngsters trapped in the Great Depression. Today, these first campers are successful business executives, tradesmen, entrepreneurs and professionals. Duke says, "We attempt to stop the unemployment and underdevelopment experience in its tracks. Our underpinnings, thereby avoiding the cycle of despair which tragically confronts so many Americans."

At one time the work was devoted solely to boys—for the past several years the agency has served both girls and boys and today averages about 1,200 youngsters per year in its array of programs. Having gone co-ed, Boys Harbor is really becoming The Harbor. Predicated on the belief that all young people are entitled to dignity, opportunity, and self-expression, The Harbor's professional staff, numbering over fifty, works closely with each youngster in tailoring a pathway up the ladder of life. The staff instills confidence, fosters competence, and conveys positive concern in a results oriented manner. According to Lonnie Williams, Executive Director, "The Harbor has achieved a 95% success record with its youngsters. One reason is that we commit ourselves to work with a youngster continually from age 7 to age 16. The cumulative effect is dramatic."

Programs in remedial reading and arithmetic, alcohol and drug abuse prevention, nutrition and health, grooming, vocational training, daycare, and the performing arts, all contribute to this outstanding record. The Harbor actually operates the first and only Junior High School for Performing Arts in America. Indeed, many of the students train with the Alvin Ailey troupe on a scholarship basis. An active and productive Parents Committee provides a very necessary ingredient in program development, implementation, and evaluation. The Harbor operates two major facilities—the New York City headquarters is located at 19 East 94th Street, a five-story townhouse; the summer camp is located on fifty acres of land at Three-Mile Harbor, East Hampton, Long Island.

Youngsters are referred to The Harbor from several sources, including law enforcement officials, school guidance counselors, members of the clergy, alumni, Board members, and the youngsters already in the program.

Funding for The Harbor comes from several sources, including private, governmental, foundation, and corporate giving. Its full-time staff is augmented by a host of volunteers. With a thirty member Board of Directors and a twenty member Advisory Board, the staff operates in a totally involved and supportive environment. According to William (Bill) Pickens, Co-Chairman of the Board of Directors, "The Harbor's experience with young people clearly demonstrates that constructive, pragmatic, and long-term results can be achieved through careful needs analyses, sound resource allocation, and intense personal involvement. It is of interest that The Harbor concept has been replicated in other areas of the country."

BOYS HARBOR—AN ENDURING CONTRIBUTION

Mr. PELL. Mr. President, throughout the 40 years, Anthony Drexel Duke has been making a unique and enduring contribution to the lives of thousands of disadvantaged children. Boys Harbor, Long Island, was an experiment that began as a haven for 12 boys two score years ago—and I remember being a counselor there in its early days. Boys Harbor has developed into a co-educational program which provides an opportunity each year for 300 young men and women to grow, to learn, and to become self-sufficient and responsible adults.

Tony Duke has made Boys Harbor into a year-around experience for these children and follows them closely for up to 8 years. This thoughtful, long-range investment in human resources is a splendid model for others to follow, and deserves our recognition and acclaim.

I am delighted to join my good friend and colleague from New York, Senator JAVITS, in focusing well-deserved attention on my old friend Tony Duke and upon Boys Harbor, and wishing him and his endeavor continued good fortune.

DEATH IN UGANDA

Mr. KENNEDY. Mr. President, the recent developments in Uganda, involving the death of the Anglican Archbishop and members of the Ugandan Government, remind us again of the continuing human rights problems in that country and of the difficulties inherent in helping to bring some relief to the people who live there.

The world cannot ignore what has happened in Uganda in recent days. Nor can it brush aside the new fears and concerns expressed by some African leaders over the plight of the Ugandan people.

For estimates suggest that up to 250,000 Ugandan citizens have already lost their lives in recent years as a result of Government policies. Many others have been needlessly detained for political reasons. And still others have left their country as refugees or been summarily expelled by their government, including thousands of Ugandan citizens of South Asian origin.

As chairman of the Subcommittee on Refugees, I want to add my concern over recent developments in Uganda and also express my hope that our own Government, in concert with others and appropriate international humanitarian organizations, will do what it can to bring about a better future for the Ugandan people.

Mr. President, an editorial in Sunday's Washington Post comments on the terror unfolding in Uganda, and I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEATH IN UGANDA

The world's credulity might have been strained by the claim of Uganda dictator Idi Amin that three highly placed opponents of his chaotic regime died in an automobile accident—it might have, that is, if it had not already been shredded beyond repair. The blood that had already accumulated on the hands of Amin and his henchmen was more than enough to force even the most generous and reasonable people to reverse the presumption of innocence that otherwise might prevail.

Even so, the mind still boggles at the spectacle of terror now unfolding in Uganda. Anglican Archbishop Janani Luwum, not long before his death, warned that Christians in his country were in "grave jeopardy" from Amin's vicious security forces. Amin is a Moslem. Since the death of the archbishop and two ministers of Amin's government in that implausible "accident," reports from East Africa are grim concerning the fate of Christians and educated members of the Uganda community. It now appears possible that these deaths were part of a growing campaign that could lead to massive murder of men, women and children in that country.

When you think of the prospect of massive religiously motivated carnage in Uganda, it is necessary to recognize that there is plenty of evidence that Idi Amin and mass murder tend to go together. A leading newspaper in neighboring Tanzania branded Amin "the brutal soldier from the upper Nile," and it said that "thousands of innocent Ugandans have been found floating in the River Nile in what Idi Amin calls 'accidents.'" By several reliable estimates, as many as 250,000 Ugandan citizens have lost their lives since Amin overthrew the regime of Milton Obote in 1971.

Now, Canon Burgess Carr, head of the All-Africa Conference of Churches, says he is "alarmed and terrified by indications that the murder of the archbishop may be part of a campaign of terror unleashed against Christians in Uganda." It is for these reasons that international humanitarian organizations around the world are urging that all the resources possible be applied to finding out what is going on inside Uganda and making certain the outside would gets the word.

What is the cure for a mad and murderous dictator? He has crippled his opposition through his terror tactics, and he has one of the strongest military operations of any East African country. Perhaps the only sanction the rest of the world has, beyond doing its best to get the facts, is universal condemnation of Idi Amin as the brutal murderer that he is being proved to be. In case he is under any illusions that he is respected for his extermination activities, he should know that the civilized world looks on in horror at him, and with sympathy for his victims. He should be made to know this—to the extent that he is sufficiently sane to recognize it. Any potential opposition figures, who might someday find the resources and summon up the courage to move against him, should also know it—for whatever heart it may give them. And finally, for whatever comfort it may bring them, so should the innocent and helpless citizens of Uganda who have the misfortune of living under his brutal tyranny.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I am sure that by now my colleagues are tired of hearing me announce my support of the ratification of the Genocide Convention. But apparently something must not be clear in the body of the treaty to warrant its signing. What? I do not know. The treaty is clear to me. It simply states that genocide is a crime under international law and defines it as the commission of specified acts, in the time of peace or in the time of war, with the intent to destroy, in part or in whole, a racial, religious, ethnical, or national group.

Genocide is a concern of not one nation as an individual entity, but the community of all nations. This crime involves the senseless slaughter of masses of people. It is a threat to all society and should be dealt with accordingly. When will the United States see that to join in signing this treaty is of extreme importance? The advice and consent of the Senate is needed to sign the treaty. The United States has freely signed many treaties; one giving animals protection from being slaughtered: Why not give human beings the same protection?

A nation founded on the highest principles of human rights cannot waver any longer in its support of the most basic of such rights: The right to life iteself.

Mr. President, my colleagues, why not act without delay and ratify the Genocide Convention at once.

MISSIONARY MURDERS IN RHODESIA

Mr. KENNEDY. Sunday's murder of Roman Catholic missionaries in Rhodesia is a tragedy that has horrified many around the world. I offer my deepest sympathies and regret to the families and friends of these missionaries.

Press reports of the massacre quote a teacher at St. Paul's Mission as saying:

Nobody likes the gun. The gun is fierce . . .

This barbarous event demonstrates that the question of majority rule must be negotiated and settled swiftly. Further delay can only mean more chaos, tragedy, and a deeper conflict among the peoples in Rhodesia.

BROOKINGS STUDY OVERLOOKS NONMETRO NEEDS

Mr. ABOUREZK. Mr. President, I ask unanimous consent that an article written by Mr. George Rucker which appeared in the February issue of Rural America be printed in the RECORD. Rural America is a publication of Rural America, Inc., a national nonprofit membership organization which was established to serve as a clearinghouse for information about rural America, to conduct action-oriented research on the problems of rural people, to monitor Government programs to insure that rural America receives its just share, and to serve as a national service center for rural individuals and organizations.

Mr. President, this article—"Brookings Study Overlooks Nonmetro Needs," is very enlightening in the way it compares rural areas to our Nation's suburbs and central city areas. I wish to bring this article to the attention of the entire Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BROOKINGS STUDY OVERLOOKS NONMETRO NEEDS

(By George Rucker)

A "hardship index" worked up by experts at the prestigious Brookings Institution to help analyze the "urban crisis" shows that rural and small town areas are even worse off than the big cities. (Both the cities and the nonmetro areas are in more critical need than the suburban areas, of course.) The Brookings index uses six indicators: unemployment, percentage of children and old people in the population, educational level, per capita income, housing supply, and percentage of families in poverty or near poverty.

A Rural America analysis of the most recent data available found that, taken as a group, the suburbs of metropolitan areas are better off than the national average on all but one of the indicators. In contrast, cities of 50,000 and above as a group and nonmetropolitan areas as a group are worse off than the average on all but one of the indicators. On four of the six individual measures, and on the composite index, nonmetropolitan areas are even worse off than the big cities.

Brookings specialists Richard Nathan and Charles Adams discussed their methodology and findings in *Political Science Quarterly* last year and presented some of their findings in testimony before the House Banking Committee in October. Nathan and Adams used the index to compare major cities with each other and with their own suburban areas.

Staff at Rural America wondered what the index might show about rural and small town needs, and put together the statistics shown in the adjoining table. As can be seen, the metropolitan suburbs are better off than the nation as a whole on each of the factors except the share of their population which is in the pre- and post-earning age brackets. Giving all of the six factors equal weight, the suburbs are about 13 percent better off than the average.

By contrast, the metropolitan center cities (of 50,000 or more population) are *worse* off than the nation as a whole on every factor except dependence, while the nonmetropolitan areas show above-average hardship on every score except unemployment. In terms of the composite index, nonmetro areas have a hardship rating nearly two percentage points higher than that of the central cities. (To those who might argue that nonmetro hardship may be less severe because it costs less to live in rural areas and small towns, it should be pointed out that the two income-related factors have been adjusted to allow for that difference, just as Nathan and Adams made similar adjustments to allow for regional differences in living costs.)

UNEMPLOYMENT AND POVERTY

Some comments may be in order with regard to the two measures on which the nonmetro areas showed less hardship than the big cities. It has long been recognized that unemployment figures tend to be less reliable for nonmetro areas than for urban centers. Moreover, the key measures in rural areas and small towns is probably *under-employment*, and we have no good statistics on that at all. Finally, with regard to the unemployment measure, the recession (which is hopefully a temporary phenomenon) has an uneven effect, hitting the central cities harder than either nonmetro areas or suburbs. In 1970, for example, when the economy was closer to normal unemployment, the difference between central cities and nonmetro areas in the unemployment rate was only one-tenth of a percent.

The shift in the concentration of poverty is also a recent development. In part it, too, reflects the recession; in part it is a measure of the flight of the non-poor from the central cities to the suburbs. The 1970 census figures showed 20 percent of all nonmetro families with incomes below 125 percent of the poverty line (even after adjusting for cost of living differences), while the figure for the metropolitan central cities was less than 16 percent. The relative situation has improved in nonmetro areas and in the suburbs. It has deteriorated in the central cities.

COMPARISON OF CITIES, SUBURBS, AND NONMETRO AREAS

	U.S. average	Metro areas: Suburbs	Metro areas: Central city	Nonmetro areas
Unemployment:				
Average annual rate, 1975 (percent)	8.5	8.0	9.6	8.0
Index (United States=100)	100.0	94.1	112.9	94.1
Dependence:				
Percent of 1970 population under 18 and over 64	4.4	4.4	4.3	4.6
Index (United States=100)	100.0	100.0	97.7	104.5
Education:				
Percent of 1970 population over 25 with less than high school education	44.7	40.8	49.2	54.1
Index (United States=100)	100.0	91.3	110.3	121.0
Per capita income, 1974:				
Adjusted for cost of living	$4,450	$4,891	$4,376	$4,171
Index (United States=100)[1]	100.0	[1] 91.0	101.7	[1] 106.7
Crowded housing:				
Percent of 1974 units with more than a person per room	5.4	4.4	5.6	6.2
Index (United States=100)	100.0	82.1	105.2	115.9
Poverty and near-poverty:				
Percent of 1974 families with incomes less than 125 percent of low income; adjusted for cost of living	13.3	8.5	16.4	15.8
Index (United States=100)	100.0	63.9	123.3	118.8
Composite hardship index	100.0	87.1	108.5	110.2

[1] To maintain consistency with the other factors as a measure of hardship, this is an inverted index (i.e., since nonmetro incomes are 6.7 percent below the average for the Nation, that factor is given a 106.7 hardship value by the index).

Sources: Unemployment figures from Bureau of Labor Statistics; dependence and education figures from 1970 census data: per capita income from current population reports, consumer income; crowded housing from annual housing survey; and poverty and near-poverty data from Census Bureau (unpublished data from current population survey). Socioeconomic indicators used are from Richard Nathan and Charles Adams, "Understanding Central City Hardship," Political Science Quarterly, spring 1976. Adjustments in income and poverty figures for cost-of-living differences follow their procedure of utilizing BLS comparative figures for intermediate and lower family budgets, respectively.

AMNESTY—POLITICAL PRISONER

Mr. KENNEDY. Mr. President, Amnesty International has chosen this year as "Prisoner of Conscience Year." This is a year when they hope to increase public awareness of the ongoing violations of human rights throughout the world; 1977 is a year where the United States is making a new commitment to human rights. It is a year in which the new administration has declared that we will no longer, as a nation, be silent in the face of human rights violations. I would like to take this opportunity to reaffirm my own commitment to human rights and to join Amnesty in their efforts to bring greater support to prisoners of conscience throughout the world.

In this most recent Amnesty bulletin six cases of prisoners imprisoned solely for their beliefs are documented: Dr. Mykola Gigorevich Plakhotnynuk is being detained in a psychiatric hospital in the Ukraine. He was arrested in 1972 as a result of his distribution of a human rights journal, the Ukrainian journal; Dr. Edson Sithole and his secretary Miss Miriam Mhlanga were abducted outside a hotel in Rhodesia in October of 1975 in all likelihood by the Rhodesian security police. Dr. Sithole was regarded as one of the leading African politicians in Rhodesia; Mr. Daniel Vergara was arrested by the military in Chile in September of 1973. He served in the government of Salvador Allende as Under Secretary of the Interior; Mrs. Nurtjahja Murad has been detained without charges in Indonesia since 1968. She has not been politically active, but her husband is the younger brother of the Communist party chairman; Mr. Miguel Sales Ordeney "disappeared" in January 1976 in Guatemala along with 36 other members of his farm cooperative; Dr. Kim Chi Ha is on trial for his life in the Republic of Korea because of his criticism of President Park Chung-Hee's regime.

I ask unanimous consent that these case histories and Amnesty's announcement of the "Prisoner of Conscience Year" be printed in the RECORD.

I would also like to include another article in the recent Amnesty bulletin on a prisoner who is being held in Moscow in a psychiatric prison and treated with drugs on the grounds that his religious views are a symptom of mental illness.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMNESTY INTERNATIONAL 1977: PRISONER OF CONSCIENCE YEAR

Sixteen years ago, in an article entitled "The Forgotten Prisoner," a British lawyer named Peter Benenson wrote: "Open your newspaper any day of the week, and you will find a report from somewhere in the world of someone being imprisoned, tortured or executed because his opinions or religion are unacceptable to his government." The response to that article which appeared in *The Observer* led to the formation of Amnesty International.

Sixteen years later, Amnesty International has become a worldwide human rights movement with nearly 100,000 members in 32 countries, an organization that has aided in securing the release of over 9,000 men and women—prisoners of conscience—those imprisoned anywhere for their political or religious beliefs, color, or ethnic origin, who have neither used nor advocated violence.

Yet, sixteen years later, if you "open your newspaper any day of the week, you will still find a report from somewhere in the world of someone being imprisoned, tortured or executed because his opinions or religion are unacceptable to his government." While Amnesty International has grown steadily in membership, research capability, and effectiveness, the human rights of hundreds of thousands around the world have never been in greater jeopardy.

Twenty-eight years after the signing of the Universal Declaration of Human Rights drafted to give the protection of law to "the inalienable rights of all members of the human family"—rights to life, liberty and security of person; rights to freedom of thought, conscience, expression and religion; rights to impartial and public trials and the presumption of innocence; the right not to be arbitrarily arrested, and the right not to be tortured: these basic human rights have never been more vulnerable or threatened.

The militarization of the southern cone of Latin America, post-independence Africa turning to one-party systems, the prevalence of permanent states of emergency in many Asian countries, the continued suppression of the human rights movement in the Soviet Union by the KGB and the entire state apparatus; all are chilling testimony in our time to the ability of governments to suspend freedom and suppress basic human rights of its citizens with impunity.

To respond to this appalling situation, Amnesty International has proclaimed 1977 as "Prisoner of Conscience Year." "Prisoner of Conscience Year" is a worldwide and coordinated effort to increase public awareness and concern about the ongoing violations of human rights and to bring greater support to prisoners of conscience throughout the world.

Peasants, laborers, doctors, parliamentarians, teachers, students—husbands, wives, fathers, mothers and children—these are the prisoners of conscience on whose behalf members of Amnesty International work. There is no standard profile of a "prisoner of conscience," although they all must qualify under the AI definition, for the wrath of governments and security forces against their real or imagined opposition and the subsequent suspension of legal safeguards or procedures produces subversives everywhere. Age is no protection—children are often arrested with their parents, aged parents arrested with their sons and daughters.

In the brief case histories printed inside, you can meet prisoners of conscience, men and women who desperately need the help, attention and support of the outside world.

From countries around the globe, no matter what political system, the message of the victims is the same: only the pressure of informed, mobilized worldwide opinion can help, and protect us. "Prisoners of Conscience Year" is a renewed and strengthened effort to transmit that message—to state loud and clear that political and religious persecution and the abominable practice of torture will

not be tolerated. Our own relative helplessness is no excuse for silence. As Edmund Burke observed, "All that is necessary for the forces of evil to win in the world is for enough good men to do nothing."

The Vladimir Prisons, the Buru Islands, and the Tres Alamos of the world must be shut down—the prisoners of conscience everywhere set free.

DR. MYKOLA GRIGOREVICH PLAKOTMYNUK, U.S.S.R.

Dr. Mykola Grigorevich Plakotmynuk is being detained in a special psychiatric hospital in the Ukraine. He was arrested in 1972 and charged with "anti-Soviet agitation and propaganda." The charge related specifically to his distribution of the unofficially produced human rights journal Ukrainian Herald. Dr. Plathotnyuk was told he suffered from "schizophrenia with delusions of persecution" and was "periodically non-responsible." He was sent to Dnepropetrovsk, a special psychiatric hospital officially designated for mentally ill patients who are "especially dangerous." Conditions at Dnepropetrovsk are particularly bad and inmates are regularly terrorized by orderlies and given unwarranted treatment with drugs. As is often the case with prisoners of conscience in the USSR not much is known of the situation of Dr. Plakhotnyuk, but according to a first hand account, his state of health is very disturbing.

DR. EDSON SITHOLE AND MISS MIRIAM MHLANGHA, RHODESIA

Dr. Edson Sithole, publicity secretary of the African National Council, was abducted by a group of unidentified assailants outside a Salisbury hotel on October 15, 1975. His secretary, Miss Miriam Mhlanga, was also abducted. Neither have been seen since and their present whereabouts are unknown. At the time of his abduction Dr. Sithole was regarded as one of the leading African politicians in Rhodesia. Aged 37, he had already spent many years in detention without charge and completed his law studies while in prison becoming the first Rhodesian—black or white—to obtain a Doctorate of Laws. Many sources, including the only eye-witness to the event, suggest the abductions were carried out by Rhodesian security police. The government has denied this but its reluctance to investigate the disappearance has given support to the rumors that Dr. Sithole and Miss Mhlanga are being held in detention and have possibly been tortured.

MR. DANIEL VERGARA BUSTOS, CHILE

Mr. Daniel Vergara Bustos was arrested on on the day of the military coup in Chile on September 11, 1973. He had served in the previous government of Salvador Allende as Under Secretary of the Interior and is a member of the Chilean Communist Party. Senior members of Allende's administration such as Mr. Vergara were taken to a concentration camp on Dawson Island. Mr. Vergara was shot in the hand while being transferred to the island and received no medical care for the next 12 days. His hand is now partially incapacitated. Later he was transferred to another concentration camp where he is presently reported to be very ill. Mr. Vergara has neither been tried nor formally charged with any crimes.

MRS. NURTJAHJA MURAD, INDONESIA

Mrs. Nurtjahja Murad was a teacher of Indonesian until 1959 when she obtained a scholarship to study Russian at the Moscow Lumumba University. She returned to Indonesia just a few weeks before an aborted coup by several middle ranking army officers. Following the coup the government banned the Indonesian Communist Party and other leftwing organizations. More than half a million persons were killed and more than 100,000 persons were detained. Mrs. Murad's husband, younger brother of the Communist Party Chairman, was arrested soon after the coup attempt. Though she was not politically active in either the USSR or Indonesia Mrs. Murad was arrested in September 1968 and is now in a women's detention camp in Central Java. None of the women prisoners in the camp have been tried and none are likely to ever be tried. These are 100,000 political prisoners in Indonesia, most of whom have neither been charged nor tried and been in detention for more than 10 years.

MR. MIGUEL SALES ORDONEZ, GUATEMALA

Mr. Miguel Sales Ordonez is a Guatemalan, campesino, a peasant farmer, detained with three other campesinos by uniformed paratroops in the marketplace of their cooperative on July 7, 1975. Thirty-three other members of their cooperative, principally heads of families, were also detained during the same month. Authorities deny they are in custody but all remain missing. The disappearance appeared to be related to the military's belief that the campesinos have been collaborating with left-wing guerillas in the area but there is no evidence of such cooperation nor have formal charges ever been made. A United States churchman inquired into the "disappearance" of the 37 men of the cooperative in January 1976 and was told the file on the affair was in the Ministry of Defense. The Defense Minister, however, said nothing was known of the prisoners, and the sworn accounts of their abduction were lies intended to defame the Guatemalan armed forces.

MR. KIM CHI HA, REPUBLIC OF KOREA

Mr. Kim Chi Ha is an outstanding poet and writer who is presently on trial for his life in the Republic of Korea. Because of his criticism of the authoritarian administration of President Park Chung-hee he has spent many of the past 14 years in prison. He was re-arrested in March 1975 after publishing articles on the torture of fellow political prisoners. He is now being held in solitary confinement in Seoul's West Gate Prison where he is denied visits from his family and even his lawyers. Thirty-five years old, he suffers from tuberculosis but is being kept in an unheated cell even during the winter months. A devout Roman Catholic, Mr. Kim Chi Ha is charged with violating the Anti-Communist Law; the law which is often used to silence opposition in the Republic of Korea.

NOT QUIET ON THE RUSSIAN FRONT

ALEKSANDER ARGENTOV

Aleksander Argentov is a 25-year-old Orthodox Christian who at last report was being held in a Moscow psychiatric prison and treated with drugs because of an official view that his religious faith is a symptom of mental illness.

On July 14 Argentov, a resident of Moscow, was summoned to the Military Commission of Tushinsky district, where they demanded that he go immediately to the district psychiatric clinic to receive a certificate. Although Argentov had never been under psychiatric treatment or examination, the psychiatric clinic had already issued a file card for him. Upon arrival at the clinic his documents were taken from him by medical personnel and he was sent to an office where two doctors were waiting for him. The chief doctor of the psychiatric clinic Irina Nikolayevna Zinchenko and Aleksander Ivanovich Mazikov put their first question to Aleksander Argentov.

So you believe in God?

Yes, I believe, answered A. Argentov.

And you go to church?

I go to Church.

But how can you believe in this age? . . . And pray to icons?

Doctor Mazikov expressed his view of religion in a few words: "In our age of the flowering of space technology it is impossible to believe in God. It is forgivable only for illiterate old people." The doctors told Argentov that they were sending him to a psychiatric hospital for observation, and if he turned out to be ill he would be treated, and if he was healthy they could send him to study in a seminary. Argentov was surprised to learn that a person could be sent from a psychiatric hospital to a seminary.

After several more questions the orderlies took Argentov against his will to Moscow's Psychiatric Hospital Number 14 and put him in the third ward. Argentov's crucifix was taken from him.

The next day a conversation took place with S.M. Degtyaryov, the head of the ward, during which Argentov was asked: Why did he believe in God? What does religion give him? The head of the ward then prescribed aminazin in tablet form and told Argentov that if he refused to take the tablets he would be given injections by force. Aminazin, which is derived from phenothiazine, is a depressant drug which is used in many countries for the treatment of schizophrenia and other mental disorders. It is a drug which can cause extremely unpleasant side effects unless applied very carefully or if applied to patients who do not suffer from the condition for which it is prescribed. It has been used on a number of occasions on political prisoners in the USSR who were not genuinely mentally ill.

Argentov's parents, who are convinced athiests, repeatedly demanded the release of their healthy son. S.M. Degtyaryov, the head of the ward, refused to show the parents the documented grounds for the compulsory hospitalization of their son and indicated that these documents were a professional secret. Rebutting the parents' assertion that their son was healthy, he replied that not being professionals in the field of psychiatry they could not understand their son's illness. He further claimed that Argentov had voluntarily agreed to hospitalization, which Argentov categorically denies.

Amnesty International first learned of the Argentov case in mid-August 1976 when it received copies of two appeals on Mr. Argentov's behalf by Soviet citizens. The main appeal, dated July 27, 1976, was written by Aleksander Ogorodnikov, the organizer of an unofficial seminar of Orthodox Christians in Moscow. He described how the participants of the seminar, mostly young people, had been harassed by police and state security officials because the seminar was regarded as "anti-Soviet." His appeal ended with a call for help for Argentov, whose punishment for membership in the seminar was confinement to a psychiatric hospital in mid-July 1976.

Mr. Ogorodnikov's appeal was supported by a second appeal signed by seven Orthodox Christians, each of them well known for his or her activities for greater religious and civil liberty in the USSR. One of them, the eminent art critic Yevgeny Barabanov, was himself threatened with confinement to a psychiatric hospital in September 1975 in connection with his religious activities. Another signatory was Mrs. Tayana Khodorovich, a linguist who first documented the now famous case of Leonid Plyushch and was instrumental in obtaining his release in January 1976 from a psychiatric hospital in the Ukraine.

The signers of these appeals assert from personal acquaintance with Argentov that he is not mentally ill and that a psychiatrist in the clinic which sent him for confinement in the psychiatric hospital had stated frankly that Mr. Argentov was being confined on direct account of his religious faith.

Appeal to patriarch of Moscow

Argentov addressed a moving letter to the Patriarch of Moscow, the head of the Russian Orthodox Church to appeal for help. Complaining of the forced medication he was undergoing Argentov wrote:

I am healthy and I sleep beautifully, but here they have persistently given me sleeping

pills I am by nature a calm and well balanced person, but here allegedly to calm me they have forced me to take strong psychotropic medication, threatening that if I did not comply they would subject me to compulsory treatment with injections I am among the seriously ill persons who are tied to their beds on account of their violence. I must listen to their wild howling and this, together with the effect of my treatment is depressing me.

But what depresses me even more is the attitude toward me of the doctors, who although they are completely ignorant about religion try to persuade me that my religious faith is mental illness.

The parting words of the doctor of the clinic that here in the hospital they would "beat all this nonsense out of me" terrified me with their inhumanity. What are they doing with me here now shows that this was no empty threat.

Your Holiness, be kind, intercede for me! . . . And if you have no possibility to intercede for me then bless me, even silently, for being tortured for my faith.

SENATOR HATHAWAY SPEAKS OUT ON BEHALF OF SHOE WORKERS

Mr. McINTYRE. Mr. President, the Washington Post of February 13 carried an excellent statement by the Senator from Maine on behalf of the beleaguered footwear industry. There is no one better able to make the case, since he was instrumental in getting Finance Committee action to open the current investigation of footwear imports.

Those of us who have been fighting this battle for years understand very well the arguments that Senator HATHAWAY has stated so clearly:

We are talking about the future of a major domestic industry and its suppliers, a quarter of a million jobs; we have seen in our own States the devastation which has already ben caused; the impact on rural communities, on older workers and women who predominate in the work force; and we know how hard those jobs are to replace. And we have seen, too, Mr. President, what this devastation means in personal terms to hard-working, productive individuals who are losing their lifelong work. We know, and they know, that adjustment assistance is a cruel farce, an extended dole without future or dignity; it is a totally unacceptable alternative.

As Senator HATHAWAY says, what is at issue in this case is a moderate, a minimal, proposal to temporarily give a troubled industry the breathing space it needs to recover, at minimal cost to consumers. This is the purpose of the Trade Act of 1974 as Congress intended it.

Mr. President, I ask unanimous consent that Senator HATHAWAY'S article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOBS AND SHOES

(By WILLIAM D. HATHAWAY)

In a Jan. 28 editorial, "Whose Shoes?," The Washington Post wondered how far society ought to go to protect domestic jobs against the harm caused by imports. The Post suggested that relief for the shoe industry would cost consumers more than the rescued jobs are worth; would destroy retail sales jobs; would start a trade war or possibly bring some of our trading partners under leftwing rule.

Those arguments state the best case for free trade. They can or will be made on behalf of Brazilian handbags, imported honey or Japanese color television sets. But to the considerable extent that such arguments represent the broad principles of a freed trade philisophy rather than the more narrow realities of the world, American trade policy must to that extent be tempered by substantial activity to maintain jobs in existing industries and to avoid the economic and social disruption caused when an industry is destroyed.

Should the President now fail to respond to the needs of this industry in its unique situation, it almost certainly means the end of shore-making in the United States. Aside from continued decline and loss of earnings, shoe companies would soon be unable to attract new workers. Banks and other sources of credit would be reluctant to loan money to an industry with no future. Sources of shoe technology would wisely devote their capital and energies to industries with more promising horizons. Die and pattern makers, tanners and suppliers of all other findings that go into shoes would be similarly affected.

And I hasten to add that adjustment assistance under the Trade Act of 1974 is not an answer. For workers, trade adjustment assistance is a dole. It does not create jobs for the 26,000 shoe workers now unemployed, nor forestall the loss of jobs in an industry impacted by imports. For firms, it is a costly and time-consuming process that leads to loans at usurious interest rates. This tax-supported government scheme does not prevent tax-paying firms and workers from turning into tax-supported citizens. The cost that American citizens would be asked to bear for this type of industry-wide relief would be far higher than a minimal increase in consumer prices resulting from the International Trade Commission's mild form of temporary relief, assuming it proved totally effective.

Such assistance comes too encumbered to be of any use to the company needing it. Affirmative action plans and environmental impact statements may advance excellent public policies but are out of place when trying to aid the recovery of an ailing business, which is the last place in which to launch needed social engineering.

In return for access to our markets, should we not insist on meaningful labor standards in the exporting country? For example, we might insist that South Korea legalize the right to strike and thus enable workers to challenge the 60-cents-per-hour wages and other conditions of employment. Free trade ought not depend upon whose workers live closest to conditions of slavery.

We might inquire into the relationship between government and business in countries administered by dictators before opening our markets to them on an equal footing with countries upholding democratic principles. Bad conditions for workers will persist for as long as the quality of life is of no concern to employers in nations administered by brute force and without popular consent; access to our markets helps such regimes survive. Free trade could do worse than lead toward freedom.

I also believe in fair trade. Domestic shoe manufacturers are prohibited from selling their shoes into most countries that export to us. Korea has a total embargo on shoes, as does India. Sweden, Australia and Japan impose stringent quota restrictions. High tariff barriers and border taxes virtualy prohibit any export markets in Europe. Taiwan imposes strict licensing arrangements. The United States already has the most liberal policy toward shoe imports; other countries have been protecting theirs for years and will continue to do so.

Much of the U.S. shoe manufacturing industry is located in non-urban areas where jobs and opportunities are scarce. More closed shoe factories mean more rural refugees in the nation's slums, seeking work and a new life. In the national economy, the shoe industry has a multiplier effect of about three (compared with industries in urban areas and their multiplier effect of about two). Thus, the 1976 domestic industry factory shipments, valued at $3.4 billion, generate about $10 billion in net national income. This substantial sum, much of it generated in rural areas, is unlikely to be quickly replaced.

A large issue during the next year will be the creation of new jobs. The footwear industry, and its related suppliers, already employs nearly a quarter of a million people, and the ITC tariff-quota recommendation is a moderate way of stabilizing imports and preserving existing jobs. This would not eliminate imports, and it would not greatly drive shoe prices up. Retail clerks in shoe stores, as well as the self-service operations where trained personnel are unavailable anyway, will be unaffected.

This would give, however, the domestic industry five years and the chance it needs to prepare to compete without help at the border. Weak companies will go under, as they should. Others will be strengthened by modern technology.

I do not believe that such relief exceeds society's responsibility to take reasonable steps to preserve jobs. To do nothing about imports themselves is to leave major decisions exclusively in the hands of foreign manufacturers and importers. By such default, the United States would be limited to dressing wounds and burying bodies in the shoe industry. Surely, modest relief that allows domestic and foreign shoes reasonable access to the U.S. market is a better solution for everyone than allowing a total takeover of their market by foreign firms or, at the other extreme, a total exclusion of foreign-made shoes.

LEAA WINS FEBRUARY "GOLDEN FLEECE" AWARD

Mr. PROXMIRE. Mr. President, my "Golden Fleece of the Month" award winner for February is the Law Enforcement Assistance Administration—LEAA—which spent nearly $27,000 to determine why inmates want to escape from prison.

This study is a crime. And if those responsible for it were tossed in jail, I will bet they would not need a dime of the taxpayer's money to decide why they wanted to get out.

Mr. President, as Senators know, I make monthly "Golden Fleece" awards for the biggest or most ironic example of wasting Federal tax funds. These monthly awards are followed by a "Fleece of the Year" winner in late December.

I should point out, too, that I am a member of the Senate Appropriations Committee, which oversees LEAA's budget.

Why does LEAA deserve the "fleece" for February? There are at least three good reasons.

First of all, the researchers are beating a dead horse in asking this question. It should be obvious to one and all why someone in jail wants to get out. And this study belabors the obvious in concluding that—

Escape is both a function of the characteristics of individuals and the situations in which they find themselves.

Second, the study's findings rest heavily on the responses of inmates themselves to a questionnaire. I cannot for the life of me imagine why prisoners anywhere would want to help their captors keep them in captivity. In other words,

can anyone be sure that the inmates were giving straight answers to the researchers? And if not, can we have any faith in the study's conclusions?

And finally, even if one concedes there might be some merit to this study, its conclusions are couched in such technical and obscure language as to reduce greatly any usefulness it might have. To cite one example, the researchers tell us that:

The increase in predictability of escape from R=.64 when secondary variables are used singly and R=.61 when questionnaire variables are used singly to R=.77 when both are used cojointly, empirically demonstrates that escape is associated with both static and dynamic factors.

Now just what is the avowed purpose of this study? It is supposed to help predict which prisoners are most likely and least likely to escape and thereby reduce the costs of escape and of providing more security than necessary.

This sounds great. I am all for these goals of escape prediction and cost reduction. But let's look at some specific examples of what the researchers found.

First, they said that the escaper is more likely than other inmates to be, among other things, one who has been "turned down for parole" and "not scheduled for parole review." Is it surprising to learn that a prisoner whose parole route is blocked might seek the escape route instead? Of course not. Yet public funds were used to pay for just such a profound conclusion.

In a second conclusion, the study reported that—

Analysis tend to depict the escaper, particularly the multiple escaper, as a career criminal.

Again, is anyone dumfounded by this finding? Hardly. This is a matter of commonsense. Yet our tax dollars and cents paid for the research that produced this gem.

Third, an "implication" of the study is that there are certain "critical times" for escape. These are said to include the times "when an inmate is first admitted or transferred to a unit, when his program progress is stalemated, when he encounters family difficulties, and when he feels his security threatened." I must ask, again, are these elusive or amazing determinations? I do not think so. The man on the street knows as much. Yet that very same average American citizen was forced to foot the bill for such findings.

Let me be very clear on one point. I am not saying this study is all bad. Its objectives are good, and some of its contents may well be helpful. But we must have a set of priorities when it comes to spending the taxpayers' money. The deficiencies of this study make it, in my view, not worth the money spent.

Last year I was one of two U.S. Senators to vote against reauthorizing LEAA. I wanted to abolish the agency entirely. Had I been successful, the American taxpayer would not be saddled with paying for studies like this one.

Unfortunately, LEAA lives on. But so does my determination to keep an eye on its spending habits. And that is why LEAA gets the "Fleece" for February.

NATIONAL ACADEMY OF SCIENCES FORUM ON RECOMBINANT DNA RESEARCH

Mr. KENNEDY. Mr. President, as many of you know, the community of Cambridge in my home State of Massachusetts has been engaged in an extensive study of appropriate guidelines for the conduct of research with recombinant DNA, often called genetic research. The report of that citizens' review board made a basic point:

Knowledge, whether for its own sake or for its potential benefits to humankind, cannot serve as a justification for introducing risks to the public unless an informed citizenry is willing to accept those risks.

Recognizing the importance of an informed citizenry, the National Academy of Sciences has scheduled an academy forum on this controversial topic which is open to the public. I invite the attention of my colleagues to the forum which opens Monday evening, March 7, in the auditorium of the National Academy of Sciences and continues through March 8 and 9. The leading proponents and opponents of moving ahead with the research will state their viewpoints and be available to engage in a dialog with the public representatives attending. Risks and benefits will be assessed, and workshops available for discussion of specific risk/benefit situations and issues of local, national, and international control and regulation.

I ask unanimous consent that program of the forum be printed in the RECORD.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

ACADEMY FORUM: RESEARCH WITH RECOMBINANT DNA, MARCH 7–9, 1977

This Academy Forum has received support from:

Abbott Laboratories.
Ford Foundation.
Hoffmann-La Roche Inc.
Merck Sharp & Dohme Research Laboratories.
National Academy of Sciences.
National Institutes of Health.
Pfizer Inc.
Smith Kline & French Laboratories.
The Upjohn Company.

The Forum of the National Academy of Sciences is designed to aid in the resolution of dilemmas arising from the discoveries of science. We hope, at the minimum, to clarify the issues and to illuminate the facts. Beyond that, we hope to develop a consensus for the formulation of sound science policy or to identify the new information needed to generate such a consensus.

Research with recombinant DNA, a subject of great importance and considerable controversy, is particularly suited to the Forum process, which brings together scientists, officials of government, and numerous categories of citizens with wide ranges of expertise and viewpoints. As many individual research institutions, both educational and industrial, and government bodies at all levels now are poised to determine courses of conduct in relation to this research, the timing for such a Forum is appropriate. Inquiries over the past months indicate that the ideas to emerge from this Forum will have great weight in the design of both public and private policy.

The success of the Forum depends primarily on the individuals who participate and their ability to develop constructive and imaginative ideas around questions that emerge from the topic and the known facts. We welcome your participation in this Forum, your evaluation of it, and your suggestions for future Forum topics.

Sincerely yours,

DANIEL E. KOSHLAND, Jr.,
Chairman, General Advisory Committee, The Academy Forum.

REGISTRATION

A registration and information desk will be stationed in the lobby of the C Street entrance to the Academy. There also will be a bulletin board for messages at this location. The schedule for these facilities is:

Monday, March 7: 7–10 p.m.
Tuesday, March 8: 8 a.m. to 10 p.m.
Wednesday, March 9: 8 a.m. to 5 p.m.

The telephone number for the message center and registration desk is 389–6824.

The Forum of the National Academy of Sciences is open to the public. There is no registration fee. Parking is not available.

Cochairmen:

David A. Hamburg, President, Institute of Medicine.

Alexander Rich, Sedgwick Professor of Biophysics, Massachusetts Institute of Technology.

MARCH 7

7:00 p.m.: Registration, C Street Entrance.

7:30 p.m.: Welcome and introduction to the forum:

Daniel E. Koshland, Jr., Chairman of the General Advisory Committee of the Academy Forum; Professor and Chairman, Department of Biochemistry, University of California, Berkeley.

Introduction to the evening: David A. Hamburg, Cochairman.

How Scientists Interact with the Public: Historical Perspective

Scientist Involvement: Maxine Singer, Head, Nucleic Acid Enzymology Section, Laboratory of Biochemistry, National Cancer Institute.

Lay Involvement: Daniel Callahan, Director, Institute of Society, Ethics and the Life Sciences.

Inquiry and discussion from the forum.

Overview of the Research With Recombinant DNA

Potential Benefits: Daniel Nathans, Boury Professor and Director, Department of Microbiology, The Johns Hopkins University School of Medicine.

Potential Risks: Erwin Chargaff, Professor Emeritus of Biochemistry, Columbia University.

Inquiry and discussion from the forum.

10:00 p.m.: Adjournment.

MARCH 8

8:00 a.m.: Registration, C Street Entrance, Coffee, Great Hall.

9:00 a.m.: Priorities for this session: Alexander Rich, Cochairman.

Case analyses

I. Mapping The Mammalian Genome

Potential Benefits: Paul Berg, Willson Professor of Biochemistry, Stanford University Medical Center.

Potential Risks: Robert L. Sinsheimer, Chairman, Division of Biology, California Institute of Technology.

Inquiry and discussion from the forum.

Coffee.

Three commentaries

The Stability of Biological Species: Francisco José Ayala, Professor of Genetics, University of California, Davis.

Research with Recombinant DNA In Europe: Sir John Kendrew, Director General European Molecular Biology Laboratory, Heidelberg.

The Public Interest: A Point of View: Stephen E. Toulmin, Professor, Committee on

Social Thought and the Department of Philosophy, University of Chicago.

Inquiry and discussion from the forum.

Lunch.

2:00 p.m.:

II. The Dangers of Planned or Inadvertent Laboratory Infections and Epidemics

The Epidemiology of Enteric Infections and Laboratory Infections: H. Bruce Dull, Assistant Director for Program, Center for Disease Control.

Natural Selection, Virulence and Communicability: The Handling of Dangerous Organisms: Bernard D. Davis, Adele Lehman Professor of Bacterial Physiology, Harvard Medical School.

Inquiry and discussion from the forum.

Health Hazards to Labor: Anthony Mazzocchi, Director, Citizenship-Legislative Department, Oil, Chemical & Atomic Workers International Union.

An Environmental Overview of Research with Recombinant DNA: Wilson K. Talley, Assistant Administrator for Research and Development, Environmental Protection Agency.

Inquiry and discussion from the forum.

Coffee.

III. Pharmaceutical Applications: Microbial Production of Insulin

Potential Benefits: Cornelius W. Pettinga, Executive Vice President, Eli Lilly and Company.

Potential Risks: Ruth Hubbard, Professor of Biology, Harvard University.

Inquiry and discussion from the forum.

Introduction to the workshops: David A. Hamburg, Cochairman.

5:00 p.m.: Adjournment.

7:00 p.m.: Workshops Convene.

Workshops

1. Is it likely that E. coli can become a pathogen?

Richard Goldstein, Assistant Professor, Department of Microbiology and Molecular Genetics, Harvard Medical School, Chairman.

2. How can we assess the benefits and risks of this research?

William W. Lowrance, Special Assistant for Science and Technology to the Deputy Under Secretary of State, Department of State, Chairman.

3. In what way should laymen be involved in decisions concerning the conduct of research with recombinant DNA?

Stanley B. Jones, Staff Director, Subcommittee on Health, Committee on Labor and Public Welfare, United States Senate, Chairman.

4. National and international efforts to develop guidelines: Should there be voluntary or enforced rules of conduct?

Charles Weissmann, Professor of Molecular Biology and Director, Institute for Molecular Biology, University of Zurich, Co-Chairman.

Harold P. Green, Professor of Law, National Law Center, The George Washington University, Cochairman.

5. What is the appropriate role of sponsoring institutions and of federal, state, and local governments in relation to recombinant DNA research?

Clifford Grobstein, Professor of Biology and Vice Chancellor for University Relations, University of California, San Diego, Chairman.

6. The use of recombinant DNA research in biological warfare is ruled out for nations by the Biological War Convention of 1972 and the Geneva Protocol of 1925. Is it conceivable that terrorists or nations may try to use this technology to develop weapons?

Matthew S. Meselson, Thomas Dudley Cabot, Professor of the Natural Sciences, Chairman, Department of Biochemistry and Molecular Biology, Harvard University, Chairman.

7. How effective is physical and biological containment in recombinant DNA research?

Roy Curtiss III, Professor of Microbiology, University of Alabama Medical Center, Chairman.

8. Can the results of basic research with recombinant DNA be transferred to industrial applications?

A. M. Chakrabarty, Staff Microbiologist, Physical Chemistry Laboratory, General Electric Research & Development Center, Chairman.

9. How natural is the exchange of genes between "unrelated" bacteria? The benefits and risks of prokaryote-prokaryote gene exchange.

Stanley N. Cohen, Professor of Medicine, Stanford University Medical Center, Chairman.

MARCH 9

8:00 a.m.: Registration, C Street Entrance, Coffee, Great Hall.

9:00 a.m.: Priorities for this session, Alexander Rich, Cochairman.

Workshop Reports: David A. Hamburg, Cochairman.

Inquiry and discussion from the forum.

IV. Food Production

Potential Benefits: Raymond Valentine, Associate Professor of Agronomy, Plant Growth Laboratory, Department of Agronomy and Range Science, University of California, Davis.

Potential Risks: Ethan R. Signer, Professor of Biology, Massachusetts Institute of Technology.

Coffee.

V. Genetic Engineering: The Future

David Baltimore, American Cancer Society Professor of Microbiology, Center for Cancer Research, Massachusetts Institute of Technology.

Jonathan Beckwith, Professor of Microbiology and Molecular Genetics, Harvard Medical School.

Inquiry and discussion from the forum.

Lunch.

2:00 p.m.: Problems of Control and Regulation.

An Overview of the Role of NIH and Other Federal Agencies in the Conduct of Research with Recombinant DNA, Donald S. Frederickson, Director, National Institutes of Health.

The Economic Implications of Regulation by Expertise: Roger G. Noll, Professor of Economics, California Institute of Technology; Visiting Profesor, Stanford University.

Reports from Workshops Dealing with Control and Regulation.

Coffee.

Inquiry and discussion from the forum.

Summary

Tracy M. Sonneborn, Distinguished Professor Emeritus of Zoology, Indiana University.

Donald Kennedy, Benjamin Scott Crocker Professor of Human Biology, Chairman, Program in Human Biology, Stanford University; and Senior Consultant to the Office of Science and Technology Policy.

5:00 p.m. Adjournment.

Panel for inquiry, academy forum on research with recombinant DNA

Herbert W. Boyer, Professor of Biochemistry, University of California Medical School, San Francisco.

Donald D. Brown, Director, Department of Embryology, Carnegie Institution of Washington.

Liebe F. Cavalieri, Member, Sloan-Kettering Institute for Cancer Research; Professor of Biochemistry, Graduate School of Medicine, Cornell University.

Stanley N. Cohen, Professor of Medicine, Stanford University Medical Center.

Freeman J. Dyson, Professor of Physics, School of Natural Sciences, The Institute for Advanced Study.

Daniel J. Hayes, Jr., Chairman, Cambridge Experimentation Review Board.

Sheldon Krimsky, Associate Director, Program in Urban, Social and Environmental Policy, Tufts University.

Kurt Mislow, Hugh Stott Taylor Professor of Chemistry, Princeton University.

Robert S. Morison, Class of 1949 Visiting Professor, Massachusetts Institute of Technology.

Robert R. Murray, Jr., Professor of Pediatrics and Medicine, Chief, Division of Medical Genetics, College of Medicine, Howard University.

Talbot Page, Senior Research Associate, Resources for the Future.

Judith E. Randal, Science Correspondent, Washington Bureau, New York Daily News; Science Policy Editor, Change Magazine.

DeWitt Stetten, Jr., Deputy Director for Science, National Institutes of Health.

John Tooze, Executive Secretary, European Molecular Biology Organization, Heidelberg.

Gerge Wald, Higgins Professor of Biology, Harvard University.

Milton R. Wessel, Attorney and Adjunct Professor, New York University School of Law.

Luther S. Williams, Associate Professor of Biology, Department of Biological Sciences, Purdue University.

Norton D. Zinder, Professor, Rockefeller University.

Program committee, academy forum on recombinant DNA research

Lawrence Altman, Medical Writer, New York Times.

David Baltimore, American Cancer Society Professor of Microbiology, Center for Cancer Research, Massachusetts Institute of Technology.

Paul Berg, Willson Professor of Biochemistry, Stanford University Medical Center.

Daniel Callahan, Director, Institute of Society, Ethics and the Life Sciences.

Freeman J. Dyson, Professor of Physics, School of Natural Sciences, The Institute for Advanced Study.

Richard Goldstein, Assistant Professor, Department of Microbiology and Molecular Genetics, Harvard Medical School.

Harold P. Green, Professor of Law, National Law Center, The George Washington University.

Clifford Grobstein, Professor of Biology and Vice Chancellor for University Relations, University of California, San Diego.

David A. Hamburg, President, Institute of Medicine, Cochairman.

Howard H. Hiatt, Dean, Harvard School of Public Health.

Stanley B. Jones, Staff Director, Subcommittee on Health, Committee on Labor and Public Welfare, U.S. Senate.

Daniel E. Koshland, Jr., Professor and Chairman, Department of Biochemistry, University of California, Berkeley.

Cornelius W. Pettinga, Executive Vice President, Eli Lilly and Company.

Alexander Rich, Sedgwick Professor of Biophysics, Massachusetts Institute of Technology, Cochairman.

Maxine Singer, Head, Nucleic Acid Enzymology Section, Laboratory of Biochemistry, National Cancer Institute.

Robert L. Sinsheimer, Chairman, Division of Biology, California Institute of Technology.

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Freeman J. Dyson, Professor of Physics,

School of Natural Sciences, The Institute for Advanced Study.

Donald S. Fredrickson, Director, National Institutes of Health.

Gertrude S. Goldhaber, Senior Physicist, Brookhaven National Laboratory.

Michael Kasha, Director, Institute of Molecular Biophysics, Florida State University.

Daniel E. Koshland, Jr., Professor and Chairman, Department of Biochemistry, University of California, Berkeley, Chairman.

Philip Morrison, Institute Professor, Department of Physics, Massachusetts Institute of Technology.

John R. Pierce, Professor of Engineering, Steele Laboratory, California of Technology.

Alexander Rich, Sedgwick Professor of Biophysics, Massachusetts Institute of Technology.

Frederick C. Robbins, Dean, School of Medicine, Case Western Reserve University.

Lewis Thomas, President, Memorial Sloan-Kettering Cancer Center.

Alvin M. Weinberg, Director, Institute for Energy Analysis, Oak Ridge.

David A. Hamburg, President, Institute of Medicine, ex officio.

Courtland D. Perkins, President, National Academy of Engineering, ex officio.

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The National Academy of Sciences is a private, co-optative society of distinguished scholars in scientific and engineering research, dedicated to the furtherance of science and its use for the general welfare. Its charter, an Act of Incorporation passed by the U.S. Congress and signed by Abraham Lincoln on March 3, 1863, called upon it to serve as an official adviser, upon request and without fee, to the federal government on any question of science or technology.

The National Academy of Engineering was established in December 1964, under the charter of the National Academy of Sciences, as a parallel organization of distinguished engineers, autonomous in its administration and membership, and sharing with the NAS its responsibility for advising the federal government.

The National Research Council was organized by the National Academy of Sciences in 1916 at the request of President Woodrow Wilson. Most of the activities undertaken by the two Academies are carried out through the NRC, which is representative of the major scientific and technical societies, and whose members are derived from universities, industry, and the scientific agencies of the federal government.

The Institute of Medicine was chartered by the National Academy of Sciences in the summer of 1970 in recognition of the important and complex problems posed in the provision of adequate health services to all sectors of society. Its members are selected from all fields of health and medicine as well as from related activities in the natural, social and behavioral sciences, law, administration, government service, and engineering.

DISTRIBUTION OF ALASKA'S OIL

Mr. ABOUREZK. Mr. President, the question of how to distribute the supplies of crude oil coming down from Alaska is a pressing one. In hindsight, I am inclined to think that the environmentalists who proposed that North Slope oil be brought into this country via a pipeline across Canada were right. We would not be facing the question of what to do with additional supplies of oil in an area of the country that is well-supplied, and wondering where to get oil to replace the Canadian supplies that Midwestern refiners have historically depended on.

Since the environmentalists' position on that earlier issue seems to have been supported by developments, it might be worth while to look into their proposals for dealing with the advent of the Alaskan oil.

I ask unanimous consent that the article "Too Much, Too Soon, (Too Bad)" from Friends of the Earth be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALASKA'S OIL: TOO MUCH, TOO SOON (TOO BAD)

Trans-Alaska Pipeline Authorization Act, 1973: "The Congress finds and declares that the early development and delivery of oil and gas from Alaska's North Slope to domestic markets is in the national interest because of growing domestic shortages and increasing dependence upon insecure foreign sources."

(By Michael Storper, Laura Baker, and Mary Lou Seaver)

Now that the Alaska pipeline is nearly done, I hear the oil will be a glut on the West Coast market. How come?

"Glut" is not really the right word, although a lot of people use it. "Surplus" is better. What it means is that West Coast refineries cannot handle all the oil that the pipeline is scheduled to bring out of the the North Slope, which is 600,000 barrels a day at first, increasing to 1.2 million barrels by 1978 and 2 million barrels eventually. There are about 10 billion barrels in the ground.

But when the pipeline was authorized, wasn't it because the West Coast needed the oil?

That's what the oil companies said. Congress' idea was to reduce our dependence on foreign oil. Remember, the pipeline was authorized just a month after the OPEC oil embargo started. The oil companies said the West Coast would need the oil and could handle it. They convinced a lot of people that was true. California's Senator Alan Cranston said on the Senate floor, "I believe that the West Coast will be able to absorb the 1.5 million to 2 million barrels per day that would reach the Pacific Northwest and California. . . . California, in particular, needs the low-sulfur crude oil that will come from the North Slope field."

Unfortunately, the North Slope oil is high in sulfur.

So what?

It makes all the difference. Different refinery setups are needed for high-sulfur oil—more pollution control equipment, for one thing, but also different kinds of equipment for basic processes. Most West Coast refineries are only equipped for low-sulfur oil, which is readily available from Indonesia. (Indonesian oil averages .07 percent sulfur, while Alaskan oil averages about 1 percent.) West Coast refineries use mostly Indonesian oil now, while East Coast and Gulf Coast refineries process Middle Eastern oil. (Middle Eastern oil varies in sulfur content, but is essentially interchangeable with Alaskan crude in refinery processes.)

ARCO, one of the Alaskan pipeline partners, has built a refinery in Bellingham, Washington, that can handle Alaskan oil, and Exxon has a California refinery that can, too. But Sohio, which owns half the North Slope crude, has neither refinery nor marketing facility on the West Coast.

Consequently, there is a big question about what is to become of Sohio's share of the oil. Even ARCO and Exxon admit that later, if not right away, they too will have more oil from Alaska than they can handle on the West Coast.

Are we then worrying about Sohio's marketing problem?

Yes, essentially. We are worrying about it because the proposals to solve it affect the national interest and the environment.

Can't other West Coast refineries just buy the oil from Sohio?

Sohio has sold some, but most refiners don't want to buy. They aren't geared for it, and they have no incentive to spend a lot of money and time to change their systems. A representative of Standard Oil of California, a leading West Coast refiner, told the National Journal. "It's not our problem. It's ARCO's, Exxon's, BP's, Sohio's. If the economics are such that it's to our benefit to run North Slope crude, then I'm sure the company will give it active consideration." Meanwhile, Standard is buying low-sulfur Indonesian oil.

If the market isn't on the West Coast, then where is it? Who needs the oil?

The Midwest and the Northeast need it. Some of the chronic shortage in those areas could be relieved by conservation, but there would still be periodic shortages of fuel oil and natural gas.

Why doesn't the pipeline go there, then?

Environmentalists and a lot of people in government, Walter Mondale for one, wanted it to. But during Congressional hearings on alternative pipeline routes, the State Department said that the Canadian government was not interested in a route going through its territory to the Midwest. At the same time the Interior Department agreed with the oil companies that there would be a market on the West Coast. Only after the final House vote was cast was it revealed that attempts by Canadian officials to propose a trans-Canadian pipeline had been rebuffed and concealed.

Why the secrecy and intrigue?

Critics have maintained all along that what the oil companies wanted in the first place was to ship the Alaskan crude to Japan. They could sell it for more in a foreign market than in the price-controlled domestic market, and they could make money on shipping as well as on the oil itself. But the companies realized that there would be enormous public opposition to opening America's last great wilderness on the basis of profit alone, so they helped create an atmosphere of crisis that bore little relationship to the real energy crunch. By the end of 1973, there was so much public panic that Congress passed the pipeline authorization despite court orders against construction. The Alaskan pipeline was built instead of the Canadian one, and now we have a projected surplus on the West Coast.

We are not surprised that the oil companies now think that the federal government should determine whether export-for-import exchanges "with refiners in non-contiguous countries are considered to be in the national interest." Those words are taken from testimony given to a Senate committee by C. R. Sitter, senior Vice President of Exxon. The exchange he means is the Japanese swap, wherein the US would ship Alaskan crude to Japan in exchange for Japan's share of Middle Eastern oil, which would go to refineries on our East or Gulf Coast.

But isn't shipping the oil to Japan illegal?

Yes, at the moment. Making it illegal was the purpose of one of the provisions added to the Trans-Alaska Pipeline Authorization Act. But the Congress or the President can change that. According to the Act, the President can find that such exports will not diminish the total quantity or quality of petroleum available to the United States." Congress has reserved the right to overturn such a decision by passing a concurrent resolution of disapproval. But it could just as well approve, or it could pass legislation nullifying the prohibition. Many cynics—us for example—would say the oil companies do not let mere laws stand in their way.

Would the swap be in the national interest?

No. It would indicate that oil companies cannot be controlled (this may be true, but is not in the national interest); it would take jobs away from US maritimers, who have been counting on the West Coast shipping; it would increase the danger of massive oil spills from loosely regulated foreign-flag ships; and it would not decrease our dependence on foreign oil.

Of course, shipping Alaskan oil to Japan could have obvious environmental advantages—for California, anyway. If we sell the oil to Japan, we will not need to build pipelines and deepwater ports on our West Coast. The Middle Eastern oil the US would receive could be imported through existing facilities on the East or Gulf Coast. In fact, some critics claim that environmental opposition to handling Alaskan oil on the West Coast is the oil companies' ace-in-the-hole. Environmentalists, the argument goes, will demand that the oil be shipped to Japan rather than to California or Washington. The oil companies will nobly, yet reluctantly, acquiesce.

If we ship only to the West Coast, or only to US refineries, the oil must go in US-flag ships. But if we ship to other countries' refineries, the shippers can use bigger foreign-flag ships, which, as we've seen in late 1976 and early 1977, are not nearly safe enough. The US regulates its merchant fleet much more tightly than do Liberia and Panama. In a report issued in November 1976, the Federal Energy Administration said, "There is an obvious conflict between the export of domestic oil and the US commitment to reduced dependence on foreign oil imports."

If the oil doesn't go to Japan, what would become of it?

There have been several proposals. The one we like best is to leave the surplus in the ground as part of the government's strategic reserves. We'll talk about that idea later. The other most serious proposals would transport the oil east, one by ship and three by pipelines.

The shipping scheme would have American-flag tankers transport the oil to the Panama Canal, where they would transfer their loads to smaller ships that fit through the Canal. On the other end of the Canal, supertankers would pick up the oil and deliver it to Gulf Coast refineries, while the shuttle ships returned through the Canal for another load. In the short term, about 500,000 barrels of oil a day could be handled that way.

The advantages to this idea are that it could be implemented immediately and would not require new facilities. Disadvantages are that it would mean a lot of oil would be changing ships, therefore increasing chances of spills, and the extra handling and shipping could increase costs so much that the oil would price itself out of Gulf Coast markets, which also receive Middle Eastern oil.

The shipping scheme is not only an option on its own, however. It is also an interim marketing solution in case any of the pipeline proposals are adopted, since proposed pipelines could not be operable for some time. The only options to prevent the shuttle are to ship the oil to Japan or to leave it in the ground.

One pipeline proposal is to convert a pipeline that now carries natural gas west from Midland, Texas. The idea is to transport the oil from the West Coast to Texas, and then divert it to the Midwest. Conversion would require building a new 250-mile leg for the existing pipeline, as well as building offloading facilities at Long Beach, California, where tankers from Valdez could put in. Sohio, whose idea it is, says the pipeline could be in operation in a little more than a year, once permits were granted. The line could carry up to 500,000 barrels a day and could be expanded by converting another line.

There seems to be a widespread misconception that some existing pipelines are "idle." Not so. The total of five gas pipelines are running at 80 percent capacity. If any are converted to moving Alaskan oil, then additional pipelines will have to be constructed to bring natural gas to the West Coast—either that or the oil companies will use the lack of pipeline transportation facilities as an excuse for building a liquefied natural gas (LNG) port for Alaskan natural gas on the West Coast. That's a prospect that chills the blood of anyone familiar with the threats posed by LNG.

Advantages of the Long Beach pipeline idea are that Sohio would have the marketing setup it needs so badly, and shipping through the Panama Canal would be minimized. The disadvantages are that the offloading at Long Beach could seriously hamper, if not destroy, efforts to clean up the Los Angeles area basin. The company says only a ton of hydrocarbons a day would be emitted during offloading, but the California Air Resources Board thinks that number is more likely to be 40–69 tons a day. The state is opposed to the whole Long Beach idea.

Sohio has recognized the threat to air quality and has come up with an imaginative if bizarre solution. Sohio has offered to buy a polluting factor—and destroy it. The net amount of pollution, then, would not increase.

California's air quality is likely to go down in any event, isn't it?

Yes. Assuming that even a portion of Alaskan oil ends up there, it promises an energy boom that will attract a complex of heavy industries, a consequent bust when the oil runs out, deterioration in air and water quality, and prime agricultural land lost to food production. In addition, the petrochemical industries, being capital-intensive, provide very few jobs per dollar invested. Projects proposed to date include petrochemical plants for ARCO in Solano County, petrochemical plants in San Diego County, and an offloading facility in Long Beach for Sohio. (Exxon might go in on that last one, too.)

But we're getting off the topic a bit. A third proposal is to build a pipeline across the northern tier of states—Washington, Idaho, Montana, and North Dakota—to Minnesota. That line, which has been suggested by a consortium of seven companies (not including Sohio) in the Northern Tier Pipeline Company, could ship oil to Minnesota and Montana refineries that are looking around for crude since Canada has cut exports by 21 percent.

The Northern Tier proposal has been endorsed by Montana Senator John Melcher (D), and its chief advantage would be that it would provide a direct American connection to the Midwest. It would require construction of a port for supertankers at Port Angeles, Washington—an idea that must thrill Washington Governor Dixy Lee Ray.

The big disadvantage to that line would be that it would have to cross the Rocky Mountains. Even following developed railroad rights of way (railroads are principal partners in the pipeline company), construction would be hazardous. The Rocky Mountains are high, cold, and notoriously unforgiving. The promoters say that pipeline could be in operation two years after permits were obtained, and it could carry 600,000 barrels a day at first, with an ultimate capacity of 800,000 barrels.

The last pipeline proposal is to offload the oil at Kitimat, British Columbia, and pipe it east to Edmonton, Alberta. It would then be distributed through existing pipelines to US markets in the Midwest. That plan would involve big ships navigating narrow, rocky, winding channels in high winds along a pristine coast. It would mean building a pipeline across the Canadian Rockies in pristine country. It would be exporting our pollution problems.

Seven companies are involved in Kitimat Pipeline Ltd.; the US partners operate refineries in the Midwest that are looking for oil. The pipeline would have an initial capacity of 300,000 barrels a day, and an ultimate capacity of 800,000 barrels a day. The partners say the line could be operating by 1979. They argue that the proposal would be "totally compatible" with Sohio's Long Beach proposal, because the two pipelines would serve different markets. (Double your pipeline, double your fun.)

Do you like any of those proposals?

No. The shipping idea multiplies chances for spills. The pipelines involve time-consuming construction, unnecessary environmental intrusion and degradation, and they would all increase the cost of the oil at its destination. None would make our oil cheaper than Middle Eastern oil. Besides, we dislike playing into the hands of conniving oil companies that are either grasping for more and more money no matter what the consequences, or else are so inept at marketing they could not solve a problem they have been aware of since 1974.

Then what do you propose?

Leave the surplus in the ground. The US government has committed itself to establishing strategic reserves of crude oil in case of national emergency. Current ideas propose buying Middle Eastern oil and storing it in underground salt domes. Instead, why not buy the Alaskan oil from the oil companies and leave it in the already-developed storage area that has kept it safe for thousands of years—the North Slope?

The idea is not nearly so radical as it sounds, and in fact offers a variety of advantages that promote the national interest. Leaving the oil in the ground would eliminate the marketing headaches that are making us contemplate illegal swaps and hazardous transportation schemes. Our strategic national reserves would be established and readily available, since the Alaska pipeline would be in place. No need to find those hypothetical salt domes, no need to risk spills transporting the oil to storage. In case of national emergency, the oil could be shipped to West Coast refineries that can already handle it, or shipped through the Panama Canal. (In a national emergency, of course, the oil companies would be patriotic enough to refine strategic reserves first—the President would persuade them.) Taking this tack would dramatically reduce the projected cost of establishing strategic reserves, and no market would suffer, because the Midwest and East will end up paying Middle Eastern prices for Alaskan oil anyway, after all transportation costs are figured in.

The idea is simple and elegant. It solves several problems at once and keeps the environment as safe as possible. Only environmental groups have suggested it so far, however, because it doesn't provide extra profits for entrepreneurs or corporations.

Can I help?

Yes. Write to the President, who is asking for ideas on what he ought to be doing. His address is the White House, Washington, DC 20500. Also, write to the Administrator of the Federal Energy Administration. His address is 1200 Pennsylvania Ave. NW, Washington, DC 20041. Ask him to consider the strategic reserves option seriously. Compliment him on his wisdom and his ability to see the obvious advantages for the national interest as well as for the environment of such a sensible solution.

Do you think it will work?

It certainly won't work if you don't try it.

Proposed route, capacity, completion date, advantages, and disadvantages:

Panama Canal: 500,000 bbl/day now; immediately available; immediately available, no offloading on West Coast; increases handling, increases spill chances, increases cost.

Long Beach Pipeline: 500,000 bbl/day initially, expandable; a year after permits obtained; gets oil to established distribution lines; time lag, builds new 250-mile pipeline leg, may increase pollution in Los Angeles

basin, possible justification for LNG terminal, builds new deepwater port.

Northern Tier Pipeline: 600,000 bbl/day initially, 800,000 ultimately; two years after permits obtained; serves needy Northern Tier and Midwest refineries; new deepwater port, crosses Rocky Mountains, time lag, increases transportation cost.

Kitimat Pipeline: 300,000 bbl/day initially, 800,000 utlimately; 1979; gets oil to Northern Tier and Midwest refineries; hazardous navigation, offloading in pristine areas, time lag, increases transportation cost.

Strategic Reserve (Leave in Ground): As much as necessary (600,000,000 bbl needed); immediately available; immediately available, eliminates risks, establishes strategic reserves, minimizes costs, solves market problem; could not absorb entire surplus, reserve far from market.

Japanese Swap: Unlimited; immediately available; solves market problem, immediately available, avoids West Coast superport, saves transportation costs, minimizes risks; illegal, politically unacceptable, bad precedent.

AIRCRAFT NOISE ABATEMENT LEGISLATION

Mr. JAVITS. Mr. President, I am introducing legislation to amend the Federal Aviation Administration Act of 1958 and the Airport and Airway Development Act of 1970. This bill, entitled the Aircraft Noise Reduction Act of 1977, would establish a timely and workable program for the implementation of the recently announced regulations on aircraft noise issued by the FAA.

The bill was drafted by the former administration and sent up to the Congress by President Ford on January 18 of this year, with a message that appears in the RECORD of that day. The bill, however, has not been heretofore introduced.

Also, it will remind my colleagues that excessive aircraft noise will not just go away but it demands the urgent attention of the Congress as it affects a multitude of Americans.

The problems created by aircraft noise are not new to us. It has been almost a decade since the Congress passed the first bill dealing with aviation noise, the FAA Amendments of 1968. That legislation required that all future certificated aircraft meet prospective noise standards. But the issue was back in the Senate in 1972, when we enacted the Noise Control Act, requiring the FAA to promulgate regulations to control and abate aircraft noise from all sources within "a reasonable period of time." Finally, it was with us once again last year when I introduced an amendment—which failed—to the Airport and Airway Development Act to finance the aircraft noise retrofit program from the surplus funds of the Airport Trust Fund.

The reasonable time given the FAA had surely run by that time, but it was not until last December 28 that the FAA, in response to a directive from President Ford, issued regulations requiring a program to retrofit or replace, over the next 8 years, all civil commercial aircraft over 75,000 pounds that do not meet current FAA noise standards: known as FAR 36.

The regulation specifically requires that all two- or three-engine jet aircraft exceeding the minimum weight must meet these standards within 6 years, by January 1, 1983; one-half of these must be in compliance by the end of 4 years, January 1, 1981; and older four-engine jets have 8 years to meet the standard, but one-quarter must meet it by January 1, 1981. Additionally, those jumbo jets that were produced prior to the FAA noise standard certification requirements will have to be retrofitted within 6 years.

This is welcome relief. Today, 1,600 of the 2,100 jet aircraft in commercial service do not meet the FAR Part 36 standards. Six million people, in every city throughout the country, must put up with the daily bombardment of aircraft takeoff and landing at decibel levels considered unpleasant and unsafe. This is a problem for which a solution exists. But the FAA regulations are only the first part of that solution. A legislative response is still called for.

At the time of promulgation it was acknowledged that legislation to finance the retrofit/replacement program would be needed. Secretary Coleman held a public hearing on December 1, 1976, to consider alternative mechanisms for financing. Although the recommended method is somewhat different than the one I proposed a year ago, it is a fair, workable, and effective alternative which I support.

This legislation provides a method which will not add to the cost of airline travel, just as the proposal to finance the program from the Airport Trust Fund would not. It would establish a separate trust, for the specific purpose of noise reduction expenditures, which would be supervised by the Civil Aeronautics Board. An appointed trustee would administer the trust fund, and distribute revenues directly to airlines for retrofit or toward replacement. This trust fund would be funded by an aircraft ticket surcharge of 2 percent, that replaces a corresponding portion of the existing airline ticket tax.

The legislation also provides for authority in the Secretary of Transportation to use a portion of the existing surplus in the Airport and Airway Development Fund. It would permit use of up to $300 million of the currently existing $1.5 billion surplus, to assist in retrofitting and replacing outdated aircraft. This is no giveaway program. These revenues have been raised by the aviation industry and the flying public who must bear the costs of environmental degradation to airport neighbors. There is no reason to put the entire burden on today's traveler, although the legislation puts a substantial portion of the costs on him as well.

I believe this plan is both workable and fair. It was given great thought by the Ford administration and deserves congressional consideration. I would hope that the Aviation Subcommittee of the Science, Technology, and Commerce Committee will schedule hearings on this proposal quickly. Chairman CANNON had assured us of hearings last year, but the plan was not forthcoming until after adjournment, and I would hope that this commitment would make for prompt hearings this year. Financing is an integral part of the aircraft noise reduction program and cannot be delayed without a serious consequent delay in the entire noise abatement program.

EXPORT-IMPORT BANK FINANCING NOTIFICATION

Mr. PROXMIRE. Mr. President, I call to the attention of my colleagues a communication I have received from the Export-Import Bank pursuant to section 2(b)(3) of the Export-Import Bank Act notifying the Congress of a proposed Eximbank loan and guarantee to assist the construction of a natural gas liquefaction plant in Algeria. Section 2(b)(3) of the act requires the Bank to notify the Congress of any proposed loan, guarantee, or combination thereof in the amount of $60 million or more at least 25 days of continuous session of the Congress prior to the date of final approval. Upon expiration of this period, the Bank may give final approval to the transaction unless the Congress dictates otherwise.

In this case, the Bank proposes to extend an additional loan in the amount of $67 million to SONATRACH, an enterprise of the Algerian Government, to complete construction of a natural gas liquefaction plant presently being assisted by the Bank. Current Eximbank commitments for the project total $267.3 million in loans and guarantees. The additional $67 million is needed in order to compensate for price escalation and an accelerated work pace on the project. The loan would bear interest at the rate of 9 percent per annum and be repayable over an 8-year period commencing May 10, 1979.

I ask unanimous consent that the letter from Eximbank pertaining to this transaction be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK
OF THE UNITED STATES,
Washington, D.C., January 28, 1977.

HON. WALTER F. MONDALE,
President of the Senate, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits a statement to the United States Senate with respect to the following transaction:

A. DESCRIPTION OF TRANSACTION

1. Purpose

The purpose of the Eximbank financial assistance is to provide an additional direct credit of up to $67,000,000 to Societe Nationale pour la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures (SONATRACH), state-owned enterprise of the Democratic and Popular Republic of Algeria (Algeria), to facilitate financing the increased U.S. cost being incurred due to price escalation and an accelerated work pace to maintain the construction schedule of SONATRACH'S natural gas liquefaction plant.

This plant is part of an overall project in Algeria consisting of (1) the liquefaction plant itself at Arzew on the Mediterranean coast, (2) the gas field treatment facilities at Hassi R'Mel in the Sahara desert and (3) a 315-mile gas pipeline connecting the two. In March 1973, Eximbank authorized financial support for U.S. costs of $349,800,000. At the time, Eximbank extended a direct credit of $157,400,000, a guarantee of private bank loans of $157,400,000 and a local cost guarantee of offshore lenders of $52,500,000. These U.S. costs were for U.S. goods and services for the liquefaction plant, part of the gas field facilities, and the pumping stations along the pipeline. The 1973 estimate for the

overall project cost was $882,000,000, the sum of U.S. costs, local costs and third country costs. Today the costs of just the liquefaction plant have increased from $543,000,000 to $1,085,000,000. The original U.S. cost for the liquefaction plant in March 1973 was estimated to be $263,000,000.

The total increased U.S. cost is $167,500,000. Commercial banks will finance without Eximbank's guarantee $75,375,000 of the increased U.S. cost. As in the original Eximbank financial assistance, Banque Algerienne de Developpement will guarantee the additional financial support. In addition, SONATRACH will provide from its own resources and loans funds for increased local costs and may obtain from official export credit agencies in third countries additional funds for any increased costs of goods and services from such countries.

Because of construction delays as a result of the change in the original U.S. engineering contractor for the liquefaction plant (later replaced by another U.S. engineering contractor) and inflation, costs of constructing the liquefaction plant have increased and Eximbank's assistance has been requested for financing only the additional portion of the U.S. cost. Eximbank considers the reasons for and the amount of the increased U.S. cost to be reasonable and necessary to complete construction of the liquefaction plant.

2. Identity of the parties

SONATRACH is the state-owned monopoly of Algeria charged with the responsibility for the exploitation of Algeria's oil and gas resources. It is under the jurisdiction of the Ministry of Industry and Energy.

Bank Algerienne de Developpement is the government-owned development bank which will guarantee repayment of Eximbank's additional direct credit for and on behalf of the Government of Algeria.

3. Nature and use of foods and services

The principal goods and services to be exported from the United States in connection with the increased U.S. cost are engineering and construction services, instruments, cryogenic insulation, support equipment, building equipment and start-up assistance. Major suppliers for the project are Bechtel Corporation, Air Products and Chemicals Inc., General Electric, Westinghouse, Foxboro Corporation, Ingersoll-Rand, Worthington, and Elliott Corporation (a subsidiary of the Carrier Corporation).

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons

The proposed extension of a $67,000,000 credit by Eximbank will assist in completing the project on schedule and will result in increased exports of at least $167,500,000 because of the higher prices to be paid for previously contracted U.S. goods and services. Also, the acceleration of liquefaction plant work schedule will entail the hiring of additional U.S. engineering professional and support staff. Moreover, since the liquefied natural gas from the project will be exported to the United States, the schedule of shipments for this domestically scarce commodity will be maintained; and also, completion of the project in a timely manner will prevent extensive gas receiving and processing facilities in the United States and six LNG tankers (financed by the U.S. Maritime Administration) from standing idle.

The additional direct credit will enable SONATRACH to pay the higher prices now required by the U.S. exporters and prevent the switching of orders to other industrialized countries that could provide equivalent goods and services.

In view of the magnitude of the transaction, the extent of private financing that will be available without an Eximbank guarantee, and the fact that the goods and services were originally available in other countries, Eximbank's additional direct credit is necessary to maintain this sale for United States manufacturers and contractors.

No adverse impact upon the United States economy will be cause by the export of these goods and services. Indeed, completion of the project will benefit the United States by providing natural gas to our economy.

2. The financing plan

The total increased cost associated with United States goods and services required for the gas liquefaction plant and ancillary facilities and to be purchased by the Borrower is estimated to be $167,500,000. The Borrower will make a 15% cash payment of United States costs or $25,125,000 and the balance of the United States costs will be financed by Eximbank and private financial institutions as follows:

	Maximum amount	*Percentage of aggregate purchase price*
Eximbank credit	$67,000,000	40
Private financing (without Eximbank guarantee)	75,375,000	45
Total	142,375,000	85

(a) *Eximbank Charges.*—The Eximbank Credit will bear interest at the rate of nine percent (9%) per annum payable semi-annually on outstanding balances. A commitment fee of ½ of 1% per annum will also be charged on the undisbursed portion of the Eximbank credit.

(b) *Repayment Terms.*—The total financing of $142,375,000 will be repaid by the Borrower in sixteen equal semiannual installments, the first due May 10, 1979. All of the first eight installments and part of the ninth installment will be applied to repayment of the Private Financing, and part of the ninth installment and all of the last seven installments will be applied to repayment of the Eximbank additional direct credit.

Sincerely,

STEPHEN M. DUBRUL, Jr.

TED KENNDY'S EARNED, NOT INHERITED, RESPECT

Mr. PELL. Mr. President, I draw to the attention of my colleagues an excellent and well-deserved article concerning the senior Senator from Massachusetts (Mr. KENNEDY) in today's Washington Star.

It is time that the public realized, as his colleagues long since have, that Senator KENNEDY is one of the ablest, most effective, and hardest working Senators in our body. Through his display and expression of these qualities, he has thoroughly earned the respect and regard of his colleagues. Speaking as his neighbor, I can say that the people of the Commonwealth of Massachusetts are fortunate in having him as their senior Senator.

Mr. President, I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

QUIETLY OBSERVING 45TH BIRTHDAY: TED KENNEDY'S EARNED, NOT INHERITED, RESPECT

(By Martin F. Nolan)

Edward M. Kennedy celebrates his 45th birthday today. Maybe not celebrates, but observes.

Politically, Kennedy is also adjusting to middle age. While he is forever a Kennedy, he is now becoming a force in the Senate in his own right; he enjoys clout and respect that is earned, not inherited.

Thousands of Americans have read Gail Sheehy's "Passages" about "predictable crises of adult life." Edward Kennedy, whose passage through "Catch-30" was among the most publicized in political history, faces four more "predictable crises." At the time of the 1992 presidential election, he will be 60 years old.

But, as he said in an interview, "I deal with the here and now. And the foreseeable future."

Birthdays are big events in any large family, and in 1961 one of the biggest of all took place in Boston's Commonwealth Armory as 5,000 friends gathered to honor President John F. Kennedy's 44th birthday.

At that dinner, his brother enunciated one of the central truths of the Kennedy legend. Acknowledging the presence of Robert Frost, the president remarked that the poet had visited the White House the day after the president's inauguration and said, "You're something of Irish and I suppose something of Harvard. My advice to you as president is to be Irish." As the more-Irish-than-Harvard crowd roared its approval, Kennedy added, "So we've going to do the best we can."

From a distance, the surviving Kennedy brother seems decidedly more Irish than Harvard. Glamorous, glad-handing, described fondly by his father as "the best politician in the family," the youngest Kennedy has nearly always been the favorite of professional politicians.

But Ted Kennedy may be more Harvard than Irish. He is certainly more idealistic, more liberal and probably more analytical than John or Robert Kennedy. His current Senate interests would have bored his brothers to distraction: Health insurance, changes in the tax code, macro-economics, antitrust and all the minutiae of what makes the innards of government work.

Kennedy's Senate career is becoming what that chamber has not seen probably since George W. Norris in the 1930s. He is a meticulously well-prepared and formidable gadfly.

John Culver of Iowa, Birch Bayh of Indiana, Joseph Biden of Delaware, Howard Metzenbaum of Ohio and James Abourezk of South Dakota sat down with Kennedy to discuss roadblocks to liberal legislation from new, conservative members of the committee, including the Senate's champion of the art of the filibuster, James Allen of Alabama.

The remarkable fact of the informal group is that only Bayh and Culver were longtime Kennedy allies. The others had to be recruited on current facts of political life and not on the lure of restoring Camelot. In past elections, Kennedy had been campaigning for friends whose election might have created a Kennedy "bloc" in the Senate.

But John Tunney, his law school classmate, lost his re-election bid in California, partly because of his Kennedy affiliation. Bill Green lost in Pennsylvania, as did Jimmy Symington in Missouri, and before them, Wayne Owens in Utah.

Kennedy had to build new alliances, just as he is now confronting the task of building a new staff. The normal turnover in Senate staffs has become a mass exodus from Kennedy's office for a variety of personal, political and professional reasons.

As Kennedy recruits their replacements, he will do so not as an heir-apparent presidential nominee but as a chap who might become chairman of the Judiciary Committee by the end of the decade. Kennedy has always had a reputation for "good staff" and now it remains to be seen whether he can keep it. Fellow senators think he can. One senatorial colleague explained when and why Ted Kennedy reached a sense of middle-age serenity:

"I think the big change in Teddy came in

January of '76 when he stopped the whole business of flirting with the presidency. Remember that game he played with Tip O'Neill about 'keep me alive, Tip'? There's a point at which your Senate responsibilities and your presidential ambitions conflict, and you find you're doing justice to neither. Teddy saw that happening to others, like Birch Bayh and Lloyd Bentsen. He then made a basic decision. He gave up flirting with the idea of running for the presidency. Once that decision is made, you can become a very good senator, which he is."

Kennedy himself seemed not at all eager to be interviewed on the joys of reaching 45, on his personal and political transition or any similar subject. When finally cornered and asked what he was hoping for in the years ahead, he responded by mentioning "very interesting panels" in the Office of Technology Assessment, a commission he heads, "very challenging things" on the health subcommittee and "very important opportunities" on the Joint Economic Committee, along with "opportunities for progress" on the Judiciary Committee.

"About Carter? I don't know what people are saying, but I think it will be a good relationship with the administration. Ed Muskie and I called him up on that emergency appropriation for home heating fuel and he couldn't have been more cooperative. Joe Califano told me it was the first thing that the President brought up at the Cabinet meeting the next day, so you couldn't ask for anything more than that.

Edward M. Kennedy, the youngest-born in a large Irish family, learned political skills not as a hobby but as necessary equipment for survival. With these skills came the arts of self-depreciation, which in later life one can shed. Edward Kennedy has been shedding them gradually since he waited to hear his brother speak that raucous evening at the Commonwealth Armory, May 29, 1961.

John F. Kennedy was then on his way to Europe to confront Charles de Gaulle and Nikita Khrushchev. The surviving Kennedy brother seems to face less historic tasks in his middle years, but he can still echo his brother's attitude.

"So I come back to this old city to express my thanks to all of you who are my oldest friends," said John F. Kennedy, "and I carry with me a message which is written on one of our statues by a distinguished and vigorous New Englander, William Lloyd Garrison:

" 'I am in earnest, I will not equivocate, I will not excuse, I will not retreat a single inch, and I will be heard.' "

(This concludes additional statements submitted by Senators.)

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRIME MINISTER OF CANADA

The VICE PRESIDENT. The hour of 12:15 having arrived, the Senate will now stand in recess and proceed to the House of Representatives for the joint meeting to receive the Prime Minister of Canada.

Thereupon, the Senate at 12:15 p.m. took a recess, subject to the call of the Chair, and the Senate, preceded by the Vice President, its Assistant Secretary, Darrell St. Claire, its Sergeant at Arms, F. Nordy Hoffmann, and the Secretary for the Majority, J. Stanley Kimmitt, proceeded to the Hall of the House of Representatives to hear an address delivered by His Excellency Pierre E. Trudeau, the Prime Minister of Canada.

(For the address delivered by the Prime Minister of Canada see today's proceedings in the House of Representatives.)

At 1:10 p.m., the Senate, having returned to its Chamber, reassembled, and was called to order by the Presiding Officer (Mr. DECONCINI).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

THIRD CONCURRENT RESOLUTION ON THE BUDGET, 1977

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the pending business, Senate Concurrent Resolution 10, which the clerk will state by title, on which there shall be 4 hours time limitation.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 10) revising the Congressional budget for the United States Government for the fiscal year 1977.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time not be charged.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. MUSKIE. Mr. President, I am happy to yield 20 minutes to the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.). Maybe we can yield 10 minutes on each side.

There seems to be competition to give the Senator time.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. HATCH. Mr. President, we are delighted to yield 10 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Virginia.

THE COST OF "STIMULUS"

Mr. HARRY F. BYRD, JR. Mr. President, today the Senate is considering its third concurrent resolution on the budget for this current fiscal year of 1977.

This resolution is based upon the theory that the present pace of economic recovery is too slow. It accommodates the so-called economic stimulus package proposed by President Carter, or alternate measures of comparable magnitude.

This resolution provides for a deficit of $68.2 billion—the highest in the history of the United States—for the current year. This deficit is $17.6 billion greater than the figure established by the Congress as recently as last September 16.

When the second concurrent resolution on the budget was adopted last September, the totals therein were described as "binding." It would seem that the binding was extremely elastic.

The presentation of this new resolution now before us, boosting the deficit by nearly $18 billion, dramatizes the chief weakness of the congressional budgetary process: the lack of fiscal discipline.

The increase in the deficit results from reduced revenue and increased spending along the line recommended in the President's "stimulus" proposal.

The President's economic stimulus program calls for expenditures and tax reductions totaling $15.5 billion for the current fiscal year—$31.2 billion for this year and the next year combined. It seeks to stimulate the economy and reduce unemployment through a variety of measures including tax reductions and public works spending.

These measures include:

First. Giving almost all Americans a one time tax rebate of $50 per person.

Second. Setting the standard deduction at $2,400 for single persons and $2,800 for married couples.

Third. Increasing the investment tax credit for businesses from 10 to 12 percent or, if a business so elects, an alternative refundable 4 percent credit against income tax, based upon the payroll taxes paid for social security.

Fourth. Enlarged spending in public works, public service employment, youth training programs, and direct aid to cities and States.

The goals of the advocates of the Carter program—encouraging economic growth and reducing unemployment—are laudable. I must, however, question whether their methods will achieve these goals.

Understandably, the American people would like to have a reduction in their heavy tax burden. I would also like to have taxes reduced, but a tax rebate will do nothing to provide a long-term solution for the present high level of taxation. Nor will a tax rebate come to grips in a meaningful way with unemployment.

I should like to share with my colleagues the view of the tax rebate which was expressed to me by a Norfolk, Va., taxi driver last week.

He said that it made little sense to him for a Government deeply in debt to give a $50 bonus to nearly everyone, when it has no money to give except what it borrows.

How right he is.

The $50-per-person rebate is not a fiscally sound proposal. The Federal Government must borrow $11.4 billion to finance the rebate proposal—thus increasing the debt and the deficit. Interest on this increased debt will use up future tax dollars. So the taxpayers will be paying for years for this one-time rebate.

Furthermore, I am not convinced that stimulus is necessary for the economy at this time. Government statistics for December show a 0.9-percent increase in wholesale prices, and energy shortages and the inflationary pressures associated with these shortages are again appearing.

Indicators such as raw material prices and growth in the broadly defined money supply also show potentially inflationary trends. Only 20 percent of U.S. plant ca-

pacity is idle, and a plant-operating rate of approximately 86 percent, rather than 100 percent marks a full capacity point, according to the Council of Economic Advisers. Furthermore, final demand, an important indicator of consumer demand, increased dramatically during the last economic quarter of 1976.

The total stimulus proposal, with an estimated budget cost of $15.5 billion, this year, will provide greater inflationary pressures upon our economy. Any potential benefits resulting from President Carter's economic package could be offset by a potentially damaging inflation rate.

The more permanent tax aspects of the Carter proposal appear to be a more sensible approach to meeting the economic problems which our country faces today. Investment credits to business can encourage the necessary capital formation to insure a gradual but sustained economic recovery.

Unfortunately, permanent tax measures which would encourage business to form capital and would provide an economic base for long-term, sustained economic growth have been given the least attention in the Carter program.

There are no easy answers to the problems of unemployment and inflation. Neither problem, however, can be solved by more Government spending. Yet this is precisely what part of the Carter program seeks to do by urging public sector spending increases totaling $1.7 billion this year.

With regard to the President's proposal for vastly expanded outlays for public works jobs programs, I think it should be borne in mind that in this country we must ultimately rely upon the private sector to provide jobs.

Rather than pumping tax funds into public works, I think it would be far preferable to create the kind of economic climate that would encourage private expansion thereby assuring more meaningful and permanent employment.

Furthermore, the timing of the public works proposal is wrong. Many of the outlays that will be generated by this program will come many months hence, when recovery presumably will be well along and inflationary pressures will have increased. Thus the result of the public works program will cause added inflationary pressure.

Increases in Federal spending for public service employment are also of concern to me. This spending would provide funds for local governments, supposedly to increase the number of employees on their payrolls and thereby reduce unemployment.

There are two serious problems with the use of Federal money in this way.

First, many local government programs eligible for these funds were established chiefly to create short-term jobs and do not offer employees the possibility of meaningful training or permanent, long-term employment.

Second, the Federal grants, in many cases, may not be used to provide new employment opportunities. Instead, the funds often may go to pay the salaries of employees for whom the local government units already have allocated funds to hire without expectation of Federal aid.

Under these circumstances the spending will not result in a net increase in employment. It will be nothing more than a subsidy for local governments.

Greater Federal spending to solve economic ills has been tried time and time again. Each time this approach has been used, it has failed to provide permanent economic recovery.

Economic policymakers during the past decade have consistently favored stimulation at the expense of reducing inflation. No concern has been shown for reducing Government spending and curtailing the Federal deficit.

The result has been a "stop-go" economy. Periods of economic stimulation have been followed by periods of high inflation followed by an economic slowdown and unemployment. The solution for this slowdown has invariably been more Government deficit spending and the cycle has begun again.

The increases in Federal Government budget deficits during the past several decades are shocking.

Twenty years ago, when the spending figures for fiscal years 1955 through 1957 are combined, our Government had a net surplus of $4.2 billion.

For fiscal years 1965 through 1967, the net deficit was $14 billion.

But hold on to your hats, boys. We now come to fiscals 1975 through 1977. The combined deficit for these was a staggering $180 billion.

A $180 billion deficit in 3 years. I say, that is totally unjustified.

This alarming pattern must be reversed if our country is to enter into a period of economic growth without inflation.

Unemployment can only be reduced when businessmen and consumers regain confidence that our economy will cease to follow a course of inflation followed by economic slowdowns. As Bert Lance, Director of the Office of Management and Budget, has said, economic recovery comes down to a question of public confidence in the economy.

I contend that we must abandon gimmicks and put our finances on a sound basis if we are to achieve lasting recovery.

Instead of meeting the problems of inflation, the Carter proposals are likely to create more inflation. The Carter proposal would increase the Federal budget deficit from $51 billion to approximately $68 billion in 1977.

This increase in the Federal deficit only increases the alarming growth in Federal Government spending. Prior to World War I, the U.S. Government spent as much in a year as it now spends in a day.

In terms of taxes, in 1976, the average American taxpayer spent 3 hours of every 8-hour workday earning the money to pay his taxes. On a calendar basis, he worked from January 1 to May 15, to pay his Federal, State, and local taxes.

Each year the Federal debt continues to grow. As of January 31, 1976, the total Federal Government debt was $595,307,493,047.07. On January 31, 1977, the same debt was $664,857,702,968.33. This is an increase of $69,550,209,921.26—in one 12-month period.

Continued reckless deficit spending by the Federal Government is no economic program.

This gimmick has been tried time and again and the result has always been more inflation and later more unemployment.

My belief is that the best type of economic program to follow is to have a permanent tax cut coupled with a reduction in Government spending and a reduction in the Federal deficit.

The most important tax break that Americans could have is a cut in Government spending.

The Carter program, while providing a measure of permanent tax reduction, does nothing to reduce Government spending—in fact, it does the opposite and greatly increases Government spending.

I cannot support an economic policy which when stripped of its gimmickry, is nothing more than a continuation of outmoded programs of greater Government deficits. A fancy economic package which results in more Government spending is unwise and unsound.

President Carter has promised the American people a balanced budget.

Unfortunately, the so-called economic stimulus program makes the prospects for a balanced budget more elusive than ever. It increases the Federal deficit and makes it correspondingly more difficult to achieve a balanced budget.

I must oppose measures which increase our Government deficit.

The Nation certainly needs more jobs.

The Nation needs more capital investment and the greater supplies of energy and other materials arising from these investments.

What the Nation does not need, however, is a larger Federal deficit and the greater inflation which would surely follow.

This new budget proposal is a bonanza for politicians.

What it says is this: We can spend all we want and at the same time cut taxes, and no one need pay for it. All we need do is add it all to the debt.

That is false reasoning.

I shall vote against the pending proposal to increase deficit spending, because it is unsound and will lead to greater inflation.

And we must always bear in mind that inflation is itself a tax—a cruel and hidden tax that hits hardest those on fixed incomes and those in the middle and lower income brackets.

Those are the Americans who, as they always have, will pay the bill for Government extravagance.

In connection with my discussion of the third concurrent budget resolution and the economic stimulus proposal, I have had the opportunity to review some very interesting figures about the growth of our budget deficit and the national debt. In tabular form, I have summarized our budget surpluses and deficits from the fiscal year of 1958 through the estimates for fiscal year 1977. This table is entitled "Unified Budget Receipts, Outlays and Surplus or Deficit for Fiscal Years 1958–77, Inclusive" and shows in dramatic fashion the increasingly large size of our budget deficit.

A second table is entitled "The National Debt in the 20th Century." This table reflects the unfortunate results of

our budget deficits and depicts the approximately $700 billion rise in the total national debt from 1900 to the estimates for 1977.

The potential for increased inflation as a result of economic stimulus is discussed very convincingly in a February 16, 1977, editorial by the Wall Street Journal. This editorial concluded that the additional borrowing and spending caused by the Carter economic stimulus program provides the real likelihood for increasing inflation.

Mr. President, I ask unanimous consent that the foregoing two tables and the Wall Street Journal editorial be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNIFIED BUDGET RECEIPTS, OUTLAYS AND SURPLUS OR DEFICIT FOR FISCAL YEARS 1958-77, INCLUSIVE

[In billions of dollars]

Fiscal year	Receipts	Outlays	Surplus (+) or deficit (−)
1958	79.6	82.6	−3.0
1959	79.2	92.1	−12.9
1960	92.5	92.2	+.3
1961	94.4	97.8	−3.4
1962	99.7	106.8	−7.1
1963	106.6	111.3	−4.7
1964	112.7	118.6	−5.9
1965	116.8	118.4	−1.6
1966	130.8	134.6	−3.8
1967	149.5	158.2	−8.7
1968	153.7	178.8	−25.1
1969	187.8	184.6	+3.2
1970	193.8	196.6	−2.8
1971	188.4	211.4	−23.0
1972	208.6	231.9	−23.3
1973	232.2	247.1	−14.8
1974	264.9	269.6	−4.7
1975	281.0	326.1	−45.1
1976	300.0	366.5	−66.5
Transition quarter	81.8	94.7	−13.0
1977 [1]	346.8	415.0	−68.2

[1] Figures from 3d Concurrent Resolution on the Budget, fiscal year 1977.

Note: Prepared by Senator Harry F. Byrd, Jr., of Virginia.

Source: Office of Management and Budget, Department of the Treasury and Senate Budget Committee.

The National Debt in the Twentieth Century

Totals at the End of Fiscal Years 1970–77

(Rounded to the nearest billion dollars)

1900	1
1901	1
1902	1
1903	1
1904	1
1905	1
1906	1
1907	1
1908	1
1909	1
1910	1
1911	1
1912	1
1913	1
1914	1
1915	1
1916	1
1917	3
1918	12
1919	25
1920	24
1921	24
1922	23
1923	22
1924	21
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1939	40
1940	43
1941	49
1942	72
1943	137
1944	201
1945	259
1946	269
1947	256
1948	251
1949	252
1950	256
1951	254
1952	258
1953	265
1954	271
1955	274
1956	273
1957	272
1958	280
1959	288
1960	291
1961	293
1962	303
1963	311
1964	317
1965	323
1966	329
1967	341
1968	370
1969	367
1970	383
1971	409
1972	437
1973	468
1974	486
1975	544
1976	631
1977 (est.)	718

SOURCES.—1900–1976, U.S. Treasury Department 1977 estimate, Senate Budget Committee.

PRAY FOR A DEADLOCK

As the House Ways and Means Committee takes up President Carter's economic package today, the optimum outcome is that the Congress and the administration will deadlock over details and wind up doing nothing. For if something like the Carter package does pass, it seems increasingly likely that it would go down as the most ill-timed economic policy in a generation.

We are about to enter our third year of recovery after the sharpest recession of our postwar experience—and the most perplexing as well in that it was accompanied by, if not caused by, double-digit inflation. By now the inflation has subsided to levels that are merely troublesome, not desperate. Today more Americans are working, producing more and earning more, than ever before in our history. Margins of capacity are shrinking, and business loan demand is finally reviving. Laying aside for today our own conviction that measures in the Carter program would not in any event stimulate production, in conventional business-cycle terms this is anything but a moment to enlarge the deficit and boost public spending.

In the face of these signs of economic progress, a case for "stimulus" is argued. It is based on three legs: the unemployment rate, the assumption that inflation cannot be a problem short of full employment and a quirk in last year's GNP numbers.

THE CURRENT ECONOMY

	1973–74 peak	1975–76 trough	Latest
Real GNP (1972 dollars in millions, annual rate)	1,241	1,168	1,282
Industrial production (1967 equals 100)	125.8	111.7	132.8
Per capita GNP (1972 dollars)	5,888	5,454	5,907
Capacity utilization (FRB, percent)	87.8	70.9	80.5
Employment (Millions)	86.3	84.1	88.6
Unemployment (Percent labor force)	4.6	8.7	7.3
Employment ratio (Employed as percent of working age population)	57.4	55.1	56.2

The unemployment rate is certainly the most important, given the popular and political fixation on this single statistic. By now the rate "ought" to be lower, but the reason for this disparity with past experience and other statistical indicators is not found in general business activity. Rather, the reasons are to be found in the especially rapid growth of the labor force and the generous income support programs that allow unemployed workers to search longer for the "right" job. If either of these things is anything that needs to be cured, the cure will not be found in the demand stimulus the Carter program is intended to supply.

The sticky unemployment rate is even more perverse when fed into the assumption about capacity and inflation, for it comes out that we can forget any worry about inflation until unemployment gets down to 5 percent, or 3 percent or maybe 4 percent. First, the experience of 1974, with soaring prices, plummeting production and swelling unemployment, should have taught that the relationship between inflation and capacity is not as simple as once commonly believed. Beyond that, capacity is reached when you have employed your most scarce resource: given the labor force expansion and dearth of investment in the past few years, this is not labor but plant.

We are now operating at something like 81 percent of capacity. Our experience is that at about 88 percent on the Federal Reserve index we encounter bottlenecks, capacity restraint, and inflationary pressures. Given the likely rate of growth in production, figures in that range will be reached in somewhere between one year and two years. Or in other words, just about the time the public jobs and public works portion of the Carter "stimulus" would come on line.

The third leg of the case of "stimulus" is the progression of quarterly GNP figures during 1976. If you simply take GNP growth quarter by quarter, you have these figures: 9.2 percent, 4.5 percent, 3.9 percent and 3.0 percent. Because of the declining trend it is argued, we need to stimulate. Yet this trend is entirely an artifact of inventory adjustments. If you strip out inventories to get final demand the trend is: 3.7 percent, 4.2 percent, 4.3 percent and 4.8 percent. In any event, nearly everyone now seems to agree that the economic "pause" is over, if there ever was one.

At some point inventory accumulation will have to resume, which brings us to the timing of Mr. Carter's rebates. As Arthur Burns observed, the Treasury doesn't have the money to pay the rebates, it has to borrow

it. The rebates have in fact to be borrowed all at once. Assuming the Carter program were passed April 1, it would call for borrowing $12 billion to $16 billion in the remaining six months of the fiscal year—or increasing the deficit at an annual rate of $24 billion to $32 billion in terms of pressure on the financial markets. With business now starting to borrow to replenish inventories, and to some extent even for capital needs, this new public sector borrowing is ideally timed to crowd out private borrowing and to put new upward pressure on interest rates and the money supply.

The Carter package may not be large, but it is cleverly designed. First a left to the financial sector, with a sharp federal borrowing upsurge neatly timed to catch the upswing in private borrowing. Followed by a right to the real sector, with public jobs and public works neatly timed to come in at the peak of the cycle. In short, a perfect inflationary one-two.

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BELLMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I ask unanimous consent that the following members of the minority staff of the Committee on the Budget be allowed to remain on the floor during consideration of and votes on Senate Concurrent Resolution 10: Ted Haggart, Bill Stringer, and Barry Kinsey.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during the consideration of Senate Concurrent Resolution 10, the third concurrent resolution on the budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. JAVITS. Will the Senator yield some time?

Mr. MUSKIE. I yield 5 minutes to the Senator.

Mr. JAVITS. Mr. President, there are a number of items on which I would like to comment in connection with the budget resolution.

First, I believe the committee has acted very appropriately in what it has done about public service employment. The President's objective is 725,000 jobs. My own objective, and what I believe was the objective of many members of the Budget Committee, was 1 million jobs.

We were assured last year, when the Second Concurrent Resolution was adopted, that if the pace of recovery lagged there would be an opportunity to accelerate this program, a program which is already in place, ready to be used, where persons can be enrolled within 30 days, and where experience has already demonstrated its effectiveness to provide useful training experiences, not "make work" situations or political advantage or benefit.

I am very pleased that the committee has steered an honorable middle course allowing $8.7 billion for titles II and VI, respectively, the older and newer parts of the public service job program, for fiscal year 1977 and fiscal year 1978. I believe that under present circumstances this allowance within the third budget resolution should be adequate to deal with that phase of unemployment to which CETA programs are directed.

Those who decry the need for this program must remember that we are dealing with well over 7 million unemployed. We are talking in round figures about less than 15 percent in terms of public service employment. This is a far cry from anybody winning the debate over the Government as the employer of last resort. Indeed, on an Arthur Burns basis, that is, a lower than the lowest minimum rate, I believe it is a very good case for the U.S. Government standing for the fact that nobody should be deprived of work who wishes to work in order to eat. We should not make them go on welfare for the same purpose.

More specifically, I am pleased that the committee has recommended forward funding of the fiscal year 1978 CETA public service employment program in fiscal year 1977. By appropriating $8.7 billion for titles II and VI of the Comprehensive Employment and Training Act in the upcoming Supplemental Appropriations bill, Congress will be giving the Nation an unmistakable demonstration of its earnest commitment to expand to the extent feasible the public service employment program in fiscal years 1977 and 1978.

For some time it has been my belief that the main obstacle to an orderly expansion of enrollments under CETA titles II and VI was the uncertainty of future funding levels. Some have argued that program expansion is impeded by the new eligibility criteria which we enacted in the Emergency Jobs Programs Extension Act last October, to wit: that half of the vacancies and all of the new slots must be filled by those who either have been unemployed 15 weeks or have exhausted unemployment compensation, and who are also members of low income families. I do not agree that these criteria or the project approach we adopted restrains the build-up capacity of the public employment program. These requirements enable us to target the program more directly on the structurally unemployed and to help to keep "fiscal substitution" at a minimum.

By providing budgetary authorization of $8.7 billion at this time and permitting the Labor Department to obligate these funds in fiscal year 1977, prime sponsors may begin to hire from the enormous backlog of CETA job applicants who so desperately require employment assistance. Prime sponsors can rely upon the fact that if outlays amount to $3.2 billion in fiscal year 1977, $5.5 billion will be available in fiscal year 1978, at least to maintain the 1977 program levels.

In the past, prime sponsors could not hire individuals they might have to lay off in a few weeks because of funding uncertainties. We have just witnessed in recent weeks the way funding uncertainties can restrain prime sponsors from absorbing new slots. Although sufficient budget authority was contained in the Second Concurrent Budget Resolution to fund 500,000 public service jobs under title VI, the Continuing Appropriations Resolution provided funding for only 260,000 jobs through March 31, 1977, and the Labor Department outlayed only about $1.2 billion. Amid all of this uncertainty, prime sponsors complained that they could not even maintain their June 30, 1976 levels on their shares of the $1.2 billion allocation. Thus, in many instances, prime sponsors were forced to reduce or hold down public service job slots rather than to anticipate widespread layoffs in April or May.

Mr. President, I have long been an advocate of the public service employment program. As a matter of fact, I believe we need to establish a permanent program under which Government can be the "employer of last resort" even though at very minimal compensation for the hard-core unemployed of our country.

In March 1976, when the Committee on Labor and Public Welfare met in executive session to make its recommendations to the Budget Committee for funding the programs under its jurisdiction in fiscal year 1977, I moved that we seek budget provision for one-million public service jobs. I maintained then that because of the severity of the 1974–1975 recession, unemployment which had risen to abnormally high levels, was likely to persist at those levels for several years. Our ability to drive down the unemployment rate by utilizing conventional stimulative budgetary and monetary policies was then and continues to be constrained by the danger of reigniting inflationary pressures. Nevertheless, on the basis of preliminary statistics indicating that the recovery in 1976 would be similar to the recovery phases of other post-war business cycles, reliable economic forecasts were telling us then that it was likely that the unemployment rate would decline consistently throughout 1976 and reach 7 percent by the end of the year.

However, the growth rate of real GNP declined from 9.2 percent in the first quarter to only 4.5 percent in the second and to only 3.9 and 2.4 percent respectively in the third and fourth quarters of 1976, hardly enough to make a dent in our unemployment problem. Thus, real gross national product has expanded by only 3.1 percent in the seven calendar quarters since the bottom of the recession in 1975, compared to an average of 9.9 percent over comparable periods in the five other recoveries.

Because of this disappointing performance national output did not rise rapidly enough in 1976 to generate employment of all those who had lost jobs in the recession, to say nothing of those new entrants to the labor force. The unemployment rate, which declined each month from December, 1975 to May, 1976, when it reached 7.3 percent of the labor force, began to increase again as the growth of national production paused. By November, 1976, the unemployment rate was back above 8 percent, thereby nullifying the progress that had been made from December to May. It is true that a record 4 million new jobs were added since the trough of the recession. But the nation's economic performance proved inadequate to the task of affording employment opportunities for an adequate number of job seekers.

Now, in February, 1977, we find ourselves in a position analogous to the one in February, 1976. We are being assured, on the basis of recent business statistics, that a solid and vigorous recovery is about to be underway. We are told that the economic pause has ended and that real GNP is about to accelerate to a 5½ percent annual growth rate. If this occurs, we are assured, the unemployment rate may fall to 6½ percent by the end of 1977 about where we were told last year the rate would be at the end of 1976. I hope the forecasters are correct this time.

But, Mr. President, I remind my colleagues of the fallibility of our economic forecasting techniques not so I can say "I told you so" but because I want to underscore the need for a public service employment program of 1 million jobs.

In December 1976, 21 months since the recession trough, there were 7.5 million people unemployed in our country. Of these 2.5 million were unemployed over 15 weeks and, of this number, slightly over 1 million were heads of households. I believe that a series of external and internal economic shocks since 1973 have moved our economic system into a new epoch, whose dimensions and characteristics are only now beginning to be perceived. The Arab oil embargo, double-digit inflation, soaring interest rates, the worst recession since the Great Depression, the slowest recovery in the post-World War II period, the incredible fiscal crisis that plagues our Nation's cities and other sensational economic developments both here and abroad have altered, irrevocably I am convinced, the way our system operates and responds to Federal Government actions. With specific reference to unemployment, I believe more than half our total unemployed are now out of work for noncyclical reasons. Economic recovery alone will not return us to full employment, regardless of the vigor of recovery—only structural change will do that as to them.

These 3–4 million persons are structurally unemployed, that is unemployed because of imbalances in the labor market itself. What is new about this endemic structural unemployment is the fact that it has become more intractable because of the outmigration of employers to other U.S. areas from our major cities, an accelerating pace of technological change in major manufacturing industries, a serious decline in productivity, the advent of State and local budget austerities and an increasingly inflation-prone national economy. These factors, and others, have created a vast pool of unemployed workers throughout our country who will remain unemployed even if the GNP grows at an optimum annual rate. In this new economic context, Government will have to become the employer of last resort.

I am willing to give the benefit of the doubt to those who maintain that the prime sponsor system cannot absorb more than 300,000 new public service jobs this fiscal year ending September 30, 1977. By the time Congress appropriates funds for titles II and VI of CETA only about 6 months will remain in fiscal year 1977. Since so much uncertainty has clouded this program in recent months, the prime sponsors may not be able to absorb more than 50,000 new jobs per month. If the 50,000 per month rate is maintained we should have the 725,000 level in place by December of this year. This is why the "forward funding" approach taken by the Budget Committee is so important for guaranteeing funding in fiscal year 1978.

But the 725,000 cumulative job level is not appropriate for all of fiscal 1978. Unless a remarkable decline in the unemployment rate occurs between now and early summer, I will seek in the regular Labor-HEW appropriations bill for fiscal year 1978 whatever additional appropriation is necessary to reach the 1 million public service jobs level during fiscal 1978 and to maintain that level through September 30, 1978. I believe that if need be we could reach that level no later than July 1, 1978. Had we that level in place this fiscal year, as I proposed last March, and as the National Council on Employment Policy proposed last December, the human misery endured by some of the 7.5 million unemployed persons in our country would have been relieved.

Congress missed that opportunity when we considered the first and second concurrent budget resolutions for fiscal 1977. We are about to admit that underestimate by authorizing an appropriation of $8.7 billion for fiscal 1977. It is my hope that this amount will prove to be sufficient; if it turns out that it is not, I hope we will have the courage to admit again that we have underestimated both the severity and the nature of unemployment in our country.

Mr. President, I ask unanimous consent to have printed in the RECORD of today's proceedings copies of letters I sent to Chairman MUSKIE in December 1976 and January of this year, as well as the Report of the National Council on Employment Policy, which has endorsed the call for 1 million public service jobs.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., December 20, 1976.

Hon. EDMUND S. MUSKIE,
U.S. Senate, Russell Office Building, Washington, D.C.

DEAR ED: The recent rise in the unemployment rate to 8.1% demonstrates that our economy cannot now be counted upon to provide sufficient job opportunities for the long term unemployed. There is a clear danger that sluggish economic growth throughout 1977 will not enable the unemployment rate to fall below 7%.

When the Senate Committee on Labor and Public Welfare held its mark-up session last March on the requests it would make to the Budget Committee for funding programs within its jurisdiction, I led the call to make provision for one-million public service jobs in fiscal year 1977. I argued that only an unusual economic recovery could generate enough jobs to obviate the need for an expanded program of public service employment. Since the summer quarter it became clear that the recovery had "paused" and it now seems clear that even with some improvement the early quarters of calendar year 1977 will not show significant enough forward movement to do what we must about unemployment; the rate is highly unlikely to fall below 7 percent of the labor force even by the end of 1977.

I believe that in Title VI of the Comprehensive Employment and Training Act we have a vehicle in place that meets both essential criteria—to put Americans back to work quickly and to target job creation in those areas hardest hit by unemployment. Also, the expressed views of President-elect Carter are thereby met.

I therefore reiterate my call of last March and urge you to ask the Budget Committee to make provision in a Third Budget Resolution for one-million Title VI public service jobs, an increase of 500,000 over and above the level contemplated in the Second Budget Resolution, when we had imminent expectation of less unemployment and earlier recovery.

I am quite cognizant of the budgetary implications of this request. With present estimates of the "absorption capacity" of prime sponsors, you might need to recommend an extra $3–4 billion for the remainder of fiscal year 1977, on the likelihood that prime sponsors could build up to an aggregate of 750,000 public jobs by October 1, 1977. But Congress must be willing to take action to create jobs as quickly as possible to maximize the impact of the fiscal stimulus package on the economy, even if—as I recognize—ultimately this may imply smaller total income tax reductions. I urge you to give top priority to the budget provision to allow of up to one-million public service jobs.

I do hope you will be able to bring my request to the attention of the members of the Budget Committee and that you will afford to me the same consideration you have always in the past.

With warmest regards,
Sincerely,

JACOB K. JAVITS.

U.S. SENATE,
Washington, D.C., January 19, 1977.

Hon. EDMUND S. MUSKIE,
U.S. Senate, Russell Office Building, Washington, D.C.

DEAR ED: In my letter to you of December 23, I urged the Budget Committee to consider making provision in an emergency, third budget resolution for an additional 500,000 public service jobs under the Comprehensive Employment and Training Act. This would bring the cumulative total of CETA public service jobs allowed for in the Function 500 ceiling to the one million level.

Since then, President-elect Carter has proposed an economic stimulus package which appears to include a public service jobs component that would accord with the level contemplated in the Second Concurrent Budget Resolution enacted last September, i.e., a cumulative 500,000 jobs. This number represents a modest addition of about 200,000 jobs over the level funded in the Continuing Appropriations Act. During Senate Labor and Public Welfare Committee hearings on his nomination to be Secretary of Labor, Dr. F.

Ray Marshall acknowledged that while he favors still significantly higher levels of public service employment, the decision to recommend no additions to the presently budgeted level was based upon his personal assessment of the capacity of CETA prime sponsors effectively to absorb additional funding.

There is considerable difference of opinion on this crucial question of prime sponsors' "absorptive capacity." I am certain that prime sponsors in areas of severe unemployment, for example, would have no difficulty absorbing significantly higher levels of public service employment. Given the wide regional disparities in unemployment that exist in our country, I believe it would be improvident and inequitable for Congress to restrain expansion of public service employment in our economically depressed areas on the ground that only some prime sponsors may not be able effectively to absorb new CETA job slots. Neither the inability of some prime sponsors' manpower systems to absorb additional funding, nor the absence of severe unemployment in some labor market areas can justify limiting the expansion of the CETA public employment program in those areas which are in desperate need of more of such help.

New York City's Commissioner of Employment, Mrs. Lucille Rose, informed a member of the Senate Manpower Subcommittee staff last Friday that, in her opinion, prime sponsors could build up to 750,000 CETA jobs by the end of fiscal year 1977 and to one million by the middle of fiscal year 1978.

In testimony before the Budget Committee on January 13, Kenneth A. Gibson of Newark, who is President of the U.S. Conference of Mayors, recommended that the CETA public service jobs level provided for in the budget be raised to a cumulative total of 750,000 by October 1, 1977. This recommendation was supported by Reginald H. Jones, Chairman and Chief Executive Officer of the General Electric Company, who concluded that, "as much as $5 billion of additional Federal funds could profitably be spent this year and next on an expanded Jobs Program . . . through the established CETA channels."

The proposal significantly to expand CETA jobs funding has also been made by the National Council on Employment Policy, which recommended on December 14, 1976, that the cumulative total of public service jobs be raised to the one million level in order to reduce unemployment to "7% or less within six months." The Council includes distinguished manpower experts such as Dr. Marshall, Charles Killingsworth, Bernard Anderson, Sar A. Levitan and Garth Mangum. Finally, and most importantly, I am informed that the staff of the Senate Budget Committee has reported to the Members of the Committee that, "It is currently believed that the Title VI program could be expanded from the presently appropriated 260,000 job level to 700,000 jobs by the end of this fiscal year and to one million by the middle of fiscal 1978." I believe this reflects estimates of the Congressional Budget Office that the public service employment programs could be increased to one million jobs in FY 1978.

In the Comprehensive Employment and Training Act we have an effective manpower delivery system to serve the cyclically and structurally unemployed. New targeting provisions in Title VI direct hiring in public service employment projects at those most in need. Half of all vacancies and all new slots must be filled by persons who have been unemployed longer than 15 weeks and who are in low income households. These new eligibility criteria tend to generate significant savings in Federal AFCE and unemployment compensation costs.

Furthermore, the CETA public service employment program incurs low per job costs, relative to public works employment and various tax reduction plans. When the savings associated with the above-mentioned eligibility criteria are taken into account, the net budget cost approximates $4,200 per job. This makes CETA by far the most efficient job creating vehicle in our arsenal of weapons to fight unemployment.

Finally, since the allocation formula in Title VI concentrates federal funds in areas of high unemployment, the program can easily be reversed if the economy improves significantly in 1977 and 1978.

On the basis of all these considerations, I urge you once again to consider raising the Function 500 ceiling to incorporate sufficient new budget authority to fund a total of 750,000 CETA public service jobs by the end of FY 1977 and a total of one million jobs by the middle of FY 1978. I understand that such provision might require additional budget authority of about $3.5 billion in FY 1977 and $3 billion in FY 1978. With unemployment so high in our cities and among minority groups, we can do no less.

With warmest wishes,

Sincerely,

JACOB K. JAVITS.

REVIVING THE RECOVERY BY DIRECT JOB CREATION

A national consensus is emerging to the effect that the economy must have some further stimulus to revive the stalled recovery. Informed discussion increasingly has been directed to the question, how, not whether, the stimulus should be applied.

The National Council on Employment Policy believes that too much of the public discussion, especially by economists, has centered on tax cuts to the exclusion of other options that are more effective for combating unemployment. We agree with President-Elect Carter, who has repeatedly emphasized that the most immediate problem facing the nation is the creation of more jobs. Recent research and experience have convinced us that direct job creation is the most effective and least expensive way to reduce unemployment.

The Congressional Budget Office recently published estimates[1] which imply that the net cost per job created by a public employment program after 24 months is $2,600 to $3,500. The comparable cost per job created by tax-cutting is $17,000 to $21,000. Thus, indirect job creation by tax-cutting is far more costly than direct job creation. The latter type of program is also much superior in terms of its inflationary impact, the time needed for maximum effect, and the degree to which the areas and persons most in need of help are directly benefited.

We recognize that reasonable arguments can be made for consideration of tax cuts on grounds other than their job-creating potential. But the nation should understand how serious the current unemployment problem is. For nearly six months, according to most economic indicators, the recovery from the recent severe recession has been stalled. The national unemployment rate has remained close to the 8 percent level, and in November the rate rose to 8.1 percent. This is the highest unemployment rate in the entire postwar period after 20 months of recovery. The November rate is higher than the highest rate at the worst point of any of the earlier postwar recessions.

The reported rates for some labor force groups, industries and geographical areas are, of course, much higher than the national average. In recent months, black teen-agers, for example, have had unemployment rates of 35 to 40 percent. The rates for construction workers have been 15 to 18 percent. Some large cities have had rates more than double the national average. Furthermore, hundreds of thousands of people have been out of work for so long, and have become so discouraged, that they are no longer actively seeking the jobs that they believe are non-existent, even though they are willing and able to work. These people are not included in the official unemployment statistics. A recent report to the Joint Economic Committee emphasizes a poorly-understood relationship between increases in unemployment and increases in stress-related illnesses such as strokes, heart attacks and mental illness. Crime rates also rise during periods of high unemployment. No industralized nation is rich enough or strong enough to bear the human and material costs of extremely high unemployment rates indefinitely.

TAX CUTS

In the belief that our most urgent need now is more jobs, we point out the weaknesses of tax cuts—in addition to excessive cost—as a means to that end.

(1) The direct benefits of tax-cutting are not likely to go to the geographical regions and the labor force groups most adversely affected by unemployment and underemployment. Indeed, even the indirect benefits of tax cuts have little effect on those worst off. Because the direct benefits of tax cuts are spread widely over the entire economy, some of the increased demand which results will go to the industries, areas and occupational groups where demand is already relatively high. Thus, tax-cutting as a means of stimulating the economy holds a greater danger of creating inflationary bottlenecks than do the alternative methods.

(2) There appears to be little likelihood that Congress could complete legislative action on a tax-cut proposal quickly. Should the cut be temporary or permanent? What proportion should go to corporations, and what proportion to individuals? How big should a tax cut be? How should it be divided between high-income and low-income taxpayers? Is a rebate on 1976 tax liabilities better than a reduction of current withholding, or should there be some combination of these? Will a tax cut now decrease the possibility of tax reforms later?

All of these, and more, are questions about which reasonable persons may differ, and the resolving of differences may consume a substantial amount of time. After legislative action is completed, the Internal Revenue Service may need more time to revise regulations, print and mail forms, await returns, and write and mail checks. Given these kinds of delays, the tax-cutting approach may produce few new jobs before midyear or even later.

(3) The initial benefits of tax cuts obviously go only to those who pay federal income taxes—and this is mainly those who already have jobs. Under most tax-cut proposals now being discussed, the largest benefits would go to those with higher incomes. Except for the few unemployed who have had some taxable earnings or other income during the year, this group gets no direct benefits from a tax cut; generally, the unemployed are benefited only indirectly as tax savings or rebates are spent by those who initially benefit from them.

(4) Slippages reduce the benefits of tax-cutting before they reach the unemployed. The taxpayer who gets a rebate or tax reduction may save most of it, at least for a while; an estimated 80 percent of the tax rebate of 1975 was saved in the quarter it was paid.[2] The producers of goods and services may simply lengthen the working hours of those already employed if the demand for their products increases modestly. Dealers in goods may choose to draw down inventories before adding to payrolls.

DIRECT JOB CREATION

The most obvious alternative to tax cuts as a means to increase the total number of jobs in the economy is an expansion of the existing programs for direct job creation. We believe that the advantages of this approach are substantial.

(1) A direct job creation program has its largest, most immediate impact on the unemployed. All of the money (except for a small percentage for materials and super-

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Footnotes at end of article.

vision) goes immediately and directly into the pockets of newly-hired workers.

(2) The benefits of a direct job creation program can be sharply focused on geographical areas and labor force groups that are most severely affected by unemployment and underemployment. Such focusing was undertaken through the addition of amendments recently to Title VI of the Comprehensive Employment and Training Act. Additional legislative action on this point at this time is unnecessary, except to make clear that additional funding for direct job creation shall be governed by these rules that are already in the law.

(3) The ability to focus the impact of a direct job creation program greatly reduces the inflationary impact of this type of expenditure compared with other forms of economic stimulus. Newly-hired workers under such a program tend to spend a large percentage of their pay locally, and many of them will be in depressed areas with substantial amounts of unused capacity, at least in the service-producing firms. The likelihood of inflationary bottlenecks is less with a focused direct job creation program than with an unfocused income tax cut.

(4) Although the initial benefits of direct job creation occur in the public and non-profit sector of the economy, the wages paid to those newly-hired will be spent almost entirely in the private sector. This spending will create additional jobs in the private sector. A conservative estimate is that each new job in a public employment program will indirectly create one other new job on the private sector.

(5) The existing public employment program could be expanded quickly. The necessary administrative machinery is in place and functioning. Substantial numbers of workers could be hired in a few weeks, and the totality of any expansion authorized and funded could probably be carried out in less than six months. With local units of government almost everywhere cutting back on educational expenditures (in constant dollar terms) and reducing essential services, there is certainly no shortage of useful work to be done.

(6) One virtue of direct job creation is its flexibility. Jobs can be established in public schools, in non-profit enterprises, in work experience programs tied to school systems, in public works, and in many other kinds of activities as well as the conventional jobs in government offices. The variety and usefulness of the jobs will be limited only by the ingenuity of the designers of projects.

PUBLIC WORKS

A public works program ranks somewhere between direct job creation and tax cutting on most of the points discussed above—focused effect, jobs for the dollar, direct impact on the unemployed, inflationary effects, and speed of implementation. Contrary to the commonly-held view, the economic impact of public works need not be delayed. Most potential recipients of funds have projects on which the engineering work has been completed. In fact, it is reported that proposals worth about $15 billion have already been filed for the new public works program that will provide a fraction of that amount.

There is one substantial advantage of public works: Most projects have as an end result a tangible product which is a permanent addition to national wealth. The nation is still walking on sidewalks, driving on roads, and using bridges, schoolhouses and parks that were built as part of work relief projects during the Great Depression. The National Council on Employment Policy believes that a further substantial investment in public works is justified.

MANPOWER TRAINING AND OTHER SERVICES

This Council recently published a survey of the research of the past decade on the worth of manpower training programs.[3] Our finding was that the overwhelming weight of the available evidence supports the conclusion that, with few exceptions, the manpower programs of the 1960s and 1970s will repay substantially more than their costs by their private and public returns—primarily in the form of higher earnings, steadier employment, reduced welfare payments, and increased tax payments. The real cost of training is less when the trainees would otherwise be idle than when they must pass up jobs to get training, and for this reason many other nations systematically increase their training outlays when unemployment rises. While precise figures are hard to get, it seems reasonably certain that in the U.S., manpower training outlays have not increased at all during the recession or the limping recovery.

We believe that the value of the public employment and public works programs recommended above could be considerably enhanced by including in them a significant training component, and that substantial segments of the unemployed labor force could benefit from expanded manpower training and other service programs. It seems penny-wise and pound-foolish to stint on the kind of program that is likely to more than pay for itself over the long run.

CONCLUSION

(1) We repeat our recommendation of last February[4] that the present public employment program be expanded to provide a minimum of one million jobs (about 650,000 above the present level). The initial gross cost of this expansion would be approximately $5 billion per year. Taking account of the additional jobs indirectly created by this expansion, we estimate that this single action would reduce the national unemployment rate to 7 percent or less within six months.

(2) We further recommend that $2 billion be added to the public works program. The estimates of the Congressional Budget Office indicate that this expansion would initially create another 112,000 to 140,000 new jobs within 12 months, and the indirect effects of this expenditure would create an approximately equal number of jobs, for a total of roughly 250,000 jobs. Hence, these two program expansions together would bring us within striking distance of President-Elect Carter's stated goal of a reduction of 1.5 percent in the national unemployment rate in 1977. This assumes, of course, that the economy will continue to grow at a rate sufficient to absorb the growth in the size of the labor force.

(3) We also recommend the expansion of manpower training funds by at least $1 billion. Part of the total sum should be directed toward on-the-job training in private firms. This expansion of manpower training would increase the effectiveness of the public employment program if the two were coordinated, and it could make some contribution to the effectiveness of the public works program. In addition, more attention to manpower training would be a profitable investment for the future of the country and its labor force.

(4) We would not preclude consideration of a tax cut of modest size in addition to the foregoing increases in expenditure. The debate over the details of the tax cut should not be permitted to delay action on direct job creation through public employment and public works. Furthermore, if the recommended expenditure increases are made, then obviously any tax cut should be smaller than it would be if tax-cutting were the only form of economic stimulus. And we believe that any tax cut, regardless of its size, must be justified on grounds other than its direct job-creating effects. A tax cut may be structured to provide some general stimulus for private investment, for example. Expenditure increases alone may not provide all of the stimulus needed by the economy, which may be slipping into a new recession without having completely recovered from the last one. Developments in the near future will reveal the magnitude of the additional stimulus needed. But employment policy should rest on the cornerstone that more jobs can be created more quickly and at less cost by means other than tax-cutting.

FOOTNOTES

[1] Congressional Budget Office, *Temporary Measures to Stimulate Employment: An Evaluation of Some Alternatives* (Washington: U.S. Government Printing Office, 1975), Summary Table 1, p. v.

[2] *Economic Report*, 1976, p. 64.

[3] NCEP, *The Impact of Employment and Training Programs* (Washington, November, 1976).

[4] NCEP, *How Much Unemployment Do We Need?* (Washington, February, 1976).

Mr. JAVITS. The second point which deserves note is that the budget resolution provides the necessary allowance for an extension of the Federal supplemental benefits program for the unemployed. We are still experiencing an unemployment rate which is really intolerable and unacceptable. One of the great achievements of the previous administration, and which was joined in very strongly by the Congress, was that President Ford led in the feeling that a man who was unemployed, through no fault of his own, if we humanly can avoid it should not be made to resort to welfare in order to keep his family together, and, therefore, he was entitled to the best we could do for him in unemployment compensation where he had a feeling of dignity and which came to him as a right.

This program extended as long as 26 weeks, which we had in the Federal State program, plus an additional 26 weeks, which we had in the Federal programs, plus 13 weeks. By use of various triggers that has been brought down to a figure of roughly 52 weeks. I have introduced legislation to extend the program beyond March 31, 1977, when it expires by statute. The Budget Committee has accommodated the figures on that score and provided $508 million in the necessary budget authority and outlays.

I point out, Mr. President, that in the FSB program we are dealing with huge figures. There were 2,313,000 who drew benefits under that program in 1976. The Department of Labor's best estimate for 1977 is 1,690,000. These are people who have added responsibilities to themselves, who head families, or they are working women with families. Hence, it is a very significant factor in American life.

The last point I would like to refer to is very significant, Mr. President. The Budget Committee, realizing that at least half of our unemployment is structural unemployment, has accepted the proposition that we have to target unemployment relief programs to those who are the heaviest affected. There is no doubt, Mr. President, that the most heavily and adversely affected in this country are the youth.

Mr. President, I wish to commend the members of the Budget Committee for their foresight in including in the resolution before us provision of sufficient budget room for the startup of a youth

employment title in the Comprehensive Employment and Training Act in fiscal year 1977.

Many bills have been introduced in this session of the 95th Congress—including S. 170, the Comprehensive Youth Employment Act, introduced by Senator HUMPHREY, myself, and others; S. 503, the Youth Employment Act, introduced by Senators MCCLURE, DOMENICI, BELLMON, myself, and other Republicans; S. 1, introduced by Senator MATHIAS; S. 306, introduced by Senators STAFFORD, RANDOLPH, and others; S. 494 introduced by Senator JACKSON and others; S. 20, introduced by Senator CRANSTON and others; and S. 680, introduced by Senator SCHWEIKER.

Some of the authors are in the Chamber now. Some of the bills start at the age of 16, some of the bills start at the age of 18, but include youth, roughly speaking, up to 24 years of age. Half of our unemployed are under that age. The deplorable figures of 40- and 50-percent unemployed in the slums and ghettos of our large cities, not just New York but every large city, and I say that advisedly—every large city—are simply shocking, shocking socially and shocking governmentally and economically.

It would be very simple to have a race here in the Chamber as to whose youth plan should pick up all this money. This is no way to legislate, to leave that race to the swift or to those who might find an opportune moment to press their particular approach.

There is no question but that a consensus is emerging in the Senate to enact youth employment legislation in this session. In accordance with the provisions of the Congressional budgetary process, such a bill must be reported no later than May 15, if it is to receive an appropriation for the fiscal year commencing October 1.

I am convinced we can act expeditiously in the Committee on Human Resources to mark-up and report a bill for Senate consideration before May 15. If youth employment legislation is indeed enacted by Congress in this session, it is likely that significant start-up costs would be incurred in the remaining months of fiscal year 1977. For this reason, the action of the Budget Committee in including $300 million in Function 500 for starting up a comprehensive youth employment program is so wise and so important. Provision of budgetary authorization at this time represents the needed first step toward Senate consideration of youth employment legislation promptly.

In the coming weeks, when the Human Resources Committee makes its recommendations to the Budget Committee for funding its authorizations in fiscal 1978, I will hope to move for full funding of a CETA youth title and that the Budget Committee will continue to perceive youth unemployment as the social and economic calamity it truly is and provide sufficient availability in the fiscal year 1978 budget to build upon the foundation so wisely provided in the Resolution now before us.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUSKIE. Mr. President, I yield two additional minutes to the Senator.

Mr. JAVITS. I thank the Senator. Therefore, it will be my objective, Mr. President, as I am the ranking member of the committee which deals with this problem in the Labor Committee, which is organizing at 2:30 today, to seek a set of hearings by either the committee or a subcommittee concerning these youth bills, with the objective in time—and that is the critical factor—of giving to the Senate our best advice as to what ought to be the youth bill, not so much anybody's particular bill as some set of solutions, but the most opposite to the problems which we face.

Again, it is an area in which we have had great experience and it is an area in which, I believe, Mr. President, the Senate is very well capable of designing a suitable package which will be a credit to us.

I ask the chairman of the Committee on the Budget and the ranking member whether or not they would approve of this method of proceeding as being in line with the general ideas which they had in giving us this availability in the budget so that we could move within an accepted budget figure.

Mr. MUSKIE. May I say, speaking for myself, and I think for all the Committee on the Budget, not only do I approve it, I applaud it.

The distinguished Senator from New Mexico (Mr. DOMENICI) was particularly insistent upon developing new approaches to the structural unemployment represented by the youth of our country and we had considerable discussion in the Committee on the Budget. As the Senator knows, we are not a program committee. It is not for us to resolve the issues posed by the different approaches that have been suggested by, I think, some seven pieces of legislation that have been introduced in this field.

There is the Senator's own bill, which he cosponsored with Senator HUMPHREY. There is a Mathias bill, there is a Cranston-Kennedy bill. There is a Jackson-Magnuson bill—two Jackson-Magnuson bills. There is a Public Works Employment Act which is before the Committee on Public Works, sponsored by Senators RANDOLPH and STAFFORD. Then there is the McClure-Domenici-Bellmon bill. All of these pieces of legislation have elements to commend them to our attention.

I think that, in order to avoid the competition that the Senator referred to with the funds made available in the budget resolution, there ought to be a resolution of these issues in the committees which have jurisdiction over them. It seems to me that the Committee on Labor is the appropriate forum. I am most appreciative to the Senator for his interest in doing this.

I would appreciate it if my good friend from New Mexico (Mr. DOMENICI) would indicate his reaction to it.

Mr. DOMENICI. I thank my chairman.

Mr. JAVITS. He originated it.

Mr. DOMENICI. I spoke to the Senator from New York today, not here on the floor, because I understand this budget resolution is only going to accommodate a given amount—although these are only guidelines or targets—for youth unemployment, and I see three or four thrusts around, all good bills. But I certainly hope that no one tries to approach this with the notion that the bill which comes to the floor the quickest will have the only vote on it, because, to the extent that we ought to look at the total available dollars and determine which is the best approach or combination of approaches, it appears to me that leaves us all in a position, if we avoid that, to support a major thrust. Otherwise, we are going to be left with a position such that, if the first one comes here, we have to vote either yes or no or our good chairman has to say, that is all you are going to fit into the budget. Then if it passes, we have to be against youth employment.

It appears to me that the leadership here ought to take hold. That is not my prerogative. We ought to come up with a package and fit it within the target.

Mr. JAVITS. Mr. President, I believe the labor committee, in its employment subcommittee, if we cannot get a full committee hearing—and I am going to try for a full committee hearing—should be able, as we have dealt with this subject many times, to put together a suitable package. I wish to thank, because I think the Senate owes them thanks, all who have offered these bills and the Republican stimulus package if at all agreeable with the plans of President Carter, contains a tentative version of the Domenici bill, which he has with Senator BELLMON and others. So I believe we have a bipartisan approach and we shall do our best to do the job.

I think the suggestion about the leadership is excellent. I shall do my best to get Senator WILLIAMS to go to his leadership to see that our committee is permitted to follow the matter through if it acts promptly, and I am sure it will. I shall do the same with our leadership.

Mr. MUSKIE. May I add to the Senator that the new Secretary of Labor, Mr. Marshall, is intensely interested in working on structural unemployment. I think he would welcome an opportunity to work with the committee and the leadership, if the leadership responds to the suggestion, for the purpose of resolving these issues.

Mr. JAVITS. I thank my colleague. We have his full assurance that he will work with us in whatever way we wish in order to see that whatever we do is practical in terms of the problem.

I thank my colleague.

Mr. BELLMON. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. BELLMON. I compliment the distinguished senior Senator from New York for the work he has done in the area of youth unemployment. It was a great deal of his guidance that went into the Youth Employment Act, which three of us joined in cosponsoring, and which I believe offers some real hope in solving this problem.

The point I want to make is that this budget resolution now before the Senate is sufficiently flexible to allow the accommodation of programs of that kind. We do not, as has been said, mandate which programs shall finally be funded, but

rather, make provisions so Congress can work its will on these programs once the programs have been proposed.

Mr. JAVITS. We think it is adequate for the purpose. Senator DOMENICI does as well, and, obviously, Senator MUSKIE does. I believe we can fashion what is needed within the parameters of what the Committee on the Budget has done. I again express my deep feeling that the Committee on the Budget has served the country unusually well in this particular matter at this particular moment. Our job will be to use the moment well.

I thank my colleagues very much for their cooperation.

The PRESIDING OFFICER (Mr. MATSUNAGA). Who yields time?

Mr. BELLMON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. DOMENICI. Will the Senator yield for a parliamentary inquiry?

Mr. BELLMON. I yield.

Mr. DOMENICI. Mr. President, what is the time situation on the bill pending before us?

The PRESIDING OFFICER. There were 4 hours remaining when debate began today.

Mr. DOMENICI. I thank the Chair.

I thank the Senator from Oklahoma.

Mr. BELLMON. Mr. President, it is my intention to support the budget resolution, as I said in my statement yesterday. There are some points I would like to make, very briefly, in that connection.

The first is that the Committee on the Budget has, in preparing this resolution, set what I consider to be an upper limit on spending. It does not mean that those of us on that committee who voted for the budget resolution feel that we should, that Congress should spend all the money or that all this spending is even necessary. What we did was set a policy flexible enough and a figure high enough to accommodate the actions that Congress may later wish to take. I do not personally feel compelled to support all the spending initiatives which could occur under the terms of this resolution.

The Committee on the Budget has essentially recommended that efforts to stimulate the economy at this time should be primarily through tax reductions rather than through big additional Government spending programs. I think that point is important. It is one that Members should not miss. This budget does not anticipate a large increase in Federal spending; rather, it does anticipate tax reductions of one kind or another that we hope will help to stimulate the economy and get people back to work. The main hope here is that consumer purchasing will go up and business confidence will rise, and that the economy will then take on a healthier tone and maintain that tone for longer than would be the case if the level of Fedreal spending were to rise by any significant amount.

The resolution before us will accommodate a wide range of alternatives, although clearly not everything that everyone may want to do can be accommodated. There is room in this budget resolution for the proposals of the new Carter administration although, in my mind, many of those will not finally become law. If that is the case, then perhaps some of this spending authority that we make room for will not be needed.

There is an increasing amount of reservation being expressed through Congress about parts of the Carter package, and even though this resolution makes room for it, it is my judgment that entire package will never become law.

The stimulus proposal the Republicans had worked out on the Senate side would also fit under the terms of the resolution and, if the Congress decides that is the better package, that can be accommodated.

Mr. President, on my own part, I favor strongly the permanent tax reduction, rather than the temporary tax reduction, because I feel it has a far more lasting effect on the economy, and while we would not have quite the same quick kick we would get from the tax rebates, I believe the economy is better off having the permanent tax reduction than from getting a $50 rebate that Mr. Carter has proposed.

Mr. President, the experience of the Congress in dealing with the new budget process I believe has been excellent to this time. It is my intention to support this resolution primarily because I believe the budget process does deserve the support of the Congress.

Those of us who work in the budget process I believe need the support on the conclusions of the committee there.

I am going to support this resolution even though there are parts of it which give me concern.

The PRESIDING OFFICER. Who yields time?

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I wish to have some time before we vote. Is there some time left?

Mr. MUSKIE. Yes; how much time does the Senator wish?

Mr. DOMENICI. Ten minutes.

Mr. BELLMON. Mr. President, I yield 10 minutes to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am not sure I will take the full 10 minutes.

I did not support the third concurrent resolution when it was voted out of the Budget Committee. I think our chairman and the ranking Republican know I have always been a part of the debate and discussion and I have generally found myself on the side of supporting the resolutions that we bring forth, be they first or second. Generally, I understand that I cannot expect to get exactly what I want and neither do the other members of the Budget Committee.

In fact, I think it is commendable that a number of Senators, including our chairman and our ranking member, have ended up supporting our resolutions when, as a matter of fact, throughout the markup and debate they have not always gotten their way—in that respect, specifically, I believe I should say, such is the case of our chairman. I think on a number of occasions he would have preferred other target figures, especially in some of the social programs, but when they did not come out that way he has been a staunch supporter.

This particular resolutions finds me in a little different position because we are being asked under a new system, the Budget Reform Act and our resolution approach to it, to address the issue of a lingering recession and to pass judgment on how much we ought to change our budget limits in order to accommodate a stimulus. So it is kind of a midstream adjustment.

I said yesterday in dicussing this with our chairman that I do not argue about the need for a stimulus package. But in this particular instance I am going to again vote "no" on the floor as I voted "no" in a committee vote on the resolution itself. I wish to explain to Senators and for the record why.

First of all, it has been said that this particular resolution and the changes in the figures by function and in the revenue estimates are not programmatic—and they are not—and that there merely is a flexibility here for a number of different courses and solutions.

I am not going to go into the figures that address the specific functions because I think basically there are probably just different programs that I might have in mind versus what we come up with or what people might think this particular resolution is going to accommodate.

But as one reason for not supporting it, let me just address the total revenue figure.

I think it has already been said that most of this stimulus package for fiscal year 1977 is going to be accomplished by adjusting the revenue figures. I say right now that I do not support the proposal to rebate to Americans $50 each.

I may end up supporting it for older Americans and for fixed income Americans, but we do not find that in the revenue figures. That is found in a functional area because that is included as a payment rather than a reduction in taxes.

But within the reduction in revenues estimate, my recollections are these: The second budget resolution had a revenue figure of $362.5 billion and as we looked at this in preparation for a third concurrent resolution we found that we have underestimated there and we have had to reduce that by $6 billion. So we went into these hearings with a revenue estimate of $356.5 billion. It is from that figure that I will just give my example.

What we have basically done is to reduce that figure of revenue expectation from $356.5 billion by $12 billion. Then

we have estimated that there would be a reflow back through of $2.3 billion, meaning that whatever we do with that reduction by leaving it out there among Americans, some way or another, we follow pretty good economic modeling and yet we will bring back $2.3 billion. That is what I mean by reflow.

So that the net revenue figure we are setting in this resolution is $346.8 billion.

Mr. President, I believe that the reduction of revenues by $12 billion is too much flexibility for what we need for economic adjustment. It is basically used up by the $50 rebate approach to most Americans, other than those on social security and SSI who are taken care of on the spending side of the budget.

I am firmly convinced that we need not provide that much flexibility because that would permit, on the one hand, more stimulus than we need and, on the other hand, it probably is going to be construed to accommodate the $50 rebate package. I am convinced we could get by and do a better job with a permanent tax cut.

Yes, I would say even if we made that permanent tax cut retroactive to January 1, we would basically cut the deficit by about $2 billion because we could get by with a reduction of revenues of at least $2 billion less than what we will do in this third concurrent resolution.

So, by way of making my views felt, I must vote "no": because I am convinced that we do not need the package with the outside limits that will fit this resolution. The only way I have of saying that I do not think the outside limit on revenues is anywhere near the best, anywhere near the most effective, is by voting no and in the RECORD explaining as I have that we could get by and do a better job with a smaller deficit. I would like to set the parameters at less so that we do not accommodate that package, which I think is far from the best.

Having said that, I also wish to make one other observation.

This Senator understands this resolution and the report to indicate that most of the things we have changed in this third concurrent resolution have been changed in response to the need for a stimulus package. I hope that, to the extent that we do not, programmatically and by changes in our law, use up the added amounts in the functions or use up the reductions in revenues, we will all understand that they were not intended to be there to float around in the event we do not use them in a stimulus package to be taken up by other programs that we might dream up or add to, because clearly that was not the purpose of the third concurrent resolution.

We principally began this discussion weeks ago and bring it to the floor now to accommodate a stimulus package, not as a way of finding money for programs that we already have passed upon, or casual modification of our second concurrent resolution. I, for one, will be watching that, as I know the other members of the committee will be doing. I hope that we do not think we have given ourselves a great deal of latitude to add things we have heretofore said we could not afford, under the guise of stimulus, because that was not our intention.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MUSKIE. Mr. President, I should like to make a few observations, and then I will yield to the distinguished Senator from California.

The Senator from New Mexico and I discussed at some length yesterday the issues he has raised today to underscore his decision to vote against the concurrent resolution. I certainly am not going to depart from the attitude I expressed yesterday.

I understand, of course, that Members often have difficulty balancing judgments to make in deciding whether or not to support the budget resolution, whatever their reservations, or to oppose it because of their reservations. Often, it is a very close question. But when one considers this budget resolution, one should consider these basic questions:

First, how much stimulus do we need? The answer to that question is not scientific. It is pretty difficult to come up with an answer with precision.

The President's stimulus package was, roughtly, $31 billion divided between fiscal years 1977 and 1978. The Republican package, as I recall it, was something like $26 billion. I think the Senator from New Mexico yesterday said that his quarrel was not really so much with the total amounts of the stimulus package as it was as to its makeup.

So I suspect that we are talking not about the differences in the amount of stimulus, but, rather, the details of the program that make it up.

The second question that one needs to answer is, How much of this stimulus should take the form of tax cuts or rebates or reductions of one kind or another, and how much should take the form of direct spending programs to deal with unemployment?

On the tax feature, this bill provides for $12 billion of reductions in fiscal 1977, without specifying—I emphasize this—the kind of tax policy that should be accepted by Congress when the tax writing committees are finished doing their job. So we are talking about $12 billion as stimulus by way of the tax code, leaving the details to be decided later by each House of Congress when the tax writing committees have made their recommendations.

Do we need $12 billion of stimulation through the tax code in fiscal 1977? I happen to think we do. I happen to believe that the people of the country are looking for some indication now that we think the economic conditions which have created problems for them require action now.

No specific proposal is offered to the Budget Committee as to any other way of getting that amount of stimulus through the tax code now. If one concludes that that much stimulus through the tax code now is unnecessary or that it is counterbalanced by a longer term need for the kind of response from the economy that a permanent tax reduction would produce, then you come down with the answer of the distinguished Senator from New Mexico with respect to the budget resolution.

I certainly would not quarrel with the committees. There are arguments on both sides. But I happen to believe that we need the stimulus now. We need the continuity of a 2-year program, and this is the rationale of the Carter administration.

So, beginning with that stimulus now, the administration package follows with a permanent tax reduction package at a $4 billion annual rate, in the form of an increase in the standard deduction, and a smaller optional business tax reduction feature relating to taxes on wages and the investment credit.

Finally, of course, one has to ask this question: Do we, in addition to the stimulus provided through the Tax Code, require some action by way of direct spending programs to create public sector jobs when in the private sector we are facing unemployment on the order of 7 to 8 million people, or 7.5 percent, roughly? I think that both sides of this issue which has been raised by the distinguished Senator from New Mexico agree that we do need some direct spending programs.

So that what we are talking about, really, are questions that cannot be and are not finally resolved in the budget resolution. What we are talking about are questions the resolution of which can be accommodated by the budget resolution. The amount of dollars that would shift, depending upon which way the issues raised by the distinguished Senator from New Mexico are resolved, is not all that much in terms of the totals with which we are dealing.

So I think that, as in the past, this budget resolution accommodates a wide range of views as to what needs to be done and, as such, is an appropriate vehicle for the Senate and the House to begin the debate and the dialog on precisely what tax programs and what job creating programs we will put in place.

That is all a budget resolution can ever be. No budget resolution we have ever adopted can resolve finally all of the programmatic decisions the Congress makes in the course of a session, and this one does not. It does not presume to do so, and it should not.

It is for that reason that I think really the view of the Senator from New Mexico and the view of the Senator from Maine are equally accommodated under this budget resolution. His might involve somewhat less by way of dollars on the revenue side, and that is significant to him, and it should be significant to him because he believes it.

But I thought it would be helpful to put in the RECORD, following his observations, this analysis of the committee position, at least the position of a majority of the committee, and I am happy to yield to my friend from New Mexico.

Mr. DOMENICI. I thank the Senator from Maine.

Let me say I do not disagree with most of what the Senator said except that I would like to make sure what I have been talking about is not categorized as being a future stimulus and that the Senator

from Maine has been talking about a more present stimulus. I think the Senator from Maine knows I have been saying a permanent tax cut plus even a retroactive tax cut, and I think all of that could be accommodated and still be more effective and less costly than the rebate proposition.

What I am arguing about is I do not think we need $11.4 billion of the $12 billion revenue reduction by way of rebates. I just do not think that much is needed. I think we can have a present stimulus which will be just as effective, with more confidence building and more longevity built into it, less potential for a spurt and more potential for some strong, durable thrust, less opportunity for people to put this money in the bank and more opportunity for them to spend it on things they need if it is permanent and comes with everyone's check rather than a $50 rebate.

I have tried to put that philosophical difference into the record by way of justifying a serious difference, although it is only about $2 billion in the amount of revenue reduction that we ought to try to accommodate in the revenue reduction aspect of the third concurrent resolution.

I thank the Senator from Maine.

Mr. MUSKIE. Mr. President, I ask unanimous consent to have printed in the RECORD a table which shows the revenue effects of the tax reductions which Congress produced in 1975–76.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

REVENUE EFFECTS OF 1975–76 TAX REDUCTIONS

[In billions of dollars]

	Fiscal year 1975	Fiscal year 1976	Transition quarter	Fiscal 1977
TAX REDUCTION ACT OF 1975				
Individual:				
Refund of 1974 income taxes	−8.2	−0.2		
Increase in standard deduction	−.5	−2.0		
General tax credit	−1.0	−4.3		
Earned income credit		−1.2	−0.1	
Home purchase credit		−.6		−0.1
Other		−.4	(1)	−.4
Subtotal, individual	[2] −9.7	−8.7	−.1	−.5
Corporation:				
Investment credit	−.8	−2.8	−.5	−1.8
Corporate rate reductions	−.4	−1.1		
Percentage depletion	+.5	+1.7	+.3	+2.2
Other		+.2		+.6
Subtotal, corporation	−.8	−2.0	−.2	+1.0
Total	[1] −0.5	−0.7	−.2	+.5
REVENUE ADJUSTMENT ACT OF 1975				
Individual:				
Increase in standard deduction		−.5	−.2	−.1
General tax credit		−4.1	−.6	−.3
Earned income credit				−.7
Subtotal, individual		−5.5	−.8	−1.1
Corporate rate reductions		.6		−.4
Total		−6.1	−.8	−1.5
TAX REFORM ACT OF 1976				
Individual:				
Increase in standard deduction			.8	−4.1
General tax credit			−1.7	−9.5
Earned income credit				−.7
Subtotal, individual			−2.5	−14.4
Corporation:				
Investment credit				−1.3
Corporate rate, reduction				−1.7
Subtotal, corporation				−3.0
Total			−2.5	[3] −17.3
Grand total	[1] −10.5	−16.8	−3.5	−18.3

[1] Less than $50 million.

[2] In addition, the Tax Reduction Act of 1975 included a 1-time payment of $50 to each social security, SSI or railroad retirement beneficiary (at a cost of $1.7 billion) and a temporary extension of emergency unemployment compensation payments (at a cost of $200 million).

[3] The Tax Reform Act of 1976 also included revenue increases from tax reform of $1.6 billion in fiscal year 1977.

Note: Details may not add to totals due to rounding.

Mr. MUSKIE. The Tax Reduction Act of 1975, for example, included a refund of 1974 income taxes which reduced revenues $8.2 billion. That compares to the present proposed rebate of 1976 income taxes of $9.6 billion. So the tax program of 1975 was comparable to the one proposed here to that extent.

It was just as temporary as the temporary one we are considering now. It had no effect beyond fiscal 1976.

I have put the whole table in and I would like to refer to other items.

There was an increase in the standard deduction in that program of $500 million for fiscal year 1975, and $2 billion in fiscal 1976; there were no fiscal 1977 effects, so, as enacted in March 1975, it was temporary.

There was a general tax credit of $1 billion net in fiscal 1975, which had a $4.3 billion fiscal effect in fiscal 1976, and, as enacted in March 1975, no effect in fiscal 1977.

There was an earned income credit which, as enacted in early 1975, had a fiscal effect in 1976 of $1.2 billion, an effect of $100 million in the transition quarter, and no fiscal effect in 1977. So all those items were temporary tax reductions.

Then there were others which will appear in the table. I will not go through all of them in this oral presentation.

These are the tax policies we relied on in Congress over the last 2 years to stimulate the recovery which has taken place since the spring of 1975, largely in response to that tax policy, and which many people on this floor think is proceeding so well—you have heard at least one speech to that point today—that additional stimulus is not needed, and there are some outside Congress who believe that additional stimulus is not needed.

So on the question of whether or not temporary tax cuts, including tax rebates, do have a stimulative effect, and a healthy stimulative effect, on the economy, this record, of course, speaks to that point. It is for that reason I have asked that this table be included in the RECORD, and I appreciate the opportunity to do so.

Mr. President, I am happy to yield to the distinguished Senator from California for 7 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 7 minutes.

Mr. CRANSTON. Mr. President, I want to thank the good chairman of this committee once again for his excellent work in guiding the committee on the budget resolution; also the distinguished Senator from Oklahoma (Mr. BELLMON), and the other members of this committee.

We are here once again testing for the first time one more part of the congressional budget process.

We are faced with new and mounting evidence that recovery from the throes of deep recession is well behind the schedule we set in adopting the second budget resolution for fiscal year 1977 last September.

The newest data shows that the economy grew by less than 3 percent during the final quarter of calendar 1977—even before the full impact of this terrible winter has been recorded and the effect of the drought out in the West, in California, and elsewhere.

Mr. President, that growth is not enough.

It is not enough to achieve our modest goal of reducing the unemployment rate to 6 percent by the end of 1977.

It is not enough to reduce unemployment at all.

It is not even enough to sustain the slight reduction of unemployment we had previously accomplished.

Our target in adopting the second budget resolution was to maintain an economic growth rate of 6 percent during 1977—that is the key to reducing unemployment.

Obviously, we are far from hitting that target.

Even at the time that we adopted the second budget resolution, we recognized grounds for concern:

The recovery was slowing down.

Unemployment had risen for 3 consecutive months.

And we recognized that our economic projections might prove overly optimistic and require stronger Federal action to alleviate the problems of extended unemployment.

Now the time has come to take that action through the corrective mechanism of a third budget resolution, designed to stimulate the economy and get recovery moving forward again.

Mr. President, the Budget Committee, under the able leadership of the Senator from Maine (Mr. MUSKIE) and with the outstanding cooperation of the Senator from Oklahoma (Mr. BELLMON), has produced just such a resolution.

I am happy to rise in its support.

The committee has come forth with adjustments in the budget resolution that will permit the adoption of the entire stimulus package recommended by the Carter administration:

This resolution would lower the revenue floor sufficiently to permit the adoption of the $12 billion tax reduction proposed by President Carter in addition to accounting for the lowered revenue estimates resulting from higher than expected unemployment.

The committee proposal also makes adequate provision for all of the $1.7 billion in Carter administration proposals for outlay increases to stimulate the economy.

But the actions of the Budget Committee—faced for the first time with recommendations from a Democratic President—do not permit the interpretation that the committee has become a rubberstamp for the White House.

That would defeat one purpose for which the congressional budget process was established.

Instead—after hearing a consensus of witnesses that the economy required and could stand, without adverse consequences, slightly more stimulus than the administration request provided, the committee added $1.7 billion in outlays to the package.

In fairness to President Carter, it should be noted that some of these additional funds are expected to be supported by the new administration even though its requests have not yet reached the Congress.

The additional expenditures permitted under this resolution will be targeted into those programs where they will have the maximum positive effect on job creation and on alleviating the suffering of those most adversely affected by our current economic distress:

It will permit the increase of public service employment from the current level of 310,000 jobs to 600,000 jobs—50,000 more than the 550,000 jobs contemplated by the Second Concurrent Resolution, with the vast majority of the new jobs targeted on long-term unemployed heads of needy households, under legislation I authored last year.

It provides room—for the first time—for forward funding of both the CETA programs and the Older Americans Act, so that the major uncertainties of funding which have greatly handicapped the planning process in these programs can be alleviated.

It provides $1.5 billion in new budget authority and $600 million in new outlays for expansion of programs to deal with youth unemployment problems.

Let me say that those of us who have traditionally worked at finding legislative solutions to the problem of structural unemployment among young people—particularly those in minority communities—certainly welcome the expansion of attention this problem has received in recent weeks.

No fewer than seven new bills on this subject—one of them, S. 20, my own—have already been introduced in the Senate this year.

The Carter administration proposes to use these supplemental fiscal year 1977 funds for youth programs under the existing CETA authority utilizing the prime sponsor delivery mechanism—an approach I support. It is a low-cost-per-job approach that can begin to be implemented as soon as appropriations are made available.

This approach eliminates the need to create and make operative a new delivery mechanism—in place of CETA prime sponsors—at this time. In this way we can put the greatest number of youth to work in the least possible time and maximize the impact of the expenditure for the balance of this fiscal year.

This administration initiative should lead to the approach, program expansion, and local decisionmaking responsibilities proposed in S. 20, which, if enacted, will be effective in fiscal year 1978.

I believe that S. 20's flexibility and decentralization offer the most promising way of combating the enormous social and economic consequences of the Nation's grave youth unemployment problem.

When the second budget resolution was adopted, the committee recognized that extension of the emergency unemployment Federal supplemental benefits program might become necessary. That necessity has now arisen, and the third budget resolution proposed by the committee takes it into account.

This resolution has provided additional funds for local public works, countercyclical revenue sharing, EPA construction grants, railroad and highway construction, and improvement in recreational facilities as part of a mixed economic stimulus package approach.

Finally, the committee made provision for the President's request of $1.8 billion for direct payment to social security recipients, and other retirees and for Federal assistance to low- and moderate-income families to help them meet the geatly increased fuel costs resulting from the winter emergency.

The committee now believes that with the adoption of this resolution—followed by further supportive action in fiscal year 1978—we can reach 6 percent unemployment by the end of 1978—1 year later than originally planned, by sustaining the growth of the economy at a rate of 5½ to 6 percent during the next 2 years.

We must do at least this much. Frankly, I will be looking for ways of doing more, without overheating the economy, for we certainly must remain vigilant about inflation as we consider expenditures for fiscal year 1978.

So, for all these reasons and many more, I urge the adoption of this resolution, as a prudent beginning toward economic recovery.

Once again, I thank the chairman and the ranking minority member for their very fine work on this matter.

Mr. MUSKIE. Mr. President, I thank my good friend from California.

May I express a note of personal regret that the distinguished Senator, because of new duties elsewhere in the Senate establishment, has chosen to relinquish his seat on the Committee on the Budget. I use the word "chosen" because I suspect he would have preferred to stay, but he has to divide his time in accordance with the role of priorities.

I appreciate the work and dedication that he has given to this committee, and I do deeply regret the fact that he is soon going to leave all of that education, painfully acquired, to lie fallow.

Mr. CRANSTON. I thank the chairman very much. It has been great to work with him. It has been a very rewarding and rich experience. I regretted terribly the choice I had to make, and I am glad that I have not had to leave the committee yet.

Mr. MUSKIE. I thank the Senator.

Mr. BELLMON. Mr. President, I yield 5 minutes to the Senator from New Mexico.

Mr. SCHMITT. I thank the Senator.

Mr. President, I simply wish to very briefly associate myself with the remarks of the distinguished Senator from Oklahoma which he made yesterday and also referred to again today.

I think it is important to continue to ask ourselves the question, as we discuss this resolution and discuss specific legislative packages over the course of this session of Congress, as to whether or not a stimulus is actually needed. I think there is still considerable question about that. It is not that there are not specific activities required in order to help groups of individuals with specific problems in this country. But whether or not the economy truly needs a stimulus is a question I hope that we will continue to ask ourselves.

I also think that the budget resolution should have, as it does, left open the option for economic stimulus and other activities related to it. But I would much have preferred to see the resolution adjusted to the more historically realistic package that has been sponsored by this side of the aisle and has been made known to most Senators.

In particular, the emphasis in that package on a permanent tax cut rather than a rebate certainly is more historically relevant, and I think as we consider the specific pieces of the President's economic package, as modified, we should make sure that we keep history in mind.

It would be a disservice, I think, to the American people not to remember that we have tried most, if not all, of these things in the past, and we have a fairly clear record of what works and what does not work.

But one thing that does not seem to work in terms of total permanent stimulus to the economy is a tax rebate. On the other hand, a permanent tax cut is very clearly effective, not only in permitting individuals and businesses to look ahead into the future and plan for greater expenditures and, therefore, greater stimulus in the economy and in employment, but also a permanent tax cut historically produces far more revenues over the long run than it does deplete revenues in the short term.

I am planning to vote against the resolution not because I think the Senate should be left without the flexibility of working legislation that relates to the economy and to stimulus, if indeed that is required, but because I think we have picked the wrong levels. We have given

the wrong signal to the American people about our understanding of the history of economic activity in this country.

I hope that, as we proceed to look at each piece of the President's package and of alternatives that are proposed by individuals in this body, we will evaluate each very carefully and make sure that not only history is considered but that the best interests of all Americans are considered as we do so.

I thank the Senator, and I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator has yielded back his time.

The Senator from Oklahoma.

Mr. BELLMON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 2 minutes.

Mr. BELLMON. Mr. President, I have before me a budget summary which has been prepared by the staff of the Committee on the Budget. It compares the third budget resolution with President Carter's proposal, and I believe it will be helpful to Members of the Senate to have this information as we complete our action on the budget resolution and prepare for consideration of the various bills that this resolution will make possible.

Mr. President, I ask unanimous consent that this budget summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

ADMINISTRATION BUDGET PROPOSALS FOR FY 1977 COMPARED TO THIRD BUDGET RESOLUTION

Budget Summary

The Administration proposals for FY 1977 are revenues of $349.4 billion and outlays of $417.4 billion, for a deficit of $68.0 billion. Budget authority is $464.0 billion. These revenue, outlay, and budget authority totals treat the existing earned income credit and the proposed rebate to taxpayers in excess of tax liability as spending items rather than revenue offsets, which is different from Senate practice. When adjusted to the Senate basis, the Administration budget totals are very close to the Senate Budget Committee Third Budget Resolution.

FISCAL YEAR 1977 BUDGET SUMMARY

[In billions of dollars]

	Administration proposal	Adjustment to Senate basis [1]	Administration proposal adjusted	SBC 3d budget resolution
Revenues	349.4	−2.2	347.2	346.8
Outlays	417.4	−2.2	415.2	415.0
Deficit	68.0	----------	68.0	68.2
Budget authority	464.0	−2.2	461.8	467.0

[1] Earned income credit, $856,000,000; rebate to taxpayers in excess of tax liability, $1,363,000,000.

MAJOR SPENDING DIFFERENCES

As noted above, total budget authority and outlays in the Administration budget are very close to the proposed Senate Budget Committee Third Budget Resolution. Within the totals, however, there are some differences. The major ones are as follows:

	Fiscal year 1977 BEA	Fiscal year 1977 Outlays
Administration budget proposal	464.0	417.4
Adjustment to put Administration proposals on the Senate basis	−2.2	−2.2
Administration budget proposal adjusted	461.8	415.2
Shipbuilding rescission—assumed by Administration, not assumed by SBC (function 050)	+0.7	----
EPA construction grants—SBC is higher than Administration (function 300)	+0.5	----
Emergency fuel bill assistance—included by SBC, not included by Administration (function 300)	+0.3	+0.3
Additional GNMA mortgage purchase assistance—none assumed by Administration, $2 billion assumed by SBC (function 400)	+2.0	----
Surface Transportation—SBC assumes a higher level for supplementals with job stimulus potential than Administration (function 400)	+0.3	+0.1
Housing finance—Administration assumes a higher level of loan repayments for the Federal Home Loan Mortgage Corporation than assumed by SBC; this makes SBC outlays higher (function 400)	----	+0.4
Local public works—Administration assumed an additional $2 billion, SBC as- 450)	+2.0	+0.2
Additional countercyclical revenue sharing—SBC is lower than administration function 450)	−0.3	−0.3
CETA public service jobs—Administration did not assume forward funding of the FY 1978 program, as assumed by SBC (function 500)	+5.6	--
Education supplemental—SBC assumes higher outlays than administration (function 500)	--	+0.4
Health programs supplemental—SBC assumes higher levels than administration (function 550)	+0.2	+0.2
Supplemental for subsidized housing—SBC assumed less than administration (function 600)	−6.0	--
Veterans benefits—SBC assumes somewhat lower estimates for various entitlement programs than administration (function 700)	−0.2	−0.3
Interest on the public debt—SBC assumption is slightly lower than administration (function 900)	−0.3	−0.3
Undistributed offsetting receipts—Administration assumes lower OCS receipts and less trust fund interest than SBC (function 950)	−1.0	−1.0
All other differences, net	+1.4	+0.1
Senate Budget Committee Third Budget Resolution	467.0	415.0

Mr. LONG. Mr. President, when the Committee on the Budget of the House of Representatives issued its report on the third budget resolution for fiscal year 1977, it incorporated in the report a significant and undesirable change in the congressional budget process. This change affects the treatment of refundable tax credits. Up to now, Congress has always treated the total impact of a tax credit as a reduction in revenues. Under the change proposed by the House Committee on the Budget, any part of a tax credit which is refundable—in other words, the extent to which the credit exceeds the taxpayer's liability—would be treated as an expenditure.

I am pleased to note that the Senate Committee on the Budget has not gone along with this change made by the House and has continued to account refundable tax credits as revenue reductions. I strongly urge that this Senate position be maintained in conference.

The change proposed by the House Committee on the Budget is an unnecessary one. It accomplishes nothing substantively. It does not enhance the intelligibility of the budget process. On the contrary, it makes the budget process somewhat more difficult to follow. It accounts for refundable tax credits for budget purposes in a way quite different from the way in which Congress deals with these credits legislatively. Beyond this, the treatment of the refundable portion of such tax credits as outlays would involve significant problems of an administrative and procedural nature.

The earned income credit is a refundable tax credit for low-income families with children. It is equal to 10 percent of earned income up to a maximum credit of $400. This credit is available to offset any tax liability or, to the extent that the individual's tax liability is less than $400, it is paid as a refund. This provision was first enacted in 1975 and has been extended twice—each time as part of a major tax bill. The credit is authorized by a provision in the Internal Revenue Code. It is quite clear that the Congress has wanted to treat this provision as a part of the revenue system.

Changing the accounting for this type of provision in the budget process to treat the refundable part of the credit as an outlay would be inconsistent with the way Congress has actually dealt with it.

Nor can it be argued that this change would better illustrate the impact of such refundable tax credits. The congressional budget process addresses revenues as well as expenditures, and also the deficit or surplus which results from their interaction. A refundable tax credit costs exactly the same and has exactly the same impact on the deficit or surplus whether it is considered an outlay increase or a revenue reduction. If anything, the total budgetary impact of a refundable tax credit would be obscured by treating the refundable part as an outlay and the nonrefundable part as a revenue reduction.

While the change to accounting for refundable credits as outlays rather than as revenue reductions would not substantively affect the merits of such proposals, it would present significant procedural and administrative problems. It would increase the accounting task since a single provision would have to be carried in two separate accounts—a revenue account for the nonrefundable part of the credit and an outlay account for the

refundable part. This could have substantial practical implications for the Treasury Department in administering the credit, since it would have to be able to determine which portion of a given individual's credit was chargeable to which account. For example, if an individual had a tax liability of $200 and an earned income credit of $300, two-thirds of his credit would be accounted as a revenue reduction and one-third as an outlay.

Even more important is the impact of such an accounting change on the budget process itself. Since refundable tax credits are legislatively treated as tax provisions by the Congress, they have been most appropriately included within the revenue totals in the budget resolution.

A good example is the situation in which we now find ourselves, where Congress is considering a tax cut package for economic stimulus purposes. The revenue level which the Congress will adopt in this third budget resolution for 1977 will set the limits of what the Finance Committee and the Senate can do in the way of immediate tax reductions.

When we get down to actually considering the legislation, however, we will want to consider not only the overall total of the tax reduction package, but also how it benefits different categories of individuals. The use of refundable tax credits makes it possible to provide more relief to certain categories of low-income individuals than would be possible if we were limited to only nonrefundable credits. By accounting for these refundable credits against the budget resolution's revenue totals we get a valid picture of the total impact of the tax cuts. If we count refundable credits as outlays, however, the budgetary view of what we are trying to accomplish is distorted.

It is possible, however, that treating refundable credits as outlays rather than as revenues could create a procedural barrier to considering credits for low-income persons as part of a tax package. If a budget resolution allowed for a tax reduction, but contained no allowance for increased outlays, it would be out of order to consider a refundable tax credit—even if the Congress should decide that some portion of the total tax cut ought to go to low-income workers who bear the heaviest weight of payroll and sales taxes, though they have no income tax liability.

Even tax legislation not dealing with refundable credits directly could become subject to a point of order in similar circumstances. For example, suppose the Senate wants to increase the minimum standard deduction. For many low-income taxpayers, tax liability would be decreased by a certain amount while the refundable portion of their earned income credit would be increased by exactly the same amount. As long as the budget process treats tax cuts and refundable credits as revenues, there is no problem. But if refundable credits were to be considered outlays, the Congress might find itself in the position of having to avoid any tax relief to low-income individuals in order not to run afoul of the budget process.

I really think that, in such circumstances, Congress would find a way to work its will. But I do not see any reason why we should set up this sort of procedural barrier to Congress' ability to provide the type of balanced tax relief which it determines best meets the country's needs.

When the Congressional Budget Act was passed in 1974, there were some who questioned whether Congress, with its already tight schedule, would be able to meet the various deadlines and other procedural requirements necessary to implement a legislative budget process. I think those fears have been substantially allayed by the general smoothness with which the process has operated over the past 2 fiscal years.

I think much of the credit for this success is due to the fact that the Senate Committee on the Budget has demonstrated its awareness that the true purpose of the budget process is not to place procedural and technical roadblocks in the way of spending and revenue legislation. Rather, the congressional budget process is intended to enable Congress to develop an overall budgetary framework which will enhance its ability to deal responsibly with legislation and appropriations. There have been some difficult procedural problems, and some debate as to what does or does not properly fall within the realm of the budget process. But I think the Committee on the Budget in its role of overseeing the budget process, has done an admirable job of keeping things in perspective so that the process does not overshadow the goals. Consequently, the budget process, in the Senate at least, has operated well and with a minimum amount of limitation on the ability of the Senate to work its will on legislation.

I think the change in accounting procedures proposed by the House Committee on the Budget for the refundable part of tax credits is a step in exactly the wrong direction. It may be a more pleasing methodology for some theoreticians, but it makes no improvement in the operations or intelligibility of the congressional budget process, and it places an unnecessary procedural constraint on the flexibility of the Congress in considering revenue measures benefitting low-income persons.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MUSKIE. Mr. President, I express my appreciation to the distinguished chairman of the Committee on Finance for making the record on this point. The Senator had submitted a letter to the Committee on the Budget on this same point. We found ourselves in agreement with the distinguished chairman, and I think that any matter on which the Committee on the Budget and the Committee on Finance agree ought to be given a very visible published record. It is for that reason that I stand to express my appreciation to my good friend from Louisiana and to welcome this addition to the Record.

As the Senator knows, the Carter administration has taken a different approach. The House Committee on the Budget has taken a different approach, so we are going to need some assistance in the conference. I am most grateful to my good friend for making this RECORD.

Mr. LONG. I thank the distinguished chairman.

I agree with him that any time the Finance Committee can agree wholeheartedly with the Budget Committee, there is no doubt about it, they are necessarily right.

I thank the distinguished Senator.

ADDITIONAL STATEMENTS SUBMITTED ON SENATE CONCURRENT RESOLUTION 10

Mr. ANDERSON. Mr. President, the third concurrent resolution on the budget was fashioned to accommodate a vitally needed stimulus to an economy that has failed to grow at a rate anticipated when the Congressional budget was adopted last Fall. The levels of unemployment have been unacceptably high and the economic forecasts unacceptably dismal. Congress must take action to assure that the goal of recovery envisioned upon the adoption of the second resolution on the budget is reached. The adoption of the third budget resolution will assure the Congress the flexibility it needs to enact legislation designed to stimulate the economy and prevent the hardships of the winter of 1977 from undermining any gains made.

The Committee on the Budget, in the third budget resolution, considered both the general requirement for a prompt and sufficient economic stimulus and the need to offset increased consumer fuel and food costs attributable to the exceptionally harsh winter. By adopting the levels in the Resolution, the Congress would permit enactment of up to $12 billion in tax relief and the enactment of up to $5.2 billion in spending designed to produce jobs and assistance to those hardest hit by the harsh winter.

It is my belief, Mr. President, that there has been ample evidence that such a stimulus package is badly needed and that Congress must respond judiciously but adequately to the pressing demands being made on the Nation. To fail to adopt budget ceilings and a revenue floor that would be responsive to obvious needs would be rigid and foolhardy on our parts.

It is important to assure effective congressional control of the budget, and I believe that adoption of the third budget resolution will demonstrate an exercise of that control.

Mr. CRANSTON. Will the Senator yield to help me clarify a point?

Mr. MUSKIE. Certainly.

Mr. CRANSTON. As the distinguished chairman of the Committee on the Budget knows, I was unable to attend much of the session of the Committee on the Budget, during which actions were taken on some of the budget functions. I wonder if the Senator from Maine will help me clarify the meaning of the third budget resolution, with respect to one function in which I have a particular interest.

Mr. MUSKIE. I would be happy to.

Mr. CRANSTON. In function 250—general science, space, and technology—the second concurrent budget resolution for fiscal year 1977 provided budget au-

thority of $4.6 billion and outlays of $4.5 billion; is that not correct

Mr. MUSKIE. The Senator from California is correct.

Mr. CRANSTON. And that ceiling was sufficient to permit funding of the pending earthquake research and development program, as well as the full level of congressionally approved funding for the civilian space program, and some other items; is that not correct?

Mr. MUSKIE. Again, the Senator is correct. Those two programs were mentioned in the committee report.

Mr. CRANSTON. Now, I believe that while the Committee on the Budget reduced the amount assumed in the third budget resolution for function 250 by $100 million in budget authority and outlays, the committee assumed that no policy changes were being made from the second budget resolution—am I correct?

Mr. MUSKIE. Yes; the committee acted on the basis of the markup documents prepared by the staff and CBO that indicated that $4.468 billion in budget authority had been appropriated to date, which would result in outlays during the fiscal year of $4.406 billion. When these amounts in fuctions 250 are rounded to the nearest hundred million, which is our usual practice, the results are $4.5 billion in budget authority and $4.4 billion in outlays. The committee also acted on the basis that no new major supplemental appropriations were likely to be enacted in function 250.

Mr. CRANSTON. The Senator from Maine will recall that the earthquake hazard reduction program passed the Senate by voice vote on May 24, 1976. It would authorize $40 million in fiscal 1977 expenditures, of which $15 million for the National Science Foundation affects function 250. The bill failed to achieve a suspension of the rules in the closing hours of the House session last year. Since that time, earthquake research has received administration support. I have reintroduced the bill this session, but we now do not anticipate appropriations for it prior to fiscal year 1978. Does the third budget resolution assume the enactment of this program?

Mr. MUSKIE. The ceiling set for function 250 in the third budget resolution could accommodate funding for this program, if a fiscal year 1977 appropriation were approximately $15 million and no other unanticipated supplemental intervened. As the Senator knows, the reduction in the functional ceiling was due to a technical reclassification of ERDA research funds, from function 250 to 300. The third budget resolution thus continues to be consistent with the assumption made in the second resolution that there is room for a $15 million expenditure in function 250 for the earthquake program, assuming no new unanticipated items threaten the functional ceiling.

Mr. CRANSTON. As I understand the functional allocations of the budget, the Committee on the Budget assumptions as to particular line items are not attempts to bind the authorizing and appropriating committees or the Senate, provided the budget total and the distribution of priorities are maintained.

Mr. MUSKIE. That is correct. Reallocation among line items which does not violate the budget ceiling is an appropriate exercise of the jurisdiction of the authorizing and appropriating committees of the Senate, or of the Senate itself.

Mr. CRANSTON. I am pleased to hear the Senator confirm my understanding, because I am going to suggest just such a reallocation, which I believe conforms with the intent of the Committee on the Budget, both with respect to this particular function and with the overall economic policy intended by the third budget resolution. Will the Senator yield to me a moment longer, so that I can get his advice as to whether my proposal would be appropriate with respect to this third budget resolution?

Mr. MUSKIE. Certainly.

Mr. CRANSTON. It has come to my attention that the work force currently employed in the research, development, testing, and evaluation phase of the Space Shuttle will be cut back by 9,000 jobs during fiscal year 1977. Some of these jobs are a result of a planned phasedown as the project nears its end. But about 2,800 of these lost jobs are a result of a lack of funds for the fiscal year. The layoffs will occur beginning in February and March. Then in October, after next year's funds become available, the program would rehire 2,800 people, to continue work on this phase of the Space Shuttle program. With the continuing influence of inflation, the costs involved for both labor and materials will be substantially higher after the delay.

In addition, the Federal Government will be required to pay a substantial amount of unemployment compensation to tide over these highly skilled workers, most of whom would then be rehired in October. The California unemployment rate has continually exceeded the national average. At a time when we are trying to stimulate the economy, this state of events has me seriously concerned—it seems to make no sense. I understand that a $50 million supplemental appropriation could be constructively and efficiently used to keep these 2,800 people scheduled for layoffs in this program. I would ask the distinguished chairman of the Budget Committee whether such an appropriation, all within function 250 could be accommodated within the third budget resolution, as reported by the committee?

Mr. MUSKIE. An addition of $50 million in budget authority to function 250 would appear not to breach the functional ceiling, provided, of course, that no other supplemental appropriation affecting this function is adopted. $50 million in budget authority would bring the function 250 budget authority totals to $4.518 billion, an amount, due to rounding, that appears to be consistent with the resolution.

With respect to outlays, it is reasonable to assume that the outlay effect would be somewhat less than $50 million because of the potential enactment date. In addition, the outlay effect presumably would to a slight degree be offset by reducing the need for unemployment compensation. While this amount would certainly use up any room remaining under the outlay ceiling in this function, it would not appear to exceed the outlay ceiling for this function, although we would need to have the specific supplemental before us and, of course, we would need to check the specific outlay effect with the Congressional Budget Office.

Mr. CRANSTON. I remind the chairman that the committee in my absence reduced both budget authority and outlays in this function on the assumption that no further appropriations would be forthcoming. Clearly, the amount we are talking about would have been within the function 250 totals of the second budget resolution, which are now $100 million lower.

Mr. MUSKIE. Yes, that is so.

Mr. CRANSTON. And, I hope the Senator from Maine would agree with me that it makes no budgetary sense to lay off these private sector workers unnecessarily, while we are adding in more money to create jobs to put other people to work. I thank the Senator. I expect to try to make the necessary funds available to prevent these layoffs.

Mr. DOLE. Mr. President, everyone in this chamber is concerned about the state of the American economy. We know that too many people who want to work cannot find work. We know that inflation, which moderated considerably last year, is threatening to escalate once again. And, we know that our economy is simply not growing as fast as we would like.

Because of these factors, there is an emerging consensus that something must be done to stimulate domestic economic growth, that Federal fiscal tools must be employed to accelerate economic recovery. And I agree.

But I have concluded that the mix of spending and tax policies recommended by the Budget Committee in Senate Concurrent Resolution 10 is not appropriate. Primarily, I find myself in disagreement with the committee's decision to recommend a $3.4 billion increase in Government outlays for fiscal year 1977. Although I could support some additional spending, focused on structural unemployment, I do not believe that such a large increase in Federal outlays, which will be used to finance new public works and public service jobs programs, is advisable.

I am aware, of course, that the revenue and outlay levels recommended do not endorse any specific stimulus program or a specific package. Nevertheless, because I believe that large-scale Federal public works and pubic service jobs programs only temporarily treat the unemploment problem while risking renewed inflation, I feel that I must cast my vote against the third concurrent budget resolution.

I do support the decision of the Budget Committee to reduce the revenue floor, thus allowing enactment of up to $12 billion in stimulative and equitable tax reductions. And if additional fiscal stimulus is called for, I would hope that the tax-writing committees would broaden the employment tax credit concept which has already been agreed to by the Ways and Means Committee, a more

expansive version of which I have introduced in the Senate.

I am confident that Senate Concurrent Resolution 10 will be passed by the Senate despite my objection. And I should emphasize that I do not think that the Budget Committee's recommendations on Senate Concurrent Resolution 10 are far from the target. I do support individual tax reductions and Government jobs creation incentives. And I commend the committee for recognizing in the report that the revenue floor estabilshed in the resoluton "would permit postponement until calendar year 1977 of the stricter tax treatment of sick pay benefits enacted retroactively for 1976 in the recent tax reform act."

PERMANENT TAX CUTS NEEDED

Mr. ROTH. Mr. President, the third budget resolution the Senate is considering today revises the fiscal 1977 spending and revenue levels to permit the enactment of measures to stimulate the economy. And while the revised revenue floor would permit the adoption of any type of tax relief measures, I regret that this resolution endorses temporary tax rebates and increased Federal spending instead of permanent tax reductions for our overburdened taxpayers.

The U.S. economy has slowed down, with unemployment rates still too high and with inflation again on the rise. Most importantly, the economy is not growing fast enough to inspire the Nation's confidence in the future.

While Americans have traditionally anticipated that hard work and perseverance would produce upward mobility, the inflation, unemployment, and higher taxes of the past few years have increased the prospects of downward mobility for too many Americans.

Congress must develop policies to assure taxpayers that their incomes will grow, that more and more of their income will not be swallowed up by inflation and higher taxes, and that their jobs will not be eliminated.

A $50 tax rebate will not increase anyone's confidence in the future, and it will not inspire business to increase production and create new jobs. The economic problems we are facing are long-term and we need a long-term solution, not a temporary shot in the arm.

That is why it is so important to enact permanent tax cuts that are not biased against middle-income taxpayers.

The tax rebate scheme approved last week by the House Ways and Means Committee is an ineffective gimmick that is an insult to every taxpayer.

First of all, there is considerable doubt whether the tax rebates will provide the type of economic growth needed to offset inflation and reduce unemployment. The Congressional Budget Office, the Joint Economic Committee, and a substantial body of economic experts all believe that tax rebates are not as effective as permanent tax cuts in stimulating the economy.

The $50 tax rebate will barely offset the impact of the recent home heating cost increases, and it will do little to offset the inflation-induced tax increases of the past 5 years. This increased tax burden has put a heavy drag on the economy, and is primarily responsible for our sluggish economic growth and high rates of unemployment.

Permanent tax cuts, combined with restraints on the growth of Federal spending, will immediately increase every worker's take-home pay, increase consumer purchasing power, and stimulate the type of business production needed to create permanent new jobs.

It is also important to insure that these permanent tax cuts provide relief to middle-income taxpayers, the most ignored men and women in America.

The tax package approved last week by the House Ways and Means Committee guts the middle class and is a slap in the face to the people of this country who pay most of the taxes.

The tax rebates and the increased standard deduction approved by the committee concentrate relief on lower-income people and provide virtually no relief for middle-income taxpayers. I believe special attention should be given to lower income people and senior citizens on fixed incomes, the ones who are most affected by the higher fuel prices and the ones least able to afford suddenly higher bills.

But it is a mistake to believe that the only way to provide relief to lower income people is to penalize middle-income taxpayers.

Approximately 78 percent of all individual income taxes are paid by people earning more than $15,000, yet nearly 90 percent of the tax relief provided by the new standard deduction will go to people with incomes under $15,000. Taxpayers who itemize their deductions, such as those who own a house or have large medical expenses, will receive no tax relief at all from this provision.

These taxpayers, particularly those families where both the husband and wife work, should not be denied tax relief.

Congress should reject the tax rebate gimmick and enact permanent tax cuts for individuals and businesses. A significant cut in taxes will reduce the tax burden on the economy, stimulate consumer and business spending, and create permanent, taxpaying jobs. These permanent tax cuts will restore the Nation's confidence in the economy and the future, and stimulate the long-term economic expansion needed to assure upward mobility for all Americans.

Mr. ROBERT C. BYRD. Mr. President, we are today considering the third concurrent resolution on the budget. This is a part of the congressional budget process provided by the Congressional Budget Act of 1974.

In preparing this third—and final—concurrent resolution on the budget of the United States for 1977, the Senate Budget Committee has done an outstanding job, and I wish to take this opportunity to commend the chairman, the ranking member and other members, and the staff of that committee. They have worked quickly under very severe pressures, and I believe they have prepared an excellent piece of legislation for our consideration.

The changes provided in today's legislation will accommodate the economic stimulus package which the administration has proposed. The resolution also reflects the general concern in Congress that more has to be done and, indeed, can be done, in the area of jobs creation. This resolution doubles the size of the portion of the administration's stimulus package that deals with jobs, in order to permit the administration to move faster in bringing down the unemployment rate. In addition, the increased emphasis on jobs creation in the third concurrent budget resolution should serve to indicate to the administration the resolve of Congress for faster action on employment-generating measures to assure the return to work of the many millions of jobless Americans.

The stimulus-related changes made in the congressional budget for the U.S. Government for the current fiscal year are required by the present troubled state of the economy. The committee recognized—as did the administration, the Congress, and the many employer and labor groups which testified—that there is a need for immediate fiscal action to facilitate the Nation's economic recovery. The sluggish state of the economy endangers our economic growth and employment goals and further delays the achievement of a balanced budget. It has been estimated by the Congressional Budget Office that "each additional percentage point of unemployment loses $50 to $60 billion of output which might have been used for private or public purposes and adds $17 to $21 billion to the Federal deficit."

Recent readings of some of the basic indicators point up the seriousness of our economic situation. The rise in gross national product was only 2.4 percent in the fourth quarter of 1976. This was the smallest quarterly gain since the fourth quarter of 1975 and the second consecutive quarter in which the rate was below the level necessary to keep unemployment from increasing. This decline in growth is a clear danger. Another indication of the slowdown in the economic recovery was the reduced rate of growth in personal income in January. It was up only 0.3 percent, compared with a gain of 1.3 percent in December.

The economic stimulus program will be accommodated in the third concurrent resolution through an increase in outlays to $415 billion and a decrease in revenue to $346.8 billion. While the deficit rises to $68.2 billion from $50.6 billion, the assumption is made that the stimulus package will increase real growth and reduce unemployment, and result in increased revenues as the economy recovers. The size of the stimulus program approved by this budget—$17.2 billion—approximates that proposed by the administration, $15.5 billion. They differ most significantly, I believe, in how much each proposes to do immediately in the area of jobs creation. The Senate resolution would increase the jobs portion of the stimulus to 18 percent of the total stimulus, from only 11 percent called for by the administration's program.

This action can be viewed as a partial refocusing of the administration's economic stimulus. It would reflect, I believe, that we in Congress are beginning to recognize the changing nature of unemployment in America—which con-

tinues to be the most serious problem facing the economy—and the changing strategies that we need to adopt to confront it.

We know from experience that the tax rebate, by stimulating consumer demand, will serve as an accelerator—that is, lead the economy forward, increasing personal income and jobs. However, the tax rebate—even when supplemented by the tax cut in fiscal year 1978—can only partially deal with the high jobless rate. This is the case because the jobless rate is the product not only of inadequate aggregate demand, but also of structural factors, such as the increased labor force participation rate of women and young people, declining economies in some regions, and decreasing demand for low-skilled workers. There is a need for selective job and job-training programs targeted to such sectors of the civilian labor force experiencing employment difficulties.

The unemployment situation, which the jobs portion of the stimulus confronts, is serious. Some 7.3 percent of the civilian labor force population was reported as unemployed in January 1977, and this statistic was tabulated prior to the period of exceptionally cold weather, the jobs impact of which is sure to be reflected in the unemployment rate in February more than in January. Some 6,958,000 workers are jobless, not taking into account the large numbers of Americans who were not in the labor force because they thought that they could not get a job. Nor does the rate include the millions of Americans who involuntarily were working only part time in January.

The jobless rate is considerably higher, it should be noted, among certain demographic groups. For instance, the rate for youths 16 to 19 years of age who are in the civilian labor force was 18.7 percent. Teenagers accounted for almost one quarter of the unemployed in January, although they composed less than one-tenth of the civilian labor force.

To deal with the high overall jobless rate and the even higher rates among some demographic groups, the third budget resolution calls for increases in the outlays for various jobs and job training programs proposed by the administration. Additional funds are provided for significant expansion in jobs and job training programs directed toward youth and older Americans, for local public works programs, and for a revised countercyclical revenue sharing program more responsive to changing levels of unemployment at the local level. Additional funds are also provided for Environmental Protection Agency grants, railroad and highway construction, and labor-intensive projects to improve Federal recreation lands. All of these funds can be put to immediate use to increase employment at the State and local government levels.

What about the inflationary impact of the stimulus? I believe that it will be limited by the current excess in industrial capacity and the high rate of unemployment. Nonetheless, as the economy begins to pick up, inflation will become more of a danger. This issue should and will be receiving increasing attention from us in Congress in future months.

Let me say in closing that the budget proposed in this resolution provides a balanced approach to a serious and immediate problem. I am of the belief that it will give the Congress and the administration the necessary means to restore health to the Nation's economy.

(This concludes additional statements submitted on Senate Concurrent Resolution 10.)

Mr. MUSKIE. Mr. President, if the Senator from Oklahoma is ready to yield back the remainder of his time, I am ready to do so.

Mr. BELLMON. Mr. President, I yield back the remainder of my time.

Mr. MUSKIE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the concurrent resolution. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), and the Senator from Washington (Mr. MAGNUSON) are necessarily absent.

I also announce that the Senator from Iowa (Mr. CULVER) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) and the Senator from Iowa (Mr. CULVER) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Idaho (Mr. MCCLURE), and the Senator from Virginia (Mr. SCOTT) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from Wyoming (Mr. HANSEN) would each vote "nay."

The result was announced—yeas 72, nays 20, as follows:

[Rollcall Vote No. 38 Leg.]

YEAS—72

Abourezk	Haskell	Muskie
Anderson	Hathaway	Nelson
Baker	Heinz	Nunn
Bayh	Hollings	Packwood
Bellmon	Huddleston	Pearson
Bentsen	Humphrey	Pell
Biden	Inouye	Percy
Brooke	Jackson	Proxmire
Burdick	Javits	Randolph
Byrd, Robert C.	Johnston	Ribicoff
Cannon	Kennedy	Riegle
Case	Laxalt	Sarbanes
Chafee	Leahy	Sasser
Chiles	Long	Sparkman
Clark	Mathias	Stafford
Cranston	Matsunaga	Stennis
Danforth	McClellan	Stevens
DeConcini	McGovern	Stevenson
Durkin	McIntyre	Stone
Eagleton	Melcher	Talmadge
Ford	Metcalf	Weicker
Glenn	Metzenbaum	Williams
Gravel	Morgan	Young
Hart	Moynihan	Zorinsky

NAYS—20

Allen	Domenici	Lugar
Bartlett	Garn	Roth
Bumpers	Goldwater	Schmitt
Byrd, Harry F., Jr.	Griffin	Schweiker
Curtis	Hatch	Thurmond
Dole	Hayakawa	Tower
	Helms	Wallop

NOT VOTING—8

Church	Hansen	McClure
Culver	Hatfield	Scott
Eastland	Magnuson	

So the concurrent resolution (S. Con. Res. 10) was agreed to.

S. CON. RES. 10

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $346,800,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $9,700,000,000;

(2) the appropriate level of total new budget authority is $467,000,000,000;

(3) the appropriate level of total budget outlays is $415,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $68,200,000,000; and

(5) the appropriate level of the public debt is $718,300,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $109,200,000,000.
(B) Outlays, $100,100,000,000.
(2) International Affairs (150):
(A) New budget authority, $7,900,000,000.
(B) Outlays, $6,800,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,500,000,000.
(B) Outlays, $4,400,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $18,800,000,000.
(B) Outlays, $17,200,000,000.
(5) Agriculture (350):
(A) New budget authority, $1,600,000,000.
(B) Outlays, $3,000,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $17,300,000,000.
(B) Outlays, $16,000,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $14,300,000,000.
(B) Outlays, $10,000,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,400,000,000.
(B) Outlays, $23,200,000,000.
(9) Health (550):
(A) New budget authority, $40,600,000,000.
(B) Outlays, $39,500,000,000.
(10) Income Security (600):
(A) New budget authority, $166,300,000,000.
(B) Outlays, $139,300,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $18,900,000,000.
(B) Outlays, $18,100,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,500,000,000.
(B) Outlays, $3,600,000,000.
(13) General Government (800):
(A) New budget authority, $3,500,000,000.
(B) Outlays, $3,500,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $7,600,000,000.
(B) Outlays, $7,700,000,000.
(15) Interest (900):
(A) New budget authority, $37,900,000,000.
(B) Outlays, $37,900,000,000.

(16) Allowances:
(A) New budget authority, $800,000,000.
(B) Outlays, $800,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority. —$16,100,000,000.
(B) Outlays, —$16,100,000,000.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business of not to exceed 1 hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SBA PROGRAM CEILINGS FOR 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 5 (S. 243).

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 243) to amend the Small Business Act and the Small Business Investment Act of 1958.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. NELSON. Mr. President, I ask that the Senate consider this bill to amend the Small Business Act and the Small Business Investment Act of 1958. It raises three Small Business Administration program authorization ceilings for fiscal year 1977. The bill increases the ceiling governing the Business Loan and Investment Fund which includes the regular business loan, displaced business loan, trade adjustment assistance loan (import protection), handicapped assistance loan, economic opportunity loan, 8(a) procurement, development company loan, and small business investment company loan programs from $6 billion to $6.8 billion. The subceiling governing the small business investment company program is increased from $725 million to $775 million. The authorization for the surety bond guaranty program is increased from $56.5 million to $68.5 million.

Immediate action is necessary on this bill to prevent the SBA from having to curtail loan and guaranty activity by over one half as a result of reaching its program ceilings.

For two primary reasons, the Small Business Committee has decided to authorize SBA ceiling increases for fiscal year 1977 only. First, since there is a new Administration, it should be given a chance to set new agency goals and priorities and to request a budget specifically designed to meet them. A single year authorization, therefore, allows the newly appointed Administrator to present his own budget in fiscal year 1978. He will not have to wait for the agency to reach multi-year program ceilings in fiscal year 1978 or even 1980 before implementing a new budget and its programs.

Second, if the Small Business Committee authorizes SBA program ceilings for two or more fiscal years at this time, its efforts to authorize SBA program activity by line items would be impaired severely. Since the committee has had legislative authority over the Small Business Administration only since January 4, 1977, it has not had time to determine proper line item authorizations in the few weeks provided for it to act before the SBA must reduce its program activity.

I, therefore, urge that the Senate adopt this bill.

The bill was ordered to be engrossed for a third reading and read the third time.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate proceed to the consideration of Calendar Order No. 14 (H.R. 2647).

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2647) to amend the Small Business Act and the Small Business Investment Act of 1958, to increase loan limitations and to increase surety bond authorizations.

The PRESIDING OFFICER. Is there obection to the motion of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I move that all after the enacting clause be stricken, that the language of S. 243 be inserted in lieu thereof, that H.R. 2647 be considered as having been read the third time and passed, as amended, and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The bill, as amended, reads as follows:

S. 243 [REPORT No. 95-3]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Subparagraph 4(A) of section 4(c) of the Small Business Act is amended by striking out "$6,000,000,000" and inserting in lieu thereof "$6,800,000,000".

SEC. 2. Subparagraph 4(B) of section 4(c) of the Small Business Act is amended by striking out "$725,000,000" and inserting in lieu thereof "$775,000,000".

SEC. 3. Section 412 of the Small Business Investment Act of 1958 is amended by striking out "$56,500,000" and inserting in lieu thereof "$68,500,000".

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate insist upon its amendment and request a conference with the House of Representatives on the disagreeing votes of the two Houses on H.R. 2647, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. NELSON, Mr. MCINTYRE, Mr. NUNN, Mr. HATHAWAY, Mr. HASKELL, Mr. CULVER, Mr. JAVITS, Mr. WEICKER, Mr. PACKWOOD, Mr. BARTLETT, and Mr. LAXALT conferees on the part of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the title of H.R. 2647 be appropriately amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that S. 243 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 1 P.M. ON THURSDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 1 p.m. on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON THURSDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday next, after the recognition of Mr. DECONCINI under the order previously entered, the following Senators be recognized, each for not to exceed 15 minutes: Messrs. DANFORTH, WALLOP, SCHMITT, and PERCY.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHILES). Without objection, it is so ordered.

LIST OF ASSETS

Mr. PERCY. Mr. President, at the end of 1975, by notification in the RECORD, I indicated my intention to terminate, on

January 1, 1976, the blind trust in which my securities were maintained and gave the reasons for so doing. I did so, and subsequently published in the RECORD last year the list of securities in the blind trust as of January 1, 1976.

In virtually all cases, investment decisions are made by my investment counsel, Stein Roe & Farnham of Chicago, which has been instructed to avoid investments that would present any probability of conflict of interest with my duties as a U.S. Senator. All of Mrs. Percy's and my securities are held in custodian accounts by the Harris Trust & Savings Bank of Chicago. Each year since I entered the Senate, all income tax returns have been prepared by Arthur Andersen & Co., certified public accountants.

The fundamental purpose of financial disclosure is to insure that a public official does not use his position of trust for personal financial gain. Since assuming public office in January 1967, through December 31, 1975, Mrs. Percy's and my total net worth has declined 24.5 percent versus a decline in the same period of 5.85 percent in the Dow-Jones average. The decline is attributable primarily to capital gains taxes paid to the Federal Government on sales of securities held for a long period of time, Senate and other business expenses such as professional fees and services, and charitable and personal gifts.

Another legitimate question that may be put to a public official is whether he is paying a fair share of Federal, State, and local taxes. According to figures developed by Arthur Andersen & Co., since assuming public office in 1967, through December 31, 1975, we have paid taxes equal to 35 percent of total gross income—including capital gains, and slightly more than 50 percent on total taxable income.

A third inquiry could be made as to whether a public official has borne his fair share of charitable contributions to support religious and philanthropic enterprises. Since assuming office in 1967, through December 31, 1975, Mrs. Percy and I have made charitable contributions equal to 8.5 percent of our total gross income.

Following is a list of securities, other investments, and other assets held by Mrs. Percy and myself as of January 1, 1977. We have no minor children. Also included in the list are securities in the Percy family trust, the sole beneficiary of which is Mrs. E. H. Percy, my mother.

Mr. President, I ask unanimous consent that the list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF ASSETS

BILLS, NOTES, BONDS, DEBENTURES

U.S. Treasury.
American Sugar Company.
American Telephone and Telegraph Company.
Chase Manhattan Bank New York.
Chesapeake and Potomac Telephone Co.
Continental Air Lines, Inc.
Crossett Ark. Industrial Development Revenue.
Crown Zellerbach Corp.
Duquesne Light Company 1st Mortgage.
Enserch Corporation.
Harris-Intertype Corporation.
Lone Star Cement Corporation.
Michigan Wisconsin Pipeline Company.
Montgomery Ward & Co.
Nu Trek Inc.
Oklahoma State Turnpike Auth. Revenue.
Ontario Province Canada.
Pacific Telephone and Telegraph Co.
Southern California Edison Co.
Twelve Federal Land Banks.

STOCKS

Alexander & Alexander Services.
AMP Incorporated.
Baxter Travenol Laboratories.
Bell and Howell Company.
Burroughs Corporation.
Caterpillar Tractor Company.
Citicorp.
Continental Oil Company.
Corroon & Black Corporation.
Crown Zellerbach Corporation.
Donaldson Inc.
Dow Chemical Company.
Envirotech Corporation.
Esmark Inc.
Farmers Group Inc.
Florida Power and Light Company.
H. B. Fuller Co.
General Electric Company.
General Portland Incorporated.
Great West Life Assurance Company.
Haag Drug Inc.
Harris Bankcorp Inc.
International Business Machines.
Johnson and Johnson.
Jostens Incorporated.
S.S. Kresge Company.
Mapco Incorporated.
Marathon Oil Company.
Material Systems Corporation.
Minnesota Mining and Mfg. Company.
Motorola Incorporated.
Nalco Chemical Company.
Nortrust Corporation.
O E M Medical Inc.
Outboard Marine Corporation.
Owens-Illinois Inc.
J. C. Penney Company.
Percy-Wilding, Inc.—A new TV programming and advertising market research business founded and conducted in Seattle, Washington by my son, Roger Percy.
Phillips Petroleum Company.
REA Holding Corporation.
Rollins Incorporated.
Scott Foresman and Company.
Sears Roebuck and Company.
Signode Corporation.
Standard Oil Company of Ohio.
Sullair Corporation.
Times-Mirror Company.
Xerox Corporation.

PARTNERSHIPS

Michigan City Enterprises.

OTHER ASSETS

One residence in Wilmette, Illinois.
One residence in Washington, D.C.
One farm in Iowa, shared 50/50 with operator and managed by Farmers National Company, Omaha, Nebraska.
Two farms and one now non-arable river site in Illinois, owned jointly by Mrs. Percy and her two brothers and shared 50/50 with operator.
Automobiles.
Personal effects.

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTELLIGENT ANALYSIS OF THE DEATH PENALTY

Mr. PERCY. Mr. President, there has been a great deal of emotion and public debate on the subject of capital punishment in recent years. I think—and I would hope—that as we approach this very emotional problem we would do so with as much rationality, as much forethought, as much analysis and attention as we can give to any single problem.

The taking of a human life is an extraordinarily important matter particularly when that human life is taken by society itself.

Mr. President, Roger N. Johnson, an associate professor of psychology at Ramapo College, has written a very fine article entitled "Death Penalty's Overlooked Costs" for the December 8, 1976, edition of the Christian Science Monitor. The article rationally discusses aspects of the death penalty which often go unnoticed.

As Professor Johnson points out, historically, societies have prescribed the death penalty for fewer and fewer classes of crimes as their civilization matures. Today, most of the nations which retain capital punishment in practice are totalitarian or Communist.

Today we have had an outstanding address by the Prime Minister of Canada. The Committee on International Relations of the House and the Committee on Foreign Relations of the Senate have had an opportunity to meet with and question the Prime Minister at luncheon today.

I would like to point out that our neighbor to the north, for which we have the highest regard, and whose judgment on many, many issues has established an outstanding example to the world, has only very recently in its House of Commons voted to abolish capital punishment for all civilian crimes.

Social learning theory in psychology tells us that people model their actions after observed behavior. Are we providing a bad example when society orders death? What is the effect on impressionable children who see that we kill those who are troublesome to society? Will these children resolve to take similar action against persons who are troublesome to them?

Indeed, are executions downright counterproductive in view of the fact that juries may refuse to convict when they know death will be the sentence?

I think this is the point that Senator HUGHES and I discussed at great length last year when discussing the death penalty, as to whether or not in many cases a death penalty might be too easy for someone who has committed a heinous crime or a person who has committed such a crime might even be freed if it is necessary for 12 men and women to determine and, by their judgment, put that person to death when the possibility could have existed that an error could have been made, as has been proven in many cases. So that in many respects the death penalty in some instances seems to actually favor the convict when a jury knows that death will be the sentence they will be rendering.

On balance, it seems the death penalty's costs outweigh its benefits except, perhaps, in cases of the most extreme nature.

If we are to move forward in the field of human rights, we will have to put the days of capital punishment behind us. I have on previous occasions discussed some rare instances that I do consider circumstances extreme in nature. Its continued use in modern society is an anachronism we cannot tolerate.

As Professor Johnson has stated:

Many years ago Dostoevski remarked that a society can be judged by the humanity it shows toward its outcasts. Are we to engage in the same behavior we condemn in them? Who can benefit from the taking of human life, and who will rejoice when the corpses are carted away? Each small step toward capital punishment is a giant leap backward for mankind.

Mr. President, I commend Roger Johnson for his perceptive article and ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEATH PENALTY'S OVERLOOKED COSTS

(By Roger N. Johnson)

The Utah case of Gary Gilmore has dramatized the drive for restoration of capital punishment in the United States as authorized by the Supreme Court. But, in the course of history, there is a very clear trend away from using the death penalty.

In ancient Babylonia, people were put to death for adulterating beer, and in Persia the same fate awaited anyone who accidentally sat on the king's throne. At the time of the American Revolution, there were still over 350 capital offenses on the books in England, but only a few frivolous ones, such as witchcraft, idolatry, perjury, and adultery, were actually enforced.

Today, virtually all Western industrial nations have completely eliminated capital punishment in practice if not in law. It is mainly communist countries and totalitarian regimes which continue to execute citizens, and most Americans consider such events repugnant. It is an ironic coincidence that at the same time the U.S. Supreme Court was paving the way for executions, Canada's House of Commons voted to abolish capital punishment for all civilian crimes.

One important factor which is often overlooked in this highly emotional controversy is the psychological impact on the general population. We know that in fact violence does breed more violence, and very often the aftermath of a sensational crime is an attempt to repeat it somewhere else. Social scientists have now gathered mountains of evidence on social learning and modeling behavior, and it is reckless to ignore the brutalizing consequences of waves of gassings, hangings, electrocutions, and shootings. The effect on millions who are already disturbed or highly impressionable is unpredictable, and the rest may only become more jaded and insensitive to human suffering.

What will be the psychological effect of such official killings upon hundreds of millions who will follow these events closely? Will people learn that violence is the civilized way to deal with problems, or that vengeance is sometimes commendable? Will people learn that killing is becoming more and more commonplace in our society, and that we simply have to learn to look the other way when someone is killed? Will people learn that whether or not human life is sacred depends on what is in vogue with the current politicians? Will many simply conclude that America is a violent country, and that black activist H. Rap Brown was right after all when he said that violence was as American as cherry pie?

Thus, it is not at all clear that capital punishment will benefit society, and instead there is a very real possibility that it may actually have the *opposite* effect. In addition, proponents must consider that many brutal and senseless crimes are committed by emotionally disturbed individuals who have latent suicidal tendencies, and sometimes their main purpose is to commit a crime so horrible that they will have to be severely punished or executed. Some have speculated that this is the root cause of Gilmore's crimes.

Criminal justice experts also know that juries sometimes acquit known killers because they could not stand to see the death penalty imposed. It may be that capital punishment is a soft, cowardly, and simplistic approach rather than a "tough" approach, and in the long run it may create more problems than it solves.

One of the greatest failings of the American ethos in recent years is the assumption that the solution to violence is more violence. A society which embraces and becomes an active participant in acts of violence is undermining important, civilized values.

Many years ago Dostoevski remarked that a society can be judged by the humanity it shows toward its outcasts. Are we to engage in the same behavior we condemn in them? Who can benefit from the taking of human life, and who will rejoice when the corpses are carted away? Each small step toward capital punishment is a giant leap backward for mankind.

Mr. PERCY. Mr. President, I do say this with full recognition that on this issue, as on many issues, people of good will appear and argue on both sides of the issue. But I hope that the dialog will continue, and I hope that we will not reach any precipitate or emotional decision.

I hope we will only reach a decision after the most careful, rational, and analytical thought on the part of legislators who have this awesome power in their hands today.

NATIONAL MEALS ON WHEELS ACT OF 1977

Mr. PERCY. Mr. President, I was pleased to join the distinguished Senator from South Dakota and Senators DOLE and KENNEDY in introducing the National Meals-on-Wheels Act of 1977.

The title VII elderly nutrition program currently provides nutritious meals to many of our elderly in a communal setting. I was an early proponent and supporter of this program in its research and demonstration stage and was active in the establishment of the current title VII program which Congress enacted in 1972.

I recognize the positive role that title VII plays in providing meals to the elderly in a congregate setting but there are more than three million elderly Americans who are homebound and unable to prepare their own meals or attend a nutrition center. Of these three million homebound elderly citizens, less than 60,000 presently receive home-delivered meals. Homebound elderly citizens, especially those living in rural areas, often become isolated, lonely, and malnourished. The National Meals-on-Wheels Act of 1977 introduced today would alleviate some of these problems by providing hot nutritious meals and companionship to the homebound elderly and also to a number of handicapped persons who are not elderly. I saw for myself the immense impact these meals have on the lives of recipients when I spent one day in Chicago delivering meals with a volunteer driver.

In the past, hundreds of private groups throughout the Nation have been delivering a limited number of meals to the homebound. These dedicated groups have been utilizing whatever funds and volunteer assistance they can get, but their success has been limited by lack of money and their inability to reach more than a very small portion of those in need.

A national meals-on-wheels program would not only provide hot nutritious meals and companionship to the homebound, it would serve as a preventive health care measure. The program would play a positive role in the prevention of disease and disability and at the same time bring substantial fiscal savings to the Government through decreased institutionalization of our elderly.

In 1975, public outlays for nursing homes were over $5 billion, 60 percent of which was paid by the Federal Government. Studies conducted by gerontologists have consistently shown that 10 to 40 percent of nursing home residents are not in need of institutional care; many are there simply because they cannot cook for themselves. The cost of a nursing home is over $20 per day—a home delivered meal costs under $2. With an initial $80 million investment, we could receive a return of $200 to $400 million per year beyond the cost of the national meals-on-wheels program.

The Federal Government has made a strong commitment to the elderly and the handicapped through such programs as social security, SSI, Older Americans Act, and the food stamp program. Our elderly and handicapped suffer from a variety of unique problems which we cannot ignore. We all get older every day and eventually we will experience some of the various problems which affect elderly persons.

The National Meals-on-Wheels Act is a model program; by combining local initiatives, volunteers, and Federal assistance, it can demonstrate the potential impact of an effective social policy. This bill is well worth our investment and deserves immediate attention and support of all of us in Congress.

Mr. President, let us not forget that it was not too long ago that Congress, year after year after year for three decades, was appropriating up to $5 billion a year to pay farmers to not grow crops, for price support programs, and for surplus purchases, where we were storing away grain, and the farmers, for the most part, were not even earning enough return on the investment to equalize what they could get if they would buy Government bonds at that time. Their labor, their effort, and their energy was fruitless in many cases because of Government intervention in these programs.

Since then we have had the wisdom to remove ourselves from this type program, to let the market set the price and to let farmers plant from fence post to fence post, and farmers, for the most

part, are in far better condition today, agriculture is much healthier, and farm values are much higher as a result of these programs.

I said at the time year after year after year what we ought to be doing, instead of paying farmers for not growing food, is to take Federal funds and buy food for the malnourished and those who need it.

Here is a cost-effective program.

The day that I spent delivering these meals to a woman in a backroom on Lawrence Avenue in an apartment-hotel, living in one room, I said:

What do these meals that this young man and I are delivering to you mean?

She said:

You know, they mean the difference as to whether I am able to stay in this apartment and look at TV, listen to radio, and visit with my friends that live in this apartment building or whether I have to go to a nursing home. I am eligible to go. I have a broken hip. I can't stand at the stove. I can't cook my meals until this heals, and it looks like it is going to take a long time.

But it seems to me it is a lot cheaper for the Government to be providing volunteer help, service, and stimulating this program for me than for me to be costing the Government $500 a month that it would cost at a nursing home where they would be serving me three meals a day in bed and providing my bed and board and everything. I can afford the cost of this room, but I simply can't fix my meals.

That was one out of many cases.

That was a case I reiterated to some of our colleagues at the time Senator KENNEDY, Senator MCGOVERN, Senator DOLE and I were fighting for an extension of this program.

Once again I most enthusiastically support this program.

RURAL ELECTRIFICATION

Mr. PERCY. Mr. President, this morning I had the great opportunity and privilege of addressing the National Rural Electrification Cooperative Association at their annual meeting in Atlanta, Ga. Some 12,000 people from all over rural America, from every State in the Union, were present at that meeting.

Our distinguished colleague, FRITZ HOLLINGS, will be addressing them tomorrow morning. Certainly many people were there who have helped build a stronger and better America by building and providing electrification service to everyone in this country regardless of where he lives.

I spoke on the problem of energy, and I am happy to say that the two distinguished colleagues from the State that I was in, both Senator TALMADGE and Senator NUNN, are members of the advisory board of the newly created Alliance to Save Energy.

I am honored indeed, and Senator HUMPHREY, the cochairman of the Alliance to Save Energy, and I are pleased indeed to announce that as of now some 35 U.S. Senators have become members of the honorary advisory board, the chairman of which is former Secretary Henry Kissinger, and have agreed to work with their governors in setting up programs for saving energy in their own State.

This is not conservation; this is conservation energy, because the greatest form of energy we have available to us is to conserve and stop wasting what we are now wasting and consuming in unnecessary quantities.

Mr. President, I ask unanimous consent that the speech I gave this morning before this outstanding group of Americans be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE ENERGY CROSSROADS: CONSERVATION OR SUPPLY

(Address by Senator Charles H. Percy, National Rural Electric Cooperative Association Annual Meeting)

Ray Rusteberg, Illinois director of NRECA; Bob Partridge, general manager of the National Cooperative Association; officers of the Board and distinguished leaders of the Rural Electrification Cooperatives:

This meeting comes at an important and critical time because the rising cost of energy affects the cost of your own products.

As we consider the nation's energy crisis, let us project ourselves into the future. Imagine that it is 1987. The energy crisis has not been resolved and our national energy policy has continued to emphasize supply. The dismal picture painted for us in 1977 about disappearing energy resources has become reality. Prices have skyrocketed as world oil and gas supplies dwindle, causing crippling inflation on a global scale. Long lines at gas stations and severe shortages of energy for heating and cooling our homes and operating factories and farms are common. Equally important, our land, water and air have suffered irreversible damage because of energy pollution.

This depressing condition is strictly a projection, but it could easily become a reality if we do not do something now about the energy crisis. Summer will be here soon. The severe winter we have just experienced may only be a memory that we will relate to our grandchildren. Our attention span is short, which is exemplified by how easily we have forgotten the Arab oil embargo of 1973.

The natural gas shortage of crisis proportions this winter and the Arab oil embargo in 1973 brought the energy crisis to the forefront. Individual consumers felt the impact directly. Between those two events, we ignored the energy problem at our own peril.

We are at the crossroads of our energy problem. In January of this year, for the first time, we imported more than 50 per cent of the oil burned in America. Americans have been greedy with the world's energy supply. West Germany is a good example of a country that has flourished and still conserves energy. Germans enjoy a standard of living comparable to ours, but they use energy 50 per cent more effectively than we do.

Electricity should be priced at its long-run incremental cost. For example, accurate peak pricing is one way of translating certain marginal costs of production into price signals to the consumer. We should eliminate volume discounts to encourage conservation and penalize waste, while maintaining the financial integrity of utility companies.

There are scores of ways to save on energy without drastically changing our daily lifestyles. For example, many cars use only 10 per cent of fuel consumption for actual propulsion. We must redesign cars to have more efficient auto engines.

We also need to develop more efficient industrial processes. Wasted heat from utilities and industrial plants can be captured and used for heating purposes which could save up to 500,000 barrels of oil daily. An equal amount of energy could be saved if urban trash was burned to produce electricity.

Improvements in these areas would noticeably cut down on pollution. Architects could once again design buildings with windows that open and close to control temperature by nature as well as by thermostat. We overheat buildings in the winter and overcool them in the summer when that occasionally could be remedied by turning everything off and letting in some fresh air.

Presently, we waste more energy than we produce. Energy use could be cut anywhere from 15 to 40 per cent if we put in insulation and storm windows and doors.

Not only would it be easy to do these things, but there are economic advantages too. There is an initial investment in all of these methods, but the returns will actually save money in the long-run.

Our objectives should be to keep our energy growth to replacement levels. For the past 25 years, energy demand has been growing at about four per cent a year, close to the same rate as our economy. Economic growth and energy growth do not need to proceed in lockstep. There must be a greater public awareness of this fact. By creating new sources a goal of zero energy growth by 1985 can be a reality strictly through conservation.

We can proceed unwittingly as we have in the past by concentrating on energy supply to meet our national demands and pray that a miraculously new energy source will fall upon us before we run out of oil and natural gas. Or, we can conserve what we do have and continue development of alternate sources. The choice is clear and we must act now.

New sources such as solar power, clean-burning coal and fusion should still be developed, but they cannot relieve our energy problem for years to come.

The best solution—today and in the long run—is conservation. We can tap a new energy source—"conservation energy"—that can reduce our dependence on expensive foreign oil and dwindling domestic supplies.

"Conservation energy" is the energy derived by replacement of wasteful habits and technology with more efficient ones in our daily lives. I believe that the equivalent of about 16 million barrels of oil a day can be "produced" through "conservation energy" by 1985.

We must convince every American—business executives, labor union leaders and government officials, as well as homeowners, apartment-dwellers and motorists—that it is actually far less expensive in the long-run to invest to save energy than it is to purchase energy.

Senator Hubert Humphrey and I launched a private, non-profit organization called the Alliance to Save Energy which will promote "conservation energy" as an alternate source. I am very excited about the prospects of this new organization and the cooperation I have received in organizing it.

If we are to have an effective national energy conservation effort, there must be a different approach and a new definition, one which could capture widespread popular support.

Former President Gerald Ford and Vice President Walter Mondale will serve as Honorary Chairmen. Dr. James Schlesinger will serve as the Honorary Advisor.

Senator Humphrey and I are the Chairman and Co-Chairman of the Board of Directors.

Dr. Henry Kissinger will serve as Chairman of the Advisory Board. The Honorary Vice-Chairpersons will be Secretary Patricia Harris for housing, Secretary Juanita Kreps for industry, Secretary Ray Marshall for labor and Secretary Brock Adams for transportation.

The activities of ASE will be determined by a Board of Directors in consultation with an Advisory Board. The Board of Directors will elect an Executive Committee from their members to implement policy.

The Advisory Board will be made up of individuals from all sectors of American life. It will also include 10 regional Chairpersons, coinciding with the 10 Federal regions, who will oversee the programs of the 50 State Chairpersons.

Because the Alliance to Save Energy will reach down to the state and local levels, local rural electric cooperatives can play an integral part in the organization's activities. In fact, we welcome any input you may have in making conservation a national effort.

Rural electric systems have the capacity and opportunity to take the lead in the new source, "conservation energy." There are many incentives you can give to your members to save on energy.

First, you can educate them on how to conserve. If they are going to buy new appliances, encourage them to buy energy efficient ones. The initial cost may be higher, but the money saved in the long-run makes it worthwhile. You could even rent out energy efficient appliances yourselves.

There are many easy ways for all of us to conserve: turn out the lights when you leave the room, turn off the television when it is not in use, take showers instead of baths and use manpower instead of power tools.

In the Senate we are putting together an economic stimulus proposal that would also help the energy problem by giving tax credits for using insulation, storm windows and doors and installing clock thermostats. You can encourage your members to take such actions to conserve by giving them deductions from their utility rates.

Every aspect of American society is going to have to do its part in encouraging consumers to conserve. There can be a great movement, and you have the chance to be in the lead. Pulling from the grassroots, like you are capable of doing, will build a firm foundation for conservation energy.

So far you have all done a magnificent job of fulfilling the power demands in the rural areas. In fact, only a small percentage of the American population knows what it is like to go without electricity and very few people have ever experienced prolonged blackouts. You are to be commended for such good service.

Now you can help solve our nation's energy problem by helping to promote conservation. We all have done a lot of talking about our energy problem. We have finally come to the crossroads and if no action is taken, our options will slip away and the chance of ever catching up with our runaway supply of energy will be gone. We do not want a situation in 1987 as I described earlier—severe shortages, raging inflation and energy prices that only a king could afford.

I believe we can all work together to solve our national energy problem. I am confident that the new Administration and Congress will face the energy crisis and act. But, the implementation and success of this effort to save energy depends on every American.

Thank you.

SENATE RESOLUTION 90—APPOINTMENT OF MINORITY MEMBERSHIP ON STANDING, SELECT, AND SPECIAL COMMITTEES

Mr. BAKER. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 90) appointing the minority party's membership on the standing committees, the Select Committee on Small Business, and the Special Committee on Aging of the Senate for the 95th Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, I ask unanimous consent that the appointments contained in the resolution be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that rule XXIV requiring the ballot for the appointment of committee members be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the resolution.

The resolution (S. Res. 90) was agreed to, as follows:

S. RES. 90

Resolved, That the following shall constitute the Minority party's membership on the standing committees, the Select Committee on Small Business, and the Special Committee on Aging of the Senate for the Ninety-fifth Congress:

Committee on Agriculture, Nutrition, and Forestry: Mr. Dole, Mr. Young, Mr. Curtis, Mr. Bellmon, Mr. Helms, Mr. Hayakawa, Mr. Lugar.

Committee on Appropriations: Mr. Young, Mr. Case, Mr. Brooke, Mr. Hatfield, Mr. Stevens, Mr. Mathias, Mr. Schweiker, Mr. Bellmon, Mr. Weicker.

Committee on Armed Services: Mr. Tower, Mr. Thurmond, Mr. Goldwater, Mr. Scott, Mr. Bartlett, Mr. Helms, Mr. Garn.

Committee on Banking, Housing, and Urban Affairs: Mr. Brooke, Mr. Tower, Mr. Garn, Mr. Heinz, Mr. Lugar, Mr. Schmitt.

Committee on Commerce, Science, and Transportation: Mr. Pearson, Mr. Griffin, Mr. Stevens, Mr. Goldwater, Mr. Packwood, Mr. Schmitt, Mr. Danforth.

Committee on Energy and Natural Resources: Mr. Hansen, Mr. Hatfield, Mr. McClure, Mr. Bartlett, Mr. Weicker, Mr. Domenici, Mr. Laxalt.

Committee on Environment and Public Works: Mr. Stafford, Mr. Baker, Mr. McClure, Mr. Domenici, Mr. Chaffee, Mr. Wallop.

Committee on Finance: Mr. Curtis, Mr. Hansen, Mr. Dole, Mr. Packwood, Mr. Roth, Mr. Laxalt, Mr. Danforth.

Committee on Foreign Relations: Mr. Case, Mr. Javits, Mr. Pearson, Mr. Percy, Mr. Griffin, Mr. Baker.

Committee on Governmental Affairs: Mr. Percy, Mr. Javits, Mr. Roth, Mr. Stevens, Mr. Mathias, Mr. Danforth, Mr. Heinz.

Committee on Human Resources: Mr. Javits, Mr. Schweiker, Mr. Stafford, Mr. Hatch, Mr. Chafee, Mr. Hayakawa.

Committee on Judiciary: Mr. Thurmond, Mr. Mathias, Mr. Scott, Mr. Laxalt, Mr. Hatch, Mr. Wallop.

Committee on Rules and Administration: Mr. Hatfield, Mr. Griffin, Mr. Baker.

Committee on the Budget: Mr. Bellmon, Mr. Dole, Mr. McClure, Mr. Domenici, Mr. Hayakawa, Mr. Heinz.

Committee on Veterans Affairs: Mr. Stafford, Mr. Thurmond, Mr. Hansen.

Select Committee on Small Business: Senator Weicker, Mr. Bartlett, Mr. Packwood.

Special Committee on Aging: Mr. Domenici, Mr. Brooke, Mr. Percy.

RECESS UNTIL 1 P.M., THURSDAY, FEBRUARY 24, 1977

Mr. CRANSTON. Mr. President, if there be no further business to come before the Senate, and I gather there is not, I move, in accordance with the previous order, that the Senate stand in recess until 1 p.m. Thursday.

The motion was agreed to; and at 3:51 p.m. the Senate recessed until Thursday, February 24, 1977, at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate February 22, 1977:

LAW OF THE SEA CONFERENCE REPRESENTATIVE

Elliot L. Richardson, of Massachusetts, to be an Ambassador at Large and the Special Representative of the President of the United States for the Law of the Sea Conference and Chief of Delegation.

DEPARTMENT OF STATE

The following-named Foreign Service officers for promotion from class 1 to the class of Career Minister:

Harry G. Barnes, Jr., of Maryland.
Robert A. Hurwitch, of Illinois.
Richard B. Parker, of Kansas.
Thomas R. Pickering, of New Jersey.
Harry W. Shlaudeman, of California.
Ronald I. Spiers, of Vermont.
Christopher Van Hollen, of Virginia.

HOUSE OF REPRESENTATIVES—*Tuesday, February 22, 1977*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Search me, O God, and know my heart; try me and know my thoughts; and see if there be any wicked way in me and lead me in the way everlasting.—Psalms 139: 23, 24.

O God, our Father, in the quiet of this sacred moment grant us grace to worship Thee in spirit and in truth, for the strengthening of our spirits and the upbuilding of every good purpose and every wholesome desire.

As we enter the season of Lent we acknowledge our shortcomings and our sins. Have mercy upon us, O Lord, and forgive us. Help us to accept Thy forgiveness and to receive Thy Spirit that we may think better, speak better, and do better than ever before.

Bless Thou our President, our Speaker, the Members of this House, and all who labor with them. Give them the assurance that with Thee all great and good things are possible. Thus with faith renewed, hope restored, and good will revived we face the tasks of this day.

In the spirit of Him who went about doing good we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks,

one of his secretaries, who also informed the House that on the following date the President approved and signed a joint resolution of the House of the following title:

On February 21, 1977:

H.J. Res. 240. Joint resolution to give congressional approval to certain governing international fishery agreements negotiated in accordance with the Fishery Conservation and Management Act of 1976, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. Con. Res. 2. Concurrent resolution relative to military personnel missing in action or killed in action and body not recovered in Southeast Asia; and

S. Con. Res. 3. Concurrent resolution to reaffirm the honor of those who served in Southeast Asia and to urge establishment of a Presidential Task Force on Prisoners of War and Missing in Action.

WILLIAM STARR CARTER

(Mr. HUBBARD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HUBBARD. Mr. Speaker, yesterday I attended the funeral in Tompkinsville, Ky., of William Starr Carter, the 22-year-old son and only child of our House colleague, Dr. TIM LEE CARTER, and his wife, Kathleen. As I learned yesterday in the First United Methodist Church in Tompkinsville, it is difficult to appropriately eulogize this outstanding young man who lost his valiant, 4-year struggle with acute undifferentiated leukemia last Saturday.

I would like to include in the RECORD a news article about Starr which appeared in the February 20, 1977, edition of the Louisville Courier-Journal and Times, written by the papers' Washington bureau chief, Ward Sinclair:

WASHINGTON.—William Starr Carter came to terms with life before most young men his age know what it's all about.

He took each day as it came and gave special thanks for it, he once told his father, U.S. Rep. Tim Lee Carter, because he knew there might be no more.

Starr was 18 when he learned that he had acute leukemia, a cancerous disease that attacks the bone marrow. But life must go on, so Starr went on.

He enrolled at Western Kentucky University in 1973. That was a logical place because the family farms that he loved in Monroe County would be near.

Young Carter kept up his studies at Bowling Green, but it was on the farm his father turned over to him that he found expansion and meaning.

When others were just stirring in the dorms at Western, Starr would be over in Monroe County, rustling around in the early morning cold and worrying about the cattle and the plowing that were his obsession.

He wanted everything just right, and, to get it that way, he knew he had to have proper equipment. One thing the farm needed was a new truck, so last Christmas Rep. Carter gave in and bought the truck.

It was a beautiful truck and when the congressman found out it would do all the things Starr had told him it would do, he was sorry he hadn't bought it before.

Starr took meticulous care of the truck, but he had a problem. He feared the heavy, dirty work on the farm would soon mar the shiny new vehicle.

Young Carter petitioned his father for a second truck—not a new one, understand—that could handle the messy tasks and leave the new truck in its immaculate state.

Rep. Carter didn't bow to that request, but he probably would have if time hadn't run out for Starr.

William Starr Carter, 22, died yesterday morning at Vanderbilt University Hospital in Nashville. He was at home in Tompkinsville with his parents when he became ill Friday and was rushed to Nashville.

Starr Carter's illness was detected in May 1973 when he was a student at Culver Military Academy in Culver, Ind. His parents flew him to Nashville, where doctors positively diagnosed acute undifferentiated leukemia.

The boy was then moved to the M. D. Anderson Hospital and Tumor Institute in Houston, Tex., for treatment. The disease was arrested and by August, with the leukemia in remission, he had returned to Monroe County to work on the farm.

That fall he entered Western. He continued in school and worked on the farm until last September, when he suffered a relapse. He was treated again in Houston and then released.

Starr Carter was born Aug. 12, 1954, at Glasgow, Ky. As a student at Culver, he was a member of the school's famed Black Horse Troop that rode at the head of the 1973 presidential inaugural parade in Washington.

Although his father has been the 5th District congressman since 1965 and the Carter family has dominated Republican politics in Monroe County for years, young Starr only dabbled in it.

He worked one summer in Washington for former Sen. Marlow Cook, R-Ky., and later was involved peripherally in several campaigns. He also was a director of the People's Bank of Tompkinsville.

In addition to his parents, survivors include a grandmother, Mrs. Cloe Bradshaw.

The funeral will be at 2 p.m. tomorrow at the First Methodist Church in Tompkinsville, with burial in the Carter family plot in the Evans' Oak Hill Cemetery there.

The family requests that expressions of sympathy take the form of contributions to the American Cancer Society.

PROPOSED AMENDMENT TO H.R. 11

(Mr. COCHRAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COCHRAN. Mr. Speaker, when H.R. 11, the bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976, comes before the House later this week, I plan to offer an amendment to correct a deficiency in the legislation as reported by the Committee on Public Works and Transportation.

My amendment would simply prohibit the awarding of any grant to any applicant in a State where the amount sought by the applicant would exceed 10 percent of the total amount of funds allocated to that State.

Without my amendment, I am afraid there might be a reoccurence of the type of funds distribution that proved unfair to a majority of the applicants in my State under the first round of funding.

Mississippi was allocated only $10 million along with 21 other States and territories which were fortunate enough not to have a high rate of unemployment. Our local EDA representative encouraged applicants to keep their requests to around $250,000 or $300,000 so the funds could be spread around more or less evenly through all areas of the State.

In spite of this effort, we had a small town with a population of 2,100 people apply for and receive a grant amounting to $4.9 million or 49 percent of the total State allocation.

It may be that under the committee's bill there is language prohibiting the counting of unemployed persons in adjacent areas when calculating unemployment in a project area; but nonetheless, it is very difficult to sell the people of a small State on the idea that a town of 2,100 people really needs almost half of the State's total allocation of funds, particularly when other towns and counties throughout the State have requested substantially smaller grants to be used for the same types of projects.

I know that the approval of one application does not represent the intent of the act; but to be sure that sort of thing does not occur again, I think my amendment should be adopted.

WILLIAM STARR CARTER

(Mr. ALLEN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, I, too, attended the funeral of the son of our beloved colleague, Dr. TIM LEE CARTER. Certainly there is no Member of this House who is more beloved and who is more considerate and kind than is Dr. TIM LEE CARTER. He lost his only son. It was for both Dr. CARTER and Mrs. Carter a sad, sad occasion.

If it is not out of order, Mr. Speaker, I ask that the House stand in silent prayer for just a moment as an expression of our condolence to Dr. TIM LEE CARTER and his wife upon their grievous loss.

The SPEAKER. The Chair joins in sympathy at the loss of the son of our very, very dear colleague, but the gentleman is making an unusual request, and the House is about to recess for the joint meeting to receive the Prime Minster of Canada, so the Chair does not recognize the gentleman for that purpose. However, the gentleman should ask unanimous consent that all Members may have 5 legislative days to express their sentiments on this matter?

Mr. SNYDER. Mr. Speaker, I want to express the sincere sympathy of our family to TIM LEE CARTER and his gracious wife upon the loss of their son, Starr. Everyone who knows this wonderful couple knows of the love which they have for their son—and of the dedication and care which they have exhibited toward him during his prolonged illness.

There is nothing that can be said which will alleviate their sorrow. We do know one thing though—and that is—that the faith of these wonderful parents in their God and His wisdom will be sufficient to help them through this difficult period in their lives.

For now we see through a glass

darkly, but then face to face—for now we know in part, but then we know even as we are known.

I know all of us will remember the Carters in our prayers.

GENERAL LEAVE

Mr. ALLEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the death of William Starr Carter.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COUNTERCYCLICAL AID

(Mr. BROOKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOKS. Mr. Speaker, I am today introducing a bill to increase the amount of money available to State and local governments under the countercyclical revenue sharing program passed by Congress last year.

The bill, which is part of President Carter's economic recovery package, could add $1 billion to the program during the current fiscal year, boosting the total funds available to $2.5 billion. It would also extend the program, which is due to expire September 30, for 5 years. Another provision in the bill would change the formula for distributing the money to make it more responsive to fluctuations in the unemployment rate.

Mr. Speaker, countercyclical aid which is geared to the national unemployment rate is not a panacea for resolving economic problems of State and local governments, but it does provide a quick way for the Federal Government to come to the aid of areas with high unemployment. My introduction of this legislation in no way modifies my longstanding opposition to general revenue sharing. Recognizing, however, that we must use existing programs despite some obvious shortcomings to meet an economic crisis, I am introducing the legislation to extend countercyclical assistance at the present time.

While the Government Operations Committee will undoubtedly want to review this program carefully, I anticipate that we will move it expeditiously.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

The Chair announces that during the special meeting today to hear the Prime Minister of Canada, Mr. Trudeau, only the doors immediately opposite the speaker, those on his left and those on his right, will be open.

RECESS

The SPEAKER. Pursuant to the order of the House on Monday, January 31, 1977, the House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 11 minutes p.m.), the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY THE PRIME MINISTER OF CANADA

The SPEAKER of the House presided.

The Doorkeeper, Honorable James P. Molloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as Members of the Committee on the Part of the House To Escort the Prime Minister of Canada Into the Chamber the gentleman from Texas (Mr. WRIGHT); the gentleman from Indiana (Mr. BRADEMAS); the gentleman from Washington (Mr. FOLEY); the gentleman from Wisconsin (Mr. ZABLOCKI); the gentleman from Florida (Mr. FASCELL); the gentleman from South Carolina (Mr. JENRETTE); the gentleman from Arizona (Mr. RHODES); the gentleman from Illinois (Mr. MICHEL); the gentleman from Illinois (Mr. ANDERSON); and the gentleman from Michigan (Mr. BROOMFIELD).

The VICE PRESIDENT. On the part of the Senate, the Chair appoints as members of the Committee on the Part of the Senate To Escort the Prime Minister of Canada into the Chamber the Senator from West Virginia (Mr. ROBERT C. BYRD); the Senator from Minnesota (Mr. HUMPHREY); the Senator from Hawaii (Mr. INOUYE); the Senator from Alabama (Mr. SPARKMAN); the Senator from North Dakota (Mr. YOUNG); and the Senator from New Jersey (Mr. CASE).

The Doorkeeper announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 34 minutes p.m., the Doorkeeper announced the Prime Minister of Canada, His Excellency, Pierre Elliott Trudeau.

The Prime Minister of Canada, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of Congress, it is my great privilege, and I deem it a high personal honor and a pleasure, to present to you His Excellency, Pierre Elliott Trudeau, Prime Minister of Canada.

[Applause, the Members rising.]

Prime Minister TRUDEAU. Mr. Speaker, Mr. President, Members of the Congress:

For much more than a century, individual Canadians, in countless ways and on countless occasions, have expressed to Americans their friendship. Today, as Prime Minister I am given the opportunity to express those feelings collectively before the elected representatives of the American people.

I do so with pride, and with conviction.

Je me réjouis, comme parlementaire, d'avoir l'occasion de prendre la parole en cette enceinte historique, où tant de vos grands hommes d'Etat se sont illustrés. J'en suis avec tous les Canadiens très honoré et je vous apporte leur plus cordial salut. Votre accueil si chaleureux confirme ce que j'ai toujours senti, que le Canadien aux Etats-Unis est chez des amis.

The friendship between our two countries is so basic that it has long since been regarded by others as the standard for enlightened international relations. No Canadian leader would be permitted by his electorate consciously to weaken it. Indeed, no Canadian leader would wish to, and certainly not this one.

Simply stated, our histories record that for more than a century millions upon millions of Canadians and Americans have known one another, liked one another, and trusted one another.

Canadians are not capable of living in isolation from you anymore than we are desirous of doing so. We have benefitted from your stimulus; we have profited from your vitality.

Throughout your history, you have been inspired by a remarkably large number of gifted leaders who have displayed stunning foresight, ofttimes in the face of then popular sentiments. In this city which bears his name, on the anniversary of his birthday, George Washington's words bear remembering. In a message familiar to all of you in this Chamber, he said: "It is of infinite moment that you should properly estimate the immense value of your national union to your collective and individual happiness."

At a moment in the history of mankind when men and women cannot escape from the knowledge that the only hope for humanity is the willingness of peoples of differing complexions and cultures and beliefs to live peaceably together, you have not forgotten Washington's high standards. You have chosen to declare your beliefs in the protection of minorities, in the richness of diversity, in the necessity of accommodation. You have contributed new fibre to that seamless fabric we call the history of mankind—that stumbling, incoherent quest by individuals and by nations for freedom and dignity.

Liberty and the pursuit of happiness have not been theoretical concepts for Americans, nor have they been regarded as elusive goals. You have sought each with vigour, and shared with all mankind the joy and the creativity which are the products of freedom. You have illustrated throughout your history the resilience, the dedication and the inherent decency of American society.

The United States achievement in recent years of conducting a great social revolution—overcoming difficulties of immense complication and obdurateness,

and doing so through the democratic process—is surely a model for all nations devoted to the dignity of the human condition. Freedom-loving men and women everywhere are the beneficiaries of your example. Not the least among them are Canadians, for whom the United States has long since been the single most important external influence—the weather only excepted.

We in Canada, facing internal tensions with roots extending back to the 17th century, have much to gain from the wisdom and discipline and patience which you, in this country, in this generation have brought to bear to reduce racial tensions, to broaden legal rights, and to provide opportunity to all.

Canadians long ago determined to govern themselves by a parliamentary system which favours the flowering of basic aspirations—for freedom, for justice, for individual dignity. The rule of law, sovereignty of parliament, a broad sharing of power with the provinces, and official support of the pluralistic nature of Canadian society have combined to create in Canada a community where freedom thrives to an extent not exceeded anywhere else, a community where equality of opportunity between people and between regions is a constant goal.

The success of our efforts in the first century following confederation was great, but by no means complete. We created a society of individual liberty and of respect for human rights. We produced an economic standard of living which approaches your own. We have not yet, however, created a condition in which French-speaking Canadians have felt they were fully equal or could fully develop the richness of the culture they had inherited. And therein is the source of our central problem today. That is why a small minority of the people of Quebec feel they should leave Canada and strike out in a country of their own. The newly elected government of that province asserts a policy that reflects that minority view despite the fact that during the election campaign it sought a mandate for good government, and not a mandate for the separation from Canada.

The accommodation of two vigorous language groups has been, in varying fashion, the policy of every Canadian government since Confederation. The reason is clear. Within Quebec, over 80 percent of the population speak French as their first or only language. In Canada as a whole, nearly one-fifth of the people speak no language but French. Thus from generation to generation there has been handed down the belief that a country could be built in freedom and equality with two languages and a multitude of cultures.

I am confident it can be done. I say to you with all the certainty I can command that Canada's unity will not be fractured. Revisions will take place. Accommodations will be made; We shall succeed.

There will have to be changes in some of our attitudes; there will have to be a greater comprehension of one another across the barrier of language difference. Both English-speaking and French-speaking Canadians will have to become more aware of the richness that diversity brings and less irritated by the problems it presents. We may have to revise some aspects of our constitution so that the Canadian federation can be seen by six and a half million French-speaking Canadians to be the strongest bulwark against submersion by some 220 million English-speaking North Americans.

These very figures illustrate dramatically the sense of insecurity of French Canada. But separation would not alter the arithmetic; it would merely increase the exposure.

Nor would the separation of Quebec contribute in any fashion to the confidence of the many cultural minorities of various origins who dwell throughout Canada. These communities have been encouraged for decades to retain their own identities and to preserve their own cultures. They have done so and flourished, nowhere more spectacularly than in the prairie provinces of Alberta, Saskatchewan and Manitoba. The sudden departure of Quebec would signify the tragic failure of our pluralist dream, the fracturing of our cultural mosaic, and would likely remove much of the determination of Canadians to protect their cultural minorities.

Problems of this magnitude cannot be wished away. They can be solved, however, by the institutions we have created for our own governance. Those institutions belong to all Canadians, to me as a Quebecker as much as to my fellow citizens from the other provinces. And because those institutions are democratically structured, because their members are freely elected, they are capable of reflecting changes and of responding to the popular will.

I am confident that we in Canada are well along in the course of devising a society as free of prejudice and fear as full of understanding and generosity, as respectful of individuality and beauty, as receptive to change and innovation, as exists anywhere.

Our nation is the very encounter of two of the most important cultures of western civilization, to which countless other strains are being added. Most Canadians understand that the rupture of their country would be an aberrant departure from the norms they themselves have set, a crime against the history of mankind; for I am immodest enough to suggest that a failure of this always-varied, often-illustrious Canadian experiment would create shock waves of disbelief among those all over the world who are committed to the proposition that among man's noblest endeavours are those communities in which persons of diverse origins live, love, work, and find mutual benefit.

Canadians are conscious of the effort required of them to maintain in healthy working order not only their own nation but as well the North American neighborhood in which they flourish. A wholesome relationship with our mutual friend Mexico and a robust partnership with the United States are both, in our eyes, highly desirable. To those ends we have contributed much energy. And you in this country have reciprocated to the point where our relationship forms a model admired by much of the world—one moulded from the elements of mutual respect and supported by the vigour of disciplined cooperation.

We have built together one of the world's largest and most efficient transportation and power generating systems in the form of the St. Lawrence Seaway. We have conceived and established the world's oldest, continuously functioning, binational arbitral tribunal—the International Joint Commission. We have joined together in many parts of the world in the defense of freedom and in the relief of want. We have created oft-times original techniques of environmental management, of emergency and disaster assistance, of air and sea traffic control, of movements of people, goods and services—the latter so successfully that the value of our trade and the volume of visitors back and forth exceeds several times over that of any other two countries in the world. It is no wonder that we are each so interested in the continued social stability and economic prosperity of the other.

Nor should we be surprised that the desire of the American and Canadian peoples to understand and help one another sometimes adopts unusual forms. In what other two countries in the world could there be reproduced the scene of tens of thousands of people in a Montreal baseball park identifying totally with one team against the other, forgetting all the while that every single player on each is American, and a similar scene in the Washington hockey arena where thousands of spectators identify totally with one team against another, forgetting that virtually every player on the ice is Canadian.

Thus do the images blur, and sometimes do they lead to chafing. Yet how civilized are the responses! How temperate the replies! We threaten to black out your television commercials? You fire volleys of antitrust proceedings! Such admirable substitutes for hostility!

More important than the occasional incident of disagreement is the continuing process of management which we have successfully incorporated into our relationship. It is a process which succeeds through careful attention, through consultation, and through awareness on both sides of the border that problems can arise which are attributable neither to intent nor neglect, but to the disproportionate size of our two populations and the resulting imbalance of our economic strength.

Those differences will likely always lead us in Canada to attempt to ensure that there be maintained a climate for the expression of Canadian culture. We will surely also be sensitive to the need for the domestic control of our economic environment. As well, in a country visited annually by extreme cold over its entire land mass—I just met the Representative from Florida and I hear it also happens in your country—but in our country, a country so far-flung that transportation has always posed almost insuperable problems, the wise conservation of our energy resources assumes a compelling dimension. And for a people devoted throughout their history to accommodating themselves with the harshness, as well as the beauty, of their natural surroundings, we will respond with vigour to any threat of pollution or des-

poliation be it from an indigenous or from an external source.

Our continent, however, is not the world. Increasingly it is evident that the same sense of neighbourhood which has served so well our North American interests must be extended to all parts of the globe and to all members of the human race. Increasingly, the welfare and the dignity of others will be the measurement of our own condition. I share with President Carter his belief that in this activity also we will achieve success.

However, even as we have moved away from the cold war era of political and military confrontation, there exists another danger: one of rigidity in our response to the current challenges of poverty, hunger, environmental degradation, and nuclear proliferation. Our ability to respond adequately to these issues will in some measure be determined by our willingness to recognize them as the new obstacles to peace. Yet, sadly, our pursuit of peace in these respects has all too often been little more imaginative than was our sometimes blind grappling with absolutes in the international political sphere. Moreover, we have failed to mobilize adequately the full support of our electorates for the construction of a new world order.

The reasons are not hard to find. In these struggles there is no single tyrant, no simple ideological contest. We are engaged in a complex of issues of overwhelming proportions yet with few identifiable labels. Who, after all, feels stirred to oratorical heights at the mention of commodity price stabilization or of full fuel cycle nuclear safeguards or of special drawing rights? Yet these are the kind of issues that will determine the stability of tomorrow's world. They will require imaginative solutions and cooperative endeavour, for these struggles are not against human beings: they are struggles with and for human beings, in a common cause of global dimensions.

It is to the United States that the world looks for leadership in these vital activities. It has been in large measure your fervour and your direction that has inspired a quarter century of far-flung accomplishment in political organization, industrial development and international trade. Without your dedicated participation, the many constructive activities now in one stage or another in the several fields of energy, economics, trade, disarmament, development, these activities will not flourish as they must.

My message today is not a solicitous plea for continued United States involvement. It is an enthusiastic pledge of spirited Canadian support in the pursuit of those causes in which we both believe. It is as well an encouragement to our mutual rededication at this important moment in our histories to a global ethic of confidence in our fellow man.

Mr. Speaker, Mr. President, in that same address to which I referred some minutes ago, George Washington warned against "the insidious wiles of foreign influence" and the desirability of steering "clear of permanent alliances with any portion of the foreign world." Yet here I stand, ladies and gentlemen, a foreigner, endeavouring—whether insidiously or not you will have to judge—to urge the United States ever more permanently into new alliances. That I dare do so is a measure not only of the bond which links Canadians to you, but as well of the spirit of America. Thom. Paine's words of two centuries ago are as valid today as when he uttered them: "My country is the world, and my religion is to do good."

In your continued quest of those ideals, ladies and gentlemen, all Canadians wish you Godspeed.

[Applause, the Members rising.]

At 12 o'clock and 58 minutes p.m., His Excellency, Pierre Elliott Trudeau, the Prime Minister of Canada, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper, Hon. James T. Molloy, escorted the invited guests from the Chamber in the following order: The members of the President's Cabinet and the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purpose of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Accordingly (at 1 o'clock and 2 minutes p.m.), the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

The SPEAKER. The House will continue in recess until approximately 1 o'clock and 20 minutes p.m. today.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. MEEDS) at 1 o'clock and 22 minutes p.m.

PROPOSED CHANGES IN 1978 BUDGET—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–77)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed with illustrations:

To the Congress of the United States:

I am presenting today proposed changes in the 1978 budget.

Although I have not been able to analyze this budget in depth, these proposals do differ significantly from those of the previous administration.

Proposals have been rejected that would have needlessly added to the burden on the elderly and those who depend upon medicare, medicaid, and food programs.

I have withdrawn proposals that would have placed further financial strain on State and local governments.

Changes are included that will help us move more quickly to meet our commitments in such vital areas as the environment, education, and housing; and I am introducing measures that will help us control unacceptable inflation in medical costs.

The planned increase in defense spending, has been reduced while our real military strength is enhanced.

Revisions have been made that reflect new priorities for water resources development and also for energy, placing greater emphasis on conservation, development of non-nuclear power sources, and expanding our petroleum storage program. Later in the spring, work with the Congress will be completed on a comprehensive, long-range national energy policy.

This budget includes the economic stimulus package, which will reduce unemployment and promote steady, balanced economic growth. The package, which has been slightly changed since it was first presented to the Congress last month, provides for $15.7 billion in tax reductions and increased outlays in 1977 and $15.9 billion in 1978. It includes a $50 per capita rebate on personal income taxes; an increase in the standard deduction; reduction in business taxes to stimulate employment and provide incentives for investment; expansion in training and employment programs; increases in public works funding; and additional money for countercyclical revenue sharing grants to State and local governments.

I am also asking the Congress to extend the supplemental payments program, which is now expiring, so that unemployed workers will be able to qualify through the end of this year for up to 52 weeks of unemployment benefits.

There are several important goals which these revisions do not reflect, because my administration has not yet had time to review all current tax and spending programs or fully prepare our own proposals. The 1978 budget is essentially still President Ford's budget, with only such limited revisions as my administration has had time to make. But these revisions do reflect our careful choices among many possible options; they are important first steps toward a Federal Government that is more effective and responsive to our people's needs.

Last year, spending estimates were too high, and economic policymaking was adversely affected. Because time did not permit detailed review of the current estimates, I have instructed the Office of Management and Budget to make a thorough review of these estimates. The Congress will be informed of any resulting revisions.

The revised budget outlined in this document continues to reflect the current overlapping and unwieldy structure of the Federal Government—a structure I intend, with the help of the Congress, to simplify and improve.

Although it has not been possible in these revisions to the 1978 budget, future budgets will reflect detailed, zero-based reviews of Federal spending programs, comprehensive reform of the tax system, and fundamental reorganization of the Government.

JIMMY CARTER.

FEBRUARY 22, 1977.

WATER PROJECTS DELETED FROM FISCAL YEAR 1978 BUDGET—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–84)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

During the campaign I committed myself to a prudent and responsible use of the taxpayers' money and to protection of the environment. Today I am announcing a major review of water resource projects which will further both commitments.

Water development projects have played a critical role in developing the economy of this nation. But many of the 320 current projects approved in the past under different economic circumstances and at time of lower interest rates are of doubtful necessity now, in light of new economic conditions and environmental policies. At this point, based upon information thus far developed by the Council on Environmental Quality, the Office of Management and Budget and the Interior Department, I have identified 19 projects which now appear unsupportable on economic, environmental, and/or safety grounds. I have attached a list of these projects. I am recommending at this time that no funds be provided for these projects in FY 1978.

I am instructing Secretary of the Interior Andrus and Secretary of the Army Alexander, working together with the Office of Management and Budget and the Council on Environmental Quality, to carry out a complete evaluation of these 19 projects and of all other water resource projects and to develop comprehensive policy reforms in this critical area. They will report back to me and to the Congress by April 15.

This review will give us the necessary facts upon which to make certain that only projects which are economically and environmentally sound will receive final approval. The FY 1978 budget reductions for the deleted projects amount to $289 million. Total potential savings from these deleted projects would amount to $5.1 billion.

I look forward to working closely with the Congress to develop a coherent water resource policy.

We must work together to achieve our national goals of adequate water supplies, a sound transportation system and needed flood protection. In doing so, we must make certain that our investments are cost-effective, that the cost burdens are equitably borne, and that the environment is protected.

JIMMY CARTER.

THE WHITE HOUSE, *February 21, 1977.*

WATER PROJECTS DELETED FROM FY 1978 BUDGET (ALPHABETICAL BY STATE)

CORPS OF ENGINEERS

Cache Basin (Arkansas)
Richard B. Russell Project (Georgia)
Freeport (Illinois)
Grove Lake (Kansas)
Dayton (Kentucky)
Paintsville Lake (Kentucky)
Yatesville Lake (Kentucky)
Atchafalaya River & Bayous Chene, Boeuf & Black (Louisiana)
Dickey-Lincoln School Lakes (Maine)
Meramec Park Lake (Missouri)
Lukfata Lake (Oklahoma)

BUREAU OF RECLAMATION

Central Arizona Project (Arizona)
Auburn-Folsom South, Central Valley Project (California)
Dolores (Colorado)
Fruitland Mesa (Colorado)
Savery-Pot Hook (Colorado, Wyoming)
Garrison Diversion Unit (North Dakota, South Dakota)
Oahe Unit (South Dakota)
Central Utah Project, Bonneville Unit (Utah)

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

FEDERAL AVIATION ACT TARIFF CHANGES

Mr. ANDERSON of California. Mr. Spaker, I move to suspend the rules and pass the bill (H.R. 26) to amend the Federal Aviation Act of 1958 to provide improved notice to the public of changes in air carrier fares, as amended.

The Clerk read as follows:

H.R. 26

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 403(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1373) is amended to read as follows: "No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff—

"(1) of any air carrier, or foreign air carrier, directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of property in air transportation, except after sixty days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section; and

"(2)(A) of any air carrier, or foreign air carrier, if such rate, fare, or charge is for the carriage of persons in air transportation, or (B) of any air carrier, or foreign air carrier, not directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of property in air transportation, except after forty-five days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section.".

(b) The first sentence of section 1002(g) of such Act (49 U.S.C. 1482) is amended by inserting "at least fifteen days before the day on which such tariff would otherwise go into effect" immediately after "and delivering to the air carrier affected thereby".

SEC. 2. (a) The amendment made by subsection (a) of the first section of this Act shall apply to any tariff change filed by any air carrier or foreign air carrier in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this Act.

(b) The amendment made by subsection (b) of the first section of this Act shall apply to any tariff change filed by any air carrier for interstate or overseas air transportation in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this Act.

SEC. 3. (a) Section 406(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1376(b)) is amended by adding at the end thereof the following new sentence: "In determining compensation for any local service air carrier for the year 1966 in accordance with the provisions of this subsection, the Board shall apply Local Service Class Subsidy Rate III–A as set forth in Board order E–23850 (44 CAB 637 et seq.), except that the Board shall not apply that part of such order which requires the Board to take into account any decrease in the Federal income tax liability of such carrier for such year resulting from any net operating loss carryback pursuant to section 172 of the Internal Revenue Code of 1954.".

(b) In the event that the Civil Aeronautics Board in determining the amount of compensation to be paid to any local service air carrier for the year 1966 in accordance with the provisions of section 406(b) of the Federal Aviation Act of 1958 took into account any decrease in the Federal income tax liability for such air carrier for such year resulting from any net operating loss carryback pursuant to section 172 of the Internal Revenue Code of 1954, the Board shall redetermine the compensation to be paid to such air carrier in accordance with section 406(b) as amended by this Act, and shall make payment to such air carrier of any amount owed to such carrier as provided in such redetermination.

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) will be recognized for 20 minutes and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California.

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 26 is designed to insure that customers of airlines receive adequate notice of changes in airline

fares, and to correct an inequity in the subsidy program for local service air carriers.

Under present law, the CAB is permitted to issue its decision on fare changes any time before the effective date of a change. The Board has frequently waited until the last minute to issue its decision, and this has led to public confusion and a need for extra payments or refunds from passengers who purchased tickets in advance.

H.R. 26 would help avoid these problems by requiring the CAB to issue its decision on fare changes at least 15 days before the effective date of a change.

To insure adequate public notice and adequate time for CAB review, H.R. 26 would also extend the date for air carriers to file proposed rate changes with the CAB.

The present law requires changes to be filed 30 days before the effective date. H.R. 26 would require air carriers to file changes in passenger rates 45 days in advance of the effective date. For freight rates, H.R. 26 would require direct air carriers to file 60 days in advance of the effective date. Indirect air carriers, who consolidate goods and ship on direct air carriers, would be required to file their rate changes 45 days in advance. The rates of indirect air carriers are largely based on the rates of direct air carriers and the 15-day lag would permit the indirect carriers to respond to changes in direct carrier rates.

H.R. 26 is also designed to correct an inequity in the CAB's 1966 subsidy program for local service air carriers. As a result of a series of administrative and judicial decisions two local service carriers were required to make subsidy refunds, because they received tax loss carrybacks while six other local service carriers which also had tax loss carrybacks were not required to make subsidy refunds. There are no judicial or administrative remedies now open to the two carriers which were required make subsidy refunds.

H.R. 26, as reported, is designed to correct the inequitable results of the CAB's 1966 subsidy program. In its report, the committee agreed with the following description of the 1966 program by the U.S. Court of Appeals for the Ninth Circuit:

> Whether a carrier would be forced to return or allowed to keep hundreds of thousands of dollars would turn on fortuitous circumstances, including the order in which the CAB decided to process paper work and the dispatch with which it was processed. The facts of this case failed to demonstrate any reasonable justification for continued adherence to a procedure which did not treat all members of the class equally.

H.R. 26, as reported, eliminates the inequitable 1966 results by directing CAB to refund subsidies to the carriers which were required to make repayments. The effect of the bill is to provide that Texas International Airlines would be entitled to a refund of $296,000, while Ozark Air Lines would be entitled to a refund of $148,000.

The bill would not create a precedent for similar legislation for the years after 1966, since profit-sharing provisions were not used by the CAB after 1966.

Mr. Speaker, legislation including all of the provisions of H.R. 26 passed the House by voice vote late in the last Congress, on September 30, 1976. I urge passage of this needed legislation.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the gentleman from California in supporting the pending bill, H.R. 26, first, to provide advance public notice of air passenger fare and air freight rate changes, and second, to authorize adjustments in the 1966 subsidies for Ozark Airlines and Texas International Airlines. This legislation was ordered reported by the Committee on Public Works and Transportation on February 9, 1977, without dissent.

During the 2d session of the 94th Congress, both provisions of this legislation were reported by our committee and passed by the House. Regrettably, however, due to House-Senate disagreement over an unrelated matter—Federal express—both failed of enactment.

So, once again, Mr. Speaker, we are attempting to move this legislation. Provision No. 1 is a sound and simple proposition. It provides 15 days advance public notice before new air passenger fares and air freight rates can go into effect. This is the type of reform which all of us should support because I am sure we all have had occasion to complain about inadequate notice of air fare changes—either from personal experience or from constituents who have encountered problems arising from lack of timely notice.

Provision No. 2 involves a situation where simple justice dictates that we act. The two affected local service carriers—Ozark and Texas International—were accorded unfair treatment by the Civil Aeronautics Board in connection with their subsidy payments for 1966—and subsequent conflicting court decisions in different jurisdictions then served to compound the problem.

This was amply demonstrated during our hearings last year when the CAB witness simply could not justify requiring the carriers in question to refund portions of their 1966 subsidies, because of the circumstance that they received tax loss carrybacks—while six other carriers in the same situation were not required to do so. The provision we have included in the bill would preclude CAB from taking into account any decrease in 1966 Federal income tax liability for purposes of computing subsidy payments for that year.

The record in this case clearly demonstrates the need to correct an error by the responsible regulatory agency—with the added complication of contradictory adjudication of the issue by the judiciary.

Mr. Speaker, I urge my colleagues to support the pending bill.

Mr. Speaker, I yield to the gentleman from Missouri (Mr. TAYLOR) such time as he may consume.

Mr. TAYLOR. Mr. Speaker, I rise in support of the four aviation bills we are considering today. It was evident during our Aviation Subcommittee hearings that these proposals have merit—and the fact that all were passed twice by the House last year with little or no dissent is indicative that they have broad support.

Mr. Speaker, I would like to direct the attention of my colleagues to the second provision of H.R. 26. This provision is identical to a bill which I introduced last year (H.R. 12349) along with several of my colleagues—Mr. PICKLE, Mr. ICHORD, Mr. Symington, and Mr. WRIGHT. We reintroduced the legislation this year—as H.R. 2936, and the chairman of our Aviation Subcommittee decided that the most expeditious way to proceed would be to add the language of my bill to H.R. 26—the bill to provide 15 days advance public notice of changes in air passenger fares and air freight rates.

Very simply, Mr. Speaker, this provision would correct an anomaly in the administration and adjudication of the 1966 subsidy payments for two local service air carriers—Ozark Air Lines and Texas International Airlines. The Civil Aeronautics Board required the two carriers to refund portions of their 1966 subsidies, because they received tax loss carrybacks for that year—but the same requirement was not imposed on six other local service carriers. Subsequently, conflicting court decisions further clouded the issue.

Mr. Speaker, the provision in the bill stipulates that CAB shall not include a reduction in 1966 Federal income tax liability in determining the 1966 subsidy payments for the two carriers in question. The equity of this provision is clear—and I hope my colleagues will support its enactment—as they did last year.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

Mr. ANDERSON of California. Mr. Speaker, I yield to the gentleman from California (Mr. JOHNSON) such time as he may consume.

Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 26.

Although the subject matter of the bill is technical and complex, the problem it addresses is a real source of annoyance to millions of airline passengers and shippers. Under the present procedures, passengers and shippers frequently have to wait until the last minute to learn whether fare changes proposed by the airlines will take effect. When a proposed change does not take effect, passengers may have to make extra payments at the gate or file for refunds. H.R. 26 will insure that the Civil Aeronautics Board decides whether to allow a fare charge no later than 15 days in advance of the change. This period of advance notice should reduce considerably the last minute confusion which occurs under the present system.

H.R. 26 will also eliminate an inequitable situation in the CAB's 1966 subsidy program for local service airlines. Because of the order in which CAB processed cases, two carriers were re-

quired to make subsidy refunds while six similarly situated carriers were not. H.R. 26 will eliminate this inequity by restoring the refund to the two disadvantaged air carriers.

Mr. Speaker, I urge passage of H.R. 26.

Mr. PICKLE. Mr. Speaker, I stood here on September 21, 1976, discussing the second section of H.R. 26, which was then a separate bill, H.R. 12349. I do not need to repeat my points.

I will state that this bill passed the Senate last year attached to another bill. Unfortunately we in the House were at the end of the session, and there was not time to move into a conference committee on the different bill passed by the Senate. The important thing is that last year, both Houses of Congress passed the section of H.R. 26 dealing with the airline subsidy foulup of 1966.

Also, I support the first part of this year's bill. By changing the time for which changes in air tariffs are to be filed, the Public Works Committee has addressed a major problem of making sure the public has notice of air fare changes.

The Aviation Subcommittee has worked on this bill in a bipartisan manner, and has done so in a most serious, and logical manner. I want to commend both the chairman of the subcommittee, Mr. ANDERSON of California, and the ranking minority member, GENE TAYLOR of Missouri.

Both have been most courteous to me and my staff in working on this legislation so that equity can be given. I thank them.

Since the arguments are the same as last year, I include my remarks from September 21 of last year in the RECORD at this point:

In 1966 the CAB gave subsidies to regional carriers based on their profits and expenses. The money was paid monthly subject to post-fiscal year audits. Under this system income taxes were viewed as an expense in computing whether or not an airline company had excess profits.

Due to administrative hang-ups, slowness, or whatever, the CAB took more than four years to audit Texas International, Ozark, Allegheny, Airwest, and Piedmont Airlines. The other six airline companies had their 1966 subsidies settled and closed.

Meanwhile, in the intervening four years, a recession had set in, the CAB was using a new subsidy payment system, and the local air carriers were losing money hand over fist.

As we all know, when a company loses money it can carry back the losses on its income tax returns.

When the five companies did that, the CAB jumped up and said, "Aha—your profits for 1966 are now excessive since your income taxes are lower, and since we have not closed the books on 1966, please give us our subsidies back."

I do not deny the loss carryback helped the money situation of the carriers. On the other hand, the CAB caused the losses, and the CAB had already settled the 1966 subsidies for six carriers.

In any event, the CAB billed four of the remaining five for their 1966 subsidies in the early 70's. With justification, the four airline companies went to court. Since the decision involved a regulatory agency, the cases were heard in Federal Circuit Courts. Each airline filed in a different circuit. Texas International filed in the D.C. Circuit. Ozark filed in the 8th Circuit. In both of these cases the airlines lost. In other words, the Federal Courts said, "Pay up."

Texas International did not appeal to the Supreme Court. Ozark did, but was denied *certiorari*.

If the matter had ended there, neither I nor anyone else would be here pleading the case. Unfortunately for a logical regulatory process, the controversy did not end there.

Allegheny and Airwest went ahead and pursued their court cases. Allegheny, in the Fourth Circuit, and Airwest, in the Ninth, won their cases. The Circuit Courts stated firmly that the regulatory process would be shambles if members in the same class were differently treated in an arbitrary manner.

The CAB's claim against Allegheny and Airwest was nearly $2 million, while the claims against Texas International and Ozark amounted to around a half-million dollars.

Based on the money figures alone, one would think the CAB would appeal the Allegheny and Airwest decisions to the Supreme Court. The CAE instead chose to ignore the dichotomy among the circuits and allowed Allegheny and Airwest to keep their money.

The fifth airline, Piedmont, finally settled its 1966 subsidy problem in 1974. The CAB treated Piedmont as it had to treat Allegheny and Airwest. It is interesting to note that the CAB would have taken the same line against Piedmont as it used against Texas International and Ozark; but the CAB did not.

So, today we are looking at a 1966 subsidy program that treated nine airlines one way, and two another way.

One would normally presume the CAB would administratively correct this inequity. One, the CAB doesn't want to; second, there is legal theory holding that the CAB cannot unilaterally nor legally reverse final orders. Since the orders against TI and Ozark were final orders, the CAB cannot reverse them.

Also, the CAB has maintained that the way the 1966 subsidies were paid and figured is correct, and still stands by this.

The bill before us, H.R. 12349, does not order the CAB to drop its claim against Ozark and TI. Such a bill would not cure the policy error of the CAB. The bill goes right to the heart of the matter, and legislatively expresses Congress' sentiment on using operating loss carrybacks.

In talking to people about this, they have asked me why TI and Ozark don't appeal to the Supreme Court since Allegheny and Airwest beat the CAB. Unfortunately, the time for appeal passed by before the Airwest and Allegheny cases were decided.

In the final analysis, H.R. 12349 is designed to bring logic to a chaotic situation. The CAB totally missed the mark in figuring the 1966 subsidies.

When I served on the Commerce Committee, I was always very leary of Congressional action correcting an administrative wrong by an independent regulatory agency. At the same time, some agency actions become so overwhelming in their wrongness that we have to set aside our general rule to bring about specific justice.

This is my appeal here today. H.R. 12349 brings logic out of chaos, and simple justice where legal injustice now resides.

I urge passage of H.R. 12349.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 26, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this bill, H.R. 26, just passed.

The SPEAKER pro tempore (Mr. MEEDS). Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT TO FEDERAL AVIATION ACT OF 1958

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 27) to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes, as amended.

The Clerk read as follows:

H.R. 27

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 403(b)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(b)(1)) is amended by striking out "to ministers of religion on a space available basis," and inserting in lieu thereof "on a space-available basis to any minister of religion, any person who is sixty years of age or older and retired, any person who is sixty-five years of age or older, and to any handicapped person and any attendant required by such handicapped person. For the purposes of this subsection, the term 'handicapped person' means any person who has severely impaired vision or hearing, and any other physically or mentally handicapped person, as defined by the Board. For purposes of this subsection, the term 'retired' means no longer gainfully employed as defined by the Board.".

(b) Within six months after the date of enactment of this Act, the Board shall study and report to Congress on the feasibility and economic impact of air carriers and foreign air carriers providing reduced-rate transportation on a space-available basis to persons twenty-one years of age or younger.

SEC. 2. Section 401(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1371(d)) is amended by adding at the end thereof the following new paragraph:

"(4)(A) Notwithstanding any other provision of this Act, any citizen of the United States who undertakes, within the State of California, the carriage of persons or property as a common carrier for compensation or hire with aircraft capable of carrying thirty or more persons pursuant to authority granted by the public utilities commission of such State is authorized—

"(i) to establish service for persons and property which includes transportation by such citizen over its routes in California and transportation by an air carrier or foreign air carrier in air transportation; and

"(ii) subject to the requirements of section 412 of this title, to enter into an agreement with any air carrier or foreign air carrier for the establishment of joint fares, rates, and services for such through service.

"(B) The joint fares or rates established under clause (ii) of subparagraph (A) of this paragraph shall be the lowest of—

"(i) the sum of the applicable fare or rate for service in California approved by such Public Utilities Commission and the

applicable fare or rate for that part of the through service provided by the air carrier or foreign air carrier;

"(ii) a joint fare or rate established and filed in accordance with section 403 of this Act; or

"(iii) a joint fare or rate established by the Board in accordance with section 1002 of this Act.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) will be recognized for 20 minutes, and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 27 is designed to increase the availability of air service for the elderly and handicapped, and to improve air service for passengers using intrastate air carriers in California.

The bill would permit CAB to approve reduced air fares on a standby basis for persons who are over 60 and retired or over 65, and for the handicapped. The bill also requires CAB to study the economic feasibility of reduced fares for youth.

These provisions would make air transportation more widely available to the public. Every citizen needs the mobility which air transportation affords. Unfortunately, however, inflation has placed air transportation well beyond the reach of many consumers. The problem is particularly severe for the elderly and the handicapped. Members of these groups tend to have below-average incomes and, in many cases they are particularly dependent upon public transportation because they are unable to drive private automobiles.

The fares now charged for air transportation tend to exclude the elderly and the handicapped. For example, a survey by United Airlines showed that only 5 percent of its passengers were 65 years of age or over, while persons in this age bracket make up 10 percent of the general population. This disparity is largely attributable to the low-income levels of many of the elderly. For example, in 1973 the median income for elderly households in 1973 was under $4,600, compared to the national average of $10,500. Similar problems are faced by the handicapped.

An excellent report on the transportation needs of our senior citizens has been issued by the Subcommittee on Federal, State, and Community Services of the Select Committee on Aging, under the chairmanship of Congressman SPARK M. MATSUNAGA. The report points out that a number of Federal programs, such as the urban mass transportation program, include special provisions designed to make transportation more widely available to the elderly. In air transportation there are no programs of this nature, and under existing law the Civil Aeronautics Board is limited in its ability to authorize reduced fare transportation for deserving groups. As a consequence, there are no reduced fare programs currently in effect for the elderly.

Chairman MATSUNAGA's report also suggests that well designed reduced fare programs for the elderly have been highly successful. For example:

Inter-island carriers in Hawaii . . . instituted a half-fare for persons aged 65 and over in 1967, which remained in effect until 1974. During that time one of the carriers, Hawaiian Airlines, reported a 340-percent increase in the number of senior citizens taking advantage of the fare reduction. Moreover, since the seniors were accommodated on a space-available basis, the half-fares charged more than covered the extra costs of carrying them, and returned substantial increased revenues to the carriers.

The report recommends that Congress reaffirm the power of the Civil Aeronautics Board to permit discount standby air fares for the elderly.

This bill is designed to meet these needs, and to insure that similar reduced fare standby service will be available for the handicapped.

H.R. 27 should also result in improved air service for those members of the traveling public who use intrastate air carriers in California. Under present law intrastate carriers are not permitted to offer through ticketing and baggage service for passeners who connect with interstate carriers. For example, Pacific Southwest Airline, an intrastate air carrier, is the only carrier now serving Long Beach. If a passenger wishes to travel on PSA to San Francisco and then connect to Western Airlines to travel to Seattle, the passenger must purchase separate tickets from PSA and Western, and he must transfer his own baggage at San Francisco.

This bill would permit PSA and Western to enter into an agreement which would permit the Long Beach-Seattle passenger to purchase a single ticket at a joint fare. The agreement could also provide baggage transfer service.

Mr. Speaker, both of these measures passed the House last year, but did not reach the White House. This is important consumer legislation and I urge its passage.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, I just have a question that the gentleman from California may be able to answer, that is on retired persons 60 years of age and older. Will that present some sort of enforcement problem from the airlines or some mechanism to enforce; how is that going to be determined; are they going to get a retired card, like some get a youth card?

Mr. ANDERSON of California. The Civil Areonautics Board would establish the regulations under which the airlines would act. There would be no enforcement problem. Originally, it was 60 years of age and older, period. Then, there was some concern that there might be people who could afford to pay the full fare, as they were working. So we increased the eligibility age to 65 for everyone; but 60 years of age and older for those who are retired. We require the Board, the CAB, to determine by regulation the definition of a retired person so there will be no misunderstanding.

Mr. GLICKMAN. Mr. Speaker, if the gentleman will yield further, it is clear that is just applicable to those 60 years of age and older?

Mr. ANDERSON of California. Sixty years and older and retired, yes; or, 65 and over.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, here again we have a bill which the Committee on Public Works and Transportation reported last year—as H.R. 15026—and which passed the House—this one on a rollcall vote of 400 to 1. Late in the session, the House again passed the language of H.R. 15026 in a package of miscellaneous aviation legislation which failed of enactment due to House-Senate disagreement over another issue—Federal express.

The first provision of H.R. 27 would authorize reduced air fares for the elderly and handicapped—as the chairman of the Aviation Subcommittee has just explained. There can be no doubt as to the merits of this legislation.

During our hearings last year, we heard a variety of viewpoints on the question of authorizing reduced air fares for the elderly, handicapped, and youth. After careful consideration, we decided that there is ample justification for authorizing reduced air fares for the elderly and handicapped. As for reduced fares for those under 21, substantive questions remain unanswered, so we thought it best to mandate a 6-month study of the question by CAB. The bill before us contains these provisions, and it seems to me that we have a special obligation to move in this area because upward of 45 percent of available airline seats go unoccupied—on the average.

The second provision of H.R. 27 would permit intrastate air carriers in California to interline both baggage and tickets—thereby enabling passengers who plan to continue their trips aboard interstate air carriers to check their baggage and purchase their tickets all the way through.

This seems to me to be an entirely reasonable proposal—which I fully support and which also was the subject of hearings last year. As was the case with the reduced-fares provision, the House passed the interline provision, the House passed the interline provision on two occasions last year.

Mr. Speaker, I urge my colleagues to support the pending bill.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gen-

tleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of this legislation and to commend the committee for moving with such dispatch this year on what I think is very important legislation for senior citizens.

I rise in support of legislation which would authorize reduced air fare transportation on a space-available basis for elderly persons and the handicapped, which would mandate a study on the economic feasibility of reduced air fares for our young people, and would permit California intrastate air carriers to offer through-ticket and baggage service in cooperation with interstate and foreign lines.

Proposals for reduced air fare have been before the Congress for many years. As you may remember, the other body has passed such bills, but they invariably have died in the House. I, as one of the bill's cosponsor, have been working for the enactment of such legislation for years and am pleased to see that through the hard work of our Public Works and Transportation Committee we are able to follow up on our actions of last year and bring this measure before the full House for early consideration.

What we are proposing here is a rather simple proposition. We are saying to the airlines that they may provide air transportation at reduced rates to those over 65, or those retired persons over 60, and to the handicapped. This is permissive legislation. It does not mandate that reduced fares shall be granted. Nor does it mandate the amount of any reduced fare which may be offered.

Mr. Speaker, I firmly believe this is a reasonable and responsible approach to this legislation. It allows the CAB flexibility to set the rates according to the current market pressures and allows our airlines a method by which they can fill otherwise empty seats. In fact, an average 45 percent of the seats on major airlines go unoccupied. The experience in Hawaii, where intrastate air lines offered reduced rates to senior citizens was an overwhelming success. While Hawaiian Airlines' overall traffic grew by about 80 percent between 1968 and 1973, senior citizen air traffic grew 338 percent, or more than four times faster than the overall growth rate. These reduced rates generated more than $250,000 for Hawaiian Airlines, of which only about $70,000—less than 30 percent—was needed to meet the actual additional costs of carrying these new passengers. More than $180,000—or some 70 percent—was available to offset overhead costs as well.

This new rate structure will allow these senior citizens, many who must live on limited fixed incomes and are deprived of the opportunity to travel, a new mobility. It will help the handicapped who, as a group, do not have anywhere near the earning capacity of those not similarly afflicted. Except for a relatively few they cannot operate motor vehicles and must depend solely on public transportation or stay at home. We have charted the way for the handicapped in the Urban Mass Transit Act and I am convinced that we must move in this direction in the case of air transportation.

Finally, Mr. Speaker, this measure before us today will begin a new experiment in through-ticket and baggage service in California. This service, which will serve as an example to other State air traffic, will greatly aid in the convenience of the travelling public by allowing them to check their baggage through and purchase their ticket through intrastate and interstate airlines.

In sum, Mr. Chairman, I support this legislation and hope that my colleagues will do the same.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. WALSH).

Mr. WALSH. Mr. Speaker, I rise in support of H.R. 27, the bill presently under consideration which would permit reduced air fares on a space-available basis for elderly and handicapped persons, and would require the Civil Aeronautics Board to study the economic feasibility of reduced fares for youth.

The majority of our senior citizens by far lives on some type of fixed income, whether it be social security, veterans' pension, private pension, or other limited source of monthly support, and they are, in many cases, unable to afford the luxury of airline travel. For most of us, airline travel is not a luxury which we can ill afford, but a convenience service which is competitive with other modes of transportation.

H.R. 27 would allow our elderly and handicapped to travel at a fare more easily affordable on their reduced income without denying priority booking to full-revenue passengers. Many of our senior citizens were busy holding down a full-time job and raising children and had no opportunity to travel when they had the benefit of a full salary; now they are forced to live on a fixed amount and cannot afford to travel. H.R. 27 would give our elderly and disabled an opportunity to bring some diversity into their often dull lives through the medium of travel, and I would urge my colleagues to give this measure their full support.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Speaker, I am pleased to express my support for H.R. 27, which will permit the Civil Aeronautics Board to approve reduced air fares on a space-available basis for retired persons over age 60, for all persons over age 65 and for handicapped persons and their attendants. This legislation also requires the CAB to study the economic feasibility of reduced youth air fares.

During the 94th Congress, I cosponsored H.R. 15091 and H.R. 15183, which contain provisions we are considering today. It is my pleasure to join the chairman of the Select Committee on Aging (Mr. PEPPER) and my colleagues on the committee in support of the Subcommittee on Aviation of the Committee on Public Works and Transportation in their outstanding efforts toward eliminating immobility and isolation of the elderly and handicapped.

Transportation represents the third largest expenditure for older persons, according to the Bureau of Labor Statistics retired couples budget. As a result of rising costs in all means of transportation, it has become especially difficult for low-income older people to utilize mass transportation services, own automobiles and afford the cost of air travel. Transportation in rural areas, where isolation is most prevalent, is often inaccessible. In 1975, 50 percent of all older families had incomes below $8,057 and 50 percent of individuals aged 65 and over had incomes below $3,311. Sixteen percent of persons aged 65 and over were living below the poverty threshold of $3,232 for couples and $2,572 for older individuals, which renders many unable to purchase such services as long distance travel at regular rates.

I trust that the Civil Aeronautics Board will carefully study the economic feasibility of reduced youth air fares, specified in H.R. 27, as our working youth and college students are also in need of additional opportunities for long distance travel.

The Select Committee on Aging's report, "Senior Transportation: Ticket to Dignity" recommends reduced air fares for the elderly on a space available basis and cites the cost effectiveness of this program in Hawaii from 1967 to 1974. The report cites this provision as only one of the means by which Congress should promote the use of existing resources for additional transportation services for the elderly. It is our responsibility today, to clarify existing laws when regulations and redtape prevent the elderly and handicapped from the cost-effective use of public transportation.

I urge the adoption of H.R. 27, as an initial step to providing the elderly and handicapped with accessibility to the mainstream of society and as an indication that the 95th Congress is committed toward making their needs a priority.

Mr. ANDERSON of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 27.

The bill will provide improved access to air transportation for elderly and handicapped persons whose lives are confined by low income and the lack of mobility.

In addition to benefiting the elderly and the handicapped, the bill will help provide improved air service for those members of the travelling public who use intrastate air carriers.

The intrastate air carriers such as Pacific Southwest Airlines and Air California, are now providing valuable service to the traveling public. In some markets, intrastate carriers provide the only service, and in other markets they provide important competitive service. The intrastate carriers operate modern jet and turboprop equipment, and frequently provide service at fares below those generally offered by interstate carriers.

Because the intrastate carriers do not hold authority from the CAB, they are unable to offer through ticketing and baggage service for passengers who wish to connect from an intrastate carrier to an interstate carrier. Passengers wishing

to connect to an intrastate carrier must purchase a separate ticket, generally at the airport.

Two of the intrastate carriers previously applied to the CAB for authority to enter into interline agreements, but the Board denied their application.

Mr. ANDERSON of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Speaker, I rise in support of H.R. 27, which authorizes reduced-fare air transportation on a space-available basis for the elderly and handicapped. The primary purpose of this legislation is indeed praiseworthy. At this time, however, I would like to address the particular section of the bill which authorizes interlining for California's intrastate airlines.

I wish to point out to my colleagues that this provision could also be applied to the State of Florida. My State has a very active intrastate airline which would qualify under the terms of this legislation. Thousands of persons from all over the United States come to Florida each month to enjoy the warm weather and other attractions of the State. Interlining would provide these visitors with the added convenience of through-ticketing and baggage transfer when they choose to fly Air Florida to a different Florida destination.

When the House passed this legislation by a vote of 400 to 1 in the 94th Congress, the chairman of the Aviation Subcommittee, Mr. ANDERSON, expressed his agreement that this provision would benefit the State of Florida. In addition, he stated his willingness to include Florida in future legislation.

While I am prevented from offering an amendment to include Florida now, due to consideration of this bill under suspension of the rules, my Florida colleagues and I have introduced a bill this very day which seeks to remedy this oversight. I trust the subcommittee will give it early consideration, and I would welcome any comments the subcommittee chairman would care to make on this proposal.

Mr. ANDERSON of California. Mr. Speaker, I appreciate the gentleman's concern, and agree that interline service should benefit the consumer. California has the most sophisticated intrastate network in the country and I feel that we should see how this provision works in California. If successful, then I feel that we should permit it in Florida as well, and I would support the request of my friend, Mr. LEHMAN.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. HAGEDORN).

Mr. HAGEDORN. Mr. Speaker, I would like to commend the distinguished chairman of the subcommittee, the gentleman from California (Mr. ANDERSON) and the ranking minority member, the gentleman from Kentucky (Mr. SNYDER) for their diligent work in the full Committee on Public Works and Transportation in passing this very essential legislation. I am hopeful that it will become law during this session of the Congress.

Mr. GILMAN. Mr. Speaker, I rise to voice my support for this very worthy piece of legislation, H.R. 27, amendments to the Federal Aviation Act of 1958. This measure would enable the elderly and handicapped to enjoy reduced fares on interstate flights, and would allow those people, who are faced with extraordinary difficulties in traveling, to share in one of America's most enjoyable pasttimes—air transportation.

The elderly and handicapped are forced to take a back seat in too many aspects of American life. They face severe discrimination in jobs and in housing, and are unable to enjoy the mobility which is so necessary in the fast pace of modern life. It is almost impossible for many of our older Americans, and those who have physical handicaps to sightsee or visit relatives in other parts of the country. They are often plagued with high medical bills and the burdens of modification which must be made on their housing and automobiles, oftentimes consuming a large portion of their life savings. For too long the elderly and physically disabled have suffered inconveniences and hardships. I believe that it is time to relieve them of some of the burdens which are placed upon them solely because of their age, or physical disabilities.

Accordingly, the reduction of air fares for this ever growing segment of our society is a sensible and necessary step and I urge my colleagues to consider this legislation favorably, to insure that this measure is made public law.

Last Congress, we addressed ourselves to this legislation, and the bill, H.R. 15026 passed in the House. Unfortunately, differences between the House and Senate versions were not reconciled prior to final adjournment. It is time to seriously consider this measure, and to support it as a worthy and sound step in the assimilation of the elderly and the handicapped back into American society.

I urge my colleagues to join with me in supporting this worthy legislation.

Mr. WAXMAN. I rise in strong support of H.R. 27, which provides reduced air fares for the elderly and handicapped. This legislation permits the Civil Aeronautics Board to approve reduced air fares, on a space-available basis, for retired persons over age 60, for all persons over age 65, and for all handicapped persons and their attendants.

This legislation is a reasonable and imaginative response to one of our senior citizens' compelling needs: the ability to afford to travel.

We are all aware of the economic plight of many of our senior citizens. Though the median income of all families in 1975 was slightly over $12,000 per year, the median income for households headed by a citizen over 65 was less than $6,000 per year. Of special concern is the proportion of single individuals over 65 with incomes under the poverty line; in 1974, over 30 percent of all senior citizens fell in that category, with black elderly people comprising an astonishing 60 percent of the total.

Ours is a mobile society, with families moving frequently to places far from their original homes, thus putting great distances between them and their elderly relatives, who tend to remain in the familiar home area. For the elderly to visit family and friends who live great distances, the cost of travel is often prohibitive. At one time, plane travel was considered a mode of transport reserved only for the wealthy and near-wealthy. But with the decline of other less expensive means of travel, and greater distances between families, plane travel is often the only feasible way for families and friends to see each other. For those who are old or handicapped there is often a sense of isolation which the economic ability to travel will hopefully reduce.

It therefore seems to me, Mr. Speaker, that offering seniors the opportunity to travel at a reduced rate is justified and should be supported by the Congress.

Mr. ALEXANDER. Mr. Speaker, I rise in support of H.R. 27, legislation that will permit the Civil Aeronautics Board to approve reduced air fares on a standby basis for elderly and handicapped persons.

I am a sponsor of legislation similar to H.R. 27, as I was in the last Congress. As you know, both the House and Senate passed versions of this legislation last year but were unable to conclude a conference on the bill prior to adjournment of the 94th Congress. I applaud the work of my colleagues on the Public Works Committee for the speed with which they have prepared this worthy piece of legislation for the consideration of the full House.

This bill will give scores of senior citizens and handicapped persons the opportunity to travel and visit with friends and relatives from whom they have been separated, either by distance or for health reasons. It will also aid airlines by filling seats that would otherwise go empty, thus increasing income for the airline and helping forestall future rate increases to all pasengers.

The bill allows the CAB to approve these reduced rates for all retirees over the age of 60, for all individuals over 65, and for all handicapped Americans.

A 1976 study of transportation problems of the elderly by the Select Committee on the Aging cites an airline survey which shows that roughly 5 percent of its passengers are 65 and older, compared to the 10 percent our senior citizens constitute of the total population of the Nation. I believe sheer economics explains why such a small percentage of the Nation's elderly travel by air.

My State of Arkansas has the second largest percentage of residents 65 and older. Aside from inadequate income and the high cost of medical care, I believe their lack of mobility is the chief concern of our elderly.

By passing this legislation, the Congress can help to keep our senior citizens in the mainstream of American life by extending to them the convenience and comfort of travel by air. I am convinced that many of our elderly have both the desire and the time to travel, if only they could afford it.

Mr. Speaker, I urge adoption of H.R. 27.

Mr. DRINAN. Mr. Speaker, under the Urban Mass Transportation Act of 1970 the Congress declared as national policy that: "Elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services." Even with this policy a survey by a major airline showed that only 5

sist small concerns in weathering the slow economic recovery which has been experienced in the United States.

I urge my fellow Members of Congress to overwhelmingly support this important pending legislation.

Mr. FISH. Mr. Speaker, H.R. 692 underwent extensive and deliberate hearings in the 94th Congress, and as a matter of fact, passed the House by a vote of 341 to 2. Unfortunately, the other body of Congress failed to act on the bill.

For this reason, the House passed, on February 1, title I, part A of this bill on an emergency basis in order that the Small Business Administration could continue making loans. Without the passage of that bill, H.R. 2647, the Small Business Administration would have had to stop making loans by the end of this month.

H.R. 692 not only contains technical amendments that will establish better communications between SBA and the Small Business Committees of Congress, but will expand SBA's program for small homebuilders, liberalize the disaster loan program, and authorize loans to facilitate compliance with current Federal laws.

As a cosponsor of this legislation, and as a former member of the Small Business Committee, I am well aware of the need for this legislation, and I urge its passage.

Mr. BALDUS. Mr. Speaker, the House is considering today the Small Business Act amendments. The bill, H.R. 692, was unanimously reported out by the Small Business Committee on January 27. The bill provides for important reforms of small business programs. It deserves the same overwhelming support that it received from the House in the 94th Congress when it passed by a vote of 341 to 2.

The bill increases the limitation on the amount of financial assistance which may be outstanding under the SBA's business loan and investment fund from $6 billion to $8 billion. This reenacts and extends the much needed increases contained in H.R. 2647, an emergency measure, which passed the House on February 1.

Title III of the bill makes small homebuilders eligible for SBA assistance for the first time. It specifically authorizes the SBA to make regular business loans to small homebuilders for construction or rehabilitation of buildings. Small homebuilders have been hard hit by the recession and need this assistance.

The bill also increases the eligibility for SBA compliance loans. This will help small businesses to meet the requirements of Federal law. Small businesses are often hardpressed to comply with OSHA, clean air, and similar acts. This bill will provide assistance to small businesses which have difficulty raising the capital needed to comply with Federal law.

Other provisions will give the SBA final authority to determine a small firm's ability to perform a Government contract; direct Federal agencies, when possible, to divide their small business set-aside contracts into amounts of less than $1 million each which will allow small businesses to more easily bid on Government contracts; and, authorize the SBA to make economic injury loans, at a Governor's request, to small firms affected by a natural disaster.

In summary, this bill will help the SBA to better meet the needs of our small business community. Small businesses are the backbone of this Nation's economy. They need and deserve the assistance this bill provides.

Mr. McDADE. Mr. Speaker, I rise in support of H.R. 692. I urge all my colleagues to favorably consider it. The problems this bill seeks to remedy demand a speedy passage.

The Small Business Administration is about to meet its loan authorizations because of its own diligence. By establishing and carefully nurturing a secondary market in guaranteed paper, the SBA has increased the loan potential of most lending institutions in America, especially in rural areas. In the past, rural banks quickly reached their loan limitations because of small amounts of available deposits. Because of the SBA's excellent work, small banks can now sell guaranteed paper in this secondary market, using the proceeds to make more loans. It is clear that the secondary market is a great boon to small businessmen. We must increase the loan authorizations and limitations so that more small businessmen may benefit.

Mr. Speaker, there are two other sections of the bill which I feel are particularly noteworthy.

Eligibility changes which qualify small homebuilders for SBA programs are long overdue. The Nation's spiraling housing shortages and housing costs demand that we take every step to increase the supply of housing for Americans. This section of H.R. 692 will help to solve this problem.

The improvements in eligibility for economic injury loans are also crucial and may well provide immediate relief for many of our Nation's small businessmen who have suffered greatly because of this terrible winter. Americans need this program now and I urge you to approve this measure without delay.

Mr. ADDABBO. Mr. Speaker, I rise in support of H.R. 692, which I consider to be one of the most important measures offered on behalf of our small business community in recent years. I commend the chairman for expeditiously bringing this legislation to the floor.

For the sake of brevity I will limit my remarks to title V of this bill which is designed to greatly expand the Small Business Administration's certificate of competency program. The measure we have before us would authorize the SBA to make all final determinations regarding the responsibility of a small business concern to perform a specific Government contract. The term "responsibility" includes not only all elements of capability, competency, capacity, credit, integrity, perseverance, and tenacity, but also any other factors which procuring activities may determine, now or in the future, relate to the ability of a small business firm to successfully complete a specific Government contract.

Title V also gives the SBA authority to review determinations from a Federal procuring activity that a particular small contractor may be in violation of the "manufacturer or dealer" requirements found in section 35(a) of title 41, United States Code of the Walsh-Healey Act. If the SBA believes the procuring activity has made a proper finding, the matter will be referred to the Department of Labor for a final decision. However, if the SBA determines that the small concern is not merely a broker of Federal contracts, but a manufacturer of or dealer in the items called for, it must certify that the small business is eligible pursuant to 41 U.S.C. 35(a) to receive the subject contract. It is, of course, expected that the SBA will issue rules and regulations to implement this new authority.

Such regulations should adopt a commonsense business approach and reject prevalent theories that in order to qualify as a manufacturer under the Walsh-Healey Act a firm must demonstrate the independent ability to produce every integral part of the finished product. The Department of Labor should cooperate with the SBA in this endeavor and SBA should advise the Department of the peculiar problems facing small business concerns.

Title V does not amend the Walsh-Healey Act in any respect and the SBA must, of course, follow those statutory provisions, the statutory intent and rules and regulations duly promulgated by the Department which appear in the Code of Federal Regulations. Departmental memorandums, notes, or opinions of the Department of Labor cannot, according to the Administrative Procedure Act, provide SBA with prospective rules of general application for its use in this regard.

In summary, title V, if enacted, will result in referrals to SBA in three types of cases where the procuring activity has determined that a small business concern is otherwise qualified to receive a specific Government contract. These three types of cases occur when:

First. There is some element of responsibility of a small business involved; or

Second. The small firm may be ineligible for a contract pursuant to 41 U.S.C. 35(a); or

Third. An element of responsibility is involved as well as a determination that the small firm may be ineligible pursuant to 41 U.S.C. 35(a).

Title V further provides that once the SBA issues its certificate of competency it must be deemed conclusive and the subject contract shall be awarded.

I urge all my colleagues to support H.R. 692.

Mr. BADILLO. Mr. Speaker, the many small businesses of this country are the foundation of our free enterprise system. These small businesses are begun by people who often risk their financial well-being to build a company that will

percent of its passengers were older Americans while this group comprises over 10 percent of our population. For the handicapped the percentage of air-travelers is most likely lower.

Recognition of the basic right of travel is not enough to realistically provide the access available to the rest of the population. Besides the physical restrictions of both of these groups, there is a further and greater economic restriction. Because for the most part the incomes of handicapped and older Americans is fixed and more vulnerable to inflation, the possibility of air travel is remote.

H.R. 27, which we are considering today, is a major step toward implementation of the policy we expressed in 1970. By providing reduced air fare to the handicapped and older Americans on a space available basis, travel opportunities for these two groups will be brought within their financial reach.

The lack of mobility for the handicapped and older Americans has been documented and recognized as a link which reinforces isolation. For this part of our population reliance on public transportation is tantamount to obtaining needed services and maintaining ties to family, friends, and communities. There is much to be done in this regard and enactment of H.R. 27 at this time will be a vital contribution in improving the quality of life for handicapped and older citizens.

Older Americans see their retirement years and the leisure time it brings as a period to enjoy their grandchildren and families. In the United States today many families are separated by miles which can best be traversed by air travel. This is particularly true of those retired people in small towns and rural areas whose children left to follow job opportunities in larger cities.

Enactment of this legislation will give credence to our policy of providing access to travel for handicapped and older Americans.

Mr. CONTE. Mr. Speaker, I rise to express my support of H.R. 27, which would provide reduced air fares for our elderly and handicapped citizens and would provide them with the opportunity to take advantage of air service. We can recognize the fact that many air carriers operate at well below capacity and an estimated 45 percent of air carrier seats fly empty. This situation is aggravated by the high cost of air travel, placing air transportation beyond the reach of many consumers and thereby limiting the availability of air travel to those people who can reasonably afford it.

The elderly and handicapped are particularly dependent on public transportation, yet their below average incomes prevent accessibility to air transportation. Citizens be they young or old require access to services and resources. To maintain a fair and reasonable degree of mobility, we must have a public transportation system that provides these needed services to all citizens. During my many years of service in the Congress, I have focused special attention on those citizens who need public assistance the most.

H.R. 27, as reported, would not only benefit these deserving groups of the elderly and handicapped, but is likely to prove economically beneficial to the air carriers in terms of initiating increased air traffic. I urge my colleagues to support H.R. 27.

Mr. PICKLE. Mr. Speaker, I rise in support of H.R. 27, providing reduced fare transportation for elderly and handicapped persons. In past Congresses I have sponsored similar legislation, although my bill also included those 21 years of age or younger. It seems to me that making reduced fares available to these groups on a "space available" basis is one way to insure that they have access to transportation facilities to give them the mobility they need.

It is becoming increasingly apparent that with inflation, the price of air travel is becoming a luxury that is beyond the reach of many of our elderly and handicapped citizens. Yet this is the group that probably would most benefit from air transportation which insures a safe journey within a short period of time. Long trips by other transportation can be exhausting, particularly for these groups.

Since these reduced fare tickets would be limited to space available, it means that it would not cost the airlines money, but rather would insure that all planes carry the maximum number of passengers. Those that want to have a definite reservation would still have to pay the maximum fare.

I hope that the CAB study of the feasibility of including reduced fare for youth will meet with approval. While I understand that there were problems when multiple reservations were made by youths so that there would be space available, I would hope that these abuses can be corrected.

Mr. PEPPER. Mr. Speaker, you know it is a pleasure for me to urge the passage of H.R. 27, which if enacted will permit airlines to offer reduced air fares, on a standby basis, to those aged 65 and over, and to those over 60 who have retired.

As the chairman of the House Select Committee on Aging, I want you to know the Select Aging Committee cannot report bills for floor action. Rather, it is the purpose of this committee to recommend action on legislation which it feels merits the immediate attention of the Congress. It is the recommendation of the committee that H.R. 27 be promptly considered and passed and that is why I am before you today.

Last year, the Subcommittee on Federal, State, and Community Services held hearings on the transportation problems of the elderly. Hearings revealed that the most expensive mode of travel for the elderly is the commercial airplane. Living on one-half the income of those still working, the elderly are often forced to choose less expensive alternatives of travel. The committee discovered, however, that such alternatives do not always exist. For example, in Alaska and Hawaii, the elderly must travel across great distances or to different islands to secure the medical care, counseling, and other types of specialized care they need which are nonexistent within their own communities.

Hawaii responded to this situation in 1967 by instituting the half-fare for those aged 65 and over on a space-available basis. One airline reported a 340-percent increase in the number of senior citizens they were able to accommodate. Moreover, the fares charged more than covered the extra costs of carrying them and returned substantial increased revenues to the carriers. This fare reduction remained in effect until 1974, when Hawaiian carriers were forced to withdraw the fares when faced with the prospect of lengthy, expensive challenges to the fares from the Civil Aeronautics Board.

You will recall, when the House took up this bill on September 21 of last year, its passage was secured by an overwhelming vote of 400 to 1. The measure received a similar reception 3 days later in the Senate where it passed amended by a vote of 73 to 0. Unfortunately, the press of legislative business the week prior to the adjournment of the Congress did not permit the two Houses to resolve, in conference, differences between the two adopted versions of the bill. Nevertheless, the voting record of the 94th Congress clearly indicated the endorsement of this worthwhile legislation.

Mr. Speaker, lack of inexpensive air transportation is one of the most serious barriers facing the elderly in their search for the services they must have to meet their unique needs.

I am in complete agreement with the proposal embodied in H.R. 27 and urge my colleagues to support its speedy passage.

Mr. MARKS. Mr. Speaker, I rise in support of H.R. 27, a bill that would permit the Civil Aeronautics Board to approve reduced air fares for the elderly and the handicapped. As the cosponsor of an identical measure, H.R. 3274, I am pleased to see this issue receiving early attention in the 95th Congress.

Under existing law, the CAB is limited in its ability to approve reduced fares for deserving groups. This limitation works a special hardship on the elderly and the handicapped because these citizens usually have relatively low incomes but a great deal of leisure time. For example, a survey by one large commercial airline revealed that only 5 percent of its passengers were over 65, while persons in this age bracket make up more than 10 percent of the general population. The problem is compounded when we realize that the elderly and the handicapped are heavily dependent upon public transportation since they may be unable to use private automobiles.

H.R. 27 provides that reduced fares for these groups be offered on a space-available basis. This would ease the airlines' current financial crunch by helping to fill the 45 percent of air carrier seats that now fly empty. It should be noted that reducing these fares would not entail any cost to the taxpayer, or place any burden on air patrons paying full fares.

H.R. 27 would also require the CAB to study the economic feasibility of reducing air fares for youth.

I urge my colleagues to vote in favor of this bill. Hopefully, upon enactment, the CAB will move expeditiously to permit reduced air fares for the elderly and the handicapped.

Mr. BOB WILSON. Mr. Speaker, on behalf of the elderly and handicapped citizens of our Nation, I rise in support of H.R. 27, reduced air fare for the elderly and handicapped persons.

The Subcommittee on Federal, State and Community Services of the House Select Committee on Aging, of which I am ranking minority member, recommended in its report last year the need for this type of legislation to relieve one of the many problems encountered by our elderly population. Adequate transportation is central to all other services; passage of this legislation would relieve our senior citizens from being forced to live in isolation and loneliness.

The subcommittee emphasized in its study the need for passage of legislation which would reaffirm the authority of the Civil Aeronautics Board to permit the airlines to offer reduced fares to the elderly during nonpeak traveltimes. This legislation envisions no expenditure of funds by the Federal Government and would work very much to the advantage of both senior citizens and the transportation industry. With reduced fares, many elderly people would be able to stretch their finances enough to visit distant loved ones. The airlines would be able to fill more of the 45 percent of passenger seats which currently go empty.

Once families lived in close proximity throughout their entire lives; however, this is no longer the case. In our present highly mobile, transient society, families are dispersed from coast to coast, separated by thousands of miles.

Many senior citizens have barely enough income to provide for the mere essentials of life. This, when compounded by continuing inflation, leaves little doubt as to why the elderly find it difficult to pay the present fares charged for air transportation.

A survey by a major airline showed that only 5 percent of its passengers were 65 years of age or older; yet senior citizens account for over 10 percent of our general population. This legislation will allow standby fares for all retired persons over 60, all persons 65 and over, and the handicapped, permitting the airlines to provide discounts sufficient to attract those customers who would otherwise be unable to afford the present air fares. Since standby travel is less convenient, customers who were previously willing and able to pay the full fare for air travel would continue to do so.

Older persons as a group are particularly suited to standby travel because their schedules can be flexible. Without deadlines to meet, they can plan their travel for times when airlines are least crowded. They can afford to be more flexible in their planning because they have no 2-week vacation limit or set time that they must return home.

The Civil Aeronautics Board has not approved reduced fares for such deserving groups because they felt this action would be in violation of section 404(b) of the Federal Aviation Act, which prohibits unjust discrimination in airfares. Reduced fares were in operation in Hawaii from 1967 to 1974 when they were abandoned to avoid a lengthy challenge by the Civil Aeronautics Board under this section. During its operation, the reduced fare program was quite successful and cost-effective as senior citizen customers utilized the otherwise empty seats.

Cost considerations are complex and, in the final analysis, the responsibility for this and the decision on cost-effectiveness, will rest solely with the airlines themselves. I urge the passage of H.R. 27. The legislation would be a major step in relieving the terrible feelings of desolation and abandonment which beset so many elderly and handicapped.

Retirement should be the "Golden Years" when one can relax and enjoy the fruits of a lifetime of toil. We often ask what can be done to help our elderly population. Here is one important answer.

During the 94th Congress, the House and Senate approved legislation authorizing reduced air fares for the elderly and handicapped. Unfortunately, other provisions in the package could not be resolved before the Congress adjourned. The time is ripe, and I urge the Members of the House to lend their full support by passing H.R. 27, a most worthwhile piece of legislation.

Mr. ROSENTHAL. Mr. Speaker, I am pleased to be able to vote today for passage of H.R. 27, which authorizes reduced air fares, on a space-available basis, for elderly and handicapped persons.

I first introduced legislation to accomplish this goal 6 years ago, and thus feel some paternal pride in its passage.

Present law limits the Civil Aeronautics Board's ability to authorize reduced fares for certain categories of travelers. This bill would remove that restriction and allow persons over 65 and the handicapped to travel at a reduced rate. The bill also orders CAB to study the economic feasibility of reduced fares for youth.

I wish to commend the Committee on Public Works and Transportation, and particularly the Aviation Subcommittee, for its fine work on this legislation. It has done a thorough job and presented a persuasive case.

Although the elderly represent 10 percent of our general population, they constitute only about 5 percent of the flying public. Low, often fixed, incomes are the primary cause of this disparity. The elderly and handicapped are among inflation's most hard-hit victims, and a plane ticket today is simply beyond the reach of many.

Legislation such as H.R. 27 can help give new meaning to the lives of 25 million of the Nation's handicapped, including many Vietnam veterans, and over 22 million elderly Americans who wish to remain active and keep in touch with their family, friends, and society.

Money is not the only factor preventing many elderly and handicapped Americans from traveling. There also are physical barriers that deny them even the use of basic, local transportation. Providing that help is one goal of H.R. 69, the Elderly and Handicapped Americans Transportation Act, which I reintroduced at the beginning of this Congress.

In addition to calling for reduced fares, it also seeks to provide special services and facilities to eliminate travel barriers—such as steps for those in wheelchairs—encountered by handicapped and elderly persons using public transportation.

This bill provides special grants and loans to State and local agencies to assist them in providing barrier-free mass transportation services that are planned, designed, and carried out to meet the special needs of handicapped persons.

Some of the services that would be included are ramps at subway stations, sheltered waiting areas with special areas for wheelchairs, graphic signs, audio signals, and stanchions running from floor to ceiling in buses and subway cars instead of overhead grips.

Many measures can and should be taken to relieve the strain of urban and cross-country travel for the elderly and handicapped. The purpose of my bill—and of H.R. 27 before us today—is to make available to the elderly and disabled new opportunities for a richer, and more independent and meaningful life.

Mr. ABDNOR. Mr. Speaker, I fully associate myself with the remarks by the gentleman from California (Mr. ANDERSON) and the gentleman from Kentucky (Mr. SNYDER) on the four aviation bills which are before us. This is sound, well-considered legislation which benefits both the public and the aviation community.

I will not take the time of my colleagues to repeat the details of the four bills just recounted by the chairman of the Aviation Subcommittee and the ranking minority member—but, as a member of the Aviation Subcommittee I do wish to record my strong support for all four proposals.

Mr. Speaker, the Aviation Subcommittee developed a complete record on all matters addressed in this legislation during the 94th Congress. The bills were reported by the Committee on Public Works and Transportation, and passed by the House of Representatives on two occasions. Regrettably, however, they were not enacted because of a disagreement with the other body on legislation to aid Federal express—a part 298 all-cargo air taxi operator.

Mr. Speaker, I am convinced that all four bills should again be passed by the House. Hopefully, this time, our colleagues in the other body will allow these needed reforms to become law.

Mr. WEISS. Mr. Speaker, I am pleased to support H.R. 27, a bill to provide reduced air fares on a space-available basis for the elderly—and those retired over 60—and the handicapped. It is very much in the same vein as another bill of which I am proud to be a cosponsor, H.R. 3720 introduced by Representative BENJAMIN ROSENTHAL, which would provide reduced fares to all modes of transportation. H.R. 27 also includes an important provision requiring the Civil Aeronautics Board to study the economic feasibility of reduced fares for youth.

Reduced fares, offered throughout the Nation, have proven to be highly successful both in terms of increased participation by the elderly and handicapped and economically feasible for the carriers.

The House report on H.R. 27 notes the "unjust discrimination" clause in the Federal Aviation Act, which initially was interpreted to prohibit reduced fares. The report explains that if the fares meet the economic tests generally applied to discount fares—they will cover the costs

of service, will not burden normal fare passengers, and will not be discriminatory.

The elderly and handicapped are for the most part in lower income brackets and have severe limits on what they can afford for transportation.

Mr. Speaker, I think that this is a small but significant step in making life just a bit easier for those who need and deserve help. I am confident that this legislation will ease their way in the enjoyment of hard-earned leisure time as well as facilitating essential travel for business and family reasons. It is a bill which shows compassion as well as commonsense.

Mr. BIAGGI. Mr. Speaker, I rise in unqualified support for H.R. 27, legislation which will authorize the Civil Aeronautics Board to grant reduced air fares for millions of elderly and handicapped in this Nation. Passage of this legislation will represent a major breakthrough in the battle for transportation equality in this Nation.

I am very deeply involved in this fight. It was my amendment to the 1970 Urban Mass Transportation Act which made it national policy that the elderly and handicapped had a right to full and equal access to transportation facilities. The implementation of this amendment has been slow—there have been many jurisdictions which have attempted to skirt the law—there are others who are creating separate and unequal facilities However with the publishing of the final regulations by the Department of Transportation, we have turned the corner on this issue.

What we are proposing here today is quite simple but could result in profound savings for those elderly and handicapped who wish to utilize airplane service. For too long the price of air travel has been prohibitive to many senior citizens and elderly in this Nation who live on fixed or reduced incomes. It was estimated by one of this Nation's major air carriers that only 5 percent of its customers were elderly. Passage of this legislation should increase this figure and allow our seniors new opportunities to visit friends and relatives and see more of this great Nation.

I also take special pride in this bill in my capacity as a member of the House Select Committee on Aging. The committee considered this proposal thoroughly in the 94th Congress and our final report aided in this identical bill being passed by the House late last year. Unfortunately, the Senate never considered the proposal but I have every hope that the Senate will join the House in enacting this legislation.

We must continue to break down the barriers which separate our handicapped and elderly from the rest of our society. The barriers are economic, social, political. They are real. I support this measure for it breaks down a longstanding economic barrier for our elderly and handicapped. It is a bill worthy of immediate passage and implementation.

Ms. MIKULSKI. Mr. Speaker, I want to speak in favor of H.R. 27 which would permit reduced air fares on a standby basis for elderly and handicapped persons.

We live in a mobile society; transportation is a necessity, not a luxury, if people are to be active participants in life. Yet the elderly and handicapped are denied this because of the prohibitive cost.

These people have a difficult time meeting the day-to-day expenses. Thirty percent of the elderly are poor and many more live well below the national average. For this reason, a very small percent of elderly travel by air. Studies show that the number would increase substantially if the price of the ticket were reduced.

Reduced fares would not prohibitively cost the air lines, yet they would allow grandparents to be present at baptisms, bar mitzvahs and other family occasions; lessening the alienation and loneliness they feel and that their children and grandchildren also feel.

This legislation is only a start. I support additional legislation that would encourage rail, bus and other mass transit to do the same as well as research to find additional ways to assist these people in their need to be mobile whether it is across town or across the country.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 27, as amended.

The question was taken.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this vote will be postponed.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 27.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AIRCRAFT REGISTRATION

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 735) to amend the Federal Aviation Act of 1958 relating to eligibility for aircraft registration.

The Clerk read as follows:

H.R. 735

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 501(b)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1401(b)) is amended to read as follows:

"(1) It is owned by a citizen of the United States or an individual citizen of a foreign country who has been lawfully admitted for permanent residence in the United States and such aircraft is not registered under the laws of any foreign country; or".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 735, as reported, is to permit citizens of foreign countries who have been lawfully admitted for permanent residence in the United States to register aircraft in the United States.

Under present law, persons not citizens of the United States cannot register aircraft in the United States. The Federal Aviation Act of 1958 makes it unlawful for any person to operate or navigate any aircraft eligible for registration if such aircraft is not registered by its owner, or to operate or navigate within the United States any aircraft not eligible for registration. The law limits eligibility to: First, those aircraft owned by a citizen of the United States; second, those aircraft not registered under the laws of any foreign country; and third, those aircraft of the Federal Government, or of a State, territory, or possession of the United States, or the District of Columbia or of a political subdivision thereof.

A foreign national can own and operate an aircraft within the United States provided it is registered in another country and provided that person complies with any permits, orders or regulations issued by the Civil Aeronautics Board pursuant to the Federal Aviation Act of 1958. This has not been a satisfactory solution for permanent residents of the United States who wish to base their aircraft here because the aircraft must be maintained in accordance with the airworthiness requirements of the country of registry, including periodic maintenance and inspection. It is often difficult, if not impractical, for a foreign national to contract with qualified mechanics and repair stations in the United States in order to meet the particular requirements of the country of registry.

With respect to airman licensing there is no parallel problem. A foreign national can obtain a U.S. pilot license and a Federal Communications Commission permit to operate the radio transmitters aboard aircraft. The anomaly of the present law is that a foreign national can legally fly a U.S. registered aircraft in the United States, but he or she is prevented from owning an aircraft of U.S. registry.

As reported, the bill would extend the eligibility to register aircraft in the United States to citizens of foreign countries who have been lawfully admitted for permanent residence in the United States, provided, as is the present case, the aircraft is not registered under the laws of any foreign country. If a foreign national loses his or her status as a resident alien, the aircraft would no longer be eligible for registration, thus subjecting the certificate of registration to sus-

pension or revocation by the Secretary of Transportation as provided by law.

Mr. Speaker, this bill is identical to H.R. 3647 which passed the House September 21, 1976, under suspension of the rules. I urge its passage.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as was the case with our first two bills, the pending bill was reported last year—as H.R. 3647—and passed by the House on two occasions. We can only hope that the other body will see its way clear to allow this needed legislation to be enacted this year.

H.R. 735 simply would permit aliens who have been admitted to the United States for permanent residence to register their aircraft with the Federal Aviation Administration, FAA. Such aliens can and do obtain U.S. pilot licenses from FAA, and they can and do obtain licenses for aircraft radio transmitters from the Federal Communications Commission, FCC.

In our hearings on this legislation last year, the witness who appeared in behalf of the Aircraft Owners and Pilots Association, AOPA, noted:

An alien can legally fly a U.S. registered aircraft in the United States, but he can't own one.

He also observed that—

The present prohibition seems to be more of an accident of legislative history than any real national interest.

Based on the record we compiled, I agree that this is an accurate characterization of the situation—and I know of no reason for opposing the bill.

Mr. Speaker, I wish to commend our colleague from California (Mr. GOLDWATER) for having brought this situation to our attention during the 94th Congress—and I take this opportunity to recognize his leadership in achieving a legislative solution to a difficult problem.

Mr. Speaker, I urge my colleagues to support the pending bill.

Mr. Speaker, I have no further requests for time.

Mr. ANDERSON of California. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 735, a bill which will permit citizens of foreign countries who have been lawfully admitted for permanent residence in the United States to register aircraft in the United States.

The law prohibiting foreign nationals to register aircraft in the United States has been on the books since the Air Commerce Act of 1926, when aviation was in its infancy. I believe it can no longer be justified to deny individuals the right to register aircraft in the United States solely on the grounds of alienage, and I support this measure because it ends the outmoded restriction.

This bill does not open the U.S. aircraft registry to all, however; it contains several wise safeguards. First, it is limited in applicability to individuals, not companies. Second, the bill will only allow those foreign nationals who have been lawfully admitted for permanent residence in the United States to register aircraft. Third, it continues in effect the existing prohibition of dual registration consistent with our treaty obligations. Finally, the bill provides a means for the Secretary of Transportation to revoke a certificate of registration of a foreign national who has lost his or her status as a resident alien.

Mr. GOLDWATER. Mr. Speaker, I want to commend the chairman of our Aviation Subcommittee, Mr. ANDERSON, and the ranking minority member, Mr. SNYDER, for bringing this bill to the attention of Congress early in the session. While H.R. 735 would not have a major impact on the aviation community, it is an equity bill that deserves to be passed.

As has been explained, the problem we seek to rectify stems from a provision of the Federal Aviation Act which says that an aircraft is eligible for registration only if it is owned by a citizen of the United States.

Interestingly enough, most countries accept registration of aircraft by resident aliens. To the best of my knowledge there is no historical reason or precedent to restrict such registration in this country. It just appears that various aviation acts over the past 50 years have contained the restriction.

Also, there is no parallel situation in regard to airman licensing. An alien can get a U.S. pilot license as well as an FCC permit to operate radio transmitters on board an aircraft.

As I stated in the CONGRESSIONAL RECORD on September 24, 1974, when I first introduced this bill, we also must consider the safety factor involved.

Since the FAA cannot register the aircraft of aliens, these craft are not subject to the high standards and requirements for airworthiness and quality in the United States. Also, since these aircraft must meet the airworthiness requirements of the foreign nation of registration, it is extremely difficult for an alien to contract with qualified American mechanics and repair stations.

Thus, the U.S. aircraft and maintenance industry loses business and we risk letting nonairworthy aircraft operate in U.S. airspace.

Mr. Speaker, it is very unfortunate that Congress did not send this legislation to the President for a signature last year. As my colleagues have pointed out, this bill actually passed the House in the 94th Congress. Hopefully, our colleagues in the other body will follow the lead of the House and consider the bill very soon. It is a good bill and it deserves pasasge.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 735.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FEDERAL AVIATION ACT—EMERGENCY LOCATOR TRANSMITTERS

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 736) to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes.

The Clerk read as follows:

H.R. 736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 601(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1421), relating to emergency locator transmitters, is amended as follows:

(1) In paragraph (1), immediately before ", minimum standards" insert the following: "and except as provided in paragraph (3) of this subsection".

(2) By adding at the end thereof the following new paragraph:

"(3) The Administrator shall issue regulations which permit, subject to such limitations and conditions as he prescribes in such regulations, the operation of any aircraft equipped with an emergency locator transmitter during any period for which such transmitter has been removed from such aircraft for inspection, repair, modification, or replacement.".

(b)(1) Section 601 of such Act is amended by relettering subsection (d), relating to aviation fuel standards, as subsection (e).

(2) Any reference to such relettered subsection (e) shall be relettered accordingly.

(c) That portion of the table of contents contained in the first section of such Act which appears under the side heading.

"Sec. 601. General safety powers and duties."

is amended by striking out

"(d) Aviation fuel standards."

and by inserting in lieu thereof the following:

"(d) Emergency locator transmitters.

"(e) Aviation fuel standards.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) will be recognized for 20 minutes, and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 736, as reported, is to provide the Administrator of the Federal Aviation Administration increased flexibility, without

compromising safety, in carrying out the law—first enacted in 1970—which required that emergency locator transmitters be installed on certain civil aircraft.

As reported, the bill requires the Administrator to issue regulations permitting the operation of civil aircraft—which are subject to the requirement—during any period for which the transmitter has been removed for inspection, repair, modification, or replacement.

The Federal aviation regulation—FAR—requiring an operable ELT on certain civil aircraft was adopted in response to a mandate from Congress (Public Law 91–596). This regulation, which carried out the intent of Public Law 91–596, prohibits the operation of airplanes subject to the law unless there is an operable automatic type emergency locator transmitter. The mandatory date for compliance was June 30, 1974, in accordance with Public Law 93–239, which extended the original date. There was no provision made in the two statutes to permit the operation of an airplane, subject to the ELT requirement when an installed ELT becomes inoperative. The FAA, then, cannot by regulation provide for flexibility in the ELT requirement.

This lack of flexibility has caused problems. For example, following installation of some 27,000 units built by one manufacturer, a high rate of inadvertent activations was experienced. Examination revealed that internal corrosion was evident, causing the transmitter to activate indicating that an emergency existed. When a number of units were found to be defective, an airworthiness directive—AD—was issued by FAA to require the removal and return to the manufacturer of some 27,000 units. This AD, therefore, in effect, required the grounding of some 27,000 aircraft since there were not enough units available to replace those removed pending inspection and correction by the manufacturer. Current reports from airplane owners, and ELT manufacturers, indicate that time required to remove, repair, and reinstall a defective unit runs from 3 weeks to 2 months. The variation is dependent on the location of the owner and the backlog of the manufacturer. The airplanes that may be grounded have a variety of uses. Many are used for business and personal transportation while others are used for pilot training.

Provisions should be made in the law that would allow the continued operation of the airplane while the ELT is being repaired, inspected, modified, or replaced. Such provision in the law as is contained in H.R. 736 would permit the FAA to maintain an adequate level of safety and to carry out the broad intent of the statutory requirement without causing unnecessary hardship due to inflexibility existing in the present law.

H.R. 736 is identical to H.R. 8228 which passed the House February 17, 1977, under suspension of the rules.

In conclusion, Mr. Speaker, I urge passage of H.R. 736.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our fourth aviation bill today also was reported last year—as H.R. 8228—and passed by the House on two occasions. It is one of those seemingly minor items which is of such great importance to much of the aviation community.

H.R. 736 authorizes the FAA administrator to promulgate regulations under which aircraft required to be equipped with emergency locator transmitters—ELT's—may be moved in the event their ELT's have been removed for inspection, repair, modification, or replacement. This legislation does not dilute the statutory requirement that certain categories of aircraft be equipped with ELT's. The bill simply provides needed flexibility to cover those situations when, under existing law, an aircraft with an inoperable ELT is, in effect, grounded.

Our hearings last year disclosed that the inflexible statute now on the books results in severe hardship in many cases, and we believe that H.R. 736 will provide the relief which we are convinced is justified by the facts.

Mr. Speaker, I urge my colleagues to support the pending bill.

Mr. Speaker, I have no further requests for time.

Mr. ANDERSON of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Speaker, I have some real problems with this. Maybe the gentleman can be of some help.

Mr. Speaker, I believe that I was responsible for the original legislation which required crash locator beacons to be installed on private aircraft. There was tremendous resistance at the time from the aircraft owners to doing this, even though literally hundreds of planes are lost every year, particularly in the Rocky Mountain area, and many lives are lost through the inability to be able to locate the area of the crash with sufficient rapidity to be able to recover victims of the crash.

Mr. Speaker, I wonder why it is not feasible, when a locator device has to be repaired, for the aircraft owner to go and rent another device during the time of the repairs, rather than be allowed to fly without one.

I would also like to know what kind of safeguards the FAA may be prepared to require to assure that this is not used as a device just to avoid the necessity for carrying this equipment altogether. Is there going to be a time limit imposed during which the operator or the owner would be allowed to operate without these locator beacons? What protections are provided?

Mr. ANDERSON of California. Mr. Speaker, I thank the gentleman for his question.

The bill does not do away with the statutory requirement. It merely allows the FAA Administrator to exercise his discretion and to provide needed flexibility so that hardship can be avoided. I would assume that the Administrator, in promulgating regulations as required by the bill, would set a time limit of some kind. We certainly do not want a long term approval.

It would be very difficult to rent a plane if one's ELT was out of order some place and one had to get it to a place where there would be someone available who could repair it. One might have to transport the plane across State lines or perhaps to several places in order to get the ELT repaired.

This bill would allow the operator, at the Administrator's discretion, to fly his plane some place to get it repaired, after the Administrator has given permission to do that, and have it repaired. The plane could not be flown further, of course.

So I believe this is simply giving the Administrator this authority, and I do not see any objection to it. The statutory requirement has not been removed.

Mr. Speaker, I strongly believe that we have thoroughly considered the gentleman's question. We held lengthy hearings on this last year, and after the hearings were held, this body passed an identical bill, and the vote was overwhelming. I am sure that safety will not be overlooked.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield further?

Mr. ANDERSON of California. Yes, I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Speaker, as I understand it, this would permit the emergency locator to be taken out of the plane, and it would permit the plane to be flown without any crash locator beacon at all for such periods of time as the FAA Administrator might designate. This would allow the aircraft to be flown from one place to another in order to have the device repaired. The plane would be flown at times when this device may have been taken off, and the aircraft would be flown without a locator beacon for some undesignated period of time. Therefore, I would hope that the committee would express its concern to the FAA Administrator that he be very cautious in any act suspending the necessity for these locator beacons, and that where it is feasible the operators should be required to rent a device for use during such periods of time when repairs must take place.

Mr. Speaker, I would also like to urge strongly upon the committee that it consider requiring these beacons to be installed on commercial aircraft, particularly those that carry passengers, since that is presently not a requirement. I think that that amounts to a great hole in the present regulatory and statutory scheme.

Mr. ANDERSON of California. Mr. Speaker, this bill has nothing to do with commercial aircraft which are presently exempt from the ELT requirement. It solely pertains to general aviation aircraft.

Mr. OTTINGER. I understand, but I am saying it should pertain to commercial aircraft.

I am wondering if the chairman of the subcommittee would consider legislation that does require commercial aircraft to install these devices. These planes go all over this country, and they are subject to the same kind of crashes and the same kind of problems, and they should be required to carry these beacons.

Mr. ANDERSON of California. That is a new area to be explored. I am sure that if some Member would show the need for this, the committee would surely take up the matter.

However, all this bill does is to main-

tain the statutory requirement that certain general aviation aircraft must employ these devices, but it allows the Administrator the right to waive their use during that period while the ELT is being repaired, and only during that period of time. I would assume that under the regulations issued by the Administrator, he would limit this to a short span of time.

Mr. OTTINGER. Mr. Speaker, I hope that the committee will exercise strong oversight in this area, and I hope the committee's recommendations will be heeded by the FAA. I look forward to the drafting of new legislation.

Mr. ANDERSON of California. Mr. Speaker, I assure the gentleman from New York that we will do all we can.

Mr. JOHNSON of California. Mr. Speaker, I rise in support of H.R. 736, a proposal which would permit the temporary operation of aircraft, which are subject to the law requiring an operable emergency locater transmitter, while that transmitter is being inspected, repaired, modified, or replaced.

At present, functioning ELT's are required by law in all U.S. civil aircraft, with certain exceptions such as scheduled airliners, turbojets, and single place airplanes. The locaters are used to guide rescuers to the scene of an accident, and the FAA now has no option but to ground planes that do not have ELT's in working order.

Because of this requirement, some 27,000 planes were effectively grounded when a number of ELT units built by one manufacturer were found to be defective and all units of that make had to be removed and returned to the manufacturer—who did not have enough units on hand to replace the originals.

Reports from airplane owners and ELT manufacturers indicate that the time required to remove, repair, and reinstall a defective unit is approximately 3 weeks to 2 months.

The FAA has noted that the planes that have been, and could be, grounded under existing statutory requirements include many that are used for business and personal transportation and for pilot training.

The agency witness testified that—

> Considering the number of aircraft involved and the variety of uses to which they are put, considerable hardship will continue unless a reasonable measure of relief is forthcoming.

Any regulated relaxation of the ELT requirements will be no greater than is necessary. Safeguards might include a requirement that a plane permitted to operate without a working ELT must be on a visual or instrument rule flight plan.

I wish to commend all the members of the Public Works and Transportation Committee for their work on this proposal—especially Mr. ANDERSON, the chairman of the Aviation Subcommittee, and Mr. SNYDER, the ranking minority member of the subcommittee, for their diligence and hard work in producing this legislation which has the support of the aviation community and the Administration.

Mr. Speaker, this legislation, H.R. 736, is necessary to relieve this hardship, and I urge the House to adopt this measure.

Mr. GOLDWATER. Mr. Speaker, I am very pleased that the House is taking early action this year on H.R. 736, which will give the Federal Aviation Administration some flexibility in permitting aircraft to continue operation when the mandated emergency locater transmitter has been temporarily removed.

I first introduced a version of the bill before us today almost 2 years ago in response to a legitimate concern on the part of pilots who were experiencing serious mechanical problems with their ELT's.

It seems that in numerous instances, the ELT device would issue a false alarm. In fact, almost immediately after the mandated ELT law was passed in the 91st Congress, one ELT manufacturer had to recall about 20,000 units.

Unfortunately, if the ELT unit must be taken out of the aircraft for repair, as is so often the case, the pilot technically cannot fly his aircraft. Thus, if the pilot has a defective system in a somewhat remote area with inadequate repair facilities, the aircraft could be grounded for an inordinate period.

Without the ability to deviate from the existing law, the Federal Aviation Administration really cannot reduce or eliminate the false alarms by normal regulatory authority. Frankly, the ELT state-of-the-art technology has not been perfected, and it has been a tremendous burden for pilots to find ELT's that function properly. It is another example of the Government putting the cart before the horse.

The bill before us today will not compromise safety. It would simply correct an omission in the original law that is currently handicapping the FAA and causing unnecessary and unwarranted hardship on aircraft operators. I urge its passage.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 736.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on the motion on which further proceedings were postponed.

AMENDMENTS TO FEDERAL AVIATION ACT OF 1958

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 27, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 27, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 403, nays 0, not voting 28, as follows:

[Roll No. 23]

YEAS—403

Abdnor	Clay	Gilman
Addabbo	Cleveland	Ginn
Akaka	Cochran	Glickman
Alexander	Cohen	Goodling
Allen	Coleman	Gore
Ambro	Collins, Ill.	Gradison
Ammerman	Collins, Tex.	Grassley
Anderson, Calif.	Conable	Gudger
	Conte	Guyer
Anderson, Ill.	Conyers	Hagedorn
Andrews, N. Dak.	Corcoran	Hall
	Corman	Hamilton
Annunzio	Cornell	Hammer-schmidt
Applegate	Cornwell	
Archer	Cotter	Hanley
Armstrong	Coughlin	Hannaford
Ashbrook	Crane	Hansen
Ashley	D'Amours	Harkin
Aspin	Daniel, Dan	Harrington
AuCoin	Daniel, R. W.	Harris
Badham	Danielson	Harsha
Badillo	Davis	Heckler
Bafalis	de la Garza	Hefner
Baldus	Delaney	Heftel
Barnard	Derrick	Hightower
Baucus	Derwinski	Hillis
Bauman	Devine	Holland
Beard, R.I.	Dickinson	Hollenbeck
Beard, Tenn.	Dicks	Holtzman
Bedell	Diggs	Horton
Beilenson	Dingell	Hubbard
Benjamin	Dodd	Huckaby
Bennett	Dornan	Hughes
Bevill	Downey	Hyde
Bingham	Drinan	Ichord
Blanchard	Duncan, Oreg.	Ireland
Blouin	Duncan, Tenn.	Jacobs
Boggs	Early	Jeffords
Bolling	Eckhardt	Jenkins
Boland	Edgar	Jenrette
Bonior	Edwards, Calif.	Johnson, Calif.
Bonker	Edwards, Okla.	Johnson, Colo.
Bowen	Eilberg	Jones, N.C.
Brademas	Emery	Jones, Okla.
Breaux	English	Jones, Tenn.
Breckinridge	Ertel	Jordan
Brinkley	Evans, Del.	Kasten
Brodhead	Evans, Ga.	Kastenmeier
Brooks	Evans, Ind.	Kazen
Broomfield	Fary	Kelly
Brown, Calif.	Fascell	Kemp
Brown, Mich.	Fenwick	Ketchum
Brown, Ohio	Findley	Keys
Broyhill	Fish	Kildee
Buchanan	Fisher	Kindness
Burgener	Fithian	Kostmayer
Burke, Calif.	Flippo	Krebs
Burke, Fla.	Flood	Krueger
Burke, Mass.	Florio	LaFalce
Burleson, Tex.	Flowers	Lagomarsino
Burlison, Mo.	Flynt	Latta
Burton, Phillip	Foley	Leach
Butler	Ford, Mich.	Lederer
Byron	Ford, Tenn.	Le Fante
Caputo	Forsythe	Leggett
Carney	Fraser	Lehman
Carr	Frenzel	Lent
Cavanaugh	Frey	Levitas
Cederberg	Fuqua	Lloyd, Calif.
Chappell	Gammage	Lloyd, Tenn.
Chisholm	Gaydos	Long, La.
Clausen, Don H.	Gephardt	Long, Md.
	Giaimo	Lott
Clawson, Del	Gibbons	Lujan

Luken	Patten	Smith, Nebr.
Lundine	Patterson	Snyder
McCloskey	Pattison	Solarz
McCormack	Pease	Spellman
McDade	Pepper	Spence
McEwen	Perkins	Staggers
McFall	Pickle	Stanton
McHugh	Pike	Stark
McKay	Poage	Steed
McKinney	Pressler	Steers
Madigan	Preyer	Steiger
Maguire	Price	Stokes
Mahon	Pritchard	Stratton
Mann	Pursell	Studds
Markey	Quayle	Stump
Marks	Quie	Symms
Marlenee	Quillen	Taylor
Marriott	Rahall	Thompson
Martin	Railsback	Thone
Mathis	Rangel	Thornton
Mattox	Regula	Traxler
Mazzoli	Reuss	Treen
Meeds	Rhodes	Trible
Metcalfe	Richmond	Tsongas
Meyner	Rinaldo	Tucker
Michel	Risenhoover	Ullman
Mikulski	Roberts	Van Deerlin
Mikva	Robinson	Vander Jagt
Milford	Rodino	Vanik
Miller, Calif.	Roe	Vento
Miller, Ohio	Rogers	Volkmer
Mineta	Roncalio	Waggonner
Minish	Rooney	Walgren
Mitchell, Md.	Rose	Walker
Mitchell, N.Y.	Rosenthal	Walsh
Moakley	Rousselot	Wampler
Moffett	Roybal	Watkins
Mollohan	Rudd	Waxman
Montgomery	Runnels	Weaver
Moore	Ruppe	Weiss
Moorhead, Calif.	Russo	Whalen
	Ryan	White
Moorhead, Pa.	St Germain	Whitehurst
Moss	Santini	Whitley
Mottl	Sarasin	Whitten
Murphy, Ill.	Satterfield	Wiggins
Murtha	Sawyer	Wilson, Bob
Myers, Gary	Scheuer	Wilson, C. H.
Myers, Michael	Schroeder	Wilson, Tex.
Myers, Ind.	Schulze	Winn
Natcher	Sebelius	Wolff
Neal	Seiberling	Wright
Nedzi	Sharp	Wydler
Nichols	Shipley	Wylie
Nix	Shuster	Yates
Nolan	Sikes	Yatron
Nowak	Simon	Young, Alaska
Oberstar	Sisk	Young, Fla.
Obey	Skelton	Young, Mo.
O'Brien	Skubitz	Young, Tex.
Ottinger	Slack	Zablocki
Panetta	Smith, Iowa	Zeferetti

NAYS—0

NOT VOTING—28

Andrews, N.C.	Goldwater	Oakar
Biaggi	Gonzalez	Pettis
Burton, John	Hawkins	Rostenkowski
Carter	Holt	Stockman
Dellums	Howard	Teague
Dent	Koch	Tonry
Edwards, Ala.	McClory	Udall
Erlenborn	McDonald	Wirth
Evans, Colo.	Murphy, N.Y.	
Fountain	Murphy, Pa.	

The Clerk announced the following pairs:

Mr. Teague with Mr. Andrews of North Carolina.

Mr. Dent with Mrs. Pettis.

Ms. Oakar with Mr. Stockman.

Mr. Koch with Mr. Udall.

Mr. Hawkins with Mr. McClory.

Mr. Howard with Mr. Murphy of Pennsylvania.

Mr. Biaggi with Mr. Carter.

Mr. John Burton with Mr. Edwards of Alabama.

Mr. Evans of Colorado with Mr. Erlenborn.

Mr. McDonald with Mr. Dellums.

Mr. Murphy of New York with Mr. Fountain.

Mr. Rostenkowski with Mr. Goldwater.

Mr. Wirth with Mrs. Holt.

Mr. Gonzales with Mr. Tonry.

Mr. AuCOIN changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON SCIENCE, RESEARCH AND TECHNOLOGY TO MEET DURING GENERAL DEBATE TODAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Science, Research and Technology be permitted to sit this afternoon during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PROVIDING FOR EXPENSES OF INVESTIGATIONS AND STUDIES TO BE CONDUCTED BY COMMITTEE ON HOUSE ADMINISTRATION

Mr. THOMPSON. Mr. Speaker, by direction of the Committee on House Administration I call up House Resolution 261 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 261

Resolved, That effective January 3, 1977, expenses of investigations and studies to be conducted by the Committee on House Administration, acting as a whole or by subcommittee, not to exceed $860,000, including expenditures—

(1) for the employment of investigators, attorneys, and clerical, stenographic, and other assistants;

(2) for the procurement of services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(i)); and

(3) for specialized training, pursuant to section 202(j) of such Act, as amended (2 U.S.C. 72a(j)), of committee staff personnel performing professional and nonclerical functions;

shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration. Not to exceed $100,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(i)); not to exceed $5,000 of such total amount may be used to provide for specialized training, pursuant to section 202(j) of such Act, as amended (2 U.S.C. 72a(j)), of staff personnel of the committee performing professional and nonclerical functions; and not to exceed $200,000 of such total amount may be used for the operation of the summary of debate system; but these monetary limitations shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 3. The authorization granted by this resolution shall expire immediately prior to noon on January 3, 1978.

SEC. 4. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey is recognized for 1 hour.

Mr. THOMPSON. Mr. Speaker, this resolution is the first funding resolution for a standing committee to be considered by the House this year. This resolution requests funding at the same level as was requested and approved for the second session of the 94th Congress except for the additional funds identified for the summary of debate clerks.

The explanation of that additional funding, the reference, Mr. Speaker, to the summary of debate section, is on page 6 of the committee report, contained in the second paragraph.

The summary of debate clerks were under the control of the Commission on Information and Facilities until December, when the Committee on House Administration assumed responsibility for them. They provide through the Members Information Network a summary of four proceedings. That allows Members on the network to be aware of what is occurring on the floor with no more than a 10- to 15-minute lag, which we hope to improve shortly.

It is hoped that this resolution will be a benchmark to subsequent resolutions and that additional funds will be requested only for activities that are new to the committees this year.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I will yield for purposes of debate only.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman from New Jersey for so yielding.

Mr. Speaker, I want to ask the gentleman about the $200,000 provided for preparation of summaries of debates. Is that going for salaries for staff?

Mr. THOMPSON. It is entirely for salaries, I might say to my friend, the gentleman from Maryland. In all candor, the actual amount was $180,000, but with the anticipated cost-of-living pay raise in October, the $20,000 was put in for that eventuality.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield further, without commenting on the literary merit of the debate summary, some of which I have read, I wonder whether or not the CONGRESSIONAL RECORD does not already fulfill this function?

Mr. THOMPSON. Did I split an infinitive some place?

Mr. BAUMAN. I do not believe the erudite gentleman from New Jersey has split an infinitive. I did not notice any.

I would say to the gentleman that I have read some of these summaries. I am wondering if the CONGRESSIONAL RECORD does not fulfill the "morning-after" role that this summary has. After all, Members could come to the floor and lis-

ten to the proceedings. It would save $200,000.

Mr. THOMPSON. I would say to my friend, the gentleman from Maryland, that, I have a rather dual answer. The first is that those who are now on the network within the 10- or 15-minute time period can be informed and can be up to date during the debate itself.

The second is that I am very happy to be able to say to my friend, the gentleman from Maryland, that if the plans of the committee proceed as anticipated, by a more sophisticated use of the House Information System we will shortly establish an electronic printing system by which committee hearings and possibly bills will be put onto an electronic system and by our estimates reduce the price of printing chargeable to the Congress.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield further?

Mr. THOMPSON. I yield for purposes of debate only.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for that explanation.

Mr. Speaker, let me pass to something else. On page 3 of the report it is mentioned that under rule X the House Administration Committee has the duty of dealing with official allowances for Members.

Last July 1, the gentleman from New Jersey and I had an exchange on the floor regarding his public statement that he had ordered an extensive audit by the General Accounting Office of various Members of Congress and committees and their activities. I assume he was referring to his predecessor as chairman, and he informed us in debate on that day that the audit would be made and available shortly.

Could the gentleman give us a statement with regard to the progress of these audits?

Mr. THOMPSON. In the first place, I say to the gentleman from Maryland that no Members' accounts were audited. After consultation with the GAO, it was decided on a pilot basis, first doing a complete audit of the Committee on House Administration, then the Committee on Banking, Currency and Housing was done; then, the Committee on Education and Labor. I felt as the new chairman of the Committee on House Administration, and in agreement with my distinguished friend and colleague from Kentucky (Mr. PERKINS), that it would be reasonable that our committee be audited. The Committee on Science and Technology was audited, and on the occasion of the organizational meeting in this Congress of the Committee on House Administration, all Members were given copies of those audits. They are available to the press.

The GAO determined and took the initiative that the committees which we had audited were sufficient to be representative, and accurately representative, of all of the committees of the House. The expenditure needed to audit the accounts of each of the 435 Members of the House and all its committees, subcommittees, and select committees, was so enormous that we felt that we ought to try this trial experience.

Counsel tells me that the audits of the committees which I have just referred to each cost about $5,000, and the estimates from outside professional auditors indicate that the cost for individual audits of Members' offices would amount to about the same. We felt that it was unnecessary, in light of the increased requirement for vouchering and reporting and auditing under the new reforms which the Committee on House Administration passed in July, to audit individual Members except on probable cause, which would and shall be done in the event that questions arise.

I shall be glad to provide the gentleman, within the hour, copies of the audits which were done, and invite his comments.

Mr. BAUMAN. I thank the gentleman for that offer. My concern grows out of the fact that there were a number of serious allegations made about the manner in which the former chairman of this committee handled funds regarding travel, the possible purchase of art works overseas, the use of counterpart funds and so forth. Was there any effort made in this audit to settle these questions or to make a report to answer these charges which have been made?

Mr. THOMPSON. Yes. Every possible effort was made. Every single piece of paper with regard to expenditures was gone over, and I am very happy to say that many of the allegations were just totally untrue. There were some irregularities, as the gentleman will see from the documents which I provide him, but they were minimal. I am very glad to say that the irregularities have been straightened out.

Mr. BAUMAN. I thank the gentleman. I have one last question.

The gentleman's committee acted last week in two instances in 1 day, I believe, on the increase of the congressional district allowance from $2,000 to $7,000. As I understand it, the form in which the gentleman's committee finally approved this—and the committee has the power to finally approve it without recourse to the House—authorized a $7,000 district allowance for Members which takes effect at the time the so-called unofficial office accounts are abolished. Is that to be an automatic effective date contingent only upon the abolition of such private accounts?

Mr. THOMPSON. It is effective upon the date of the enactment of the change in the rules abolishing unofficial office accounts.

Mr. BAUMAN. I raise the question because I would hope the House will be permitted to vote against the $5,000 increase on the merits. At the same time we should be able to abolish the unofficial accounts. That is the reason I put the question to the gentleman.

Is the effect of the committee action the other day to deny those of us who oppose the increase a chance to vote on it?

Mr. THOMPSON. I can say to my colleague, the gentleman from Maryland, that is not the case.

Mr. BAUMAN. I thank the gentleman. I hope he is correct.

Mr. THOMPSON. The effect of the increase, I might say to the gentleman, is conditioned upon the adoption of the change in the rule which would abolish unofficial office accounts.

The Committee on House Administration had referred to it—section 302, and 302 only, of House Resolution 287, which is the reform package which I enthusiastically support.

Mr. BAUMAN. If the gentleman will yield further, the reason I am concerned is that it appears to me, from reading the minutes of the gentleman's committee meeting, which I did this morning, the House may have no chance to vote on the floor on this $5,000 increase, which comes, at the very least, at an inopportune time, on the heels of an enormous pay raise. Since the gentleman's committee has the final power to approve such increases, it seems to me that the gentleman's committee should reserve his final judgment on this until the full House acts.

Mr. THOMPSON. Mr. Speaker, I might say to my friend, the gentleman from Maryland, that I do not consider that necessary, because, first, I do not think that it is at an inappropriate time. I think it is at an appropriate time.

Secondly, the question of whether or not we shall be able to debate that section is a matter in the hands of the Committee on Rules, and it depends on the rule.

Mr. Speaker, I am very glad that the gentleman was able to get the transcript, as any other Members may, incidentally. The committee is completely open in all of its records.

In the colloquy with the gentleman from California (Mr. VAN DEERLIN), I gave him assurance that I would have no objection at all to that section being open for amendment.

Mr. BAUMAN. I thank the gentleman.

Mr. THOMPSON. Mr. Speaker, I would like to yield to my distinguished colleague, the gentleman from Minnesota (Mr. FRENZEL) who is representing the minority on the Committee on House Administration, such time as he may consume, for purposes of debate only.

It is my understanding that the ranking minority member, the gentleman from Alabama (Mr. DICKINSON) and the minority are in agreement with the budget for the Committee on House Administration.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, our distinguished colleague, the gentleman from Alabama (Mr. DICKINSON) instructed me to say that the minority had no objection to the resolution, and I hope that it is promptly adopted.

Mr. THOMPSON. I thank the gentleman.

Mr. Speaker, in conclusion, before moving the previous question, I might point out that I am handling this resolution as the chairman of the full committee only, because of the tragic death yesterday of a brother-in-law of the distinguished chairman of the Subcommittee on Accounts, the gentleman from Pennsylvania (Mr. DENT). All subsequent resolutions, will be handled by the gentleman from Pennsylvania (Mr. DENT) if his schedule permits.

Mr. Speaker, I would like to take this

opportunity to extend my condolences, those of my wife and the members of the committee, to the gentleman from Pennsylvania (Mr. DENT) for the loss in his family.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THIRD CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1977

Mr. GIAIMO. Mr. Speaker, pursuant to section 305(a), title III, of Public Law 93–344, the Congressional Budget Act of 1974, and the order of the House of February 16, 1977, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 110) revising the congressional budget for the U.S. Government for the fiscal year 1977.

GENERAL LEAVE

Mr. Speaker, pending that motion, I ask unanimous consent that all Members be allowed to revise and extend their remarks, and include extraneous matter, during the consideration of House Concurrent Resolution 110.

The SPEAKER pro tempore (Mr. WRIGHT). Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Connecticut.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 110, with Mr. NATCHER in the chair.

The Clerk read the title of the concurrent resolution.

By unanimous consent, the first reading of the concurrent resolution was dispensed with.

The CHAIRMAN. Pursuant to section 305(a), title III, of Public Law 93–344, the Congressional Budget Act of 1974, the gentleman from Connecticut (Mr. GIAIMO) will be recognized for 5 hours, and the gentleman from Ohio (Mr. LATTA) will be recognized for 5 hours.

The Chair recognizes the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of the third budget resolution for fiscal year 1977, the first such resolution we have had since the inception of the new congressional budget process.

It is made necessary, in the final analysis, by the continuing economic recession which began in late 1974. Although the Congress actions in early 1975 helped to reverse the economic decline and to begin the recovery from recession, that recovery, as we now know, stalled badly last summer and fall. As a result, the economic goals we set last September in the second budget resolution are no longer valid.

Recognizing the sharp decline in economic activity in the second half of 1976, both former President Ford—in his fiscal year 1978 budget—and President Carter have proposed economic stimulus measures to deal with the continuing economic decline. However, neither these nor other stimulus proposals can be accommodated within the existing revenue floor and spending ceilings set last fall in the second budget resolution; and consequently, a third budget resolution is needed.

Before discussing the components of House Concurrent Resolution 110, I wish to extend my deep appreciation to all members of the Budget Committee for their full cooperation in reporting this resolution so promptly to the House. Their attendance and participation in the committee's hearings on the economy and the need for the resolution, and in the markup session, were outstanding. I want to extend special thanks to the committee's ranking minority member, the gentleman from Ohio (Mr. LATTA), for his cooperation in facilitating the work of the committee in these first hectic weeks of the session.

SUMMARY OF THE RESOLUTION

This resolution revises the second budget resolution for fiscal year 1977 which was adopted by the Congress on September 16, 1976. It establishes the following new budget aggregates for this fiscal year, which ends on September 30, 1977:

Revenues of $348.5 billion; budget authority of $482.3 billion; outlays of $418.8 billion; deficit of $70.3 billion; and public debt of $720.5 billion.

In addition to the revenue and spending proposals in the committee's economic stimulus package, which follow closely the proposals made by the President, the resolution makes needed adjustments in the second budget resolution's revenue and spending estimates, adjustments resulting from changed economic and program developments and anticipated supplemental budget requests from the new administration.

The resolution is designed to achieve the following economic goals for calendar year 1977:

First, a gross national product of nearly $1.9 trillion, which assumes real growth in GNP during 1977 of nearly 5 percent;

Second, a reduction in the unemployment rate to about 6.8 percent at the end of the year; and

Third, a rise in the Consumer Price Index of approximately 5.9 percent.

I wish to stress to the House that the very severe winter weather of late January and early February makes any set of economic goals even more uncertain than usual. To the extent possible, the committee's recommendations recognize the terrible economic impact of the weather through January; however, it was clearly impractical to assess its precise impact or to predict its duration. Members should recognize that it may be necessary to deal further with the economy in the weeks ahead, through emergency measures if the situation warrants.

THE COMMITTEE'S ECONOMIC STIMULUS PROPOSALS

The committee's economic stimulus proposals follow closely the overall strategy set forth by President Carter: First, that lagging consumer demand be stimulated through immediate tax rebates and reductions; and second, that existing spending programs which are designed to provide general fiscal aid and create new job opportunities be accelerated and expanded to put people to work immediately and to sustain and strengthen the economy this year and in 1978 as well.

To carry out this strategy the committee resolution adopts the $13.8 billion package of tax rebates and reductions proposed by the President. It does not, however, specifically endorse the components of the President's program. As Members know, the precise components of the tax reduction package will be determined by the Congress in the next several weeks.

The resolution also adopts the basic elements of the President's spending proposals. However, in this area it provides modest increases in those proposals, as follows:

[In millions of dollars]

	President Carter (revised)		House Budget Committee	
	BA	O	BA	O
General fiscal aid:				
Countercyclical assistance	925	925	800	800
EPA construction grant reimbursement			320	260
Direct job creation:				
Accelerated public works	2,000	200	4,000	500
Public service employment	1,919	715	7,000	713
Youth programs (CETA, titles I, III, IV, and other programs)	1,508	328	1,500	600
Job opportunities program			244	60
Older Americans and community service employment			59	30
Railroad and highway construction			425	200
Recreation and park improvements and maintenance			400	300
Total	6,352	2,168	14,748	3,463

In all, the resolution provides for a total stimulus package of $17.3 billion in fiscal year 1977—$13.8 billion in tax stimulus and $3.5 billion in actual outlays for job-creating programs—compared to the President's $16 billion—again $13.8 billion in tax stimulus and $2.2 billion in program outlays.

It should be noted that since the committee reported the resolution, the administration has increased its recommendation for the countercyclical program to $925 million. Together with other minor adjustments the difference between the President's spending proposals and the committee's proposals is only $1.3 billion.

I believe these are very modest increases, made even more necessary by the continuing cold weather and drought in much of the country. They hold no risk of overstimulating the economy, which remains weak despite the mild economic upturn in December. These increases are consistent with the President's call for "prudence and fiscal re-

straint" and are virtually identical with the Senate's third budget resolution as well.

THE COMMITTEE'S NONSTIMULUS RECOMMENDATIONS

The resolution before the House also makes a series of recommendations dealing with nonstimulus matters. There are 13 such recommendations, explained in the committee report on the resolution, of which I want to bring four to the attention of the House.

First, the resolution proposes the rescission of $371 million in budget authority for modernizing the U.S.S. *Long Beach*, and the rescission of $82 million for construction of a fourth *Nimitz*-class aircraft carrier. These rescissions were proposed by the Ford administration in its January budget submission and are supported by the new administration.

Second, the resolution proposes extension of the Federal supplemental benefits program, under which benefits may not be paid after March 31, 1977. This program has provided unemployment insurance benefits of up to 26 weeks beyond the regular and extended benefits of 39 weeks.

The resolution includes $508 million in budget authority and outlays to extend the FSB program for 13 weeks of coverage beyond the basic 39 weeks in existing law, whenever the national insured unemployment rate is 5 percent or more. I believe this extension is urgently needed to provide benefits while our various stimulus programs are being expanded to serve higher levels over the next several months.

Third, the resolution provides additional funding—$757 million in budget authority and $122 million in outlays—over existing law for an education supplemental submitted by President Ford. These funds are primarily for higher education programs which were not included in the regular Labor-HEW appropriations bill due to late reauthorizations.

And fourth, the resolution provides $20.3 billion in budget authority for additional subsidized housing to accommodate a supplemental budget request by the administration. The reason for this large amount of budget authority is the unique budget accounting for subsidized housing programs—budget authority provided is for the entire life of the HUD subsidy commitment.

Today's budget submission by the President changes this budget authority request to approximately $15.6 billion. Consequently, the $20.3 billion amount will be revised in a committee amendment.

The resolution also makes other needed spending adjustments in a number of programs. I have given you only a few of the major recommendations contained in the resolution.

NEED FOR COMMITTEE AMENDMENT

I want to inform Members that tomorrow I plan to offer a committee amendment designed to update the resolution in two respects: First, to revise the revenue floor to reflect the precise impact of the tax bill approved by the Ways and Means Committee last Friday; and second, to make further adjustments in the spending estimates as a result of revised administration recommendations submitted to the Congress today. The result of the amendment will be to make only minor changes in the resolution amounts.

CONCLUSION

I believe this resolution is responsible and prudent. Its major change involves the revenue side of the budget, a reduction of $14 billion from the second budget resolution, primarily to accommodate the President's tax rebate and reduction proposals. The overall outlay change is $5.7 billion, again primarily to accommodate the economic stimulus proposals.

Members should realize that the increase in the deficit—from $50.6 to $70.3 billion—is unavoidable. Without this resolution, the deficit had already risen—due to a decline in revenues—to about $57 billion; and would rise yet further if economic stimulus measures were not adopted.

As chairman of the Budget Committee, I am constrained to inform my colleagues that our stimulus package, while being a significant input in our recovery, may have only limited effect. Our national economy has many dimensions, and the Federal budget makes up only 23 percent of the gross national product.

The efforts we make here depend upon the cooperation and coordination of efforts by other segments of our society which heavily influence our economic capability and performance. The private sector must not only take full advantage of the employment tax credit, but find independent ways to raise our per capita production and make full utilization of our industrial capacity.

Similarly, we cannot have our State and local governments, whose activities constitute approximately 12.6 percent of our GNP, working at counterproductive purposes. They, too, must direct their efforts toward job creation rather than job cutback. The countercyclical assistance and public service job programs are specially designed to assist them in that effort.

Finally, a renewed tight-money policy by the Federal Reserve Board would negate the positive effects of the stimulus proposals. Our programs are not targeted toward shortages in the labor force, which could produce inflationary pressure, nor is there any shortage of available money to borrow for new investment.

In essence, we need to bring all of the forces of our economy together working toward the goal of full employment. I urge every Member to support this resolution.

Mr. LATTA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this third budget resolution once again points up the difference in philosophy between the minority and the majority on the Budget Committee. We feel the third budget resolution for the fiscal year 1977, House Concurrent Resolution 110, offers a fundamentally wrong approach in dealing with economic problems confronting our Nation. It must be changed so that instead of a hindrance it can become a helpful force in achieving economic progress.

Properly restructured, this resolution could help steer the country into a positive plan of action to strengthen the economy by encouraging people to produce and achieve. That is the path to lasting prosperity and toward preserving freedom for all Americans.

The reason a third budget resolution is before us today can be stated very easily—it is here to accommodate the Carter stimulus spending package and his stimulus tax proposal which features the tax rebate. In raising the spending limit and lowering the revenue floor to accommodate that request, House Concurrent Resolution 110 calls for a huge increase in the Federal deficit. The deficit for fiscal year 1977 would go from $50.6 billion to $70.3 billion and the national debt would soar to $720.5 billion. Most of those increases would be due to the stimulus plan.

I believe it is essential that the House take a very careful, critical look at the underlying rationale for this legislation. As they analyze the basic issues involved, surely many of my colleagues will come to appreciate the fact that general tax reduction rather than Federal spending is the correct answer to giving the economy the support it needs.

The justification we hear for a third budget resolution is that there is a pause in the economic recovery notwithstanding the fact that the official gross national product figures, adjusted as they should be for volatile changes in inventories, show that GNP rose steadily every quarter of 1976.

At this time, if we do nothing to remove existing impediments to work and invest the economy can only be hurt by a spending stimulus designed to increase the demand for goods and services. To add more spending when there are impediments to additional production will reverse the fine success President Ford achieved in cutting the inflation rate by more than half. This reduction in inflation accomplished under President Ford's leadership was absolutely essential to the recovery now underway. Spending policies that send inflation skyrocketing again could cause a serious turnaround in the economy.

One of the prime reasons given in attempts to justify a big Federal spending binge at this time is the unemployment situation. The flaw there is that the unemployment problem today is not due to spending. Rather, it is because tax rates are too high. Only once in our history has unemployment stemmed from an inadequacy of spending, and that was in the 1930's when the Federal Reserve Board, reacting to the stock market crash and bank failures, mistakenly called for monetary policies which shrunk the supply of money in our economy during this period. Obviously, if you shrink the money supply in relation to the goods and services that are being produced at a prevailing price level, there will be inadequate spending. However, today there is no shrinkage in the supply of money. The money supply is continually expanding.

In spite of the fact that today's unemployment is due to high tax rates, the spending package that the Budget Committee has brought to the floor would have the effect of raising the tax rates even higher. A rebate does not lower the

tax rates, but by adding to inflationary pressures it will help push all incomes into higher tax brackets even though the real purchasing power of those incomes does not rise. The result of a rebate will be that everyone who pays taxes will face higher tax rates and have to pay next year a higher proportion of their income in taxes. What the rebate amounts to is a clever way of making people think they are getting a tax cut when really they are being driven into higher tax brackets by inflationary pressures.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the ranking member of this committee yielding.

To put this debate in perspective, we should bear in mind that actions of the Federal Government itself have reduced the incentives for people to work and have contributed to the widespread belief that "something must be done to create more jobs." One commentator, Charlton Ogburn, writing in last Sunday's Washington Post, has described the Federal Government as a "prime promoter of unemployment." Moreover, the statistics which are generally relied upon to provide a reliable indication of the severity of unemployment can often be misleading because they include hundreds of thousands of students, housewives, and others who are voluntarily unemployed. By their own admission, many of these people are capable of working and would probably find jobs if overly generous assistance programs had not deprived them of their incentive to work.

The Wall Street Journal recently concluded a series of four articles on the unemployed. The first two articles, "Bo Grier, Aristocrat of the Streets" and "Mark Rinaldi: Jobless by Choice," as well as the Ogburn article, were inserted as part of my remarks yesterday. The remaining two articles, "Sandy Biggest: Search for Fulfillment," by Christopher A. Evans, and "A Better Fix on Unemployment," by James C. Hyatt, appeared in the Wall Street Journal on February 7 and February 16, respectively. The full text should be reviewed by my fellow Members:

[From the Wall Street Journal, Feb. 7, 1977]

SANDY BIGGEST: SEARCH FOR FULFILLMENT

(By Christopher A. Evans)

LEMONT, ILL.—Sandy and Ed Biggest like to fly for fun and last spring they bought their second two-seater airplane. The Biggests, both 33 years old, also own two cars and a comfortable six-room house, fully paid for, in this pleasant suburb of Chicago. Their two children, aged nine and 14, attend Catholic school.

Ed is an $18,000-a-year mechanic for Amoco Chemical Co. Sandy is a housewife. The couple currently has no outside income, but in the early days of their marriage Sandy worked and Ed put in many seven-day weeks, allowing them to build a respectable nest egg. They still consider themselves quite comfortable financially.

Yet Sandy, an attractive and energetic woman, is an unemployment statistic because she's bored with housework and has been looking for a job. And not just any job, mind you. Despite the fact that she has only a high school education, she says she won't settle for less than a position selling sophisticated business machines at a minimum salary of $15,000 a year.

"I'd be working right now if I wasn't so fussy about the kind of work I'd take," she admits. "I'm not looking for a job because we need the money, so why shouldn't I be choosy?"

Sandy Biggest's atttiudes about work may not be universal, but they surely shed some light on a sizable and often overlooked component of the nation's unemployment picture: housewives who are looking for jobs but don't "need" them by most economic standards.

THE STATISTICAL BREAKDOWN

Of the 7.6 million Americans who were classified as unemployed in December, 3.4 million, or 45%, were women. It's estimated that the greatest number of these (if the total women's labor force is to serve as a guide) were married to men earning $10,000 a year or more.

To be sure, $10,000 isn't all that much these days, and the paychecks of many working wives help make ends meet for their households. Other women work so that their families can afford such worthy "extras" as a home of their own or college education for their children. Sandy's underlying reason for wanting to work isn't unimportant—she desires the self-fulfillment of doing something on her own.

Still, it has come to be widely recognized that many women who don't have to work to survive approach job hunting in a different way than do men and women who must work to live, and that their inclusion among the jobless might make the overall rates seem more alarming than they actually are.

Sandy Biggest "may well be typical of the woman who feels financially secure" but still wants to work, says Eileen M. Schaeffler, Chicago regional director of the Labor Department's Women's Bureau. She continues: "In the absence of economic necessity, she has the freedom to think of other factors—to expect the same pay and responsibilities as men she compares herself to. She doesn't have to make the compromises that others do."

Female job seekers who are financially secure are indeed more fussy than men, says Gus Lambros, vice president of Future Personnel Services Inc., a Chicago employment agency.

Men, he claims, are reared with the idea that they eventually will have a career and will have to make money for a family. They will generally go anywhere to obtain a job. Women, on the other hand, sometimes will refuse jobs if they have to walk several blocks to work, if office decorations aren't nice or if the money isn't quite right, he says.

Sandy herself can attest to that. A month or so ago she turned down three job offers selling insurance plans either because of insufficient or uncertain salary terms. She says that if she is going to work for the rest of her life she wants to make it worth her time and notes that other job perquisites for her include flexible office hours but not too much traveling.

She concedes, however, that despite increased female hiring these days and her husband's encouragement, her job pursuit will be difficult at best.

"But I'm going to try it," she says hopefully. "If I'm rejected repeatedly then I'll try getting the credentials they're looking for. Just because I'm a housewife doesn't mean I'm dead meat," she complains.

So far her search in her chosen area has gone poorly. She called six business-machine companies recently but wasn't given an interview, either for lack of education or experience. But the process of looking for a job is in itself beneficial, she reasons, because it gives her a better idea of the kind of person the companies are seeking.

And she figures that getting an interview may be all she needs to fulfill her job expectations. "You can go to 1,000 companies and if you can finagle just one interview, you can get the job, especially in sales, where personality is so important.

This approach illustrates what one women's job counsellor believes is a common problem among housewives returning to the job fold: business naivete.

"These women generally aren't aware of the rules of the game in careers," says Diane Manhoff, director of job development and referral at Flexible Careers, a Chicago-based, non-profit organization that helps women get jobs. "Their orientation hasn't been toward the future. They have a certain naivete about what it's like to get into and move ahead in business."

Sandy first got into business after she married her high school sweetheart shortly after graduation. Her grades would have permitted college, but she preferred to get married.

Like many young wives, she worked: for a department store, in cosmetics sales, as a waitress and hostess in a restaurant. As her children were born and needed the attentions of a mother her work became part-time and then she didn't work at all.

Four years ago, with the children aged 10 and five, and well on their way, she started full-time work as a bookkeeper for a door manufacturer. The job lasted until part of her division was eliminated.

AIMING HIGH

Currently, she spends her time shopping and doing housework. She is dissatisfied because she doesn't have enough to keep her occupied, and feels that she has the ability to go out and accomplish something worthwhile on her own. "But I decided that if I was going to work it would have to be something a little bit out of the ordinary," she hastens to add. "I don't care for the environment where you go in and do the same thing every day with the same people."

Her office work and "sales" experience were enough to convince her that she should go into a far more sophisticated area of sales. She pictures herself 10 years from now "in management in some area."

It may happen, but Sandy knows that it is only her fussiness that prevents her from alleviating her unemployment problem right now. And in the back of her mind, no doubt, there is the realization that a job would mean leaving behind some of the good things about being a housewife: the flying and other recreational activities or just being home when the kids get back from school.

All of this may provide a clue as to why unemployment is such a persistent economic headache. And it may give thought to the President's National Commission on Employment and Unemployment Statistics when it meets this spring to reevaluate, among other things, the unemployment problem.

[From the Wall Street Journal, Feb. 16, 1977]

A BETTER FIX ON UNEMPLOYMENT

(By James C. Hyatt)

WASHINGTON.—The national unemployment figure issued each month is ready-made for headline-writers:

JOBLESS RATE CUT TO 7.3 PERCENT

But treating that statistic as an economic won-loss record doesn't tell much about who is on the losing side in the unemployment game.

The single percentage figure yields little insight into a variety of questions whose answers affect public policy: Are the jobless workers fresh out of school, or the victims of layoffs; are they skilled or untrained? Could they find a job elsewhere if they had

bus fare? Is their economic distress cushioned by unemployment benefits, or has such aid been exhausted?

"Many statistics are designed for public consumption, but not to make decisions with," declares Ray Marshall, the new Secretary of Labor. "The numbers don't tell you what you have to do to get those people into jobs."

The limitations of the present unemployment statistics have led Congress and the administration to seek better ways of measuring—and understanding—joblessness. The Carter team is moving to set up a new National Commission on Employment and Unemployment Statistics created by Congress last fall.

CONFUSING FIGURES

Many economists feel the current statistics often conceal as much as they reveal. For instance, the monthly figures ignore "discouraged" workers who've dropped out of the labor force, as well as part-time employes who'd like to work full-time. When those groups are included, the AFL–CIO figures, December's 7.8 percent jobless rate was actually 10.7 percent.

Others argue the figures overstate unemployment distress. A full-time student seeking part-time work, or a job-seeking teenager living at home with two working parents, counts as much in the survey as does a jobless head of household who has been out of work for weeks.

As earlier stories in this series have pointed out, some groups of workers are more serious about seeking employment than others are; some are more in need than others. The Labor Department reports that in January, when the standard jobless rate was 7.3 percent, persons out of work 15 weeks or more were 2.4 percent of the labor force, and the unemployment rate for heads of households was 4.8 percent (compared with a high of 6.1 percent in May, 1975, during the recent recession).

Labor Secretary Marshall has pledged to get the commission in operation soon. "We've got to measure the looseness or tightness of the labor market much better than we do," he declares.

All that leads to the question of what is an appropriate national employment goal, and there are now three distinct arguments in circulation.

Proponents of "full employment" seek jobs for all persons willing and able to work, a concept that some economists insist would translate into a 3% jobless rate among adults.

More conventionally, the unemployment goal has been defined as the lowest jobless rate possible without generating inflation through tight labor markets; in the early 1960s, the Democrats pegged the goal at 4 percent. The Ford administration's last economic report argues that changes in the nature of the labor force have shoved that figure "closer to 5½ percent." Among other factors, it notes that increased participation by teenagers in the labor force—a group with high job turnover rates—tends to increase joblessness without affecting the supply of skilled workers, which more directly affects inflation.

Finally, some economists argue that unemployment goals should take into account the amount of voluntary joblessness, which they think is rising due to more generous unemployment benefits and reluctance to take certain kinds of work. Thus, they conclude, a rising jobless rate may signal less economic distress than in the past.

THE LAYER CAKE THEORY

Instead of viewing unemployment as a huge boulder which must be worn away, Labor Secretary Marshall and other economists insist joblessness should be seen as a giant layer cake, each layer with its own unique, if distasteful, flavor. Examining each layer, they argue, helps put the unemployment problem into better perspective and suggests possible solutions.

Some joblessness will disappear, of course, simply as a result of general economic gains. Laid-off workers account for the biggest wedge of unemployment—45.6 percent of the jobless total in January. As demand improves and rehiring begins, many workers from that pool can expect to go back to work.

But economic recovery often leaves millions of others on the jobless rolls. They may lack training or work experience, their jobs may have been eliminated due to changes in technology or demand. Or they may be ignorant about how to go about finding a job. For such groups, the layer-by-layer approach may be helpful.

Late in January, for instance, the Carter administration sliced off one segment—jobless Vietnam-era veterans—for a closer look and special assistance. Officials found that of the nation's 7.6 million jobless workers, 558,000 were male Vietnam-era veterans. Many were disabled, and among younger vets 20 to 24 years old the jobless rate was 18 percent. (There aren't any statistics on female veterans.) The administration has launched a drive to place up to 60,000 disabled veterans in private jobs, with Uncle Sam paying training costs; the administration also pledges to fill 35 percent of the 415,000 new public service jobs proposed for the next two years with veterans.

Teenage unemployment, in particular, is suddenly a favorite "target" in Washington. Many politicians and business leaders have been persuaded that programs aimed at youth are feasible because, while the percentages appear alarming, the numbers may be manageable. In January, there were 1,668,000 unemployed teenagers, or 18.7 percent of the 16-to-19 year olds, in the labor force. But roughly half were in school and not seeking full-time work.

Measuring the youth employment problem in terms of the number in greatest need also makes it look less desperate. In the 1976 fourth quarter, minority youth living in low-income metropolitan areas had a severe 44 percent jobless rate, but that represented only 110,000 youngsters. Even with white teenagers and rural places added, the number of jobless youths living in poverty areas was not overwhelming—about 322,000. Also, the teenage labor force is expected to cease growing by 1980, and in the following decade a decrease of 1.5 million is predicted.

Many planners see increased job training for youth as feasible immediately and productive over the long run. During the next 18 months, the Carter administration wants to add 154,000 assorted training slots for youth, as well as double the 44,000 trainees housed in the Job Corps' residential centers. Secretary Marshall is working with other Cabinet officers to arrange jobs in national parks and forests, on railroads, or at other locations where youth could gain work experience by filling unmet public needs.

Long-unemployed workers are another possible target. Though half of all those losing jobs typically return to work within four weeks, chances of reemployment, particularly for workers over 45, dwindle if joblessness drags on and on.

In January, 2.3 million workers had been off the job 15 weeks or more, 1.2 million of them for more than six months. And many other workers, idle still longer, have exhausted their unemployment insurance. A Labor Department study last year found that more than 2.7 million workers used up their benefits between January 1975 and mid-1976. A sample found 63 percent of them still unemployed two months after the insurance payments stopped.

Their difficulties often may reflect ignorance of how to seek a job as much as actual lack of skills, some authorities suggest. "The process of matching people to jobs is probably the least efficient thing we do in this country," declares Carolyn Shaw Bell, a Wellesley College economist. She suggests some unemployment insurance funds might be spent on helping long-time unemployed workers look for jobs or prepare for job tests. A new Labor Department experiment is trying to determine whether workers can be placed in jobs if they're given assistance in relocating to a better labor market.

Secretary Marshall insists that the unemployment insurance system, which paid out $19.5 billion in benefits last fiscal year, was never designed for long-term income maintenance. When people have been out of work for a long time, he suggests, they should be moved into some sort of productive public-service employment. Paying someone not to work "tells him his work isn't worth anything," Mr. Marshall says.

Congress is eyeing aid to other special target groups among the unemployed. It plans a sizable increase in local public works programs to put idle building tradesmen back to work. The Carter administration proposes spending another $2 billion this year, a sum that AFL-CIO says should go to $10 billion. "It would have an immediate, healthy employment and economic impact," declares AFL-CIO President George Meany. He says the bigger amount would generate 700,000 jobs directly and as many more in firms supplying materials and services.

MISSED TARGETS AND A CHALLENGE

There are plenty of other possible aid targets around that are likely to be missed by the stimulus of a growing economy: persons on welfare, persons who need part-time work, ex-convicts and drug addicts.

The biggest challenge of all, however, is raised by the perennial swarm of first-time job-seekers plus former workers lured back into the job market by rising prosperity. Julius Shiskin, Commissioner of Labor Statistics, estimated in January that if the labor force grows by only two million workers this year—less than last year's 2.8 million increase—about 1.8 million new jobs will be needed "just to hold the unemployment rate steady." To lower the unemployment rate to the Carter administration's 6.5% year-end goal, 3.3 million new jobs would be needed.

However the Carter team slices the unemployment cake, it is a massive thing to deal with. The current leaning is to go at it one bite at a time.

I also appreciate the remarks the gentleman is making about the problems of unemployment and what really generates or reduces that unemployment picture or on the other hand expands the employment rolls. This was discussed rather extensively in the committee. As the gentleman recalls, when we had the discussions in the Committee on the Budget as to what generates jobs and what does not generate jobs, there were great discrepancies as to whether certain so-called stimuli in this package, recommended by the majority side, will really improve the employment picture.

Mr. Chairman, as the gentleman remembers, when given programs were put before the Budget Committee as to what they would produce in jobs in one category, the computer broke down somehow and we were supposed to get 160,000-some odd jobs out of it and it turned out they really only meant 16,000 jobs.

Now, the point is that it is not an exact science as to what does, in fact, produce jobs on the Federal level and especially by Federal funding. As a matter of fact, the Democratic package of so-called emergency employment that was passed very hurriedly in this Congress the last time and vetoed by President Ford has not produced one single job in the private

sector, as it was supposed to. As a matter of fact, all it has produced is something like 300 bureaucratic jobs.

Mr. Chairman, I think that the point the gentleman is making is well taken; that is, that most of the so-called hurry-up emergency programs that have been raced through this Congress have not produced jobs and the fact remains that the gentleman's suggestion, along with many other members of the committee, that what we really need are tax cuts that produce more housing, more development, is the position that this House should be taking.

Mr. Chairman, I compliment my colleague, the gentleman from Ohio (Mr. LATTA) on the gentleman's forthright remarks.

Mr. LATTA. Mr. Chairman, let me just add to what the gentleman has said in furtherance to the discussion along these lines, that even the committee's report itself reveals we are not facing a real emergency for the creation of these jobs, as only $500 million is being programed for outlays in fiscal year 1977; and $3,500 million of the public works package will be spent in future years. We are just talking about a $4 billion jobs package but only $500 million of that package will go directly for jobs during fiscal year 1977.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield further?

Mr. LATTA. I am happy to yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, as we proved last fall, the so-called emergency job package that was whistled through here in the fall has not produced all those predicted jobs. A portion of the recommendations in this budget resolution call for the same type of public works programs that will not be on stream for 9 months; so the gentleman's point is well taken. We should be addressing ourselves to creating those incentives that will produce real permanent jobs and not some kind of mythical jobs that really do not come on stream very soon and improperly raise expectations.

In the Monday, February 14 Wall Street Journal, James C. Hyatt commented on the question, "Do public works work?" Let me review those type questions with my colleagues:

(By James C. Hyatt)

WASHINGTON.—Do public works work?

With $2 billion now flowing through the federal pipeline to states and cities, and with Carter administration planners proposing to pump another $4 billion into the stream, a lot of government policymakers seem convinced the answer is yes—that public works projects meet important community needs while putting the unemployed to work.

However, the planners seem to lack a clear idea of how to reach the goals they're aiming for. The current system, about four months old, already is awash in controversy and criticism. Congress appropriated $2 billion for local public works last fall, but no worker has yet earned a cent, unless one counts the 265 people hired temporarily by the Commerce Department to figure out which cities should get the money.

If the roar from the mayors and members of Congress is any indication, the public works planners didn't do much to earn their pay. After reviewing the list of nearly 2,000 state and local governments which will receive funds. Mayor Lee Alexander of Syracuse, N.Y., fumed that "45 out of the 100 largest cities in America were excluded. Half of the money that went to New York State went to communities with unemployment rates lower than the national average."

Newark's Mayor Kenneth A. Gibson, president of the U.S. Conference of Mayors, has charged that in setting up the program, the Ford administration adopted a formula "clearly designed to frustrate the needs of the big cities by allocating the money in large amounts to small and rural units of local government."

A similar complaint has come from Capitol Hill. "Economically depressed cities throughout eastern Massachusetts have been denied aid specifically intended for them by Congress," asserts Rep. Margaret M. Heckler (R., Mass.).

Of Mississippi's $10 million share, $4.9 million went to Mound Bayou, pop. 2,100, for "municipal administrative district improvements." In other states that got as much money or more, the allocators totally ignored such major cities at Pittsburgh, Seattle, Toledo, Sacramento and Oklahoma City.

SOMETHING MUST BE WRONG

"When so many desperately needy communities are left dry," says Rep. Heckler, "something must be wrong." What went wrong, it appears, was mostly a political failure. Congress whetted the appetite of financially strapped municipalities across the country, but failed either to provide enough money to meet their wants or to recognize the inevitability of disappointments and complaints. As might have been expected, the Commerce Department was flooded with public works proposals once it began taking applications last October. State and local requests for federal money eventually totaled more than $25 billion.

"To some extent this program was like a lottery," Rep. Samuel S. Stratton (D., N.Y.) told his colleagues. "There were 25,000 applications and only 2,000 could win. That is pretty much like putting down $2 at the track and hoping for the best."

Congress had bigger things in mind last fall when it passed the public works legislation over President Ford's veto. Proponents saw public works as a key to opening up jobs for the nation's unemployed, particularly construction workers, and to helping meet local governments' needs.

The eager politicians fashioned a timetable designed to move the funds quickly into the states and cities. The Commerce Department's Economic Development Administration was ordered to issue regulations within 30 days after the measure became law. It was told to act on all applications within 60 days, and to approve only projects where on-site labor could begin within 90 days.

EDA officials are proud of their performance. "There's never been a program to match this," declares John W. Eden, an outgoing assistant secretary of commerce. "By mid-February, from a program that started Oct. 26, there will be funds from 1,988 separate grants ready to be injected into the economy."

Nonetheless, Congress is starting to rethink some of the procedures it required or permitted. "We put some provisions in the law without knowing how they would work out," says one congressional staff member. To their dismay, the lawmakers have discovered:

—Cities with low jobless rates actually had a better chance of getting the money than cities with a high rate. The 1976 law allocated 70 percent of the funds to areas with unemployment above the national average, and 30 percent to areas with lower-than-average rates. But because most of the applicants sought funds from the 70 percent pool, the overall result was that cities, counties and states had twice as good a chance of getting money from the smaller pool.

—To establish need, cities with low jobless rates were permitted to "claim" adjacent pockets of high unemployment. Congress expected that jobless workers nearby could be hired to work on the projects. "This (provision) seems to have resulted in a great deal of 'gerrymandering'" as cities drafted their applications, one Congressman says. By such methods, more affluent areas often crowded out needier places.

—Federal statistics were often too fuzzy to help identify areas suffering the highest unemployment. The national jobless rate is based on a monthly survey of 50,000 households, but the sample doesn't produce precise rates for particular geographic areas. Building trades unions complained that the government couldn't pinpoint places where their members are particularly hard hit by unemployment. And some states which work up their own figures "dramatically underestimate the number of long-term chronically unemployed, the very people a measure like this should be helping," complains Rep. Silvio Conte (R. Mass.)

One thing is reassuring: No one has made a convincing case that politics influenced the distribution of the money. None of the applications from Americus, Ga., near Jimmy Carter's hometown, was approved. Gerald Ford's hometown of Grand Rapids, Mich., also struck out. But officials of that city have challenged the ruling in federal court, with a story that may well arouse some sympathy.

Grand Rapids based its application on a claimed 7.8 percent jobless rate, only to discover after the deadline that the Commerce Department allocators were using rates calculated out to hundredths of a percentage point. Its actual rate was 7.77 percent, just under the national average of 7.78 percent. Use of the more exact figure would have put Grand Rapids right at the top of the smaller group of applicants competing for the 30 percent share of federal funds; instead, the 7.8 percent figure threw the city right at the bottom of the line for the larger allocation.

While examining Grand Rapids' complaint, a federal judge temporarily enjoined the Commerce Department from allocating some of the Michigan public works funds. The injunction has now been lifted, but the city is still pursuing its court challenge.

A FAMILIAR STORY

There are similarities between the difficulties the new public works law is encountering and the woes which beset the emergency public-service jobs programs of the early 1970s. In both cases, there was intense pressure to get the funds distributed quickly. There were quarrels about the statistics used to determine eligibility for funds. Then, as now, Congress had to tighten up some regulations while loosening others.

The major change likely in the next public works allotment will be to target the funds more closely to areas of high unemployment. "The implication that we are simply going to extend this act" without making changes in the rules "would be a serious mistake," declares Rep. Barber Conable (R., N.Y.). That warning seems to coincide with Carter administration views. "We intend to see that those applications are processed in a way that would push them to areas of high unemployment," declares Stuart Eizenstat, domestic policy adviser to President Carter.

Skeptics of public works as an efficient, fast economic stimulus are saying I-told-you-so. "We are very anxious to legislate results, but apparently do not really care whether the programs work," declared Rep. Bill Frenzel (R., Minn.), during a recent House discussion of the public works shortcomings. Projects "which produce temporary

jobs costing the taxpayers $25,000 to $40,000 each can hardly be considered a sound or responsible way to try to improve our economy," he argued.

In his last budget, former President Ford criticized public works as taking too long to generate significant numbers of jobs. Of the $2 billion appropriated last fall, his planners forecast, only $800 million will be spent in fiscal 1977 and another $800 million in fiscal 1978. The budget said the funds would create only 48,000 jobs each year. (The AFL–CIO figures each $1 billion spent accounts for about 40,000 direct jobs and about 20,000 indirect jobs.)

The brief experience of the present public works program seems to indicate that Congress should answer a number of questions before expanding public works subsidies as a more permanent job-creation tool. How fast does the money flow into the economy? Does it reach the pool of hard-to-employ workers? Is too much spent on bricks and mortar instead of payroll? Do slow-starting projects risk aggravating inflation later by tightening up labor markets in an improving economy?

The hopes of the mayors, at least, aren't diminished by the initial confusion. "There seems to be a wide chasm between congressional intent and execution," declares Mayor Alexander of Syracuse. "There were some casualties in the initial assault made on the program. But we've got some experience now. We can build on that experience and put together a better program."

Mr. LATTA. Mr. Chairman, in furtherance of what the gentleman has said about the program passed last year and vetoed by President Ford, I do not believe in my entire service in the Congress can I recall a piece of legislation which created so much hope and produced so little.

For example, in the State of Ohio we had 1,172 applications filed in the State. Every little community, every county, it seemed, was coming up with plans prepared at local expense to get onstream for some of this money which was being held out to them as being available. One could not blame them if they had a project they were going to pay for locally and suddenly learned there was a chance to get 100 percent Federal funding for it.

How many were funded for the entire State of Ohio? Forty-eight. In my own district, we had 55 applications submitted, and how many were funded? One.

Mr. ROUSSELOT. Have any of those projects in the State of Ohio produced any new jobs?

Mr. LATTA. Not yet.

Mr. Chairman, unfortunately the committee has chosen a path that will lead us ever further down the deficit spending road to bigger government and higher tax rates that will further stifle the incentives to produce and initiatives of the American people.

This administration and the majority on the Budget Committee, in drafting this stimulus package, erroneously assumed that unemployment is the result of insufficient spending. Apparently, little thought was given to the relationship between unemployment and high tax rates. It seems somewhat useless to go into the "whys" and "wherefores" of the cause-and-effect relationship, but I think it is essential nevertheless that the Congress and the American people at least acknowledge the fact that unemployment results from high tax rates.

The rate of taxation directly affects decisions to work, to hire, and to invest. These decisions in turn directly affect employment, the gross national product, and the rate of economic growth. The rate of taxation affects decisions to work and to hire because it determines the gap between the overall cost to hire a person and such person's take-home pay and benefits. The greater the gap, the greater the cost to an employer to hire an employee, and so the less likely he is to hire. From the employee's standpoint, the greater the gap, the less his take-home pay and the less he will be interested in the job. The greater the tax gap—the tax wedge—between the employer's cost and the employee's take-home pay, the smaller the gap between the employee's take-home pay and the level of untaxed unemployment compensation benefits. The smaller this gap, the less the employee's interest in the job.

Tax rates, therefore, directly affect the decisions to work and to hire. The higher the tax rates, the more these decisions go against employment. At some point, we simply must acknowledge this fundamental issue. And as I have stated, inflation that will result from the committee's stimulus package will simply raise the effective tax rates even higher, and that will worsen the problem of unemployment. How ironic it is for the Budget Committee to come to the floor with this resolution expressing sympathy with the unemployed, and then produce a package that will make their plight worse.

Tax rates also effect the other important decision—the decision to invest. The rate of taxation directly affects investments because it determines the after-tax rate of return. The higher the tax rate, the less will be the earnings to an investor in any given investment.

The United States presently taxes investment at higher rates than any other industrialized country. As a result we allocate the lowest percent of our gross national product to investment. This means that the United States has the lowest rate of increase in productivity, or output per man-hour, and the lowest rise in living standards of all industrialized countries. This slow rate of growth in our capital stock—the plant and equipment that employs people in productive jobs—accounts for a large part of unemployment, because the labor force and the labor force participation rate are growing faster. People are entering the labor force faster than people are adding to the investments that create the factories and tools that provide the jobs. The low rate of capital formation is a direct reflection of the low after-tax earnings that investors, big and small, get for their efforts. Increasing the amount of spending without removing any of the tax incentives to investment will increase the rate of inflation and, thereby, raise the effective rates even higher.

Mr. Chairman, we hear over and over that the "reason people produce is that people buy." But that is only part of the story.

There are two other reasons why people produce: for income and for profit. That is, people work to get ahead; naturally, they work to provide for themselves and their families as best they know how. The higher the tax rates, the less income the profit they are going to get for producing and, therefore, the less they are going to produce. If we want to increase employment, we have to make it pay to be employed; we have to make it pay to hire; and we have to make it pay to invest. A permanent tax rate reduction across the board for all the American people is what it will take to wipe out unemployment in America. Increasing spending does not reduce the tax rates. To the contrary, it causes inflation and raises the effective tax rates.

In an address to the Nation on August 13, 1962, the late President Kennedy said:

> Our tax rates are so high as to weaken the very essence of the progress of a free society—the incentive for additional return for additional effort.

And on July 17, 1963, he said:

> The most urgent economic business before the Nation is a prompt and substantial reduction and revision of Federal income taxes in order to speed up our economic growth and wipe out our present excessive unemployment.

Taxes were reduced at that time and the results of what has come to be known as the Kennedy tax cuts are history. The tax base expanded as employment and GNP rose, and tax revenues to the Government rose.

That tax cut reduced tax barriers to full employment, and the economy enjoyed a period of prosperity. But the splurge of Great Society spending simultaneously with the Vietnam war, and the very large Federal deficits of the more recent years, were instrumental in bringing on inflation that has driven the effective tax rates back up. By pushing all incomes into higher brackets, the inflation has canceled out the effects of the Kennedy tax rate reductions. In fact, almost everyone today is paying a higher proportion of their income in taxes than they were in 1964. In the early 1960's only about 3 percent of all tax returns were subject to marginal tax rates over 30 percent. Today, nearly one-third of all tax returns are in the higher brackets.

High tax rates are a powerful deterrent to production, investments, and employment that cannot be removed by rebate handouts or by Government spending programs for jobs or by anything similar. It can only be removed by substantially reducing the tax rates across the board on all the people.

As for the spending parts of the stimulus package, both the makeup and the timing are unfortunate. The stimulus spending requested would produce some employment temporarily, but this is at a definite risk of keeping up inflation in the months ahead and contributing to unemployment over the long run. Furthermore, the upsurge in Federal borrowing to finance the increased deficit will compete with private borrowing, which is now reviving, and undermine the capacity of the private sector to provide lasting job opportunities.

The public service jobs part of the stimulus package shows the weakness of the majority approach. For one thing, it

is hard to guard against the job substitution problem when public service funding is involved, in spite of efforts to prevent Federal funds from being used in place of local funding. To the extent that substitution occurs, public service employment would not add to the net total number of jobs. Another drawback is that we do not have any good evidence that public service jobs provide much in the way of valuable job skills to the persons temporarily employed. So hundreds of thousands of persons on public service jobs will not really be any better able to gain private employment after their year on public service employment has ended. Yet the resolution contains $7 billion of budget authority and $713 million in outlays for such jobs.

Beyond that, once all the 725,000 public service jobs slots called for under the resolution are filled, does anyone doubt that there will be strong resistance to winding down the program? States and localities with public service jobs naturally will want to keep them. So the public service stimulus item could have the longrun consequence of adding 725,000 job slots to the Federal payroll. That will not help the economy on a permanent basis. We should not delude ourselves into thinking public service jobs are an acceptable solution to creating employment.

Similar objections can be made to the public works part of the stimulus package, for which $4 billion in budget authority and $500 million in outlays are included. Here again, shortrun considerations and political expediency seem to prevail. Everyone wants to alleviate economic hardship. But let us not fool ourselves into thinking that the method contained in this budget resolution is a good way to accomplish the same. At best it will provide little more than short-term relief. A substantial portion of the $4 billion for public works will go for short-range construction projects, not for construction projects which are job-intensive also over the long run and that would permanently provide added employment or upgrade employment skills. Long-range benefits should receive greater attention in any stimulus package worthy of the name.

As another indication of how little emphasis the resolution gives to long-range economic benefits, less than 5 percent of the stimulus spending is devoted to employment and training—to permanently improve the skills of the unemployed.

The Budget Committee resolution would increase the deficit for fiscal year 1977 to $70,315 million. The national debt or public debt would be permitted to go to $725,500 million. What a legacy to leave to our children and our grandchildren.

Our country has already had too much experience with high-cost, shortrun, quick-fix economic stimulus programs. Instead of solving problems they actually produce long-range difficulties, serious difficulties, I should add. The correct alternative is a permanent tax rate reduction. This is the solution that is practically guaranteed to benefit the economy over the long run. I urge the House to support the effort to achieve a needed and meaningful permanent tax reduction in this Congress.

Mr. GIAIMO. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Chairman, the third budget resolution, which amends our expenditure ceilings and revenue floor, clearly indicates that the Congress has begun to master the intricacies of sound budgetary analysis. The congressional budget process is designed to provide Congress with the data and analyses to formulate fiscally responsible policies in response to major economic contingencies.

We are now in a state of economic emergency. The recovery of our economy has lagged behind our expectations. Unemployment has remained at unacceptable high levels. Our productive capacity is not being fully utilized. A real problem exists, the dimensions of which, because of the recent severe weather, are not fully known.

President Carter has sent an urgent economic message to the Congress asking for quick and decisive action. Under the able leadership of Chairman ROBERT N. GIAIMO, our Budget Committee has responded by formulating a resolution that will meet, at least in part, the challenge of our economic dilemma.

The recommendations contained in the third budget resolution are based upon the premises set forth by President Carter; namely, that we need an immediate tax reduction and business tax credits to spur consumer demand and that the Federal Government should take a more direct hand in the creation of jobs, both in the private and public sector. I endorse the efforts of President Carter and the House Budget Committee to provide stimulus to our economy. The recommendations contained in this resolution lay the groundwork for major economic improvement hopefully without increasing inflationary pressures.

Today, as chairman of the Government Operations Committee, I have introduced authorizing legislation to implement the recommendations contained in this resolution on countercyclical assistance. Although I remain unalterably opposed to general revenue sharing, I believe the countercyclical provisions, because they are geared to unemployment, will be helpful in our existing economic situation. We do not have the luxury of time to fashion new programs to meet this emergency. We must use our existing programs despite some of their obvious shortcomings as is the case with countercyclical assistance.

Mr. LATTA. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.).

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I would like to ask a question of the distinguished gentleman from Connecticut (Mr. GIAIMO), chairman of the Committee on the Budget.

I would like to ask about the relationship of the revenue floor to a bill which would affect fiscal year 1977 revenues, a bill which is cosponsored by approximately 120 Members of the House, and which the Committee on Ways and Means has indicated it will consider very soon. That bill is H.R. 318, designed simply to delay for 1 year the elimination of the so-called sick-pay exclusion, a personal income tax deduction which the Tax Reform Act of last fall has otherwise eliminated retroactively for the year 1976.

H.R. 318 would simply eliminate the retroactive aspect of the sick-pay change, at a 1-year cost, in fiscal year 1977, of $327 million, by Joint Tax Committee estimates. The Committee on the Budget of the other body has already stated in its report on the third concurrent resolution that its revenue floor, similar to that reported by the House Committee on the Budget, would "permit postponement until calendar 1977 of the stricter tax treatment of sick-pay benefits enacted retroactively for 1976 in the recent Tax Reform Act."

Since the revenue floor here is similar, and since the Ways and Means tax cuts under this resolution do not reach even that low, can we assume that this third concurrent resolution, as reported, will allow for the Members' consideration of H.R. 318, if reported?

Mr. GIAIMO. Mr. Chairman, if the gentleman will yield, as we know, the postponement of the sick-pay exclusion was provided for in the resolution before the other body.

The other body did discuss this problem in committee; and as I understand the report, it makes provision for the sick-pay exclusion in the event that the Senate Finance Committee and the Committee on Ways and Means should delay by 1 year the application of the present law, which would eliminate the sick-pay exclusion on 1976 income and would delay it to 1977 income.

Mr. Chairman, I can say to the gentleman that provision will be made for this item by the committee amendment which we will introduce tomorrow. When we get to the amendment stage, we will introduce an amendment changing our revenue figure as reprinted based upon the fact that the Committee on Ways and Means has reduced President Carter's $13.8 billion figure by somewhere in the neighborhood of $1 billion or more. We will, therefore, adjust our revenue figure accordingly.

Mr. Chairman, I can say to the gentleman that we will make provision in our figure for that sick-pay exclusion.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I thank the gentleman for his response to my inquiry.

Mr. GIAIMO. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Chairman, I rise in support of House Concurrent Resolution 110, the third budget resolution for fiscal year 1977.

Mr. Chairman, I would be remiss if I did not say at this juncture a word or two about the truly remarkable way in which the distinguished gentleman from Connecticut (Mr. GIAIMO) has responded to the great and difficult task that met him upon his assumption of the chairman-

ship of the House Committee on the Budget.

We pay great tribute to our former colleague, Brock Adams, who is now the Secretary of Transportation for the responsible and dedicated efforts and work he brought to the chairmanship of the Committee on the Budget in the last 2 years. I believe that the gentleman from Connecticut (Mr. GIAIMO) has demonstrated the same capacity for hard work and for responsible conduct in the chairmanship of the subcommittee as did Mr. Adams. So, as I say, I do wish to pay tribute to the gentleman on this occasion.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I thank the gentleman for yielding and I just would like to say that I wish to concur in everything the gentleman from Ohio has said about the way our new chairman, the gentleman from Connecticut (Mr. GIAIMO) has taken over. I agree that he had some big shoes to fill in taking over from Brock Adams, as everyone knows, but, as I say, I believe that the new chairman is doing an outstanding job and I am sure he will continue to do so.

I just wanted to associate myself with the remarks of the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, I am pleased that my colleague, the gentleman from Ohio (Mr. LATTA) has chosen to do this. Not only does it indicate a united front so far as the subcommittee is concerned, but it spans the political spectrum in a way that is wondrous to behold on occasion.

Mr. LATTA. Mr. Chairman, will the gentleman yield further?

Mr. ASHLEY. Of course I yield further to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, we might not agree philosophically, however, but I agree with the way in which the gentleman is handling his job as chairman of the committee. We shall disagree from time to time but we shall disagree agreeably.

Mr. ASHLEY. Mr. Chairman, I think I know exactly how far my colleague, the gentleman from Ohio, wants to go on this occasion.

Mr. LATTA. Mr. Chairman, I thank the gentleman.

Mr. ASHLEY. Mr. Chairman, I rise in support of House Concurrent Resolution 110, the third budget resolution for fiscal year 1977.

For the first time in the brief history of the congressional budget process, economic considerations of an urgent nature require that Congress revise its budget in midyear. Although there have been some positive economic indicators in recent months, hearings before the Budget Committee's Task Force on Economic Projections, which I chair, have convinced me that the overall state of the economy requires an immediate stimulative boost.

Therefore, I support fully the Budget Committee's overall stimulus recommendations, but I do so with certain reservations.

The tax component of the package, for example, contains investment and employment tax credits as an incentive to business. Our recent experience with these incentives raises serious questions about their effectiveness as stimulus measures, particularly in light of the fact that capacity utilization is relatively low and liquidity is relatively high. I greatly fear that these so-called incentives to business will not stimulate meaningful business investment that would not take place in any event. And while I realize the Committee on Ways and Means has modified the President's tax proposals, there is certainly some basis for questioning the efficacy of those changes as well, since they represent largely untried concepts.

With respect to direct spending, I support the committee's proposals, but again with reservations. There is widespread agreement that these proposals also have serious deficiencies.

Our experience with the countercyclical assistance program, for example, has not been uniformly positive. In many cases, sending a Federal assistance check to a State or locality is not an efficient means of stimulus—since it may take some time to spend the money—nor is it an effective investment in furthering any definable national goals—since there are no restrictions as to how the money can be spent.

The accelerated public works program is also an imperfect method of providing jobs and stimulating the economy because many projects require considerable lead time and the cost-per-job for these projects is extremely high.

Even the improved public service employment program operates under certain limitations. Recent amendments to the Comprehensive Employment and Training Act have attempted to get at the problem of substitution of new CETA jobs for existing public service positions by requiring that all new public service jobs be part of "projects" developed separately from regular city or county functions. Clearly, these new constraints make it difficult to gear up many new jobs quickly.

Despite these problems, however, in my opinion we are better off providing jobs through imperfect programs, than tolerating continued high levels of unemployment. We simply do not have time now to perfect our stimulus tools. The benefits of the additional economic stimulus will be felt throughout the economy regardless of the fact that some programs are flawed in certain respects.

Mr. Chairman, while we must act now with the resources at hand, we can do better in designing programs that are cost-efficient and that can provide economic stimulus quickly in areas of greatest need. In the coming months, the Task Force on Economic Policy, which I chair, will examine these various stimulus programs—such as countercyclical assistance, public works, and public service employment—to assess their effectiveness and to determine how they can be improved in the future.

Until these improvements are made, however, we must work with what we have. House Concurrent Resolution 110 is a responsible and reasonable approach to meeting the immediate demands of the economy. I urge its adoption.

Mr. LATTA. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I have a few questions of the chairman of the Committee on the Budget, the gentleman from Connecticut (Mr. GIAIMO).

I do not know whether he read, as I did, two accounts in the New York Times yesterday. One described the chairman of the Committee on the Budget of the other body as announcing that $1 billion—one thousand million dollars—would produce 87,000 jobs. I presume, although it was not specified, that these were in public service. Surely that is a very high cost per job, especially when compared to an account in another section of the newspaper which described a program in Rhode Island whereby 3,500 people are now employed at a cost of $1,000 per job, instead of well over $10,000 per job in the Federal program. In Rhode Island program, the Federal Government has already received back the money it paid for the training, through the taxes of those employed workers who are getting $4.74 an hour.

I lean toward the public works solution to the unemployment problem, but I do think we need two things there. We need some cost estimate as to what each job will cost. We need some time estimate as to how long each project is going to take.

Further, we should revise our methods of funding. One town in Rhode Island was begging for a sewer plant which was desperately needed for various good, sound health reasons. What did it get? It got funding for a shopping center.

The CHAIRMAN. The time of the gentlewoman has expired.

Mrs. FENWICK. Another problem is the way funds are used. CETA funds in New York City were quite openly used to hire policemen who had been laid off. There was no training involved. They had taken their training years ago. These were rehired, formerly trained policemen that New York City had laid off.

We should not pretend that CETA is a program for those who are unemployed. This ambiguity is part of the distressing difficulty that people who are not experts in this field, and the public, certainly do not understand. But also the Members of this body who sit here day after day listening to the debate do not understand why these things should be so. What can we do about this, Mr. Chairman?

Mr. GIAIMO. Mr. Chairman, will the gentlewoman yield?

Mrs. FENWICK. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, let me just say first of all I did not see the article to which the gentlewoman referred in yesterday's New York Times but I am familiar with the questions she raised.

At the outset I would say one thing we cannot do is wave the magic wand and solve these problems easily. What we can do is to try our best.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. LATTA. Mr. Chairman, I yield the gentlewoman 2 additional minutes.

Mr. GIAIMO. Mr. Chairman, if the gentlewoman will yield further, we try the best we can to relieve unemployment. We do it through many different ways. We do it through the hope that the tax reduction will stimulate the private sector, as we know it will and as our experts and economists tell us it will. This effort will stimulate employment and expansion of the economy. That is one way.

The other way is through these various different programs such as countercyclical moneys to communities, and public service jobs, and public works jobs. It is a real mix. It is the best efforts we can come up with collectively to stimulate employment, and therefore, to bring down unemployment modestly.

If the gentlewoman will just yield further—and I will give her plenty of time—we do the best we can. The best estimates that we can get and garner indicate that if we adopt this stimulus package, it will result in approximately 950,000 jobs, some public service, some working in parks, some will be on the roads, some will be the public works jobs, and some will be countercyclical.

All in all this package contributes to the reduction of unemployment.

We have to be very careful about trying to put a price tag on how much it costs the Government to create each job, because it is not that easy. I caution the gentlewoman not to get into that because there are many factors other than the payroll which go into making these different types of job programs which we have. I refer the gentlewoman to pages 41 and 42 of the report where some of these problems are laid out at length.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. GIAIMO. I yield to the gentlewoman 1 additional minute.

The main solution to the problem of unemployment has to come from the private sector. The stimulus package of the administration and this budget resolution is designed to give some stimulus to move toward recovery. We are trying to get unemployment below 7 percent into the 6.6 percent and 6.7 percent area this year, and we hope this resolution will do it.

Mrs. FENWICK. I thank the gentleman for his answer. Certainly unemployment is a tragedy matched only by inflation.

The $1,000 per job training program to which I referred took unemployed people and trained them for jobs, but it was not approved by the Department of Labor. But here we have a wonderful working model, it seems to me.

Mr. GIAIMO. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I heard the distinguished minority leader say a few moments ago in talking about the low productivity in the United States, I think, that low productivity is the reason why the jobs sector of this bill is so important.

I have some reservations on the third resolution, on the $50 rebate, because it is not particularly productive in the jobs sector. When some of us took economics 1, we learned about the Phillips curve. We learned that when unemployment goes up the inflation goes down. There is only one thing wrong with that. That did not contemplate the kind of economy we have today, with the unemployment compensation and welfare and a lot of other programs. Since World War II it is very interesting that when our employment has been high, inflation has been low.

Mr. Chairman, we now have roughly 20 percent idle plant capacity. We have to put people to work if we want productivity to move.

I think we face a choice of whether we want to pay people to be nonproductive under unemployment compensation and welfare programs or whether we want to pay people to be productive. I think it makes infinitely more sense to pay people to be productive.

Now, the allegation is made that this is inflationary. That would be true if private investments were high. The fact is that gross private investment is down. We can put tax incentives, here I agree with my colleague, the gentleman from Ohio (Mr. ASHLEY) in the gentleman's remarks, we can put the tax incentives in the corporate sector, but if the demand is not there, expansion will not take place.

The gross private business investment for the fourth quarter of 1976 was 11 percent lower than the gross private business investment of the fourth quarter of 1973, despite the fact that we had all kinds of additional incentives. I do not believe at this point that what we are talking about is inflationary. If private sector spending would pick up and on top of that we had a $70 billion deficit on this kind of resolution, it would be inflationary.

There is a danger that today's emergency becomes tomorrow's habit, and that should not happen.

Mr. Chairman, I would finally differ some with my colleagues who are supporting this resolution who are suggesting this is an emergency situation and we have to do something in the job sector. I think we have to recognize something unpleasant that we are not yet recognizing and that is that we have reached the stage of productivity that we are going to have to have a permanent jobs program as an alternative to some of the unemployment compensation, some of the welfare programs that we have right now.

I know the image of WPA is of people leaning on shovels, but those people leaning on shovels built 113,000 schools and libraries; they built 600,000 miles of highway. We have 1½ million adults who learned to read and write under WDPA. We had histories written, plays produced. We became a richer society by converting a liability into an asset I think that is what this third resolution is attempting to do. I think that is fundamentally sound.

There are problems with all band aid approaches, and that is what we have now. There are some weaknesses to these jobs programs that were pointed out by our colleague, the gentleman from New York (Mr. PIKE) a few days ago. One is the Budget Committee meeting. We are band aiding it because we do not recognize that it has to be a permanent thing. I think we have to set up a sounder program and let people be a productive part of our society. Then, we will move on the productivity sector.

Mr. Chairman, I think this third resolution is sound.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GIAIMO. Mr. Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, I have real qualms about the $50 rebate. I am afraid we will get very few jobs, very little stimulation, and almost nothing for the end product; but the job sector of it, I think, is very sound and I am supporting the third resolution.

Mr. LATTA. Mr. Chairman, I yield myself 5 minutes.

I mentioned earlier that the Rules Committee is now considering the extension of the public works bill which was passed last year, only this time they are supposed to be correcting some of the inequities and deficiencies of the last act. Just let me say that in my humble opinion it is not correcting many of these inequities. I indicated earlier today that we had 1,172 applications for the State of Ohio last time, and only 48 of them were funded. In my congressional district, 55 applications were rushed to Chicago, and only one of them was funded. Some congressional districts did not even get one project funded.

What have they done to correct some of these inequities? Well, according to the information given to us up in the Rules Committee, they are going to have two new subsections added to section 106. One would prohibit any project from being constructed by any State or local government through the use of its own employees. Construction would have to be done by private contractors through competitive bids. Second, it would require all supplies and materials to be produced in the United States.

I do not know whether either one of these provisions is going to correct the inequities of this last program. I think they heard downtown from practically every congressional district in the Nation about the inequities. Section 108 is amended to change the timespan for unemployment data used in making grants from the 3 most recent months to the 12 most recent months. This was done to avoid seasonal fluctuations in the unemployment rate applied.

Section 108 would also be amended to provide that up to 2½ percent of amounts appropriated shall be granted to Indian tribes. The Secretary is authorized to set aside a fund to make grants for projects that were rejected through errors in any of the applications. The building project applications made after enactment of the bill that will result in conserving energy will be given priority by the Secretary. I do not

know how he is going to get that into his computer, but nevertheless it is in the bill.

State jail construction standards, wherever they exist, will be the sole standards criteria governing jail projects under this program.

Two provisions of the original act are repealed: One, requiring 70 percent of funds appropriated to go for projects of State and local governments having an unemployment rate in excess of the national rate, and the remaining 30 percent to go to other areas; two, permitting the Secretary to consider unemployment in adjoining areas from which the labor force for a project may be drawn. We heard a lot of complaints about that after the various programs were announced as they were going into the central cities in order to use their unemployment figures for projects in the suburbs.

Now, if these provisions that I have just read are going to take care of this one situation, it is a slight improvement over the bill that we had last year. But, I cannot see many other improvements in the bill. Hopefully these matters will be discussed on the floor and some input by the entire House will be made to correct these inequities, or just as sure as I stand here, once those projects are announced under this new bill, we are going to have just as many complaints as we had following the last announcements.

Mr. GIAIMO. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Chairman, I want to commend the chairman, the staff, and the members of the Committee on the Budget for the expeditious manner in which we were able to produce the concurrent resolution that is on the floor at this time. It took a lot of hard work.

I also want to commend them for being able to work out differences with the administration's economic stimulus package, so that we are now in the same ball park, and we can get a stimulus package out where it will do some economic good for the country.

Like my colleague from Illinois, I have certain reservations with regard to the $50 rebate. I, too, can go along with it because perhaps it is the only really quick way to have an impact on the economy. But I am particularly pleased with the $4 billion that is part of the budget resolution for public works.

During the last week I attended groundbreaking ceremonies in Dade County for two public works projects. One was a warehouse for the Port Authority, the other was a data processing center, both of which were badly needed. This is the kind of economic development project that we need more of, not only in my own part of the country but throughout the entire Nation.

When this economic crisis is over with and public service jobs are no longer needed, the next generation will still have the benefits of these public works.

Mr. Chairman, I just want to strongly urge my colleagues to support this budget resolution and to help this country get going again.

Mr. GIAIMO. Mr. Chairman, I yield 7 minutes to the gentleman from California (Mr. MINETA).

Mr. MINETA. Mr. Chairman, I rise in support of House Concurrent Resolution 10, the third concurrent resolution on the fiscal year 1977 budget.

As we are all aware, the recovery of 1976 fell far short of expectations. In contrast to the assumptions of an annual GNP growth rate between 5½ and 6 percent for 1976, we were confronted with a fourth quarter 1976 growth rate of only 2.4 percent. Of course we fell even shorter of the expectations of the Ford "austerity budget" which predicted growth at more than 6 percent.

The extraordinary slowdown has been aggravated by continuing cold weather and drought. First, the unemployment rate has remained well above 7 percent, even the decline to 7.3 percent in January masks the 440,000 Americans who left the labor force. That unemployment rate was also calculated before the worst effects of the weather were felt.

Secondly, industrial production continued its downward trend, dropping by 1 full percentage point in January alone. Third, housing starts were down a tremendous amount—27 percent last month. Finally, spendable earnings rose only one-tenth of 1 percentage point in January, a truly abysmal increase for this period of a recovery.

With forecasts of a similarly sluggish nature for the next 2 years, we can only expect that many of our country's plants and factories will continue to operate far below capacity and millions of Americans will remain out of work with little hope of finding a job. A danger of which we must all be aware is that this "disappointing" recovery could possibly deteriorate into a recession sometime late in 1978. I feel that the need for some economic stimulus is clear.

The plan we are considering today is designed to cut the unemployment rate to below 7 percent and to increase the GNP growth rate above 6 percent by the end of 1977. It contains sufficient, but not extravagant, increases in jobs programs to meet both cyclical and structural unemployment. At the same time, over two-thirds of the increase in the deficit is in the form of tax cuts to support consumer spending and business activity.

It is much the same as President Carter's plan, with a number of improvements. As others have stated, the strategy is based on a balanced 2-year program of tax rebates and reductions and additional spending programs. First, the rebates and reductions will bolster consumer demand in this year and the next; and second, as that impact wears off, direct spending takes place to augment the rebate stimulus, strengthening and sustaining the economy well into 1978.

The programmatic spending side of the stimulus package in the third resolution is also a well balanced effort to reach those Americans who desperately need job training, who need jobs immediately, and those State and local governments with severe levels of unemployment. The incremental amounts of the increase in these programs have been carefully calculated to avoid putting more money in program areas that could not absorb the increase. Thus, the spending aspect of the third resolution has scope, efficiency, and both short term benefits and long term flexibility.

Those who criticize this plan as too lopsided in favor of rebates, both miss the point of the strategy of the plan and lose sight of the virtues of realism and restraint.

In terms of strategy, rebates are emphasized because they are simply the quickest way to get money to consumers this year. While no certainty can be attached to any estimate of how much or how little additional consumer spending will take place as a result of the rebates, we can at least be certain that consumer income will get a one-time increase of $13.8 billion in the spring and summer.

In terms of realism, while the direct spending approach is certainly more effective in creating jobs for the unemployed, it must be recognized that it has a severely limited potential for this fiscal year. Mr. Chairman, I wholeheartedly support programs that target jobs to the unemployed, but I am going to be realistic in my assessment of how many jobs can actually be funded with existing programs before the end of the fiscal year on September 30. $3.5 billion in direct spending, an increase over President Carter's proposals of $1.7 billion, represents an upper limit on what can be effectively and prudently managed this year.

When various groups call for more direct spending, what they are actually calling for is a commitment beyond 1977 into 1978 and 1979. I, for one, feel that these matters are best dealt with in our deliberations on the 1978 budget. In fact, one of the most important features of the stimulus is that it deals with the current situation in a way that gives a great deal of flexibility in formulating fiscal policy in the 1978 budget.

Also, Mr. Chairman, I am aware that many Members will be concerned with the effect of the enlarged deficit on the Nation's capital markets. They may wonder if the prospective federal borrowing will "crowd out" other investments.

I want to assure the membership that in our Budget Committee hearings over the past month we carefully considered this question. We heard testimony from the new administration's three top economic advisors—Bert Lance, Michael Blumenthal, and Charles Schultze—and carefully questioned them in this regard.

Total credit demand in 1977 is expected to reach an all-time high; however, the outlook on the supply side is such that this demand can be met with relatively little stress.

The two tables below, taken from the Morgan Guaranty Survey for January; show where the demand for credit is expected to come from and where the money to meet that demand will be found:

THE DEMAND FOR CREDIT

[Billions of dollars]

	1972	1973	1974	1975	1976[1]	1977[1]
Federal Government issues	14.3	7.9	12.0	85.8	66.5	68.0
Federal agency issues	9.4	20.4	22.4	12.1	18.0	21.0
State and local issues	15.7	16.6	20.3	17.5	18.5	18.5
Corporate bonds	17.4	12.6	21.8	30.1	27.0	22.0
Corporate stocks	14.2	10.6	5.6	10.3	13.3	15.0
Foreign securities	0.6	0.8	1.9	6.3	10.0	10.0
Mortgages	76.8	79.9	60.5	59.0	77.0	88.0
Consumer credit	18.6	21.7	9.8	8.5	19.0	24.0
Other business credit	34.9	68.0	65.5	−12.9	22.5	48.0
All other credit	12.2	15.1	8.1	12.4	16.7	15.5
Total uses	214.0	253.6	227.9	229.1	288.5	330.0

[1] Estimated.

WHERE THE MONEY MIGHT COME FROM

[Billions of dollars]

	1972	1973	1974	1975	1976[1]	1977[1]
Commercial banking	70.5	86.5	64.6	27.6	45.0	68
Savings institutions	47.9	36.5	27.2	51.2	69.3	70
Insurance and pension sector	28.1	32.8	32.4	43.9	50.5	54
Other finance	18.1	21.4	7.6	1.8	12.5	18
Nonfinancial corporations	9.8	11.4	6.0	15.6	14.5	20
Government, including Federal Reserve	19.9	35.1	45.1	54.2	54.1	59
Foreign investors	10.8	3.5	11.7	10.8	16.0	20
Individuals and others	8.7	26.6	33.3	24.2	26.6	21
Total funds supplies	214.0	253.6	227.9	229.1	288.5	330

[1] Estimated.

Source: Morgan Guaranty Survey, January 1977.

As the tables show, total credit demand is expected to be about $330 billion—an increase over 1976 of $41.5 billion. I want to point out that much of this record demand is due to an increase in short term credit demand by business; more than double the 1976 level. An important element in this enlarged corporate borrowing is an anticipated increase in capital investment outlays of 13 percent this year. This portends a rise in business activity and gives me hope that with the additional stimulus we are voting on here today, the economy could do quite well in the coming year. It also points out the wisdom of the moderate size of the package so that inflation fears are not aroused.

Although loan demand is expected at the $330 billion alltime high, there appears to be ample funds available to meet this demand, without undue pressure on interest rates. As the tables above show, one can estimate a sufficient level of funds that will be available without employing magnitudes so large as to strain credibility.

Mr. Chairman, given the relatively relaxed monetary policy promised by Mr. Burns, the year will be a fairly calm one in money and credit markets. There should be an orderly matching of supply of and demand for credit, without the volatility and dislocations of past years.

Finally, Mr. Chairman, I hope we can all be guided by the underlying purpose of the congressional budget process: to insure that we in the Congress assume the responsibility for—and the accountability for—the total fiscal consequences of our various actions. I rise in support of this resolution because I want to urge every Member of Congress to assume fully that responsibility and not to shrink from that accountability.

I recognize the range of opinions expressed on the size and makeup of this package; this only reflects the healthy diversity of opinion which our democratic process encompasses. But the time for the expression of this diversity is in the amending of the resolution, not in its final passage. Any Member failing to achieve his or her own purpose by amendment, must recognize that a defeat for the resolution cannot be a victory for his or her own cause. If he or she did not have the votes for the amendment, the votes will not be there for a new resolution. A "No" vote on final passage cannot be seen as a vote for a smaller stimulus, or for a different rebate plan, or for more direct spending, or for a smaller deficit. A "No" vote is indiscriminately and irresponsibly a vote for all these at once and is therefore meaningless.

Nay saying does not offer an alternative; it only sabotages the one mechanism by which each Member of Congress must take responsibility—and can be held accountable for—the consequences of the many separate decisions made by the Congress.

Thus, Mr. Chairman, I most fervently urge all Members to vote in favor of the third budget resolution and the congressional budget process of which it is a part.

Mr. Chairman, I would like to direct a question to the chairman of the full committee in order to clarify a point.

Mr. Chairman, it has recently come to my attention that the private sector work force currently employed in the research, development, testing, and evaluation phase of the Space Shuttle will be cut back beginning in this month and in March. About 2,800 of these lost jobs are a result of a lack of funds for the fiscal year. Then in October, after fiscal year 1978 funds become available, the program would rehire 2,800 people to continue work on this phase of the Space Shuttle program. With the continuing influence of inflation, the costs of both labor and materials will be substantially higher after the delay. In addition, the Federal Government will be required to pay a substantial amount of unemployment compensation to tide over to October these highly skilled workers, most of whom would then be rehired. The California unemployment rate has continually exceeded the national averages. At a time when we are trying to stimulate the economy and reduce unemployment, it seems important to me that we, to the extent we can, should prevent additional layoffs. I understand that a $50 million supplemental appropriation could be constructively and efficiently used to keep 2,800 people working who would otherwise be laid off. I would like to ask the committee chairman whether such an appropriation could be accommodated within the third budget resolution as reported.

Mr. GIAIMO. Mr. Chairman, if the gentleman will yield, I think his concern is well taken. I understand just exactly what it is that the gentleman is trying to accomplish, that is, to reduce unemployment.

Mr. Chairman, I would like to remind my colleagues on the Committee on the Budget that in the overall dollar allocations which are available to the Committee on Appropriations, there is a good deal of flexibility; and if the Committee on Appropriations saw fit, they could allow for consideration of such a supplemental request. It would be available; and if it were submitted to the Committee on Appropriations, I am reasonably sure that within the figures of the Committee on the Budget available to the Committee on Appropriations, this request could be considered by the Committee on Appropriations.

Mr. MINETA. I thank the chairman.

Mr. GIAIMO. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Chairman, I would like to begin by commending the distinguished gentleman from Connecticut (Mr. GIAIMO) for the masterful job he has done in chairing the Committee on the Budget in this important effort to produce the third budget resolution. The Budget Committee and the administration deserve credit, as well, for acknowledging the severity of the Nation's economic condition and for taking steps to improve it.

Unfortunately, in my judgment, this budget resolution does not go far enough. It does not create enough jobs and it tolerates too high a level of unemployment. Under this resolution, unemployment will still be at 6.8 percent by the end of calendar year 1977—a rate that is insupportably high. In addition, I question the effectiveness of the $50 rebate as an economic stimulus measure, and the validity of the business tax credit. This tax credit, in fact, seems to be more a political gesture toward business than a sound, effective means to get the economy moving quickly.

Despite these reservations, however, I believe the resolution's basic thrust is in the right direction. It recognizes that the continuing high levels of unemployment cannot be tolerated, and that the Federal Government has the responsibility both to stimulate consumer demand and to create jobs.

For example, the Budget Committee more than doubled the administration's proposed expenditures for job creation. The committee called for increases in spending for countercyclical assistance, EPA reimbursement payments, accelerated public works, the job opportunities program, the employment of older Americans, providing additional jobs in recreation areas, and railroad and highway construction. These expenditures will produce both desperately needed jobs and valuable public services.

I would like to see the Congress go still

further. Tomorrow I will offer an amendment to increase the funds available for countercyclical assistance to State and local governments. My amendment will mean that increased countercyclical assistance will become available on April 1, 1977 instead of July 1, 1977 as the Budget resolution contemplates.

Having the extra countercyclical funds 3 months earlier will allow hard-hit States and localities to prevent budget gaps, layoffs, and service reductions which would otherwise result from this winter's unusually harsh weather. My amendment will, thus, help to create and save jobs in one of the weakest sectors of our national economy—State and local governments. I am hopeful that this amendment, which is supported by the Carter administration, will be adopted.

Mr. Chairman, I urge my colleagues, the Members of the House, to support this resolution tomorrow.

Mr. GIAIMO. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I do want to commend the gentleman from Connecticut (Mr. GIAIMO) and the whole committee for the work they have been doing this year on the third budget resolution.

I think we have held some very good hearings. We have come to some good conclusions. We have some hard numbers, and I believe that we have a stimulus package here that makes some sense. If we can tie this into a cooperative effort with the committees that we have to interrelate to, I do believe that we are going to build some jobs.

The deplorable economic situation that has persisted for over 2 years has prompted President Carter to recommend economic measures to stimulate our economy. The House Budget Committee, after careful and prudent consideration of these recommendations is reporting the third budget resolution which, by lifting our expenditure ceilings and lowering our revenue floor, provides the flexibility for the adoption of specific measures that will create jobs and increase consumer demand. I rise in support of this resolution.

Certainly no one can quarrel that the economic facts are ominous. Eight million Americans are unemployed, millions more have been discouraged from entering the work force. Our industrial capacity is underutilized, operating at only about 80 percent of its potential. Consumer demand is both slow and sluggish and the price spiral has not abated as rapidly as we had hoped.

The question is: how do we combat this? The Federal budget is, at best, a limited economic instrument for stimulation in that it constitutes only 23 percent of the gross national product. A sizeable portion of the $418 billion in outlays recommended as a ceiling in this resolution will be spent on programs that do not increase our economy activity, or our per-capita production: $20 billion is spent on unemployment compensation alone. Over $6 billion is spent on food stamps, and over $100 billion is spent on social security recipients, military and civilian retired personnel, and medicare and medicaid. All of these expenditures are worthwhile, but they do not increase the real wealth of our Nation through productive output.

Consequently, I enthusiastically support the efforts we have made here for additional job creation. We have recommended, including amendments that I understand will be accepted, an additional $4 billion in direct stimulation for job creation. Included in these recommendations are funding levels for 600,000 public service jobs in fiscal year 1977, which will go to 725,000 in fiscal year 1978. We recommend additional countercyclical assistance targeted to areas of high unemployment of approximately $1 billion with expenditures to begin as early as April 1. We have provided $4 billion in budget authority, with immediate outlays of approximately $500 million for accelerated public works. Provision is made for funding of additional highway and railway construction projects, recreation projects, and job opportunities programs.

All of these programs have been carefully thought out. They are targeted in such a way as to be noninflationary. Public service jobs are geared toward the hard-core unemployed. Countercyclical assistance is based on a formula so that the funds go to the places where there are no critical labor shortages. The construction industry, hardest hit by the recession, with unemployment being in some areas over 20 percent, can only benefit by the increased emphasis on public works projects. This was demonstrated conclusively last year by the noninflationary high spend-out rate from the highway trust fund where outlays were greater than at any time before and the bids on projects were the lowest in recent years.

The tax portion of the stimulus package recommended in this resolution merits our support. I am not overly enthusiastic about the per-capita $50 rebate because it is not targeted to the people who need it most. I do applaud the Ways and Means Committee decision to include AFDC—aid to families with dependent children—recipients.

I am considerably more enthusiastic about the employment tax credit. Under this program, employers will be given a $1,680 tax credit for each additional employee hired over and above the 1976 level. If employers take full advantage of this program, and I think they will, it could mean as many as 416,000 new jobs in this fiscal year and 1,426,000 in fiscal year 1978. I realize that not everyone is as enthusiastic as I am about the employment tax credit, because it applies only up to the first $4,200 in wages. However, most of the 2 million people who are entering the employment force every year are teenagers, where unemployment is as high as 19 percent. Since small businesses such as wholesalers, department stores, distributors, food chains, and grocery chains will benefit from this, it provides an opportunity for them to expand their labor force to include some of the 1.7 million teenagers who otherwise may be unemployable.

I was reading in one of the labor journals the other day an indication that tax credits are probably no good because most of the jobs created thereby are probably in the $10,000 bracket. A 40-percent credit on $4,200 is only a 15- or 20-percent overall benefit on a $10,000 job and that that is not enough of an incentive to hire new people.

It may well be that that is not enough of an incentive to hire new people if one really does not need to hire them, but I do believe that there are a large number of people that are having a difficult time at the present time in hiring teenagers at the minimum wage during times of fiscal extremis.

I think that this credit provides a reasonable way of circumventing that particular hurdle. It will allow 1.8 million young people who normally do not make more than $4,200 a year part time to go to work and be paid a regular rate of pay and, in large part, it is only going to cost the employer about half of what the teenagers are going to receive. So I think this provision has a potential and we shall see a very substantial improvement in the overall employment statistics.

I think this resolution as pioneered by the gentleman from Connecticut (Mr. GIAIMO) shows some clear directions to the House of Representatives, to the Committee on Ways and Means, and to the Committee on Appropriations. It allows for a deficit in the current fiscal year of some $77 billion, if I am not incorrect, with the revised estimates including the off budget items as presented by President Carter in his budget yesterday.

This is not an inconsiderable number, believe me. We all want to get back to a balanced budget, but we are not going to do it overnight.

On balance, therefore, I support this resolution. I must caution my colleagues, however, that our stimulus effort requires the direct cooperation of other segments and forces that shape our national economy. If the Federal Reserve Board adopts a tight money policy, even though there is no evidence of a shortage in available credit, it will obviously adversely effect our efforts here today. If the private sector does not launch its own independent efforts toward increased productivity and job creation that, too, will negate our efforts. Moreover, our State and local governments whose expenditures constitute 12.6 percent of our gross national product, must be careful not to work in a counterproductive manner and they, too, should gear their programs and decisions toward stimulative programs.

With this in mind, I urge my colleagues to support this resolution and I commend Chairman GIAIMO for his prompt and decisive handling of the President's proposals.

Thank you.

Mr. LATTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. GRASSLEY).

Mr. GRASSLEY. Mr. Chairman, the Congressional Budget and Impoundment Control Act of 1974 set up a procedure for the orderly consideration of Federal spending and revenue policies. This was supposed to insure congressional control over the budgetary process. The third concurrent budget resolution, before us

now, contradicts both the spirit and letter of the law.

The second concurrent budget resolution for fiscal year 1977, which passed last September, was bad enough in that is projected a Federal deficit of $50.6 billion. House Concurrent Resolution 110, as brought to the floor, only compounds the problem and makes a bad situation worse. Federal spending will increase substantially. The projected deficit for fiscal year 1977 will rise by approximately 39 percent to the $70 billion level.

It should be noted that this revised deficit will constitute 10 percent of the total national debt which will break the $700 billion mark. It took the United States nearly 140 years to accumulate a national debt equal to that which we will be imposing upon our citizens in just 1 year. Of course, our predecessors subscribed to the apparently outdated notion that the Federal Government should not continually spend more money than it takes in.

Recently there has been a good deal of discussion on the merits of having a balanced Federal budget. The passage of this resolution will demonstrate to the American people that such talk about balancing Federal expenditures and revenues is merely talk and nothing more. A vote in favor of House Concurrent Resolution 110 should be construed as a vote in favor of more Government programs with increased spending. A vote in favor of this resolution is a vote against the best interests of the average American taxpayer who will finance such programs and the increased interest on the national debt with his hard-earned tax dollars.

Frankly, I fear that the measure before us is only a portent of things to come. The great majority of American people want reductions in both Federal spending and confiscatory rates of taxation. It is apparent that the President and Democratic Members of Congress have different ideas. They have seized this early opportunity to begin implementing their grandiose plans for the future.

I want to go on record now as opposing the passage of House Concurrent Resolution 110. There is a better alternative. The Congress should enact permanent reductions in tax levels, especially for wage earners.

Mr. GIAIMO. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Chairman, I rise to support the third concurrent resolution on the budget. It is not perfect, I am sure, but on balance I am convinced that it is the right move to take at this time. It includes a stimulation package, as stated, in outlays for 1977 of $17.2 billion. This is a little bit more than the President recommended but well within his ballpark. It includes certain other changes on the outlay side that would add an additional $2.5 billion to the stimulation amount. This, I believe, is necessary to get the economy going again at a level that will permit the deficit to be brought under control and reduce it way down, I hope to zero, within the next few years.

It would be nice if we could balance the budget without the stimulation implement in this program but I do not think that that is in the cards.

As I said, the stimulation program probably is not perfect, but I believe it is about right in total outlays and in the composition of the items that make it up. It includes in the tax package the famous $50 refund. The Committee on Ways and Means has in its action in committee the other day extended the $50 refund to cover a good many million people not covered in the President's proposal—welfare recipients, certain categories of veterans, recipients of black lung benefits, and so forth. At the same time it took another step to try to reduce the chance that very many people would get two $50 refund checks. The principle that was guiding us was to include everyone for one $50 refund and try to eliminate the possibility that persons would get two refunds.

The tax side of the program includes a reduction brought about by means of increasing the standard deduction, which presumably would be permanent.

The final thing was to provide the employment tax credit of special benefit to smaller business people with a cap of $40,000 in total credit in a year, or approximately 25 new jobs.

On the expenditure side the components included public service jobs, public works training, countercyclical aid, job opportunities program, and several other items. As I said, the stimulation package undoubtedly is not perfect, and certainly it is not precisely the one I would like.

For example, I would like to have kept in the picture the option of some increase in the investment tax credit, mainly because I think everybody in the economy, certainly those making major decisions about our economic future, ought to be a part of the program. Therefore, I should have preferred that they be included, and perhaps there will be time to make that change later on.

I should have preferred on the expenditure side, for example, that we go a little heavier on countercyclical aid, which is the best thing going that I know of to get aid right in where it is most needed, and perhaps a little less heavy on public works or something else. But on the whole I think the job has been well done, and Members, I think, will have a hard time to improve on it in a way that will be generally acceptable, apart from what each individual would like for himself. This is a 2-year strategy leaning heavily on tax refunds and reductions in the first part and heavily on public spending in the second year.

We will have a chance to look at the second year again later on this year when we adopt our budget target guidelines for fiscal year 1978, so we are not cast in concrete for that second year of the 2-year plan.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GIAIMO. Mr. Chairman, I yield 2 additional minutes to the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Whether this strategy will work or not depends quite largely on how the economy reacts to it. I believe everybody should have a part in the program. This is part of the psychological aspect of the plan. There is a morale factor that everybody in the economy—consumers, social security recipients, welfare recipients, businessmen, everybody else—ought to be in on the act. I think this is very important because the transmission belt between the Government stimulation and the much, much larger massive private economy operates on the psychology that surrounds the stimulation. Do business people, do consumers who have a little more money to spend, react in such fashion that the stimulation incentive works and the private economy really does pick up?

That is why I think it is so important that everybody have a part in the program. The Government owes it to the country to take the lead. We are taking the lead with this program.

It is not a huge program—$19 billion in additional outlays this year stacked up against a Federal expenditure of over $400 billion and a gross national product of nearly $1.8 trillion—but it can be a critical item if it is done in such a way that the whole economy, the whole country, reacts favorably and takes the incentives provided and puts them to work so the economy picks up. If the program succeeds, and it is a modest program, the cost of it will be small indeed.

Mr. GIAIMO. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from South Carolina (Mr. DERRICK).

Mr. DERRICK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I urge my colleagues to support the third budget resolution for fiscal year 1977. This third budget resolution has been forced on the Congress by events outside our control. Since we passed the second budget resolution the economic recovery, which we expected, has faltered. Our expectations were shattered by several events: an $11 billion shortfall in Federal spending, the failure of the business community to expand investment, the slow growth in the economics of our major trading partners, and the debilitating effects of this brutal winter. Our choices are simple; we can do nothing and let the economy drag itself along or we can provide an economic stimulus which can ignite a self-sustaining movement back to full-employment. President Carter has suggested the latter course. I recommend we give him the opportunity to lead.

A strong and growing economy is required to satisfy the needs of our country. To balance the budget, to offset the heavy burden of taxation, to provide security for our senior citizens, and to assure sufficient opportunities for our citizens to enjoy productive and rewarding employment it is imperative that the economy achieve and maintain full-employment with price stability.

The performance of the U.S. economy during the 1970's has moved us away from achieving our goals. In the 1970's the unemployment rate has averaged 6.2 percent and reached 9 percent in 1975; the rate of inflation has averaged 6.5 percent in the 1970's, as compared with 2.3 percent between 1948 and 1969; economic growth in the 1970's averaged 2.4 percent per year, a 50 percent lower growth rate than we enjoyed during the previous two decades. Between 1973 and

1975 we suffered through the deepest and longest recession since the 1930's. The manifestations of the inadequate performance of the economy are obvious: large deficits, mounting public debt, escalating costs for welfare, food stamps, mortgage foreclosures, business bankruptcies, labor force withdrawal, and shrinking public services at the State and local level.

The economy has been recovering for the past 2 years. But the pace of the recovery is unsatisfactory: there are still 7.5 million people unemployed, industrial production has barely recovered to its 1973 level, business investment in new plant and equipment is still well below its 1973 level. Real GNP in the final quarter of 1976 exceeded total output in the final quarter of 1973 by only 3.1 percent. The recent spell of unusually heavy storms and severely cold temperatures have added to our economic problems. Shortages of natural gas caused factories to close, transportation flows were interrupted by snow storms, conservation practices led stores, schools and other employers to curtail their operations. The severe drought in the Western States will add to our difficulties in the months ahead.

It is against the background that the third budget resolution for fiscal year 1977 must be seen and should be judged.

In the absence of any additional stimulus we can expect the economy to remain in the doldrums. The economy will grow by only 4.4 percent during 1977; the unemployment rate will average 7.5 percent for the year, and the Federal deficit will approach $60 billion. These are our best estimates of what will occur if we do not act.

The President and your Budget Committee found this prospect unacceptable! Charles L. Schultze, chairman of the Council of Economic Advisers, has testified that "the basic problem is that the recovery has not yet proceeded far enough or rapidly enough to set off a self-sustaining economic expansion." Additional economic stimulus that expands the stimulus package submitted by the President and recommended by your committee provides a stimulus, through tax rebates and tax reductions to consumer spending that will expand markets, reduce unemployment, stimulate business investment, and initiate a period of self-sustaining, long-lasting economic recovery.

The budget resolution also provides for manageable increases in a small number of expenditure programs. We have tried to identify programs whose expansion would quickly lead to increases in employment, finance worthy projects, and would not simply fund "boondoggles." Your committee's resolution is less than one-half of 1 percent higher than the spending increases recommended by the President. We have recommended to the Committee on Ways and Means, and they have accepted, the creation of an "employment tax credit." This innovation in Federal tax policy will provide a substantial incentive to the private sector to hire new workers. This promising new policy direction can be pursued only if the third budget resolution is passed.

Until we get the economy to full employment and on a track of sustained economic growth we will be faced with votes on big deficits, big welfare costs, and big government.

Mr. GIAIMO. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, last September when we passed the second concurrent resolution for fiscal year 1977, it was estimated that unemployment by the end of calendar year 1977 would be down to 6.2 percent. In their January report, "The Disappointing Recovery," the Congressional Budget Office indicated that with no changes in current policy we can expect the end of the year unemployment rate to be between 7.1 and 7.8 percent. During 1976 the economy did not grow as fast as had been expected. The worldwide economic lull has lasted longer than was expected. The Federal Government spent less than was expected. And now, to make matters worse, the cold weather and gas shortage have further reduced production.

It is within this economic context that the President proposed his stimulus package and that we are now considering the third concurrent resolution. It should not be expected that we will be dealing with a third budget resolution each and every year. The present resolution is an emergency measure. Fortunately, the budget process provides the required flexibility; we can come back with adjustments for unexpected contingencies. Nonetheless, it would be unfortunate if we came to rely upon a corrective third resolution as a regular event.

The present resolution does not represent a cure for our unemployment problem. The Budget Committee staff estimates that even with the additional stimulus outlined in the resolution, unemployment at the end of calendar year 1977 will be about 6.8 percent. This 6.8-percent figure is a national average. It masks a much more unpleasant social reality. The present unemployment is very unequally distributed amongst the population. Our unemployment problem is a racial problem, a class problem, and a youth problem. Anyone who is in doubt about this need only look at the statistics:

In January unemployment among whites was 6.7 percent; unemployment among nonwhites was 12.5 percent.

Unemployment among white-collar workers was 4.5 percent; unemployment among blue collar workers was 8.4 percent.

Unemployment among youth, 16–19, was 13.7 percent.

For those who are both young and nonwhite the problem is compounded: In January the nonwhite youth unemployment rate was 36.1 percent. There is no point in fooling ourselves. The budget resolution will not of itself solve our unemployment problems. Unemployment is more than a macroeconomic problem. Present unemployment is also the culmination of a history of social problems which remain unsolved.

Nonetheless, the budget resolution before us is an excellent first step. Under the able leadership of Mr. GIAIMO, the Budget Committee has acted quickly, and it has acted intelligently. The general framework of the resolution closely resembles President Carter's stimulus proposal. Without recommending the particular scheme put forward by the President, the committee provided for a tax package of $13.8 billion, the same amount proposed by the President. The President called for $1.8 billion in spending; the committee recommended an additional $1.63 billion above the President's proposal.

The additional spending recommended by the committee takes some additional and valuable steps toward directly affecting the unemployment problem. The committee added $300 million in accelerated public works; $300 million for the training and employment programs under CETA titles I, III, IV; $200 million in railroad and highway construction; and $300 million for employment in the National Park Service and National Forest Service.

It should be remembered that these are outlay figures for fiscal year 1977. They represent predictions of what will be spent by October 1. The full extent of the expansions of our public works and public service programs will not be felt until some time in 1978.

Four weeks from now the committee will be marking up the first concurrent resolution for fiscal year 1978. If we are serious about reducing unemployment, we will need to followthrough with the same kind of action as is offered by the present resolution.

Mr. DICKS. Mr. Chairman, I agree with most of the changes incorporated in the third budget resolution, with one major exception: I do not believe that the Congress should rescind funds to convert the nuclear-powered cruiser *Long Beach* into an Aegis ship.

Let me say at the outset that I have some parochial concern in this matter: The *Long Beach* conversion—if it is to take place—will be performed at Puget Sound Naval Shipyard. But I believe there are compelling reasons that are anything but parochial which argue for this Aegis conversion.

In my view, the decision made by the Ford/Rumsfeld team and ratified by the Carter/Brown team not to build a fifth large deck, nuclear-powered carrier is debatable.

But assuming it is correct, I believe that the same logic that leads one to this conclusion also calls for the conversion of the *Long Beach* into an Aegis platform without delay.

As I understand it, the reason for switching away from large-deck aircraft carriers relates to the increased vulnerability of such platforms. Many of my colleagues know better than I about Soviet efforts in antiship satellite surveillance and cruise missiles. I am not very conversant about Soviet satellite surveillance systems, but what I have seen about their antiship missiles causes me great concern.

At present, we are relying on the Tartar, Terrier, and Talos—the three "T's"—for intermediate-range defense of the fleet against cruise missiles and aircraft. These systems were introduced into the fleet in the 1950's, and the Navy has told us that we really cannot rely on

them to do the job against current and projected threats. A National Security Council study recently agreed with this conclusion, according to the former Secretary of Defense, by noting that "the U.S. Navy is vulnerable to the Soviet antiship cruise missile threat."

This is understandable when we consider Soviet naval tactics which appear to place great reliance on massive, coordinated attack by cruise missiles and other forces. According to the former Assistant Secretary of the Navy for Research and Development, the most demanding scenarios call for a reaction time of 8 seconds to successfully blunt such cruise missile attacks. One survey I have seen lists 10 different varieties of Soviet air-to-surface cruise missiles, and 8 more surface-to-surface cruise missiles. Twenty percent of the Soviet submarine force fires cruise missiles, as do seven classes of Soviet major surface combatants. By one Navy account, there are 251 cruise-missile-firing Soviet ships, which house 1,210 cruise missiles. In addition, the Soviet naval aviation arm has 290 Badger C and G aircraft which can fire cruise missiles. Some observers look at the Backfire bomber as a threat in the strategic role, but in my view, the real threat from Backfire comes from its antishipping capability.

Up to now, the Congress has really been playing "chicken" with the Aegis system. There are two separate camps, one in favor of a conventionally powered DDG–47 Aegis platform, and one in favor of a nuclear-powered strike cruiser platform. Up till now, each camp has been successful in blocking the other, but the end result is that we have yet to start construction of a single Aegis ship. Clearly, the Navy and the American defense posture suffer as a result of this impasse.

In light of this threat, the administration has made a decision not to build any additional large-deck carriers. But by the same token, in light of this threat, what we are going to do to protect the four nuclear-powered and eight conventionally powered carriers we can expect to serve U.S. national purposes in the 1980's and 1990's?

Just about everyone agrees that Aegis is one way to meet this threat, but from this point onward, the consensus breaks.

I believe there is another route we should investigate on this matter, and that route involves the conversion of the *Long Beach*. For the following reasons, I have concluded that it makes a good deal of sense to convert the *Long Beach* into an Aegis ship—but not necessarily as a prototype for the Aegis strike cruiser:

First. There are clear tactical advantages with having an Aegis nuclear-powered escort alongside a nuclear-powered carrier—even if all the other escorts are not nuclear powered.

Second. The *Long Beach* conversion is the earliest mechanism to place Aegis at sea. An Aegis strike cruiser prototype could be combat ready in fiscal year 1981, 1 year ahead of the DDG–47 and 3 years ahead of the first CSGN. If the decision were made to make the *Long Beach* an Aegis ship without being the strike cruiser prototype, the initial operational capability of the ship would undoubtedly be even sooner.

Third. The *Long Beach* overhaul, as planned by the Navy as a substitute to the Aegis conversion, represents a poor utilization of resources. At present, this platform has all the advantages of nuclear power and none of the advantages of modern, effective, offensive, or defensive weapons suites. The Navy's proposed overhaul would make marginal improvements on both fronts; but these improvements will constitute an inefficient use of a potentially valuable naval asset.

I recognize the arguments against the *Long Beach* conversion. We are dealing with scarce dollars, and the complete *Long Beach* conversion will cost $783 million in today's dollars. There is one other alternative, however, that this Congress may want to explore, one that will save dollars and yet will provide the Navy with nuclear-powered Aegis ships.

It may be possible to convert the *Long Beach* into an Aegis ship without going the entire route and making it a strike cruiser. The cost estimates I have seen for a straight Aegis conversion range between $400 and $675 million. In addition, it may be worthwhile to reopen the question of refitting Aegis on board the four *Virginia*-class nuclear-powered cruisers. Once again, this would be expensive: The lead conversion would cost $400 million. But as you know, these ships were originally envisioned to handle Aegis; they are certainly big enough—they are as large as the DDG–47.

All of these conversions would be less costly than to proceed with a new class of nuclear-powered strike cruisers; perhaps we will need the strike cruisers in addition to these conversions—I do not know. But I do know that we are not using our nuclear-powered surface ships to their fullest potential, and Aegis conversions can turn this situation around.

I realize that the "bare-bones" Aegis conversions I am talking about here will not add any offensive punch which is badly needed in today's Navy. This means that stripped down Aegis ships will not be able to operate independently from aircraft carriers. If the Congress feels this is a valid mission requirement, then the suggestions I have offered here do not make sense. But if the Congress feels that the independent operations requirement is not valid, or that we will not have enough nuclear-powered Aegis ships to carry out this mission, then my suggestions take on added force. Aegis ships operating in concert with aircraft carriers do not need to provide offensive punch—the carrier can provide enough of its own.

For these reasons, I believe we should allow the original downpayment on the *Long Beach* conversion to stand, and I believe we should not rescind the $371 million previously authorized and appropriated for this purpose.

Mr. BADILLO. Mr. Chairman, although I am far from being entirely happy with the provisions of House Concurrent Resolution 110, the third concurrent resolution on the budget for fiscal year 1977, it does, for the first time, achieve a $3,312 million cut in budget authority and a $573 million cut in actual budget outlays for defense spending. In addition, it makes an attempt to respond to our critical dual problems of national unemployment and housing shortages by stipulating an additional $20,300 million in budget authority and $57 million in outlays for subsidized housing. So, for the first time since the congressional budgetary process began, I shall vote for the measure before us as a gesture of good faith and an expression of confidence that these improvements constitute only a beginning.

Labor Department statistics indicate that unemployment has dropped from 8.1 percent in November–December 1976 to 7.9 percent by January 12, 1977, the total number of persons looking for work remained unchanged. The unemployment rate for black workers remained constant at 13.6 percent, while the overall rate for teenagers dropped by only one-tenth of 1 percent, from 19 to 18.9 percent. Moreover, the Department's data also indicates that existence of more than 1 million discouraged workers, ominously up by about 200,000 from the third quarter. There are, of course, no accurate statistics to reveal the plight of part-time workers who want and need full-time employment, and young workers and women who for some reason or another cannot enter the work force.

In their supplemental views accompanying the committee report dealing with this resolution, Congressmen MITCHELL and STOKES express serious reservations about the impact that the budget resolution, with all its limitations, can have on our national economic situation. I share their concerns and reservations and, should it later develop that commitment to a full employment policy does not become a realistic national policy goal in 1977–78, I shall support their efforts to act as "the advocates of job opportunities for the 'disadvantaged'" in formulating and advocating an alternate policy. However, I hope that this will not become necessary and that, instead, Congress and the administration working together will be able to supply our economy with the necessary impetus.

Mr. CONYERS. Mr. Chairman, the third concurrent resolution at best is unacceptable to me because it accepts a disastrously high rate of official and unofficial unemployment. In fact, the third budget resolution does not in any way really address the problem of millions of men and women, youths and adults, who cannot even find a foothold in the labor force.

The third budget resolution guarantees the status of unemployment, not the status of employment, to over 7 million people by the end of this year. Like the 1976–77 Federal budget, under a Republican administration, it is essentially a private enterprise budget designed to bolster the confidence of businessmen, bankers, and stockmarket investors. But what about the confidence of those millions of citizens who cannot participate in worklife, and then are subjected to abuse because of their dependence on public assistance?

The third budget resolution fundamentally is the wrong collection of answers, with respect to unemployment, to the wrong problem. The tax rebate approach especially attempts to buy time, without unduly unsettling anyone, by a one-shot return of taxpayers' money.

But the question remains: to buy time for what? As yet we have no commitment by the administration to economic planning, which by definition is long range. Of course, economic planning is going on all the time, as highlighted by the gas crisis. Only it is happening principally in corporate boardrooms related to schemes for profit maximization at the public expense. Obviously the Federal Government will have to assume a much more active role in economic planning if we are going to have a full employment economy and protect the public interest.

How can I or any other Member of Congress with a depression-level unemployment rate in his or her district in good conscience tell our constituents that this is the most that the Government of the United States can do for them.

Mr. KEMP. Mr. Chairman, we are here today to consider the third concurrent resolution on the budget for fiscal year 1977; a resolution necessitated by President Carter's economic stimulus program. The effect of this resolution will be to further increase the budget deficit for this year by $19.7 billion over the second resolution to a total of $70.3 billion for for fiscal year 1977. This is $2 billion above the President's own estimate because of additional spending authority for public works included by the Budget Committee.

Now, I do not think there is a single Member of Congress who does not agree that the budget ought to be balanced—perhaps not immediately, but certainly within a few years. This is a goal which President Carter has also expressed considerable desire to achieve. But given the magnitude of these spending figures, it seems to me that we are making little progress in this area, despite the revised budget procedure adopted by the House last session. In fact, we seem to be going backward, given the insistence by the Budget Committee to enlarge the President's stimulus package above his own request.

At this point it might be useful for us to consider exactly why it is important to balance the Federal budget. The reason is really quite simple: every dollar the U.S. Government spends must come from somewhere, because each dollar represents real resources which must be taken out of the economy somehow. If the Government does not raise these resources by taxation there are only two other ways it can get them: by borrowing the money it needs or by printing it up out of thin air. All of these methods ultimately have bad side effects.

Taxation, for example, obviously must be kept to some level below 100 percent, or else there will be nothing to tax. As they say, 100 percent of nothing is nothing.

Borrowing is also a withdrawal of real resources from the economy, but in some respects it is a more harmful way than by taxation. This is because the funds come out of the capital stock needed to expand plant capacity, increase productivity through new machinery, and create jobs. It also drives up interest rates by increasing the demand for money which would normally go for such things as home mortgages.

Creating the money by the printing press is by far the worst way the Government could raise its funds, yet it is a time-honored technique going back to ancient times. It may be accomplished in a more sophisticated manner through the Federal Reserve System today, but it is essentially no different than counterfeiting. Since these bogus dollars command the same resources as a dollar raised through taxation or borrowing, however, they create excess demand for goods and services and become the principal cause of price inflation. A report by the House Banking and Currency Committee, for example, recently estimated that 60 percent of current price inflation can be attributed to increases in the quantity of money. The result is that the price increases themselves become an indirect tax on money held and on any kind of fixed income. This would be bad enough, but it also throws the price system out of coordination, causing tremendous inefficiencies.

A further result of inflation is that it indirectly causes taxes to go up. This is because our individual income tax rates are graduated such that the higher one's income, the higher the proportion of his income he pays in taxes. The idea, of course, is to match taxes with ability to pay. Unfortunately, this also means that there is a built-in disincentive to earn more money at some point. If, let us say, you are in the 50 percent tax bracket and you know that each additional dollar you earn will be taxed at, say, 55 percent, you may just decide it is not worth the trouble to earn that additional dollar and you take a vacation instead. The result is that the country loses not only the additional wealth that this person would have created had he worked, but the Government loses tax revenues as well.

You may say that this is a phenomenon which is relatively rare and confined only to millionaires and the like. The truth is that as a result of inflation and real economic growth since 1954, when the tax rates were last adjusted, there are a great number of people who are affected by high marginal tax rates and who either reduce their ability to earn proportionately or invest their money in tax shelters, such as tax-free municipal bonds, for example. This has also had the effect of secretly raising taxes across the board at a rate which is higher than the rate at which incomes have risen over the same period. Thus, in the early 1960's only 3 percent of all tax returns were affected by marginal tax rates above 30 percent. Today, nearly a third of all tax returns are affected by these rates. The Congressional Budget Office estimates that this inflation-induced tax increase will cause Federal revenues to rise by 1.2 percent for each 1-percent rise in the Consumer Price Index. This is a real and significant increase in the total tax burden on the economy which must have a serious effect on the incentive to work, to invest, and to hire.

An economist named Colin Clark once argued that the maximum level of taxation which could be sustained without serious adverse effects was 25 percent of national income—which, roughly speaking, is the gross national product less Government expenditures. This is a figure which John Maynard Keynes agreed was probably correct. The truth is that the total tax burden in the United States today is somewhere over 40 percent.

This would seem to indicate the drastic need for a tax cut. I believe we have to have at least a 20-percent reduction in each individual income tax rate just to make up for the inflation that has taken place since 1964.

Many of my colleagues are resisting this logic. Some feel that a cut in taxes will only exacerbate the deficit, others feel that tax cuts are too slow in stimulating the economy, and others resent any kind of across-the-board tax cut because they want to "soak the rich." I would disagree with each of these arguments and I believe they can be refuted both logically and by historical experience.

It is unlikely that any tax rate cut of 15 percent would result in an increase in the deficit because it will immediately result in an expansion of the tax base itself. This means there will be more total income upon which to raise taxes, even at the lower rate. This is because the tax rate cut will instantly reduce the cost of hiring new workers, create greater incentives for individuals to work and for companies to expand their productive capacity, and free billions of dollars of funds available for capital investment.

It can be seen from this that a tax cut works primarily to increase the total supply of goods and services as well as the demand for them. By contrast, increased Government spending works almost totally to increase demand and only secondarily to increase supply, through a kind of trickle-up process. Since demand increases faster than supply and since the money to pay for the Government spending comes from either borrowing or an increase in the quantity of money, the result inevitably must be inflation. On the other hand, if tax rates are reduced it will stimulate supply more than demand, which will hold down prices and expand the tax base at the same time.

President Kennedy is one who understood that tax cuts will stimulate the economy better than Government spending, replace lost tax revenues by expanding the tax base, create jobs, encourage investment, and fight inflation at the same time. As he put it in a speech in 1962:

> The single most important fiscal weapon available to strengthen the national economy is the Federal tax policy. The right kind of tax cut at the right time is the most effective measure that this Government could take to spur our economy forward. For the facts of the matter are that our present tax system is a drag on economic recovery and economic growth, biting heavily into the purchasing power of every taxpayer and every consumer.

This approach toward tax policy and economic growth was embodied in the Revenue Act of 1964. This bill cut the highest individual income tax rate from 91 to 70 percent; reduced the lowest rate from 20 to 14 percent; and cut the corporate tax rate from 52 to 48 percent. These were the principal features.

President Kennedy expected that this bill would probably create a larger deficit initially, but that this would be made

up within a short time by increased production. As he put it in a 1963 speech:

Our choice today is not between a tax cut and a balanced budget. Our choice is between chronic deficits resulting from chronic slack, on the one hand, and transitional deficits temporarily enlarged by tax revision designed to promote full employment and thus make possible an ultimately balanced budget.

I think that much the same thing can be said today. I also think that much the same results would be achieved. As the following table demonstrates, the Treasury Department estimated that the Kennedy tax cuts would result in a loss of revenues for several years, when in fact the revenues increased:

[In billions]

	1963	1964	1965	1966	1967	1968	Total
Treasury-estimated revenue losses	−2.4	−5.2	−13.3	−20	−23.7	−24.4	−89
Actual revenue gains	+7.0	+6.0	+4.0	+14	+19.0	+4.0	+54

Note: Library of Congress study done at my request.

The stimulative effect of this tax cut was immediate and substantial. Until the heavy spending and inflation resulting from the Vietnam war began pushing incomes higher into the tax brackets—thereby offsetting the tax cuts—the economy was on a continuous upward course. This is why such a large tax cut would be needed today just to compensate for what has happened since 1964.

In spite of this evidence, many will still argue that increased Government spending would be a faster, more efficient method to create jobs. It is alleged that something like $20,000 in tax cuts is necessary to create one job, while only $5,000 in direct spending is needed—this argument was recently made by Secretary of Labor Marshall. Furthermore, it is said that since Government spending creates jobs directly, this is faster than creating them indirectly through expansion of private industry. Both of these arguments are demonstrably wrong.

The Washington Star, for example, recently noted that the $2 billion public works package passed over the President's veto 7 months ago has produced exactly 250 jobs in the bureaucracy of the Commerce Department to administer the program. This is because there is so much redtape involved that there inevitably will be a considerable delay in channeling the money to public works or other government projects. Furthermore, the redtape also insures that a considerable amount of money allocated for public works projects will go to places that do not have an unemployment problem.

By contrast, a permanent tax cut would actually begin to have stimulative effects even before it took effect. This is because individuals and businesses would be able to anticipate higher profits and incomes not just for the present, but for the future as well. Businesses especially must make their decisions about whether to expand plant capacity long before the anticipated need for that capacity. Thus, if a company believed that its profits would be higher within the next few years, or that demand for its product would be increasing with time, it will begin to expand its production today, regardless of what current sales and profits are. This will provide immediate, real stimulation to the economy which cannot result from any kind of temporary tax cut or rebate, since businesses will know that the effects will only be temporary and will act accordingly.

It is another curious fact about a reduction in tax rates that it will actually result in making the rich pay more taxes. Take the case of the man who quits work in, say, August, because whatever income he earns after that date is taxed at a rate which does not make it worth his while to work. The net losers, obviously, are the people who would have benefited from his services, and the Government which lost potential tax revenues. By reducing the tax rates, therefore, such people would be induced to work and produce more, thereby increasing the tax base and resulting in higher revenues. By the same token, it would draw investment capital out of tax shelters and into the market, where it can be used to expand plant capacity and create new jobs.

This phenomenon was much more clearly understood in the 1920's than it is today. At that time Andrew Mellon was Secretary of the Treasury and he made it a personal campaign to reduce the high tax rates which had been imposed by World War I. He was supported in this effort by the New York Times, which on December 23, 1923, clearly outlined the situation in the following editorial:

Parts of Secretary Mellon's plan to cut taxes are accepted by everybody. No one can directly oppose easing the lot of people of moderate means. But there is much pother about lowering the rate of surtaxes. Senator Simmons of North Carolina declares that his party will yield to none in its desire to reduce the taxes of the middle classes, but that it will withstand to the last gasp the Mellon scheme which is intended to "relieve the rich."

The great point of Secretary Mellon's main argument is that the rich have found ways to relieve themselves. They are progressively escaping the heavy taxes levied specially upon them. It was certain from the first that they would do so. The Treasury figures cited by Mr. Mellon prove that they have done it. He wants in reality to get more money out of them than they are now paying. But he proposes to do it by making their rate of taxation lower. This is in line with economic theory and with experience running over many years, though of course it seems a ridiculous proposition to those whose thoughts are all of aiming sharp arrows of taxation at wealth.

Suppose the surtaxes on large incomes are not reduced—suppose that they are even increased; what will happen? The rich may or may not be relieved, but it is certain that the poor will be hit harder than ever. For a large proportion of the heavy taxation of rich corporations is inevitably passed on to the consumer. The tax is necessarily entered as an item in the total cost of production. The result is to make prices rise, to increase rents, to cause the poor man to feel that the necessities of life are less within his reach than ever. This sure course of economic events has been followed in all countries, and it has plainly been followed during the last few years in the United States. The lawmakers gleefully start out to lay oppressive taxes upon the rich, but really are all the while striking at the poor. The true way to help the latter is to make it possible for the former to put more money into enterprise and industry and less into tax-exempt securities.

It is therefore a fact of life that you cannot "soak the rich" by increasing tax rates or simply eliminating so-called loopholes. Even if you could make the tax rates effective and accomplish the elimination of all tax loopholes, you would still be left with the problem of getting additional revenues because rich people will either leave the country—as many people are leaving Great Britain today—or simply stop working and investing and live off their assets. The only effective way to make the rich pay more taxes is to lower the tax rates.

In spite of all this, I am sure that many people will continue to insist that we should not cut taxes but increase Government spending. I suspect that many of these people secretly fear that a reduction in taxes will mean a reduction in Government power and they do not want this. If this is true, then they are correct. Obviously the level of taxation is an indication of Government's control over the individual. If a person were taxed 100 percent of his income he would be a slave. Practically, of course, the point at which he would become a slave would be considerably lower than this. At the present highest level of 70 percent a person is working twice as hard for the Government than he is for himself. Does this not make him virtually a slave? After all, who really deserves having 70 percent of his income taken away from him regardless of how much he makes?

For these and many other reasons, it is now becoming more apparent that tax rates must be drastically reduced. And the beneficial effects which would flow from this action would be dramatic, far-reaching, and fast. As Prof. Paul McCracken recently put it:

The higher level of economic activity produced by tax reduction is a far more effective job creation program than public spending. It is more effective because it is faster and because the employment opportunities are less apt to be dead-end jobs. We tried tax reduction in 1954 and it worked. We tried it in 1964 and it worked. We tried it in 1975, and the fact that 4.2 million more people are now employed (88 percent of them in the private sector) strongly suggests that it worked once again. Because history is so clear about this, one has to suspect that those who stubbornly try to maintain this distinction between tax reduction and job creation have had their major objective simply a further expansion of political empires where both the newly created bureaucracy and the holders of public service jobs will be more explicitly beholden to government.

We are presently debating the third concurrent resolution on the budget for fiscal year 1977. I think that now would be an appropriate time to implement an across the board tax reduction in place of President Carter's stimulus program. An amendment to this effect will be offered from the floor and I urge my colleagues to support it.

Mr. DORNAN. Mr. Chairman, I rise in opposition to the third concurrent resolution on the budget for fiscal year 1977.

We have been told that this resolution is necessary to accommodate President Carter's "economic stimulus" proposals. These economic stimulus proposals—the President and the Democrat leadership lead us to believe—will help cure our economic ills. The proposals will encourage consumer spending; create new investment; reduce unemployment; and they will not increase inflationary pressures.

Now these are lofty goals which I believe all of us here support. The goals are good but the road that these proposals take us down leads in the opposite direction. I believe that this budget resolution is nothing more than a blueprint for increased Government intervention in the economy, costly and extravagant welfare proposals, and larger, inflation-causing deficits.

The approach of the President and the Democrat majority is typical of past Democrat economic proposals. It is nothing new. The approach is more big government at the expense of the taxpayer and the private sector of the economy.

If anyone doubts that this is largely a party measure, I would point out that the Republican members of the House Budget Committee voted unanimously against reporting this ill-advised piece of legislation.

What does this third resolution promise to do and how does it fail?

ENCOURAGE CONSUMER SPENDING

The President recommended a $50 tax rebate for every American—regardless of whether or not he pays taxes. The majority on the Budget Committee accepted the principle of the rebate, but imposed arbitrary and discriminatory limitations on the amount of the rebate. Both the President's proposal and the committee's version are intended to expand consumer demand and thus production and investment.

That is, as I said, an admirable goal. But the $50 rebate will not accomplish it.

The rebate concept is not new. It was not too long ago that a rebate four times the size of that proposed by President Carter was paid out. Can we forecast the outcome of the $50 rebate by examining the results of the $200 one?

The $200 rebate did little to stimulate new consumer demand. Studies conducted after the rebate program was completed, showed that most Americans spent their $200 on existing debts. They did not go out and spend their money on new purchases. It was a costly attempt that failed in its objective. The same result can be expected of the limited $50 rebate proposal.

It is just more politics as usual. It is not sound economic policy. We should face the facts: under the guise of tax relief, this one-shot handout allows the Government to maintain tax levels at their present crippling rate. Future big-spending programs are not threatened in any way.

But there is another way to reach the goal of stimulating consumer demand: the minority in Congress has proposed a permanent reduction in taxes in order to encourage new spending and investment. Legislative initiatives such as the Jobs Creation Act would change the tax laws to provide for a variety of personal and business tax credits and reductions. A permanent tax cut would increase take-home pay every week—not just the week of the rebate. It is this assurance that take-home pay will be larger over the long haul that stimulates consumer purchasing.

The effects of a permanent tax cut go far beyond those of the tax rebate. It has been estimated that within 3 years of the passage of the Jobs Creation Act, capital investment expenditures would increase by $234 billion and the gross national product would increase by $600 billion.

I sincerely doubt that many Americans would trade this kind of improvement for a $50 rebate.

LOWERED UNEMPLOYMENT

Another proposal of President Carter and the Democrat leadership is to put people back to work. Once again, this is an admirable goal. But spending 3.4 billion on make-work programs is not the way to go about it.

This vast sum of money will be expended on public works and public service jobs programs. According to the Congressional Budget Office, more than half of these jobs will not be available for at least 2 years. Even when they are realized, jobs of this type are often of short duration—anywhere from 1 month to a few years. Moreover, when so substantial an amount of funds is injected into the economy 2 years after having been voted, the result is often the opposite of that intended. This massive influx of artificially created funds may actually impede recovery by causing an inflationary spiral.

This has happened time and time again over the last few decades. But even after decades of recorded failure, the Democrat majority continues to rely on a pork barrel approach to the unemployment problem.

The pork barrel approach will not work and some of us in Congress recognize that fact. We believe that by permanently reducing business and corporate taxes, more people will be put back to work in productive, long-term employment.

Reducing business and corporate taxes stimulates capital formation and investment. This in turn produces permanent jobs at less cost than Federal make-work programs. This fact has been attested to by the Minority on the House Budget Committee. By cutting taxes to the extent proposed by the Jobs Creation Act, 28 million new long-term jobs can be created in a 3-year span.

INFLATIONARY PRESSURES EASED

The President has stated that he will balance the budget and he has called for "prudence and fiscal restraint." The majority on the House Budget Committee has stated that the proposals hold no risk of overstimulating the economy and spurring inflationary pressures.

Again, prudence and fiscal restraint are admirable goals and ones to which we can all subscribe. But the third budget resolution fails to achieve these goals.

The passage of this resolution will create the biggest national deficit in our Nation's history: $70.3 billion. The result of such a vast increase in the deficit is well known: the Federal Government will either print more money or will intrude further into the private money market. The Federal Government will have to do one—or both—of these in order to finance the debt. Either approach creates inflationary pressures. One does it by decreasing the worth of the dollar, the other does it by bidding up the cost of borrowing money.

There are those of us who recognize these facts of life. The Government cannot go on spending and spending with no thought of tomorrow. However, if taxes are reduced permanently—as the minority proposes—the tax base will expand and greater total revenues will be generated. Passage of the Jobs Creation Act would not increase the deficit but would increase Federal revenues by $45 billion. This is the way to balance the budget without risking a killing bout of inflation. This is the way to establish a healthy, confident, and productive economic environment.

Before endorsing the proposals embodied in the third budget resolution, we would be wise to heed the warning of Prime Minister James Callaghan of Great Britain:

> We used to think that you could spend your way out of a recession. . . I tell you, in all candor, that that option no longer exists, and insofar as it ever did exist, it only worked by injecting bigger doses of inflation into the economy followed by higher levels of unemployment as the next step. That is the history of the past twenty years.

In conclusion, Mr. Speaker, I must say that I am extremely disappointed and discouraged by the President's recommendations and by the actions of the majority on the House Budget Committee. Real economic growth requires real solutions. Real solutions will not be found in the sheltered halls of Congress and pork barrel programs. They will only be found in the framework of our market economy. The continued expansion of the Federal Government, as evidenced by the third resolution, means more economic uncertainty, increased inflationary pressures, and sustained long-term unemployment.

I intend to vote against this measure, and I urge my colleagues to do the same.

Mr. LATTA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. GIAIMO. Mr. Chairman, I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BRADEMAS) having assumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 110) revising the congressional budget for the U.S. Government for the fiscal year 1977, had come to no resolution thereon.

INCREASING AUTHORIZATION OF LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT ACT

Mr. SISK submitted a privileged report (Rept. No. 94–24) on the House resolution (H. Res. 304) to accompany H.R. 11, to increase the authorization for the Local Public Works Capital Development

and Investment Act of 1976, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

EMPLOYABILITY, EMPLOYMENT, AND INCOME, A REASSESSMENT OF MANPOWER POLICY

(Mr. McKAY asked and was given permission to address the House for 1 minuate, to revise and extend his remarks and include extraneous matter.)

Mr. McKAY. Mr. Speaker, Garth Mangum, McGraw professor of economics and director of the Center for Human Resource Management at the University of Utah, has prepared for the National Commission for Manpower Policy a report entitled "Employability, Employment, and Income, a Reassessment of Manpower Policy," which I commend to all of my colleagues considering current proposals for stimulating the economy. Dr. Mangum, who was staff director of the President's Committee on Manpower during the Kennedy and Johnson administrations, is particularly critical of the trend over the past 8 years to substitute income transfers for efforts to improve the employability and employment opportunities of American workers. The United States, he says, increased its transfer payment expenditures 93 percent from 1965 to 1970, and another 121 percent between 1970 and 1975. In doing so, it made a deliberate choice to provide its citizens with nonwork incomes rather than provide them the job opportunities most of them would have preferred.

In a misguided attempt to depress U.S. labor markets, to stifle an inflation which had none of its origins there, as Dr. Mangum puts it—

> The administration destroyed 4 million jobs, most of them in the private sector, then tried to replace them with $20 billion of unemployment insurance and 300,000 public service jobs.

The Federal Government currently spends $200 billion per year on employability, employment, and income policies, he says. But some $177 billion goes to income maintenance compared to only $11 billion to enhance the employability of the work force, $3.4 billion for specific job creation, and $4.6 billion to provide workers with freer access to jobs.

Dr. Mangum constantly calls us back to economic first principles. There is only one way of creating jobs. Someone must spend for the purchase of goods and services. The demand for labor is a derived demand—derived from the demand for goods and services and sparked by purchasing power. Only by aggressive demand management can general levels of unemployment be significantly reduced. Public service employment and public works are appropriate weapons against unemployment only for comparatively disadvantaged workers and locations not sharing in general prosperity. The inflation of 1965–76 is easily explainable by nonlabor market factors—unwillingness to tax to pay for the Vietnam war, overanxiousness to get unemployment down for the 1972 election, and a concurrence of international forces in 1973–74. All of the attempts to hold U.S. labor markets ransom to those extraneous forces was not only wasteful, but ineffective.

Despite its pungent comments on the current scene, the perspective of his is long run. It traces the socioeconomic and demographic forces which created the problems to which the manpower policies of 1960–75 responded. It argues that a new set of forces now underlie the policies which will be necessary for 1976–90. Mangum argues that the manpower and employment policies of the 1960's worked reasonably well but suffered from a failure to recognize clearly the impacts of those socioeconomic and demographic trends and to respond to them in a manner consistent with the realities of functioning labor markets. "Policy need not accept the dictates of labor markets, but to be successful, policies must be consistent with, intervene knowledgeably in, or supplant deliberately the working of labor markets to identify those realities which must be recognized and accommodated to by policy workers.

Mangum's recommendations are not for a major restructuring of U.S. labor markets or manpower policies, nor for massive expenditures. He is convinced that modest restructuring of policies and reallocations within current budgets can achieve 4-percent unemployment by 1980 and the following by 1990.

A youth unemployment rate no more than double that of adults;

A nonwhite rate no more than 1.5 times the white employment rate;

Elimination of sex differentials in unemployment; and

Elimination of poverty defined as a family income less than one-half the average family income.

His recommendations are specific with price tags attached. Essentially, they involve:

Requiring that the President's Economic Report annually present a plan for achieving or maintaining 4-percent unemployment, not requiring that the plan be implemented, but depending upon political pressure for motivation;

Controlling inflation by attacking its root causes in ways he details;

Undertaking an aggressive program for productivity growth;

Using public service employment and public works only as the "employer of last resort"—a term Mangum coined in the 1966 report of the National Commission on Technology, Automation, and Economic Progress of which he was executive assistant;

Limiting both AFDC and unemployment insurance and providing public service employment in their stead for the potentially employable under prescribed conditions and providing incentives to revise the current trend toward early retirement;

Building upon career education, vocational education, and the manpower services of the Comprehensive Employment and Training Act to enhance employability;

Strengthening Federal enforcement of equal employment opportunity among national firms and decentralizing enforcement in smaller firms to State and local governments under Federal incentives and surveillance;

Redirecting the public employment service to training workers to seek their own jobs with information and techniques provided by that agency; and

Strengthening and broadening the State and local manpower planning capabilities currently established under the Comprehensive Employment and Training Act.

A philosophical commitment to a work- and achievement-oriented, but a just and compassionate, society is spelled out in the first chapter. The underpinning is maintained throughout what could turn out to be the most significant manpower blueprint of the decade.

Mangum is one of the pioneers in manpower policy and an internationally recognized expert on the subject. His book, "The Manpower Revolution," Doubleday, 1964, is considered one of the classics in the field. A study he prepared for the Nationl Governors' Conference became the original blueprint for the present Comprehensive Employment and Training Act. In all, Dr. Mangum has published more than 20 books on employment, training, and related topics.

This report has been published as a book by the Olympus Publishing Co. of Salt Lake City. I commend it for reading by all Members of the House, Senate, and administration.

THE DEATH OF BRITISH FOREIGN SECRETARY ANTHONY CROSLAND

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I take this time to express my sympathy—and I am sure that I speak for all Members of the House—on the tragic death on Saturday last of the distinguished Foreign Secretary of Great Britain, Mr. Anthony Crosland.

Mr. Speaker, I did not know Mr. Crosland well, but I knew him and only last December visited him in his office in London. He was a most gifted public servant and his death is a loss not only to the British people but to our own.

As many Members know, Mr. Speaker, Mr. Crosland's wife was born in this country. To her and to his family I extend my deep sympathy.

May I also, Mr. Speaker, express the hope that Mr. Crosland's distinguished successor, also an outstanding leader, Dr. David Owen, will do well in the demanding responsibilities which have been assigned him by the Prime Minister of our great ally, the United Kingdom.

Mr. Speaker, I insert at this point in the RECORD articles about Mr. Crosland from the New York Times and the Washington Post:

ANTHONY CROSLAND IS DEAD AT 58; FOREIGN SECRETARY FOR PAST YEAR

LONDON, February 19.—Anthony Crosland, the British Foreign Secretary, died before dawn today at the Radcliffe Infirmary in Oxford, where he had been taken after suffering a stroke last Sunday. He was 58 years old.

Mr. Crosland, a socialist theorist as well as a practicing politican, had served as Foreign Secretary for almost a year. He died without regaining consciousness, with his American-born wife, Susan, at his bedside.

A Foreign Office statement said a simple cremation ceremony limited to members of the immediate family would be held in Oxford. No date or other details were given.

For more than a decade, Mr. Crosland had been considered as a potential Prime Minister. His intelligence, his energy and his centrist outlook made him seem eminently suitable.

That he was not chosen for that post was widely attributed to his manner: gruff, sometimes hot-tempered and even contemptuous. With his clipped, upper-class Oxford accent, he could have been cast as Lord Bellamy in the British television series "Upstairs, Downstairs," except that he often dressed casually enough to shock proper Londoners and he was a dedicated Laborite.

On his surprise appointment as Foreign Secretary last April, The Times of London commented: "He is an extremely able man, and a likable man, but his dearest friends would not call him a diplomatic man."

On the same occasion, The New York Times described him as "a stout defender of the Atlantic Alliance, an early supporter of British entry into the European Common Market, and a modern, pragmatic politician whose economic and social views closely resemble those of his Social Democratic counterparts in Western Europe."

GOOD FOOD AND WINE

Christened Charles Anthony Raven Crosland, he was born on Aug. 29, 1918, the son of Joseph Beardsel Crosland, then deputy Under Secretary for War. The family belonged to the Plymouth Brethren, a sect similar to the Quakers, but Mr. Crosland loved good food and wine, once remarking, "Total abstinence and a good filing system are not now the right signposts to a socialist utopia."

As others of his class did, he attended a private school in London, then went to Trinity College, Oxford, on a classics scholarship and joined the Labor Club. World War II intervened, he was commissioned a captain in the Parachute Regiment and saw service in North Africa, Italy and Austria.

Back at college, Mr. Crosland became head of the Oxford Union and of the Democratic Socialist Club, was graduated with first-class honors in philosophy, politics and economics and joined the faculty. In 1950, at the age of 32, he was elected to Parliament from South Gloucestershire.

RETURNED TO PARLIAMENT IN 1959

Defeated five years later, he was quoted as having said that he was through: "I can't be bothered with all that toiling masses stuff. I'm an economist, not a politician."

Soon afterward, he published the most influential of his half-dozen books, "The Future of Socialism." It argued that the central target of the Labor Party in an era of growing affluence should be the narrowing of class inequalities, rather than the elimination of capitalism.

A close ally of Hugh Gaitskell, Roy Jenkins and James Callaghan in the center-right of Labor, Mr. Crosland returned to Parliament in 1959, representing Grimsby, a fishing port. He held that seat until his death.

In the governments headed by Harold Wilson from 1964 to 1970, he became sucessively Minister of State for Economic Affairs, Secretary of State for Education, President of the Board of Trade and Secretary of State for Local Government and Regional Planning.

In these posts, he often jousted with the left wing of the party. He did so again when Labor returned to power in 1974, and he was named Minister of Environment. Mr. Crosland insisted that economic growth, including suburban development and consumer goods, remained major goals for working people.

REJECTED FOR TOP JOB

In the party leadership fight last year, Mr. Crosland was considered for the top post but was turned down, in part because he had not served in the key ministries, the Foreign Office and the Treasury.

Instead, he was named to the Foreign Office and was expected to switch jobs with Denis Healey at the Treasury next June. From there, the next stop would presumably have been No. 10 Downing Street.

The last nine months were strenuous ones. As Foreign Secretary, Mr. Crosland traveled to the United States with Queen Elizabeth, and to China. He also commuted to Brussels, where he presided over the Council of Ministers of the Common Market.

He also wrestled with the perennial Icelandic fishing dispute. But most agonizing of all was the Rhodesia crisis. When former Secretary of State Henry A. Kissinger somewhat optimistically announced an agreement between Rhodesia and its black neighbors, Mr. Crosland had to strive to bring that agreement to life. He was working on that issue at home when he was stricken last weekend.

Working in the same room was his wife, a journalist and writer who uses the pen name Susan Barnes. Their marriage in 1964 was the second for both. He had no children by either marriage: she has two grown daughters by her first.

[From the Washington Post, Feb. 19, 1977]

LABOR'S ANTHONY CROSLAND, FOREIGN SECRETARY, DIES AT 58

LONDON.—British Foreign Secretary Anthony Crosland, intellectual and theorist, died in hospital early today, the Foreign Office announced. He was 58.

Mr. Crosland has been in a coma since last Monday after suffering a stroke at his home the day before. His American-born wife, Susan, was at his bedside when he died.

The stroke came after a week of exhausting work preparing for talks on the Rhodesia settlement with Ivor Richard, the Geneva conference chairman.

Mr. Crosland's death is seen as a serious blow to Labor Prime Minister James Callaghan's government, in which he served as a key policy formulator. In addition to Mr. Crosland's sensitive position as chairman of the Common Market Council of Ministers, Callaghan had counted heavily on Mr. Crosland's support and advice in coming talks with President Carter.

Mr. Crosland moved from a longstanding preoccupation with domestic politics to become foreign secretary in April 1976, succeeding Callaghan, who became prime minister after the resignation of Harold Wilson. Mr. Crosland was an unorthodox politician who set out early in his career to change the British Labor Party's image. He was the gifted product of a privileged bourgeoisie in a class-conscious country, but he devotedly preached the classless society and the principle of equality of opportunity.

Mr. Crosland was the first British foreign secretary to have an American wife. In 1964, 11 years after he and his first wife, Hilary Anne Sarson were divorced, he married the former Susan Barnes Watson of Baltimore, daughter of Mark S. Watson, military correspondent of the Baltimore Sun. Mrs. Crosland, a freelance writer, is noted for profiles of leading British figures in the London Sunday Times.

The Croslands lived in a roomy Victorian house in the fashionable Holland Park district of London and had a country retreat near Oxford in a 200-year-old converted water mill.

Charles Anthony Raven Crosland was born in London on Aug. 29, 1918, into a family of civil servants who belonged, unusually for those of their profession, to the Plymouth Brethren, an extreme nonconformist sect that values hard work for its own sake.

The Plymouth Brethren, founded in Dublin in 1827, is based on principles of equality and nonconformity. Mr. Crosland said that a strong streak of nonconformist puritanism has always been a healthy feature of the British radical tradition.

As a youth he won a scholarship to Trinity College, Oxford, where he studied philosophy, politics and economics.

In World War II he served with the Royal Welsh Fusiliers and later with the parachute regiment, in North Africa, Italy, France and Austria. He had what the British call "a good war" and ended up as a captain.

He later became irritated when Conservatives or Conservative newspapers suggested that Labor politicians lacked patriotism or valor. If there was any more of "that nonsense," he once said, he would get out his old paratroop uniform—and his medals.

The late Hugh Dalton, a Labor minister, brought Mr. Crosland into politics before World War II. He had been a Labor Party member since the age of 16.

The young Crosland flashed into prominence in 1956 when he published "The Future of Socialism," long regarded as a seminal work on Social Democratic politics.

In this and other works, he argued that socialism is basically about the struggle for equality. He wrote that high public spending is one of the main routes toward a more egalitarian socialism.

He held this view until his death, although when Britain's economy came under severe strain in the 1970's he appeared to have felt that the level of spending by public authorities had temporarily gotten out of hand. With an eye on soaring public debt, he told local governments in 1975 that "the party's over," a phrase that was subsequently often heard.

Mr. Crosland argued that a mixed economy is essential to social democracy. He felt people should worry about the growth of state power, especially the trend toward big new institutions under centralized control.

"We should never forget that change from private control to state control is Socialist only if that control is democratic," he said.

Entering Parliament in 1950, he held Cabinet positions in economical affairs and education and was president of the Board of Trade, a government department, in 1967–69. He then headed the newly established Department of the Environment until Labor's election defeat in 1970.

Mr. Crosland was a close personal friend of the late Hugh Gaitskell, leader of the Labor Party, and was very much on the same moderate wavelength politically. With Gaitskell and others, he was part of an intellectual group called "The Hampstead Set," which drew its name from a literary and artistic district of London where Gaitskell lived.

Mr. Crosland was secretary of state for the environment when Callaghan, in one of his first acts as prime minister, appointed him Foreign Secretary.

There had been speculation that the job might go to Roy Jenkins, one of Labor's "heavyweight" ministers. According to speculation, Callaghan selected Mr. Crosland partly because he felt Mr. Crosland had greater appeal within the Labor Party.

Mr. Crosland was seen as a complicated man, his personality embracing a bundle of contradictions. One writer called him a fascinating blend of elitist, democrat and inverted snob. He had been described as alternately engaging and prickly.

Mr. Crosland's belief that there was no need to be austere to be a Socialist—although his dislike of formal dress was legend—also laid himself open to criticism. He was accused of speaking like a Socialist but living like a Conservative, and it was once said of him that his personal form of egalitarianism was to treat everybody with an equal superiority.

ATTEMPT TO STOP CONSTRUCTION OF VITALLY NEEDED WATER PROJECTS IN THE WEST

(Mr. SISK asked and was given permission to address the House for 1 min-

ute and to revise and extend his remarks.)

Mr. SISK. Mr. Speaker, I would like to take this opportunity to simply remind the new administration and our new President that some of us are concerned about the future, particularly some of us who come from the drought-stricken areas in the West. We deplore what we feel to be a very poor matter of judgment in recent days regarding the apparent attempt to stop construction of some vitally needed water projects in the Western part of the United States.

As one who served on the committee which authorized the Central Arizona Project and the Auburn Dam, I want to remind the President that this avenue out here is a two-way street, and some of us are going to do our best to see that it continues to be a two-way street.

In specific regard to the President's proposal not to fund $39.7 million for the Auburn Dam project in California, we are talking jobs, an estimated 1,500 jobs. In just a few days the House will be talking again about jobs, in the Local Public Works Capital Development and Investment Act Amendments. This bill has top priority with the current administration, and it has my top priority as well.

But I cannot, in all good conscience, agree that we should be giving jobs on one hand and taking jobs away on the other hand. Jobs at two of the water development projects targeted by the current administration for defunding total nearly 5,000.

As for the California and Arizona projects, those two are in areas with specific drought problems. In matter of fact, most if not all the projects targeted for defunding are in areas experiencing unnatural weather conditions.

We in California are now trying to develop short-term answers and meet long-term needs. Unquestionably one part of the answer is continued water development, as is exemplified by Auburn Dam. While this single project is not a total answer—no single project is—it is a part of the long-range solution.

Not too many years ago I predicted that California's water problems would not be fully understood or recognized until the end consumer at the end of the pipe turned on his spigot and nothing came out. Regrettably, I was accurate. Communities in my State are already rationing and others, I am afraid, will be joining them soon. We are now faced with developing short-term assistance and long-term solutions. It is an opportunity none of us in the West can afford to bypass.

What does concern me somewhat in this current development is that the bulk of the projects targeted for cutbacks are in States which did not support the current administration. I would hope that we can begin healing the wounds, not deepen them.

IMPROVING CRIMINAL JUSTICE: PUTTING OFFENDERS TO WORK AND COMPENSATING VICTIMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, in the past few years we have all become increasingly aware of the fact that in many cases our penal system, with its goal of rehabilitation, serves actually to reinforce criminal behavior. Our courts do not have the proper alternatives to deal with both the hardcore criminal and the first offender who has committed a misdemeanor. They lack a social mechanism to offer those offenders most likely to take genuine advantage of it, a greater opportunity for rehabilitation than jail.

One possible solution to this problem is presented by Prof. Amitai Etzioni of Columbia University in an article entitled "First Offenders" which appears in the February issue of Human Behavior magazine. Professor Etzioni's proposal outlines a program which would offer minimum wage public service jobs to first offenders, aged 16 to 25, as an alternative to jail. This would allow first offenders to work closely with people who lead productive lives rather than limiting contacts to hardened criminals and other first offenders. The offender would be under close daily supervision, often closer than that which a probation officer can provide, yet the supervision would be linked to a positive role—the public job—not part of the punishment. This would provide the offender with training for future jobs.

Several additional provisions are built into the program to insure that it retains an element of punishment and does not earn the reputation of providing a ticket to a rewarding job through crime. Any participant who does not complete the "time" assigned for the job to the satisfaction of both the sponsor and the courts, will be referred back to the court for traditional sentencing. In addition, the offender will be required to contribute a portion of his/her salary toward the compensation of the victim of the crime. This is certainly one of the strengths of the program, as it acknowledges the needs of victims, who are usually the most neglected party in a criminal transaction.

There are additional ways in which society would benefit. A jobs program such as this would save society the $7,900 in direct expenses which it costs per year to maintain a criminal in our jails. This figure can run as high as $10 to $12,000 when societal costs such as welfare payments to support the offender's family are added in. Likewise to avoid providing a pool of cheap labor, those who agree to hire offenders will have to pay the prevailing market rate. However, the offender would only be paid the minimum wage and the remainder would be used to compensate the victim.

In assessing the value of such a program it is helpful to take note of two programs which have been established on the local level under very similar guidelines. Both of these programs have been very successful. The Alternative Community Service Commission in Rockville, Md., was established in January 1976. In the first 8 months of operation it reviewed 41 applications referred primarily by police departments, the State attorney's office, and the Juvenile Intake Office. The eligible applicants had been charged with no more than a misdemeanor or a minor felony and had not established a major arrest record. Thirty-seven of the applications were accepted. Four cases were referred back to court. The applicants ranged from 13 to 56 years of age with an average of 19 years. The crimes they were charged with ranged from disorderly conduct and possession of marihuana to burglary and strong arm robbery. All but five were either employed, in school, or both. Work assignments ranged from 8 to 480 hours with an average of 66 hours. In nine cases of burglary and larceny, restitution to the victim totaling $5,820 was required. The program has not been in existence long enough to fully judge its effectiveness, but general consensus is that it has been very successful. Thirty-seven offenders have been taken out of the court system and placed into a productive and rehabilitative program. At the same time a certain amount of victim compensation has been undertaken. The results have been successful enough that Rockville will seek to expand it in the future.

The alternative service program in Multnomah County in Oregon, was established in December 1972 on the initiative of District Court Judge Richard L. Unis to solve the problem of first offenders on misdemeanor charges who came before him often. The Multnomah County program does not involve payment to the offender or any form of victim compensation. The participant agrees to perform a specific amount of work for a nonprofit agency, at a time which does not conflict with regular employment. The maximum sentence is 80 hours and the minimum is 24 hours. Services performed include working with youth, aiding senior citizens, counseling the poor and disadvantaged, helping groups engaged in drug and alcohol rehabilitation, and child care.

The results of this program are more tangible. As of October 1975, over 4,900 offenders had been referred for ACSP since December 1972. The success rate for these offenders has held steady at about 80 percent. The success of the program can be further measured by the fact that the number of sponsoring agencies has grown from 15 in December 1972 to more than 150 at present. In a substantial number of cases the experience has led to a continuation of volunteer work once the time has been served.

In addition to my investigations into specific programs, I have also corresponded with the Department of Labor and the Law Enforcement Assistance Administration which are both involved in funding offender related programs. The response from LEAA indicates that they have funded seven demonstration projects around the country. These projects will be evaluated at the end of 1978 by the Criminal Justice Research Center in Albany, N.Y. The Institute will address the question: "Under what conditions will restitution be an effective tool in dealing with offenders in the criminal justice system?"

I want to applaud the LEAA's involvement in this area and I await the results of their projects and study anxiously. I

believe putting offenders to work and compensating the victims of their crimes might be one of the most significant developments in the area of criminal justice. I hope we in the Congress will do all we can to increase the emphasis placed on such programs as an integral part of our criminal justice system.

A copy of my letter to LEAA and the responses of both LEAA and CETA follow:

JANUARY 26, 1977.

MR. STEVE BOYLE,
Office of Congressional Liaison, Law Enforcement Assistance Administration, Department of Justice.

DEAR MR. BOYLE: I have recently become interested in a proposal which would require municipalities to utilize a certain percentage of their Public Service Job Funds for the employment of criminal offenders. These offenders would be required to contribute one-third of their salary toward compensation of the victims of their crime. One of the major strengths of such a jobs program would be that it would provide offenders with a more effective form of rehabilitation by placing them in constructive positions of responsibility rather than in an environment which tends to reinforce criminal behavior. Secondly, a jobs program would save society the $7,900 in direct expenses, which it costs per year to house a criminal in our jails. This figure can run as high as $10–12,000 when societal costs such as welfare payments to support the family, are added in. Finally, this type of program would provide a means for compensating the victims of crimes, who are usually the most neglected party in a criminal transaction.

I am aware that similar programs are currently funded under LEAA. I would like to draw on the LEAA experience to get some indication of the success of such programs. I would be interested in any information you can give as to the design of the offender-rehabilitation LEAA-funded programs, the number and nature of sponsors who have applied for funding for offender-rehabilitation programs and the percentage that have been actually accepted. The total amounts expended, the cost per person and any other relevant material would be greatly appreciated. Finally, I would also be interested in your own judgments as to whether a program, as outlined, could be funded under current LEAA regulations. Do you feel that a new LEAA authorization would be necessary to support such programs, or would simply additional appropriations under the current authorization suffice?

I am enclosing a copy of the proposal which first roused my interest in this area for your own interest and possible comment.

All the best.

Sincerely,

EDWARD I. KOCH.

U.S. DEPARTMENT OF LABOR,
Washington, D.C., February 16, 1977.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Thank you for your letter of January 25, 1977, addressed to Gary Weissman of my staff, in which you elicited our comments on the concept paper written by Amitai Etzioni, and also asked our reaction to a number of questions of concern to you about offender programs under the Comprehensive Employment and Training Act (CETA) of 1973, as amended.

With two slight differences, Law Enforcement Assistance Administration (LEAA) is currently funding a 2 year experiment in precisely the kind of restitutive justice program advocated by Mr. Etzioni. LEAA has provided $2,000,000 for seven restitution programs in as many States: parole violators in California; adjudicated adults in lieu of incarceration in Maine; probationers in four judicial districts of Georgia; pre-sentenced offenders in Connecticut; offenders convicted of property crimes in Multnomah County, Oregon; prison and jail inmates on work release in Massachusetts; and a comprehensive restitution program in Colorado. The Criminal Justice Research Center in Albany, New York is conducting the research, and the final report should be ready shortly after the experiment terminates in October 1978.

The two differences between LEAA's Restitution programs and the Etzioni proposal are (1) the LEAA programs do not serve juveniles; and (2) the LEAA programs are not restricted to first offenders. We are inclined to support LEAA's decision to expand the eligibility criteria beyond first offenders. Our own experience with pre-trial diversion is that first offenders are rarely prosecuted and almost never incarcerated; consequently, they are not wont to regard enrollment in restitutional or manpower training programs as advantageous alternatives. We feel that restitutional programs for adults could easily be opened to juveniles over 16 years of age as well.

As a matter of fact, another LEAA agency, the Office of Juvenile Justice and Delinquency Prevention (OJJDP) is about to embark on a restitution program for juveniles to demonstrate the feasibility of employing a restitutionary approach as a diversion strategy. OJJDP's projected budget is $3,-500,000; and the guidelines are currently being prepared. It should be noted that there is nothing in the CETA legislation or regulations which precludes a prime sponsor's negotiation of an agreement with the local probation department (or other appropriate criminal justice agency) for assignment of adjudicated offenders to a restitutional program in lieu of incarceration. The prime sponsor for example might handle the job development and job coaching components, and the court and the probation department could arrange for the screening and repayment schedule.

As you indicate, the Department has funded prototype model offender programs which prime sponsors could replicate using existing local funds. Our models fell into two kinds of categories: those which served offenders at different intervention points in the criminal justice process (e.g. pre-trial diversion, contract parole, vocational training for inmates, and services for recently released prisoners); and those which served varying demographic sub-sets of the offender population (female offenders, youthful offenders, juveniles, older offenders, formerly addicted offenders, and Hispanic offenders).

Although the short range goal of providing a wide range of quality services to offenders was met, the long range goal of convincing prime sponsors of the urgency to allot some portion of their employment and training resources for offender services and needs was not achieved. We have, in an enclosure, provided the types of models we funded and their locations for your information.

Because of the limited funds provided under title III of CETA for offenders, our current policy is to refrain from funding any local offender activity. Instead, the Department strongly encourages prime sponsors to include offenders in the groups served by their ongoing employment and training activity and continues to provide technical assistance to ensure and facilitate the access of offenders into the CETA system.

I hope that these comments and the information in the enclosure are helpful to you. Thank you for your interest in employment and training programs for offenders.

Sincerely,

PIERCE A. QUINLAN,
Administrator, Office of Comprehensive Employment Development.

Enclosure.

Enclosure

I. Residual models. Some of the models enumerated above are still in operation. In the spring of 1975, we funded one prime sponsor in each Federal region to operate a Pre-Trial Intervention program. The sponsors comprise:

a. State of Rhode Island.
b. City of Yonkers, New York.
c. City of Wilmington, Delaware.
d. Chatham County, Georgia.
e. Wayne County, Michigan.
f. East Baton Rouge Parish, Louisiana.
g. City of Kansas City, Missouri.
h. Denver City/County, Colorado.
i. City of Los Angeles, California.
j. Pierce County, Washington.

In addition, we funded one State prime sponsor in each Federal region to operate a Model Ex-offender Project. The ten sponsors are:

a. State of Vermont.
b. Commonwealth of Puerto Rico.
c. State of Maryland.
d. State of Tennessee.
e. State of Illinois.
f. State of Texas.
g. State of Missouri.
h. State of North Dakota.
i. State of Hawaii.
j. State of Oregon.

Lastly, the Employment and Training Administration and the Law Enforcement Assistance Agency (LEAA), of the Department of Justice jointly funded a model program called the Comprehensive Offender Program Effort (COPE), in which we attempted to fashion a model for joint plans at the State level between criminal justice agencies and manpower agencies. The six grantees are:

a. State of Oregon.
b. State of Texas.
c. State of Alabama.
d. State of Michigan.
e. State of Wisconsin.
f. State of Minnesota.

The amounts expended by DOL for these programs are as follows:

Pre-Trial Intervention: $1,800,000 (+100% matching share by grantees).

Model Ex-Offender Program: $2,700,000 (+25% matching by grantees).

COPE: $2,000,000 (plus $4,000,000 contribution by LEAA).

II. Special Research Projects. ETA is also undertaking two special research and demonstration programs for offenders. One of them, Supported Work, is a program of graduated stress for ex-addicts, ex-offenders, youth, and AFDC recipients. It is operated in New York City (the Wildcat Program) and fourteen other communities in twelve States. It is a multi-million dollar venture undertaken jointly by DOL, LEAA, the National Institute of Mental Health, Economic Development Administration, and the Ford Foundation. The program has a 3 year operational phase and a 5 year research phase (accurate data will be compiled on program participants for two years after the expiration of the operational phase).

The second is the Transitional Aid Research Project (TARP), co-sponsored by LEAA, a 2-year program in which inmates in Georgia and Texas State prisons are given the equivalent of Unemployment Insurance stipends upon release to gauge the impact on recidivism.

U.S. DEPARTMENT OF JUSTICE,
Washington, D.C., February 9, 1977.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: This is in response to your letter requesting information on Law Enforcement Assistance Administration funded programs which require offenders to contribute toward the compensation of his/her victim.

In the spring of 1976, the Rehabilitation Division of LEAA announced a $1,500,000 discretionary grant program in the area of restitutive justice. In response to the program announcement entitled "Corrections Initiative: Experiment in Restitution," twenty-one proposals were received and reviewed by a selection committee.

Grant awards were made to the following: Project and Project Director.

Victim Restitution Programming—Massachusetts: John Frazier, Massachusetts Parole Board, 100 Cambridge Street, Boston, Massachusetts 02202, (617) 727-8344.

Maine Restitution Project—Maine: Ken Finegan, Maine Criminal Justice Planning and Assistance Agency, 295 Water Street, Augusta, Maine 04330, (207) 289-3361.

Restitution Services—Connecticut: Kathleen Sloan, Director, Research and Planning, Judicial Department, Drawer N, Station A, Hartford, Connecticut 06106, (203) 566-7700.

Restitution Project—California: Mike Casados, Restitution Project Director, 1979 North E Street, San Bernadino, California 92405, (714) 383-4694.

Colorado Crime Victims Restitution Program—Colorado: Randall Klauzer, Commission on Criminal Justice Standards and Goals, State Centennial Building, 4th Floor, 1313 Sherman Street, Denver, Colorado 80203 (303) 892-2595.

Sole Sanction Restitution Program—Georgia: Bill Read, Georgia Department of Corrections Offender Rehabilitation, 800 Peachtree Street, N.W., Rm. 600, Atlanta, Georgia 30308.

Project Repay—Oregon: Chrys Martin, 1021 S.W. 4th Street, Multnomah County Courthouse, Portland, Oregon 97204.

The starting date for the seven selected projects was October 1, 1976 with a four month planning phase subsequent to accepting offenders into the programs. Because the projects are not yet operational, no results are available.

In conjunction with the demonstration awards, LEAA's National Institute of Law Enforcement and Criminal Justice awarded an evaluation grant to the Criminal Justice Research Center, Albany, New York. The evaluators, collecting data from all sites, will address the question: "Under what conditions will restitution be an effective tool in dealing with offenders in the criminal justice system?" The projects cover a range of offender status including initial sentencing, probation, institutional work release, and parole. Restitution includes both monetary payment to the victim and/or service to the community.

The proceedings from the First International Symposium on Restitution, which was funded by LEAA through a grant to the Minnesota Department of Corrections, are being reproduced and a copy will be sent to you as soon as it is available.

The current restitution projects will be in operation for twenty-four months. No additional discretionary grant funding in this program area is contemplated until there are some results from the current effort.

Your interest in this matter and the programs of the Law Enforcement Assistance Administration is appreciated.

Sincerely,

RICHARD W. VELDE,
Administrator.

"THE DEFENSE OF HUMAN RIGHTS IN THE AMERICAS"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 30 minutes.

Mr. FASCELL. Mr. Speaker, Mr. Alejandro Orfila, Secretary General of the Organization of American States, has prepared a thoughtful and valuable paper entitled, "The Defense of Human Rights in the Americas." This article is to appear in a forthcoming issue of Worldview, a publication of the Council on Religion and International Affairs of New York. I commend Mr. Orfila's comments to the attention of all Members of the House.

Human rights throughout the world is of prime concern. We have observed recently the harassment of persons in Eastern Europe and the Soviet Union which is in violation of international human rights' covenants and specifically contrary to the Helsinki accord. As Chairman of the Commission on Security and Cooperation in Europe, I recently addressed myself to these violations in the CONGRESSIONAL RECORD of January 26 and February 1.

I have a long-standing interest in Latin America and have advocated legislation which has contributed to social and economic progress in the area. There continues to be an urgent need for greater cooperation between the United States and Latin America to help close the gap between the industrialized countries and the developing nations of the world. It is my intention to continue my efforts in this direction because the ferment in Latin America recently has stemmed mostly from developmental issues. At the present, we are observing in a number of countries political unrest and adjustments which have brought on serious violations of human rights. It is no more possible to ignore such events when they concern our southern neighbors and friends than when they occur in any other part of the world.

It is evident that political change frequently brings on tensions and frustrations which may result in excesses. Political, economic and social evolution is inevitable and desirable. However, even though nations have the right to make their choices without outside interference, each, as a member of the family of nations, is accountable to world opinion for its actions and behavior. All of the Americas should be above reproach, and we are not at the present time.

This is not the occasion to address specific violations of human rights in the Hemisphere. I do, however, wish to commend the Secretary General for his review of the defense of human rights in the Americas, as he aptly has entitled his article. Mr. Orfila's article gives this subject needed perspective and realistically discusses the mechanism of the OAS for monitoring abridgment of rights and the alleviation of violations.

The OAS has made important contributions to the defense of human rights and rectification of violations. However, as Mr. Orfila says, there are constraints to its effectiveness. Only through constant attention to the subject and persistent search for acceptable procedures can we expect improvement. The United States should be a tireless participant in OAS initiatives to carry out and reinforce its ability to insure human rights among its members.

I hope that Mr. Orfila's article will be given wide circulation in the various languages of the Americas and that it receives serious attention. It should serve as a catalyst for an intensified dialogue and discussion among the member nations of the OAS.

President Carter has interpreted clearly the will of the people of our country in this matter of global concern. He has said and demonstrated that it will be of the highest priority in his foreign policy. The Congress will give him its full support. Whatever measures can be taken in concert with others through international organizations such as the Organization of American States promise positive results. We must be a prime mover in such organizations working side by side with its membership in the interest of peace and justice.

The text of Secretary General Orfila's article follows:

THE DEFENSE OF HUMAN RIGHTS IN THE AMERICAS

(By Alejandro Orfila)

Violence and instability, punctuated by terrorism and subversion, frequently seem to characterize political life in many national communities today. Throughout most of the post-war period few countries, including the liberal democracies, have been immune from having to confront the many faces of either violence or terrorism, whether coming from political forces on the left or on the right, or both.

With the continuing spread of terror and counter-terror, with increasing violence and instability, personal insecurity and fear become widespread and hard-won gains in human rights come under heavy attack. In this situation violence and terror become self-justifying because through them society will, it is argued, be once and for all time purged of all alleged evils.

This justification of violence for its own sake, of course, goes against the grain of the Western Hemisphere's traditional ideals of peace, freedom, and justice. Beneath the turmoil of political life, there is a strong love of peace and a deep respect for human dignity in the foundations of the public opinion of all our countries.

The moral conscience of the Americas originates in, and is built upon, respect for human rights. Our hemisphere differs in a privileged way from other regions of the globe in that this is the guiding principle under which our nations came into being.

Ours is a belief both in human rights and in the philosophy underlying that belief that man is the possessor of eternal values, and that for every human being there is nothing more sacred than another human being. This belief requires a continuing search for the means designed to put an end to all forms of violence in the Americas.

The ideal of human rights is an all-embracing, indivisible concept. It requires protection against a violation of human rights and redress once those rights are violated. It cannot be restricted to certain beneficiaries. It encompasses all citizens without qualifications. In pursuit of this ideal, due process of law must be demanded for those who have not received the benefit of a fair trial, and there must be an equally effective defense for the innocent bystander or for the public servant threatened by the blow of treacherous violence.

There can be no doubt that as Americans we must do everything possible to expand efforts to defend human rights. The central principle guiding these efforts is that no persons, group, or movement, no matter what their motives, no matter what their role in society, can justify actions resulting in violence and destruction of human life.

At times like the present when the protection of human rights is under challenge, it is useful to recall that Western societies have had a long and at times violent and rancorous history. This is as true of Europe and the United States as of Latin America. In consequence, our communities have sought to place bounds on government by requiring it to focus its concerns on the

order of rights that flow from the nature of man, or as some legal schools contend, from certain objective ends of human life which go beyond those found in human societies alone. A basic lesson we have all learned from history is that to extend and perfect the protection of these rights in any society is an unending struggle.

As a Western society, Latin America has aspired to the Western ideals concerning individual liberty, justice and limited ends of government. However, for many complex reasons, its political history generally differs from that of the United States and the European democracies. In the post-war period, moreover, a spirit of revolutionary nationalism has flourished in Latin America with societies and governments of every variety determined to respond in massive and rapid ways to aspirations for industrialization and integral development.

In this hemisphere we have had many forms of government. But throughout all political changes and conditions, there has been one constant reality: only a small number of Americans have claimed that as justice is pursued human rights can be ignored or that a closed society is, as a matter of principle, to be preferred to an open one. To the contrary, in fact, all Americans everywhere believe that justice and human rights must go hand-in-glove. This is true in Latin America as in North America. The classic statement for this ideal was contained in the Inter-American "Declaration of Chapultepec" in 1945: "The American man cannot conceive of living without justice, just as he cannot conceive of living without liberty."

In practice this means that both Latin and North Americans believe it would be wrong to presume that social justice in the long run can be achieved at the expense of basic human rights. It is not that one can always and everywhere determine with great precision what such protection should consist of, especially during periods of revolutionary upheaval and turmoil when the very existence of a society is at stake. There are limits beyond which no government can go, however. Many of the principles which set boundaries on the actions of governments everywhere in our hemisphere are lodged not only in such instruments as the American Declaration of the Rights and Duties of Man but in the conscience and consciousness of most Americans everywhere in our hemisphere. These principles must and do exist not only on paper but in the lives of all peoples in this hemisphere, reminding us all that the human dignity of all persons is respected so long as we respect the personal dignity and rights of each individual.

STATE OF SIEGE AND HUMAN RIGHTS

Realistically, these principles concerning human rights must be considered in the existing context of hemispheric political life. In contemporary societies everywhere it is not unusual for civilian power to be transferred to the military during periods of national upheaval.

Martial rule comes in various forms. It is known as "martial law" in the United States, where it has functioned from time to time, and as "state of siege" under Latin American and European continental law.

There is no argument about the fact that a continuing state of siege or martial law is not always a favorable sign for the political health of a national community. Yet, unfortunately, there may come a time in the lives of even strongly democratic nations when they may find themselves asking the question posed by Abraham Lincoln during the first weeks of the U.S. Civil War: "Must a government of necessity be too strong for the liberties of its peoples, or too weak to maintain its own existence?" When a society is faced by this dilemma, strong government in the form of martial law or a state of siege may result and constitutional guarantees may be suspended. Actions are then taken, as in the United States during the Second World War with the forceful removal of Japanese-Americans, which are inconsistent with the constitutional norms that are operative under normal conditions.

It is important to note that in the Western Hemisphere the provisions of the draft American Convention on Human Rights would guarantee protection of certain and specific human rights even when a state of siege is imposed in a particular nation. Regrettably, only two hemispheric countries have been willing to accept such provisions as legally binding.

THE OAS AND THE PROTECTION OF HUMAN RIGHTS

It is important to recognize that from its inception the inter-American system has been inspired as much by its desire to protect human rights as by its concern to improve economic relationships among the various nations. As early as the Panama Congress convened by Simón Bolívar in 1826 human rights concerns were codified in an international agreement when the several contracting parties to the Treaty of Panama agreed to assist in eradicating the slave trade and to recognize juridical equality between citizens of a state and foreign nationals.

From 1890 when the International Union of American Republics was established until the formation of the Organization of American States in 1948, the nations of this hemisphere approved many resolutions and recommendations on human rights and social justice. In addition, seven conventions related to specific rights were adopted. These conventions and resolutions covered a wide range of issues: extradition, the rights of aliens, asylum, labor contracts and women's rights.

Through the creation of the OAS itself these traditional concerns were brought into stronger focus as the hemispheric nations agreed that their central objective was to establish on this continent "a system of individual liberty and social justice based on respect for the essential rights of man." Throughout the 1948 Charter itself (which was revised in 1967), a variety of political, economic, cultural and social rights are set forth in light of the principle that the member states should develop social legislation designed to enrich the material well-being and personal growth of all individuals.

Beyond the Charter the OAS member states also adopted in 1948 the specific American Declaration of the Rights and Duties of Man. This went into greater detail to set forth the principles and beliefs which guide the evolution of our hemisphere, particularly stressing that the essential rights of man are "based upon attributes of his human personality . . ." and that ". . . the international protection of the rights of man should be the principal guide of an evolving American law." A wide range of human rights and duties were spelled out as being covered by the American Declaration.

Following a decade of study and experimentation the OAS member states took a further major step in evidencing their support for the protection of human rights in 1960, when the Council of the OAS approved the statutes of the Inter-American Commission on Human Rights. This Commission was created at the Fifth Meeting of the Hemisphere's Foreign Ministers in 1959. It was established as an autonomous entity whose function is to promote respect for human rights as these were set forth in the 1948 American Declaration of the Rights and Duties of Man. Composed of seven members, the Commission carries out a variety of functions including general reports, studies on the human rights situation in the American countries, the examination of communications or complaints and the preparation of specific reviews on such matters as trade union rights.

Since 1960 this OAS Commission has investigated and reported on human rights violations in nearly all OAS member countries.

There are, of course, limits on the role of the Commission, chiefly arising from the fact that, although it has greater powers than similar bodies such as the United Nations Commission on Human Rights, it can only recommend or advise. It cannot enforce or implement its own recommendations. Organizations like the Inter-American Commission on Human Rights are empowered only to call the attention of governments to alleged violations.

The Inter-American Commission on Human Rights presents its findings to the supreme organ of the OAS—the General Assembly—which reviews and pronounces upon them. Under the current agreements in force, the action taken with regard to these findings and the recommendations of the General Assembly on the matter is the prerogative of the sovereign nation involved. It is important to note that in the course of any given year, the OAS Commission on Human Rights is periodically called upon to examine situations in all parts of our hemisphere. Its reputation is for strong interest, thoroughness and independence in its work.

In November 1969 this inter-American quest to guarantee the protection of human rights assumed a new dimension with the signing of the American Convention on Human Rights by 12 countries. This was not an isolated juridical event but the outcome of an evolving and continuing political-juridical process which began many years earlier. The convention attempts to detail the rights protected, the obligation of the states to respect these rights, and mechanisms for application of sanctions when it is proved that these rights have been violated. Under its provisions all individuals have such rights as the right to be considered as a person before the law, the right to life, the right to participate in government, the right to humane treatment, the right of assembly and associations, personal liberty and security, privacy and a fair trial. A variety of other individual rights and freedoms are also specified.

This convention provides for two competent organs—an Inter-American Commission on Human Rights and an Inter-American Court of Human Rights. The Commission's function would be to promote respect for and defense of human rights, and to investigate complaints received about violations. As originally acecpted, the Court, to which the States parties and the Commission shall alone have the right to submit a case, can rule that parties have been injured and that remedies must be provided.

Only two nations—Colombia and Costa Rica—have so far ratified this Convention. Another nine countries must ratify the Convention before it becomes effective. Why most nations, including the United States, have not ratified this Convention is a complex issue. Of course the fact that the Convention has been drafted serves to stimulate continuing interest in enlarging the scope and potential for guaranteeing human rights throughout the hemisphere. At the same time, however, its non-ratification clearly indicates the need for further hemispheric action to strengthen the processes which gave rise to the idea of the Convention itself. It should be observed that while the Convention would authorize suspensions of guarantees in time of war, public danger or other emergency, it would not authorize suspension of specific guarantees including the right to humane treatment, right to nationality, and right to participate in government. This provision seems particularly germane when reflected against the backdrop of violence and instability which exists in a number of countries today.

AT SANTIAGO

At the June 1976 OAS General Assembly, the work of the OAS' Commission on Human Rights received most of the Assembly and press attention. Two reports of the Commission were considered: its regular annual report, and a report on Chile, drawn up at the request of the General Assembly. Also, a report on the situation in Cuba was issued at that time. The Chilean situation attracted

the greatest public attention but in looking at Cuba's situation the Commission reported that "during the past five years, instead of being a diminution or decrease in those violations (of human rights), there continue to be perpetrated, especially in the treatment of political prisoners, arbitrary procedures of excessive rigor that reveal a complete disdain for the dignity of the human being."

After considerable discussion the General Assembly approved three resolutions on human rights. First of all, it took note of the special report on the host country, Chile, by the Inter-American Commission on Human Rights, which said that although there had been a "quantitative drop in affronts to certain fundamental human rights," some of the legal provisions aimed at preventing violation of those rights did not have appreciable beneficial effects. The Chilean Government presented observations on the Commission's report, which according to the Assembly in some cases nullify the charges but in other cases did not sufficiently clarify information received by the Commission.

In light of this situation, the Assembly decided "to make a special appeal to the Government of Chile to continue adopting and implementing the necessary procedures and measures for effectively preserving and ensuring full respect for human rights in Chile," and requesting the government to continue cooperating with the Inter-American Commission on Human Rights.

The Commission was directed to continue considering the status of human rights in Chile and to report on the subject to next year's General Assembly.

The other two resolutions on human rights were approved unanimously. One takes note of the regular annual report of the Commission on Human Rights, which said that "the fundamental rights of life, liberty and personal security are in constant jeopardy and are frequently violated" in the hemisphere. This resolution recommends that the member states continue to adopt and apply appropriate measures and legislative provisions to protect and fully maintain human rights, in accordance with the American Declaration of the Rights and Duties of Man.

The other resolution refers to the OAS Permanent Council for study the Chilean government's proposals for revising the Statute and Regulations of the Commission on Human Rights. Chile had criticized the Commission's procedures in its rebuttal of the group's report.

THE FUTURE

History and experience teach that a right whose violation finds no redress in the administration of justice is a right with no real meaning or existence. At present, the primary way for us to demonstrate respect for the protection of human rights in this hemisphere includes, as a first step, the investigation of every alleged violation and to support the work of the OAS Commission on Human Rights. Full protection of human rights, however, is brought about through an international judicial institution. The European Court of Human Rights provides an outstanding example of a way to provide full enforcement of human rights at an international level.

Full protection of human rights in this hemisphere will require the creation of a judicial body of an inter-American nature which could be called upon to investigate and to judge alleged violations of human rights. A most urgent task before the Americas is the ratification of the inter-American Convention on Human Rights. This would authorize the creation of an inter-American court of human rights, an international organism endowed with faculties for adjudicating violations of rights or liberties protected by the convention. The court would be able to order measures for redressing violations of human rights, including the imposition of indemnity.

The history of human rights in the Americas demonstrates that this subject has been a constant preoccupation in both halves of our hemisphere. The problem, of course, has had a different origin and evolution in the United States and Latin America. In the United States the protection of human rights has primarily had a racial orientation and the obligation has been to assure full equality before the law for minorities discriminated against on racial grounds. In Latin America, the problem of human rights has involved a preoccupation with finding effective and simple means to guarantee full respect for liberty, personal integrity, freedom of opinion and freedom against arbitrary detention.

The protection of human rights is an unfinished business in both halves of the Americas. It will not end until we bring alive not only in a de jure but in a de facto manner throughout the hemisphere the major beliefs on human and social liberty that we all hold in common as Americans.

As we pursue this unfinished responsibility it will not be enough for us to engage in selective outrage against one or another political regime or society. If we support human rights we must support them in all their dimensions and in every circumstance. Those who single out a few specific societies for attack while ignoring or downplaying the equally outrageous violations which occur in other nations or communities undermine the very foundations of human rights protection by injecting ideological and political elements into a struggle which should not and cannot be co-opted by any segment of the political spectrum. A violation against any individual is a tacit justification for a violent response. Until every person is assured of protection of their basic human rights, none of us can be completely safe.

PRESIDENTIAL ELIGIBILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. McKINNEY) is recognized for 5 minutes.

Mr. McKINNEY. Mr. Speaker, since we are celebrating George Washington's birthday today, I felt it would be particularly appropriate to touch on the Office of the Presidency and its eligibility requirements.

As you know, the Constitution states:

No person except a natural born citizen, or a citizen of the United States at the time of the adoption of this Constitution, shall be eligible to the Office of the President.

This particular section was fashioned in this manner since our Founding Fathers held legitimate concerns over the fear that foreign monarchs would attempt to wrest control of the new Nation. In fact, historical records show that rumors abounded at the Philadelphia Convention that there was a move afoot to name the second son of England's George III, Frederick Agustus, as King of the United States.

While these concerns seem ludicrous today, they were very real at the birth of the Nation in 1776. However, I think it is time, in this the first year of our third century, to put that fear to rest and open the process to all.

I would ask that the House give its consideration and support to House Joint Resolution 38, introduced by the distinguished gentleman from New York, Congressman JONATHAN BINGHAM.

That measure would allow naturalized citizens to seek the office of the Presidency. We are a nation of immigrants and I can see no reason why those who have adopted the United States as their native land should be denied access to its highest office.

I would point out that under current law, President Ford's Secretary of State Henry Kissinger would not be eligible for the Presidency, even though he stood in the direct line of constitutional ascendancy; and President Carter's National Security Adviser Zbigniew Brzezinski could not run either.

It should also be noted that there are Members of Congress born in foreign lands: Senators LOWELL P. WEICKER and S. I. HAYAKAWA and Congressmen THEODORE WEISS and JOHN KREBS.

These people have gained the confidence of their constituencies; why should they, and others, be discriminated against. I believe all doubt should be removed and that the phrase "all men are created equal" be given true meaning by adding the words "or naturalized" to the Constitution.

It is interesting to note that the question was debated at length at the North Carolina ratifying convention held in July 1788. I would like to share with you the eloquent comments of one of the delegates, James Iredell, whose speech can be found in the American Heritage History of the Presidency. I include that commentary in the RECORD at this point:

. . . I met by accident with a pamphlet this morning, in which the author states, as a very serious danger, that the pope of Rome might be elected president. I confess this never struck me before, and if the author had read all the qualifications of a president, perhaps his fears might have been quieted. No man but a native, and who has resided fourteen years in America, can be chosen president. . . . A native of America must have very singular good fortune, who after residing fourteen years in his own country, should go to Europe, enter into romish orders, obtain the promotion of cardinal, afterwards that of pope and at length be so much in the confidence of his own country, as to be elected president. . . . Sir, it is impossible to treat such idle fears with any degree of gravity. . . .

. . . It appears to me that it would have been dangerous, if congress could intermeddle with the subject of religion. . . . It is apprehended that Jews, Mahometans, Pagans, &c., may be elected to high offices under the government of the United States. Those who are Mahometans, or any others, who are not professors of the christian religion, can never be elected to the office of president or other high office but in one of two cases. First, if the people of America lay aside the christian religion altogether. . . . Another case is, if any persons of such descriptions, should, notwithstanding their religion, acquire the confidence and esteem of the people of America by their good conduct and practice of virtue, they may be chosen. I leave it to gentlemen's candor to judge what probability there is of the people's choosing men of different sentiments from themselves. . . .

PRESIDENT CARTER, HOUSE PANEL SUPPORT CONGRESSIONAL PAY RAISE DEFERRAL IDEA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, the Congressional Pay Raise Deferral Act was again reintroduced today with additional cosponsors. This brings to 85 the number of Representatives who are

sponsoring this legislation. The bill was first introduced on January 4 as H.R. 1365.

As you know, the major feature of the Congressional Pay Raise Deferral Act is its provision that any increase in congressional salary must be deferred until the Congress following the one in which it is approved. This would cause a general election to fall between the time when a pay raise is approved and the time when it goes into effect.

It is my belief that passage of this bill would help to open up the whole congressional salary debate to healthy, timely input from the public. Perhaps more importantly, this proposal would eliminate the conflict of interest that is now present whenever we act—or decline to act—on measures affecting our own salaries.

Mr. Speaker, I am delighted to note that President Jimmy Carter, who until now has been silent on the congressional pay raise issue, last week endorsed the concept of congressional pay raise deferral.

His views were reported by the United Press International on February 18. At the conclusion of this statement, I will insert in the RECORD the full text of the UPI story, as it appeared in last Friday's Washington Star.

Also, I wish to note for the record that last Wednesday the chairman of the Ad Hoc Subcommittee on the Quadrennial Commission's salary recommendations, BILL FORD of Michigan, said his panel's report is likely to contain a recommendation that the full Committee on Post Office and Civil Service give prompt attention to the concept of congressional pay raise deferral. He alluded to this recommendation again on Thursday, during debate on the floor of the House.

All of this is very encouraging to me, Mr. Speaker, and I do hope that the Congressional Pay Raise Deferral Act will receive prompt consideration in the Post Office and Civil Service Committee. If it does not, then we are again going to be confronted with the dilemma of having to vote on our own salaries—and what more clearly is the definition of conflict of interest than a situation where the vote we cast must necessarily be to our immediate and personal benefit or detriment—when the Legislative Appropriations Act comes before us in the spring.

We must not forget, too, that every fall we now come due for a cost-of-living adjustment in our salaries. And this must also be voted upon by the Congress.

Certainly, I am not arguing against us voting on what the congressional salary should be. I am merely saying that our decision should apply to the next Congress, not the one that is here and voting.

As I say, this is a recurrent problem. The sooner we face it and deal with it, the better.

Now, for your further information, I am inserting President Carter's reported views on congressional pay raise deferral.

CARTER'S ONE RESERVATION ON PAY RAISE

President Carter said today he approves the federal pay raise which goes into effect Sunday, but it should have been delayed until after the next general election.

Carter jaywalked across Pennsylvania Avenue and walked a long block through Lafayette Park to drop in at a meeting of fellow Democrats.

"I think we've had a bad time with the salary increases," he said upon arriving at the Hay-Adams Hotel. "I think the salary increases were warranted. I think the way it's been done perhaps has caused some additional disgruntlement."

Carter said he told Democrats on the House Ways and Means Committee yesterday that "in the future we (should) not ever let any salary increases go into effect until after the next general election."

"With that one single change," Carter said, "the American people would accept" what he said were needed salary increases for Congress, the judiciary and other top-level federal employes.

STATUS AND FUTURE OF OUR NAVAL COMBATANT FORCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BOB WILSON) is recognized for 5 minutes.

Mr. BOB WILSON. Mr. Speaker, this morning I heard testimony from Adm. Hyman Rickover concerning the status and future of our naval combatant forces. It was a devastating critique of the course on which we seem to be heading.

I am dismayed by the difference in the proposals for a naval shipbuilding program publically announced this morning by the Carter administration, and the critical analysis contained in the Rickover statement.

I think the Congress should also be dismayed. We should ask, "What is going on?" Only a few months ago, after considerable debate, both Houses of Congress agreed on the kind of long-range shipbuilding program this country needs to insure control of the seas. Now suddenly that plan seems to have vanished in thin air. It is incredible.

I think we should demand immediate clarification on this Nation's shipbuilding objectives before we take any action, budget resolution or rescission, which taken in haste, might unalternately diminish our naval capability and credibility on the high seas.

The full testimony will later be printed in the RECORD of the hearings before the House Armed Services Committee, Subcommittee on Seapower.

Because of the urgency and timeliness of this viewpoint, I would like now to include in the RECORD, Admiral Rickover's summary of his remarks today:

NEED FOR HIGH CAPABILITY SHIPS

The Soviets recognize the importance of becoming the world's strongest sea power. We have now chosen not to challenge them with numbers of ships. It is, therefore, essential that the ships we do build are the most powerful and effective weapons we know how to build. This means nuclear propulsion, and the best anti-air, anti-submarine, and surface-to-surface weapons we have for major warships. The penalty for any other approach is the steady erosion of our conventional military forces; a consequent reduction in our influence and in our "options" in world affairs; and the reliance of our security on nuclear weapons which, if used, would be an unmitigated disaster.

Historically, the United States has relied on the quality of its weapons and the ability to manufacture them in large quantities to win its battles, rather than on large numbers of men. The American people do not appear to be willing to support large numbers of men under arms. Further, the complexity of modern weapons and the rapidity with which major wars can now be started preclude relying on wartime production capacity to furnish our weapons; we must plan to fight a major war with the weapons we have at its outbreak. I believe we would be following a shortsighted path if we do not provide our first line striking forces with the best weapons our technology can provide.

If the problem is that the Nation's financial managers are not willing to provide enough money to insure our present defense, and at the same time invest sufficient funds to insure our future defense, then our people must be informed of the stark reality they face. We must not do what we have done so often in the past; namely, fail to provide adequate defenses using the sugarcoated philosophy that they are not needed, only to soon find ourselves in a war which costs many times the funds "saved." In World War II, we got away with it because our Allies took the brunt of fighting while we rearmed. In Korea, we got away with it because we were able to reactivate quickly large numbers of World War II ships, as well as equipment which had just been put in reserve. In the Vietnam war, we managed to sustain ourselves by using up a great deal of material, drawing down our reserve stocks, wearing out much equipment, and because our real opponents did not fight with their first team.

Most people do not realize how badly our naval forces were allowed to deteriorate by the hiatus in naval shipbuilding in the 1960's and the reduction in fleet readiness accepted to make funds, material, resources, and personnel available for the Vietnam war.

All wars and all military development should have taught us that a war, small or large, does not follow a prescribed "scenario" laid out in advance. If we could predict the sequence of events accurately, we could probably have avoided the war in the first place. As a war progresses, we can count on constantly facing new conditions and surprises as the enemy seeks new means to probe our weaknesses; that is what we repeatedly experienced in Vietnam.

When a war starts, we must fight with what we have. You will recall that all the aircraft the U.S. used in World War II had been designed prior to that war. Further, it takes five years or more to build a large warship. This often means using our weapons for an entirely different mission than that for which they were designed. For example, consider the use of B-52's in Vietnam.

Therefore, every major weapon should be designed with the maximum possible inherent flexibility. It is the need for the flexibility in warships built to operate for 30 years or longer that makes it so obvious and so important that we use nuclear propulsion in every major surface warship we build; especially since the ships we are building today are expected to last through part of the 21st century.

Despite the fact that Congress has repeatedly taken the position that we need to build more nuclear-powered surface warships, after 25 years of studying the issue we have only eight nuclear surface ships in operation and five more under construction. This is a very slow rate of transition to nuclear power for the greatest maritime power in the world—an island nation dependent on the strength of its Navy for its security.

Decisions made today concerning nuclear propulsion will not have their effect in the Fleet until a decade from now. We delude ourselves if we do not recognize that in the intervening years the Soviets will introduce major improvements in their naval weapons systems. As they continue to try out new technological advances in their fleet, we can expect them to incorporate the lessons learned into their new design ships. They have demonstrated time and again that they are willing to invest large amounts in new concepts.

No one can tell what problems our future leaders will face. However, the defense capabilities available to them will have been decided by the decisions we make today. The issue before the Congress should be decided on the capabilities our ships must have to meet the challenge. No cost analyses; no political expediencies; no other factors should be permitted to obscure this fundamental fact. You cannot measure military capability by cost alone. To do so can be fatal to this country, especially since our likely adversary is engaged in the greatest expansion of military forces in history and continues to out-spend us. I know that with today's fiscal problems facing the Congress, it is extremely difficult to make investments for the future. However, if such investments had not been made in the past, we might not have survived as long as we have.

Our defense budget in recent years has been decreased in real dollars. It, therefore, becomes increasingly imperative that we have the best weapons our technology can provide. As for myself, I would rather fight a war with fewer, but better soldiers; with fewer but better guns, or tanks, or planes; with fewer but better ships. That is the road for a nation that excels in technology, and is reluctant to expend lives in war; yet, nevertheless, desires to win.

The systems analysts always tell us that we don't need the best ships, but they don't tell us how to counter the threat with inferior ships. For example, in the issue of nuclear powered surface warships, nowhere do they address how we should ensure that tankers can survive in areas of high threat. And without tankers, the conventional ships cannot survive.

NEED FOR A FIRM PROGRAM FOR NUCLEAR WARSHIPS

What must be done? We need a firm long-range program to build nuclear powered ships—a program that will not be drastically changed every year or two as has happened in the past. Admiral Moorer, when he was Chairman of the Joint Chiefs of Staff, and for many years an eloquent proponent of nuclear power for our striking forces, agreed with me that we must build these first-line ships during peace.

The excuse for not building better ships is always that they are "more expensive". But all weapons of war are expensive. Cheap weapons will not win a war. And if we cannot win a war, there is no sense in spending money on weapons at all.

A former Secretary of Defense said: "People keep wistfully looking for a way to provide for our national security that doesn't cost much. I'm afraid that life isn't like that."

Rarely in naval history have the leaders looked far enough ahead. They generally build ships they consider to be adequate for the present. That is why, frequently, naval leadership has been replaced once war broke out.

We should be planning now for war that may erupt 15 or more years from now. Therefore, I agree with the policy recommended by the House Armed Services Committee that now is the time to establish a firm program for making all new major combatant ships for our striking forces nuclear powered. I consider this should be a matter of national priority.

For the reasons I have presented, I consider it urgent that we continue our nuclear attack submarine building program at an adequate level and proceed now with the next nuclear carrier, the nuclear strike cruiser program, and conversion of the cruiser *Long Beach* to *Aegis*.

THE GOOD LIFE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, far too often we only hear about the misuses of public office, and how low Congress rating is with the American public. However, many of my colleagues are "workaholics" and are just as upset as other people by references to "the good life."

Fortunately, the Washington Post took note for one such Member, my good friend and colleague from Illinois, PAUL FINDLEY, by reprinting his schedule during the "Lincoln recess." I would hope that when one decides to sum up their Representatives, Congressmen such as PAUL FINDLEY are considered.

For the review of my colleagues, I include "The Good Life of a Congressional Recess" in the RECORD immediately following my remarks:

"THE GOOD LIFE" OF A CONGRESSIONAL RECESS

(By Paul Findley)

The article in The Washington Post of Feb. 9, "Congressional Recess, by Any Other Name . . ." smacks of a bit of jealousy, carrying with it the implication that reporters, too, might enjoy the leisurely life of a "congressional recess" or "district work period"—whatever you choose to call it.

If that is the case, I only wish you could have been with me these seven days to enjoy the good life in Illinois. Enclosed is my daily schedule for this period. As you can see, I had a ball!

Lest you be unfamiliar with Illinois' geography, I can assure you that I did not take my swimming suit and snorkel on my recess—there are no sunny beaches in Illinois at this time of year. Nor did I take my skis. There is still plenty of snow and ice in Illinois (unlike Washington) because it is usually 10 degrees colder in my district than it is here, but we have no mountains.

But I had a ball, nonetheless, and I am certain you would have also. In fact, I hope that you will make plans to join me for a later recess in the 20th district. Of course, as a hard-working reporter, you'll be prepared to stay out until midnight driving halfway across Illinois and then getting up early the next morning for a 7:30 a.m. meeting. And I'm certain that you are used to spending all day Saturday and Sunday going from one meeting to another. I assure you, it's the best way I know to meet a lot of wonderful people and learn what is on their minds. It helps me better represent them in Washington, and who knows, it might help you do a better job of reporting for them.

Oh, by the way, if you come with me next time, you'll want to bring along your wash 'n' wear shorts and shirts. In our travels we'll have to move from one motel to another almost every night, but I'm sure you're used to living out of a suitcase. And bring some Dramamine. If you aren't used to so much traveling and excitement, all this "fun" can really get to you.

THURSDAY, FEBRUARY 10

11:20 a.m. Left National, TWA 561.

1:15 p.m. Left St. Louis, Ozark 862.

1:49 p.m. Arrived in Quincy.

2:30 p.m. Visited Channel 7; Visited Herald Whig Newspaper; Visited Channel 10; Met with Joe Ourth, who wants a job.

6:30 p.m. McHugh Theater, Administration; Building, Quincy College, for Quincy; Town Meeting.

8:30 p.m. Met Bob Mays at MacHugh Theater following Town Meeting. He presented a proposal on Corps of Engineers assistance in dredging a recreational lake on Quincippi Island.

8:45 p.m. Met Dolora Whitney at MacHugh Theater following meeting with Mr. Mays Committee to Keep Telephone Operators in Quincy.

9:00 p.m. Met with approximately 15 constituents on individual problems, policies, and issues.

10:00 p.m. Stopped for a Burger Chef and milk shake.

10:47 p.m. Left Quincy, Ozark 507.

11:12 p.m. Arrived in St. Louis (Mr. Iversen met me at the Ozark ticket counter at airport and drove me to the Bel Air Hilton).

FRIDAY, FEBRUARY 11

a.m. Called Betty Kriegshauser, a patient at Barnes Hospital in St. Louis.

a.m. Talked by phone with Washington office preparing statement on Ag-Land Fund.

p.m. Attended World Food Program discussion session, Bel Air Hilton.

5:45 p.m. Dinner—Greater St. Louis World Food Program, Bel Air Hilton.

6:45 p.m. Introductions.

7:00 p.m. Speech—"Dimensions of the World Food Problem and the Role of the United States"—explained Famine Prevention Program.

SATURDAY, FEBRUARY 12

a.m. Due to fog, drove 166 miles from St. Louis to Champaign, Illinois.

Noon Annual Awards luncheon, College of Ag., University of Illinois—Awarded with Certificate of Appreciation for contributions to agriculture and its development in Illinois and the world.

p.m. Drove to Springfield, Illinois.

5:00 p.m. Tour Illinois Bell Museum, 529 South 7th, Springfield (Dick Kahne).

6:30 p.m. Reception, Abraham Lincoln Assn., Apollo Room, Forum 30.

7:30 p.m. Attended Abraham Lincoln Assn. Dinner, Forum 30, Springfield. Following dinner attended a special showing of the Lincoln Home Visitor Center film.

SUNDAY, FEBRUARY 13

a.m. Attend Church.

Noon Lunch.

1:00 p.m. Met with various constituents prior to dedication ceremonies.

8:00 p.m. Participated in dedication of Lincoln Home Visitor Center, First Presbyterian Church, 7th & Capitol, Springfield.

3:15 p.m. Attended Ribbon Cutting Ceremony at Visitor Center.

p.m. Dinner.

7:30 p.m. Springfield Town Meeting, County Farm Bureau Building, 2449 North Dirksen Parkway, Springfield.

9:00 p.m. Met with George Cashman, retired Curator of Lincoln Tomb.

9:15 p.m. Met with constituents on individual problems, policies and issues.

MONDAY, FEBRUARY 14

10:00 a.m. Alpha Jones. Received a book of poetry that she had written.

10:15 a.m. John Kirby. Discussed a highway problem.

10:30 a.m. Father Mascari. Discussed plans for a golden age retirement center for rural Americans.

10:45 a.m. Dale Rowand and Ken Redfern, Department of Ag. Discussed plans for an International Visitors Day at the State Fair.

11:30 a.m. Stopped for a hamburger.

11:45 a.m. Drove to Jacksonville.

12:15 p.m. Made visits around Jacksonville Square.

1:30 p.m. Attended Ribbon Cutting Ceremony at District Service Office of Honorable Jim Reilly, 224 West State, Jacksonville.

2:00 p.m. Jacksonville Town Meeting, City Council Chambers. Was made an honorary fireman and an honorary policeman by the City of Jacksonville and received commendation from the City Council and Mayor Hocking for assistance on solving community problems.

3:30 p.m. Met with Don Lakin in mayor's office, regarding Murrayville/Woodson water plant.

3:45 p.m. Met with Dr. Fuhrig in mayor's office, regarding Conference of Churches, Great Decisions Series, China slides.

4:30 p.m. Stopped at McDonald's for a cheeseburger.

4:45 p.m. Drove to Alton.

7:00 p.m. Alton Town Meeting, Metropolitan National Bank on Beltline, Community Room, Alton.

8:00 p.m. Met with various constituents on individual problems.

9:00 p.m. Interview with Southern Illinois University radio on foreign policy.

TUESDAY, FEBRUARY 15

10:00 a.m. Met with Mary Heitzig and Mayor Joe Susnig of Jerseyville, regarding city problems with HUD.

10:30 a.m. Met with constituent who wants to establish cable TV for Carlinville.

Noon. Lunch with Board of Directors of Alton-Wood River Chamber of Commerce.

2:00 p.m. Toured Lock and Dam 26 at Alton.

4:00 p.m. Met Harold Rice, President, Alton-Wood River Area Federation of Labor, at the Stratford, Alton.

6:30 p.m. Dinner with AFL–CIO union officials.

8:00 p.m. Drove to St. Louis.

WEDNESDAY, FEBRUARY 16

7:30 a.m. Spoke at Grain and Feed Assn. of Illinois Annual Meeting, Stauffer's Riverfront Towers, St. Louis—"The Future of On-Farm Storage."

9:00 a.m. Discussions with Grain and Feed Assn.

10:50 a.m. Lect St. Louis, TWA 482.

1:30 p.m. Arrived at National Airport.

p.m. Appointments in Washington office.

COMMONSENSE AND STRIP MINING ARE NOT COMPATIBLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 30 minutes.

Mr. BAUMAN. Mr. Speaker, the President's Special Assistant for Energy Matters, James Schlesinger, recently wrote to our distinguished colleague, the gentleman from Arizona (Mr. UDALL), regarding the administration's position on the strip mining legislation before us. The bottom line of Mr. Schlesinger's analysis is one I think and would hope most Members of this body share, that it is possible to expedite the development of a rational coal policy without having to forgo provisions to safeguard the land from abuses of strip mining practices. That broad conclusion is a commonsense position, and a position recognizing the necessity of increased coal production to meet the needs of an energy-short nation.

It is in this spirit, Mr. Speaker, that I must go one step further and question the wisdom of passing H.R. 2, "The Surface Mining Control and Reclamation Act of 1977," without receiving satisfactory answers to questions which have been raised about it.

The Environmental Protection Agency and the Council on Environmental Quality initiated an independent study last year with ICF, Inc. The study was to determine what impacts if any the coal strip mining legislation then being considered, H.R. 13950—which is nearly identical to H.R. 2, or the bill presently before the Interior Subcommittee, would have on both the level of production and our environment. The cost of this independent study was $200,000 and represents a year's worth of intensive research by the qualified people in the field of mining research. It was completed, and the final draft was submitted to the EPA and CEQ on January 24 of this year or about 23 days ago.

However, within the span of only 1 week, this final draft summary was almost entirely rewritten, though not by the independent experts, but by several Federal agencies in the executive department which were asked only to comment on the final draft. The executive department explains that its member agencies offered "nonsubstantive clarifying language," implying that no one seriously violated the integrity of the final draft. For the benefit of my colleagues, I have extracted specific language from both versions to give you a clear picture of what seems to be going on here. If you compare the language of the original January 24, final draft with the newly revised, February 1 version produced by the executive agencies, you will find grammatical excavation-work meeting the envy of any stripminer:

ICF STUDY OF STRIP MINING LEGISLATION

Original Version of January 24	*Modified Version as of February 1*
"However, there are numerous provisions in H.R. 13950 not directly related to costs which could create major difficulties. Such impacts include (1) substantial production impacts that could result from possible interpretations of the alluvial valley provisions, (2) delays in permitting due to inability to comply within established timetables and/or insufficient administrative funding, (3) extensive litigation resulting from ambiguous and undefined terms, (4) unintended effects due to mismatches between the apparent intent and the actual wording, and (5) losses to coal reserve base."	"However, several provisions in H.R. 13950 are subject to varying interpretations. In the event that these terms are given very stringent interpretations, the impacts could be substantially higher."
"For example, while a moderate interpretation of the alluvial valley floor provisions could affect four mines with an additional production in 1978 of 12 million tons, a worst case interpretation could impact up to 51 million tons of western production by 1978 and 211 million tons by 1985."	"For example, while a moderate scenario of the alluvial valley floor provisions could affect four mines with an additional production in 1978 of 12 million tons, a high impact interpretation could impact up to 25 million tons of western production by 1978 and 104 million tons by 1985."
"In addition there are several other non-cost provisions in H.R. 13950 in which the wording of the provisions could have effects quite different from the apparent Congressional intent."	"In addition there are several other non-cost provisions in H.R. 13950 in which the wording of the provisions could result in additional restrictions, administrative inflexibility, and/or delays."
"However, the actual wording could result in unnecessary restrictions, administrative inflexibility, and/or additional litigation."	(Language deleted in this version.)
"The reserve impacts of H.R. 13950 could range between 8.5 and 28.3 billion tons, or between 2.0 and 6.5 percent of total reserves. These impacts are equivalent to between 6.2 and 20.7 percent of strippable reserves."	"The reserve impacts of H.R. 13950 could range between 8.1 and 20.0 billion tons, or between 1.9 and 5.5 percent of total reserves. These impacts are equivalent to between 5.9 and 17.6 percent of strippable reserves."
"Imprecise wording in H.R. 13950 could lead to uncertain interpretation; which could significantly limit western surface coal mining."	*"Some words and phrases in H.R. 13950 are subject to varying interpretations. In the event that these terms were given a very stringent interpretation, the impacts of H.R. 13950 could range substantially higher.*
"Imprecise and undefined terms create a high degree of uncertainty in predicting impacts, and could likely result in extensive litigation. A distinction can be made between *flexibility* and *ambiguity*. Flexibility refers to the ability of the regulators to make case-by-case decisions based upon clearly defined criteria. Ambiguity, on the other hand, refers to poorly defined criteria, which could result in judicial interpretation and regulatory inflexibility. Such imprecise terms include "existing coal mine," "valley floor," "undeveloped range land," "adversely effect," "not significant," and "substantial loss."	"Certain phrases on Section 510(b)(5) are subject to different interpretations. For example, it is not clear whether the term "undeveloped range lands" includes lands which have the potential for hay production. Nor is it clear what kind of changes in water quality and quantity could constitute "adverse effects" within the meaning of Section 510(b)(5)(B). Other phrases may also be interpreted differently. Some of these uncertainties may be resolved when administrative regulations defining these terms are promulgated under the statute. Others will be clarified as regulatory authorities proceed to administer the Act on a permit by permit basis. Finally, the possibility exists that judicial interpretations of these terms may in some cases be sought."
"The worst case assumption, that mining would be prohibited at any proposed mine with any part of the lease area within an alluvial valley floor, could impact up to 51 million tons of production by 1978, 95 million tons by 1980 and 211 million tons by 1985. These impacts are detailed in Table D."	"The high impact assumption, that mining would be prohibited at about one-half of the proposed mines having any part of the lease area within an alluvial valley floor, could impact up to 17 million tons of production by 1978, 47 million tons by 1980 and 104 million tons by 1985. These impacts are detailed in Table D."

"Alluvial valley floor production impacts

[Millions of tons]

	Low	Moderate	Worst case
1977	0	4	35
1978	0	12	51
1979	0	16	71
1980	0	20	95
1981	0	24	107
1982	0	30	138
1983	0	32	152
1984	0	35	185
1985	0	35	211"

"It is estimated that approximately 0.8 to 8.5 billion tons of reserves could be precluded from mining due to the surface owner's consent provision."

"In the course of this analysis of the impacts of H.R. 13950, several aspects of the bill appear to merit further consideration. The characteristic common to all of the issues raised here is that the adverse effects of the bill could be exacerbated due to the actual wording employed in H.R. 13950, which may not reflect Congressional intent."

"The provisions for declaring lands as unsuitable for mining appear to offer citizens an easier means of forcing hearings than is provided by the standard permit hearing process. Further, the regulatory authority has little flexibility in deciding whether hearings are actually warranted."

"The technology which might be required to control sedimentation is phrased differently from EPA's effluent guidelines. While it was interpreted in this report to require EPA's 1983 standard of 'best available technology economically achievable' in 1978, it could be interpreted differently and could result in costly and time consuming litigation."

"Alluvial valley floor production impacts

[Millions of tons]

	Low	Moderate	High
1977	0	4	17
1978	0	12	25
1979	0	16	35
1980	0	20	47
1981	0	24	53
1982	0	30	68
1983	0	32	75
1984	0	35	91
1985	0	35	104"

"It is estimated that approximately 0.4 to 4.2 billion tons of reserves could be precluded from mining due to the surface owner's consent provision."

"In the course of this analysis of the impacts of H.R. 13950, several aspects of the bill appear to merit further consideration. The characteristic common to all of the issues raised here is that the impacts of the bill could be exacerbated due to varying interpretations, which in some cases differ from the apparent intent (as reflected in the statutory language and committee report)."

"The provisions for declaring lands as unsuitable for mining could possibly offer citizens an easier means of forcing hearings than is provided by the standard permit hearing process."

"The technology which might be required to control sedimentation is phrased differently from EPA's effluent guidelines. It was interpreted in this report to accelerate EPA's 1963 standard of 'best available technology economically achievable' into 1978."

Mr. Speaker, comparing the two versions, one sees two very different ways of looking at and reaching conclusions about the same set of numbers. One also cannot help but conclude that there is a great cavern of ambiguity in the bill before us which permits two different sets of intelligent grownups to come to radically different conclusions about the same things. Either that, or there has been a deliberate effort to deceive the Congress and the public.

There is also the matter of deciding what the real and not-later-to-be-amended position of the administration is on this study. In his appearance before the House Energy and Environment Subcommittee on February 8 or a little over a week ago, I asked Secretary Andrus if he was aware of the ICF study, and if so, did he base any of his recommendations concerning H.R. 2 on its contents. He answered, "No," to both questions. The Secretary was then asked if he would recommend that the subcommittee postpone consideration of H.R. 2 until such time as the Department got around to reviewing the study or until President Carter had formulated and forwarded to the Congress his long-range energy policy. To this, the Secretary also gave two "Nos."

I must ask my colleagues to consider what I have just described, and to ask yourselves what a reasonable, objective observer sitting up there in the gallery would conclude about what has been going on here. He would probably conclude that there has not been much hard thinking going on, that the bill before us is indeed ambiguous and the administration so seemingly divided on important aspects of stripmining that all the President's men would just as soon we vote this thing through and call it a day.

I would suggest, however, that this is not the way responsible Government works. I am less concerned about individuals or groups in the executive branch who might need to save face than I am about the millions out of work, the children sitting home away from their cold schools and the general discomfort across the land primarily due to congressional and executive indecision on implementing a workable and responsible energy policy. The energy experts universally agree that there is a real shortage of natural gas and oil in our country, and that coal is the answer. If this is so, and I tend to think that it is, we must decide once and for all whether or not national stripmining legislation is needed to promote coal development, and if so, is H.R. 2 the proper vehicle with which to do it?

Phony figures are no help at all in what is a most important energy decision facing the Congress.

JOHN GARDNER'S ENDURING LEGACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. WIRTH) is recognized for 5 minutes.

Mr. WIRTH. Mr. Speaker, for the last 6 years, John W. Gardner has directed Common Cause, the latest in a series of superb contributions by this remarkable man. During the last 30 years, from teaching to running a leading American foundation, from leadership in educational change to leadership in political reform, from scholar to writer, John Gardner has worked in the public interest, setting an example for all to follow.

In 1965, Mr. Gardner recommended to President Johnson the establishment of the White House fellows program. Designed to bring promising young people into contact with Government, the program is now entering its 12th year. Each class of 15 to 18 young people—23 to 35 years of age—has the opportunity for 1 year to work with a member of the Cabinet or the White House staff in learning about the workings of Government, and then returning to his or her field of endeavor, hopefully with a clearer understanding of Government, and with a heightened commitment to public service.

To date almost 200 young Americans have been White House fellows, and as members of their communities across the Nation are continuing the tradition of excellence and involvement set so clearly by John Gardner. This is but one example of the many contributions made by Mr. Gardner.

Mr. Speaker, today I am entering into the RECORD a summary of the activities of Common Cause, the most recent demonstration of the impact of John Gardner on this country. This organization has had a profound impact on this House and on the American political process. As John Gardner steps down as chairman of Common Cause, it is appropriate for each of us to reflect upon the clarity of mission, commitment to quality, and integrity of action which have

been so clearly outlined in this man's career.

[From the Wall Street Journal, Feb. 18, 1977]

JOHN GARDNER'S ENDURING LEGACY IN COMMON CAUSE

(By Albert R. Hunt)

WASHINGTON.—Back in 1970 John Gardner announced he was starting an organization called Common Cause. Its purpose, he said, was nothing less than to achieve fundamental reforms in the American governmental system.

A lot of people laughed.

Washington cynics said the former Secretary of Health, Education and Welfare obviously intended for the organization to serve mainly as a device for furthering his presidential ambitions. They said he was too patrician and cerebral to lead the tough kind of political fights he was talking about. They said the whole idea of Common Cause was hopelessly naive.

Today, Mr. Gardner is preparing to step down as chairman of Common Cause. Among several other achievements during his tenure, he has proved the cynics wrong. The 64-year-old Mr. Gardner and his organization have clearly demonstrated that determined citizens can actually reshape their government.

Naturally, Common Cause has made mistakes. But overall it has pursued its goals with an effective degree of shrewdness and tenacity. As a result, it is widely acknowledged now as one of the most influential lobbying organizations in Washington and elsewhere around the country.

Common Cause was a major influence in setting off a recent series of basic reforms in the way Congress operates. It had a lot to do with the big changes that lately have occurred in the financing of political campaigns. And from its inception it has consistently pushed for the "open government" concept that Jimmy Carter now preaches.

Mr. Gardner never made it to the Oval Office; in fact, he never tried. But it's likely that few private citizens have had as lasting an impact on the government system as he.

Essentially, Common Cause has proved the validity of two elemental, but sometimes forgotten, ideas. The first is that the processes of government must be made to work well before citizens can have much impact on specific policy decisions. The second is that although it's difficult, you *can* fight city hall.

Even though Mr. Gardner and his organization frequently are assailed by the political right, these themes transcend ideology. The problems of secrecy and the need for accountability by government officials are as important to conservatives as to liberals. And the notion of effective citizen action hardly is a radical idea.

"There isn't any possibility that we can make power less seductive," Mr. Gardner said in an interview in the New Yorker magazine several years ago. "What we can do is to devise realistic arrangements that will make it more difficult for officials to separate the citizens from the levers of power and much more difficult for a tightly knit inner circle to monopolize those levers."

Operating under the maxim that "accountability is at the heart of free self-government," Mr. Gardner frequently has riled entrenched interests in an effort to achieve a more democratic system. Surprisingly often, he has succeeded.

Common Cause deserves at least part of the credit for several changes in government procedures that recently have occurred, or that are about to occur.

Some examples: Nearly all congressional committees now operate only in open sessions. Congress is preparing to pass legislation requiring lobbyists to disclose their activities. Lawmakers are expected to adopt soon a strict ethics code for themselves. California voters approved a measure minimizing government secrecy and putting restrictions on political contributions. A new Michigan law provides for taxpayer-financing of that state's gubernatorial campaigns. Florida has adopted tough financial disclosure requirements for elected officials there.

Certainly the public revulsion over the Watergate affair was a big factor in some of these developments. But when Mr. Gardner and Common Cause began pushing for such changes, Watergate was nothing more than a big apartment complex on the Potomac.

In 1971, for instance, Common Cause began lobbying to end the automatic seniority system in the House by requiring that committee chairmen be directly elected by their party caucus. Skeptics doubted that such a significant change was possible, but by 1975 it had happened.

Three committee chairmen were unseated two years ago, and this year one appropriations subcommittee chairman was ousted. "The days of the autocratic chairman are over," says a House committee chairman. "You're not going to be dictatorial to people you know can determine your fate."

The secret of Common Cause's success is its members—250,000 of them, each paying at least $15 in annual dues. Congressmen say they are perpetually badgered by letters and visits from these members. During political campaigns, local Common Cause units have been remarkably successful in getting commitments from candidates to fight for positions backed by the organization.

"Our real strength comes from having a cohesive constituency," says David Cohen, president of Common Cause. "This is basic. John Gardner understands that you have to motivate people, that the morale of our society is fundamental to dealing with problems. It's very important that people have a real sense of participation."

It's true that Common Cause members generally are more financially and socially able to participate than other citizens; one lawmaker calls the group's members the "guilty rich."

Whether that assessment applies or not, it is nonetheless salutary for thousands of Americans to band together in an effort to improve the way their government operates. Mr. Gardner, who believes it is time for him to move on to new challenges, has noted that eventually any citizen organization will "grow old and ineffective." But he adds that "the idea of citizen action will continue," and for his role in assuring that, he deserves the nation's thanks.

THE SOCIAL SECURITY COVERAGE GAP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. CORNELL) is recognized for 5 minutes.

Mr. CORNELL. Mr. Speaker, one out of every seven persons in this country receives monthly social security checks. As our basic income maintenance program, the social security system provides benefits for retirees, disabled persons, surviving dependent spouses with minor children, and other survivors, under certain conditions. The program precludes payment of any benefits, however, to healthy widows between the ages of 50 and 65 who have no dependent children.

These so-called displaced homemakers comprise 2.2 million of our people. They fall into a gap that has been created by statute. Such people are generally not eligible for aid to families with dependent children, medical benefits, SSI or most other forms of categorical assistance. Ironically, displaced homemakers may be the one group most in need of help. The unemployment problems experienced by other workers pale in comparison to those experienced by displaced homemakers whose basic skills are raising a family and maintaining a home. With no other recent job experience, it is indeed difficult for these people to find employment.

The bill I am introducing today is designed to bridge the coverage gap. Under my proposal, the age at which widows, surviving divorced wives, or widowers would be eligible for social security benefits would be reduced from 60 to 50. The amount payable to beneficiaries under this plan would be the same actuarily-reduced rates which now apply to disabled widows.

Then, beginning with the month of attainment age of 65, the lower benefits being paid to widows, surviving divorced spouses, or widowers would be increased to full-rate benefits. Thus, this legislation would enable those who elected to receive a reduced interim benefit to have the full amount of their entitlement restored after reaching retirement age.

The intent of this proposal is to provide temporary relief to cushion the economic shock which accompanies loss of the major breadwinner. My purpose is not simply to reduce the retirement age for widows. We cannot replace a program which discriminates against this group with one which favors only them. Although the amount each widow, surviving divorced spouse, or widower would receive is actuarially reduced, the benefit level should be enough to provide some assistance when these people need it most without discouraging self-help.

There should be several positive results from this program. With it we will eliminate one of the glaring inequities of the present social security system by providing comprehensive coverage for all people who need assistance due to age or physical condition. We will also provide a financial cushion for those who need time to adjust after the loss of the primary wage earner. Moreover, people who are forced to tap this interim benefit will not be penalized for doing so since their benefits can be fully reinstated at retirement.

The legislation directs the Secretary of Health, Education, and Welfare to recommend ways to provide adequate financing for such a proposal. It has been estimated that the long-range cost of this measure, averaged over the next 75 years, will be about 0.21 percent of tax-

able payroll. I am confident, however, that this cost could be modified if changes in financing social security benefits are approved.

I believe Congress should pay special attention to the plight of older widows, surviving divorced spouses, and widowers who are now caught in the social security coverage gap. I hope this proposal will be given serious consideration.

RULE REQUESTED FOR CONSIDERATION OF H.R. 3477, TAX REDUCTION AND SIMPLIFICATION ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. ULLMAN) is recognized for 5 minutes.

Mr. ULLMAN. Mr. Speaker, on February 17, 1977, the Committee on Ways and Means ordered favorably reported to the House of Representatives H.R. 3477, the Tax Reduction and Simplification Act of 1977, with amendments. This bill provides economic stimulus through rebates, special payments, and employment tax credits. The bill also extends the individual and corporate tax cuts which are due to expire at the end of this year, through December 31, 1978. In addition, the bill provides tax simplification through revision of the standard deduction and the tax tables.

I take this occasion to advise my Democratic colleagues in the House as to the type of rule that I will request the Committee on Rules to provide for consideration of H.R. 3477 on the floor of the House. The committee instructed me to request the Committee on Rules to grant a closed rule for consideration of H.R. 3477 which would provide for committee amendments which would not be subject to amendment, which would provide 3 hours of general debate, to be equally divided, which would waive all points of order, and which would provide for one motion to recommit with or without instructions.

We intend to file the committee report on H.R. 3477 on Thursday, February 24, 1977. It is our intention to request a hearing before the Committee on Rules as expeditiously as possible.

GOVERNMENT REORGANIZATION: THE PRESIDENT'S REQUEST IS REASONABLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BLOUIN) is recognized for 5 minutes.

Mr. BLOUIN. Mr. Speaker, on February 9, I and 16 other Democratic members of the House Committee on Government Operations introduced legislation (H.R. 3407) authorizing the President to submit Government reorganization plans to the Congress.

On the same day, seven Republican members of the committee submitted an identical bill, H.R. 3442.

The approach taken in these two bills is identical to that requested by President Carter in his February 4 message to Congress. In effect, it reviews the system for submitting reorganization plans established by the Executive Reorganization Act of 1949, as amended. It permits the President to submit to Congress reorganization plans which automatically take effect unless either the House or Senate adopts a resolution opposing the plan within 60 calendar days after it is submitted.

Under this system, the President is authorized to submit reorganization plans which would transfer all or part of a Federal agency or its function to another agency, to abolish all or part of the functions of a particular agency, to consolidate or coordinate all or part of an agency, to authorize an officer to delegate his functions, or to change the name of an agency.

Under this system the President is not authorized to create new executive departments at the Cabinet level, to abolish or transfer existing executive departments, to abolish or transfer all of the functions of a Cabinet-level department, to consolidate two or more executive departments or their functions, to continue an agency beyond its statutory termination date, to authorize an agency to perform functions not specifically authorized by law, or to increase the term of office beyond that established by law.

In addition, this legislation amends the original act to permit the President to make changes in a reorganization plan within 30 days after he submits it to Congress unless the Government Operations Committee of either House has already disapproved the plan; to submit more than one plan within a 30-day period; to submit plans which are not necessarily limited to one "logically consistent" area; and to substitute management, efficiency and delivery of Federal services in lieu of financial savings as a criteria for judging the impact of a given reorganization plan. Finally, it would extend the act for a 4-year period, rather than the customary 2-year period.

I am well aware that many of my colleagues in the House doubt the constitutionality of this legislation—the so-called one-house veto approach. Many others, I suspect, doubt the propriety of the approach, its constitutionality notwithstanding.

I can appreciate their reluctance to endorse such a plan, which they feel invites the abuse of executive power. I can understand their fear that such legislation merely encourages the preeminence of the executive over the legislative branch of Government.

If, in fact, this legislation seriously threatened the delicate balance of power which makes our Federal system work, I too would strenuously oppose it. But frankly, I think those fears are severely overstated. There is no abdication of responsibility on our part in this approach. The ability of Congress to review the President's proposals—and to reject them if we wish—is carefully protected. In the final analysis, Congress will have the telling and decisive role, either approving or disapproving the President's proposals.

What does threaten our Federal system is a massive, costly and mushrooming Federal bureaucracy which effectively usurps the power of the Congress and the Executive as well. It is a wasteful and unresponsive bureaucracy which feels the public's cynicism, disillusionment and disgust with Government.

Let me be perfectly frank in saying that as a matter of practicality, I think we are surely fooling ourselves if we really believe that Congress can accomplish Government reorganization on its own—or that Congress can even take the initiative in taming the bureaucratic monster. If we leave Government reorganization to congressional initiative, we are likely never to see it finished. That is a judgment intended not as an indictment of Congress, merely as a recognition of the facts. If we are honest, we must admit that there are simply too many divergent interests represented here—too many opportunities for pressure from one special interest or another, some deserving, some not.

There are, by the President's latest estimate, some 1,300 boards, commissions, and advisory groups within the Federal bureaucracy. A large number of these apparently serve very little useful purpose; in fact, they often duplicate each other's purpose several times over. Each one should be subject to zero-based budgeting in order to fully justify its existence, and carefully reviewed to determine its usefulness. Is it realistic to expect Congress to deal fairly and effectively with a problem as complex and unwieldy as that? It seems to me that the President's approach is much more practical.

We should be moving as quickly and as expediently as we can to put the Government's house in order. Until we do, the Federal Government will continue to resemble a misguided, inefficient and costly bureaucratic jungle which cannot possibly respond effectively to people's needs and people's concerns.

We have a mandate from the American people on reorganization. The mandate is clear and unequivocal; it is sounded loudly in public opinion polls, in feedback from our constituents, and in the results of last November's elections. The American people are sick and tired of a government they cannot understand, a government they cannot respect, and a government they cannot control.

I have no doubt whatsoever that very little we do—perhaps nothing we do—has a higher priority in the minds of the people we represent than Government reorganization.

The President's request, embodied in the legislation I and other members of the Government Operations Committee introduced last week, represents a prompt and expeditious approach to Government reorganization.

It is not a novel approach; it delegates substantially no more authority to President Carter than Congress has historically delegated to his predecessors—to Presidents Truman, Eisenhower, Kennedy, Johnson, and Nixon. It is, rather, a commonsense approach—one which embodies the kind of cooperation between the President and Congress which the American people expect.

Quite frankly, I am concerned when

I read in the papers that the Congress is apparently unwilling to cooperate with the President on reorganization; when I read about an obvious "lack of enthusiasm" for the President's request among Democrats in Congress. That attitude, I think, digusts the American people. We have exhausted the public's tolerance for lengthy debates over the subtleties of power or the bruised egoes of the Nation's high and mighty.

I think it is imperative that we approve the President's request as quickly and as enthusiastically as we can. I applaud the cordiality and the cooperative spirit of the Government Operations Committee's chairman, my distinguished colleague from Texas, Mr. BROOKS.

Despite his opposition to the President's request, he has promised quick and decisive consideration by our committee. We will have the opportunity to discuss the merits of the President's specific reorganization plans at a later time and that is as it should be. If we did not insure that opportunity, then we should surely have abdicated our responsibility as a legislative body. But that will come in due course. The issue now is a procedural one, and I think we need delay no longer. I urge my colleagues' support. I urge your active participation in efforts to pass this bill.

H.R. 3652, DEEP OCEAN MINING LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, last week, on Thursday, February 17, 1977, I introduced, along with several colleagues, the Ocean Mining Incentive Act of 1977. This is an important bill which supports the work of the Law of the Sea Conference and also provides insurance for ocean miners against physical interference or loss of continuity in the deep seabed area.

Mr. Speaker, in the interest of making the text of this legislation readily available and known to my colleagues, I include the Ocean Mining Incentive Act of 1977 in the RECORD following these comments:

H.R. 3652

A bill to insure the development of United States ocean mining capabilities and to support the continuation of the Law of the Sea Conference negotiations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ocean Mining Incentive Act of 1977."

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds and declares the following:

(1) It is in the national interest of the United States, and in the global interest, to encourage the development of nodule resource exploration and exploitation capability in the deep seabed area.

(2) It is in the national interest of the United States and the global interest to encourage the United Nations Conference on the Law of the Sea to reach agreement on an international treaty which will pay due regard to the rights of states and their nationals, as well as to international community interests, and will codify and create maritime law for the peaceful and orderly utilization of the oceans of the world.

(3) The economic and political interdependence among nations requires solutions to Law of the Sea problems through a treaty which will benefit the international community while at the same time allowing states and mining firms to proceed with their prototype stage operations in a manner consistent with the Law of the Sea negotiations. The absence of a legal regime constitutes an impediment to deepsea mining progress by creating investment uncertainty which will prevent the worldwide distribution of the benefits resulting from deepsea mining.

(4) The conclusion of a Law of the Sea treaty which permits exploration and exploitation of the nodule resources of the deep seabed area by states, mining firms, and consortia will enhance development of the common heritage of mankind.

(5) Before agreement on an international treaty to regulate the exploration and exploitation of nodule resources from the deep seabed, it is in the national and global interest to provide an incentive to mining firms to continue the development of their technological capacity and to proceed with prototype experimentation with a view to eventual commercial recovery.

(6) The environmental effect of deepsea bed mining is not fully understood and therefore in the interest of full compliance with the National Environmental Policy Act, as well as facilitating the normal industry development, it is important that a program of environmental assessment of deep sea mining be accelerated.

(7) During the next two or three years the United States ocean mining industry will be engaged in the prototype stage; that is, in the developing and testing of mining and processing equipment. This stage may be followed by major investments in mining operations for commercial recovery (these investment decisions being taken during prototype operations or about 1979 or 1980), and actual commercial recovery is likely to become operational during 1983–85.

SEC. 3. PURPOSES.

(a) It is therefore declared to be the purposes of the Congress in this Act—

(1) to support the work of the Third United Nations Conference on the Law of the Sea and to encourage timely agreement on a treaty;

(2) to permit United States mining firms to develop their mining capability and to provide a financial incentive for them to do so;

(3) to insure that the absence of a Law of the Sea treaty at the time of expiration of the ocean mining incentive program provided for in this Act, the Congress will act to provide United States mining firms with the necessary further incentives for actual commercial recovery of mineral-bearing nodules from the deep seabed;

(4) to accelerate a program of environmental assessment of deep sea mining and to insure the establishment of needed environmental regulation of any such mining pending regulation under an internationally agreed regime;

(5) to establish environmental standards for deepsea mining operations and to designate an appropriate Federal agency to regulate United States mining firms as regards such criteria; and

(6) to encourage a congressional review process within the Senate and the House of Representatives to assist in the transition from this Act to legislation which implements an international treaty which may result from the Law of the Sea Conference.

SEC. 4. DEFINITIONS.

As used in this Act—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "commercial recovery" means the mining of nodule resources at a substantial rate of production with the intention of marketing or otherwise commercially using such resources for profit.

(3) The term "deep seabed area" means the ocean seabed (and the subsoil thereof) beyond the economic zone of any nation which is drawn in such a manner so that each point on the outer boundary of the zone is equidistant from the baseline from which the territorial sea of the nation is measured, if such zone is consistent with international law. Such term is without prejudice to future agreement until such time as a definition of the limits of national jursidiction over deep seabed mineral resources, if agreed upon at the United Nations Conference on the Law of the Sea, takes effect.

(4) The term "Director" means the Director of the Office of Mining Incentives.

(5) The term "eligible mining firm" means any person certified as such by the Director under section 5(b)(2).

(6) The term "includes" and variants thereof should be read as if the phrase "but is not limited to" were also set forth.

(7) The term "nodule resource" means any accretion (A) located on or slightly below the seabed in any deep seabed area; and (B) contains, among other minerals, nickel, copper, cobalt, and manganese.

(8) The term "person" means—

(A) Any individual who is a citizen or national of the United States;

(B) Any corporation, partnership, association, or other legal entity organized or existing under the laws of any State; and

(C) Any joint venture or other association (whether organized or existing under the laws of any State or foreign nation) if the controlling interest in such association is held by an individual or entity described in subparagraph (A) or (B).

(9) The term "prototype operations" means any of the following:

(A) Research on, and the development and testing of, mining equipment, processing equipment, and processing facilities (but only if any such facility is located in a State) for nodule resources.

(B) Any activity conducted for the purpose of making geographical or geochemical measurements, bottom sampling, or comparable testing relating to the mining of nodule resources.

(C) Any at-sea observation and evaluation activity carried out for the purpose of establishing and documenting the nature, shape, concentration, and tenor of nodule resources, and the nature of the environmental factors which will affect the suspectibility of such resources being mined.

(D) Any at-sea recovery activity to obtain deposit samples necessary for the design, fabrication, installation, development, and testing of nodule resource mining equipment and the testing of nodule resource mining operations.

Such term does not include scientific research.

(10) The term "Secretary" means the Secretary of Commerce.

(11) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam, and any other commonwealth, territory, or possession of the United States.

SEC. 5. ADMINISTRATION OF OCEAN MINING INCENTIVE PROGRAM.

(a) Office of Ocean Mining Incentives.—(1) The Secretary shall establish within the National Oceanic and Atmospheric Administration an office to be known as the Office of Ocean Mining Incentives. The Office shall be headed by a Director.

(2) The Director shall administer the ocean mining incentive program established under section 6, and carry out any other duty placed upon him under this Act, subject to the supervision of the Secretary.

(b) Qualification as Eligible Mining

Firm.—(1) Any person who wishes to qualify for the ocean mining incentive program under section 6 shall apply to the Director in such form and manner as he shall prescribe.

(2) If the Director finds that any person who applies under paragraph (1) can demonstrate, by evidence of experience, financial capacity, and access to technology and data, that such person is prepared to engage in prototype operations, the Director shall certify such person as an eligible mining firm for the purpose of section 6. The Director, in making any finding under this paragraph with respect to any person, shall take into account such factors as he deems appropriate, including evidence that such person—

(A) has engaged in research and development with respect to the mining of nodule resources for a period of not less than 5 years before the date of application;

(B) has expended not less than $20,000,000 with respect to such research and development during such period; and

(C) will locate the processing facilities, if any, for nodule resources in places subject to the jurisdiction and laws of any State or the United States.

(c) Revocation.—(1) The Director shall revoke the certification of any eligible mining firm under subsection (b) upon—

(A) the conviction of such firm under section 10 for committing any act prohibited under section 8(1);

(B) notification to him by the firm that it has completed, or no longer wishes to engage in, prototype operations;

(C) a finding by the Secretary that such firm has abandoned all prototype operations;

(D) a finding by the Secretary that such firm, on the basis of repeated violations of regulations prescribed under section 7 and other factors deemed appropriate by the Secretary, has conducted any prototype operation in an irresponsible manner; or

(E) a finding by the Secretary that such firm has established a processing facility in, or removed an existing processing facility to, a place not subject to the jurisdiction and laws of any State or the United States.

(2) Any finding made by the Secretary under paragraph (1)(C), (D), or (E) shall be made on the record after opportunity for an agency hearing.

(2) Any finding made by the Secretary under paragraph (1)(C), or (D) shall be made on the record after opportunity for an agency hearing.

SEC. 6. OCEAN MINING INCENTIVE PROGRAM.

(a) In General.—The ocean mining incentive program shall consist of Federal insurance against certain losses suffered by eligible mining firms during prototype operations.

(b) Insurance.—(1) The Director, after consultation with the Secretary of State and the Secretary of the Interior, shall establish an insurance program. Under such program eligible mining firms may be insured, subject to the provisions of this subsection and subsection (c), by the United States against—

(A) any loss or damage suffered by them during prototype operations as a result of physical interference with, or sabotage of, such operations by any other person against whom a legal remedy does not exist or is unavailable in any legal forum to which any such mining firm has access; or

(B) any loss of continuity of operations resulting from significant change in the international status of the deep seabed area.

All claims allowed under insurance issued under this subsection shall be paid by the Director from moneys in the Ocean Mining Insurance Fund established under paragraph (7).

(2) Insurance coverage provided under this subsection—

(A) may not exceed $100,000,000 in aggregate loss or damage to any eligible mining firm;

(B) shall be limited, in the case of any eligible mining firm which is an association within the meaning of section 4(8)(C), to loss or damage to interests in the association which are owned by individuals who are citizens or nationals of the United States or by legal entities who are organized or existing under the laws of any State;

(C) shall be available only upon the request of an eligible mining firm after the Director has determined that the coverage requested is not available elsewhere to the firm at a reasonable cost;

(D) shall be issued upon payment by the eligible mining firm of an annual premium in an amount determined by the Director utilizing standard insurance practices and based upon the relative risks involved; and

(E) shall be subject to such terms and conditions as the Director deems necessary and appropriate to carry out the purposes of this subsection and to protect the interests of the United States.

(3) The Director shall prescribe, after consulting with ocean mining experts in the Department of Commerce and the Department of the Interior, such regulations as may be necessary to carry out the purposes of this subsection, including such procedures as are necessary to implement the claim procedures set forth in paragraph (4).

(4)(A) The amount of any claim paid under any insurance contract issued under this subsection shall be determined by a panel composed of an equal number of employees of the Office and of the Department of the Interior. The employees of the Office on the panel shall be appointed by the Director on the basis of their expertise in matters relating to ocean mining technology and international maritime law. The employees of the Department of the Interior on the panel shall be ocean mining experts appointed by the Secretary of the Interior.

(B) Any claim determination made by a panel under subparagraph (A) shall be in writing, contain findings of fact and conclusions separately stated, and be final unless the claimant objects to the determination in such form and within such time as the Director shall prescribe.

(5) Any claim determination to which an objection is made under paragraph (4)(B) shall be reviewed by the Secretary and the Secretary of the Interior on the basis of the record and pursuant to such procedures as they shall jointly prescribe. Except as provided in paragraph (6), a decision by the Secretaries with respect to any such claim shall be final.

(6) In the event of disagreement as to any claim after a decision thereon is made by the Secretaries under paragraph (5), an action on the claim may be brought against the United States in the district court of the United States in and for the district in which the insured is located or transacts business, and jurisdiction is conferred upon such court to hear and determine all such controversies. No such action may be brought after the close of the second year after the date of the decision by the Secretaries on the claim concerned.

(7) There is established in the Treasury of the United States, the Ocean Mining Insurance Fund. The Fund shall be available to the Director without fiscal limitation as a revolving fund for the purpose of carrying out this subsection. The Fund shall consist of—

(A) any sums appropriated to the Fund; and

(B) any premiums paid under paragraph (2)(D).

All payments made by the Director to carry out this subsection shall be paid from the Fund, only to the extent provided for in appropriation Acts. Sums in the Fund which are not currently needed for the purposes of this subsection shall be left on deposit or invested in obligations of, or guaranteed by, the United States.

(c) Limitations.—(1) No new insurance coverage may be issued under subsection (b) after whichever of the following later occurs:

(A) July 1, 1980.

(B) The entering into force and effect with respect to the United States of a treaty which establishes an international regime for the orderly development of the mineral resources of deep seabed.

(C) The enactment of law providing for the provisional application with respect to the United States of the treaty referred to in subparagraph (B).

(2) If the certification of any eligible mining firm is revoked under section 5(c), such firm shall not be eligible for insurance under subsection (b) with respect to any loss or damage occurring on or after the effective date of such revocation.

SEC. 7. ENVIRONMENTAL CRITERIA AND REQUIREMENTS.

(a) Environmental Assessment Program.—The Administrator of the National Oceanic and Atmospheric Administration shall accelerate the program of environmental assessment of deep seabed mining with a view to ascertaining the environmental impact of such mining, including associated retrieval, and landbased processing, at the earliest possible time.

(b) Impact Statement and General Criteria.—The Administrator of the National Oceanic and Atmospheric Administration shall accelerate preparation of a general programmatic environmental impact statement on deep seabed mining as required by the National Environmental Policy Act. In addition, based upon appropriate studies, he shall establish general criteria for the carrying out of prototype operations in a manner so as to protect the marine environment. Such impact statement and general criteria shall be prepared within one year after the effective date of the Act.

(c) Regulations.—Based on the assessments and environmental impact statement developed under subsections (a) and (b), the Administrator, in cooperation with the Secretary, the Secretary of State, officials of other appropriate Federal agencies, and representatives of affected industry and environmental groups, and pursuant to section 553 of title 5, United States Code, shall issue (and therafter from time-to-time revise) regulations for carrying out of prototype operations so as to protect the marine environment. Such regulations shall be applicable to each person while engaged in prototype operations and shall—

(1) implement the general criteria established by the Secretary under subsection (b);

(2) be based upon the utilization by such persons of the best available technology which is economically feasible; and

(3) include—

(A) such notification requirements as are necessary and appropriate to ensure that the Director and Administrator are timely advised by each such person of the nature and extent of each such operation being engaged in,

(B) such reporting requirements with respect to the actual or potential effect of any such operation on the marine environment as the Administrator deems necessary and appropriate, and

(C) requirements that each such person permit employees of the Office or the Environmental Protection Agency, or both (but not more than three such employees at any one time) to be aboard vessels engaging in prototype operations for purposes of monitoring, performing tests and sampling, and carrying out such other duties as the Director and the Administrator may specify for

purposes of ensuring compliance with the regulations issued to carry out this section. The regulations issued under this subsection and subsection (d) shall prohibit any at-sea processing of any nodule resource during any prototype operation until the Administrator finds that such processing is not injurious to the marine environment.

(d) Interim Regulations.—Until the general criteria required to be established under subsection (b) are available and regulations issued under subsection (c), the Administrator shall issue interim regulations for the carrying out of prototype operations in a manner so as too protect the marine environment. Such interim regulations shall include the requirements set forth in subsection (c)(3).

(e) Environmental Impact Assessments.—The Administrator shall prepare environmental impact assessments, with the cooperation of persons engaged in prototype operations, with respect to specified aspects and implications of deepsea mining technology and shall make such assessments available to the public upon request.

SEC. 8. PROHIBITED ACTS.

It is unlawful for any person—

(1) while engaging in any prototype operation or commercial recovery, to interfere unreasonably with any use of the high seas (if such use is lawful under Federal law or any treaty or other international agreement in force and effect with respect to the United States) by any person, including any individual who is a citizen or national of any foreign nation or any legal entity organized or existing under the laws of any foreign nation; or

(2) to violate any regulation or interim regulation issued under section 7 while engaged in any prototype operation.

SEC. 9. CIVIL PENALTIES

(a) Assessment of Penalty.—Any person who is found by the Administrator, after notice and an opportunity for a hearing in accordance with section 554 of title 5, United States Code, to have committeed an act prohibited by section 8(2) shall be liable to the United States for a civil penalty. The amount of such civil penalty shall not be less than $1,000 nor more than $10,000 for each violation. Each day of a continuing violation shall constitute a separate offense. The amount of such civil penalty shall be assessed by the Administrator, or his designee, by written notice. In determining the amount of such penalty, the Administrator shall take into account the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require.

(b) Review of Civil Penalty.—Any person against whom a civil penalty is assessed under subsection (a) may obtain review thereof in the appropriate court of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Administrator. The Administrator shall promtply file in such court a certified copy of the record upon which such violation was found or such penalty imposed, as provided in section 2112 of title 28, United States Code. The findings and order of the Administrator shall be set aside by such court if they are not found to be supported by substantial evidence, as provided in section 706(2) of title 5, United States Code.

(c) Action Upon Failure To Pay Assessment.—If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court has entered final judgment in favor of the Administrator, the Administrator shall refer the matter to the Attorney General of the United States, who shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

(d) Compromise or Other Action by Administrator.—The Administrator may compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this section.

SEC. 10. CRIMINAL OFFENSES.

(a) Offenses.—A person is guilty of an offense if he willfully and knowingly commits any act prohibited by section 8.

(b) Punishment.—Any offense described in subsection (a) is punishable by a fine of not less than $5,000 nor more than $25,000 for each day during which such offense continues.

(c) Jurisdiction.—There is Federal jurisdiction over any offense described in this section.

SEC. 11. ENFORCEMENT.

The provisions of this Act shall be enforced by the Secretary and the Administrator. Such officers may by agreement, on a reimbursable basis or otherwise, utilize the personnel, services, equipment (including aircraft and vessels) and facilities of any other Federal agency in the performance of such enforcement.

SEC. 12. INJUNCTIVE RELIEF.

The district courts of the United States shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enjoin—

(1) any serious or irreparable damage to the marine environment resulting from any prototype operation being carried out by any person during the period before the regulations issued under section 7(c) first take effect; and

(2) any deep seabed mining development or other activities by any person subject to the jurisdiction of the United States that unreasonably interfere with lawful uses (including deep seabed mining activities) of the high seas by others, and in determining whether mining developments or other activities by any such person unreasonably interferes with deep seabed mining activities by others, the district court shall consider priority of the activities, the amount and priority of investments related to the competing activities, the degree of reliance on the activities in question, and the alternative equivalent opportunities for activities to be carried on in a manner that would not unreasonably interfere.

SEC. 13. THE UNITED NATIONS CONFERENCE ON THE LAW OF THE SEA.

The Congress hereby expresses—

(1) its support for United States participation in the United Nations Conference on the Law of the Sea; and

(2) its intention that this Act be considered to be supportive of the objectives of the Conference, in that this Act, in anticipation of agreement being reached at the Conference, allows United States mining firms to proceed toward ocean mining capability without rupturing the negotiating process; and

(3) its intention that, if agreement is not reached at the Law of the Sea Conference, legislation should be enacted which establishes a more comprehensive legal regime for the commercial recovery of nodule resources after July 1, 1980.

SEC. 14. TRANSITIONAL NATURE OF ACT.

It is the sense of Congress that this Act shall be considered to be transitional in nature pending—

(1) agreement on an international treaty being reached at the Third United Nations Conference on the Law of the Sea;

(2) if such agreement is not forthcoming, the conclusion of a multilateral treaty concerning the deep seabed; or

(3) if no agreement referred to in paragraph (1) or (2) is forthcoming, the implementation of any future legislative program relating to commercial recovery, by permit, of nodule resources.

SEC. 15. AUTHORIZATION FOR APPROPRIATIONS.

(a) For General Administration.—There are authorized to be appropriated such sums as may be necessary to carry out the administrative provisions of this Act (other than section 6).

(b) For Ocean Mining Insurance Fund.—There are authorized to be appropriated to the Ocean Mining Insurance Fund such sums, to remain available until expended, as may be necessary to carry out the provisions of section 6.

SEC. 16. SEVERABILITY.

If any provision of this Act, or any application theerof, is held invalid, the validity of the remainder of this Act, or any other application, shall not be affected thereby.

LEGISLATION TO PROMOTE DEVELOPMENT OF SOLAR ENERGY IN THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MINISH) is recognized for 5 minutes.

Mr. MINISH. Mr. Speaker, I am today reintroducing my legislation to promote the development of solar energy in the United States. This measure, first submitted in the 94th Congress, is aimed at encouraging the practical application of solar energy by providing incentives in the tax code.

The natural gas crisis has made clear once again that we must accelerate our work on the development of alternate energy sources. The energy we may be able to derive from the sun represents possibly our most promising alternative to shortages in the fossil fuel area and to the hazards, however minimal, of nuclear energy.

Despite the many advantages of solar power, growth thus far has been slow. The single most significant barrier to extensive use of solar energy by homeowners is financial. At present, the cost of installing a solar heating system in a private home is nearly three times that of a conventional oil system.

The average price of solar heating for a $40,000 house is between $4,000 and $6,000. While the gap between solar and conventional systems has closed in recent years, the expense is still beyond the means of far too many Americans.

My bill is designed to encourage American homeowners to install solar energy systems in their residences through tax incentives. It would allow tax breaks on Federal personal income taxes for installers of solar systems including tax credits of 33⅓ percent of costs under $8,000. The bill also would provide a tax credit to offset any increase in local property taxes resulting from an increased assessment on a solar home.

Mr. Speaker, we are rapidly approaching an impending shortage in our traditional fuel sources, it is clear that we must begin development of alternative sources of energy like the Sun before it is too late.

U.S. CANAL ZONE: U.S. CITIZEN EN ROUTE TO WASHINGTON UNJUSTIFIABLY ARRESTED IN PANAMA BY PANAMANIAN NATIONAL GUARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, in various addresses in the Congress over a period of years, I have repeatedly described the Isthmus of Panama as a land of endemic revolution and endless political intrigue. Recent events in the pro-Marxist military dictatorship of Panama, under its chief of government, Omar Torrijos, have again illustrated the truth of such description.

On February 11, 1977, William R. Drummond, president of the U.S. Canal Zone Police Association, was at the Tocumen Airport in Panama en route to Washington for consultations with George S. Leonard, attorney for congressional plaintiffs in the case of Jesse A. Helms et al., against Cyrus R. Vance et al., before the U.S. District Court for the District of Columbia. At 9 a.m., while about to board the airplane, Drummond was arrested, booked, photographed by the National Guard of Panama and detained in the Panamanian counterintelligence office for interrogation by Panamanian officials.

Promptly reported to the Congress, members of this agency demanded his immediate release, which was not done until 12 m., about 3 hours after his plane had departed.

On Saturday, February 12, while waiting to board another plane for Washington, Drummond was detained a second time but only for 15 minutes, which enabled him to depart as planned.

Mr. Speaker, it should be explained that Police Officer Drummond has been a leader in the fight to protect U.S. sovereign control over the Canal Zone and Panama Canal and has rendered important services to the Congress, mostly at his own expense. Such arbitrary arrests of U.S. citizens in Panama or any other country, unless adequately resolved by our Government, will make dangerous precedents. I have written the Secretary of State for a full report on the two incidents with a request for information on what has been done or will be done to meet the challenge.

Another event of significance was the sudden resignation on February 9, 1977, of Panamanian Foreign Minister Aquilino Boyd following a disagreement with chief of government Torrijos. In response to the resignation. Torrijos used the term "national liberation," which is a Communist code term often used by Communist functionaries for communication to other Communist parties.

It was in the midst of this unstable situation that U.S. negotiators Ellsworth Bunker and Sol M. Linowitz arrived on the isthmus to start a new round of talks on February 14, with a new Panama Foreign Minister, young Nicolas González Revilla.

Mr. Speaker, it is incomprehensible that the State Department would be sending emissaries to negotiate with a government that has arrested one of our most courageous American citizens under false pretenses.

Mr. Speaker, as has been stated by various legal authorities the Canal Zone is an unincorporated territory of the United States. As such, its disposal is not a subject for surrender negotiations except pursuant to specific authorization by the Congress, which is the only agency of our Government vested with the power to dispose of territory and other property of the United States. The indicated negotiations have not been authorized, but are strongly opposed in the Congress by Members of both the Senate and House.

I would like to stress that the Canal Zone, as the indispensable protective frame of the canal, has always been an area of stability in a land of revolution. Many Panamanian leaders, seeking to escape assassination, have taken refuge there during periods of crisis. A recent example was that of Señora Torrijos during an attempt to depose her husband while he was away on a trip.

Today, there is a strong underground of opposition in Panama to the revolutionary dictatorship. This opposition, conscious of "human rights" has issued an anonymous circular with this warning: "We shall never accept a treaty signed with a tyrant."

Mr. Speaker, such facts as I have just summarized make this question more pertinent than ever: "Why should there be any negotiations at all in such a situation?" Respected Latin American leaders and officials of major countries of Latin America oppose the surrender of U.S. sovereign control over the Canal Zone and Panama Canal for they understand the situation.

In order that the Congress may have the benefit of a report on the two incidents as prepared by Mr. Drummond, a copy follows as parts of my remarks:

REPORT BY WILLIAM R. DRUMMOND

On Monday, February 7, 1977, the President of the Canal Zone Central Labor Union-Metal Trades Council, through the coordination of the Area Director of the National Maritime Union, met with the Dictator of Panama, Omar Torrijos, in the Republic of Panama for the purpose of gaining information relative to employee rights that could be expected under the Canal's joint administration with the Republic of Panama.

The CLU–MTC specifically went to this meeting to listen and not for the purpose of bargaining.

Although the labor representatives present at this meeting were given prior assurances by Torrijos' government that there would be no publicity on this meeting, it was extensively used for political purposes; the Panama press depicting U.S. Canal Zone Labor as working with the Panama government in a spirit of harmony.

Torrijos assured those Metal Trades Representatives present that his government wanted them to remain after the treaty was ratified. He stated that the Canal could not function without them.

He assured them that they could own the home they are presently renting. He stated "I think it criminal that an employee should be forced to rent a home, with no chance to buy it, during his whole working life."

He pictured the present working conditions as one of oppression in which the employee was in constant fear of losing his job over the most minor infraction.

He compared the present Canal health program at Gorgas hospital to a "training center for interns who return to the States after experimentation on Canal employees. He stated that the Panama health program had better and more modern equipment and further indicated that Canal employees should consider entering this program at the time of treaty.

He stated that those U.S. employees that remained working on the Canal would be protected, they would retain their wage and benefit rights and any future wage increases.

He stated that the U.S. negotiators were not working to protect employee rights and that only the Panama negotiators had brought up employee rights during the negotiations.

He stated that, to prove his good faith, he would pass a new law providing for these rights "before treaty", and that these special benefits would only affect U.S. employees necessary to run the Canal. He stated that treaty activities would be greatly accelerated within the next three months, and that President Carter would go on television after it is signed to sell the treaty to the American public.

In return for all this, Torrijos stated that he wanted these labor representatives to cease their anti-treaty activities and to convince their members to do the same. He stated that he expected a reply on this matter shortly.

Finally, Torrijos stated that he would set up a "high level" labor commission to periodically inform Canal Zone labor representatives on the conduct of the Treaty. The commission would be composed of all U.S. labor representatives (Union Presidents) and Panama government officials under the Director of the Panama Labor Minister Ahumada.

Present at that meeting was John Williams, President of the Pilots Association, the Area Director of the N.M.U., the President of the Canal Machinists Union, Pujol, a member of the Canal Tug Boat Captains (M.M.P.) and the President of the Metal Trades Council, A. Graham.

On February 8, 1977, Tuesday, at a joint meeting with several CLU–MTC Union representatives and the Canal Zone Governor, in which I was present, Mr. Graham, in the presence of Mr. Pujol, reported the above information.

On February 10, 1977, Thursday, at a CLU–MTC meeting Brother Graham again reported the above information in my presence.

The CLU–MTC voted to re-support the suit that has been re-introduced in the District of Columbia in which I am a co-signature. It was brought out at this meeting that to vote to support this suit was to formally take an anti-treaty position. To date, the CLU–MTC has not taken a formal public position on the treaty. The CLU–MTC further voted not to participate in the labor commission presented by Torrijos but that if Brother Graham was given a personal invitation he was free to attend in order to gather information.

The CLU–MTC voted to support my trip to Washington, at my own expense, in order to meet on priority transfer rights with the Secretary of Army's Office.

On February 11, 1977, Friday, I was arrested, transported from the Tocumen Airport to the Panama Counter-Intelligence Office where I was detained from 9:00 a.m. to 12:00 noon. (Detailed Report Attached.)

While discussing this incident with the Canal Zone Balboa District Police Commander, Mr. Gordon, he stated to me that Colonel Noreiga, Chief of the G–Z assured

him that I would not be bothered again and that he (Noreiga) "just wanted to give me a message."

Obviously, my arrest was not the subject of overreaction by some low-level security personnel at the airport. The agent that arrested me, in my presence, telephoned the G–Z headquarters to inform them that he had made the arrest. He was instructed to transport me to the Counter-Intelligence Office in Panama City.

At 3:20 a.m., Saturday, February 12, 1977, I was again detained for about 15–20 minutes at the Tocumen airplane boarding ladder. No reason was given to me for this further detention. At 3:40 a.m. I was allowed to board the plane, and it was allowed to leave for Miami. It was scheduled to depart at 3:30 a.m.

On the evening of Saturday, February 12, 1977, I was informed by telephone by the business manager of the Canal Zone electrical workers that the labor representatives that had accompanied me the second time to the Tocumen Airport, had been detained, their film confiscated and harassed.

REDUCED AIRLINE FARES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Tennessee. Mr. Speaker, I rise today as a cosponsor of H.R. 27, a bill to reduce airline fares on a space-available basis to elderly persons 65 years of age or older and to the handicapped. The bill would further extend this privilege to retired persons 60 years of age.

It has increasingly become the disposition of this democratic body to look after the needs of these heretofore neglected groups, comprising over 10 percent of the total population. This is evident in the many strides which have been made just in the last 4 years:

Increases in social security, veterans' and civil service retirement benefits to compensate for inflation.

Implementation of the supplemental security income—SSI—program, which provides benefits to 2.9 million older Americans; and

Significant expansion and improvement of the Older Americans Act, which authorizes programs that provide social services and nutritional assistance to the elderly.

Yet, our job has just begun in insuring our precious seniors and handicapped lives as full as we enjoy.

Today, there are several Federal programs which attempt to make transportation for the elderly and handicapped more available and accessible. However, there are no such special programs in the area of air transportation. It is my feeling that every citizen should know the benefit that the mobility of air transportation can afford.

As we all know, many, many seniors and handicapped persons are forced to live on fixed incomes, a large percentage of which is spent on necessities. Therefore, the merits of H.R. 27 are obvious in that it offers them air transportation, be it a luxury, to visit relatives years unseen or, an emergency trip to a sick friend; all a part of growing, all a part of living.

In addition to the benefits to the elderly and handicapped, the provisions of the bill would enable airlines to decrease their operating losses by filling otherwise vacant seats. This legislation envisions no expenditure of Federal funds and would work to the advantage of the transportation industry, as well.

Therefore, I urge my colleagues in the House to join with me going on record in support of this legislation and in support of senior citizens and handicapped persons in all of America.

THE WINTER OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia, (Mr. STAGGERS) is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, there has been much in the news media about certain areas of the country that have been hard hit by our most bitter winter of this century. With this in mind, I would like to comment about the sturdy people of the Second District of West Virginia and those in Preston County in particular.

A major news service has said that two of the hardest hit areas in the entire country this winter are Buffalo, N.Y., and Preston County, W. Va.

Preston County, which sits high on the Appalachian plateau, bordering the State of Pennsylvania, and Garrett County, Md., has had over 200 inches of snow so far this winter; and just yesterday morning they woke up to 7 additional inches of new snow.

ABC–TV has had a news team in there using a helicopter and has given spot coverage to at least two rescue operations and, of course, there have been many other rescues of people who have been isolated and without food and heat.

Our new Governor of West Virginia, Jay Rockefeller, has paid a personal visit to the area to see firsthand the conditions there. He had previously called out the National Guard to assist the area and has made as much State aid available as possible. There has been a show of great concern on his part.

Just trying to keep a few of the main roads open for one-lane traffic has been a major task in Preston County, because as soon as the road crews get a road open, the winds blow and snowdrifts close it again. Sometimes the drifts are 20 feet or more high.

The people of Preston County are strong people and these conditions bring out the best in them.

A large State hospital is located at Hopemont in Preston County, and it is my understanding that the officials, doctors, nurses, and other employees there have made a gallant effort to see that the 300 or so patients all continue to receive the proper care and are well taken care of during this extraordinary winter.

Perhaps a recent half-page advertisement in one of the local Preston County weekly newspapers sums up the situation best. and I would like to quote from it:

Preston County's extreme winter condition has drawn a great deal of attention to lack of preparedness, equipment breakdowns and outright failure to cope, but the folks at The First National Bank believe it is time for all to recognize the outstanding efforts of the men and women who are working day and night, seven days a week, to do the best that can be done.

Braving wind chill temperatures of minus 70 degrees, zero visibility and giant snow drifts, these people have risked their very lives every day to protect the lives of others.

Volunteers working for the Preston County Office of Emergency Services deserve more credit than they have been given. Officials of the OES should also be given a warm note of thanks. The personnel of the Department of Highways deserve a great deal of credit for working with ailing equipment long hours each day, a little frustrated at times, but courageous enough to continue to fight the battle.

A special recognition also should be given to the members of National Guard units who have assembled in Preston County to give local agencies a helping hand. These include helicopter crews from the Med-evac Unit at Parkersburg, the 201st Artillery Division at Camp Dawson, Special Forces at Camp Dawson and the 119 Engineers from Clarksburg.

Many of these people are working under these extreme conditions using equipment that is unheated, and in many cases, totally open to the elements.

The men of the Department of Natural Resources also should be recognized for pitching in.

And finally we want to recognize the efforts of all law enforcement officials who are cooperating to the fullest extent during this emergency. This includes city, county and state police.

These people, as well as countless others, are helping us with a spirit of courage and determination. The folks at First National salute them. They are some of the most important people who make Preston.

I join in this salute to the courage and determination of the people of Preston County. They are a hardy lot, and years from now they will be telling their grandchildren of the "winter of 1977."

CARBON TET IN THE OHIO RIVER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. LUKEN) is recognized for 5 minutes.

Mr. LUKEN. Mr. Speaker, for the past week, the headlines in the Cincinnati newspapers have been screaming that poison was flowing downriver to our waterworks intakes. The poison is in the form of carbon tetrachloride, illegally discharged from undetected industries in the Kanawha River of West Virginia, a tributary of the Ohio River.

Last Friday, February 18, while users of Cincinnati water were being advised by the Environmental Protection Agency to store water against the time when on-

coming toxic substances would reach the city, the populace waited with considerable apprehension.

On Saturday, February 19, the EPA advised that it had erred in predicting the flow rate of the position and that the most severe concentration had passed Cincinnati and had been ingested by the residents and users of the city water on Thursday, February 17, 2 days previous. It was then reported that the levels of carbon tetrachloride drawn into the water system were 102 p/b, twice the rate generally considered to be injurious to health.

Further worsening the situation from the Federal standpoint is the fact that the EPA had taken samples at 12 noon on Thursday, the 17th, of the intake of the Cincinnati waterworks and failed to alert the city, the board of health, the waterworks nor any public authority before Friday evening, after 4 p.m. Therefore, EPA grievously erred again, with the results that Cincinnatians were drinking contaminated water believed to be safe.

Moreover, EPA denies its responsibility to monitor the quality of water in the Ohio River. Orsanco, another Federal agency, admits its responsibility and jurisdiction, but as yet, does not have the equipment to do the job.

The citizens of the Second Ohio District are justifiably outraged by this performance and not a little anxious over the quality of the water they have been drinking and the protection against poisonous compounds in the future.

These events have serious implications with regard to the possible legislative amendments to the Safe Drinking Water Act.

For the present, I have requested the assistance of the President in impressing upon the agencies involved, the necessity of cooperation and coordination with local officials until remedial legislation can be considered.

The White House has contacted the agencies, and hopefully can expect a different response from EPA in the future.

PUBLIC ASSISTANCE AND UNEMPLOYMENT COMPENSATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 10 minutes.

Mr. COTTER. Mr. Speaker, I present the following testimony which was given before the Subcommittee on Public Assistance and Unemployment Compensation:

TESTIMONY OF HON. WILLIAM R. COTTER, BEFORE THE SUBCOMMITTEE ON PUBLIC ASSISTANCE AND UNEMPLOYMENT COMPENSATION OF THE HOUSE WAYS AND MEANS COMMITTEE

Mr. Chairman, members of the subcommittee: I would not take the subcommittee's time unless I felt the problem of depleted State unemployment compensation funds deserved your attention as you prepare an extension of the Federal supplemental benefits program.

A total of 23 states have been forced to take out loans from the Federal treasury as the demands of high unemployment exhausted their U.C. funds. The failure of these states to recover fully from years of recession is the major reason for their present indebtedness.

Under the terms of the Federal U.C. loans, the states involved have three years to repay the debt, or face an annual employer penalty tax of three-tenths of one per cent. For each year the debt remained unpaid, an additional three-tenths of one per cent would be added to the penalty.

In 1975, Congress realized that implementation of this tax would impose an additional burden on state economies still suffering from high joblessness. The tax, in fact, would put state employers at a competitive disadvantage and hurt their efforts to restore the jobs lost during the recession. Such a result would make it more difficult for the states involved to reduce their unemployment compensation debt.

Realizing this problem, Congress voted to delay imposition of the penalty tax until January 1, 1978, provided that the States demonstrated an active effort to finance their U.C. funds.

Now, as the new deadline approaches, the problem remains unsolved.

In addition to Puerto Rico and the District of Columbia, 11 States face the penalty tax if the deadline is allowed to pass. These States are: Alabama, Connecticut, Delaware, Illinois, Maine, Massachusetts, Michigan, Minnesota, New Jersey, Pennsylvania and Rhode Island. Six other States, which took out loans in 1976, conceivably could be penalized after their three-year grace period has elapsed.

All of the economic models I have seen show there will be no significant relief for the unemployment compensation burden of these States until the 1980's. I therefore ask this subcommittee to consider an extension of the penalty tax suspension until January 1, 1980. (The suspension provision can be found in Sec. 110(a) of Public Law 94–45 and Sec. 3302(c)(3) of the internal revenue code.)

Such an extension will give Congress the opportunity to review the findings of the national commission on unemployment compensation, which is required to report to Congress by January, 1979, with a plan to overhaul the entire U.C. system.

Thank you very much for allowing me to take a few minutes of your time. With your permission, Mr. Chairman, I would like to insert a more complete analysis of the problem along with my testimony into the hearing record.

INSERT TO TESTIMONY OF HON. WILLIAM R. COTTER, FEBRUARY 22, 1977

Title IX of the Social Security Act authorizes loans to help states pay unemployment compensation when their unemployment compensation funds have been depleted.

As the subcommittee knows, taxable payroll tends to be low when demand for benefits is highest. Therefore, if there were no u. c. loan provision in the Internal Revenue Code, adverse economic conditions could create a situation in which the need for benefits outstripped the state's revenue resources.

The basic law (Sec. 3302(c) of the Internal Revenue Code of 1954) provides not only for loan repayments, but also for penalties to be imposed if repayment is delayed after a specified time period. The penalty, an increase in federal unemployment taxes for employers, is effective if the state has not made full repayment by November 10 of the year which begins on the second January 1 following the date the loan was made.

The law levies an unemployment tax of 3.4 per cent on employers and then forgives 2.7 per cent if the state has an approved unemployment compensation law. Because all states have such a law, the effective federal tax is 0.7 per cent. Revenue from this tax is used to pay both the federal and state administrative costs for the program, to create the loan fund and to finance the federal share of the additional benefits paid in periods of high unemployment.

Section 3302(c) provides that when a state has not repaid its loan within the specified period, the federal employer tax for that state will be increased by 0.3 per cent and that additional increases of the same amount will be added for each subsequent year the loan remains unpaid.

This provision should be unnecessary when high unemployment is a temporary problem. The state should be able to get on its feet quickly and repay the loan without a significant drain on its resources. In 1975, however, Congress recognized that the states still in debt to the federal Treasury were facing a continuing unemployment problem. With high joblessness, their u. c. funds were still depleted and their businesses too pressured to absorb an additional federal tax.

A temporary provision therefore was added to the Emergency Compensation and Special Unemployment Assistance Act of 1975 (P.L. 94–45) to postpone the penalty tax until January 1, 1978, but only in those states where the Secretary of Labor found "appropriate action with respect to the financing of its unemployment programs so as substantially to accomplish the purpose of restoring the state's unemployment account in the Unemployment Trust Fund and permitting the repayment within a reasonable time of any advances."

The Secretary this year made determinations for three states: Connecticut, Vermont and Washington. Vermont and Washington could not qualify for the penalty tax suspension, and employers in the two states were required to pay the 0.3 per cent levy. Next year. Connecticut and the 12 jurisdictions that took out loans in 1975 will face the tax. The 12 jurisdictions are: Alabama, Delaware, the District of Columbia, Illinois, Maine, Massachusetts, Michigan, Minnesota, New Jersey, Pennsylvania, Puerto Rico and Rhode Island.

Six additional states took out loans in 1976. The enclosed table (prepared by the Department of Labor) shows the loans made to states through January 15, 1977.

The available evidence suggests that all of these states, even with extraordinary effort, would be unable to repay their loans fully within the next few years. Accordingly, an extension of the present provisions for suspension of the penalty tax may be appropriate. The extension would not apply automatically to all states whose loans remain unpaid, but only to those who can demonstrate that they are doing their best to retire the debt as quickly as possible.

In these states, any increase in the unemployment tax paid by employers might hinder economic recovery.

ADVANCES TO STATES FROM FEDERAL UNEMPLOYMENT ACCOUNT

[In millions of dollars per calendar year]

States	1972	1973	1974	1975	1976	1977 through Jan. 15, 1977	Total
Connecticut	31.8	21.7	8.5	190.2	111.0	24.0	[1] 387.2
Washington		40.7	3.4	50.0	55.3		149.4
Vermont			5.3	23.0	9.2	2.0	39.5
New Jersey				352.2	145.0	15.3	512.5
Rhode Island				45.8	20.0		65.8
Massachusetts				140.0	125.0		265.0
Michigan				326.0	245.0		571.0
Puerto Rico				35.0	22.0	10.0	67.0
Minnesota				47.0	76.0		123.0
Maine				2.4	12.5		14.0
Pennsylvania				173.8	379.1	90.0	642.9
Delaware				6.5	14.0	2.0	22.5
District of Columbia				7.0	26.6	5.5	39.1
Alabama				10.0	20.0		30.0
Illinois				68.8	446.5	32.1	547.4
Arkansas					20.0	1.0	21.0
Hawaii					22.5		22.5
Nevada					7.6		7.6
Oregon					18.5		18.5
Maryland					36.1		36.1
Montana					1.4	2.2	3.6
Total	31.8	62.4	17.2	1,477.7	1,813.3	184.1	3,586.5

[1] Actual loans received, $426,000,000, less repayment through reduced employer credits, $12,800,000, total, $413,200,000.

ABUSE OF DIPLOMATIC PRIVILEGES

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, our colleague, Congressman JOSEPH L. FISHER, authored an excellent article in the Washington Post of Tuesday, February 15, 1977, on all too frequent abuses of diplomatic privileges by foreign representatives residing in the United States. Congressman FISHER, in the article, calls on Congress to "take steps to protect our citizens from the abuse of the privilege of diplomatic immunity and make it possible for them to obtain prompt and proper relief when their rights are infringed."

I agree with Congressman FISHER wholeheartedly and congratulate him on the constructive legislative proposal he has sponsored to remedy this problem.

As chairman of the Subcommittee on International Relations, it is my intention to consider Mr. FISHER's proposal and related bill this year.

DIPLOMATIC IMMUNITY FROM RESPONSIBILITY

(By Joseph L. Fisher)

Last February a 19-year old Arlington man was struck and killed by an automobile, while he was working in a highway repair crew. The car was driven by a chauffeur for the Senegalese embassy, who enjoyed diplomatic immunity from prosecution (until he lost his job five months later). The car carried no liability insurance—because of diplomatic immunity, this was not required.

This case is the most shocking example of the injustice our citizens can endure as a result of our outdated laws governing diplomatic immunity. Many Americans have suffered the agony of physical injury in serious car accidents along with the despair over mounting medical bills, all the while frustrated by the near-impossibility of obtaining the prompt and proper legal relief due them. Some can never recover fully from their injuries and require life-long medical attention. Others find that lengthy hospitalization has cost them their jobs. All share the miserable misfortune of having been involved in an accident with a person protected by diplomatic immunity.

The concept of diplomatic immunity dates back thousands of years to the practices and customs of the Hittites, the Babylonians, and to some of the other earliest people whose records we have been able to read. Its purpose is to protect diplomatic officials and facilitate the conduct of relations between the nations, in the recognition that this works to mutual advantage.

Unlike most other nations, the U.S. grants full immunity from criminal, civil, and administrative jurisdiction to everyone from the ambassador and his family to private servants, whether on embassy business or on a personal outing. This law was enacted in 1790—almost 200 years ago—and modeled on an English statute of 1708, the first acknowledgment of diplomatic immunity written into Anglo-Saxon law. Unless waived by the embassy or foreign government involved, this immunity shields all embassy personnel from the consequences of acts which, if committed by ordinary citizens, would likely result in arrest, trial, and perhaps punishment. Even when immunity is waived, American citizens are reluctant to sue, and for good reason. Anyone who wrongfully sues or criminally prosecutes a diplomat can be fined or sent to jail for as many as three years.

In addition, the United States is the only major country which does not require automobile liability insurance as a condition of entry into the country, but merely "strongly urges" that diplomatic personnel carry it.

Although not subject to U.S. jurisdiction, foreign embassy personnel still "are expected" to abide by the laws of the localities in which they reside. Most do. Others, however, take advantage of the special kind of hospitality our country offers in the way of diplomatic immunity.

Tragedies such as the death of the young Arlington man from time to time spotlight the general subject of diplomatic immunity. Although interest seems to wane between dramatic incidents, the problems of diplomatic immunity—its proper use and its frequent abuse—are ongoing, especially in metropolitan areas such as Washington, D.C., and New York, where diplomatic personnel are largely concentrated.

According to the State Department, when horsepower under the hood replaced real horses, by far the greatest number of cases in which diplomatic immunity has been invoked have involved traffic accidents.

There is, too, the matter of unpaid parking tickets. In a recent 12-month period Washington, D.C., according to City Council figures, lost about $140,000 from an already tight budget because fines for about 30,000 parking violations issued to diplomatic vehicles were not paid.

Last year the D.C. City Council prepared a bill asking Congress to revise U.S. policy regarding non-payment of fines and hold diplomatic missions responsible for payment. New York City, whose budgetary crisis has been national news, lost some $3 million in parking fines unpaid by diplomatic personnel, according to a Jack Anderson column.

Problems are continuous also in regard to property rented to diplomatic personnel. Property too often is damaged and rent unpaid.

Driving around, entering into rental agreements and other contracts are civil activities that have nothing to do with the conduct of foreign policy, and much to do with the exercise of good citizenship.

Congress should take steps to protect our own citizens from the abuse of the privilege of diplomatic immunity and make it possible for them to obtain prompt and proper relief when their rights are infringed.

The last Congress took some steps toward this end with the introduction of a number of bills, but none was enacted.

Inertia and indifference seem to be the main obstacles to enactment of such legislation. For the most part, the abuses weigh heavily only on residents of the Washington and New York metropolitan areas.

Perhaps the first and broadest legislation should be repeal of the 1790 statutes in order to bring the U.S. into conformity with the Vienna Convention on Diplomatic Relations signed by the U.S. and more than 100 other nations. The convention was held in 1961 to codify the practices of diplomatic immunity that had developed through the years and bring about some uniformity among the nations. Unfortunately, in the United States, the antiquated domestic statutes take precedence over the international law in situations in which both are applicable.

The Vienna Convention restricts full diplomatic immunity to high level personnel for whom protection against arbitrary or capricious arrest, detention, and prosecution is necessary. It further narrows the use of diplomatic immunity by distinguishing between performance of official and unofficial duties. For example, embassy service staff would have immunity only while performing official duties, and household servants would lose all immunity under the Vienna Convention. By sharply limiting the number of persons who can claim immunity and the circumstances to which it attaches, the ordinary civil offense is separated somewhat from the traditional diplomatic immunity. At the end of the last Congress, thirty-one members of the House joined me and the chairman of the International Relations Committee in sponsoring a bill to repeal the 1790 statutes. The Department of State endorsed the bill. In this Congress there are more than 60 sponsors.

More narrowly, but perhaps as important, is legislation aimed directly at the use of automobiles, to require foreign non-residents who bring automobiles into this country for personal use to obtain liability insurance as a condition of entry into this country. This also received consideration by the Ways and Means Committee in the last Congress.

Finally, I think there is a strong argument in favor of the U.S. government being liable for compensating the so-called "victims" of diplomatic immunity. Diplomatic immunity will always be accorded to a certain number of foreign personnel, and rightfully so. However, as this is a courtesy which the U.S. government extends to foreign nations,

the host government should then be responsive to the problems of its own citizens who suffer physical and financial hardship as a result of the diplomatic status of foreign personnel. In extreme cases, the U.S. government can ask for recall of a diplomat, but that still provides no relief for an injured party.

Legislation is needed to provide a clear mechanism for satisfying claims awarded U.S. citizens against foreign personnel covered by diplomatic immunity.

"I am an American citizen and a taxpayer and there are simply no channels or recourse available to me," said one man confronted with the virtually impenetrable barricade of diplomatic immunity when his car was hit by an embassy limousine.

It is time he and other Americans had some remedy. We must modernize the old concept of diplomatic immunity so that it better suits the time in which we live.

RULES OF THE COMMITTEE ON WAYS AND MEANS

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ULLMAN. Mr. Speaker, pursuant to the requirement of rule XI, clause 2 (a) of the Rules of the House of Representatives, I submit herewith the Rules of the Committee on Ways and Means for the 95th Congress and ask that they be printed in the RECORD at this point. These rules were adopted by the committee in open session on January 25, 1977:

RULES OF THE COMMITTEE ON WAYS AND MEANS

Rule XI of the Rules of the House of Representatives, provides in part:

"* * * The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees.

"* * * Each subcommittee of a committee is a part of that committee, and is subject to the authority and direction of that committee and to its rules so far as applicable.

"* * * Each standing committee of the House shall adopt written rules governing its procedure. Such rules * * *

"(1) shall be adopted in a meeting which is open to the public * * *

"(2) shall be not inconsistent with the Rules of the House or with those provisions of law having the force and effect of Rules of the House * * *."

In accordance with the foregoing, the Committee on Ways and Means, on January 25, 1977, adopted the following as the Rules of the Committee.

RULE 1. IN GENERAL

Except where the terms "full committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Committee on Ways and Means and its subcommittees as well as to the respective chairmen.

RULE 2. MEETING DATE, QUORUM, AND QUORUM FOR TAKING TESTIMONY AND EVIDENCE

The regular meeting day of the Committee on Ways and Means shall be on the second Wednesday of each month while the House is in session. A majority of the Committee constitutes a quorum for business. Provided, however, that two members shall constitute a quorum at any regularly scheduled hearing called for the purpose of taking testimony and receiving evidence.

RULE 3. SUBCOMMITTEE MEETINGS

Insofar as possible, meetings of the Committee and its subcommittees shall not conflict. Subcommittee chairmen shall set meeting dates after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

RULE 4. SUBCOMMITTEES

All matters referred to the Committee on Ways and Means involving the Internal Revenue Code, except those miscellaneous measures referred to the Subcommittee on Miscellaneous Revenue Measures under paragraph 3 hereof, shall be considered by the whole Committee and not in subcommittee. The purpose of this is to expedite consideration of these matters.

There shall be six standing subcommittees as follows: Subcommittee on Social Security; Subcommittee on Health; Subcommittee on Public Assistance and Unemployment Compensation; Subcommittee on Trade; Subcommittee on Miscellaneous Revenue Measures; and Subcommittee on Oversight.

The jurisdiction of such subcommittees shall include:

1. Subcommittee on Social Security shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans

In general, the jurisdiction of the Subcommittee on Social Security will include bills and matters referred to the Committee on Ways and Means which relate to the Federal Old-Age, Survivors' and Disability Insurance System and employment taxes and trust fund operations relating to that system, but shall not include those titles of the Social Security Act involving health benefits, unemployment compensation or welfare matters. The jurisdiction of this subcommittee, more specifically, will include bills and matters involving title II of the Social Security Act, as well as provisions in title VII and title XI of the Act relating to procedure and administration involving the Old-Age, Survivors' and Disability Insurance System.

2. Subcommittee on Health shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Health includes bills and matters which are referred to the Committee on Ways and Means relating to programs which provide payments (from any source) for health care, health delivery systems, or health research. More specifically, the jurisdiction of the Subcommittee on Health includes bills and matters relating to the health care programs of the Social Security Act (including titles V, XI (Part B), XVIII, and XIX thereof) and tax credit (including tax credits where no tax is due) and deduction provisions of the Internal Revenue Code dealing with health insurance premiums and health care costs.

3. Subcommittee on Miscellaneous Revenue Measures shall consist of 7 Members, 5 of whom shall be Democrats and 2 of whom shall be Republicans.

The jurisdiction of this subcommittee shall consist of those miscellaneous revenue measures which, from time to time, shall be referred to it specifically by the Chairman of the full Committee.

4. Subcommittee on Trade shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Trade will include customs and customs administration including tariff structure, classification, valuation of and special rules applying to imports, and special tariff provisions and procedures relating to customs operation affecting exports and imports; import trade matters, including import impact, industry relief from injurious imports, adjustment assistance, unfair import practices including antidumping and countervailing duty provisions, and import policy relating to dependence on foreign sources of supply; reciprocal trade agreements including multilateral and bilateral trade negotiations involving tariff and nontariff trade barriers to and distortions of international trade; international rules, organizations and institutional aspects of international trade agreements; and special trade-related problems involving market access, access to materials in short supply, trade with developing countries, operations of multinational corporations and state trading.

5. Subcommittee on Public Assistance and Unemployment Compensation shall consist of 13 Members, 9 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of this subcommittee shall include bills and matters referred to the Committee on Ways and Means affecting those provisions of the Social Security Act relating to welfare matters, i.e., welfare reform, supplemental security income, aid to families with dependent children, social services and child support, and eligibility of welfare recipients for food stamps.

More specifically, the jurisdiction of this subcommittee shall include bills and matters relating to titles I, IV, VI, X, XIV, XVI, XVII, XX and related provisions of titles VII and XI of the Social Security Act.

The jurisdiction of this Subcommittee will also include bills and matters referred to the Committee on Ways and Means which relate to the Federal-State system of unemployment compensation, and the financing thereof, including the programs for extended and emergency benefits.

More specifically, the jurisdiction of this subcommittee shall include all bills and matters pertaining to the programs of unemployment compensation under title III, IX and XII of the Social Security Act, Chapter 23 of the Internal Revenue Code, the Federal-State Extended Unemployment Compensation Act of 1970, the Emergency Unemployment Compensation Act of 1974, and provisions relating thereto.

6. Subcommittee on Oversight shall consist of 10 Members, 7 of whom shall be Democrats and 3 of whom shall be Republicans.

The jurisdiction of this subcommittee shall include all matters within the scope of the Committee but shall be limited to existing law and said oversight jurisdiction shall not be exclusive but shall be concurrent with that of the other subcommittes, and with respect to matters involving the Internal Revenue Code said concurrent jurisdiction shall be shared with the full Committee. Before undertaking any investigation or hearing, the Chairman of the Subcommittee on Oversight shall confer with the Chairman of the full Committee and the Chairman of any other subcommittee having jurisdiction.

RULE 5. SUBCOMMITTEE CHAIRMEN

Democratic members of the Committee shall have the right in order of full committee seniority to bid for vacant subcommittee chairmanships. Such bids shall be subject to approval by a majority of those present and voting in the Democratic caucus of the Committee. If the caucus rejects a subcommittee chairmanship bid, the next senior Democratic Member may bid for the position as in the first instance. No member of the Committee who serves on the Budget Committee shall serve as a chairman of a subcommittee. A subcommittee chairmanship shall not be considered vacant while the subcommittee chairman has taken a leave of absence to serve on the Budget Committee.

RULE 6. EX-OFFICIO MEMBERS OF SUBCOMMITTEES

The Chairman and the ranking minority member may sit as ex-officio members of all subcommittees. They may be counted for purposes of assisting in the establishment of a quorum for a subcommittee. However, their absence shall not count against the establishment of a quorum by the regular members of the subcommittee. Ex-officio members shall not vote in the subcommittee.

RULE 7. REFERENCE OF LEGISLATION AND SUBCOMMITTEE REPORT

Every bill, or other matter (except bills concerning the Internal Revenue Code) referred to the Committee or initiated by the Committee shall be referred by the Chairman of the full Committee to the appropriate subcommittee within 2 weeks from the date of its receipt by the Committee unless by a majority vote of the Democratic members of the full Committee, consideration is to be by the full Committee.

No bill reported by a subcommittee shall be considered by the full Committee unless it has been presented to all members at least 48 hours prior to the meeting, together with a comparison with present law, a section-by-section analysis of the proposed change, and a section-by-section justification.

RULE 8. SUPERVISION, DUTIES OF COMMITTEE STAFFS

The staff of the Committee, both professional and clerical, shall be under the general supervision and direction of the Chairman of the full Committee except as provided in Rule XI Clause 5(d) and Clause 6 of the Rules of the House of Representatives concerning committee expenses and staff. Provided, however, that the chairman of each subcommittee shall be entitled to select and designate at least one professional staff member for said subcommittee and at least one clerical staff member for said subcommittee subject to the approval of a majority of the Democratic members of said full Committee. The ranking minority member shall have the right to designate one staff member. Said staff members shall be compensated at a salary commensurate with the responsibilities prescribed by said subcommittee chairman. Compensation shall be provided out of appropriated amounts—rather than statutory amounts allowed each committee.

RULE 9. COMMITTEE BUDGET AND EXPENSES

The Chairman, in consultation with the majority members of the Committee, shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, travel, investigation, and other expenses of the Committee. After consultation with the minority members, the Chairman shall include an amount budgeted to minority members for staff under their direction and supervision. The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a subcommittee budget to include funds for staff, travel, investigations, etc., as may be required for the work of the subcommittee. Thereafter, the Chairman shall combine such proposals into a consolidated committee budget, and shall present the same to the Committee for its approval or other action. The Chairman shall take whatever action is necessary to have the budget as finally approved by the Committee duly authorized by the House. After said budget shall have been adopted, no substantial change shall be made in such budget unless approved by the Committee.

RULE 10. WITNESSES

Witnesses who are scheduled to appear before the Committee shall file with the clerk of the Committee at least 24 hours in advance of his appearance a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement unless this provision is waived by the Chairman. Witnesses shall provide sufficient copies of his statement to the clerk for distribution to members, staff and news media.

RULE 11. QUESTIONING OF WITNESSES

Committee members may question witnesses only when recognized by the Chairman for that purpose. All members shall be limited to five minutes on the initial round of questioning. In questioning witnesses under the five minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesss, the chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recogntion for questioning in such a manner as not to disadvantage the members of the majority.

RULE 12. PUBLICATION OF TENTATIVE DECISIONS

A copy of any tentative or final legislative decision made by the Committee on the subject matter under consideration shall be made available to each Member of the Committee by the next meeting of the Committee, or at the latest, by the next day.

RULE 13. AMENDMENT TO PROVISION PREVIOUSLY READ

In the process of reading a bill for amendments, it shall be in order to return to a previously read portion of the bill for the purpose of considering and acting upon amendments thereto. However, if such previously read portion has been adopted by a record vote, the provisions of Rule XVIII of the Rules of the House of Representatives concerning reconsideration shall be applicable except that the term "succeeding day" shall be defined as the next day on which a quorum of the Committee is present.

RULE 14. RECORD VOTES

A record vote on an issue shall be required on the request of a Member which is supported by at least one-fifth of a quorum.

RULE 15. PREVIOUS QUESTION

The Chairman shall not recognize a Member for the purpose of moving the previous question unless the Member has first advised the chair and those Members present that this is the purpose for which recognition is being sought.

RULE 16. RECOMMENDATION FOR APPOINTMENT OF CONFEREES

Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall recommend to the Speaker as conferees the names of those members of the subcommittee which handled the legislation in the order of their seniority upon such subcommittee and such other committee and subcommittee members as the Chairman may designate. In making recommendations of minority members as conferees the Chairman shall consult with the ranking minority member of the Committee.

RULE 17. RECORDS OF HEARINGS

An accurate stenographic record shall be kept of all testimony taken at a public hearing. Witnesses may, in the presence of a member of the Committee staff and at reasonable times in the office of the Committee, examine the transcript of his own testimony and may make suggestions to the staff to correct grammatical or technical changes as will not substantially alter the record of the testimony. In instances where the witness is from out of town, and where it will contribute to a more complete record and/or expedite the printing of the hearing, the appropriate portion of the transcript may be transmitted to the witness by the staff for correction and immediate return. Members shall correct their own testimony and return transcripts as soon as possible after receipt thereof. The Chairman may order the printing of the hearing without the corrections of a witness or Member if he determines that such Member or witness has been afforded a reasonable time to make such corrections and that further delay would impede the consideration of the legislative action which is the subject of the hearing. Witnesses appearing in public hearings, or submitting a statement for the record of a public hearing, or submitting a written comment in response to a request for comments by the Committee from the interested public, must provide the Committee with a list of any clients of that witness (or the firm or association he represents) at whose behest or in whose employ the witness appears. This list shall be retained in the Committee's files and shall be made public unless otherwise directed by the Committee. As to public hearings within the United States, verbal testimony and statements for the record, or written comment in response to a request for comments by the Committee, will be accepted only from citizens of the United States or corporations or associations organized under the laws of one of the 50 States of the United States or the District of Columbia, unless otherwise directed by the Committee or subcommittee involved. Written statements from noncitizens may be considered for acceptance if transmitted through Members of Congress.

RULE 18. TRANSCRIPTS OF OTHER COMMITTEE MEETINGS

An accurate stenographic record shall also be kept of all markup and other meetings of the Committee, whether they be open or closed to the public. This record, marked as "uncorrected," shall be available for inspection by Members of the House, or members of the Committee together with their staffs, at reasonable times and places. This record shall not be published or made public in any way except by a majority vote of the Committee. Before any public release of the uncorrected record, Members must be given a reasonable opportunity to correct their remarks. In instances in which a stenographic record is kept of a conference committee proceeding, all of the requirements of this rule will likewise be observed with respect to such record.

RULE 19. BROADCASTING OF COMMITTEE OR SUBCOMMITTEE HEARINGS

The provisions of House Rule XI3(f) are by reference specifically made a part of these rules.

RULE 20. PARTY RATIO

The ratio of Democrats to Republicans on any subcommittee of the Committee shall be not less than two Democrats plus one to each Republican including ex-officio members. In recommending to the Speaker members of conference committees, the same ratio shall apply.

RULE 21. PROXY VOTING

Voting by proxy shall be permitted in accordance with the manner prescribed in House Rule XI2(f).

RULE 22. TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolution as may have been approved, the provisions of this rule shall govern travel of Committee members and staff. Travel to be reimbursed from funds set aside for the full Committee for any Member or any staff member shall be paid only upon the prior authorization of the Chairman. Travel may be authorized by the Chairman for any Member and any staff member in connection with the attendance of formal or informal hearings conducted by the Committee, its subcommittees, or any other committee or subcommittee of the Congress on matters relevant to the general jurisdiction of the Committee, and meetings, conferences and investigations which involve activities or subject matter relevant to the general jurisdiction of the Committee. Before such authorization is given there shall be submitted to the Chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of Members and staff seeking authorization.

Where travel is in connection with the conduct by Members of the Committee of an informal hearing, the prior approval not only of the Chairman but also of subcommittee chairmen shall be required where the hearing involves any matter within the jurisdiction of one or more of the subcommittees of the Committee.

(b) In the case of travel of Members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee prior authorization must be obtained from the subcommittee chairman and the Chairman. Such prior authorization shall be given by the Chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a).

(c) Within 60 days of the conclusion of any travel authorized under this rule, there shall be submitted to the Chariman a written report covering the information gained as a result of the study or investigation, or meeting, conference or hearing attended pursuant to such travel.

"CONSERVATION ENERGY: CHEAPER WARMTH"

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, the cheapest, swiftest, cleanest, and safest source of energy available to us for reduction of our energy dependence on OPEC is conservation energy.

All the high-technology answers being touted by the energy industry require gigantic amounts of capital—an estimated $1 trillion by the year 2000—will take 15 to 20 years to bring on line in commercial quantities and will involve high safety and environmental risks.

Conservation, on the other hand, is labor-intensive, rather than capital-intensive, and according to ERDA's own studies can save enough energy by 1985 to make us almost totally independent of imports. The ERDA national plan of April 1976 indicates potential savings of 25 percent of our energy consumption by 1985 by using the conservation option; this would very nearly equal our current imports.

It is for these reasons that I am so delighted that President Carter and his Energy Coordinator, James Schlesinger, are placing No. 1 priority on conservation in their comprehensive energy package to be submitted to Congress on April 20.

The following article by Jim Cubie, who has been working on energy matters for Ralph Nader's Public Citizen, and Roger Sant, who was FEA's Assistant Administrator for Conservation, appeared recently in the New York Times. It sets forth the conservation potential very ably and presents a proposal to achieve housing insulation via our utilities that is well worth our examination. I commend the Sant-Cubie article to the attention of my colleagues:

CHEAPER WARMTH

(By Roger Sant and Jim Cuble)

WASHINGTON.—The case for increasing energy conservation has been made repeatedly. Experts in and out of government agree that it costs about half as much to save a barrel of oil or the equivalent amount of electricity or natural gas as it does to produce similar amounts of new energy.

Implementing all proved money-saving energy-conservation investments in residences, commercial buildings and industrial plants could save the equivalent of 30 to 50 percent of the total expected energy demand for 1985.

The problem is that few such investments are actually taking place. Conservation these days is just another good idea, but not producing any results.

To change this situation, we make the following proposal:

Energy-conservation measures should be placed on an equal footing with energy-production investments. For electricity and gas, this means that the private utility would propose, and the public utility commission would agree, that every home, for example, in a given area should have storm windows and the equivalent of 12 inches of insulation in the attic as long as the cost of the insulation and storm windows is cheaper than the cost of new gas or electricity—as it clearly is now. The costs of implementing this program would be estimated on a per-kilowatt-hour or per-unit-of-natural-gas basis. This amount would be added to the utility bill of all energy consumers.

In the next five years, the local public utility would insulate every home in its service area to specifications accepted by the public utility commission. The insulation and storm windows would be as "free" as a new power plant—that is, no one would pay for it as it was put in.

The local utility, using contractors, would do the insulation work, just as it now changes electric or gas meters. In a given week, all the houses in a certain neighborhood would receive the insulation and storm windows. Any person who had already made these investments would receive a credit for the economic life of the investment.

The insulation and the storm windows would remain a part of the utility's rate base for a determined period of time or until they paid for themselves in energy savings. And since the utility would be buying in such large quantities, the cost per house would be much cheaper than if the home owner did the work. (There should be no offsetting labor-cost inflation because there is such a surplus of construction labor.) Similar examples can be given for industrial and commercial customers.

This approach to implementing energy-conservation investments clearly has significant advantages:

1. It is cheaper than building new nuclear or coal power plants or producing new natural gas.

2. It overcomes, without changing rates, the existing bias against energy-conservation investments.

Energy-conservation investments are now made only when the investment is cheaper than the average cost of new (expensive) and old (cheaper) energy.

But, new production investments are made in comparison only to other new (expensive) energy-production investments. This difference is crucial when you realize the average cost of energy is now roughly half the cost of new energy.

3. It is easier to implement than convincing millions of individuals that they should save energy, especially when they are not paying the full cost of new energy.

4. Reasonable estimates of how much energy will be saved can be made, and public-policy decisions based on them.

Now, why is it, with all these advantages, that this proposal is not now being carried out by our nation's utilities? The reasons appear to be conceptual rather than institutional, and could easily be overcome if we were to adopt three simple principles.

First, we must think of utilities as energy utilities, and not as electricity or natural-gas utilities. Second, we must understand that saving energy is just another form of energy production. Third, the energy utility should be required to propose to the local public utility commission the most economically efficient method of producing (or saving a given amount of energy and implementing the investment.

This proposal is obviously a very rough outline of a new notion. A number of details must be worked out, but there appears to be no serious legal or regulatory hurdles.

Certainly, if it is reasonable and feasible to build hundreds of expensive, and environmentally threatening, power plants, is it not also reasonable to finance and implement energy-conservation investments through the public-utility structure?

WESTCHESTER COUNTY, N.Y., MOVES TO OUST CON EDISON

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I am pleased to observe that the county of Westchester in New York State, which I represent, has taken a very important initiative in meeting the electric power cost crisis which is afflicting so many of the metropolitan areas in our Nation today. I am bringing this initiative to the attention of my colleagues because I feel that it may be of great assistance to many of their constituents in providing a model of the kind of action that communities can take to improve power service and dramatically reduce costs.

Let me briefly explain the background. Westchester County has the misfortune to be served by the largest, richest, most unresponsive and least efficient public utility in the United States today: Consolidated Edison Co. In the past 16 years, the cost of 500 kilowatt-hours of power, the average amount of power consumed by Westchester's residents, has risen more than 200 percent, 120 percent ahead of the national average. New York State has the highest power costs of the contiguous States, but Con Edison's costs are half again as much as the average of those of the State.

NO END IN SIGHT

It has now become clear to citizens and power experts alike that the end is not in sight. Unless dramatic action is taken the residents of Westchester and, indeed, the residents of Metropolitan New York—most of whom also suffer under the burden of this ungainly giant's ineptitude, will be literally priced out of the power market.

Commercial service for 30 kilowatts of demand and 6,000 kilowatt-hours of service has gone from $165.12 nationally in 1960 to $285.86 at the present time. In the Con Edison area this has more than doubled in the same period, from $209.21 to $490.26. Industrial service has gone from $1,125 in 1960 to $2,348 at present in the Nation for 300 kilowatts of demand and 60,000 kilowatt-hours of service; for Con Edison users this has quadrupled in the same period, going from $1,206 16 years ago to a whopping $4,789 at present.

Con Edison claims, of course, that the

causes of its high costs are the fault of its customers. It blames these costs on its tax burden, which is high. It blames them on the fact that it has an underground distribution system, which is expensive to run. It blames them on the high cost of the fuel it is required to use to protect the public health, which is somewhat more expensive than fuel in some other areas. It blames them on the consumption pattern of its consumers which it created by aggressive and shortsighted promotional campaigns.

MOST EXPENSIVE POWER

The fact is that even if all of these factors were removed, Con Edison would still provide the most expensive power in the Nation, and given its present cumbersome, wasteful, and inept methods of operation, there is nothing that can be done to restrain the company from seeking further increases, much less reduce the cost of its power.

The citizens of Westchester, however, have discovered an option which can free them from this electrical incubus that threatens to destroy their economy and their quality of life. They can create a public utility service of their own, acquire cheap public power from State sources, augment this with low-cost power from other utilities, acquire the Con Edison distribution system, and rid themselves once and for all of Con Edison.

County Legislator Ronald Tocci, of New Rochelle, N.Y., has submitted to the county legislature a resolution which would accomplish this goal. It creates a system for providing utility service which is so well thoughtout, so balanced, and so much in the public interest that I believe it should be made available to all citizens who may be experiencing utility troubles similar to those suffered by Westchester.

MANY TOWNS SERVED

Con Edison and other opponents of the public interest have cried that this is a radical proposal that will somehow undermine the free enterprise system. They ignore the fact that 45 communities in the State of New York now operate municipal utilities providing public power to their citizens and do so at an average cost of $10.48; Con Edison charges $44.09 for the same amount of power.

Ah yes, they reply, but these are small municipalities. You cannot apply this principle to a county as large and as populous as Westchester. They ignore the fact that the city of Los Angeles, which is over nine times the size of Westchester and has over seven times as many residents, has long supplied its citizens with power from a municipal system and does so at a cost of only $16.49 for the same amount of power which costs $44.09 from Con Edison. They ignore the fact that the State of Nebraska which is over 125 times larger than Westchester and has nearly twice the county's population has long provided municipal power to its residents at costs ranging from less than one-sixth to slightly more than one-third the cost of Con Edison's power.

Clearly size, population, and population density are no barrier to efficient municipal power.

SHERRILL, N.Y., SAVES 35 PERCENT

Well, the opponents of this proposal respond, those are old, long-standing situations. You cannot make this kind of dramatic change today and still effect significant savings for your consumers, especially in New York State. They ignore the experience of the residents of the small city of Sherrill in northern New York State. This summer the citizens of Sherrill ousted the Niagara Mohawk Corp. as their power source and experienced immediate reductions of 35 percent in their monthly electric bills. Now I have been informed that they have so greatly improved the efficiency of their system that their power costs are down by 43 percent from the bills they were paying Niagara Mohawk and they have taken over the task of supplying low-cost power to the city's major industry, although they had to take Niagara Mohawk to court to do so.

The opponents claim that removing Con Edison from Westchester County would deprive the county and its municipalities of the substantial property and sales taxes that Con Edison pays. This is perfect nonsense. Under the present ratemaking system, Con Edison does not pay taxes, it just collects them and passes them on. Legislator Tocci's resolution provides an efficient answer: It would have the county's utility service make payments in lieu of taxes to all jurisdictions, just as almost all public power entities do, and would guarantee no loss in revenue.

Perhaps the most vicious distortion which opponents resort to is the claim that consumers would not want to subject themselves to the supposed ineptitude of politicians in operating so vital a service as a public utility. Westchester County is superbly run. It has a triple-A credit rating with the financial community—a credit rating vastly superior to Con Edison's. Recently, under the leadership of County Executive Alfred B. DelBello, the county floated a major bond issue at 5.14 percent, as compared to Con Edison's 9.125 percent rate for its last bond issue. In fact, one of the reasons that Westchester can run the system less expensively than Con Edison is because the financial community, which has had experience with both the county and the company, has so much more confidence in the stability of the county and therefore charges it less for capital investment funds.

CON EDISON LOSES PLANTS

As to ineptitude, consider this: Recently, Con Edison got iself into so much trouble that it had to ask the State of New York to bail it out by buying two major generating facilities that it had started to construct, but was unable to raise the funds to complete. This is a level of ineptitude that is unthinkable in the county of Westchester's government, especially under the prudent leadership of County Executive DelBello. The government of the county of Westchester does not pay its executives exorbitant salaries for inept performance as Con Edison does, and any official that even approached the level of inefficiency and arrogance that is Con Edison's normal daily practice, would be thrown out of office. On top of this, Legislator Tocci's resolution provides an ingenious commission mechanism to protect the public utility service from any transient vagaries of politics.

I commend this farsighted and well-thought-out proposal to the attention of my colleagues and the Nation. It provides a mechanism for significantly reducing costs, making public utility service responsive to the people, and for imposing the rational methods of conservation and innovation that are essential to the protection of the public interest as we meet the power challenges of the future. Mr. Speaker, I include the resolution establishing the Westchester County Energy Resources Commission in the RECORD at this time:

RESOLUTION WITH RESPECT TO THE PROVISION OF PUBLIC UTILITY SERVICE BY THE COUNTY OF WESTCHESTER

Whereas, the provision of adequate, reliable supplies of energy, and particularly, electricity and gas, at the lowest possible cost and with all possible protection to the environment, is essential to the public health, safety, prosperity and well-being of all the people of the County of Westchester, and in the general welfare; and

Whereas, the County is empowered to provide such public utility service under Article 14–A of the General Municipal Law of the State of New York;

Now, therefore, be it resolved by the Board of Legislators of the County of Westchester, as follows:

1. *Authority, Purposes.* The County of Westchester is hereby authorized, pursuant to Article 14–A of the General Municipal Law of the State of New York, and in the manner herein provided, to construct, lease, purchase, own, acquire, use and/or operate a public utility service within or without its territorial limits, for the purpose of furnishing to itself, and for compensation to cities, towns and villages within the County, to the inhabitants of the County (including for residential, commercial and industrial use), and to such other persons, governments or agencies as may be permitted by law, any service similar to that furnished by any public utility company specified in Article 4 of the Public Service Law of the State of New York.

2. *Powers of County.* To accomplish the purpose set forth in Section 1 of this Resolution, and subject to the requirements of applicable law, the County is authorized:

(a) To construct, lease, purchase, own, acquire, use and/or operate all facilities necessary or appropriate to furnish public utility service as provided in Section 1, and to furnish and operate such service;

(b) To determine the methods of operation of such public utility service, the rates, rentals and charges for such service and the procedure for their collection;

(c) To purchase gas or electricity from the state, or from any state agency, including, without limitation, the Power Authority of the State of New York in accordance with the provisions of Title 1 of Article 5 of the Public Authorities Law of the State of New York, or other municipal corporation, or from any private or public corporation;

(d) To acquire the public utility service of any public utility company operating pursuant to Article 4 of the Public Service Law of the State of New York or any other public utility service within or without its territorial limits, by purchase, or by condemnation in the manner provided by law for

condemnation by the County of private property for a public use;

(e) To acquire by purchase or condemnation, own any transmission or distribution lines or facilities or pipes connecting it with any source or sources of gas, either natural, artificial or mixed, or electric power or production, and to share with the municipal corporations the cost of such transmission lines or pipes;

(f) Whenever a surplus of such public utility service exists over the amount thereof required by the County and the residents thereof, to sell such surplus outside the County to persons, public or private corporations or other municipal corporations;

(g) To agree with any other municipal corporation or corporations authorized to furnish a public utility service in accordance with Article 14–A of the General Municipal Law of the State of New York to extend such service to such other municipal corporation or corporations, subject to the approval of the Public Service Commission of the State of New York if at the time a public utility service is actually being furnished in such other municipal corporation or corporations, and to agree with any such municipal corporation or corporations for the joint ownership, leasing, construction, acquisition, use or operation of a public utility service, within the combined territorial limits of the County and such other municipal corporation or corporations, all upon such terms and conditions, including the method of operation and the rates, rentals and charges for such service and the procedure for their collection, as shall be agreed upon;

(h) In general, to exercise all of the powers granted to a gas corporation or an electric corporation or a gas and electric corporation pursuant to Article 2 of the Transportation Corporations Law of the State of New York.

3. *Westchester Energy Resource Commission.* Subject to the further provisions of this Resolution, the County shall exercise the powers and authority herein set forth through the Westchester Energy Resource Commission which is hereby created and established. The Commission shall be composed of three Commissioners who shall be appointed by the County Executive with the approval of the Board of Legislators.

4. *Organization.* (a) Of the Commissioners first appointed under this Resolution, one shall continue in office for a term of one year, the second for a term of two years, and the third for a term of three years, in each case from the effective date of this Resolution, as designated by the County Executive at the time of nomination. Thereafter each successor Commissioner shall be appointed for a term of three years from the date of expiration of the term for which his or her predecessor was appointed. In the event that a successor Commissioner is not appointed as of the expiration of the term of a sitting Commissioner, the sitting Commissioner shall continue to serve until a successor is appointed and the term of the successor shall be limited to a period of three years from the original date of expiration of the term of the sitting Commissioner. In the event of a vacancy occurring as a result of death, incapacity, removal from office or resignation, a new appointment may be made and the appointee shall serve only for the unexpired term of his or her predecessor.

(b) No more than two Commissioners shall be of the same political faith. At least one Commissioner shall be representative of the interests of consumers and shall be so designated by the County Executive at the time of his or her appointment. The appointment of the Commissioner or Commissioners representing consumer interests shall take place only after a public hearing has been held by the County Executive at which the qualifications of said Commissioner or Commissioners shall be presented to the public and the public shall have had an opportunity to comment thereon. Such a public hearing shall be held at a time and a place convenient to the general public and at least thirty days following the public announcement of the name of the proposed Commissioner, which announcement shall specify the qualifications deemed to render such person representative of consumer interests.

(c) Commissioners shall only be removed from office for just cause, upon a majority vote by the members of the Board of Legislators, and with the approval of the County Executive.

(d) Each Commissioner shall receive an annual salary of $48,000 and shall receive and be entitled to receive all reasonable expenses actually incurred in the performance of their duties.

(e) Within one month following the appointment of the three initial Commissioners, the Commission shall designate by a majority vote one Commissioner as chairperson, who shall serve as such until the expiration of his or her term. Thereafter, and upon the expiration of the term of each successive chairperson, the Commission shall elect a new chairperson who shall serve until the expiration of his or her term or until a vacancy shall occur in the office of chairperson by reason of the death, incapacity, removal from office or resignation of such person as chairperson or Commissioner. In the event of a vacancy in the office of chairperson, a new chairperson shall be promptly designated from among the remaining two Commissioners by the County Executive by and with the advice and consent of the Board of Legislators and such chairperson shall serve until the expiration of the term of his or her predecessor.

(f) Two members shall constitute a quorum of the Commission and no vacancy in the Commission shall impair the rights of the remaining Commissioners to exercise all the powers of the Commission, *provided that*, in the event of a tie vote of two Commissioners as a result of a vacancy, the matter shall be put over until a third Commissioner shall have been appointed and qualified.

(g) The Commission shall meet no less frequently than twice a month in a place and at a time to be designated by the chairperson and announced to the public and all such meetings shall be open to the public.

(h) All hearings, proceedings, meetings, deliberations, and other business conducted by the Commission or any of the Commissioners or employees of the Commission and all records, minutes, documents, rulings, regulations, publications and communications of the Commission shall be open and accessible to the public in accordance with the provisions of the New York State Open Meetings Law and the New York State Freedom of Information Law. The Commission and all of its employees and agents shall maintain full and complete records of all communications of any kind with any person, firm, corporation or association appearing before the Commission or doing any form of business with any person, firm, association or corporation appearing before the Commission or with any person, firm, association or corporation engaged in, or doing business with any other person, firm, association or corporation engaged in generation, transmission, or distribution of electric power or distribution or sale of gas, or the manufacture or sale of material, equipment or machinery used in connection with the generation, transmission or distribution of electric power or distribution or sale of gas or any person, firm, association or corporation connected in any way with the sale of bonds, stocks or other securities. Such records shall be public records as provided in the preceding sentence. Failure to maintain such records shall constitute just cause for the removal from office of a Commissioner responsible, or the termination of the employment of an employee or agent of the Commission.

(i) As a condition of appointment, each Commissioner shall make full and complete disclosure of all employment, fees, retainers, bonuses or dividends or other income or reimbursement received over the previous five years from whatever source and failure to make such disclosure shall constitute just cause for removal from office. No person shall be appointed to the Commission who has within the five years preceding his appointment or employment been in the employment of any privately owned utility company or association representing private utility companies, or who has done substantial business with, or received substantial income from, a privately owned utility, or organization representing privately owned utility companies. No person owning stocks or bonds of any privately owned utility company or having any form of pecuniary interest of any kind in a privately owned utility company or deriving any form of income from any person, firm, association, corporation or partnership doing substantial business with or deriving substantial income from any private utility company shall be permitted to enter upon the duties of or hold the office of Commissioner.

5. *Staff of the Commission.* (a) The Commission shall have the authority to appoint a chief engineer at an annual salary of $43,000, a general counsel at an annual salary of $42,000, a secretary who shall also serve as staff director at an annual salary of $28,000, and such other employees as the Board of Legislators may from time to time approve at the request of the Commission. The Commission may also request the County Executive to make available the services of employees of various departments of the County government, including but not limited to the employees of the Office of the Budget, the Department of Public Works, the Office of the General Counsel, and the Department of Finance, and the County Executive is authorized to detail, transfer or assign to the Commission such employees as he deems necessary to enable the Commission to discharge its responsibilities under this Resolution. The Commission and its employees and agents shall be subject to the Civil Service Law of the State of New York in accordance with the provisions of Article 15 of the Westchester County Charter.

(b) No person having a substantial interest in stocks or bonds of any privately owned utility company or having substantial pecuniary interest of any kind in a privately owned utility company or deriving substantial income from any person, firm, association, corporation or partnership doing business with or deriving substantial income from any private utility shall enter upon or remain in the employment of the Commission without the approval of the Board and failure to make such interest or income known to the Commission at the time of employment or thereafter shall be just cause for termination of employment with the Commission.

6. *Duties of the Commission.* (a) Within one year following the effective date of this Resolution, the Commission shall report to the Board of Legislators and the County Executive as to the measures that are necessary to carry out the purposes of this Resolution. Such Report shall include, but not be limited to:

(i) The proposed method of constructing, leasing, purchasing and acquiring the plant and facilities for providing public utility service pursuant to this Resolution;

(ii) The maximum and the estimated costs of the method proposed in paragraph (i) of this section and the means recommended for meeting such costs;

(iii) The contracts or other agreements with any persons, public or private corpora-

tions, municipal corporations, agencies or authorities to be entered into to assure adequate and reliable provision of public utility service, including the source, amount and cost of any energy to be acquired, or distribution or other services to be provided, and the duration of such contracts or agreements, and such actions in law as may be required to compel any persons, corporations, agencies, or authorities to enter into just contracts for the provision of energy or services necessary to carry out the purposes of this Resolution;

(iv) The method of operation of and the rates, rentals and charges for such service and the procedure for their collection;

(v) The annual operating budget of the commission for carrying out the purposes of this Resolution and providing the public utility service recommended; such budget to specify the staff and supporting personnel required by the Commission to provide public utility service.

(b) In preparing such Report, and generally in exercising all of its powers hereunder, the Commission shall emphasize specifically:

(i) Provision of public utility service, instrumentalities and facilities which shall be safe, adequate, just and reasonable, at the lowest possible cost to consumers, with each class or category of consumer bearing a just and reasonable share of total costs, without any undue or unreasonable preference or advantage to any person, corporation or locality, or to any particular description of service in any respect whatsoever;

(ii) The greatest possible protection of the environment and conservation of natural resources, both within the County and in the State as a whole;

(iii) The promotion of economic development of the County, and in particular of any depressed and substandard areas therein;

(iv) The encouragement of conservation of electric and gas energy and development of new energy technologies through (a) appropriate rate design, (b) installation of materials or mechanisms to help reduce energy consumption or reduce peak energy loads in the County, (c) appropriate demonstration projects to test new energy technologies, materials or methods (d) decentralization of the County's energy facilities and instrumentalities, including their installation in consumers' homes, offices, factories and the like, or the installation by the County of energy conserving devices or materials in such places, and (e) such other methods as the Commission may select;

(v) Cooperation with local, State and Federal governments and public and private utilities in measures designed to maintain an adequate supply of reliable low-cost energy and assist in developing the economic potential of the County and the State of New York of subdivisions thereof or any regional grouping of States with which New York State is a participant;

(vi) Cooperation with other authorities, communities, cooperatives, municipal corporations or any other public benefit corporations or agencies to achieve the purposes of this Resolution;

(vii) Cooperation with local jurisdictions within the County to avoid insofar as possible loss or serious curtailment of revenues.

(c) Upon submission of the Report referred to in this Section, and if it shall approve the same (either as submitted or modified), the Board of Legislators shall set forth in a further resolution, and shall submit for approval of the electors of the County, all in accordance with Article 14–A of the general municipal law of the State of New York, the proposed method of constructing, leasing, purchasing and acquiring the plant and facilities for the public utility service to be provided by the County, together with the maximum and estimated costs thereof, and the method of furnishing such service. Until approval by the electors upon such referendum, neither the County nor the Commission through which it acts shall undertake to construct, lease, purchase or acquire the plant and facilities proposed to provide such service, or to furnish the same.

7. *Powers of the Commission.* (a) In exercising the powers and authority conferred pursuant to Section 2 of this Resolution, the County shall act through the Commission which shall have the power to take all of the actions therein specified; *provided* that the Commission shall have authority to take the following actions only with the prior approval of the Board of Legislators:

(i) To fix the salary and number of professional, clerical and other employees, subject to the provisions of applicable Civil Service laws;

(ii) To determine the method of operation of and the rates, rentals and charges for public utility service to be provided and the procedure for the collection of such rates, rentals and charges;

(iii) To make payments in lieu of taxes to any and all cities, towns, villages and districts within the service area of the Commission, provided that no payment shall be in excess of the total amount of revenue paid to such city, town, village or district in the year 1977 by the public utility corporation serving such city, town, village or district in that year without specific authorization of the Board of Legislators approved by a referendum of all the qualified electors of the County as provided by law;

(iv) To acquire, either by agreement with and purchase from the owner or owners, or by condemnation, the whole or part of any existing public utility service, or any plants or facilities comprising and part thereof (including, but not limited to, transmission and distribution lines and facilities), or of any other property or right or interest in property which is necessary to carry out the purposes of this Resolution;

(v) To constuct or lease any plant or facility for the generation, transmission or distribution of electrical energy or for the production, storage or distribution of natural or artificial gas;

(vi) To enter into contracts or agreements with any person, agency or corporation for the distribution of gas or electrical energy within the service area of the County.

(b) In addition to the powers and authority heretofore described, but subject to the further provisions of this Resolution, the Commission shall have the following further powers:

(i) To sue and be sued;

(ii) To have an official seal of which judicial notice shall be taken, and to alter the same at pleasure;

(iii) To make and execute contracts and all the instruments necessary or convenient for the exercise of its powers and functions under this Resolution;

(iv) To meet at such times and places as the chairperson or a majority of the Commission shall decide, except as elsewhere provided in this Resolution;

(v) To appoint, transfer and remove at pleasure all employees except as otherwise provided by the laws of the State of New York or the County;

(vi) To make any investigation necessary and proper to the effective execution of this Resolution (including, without limitation, any investigation necessary or appropriate to prepare the report required in Section 6 hereof) and, for that purpose, to take and hear proofs and testimony under oath, to compel the attendance of witnesses and to require the production of records, books, papers, accounts and other documents including records of public agencies;

(vii) To enter upon any lands, waters or premises within the County for the purpose of making studies, surveys or investigations that it deems necessary to carry out the purposes of this Resolution:

(viii) To make and promulgate such rules and regulations as may be necessary to carry out the purposes of this Resolution, *provided* that the Commission shall, before any such rules and regulations become effective, hold a public hearing on proposed rules and regulations no less than thirty days after publication of such proposed rules or regulations in a newspaper of general circulation in the County; and *provided further* that the Board shall have thirty days from the date of publication in which it may suspend or reject such proposed rules or regulations by majority vote;

(ix) In general, to do all other things necessary and proper to carry out the provisions and purposes of this Resolution, except as otherwise provided herein and by applicable law.

8. *Finance.* (a) The provision of public utility services as provided herein, including the acquisition of such plants, facilities, property and equipment or rights or interests therein as may be necessary to carry out the provisions of this Resolution, may be financed in whole or in part by the County through levy of taxes in the same manner that taxes are levied pursuant to law for any permanent improvement by the County, or may be financed in whole or in part through bonds or other obligations of the County approved by the Board of Legislators and by the voters in a general referendum as provided by law. Debt service (including amortized principal) and related charges for any bonds, notes or other obligations of the County issued pursuant to this section shall be considered an operating expense of the Commission.

(b) When any public utility service is provided by the County pursuant to this resolution, the Commission shall collect, by a method approved by the Board of Legislators and in accordance with the applicable rates, and shall retain in separate accounts, all rentals and charges for such service and such other revenues as may derive from any other transactions permitted under this Resolution, and shall use such rentals, charges and other revenues to meet and defray the costs and expenses of the Commission and the public utility service provided. If, at the end of any fiscal year, the rentals, charges and other revenues collected by the Commission exceed the costs and expenses incurred, plus all necessary reserves, so that a surplus shall result, such surplus shall be used to defray the costs of service in the next ensuing fiscal year; *provided* that the Board of Legislators may by resolution direct that such surplus be added to the general revenues of the County or allocate the same for such other purpose or purposes as the Board deems appropriate.

(c) Upon and after the County commences to provide any public utility service hereunder, and as necessary to carry out the purposes of this Resolution, the Commission shall have the authority to request, receive, hold and expend operating advances to be made from the general revenues of the County by the Department of Finance, and the Department of Finance is hereby authorized to make such operating advances, provided that it shall make no advance until and unless the Commissioner of Finance shall have examined the books and records of the Commission and shall have certified that the Commission will be able to repay

such advance in timely fashion while fully discharging its duties and obligations to all parties in accordance with the purposes of this Resolution.

(d) During the initial year of its experience and thereafter until its costs and expenses are financed through operating revenues or from bond proceeds specifically allocated for that purpose, the costs and expenses of the Commission shall be financed and paid out of the general revenues of the County, in accordance with appropriations made by the Board of Legislators. Any costs and expenses so financed shall be treated as costs of the utility service to be provided, and shall be recovered over a reasonable period of time once such service is commenced.

9. *Public Utility Service Obligations.* Nothing in this Resolution shall be construed as in any way limiting or diminishing the obligation and responsibility of any corporation or other entity providing any public utility service in the County to continue to provide such service until such time as the County may otherwise determine by affirmative action, subject to the requirements and limitations of this Resolution and the laws of the County and the State of New York.

10. *Construction.* This Resolution, being necessary for the welfare of the County and its inhabitants, shall be liberally construed so as to effectuate its purposes.

11. *Separability.* Should any provision, article, section, clause, phrase or word in this Resolution be declared invalid, it shall not affect the validity of any other provision, article, section, clause, phrase or word.

12. *Effective Date.* This Resolution shall become effective immediately.

SOLAR RAYS GETTING BRIGHTER AND BRIGHTER

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I want to bring to the attention of my colleagues two articles which appeared in the press over the weekend. The first one announcing that the State of Massachusetts will instigate a program to help market solar energy units and the second that General Motors will begin marketing solar-powered hot water heating systems.

The Secretary of consumer affairs in Massachusetts said that—

If 3 percent of the energy used in Massachusetts turned solar, 100,000 jobs would be created.

Here we are then, with the most potentially job-intensive energy option coming forward with a company like General Motors getting into the act. I find both these announcements coming at the most propitious time because tomorrow a group of Congressmen and Senators are introducing a package of solar legislation which will aid in bringing solar into the homes, business, and farm communities of our country. We have waited quite a while for all this to finally get off the ground—and here we are.

The legislative package will be announced in the special order that we have called for this important introduction. I urge all of my colleagues to join with us in sponsoring either the whole package or as many of the bills as they will. Let us all move forward together on this brighter and brighter path.

I include the following:

[From the Washington Post, Feb. 19, 1977]

MASSACHUSETTS HOPES TO HELP SOLAR ENERGY HEATING MARKET

BOSTON.—The Massachusetts secretary of consumer affairs, Christine Sullivan, has announced a state program to help market solar energy heating units.

"If 3 per cent of the energy used in Massachusetts turned solar, 100,000 jobs would be created," she said at a meeting of the state cabinet.

At the same time, Education Secretary Paul Parks said a program to begin training researchers and technicians to work in the solar industry was being discussed with Southeastern Massachusetts University and three community colleges.

Sullivan said a solar energy advisory committee made up of legislators, bankers, labor union leaders and contractors has been set up to increase public interest in solar energy.

She said banks have expressed interest in making loans available to install solar energy heating units, which she estimated would cost $1,200 at current prices. The price probably would decrease as the demand increased, she added.

Sullivan said savings from using a solar energy heating unit, backed up by an auxiliary electric unit 30 to 40 per cent of the time, would save the average homeowner $116 a year over a 10-year period.

[From the New York Times, Feb. 19, 1977]

G.M. PLANS SOLAR-POWER HOT WATER SYSTEM IN HOMES

DETROIT.—The General Motors Corporation, the world's largest auto maker, says it may begin selling a solar-powered hot water heating system for homes next year.

Howard H. Kehrl, G.M. executive vice president, said, "If this solar package does prove practical, it probably would be teamed with a conventional household gas or electric water heater so the water would get hot whether or not the sun was shining."

G.M.'s Harrison Radiator division, in Lockport, N.Y., is doing the work because it makes heaters and air-conditioning units for cars. Solar power is a natural outgrowth of its knowledge in the heat-transfer field. Eugene R. Harris, head of energy systems at the G.M. manufacturing staff, said Harrison had embarked on "a development program for domestic products that operate from solar energy."

The plans were disclosed yesterday by G.M. officials at a news conference called to discuss what the company was doing in energy conservation and research.

A G.M. spokesman estimated today that about 140 companies were now making solar collectors, including the General Electric Company and the Grumman Corporation.

Grumman has an energy systems division in Ronkonkoma, L.I., which markets Sunstream solar products, including a sun-powered hot water heater. Leonard Rothenberg, solar sales manager for Grumman, said the company had been selling a complete system for a year. The basic model retails for $995 and the deluxe model for $1,260 f.o.b. New York, with installation extra, he said.

Mr. Rothenberg said the company had 55 dealers nationwide but declined to say how many units had been sold. "We expected a slow buildup but think the market will develop more rapidly as energy prices increase and tax incentive legislation is passed," he said. Revere Copper & Brass Inc. is one of the companies building complete solar hot water systems, he added.

Mr. Rothenberg said: "We also have made a couple of solar space heating installations, and we sell solar swimming pool heaters. But the most potential is in a solar water heating system because it can be used in existing homes and new construction, too."

G.M.'s Mr. Harris said a key to the Harrison system "is a flat-plate solar collector they are developing that has several unique features aimed at giving the units improved performance and longer life at moderate cost."

Michael Walsh, general sales manager for Harrison, said he was "very optimistic" about the prospects for solar water heating. He said it was "still in the experimental stage, but we see it as being a good entry into the consumer market." Asked when it might go on sale, Mr. Walsh said, "We have not picked a date, but it will be at least a year away." He added that Harrison might be ready to unveil the system later this year.

Mr. Walsh said the new system would "have to be cost competitive" with existing systems. "I would expect the initial attempts to market it would be in the South," he said. "But, with increasing energy costs, long term I would think it could be expanded beyond that area."

The solar heater would use solar collection panels, probably mounted on the roof of a house. Mr. Walsh said that only a few panels would be needed for a typical home.

Solar collectors, Mr. Harris explained, consist of a flat, absorbing surface—usually steel, copper or aluminum—coated with a suitable material (such as flat black paint) for absorbing the sun's rays. The collector is installed in an airtight enclosure, covered with sheets of glass to permit the sun's rays to enter the box.

Water is collected through passages molded in the collector plate or through tubes attached to it. When the sun's rays strike the plate, it gets hot. The heat passes through the metal plate and tube walls to the water. The hot water is then pumped through heat exchangers to heat air or water for home use.

G.M. has been experimenting with solar power for some time at its desert proving ground near Phoenix where it has a number of systems serving several buildings with hot water and heat. The home system apparently would be similar but smaller and less complicated.

PROTECTING OUR REDWOODS

(Mr. PHILLIP BURTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PHILLIP BURTON. Mr. Speaker, I have introduced a bill today to complete the work begun by the Congress in 1968 and to correct many omissions of the executive branch in keeping for the American people a remnant of the magnificent redwood forests which once stretched from Oregon southward for 400 miles. I call the attention of my colleagues to this bill.

After many years of consideration and after 4 years of intense controversy, the Congress established the Redwood National Park in 1968. Despite a heavy investment in virgin redwoods, the park was incompletely and inadequately fashioned. When the park was established, it was a 58,000-acre compromise. It was a long narrow strip along California's

northern coast, bulging to take in three major State parks and lower Redwood Creek, and extending another 7 miles farther up Redwood Creek to take in the world's tallest trees and the Emerald Mile. This 7-mile stretch, commonly known as the "worm," has been the subject of much discussion and study but logging continues upslope and upstream from the groves.

When the Park Act was enacted, it was hoped that certain of its provisions would allow the Department of the Interior and the National Park Service to protect the park, despite the boundary deficiencies. However, in the 8½ years which have passed since then, no real protection has been given. Though the authority was given by Congress, no Secretary has used section 3(e) of the Redwood National Park Act (32 Stat. 931) to protect "the timber, soil and streams within the boundaries of the park." No Secretary has entered into a contract to protect the park, or signed a permanent binding cooperative agreement, or received a donation from any landowner, or acquired an interest in the lands and tributary watersheds. Not one of these steps have been taken to assure that logging will not "adversely affect the timber, soils and streams within the park." In particular, there was hope that the lumber companies which had lands surrounding the park would enter into permanent cooperative agreements with the Federal Government.

A number of studies and plans have been made since 1968. The Subcommittee on National Parks and Recreation of the Senate Committee on Interior and Insular Affairs held oversight hearings in May 1971. At that time, incredibly enough, spokesmen for the National Park Service and the Bureau of Outdoor Recreation stated that they had no problems. In November 1971, the National Park Service offered some specific suggestions to the Secretary for ways to enlarge the boundaries, to establish scenic corridors and to acquire management easements, as well as in-fee lands, along key tributary streams, as Congress had authorized. The Service stated in an internal document:

Without application of special forest management practices to control present clearcutting methods, remaining old growth redwood within the Park will be subject to windthrow.

Steep slopes will erode severely producing major slides in unstable soils known to exist in the area. Water quality of Park streams will deteriorate as a result of siltation. It is essential, therefore, that a buffer zone comprising about 10,000 acres be established to protect the Redwood Creek area of the Park.

The Department, however, never released this document, which was obtained later only after a "freedom of information" suit was filed by a conservation organization—nor did it formulate a program. In 1972 and 1973, the Department of the Interior made extensive studies—which also became public only as a result of a lawsuit by a public interest group. That report found that there were extremely high erosion factors surrounding the main unit of the park in Redwood Creek—which were being activated by bulldozer logging, clearcutting, and massive road construction. The study warned:

There is nothing to prevent the tributaries in the Park from becoming the nightmarish tangle of debris and downed trees as were observed along some of the tributaries above the Park.

The long, drawn out litigation by a public interest organization demonstrated beyond any question several points:

Clearcut logging on privately owned lands adjacent to the corridor portion of the Park has caused and continues to cause substantial, and perhaps irreparable, damage to those very resources within the park—timber, soils, streams, and esthetics—that the Congress intended to preserve when establishing the park in 1968.

All other possible avenues of park protection—through the companies themselves, the Interior Department, the White House, the Governor, the California State Board of Forestry and the Courts—have now been exhausted—and to no avail. Only the Congress remains to take effective action to protect an investment of almost $200 million in public funds. As Federal Judge William T. Sweigert stated in the last of three reported decisions on the litigation:

The Court further finds that, in order adequately to exercise its powers and perform its duties in a manner adequately to protect the Park, Interior now stands in need of new congressional legislation and/or new congressional appropriation.

It follows that primary responsibility for the protection of the Park rests, no longer upon Interior, but squarely upon Congress to decide whether and, if so, when, how and to what extent new legislation should be passed to provide additional regulatory powers or funds for protection of Redwood National Park.

My bill authorizes expansion of the park from 58,000 to 132,000 acres by inclusion of the watershed of Redwood Creek above the "worm" and immediately upstream from it. This will give protection to this critical area, as well as enhance the recreational experience of park visitors, particularly to the tallest trees. It adds to the remaining virgin redwoods in the drainage of Redwood Creek and the high quality old growth redwoods of Skunk Cabbage Creek. It completes a logical, contiguous stretch of parkland extending to Prairie Creek Redwood State Park, and it establishes an upstream park protection zone where the land may be managed in order to protect the parkland, water, and trees down stream.

It is not clear how much this expansion of Redwood National Park would cost. It may cost more than we have already paid. The time left for the park, however, is short. If the Congress decides it wants a viable Redwood National Park for the enjoyment of present and future generations of Americans, it must act quickly. If we fail to act, we will have wasted much of the funds we have already spent. If these trees go down, they can never be replaced. Let us move now to do the job right and to keep faith with those whose vision began this historic park.

FEDERAL TRADE COMMISSION AMENDMENTS OF 1977

(Mr. ECKHARDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ECKHARDT. Mr. Speaker, today I introduced legislation to amend the Federal Trade Commission Act to expedite the enforcement of FTC cease and desist orders and to make various other necessary amendments to the FTC Act. The Consumer Protection and Finance Subcommittee begins hearings on this legislation the week of March 7. Because of the widespread interest in this bill, I am inserting it in the RECORD. The text of the bill follows:

H.R. 3816

A bill to amend the Federal Trade Commission Act to expedite the enforcement of Federal Trade Commission cease and desist orders and compulsory process orders; to increase the independence of the Federal Trade Commission in legislative, budgetary, and personnel matters; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Trade Commission Amendments of 1977".

PENALTIES FOR NONCOMPLIANCE WITH COMPULSORY PROCESS

SEC. 2. (a) Section 10 of the Federal Trade Commission Act (15 U.S.C. 50) is amended—

(1) by striking out "SEC. 10. That any" and inserting in lieu thereof "SEC. 10 (a) Any";

(2) by inserting, respectively, "(b)", "(c)", and (e)" immediately before the second, third, and fourth paragraphs;

(3) by striking out the first sentence of subsection (c) and inserting in lieu thereof the following: "If any person, partnership, or corporation which is required by the Commission (1) pursuant to section 6, to file or submit any annual or special report or written answers to specific questions, or (2) pursuant to section 9, to produce, or provide access to, documentary evidence or to testify, fails to comply with any such requirement within the time prescribed therefor by the Commission, and if such failure continues for 30 days after service on such person, partnership, or corporation of a notice of such default, such person, partnership, or corporation shall be liable to the United States for a civil penalty of not more than $5,000 as the court may determine, for each day that such failure continues after such 30th day. The amount of such civil penalty shall be recoverable in a civil suit by and in the name of the Commission, by any of its attorneys designated by it for such purposes, brought in the district court of the United States for a district within which such person, partnership, or corporation resides or does business."; and

(4) by inserting after subsection (c) the following new subsection:

"(d)(1) No court shall have jurisdiction over any action or claim seeking—

"(A) to stay the accumulation of any penalties authorized by subsection (c) for failure to comply with any requirement described in such subsection, or

"(B) to challenge the validity of, or enjoin the enforcement of, any such requirement,

unless the action is brought or the claim is made by a person, partnership, or corporation upon which a notice of default respecting such requirement has been served.

"(2) No court shall issue any order staying the accumulation of penalties for failure to comply with any part of a requirement described in subsection (c) unless the party seeking such relief shall have first demonstrated—

"(A) that such party is likely to prevail on the merits of its claim that such part is not enforceable because—

"(i) compliance with such part would be unduly burdensome on such party,

"(ii) the information or documents sought under such part are not reasonably relevant to any proceeding or inquiry which the Commission has authority to conduct, or

"(iii) the Commission is otherwise prohibited by law from obtaining or having access to such information or documents; and

"(B) that the equities clearly favor such stay.

Such an order shall not affect the accumulation of penalties for failure to comply with any part of a requirement as to which the party did not make the demonstration referred to in subparagraphs (A) and (B).".

(b)(1) The amendment made by subsection (a)(3) shall apply only with respect to failures to comply with a requirement described in section 10(c) of the Federal Trade Commission Act insofar as they occur or continue after the date of the enactment of this Act.

(2) the amendment made by subsection (a)(4) shall apply with respect to any action or claim pending on the date of the enactment of this Act, and any action brought or claim made after the date of the enactment of this Act, respecting a requirement described in section 10(c) of the Federal Trade Commission Act.

(3) Notwithstanding paragraphs (1) and (2) of this subsection, in the event that the Commission's authority to issue a notice of default as to a person, partnership, or corporation pursuant to section 10 of the Federal Trade Commission Act, as amended by this Act, is restricted by any order entered or stipulation approved by a court before the date of the enactment of this Act, the amendments made by subsections (a)(3) and (a)(4) shall be inapplicable, during the period in which such restriction is in effect, to the amount of civil penalties that could be assessed against, or to any application for a stay of penalties made by such person, partnership, or corporation to whom such notice of default is issued, except that in any such event the Commission shall have authority to issue notices of default, and penalties shall accrue and be assessed, in accordance with the provisions of the Federal Trade Commission Act in effect on the day before the date of the enactment of this Act.

PROCEEDINGS TO ENFORCE COMPULSORY PROCESS

SEC. 3. (a) The second undesignated paragraph of section 9 of the Federal Trade Commission Act (15 U.S.C. 49), is amended by striking out the second sentence thereof.

(b) The fourth undesignated paragraph of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) is amended to read as follows:

"In case of failure to comply with any provision of a subpoena or access order issued pursuant to this section or of an order issued pursuant to any other provision of this Act, the Commission may invoke the aid of a court of the United States in requiring compliance with such subpeona or order. Any of the district courts of the United States within the jurisdiction of which the inquiry of the Commission is being carried on may, in the case of such refusal to obey, issue an order requiring compliance with such subpoena or order, and any failure to obey such order of the court may be punished by such court as a contempt thereof.".

EFFECTIVE DATE OF CEASE AND DESIST ORDERS

SEC. 4. (a) Section 5(g) of the Federal Trade Commission Act (15 U.S.C. 45(g)) is amended (1) by striking out paragraphs (2), (3), and (4); and (2) by inserting in lieu thereof the following new paragraphs:

"(2) Upon the 60th day after such order is served, if a petition for review has been duly filed, except that any such order may be stayed, in whole or in part, subject to such conditions as may be appropriate, by—

"(A) the Commission;

"(B) an appropriate court of appeals of the United States, if a petition for review of such order is pending in such court and if an application for such a stay was previously submitted to the Commission and the Commission, within the 30-day period beginning on the date the application was received by the Commission, either denied the application or did not grant or deny the application; or

"(C) the Supreme Court, if an applicable petition for certiorari is pending; or

"(3) For the purpose of section 19(d), if a petition for review of the Commission order has been filed—

"(A) upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed or the petition for review dismissed by the court of appeals and no petition for certiorari has been duly filed;

"(B) upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review dismissed by the court of appeals; or

"(C) upon the expiration of 30 days from the date of issuance of a mandate of the Supreme Court directing that the order of the Commission be affirmed or the petition for review dismissed.".

(b) The amendments made by subsection (a) shall apply only with respect to cease and desist orders of the Federal Trade Commission served under section 5 of the Federal Trade Commission Act after the date of the enactment of this Act.

REVIEW OF CEASE AND DESIST ORDERS

SEC. 5. (a) The first sentence of section 5(c) of the Federal Trade Commission Act (15 U.S.C. 45(c)) is amended to read as follows: "Any person, partnership, or corporation required by an order of the Commission to cease and desist from using any method of competition or any act or practice may obtain a review of such order in the court of appeals of the United States for the circuit within which such person, partnership, or corporation resides or maintains its principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in the court, within 60 days from the date of the service of such order, a written petition praying that the order of the Commission be set aside.".

(b) The amendment made by subsection (a) shall apply only with respect to petitions for judicial review of cease-and-desist orders served under section 5 of the Federal Trade Commission Act after the date of the enactment of this Act.

APPLICATION OF ACT TO BANKS AND COMMON CARRIERS

SEC. 6. (a) Section 5(a)(2) of the Federal Trade Commission Act (15 U.S.C. 45(a)(2)) is amended to read as follows:

"(2) The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations from using unfair methods of competition in or affecting commerce and unfair or deceptive acts or practices in or affecting commerce, except that the provisions of this paragraph shall not apply to any act or practice, or method of competition, of (A) banks, to the extent such acts, practices, or methods are subject to regulation under any other Federal law; (B) common carriers, to the extent such acts, practices, or methods are subject to regulation under the Act to regulate commerce; (C) air carriers and foreign air carriers, to the extent such acts, practices, or methods are subject to regulation under the Federal Aviation Act of 1958; and (D) persons, partnerships, and corporations, to the extent such acts, practices, or methods are subject to regulation under the Packers and Stockyards Act, 1921, as amended, except as provided in section 406(b) of such Act.".

(b)(1) Section 6(a) of the Federal Trade Commission Act (15 U.S.C. 46(a)) is amended by striking out "excepting banks and common carriers subject to the Act to regulate commerce,".

(2) Section 6(b) of the Federal Trade Commission Act (15 U.S.C. 46(b)) is amended by striking out "excepting banks, and common carriers subject to the Act to regulate commerce,".

(3) Section 6 of the Federal Trade Commission Act (15 U.S.C. 46) is amended by striking out "*Provided*, That the exception of" and all that follows through "the Act to regulate commerce.".

APPOINTMENT OF TRUSTEES OR RECEIVERS

SEC. 7. (a) Section 13 of the Federal Trade Commission Act (15 U.S.C. 53) is amended by redesignating subsection (c) as subsection (d), and by inserting immediately after subsection (b) the following new subsection:

"(c) Whenever the Commission has reason to believe—

"(1) that any person, partnership, or corporation is violating, or is about to violate, any provision of law enforced by the Commission, and

"(2) that the appointment of a trustee or receiver to control the disposition by such person, partnership, or corporation of any money or property pending the issuance of a complaint by the Commission and until such complaint is dismissed by the Commission or set aside by the court on review, or until the order of the Commission made thereon has become final, would be in the interest of the public,

the Commission by any of its attorneys designated by it for such purpose may bring suit in a district court of the United States for the appointment of such a trustee or receiver. Upon a proper showing that the appointment of such a trustee or receiver would be in the public interest, and after notice to the defendant, the court may appoint such a trustee or receiver, except that if a complaint is not filed within such period (not exceeding 20 days) as may be specified by the court after such appointment, such trustee or receiver shall cease to exercise any authority under this subsection. Any such suit shall be brought in the district in which the person, partnership, or corporation involved resides or transacts business.".

(b) The last sentence of section 19(b) of the Federal Trade Commission Act (15 U.S.C. 57b(b)) is amended by inserting immediately after "the payment of damages," the following: "the appointment of a trustee or receiver to administer any such refund, return, or payment, and to control the disposition of any money or property obtained by such person, partnership, or corporation pending disposition of such action,".

CONSUMER ACTIONS

SEC. 8. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by redesignating section 20 and section 21 as section 21 and section 22, respectively, and by inserting immediately after section 19 the following new section:

"SEC. 20. (a)(1) If any person, partnership, or corporation—

"(A) violates any rule under this Act re-

specting unfair or deceptive acts or practices (other than an interpretive rule, or a rule violation of which the Commission has provided is not an unfair or deceptive act or practice in violation of section 5(a)); or

"(B) engages in any unfair or deceptive act or practice (within the meaning of section 5(a)(1)) with respect to which the Commission has issued a final cease and desist order which is applicable to such person, partnership, or corporation;

then any person, partnership, or corporation injured by any such rule violation or unfair or deceptive act or practice may commence a civil action for relief against such person, partnership, or corporation, on behalf of himself or on behalf of himself and all persons similarly situated, in a United States district court or in any court of competent jurisdiction of a State.

"(2) The United States district courts shall have original jurisdiction with respect to any matter under this subsection if the amount in controversy may be reasonably expected to exceed the sum or value of $25,000, in the aggregate, exclusive of interest and costs.

"(3) Any person, partnership, or corporation which commences an action under subsection (a)(1) shall notify the Commission of such action at the time such action is commenced.

"(b) The court in any action commenced under subsection (a)(1) shall have jurisdiction to grant such relief as the court finds necessary to redress injury to the plaintiffs in such action. Such relief may include, but shall not be limited to rescission or reformation of contracts, the refund of money or the return of property, the payment of damages, and public notification respecting the rule violation or the unfair or deceptive act or practice, as the case may be, except that nothing in this subsection is intended to authorize the imposition of any exemplary or punitive damages. Any award of damages based upon any proof of damages under subsection (d)(1) shall not be considered to be exemplary or punitive damages.

"(c)(1)(A) The court involved shall cause notice of any action commenced under subsection (a)(1) to be given to the members of any class of plaintiffs involved in such action through one or more of the following methods—

"(i) publication by newspaper, radio, television, or any other medium, or by posting at any location which is likely to be frequented by members of such class; or

"(ii) individual notice to each member of such class who can be identified through reasonable effort.

"(B) The court involved may provide, in addition to causing notice to be made through the use of one or more of the methods under subparagraph (A)(i), that individual notice shall be made to (i) a sample of the members of such class, if such members may be reasonably expected to represent any material conflict or divergence of views among members of the class; or (ii) any specific subclass of the class of plaintiffs involved. The specific characteristics or interests of any such subclass shall be determined by such court.

"(2) The court involved, in determining the method of notice under paragraph (1), shall take into account—

"(A) the interest of the members of the class of plaintiffs in being informed of the pendency of the action;

"(B) the interest of the members of such class in the presentation of their claims through the institution and disposition of such action in the absence of individual notice to the members of such class;

"(C) the costs which would accrue in connection with the use of each such method;

"(D) the financial and other resources of the parties involved in such action;

"(E) the nature and importance of the interests of members of such class in such action; and

"(F) whether a significant percentage of the members of such class would be reasonably likely to desire to exclude themselves from such class or to participate in such action as separate parties.

The court may give individual notice of such action to an appropriate sample of the members of such class in order to obtain information necessary to assist the court in making determinations under this paragraph.

"(3)(A) The plaintiff in any action commenced under subsection (a)(1) shall bear any costs which accrue as a result of the use of any method of notice required by the court involved under paragraph (1), unless the court orders otherwise.

"(B) If the court determines, after a preliminary hearing, that justice so requires, the court may—

"(i) order the defendant in the action to bear any costs which accrue as a result of the use of any method of notice required by the Court under paragraph (1); or

"(ii) order the plaintiff and the defendant to bear a portion of any such costs in proportion to the likelihood that each will prevail on the merits in the action.

"(C) In any case in which the court involved requires individual notice under paragraph (1)(A)(ii), paragraph (1)(A)(iii), or paragraph (1)(B), any costs which accrue in connection with identifying the members of the class or subclass of plaintiffs shall be borne by the defendant in the action involved. The court may require such defendant to furnish to the court any information or materials in the possession, custody, or control of such defendant which may assist in identifying the members of such class or subclass.

"(d)(1) Proof of the aggregate amount of damages to be awarded to members of the class of plaintiffs in the event the plaintiffs prevail in any action commenced under subsection (a)(1) shall be permitted on the basis of—

"(A) any evaluation based upon statistical or sampling methods;

"(B) any econometric evaluation of the probable extent to which the rule violation or the unfair or deceptive act or practice of the defendant affected the revenues and market performance of the defendant; and

"(C) any other information or materials derived from a reasonable method or system for determining the aggregate amount of such damages.

"(2)(A) Any damages awarded in any action commenced under subsection (a)(1) shall be distributed in a manner determined by the court involved, except that such manner of distribution shall assure each member of the class of plaintiffs in such action a reasonable opportunity to receive an appropriate portion of the net damages involved.

"(B) For purposes of this paragraph, the term 'net damages' means the aggregate amount of damages awarded in any action commenced under subsection (a)(1) reduced by the amount of any unrecovered costs of litigation or administration associated with such action.

"(3) If the plaintiffs prevail in any action commenced under subsection (a)(1), the plaintiffs shall be entitled to recover, in addition to any damages or such other relief as may be granted by the court involved, the costs of such action, including reasonable attorney and expert witness fees.

"(e) The provisions of Rule 23 of the Federal Rules of Civil Procedure shall apply to any action commenced under subsection (a)(1), except where inconsistent with the provisions of this section.

"(f)(1) Any person, partnership, or corporation aggrieved by any rule violation referred to in subsection (a)(1) or any deceptive act or practice referred to in subsection (a)(1) with respect to which the Commmission has issued a final cease and desist order may commence an action for injunctive relief in a United States district court or in any court of competent jurisdiction of a State.

"(2) Any person, partnership, or corporation commencing an action under paragraph (1) shall give notice of such action to the Commission. No such action may be commenced before the close of the 60-day period immediately following the receipt of such notice by the Commission.

"(3) No action may be commenced in a United States district court under paragraph (1) unless the plaintiff demonstrates that the amount in controversy satisfies the requirements of subsection (a)(2). The calculation of such amount shall be based upon an estimate of the nature of any class of persons, partnerships, or corporations affected by the rule violation or unfair or deceptive act or practice involved, and the nature and extent of the actual or potential injury to such class.

"(g)(1) The provisions of section 19(c)(1) and section 19(e) shall apply to any action commenced under this section.

"(2) The provisions of section 19(d) shall apply to any such action, except that such provisions shall be construed to apply to any person who seeks to commence such action.".

RULES RELATING TO DISCOVERY

SEC. 9. Section 6(g) of the Federal Trade Commission Act (15 U.S.C. 46(g)) is amended by adding at the end thereof the following new sentences: "Such power to make rules and regulations shall include authority to make provision for the assessment of monetary sanctions by the Commission in the case of a failure to comply with discovery rules adopted by the Commission or orders made pursuant to such rules. Any such monetary sanction shall be paid to the Commission for deposit into the Treasury of the United States and shall accrue to the United States and may be recovered in a civil action brought by the Commission in its own name, by any of its attorneys designated by it for such purposes, in the United States district court for the district where the violation is alleged to have occurred, where the proceeding in which such discovery is sought is carried on, or where the person, partnership, or corporation involved has its principal office.".

INDEPENDENT APPOINTMENT OF PERSONNEL

SEC. 10. Section 2 of the Federal Trade Commission Act (15 U.S.C. 42) is amended by adding at the end thereof the following new paragraph:

"The appointment of any officer (other than a Commissioner) or employee of the Commission shall not be subject, directly or indirectly, to review or approval by any officer or entity within the Executive Office of the President.".

SUBMISSION OF BUDGETARY AND LEGISLATIVE RECOMMENDATIONS TO CONGRESS

SEC. 11. The first section of the Federal Trade Commission Act (15 U.S.C. 41) is amended by adding at the end thereof the following undesignated paragraphs:

"Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of such budget estimate or request to the Congress.

"Whenever the Commission submits any legislative recommendations or any testimony or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations or its testimony or comments on legislation to any officer or agency of the United States for approval, comments, or review, before the submission

of such recommendations, testimony, or comments to the Congress.".

CITIZEN PETITIONS FOR RULEMAKING

SEC. 12. Section 18(b) of the Federal Trade Commission Act (15 U.S.C. 57a(b)) is amended—

(1) by inserting "(1)" immediately after "(b)";

(2) by redesignating clauses (1), (2), (3), and (4) as clauses (A), (B), (C), and (D), respectively; and

(3) by adding at the end thereof the following:

"(2)(A) If the Commission receives a petition for the issuance, amendment, or repeal of a rule described in subsection (a)(1)(B) of this section, the Commission shall either grant or deny the petition within 120 days after the date the petition is received by the Commission. If the Commission grants such a petition, it shall, as soon as is practicable after the date the petition is granted, commence a proceeding under this section as requested by the petition. If the Commission denies such a petition, it shall notify the petitioner of the denial and the reasons therefor and shall publish such reasons in the Federal Register.

"(B)(i) If—

"(I) a petition is filed with the Commission for the initiation of a proceeding under this section for the issuance of a rule, described in subsection (a)(1)(B), to define an act or practice as an unfair or deceptive act or practice in or affecting commerce,

"(II) such petition alleges that such acts or practices have a substantial adverse effect on a significant number of persons, that the Commission has not taken any action under this Act with respect to such acts or practices, and that failure of the Commission to issue the rule with respect to which the petition was filed will result in a continuation of such acts or practices and their adverse effects, and

"(III) the Commission denies such petition or fails to grant or deny such petition within the 120-day period described in subparagraph (A),

the petitioner may apply to an appropriate district court of the United States for an order directing the Commission to take the action requested in such petition. Any such application shall be filed within 60 days after the date the Commission denies such petition or, if the Commission did not grant or deny such petition within such 120-day period, within 60 days after the expiration of such period. The Commission shall answer the application within 60 days of the service on the Commission of the application or within such other period as the court may prescribe.

"(ii) In a proceeding for the issuance of an order under clause (i), the court shall provide for an expeditious determination of the matter presented by the application for the order. Such determination shall be based on a consideration by the court of the petition with respect to which such proceeding is brought, any submission filed with the Commission respecting such petition, the responses of the Commission to such petition and to the application for such order, and such other evidence as the court may deem necessary to determine whether the petitioner has made the demonstration described in clause (iii).

"(iii) If, in a proceeding commenced under clause (i) respecting a petition to initiate a proceeding for the issuance of a rule described in subsection (a)(1)(B), the petitioner demonstrates to the satisfaction of the court, by a preponderance of the evidence, that—

"(I) the acts or practices with respect to which such petition was filed with the Commission are unfair or deceptive acts or practices in or affecting commerce within the meaning of section 5(a)(1),

"(II) such acts or practices have a substantial adverse effect on a significant number of persons,

"(III) the Commission has not taken any action under this Act with respect to such acts or practices, and

"(IV) failure of the Commission to issue the rule with respect to which the petition was filed will result in a continuation of such acts or practices and their adverse effects,

the court shall order the Commission to initiate the proceeding requested in the petition.

"(iv) The issuance of an order under clause (iii) or the denial of an application for such an order shall be given no effect in any other action or proceeding.".

STUDY OF ALCOHOLIC BEVERAGE ADVERTISING

SEC. 13. The Federal Trade Commission shall conduct a study (1) to determine if the advertising, in newspapers, magazines, and other communications media, of alcoholic beverages produced by distillers constitutes an unfair or deceptive act or practice within the meaning of section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)); and (2) if it determines such advertising does constitute such an act or practice, to determine if existing legislative authority is sufficient to effectively prevent it. Within one year after the date of the enactment of this Act the Commission shall report to the Congress the results of such study together with such recommendations for legislation as it considers necessary. For purposes of this section, the term "distiller" has the meaning given it by section 5002(a)(5) of the Internal Revenue Code of 1954 (defining distiller).

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. (a) The first sentence of section 21 of the Federal Trade Commission Act, as so redesignated by section 8, is amended (1) by striking out "and not to exceed" and inserting in lieu thereof "not to exceed"; and (2) by inserting after "1977" the following: "; not to exceed $61,000,000 for the fiscal year ending September 30, 1978; and not to exceed $70,000,000 for the fiscal year ending September 3, 1979".

(b) The second sentence of section 21 of the Federal Trade Commission Act, as so redesignated by section 8, is amended by striking out "1977" and inserting in lieu thereof "1978".

TECHNICAL AND MISCELLANEOUS AMENDMENTS

SEC. 15. (a)(1) The third undesignated paragraph of section 4 of the Federal Trade Commission Act (15 U.S.C. 44) is amended to read as follows:

" 'Person, partnership, or corporation' shall be deemed to include any individual, partnership, corporation, or other organization or legal entity.".

(2) Section 5(m)(1)(A) and section 5(m)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 45(m)(1)(A); 45(m)(1)(B)) each are amended by adding at the end thereof the following new sentence: "In such actions, the United States district courts are empowered to grant mandatory injunctions and such other and further equitable relief as they deem appropriate.".

(3) Section 6 of the Federal Trade Commission Act (15 U.S.C. 46) is amended by adding at the end thereof the following new paragraph:

"(i) To accept gifts and voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665(b)).".

(4)(A) The first undesignated paragraph of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) is amended—

(i) by inserting immediately after "for the purposes of this Act" the following: ", or any other provision of law enforced by the Commission,"; and

(ii) by inserting "or physical" immediately after "documentary" each place it appears therein.

(B) The second undesignated paragraph of section 9 of the Federal Trade Commission Act (15 U.S.C. 49), as amended by section 3(a), is amended by inserting "or physical" immediately after "documentary".

(C) The third undesignated paragraph of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) is amended by inserting "or physical" immediately after "documentary".

(D) The third sentence of the fifth undesignated paragraph of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) is amended by inserting immediately after "writing" the following: ", or shall be recorded through the use of any electronic or mechanical recording device,".

(b)(1) Section 5 of the Wool Products Labeling Act of 1939 (15 U.S.C. 68c) is amended by striking out "wood" in the second paragraph and inserting in lieu thereof "wool".

(2) Section 9(b)(1) of the Fur Products Labeling Act (15 U.S.C. 69g(b)(1)) is amended by striking out "volating" and inserting in lieu thereof "violating".

A TEXAS MAYOR TURNS THE TABLES ON BUREAUCRACY

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, Healthways magazine of Des Moines, Iowa, in its February 1977 edition reproduced an article that had appeared in the May 1976 issue of Conservative Digest entitled "A Texas Mayor Turns the Tables" by Philip Nicolaides. Mayor Ernie Angelo of Midland, Tex., has in fact made a point long overdue about how the American public perceives the problems of dealing with Federal agencies, in this case, HUD. Mayor Angelo and his fellow city council members decided to provide a lesson for the Federal bureaucracy and HUD, specifically, by "returning a letter of guidelines" of which all of us as Members of Congress should be made aware.

Let me submit for my colleagues attention the article from Healthways and say to Ernie Angelo, the mayor of Midland, Tex., that the Congress of the United States does, indeed, hear you and we hope that by now you have received a response from HUD. At least, we hope that this taste of their own medicine will stir the thinking of Federal bureaucrats:

A TEXAS MAYOR TURNS THE TABLES

(By Philip Nicolaides)

Last October (1975) the area director of the Department of Housing and Urban Development (HUD) called the office of Ernie Angelo, the mayor of Midland, Texas, to request a reserved parking space for HUD officials at the Midland Regional Airport.

HUD didn't know what it was getting into. Ernie Angelo is no run-of-the-mill mayor. He's a spunky conservative who is sick to death of the Niagara of useless reporting demands and red tape that gushes out of Washington. So he and his fellow City Council members got together and decided to give the federal bureaucracy an object lesson in what it feels like to be on the receiving end.

"The overpaid paper shufflers on the Potomac can dish it out," Angelo says, 'we just wanted to see if they can take it." So

he fired off the following letter to HUD in response to their request:

A FEW GUIDELINES

DEAR SIRS: Reference is made to the request of Mr. J. C. Hays, Community Development Area Representative from your office, for a parking space at the Midland Regional Air Terminal for a U.S. government vehicle to be used by your staff when they visit the West Texas area from time to time.

'We will of course be happy to process a proper application, but a simple request by telephone or letter just won't do at all. In order to justify as many public employees as possible and to make things as difficult as possible for anyone trying to do business with the City of Midland, we have adopted a few regulations and guidelines with which you must comply which are set out as follows:

"1. You must obtain from the U.S. Government Printing Office, or the National Archives, or the Library of Congress, or someplace, a supply of application form COM-1975.

"You must submit three executed and 14 confirmed copies of this application which we will then distribute to our Department of Aviation, Fire and Police Departments, the Public Works Department, the city attorney's office and anyone else we can think of when they arrive.

"2. With the application submit the make and model of the proposed vehicle together with certified assurances that everyone connected with the manufacture, servicing and operation of same were paid according to a wage scale that complies with the requirements of the Davis-Bacon Act.

"3. Submit a genealogical table for everyone who will operate said vehicle so that we can ascertain that there will be a precisely exact equal percentage of whites, blacks and other minorities, as well as women and the elderly.

"4. Submit certified assurances that this plan has been discussed at length with the EEOC and submit that commission's certification that requirement 3 above has been fully complied with.

"5. Submit certified assurance that all operators of said vehicle and any filling-station personnel that service same will be equipped with steel-toed boots, safety goggles and crash helmets and that the vehicle will be equipped with at least safety belts and an air bag to show compliance with Occupational Safety and Health Act.

"6. Submit an Environmental Impact Statement. You will probably want to hire an expensive consultant for this item, as you probably have no one on your staff with the expertise to prepare it.

"The statement should show the number of times the vehicle will be operated, times of day, the name of the operator of the vehicle, the number of other vehicles that might be coming into or leaving the parking lot at the same time, as well as the number and type of aircraft that might be landing or taking off at the airport at the same time and an exact conclusion as to the cumulative effect this will have on the atmosphere in West Texas.

"7. In order to obtain approval of a negative Environmental Impact Statement, you will not be able to:

"(a) operate the car on gasoline produced from domestic oil because that would require that someone discover it, process it and deliver it, and it is possible that some private person, firm or corporation might realize a profit as a result of such activties and this simply won't do;

"However, if the gasoline is produced from foreign oil, this will be acceptable and we don't care what grade it is or how much profit the foreign producers make, nor will we even concern ourselves about this;

"(b) operate the car from energy produced by coal because this might require digging a hole in the ground and that is simply not acceptable in the United States;

"(c) operate the car by solar energy because this is the most abundant source of energy available and it is entirely too practical to justify any expenditure for research and development;

"(d) operate the car with nuclear energy because it is available.

"The use of wind power is acceptable.

"8. Submit a certificate from the attorney general of the United States that all of the certifiers of the above assurances are duly and legally authorized by Congress to make such certificates and that Mr. Hays is duly and legally authorized by Congress and the President to make this application, and that the United States of America is a duly organized and legally existing independent nation with full right, power and authority to operate automobiles in the first place.

"Upon receipt of the foregoing, rest assured that the application will be promptly referred to someone for approval. We cannot state at this time who that someone will be because whatever department he or she is in will be undergoing a process of reorganization and the delegation of authority to approve will change from day to day and you will just have to take potluck as to who has authority to approve your application, if anyone.

"Sincerely,

"ERNEST ANGELO, Jr.
"Mayor."

Word of the Angelo letter leaked out to the local press. They pounced on it as an updated version of the classic news story: "Man bites dog." The item was picked up by Paul Harvey who mentioned it in his nationally syndicated radio commentary.

MANY BOUQUETS

Since then Mayor Angelo has received hundreds of letters from every state in the union commending him for giving the bureaucrats a well-deserved hotfoot. Some even came from federal officials, including one circuit court judge, who wrote, "Right on!"

But what about HUD? Angelo reported he had half expected a witty reply. But so far, not a word.

"It may be," Angelo says, "that federal bureaucrats aren't allowed to have a sense of humor. If they did, they might laugh themselves into dealing with people in a reasonable way and cutting some of the useless red tape. Why, for all I know," he muses, "they may have taken the letter seriously and been conducting studies and filling out forms for the past four months."

Angelo, who has served as mayor for four years, is dead serious about the need to scale down the federal bureaucracy and eliminate the "tons of useless paperwork and reporting requirements with which it burdens local government, business, and the average citizen."

FAULTY ECONOMETRIC MODELS

(Mr. ROUSSELOT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, the following provides a concise and effective critique on the reliability and worth of econometric models. In that the figures we are debating in the third budget resolution today and tomorrow are based on the calculations and results of these Keynesian models, I think it is helpful to understand the faulty assumptions on which they are based:

ECONOMETRIC MODELS, ECONOMIC POLICY AND POLITICS

(By Paul Craig Roberts)

The ongoing debate over the proper amount and type of economic stimulus is heavily influenced by econometric models. The models are used to simulate the effects on the economy of the various policy alternatives such as tax rebates, tax rate reductions, and increases in government spending programs. They all share in common the Keynesian emphasis on the primacy of spending. Once the models are accepted, their emphasis on demand sets the limits to the debate, regardless of the political persuasion of the participants.

The basic idea is that a government budget deficit leads to an increase in disposable income and consumer spending. The models assume that as long as there is unemployment or a growing labor force, output will rise to meet the additional demand. Thus, a deficit increases spending which increases GNP and employment. The economic content of the models is captured by the oft-heard statement that "the reason people produce is that people buy." In this view, a tax rebate and a permanent personal income tax rate reduction both impact on the economy in the same way by increasing disposable income and total spending on goods and services.

Everyone has heard of supply and demand except the builders of econometric models, who apparently have heard only of demand. As a result the models cannot take into account two additional reasons why people produce: for income and for profit. Since they cannot simulate supply side effects, they cannot show the impact that alternative policies have on these two powerful economic motives.

A correct model would show the relationships between quantities of productive inputs and their prices. However, the models upon which economic policy depends only relate numbers of people employed to levels of spending. Thus, the models show that a tax rebate and a permanent personal income tax rate reduction stimulate GNP and employment by stimulating spending. But they cannot show that only a rate reduction also stimulates production by increasing the after-tax rewards to work and investment. Indeed, in the models a reduction in personal income tax rates only affects GNP and employment by raising disposable income, and production increases only in response to increased spending.

Both Congress and the Executive branch rely on the same models—Chase, DRI and Wharton. The government is spending a small fortune on guidance from econometric models that see only half of the picture. For example, in simulating the effects on economic activity of changes in personal income tax rates, the models focus only on changes in disposable income and spending and neglect the changes in relative prices. Yet, it is relative prices that influence the critical choices between income and leisure and between current consumption and future income.

As an illustration, consider the decision to produce. There are two uses of time—work and leisure. Each use has a price in terms of the other. The price of additional leisure is the amount of income that is foregone by not working, and it is influenced by the tax rates. The higher the tax rates, the smaller the amount of the after-tax income that is foregone by enjoying additional leisure. Thus, the higher the tax rates, the lower the relative price of leisure. If the tax rates were 100 percent, the relative price of leisure would be zero.

We often hear that a person works the first five months of the year for the government before he starts working for himself. But that is not the way it works. The first part of the year the person works for himself. He begins working for the government only when his income reaches taxable levels. The more he earns, the more he works for the government until the rising marginal rate of taxation discourages him from further work.

Take the case of a medical doctor, who encounters the 50 percent rate after 6, 8 or

10 months of work. He is faced with working another 6, 4 or 2 months for only 50 percent of his earnings. Such a low after-tax return to effort encourages doctors to share practices, to reduce their working hours, and to take longer vacations.

The high tax rates shrink the tax base by discouraging doctors from earning additional amounts of taxable income. They also drive up the cost of medical care by reducing the supply of medical services. A tax rate reduction would raise the relative price of leisure and result in more taxable income being earned and, also, in a greater supply of medical services.

The effect of tax rates on the decision to earn additional taxable income operates across the tax bracket spectrum. It is limited neither to doctors nor to the top tax bracket. Studies by Martin Feldstein of Harvard show that the tax rates on the average worker practically eliminate the gap between his after-tax take-home pay and the level of his untaxed unemployment compensation. Here is a case where a marginal tax rate of 30 percent (including state and federal income and social security taxes) reduces the relative price of leisure so low that it raises the measured rate of unemployment by 1.25 percent and shrinks GNP and the tax base by the lost production of one million workers.

Now consider how tax rates affect the decision concerning the use of income. There are two uses of income—consumption and investment (saving), and each use has a price in terms of the other. The price of additional current consumption is the amount of future income that is foregone by not investing, and it is influenced by the tax rates. The higher the tax rates, the smaller the amount of after-tax future income that is foregone by enjoying additional current consumption. Thus, the higher the tax rates, the lower the relative price of current consumption.

Take the case of the Englishman facing the 98 percent marginal tax rate on investment income who faces a decision between investing $50,000 at a 17 percent rate of return, which would bring him $8500 per year in before-tax future income, or purchasing a Rolls Royce. Since the after-tax value of the future income is only $170 per year, the price to him of additional consumption is very low. He can enjoy the services of a fine motor car for only $170 per year. This is why today so many Rolls Royces are seen in England. They are mistaken for signs of prosperity, but in fact are signs of high tax rates on investment income. The principle involved is most easily illustrated by extreme example, but as in the case of the decision to produce, it operates across the spectrum of tax rates.

A tax rate reduction would raise the relative price of current consumption and result in more investment. The rate reduction not only increases disposable income and total spending, it also changes the composition of total spending toward more investment. Thus, labor productivity, employment, and real GNP are raised above the levels that would result from a different composition of the same amount of total spending. The relative price change, then, moves both consumption and investment to higher levels.

Since the econometric models only pick up one of the three ways in which a reduction in personal income tax rates works to increase GNP and employment, they grossly exaggerate the tax revenue losses which would result from cutting tax rates. The only feed-back on the revenue base that they pick up is the expansion of output in response to an increase in buying. They do not pick up the expansion in output which results from the changes in the relative prices.

In short, the econometric models are not aware that a permanent personal income tax rate reduction stimulates incentives in addition to spending and will call forth a larger increase in GNP and employment in response to the increase in spending. The models do not take into account that compared to a rebate of equal amount, a rate reduction will have a bigger effect on expanding the tax base and pull in more tax revenue to offset the initial revenue loss. Thus, the models produce erroneous estimates which say that $X billion in rate reductions will add the same amount to the government's budget deficit as $X billion in per capita rebates.

This is not a full account of the defects of the reigning econometric models. Two of the "big three" predict GNP declines if corporate tax rates are reduced. (Chase is the exception.) In the case of the DRI model, the explanation is that investment does not depend on after-tax profits in a very strong way. However, investment is very sensitive to changes in the interest rates. Interest rates go up when the government sells bonds to finance the deficit that results from the corporate tax cut. As a result of the rise in interest rates, investment falls. Thus, in the DRI model a tax reduction that increases the profitability of investment reduces investment!

The reader is no doubt wondering why such defective models remain uncorrected and in such wide use. The answer may be that they are mainly useful for short-run forecasting and not for economic policy simulation. Sailors can navigate very well by the Ptolemaic system, even though it is false.

As we are ending on a speculative note, I would point out that by showing tax rate reductions, tax rebates, and government spending programs financed by deficits to be equally effective economic policy tools, the models serve the interests of egalitarians by allowing income redistribution under the policy guise of fighting unemployment. And they serve the political interests of the Democratic Party by allowing it to build spending constituencies that it could not finance by raising the statutory tax rates.

By showing that tax rate reductions produce the same deficits that overspending revenues does, the models leave the Republicans out in the political cold where they fight deficits and become the tax collector for Democratic spending programs. But more importantly, employment opportunities and higher levels of living standards for everyone will continue to be foregone until the supply side—which is where production actually takes place—gets plugged into the econometric models.

(Note.—Dr. Roberts is Chief Economist, Minority Staff, Committee on the Budget, U.S. House of Representatives, and Adjunct Professor of Economics at George Mason University.)

Mr. Speaker, let me include at this point a copy of the minority substitute resolution on the third concurrent budget resolution:

H. CON. RES. 122

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $347,096,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $19,000,000,000;

(2) the appropriate level of total new budget authority is $440,662,000,000;

(3) the appropriate level of total budget outlays is $404,993,000,000.

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $57,897,000,000, and

(5) the appropriate level of the public debt is $708,000,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $109,337,000,000.
(B) Outlays, $100,043,000,000.
(2) International Affairs:
(A) New budget authority, $7,235,000,000.
(B) Outlays, $6,691,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,468,000,000.
(B) Outlays, $4,406,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $17,272,000,000.
(B) Outlays, $15,863,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,328,000,000.
(B) Outlays, $3,019,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $14,388,000,000.
(B) Outlays, $15,261,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $13,070,000,000.
(B) Outlays, $8,940,000,000.
(8) Education, Training, Employment and Social Services (500):
(A) New budget authority, $20,784,000,000.
(B) Outlays, $21,090,000,000.
(9) Health (550):
(A) New budget authority, $39,359,000,000.
(B) Outlays, $39,283,000,000.
(10) Income Security (600):
(A) New budget authority, $157,385,000,000.
(B) Outlays, $136,705,000,000.
(11) Veterans Benefits and Services (900):
(A) New budget authority, $18,879,000,000.
(B) Outlays, $18,092,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,431,000,000.
(B) Outlays, $3,598,000,000.
(13) General Government (800):
(A) New budget authority, $3,257,000,000.
(B) Outlays, $3,417,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $7,458,000,000.
(B) Outlays, $7,576,000,000.
(15) Interest (900):
(A) New budget authority, $37,287,000,000.
(B) Outlays, $37,287,000,000.
(16) Allowances:
(A) New budget authority, $794,000,000.
(B) Outlays, $764,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$16,068,000,000.
(B) Outlays, —$16,068,000,000.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. OAKAR (at the request of Mr. WRIGHT), for February 22 and 23, on account of death in the family.

Mr. GONZALEZ (at the request of Mr. KAZEN) for today, on account of illness.

Mr. DENT (at the request of Mr. WRIGHT), for February 22 and 23, on account of a death in the family.

Mr. FOUNTAIN (at the request of Mr. WRIGHT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FASCELL for 30 minutes, today.

(The following Members (at the request of Mr. EDWARDS of Oklahoma), to revise and extend their remarks, and to include extraneous matter:

Mr. MCKINNEY, for 5 minutes, today.
Mr. WHALEN, for 5 minutes, today.
Mr. MARKS, for 5 minutes, today.
Mr. YOUNG of Alaska, for 20 minutes, tomorrow.
Mr. BOB WILSON, for 5 minutes, today.
Mr. RAILSBACK, for 5 minutes, today.
Mr. BAUMAN, for 30 minutes, today.
Mr. KEMP, for 10 minutes, today.

(The following Members (at the request of Mr. PEASE) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. WIRTH, for 5 minutes, today.
Mr. CORNELL, for 15 minutes, today.
Mr. ULLMAN, for 5 minutes, today.
Mr. BLOUIN, for 5 minutes today.
Mr. FRASER, for 10 minutes, today.
Mr. MINISH, for 5 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. FORD of Tennessee, for 5 minutes, today.
Mr. STAGGERS, for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. LUKEN, for 5 minutes, today.
Mr. COTTER, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ECKHARDT and to include extraneous matter notwithstanding the fact that it exceeds three pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $942.

Mr. SNYDER to revise and extend his remarks about the son of Congressman CARTER.

Mr. ROUSSELOT immediately following Mr. LATTA.

Mr. MICHEL to include remarks in general debate on House Concurrent Resolution 110.

(The following Members (at the request of Mr. EDWARDS of Oklahoma), and to include extraneous matter:)

Mr. CONABLE.
Mr. FINDLEY.
Mr. YOUNG of Florida in five instances.
Mr. ASHBROOK in five instances.
Mr. FORSYTHE.
Mr. MCKINNEY in two instances.
Mr. BADHAM.
Mr. BOB WILSON in two instances.
Mr. ABDNOR in three instances.
Mr. ROUSSELOT in three instances.
Mr. JOHNSON of Colorado.
Mr. GILMAN in two instances.
Mr. HAMMERSCHMIDT.
Mr. QUAYLE.
Mr. O'BRIEN.
Mr. STEIGER.
Mr. FRENZEL in five instances.
Mr. KEMP in two instances.
Mr. DERWINSKI in two instances.

(The following Members (at the request of Mr. PEASE) and to include extraneous matter:)

Mr. DENT.
Mr. FITHIAN in three instances.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. DELANEY.
Mr. EILBERG.
Mr. KOSTMAYER.
Mr. BINGHAM in 10 instances.
Mr. KOCH in two instances.
Mr. BLOUIN in two instances.
Mr. GIBBONS.
Mr. RYAN.
Mr. BENNETT.
Mr. FRASER.
Mr. ASHLEY in two instances.
Mr. TEAGUE in two instances.
Mr. MILFORD.
Mr. ULLMAN.
Mr. LEHMAN.
Mr. EDWARDS of California.
Mr. BRADEMAS in 10 instances.
Mr. SOLARZ in three instances.
Mr. RODINO.
Mrs. MEYNER.
Mr. HARKIN in two instances.
Mrs. SCHROEDER in two instances.
Mr. LUKEN.
Mr. MAZZOLI.
Mr. MCDONALD in three instances.
Mr. CARNEY in two instances.
Mr. WAXMAN.
Mrs. KEYS.
Mr. GAYDOS.
Mr. ECKHARDT.

SENATE CONCURRENT RESOLUTIONS REFERRED

Concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 2. Concurrent resolution relative to military personnel missing in action or killed in action and body not recovered in Southeast Asia; to the Committees on International Relations and Armed Services.

S. Con. Res. 3. Concurrent resolution to reaffirm the honor of those who served in Southeast Asia and to urge establishment of a Presidential Task Force on Prisoners of War and Missing in Action; to the Committee on Armed Services.

ADJOURNMENT

Mr. PEASE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 4 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 23, 1977, at 3 o'clock p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

792. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1977 and budget amendments for fiscal year 1978 to implement his economic recovery program (H. Doc. No. 95–85); to the Committee on Appropriations and ordered to be printed.

793. A letter from the Secretary of Housing and Urban Development, transmitting the 10th report on the Emergency Homeowners' Relief Act, pursuant to section 111 of the act; to the Committee on Banking, Finance, and Urban Affairs.

794. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to authorize additional funds for housing assistance for lower-income Americans in fiscal year 1977, and for other purposes; to the Committee on Banking, Finance, and Urban Affairs.

795. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting a report on the allowance of attorney expense claims in proceedings under the Alaska Native Claims Settlement Act in docket No. F-29 (John W. Hendrickson and Hendrickson & Rowland), pursuant to section 20 of the act; to the Committee on Interior and Insular Affairs.

796. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on professional and scientific positions established in the agency during calendar year 1976, pursuant to 5 U.S.C. 3104(c); to the Committee on Post Office and Civil Service.

797. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to extend the emergency unemployment compensation program, to amend the number of weeks of benefits, and for other purposes; to the Committee on Ways and Means.

798. A letter from the Acting Comptroller General of the United States, transmitting a report on improvements by the Government Printing Office in its management of printing operations (LCD–77–408, February 22, 1977); jointly, to the Committees on Government Operations, and House Administration.

799. A letter from the Chairman, Federal Election Commission, transmitting the Commission's fiscal year 1978 authorization request, pursuant to section 310(d)(1) of the Federal Election Campaign Act of 1971, as amended; jointly, to the Committees on House Administration, and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON: Committee on House Administration. House Resolution 287. Resolution to amend the Rules of the House of Representatives. and for other purposes; with amendment (Rept. No. 95–21, Pt. II). Ordered to be printed.

Mr. REUSS: Committee on Banking, Finance, and Urban Affairs. H.R. 3365. A bill to extend the authority for the flexible regulation of interest rates on deposits and accounts in depository institutions, and for other purposes; with amendment (Rept. No. 95–23). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of Illinois: Committee on Rules, House Resolution 304. Resolution providing for the consideration of H.R. 11. A bill to increase the authorization for the Local Public Works Capital Development and Investment Act of 1976 (Rept. No. 95–24). Referred to the House Calendar.

Mr. ULLMAN: Committee on Ways and Means. Adverse report on House Concurrent Resolution 80. Concurrent resolution to disapprove the determination of the President denying import relief under the Trade Act of 1974 to the U.S. honey industry (Rept. No. 95–25). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions

were introduced and severally referred as follows:

By Mr. CORMAN:

H.R. 3723. A bill to extend the emergency unemployment compensation program, to amend the number of weeks of benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 3724. A bill to authorize additional funds for housing assistance for lower-income Americans in fiscal year 1977, to extend the Federal riot insurance and crime insurance programs, to establish a National Commission on Neighborhoods, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BREAUX:

H.R. 3725. A bill to amend title 5, United States Code, to extend certain benefits to former employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BREAUX (for himself, Mr. BROOKS, Mr. LEGGETT, Mr. PICKLE, Mr. YOUNG of Texas, Mr. BOWEN, and Mr. HUCKABY):

H.R. 3726. A bill to extend the Rice Production Act of 1975 through the 1978 crop; to the Committee on Agriculture.

By Mr. BRECKINRIDGE:

H.R. 3727. A bill to amend section 142 of title 28, United States Code, relating to the furnishing of accommodations to judges of the courts of appeals of the United States; to the Committee on the Judiciary.

H.R. 3728. A bill to provide for additional district judges for the State of Kentucky; to the Committee on the Judiciary.

By Mr. BRINKLEY:

H.R. 3729. A bill to amend the Internal Revenue Code of 1954 to provide a trade or business deduction to firemen for meals which they eat while at their post of duty overnight; to the Committee on Ways and Means.

By Mr. BROOKS:

H.R. 3730. A bill to authorize additional appropriations under title II of the Public Works Employment Act of 1976; to the Committee on Government Operations.

By Mr. COCHRAN (for himself and Mr. VANDER JAGT):

H.R. 3731. A bill to amend the Internal Revenue Code of 1954 to provide that the mileage rate used to determine the amount allowable as a deduction for the business use of automobiles shall be the same as the rate used to reimburse Federal employees; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. CONTE, Mr. DOWNEY, and Mr. MCKINNEY):

H.R. 3732. A bill to enact the National School-Age Mother and Child Health Act of 1977; to the Committee on Interstate and Foreign Commerce.

By Mr. COHEN (for himself, Mr. GEPHARDT, Mr. HANNAFORD, Mr. MCCORMACK, Mr. PANETTA, Mr. RICHMOND, Mrs. SPELLMAN, Mr. STEERS, Mr. TREEN, Mr. WOLFE, Mr. KRUEGER, Mr. FLYNT, Mr. STARK, and Mr. TRAXLER):

H.R. 3733. A bill to amend title 38 of the United States Code in order to provide that the fees payable to agents or attorneys who represent veterans in allowed claims under the veterans laws shall be paid by the Administrator rather than deducted from amounts awarded under the claims; to the Committee on Veterans' Affairs.

By Mr. COHEN (for himself, Mr. GEPHARDT, Mr. HANNAFORD, Mr. MCCORMACK, Mr. PANETTA, Mr. RICHMOND, Mrs. SPELLMAN, Mr. STEERS, Mr. TREEN, Mr. WOLFF, Mr. KRUEGER, Mr. FLYNT, Mr. STARK, and Mr. TRAXLER):

H.R. 3734. A bill to amend title II of the Social Security Act to provide that attorneys' fees allowed in administrative or judicial proceedings under that title (or under title XVIII of such act), in cases where the claimants are successful, shall be paid by the Secretary of Health, Education, and Welfare rather than deducted from the amounts awarded claimants; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. RINALDO, and Mrs. SPELLMAN):

H.R. 3735. A bill to provide for quality assurance and utilization control in home health care under the medicare, medicaid, and social services programs in accordance with a plan to be developed by a commission specifically established for that purpose; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. CONYERS (for himself, Mr. BROWN of California, Mr. ECKHARDT, Mr. MITCHELL of Maryland, Mr. STARK, Mr. ROSENTHAL, Mr. EDWARDS of California, Mr. CARR, Mr. BADILLO, Mr. FORD of Tennessee, Mr. STOKES, Mr. DOWNEY, Mr. HAWKINS, and Mr. MOAKLEY):

H.R. 3736. A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order better to protect the constitutional rights and liberties of such witnesses under the fourth, fifth, and sixth amendments to the Constitution, to provide for independent inquiries by grand juries, and for other purposes; to the Committee on the Judiciary.

By Mr. CONYERS (for himself, Mr. MOFFETT, and Mr. LEFANTE):

H.R. 3737. A bill to designate the birthday of Martin Luther King, Jr., a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. CORNELL:

H.R. 3738. A bill to amend title II of the Social Security Act to provide that an individual may become entitled to widow's or widower's insurance benefits at age 50 whether or not disabled, subject to the existing actuarial reduction prior to attaining age 65 but with full benefits after attaining that age; to the Committee on Ways and Means.

By Mr. ROBERT W. DANIEL, JR. (for himself, Mr. ABDNOR, Mr. BEDELL, Mr. BLOUIN, Mr. BOWEN, Mr. BURLESON of Texas, Mr. CLAY, Mr. CLEVELAND, Mr. DORNAN, Mr. EVANS of Colorado, Mrs. FENWICK, Mr. FORD of Tennessee, Mr. GOODLING, Mr. GUDGER, Mr. ICHORD, Mr. KELLY, Mr. LEDERER, Mr. LONG of Maryland, Mr. MCHUGH, Mr. MILLER of Ohio, Mr. NIX, Mr. RINALDO, Mr. SCHEUER, Mr. SISK, and Mr. STEIGER):

H.R. 3739. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 3740. A bill to amend the Food Stamp Act of 1964, to exclude from coverage under the act households which have members who are on strike, and for other purposes; to the Committee on Agriculture.

By Mr. DERWINSKI (for himself and Mr. HYDE):

H.R. 3741. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange services; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EDGAR:

H.R. 3742. A bill to permit credit for civil service retirement purposes and in computing length of service for purposes of determining leave, health insurance, severance pay, tenure, and status in the case of certain individuals who performed National Guard technician service before January 1, 1969; to the Committee on Post Office and Civil Service.

By Mr. FITHIAN:

H.R. 3743. A bill to foster and continue the family farm in the United States by providing young farmers with the necessary assistance to purchase family farm units, and for other purposes; to the Committee on Agriculture.

By Mr. DENT:

H.R. 3744. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to provide for an automatic adjustment in such wage rate, and to repeal the credit against the minimum wage which is based on tips received by tipped employees; to the Committee on Education and Labor.

By Mr. HARRIS:

H.R. 3745. A bill to provide for the resolution of claims and disputes relating to Government contracts awarded by executive agencies; to the Committee on the Judiciary.

By Mr. HARSHA:

H.R. 3746. A bill to amend section 201 of the Appalachian Regional Development Act of 1965; to the Committee on Public Works and Transportation.

H.R. 3747. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mrs. HECKLER:

H.R. 3748. A bill to amend the Tariff Schedules of the United States; to the Committee on Ways and Means.

By Mr. HUGHES (for himself, Mr. BEDELL, Mr. BONIOR, Mr. DANIELSON, Mr. FRASER, Mr. HOWARD, Mr. KILDEE, Mr. MAZZOLI, Mrs. MEYNER, Mr. MURPHY of Pennsylvania, Mr. RODINO, Mr. ROYBAL, Mr. STARK, Mr. STUDDS, and Mr. TONRY):

H.R. 3749. A bill to establish a commission to study the production, distribution, and use of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Colorado:

H.R. 3750. A bill to require the Administrator of the Environmental Protection Agency to exercise his authority under the Safe Drinking Water Act to make grants for certain demonstration projects; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 3751. A bill to amend the Federal Water Pollution Control Act to permit States to perform certain responsibilities; to the Committe on Public Works and Transportation.

By Mr. KOCH:

H.R. 3752. A bill to amend the Federal Election Campaign Act of 1971 to provide that payments made with respect to certain campaign materials shall not be considered to be contributions under such act, and for other purposes; to the Committee on House Administration.

By Mr. LEGGETT (for himself, Mr. FORSYTHE, Mr. MCCLOSKEY, Mr. OBERSTAR, Mr. AKAKA, Mr. HUGHES, and Mr. EVANS of Delaware):

H.R. 3753. A bill to bring certain governing international fishery agreements within the purview of the Fishery Conservation Zone Transition Act; to the Committee on Merchant Marine and Fisheries.

By Mr. LEHMAN:

H.R. 3754. A bill to provide a 2-year extension of time for the payment of so much

of any income tax as is attributable to the application to 1976 of the change made by the Tax Reform Act of 1976 in the exclusion for sick pay; to the Committee on Ways and Means.

By Mr. LEHMAN (for himself and Mrs. SPELLMAN):

H.R. 3755. A bill to provide for the reinstatement of civil service retirement survivor annuities for certain widows and widowers whose remarriages occurred before July 18, 1966, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. SIKES, Mr. FUQUA, Mr. BENNETT, Mr. CHAPPELL, Mr. KELLY, Mr. YOUNG of Florida, Mr. GIBBONS, Mr. IRELAND, Mr. FREY, Mr. BAFALIS, Mr. ROGERS, Mr. BURKE of Florida, Mr. PEPPER, and Mr. FASCELL):

H.R. 3756. A bill to amend the Federal Aviation Act of 1958 to authorize reduced fare transportation on a space-available basis for elderly persons and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. McFALL:

H.R. 3757. A bill to amend the Internal Revenue Code of 1954 to exempt from treatment as an industrial development bond certain bond issues the proceeds of which are used for facilities for the furnishing of water and hydroelectric energy, or either; to the Committee on Ways and Means.

By Mr. McKINNEY:

H.R. 3758. A bill to amend title II of the Social Security Act to reduce from 20 to 10 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record: to the Committee on Ways and Means.

By Mr. MEEDS:

H.R. 3759. A bill to reaffirm the intent of Congress regarding the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MIKVA (for himself, Mr. OTTINGER, and Mr. ROSTENKOWSKI):

H.R. 3760. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, except for or by members of the Armed Forces, law enforcement officials, and, where authorized, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

By Mr. MIKVA (for himself, Mr. LLOYD of California, Mrs. BEDELL, Mr. BONIOR, Mr. DERWINSKI, Mr. DOWNEY, Mr. EDGAR, Mrs. FENWICK, Mr. HANNAFORD, Mr. HYDE, Mr. JENRETTE, Mr. LEHMAN, Mr. MATHIS, Mr. MAZZOLI, Mr. McCLOSKEY, Mrs. MEYNER, Mr. MURPHY of Pennsylvania, Mr. WHITEHURST, and Mr. CHARLES WILSON of Texas):

H.R. 3761. A bill to abolish certain Federal regulatory agencies and to cause the self-destruct of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. MINISH:

H.R. 3762. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit with respect to expenditures for residential solar energy equipment; to the Committee on Ways and Means.

By Mr. MOLLOHAN:

H.R. 3763. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. NATCHER:

H.R. 3764. A bill to amend the Veterans Education and Employment Assistance Act of 1976; to the Committee on Veterans' Affairs.

H.R. 3765. A bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator, and for other purposes; to the Committee on Ways and Means.

H.R. 3766. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. NOLAN:

H.R. 3767. A bill to provide grants to renovate existing structures for use as youth hostels in order to further the development of a national youth hostel system and increase the opportunity for outdoor recreation and educational travel; to the Committee on Interior and Insular Affairs.

By Mr. OBERSTAR:

H.R. 3768. A bill to establish mandatory penalties for use of a firearm during the commission of a felony, and for other purposes; to the Committee on the Judiciary.

By Mr. OBERSTAR (for himself, Mr. UDALL, Mr. BAUCUS, Mr. BEVILL, and Mr. SIMON):

H.R. 3769. A bill to promote safety and health in the mining industry, to prevent recurring disasters in the mining industry, and for other purposes; to the Committee on Education and Labor.

By Mr. OBERSTAR:

H.R. 3770. A bill to amend the Federal Food, Drug, and Cosmetic Act so as to require that in the labeling and advertising of drugs sold by prescription the "established name" of such drug must appear each time their proprietary name is used, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3771. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act and to otherwise require the labels on foods and food products to disclose all of their ingredients and any changes in their ingredients, their nutritional content, accurate weight data, storage information, their manufacturers, packers, and distributors, and their unit prices and to provide for uniform product grading and prohibit misleading brand names; to the Committee on Interstate and Foreign Commerce.

H.R. 3772. A bill to require that certain products be prominently labeled as to date of manufacture, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3773. A bill to require that durable consumer products be labeled as to durability and performance life; to the Committee on Interstate and Foreign Commerce.

H.R. 3774. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

H.R. 3775. A bill to provide relief from shore damages attributable to high water levels in the Great Lakes and for other purposes; to the Committee on Public Works and Transportation.

H.R. 3776. A bill to amend the Internal Revenue Code of 1954 to require the establishment of formal procedures and criteria for the selection of individual income tax returns for audit, to inform individuals of the reasons why their returns were selected for audit, and for other purposes; to the Committee on Ways and Means.

H.R. 3777. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortise at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

H.R. 3778. A bill to amend the Internal Revenue Code of 1954 to provide that pensions paid to retired policemen or firemen or their dependents, or to the widows or other survivors of deceased policemen or firemen, shall not be subject to the income tax; to the Committee on Ways and Means.

H.R. 3779. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. O'BRIEN:

H.R. 3780. A bill to require automatic sprinkler systems in all skilled nursing facilities and intermediate care facilities as a condition of certification under the medicare, medicaid, and Veterans' Administration programs, and to authorize loans and grants to assist such facilities in purchasing and installing such systems; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. PEPPER (for himself, Mr. ANDERSON of California, Mr. HYDE, Mrs. KEYS, Mr. MARKS, Mr. RYAN, Mr. SCHEUER, Mr. SEIBERLING, Mr. UDALL, and Mr. WAMPLER):

H.R. 3781. A bill to amend the Federal Aviation Act of 1958 to authorize reduced rate transportation for certain additional persons on a space-available basis; to the Committee on Public Works and Transportation.

By Mr. PEPPER:

H.R. 3782. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. QUAYLE:

H.R. 3783. A bill to amend the Occupational Safety and Health Act of 1970 to provide that such act shall not apply to employers, including farming operations, having 25 or fewer employees; to the Committee on Education and Labor.

H.R. 3784. A bill to repeal provisions authorizing increases in the salaries of Senators and Representatives; to the Committee on Post Office and Civil Service.

By Mr. RAILSBACK:

H.R. 3785. A bill to provide that individuals who retired on disability before October 1, 1976, shall be entitled to the exclusion for disability payments under section 105(d) of the Internal Revenue Code of 1954 without regard to the income limitation in such section, and for other purposes; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Mr. BINGHAM, and Mr. SCHEUER):

H.R. 3786. A bill to amend and improve the programs authorized under the Emergency Unemployment Compensation Act of 1974, and to extend such programs for 1 year, and for other purposes; to the Committee on Ways and Means.

By Mr. RUNNELS (for himself and Mr. LUJAN):

H.R. 3787. A bill to direct the Secretary of the Interior to purchase and hold certain lands in trust for the Zuni Indian Tribe of New Mexico; to confer jurisdiction on the Court of Claims with respect to land claims of such tribe; and to authorize such tribe to purchase and exchange lands in the States of New Mexico and Arizona; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN:

H.R. 3788. A bill to amend the Federal Water Pollution Control Act to provide for additional authorizations, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. SCHROEDER (for herself, Mr. LEHMAN, and Mr. SIMON):

3789. A bill to amend title 13, United States Code, to provide that a municipality or a political subdivision of a municipality shall be entitled to receive population census statistics which relate to the area within the jurisdiction of such municipality or subdivision; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE (by request):

H.R. 3790. A bill to suspend until the close of June 30, 1980, the duty on concentrate of poppy straw used in producing codeine or morphine; to the Commitee on Ways and Means.

By Mr. SIKES:

H.R. 3791. A bill to direct the Secretary of the Air Force to convey certain real property of the United States to the city of Niceville, Fla., for use as a cemetery; to the Committee on Armed Services.

By Mr. SISK:

H.R. 3792. A bill to amend the Agricultural Fair Practices Act of 1967; to the Committee on Agriculture.

By Mrs. SPELLMAN:

H.R. 3793. A bill to amend title 5, United States Code, to provide Federal Employees under investigation for misconduct the right to representation during questioning regarding such misconduct; to the Committee on Post Office and Civil Service.

H.R. 3794. A bill to increase the contribution by the Federal Government to the costs of employees' group life insurance; to the Committee on Post Office and Civil Services.

H.R. 3795. A bill to amend title 5, United States Code, to provide that the Federal contribution for Federal employee health benefits coverage shall be determined on the basis of the average of the two health benefits plans having the highest subscription charges; to the Committee on Post Office and Civil Service.

By Mr. STUDDS (for himself, Mr. DICKS, Mr. BONKER, and Mr. PRITCHARD):

H.R. 3796. A bill to amend the Ports and Waterways Safety Act of 1972, to amend sections 4417a and 4442 of the Revised Statutes of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON:

H.R. 3797. A bill to amend the National Labor Relations Act to permit certain labor organizations to be certified by the National Labor Relations Board as representatives of individuals employed as guards; to the Committee on Education and Labor.

By Mr. VOLKMER:

H.R. 3798. A bill to amend title 18, United States Code, to provide increased penalties for using a firearm to commit a felony or carrying a firearm unlawfully during the commission of a felony, and for other purposes; to the Committee on the Judiciary.

By Mr. WHALEN (for himself, Mr. CORNELL, and Mr. LOTT):

H.R. 3799. A bill to provide that any increase in the rate of pay for Members of Congress proposed during any Congress shall not take effect earlier than the beginning of the next Congress; to the Committee on Post Office and Civil Service.

By Mr. HANNAFORD:

H.R. 3800. A bill to amend title 5, United States Code, to provide that any Federal employee who, at the time of retirement, does not elect a reduced annuity in order to provide a survivor annuity to a spouse or other person may make such an election within 1 year after retiring; to the Committee on Post Office and Civil Service.

By Mr. WHITEHURST:

H.R. 3801. A bill to prevent the unnecessary large-scale killing of birds or mammals; to the Committee on Merchant Marine and Fisheries.

By Mr. WYDLER:

H.R. 3802. A bill to amend the Federal Aviation Act of 1958 and the Airport and Airway Development Act of 1970 to establish a program for the reduction of aircraft noise, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. YATRON:

H.R. 3803. A bill to provide that the unemployment benefits of railroad workers will not be reduced by amounts received as military retirement benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3804. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 3805. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

H.R. 3806. A bill to provide a penalty for unlawful assault upon policemen, firemen, and other law enforcement personnel, and for other purposes; to the Committee on the Judiciary.

H.R. 3807. A bill to provide for the personal safety of those persons engaged in furthering the foreign intelligence operations of the United States; to the Committee on the Judiciary.

H.R. 3808. A bill to amend title 5 and title 44, United States Code, to lengthen the time period between the publication of a Federal rule and the effective date of such rule, and the time period between the publication of notice of a hearing and the beginning of such hearing; to the Committee on the Judiciary.

H.R. 3809. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 3810. A bill to amend the Council on Wage and Price Stability Act to require the preparation and publishing in the Federal Register of economic impact statements respecting proposed rules and regulations; jointly, to thet Committees on Banking Finance and Urban Affairs and Government Operations.

By Mr. BEARD of Rhode Island (for himself, Mr. ST GERMAIN, and Mr. DANIELSON):

H.R. 3811. A bill to require the Administrator of Veterans' Affairs to acquire the Rhode Island Veterans' Cemetery; to the Committee on Veterans' Affairs.

By Mr. BRODHEAD (for himself and Mr. FORD of Michigan):

H.R. 3812. A bill to amend the Internal Revenue Code of 1954 to treat the residence of a State legislator within the legislative district he represents as his home for tax purposes; to the Committee on Ways and Means.

By Mr. PHILLIP BURTON (for himself, Mr. UDALL, Mr. KASTENMEIER, Mr. KAZEN, Mr. BINGHAM, Mr. SEIBERLING, Mr. RUNNELS, Mr. ECKHARDT, Mr. BYRON, Mr. TSONGAS, Mr. CARR, Mr. MILLER of California, Mr. FLORIO, Mr. Mr. JOHN L. BURTON, Mr. DELLUMS, KREBS, Mr. KOSTMAYER, Mr. RAHALL, Mr. EDWARDS of California, Mr. ROYBAL, Mr. STARK, Mr. PATTERSON of California, Mr. WAXMAN, Mr. WON PAT, and Mr. MURPHY of Pennsylvania):

H.R. 3813. A bill to amend the act of October 2, 1968, an act to establish a Redwood National Park in the State of California and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DELLUMS (for himself, Mr. BADILLO, Mr. BONIOR, Mr. JOHN L. BURTON, Mr. CLAY, Mr. CONYERS, Mr. DIGGS, Mr. MITCHELL of Maryland, Mr. STARK, and Mr. CHARLES H. WILSON of California):

H.R. 3814. A bill to amend chapters 5 and 7 of title 5, United States Code, to require formal rulemaking procedures in the establishment of grant, loan, benefit, and contract practices, to authorize payment of expenses to certain participants in administrative proceedings, to waive sovereign immunity where judicial relief other than money damages is sought, and to require the establishment of enforcement procedures for grant-in-aid programs; to the Committee on the Judiciary.

By Mr. ECKHARDT:

H.R. 3815. A bill to amend the Securities Exchange Act of 1934 to make it unlawful for an issuer of securities registered pursuant to section 12 of such act or an issuer required to file reports pursuant to section 15(d) of such act to make certain payments to foreign officials and other foreign persons, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3816. A bill to amend the Federal Trade Commission Act to expedite the enforcement of Federal Trade Commission cease and desist orders and compulsory process orders; to increase the independence of the Federal Trade Commission in legislative, budgetary, and personnel matters; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG:

H.R. 3817. A bill to amend title 38 of the United States Code in order to extend from 10 years to 15 years the period in which veterans' educational assistance may be used; to the Committee on Veterans' Affairs.

H.R. 3818. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 3819. A bill to amend title II of the Social Security Act to provide that full old-age, survivors, and disability insurance benefits (when based upon the attainment of retirement age), and medicare benefits, will be payable at age 60 (with such insurance benefits being payable in reduced amounts at age 57), to provide a minimum primary benefit of $150 a month, and to liberalize the earnings test; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. FLORIO:

H.R. 3820. A bill to improve access to and transportation within urban national parks and recreation areas, to authorize a study of options for transportation to and within all units of the National Park System, and for other purposes; jointly, to the Commit-

tees on Interior and Insular Affairs and Public Works and Transportation.

By Mr. FORD of Michigan:

H.R. 3821. A bill to provide for the mailing of absentee voting matter free of postage; to the Committee on Post Office and Civil Service.

By Mr. GRASSLEY (for himself, Mr. BOWEN, Mr. D'AMOURS, Mr. SNYDER, and Mr. WALGREN):

H.R. 3822. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. MARKEY:

H.R. 3823. A bill to amend section 601(a)(2) of the Legislative Reorganization Act of 1946 to provide that the salaries of Senators and Representatives may not be subject to any cost-of-living adjustment under such section before October 1, 1978; to the Committee on Post Office and Civil Service.

By Mr. MURPHY of New York (for himself, Mr. BREAUX, and Mr. TREEN):

H.R. 3824. A bill to amend the act of August 10, 1956, as amended; section 716 of title 10, United States Code; section 1006 of title 37 United States Code; and, sections 8501(1)(B) and 8521(a)(1) of title 5, United States Code; jointly, to the Committees on Armed Services, Merchant Marine and Fisheries, and Ways and Means.

By Mr. RINALDO:

H.R. 3825. A bill to grant a Federal charter to the National Opportunity Camps; to the Committee on the Judiciary.

By Mr. ROONEY:

H.R. 3826. A bill to require that reproductions of antique glass articles be marked to indicate the year of manufacture so as to prevent their sale or trade as original productions; to the Committee on Interstate and Foreign Commerce.

By Mr. RUDD (for himself, Mr. LUJAN, Mr. RHODES, Mr. RUNNELS, Mr. STUMP, and Mr. UDALL):

H.R. 3827. A bill to amend the Navajo Community College Act; to the Committee on Education and Labor.

By Mrs. SCHROEDER (by request):

H.R. 3828. A bill to require the President, the Vice President, Justices and judges and officers and employees of the United States to file statements with designated officers and the Civil Service Commission with respect to their income and financial transactions; to the Committee on the Judiciary.

H.R. 3829. A bill to establish a Commission on Ethics and Financial Disclosure for Officers and Employees of the Federal Government and other purposes; jointly, to the Committees on the Judiciary, Post Office and Civil Service, Armed Services, and Standards of Official Conduct.

By Mr. THONE:

H.R. 3830. A bill to amend title 5, United States Code, to extend certain benefits to former employees of county committees established pursuant to section 8(b) of the Soil Conservation Service and Domestics Allotment Act, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 3831. A bill to amend the Internal Revenue Code of 1954 with respect to income earned abroad by U.S. citizens living or residing abroad; to the Committee on Ways and Means.

By Mr. THONE (for himself, Mrs. SMITH of Nebraska, and Mr. CAVANAUGH):

H.R. 3832. A bill to prevent the unauthorized manufacture and use of the name and symbol "Tree City USA", and for other purposes; to the Committee on the Judiciary.

By Mr. DERWINSKI (for himself, Mr. CRANE, and Mr. SNYDER):

H.J. Res. 267. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of the President and Vice President; to the Committee on the Judiciary.

By Mr. WHITEHURST:

H.J. Res. 268. Joint resolution requesting the President to proclaim the second week in August as Better Water for People Week; to the Committee on Post Office and Civil Service.

By Mr. GILMAN (for himself, Mr. ANDREWS of North Dakota, Mr. BAFALIS, Mr. BEARD of Rhode Island, Mr. BUCHANAN, Mr. BYRON, Mr. CARTER, Mr. COHEN, Mr. D'AMOURS, Mr. DORNAN, Mr. EILBERG, Mr. FISHER, Mr. GOODLING, Mrs. HOLT, Mr. HORTON, Mr. HUGHES, Mr. KEMP, Mr. LAGOMARSINO, Mr. LEDERER, Mrs. LLOYD of Tennessee, Mr. LONG of Maryland, Mr. MCDADE, Mr. MCDONALD, Ms. MIKULSKI, and Mr. MINETA):

H. Con. Res. 118. Concurrent resolution expressing the sense of the Congress that the President should establish a Presidential task force to achieve the fullest possible accounting of prisoners of war and other individuals missing in Southeast Asia as a result of the Vietnam conflict; to the Committee on Armed Services.

By Mr. GILMAN (for himself, Mr. MITCHELL of New York, Mr. MURPHY of New York, Mr. NOWAK, Mr. PEPPER, Mr. QUAYLE, Mr. ROSE, Mr. RYAN, Mr. STOCKMAN, Mr. TREEN, Mr. WALSH, Mr. WAXMAN, Mr. BOB WILSON, Mr. CHARLES H. WILSON of California, Mr. YOUNG of Florida, and Mr. ZEFERETTI):

H. Con. Res. 119. Concurrent resolution expressing the sense of the Congress that the President should establish a Presidential task force to achieve the fullest possible accounting of prisoners of war and other individuals missing in Southeast Asia as a result of the Vietnam conflict; to the Committee on Armed Services.

By Mr. HANLEY (for himself, Mr. PHILLIP BURTON, Mr. MITCHELL of Maryland, Mr. PRICE, Mr. BONIOR, Mr. HAWKINS, Mr. MURPHY of Pennsylvania, Mr. DUNCAN of Tennessee, Mr. NEAL, Mrs. FENWICK, Mr. THOMPSON, Mrs. LLOYD of Tennessee, Mr. FRENZEL, Ms. MIKULSKI, Mr. FRASER, Mr. RAHALL, Mr. WOLFF, Mr. BEDELL, Mr. PEASE, Mr. HORTON, and Ms. HOLTZMAN):

H. Con. Res. 120. Concurrent resolution recommending the creation by the President of a special task force to report on factors relating to the need to deregulate the price of natural gas in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. MARKS:

H. Con. Res. 121. Concurrent resolution expressing the sense of the Congress with respect to potential cancer risks associated with past radiation treatment of tonsil, adenoid, thymus, and similar problems; to the Committee on Interstate and Foreign Commerce.

By Mr. ROUSSELOT:

H. Con. Res. 122. Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1977; to the Committee on the Budget.

By Mr. YOUNG of Florida:

H. Con. Res. 123. Concurrent resolution to collect overdue debts; to the Committee on International Relations.

H. Con. Res. 124. Concurrent resolution that it is the sense of Congress that the United States and the various political entities thereof should adopt 911 as the nationwide, uniform, emergency telephone number; to the Committee on Interstate and Foreign Commerce.

By Mr. BEVILL:

H. Res. 305. Resolution disapproving the deferral of certain budget authority (D77-50) relating to the Energy Research and Development Administration, Magnetic Fusion Energy Research, which is proposed by the President in his message of January 17, 1977, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 306. Resolution disapproving the deferral of certain budget authority (D77-51) relating to the Energy Research and Development Administration, Program Support-Community Operations, which is proposed by the President in his message of January 17, 1977, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

H. Res. 307. Resolution disapproving the deferral of certain budget authority (D77-52) relating to the Energy Research and Development Administration, Biomedical and Environmental Research, which is proposed by the President in his message of January 17, 1977, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. CLEVELAND (for himself, Mr. ABDNOR, Mr. BAFALIS, Mr. BURKE of Florida, Mr. BUTLER, Mr. CEDERBERG, Mr. COLLINS of Texas, Mr. CORCORAN, Mr. CRANE, Mr. DERWINSKI, Mr. DICKINSON, Mr. DORNAN, Mr. ERLENBORN, Mr. FORSYTHE, Mr. FRENZEL, Mr. GRADISON, Mr. KETCHUM, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LEACH, Mr. LENT, Mr. MARTIN, Mr. MCEWEN, Mr. MOORHEAD of California, and Mr. JOHN T. MYERS):

H. Res. 308. Resolution to amend rule X of the rules of the House; to the Committee on Rules.

By Mr. CLEVELAND (for himself, Mr. RAILSBACK, Mr. RINALDO, Mr. SARASIN, Mr. STOCKMAN, Mr. THONE, Mr. WALKER, Mr. WHITEHURST, Mr. WYDLER, and Mr. YOUNG of Florida):

H. Res. 309. Resolution to amend rule X of the Rules of the House; to the Committee on Rules.

By Mr. PRICE:

H. Res. 310. Resolution to provide for the expenses of investigations, and studies to be conducted by the Committee on Armed Services; to the Committee on House Administration.

By Mr. RAILSBACK (for himself, Mr. BALDUS, Mr. BEDELL, Mr. BROWN of Ohio, Mr. CONYERS, Mr. DAN DANIEL, Mr. EDWARDS of Oklahoma, Mr. FORD of Tennessee, Mr. HUBBARD, Mr. HUGHES, Mr. JENRETTE, Mr. KEMP, Mr. KINDNESS, Mr. KOSTMAYER, Mr. KREBS, Mr. LOTT, Mr. MADIGAN, Mr. MAZZOLI, Mr. MCHUGH, Mr. MCKAY, Mr. NEDZI, Mr. PATTERSON of California, Mr. PEPPER, Mr. STANTON, and Mr. STEIGER):

H. Res. 311. Resolution expressing the sense of the House of Representatives that the effect on our society of the level of violence depicted on television requires more consideration and study; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Florida:

H. Res. 312. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

By Mr. ZABLOCKI:

H. Res. 313. Resolution to provide for the expenses of investigations, and studies to be conducted by the Committee on International Relations; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRINKLEY:

H.R. 3833. A bill to provide third-class mailing privileges to Gold Star Wives of America, Inc.; to the Committee on Post Office and Civil Service.

By Mr. DANIELSON:

H.R. 3834. A bill for the relief of P. S. Seymour-Heath; to the Committee on the Judiciary.

By Mr. DORNAN:

H.R. 3835. A bill for the relief of Pece D. Van Arsdol; to the Committee on the Judiciary.

By Mr. DELLUMS:

H.R. 3836. A bill for the relief of the West Oakland Health Council, Inc.; to the Committee on the Judiciary.

By Mr. FRENZEL:

H.R. 3837. A bill for the relief of William Greerson; to the Committee on the Judiciary.

By Mr. GRASSLEY:

H.R. 3838. A bill for the relief of Tulsedei Zalim; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

51. The SPEAKER presented a petition of Bernardas Brizgys, Detroit, Mich., and others, relative to the Soviet occupation of Lithuania, Latvia, and Estonia, which was referred to the Committe on International Relations.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 11

By Mr. COCHRAN:

Page 3, strike out lines 8 through 20, inclusive, and insert in lieu thereof the following:

SEC. 2. (a) Subsection (a) of section 108 of the Local Public Works Capital Development and Investment Act of 1976 (Public Law 94-369) is amended by—

(1) inserting "(1)" immediately after "(a)";

(2) inserting immediately after "any one State" the following: "unless a State has no Indian tribe in such State in which case the minimum percentage to be granted within such State shall be three-fourths of 1 per centum";

(3) adding at the end of such paragraph (1) the following new sentence: "Notwithstanding any other provision of this Act, not more than 2½ per centum of all amounts appropriated to carry out this title shall be granted to Indian tribes under this Act for local public works projects."; and

(4) adding at the end of such subsection the following new paragraph (2):

"(2) The Secretary shall not approve any application for a grant in a State which would result in the payment to the recipient of such grant of an amount in excess of 10 per centum of the total amount available for grants under this Act in such State.".

Reletter suceeding subsections and references thereto accordingly.

By GARY A. MYERS:

On page 4, after line 16, add the following new subsection:

"(f) Subsection (e) of such section 108 is hereby repealed."

subsequent subsections to be designated accordingly.

Page 4, strike line 18 and insert in lieu thereof the following:

amended to read as follows:

"(f) Eighty-five per centum of all amounts appropriated to carry out this Act shall be granted for public works projects submitted by State or local governments given priority under clause (1) of the first sentence of subsection (c) of this section. The remaining 15 per centum shall be available for public works projects submitted by State or local governments in other classifications of priority.".

On page 3, after line 7, add the following new subsection:

"(g) No grant shall be made under this Act except for those projects for which the applicant has given satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that, the project can be completed not later than the last day of the 18th month which begins after the first day on which on-site labor is begun on such project.".

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X:

HOUSE BILLS

H.R. 1. January 4, 1977. Judiciary. Requires candidates for Federal office, Members of the Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 2. January 4, 1977. Interior and Insular Affairs. Regulates surface coal mining operations through a permit program administered by the Secretary of the Interior. Requires applicants to meet minimum environmental protection performance standards. Allows States to establish surface mining control programs at least as stringent as minimum Federal standards.

Includes provisions to fund mineral resources research programs and to provide for reclamation of abandoned mine sites.

H.R. 3. January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Amends titles XVIII (Medicare) and XIX (Medicaid) of the Social Security Act to authorize payment of funds in accordance with an assignment from the person or institution providing the care or service involved if such assignment is made to a governmental agency or entity or is established by the order of a court.

Increases the penalties for defrauding the Medicare and Medicaid programs.

Requires the Secretary of Health, Education, and Welfare to suspend any physician or practitioner from participation in the Medicare or Medicaid programs whenever such individual is convicted of a criminal offense related to their involvement in such programs.

H.R. 4. January 4, 1977. Government Operations. Establishes the Commission on the Reorganization of the Executive Branch of the Government to study all instrumentalities of the Government except those of the Legislative or Judicial Branches to determine what changes in organization of such entities are necessary to eliminate duplication and improve efficiency. Requires the Commission to submit to the President and Congress a final report by December 31, 1978 at which time the Commission shall cease to exist. Permits the President to submit to Congress reorganization plans to implement any recommendation of the Commission.

H.R. 5.—January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Presents a national health care plan. Establishes a program of grants and loans for the construction and modernization of comprehensive ambulatory health care centers. Sets forth a health care insurance program.

Amends the Internal Revenue Code to provide an unlimited personal deduction for amounts paid for health care plans providing specified minimum benefits. Limits the deductions employers may take for contributions to employee health care plans. Limits the damages available in malpractice suits arising from the furnishing of services under such a health care plan, or under the Social Security Act.

H.R. 6.—January 4, 1977. Judiciary. Enacts title 11 of the United States Code to establish a uniform law of bankruptcy. Changes the administration of bankruptcy cases including the determination of claims and allowances. Amends procedures for liquidation and reorganization. Makes provisions for the adjustment of debts of municipalities and individuals with regular income.

Amends title 28 of the United States Code and the Federal Rules of Evidence as they pertain to the creation and the powers of bankruptcy courts. Provides for a transition period of the bankruptcy court system.

H.R. 7.—January 4, 1977. Education and Labor. Establishes a career education program for elementary and secondary schools to increase the emphasis such institutions place upon career awareness, exploration, decisionmaking, and planning.

Specifies procedures to be used in implementing this act, both at the national and local level.

Directs the Office of Career Education within the Office of Education to administer this act.

H.R. 8.—January 4, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service.

H.R. 9.—January 4, 1977. Judiciary. Requires candidates for Federal office, Members of Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 10. January 4, 1977. Post Office and Civil Service. Revises provisions prohibiting Federal, Postal Service, and District of Columbia employees from engaging in political activities.

Establishes the Board on Political Activities of Federal Employees to decide cases regarding violations of this Act. Sets forth procedures to be followed in such cases.

Directs the Civil Service Commission to conduct a continuing program to inform all employees of their rights of political participation under the Act and to educate employees with respect to those activities which are prohibited.

Creates a specific criminal offense for extorting political contributions from Federal personnel.

H.R. 11. January 4, 1977. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated under such Act to $6,000,000,000.

H.R. 12. January 4, 1977. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated under such Act to $6,000,000,000.

H.R. 13. January 4, 1977. Post Office and Civil Service. Sets forth a plan for the conduct of labor-management relations in the Federal service. Establishes the Federal Labor Relations Authority, responsible for carrying out the purposes of this Act.

H.R. 14. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow

as a credit against the income tax a limited amount of specified higher education expenses, including tuition, fees, books and supplies, incurred by the taxpayer for himself and any dependents.

H.R. 15. January 4, 1977. Education and Labor. Extends for five years specified elementary, secondary, and other education programs of the Elementary and Secondary Education Act of 1965, the Elementary School Aid Act, the Indian Education Act, the Indian Elementary and Secondary School Assistance Act, the Adult Education Act, the Special Projects Act, the National Reading Improvement Act, and the Bilingual Education Act.

H.R. 16. January 4, 1977. Interstate and Foreign Commerce. Creates a national health insurance system to cover personal health services including medical, dental, podiatric, home-nursing, hospital and auxiliary services. Directs that the system shall be administered by the States wherever possible.

H.R. 17. January 4, 1977. International Relations. Sets forth United States policy with respect to nonproliferation of nuclear explosive devices. Specifies procedures for (1) implementation of international agreements for nuclear material transfer and safeguards, (2) initiation of safeguards training programs, (3) participation in international cooperation programs, (4) export and production of special nuclear material, and (5) Congressional oversight of such nonproliferation activities.

Authorizes additional, and revises present, nuclear safeguard functions of the Nuclear Regulatory Commission.

H.R. 18. January 4, 1977. Interior and Insular Affairs. Amends the Atomic Energy Act of 1954 to establish procedures for expeditious review of applications for the licensing of sites for, and construction and operation of, nuclear production and utilization facilities. Requires that opportunity for public hearings on relevant safety and environmental factors be incorporated into the licensing procedure.

H.R. 19. January 4, 1977. Post Office and Civil Service. Changes the organizational structure of the United States Postal Service by: (1) transferring the authority of the Board of Governors to the Postmaster General; (2) revising the procedures for adjustment of rates and services; (3) creating a procedure for review of proposed capital investments; and (4) requiring the Postal Rate Commission to submit to the President a separate annual budget.

H.R. 20. January 4, 1977. Education and Labor. Establishes (1) a national youth service program designed to provide assistance to States, local governments, and private nonprofit organizations for the employment of youths, (2) an opportunities in private enterprise program designed to provide assistance to business concerns for the employment of youths, and (3) an Office of Youth Initiatives in the Executive Office of the President.

H.R. 21. January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government.

H.R. 22.—January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government.

H.R. 23.—January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefits plans for employees of the Federal Government.

H.R. 24.—January 4, 1977. Interstate and Foreign Commerce. Directs the Federal Trade Commission to develop a test protocol for a consumer product to assist consumers in making informed purchasing decisions, whenever the Commission determines that, based upon the importance of a consumer product, the ease with which the average consumer can obtain its quality and performance characteristics, and the economic impact of the test protocols, such procedures would be helpful to the consumer.

H.R. 25.—January 4, 1977. Ways and Means. Amends the Internal Revenue Code to provide a $5,000 tax exclusion from gross income for any amount received as an annuity, pension, or other retirement benefit.

H.R. 26.—January 4, 1977. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to require air carriers to file rate changes with the Civil Aeronautics Board at an earlier date than previously required.

H.R. 27.—January 4, 1977. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to authorize reduced air fares on a space-available basis for persons 60 years of age or older and for handicapped individuals and their attendants. Directs the Civil Aeronautics Board to conduct a study and to report to Congress regarding the feasibility of such reduced air transportation rates for persons 21 years of age or younger. Authorizes specified types of air carriers in California to enter into agreements with other air carriers to establish joint fares, rates and services.

H.R. 28. January 4, 1977. Education and Labor. Directs the Secretary of Health, Education, and Welfare to establish for displaced homemakers Multipurpose Service Centers in order to provide such persons job, health, financial, and legal services.

Directs the Secretary to prepare and furnish to the Congress a study to determine the feasibility of and appropriate procedures for allowing displaced homemakers to participate in (1) programs established under the Comprehensive Employment and Training Act of 1973, (2) work incentive programs under the Social Security Act, (3) related, Federal employment, education, and health assistance programs, and (4) programs established or benefits provided under Federal and State unemployment compensation laws.

H.R. 29. January 4, 1977. Banking, Finance, and Urban Affairs. Amends the Consumer Credit Protection Act to prohibit abusive practices by debt collectors. Sets forth criminal and civil penalties for violations of such provisions. Requires the Federal Trade Commission and the Attorney General to oversee the enforcement of this Act.

H.R. 30. January 4, 1977. Education and Labor. Amends the Act which established the Youth Conservation Corps to direct the Secretaries of Agriculture and Interior to jointly extend the Youth Conservation Corps so as to make possible the year-round employment of young adults.

H.R. 31. January 4, 1977. Education and Labor. Amends the Act which established the the Youth Conservation Corps to direct the Secretaries of Agriculture and Interior to jointly extend such program to include young adults.

H.R. 32.—January 4, 1977. Education and Labor Amends the Act which established the Youth Conservation Corps to direct the Secretaries of Agriculture and Interior to jointly extend such program to include young adults.

H.R. 33. January 4, 1977. Agriculture. Extends the Agriculture Act, as amended by the Agriculture and Consumer Protection Act, for the 1978 through 1981 crop years. Changes the loan rate for the 1977 through 1981 crops of feed grains, cotton, wheat, and soybeans.

Stipulates conditions under which the Commodity Credit Corporation may dispose of commodities for which levels are established pursuant to this Act.

Requires the Secretary of Agriculture to establish reserves of certain commodities and authorizes him to dispose of them in specified kinds of distress areas and for the preservation of foundation herds.

H.R. 34. January 4, 1977. Science and Technology; Judiciary; Rules. Establishes a national materials policy for the United States. Establishes a National Materials Policy Board to implement such policy and make recommendations for the maximum effective use of limited resources. Establishes a commission to review such recommendations.

H.R. 35. January 4, 1977. Science and Technology. Directs the President to establish (1) a National Earthquake Hazard Reduction Program, (2) an Office of Earthquake Hazard Reduction, (3) a National Advisory Committee on Earthquake Hazard Reduction, and (4) an Earthquake Prediction Evaluation Board.

Specifies the duties of the Office of Earthquake Hazard Reduction, including the development of an Earthquake Hazard Reduction Program plan.

Enumerates the Federal agencies to be assigned responsibilities in, and details the elements of, the Earthquake Hazard Reduction Program.

Directs the Earthquake Prediction Evaluation Board to monitor prediction methods and issue earthquake predictions.

H.R. 36. January 4, 1977. Science and Technology. Amends the Federal Nonnuclear Energy Research and Development Act of 1974 to authorize the Administrator of the Energy Research and Development Administration to utilize Federal loan guarantees as a method of furthering nonnuclear energy research, development, and demonstration.

H.R. 37. January 4, 1977. Science and Technology. Amends the Federal Nonnuclear Energy Research and Development Act of 1974 to authorize the Administrator of the Energy Research and Development Administration to guarantee loans for the development of bioconversion demonstration facilities.

H.R. 38. January 4, 1977. Science and Technology. Amends the Federal Nonnuclear Energy Research and Development Act of 1974 to authorize the Administration to guarantee loans for the development of synthetic fuels from coal, oil shale, biomass, and other resources. Authorizes assistance in the form of Federal grants for oil shale conversion modular facilities and price supports for the sale of synthetic fuels by manufacturing facilities.

H.R. 39. January 4, 1977. Interior and Insular Affairs. Designates specified public lands and waters in the State of Alaska for inclusion in the National Park, National Wildlife Refuge, Wild and Scenic Rivers and National Wilderness Preservation Systems. Makes provisions for the management of subsistence uses of fish and wildlife on national lands.

H.R. 40. January 4, 1977. Judiciary. Makes it unlawful for any person to import, manufacture, sell, buy, transfer, receive, transport, own, or possess any handgun or handgun ammunition. Authorizes the Secretary of the Treasury to exempt certain handguns from this prohibition.

H.R. 41. January 4, 1977. Post Office and Civil Service. Requires charitable organizations which solicit in any manner the remittance of a contribution by mail, to include with such solicitations financal information.

Requires such organizations to provide the Postal Service, upon request, with any financial information necessary to verify information required to be included in such solicitations.

Exempts from these requirements: (1) membership organizations soliciting their own members, (2) schools, colleges, and universities when soliciting their students, alumni, faculty, governing boards, committees, or family members of such individuals; and (3) charitable organizations authorized by and exclusively making expenditures to a school, college, or university when soliciting such individuals.

H.R. 42. January 4, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug and Cosmetic Act and the Fair Packaging and Labeling Act to require full disclosure of pertinent data on labels of foods and food products. Prohibits misleading brand names under the Federal Trade Commission Act.

H.R. 43. January 4, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require retailers of prescription drugs to post the prices of certain commonly prescribed drugs for the general public.

Empowers the Secretary of Health, Education, and Welfare to enforce the provisions of this Act.

H.R. 44. January 4, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to require that in the labeling and advertising of drugs sold by prescription the established name of such drug must appear each time the drug's proprietary name is used.

Permits a pharmacist to fill or refill a prescription for a drug, identified by its proprietary name, with any lower cost and suitable substitute drug under specified circumstances.

H.R. 45. January 4, 1977. Interstate and Foreign Commerce. Amends the Postal Revenue and Federal Salary Act of 1967 to abolish the Commission on Executive, Legislative, and Judicial Salaries.

H.R. 46. January 4, 1977. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee is more than five hundred percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H.R. 47. January 4, 1977. Merchant Marine and Fisheries; Public Works and Transportation. Establishes a fund for the purpose of paying for otherwise uncompensated losses resulting from oil pollution.

Imposes, within certain monetary limits, joint, several, and strict liability on the owners and operators of each pollution source. Requires petroleum facilities and certain vessels to maintain evidence of financial responsibility in an amount equal to applicable liability limits.

Sets forth procedures for identifying and publicizing pollution sources.

H.R. 48. January 4, 1977. Merchant Marine and Fisheries; Public Works and Transportation. Establishes a fund for the purpose of paying for otherwise uncompensated losses resulting from oil pollution.

Imposes, within certain monetary limits, joint, several, and strict liability on the owners and operators of each pollution source. Requires petroleum facilities and certain vessels to maintain evidence of financial responsibility in an amount equal to applicable liability limits.

Sets forth procedures for identifying and publicizing pollution sources.

H.R. 49. January 4, 1977. Interior and Insular Affairs. Establishes the Nantucket Sound Islands Trust in Massachusetts. Creates commissions to regulate construction of any improvements on lands and waters within the trust area and to provide for the preservation and conservation of the area.

Designates Noman's Land Island in Massachusetts as part of the National Wildlife Refuge System.

Directs such commissions to develop land use control plans for the trust area and to identify new employment opportunities for residents of the area.

H.R. 50. January 4, 1977. Education and Labor. Amends the Employment Act of 1946 to set forth full employment and balanced economic growth policies to be achieved through identification of social and economic goals and the preparation and implementation of a full employment and balanced economic growth plan. Establishes countercyclical, structural, regional, and growth employment programs and a State and local stabilization grant program to supplement the policies included in the plan.

Provides for congressional review of the full employment and balanced economic growth plan.

H.R. 51. January 4, 1977. Armed Services. Prohibits collective bargaining within the Armed Forces.

H.R. 52. January 4, 1977. Judiciary. Grants a Federal charter to the U.S. Submarine Veterans of World War II.

H.R. 53. January 4, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to provide that new drugs for human or animal use will be regulated under such act solely to assure their safety, and not their effectiveness.

H.R. 54. January 4, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to provide that new drugs for human or animal use will be regulated under such act solely to assure their safety, and not their effectiveness.

H.R. 55. January 4, 1977. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay (in addition to any already paid) a monthly pension to each veteran of World War I who meets specified service requirements, or to the surviving spouse of each such veteran, or when there is no surviving spouse, to the child or children of each such veteran.

H.R. 56. January 4, 1977. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated under such Act to $6,000,000,000.

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H.R. 58. January 4, 1977. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated under such Act to $6,000,000,000.

H.R. 59. January 4, 1977. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated under such Act to $6,000,000,000.

H.R. 60. January 4, 1977. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated under such Act to $6,000,000,000.

H.R. 61. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow limited income tax credits for the installation of solar heating and cooling, and for such installation in residences. Provides for an investment tax credit for the installation of insulation and solar energy equipment in structures used in a trade or business, or held for the production of income, including lodging facilities.

H.R. 62. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow a limited income tax credit for any higher education expenses paid by the taxpayer for himself or a dependent, and for money deposited in any savings account maintained exclusively for meeting his own, or a dependent's higher education expenses when the beneficiary is not enrolled in such an educational program.

H.R. 63. January 4, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance Benefits) of the Social Security Act to increase to $5,500 the amount of outside earnings which is permitted an individual each year without any deduction from benefits.

H.R. 64. January 4, 1977. Post Office and Civil Service. Amends the Postal Revenue and Federal Salary Act of 1967 to abolish the Commission on Executive, Legislative, and Judicial Salaries.

H.R. 65. January 4, 1977. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make the provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 66. January 4, 1977. Judiciary. Entitles any person to receive reasonable legal fees associated with such person's participation in a proceeding before a Federal agency or before a court while challenging any action of such agency if such participation could not be undertaken without such reimbursement, is helpful, and is not entered into for the purpose of promoting unreasonable gain to such person.

H.R. 67. January 4, 1977. Interstate and Foreign Commerce. Requires manufacturers to display on a conspicuous label on each item of durable goods sold to consumers the performance or life of such product. Declares the National Bureau of Standards to have final authority over the designation required by this Act, and requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 68. January 4, 1967. Interstate and Foreign Commerce. Requires manufacturers to label products as to month and year of manufacture for those goods whose design and performance features change at such a frequency as to make its date of manufacture part of its relevant description.

Empowers the Federal Trade Commission to enforce this Act.

H.R. 69. January 4, 1977. Public Works and Transportation. Amends the Federal Aviation Act of 1958 and the Interstate Commerce Act to authorize free or reduced transportation rates for persons over 65 and handicapped individuals and their attendants. Amends the Urban Mass Transportation Act of 1964 to give funding priority under such Act to public bodies which offer reduced rates to such individuals. Authorizes the Secretary of Transportation to prescribe standards for facilities funded under such Act to insure ready access to such facilities by these individuals. Amends the Older Americans Act of 1965 to authorize a grant program for special transportation research and demonstration projects for such individuals.

H.R. 70. January 4, 1977. Public Works and Transportation. Establishes the Airport Noise Curfew Commission to study and make recommendations to the Congress regarding the establishment of curfews on nonmilitary aircraft operations over populated areas of the United States during normal sleeping hours.

H.R. 71. January 4, 1977. Interstate and Foreign Commerce. Requires posting of the selling price and unit price on or near consumer products displayed for retail sales.

Transfers authority to promulgate rules under the Fair Packaging and Labeling Act to the Federal Trade Commission from the Department of Health, Education, and Welfare.

H.R. 72. January 4, 1977. Government Operations. Directs the Secretary of Health,

Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans.

H.R. 73. January 4, 1977. Post Office and Civil Service. Requires the Civil Service Commission to establish a Special Cost-of-Living Pay Schedule for Federal employees located in any city or metropolitan area having a population of 500,000 or more, such schedule to contain special rates of basic pay representing increases in comparable rates provided by the General Schedule, for the purpose of setting the increased cost-of-living of such employees.

H.R. 74. January 4, 1977. Ways and Means. Amends the Social Security Act to assure a minimum annual income to all elderly residents of the United States.

H.R. 75. January 4, 1977. Agriculture. Directs the Secretary of Agriculture to develop and periodically reevaluate a national program for the conservation of land, water, and related resources. Requires use of program elements in preparation of budget requests to Congress.

H.R. 76. January 4, 1977. Education and Labor. Amends the Fair Labor Standards Act of 1938 to authorize the Secretary of Labor to investigate any proposed business closing or relocation and to provide assistance to certain employees and local governments affected by such action.

Denies specified tax benefits to a business closing or transferring an operation upon certain findings by the Secretary.

Establishes a National Employment Relocation Administration within the Department of Labor and a National Employment Relocation Advisory Council.

H.R. 77. January 4, 1977. Education and Labor. Amends the National Labor Relations Act with respect to: (1) the terms of National Labor Relations Board Members; (2) authority of the Board to delegate its adjudicative power regarding unfair labor practices; (3) procedures and remedies relative to such violations; and (4) determination of collective bargaining units.

H.R. 78.—January 4, 1977. Agriculture. Establishes the National Agricultural Research Policy Advisory Board as a permanent board within the United States Department of Agriculture to coordinate the Nation's programs of agricultural research.

Directs the Department of Agriculture to establish a Clearinghouse for Federal Human Nutrition Research which shall collect and report to Congress information from each Federal agency pertaining to human nutrition research.

Authorizes the Secretary of Agriculture to make grants for certain mission-oriented basic agricultural research and for agricultural and food research.

H.R. 79.—January 4, 1977. Agriculture. Establishes the National Agricultural Research Policy Advisory Board as a permanent board within the United States Department of Agriculture to coordinate the Nation's programs of agricultural research.

Directs the Department of Agriculture to establish a Clearinghouse for Federal Human Nutrition Research which shall collect and report to Congress information from each Federal agency pertaining to human nutrition research.

Authorizes the Secretary of Agriculture to make grants for certain mission-oriented basic agricultural research and for agricultural and food research.

H.R. 80.—January 4, 1977. Rules; Government Operations. Amends the Congressional Budget Act of 1974 and the Budget and Accounting Act, 1921, to require that Federal expenditures not exceed revenues during any fiscal year except in time of war or in a period of declared economic necessity.

Prohibits the Congress from considering the concurrent resolution on the budget if such resolution sets forth a deficit in the budget contrary to this Act.

H.R. 81.—January 4, 1977. Agriculture. Amends the Food Stamp Act of 1964 by revising (1) eligibility standards; (2) the method of determining the coupon allotment; and (3) administration of the program by State agencies.

H.R. 82.—January 4, 1977. Judiciary. Renders applicable to first convictions for using a firearm to commit a Federal felony or for unlawfully carrying a firearm during the commission of such a crime the prohibition against suspension or probationary sentences presently mandatory with respect to second or subsequent convictions.

H.R. 83. January 4, 1977. District of Columbia: Public Works and Transportation. Directs the District of Columbia to enter into an agreement with the Federal Government regarding rates for water delivered to the District through the Washington Aqueduct.

H.R. 84. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow an income tax credit for 25 percent of the amount of rent paid by the taxpayer which is equal to the taxpayer's proportionate share of the local and State property taxes imposed on the land and building in which his dwelling is located.

H.R. 85. January 4, 1977. Rules. Terminates budget authority for all Federal programs. Requires Congress to consider whether any such programs merit continuation on the same, a greater, or a lesser level, or termination.

Requires the Comptroller General to identify inactive or inefficient programs.

H.R. 86 January 4, 1977. Rules. Terminates budget authority for all Federal programs. Requires Congress to consider whether any such programs merit continuation on the same, a greater, or a lesser level, or termination.

Requires the Comptroller General to identify inactive or inefficient programs.

H.R. 87. January 4, 1977. Rules. Terminates budget authority for all Federal programs. Requires Congress to consider whether any such programs merit continuation on the same, a greater, or a lesser level, or termination.

Requires the Comptroller General to identify inactive or inefficient programs.

H.R. 88. January 4, 1977. Ways and Means. Amends title II (Old-Age, Survivors and Disability Insurance) of the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving benefits.

H.R. 89. January 4, 1977. Armed Services. Amends the National Security Act of 1947 to establish procedures and standards for the classification and declassification of sensitive official information and material. Establishes criminal penalties for unauthorized disclosure of such information or material.

H.R. 90. January 4, 1977. Agriculture. Amends the Agricultural Act by establishing the support price of milk at not less than 90 percent of the parity price and by providing for quarterly adjustments.

H.R. 91. January 4, 1977. Armed Services. Sets forth regulations regarding the discharge of members from the armed forces. Sets forth procedures and regulations regarding separation with a discharge from service.

H.R. 92. January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Amends title XVIII (medicare) and title XIX (medicaid) of the Social Security Act to require that nursing care facilities provide specified minimum services to their patients. Establishes programs of loans and grants to nonprofit organizations for the construction and rehabilitation of such facilities. Calls for Federal action to end nursing home abuses.

Authorizes the President to call a White House Conference on Long-Term Care.

H.R. 93. January 4, 1977. Judiciary. Prohibits persons engaged in the production of petroleum or petroleum products from acquiring or retaining coal, uranium, or geothermal power assets. Establishes procedures for divestiture of existing unlawful assets, to be enforced by the Attorney General. Imposes criminal and civil penalties for corporate and individual violations of this act.

H.R. 94. January 4, 1977. Judiciary. Sets forth rights of Federal court and grand jury witnesses with respect to contempt.

Requires that witnesses compelled to testify before a Federal court, Congress, or executive agency be given transactional immunity.

Specifies guidelines regarding the size of grand juries, disclosure of and access to grand jury testimony, rights of grand jury witnesses, and grand jury jurisdictions. Grants rights and powers to grand juries including authority to conduct independent inquiries.

Entitles defendants charged with nonpetty offense to a preliminary examination, to be filed by a Federal district judge.

H.R. 95. January 4, 1977. Ways and Means. Increases to $6,000 the amount of outside earnings which is permitted an individual each year without any deduction from benefits under title II (old-age, survivors, and disability insurance benefits) of the Social Security Act.

H.R. 96.—January 4, 1977. Armed Services. Entitles specified reserve members of the uniformed services and members of the National Guard to the same medical and dental benefits enjoyed by members of the uniformed services on active duty.

Entitles the dependents of such individuals to the same medical and dental benefits presently available to the dependents of members on active duty under specified circumstances.

H.R. 97.—January 4, 1977. Armed Services. Grants survivors benefits to dependents of present or former members of the armed forces who die before becoming entitled to retired pay for non-regular service.

H.R. 98.—January 4, 1977. Armed Services. Revises the military retiree point credit system to increase the number of points allowable in any year after June 30, 1975, for nonregular service.

H.R. 99.—January 4, 1977. Armed Services. Entitles members of the armed forces to retirement pay at age 55 if otherwise eligible. Makes members who are at least 50 years of age but less than 55 eligible for retirement pay in reduced amounts.

H.R. 100.—January 4, 1977. Armed Services. Allows enlisted members (regular and reserve) of the Army and the Air Force to retire after 20 years of service. Stipulates that at such time regular enlisted members shall become members of the reserves until their total creditable years of service equals 30.

H.R. 101.—January 4, 1977. House Administration. Establishes within Congress the office of the General Counsel to the Congress, to represent Congress, its officials and employees in any civil or criminal action regarding the performance or nonperformance of any official duties, to sue any official or employee of the Executive Branch in order to compel compliance with any Federal law or any request for information, to review administrative rulemaking to assure compliance with congressional policy, and to appear as amicus curiae in any judicial action in which the constitutionality or interpretation of any law of the United States or the validity of any congressional action is in issue.

H.R. 102. January 4, 1977. Banking, Finance and Urban Affairs. Establishes a presidentially-appointed National Landlord and Tenant Commission.

Directs the Commission to conduct a study of landlord-tenant problems, to review the implementation of the provisions of this Act to grant funds to the States for the estab-

lishment and maintenance of housing courts, in accordance with standards established by the Commission, to develop model lease and rental agreements, and to appoint a body to develop and implement a national rent control plan.

Sets forth the rights and obligations of tenants and landlords.

H.R. 103. January 4, 1977. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prohibit harassing telephone calls made to collect alleged debts. Requires all telephone companies to notify each telephone subscriber by means of a notice on the front of the local telephone directory of his right to be free from such harassing calls.

H.R. 104. January 4, 1977. Interstate and Foreign Commerce. Establishes a Federal Commission on Boxing to exercise surveillance over the field of professional boxing. Grants to the Commission investigatory powers under the Federal Trade Commission Act.

H.R. 105. January 4, 1977. Public Works and Transportation. Amends the Interstate Commerce Act to specify the motor vehicles used to transport schoolchildren and teachers which are exempt from the provisions of such Act with the exception of maximum hours of service of employees and safety standards regarding operation and equipment. Directs the Interstate Commerce Commission to enforce specified highway safety standards promulgated by the Secretary of Transportation with respect to the owners and operators of motor vehicles employed solely in transporting schoolchildren and teachers.

H.R. 106. January 4, 1977. Public Works and Transportation. Amends the Interstate Commerce Act to authorize motor carrier employees to request the Secretary of Transportation to conduct an investigation regarding motor carrier safety regulations. Prohibits discriminating against employees who request such an investigation. Prohibits discrimination against employees who refuse to operate equipment because of an apprehension of death or serious injury to themselves or others.

H.R. 107. January 4, 1977. Post Office and Civil Service. Makes Flag Day, June 14 of each year, a legal public holiday.

H.R. 108. January 4, 1977. Interstate and Foreign Commerce. Makes unlawful the manufacture for introduction into commerce or the importation of any imitation antique glassware product which is not plainly and permanently marked with the year of manufacture.

Requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 109. January 4, 1977. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to identify tertiary eye care centers that need upgrading and to make grants to accomplish such purpose. Directs the Secretary to create a commission to assess the present state of eye care facilities in the United States, to develop plans for improving and expanding such facilities, and to make grants to public and nonprofit private tertiary eye care centers to implement such upgrading.

H.R. 110. January 4, 1977. Interstate and Foreign Commerce. Directs the Secretary of Transportation to prohibit individuals engaged in commerce from receiving for shipment or to ship within the United States compressed gas cylinders not inspected in the United States.

H.R. 111. January 4, 1977. Interior and Insular Affairs. Establishes the Chattahoochee River National Recreation Area composed of a 48-mile segment of the Chattahoochee River and adjoining lands in the State of Georgia. Authorizes the Secretary of the Interior to acquire property for such recreation area and provides for its development.

H.R. 112. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to reduce the excise tax imposed on operating foundations whose principle activity is the operation of long-term care facilities.

H.R. 113. January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act to establish the Special Commission on Quality Assurance and Utilization Control in Home Health Care. Directs such Commission to study, investigate, and review the provision of home health care and services to individuals in the United States. Requires the Commission, upon such findings, to develop a detailed plan for quality assurance and utilization control in home health care.

H.R. 114. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid by or on behalf of an individual for an individual retirement account, a trust, or an annuity contract.

H.R. 115. January 4, 1977. Education and Labor. Amends the Age Discrimination in Employment Act of 1967 to make its provisions, formerly applicable to persons between 40 and 60 years of age, applicable to anyone 40 years of age or older.

H.R. 116. January 4, 1977. Judiciary. Requires that the public be given an opportunity to participate in the rulemaking proceedings of a Federal agency. Requires that proposed rules be submitted to Congress for disapproval before they become effective.

H.R. 117. January 4, 1977. Judiciary. Prescribes with specified exceptions, the knowing solicitation, provision, or receipt of anything of monetary value, or the promise of anything of monetary value, for: (1) seeking to place, placing, or arranging to place any child for permanent care or adoption; or (2) coercing any individual to place any child for adoption, to provide any child with permanent care, or to adopt any child under circumstances which result in the transportation of such child or individual in interstate or foreign commerce.

H.R. 118. January 4, 1977. Education and Labor; Judiciary. Amends the Walsh-Healy Act to permit government contractors to have their employees work ten-hour workdays if the workweek of such employees does not exceed four days.

H.R. 119. January 4, 1977. Judiciary. Prohibits the importation, manufacture, sale, purchase, transfer, receipt or transportation of handguns except as authorized by the Secretary of the Treasury. Creates exceptions for handguns utilized by Federal, State, or local governmental law enforcement officials or intended for use as a curio, museum piece, or collector's item.

H.R. 120. January 4, 1977. Armed Services. Makes it unlawful for any individual or entity to solicit to enroll or enroll any member of the armed forces in any labor organization or for any member of the armed forces to join, or encourage others to join any labor organization. Sets forth penalties for violations of this Act.

H.R. 121.—January 4, 1977. Rules; Government Operations; Ways and Means; Education and Labor. Provides for the periodic expiration of budget authority for all Government programs and activities. Amends the rules of the Senate and House of Representatives to provide periodic reviews of all government programs' efficiency and accomplishments.

Requires that each bill and concurrent resolution include an estimate of the proposal's cost.

Amends the Internal Revenue Code to reduce personal income and estate taxes. Increases specified exemptions and deductions.

Amends the Small Business Act to increase the financial assistance available to small businesses. Amends the Comprehensive Employment and Training Act to provide additional incentives for the employment of youths and the chronically unemployed.

H.R. 122.—January 4, 1977. House Administration. Prohibits travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned or retired.

H.R. 123.—January 4, 1977. Interior and Insular Affairs. Establishes in the Department of the Interior the Wounded Knee Compensation Board to compensate victims of the unlawful occupation of Wounded Knee, South Dakota in 1973.

H.R. 124.—January 4, 1977. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old-Age, Survivors and Disability Insurance benefits.

H.R. 125.—January 4, 1977. Education and Labor. Directs the Secretary of the Interior to enter into any contracts to provide money to meet the general operating costs of any public elementary and secondary schools which are located on or near Indian reservations and which are educating Indian children, when such funds are otherwise unavailable.

H.R. 126.—January 4, 1977. Banking, Finance and Urban Affairs. Amends the Housing and Community Development Act to redefine the term "city" for purposes of Title I of such Act.

H.R. 127. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow a limited income tax credit for expenses paid for the taxpayer's or a dependent's higher education expenses.

H.R. 128. January 4, 1977. Ways and Means. Authorizes any individual who has attained the age of 65 to take a nonrefundable tax credit, under the Internal Revenue Code, for a percentage of the amount of real property taxes or rent constituting real property taxes paid or accrued by the taxpayer during the taxable year.

H.R. 129. January 4, 1977. Government Operations. Amends the Budget and Accounting Act of 1921, to emphasize that the President's annual budget is a proposal only.

Requires that any documents issued by any Federal instrumentality which refer to the President's proposed budget make it clear that such proposed budget is only a recommendation and is subject to such action as Congress may take in approving, modifying, or rejecting it.

H.R. 130. January 4, 1977. Interstate and Foreign Commerce. Prohibits franchisors from prematurely cancelling or failing to renew motor fuel franchises unless written notification is provided and the franchisee has failed to comply with reasonable terms of the agreement.

Specifies that refiners may not increase the percentage of gasoline distributed through refiner operated retail outlets for a two-year period. Directs the Federal Trade Commission (FTC) to report to Congress on methods to promote competition in the marketing of gasoline.

Requires the FTC to prescribe rules for determining octane ratings of gasoline and to display requirements for such ratings.

Prohibits specified unfair practices in the marketing of automotive gasoline.

H.R. 131. January 4, 1977. Judiciary. Grants a Federal charter to the National Humanities Center.

H.R. 132. January 4, 1977. Education and Labor. Amends the Labor-Management Reporting and Disclosure Act of 1959 to require every local labor organization to elect its officers not less often than once every five years (presently not less often than once every three years).

H.R. 133. January 4, 1977. House Administration. Provides that the proceedings of the national encampments of the Italian American War Veterans of the United States,

Incorporated shall be printed as a document of the House of Representatives.

H.R. 134. January 4, 1977. Judiciary. Makes additional immigrant visas available for immigrants from foreign countries which meet criteria set forth in this Act.

H.R. 135. January 4, 1977. Judiciary. Amends the Immigration and Nationality Act to allow the Attorney General and the Secretary of State to jointly prescribe regulations allowing nationals of designated countries to enter the United States as temporary visitors. Prohibits nonimmigrants from having their status adjusted and adds a waiting period to the consideration of an application for a visa for individuals entering pursuant to this Act.

Directs the Attorney General to prescribe procedures for the removal of aliens who have entered the United States as nonimmigrants without a valid nonimmigrant visa.

H.R. 136. January 4, 1977. Judiciary. Grants a Federal charter to the Italian American War Veterans of the United States.

H.R. 137. January 4, 1977. Veterans' Affairs. Provides that recipients of Veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits.

H.R. 138. January 4, 1977. Veterans' Affairs. Permits the Administrator of Veterans' Affairs to recognize representatives of the Italian American War Veterans of the United States in the preparation, presentation, and prosecution of claims under laws administered by the Administration.

H.R. 139. January 4, 1977. Ways and Means. Amends the Tariff Schedules of the United States to increase for a five-year period the customs duty on specified hand tools.

H.R. 140. January 4, 1977. Ways and Means. Amends the Social Security Act to allow Federal officers and employees to elect coverage under Old-Age, Survivors and Disability Insurance.

H.R. 141. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow an income tax deduction for one-half of the amounts paid to meet the higher education expenses of any child for whom the taxpayer is entitled to a personal exemption.

H.R. 142. January 4, 1977. Armed Services. Authorizes the recomputation at age 60 of the retired or retainer pay for members or former members of the uniformed services whose retired or retainer pay was computed on the basis of pay scales in effect prior to January 1, 1972, in order to reflect any retired or retainer pay increases for other members which was based on changes in the Consumer Price Index since that date.

H.R. 143. January 4, 1977. Banking, Finance and Urban Affairs. Amends the Flood Disaster Protection Act of 1973 to eliminate flood insurance and community participation in the national flood insurance program as prerequisites for Federal approval of financial assistance for acquisition or construction of, or for lending institution loans secured by, any building, mobile home, or personal property located or to be located in an area having special flood hazards.

H.R. 144. January 4, 1977. Ways and Means. Requires that expenditures by the Federal Government shall not exceed its revenues except in time of war or national emergency declared by Congress.

Establishes a schedule for systematic reduction of the public debt.

H.R. 145. January 4, 1977. International Relations. Restricts funds of the United States which may be used to aid India until the President certifies to the Congress that democratic liberties and civil rights have been restored.

H.R. 146. January 4, 1977. International Relations. Prohibits any department or agency of the U.S. Government from financing or promoting the export of any commodity, product, or service if the use of such export involves energy research and development or exploration in the Union of Soviet Socialist Republics.

H.R. 147. January 4, 1977. International Relations. Prohibits the authorization of any appropriation or the making of any payment to the United Nations or an affiliated agency in excess of the amount determined by division of the total assessment of such organization by the number of member nations as of January 1, of each year.

H.R. 148. January 4, 1977. International Relations. Prohibits the settlement of a debt owed to the United States by a foreign country in an amount less than the full value of the debt, unless approved by Congress by concurrent resolution.

H.R. 149. January 4, 1977. Interstate and Foreign Commerce. Directs the Secretary of Transportation to prescribe rules specifying the color code marking to be used with respect to each gas or type of gas on any receptacle containing such gas or type of gas and the manner in which each marking is to be displayed.

H.R. 150. January 4, 1977. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to provide that new drugs for human or animal use will be regulated under such Act solely to assure their safety, and not their effectiveness.

H.R. 151. January 4, 1977. Interstate and Foreign Commerce. Reaffirms the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce. Grants additional authority to the Foreign Communications Commission to authorize mergers of carriers when deemed to be in the public interest. Reaffirms the authority of the States to regulate terminal and station equipment used for telephone exchange service.

H.R. 152. January 4, 1977. Judiciary. Amends the Internal Security Act of 1950 to prohibit entrance into the United States or the granting of United States citizenship to any person who has been convicted of, participated in, or advocated any crime of terrorism. Makes it unlawful for any person subject to United States jurisdiction to participate in any way in any phase of terrorist activities.

Grants the United States a civil right of action to impose a constructive trust upon all property which has been acquired by violation of any Federal criminal statute unless such property is found to have been acquired by a good faith purchaser.

H.R. 153. January 4, 1977. Judiciary. Removes Federal court jurisdiction to require attendance at a particular school of any student because of race, color, creed, or sex.

H.R. 154. January 4, 1977. Judiciary. Removes the jurisdiction of the Supreme Court of the United States and the Federal district courts over any case arising out of any State statute, ordinance, rule or regulation, which relates to voluntary prayers in public schools and public buildings.

H.R. 155. January 4, 1977. Judiciary. Amends the Internal Security Act of 1950 to authorize the President to restrict travel by United States citizens and materials to, in, or through any country whose military forces are engaged in armed conflict with the military forces of the United States.

H.R. 156. January 4, 1977. Judiciary. Repeals the Gun Control Act of 1968.

H.R. 157. January 4, 1977. Judiciary. Amends the Gun Control Act of 1968 to remove all restrictions placed on ammunition under that Act.

H.R. 158. January 4, 1977. Judiciary. Makes it a Federal crime to kill or assault a fireman or law enforcement officer engaged in, or on account of action taken in, the performance of duty when the offender travels in interstate commerce or uses any facility of interstate commerce for such purpose.

H.R. 159. January 4, 1977. Judiciary. Authorizes an additional sentence of imprisonment for an indeterminate number of years up to life for those persons committing a crime of violence while armed with any firearm or destructive device. Sets a mandatory one-year sentence as the minimum punishment under this Act.

H.R. 160. January 4, 1977. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act to prohibit extension of any aid, credit, loan, or loan guarantee to any nation which takes whales in a manner inconsistent with the Marine Mammal Protection Act.

H.R. 161. January 4, 1977. Post Office and Civil Service. Removes the criminal penalties presently applicable to the individuals who refuse or neglect to answer agricultural, irrigation, or drainage census questions.

H.R. 162. January 4, 1977. Post Office and Civil Service. Removes specified criminal penalties for individuals who neglect to answer questions submitted in connection with a census. Increases the penalty for individuals who willfully give false answers relating to the individual, to the individual's family or to the farm or farms of which such person or family is the occupant.

H.R. 163. January 4, 1977. Post Office and Civil Service. Prohibits the Federal Government from requiring any employee to: (1) join or assist any employee organization; or (2) pay dues to such organization.

H.R. 164. January 4, 1977. Rules. Amends the Congressional Budget Act to require that all public bills and resolutions introduced in Congress or reported by a committee contain an estimate of the avarage cost of such measure for each taxpaying family.

H.R. 165. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow as a credit sums paid for tuition to an institution of higher education by a taxpayer for himself, his spouse or a dependent. Allow individuals a credit for charitable contributions to institutions of higher education.

H.R. 166. January 4, 1977. Ways and Means. Increases to $5,004 the amount of outside earnings which is permitted an individual each year without any deduction from benefits under Title II (Old-Age, Survivors and Disability Insurance Benefits) of the Social Security Act.

H.R. 167. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to provide a $5,000 tax exclusion from gross income for any amount received as an annuity, pension, or other retirement.

H.R. 168. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow an income tax deduction for expenses and depreciation attributable to the operation of the taxpayer's motor vehicle to transport a child to a public primary or secondary school which does not provide transportation from the child's residence.

H.R. 169. January 4, 1977. Ways and Means. Amends the Tariff Act of 1930 to require that imported cast and malleable iron pipe fittings be marked with the country of origin.

H.R. 170. January 4, 1977. Ways and Means; Interstate and Foreign Commerce. Amends Title XI (General Provisions) of the Social Security Act to abolish the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 171. January 4, 1977. Ways and Means; Rules; Banking, Finance and Urban Affairs; Education and Labor. Amends the Internal Revenue Code to provide an exclusion for interest income from savings deposits, a cost-of-living adjustment for property depreciation and the general surtax exemption, and a deduction for all dividends paid by domestic corporations.

Directs the Federal Reserve Board to keep monetary releases commensurate with long-term predictions for growth in production and to make quarterly reports to Congress concerning its long and short-term policies. Amends the Congressional Budget and Impoundment Control Act to limit annual growth of total budget outlays by Congress to the growth anticipated for the gross national product. Amends the Fair Labor Standards Act to lower minimum wages for certain youth.

H.R. 172. January 4, 1977. Interior and Insular Affairs. Designates the Loxahatchee River in Florida as a potential addition to the National Wild and Scenic Rivers System.

H.R. 173. January 4, 1977. Interior and Insular Affairs. Designates the Myokka River in Florida as a potential addition to the National Wild and Scenic Rivers Systems.

H.R. 174. January 4, 1977. Armed Services. Sets forth regulations regarding the discharge of members from the armed forces. Sets forth procedures and regulations regarding separation with a Discharge from Service.

H.R. 175. January 4, 1977. Armed Services. Amends the Strategic and Critical Materials Stock Piling Act to direct the Secretaries of the Army, Air Force, and Navy to require the Administrator of General Services to establish a program which: (1) will provide for the acquisition of strategic and critical materials from foreign countries through the barter of goods owned by the United States; and (2) will insure the active cooperation and participation of each appropriate department and agency having custody of goods suitable for barter.

H.R. 176. January 4, 1977. Interior and Insular Affairs. Permits the Secretary of the Interior to accept privately donated funds and to expend such funds on specified property on the National Register of Historic Places.

H.R. 177. January 4, 1977. Public Works and Transportation. Amends the Federal Aviation Act of 1958 to direct the Civil Aeronautics Board to promulgate regulations prohibiting air carriers from offering passengers alcoholic beverages or tobacco unless the passenger is required to pay for such goods at the time the offer is made.

H.R. 178. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to provide identical income tax rates for single persons and married couples filing joint returns. Limits the earned income that must be reported by a married person filing a separate return to the amount actually earned by that individual.

H.R. 179. January 4, 1977. Ways and Means. Amends Title II (Old-Age, Survivors and Disability Insurance) of the Social Security Act to remove the limitation on the amount of outside income which an individual may earn while receiving benefits under such title. Allows benefit payments to a widower, parent, or child despite that person's marriage if the marriage is annulled.

H.R. 180. January 4, 1977. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to furnish financial assistance to aid local educational agencies in providing security for children, employees, and facilities in elementary and secondary schools by reducing and preventing crimes against them and to assure that crimes committed in schools are reported to local law enforcement agencies.

H.R. 181. January 4, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to condition certain assistance to States, local governments, and agencies thereunder on the adoption of a law enforcement officers' bill of rights.

H.R. 182. January 4, 1977. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the Law Enforcement Assistance Administration to provide monetary assistance to eligible local governments for the purpose of retaining or reattaining employment levels of essential law enforcement and criminal justice employees. Defines an eligible local government as one in which: (1) the number of essential law enforcement and criminal justice personnel who have been or who, but for the assistance extended in this act, would have to be released for budgetary reasons exceeds five percent of such jurisdiction's total law enforcement and criminal justice work force; and (2) reported crime equals or exceeds the national average.

H.R. 183. January 4, 1977. Judiciary. Increases the penalty for use or carrying of a firearm during commission of a felony. Imposes mandatory minimum sentences for second or subsequent convictions.

H.R. 184. January 4, 1977. Merchant Marine and Fisheries. Transfers responsibility for measuring vessels from the Secretary of the Treasury to the Secretary of the department in which the Coast Guard is operating. Sets forth requirements for the measure and remeasurement of vessels.

H.R. 185. January 4, 1977. Merchant Marine and Fisheries. Authorizes the Secretary of the department in which the Coast Guard is operating to provide transportation by motor vehicle or water carrier to and from places of employment for persons employed in, or attached to, the Coast Guard under specified circumstances.

H.R. 186. January 4, 1977. Merchant Marine and Fisheries. Authorizes the President to proclaim the International Regulations for Preventing Collisions at Sea. Exempts from the regulations vessels in harbors, rivers, and inland waters, the Great Lakes, or the Red River. Authorizes the Secretary of the department in which the Coast Guard is operating to promulgate regulations to implement this act. Authorizes the Secretary of the Navy and the Secretary of the department in which the Coast Guard is operating to promulgate rules for certain navigational signals. Imposes civil penalties for violation of such regulations.

H.R. 187. January 4, 1977. Merchant Marine and Fisheries. Establishes a system for the documentation of vessels to be administered by the Secretary of the department in which the Coast Guard is operating. Sets forth requirements for the issuance of a registry, coastwise license, Great Lakes license, fishery license, and pleasure vessel license.

H.R. 188. January 4, 1977. Merchant Marine and Fisheries. Amends the Intervention on the High Seas Act to redefine terms and establish procedures in a manner consistent with the Protocol Relating to Intervention on the High Seas in Cases of Marine Pollution by Substances Other Than Oil, 1973.

H.R. 189. January 4, 1977. Post Office and Civil Service. Amends the Federal Boat Safety Act of 1971 to authorize the President to proclaim annually one week as "National Safe Boating Week."

Repeals the Act which placed "National Safe Boating Week" during the first week of July.

H.R. 190. January 4, 1977. Ways and Means. Amends the Internal Revenue Code to allow a deduction to individuals who rent their principal residences for portion of the real property taxes paid or accrued by their landlord.

H.R. 191. January 4, 1977. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to decrease from 60 to 45 the entitlement age for otherwise qualified women to receive widow's insurance benefits.

H.R. 192. January 4, 1977. Ways and Means. Amends Part A of Title IV (Aid to Families with Dependent Children) to eliminate the ten percent limitation on the proportion of the total number of recipients of aid to families with dependent children in any State who may receive such aid in the form of restricted or protective payments.

H.R. 193. January 4, 1977. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to direct the Commissioner of Education to allot funds appropriated by this Act to local educational agencies to assist in reducing crime against the children, employees, and facilities of their elementary and secondary schools.

H.R. 194. January 4, 1977. House Administration. Prohibits any person acting under color of law, in determining whether any individual is qualified under State law to vote in any Federal election, from requiring individuals of one sex to disclose their marital status if the same disclosure is not required of individuals of the opposite sex.

H.R. 195. January 4, 1977. Interior and Insular Affairs. Designates a segment of the Delaware River flowing between Sparrow Bush, New York and Hancock, New York, as a component of the National Wild and Scenic Rivers System.

H.R. 196. January 4, 1977. Interstate and Foreign Commerce. Prohibits, with specified exceptions: (1) the knowing introduction into, manufacture for introduction into, transportation in, or distribution in interstate commerce of tear gas and; (2) the manufacture, sale, or possession of tear gas within any territory or possession of the United States, Indian territory, or the special maritime jurisdiction of the United States.

Increases the maximum fine for, and eliminates certain exceptions relative to similar prohibitions with respect to switchblade knives.

H.R. 197. January 4, 1977. Judiciary. Amends the Immigration and Nationality Act to make it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

Makes punishable by a fine or imprisonment the making of false border crossing cards, alien registration receipt cards, and other documents used for entry into the United States.

H.R. 198. January 4, 1977. Judiciary. Authorizes the issuance of 25,000 special immigrant visas to British citizens who are residents of Northern Ireland and who are seeking admissions to the United States to avoid the consequences of armed conflict or persecution. Allows an alien already in this country on a nonimmigrant visa who is eligible for a visa under this Act to adjust his status to that of a permanent resident.

H.R. 199. January 4, 1977. Public Works and Transportation. Amends the Urban Mass Transportation Act of 1964 to direct the Secretary of Transportation to require that any bus or other rolling stock used for mass transportation purposes and any station, terminal, or other passenger loading area, improved or constructed in whole or in part with Federal funds or under authority of Federal law after June 30, 1975, be designed with features to allow utilization by elderly and handicapped persons.

H.R. 200. January 4, 1977. Veterans' Affairs. Provides that the decisions of the Administrator of Veterans' Affairs on any question of law or fact under any law administered by the Veterans' Administration providing benefits for veterans and their dependents or survivors shall be subject to judicial review.

Repeals the requirement that the Administrator determine and pay fees to agents or attorneys in allowed claims for monetary benefits.

EXTENSIONS OF REMARKS

THEY'RE GIVING US GAS, ALL RIGHT

HON. STEPHEN J. SOLARZ
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. SOLARZ. Mr. Speaker, the United States is currently in the midst of a natural crisis which has caused over a million people to be unemployed and placed thousands in jeopardy of losing their home heating. The crisis is alleged to be the result of a shortage of natural gas; yet we in the Congress, who are charged with the responsibility of offering a solution to the current problem, have no way of knowing its real cause.

The reason for our inability to determine the source of the current crisis is that all the figures concerning our natual gas reserves and supplies come from one place: the gas producers themselves, who, as James Nathan Miller pointed out in a recent issue of the New Republic, draw them up in complete secrecy. Thus, as he points out, the information needed to make an informed judgment on this issue is in the hands of a private industry which may gain billions of dollars depending on the data they submit.

Last year the Oversight Subcommittee of the House Commerce Committee, headed by our distinguished colleague Representative JOHN MOSS, discovered information which clearly indicates that the industry has been less than candid in its reporting. Hearings of the subcommittee revealed that the data gathering is dominated by a few of the gas producers, and cast serious doubts on the entire process by which the industry estimates the extent of our reserves. In addition, investigations by the subcommittee into several gas fields in the Gulf of Mexico revealed that the industry deliberately underreported the total reserves to be found in those fields.

All of these revelations raise serious questions about whether our natural gas shortage is a result of actual shortages caused by the finiteness of our natural resources or whether the current scarcity is being caused by artificial shortages induced by corporate greed. Until this question is resolved the Congress will not be in a position to act wisely on our energy problems. I believe we must both initiate a thorough investigation to determine the extent of our natural reserves and create a permanent body with sufficient resources to continually provide us with independent estimates of the extent of our energy resources, so that we can always have a reliable source for the statistics which are needed to make rational decisions.

For those of my colleagues who still have faith in the industry figures, I commend Mr. Miller's article in the New Republic which I insert in the RECORD. I believe they will find it very enlightening:

THEY'RE GIVING US GAS, ALL RIGHT

(By James Nathan Miller)

The companies that supply US energy are trying to convince Congress and the public that the present cold-weather crisis actually does prove that there is a long-term shortage of natural gas. If they succeed, the US soon will have a gas deregulation law that's based on data that are at best doubtful and at worst false. To understand what's involved, it's essential to realize that the deregulation question actually involves two very different kinds of shortage, which press accounts have jumbled together. There is a true, demonstrable shortage in *deliveries* of gas. The reasons for it are the apparent physical inability of pipelines to satisfy the demand created by the record-breaking cold wave, and the unwillingness of producers to meet this emergency demand at a controlled price when they know they can get several times as much if they can force the removal of controls.

The second shortage is something quite different. It is an alleged shrinkage in the country's long-term underground reserves of gas. The companies that own the long-term reserves—and claim that the shortage exists—also claim that the size of their holdings is a trade secret; as a consequence, the figures that could prove or disprove the existence of a reserve shortage are hidden behind a curtain of secrecy that the present cold spell has done nothing to pierce.

For many years the gas industry has claimed that underground stocks of "proved" reserves have been declining at an alarming rate. "Proved" reserves are the only ones that the country can be certain about. They represent gas fields that the producing companies have drilled into, measured with considerable precision and deemed to be economically recoverable. Beyond the "proved" reserves there are others labelled with adjectives representing the spectrum of geological speculation: "probable," "inferred," "possible," etc.

How much does the US now possess in these various categories? The most recent estimate of the industry's trade association, the American Gas Association (AGA), is that there are 228-trillion cubic feet of proved reserves now in the ground, or about a 10-year supply at the present national consumption rate. But nobody expects us to run out in 10 years, because geologists know that there are huge amounts of the less certain categories waiting to be discovered; most estimates conclude there are between 700 and 1200 trillion more cubic feet of gas ultimately available; some go much higher. This means we probably have enough to carry us several decades into the next century *if we go out and prospect for it*. Which brings us to the industry's main argument for deregulation.

The producers say that, because government regulation is holding down the price of gas, they haven't been doing the expensive exploratory work that's necessary to move the "probable," "possible," etc. fields into the "proved" column. According to AGA's figures, the decline in proved reserves began in 1968. From 1945 to 1968, the gas companies managed to discover a lot more gas each year than the country consumed. So for 22 years our proved stockpiles kept increasing, until they reached a peak of 293 trillion feet in 1967. Since then, according to industry figures, new discoveries each year have totalled *less* than consumption, and the proved reserves have shrunk from 293 to 228 trillion feet. At that rate, we will run out of proved by the end of this century.

But the "proved" figures come from only one source: the gas producers themselves, who draw them up in complete secrecy. Thus for the critical set of statistics that underlie the whole deregulation debate, the country depends totally on the chief private participant in the debate. In the last few years several outside investigations have turned up evidence that these figures may be fundamentally incorrect. They may be a statistical delusion—a gross underestimation of the nation's true reserves.

Proved estimates require a large amount of raw data—core samples, pressure readings, voltage measurements, etc.—that can be obtained only by actual drilling into the gas pockets. Acquiring these data for all the country's 6,300-odd gas fields is a colossal physical job, and only the gas industry itself owns the billions of dollars' worth of equipment necessary to do it. The only group the producers are willing to confide some of their information to is the AGA, for its once-a-year survey of the nation's total reserves. Each year the association assigns 100 industry geologists to its so-called Committee on Natural Gas Reserves. These geologists annually canvass the producers in their assigned areas for the necessary data to form their own estimates.

In 1970, responding to suspicions that had been voiced about the accuracy of the figures, the chairman of the Reserves Committee described the system in detail to the Federal Power Commission. He said the drawing up of the estimates was a rigorously supervised process specifically designed to eliminate any chance of manipulation by the producing companies. He said the companies gave the 100 geologists all the data they needed, and that the geologists, regarding themselves as public servants rather than as representatives of their companies, were scrupulous about insulating themselves from company pressure. All the geologists used the same precise AGA estimating formulas, said the official, and the resulting national estimate was "one of the most consistent and reliable series of statistics available anywhere." The FPC, which is known as one of the most supine of regulatory agencies in its relations with the industry it regulates, accepted this testimony at face value, and looked no further.

Last year a House committee headed by Rep. John Moss (D, Calif.) conducted an investigation that drew a very different picture of the way the process worked. Moss's picture was based partly on facts turned up by an investigation by the Federal Trade Commission of AGA's estimates in the Gulf of Mexico, and partly on testimony by industry officials, including some of the geologists who had drawn up the AGA estimates for the Gulf.

What Moss found was that the whole estimating process was dominated by a few of the largest gas producing companies. These companies were allowed to choose the geologists who served on the Reserves Committee, and they regarded these geologists not as servants of the public but as their own representatives. AGA made no attempt to make the geologists follow its own estimating rules, and in fact the AGA man in charge of the program admitted that he had no idea of what estimating methods they used. Under oath, the geologists admitted that they ignored AGA's definition of what constituted "proved" reserves and, in case after case, gave whatever estimates their companies wanted them to give. One admitted that his company drew up all his estimates for him. Another said that when a company refused to give him information on a gas field, he simply listed the field as

"zero"; in one year he listed five such fields. Another geologist said that companies often refused to give him any information at all, and he was forced to make "ballpark" guesses based on scraps of information from the trade press. Moss turned up one huge field containing 400 billion cubic feet of gas that had been unlisted for two years, even though it had two platforms and 13 wells and its existence was known to the entire industry. If this single field had been included in AGA's figures, it would have increased the AGA's 1974 national estimate of new-field discoveries by 23 percent.

The FTC's investigators, after a five-year examination of AGA's estimating methods, had recommended taking the association and the companies to court for "concertedly maintaining a deficient reporting system" that produced "serious underreporting." The FTC commissioners rejected this recommendation on what appear to have been political grounds. Moss uncovered a memo in the FTC files recommending against any legal action that might encourage "continued PPC regulation into the distant future." The FTC investigation, now seven years old, drags on.

The obvious reason the companies have to give AGA incorrect figures is the propaganda value of proving that a national shortage exists. But there is a more immediately practical reason: The Supreme Court ruled in 1968 that the FPC could let producers *increase* the price of gas whenever AGA's figures showed that their rate of new discoveries had *decreased*. Thus the fewer new discoveries the producers tell AGA about, the more they can charge their customers. Interestingly enough, the first drastic drop in the new-discovery figures appeared in the AGA statistics that were issued a few months after this landmark decision.

The industry claims that AGA's figures are accurate because two national surveys of proved reserves—one by the FPC, the other by the Federal Energy Administration—came up with totals that were only a few percentage points different from AGA's. However, FPC and FEA both have been lobbying for deregulation; and though the two agencies claim that their surveys were completely independent of the industry, both surveys actually depended heavily on industry cooperation and in fact couldn't have been carried out without it.

The FPC, in its survey, selected 158 out of the nation's 6,300 gas fields, and asked the industry for the raw data on these fields. On the basis of this information the FPC's geologists projected a national estimate that was only 10 percent different from AGA's. The FPC's methodology was developed by a "technical advisory task force" whose chairman and cochairman were Exxon geologists, and a majority of whose members were industry executives. Three subsequent analyses of the 158-field sample by others all concluded that the sample had been drawn up in such a way as to minimize the possibility of finding underreported fields.

As to FEA's study, its dependence on industry-generated figures was also self-evident. In authorizing the FEA's survey, Congress gave the energy agency power to subpoena whatever raw data it needed from the producers. But FEA chose not to subpoena anything, even when companies refused to provide requested information. Instead, it used only what information the companies were willing to turn over voluntarily. Since this is the same information AGA depends on, it doesn't seem surprising that FEA's and AGA's reserves estimates were almost identical.

Besides failing to report reserves, the companies are withholding from the market large quantities of gas that they *have* reported. By law, when companies discover produceable quantities of gas in fields leased from the federal government, they are required to market it at the federally regulated price. But Moss's staff exposed cases in which companies—at the very time they were warning of a gas shortage—had failed to produce very large quantities of gas available in fields in the Gulf of Mexico developed under federal lease. President Carter's energy chief James Schlesinger was quoted last week in *Newsweek* as saying, "I keep hearing about gas that's been squirrelled away, but whenever we get close to it, it becomes evanescent." He should look at Moss's findings; they are not evanescent.

Here is one example of what the Moss Committee discovered. By law, companies that lease oil- and gas-producing land from the federal government must turn over all their raw data on these leases to the United States Geological Survey. By subpoenaing the AGA's (hitherto secret) estimate of reserves in the Gulf of Mexico (all developed under federal lease) and comparing this USGS's own (hitherto secret) estimate of the reserves in the Gulf, the Moss staff was able to make the first direct comparison between the AGA's detailed estimates of reserves in a specific group of fields and another set of estimates for the same fields that were based on the companies' own raw data. Moss found that the USGS estimate was 60 percent higher than AGA's: 23 trillion feet for USGS, 14.7 trillion for AGA. Thus, in only 153 fields (2.4 percent of the nation's 6300 fields) AGA apparently had missed 8.8 trillion feet of gas. This is a little more than twice as much as the estimated 3.5 trillion feet of delivery curtailments that are involved in this winter's gas crisis.

The AGA insists that to compare its figures with USGS's is comparing "apples" and "oranges," because USGS said it was estimating "measured" reserves, while AGA uses the "proved." But USGS says that the two terms are "essentially synonymous."

From all the above, it seems apparent that the present 3.5-trillion crisis in pipeline deliveries caused by a record-cold winter tells us nothing about the more fundamental question of what the companies' reserves actually are and why they are not making them available in sufficient quantity. The answer to these questions will come when and if Congress uses its subpoena power to conduct a survey of the industry's holdings that is demonstrably and unquestionably independent of the industry's influence. I don't pretend to know what such a survey will prove; perhaps it will confirm the industry's figures. But it is startling to realize that the nation's basic energy policy is being formulated on the basis of fundamentally important set of statistics supplied by an industry that has every incentive to misrepresent them.

AN URBAN CRISIS?

HON. MICHAEL T. BLOUIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BLOUIN. Mr. Speaker, we are all well aware of the problems of the Nation's large, metropolitan centers. They are serious problems, easily documented and often publicized, and they rightfully demand our close attention.

But there is another sector of our population which confronts problems just as serious and just as urgent—these are the people of rural America. Their problems are not so readily documented and only rarely publicized, but they too deserve our close and immediate attention.

The staff of Rural America, Inc., using a statistical index developed by the Brookings Institution to measure the problems of urban America, has recently measured the severity of problems in rural America and the results are very interesting. In short, the study revealed that the "hardship index" for nonmetropolitan areas, measuring unemployment rates, the percentage of young and elderly dependents, education levels, per capita income, housing density and poverty levels, is 110.2—a few points higher, in fact, than the "hardship index" for central cities 108.5.

The study reinforces a feeling that I have had for some time that we face a crisis of serious proportions in both urban and rural America. A meaningful solution does not lie in bitter and angry confrontations between urban and rural interests, but rather in a growing spirit of cooperation which recognizes the mutual needs and mutual concerns of urban and rural areas throughout this country.

The following article, from the February 1977, issue of Rural America, explains the comparative "hardship indices" for the Nation, and I strongly recommend it to my colleagues from urban and rural districts:

BROOKINGS STUDY OVERLOOKS NONMETRO NEEDS

(By George Rucker)

A "hardship index" worked up by experts at the prestigious Brookings Institution to help analyze the "urban crisis" shows that rural and small town areas are even worse off than the big cities. (Both the cities and the nonmetro areas are in more critical need than the suburban areas, of course.) The Brookings index uses six indicators: unemployment, percentage of children and old people in the population, educational level, per capita income, housing supply, and percentage of families in poverty or near poverty.

A Rural America analysis of the most recent data available found that, taken as a group, the suburbs of metropolitan areas are better off than the national average on all but one of the indicators. In contrast, cities of 50,000 and above as a group and nonmetropolitan areas as a group are worse off than the average on all but one of the indicators. On four of the six individual measures, and on the composite index, nonmetropolitan areas are even worse off than the big cities.

Brookings specialists Richard Nathan and Charles Adams discussed their methodology and findings in *Political Science Quarterly* last year and presented some of their findings in testimony before the House Banking Committee in October. Nathan and Adams used the index to compare major cities with each other and with their own suburban areas.

Staff at Rural America wondered what the index might show about rural and small town needs, and put together the statistics shown in the adjoining table. As can be seen, the metropolitan suburbs are better off than the nation as a whole on each of the factors except the share of their population which is in the pre- and post-earning age brackets. Giving all of the six factors equal weight, the suburbs are about 13 percent better off than the average.

By contrast, the metropolitan center cities (of 50,000 or more population) are *worse* off than the nation as a whole on every factor except dependence, while the nonmetropolitan areas show above-average hardship on every score except unemployment. In terms of the composite index, nonmetro areas have a hardship rating nearly two percentage points higher than that of the central cities. (To those who might argue that nonmetro hardship may be less severe because it costs

less to live in rural areas and small towns, it should be pointed out that the two income-related factors have been adjusted to allow for that difference, just as Nathan and Adams made similar adjustments to allow for regional differences in living costs.)

UNEMPLOYMENT AND POVERTY

Some comments may be in order with regard to the two measures on which the nonmetro areas showed less hardship than the big cities. It has long been recognized that unemployment figures tend to be less reliable for the nonmetro areas than for urban centers. Moreover, the key measure in rural areas and small towns in probably *underemployment*, and we have no good statistics on that at all. Finally, with regard to the unemployment measure, the recession (which is hopefully a temporary phenomenon) has an uneven effect, hitting the central cities harder than either nonmetro areas or suburbs. In 1970, for example, when the economy was closer to normal unemployment, the difference between central cities and nonmetro areas in the unemployment rate was only one-tenth of a percent.

The shift in the concentration of poverty is also a recent development. In part it, too, reflects the recession; in part it is a measure of the flight of the non-poor from the central cities to the suburbs. The 1970 census figures showed 20 percent of all nonmetro families with incomes below 125 percent of the poverty line (even after adjusting for cost of living differences), while the figure for the metropolitan central cities was less than 16 percent. The relative situation has improved in nonmetro areas and in the suburbs. It has deteriorated in the central cities.

COMPARISON OF CITIES, SUBURBS, AND NONMETRO AREAS

	U.S. average	Metro areas: Suburbs	Metro areas: Central city	Nonmetro areas
Unemployment:				
Average annual rate, 1975 (percent)	8.5	8.0	9.6	8.0
Index (United States=100)	100.0	94.1	112.9	94.1
Dependence:				
Percent of 1970 population under 18 and over 64)	4.4	4.4	4.3	4.6
Index (United States=100)	100.0	100.0	97.7	104.5
Education:				
Percent of 1970 population over 25 with less than high school education	44.7	40.8	49.2	54.1
Index (United States=100)	100.0	91.3	110.3	121.0
Per capita income, 1974:				
Adjusted for cost of living	$4,450	$4,891	$4,376	$4,171
Index (United States=100)	100.0	91.0	101.7	106.7
Crowded housing:				
Percent of 1974 units with more than 1 person per room	5.4	4.4	5.6	6.2
Index (United States=100)	100.0	82.1	105.2	115.9
Poverty and near-poverty:				
Percent of 1974 families with incomes less than 125 percent of low income, adjusted for cost of living	13.3	8.5	16.4	15.8
Index (United States=100)	100.0	63.9	123.3	118.8
Composite hardship index	100.0	87.1	108.5	110.2

Note: Socio-economic indicators used are from Richard Nathan and Charles Adams, "Understanding Central City Hardship," Political Science Quarterly, spring 1976. Adjustments in income and poverty figures for cost-of-living differences follow their procedure of utilizing BLS comparative figures for intermediate and lower family budgets, respectively.

Sources: Unemployment figures from Bureau of Labor Statistics; dependence and education figures from 1970 census data; per capita income from current population reports, consumer income; crowded housing from annual housing survey; and poverty and near-poverty data from Census Bureau (unpublished data from Current Population Survey).

CHRISTMAS IN OCTOBER

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. MAZZOLI. Mr. Speaker. Christmas will arrive a bit early this year on Capitol Hill—October instead of December.

That is, unless Congress acts promptly to kill its cost-of-living salary adjustment scheduled for October.

The public is not happy over the "back-door" method by which the recent congressional pay hike became effective.

As I urged on February 8, in my testimony to the Special Ad Hoc Subcommittee on Presidential Pay Recommendations, we should have taken a public vote on this issue.

But, if the public is not happy now, they will be totally outraged soon if a hefty cost-of-living adjustment is added to our paychecks this October—through the same, wide-open backdoor.

I completely oppose this scheduled Christmas-in-October bonanza for Congress.

And, I urge all Members who share my feelings to join in cosponsoring my bill, H.R. 2837, which I shall soon be reintroducing.

If my bill is approved, the upcoming cost-of-living adjustments for Congress would be killed; consideration of all future congressional pay changes would be separated from those affecting all other Federal employees; and, no future salary increases nor cost-of-living adjustments could become effective for Members of Congress without a public vote.

Let us be traditionalists. Let us celebrate Christmas in December—not October.

At the risk of being labeled the Grinch who stole Christmas, I shall periodically return to the subject on these pages.

GAO INVESTIGATION OF FOREIGN AID APPROPRIATIONS TO SOUTH KOREA

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. YOUNG of Florida. Mr. Speaker, as ranking minority member of the Foreign Operations Subcommittee, which has appropriation jurisdiction for most of our foreign aid programs, I am naturally concerned about any possible abuses of the U.S. foreign aid programs.

Many strong allegations have been made in recent months that funds from South Korean interests have been paid to U.S. Congressmen in exchange for a variety of favors. The investigative approach so far, by the congressional committees and the Department of Justice, has been to try to determine who received those funds and why. I feel we should be equally concerned about where those funds may have come from.

In this regard, I have formally requested that the Comptroller General of the United States conduct an immediate investigation of possible abuses of funds appropriated by Congress for the Republic of Korea. The purpose of this investigation is to determine if any of the millions of dollars that the American taxpayer has provided for South Korea, have been directly or indirectly used for unauthorized payments to people in our Government.

The following is a letter I sent to the Honorable Elmer B. Staats, Comptroller General of the United States, formally requesting this investigation:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 16, 1977.

Hon. ELMER B. STAATS,
Comptroller General, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: As Ranking Minority Member of the Foreign Operations Subcommittee of the Committee on Appropriations, which has appropriation jurisdiction for most of our foreign aid programs, I am naturally concerned about any possible abuses of the United States Foreign Aid Programs.

Recent revelations that some U.S. government officials have received gifts and cash payments from Korean sources with close ties to the South Korean Government are not specific enough to rule out the possibility that the original sources might have been American tax dollars transmitted through one of our aid programs.

Since the United States has provided the Republic of Korea with millions in assistance of one form or another, it would be helpful to me in my position on the Subcommittee to know if some of this assistance is finding its way back, directly or indirectly, to some in our own government in the form of unauthorized payments.

In view of the importance of this information to the Members of the Subcommittee on Foreign Operations, and to help me meet my responsibility as the Ranking Minority Member of that Subcommittee, I am hereby requesting a General Accounting Office investigation of this entire matter.

With best wishes and personal regards, I am

Very truly yours,

C. W. BILL YOUNG,
Member of Congress.

WE MUST HONOR THOSE WHO HONOR US

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BAUMAN. Mr. Speaker, Vietnam is a matter which most Americans would rather forget. The words and actions of the late Gen. Douglas MacArthur better express our national will for victory than our recent history during which resolution and purpose were difficult to find. It can be found, though, in the record of those who served in Vietnam.

Yet the men who served in Vietnam, who died there and those who were left unaccounted deserve more from us than they have been given to date. Erecting a Vietnam war memorial is little enough to show our gratitude, but at least it is a start, and I support such a project.

Richard W. Cooper, Jr., of Salisbury, Md., who died in service to his country in January 1973, honors his family as he honors all of us. Having received a most impressive letter from his parents, Connie and Richard, Sr., I submit this letter is a most moving and reasoned case for the construction of an appropriate Vietnam memorial.

The letter follows:

RICHARD W. COOPER,
ENGINEERING SURVEYS,
Salisbury, Md., January 7, 1977.

Congressman BOB BAUMAN,
Cannon Building, Washington, D.C.

DEAR BOB: There is a personal matter I am concerned with. Our son, and my namesake, was lost over Hanoi in a B–52 raid in one of the last bombings four years ago this last month. He is one of the few MIAs in your district, I believe. He leaves a wife and one daughter, two years old at the time of the incident and another daughter born three months after. The Air Force has been most concerned and considerate in every way and I want you to know of this.

However I would like you to know that Mrs. Cooper and I as parents and as realistic persons do not expect at this late date that Hanoi has really anything to disclose as to the fate of these MIAs, as much as I would like to think so. Therefore I would like for you to stand against any "pay-off" in any way that may be contemplated by our government toward the disclosure of any information they may be withholding. I am aware that there are several rather active organizations that are taking a really forceful position in this matter. However, again I must say with reluctance that it is a very dim cause.

My son was very proud of his duty in the service and he never questioned the reasons for his involvement. Only recently he has been promoted to major, something that would have been a wonderful honor to him. The great tragedy of this whole matter has been the public's general feeling of unconcern and disassociation toward those who gave themselves to the Country's call. Since the news of the downing of the B–52 four years ago, there has been no genuine, local or national, concern in the media about these persons who in any other conflict would have been honored at the hero level. And I believe the media actually reflect the public's feeling of blanking out this unfortunate segment of our history.

I feel that in time the proper recognition will be given to these lost young men and women. It would be well if something tangible could be thought out as a national memorial. Let's think in terms of that rather than any black-mail type of payment to Hanoi. The records show that they used every device to get money from the French when they were under somewhat similar circumstances.

Again let me say that I feel that our citizenry is well represented by you. May you have a rewarding and happy new year of 1977 and with highest regards, I am

Cordially yours,

RICHARD W. COOPER.

LOWENSTEIN APPOINTMENT TO HUMAN RIGHTS COMMISSION PRAISED

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. FRASER. Mr. Speaker, the Carter administration has taken a number of initiatives indicating its intention to give greater priority to human rights in our foreign policy. One of the best indicators of this intention are the kinds of appointments that are made to posts critical for the human rights field. The appointment of Allard K. Lowenstein, former Member of Congress, to the United National Commission on Human Rights is one which I personally believe, is a very significant step for the administration. Mr. Lowenstein has been a leader in the civil rights movement in this country as well as in the effort to obtain greater priority for human rights in our foreign policy. I would like to insert in the RECORD the Department of State's press release announcing Mr. Lowenstein's appointment. I strongly endorse the views expressed by Deputy Secretary Christopher.

The document follows:

ALLARD K. LOWENSTEIN NAMED HUMAN RIGHTS COMMISSION DELEGATION HEAD

Allard K. Lowenstein, former Member of Congress, has been named to head the United States Delegation to the 33rd regular annual session of the United Nations Commission on Human Rights. The announcement was made at a swearing-in ceremony held in the John Quincy Adams Room of the Department of State on February 7, presided over by Deputy Secretary of State-designate, Warren Christopher, and attended by Members of Congress.

The 33rd session of the United Nations Commission on Human Rights opened in Geneva, Switzerland, on February 7 and will last until March 11, 1977. The Commission, which is the principal United Nations organ dealing with human rights questions, will consider a lengthy agenda involving a wide range of human rights issues. The appointment of Mr. Lowenstein, whose distinguished career has featured active involvement with a number of human rights causes, reflects the high importance attached by the Carter Administration to the promotion of international human rights through the United Nations. The broad agenda of the Human Rights Commission will afford Mr. Lowenstein the opportunity to present the views of the new Administration on a number of serious human rights issues which presently trouble the world scene.

In speaking of Mr. Lowenstein, Deputy Secretary of State-designate Christopher said:

"The United States Government is fortunate that Mr. Lowenstein has agreed to head the U.S. Delegation to this important meeting on human rights. A young associate of two American giants in the field of human rights, Frank Graham and Eleanor Roosevelt, Mr. Lowenstein has been at the forefront of the struggle for human rights in the United States and abroad throughout his life. He has been in the vanguard of the civil rights movement in the United States. Years before others took an interest, he demonstrated special concern with rising racial tensions in southern Africa. He has been a leading advocate for the right of individuals to emigrate freely. On behalf of the President and the Secretary of State, I would like to express the appreciation of the United States Government to Mr. Lowenstein for undertaking this important assignment."

Mr. Lowenstein plans to leave immediately for Geneva to join the United States Delegation.

UNITED STATES IMPORTING STEEL AND UNEMPLOYMENT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. GAYDOS. Mr. Speaker, in recent months there has been considerable interest shown by the domestic steel industry and the American steelworker in the amount of foreign steel being shipped into the United States and its effect on the job market.

The industry and its workers are concerned and, according to the American Iron and Steel Institute, they have justification for their fears.

On February 9, AISI reported that foreign steel had captured its largest share of the American steel market in 4 years. Steel imports in 1976 totalled 14.2 million tons, an increase of almost 19 percent over the 12 million tons shipped here in 1975. The 1976 figure was equal to 14.1 percent of the apparent steel supply in the Nation last year, reflecting an increase from the 13.5 percent of 1975.

The president of AISI, Frederick C. Langenberg, aptly describes the trend as representing the "export of foreign unemployment to the United States. Mr. Langenberg points out that unfair trading practices already have reduced the number of steelworkers employed in this country and the increase of foreign steel to the United States immediately preceded the fuel shortage, which caused the layoff of thousands more by a drastic cutback in production facilities.

Furthermore, AISI also reports that despite the imposition of quotas certain foreign steel categories, there has been a greater penetration of imports in domestic areas.

The importation of stainless steel, for example, totaled 174,712 tons, an increase of 4.5 percent over 1975 and representing better than 15 percent of the apparent domestic supply. Tool steel, also subject to quotas, showed imports of 27,600 tons or 28.1 percent of the domestic market. In 1975, tool steel imports were listed at 24,600 tons.

Mr. Speaker, I call this to the attention of my colleagues for I expect we will

be hearing more about steel imports, their effect on the domestic industry and the need for mandated quotas in the months to come. I hope they will give this matter their full consideration.

H.R. 11, EXTENSION OF THE LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT ACT

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. MILFORD. Mr. Speaker, during the first disbursement of funds under the Local Public Works Capital Development and Investment Act, many inequities came to light as a result of the formula used to distribute the funds—particularly with regard to major cities throughout the country which have large numbers of unemployed persons but which did not receive any funds. Dallas, Tex., was one of those cities.

At this time, I would like to place in the RECORD the testimony of the mayor of the city of Dallas, the Honorable Robert S. Folsom, before the Economic Development Subcommittee during their hearings on the extension of this program. I believe Mayor Folsom's testimony is indicative of the difficulties experienced by many major cities in receiving these much needed funds:

TESTIMONY PRESENTED TO THE PUBLIC WORKS SUBCOMMITTEE ON ECONOMIC DEVELOPMENT ON BEHALF OF THE CITY OF DALLAS BY MAYOR ROBERT S. FOLSOM, FEBRUARY 2, 1977

Mr. Chairman, it is an honor and a privilege to appear before this committee to discuss a very important subject—the local Public Works Employment Act of 1976.

First, let me say that I believe in the concept of the Local Public Works Act. This type of economic stimulus program not only provides short-term employment opportunities for individuals currently unemployed but also provides the long-term benefit of construction of needed public facilities for local communities.

I am here today to present to you some of the problems that the city of Dallas encountered with the 1976 act and no doubt our experience is similar to that of many other major urban areas throughout the country. In November of this year, the city of Dallas prepared and submitted four applications for funding under the local Public Works Employment Act. The requested funding represented not only a new and expanded employment opportunity for the 17,000 unemployed workers residing inside the city of Dallas, but also financial support for the construction of needed public facilities. The city of Dallas received notification that none of the four projects submitted for consideration was funded, primarily because of the city's low rate of unemployment and comparatively high per-capita income. We had difficulty competing with other areas of smaller size and areas which had more intense concentrations of unemployment.

As previously indicated, that low rate of unemployment, now hovering at 4.2 percent (almost 20 percent in the construction trades)—as a function of the size of the city of Dallas—represents almost 17,000 individuals in the city of Dallas who consider themselves to be a part of the work force and are currently out of a job. Our concern is I'm sure shared by other major cities that did not receive project funding under title I. Because unemployment tends to concentrate itself in major cities, some adjustment to the way funds are distributed inside the State should be developed. In Texas, 40 percent of the State's unemployed work force is located in six major cities—only 24 percent of the State's 55 million dollars in funding under title I was spent in 4 of those cities—Dallas and Fort Worth received no title I funds even though both cities represent almost 10 percent of Texas' unemployed work force.

There are many ways, I am sure, to revise the funding mechanism. Although we would not go so far as to recommend a change at this time, I would certainly encourage your consideration of alternatives which would equitably address the unemployment needs of all jurisdictions and certainly those cities that have a low rate of unemployment, but because of their size, have relatively large numbers of unemployed.

We would also recommend that you eliminate any consideration of per capita income from the funding mechanism, and also implement a requirement that any jurisdiction submitting applications for project funding under this act be required to use only unemployment data from their community as a basis for the submission of their application.

Mr. Chairman, another matter of very grave concern to us in Dallas—and in the State of Texas—is the distribution pattern of the 2 billion dollar appropriation between the States. As you will recall, the economic development administration allocated the appropriation among the States in the following manner:

Sixty-five percent of the appropriation or almost 1.3 billion dollars was distributed to States based upon that State's share of the total national unemployed population.

The remaining 35 percent of the appropriation was distributed among the States based on the severity of unemployment—rate of unemployment and this is the portion of the mechanism which is the greatest cause for concern to us in Texas.

The result of this financing scheme was most inequitable—as you can see from the table that has been distributed to you which I would like to become a part of this official record—Texas, received $55 million. That total when compared on a Statewide unemployed per capita basis to other States dramatically demonstrates the disparity in funding. On an unemployed per capita basis, Texas received $190 per unemployed person, while New Jersey received $391, New York $365, Michigan $459 and California $293. It is interesting to see that Florida which has an unemployed population of 319,000 people received 136 million dollars while Texas, which has 292,000 persons unemployed, barely 27,000 fewer than Florida, received only 55 million dollars.

This funding pattern is, in basic fact, inequitable and suggests that there is some difference, some disparity of circumstance, to being unemployed in Florida rather than Texas. It is our contention that this mechanism used to distribute funds among the States be revised to distribute funds in a more even and equitable manner. We would go so far as to recommend that each State receive a proportion of the final appropriation for this program based only its numerical share of the total rational unemployed work force.

Along with my colleagues on the Dallas City Council I believe that adjustments to the funding mechanism for public works projects could result in a more equitable and even distribution of project funds and would allow major cities, rural areas, suburban communities and other units of general purpose local governments a fair opportunity to meet the objectives of the act:

1. By providing jobs for people currently unemployed; and

2. Financially supporting the construction of facilities which will have a lasting community-wide benefit.

Please accept my gratitude for this opportunity to present these observations regarding the Local Public Works Act. We, in Dallas, are interested in responding to the needs of those 17,000 people in our city who are unemployed and feel quite strongly that our city and its citizens should not be penalized simply because our community-wide rate of unemployment is relatively favorable.

LOCAL PUBLIC WORKS ACT

State	Population [1]	Number of unemployed [2]	Percent	LWPA allocation	Per capita allocation	State	Population [1]	Number of unemployed [2]	Percent	LWPA allocation	Per capita allocation
California	21,185,000	850,600	9.0	250,000,000	293	Oklahoma	2,678,000	81,500	6.8	16,400,000	201
New Jersey	7,316,000	255,400	8.0	100,000,000	391	Florida	7,841,000	319,900	9.6	136,683,000	428
Michigan	9,157,000	344,200	8.8	158,311,000	459	North Dakota	643,000	11,200	4.0	10,000,000	892
New York	18,125,000	637,500	8.5	232,910,000	365	Utah	1,167,000	25,000	4.7	10,000,000	400
Texas	11,828,000	292,200	5.4	55,592,000	190	Wyoming	357,000	6,100	3.1	10,000,000	1,640

[1] 1973.

[2] November 1976.

H.R. 2235

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. LEDERER. Mr. Speaker, I would like to introduce into the RECORD two statements that were made before the House Subcommittee on Unemployment Compensation on February 22, 1977. The first statement was made by Mr. Thomas L. Langan from Local 98 of the IBEW in Philadelphia; the second was made by Mr. James Mackin, who is the business manager of this Local Union 98 of the IBEW.

These two gentlemen testified on behalf of H.R. 2235, which would extend for an additional year the Federal supplemental benefits program for the full 65 weeks beyond the current expiration date of March 31, 1977:

PHILADELPHIA, PA.,
February 22, 1977.

GENTLEMEN: We are here to ask that H.R. 2235 be passed by this Committee and the Congress as soon as possible. Briefly I would like to say that we came here on buses from Philadelphia with 38 of our 700 (out of a membership of 1650) unemployed. These men are mainly in their 40th week or more of unemployment. If this statute is not passed these men have nothing to turn to but welfare.

To make matters worse, these men are all paying off mortgages. Many mortgage companies refuse payment if you become more than 1 month late unless you make a double payment. We had a case where a member ran out of his 65 weeks and applied for welfare. Due to red tape his check was delayed for six weeks. The Mortgage Company refused a $254.00 payment and demanded $508.00 which he did not have. Foreclosure proceeding has been instigated and he faces a loss of 10 solid years of payments and worse, removal from his home.

Please spare these 38 men and the thousands of others who are in the hands of unscrupulous Mortgage Companies whose whole mission in life is to grab up people's property.

Pass H.R. 2235.

THOMAS L. LANGAN,
Local 98 IBEW.

FEBRUARY 22, 1977.

Mr. CHAIRMAN: I represent a Local Union that has been hit the hardest with unemployment over the last three years. This extension is desperately needed in the Philadelphia area. We have 50 percent of our membership that have lost time and our figure has been 40 percent the last two years. We have people who have exhausted their benefits and many who will in the next month or two. A skilled craftsman unemployed is a man stripped of his dignity for he is not used to prolonged unemployment. Construction work is usually seasonable but a depression knows no seasons. This country is in dire need of rebuilding and modernizing but yet skilled men remain idle. We do not relish unemployment any more than we relish asking the utility companies and mortgage companies for extensions because we are unable to pay. Our people are losing their homes and many marriages are affected by this prolonged unemployment. We are willing to earn our keep and pay our taxes and live normal lives, however this is prevented by the unemployment that surrounds us. The only difference between this depression and the depression of the 20's and 30's is unemployment compensation and the federal extensions. If this extension is not approved, a lot of proud people will have no where to go. We want to go back to a normal life with a job and a paycheck but until this comes about we desperately need this new extension and I beg you, Mr. Chairman and members of this Committee, for my members and all the unemployed Construction men and women extend these benefits to Unemployment Compensation so we can keep our heads high and be proud while we wait for the jobs to come.

Thank you very much,

JAMES MACKIN,
Local Union 98 IBEW.

NEW GENERAL MILLS TEAM

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. FRENZEL. Mr. Speaker, below is an article from the Minneapolis Tribune which gives us an interesting profile of the two top executives of General Mills. The contributions of E. Robert Kinney, new board chairman, and H. Brewster Atwater, Jr., new president, have had a great impact on the success of General Mills, and I salute their efforts and wish them well in their new positions. I recommend the article to my colleagues as an example of how aggressive men with diverse backgrounds rose to the top of a major corporation:

NEW GENERAL MILLS TEAM IS STUDY IN CONTRASTS

(By Dick Youngblood)

General Mills wasn't noticeably impressed about 25 years ago with E. Robert Kinney or the prosperous little seafood-processing company he had started in the kitchen of his apartment in Bangor, Maine.

Kinney's company had agreed to handle the sales, marketing and distribution chores for a struggling Boston cat-food company, a task it performed with such success that the cat-food business soon attracted the acquisitive eye of the Big G.

General Mills bought the cat-food company, but company executives couldn't conceive of how Kinney's operation could match their own marketing expertise.

And so they promptly fired him.

"Whereupon they proceeded to foul the damned thing up," Kinney was saying last week with a pardonable trace of satisfaction. "It was a disaster, and they finally had to sell it."

Kinney, 59, is not a man to hold a grudge, however, and thus has obligingly consented to step into the top job at General Mills this week when James P. McFarland retires as chairman of the board.

Joining Kinney as the other half of the company's new top management team will be H. Brewster Atwater Jr., 45, who succeeds Kinney as president.

The two are a study in contrasts: Kinney a compact man with a full head of pure white hair, Atwater tall and lean with a receding hairline; Kinney the son of a Yankee horse-trader and a graduate in history from a small Maine college, Atwater a product of the Lake Minnetonka establishment with business degrees from Princeton and Stanford; Kinney with the soft, Maine accent and the quiet, easy-going manner, Atwater the businesslike, self-confident and more intense young executive.

"You see the contrast, in physical terms at least, whenever they come into a meeting," an executive was saying last week. "Bob sort of drops in. But Bruce, he arrives!"

There are, however, two key characteristics the two men share, interviews with colleagues and acquaintances indicated last week.

One man summed it up: "They are both very bright," he said, "and they are both damned shrewd businessmen."

Kinney charted the more improbable course to the top of the nearly $3-billion corporation.

The son of a Maine farmer and horse dealer, Kinney was a Phi Beta Kappa graduate of Bates College in Lewiston, Maine, where he took a major in history and a minor in economics.

He had every intention of becoming a school teacher.

But then, in the summer of 1940, it struck him that lobstermen along the Maine coast were throwing away tons of crabs that would creep into their traps, it offended his sense of thriftiness.

Kinney offered to buy the crabs for a penny apiece, and he and his wife started canning them in their kitchen at night.

"I sent three or four cans to a Boston food broker," Kinney recalled last week, "and back came an order for 3,000 cases of 24 cans apiece. We were producing only about a half-dozen cans a night."

Kinney borrowed $300, added that to the $300 a friend had scraped together, and rented a garage and some canning equipment.

Within a year the North Atlantic Packing Co. had 100 employees, and within a decade its revenues topped $2 million a year.

In the 1950s, with his company running smoothly, Kinney signed on as a consultant—and later as president—at Gorton's, an old-time Massachusetts seafood company that had fallen on hard times.

Once again his sense of thriftiness was offended—this time by all the company cars and club memberships and first-class airline tickets that Gorton's was paying for.

And once again he had a bright idea—this time to turn Gorton's fish into a convenience food packaged as fish sticks and precooked dinners.

He also sought federal inspection so he could stamp Grade A on the packages, and installed what he later discovered was called management by objectives.

In 11 years as president of Gorton's, Kinney saw revenues climb from $10.5 million to more than $70 million, and profits from the break-even level to more than $1.5 million.

It was at that point, in 1968, that the Big G started eyeing the New England coastline once again. This time they took no chances—they acquired Kinney along with Gorton's.

A year later, impressed with what he called Kinney's "good, gutsy Maine business sense," McFarland yanked Kinney into Minneapolis and installed him as executive vice president in charge of about 75 percent of the company's business.

It was at this point that the management team that now has emerged might have become unglued.

"I knew all those ambitious young executives were looking at me and wondering how a fish packer who didn't know a cereal package from a box of cake mix could come in here and run the food business," Kinney said.

One of the first he sought to reassure was Atwater, who, while still in his 30s, had recently been named head of the big consumer food group. Now, suddenly, here was an interloper moved in as his boss.

Atwater insists there was never any tension, but Kinney moved nonetheless to ensure that the air was clear.

"I told him I needed his help and that I didn't intend to stand in the way of his career," Kinney said last week, "that I'd go out on a limb to support him every time I thought he was right."

He paused briefly, then added: "And Bruce has a propensity for being right a high percentage of the time."

The result was what colleagues describe now as a "very close working relationship" between the two.

A year after he came to Minneapolis, Kinney became the company's chief financial officer, and in 1973 he became its president. Atwater was named executive vice president in 1970 and in 1971 was elected to the board of directors.

Last summer the succession upon McFarland's retirement was made clear when Kinney was named chief executive officer and Atwater succeeded him as chief operating officer.

Atwater's performance since then has left other top executives confident of his ability to run the company.

"All of Bruce's experience here was in the food business," said one, "but he hasn't missed a beat now that he has the day-to-day responsibilities for the whole thing.

"He picked up a feel for our other, nonfood business faster than enyone else could have possibly done."

It was a variation on a theme: From office to office, in and out of executive row, the book on Atwater describes a man of quick intellect, a quick study who swiftly absorbs detail and reaches a decision.

An outspoken man who once conceded to a reporter that a hot-selling new General Mills food item was a "terrible-tasting product," Atwater is viewed as an innovative manager who believes in taking risks once the facts are in and carefully analyzed.

A Minneapolis native, Atwater was 14 when he went to work in the family business—Scott-Atwater, manufacturer of marine motors. He soon learned it wasn't much fun being the boss's kid.

"The worst was the degreasing pits with the solvent (to remove grease from new engine parts) and the fumes," Atwater recalled last week, "and everybody wondering if the punk kid was going to quit."

Atwater took his bachelor's degree at Princeton and his master of business administration degree at Stanford. After three years on active duty with the navy he joined General Mills in 1958.

Within 10 years he was head of the company's largest and most profitable operation, the consumer food group—a business that has tripled its revenues and more than double its profits since he took it over.

Both Kinney and Atwater have a tough act to follow, for McFarland's stamp on the company is the diversification program he completed in the eight years he was chief executive officer.

Both men warn, however, that no dramatic changes are to be expected.

"The current mix of food and nonfood businesses is sufficient to meet our long-term objective of 10 percent compounded annual growth in earnings," Kinney said, "even without any acquisitions or new directions."

Which is not to say that there will not be any acquisitions or new directions, he was quick to point out.

But given the record of recent years—a 16 percent annual growth rate over the last five years, for example—Kinney and Atwater "would have to be nuts," as one man put it, "to start tinkering with what we've

THE COMPTROLLER GENERAL'S ETHICS PROPOSALS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mrs. SCHROEDER. Mr. Speaker, in a message to you on January 28, 1977, the Comptroller General made various suggestions on the manner in which a new code of ethics and financial discosure should be established for the officers and employees of our three branches of Government. At that time, the message from the Comptroller General was referred to the House Post Office and Civil Service Committee and subsequently to that committee's Subcommittee on Manpower.

Today, as chairwoman of the Subcommittee on Manpower, I am introducing the two suggested bills which the Comptroller appended to the January 28 message. While I am not in accord with all the suggestions of the Comptroller, I believe that the whole House should have a chance to examine his bills in connection with the discussion of ethical reform we are now having.

For the information of my colleagues, the Comptroller General's message follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., January 28, 1977.

Hon. THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Several bills have been introduced in the Congress to establish a code of ethics and require financial disclosure. To cite a few, see H.R. 1, H.R. 9, and S. 290, of the 95th Congress. The bills both in this and the last session would place the administrative responsibility, the receiving of reports, and investigative functions relating to financial disclosure in the Comptroller General of the United States. In the past I have expressed my concern and opposition to such proposals. I now reiterate my strong opposition to these aspects of the bills and emphasize the serious repercussions they would have on the General Accounting Office (GAO) if enacted.

RESPONSIBILITY FOR ADMINISTRATION

The bills would place the General Accounting Officer in an operational role which is inconsistent with its basic role of audit and evaluation. I believe that the responsibility for administering the system of financial disclosure should not be placed with the Comptroller General or in the General Accounting Office.

The Congress has long looked to GAO to provide objective information and evaluations of how well legislation is being implemented by the executive agencies and to provide it with suggestions for how these programs could be more economical, more efficient, and more effective. Our role is that of an evaluator rather than being responsible for the administration of Federal programs.

My concern with respect to placing the responsibility in the Comptroller General for administering the financial disclosure requirements involving members of Congress is similar to the concern which I expressed when the Congress was considering proposals to place responsibility in GAO for administering congressional campaign financing. I indicated at that time I felt that placing this responsibility in GAO held in it the seeds of friction and distrust which could do great damage to the overall effectiveness of the Office.

We endeavor to remain completely nonpartisan and free from any type of political influence in carrying out the functions vested in our Office. I do not believe that oversight and investigation of the financial transactions of individual members of Congress is consistent with our role as a nonpartisan arm of the Congress, called upon for help daily by committees and members of Congress. Roughly one-third of our entire work now originates with committees or with individual members of Congress.

I recommend most strongly, therefore, that the responsibility for administering a system of financial disclosure not be placed on the Comptroller General or in the General Accounting Office. Moreover, as stated above, placing the responsibility for administering financial disclosure, particularly as it refers to financial disclosure problems of members of the Congress, could potentially do great damage to the overall effectiveness of the General Accounting Office and endanger the close relationship which this Office must have with members and committees of the Congress.

We think there is much to be said for the creation by statute a Commission on Ethics and Financial Disclosure to be responsible for recommending consistent procedures for implementing, administering, and investigating ethical conduct and the financial disclosure system, and for rendering formal advisory opinions and counsel on potential conflict-of-interest matters. The General Accounting Office could then be given specific responsibility for maintaining oversight of these systems.

We believe that if disclosure reports were filed with such Commission, and a copy with individual agencies, the objectives sought could be achieved with minimal disruption and costs and could be merged with existing systems in each branch. Such a system would also enable the responsible officers of each branch to review the reports to determine whether apparent or potential conflicts of interest occur with the employees' official duties. Such reviews are extremely important and are currently required to be performed by each agency in the executive branch. It is essential that the agency head continue to be held accountable for any questionable interests. Agency heads, also, are in a better position to know and to make judgments as to what specific financial interests an employee should not have, based on his current responsibilities.

BALANCING PRIVACY CONSIDERATIONS WITH PUBLIC DISCLOSURE

Obviously, the Congress faces a difficult dilemma in seeking to accommodate the public policy considerations underlying requirements for public disclosure of personal financial information and the right of personal privacy which affects all of us. This dilemma is somewhat the same as is inherent in the public policy aims of the Freedom of Information Act and the Privacy Act of 1974—the one promoting openness in Government administration and the other carefully spelling out the basis upon which "private" information in the hands of the Government may be used and disclosed.

Here the primary concern is promoting confidence in public officials through a code of ethics and full disclosure of their personal financial status. Aside from any philosophical or ethical objections which might be voiced against such disclosure, there are difficult problems that need to be considered—problems which, to my mind, are avoidable without undermining the overall objective being pursued.

Provisions should be made to require notice to the individual involved that disclosure of his financial report has been made and to whom. I also believe the requestor should be required to state his intended use of the information in the file, and that both the identity of the requestor and his stated reason for the request should be made available to the public. I further believe the Congress might require the requestor to make a showing of a conflict of interest or potential conflict-of-interest situation concerning the official whose statement has been requested before the statement is released.

The legislation should authorize the administering agency to issue regulations limiting access to pertinent information in the context of these statements to a conflict of interest or potential conflict-of-interest situation (e.g., interests, gifts or other relationships of officials of the regulatory agencies in companies regulated or affected by their regulations).

With the above considerations in mind, there is enclosed for your consideration a draft bill (Enclosure A) which incorporates many features of the various legislative proposals introduced in the Congress, but with significant modifications. We are not necessarily endorsing all of the provisions of the draft bill. We believe, however, that there is merit in the concept of an independent Commission on Ethics and Financial Disclosure.

In the event Congress should not favor the establishment of a Commission on Ethics and Financial Disclosure we would recommend that legislation be enacted to place the primary responsibility on ethics and financial disclosure of the three branches of the Federal Government in the Civil Service Commission, the Clerk of the House of Representatives, the Secretary of the Senate, and the Director of the Administrative Office of the United States Courts, respectively. To accomplish this concept there is enclosed for your consideration a draft bill (Enclosure B).

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

PANAMA CANAL

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. YOUNG of Florida. Mr. Speaker, I have cosponsored a resolution which pertains to U.S. rights over the Panama Canal. This resolution would express the sense of the House of Representatives that the Government of the United States should maintain and protect its sovereign rights and jurisdiction over the Panama Canal and the Panama Canal Zone, and should in no way cede, dilute, or transfer any of these sovereign rights which are so indispensably necessary for the protection of the interests of the United States and the entire Western Hemisphere.

Most Americans are aware of the great strategic importance of the canal to our national defense, and of our historic investment of money, time and energy into the Canal Zone. History is indisputably on our side with regard to sovereignty over the Panama Canal, yet it appears that the U.S. sovereignty over the Panama Canal is being put in jeopardy as result of decisions of the executive branch of our Government.

It is vital to our national security that the House of Representatives reaffirm its commitment to keeping the Panama under U.S. control.

CONGRESSIONAL PAY AND ETHICS

SPEECH OF

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. McKINNEY. Mr. Speaker, Congress adjourned last Wednesday for a 6-day "district work period" and, as always, I welcome the opportunity to leave Washington and spend a few "working days"—rather than rushed weekends—in Connecticut with you. But the work of Congress continues even now as the clock ticks away the 30-day statutory veto power of the House over the salary recommendations of the Commission on Legislative, Executive and Judicial Salaries. That period, during which either House may disapprove the 29-percent raise, ends February 20; and while the Senate has already cast a procedural vote tacitly approving the raise; the Democratic leadership of the House has cleverly—and unfortunately—scheduled the committee and the House so it is virtually assured no vote will take place.

The explanation for this childish maneuver, which fooled no one, begins in 1967 when Congress, in its astute wisdom and without benefit of my membership, included its own salary in the automatic review procedure for executive and judicial pay raises. By doing so, those brave souls thought they could avoid the politically sensitive spectacle of voting for their own raises. However, as with most matters of sheer political expediency, the solution caused more problems than it solved. Now, as a result, we face the intolerable situation whereby executive and judicial salaries—which under that same 1967 law must be kept at a parity with the congressional pay scale—are "bunched" at so low a level that qualified judges are leaving the bench and experienced executives with the managerial skills needed to make Government more efficient simply cannot afford the sacrifice of public service. Because the Senate rejected a proposed raise 4 years ago, neither Congress, the Federal judiciary nor the executive branch have had a significant pay raise since 1967—with the exception of a 5 percent cost-of-living adjustment last year.

Can you think of anything which does not cost more today than it did in 1967? Can we expect qualified and talented judges and administrators to provide dedicated service with no hope of financial advancement? Beside whether Congress deserves a raise, these are the questions I must face in deciding how best to represent your interests on this issue.

As you may know, I decided to give last year's cost-of-living raise to the cities of the fourth district. I did so not because I believed Congress undeserving of a raise but to point out the irresponsible waste of time and attention spent on "congressional pay politics" while the real problems—such as our cities—"go begging." This year, if given the opportunity, I will support the raise which has the endorsement of both our former and current Presidents. I do so, frankly, because I think judges, Federal administrators and even Members of Congress need and deserve compensation which is commensurate with the taxing responsibilities of those jobs. We are no longer a part-time, frontier Government, and believe me Washington is no frontier town when it comes to prices. If we are to avoid having to put too-young and too-inexperienced persons in jobs with responsibilities easily as broad as those of top corporate executives, then compensation must be adequate.

This is not to say that Government service, even at inflated prices, should not require some sacrifice from those who serve. I seek no pity, but believe me—it does. For 5 days out of 7, most of the honest, hard-working men and women I know in Congress scramble between committee meetings, floor votes, constituents in the office, and incessant phone calls. The cost of cars, a Washington residence, entertaining—another entire set of living costs—must be absorbed along with whatever can be contributed toward "a normal family life." This scenario is simply meant to illustrate that without reasonable salary adjustments, Congress is in danger of becoming a rich man's club.

However, since Wayne Hays and Wilbur Mills did for Congress what Legionnaire's disease did for Philadelphia hotels, it seems everyone is suspect. While I still believe strongly that honesty and morality cannot be legislated, I support current efforts to draft a congressional code of ethics which exacts a measure of accountability from those who draw their salaries from the public treasury. A special Commission has just forwarded its recommendations to the House committee which must now present the new ethics rules to the whole House and, for the most part, I support those efforts.

I qualified my support because I fear the type of overzealous lawmaking which made our election laws onerous watchdogs of tedious detail and enforcers of "paper crimes" while preventing few of the real abuses—abuses only honest men can prevent. In general, new rules regarding foreign travel, gifts, honoraria, testimonials, unofficial office accounts are no problem because I have never taken an expense-paid junket, I return gifts over $10 in value, I rarely accept paid speaking engagements, I raise money only to retire campaign debts, and I maintain no office "slush fund."

However, I differ with the Commission on three specific points. First, I think the proposed 15-percent ceiling on earned income above the salary level is unrealistic. Given the restrictions on the use of official funds and the reporting requirements—which I will discuss momentarily—the ceiling is unnecessary. Pro-

ponents of the ceiling say it is meant to insure that a Congressman spends more time on his official duties than in earning money under his official title. In my opinion, it is a shallow indicator of congressional performance to limit outside income to what one Member I know, a scientist, could make in two or three weekend speeches. I think the quality and quantity of my service is best judged by the people of the Fourth District.

Second, restrictions are also being considered to limit the use of the frank—free mail. The new rules would limit each Congressman to six districtwide mailings per year and would require prior approval of all franked material. To me, that only inhibits communications between the Representative and those he represents while attempting to censor even that. I plan to oppose such restrictions when the ethics proposals come to the floor of the House.

Finally, the ethics code expands financial disclosure requirements to include a listing of every income source over $100, all gifts by source and amount, and all debts over $2,500. As you may know, I have long opposed any dollar-for-dollar financial disclosure on the dual grounds that the nature of outside assets, rather than their amount, indicates any potential conflict of interest, and that my wife—a wealthy woman in her own right—does not wish to have the details of her financial life in public view. After all, she is not the Congressman in the family. However, in that the proposals for reporting debt, business holdings and real estate holdings require only estimates of value, she and I have come to grips with the need to compromise for the sake of public accountability. As presently proposed, I do not oppose expanded financial disclosure for House Members as I believe an increase in pay warrants an increase in openness on the part of public officials.

As I began my remarks, you will recall that I said I supported the congressional pay raise despite the political gamesmenship which is being used to adopt it. I think it important to distinguish between the substantive issue of Government compensation and the procedural issue. On the latter front, I have joined with several of my House colleagues in introducing legislation to end the 1967 back-door approval by separating congressional pay from the other branches, requiring an affirmative vote of both Houses before a raise is approved and delaying any approved raise until the next Congress convenes. In this way, we still don't have to vote for our own raises but we do have to stand up and be counted when the real issue is decided—what do we deserve?

Ladies and gentlemen, throughout 9 years in public life I have found nothing more difficult than explaining my need for a $50,000 salary to a family which struggles on less than $10,000. I would much rather tell them about a national energy policy, or welfare reform, or economic stimulus plans, tax reform, the enviroment. But if I and others who are concerned about these things, concerned about that family, are to be able to continue to serve, then congressional compensation must be determined free of rhetoric, free of politics, and reflective of the tough job yet to be done.

POSTAL SERVICE: A VIEW FROM RURAL AMERICA

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. ABDNOR. Mr. Speaker, during my recent testimony before the Commission on Postal Service, I had the opportunity to discuss the current problems of the U.S. Postal Service, particularly as they related to delivering the mails in rural America. During the questions following my formal statement, it became clear the word "rural" has a different meaning for just about everyone, with very little comprehension of "rural" as we know it in the wide open spaces of South Dakota.

I greatly appreciated the recognition of the Commission that this disparity in definition exists and was very pleased with their request for further insight into the type of postal problems and comments confronting the office of a Congressman from a very rural State.

In my response I cited 70 examples of comments reaching my office during the past year. My letter to Chairman Gaylord Freeman and the other members of the Commission follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 9, 1977.

Honorable GAYLORD FREEMAN,
Chairman, Commission on Postal Service, Washington, D.C.

DEAR MR. CHAIRMAN: When I testified before the Commission on January 24, Commissioner Krebs asked me to submit examples of Postal Service complaints received from my constituents. I am enclosing those examples.

There were more than 25 post offices in my District scheduled for possible closure or conversion when Postmaster General Bailar announced the moratorium on July 1, 1976. Many already had been closed or changed.

While the enclosure is lengthy, it actually is a small sampling of the kind of mail received in my office because many complaints are similar. The amount of mail received in my office dropped off somewhat after enactment of Public Law 94–421, but if I were to include examples from the mail I received from 1975 to December 1975, the enclosure would be twice or triple the length it is. From May 1975 through September 1976, my caseworker frequently spent more than one-half of her time handling mail and telephone calls on Postal Service matters and postal legislation.

The majority of my people in rural areas are truthful when they say their mail delivery service has changed little if any in 20, 30, 50, or more years, although postage rates and postal service costs have continued to increase. My position on small post offices has been primarily that the customers should have a voice in the type of postal service they receive and that the Postal Service survey notices are misleading in that and other respects. Many of these people do not object to a change in their post office when it is clearly explained to them or when they learn the salaries and other costs involved in operating their office and/or route.

Thank you for giving me this opportunity to provide additional information to the Commission from the Second Congressional District of South Dakota.

Sincerely,

JAMES ABDNOR,
Member of Congress.

EXAMPLES OF POSTAL SERVICE COMPLAINTS AND COMMENTS, SECOND CONGRESSIONAL DISTRICT, SOUTH DAKOTA, DECEMBER 1975–FEBRUARY 1977

1. The mail service is needed on Saturdays for business and personal needs. Our country doesn't function just Monday through Friday! If the price of postage must be increased to continue Saturday service, then it must be increased. However, at the same time some positive steps should be taken to increase individual production of the postal employees.

2. As a small town postmaster, I have watched the deterioration of service to the rural areas since the birth of the new U.S. Postal Service. Postmasters have had to cut, or in the case of most third class offices, completely eliminate clerk hours. We have been forced to close local bank accounts and mail daily cash deposits to concentration banks. We are spending more time completing reports than we are serving customers.

3. We protest the closing of our post office. We believe an equivalent service cannot be provided at a lesser cost by a contract post office and rural route. The cost of the CPO may be less but the rural routes required would be as costly in labor and energy.

4. We, as small town businessmen, believe that the closing of rural post offices can only pull the farm community further away from the urban community. We feel we must charge you people, our voices in Washington, with the responsibility of waking up the government to the importance of the American farmer. How high would your grocery bill be if the U.S. had to import the same percentage of food as it does oil?

5. If the Postal Service were to close this post office, for example, it would leave 850 people without the mail service we are accustomed to getting. It would place 28 town businesses, 11 County government offices, the County junior high school and local elementary school, and 2 Federal government offices on rural delivery. Not only that, it would cost some people 45 minutes driving time to get to the nearest post office. Tell us how mail service will be better if the nearest post office is 10 miles away.

6. You would think from the days of 3 cents for first class mail to the 13 cents now, they not only could generate sufficient funds to more than compensate for inflation but would improve the efficiency of the service in terms of mail handling. The opposite is true. They have cut back services, eliminated some post offices, and consolidated postal runs until it has reached the point where I almost pick up a telephone before I mail a letter.

7. My local monthly bills will be hand delivered because 10 at 13 cents is $1.30, and even with gas at 62 cents, it will buy 2 gallons of gas. The most I'll burn up is one-half gallon to deliver the bills. . . . If this means a general appropriation every year, so be it.

8. As a taxpayer and a voter who, hopefully, is usually rational about issues, I just want to let you know that the situation with the United States Postal Service is an insult to the intelligence of the American citizen. The increased rates, with dramatically diminishing and deteriorating service, are enough to destroy any confidence in the system. The time for Congressional action has long passed.

9. This is a complaint about the terrible mail service we have. Instead of being better, as the Postal Service claims, it has deteri-

orated. I mail a letter on a Wednesday to my sister's post office box in California. She used to get the letter on Friday but now she gets it on the next Wednesday. Once recently it was nine days.

10. I do not use parcel post any more as it is so unreliable. UPS is faster, cheaper, and more efficient. We citizens should not have to pay for all the mismanagement and extravagances of the Postal Service by having to pay higher and higher rates for such poor service.

11. A star route would be a disaster for this community. The service would be inadequate, buying stamps as a specific time when the mail carrier arrives. Money orders couldn't be bought on the same day. This is not service, only mail delivery. Instead of billboard signs, we will have a line of unsightly rural mail boxes to clutter our Black Hills scenery, not to mention weather disadvantages, theft, or vandalism to them.

12. I mail many letters and packages by insured mail. How could I mail them this way without a post office?

13. We are very much against having our post office closed because we get our mail in the store building. If the post office is closed, it takes away a place where we can see and visit with our neighbors and friends once in a while. Will it cut back on expenses when all of these post offices are closed? The first thing that will happen is the administration salaries will be raised. They're too high now.

14. A drastic change is in order. . . . Cut out 50 percent of staff earning $20,000 to $30,000 per year. Cut out 75 percent of staff earning $30,000 or more. The system is top heavy in administration.

15. If only there would be some way to eliminate about half the Regional Postmaster Generals and District Managers and their aides. It appears if Washington sent out all orders to SCF Postmasters and let them relay orders to the associate post offices, then some of the 98% of employees added since 1971 could be eliminated!!!

16. I would like to see (name of town) continue as a post office as in the last few years they have closed or discontinued (names of 4 towns). Now all of those patrons receive mail at this post office. If this office was to be closed, many of these people would have to drive 50 miles to a post office.

17. As I understand the "Kokomo plan," the post office would deliver mail by blocks. That is, there would no longer be house delivery but I would get my mail one or two blocks east, west, north or south. My objection to this plan would be the possible amount of pilfering. If you go to the new post office in Rapid City, you will note it has what I call a "widows walk". It is an elevated platform with one-way mirrors so inspectors can watch the help. This walk cost, I am told, one quarter of a million dollars. The post office management cannot trust their employees except through a one-way mirror yet they want me to trust the neighbors two blocks away.

18. In this town, there are a postmaster, a mail clerk, two parttime clerks, and two mail carriers. The postmaster is in the office most of the time, the clerk about ⅓ of the time. He also works in another post office 3 or 4 nights a week. It seems when the clerk is gone a lot of the time, the part-time clerks are in the office. Also the part-time clerks run the post office on Saturdays. Now if the postmaster doesn't want to work on Saturdays, why did she take the job? The two rural mail carriers work about 3 hours, maybe 3½ hours a day and get, as I understand, $50 a day and mileage. Why can't they use these mail carriers in the post office when they need extra help? I'm sure one carrier could run both routes and not have to work over 7 hours a day. Whenever they run short of money, they raise the price on everything. Have they ever thought of getting rid of the dead weight or extra help they don't need to try and make ends meet.

19. We have received word that construction has been ordered to stop on our new post office building even though it is ½ to ⅔ completed. (Construction was resumed and completed.)

20. My transfer is a nice promotion for me even though I would like to stay here. We have a nice home with no market to rent or sell it.

21. I was informed this post office would be made a community post office, and the patrons and I were informed there was nothing we could do about it. My wages will be cut over half, from $5845 to $2400, for the same amount of work and responsibility. I am to keep the office open 4 hours a day. It takes longer than that to get the work done and help people who can't make it to the post office during the time it is open. Some come 40 to 50 miles for money orders and such. The nearest post offices to us are 35 miles east and 45 west.

22. We have people getting mail who live 15 or more miles away. If they are forced to go to (name of town) for mail service, that is contrary to all this energy-saving kick we are trying to cope with. If I am to bid on this as a CPO, they only want a bid of around $3,000 a year to work the same hours I do now. That wouldn't even be minimum wages by the time I pay rent for the post office and expenses, not counting my gas to drive 14 miles a day to and from work.

23. We cringe every time they talk about losing money on small post offices. Certainly they don't generate the incoming postage as they do in the big city offices where there are large mailers such as mail orders houses and other operations. But the mail must get delivered somewhere. It seems that the point of delivery should count for something. We suspect that no one is laughing except folks like Ma Bell and the United Parcel Service and they appear to be laughing all the way to the bank.

24. I feel perhaps the trimming of the "fat" at the top would be much more desirable than cutting out the smaller post offices. I know here this would very much upset our mailings from the bank, besides our purchase of $2,000 to $3,000 of postage each year. I agree that where there are only 10 or 15 boxholders in a post office and a mail carrier perhaps serves only 15 or 20 rural customers, there is no doubt a valid reason to close such an office or combine rural routes.

25. I feel this service is being abused by the ones who are supposed to see to it that we get service. Recently heard that Mr. Ballar gets $60,000 a year and has 14 to 18 men under him who get $40,000 a year. That is way too much money for people who want to take away jobs of anyone trying to make a living.

26. My family lives just a little over a mile from the regular mail route and we and about 5 other families do not get our mail delivered to our farm. It's not only the inconvenience of picking up the mail but getting a letter mailed in the morning.

27. I was in the Postal Service from June 1936 to June 1963, when I reached mandatory retirement age. I started as postmaster at $1,200 a year, worked 6 days a week from 6 a.m. to 6 p.m. with an hour off for lunch, bought my own post office equipment and the government got the rent from the boxes. The population of this area was much larger than it is now and I handled 3 times the mail being handled now. I transferred to rural mail carrier in November 1942, with 135 boxes on the route. Parcel post was more than 3 times what it is now. I started with a salary of $1500 per year and received 6¢ per mile for the use of my car.

The present postmaster works 5 days a week for around $14,000 a year. The rural carrier is getting $16,000 a year and around $4500 for his equipment. This is a small county seat town. I feel the pay schedule of the rural carrier and postmaster could be greatly reduced to comply with other workers in the county offices.

28. I am 100% in favor of abolishing the monopoly created by Congress. I have never heard of a private business which allowed its employees to be so slovenly in their work while being guaranteed such good wages and benefits.

29. . . . do all in your power to keep this post office open. We are 40 miles from town and it would be an inconvenience to mail packages. Some of us live 8 miles from the nearest point where we could have a mail box. It would not be safe to leave money on the rural route for the mailman to pick up packages because our only road is the Oahe access road used by tourists, fishermen, and hunters.

30. On January 9, the Fort Meade VA mailed me a card for an appointment on January 13, but I didn't get the card until January 19. (Traced to employee error in reading zip codes)

31. On "Opinion Please," the SCF Postmaster said they need the junk mail to take care of their slack time. Because of the unions one could not ask people ever to work a broken shift, say four hours in the morning and 4 in the afternoon. It seems to me that if one wanted a job they would work the hours it takes to do the job.

32. The zip machines are a disgrace, too. The letters are missent, lost, and late in delivery if delivered at all.

33. The UPS strike is killing the small business man. Just got a package by mail May 11 which was sent April 6 and haven't received many packages yet.

34. We received letters April 13 from the Consumer Advocate assuring that no changes were planned for our post office, that if changes were anticipated our opinions would be solicited as part of the decision-making process, and that any changes would be made only at the end of a 90-day period. These assurances have proven to be false. On April 21, the USPS executed an agreement with the postmaster to transfer to another position, posted a bid solicitation for a contract for a community post office, and began canvassing patrons to get signatures agreeing to such a change.

35. In January a relative in Florida mailed me 2 packages. These contained the family Bible and family diaries dating from the Civil War to 1918. In February, Mr. Cooper received a wrapper from the Chicago post office but not the contents. I have now received the Bible and all but 4 or 5 of the diaries. They came in very good shape, thanks to the Chicago Postmaster and Main Post Office.

36. If our post office closes, we'll have to drive 100 miles for postal services. We'll lose our rural stores, too, if the post offices close.

37. Discontinuing Saturday mail delivery would be a big inconvenience for the public, especially when there is a Monday holiday.

38. Our mail service is deteriorating more with each raise in postage rates. On a 3¢ stamp, our daughter in Kansas got our letters in 3 days at the most, a package in 5 days; now it takes 7 days for a 13¢ letter and 10 to 14 days for a package at higher rates, so the money is being mismanaged some place. Instead of taking our post offices away, I think they need to look in higher places for their inefficiency.

39. I am highly concerned by a news story that a letter carrier is to be suspended because he refused to walk across customers' lawns to save time in delivering mail. . . . This is the most ridiculous thing we have ever heard, especially considering the many real and serious shortcomings that prevail in the postal service management system. It is my understanding that mail will not be delivered to locations where there is no side-

walk, yet the carriers are being ordered to trample people's lawns to save time.

40. This is my letter—to hell with the postal department!

41. We would not object to the closing of our post office if we could get our mail out of (name of town) instead of (town).

42. About noon on May 25, a Rapid City businessman picked up a "pile"of Abdnor addressed mail from the roadside. These were acknowledged May 25 by a note from the SC Director for Mail Processing—"about 60 undelivered pieces of the bulk mailing sent out by James Abdnor in March 1976 with enclosure "Guide to Federal Consumer Services." Someone from the Rapid City post office called my local field representative May 26 to say they were sorry one of the carriers "put them on top" of his truck and they "fell off." They said they would have a "talk" with the carrier to see that it does not happen again.

43. Our office has received information that a cutback in allotted clerk hours is planned at our post office. Our cooperative sends all outgoing mail through this post office. This amounts to 18 mailings per year to 2,500 subscribers, plus at least 13 incoming mailings from these subscribers annually. In 2 months, we will be operating 6 acquired exchanges that will double to and from our business office. There are another cooperative and a business here with similar large mailings.

We have helped generate sufficient postage revenue and mail volumes to insure us a good and well-manned post office. We do have a highly competent postmaster and staff who do a very efficient job. It is my understanding that the allocation of clerical hours for outlying post offices may be used at the sectional center instead of at our post office. Apparently, our post office is instructed to bag up and send mailings to the center for sorting when large mailings create distribution problems. It appears to me to be more prudent management to allocate required clerical hours to our post office so this work can be done locally.

44. It has been rumored that a new postmaster will not be appointed but that our post office in this county seat town (a second class office) will be a substation of the neighboring post office. They said they would save $4,000 a year but I doubt this.

If they send a clerk over, I am sure they would have to pay him mileage. Also, I am informed our present postmaster is paid $19,000 and one of the clerks about $15,000. I am sure they do not start out at that salary so there might not be that amount of saving. After all, there are only 2 post offices in South Dakota that pay their own way, and I am sure that $4,000 is a small amount compared to what others are costing. (Postmaster has been appointed. In this large, sparsely populated county, however, proposals have been made to close or convert all three post offices.)

45. Enclosed is a petition protesting the downgrading of our post office . . . There is intense feeling among the customers because a neighboring post office with only 10 boxes has been allowed to remain as is. (The smaller office was proposed later for CPO but not converted prior to moratorium.)

46. The Postal Service has just cut our post office 90 hours a week. This is the second cut in hours this year and all 2nd class post offices are being cut. And these postmasters were told not to write their Congressmen. What kind of country is this? As a school administrator, I feel that all the parents in my district should take any complaint about my conduct to the board and I should be able to defend my position before them and the public.

47. The SCF Postmaster wrote us: "we presently have many post offices who are closed or should be closed on Saturday afternoon. We have had clerks in the offices for the purpose of placing newspapers received in the afternoon in the post office boxes. This requires only a few minutes but we are required to keep them employed for two (2) hours. We will discontinue this practice." Our newspaper will join the many other publications seeking other means of delivery completely independent of the U.S. Postal Service. Their commitment of increased rates and less service does not offer much choice.

48. We need our post office. It would be most inconvenient for us to get registered mail, COD's, and money orders as the carrier could not be at a box at any given time.

49. The small post offices in rural areas mean a great deal to us as we do much business by mail, get repairs for our machinery by mail, and bank by mail. The SCF Manager tells the Postmasters the reason for closing is that they are losing money. He offers these postmasters more money to go to work in the sectional center. Now is that the way to save money?

50. My clerk hours have been cut to 3 per day, with 4 on Thursday, plus I got 3 hours every other Saturday. Now they are closing a nearby post office and that postmaster is to take my Saturday hours to save his retirement.

51. For over 30 years we had mail delivery on Tuesday, Thursday, and Saturday. Recently our carrier was transferred and our route consolidated. Now, our delivery is Monday, Wednesday, and Friday. We get our weekly advertising paper and our daily paper up to 3 days late. It seems a little foolish to pay for a 3-day-old newspaper. And if there is a Monday holiday, we get mail only 2 days a week.

52. A package mailed here on Saturday morning doesn't leave town until Monday evening.

53. I started as a regular clerk with 40 hours per week. I decided not to transfer so my hours were cut to 32 hours a week, then to 27 hours, and now to 15½ hours a week. I am a 25-year man who has worked in 1st class offices and on trains and highway post offices. They did not cut hours of regular clerks in big offices and they did not cut back on the management after all the hours were cut. If Mr. Ballar sees fit to cut the clerks by 200,000 and reduce other clerk hours, he should reduce management by at least half because there are less employees to manage. A 2nd class office clerk has to do the book work and compute 2nd and 3rd class bulk mailings while the 1st class clerk has a supervisor who does this.

54. In the past few years at the same location, we have experienced zip code changes, box number changes, raises in box rents, raises in 'postage due' and 'address correction' rates, raises in bulk permit fees, and now another zip code change. I believe it's about time to quit changing things and just do a better job with what you have, especially since nothing that was changed has improved the postal service.

55. Effective in August our post office is open from 8 a.m. to 12:30 p.m. and from 1:30 to 5:00 p.m. on week days and there is no window service on Saturdays. No window service on Saturdays creates a considerable handicap for some 800 people who receive mail by general delivery. That is the day they get their unemployment and other assistance checks. (Service was restored after review.)

56. A switch to CPO's should not hurt in some cases. These postmasters drawing $7500 a year and up for 4 hours a day and taking care of from 5 to 60 customers are doing little more than receiving unemployment compensation. But this isn't going to put the Postal Service in the black.

57. A substitute rural carrier became a partisan candidate for office and was forced to resign by his employing postmaster without the Civil Service Commission review required by law. He was subsequently reinstated by the District Director of Employee and Labor Relations, USPS, after having been advised by the SCF Manager: "You needn't worry about the legality of our hiring procedures. They are closely scrutinized by several interested parties."

58. The window isn't open at all on Saturday. There isn't a stamp machine in the lobby either.

59. Our concern is the poor delivery of our weekly newspapers to distances. Complaints seem to be mostly from Arizona where both our weekly and a South Dakota daily paper are received days later than for long years and often several copies received in one delivery. Our mailings are in paper wrapper, each addressed from metal plates, bundled when 6 or more to a city, and sacked in our office for delivery to the mail truck. They leave here without fail at 5 p.m. on Thursdays. When a make-good is required, we use a mailing envelope for special attention but in one instance this failed to arrive. We have no reports that the newspapers are poorly addressed or wrapped when delivered.

60. We have 1 rural route operating daily. We also have 2 star routes run by the same driver serving each route 3 days a week on alternating days. The combined mileage of all 3 routes is about 130 miles. I believe these 3 routes can be reorganized to 1 route and serve everyone every day at little or no extra cost.

61. We have recently been notified that our post office will be closed whether we like it or not. They are proposing to move our postmaster from this 3rd class office to a 2nd class office. This will require at least 4 or 6 weeks of training for our postmaster who has only 9 months left before he retires.

62. The window service on Saturday now is only from 8 to 9 a.m. although they say the lobby is open from 7 am. to 8 p.m. The sign in the lobby states the lobby is open from 9 a.m. to 6 p.m. but it has been found locked during those hours.

63. Our post office is open 8:30 to 11:30 am., then from 1:30 to 4:30 p.m. Mail is put out on Saturday but no window service. Please tell me how a teacher, businessman, or laborer can get any window service unless he takes time off from his job.

64. Post office notice: "Effective Saturday, September 11, we will place your paper in a special box section which will be on the north side of the post office. The publisher has added a box number to the label on your paper; this will be the same as your post office box number and the outside box section will have a separation labeled with this number." My constituent says: "They spent enough money on boxes to put Saturday papers in to pay a clerk for 2 hours on Saturday for quite a while."

65. We have window service on Saturdays and that time is from 7:15 to 8:15 in the morning.

66. The USPS advised me, "no post office in the 2nd District is closed all day Saturday or open for just one hour." Among constituent reaction is: "Queer you should have gotten a letter from the Postal Service stating otherwise."

67. Our post office is closed for an hour during the middle of the day on week days and open for a half hour on Saturdays. If this is a tactic to antagonize the taxpayer to pressure his Congressman for more subsidy, I say I am antagonized by any subsidy whatsoever to anything. I feel that today we would be more efficiently served by private enterprise.

68. The Postal Service has misinformed you about post office schedules, particularly as far as our post office is concerned.

69. Retail Mail, a project of the U.S. Postal Service, threatens to take away advertising insert business from newspapers. Supplements are a natural and important part of a retail firm's newspaper advertising. These firms pay newspaper advertising rates, less cost of printing and newsprint. With the

tremendously increased second class postal rates, this income from supplements is a must for newspapers our size. The Post Office gets paid for these supplements at the same rate as any other advertising part of the newspaper. Newspaper supplements also produce a saving for the Postal Service as they get paid for the additional weight, yet don't have to handle any additional pieces as the supplement is folded into the newspaper.

70. I have been living here for 40 years. My parents lived here first and we have driven 4 miles every day to get our mail. There's no change for the guy who has the mail box far away, only for the one who has it close; he gets it closer.

KREMLIN CRIES "FOUL"

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. DERWINSKI. Mr. Speaker, one of my most renowned constituents, Mr. Alex R. Seith, who is chairman of the Cook County Zoning Board and was an adviser on the foreign affairs plank at the Democratic Convention, has recently been named to the new Presidential Advisory Board on Ambassadorial Appointments.

Mr. Seith, who is also a columnist covering the field of foreign affairs, touches on the subject of the Communist reaction to the Helsinki accords in his column of February 16, in the Harvey (Ill.) Star Tribune:

KREMLIN CRIES "FOUL"

(By Alex R. Seith)

There's a sweet sound out of Moscow these days. It's the sound of Communists crying "foul." America is hitting below the belt, says the Communist party newspaper, Pravda, because our government has begun to talk up about the suppression of human rights in Communist countries.

Hardest hitting criticism of the Communists has come from Radio Free Europe and Radio Liberty. For years, these U.S.-financed stations have been beaming broadcasts into Eastern Europe in the languages of the various peoples. And, for years, listeners have gotten more straight facts from these two stations than all the Communist media combined.

But in the past few weeks, the broadcasts have been joined by the State department in hitting the Communists where it hurts them the most: Their failure to fulfill the "human rights" promises of the 35-national Final act of the European Conference of Co-operation and Security, signed in Helsinki in August 1975. Known simply as the Helsinki agreement, it was initially hailed in the East as a triumph by Lenoid Brezhnev and denounced in America as a "sell-out" to the Soviets.

Critics complained that President Ford was "taken" by the Russians because Basket One of the Helsinki accord acknowledged that the present national borders in Europe are permanent and inviolable." It was a give-away" said foreign policy experts like Democrat George Ball and newspapers like the New York Times. But, having traveled 5,000 miles through Eastern Europe in the weeks preceding and following the Helsinki accord, I wrote that Ford had not been so badly "taken" as his critics contended.

What Ford gave up had been lost 30 years earlier when the Red Army stormed across Eastern Europe as Hitler's decimated Wehrmacht retreated. Without the Red Army, Communists would not have come to power, and without the Red Army they would not remain in power. But no one expects the Red Army will voluntarily leave soon, certainly not before the year 2000, more than a half century after these Communist occupiers first imposed Communist governments on unwilling peoples.

Basket One at Helsinki only acknowledged the unhappy fact that starting World War III is not the preferred way to get the Red Army to go home. Yet, Brezhnev so desperately wanted Basket One that he gave us Basket Three, the human rights portion of the Helsinki accord. It was the first time that all the Communist regimes of Eastern Europe at one time and in one document gave official international recognition to the rights of individuals within their countries.

Attempting to be clever propagandists, the Communists had the full text of the Helsinki pact printed in their controlled newspapers. The Communists then bragged that they had thereby complied with Basket Three and that they were giving their people more information than America's free press because none of our newspapers was willing to devote several pages to publication of the lengthy text.

It was a typical Communist trick. By filling their papers with tens of thousands of words about Helsinki—while not calling attention to human rights—the Communists hoped that the people would miss the meaning of Basket Three.

For a while the Communist trick seemed to be succeeding. In part, that success resulted from the West's failure to speak up about human rights. Oddly, Gerald Ford was silent about Basket Three when he should have boasted about it.

But it is really the Communists who are against Helsinki. And, suddenly, the U.S. government has publicly said so. In quick succession, the State department issued formal criticisms of the Czech Communists for the suppression of Charter 77, a declaration of rights by Czech writers; and the department warned the Kremlin that harrassment of scientist Andrei Sakharov would violate Helsinki's Basket Three.

These were only the opening shots. In June the 35 signatories of the Helsinki pact will assemble in Belgrade to assess "progress." Until the U.S. government started speaking up, the Communists thought Belgrade would be a free ride: Propaganda for their leaders and no "progress" for their people. Now they have been forewarned. If the Communists continue to renege on human rights, Belgrade will be the forum for an indictment the world will applaud.

HOW GUN CONTROL WORKS—IN PRACTICE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. McDONALD. Mr. Speaker, a tragedy took place in New York the other day. A violence-oriented lunatic snuffed out six lives, including his own. In his possession were four handguns. As usual the advocates of gun control have pointed to this incident as an excuse for more repressive gun control legislation.

The fact is that every one of those handguns was illegally in his possession. New York has the strictest gun control law in the country. This law in no way prevents criminals and lunatics from obtaining weapons. Gun control laws are only effective with law-abiding citizens. In New York where many of the illegal guns are stolen from interstate and international shipments, the gun control laws have not reduced violent gun-related crimes.

The only way to cope with crime is to punish the criminals. The police must be given the opportunity to surveil violence-oriented individuals, and criminals must be apprehended and punished for their crimes.

The answer is control of criminals, not of guns.

CODE OF ETHICS OR SPECIAL INTEREST LEGISLATION FOR MEMBERS OF CONGRESS?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BAUMAN. Mr. Speaker, it has been my honor to serve on the House Commission on Administrative Review since its creation last July. Its latest recommendations regarding full disclosure by Members of the House, restricting the franking privilege and tightening congressional travel are among some commendable reforms.

But I take strong issue with the plans of the majority of the Commission for severely restricting the right and ability of Members to earn additional income outside their congressional duties. I personally have never had amounts of income which would fall within these proposed restrictions, but many Members do and the voters in their districts are free to judge this fact. With full disclosure the public will learn even more about all Members' income.

But the Commission proposals only restrict the income of those in Congress who are professionals, lawyers, writers, public speakers, while placing no limits on those who have great personal or family wealth.

The practical aspects of such proposals are graphically illustrated in an article in today's Wall Street Journal:

CONGRESS, TRYING TO PUT LID ON OUTSIDE INCOME, HEADS FOR SHARP DEBATE

WASHINGTON.—Pretend, for a moment, that you are a member of Congress.

Beginning this week, your congressional salary increased 29%, to $57,500 a year from $44,600. Now, as part of the pay-raise package, you are obliged to help draw up a new code of ethics for Congress, including new rules on what outside income should be permitted for lawmakers.

Answer these questions:

1. Should House Republican Leader John Rhodes of Arizona be allowed to continue drawing a $32,000-a-year salary from a life-insurance company?

2. Is it all right for Sens. George McGovern of South Dakota and Barry Goldwater of Arizona to take $25,000 each for one week's work as political commentators on network television?

3. How do you feel about Rep. Frederick Richmond of New York drawing $122,000 a year in salary as chairman of Walco National Corp., which also pays him about $300,000 in dividends?

4. Should Rep. Morgan Murphy of Illinois

be forced to quit moonlighting as a lawyer, which brings him $40,000 to $60,000 a year? If so, is it fair to let Sen. John Heinz of Pennsylvania continue collecting roughly $400,000 a year in dividends, interest and other income from his famous family's fortune?

Those questions, reflecting real-life situations of the lawmakers mentioned, give just a taste of the complex and controversial debate that is about to embroil both houses of Congress. Senate and House members trying to draft strict new codes of conduct are finding that it is much easier to give speeches about ethics than it is to clamp meaningful and fair limits on the outside earnings of themselves and their colleagues.

"Ethics reform" has been a big speechmaking topic in Congress in recent months as various scandals piled atop one another: the Elizabeth Ray-Wayne Hays affair, disclosures of corporate payments to lawmakers, evidence of cash-laden lobbying by South Korea's government. The sinking image of Congress is reflected in a recent Louis Harris poll that was commissioned by the House and that showed the public ranks Congress ninth on a list of 11 American institutions in terms of ethical standards.

THE LINK TO A PAY RAISE

The need for urgent action on ethics, however, is linked more directly to the politically controversial pay increase of nearly $13,000 a year that members of Congress have just accepted. Now that they have allowed the raise to go into effect automatically, without a vote, House and Senate leaders know they are under heavy pressure to deliver on their promises of stricter codes of conduct.

The topics have been linked ever since a presidential commission last December recommended that higher salaries should be accompanied by "major reform" of congressional ethics, including "rigorous restrictions" on outside income. Both former President Ford, who formally proposed the salary increase, and President Carter, who endorsed it, stressed the linkage of the pay and ethics issues.

Both houses are hurrying to demonstrate a commitment to higher ethics. In the House, a special commission headed by Rep. David Obey of Wisconsin has drafted a new set of rules that should reach the House floor for a debate in early March. In the Senate, a committee headed by Sen. Gaylord Nelson of Wisconsin is working against a March 1 deadline to draft a similar code for a floor debate. Eventually the two houses aim to meld their separate codes into a law that might be extended to cover the Executive and Judicial Branches as well as the legislative bodies.

The political pressure on Congress makes it almost certain that some significant tightening of ethics rules will pass. "When it comes to the crunch," one House member predicts, "it'll be tough to vote against tougher ethics, especially with the pay raise going through."

THE OUTSIDE-INCOME ISSUE

Some aspects of the code tightening are relatively noncontroversial. Most lawmakers seem ready to approve much stricter rules for disclosing personal finances, tighter limits on free-mailing privileges, a ban on privately financed office accounts known as "slush funds," and curbs on taxpayer-paid travel. But a bruising battle looms on the effort to restrict members' outside income from speechmaking, legal fees or business ties.

"The limitation on outside income clearly will be the toughest fight in the ethics code," predicts Fred Wertheimer, vice president of Common Cause, the self-styled public-interest lobbying group that is pushing hard for stricter rules. Alerted by cries of protest from Senators and Congressmen who fear their outside incomes are threatened, code drafters in both houses expect a major effort to be made to water down the proposed limits on such earnings.

Furthermore, the code drafters are discovering that it is practically impossible to draw up rules on outside income that aren't vulnerable to attack as arbitrary or unfair. Sen. Nelson, who heads the Senate's code-drafting committee, admits he has discovered that "the questions are a lot tougher than I thought they were at first."

The issue is complicated by the fact that members of Congress earn extra money in so many ways: as businessmen, farmers, lawyers, investors, writers, television personalities and speechmakers. And it is further complicated by tough philosophical questions: Should lawmakers be sealed off from contact with the "real world" of making money? Should the outside-income rules be so tight that they would discourage small-business men or farmers from running for Congress? Will Congress perform better if it is made up of only millionaires and career, salaried politicians, rather than people from all walks of life?

Both houses are finding it tough to deal with these questions and complications. In the House, Rep. Obey's commission has proposed that outside earned income be limited to 15% of a member's salary, or $8,625 a year, but that proposed limit has plenty of loopholes and is under severe attack by some Congressmen. In the Senate, the Nelson committee hasn't yet drafted a limit but is under some pressure to raise the 15% House lid, even though Sen. Nelson would prefer to ban all outside earnings.

THE PROBLEM OF EQUITY

A look at the outside-income situations of many lawmakers shows how hard it is to draft a fair, comprehensive rule.

Congress is full of part-time businessmen, but the proposed income restrictions wouldn't treat all their incomes alike. Code drafters have concluded it is unreasonable to require lawmakers to sell family businesses or farms. Thus, profits from them would be exempt from any limit. So would so-called unearned income, such as dividends and interest on stocks and bonds. But salaries or other fees for personal services would be subject to the 15% ceiling, according to the Obey commission's proposal.

Arizona's Mr. Rhodes, the House GOP leader, says he took a salary of $32,573.06 last year from Farm & Home Life Insurance Co., an Arizona concern in which his family is the largest stockholder. Mr. Rhodes isn't sure whether that qualifies the company as a "family business" but believes he might have to give up the salary.

Congressman L. A. "Skip" Bafalis, a Florida Republican, owns a one-third interest in a coal-brokerage concern, from which he expects to derive $35,000 to $40,000 this year. But his income wouldn't be affected by the proposed limit because it comes in the form of dividends rather than salary. Mr. Bafalis says he has told Rep. Obey that most businessmen in the House can easily "restructure" their affairs so they wouldn't lose much or any income.

That seems to be true. Rep. Don Edwards, a California Democrat, says he drew $21,000 in salary and $18,000 in dividends last year from a family-owned title-insurance firm. Mr. Edwards supports the proposed income restrictions but says: "If it goes into effect, I'll change the salary to dividends."

Democrat William Hefner, a North Carolina Congressman, says he draws $26,400 as president of a radio station that he and his wife own in Kannapolis, N.C. He says he would reduce or relinquish that salary, under the proposed income limits, and use the money to pay the station's mortgage—which would increase his equity in the concern.

"I'm going along with Dave Obey" on the proposed income limits, comments New York's Rep. Richmond, a millionaire who owns 51 percent of Walco National Corp., a publicly held maker of steel forgings, motors, machinery and burial caskets. His $122,000-a-year salary as company chairman apparently would fall victim to the $8,625 limit proposed in the House, although he presumably could recoup some of it through dividends, to add to the $300,000 or so he collects each year.

THE PRACTICING LAWYERS

These congressional businessmen are willing to disclose such details of their financial affairs in response to reporters' queries. The present rules don't require such disclosure, although the proposed rules would.

Many other lawmakers refuse to disclose their outside incomes. For instance, Rep. William Armstrong, a Colorado Republican, declines to say what he earns from a Colorado Springs newspaper and an Aurora, Colo., radio station that he owns. But he does note that these family concerns wouldn't be affected by the proposed income ceiling. "It's not fair that my outside income wouldn't be affected because it's a family business while someone whose income comes from public speaking would be affected," Mr. Armstrong remarks. But he is against any limit.

Practicing lawyers in Congress are especially angry about the proposed limit. In 1975, 53 members of the House reported income from law firms exceeding $1,000, and some earned many times that amount. They are outraged that the proposed rule would ban such income while leaving dividends and other unearned income untouched.

"I understand the concern for ethics, but this is a rich man's bill," asserts Rep. Morgan Murphy, a Democrat and senior partner of a Chicago law firm. He argues that he needs the extra $40,000 to $60,000 a year to educate his three children, among other things. Mr. Murphy says none of his constituents has ever complained about his law practice, which he says takes less than one-third of his time; he has been reelected by huge margins despite his publicized sideline.

"It's a wonderful reform—for millionaires and for people who have never had to earn a living outside the public trough," a sarcastic Rep. Otis Pike complains. The New York Democrat earns an undisclosed amount as a practicing lawyer and salaried director of a psychiatric hospital. "If anyone had told me that I'd have to burn all my bridges as far as earning a living is concerned, I'd have never run for Congress," Mr. Pike says.

THE SPEECHMAKERS

Lawmakers who derive most of their outside income from "honoraria," or fees for speaking appearances, feel that the proposed ethics codes may discriminate against them also. Present rules permit members of Congress to earn up to $25,000 a year in honoraria. Mr. Obey's commission recommended that such fees be subject to its $8,625-a-year limit.

"I hope they don't cut out honoraria," says Sen. Goldwater, who reports he earned $20,000 to $24,000 last year in such fees. The Arizona Republican also earns handsome fees as a TV guest. "I get $2,500 for doing a Dean Martin show—and I've done four of those—and $300 for a Dinah Shore show," he comments.

Mr. Goldwater and Sen. George McGovern also were paid $25,000 each last year by the ABC Television Network to serve as commentators during the political conventions. Mr. McGovern took in another $24,766 during 1976 in honoraria for speeches, mostly on colleges campuses. The South Dakota Senator, an aide says, is against any new restriction on such earnings if other forms of income, such as dividends, are exempt.

Of course, the really rich men in Congress wouldn't be hurt by the proposed income limits. Pennsylvania Sen. Heinz, heir to the famous pickle-and-ketchup fortune, thinks this is "very unfair" to his less-wealthy colleagues.

Mr. Heinz, who discloses much more about his personal finances than present rules require, had income of $424,670 in 1974 from family trust funds and other assets that total more than $13 million. "Many Senators have a source of unearned income, such as stocks and bonds," he notes. "It would be most unfair to the others if you wouldn't allow them to work extra-hard to earn money to put their children through college, for example," Mr. Heinz declares.

Many lawmakers, including Mr. Heinz, contend that it is impossible to fairly limit outside income. Instead, they argue only for full disclosure of a member's assets, debts, and sources and amounts of outside income. Their theory is that the voters should know about an elected official's financial dealings, and then the voters can decide at the ballot box whether to accept or reject the politician's behavior.

Sen. Goldwater shares that view, but he doesn't want this disclosure business to go too far. "I'd resist very much exposing anything more than my financial status," he says. He adds: "If I have to mention my gun collection and my works of art, it would just invite every thief to break into my house."

IS THERE MEAT IN YOUR FUTURE? PART 1

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. ABDNOR. Mr. Speaker, Americans have become so accustomed to finding quality meat products in their supermarkets—and of a variety to suit every taste and diet—that their only conscious thought as they make their selection is: "What's the price today?" Regardless of what that price might be, it is "too high," irrespective of the fact that Americans have the best meat values anywhere.

The constant bombardment through the media of the "rising cost of living," and "food prices heading up again," is rarely balanced with any exposition of where our food and fiber comes from, what entered into the price the customer pays, and what happens if the producer can no longer make enough to cover production costs.

A series of four recent articles in the Washington Post touched on some of these latter questions. I commend the first two to the attention of my colleagues:

(First of a Series)

U.S. BEEF ECONOMY AT A CROSSROADS

(By Dan Morgan)

WALDEN, COLO.—In the back country ranches of the Rocky Mountains, ranchers such as Bob Brownlee have been fighting a constant battle against winter this year.

On a recent day when the temperature was near zero, Brownlee and his son-in-law, Newell Geers, were hacking a hole in the frozen creek with a double-edged axe to find water for the cow herd, and giving out whoops of joy when a trickle of water appeared. Then they were off in their pickup truck, bumping across a washboard pasture and dropping off hay for the animals.

It was all part of the cycle of work at the far end of the country's beef pipeline, the $20-billion-a-year system that keep Americans supplied with the juicy steaks and hamburgers that are almost a national symbol of American affluence.

Yet raising beef animals today is anything but a sure way to prosperity.

The threat of economic ruin hangs over the cattle industry, and the American beef economy is in the throes of major changes brought about by the heaviest losses since the Dust Bowl days of the 1930s.

Even in this remote valley, circled by mountains and once populated mainly by prairie dogs, antelopes and Indians, ranchers are feeling the painful effects of sweeping economic and social developments over which they have had virtually no control.

Brownlee reckons that he lost $30,000 on his 1,500-acre operation in 1976, and he may have been lucky. As far as he is concerned consumers are getting a bargain on beef while he has been taking a financial beating. Brownlee and the ranchers around here have lost money most of the last 36 months. Yet the price of steaks and hamburger in supermarkets is about what it was three years ago.

Paradoxical as this situation may seem, economic analysts say it is logical. But the same logic holds that the situation is certain to be reversed. Then it will be the turn of American consumers to pay more for beef.

Starting in 1967, cattlemen steadly increased the size of their herds, from 108 million head then to 131 million head in 1975.

By late 1973, there was too much beef going to market. Retail stores had to keep prices low in order to sell it all. These low prices were passed back through the beef pipeline to wholesalers, meat packers, cattle fattening yards, and finally to ranchers.

All through the period, inflation and higher prices of hay, corn and other animal feeds were adding to the costs of running ranches and farms, even as the prices that the cattlemen received when they sold their young steers and heifers in the fall was staying too low to make money.

Ranchers began reading the economic message they were getting two years ago and reacted by reducing the size of their herds. Since then, a beef slaughter unprecedented in the history of the United States has been underway.

In 1973, only 22 million animals were buchered. The number jumped to 36 million the following year, then to a record 40 million in each of the next two years. The total number of cattle in this country declined in 1976 by 4 million. More important than that, the country's cow herd—the "factory" that produces tomorrow's steers and heifers—has been drastically depleted.

In 1976, 10 million cows were killed, about twice as many as three years earlier. Most of them were ground up for hamburger meat.

Consumers have been the immediate benefactors of this massive slaughter. It has helped to hold down beef prices at a time when everything else seems to be going up.

Consumers ate up all the meat that came to market, but only after retail stores had set a price for it that was low enough to induce them to buy. Americans tend to spend a constant 2.5 per cent of their money for beef. When it is a good bargain they buy more, and when it is expensive they switch to other food, such as cheaper pork or chicken. With beef prices fairly reasonable in 1976, they ate a record 129 pounds per person, compared with 116 pounds four years earlier.

In effect, Americans are eating their way out of a huge surplus of beef.

Brownlee and ranchers such as him still have a fundamental faith in the laws of supply and demand. They figure that when less meat goes to market, prices should start to rise again and they can begin turning profits.

But nobody knows for sure when the losses will end in the cattle industry. If the prices of steak and hamburger rise too abruptly, consumers might switch to pork, poultry, or even spaghetti. That happened in the 1973 beef boycott, and it sent prices plummeting. If it happens again, it could signal a fundamental change in the American diet.

Americans have eaten a steadily increasing amount of beef since 1920, but there are at least some signs that the trend is ending. If it is, cattlemen could be in for some further unpleasant shocks.

In the 90 years since settlers moved into this valley the grassy ranges have been fenced, a railroad spur has been driven through from Wyoming, and oil and coal companies have dug wells and opened surface mines. But cattle is still a mainstay of the economy.

At Brownlee's Bar-Slash-Bar ranch, the cycle of breeding and birth sets the agenda for the farm work. The 550 cows in the herd will have their calves in April. Brownlee, Geers and a hired hand will take up a 24-hour vigil then, checking on the mothers and calves and scaring off intruding coyotes with spotlights. It costs about $176 to keep one of the cows for a year. That is money down the drain when a young calf dies or is killed.

In August, the father and son-in-law will become cowboys, riding horses to round up cows and head them back to the pens around the barns for artificial insemination with bull semen.

They will also turn bulls loose in the herd as a failsafe measure in case the artificial breeding doesn't work. There are no second chances for cows. If they fail to get pregnant, they are sent to the packing house.

This same breeding cycle also imposes a rigid, economic framework on the rancher's operations.

In a few months, Brownlee will be making decisions that could have financial repercussions in 1980.

This fall, Brownlee will decide how many of this spring's calves to keep as replacements for old cows sold for hamburger. These heifers won't be bred until the summer of 1978. They will calve in the spring of 1979, and the steers or heifers they produce won't be ready for slaughter until mid-1980. Only then will Brownlee get a return, unless he decides to sell the animals when they are younger.

Brownlee finds himself locked into such a cycle now. He figures he needed to get 65 cents a pound for the 450-pound steer calves he was ready to sell last December. But the best offer he got was 36 cents a pound. Rather than lose money, he decided to place them in a fattening yard in Greeley, Colo. He says he needs 45 cents a pound for the fattened animals. But packinghouses were paying under 40 cents in late January.

Last fall he lost $26 a head on the full-grown animals he sold to a packinghouse. At some periods in the last three years, cattlemen have lost as much as $100 a head, according to the U.S. Department of Agriculture.

The atmosphere was all gloom at a weekly cattle auction at the Greeley Producers Public Stockyards in January.

Standing in front of a big sign that said, "Enjoy Beef Everyday," a professional auctioneer called out asking prices and offers to rows of overalled cattlemen, as a cowboy cracked a whip and drove the animals into a sawdust covered corral. When the animals got rambunctious, cowboys in the corral stepped behind wooden barriers.

Tom Nix, a 61-year-old farmer from Eaton, Colo., sold 35 steers to another farmer, Don Anderson, Nix had bought the animals in September and "grained them," fed them corn for the last month, waiting for cattle prices to start up. But he had grown tired of waiting.

"I don't know how he (Anderson) can buy 'em and still expect to make money," he said.

The government doesn't have any exact estimates of the cattlemen's losses, but bankers say they are in the billions of dollars. The cattle industry is stretched financially to the breaking point.

Denver banker Ron Hays says the debts of ranchers and cattle fatteners are "staggering," because they have acquired huge long-term mortgages from banks to cover the costs of their losing operations.

Hays said that because of the great demand for money insurance companies such as Prudential, Connecticut General and Connecticut Mutual have moved aggressively into agricultural lending in the West, using land as collateral.

There have been few actual foreclosures of the kind that swept the West after the 1930's Depression. However, many hard-pressed cattlemen have had to raise money to keep operating by putting first and second mortgages on their property. This has been possible only because land values have risen rapidly.

The rising land values have provided a safety net for the western cattlemen. East of the Rocky Mountains, in Colorado, South Dakota, Oklahoma and Texas, undeveloped pastureland that can be irrigated for crops has jumped in price from around $150 an acre to near $1,000.

Inflation, climate and population growth have played a part in rising western land values, but so has the increased return on crops such as wheat and corn after 1972.

Thousands of acres of grasslands have been switched to crops as prices of those grains rose.

The equation of land, crops and cattle does not seem to be working to the long-range advantage of consumers. At some point, beef prices will have to reflect the price of the land on which the cattle are raised. If they do not, farmers and ranchers will find other uses for their valuable real estate. That can only mean less beef at higher prices.

[Second of a Series]

CATTLE FEEDLOTS IN ECONOMIC PINCER

(By Dan Morgan)

KUNER, COLO.—Today's beef animal has been called "a hide stuffed with corn."

That is a good description of the 75,000 cattle living at Monfort of Colorado, Inc.'s sprawling computerized fattening facilities just east of the Rocky Mountains here.

Each animal will devour more than a ton of corn during the four months it spends in Monfort's mile-and-a-half-long, labyrinthine feedlot. At the end of the four months, the animals will weigh a half-ton each and will be ready to go to Monfort's own high-speed slaughtering plant 15 miles away.

Twenty-five years ago such mammoth beef fattening facilities were almost unknown in the United States, just as they still are in most other countries. But today most of the choice steaks and ribs that Americans buy in stores and restaurants have been carved from animals fatttened in places like it.

Looked at one way, Monfort's feedlot is a highly efficient factory for turning the protein of plants into meat.

A computer calculates daily feed rations of corn, silage, wheat, hormones, vitamins, and supplements for the cattle in each pen, according to the age, weight and condition of the animals.

Corn hauled in by the rail carload is processed into corn flakes to make it easier to digest. Nutritionists check the progress of the animals, and when all goes well each steer gains 2.6 pounds a day until it reaches 1,100 pounds and is ready for slaughter.

For all their efficiency, huge cattle feedlots such as this one are under attack as wasteful and possibly uneconomic—as symbols, in fact, of an era of American agricultural abundance and luxury that may be passing.

It takes about six pounds of corn to add a pound of meat, fat and bone to beef animals. Humanitarian organizations say this is wasteful in a world of widespread hunger and malnutrition.

Others say it is unhealthy. The Senate Select Committee on Nutrition and Human Needs issued a report in January saying that the American diet, which includes a steady fare of fatty, grain-fed beef, contributes to obesity and illness.

And in the last three years, a sharp increase in the price of corn—the raw material of these fattening facilities—has raised doubts about their economic future.

Fifty years ago, grass was the main food of beef animals. Cattle came off ranges and pastures to be slaughtered after eating hay, wheat shoots, alfalfa, or the plentiful mesquite, brome and buffalo grasses of the western plains and prairies.

As the nation's corn supply became more plentiful because of new hybrid seed varieties and powerful chemical fertilizers, some Corn Belt farmers started buying young steers from western ranches and fattening them on local grain.

These animals reached full weight faster than if they had been fed only grass and hay, and their meat tasted jucier and was less lean.

Then, in the 1950s, another phase began with the opening of giant commercial facilities that could fatten from 30,000 and 100,000 animals at a time.

These enormous feedlots which had a voracious need for more and more corn, had a major impact on American agriculture and on American diets. Many of these commercial cattle fattening operations set up in dry southwestern states such as Texas and Arizone rather than in Iowa and Illinois where animals often lost weight slogging through the Corn Belt's winter mud.

And the rapid growth of the big feedlots, made possible by a plentiful supply of extremely cheap corn, vastly increased the amount of inexpensive, grain-fattened beef that consumers could buy.

Between 1960 and 1976, Americans increased their beef eating from 85.1 pounds a year to almost 120 pounds each. And the number of cattle fattened in feedlots nearly doubled from 7 million head to over 12 million. The animals in the feedlots are only one stage removed from the juicy steaks treasured by American consumers.

Today, however, fundamental and perhaps permanent changes are under way in the American beef economy, spurred by a bewildering array of social and economic developments. And the big feedlots are at the center of the storm.

One of the major developments is the rise of the fast food industry. The billions of hamburgers sold by McDonald's so far is indicative of the evolution of this country into a hamburger eating society. Fast-food restaurants specializing in hamburgers are spreading, and almost half of the beef eaten in the United States is now in hamburger form.

Hamburger meat doesn't have to be made from beef animals fattened on corn. Some of it comes from the ground-up trimmings of carcasses of beef animals from feedlots. But a substantial amount is made from lean, imported beef, or from ground-up cows that spent most of their life eating hay and pasture.

At the same time, a sharp increase in corn prices that started in 1973 has completely upset the old profit-and-loss equation that made feedlot operators rich in the 1960s and early 1970s.

In 1972, it cost less than 30 cents to add one pound to a beef animal in a fattening yard; today it costs as much as 45 cents, and in some periods of the last three years the cost was more than 50 cents. The increased price of corn is the main reason.

These changes have already caused substantial adjustments in the operation of feedlots. Monfort and other operators are economizing by shortening the time they feed corn to animals.

Even so, the fattening yards have been caught in an economic pincer of high feed cost and low market prices for the fattened cattle. Monfort, which may be the world's largest, lost $10 million on its feedlot operations in the last fiscal year.

Surprisingly, the company's president, Kenneth W. Monfort, says he feels the adjustment may be a good thing. When corn was very cheap some calves were put on a heavy corn diet when they weighed as little as 350 pounds and left in fattening pens for a whole year. The final month tended to add fat but not much meat.

Monfort says this practice was extremely wasteful. "We're in the process of going back to a more reasonable industry," he says. "We have a cattle feeding industry with twice as much capacity as we really need. We're trying to eat our way out of a problem."

When grain prices were low and cattle were bringing good prices in the 1960s, the beef business was a glamour field. Thousands of wealthy outsiders, ranging from Hollywood stars to big city dentists, bought steers from ranchers and turned them over to professionally managed feedlots for fattening.

The beef boom encouraged the spread of commercial cattle fattening in the Southwest, particularly in the Texas panhandle. At the peak of the boom nearly half the cattle being fed corn were in those big commercial feedlots, the government estimates.

Outside newcomers, nicknamed "Wall Street cowboys," owned a substantial amount of the cattle, and corporate conglomerates, meatpacking companies and grain exporting firms also bought up some feeding facilities. Many private investors were apparently lured by the possibility of using the feedlots to shelter some of their income from federal tax liabilities.

Subsequently, these investors lost millions of dollars, and may have withdrawn their money.

"We overbuilt our feedlot capacity in this country by 20 per cent," says Bill Jones, executive vice president of the National Cattle Feeders Association. "Before the energy crunch it looked as if the demand for meat protein would never stop growing. We were jerked up short," he said.

Some of the big commercial feedlots built in Texas have closed down, and at least one major one went bankrupt.

The farm magazine, Agri Finance, reported last summer that outside investors were "waiting in the wings" to buy cattle again as soon as it became more lucrative.

Yet, many farmers, feedlot operators and their bankers are wondering when, if ever, that will be.

The cattle fattening industry in the United States, and the era of inexpensive grain-fed beef, was based upon a seemingly endless supply of cheap corn. That luxury existed in no other country in the world and it helped to explain why the cattle feedlot is a uniquely American institution.

Beef animals eat nearly one-sixth of the country's corn crop every year—and America grows half of all the world's corn.

Today, it is by no means certain that corn will ever again be available at bargain prices. The price of growing corn has been increasing, because the higher costs of petroleum-based fertilizers and pesticides, and rising land prices, have made crop farming a costly business.

The American beef economy is also indirectly experiencing the impact of global economic and diplomatic developments over which it had little or no control. The demand for American corn has been steadily increas-

ing abroad, as foreigners eat more hogs and poultry and need grain to raise the animals.

In 1972 and 1973, U.S. corn exports jumped from 27.1 million metric tons to 43.1 million tons, partly because of the Russian grain purchases, which were part of Washington's detente strategy.

Then the weather gave the agricultural economy another jolt.

In 1974, the drought-stricken crops in the United States were so poor that the country would have had to import grain if American livestock and dairymen had used as much grain as they had in 1973. They didn't though, because corn prices reached record levels as foreign buyers outbid users of corn here at home. In Washington, officials argued that the country needed these sales abroad to help offset the cost of importing more and more expensive oil.

In that respect, the American beef industry has been a major victim of the 1973 price hikes by the oil producing countries.

Many farmers slaughtered their animals instead of paying more for grain. This process of killing animals instead of feeding them is still under way in the beef industry.

Most predictions are that there will be much smaller supplies of corn-fattened beef coming to market by late this year. That could push up prices. If consumers refuse to pay those prices—which should then begin to reflect the higher price of corn—cattlemen might be forced to turn to more economical ways of producing beef for the nation.

Cattle industry officials insist that there can be no permanent return to the days of raising beef on grass and pasture. They say there is not enough good grazing land to support the country's 127 million head of cattle. That is especially true in the West, where most of the cattle are.

The American National Cattlemen's Association disputes claims that animals could be raised more cheaply on grass. ANCA says farmers would have to keep animals a year longer on hay and pasture than on corn to reach full weight. During that time, ranchers would have to pay for hay (now selling at $50 a ton) and other expenses. Ultimately, ANCA insists, a grass-fed steer would cost only a few dollars more than a corn-fed one, and its carcass would produce less usable meat.

Young steers and heifers could be slaughtered instead of being sent to feedlots—but at that stage of their growth their carcases are bony, not meaty.

Yet farmers do raise beef cattle on nothing more than pasture, hay and silage. That is done in the East and South, where extremely thick pastures can support large numbers of cattle per acre.

To some, that seems to be an appealing model.

"There will be less and less beef that's fed a lot of grain," says a Denver banker. "The fact is you can still turn out a beef animal into the desert and he'll survive. He'll put on half a pound a day instead of two and a half—but he'll survive."

RABBI ABRAHAM SCHEINBERG

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. SOLARZ. Mr. Speaker, it is with great sorrow that I rise today to announce to my colleagues in the Congress the death of Rabbi Abraham Scheinberg.

Rabbi Scheinberg, the spiritual leader of the Hebrew Alliance of Brighton Beach, was one of the foremost Talmudic scholars in America and a leading community activist in my own congressional district.

His service as president on the Oceanfront Rabbinical Board was typical of the large role he played in the communal life in Brooklyn.

Known to his congregation as an "illuy" or genius, Rabbi Scheinberg spent a life of pious study and service to both God and man. He edited a number of books on American Jews and his weekly column in the Jewish Press was thought of as the final word in the laws and customs of Jewish life in the modern world.

I join with the entire Jewish community in mourning his loss, but we can be reconciled to know that the monuments he leaves behind are an inspiration to us all.

ESTABLISHING A MIA/POW PRESIDENTIAL TASK FORCE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. GILMAN. Mr. Speaker, on January 26, 1977, I introduced House Concurrent Resolution 82, expressing the sense of the Congress that the President should establish a Presidential task force for the purpose of first, advising the President with regard to achieving the fullest possible accounting of all Americans who are prisoners of war or missing in action as a result of the Vietnam conflict and second, recommending to the President the adoption of national policies with regard to the MIA's and the POW's.

Subsequent to the introduction of this concurrent resolution, many colleagues expressed an interest in my proposal. Accordingly, today I am reintroducing this measure, which is cosponsored by the following 39 Members:

LIST OF COSPONSORS

Mr. Andrews of North Dakota.
Mr. Bafalis of Florida.
Mr. Beard of Rhode Island.
Mr. Buchanan of Alabama.
Mr. Byron of Maryland.
Mr. Carter of Kentucky.
Mr. Cohen of Maine.
Mr. D'Amours of New Hampshire.
Mr. Dornan of California.
Mr. Eilberg of Pennsylvania.
Mr. Fisher of Virginia.
Mr. Goodling of Pennsylvania.
Mr. Horton of New York.
Mrs. Holt of Maryland.
Mr. Hughes of New Jersey.
Mr. Kemp of New York.
Mr. Lagomarsino of California.
Mr. Lederer of Pennsylvania.
Mrs. Lloyd of Tennessee.
Mr. Long of Maryland.
Mr. McDade of Pennsylvania.
Mr. McDonald of Georgia.
Ms. Mikulski of Maryland.
Mr. Mineta of California.
Mr. Mitchell of New York.
Mr. Murphy of New York.
Mr. Nowak of New York.
Mr. Pepper of Florida.
Mr. Quayle of Indiana.
Mr. Rose of North Carolina.
Mr. Ryan of California.
Mr. Stockman of Michigan.
Mr. Treen of Louisiana.
Mr. Walsh of New York.
Mr. Waxman of California.
Mr. Bob Wilson of California.
Mr. Charles H. Wilson of California.
Mr. Young of Florida.
Mr. Zeferetti of New York.

A complete text of House Concurrent Resolution 82, together with my remarks is located in the CONGRESSIONAL RECORD of January 26, 1977, on pages 2436–37 and 2394–95.

Mr. Speaker, 2,505 servicemen and civilians did not return from the Vietnam conflict, including 647 men who are presumed dead but whose bodies have not been recovered, as well as approximately 786 MIA's and POW's. President Carter has stated that he "would like to see—a proper accounting for the 2,505 Americans who were lost," and according to the Washington Post of February 18, 1977, the President has asked Vietnam to receive a high level U.S. delegation "to seek a full accounting of U.S. servicemen missing in action and to open discussions on mending relations between the nations."

I applaud the President's initiative to seek the fullest possible accounting of our missing men and I urge my colleagues to join with us in encouraging the President to establish a task force that would devote its full efforts in obtaining this objective.

MUSEUMS AND OLDER AMERICANS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BRADEMAS. Mr. Speaker, in examining the changing roles of museums, one soon learns that museums are no longer regarded simply as the depositories of the past but as centers of learning that make positive contributions to their communities. Indeed, museums are making special efforts to build new audiences and attract new groups. The elderly are part of the growing number of individuals who are now taking advantage of museum programs.

In an effort to make museum administrators aware of how their institutions can better serve older people, the National Center on Arts and Aging, under the aegis of the National Council on Aging, offers workshops, seminars, and technical assistance to those interested in building a closer relationship between the elderly and the arts.

Mr. Speaker, as chairman of the Subcommittee on Select Education with jurisdiction over matters relating to the elderly as well as to the arts, I call to the attention of my colleagues a useful and informative article by Jacqueline T. Sunderland, director of the National Center on Arts and Aging, which appears in the current issue of Museum News, and shows what some museums have done to increase the participation of older Americans in the programs of our Nation's museums:

MUSEUMS AND OLDER AMERICANS

(By Jacqueline T. Sunderland)

Over the past decade, museums have made a conscious effort to attract new audiences.

The departments of community programs, outreach divisions and expanded education departments that have appeared in many institutions are signs that museums know they must become accessible to a larger public. But a part of that public has thus far been overlooked: the nation's older population, approximately 31 million people who are for the most part removed from the mainstream of community life. Older Americans have been excluded by public and private policies and by society's attitudes—many based on myth—that prevent their utilization as a valuable resource and that deny them access to cultural experiences.

THE ELDERLY IN COMMUNITY LIFE

Museums belong to the people and are committed to delivering specialized services to a growing public. The current price tag for those services is formidably high, but money spent now to expand museum audiences and to spark continued interest is expected in the long run to reap dividends that benefit everyone, including older persons.

Americans who are 60 years of age or older make up 14.7 percent of the population. They want to stay in the mainstream. They want choices to make, opportunities to function as productive members of society. Many cannot and do not exercise these options because they are victims of ageism, a form of discrimination described by Dr. Robert Butler in his Pulitzer prize-winning book, "Why Survive? Being Old in America."

Butler, the director of the National Institute on Aging of the National Institutes of Health, defines ageism as "a process of systematic stereotyping and discrimination against people because they are old." He compares it to racism and sexism, and adds that "old people are categorized as senile, rigid in thought and manner, old fashioned in morality and skills."

NATIONAL CENTER ON ARTS AND AGING

The National Council on the Aging (NCOA) has worked since 1950 to bring about the creation of services and programs that could make older people's lives more meaningful and personally gratifying. The National Center on the Arts and Aging, a program of NCOA, aims to enrich the lives of older persons through their increased participation in and broader access to cultural programs and services. The center seeks to make arts administrators more aware of how their organizations, public and private, can serve and be served by older people. Concomitantly, representatives of agencies and organizations in the field of aging are motivated to become active advocates for older persons in the arts. Older people can, the center believes, be participants, supporters, volunteers, paid professionals, molders of public opinion. They are part of a new, expanded audience for the arts.

The Washington-based center is a clearinghouse for program ideas and information. Supported in part by a grant from the National Endowment for the Arts, it sponsors workshops, seminars and conferences and offers technical assistance and consultation to individuals and organizations interested in developing a closer relationship between older persons and the arts.

OLDER PEOPLE SEEKING THE ARTS

Why should museums consider the needs of older persons? "The Myth and Reality of Aging in America," a national survey conducted for NCOA by Louis Harris Associates, produced results that point to older Americans' interest in community arts facilities. However, only one percent of those surveyed had visited a museum during the preceding year, a fact that underscores the inaccessibility of museums to the aging.

According to census data, the median number of school years completed by those 65 and over in 1970 was 8.7. By 1990, it is estimated that the median will have jumped to 11.9. As Americans become more educated, they will make more demands on the nation's cultural resources. We may at least tentatively conclude, then, that cultural institutions, as they prepare for increased demands on their facilities and services, must also prepare for a better-educated public whose interest in the arts will not diminish with age.

It is also important to realize that by 1980, the total U.S. population will be three times as large as it was in 1900. The number of citizens who are 65 or older will have increased eight times. Older persons comprise the country's largest minority and the fastest growing segment of the population.

In an address to the 1976 AAM annual meeting, U.S. Commissioner on Aging Arthur S. Flemming referred to a survey made by the Center for Arts Administration at the University of Wisconsin. Entitled "Older Americans: An Unrealized Audience for the Arts," it showed that older persons represent just 10 percent of the audience in 80 percent of the surveyed museums and arts organizations.

One-half of the administrators surveyed indicated a desire for younger visitors; only seven percent wanted to attract older audiences. The authors of the survey report concluded that "only museums seem to want more senior citizens, while the rest of the organizations would prefer younger age groups."

Flemming urged that museums become acquainted with local agencies on aging, the counterparts to local arts agencies (see "Where to Find" in this issue). "These agencies, as they build their budgets and plans, can contribute to building bridges between the older person and the services [museums] can offer," he said.

OPENING MUSEUMS TO THE ELDERLY

Programs and services for the aging should appeal to all segments of that population: the poor, the financially secure, minorities, ethnic groups and the physically vulnerable as well as the able-bodied. Real or perceived barriers to older persons' participation must be recognized. These include poor public transit, fear of crime and of going out at night. Older people hesitate to attend events alone and often feel uncomfortable in new situations. They are discouraged by architectural impediments and by admittance fees they cannot afford. Recognition of these barriers—as some cultural institutions already know—is not enough. Problems must be solved and difficulties must be ironed out if museums are to attract older audiences. Some institutions have come to grips with the problems and are successfully delivering cultural services to an older public.

Some of these services were described at the first national conference in the arts-aging field, sponsored last October by the Center on the Arts and Aging under NCOA's aegis. Representatives of two major museums and of Museums Collaborative in New York reported on their programs that involve older citizens.

SENIOR VOLUNTEERS IN MUSEUMS

The Metropolitan Museum of Art's program, which uses older people as resources for planning and conducting special activities, began in 1972, when a group of senior citizens was trained to give slide lectures on the museum's collection in senior centers, nursing homes and at day programs for the elderly. The training course has been repeated each year, and the roster of over-65 volunteers now includes 85 active community lecturers, according to Catherine Chance, director of the Department of Community Programs.

Each volunteer gives at least one lecture a week; they meet at the museum once a month to coordinate lecture assignments and plan other museum-related activities for the city's senior citizens. Their training is a continuing process: every volunteer spends six to eight hours a week in the art reference and slide libraries to prepare and develop lecture topics. Regular consultations are held with the staff coordinator and department heads. The volunteers also give lectures in connection with special exhibitions. Last summer, for example, a group served as guides for blind visitors to a tactile exhibit of musical instruments. A selected number of volunteers attend docent training sessions with the curatorial staff and give gallery lectures to groups of older visitors. At least three such groups visit the museum each week.

Committees of senior volunteers plan special activities for older museum visitors. An annual party for 300 people (a different group is invited each year) is held in the Medieval Tapestry Hall, where the museum's Christmas tree stands. The entertainment has been provided by such groups as the Sirovich Senior Center symphony orchestra, a piano quintet from the Institute of Retired Professionals at the New School for Social Research, a choral group from the A. Phillip Randolph Center and a trio from the Hope of Israel Center. Refreshments are served and each guest receives a museum souvenir.

Each May, in recognition of Senior Citizens' Month, an exhibition of paintings, sculpture and crafts is installed in a museum gallery. The works of art are chosen from among projects produced in art instruction programs in the city's senior centers. Senior citizen volunteers conduct special lectures to coincide with the exhibition.

MUSEUM PROGRAMS FOR OLDER PEOPLE

An annual conference for senior center directors, program leaders and city agency personnel is held to discuss the museum's elderly public, to share resources and to make recommendations for services the museum could provide. As a result of suggestions gleaned from these conferences, senior citizens may rent recorded tours and listening devices at special rates, they are admitted free of charge to certain events in the museum auditorium, and study groups and educational programs may arrange special gallery tours.

Experience with a pilot program led the Baltimore Museum of Art to develop a three-stage program for senior citizens. The first week, a docent visits the group at their gathering place (usually a community center or church) and presents an illustrated introduction to the museum. The following week, free transportation takes the group to the museum. A slide lecture on a more specific topic is given the third week, again at the senior citizens' own gathering place.

The museum also discovered that there are many older Americans interested in crafts who never had time to pursue these hobbies. Special Thursday and Friday tours are held for people with a particular interest in this area.

Museums Collaborative's voucher system, which reaches out to the aged as well as other groups, is described in Gary Bridge's article, "Cultural Vouchers" (Museum News, March/April 1976).

More details of these and other cultural programs will be published in the proceedings of the NCOA/Center on the Arts and Aging conference, "Arts and Aging: An Agenda for Action," to be available in early 1977. Requests for copies should be directed to the National Center on the Arts and Aging, National Council on the Aging, 1828 L St., N.W., Washington, D.C. 20036.

The social, economic, intellectual and cultural opportunities available to any group in our society depend on the resources, capabilities and aspirations of that group, but also to a great degree on the resources, capabilities and aspirations that the general public attributes to it. Older Americans are no

exception. The potential contributions that they can make depend in large measure on the confidence that the public at large, and decision makers in particular, place in them as contributing, vital human beings.

Today's older Americans grew to maturity during times when art was spelled with a capital "A" and bore the cachet of privilege. The arts are now an open field, providing opportunities in which old and young, rich and poor can share. The time is ripe for policy makers in the field of aging to broaden definitions of social and human services to embrace cultural services, and for museum staffs to open their institutions' doors wider and with enthusiasm to more aging persons.

BILL TO PROHIBIT BRIBERY

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. ECKHARDT. Mr. Speaker, today I am introducing a bill to prohibit bribery by U.S. companies of officials of foreign governments. The Watergate proceedings unveiled the existence of a number of secret corporate political slush funds. Subsequent investigations by the Securities and Exchange Commission revealed that these secret pools of money had been used in connection with the corporation's overseas operations for the purpose of bribing officials of foreign governments. The Commission has maintained that such "off-book" payments not only make the published financial statements of the corporation materially misleading in many cases, but are also of particular shareholder interest inasmuch as they reflect on the integrity of management and the manner in which the corporation derives its overseas business.

Moreover, these revelations have had a substantial adverse impact upon the governments of the countries involved. For example, payments by Lockheed alone have had well-publicized repercussions in Japan, Italy, and the Netherlands. Lockheed is by no means alone, however. Hundreds of additional corporations, either through legal proceedings initiated by the Commission or voluntarily, have disclosed illegal or questionable payments to officials of foreign governments aggregating hundreds of millions of dollars.

The public concern about this kind of corporate behavior is expressed by the Senate's 86 to 0 passage during the last Congress of the Proxmire bill (S. 3664) which would have criminalized foreign bribery.

If legislation in this area is to be effective, it must serve as a deterrent. Legislation merely requiring disclosure permits the corporation to weigh the anticipated costs of the disclosure against the anticipated benefits of the bribe. For this reason, disclosure alone is inferior to the direct sanctions normally used by society to prevent antisocial behavior.

The companies generally involved in international payoffs deal in multimillion-dollar commodities such as airplanes, tanks, and power generators, which are bought by governments rather than private corporations or individuals In transactions of such magnitude, the penalties clearly must be commensurately large to have any real deterrent value.

The bill I am introducing today would apply the existing criminal penalties of the Securities Exchange Act of 1934—5 years or $10,000—to individuals who bribe foreign officials. However, the fine which a court may impose upon a corporation engaged in these activities has been increased to a maximum of $1,000,000.

In addition, this bill insures that those persons in the corporate hierarchy who were instrumental to the bribe, although they personally may not have forwarded the payment, do not escape punishment. It provides that any corporate officer, director or controlling person who authorized or acquiesced in the prohibited transaction would be as culpable as if he had made the payment himself. Finally, the corporation would be prohibited from paying the fine of anyone found guilty of violating the provision of this bill.

The bill is divided into two sections, which are summarized as follows:

Section 1 applies to corporations subject to the jurisdiction of the SEC by virtue of the reporting requirements of the Securities Exchange Act of 1934. It applies the existing criminal penalties of the securities laws—up to 5 years imprisonment and a fine of up to $10,000 for individuals and a fine of up to $1,000,000 for companies—for payments, promises of payment, or authorization of payment of anything of value to any foreign official, political party, candidate for office, or intermediary, where there is a corrupt purpose. The corrupt purpose must be to induce the recipient to use his influence to direct business to any person or to influence any official act or decision of a government.

Section 2 applies the identical prohibitions and penalties provided by section 1 to any domestic business concern other than one subject to the jurisdiction of the SEC pursuant to section 1. Violations of the criminal prohibition under section 2 by persons not subject to SEC jurisdiction would be investigated and prosecuted by the Justice Department. Violations under section 1 would normally be investigated initially by the SEC, but referred for criminal prosecution to the Justice Department. Since the 1934 act provides the SEC with authority to enforce its provisions by civil injunction, similar authority is granted the Justice Department to enforce the provisions of this section.

PERSONAL EXPLANATION

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mrs. KEYS. Mr. Speaker, on Wednesday, February 9, 1977, I was unavoidably absent from the House. Had I been present, I would have voted on matters coming before the House as follows:

"Yea" on House Resolution 252, to authorize and direct the Committee on Standards of Official Conduct to determine whether Members of the House accepted anything of value, directly or indirectly, from the Government of the Republic of Korea or representatives thereof;

"Yea" on H.R. 692, to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan authorization and surety bond guarantee authority; and to improve the disaster assistance, certificate of competency and Small Business set-aside programs.

ALL VOLUNTEER FORCE—CURRENT STATUS AND PROSPECTS: PART V

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. STEIGER. Mr. Speaker, two questions often asked about the volunteer army are what are its prospects, with fewer young people entering the supply pool in coming years and enhanced employment prospects and what is the Defense Department's sustainment strategy?

Today, the military services need to attract one of every three qualified and available young men. However, the population of males aged 17 to 22 will decrease about 19 percent between 1979 and 1989.

Chapters 6 and 7 of the defense transition document offer a thoughtful analysis of some serious problems which will have to be addressed by Defense Department manpower specialists. The transition report concluded that—

An alert, flexible, and competent management approach promises to be the best guarantee for the successful sustainment of the all volunteer force.

Alternatives are available to decrease the requirement for new men each year: Open more positions to women; convert others to civilians; and reduce the continued excessive rate of attrition before the end of the first term. Increasing the numbers in the "available and qualified" category; that is, increasing the supply can be done by minor adjustments in medical standards; improved screening for motivation and adjustment to reduce reliance on the overly broad categorization of "high school graduate." Importantly, the Army should remember that if it is having difficulty attracting the quality it claims it needs, the Air Force and Navy have both demonstrated an ability to do so. There are many roles and missions—such as in support functions—that should be reviewed as potential for shifts to other services.

Those chapters follow:

CHAPTER 6—FUTURE PROSPECTS: SUPPLY AND DEMAND

SUPPLY AND DEMAND

Rough estimates can be made of the supply pool of qualified and available young males (ages 17–22)[1] who would be likely

[1] This appears appropriate since the bulk of recruits (about 96%) come from the 17–22 age group.

candidates for the military. These estimates are based on the following assumptions: maintenance of the present levels of military and civilian pay, stability in the current personnel policies and practices, and no major shifts in the attitude of American youth toward military Service.

Starting with the 17-year-old population and following this age group through age 23, the proportion of qualified and available men who will have to volunteer for military service to meet projected requirements can be calculated. The qualified and available population is derived by eliminating: (1) the unavailable (men confined to various training and corrective institutions) and the unqualified (men who are precluded from military service because of mental, physical or moral limitations); and (2) those not likely to volunteer, including third and fourth year full-time college students.

Table 16 summarizes the ratios required of each population category required to meet enlisted accession needs through 1990.

TABLE 16.—17-YEAR-OLDS IN 1975, 1980, 1985, AND 1990, RESPECTIVELY LIKELY TO BE QUALIFIED AND AVAILABLE FOR MILITARY SERVICE AT SOME TIME BEFORE REACHING AGE 23

[Manpower in thousands]

Supply pool categories	1975–80		1980–85		1985–90		1990–95	
	Pool	Requirements	Pool	Requirements	Pool	Requirements	Pool	Requirements
17-year-old population (+)	2,134	1/5.6	2,073	1/5.5	1,735	1/4.6	1,914	1/5.0
Cannot volunteer:								
Institutionalized (−)	28		27		23		25	
Unqualified (−)	668		649		543		599	
Qualified	1,438	1/3.8	1,397	1/3.7	1,169	1/3.1	1,290	1/3.4
Not available:								
College enrollmnt (−)	557		541		452		499	
1st and 2d year college dropouts (+)	209		203		170		187	
Qualified and available	1,090	1/2.9	1,059	1/2.8	887	1/2.3	978	1/2.6
Accession requirements used in above requirements ratios	[1] 380		[2] 380		[2] 380		[2] 380	

[1] The 1975–80 enlisted requirements of 380,000 is an average of the following: 1975, 381,000; 1976, 368,000; 1977, 391,000; 1978, 370,000; 1979, 373,000; and 1980, 394,000.

[2] The average of the 1975–80 enlisted requirement was used as a projection for the 1980–95 period.

In the 1975–1980 period, the task of recruiting 380,000 DoD male volunteers (all Services) can be stated as follows: to maintain an all volunteer armed force of 2.1 million active duty personnel under current policies will require that about one out of every three (34%) qualified and available men will have to volunteer for active military service before age 23. Viewed this way, the 1/2.9 rate for DoD appears quite formidable. However, young men enlisted at a similar 1/3 rate in 1975 and 1976.

Long term projections indicate the task will be more difficult in the future. The population of males (ages 17–22) decreases about 19% between 1979 and 1989. This decrease will cause male accession requirements to shift from the 1/2.9 ratio in 1975–1980 to a 1/2.3 ratio in the 1985–1990 period. The rough nature of these estimates cannot be overemphasized.

If reserve non-prior service enlisted requirements (91,000 accessions annually) are also considered, the ratios for qualified and available become: 1/2.3 for FY 1975–80, 1/2.2 for FY 1980–85, 1/1.9 for 1985–90 and 1/2.1 for 1990–95.

Future accession needs are shaped by a range of dynamic factors such as manpower management dynamics, (e.g. future strength requirements and losses), changing world conditions, defense decisions and public attitudes which are difficult to forecast.

For the 1985–1990 period, several options could be considered which could return the 1/2.3 ratio to the currently obtainable 1/3 ratio. These options would simultaneously reduce demands on the male qualified and available pool and increase the supply of possible candidates. To illustrate the possible options, the projected 1985–1990 requirement (demand) of 380,000 male non-prior service youths and the estimated supply of 887,000 qualified and available 17–22 year old male population has been examined. Table 17 illustrates the possibilities for shifting the ratio from 1/2.3 to 1/3.1.

TABLE 17.—*Demand/supply illustrative adjustments for male non-prior service accessions, fiscal year 1985–90, qualified and available males (ages 17–22)*

[Manpower in thousands]

REDUCED DEMAND	
Demand base	+380
Recruit more women (up to 15 percent of DoD end strength)	−20
Reduce current losses among first-term personnel (reduce first-term attrition by 20 percent)	−24
Replace military men with civilians (convert 50,000 military positions to civilian positions)	−10
Recruit more prior service veteran males (lateral entries also increase prior service accessions by 20 percent)	−5
Decrease support manpower requirement (5 percent)	−10
Change first-term to career ratio from 60/40 to 55/45 mix	−15
Adjusted demand base	+296
INCREASED SUPPLY	
Supply base	+887
Attract 5 percent of the jr. college grads, and 3d & 4th year college students	+14
Reduce physical requirements—relax weight standards by 10 percent	+18
Adjusted supply base	+919

Adjusted ratio = +296/919 = 1/3.1.

If such adjustments are made, the task of sustaining the AVF may not be much more difficult than in the 1975/1976 period. As a final fallback position, several costly supply increasing options including increased recruiting Budgets, expanded bonuses, and higher pay levels, could be considered.

Such fine tuning of the marketplace may or may not be necessary, but options are available for these demand/supply adjustments. It will be the responsibility of AVF managers to make such adjustments if needed.

IMPACT OF UNEMPLOYMENT

Another factor which could impact on the supply of male volunteers is a reduction in the current general unemployment rate. Rough estimates[2] indicate that for every 1 percent reduction in the general unemployment rate, another 21,000 individuals in the qualified and available military manpower pool would be able to obtain civilian employment. Taking a worse case approach—namely, that each of these individuals is in such an attractive job that DoD cannot compete for them—the qualified and available pool is reduced by 21,000. For example, assume that general unemployment is reduced from 8.1 percent to 5.1 percent. The impact on supply would be a reduction of 63,000 males, reducing the male supply in the 1985–1990 adjusted pool from 0.919 to 0.856 million males. The revised demand/supply ratio then becomes 1 in 2.9, about the same ratio experienced in the successful 1975/1976 period.

These projections, when combined with past experience, indicate that enlistment supply need not be a problem, even during the mid and late 1980's. To the extent that there is a problem, its resolution comes in (1) making more efficient use of the current supply pool (i.e., relaxing physical standards for enlistment, etc.) and (2) reducing demand (i.e., reducing attrition, more females, etc.).

[2] Estimates from General Research Corporation Enlistment Supply Model. Rand Corporation models yield similar results.

CHAPTER 7—SUSTAINMENT STRATEGY

There are two primary strategies that the DoD can apply to its pursuit of a viable accession program: the requirements approach and the market approach. The requirements approach sets specific quality standards and determines desired mixes in accession input. If there is an insufficient supply of desired quality individuals, then this approach would lead to either shortfalls or require an increase in incentives.

In contrast to the requirements approach where specific quality standards are established, the market approach utilizes flexible quality standards. When supply is plentiful, standards are raised and high quality accessed. When supply is scarce, standards are lowered and personnel and training systems are adjusted to cope with the lower quality input. As currently practiced, the Services assume that higher quality is always desirable. Under the market approach, the Services attempt to recruit "whatever the market will bear". This strategy makes it appear that the Services are always at the edge or margin of their recruiting capabilities as they achieve 95 or 98 percent of their recruiting objectives. One disadvantage of the market approach is that during periods when civilian employment is high or youth population declines, and where AVF managers have not employed the supply increasing or demand decreasing options which are available, accession quality levels will periodically decline from their previous inflated levels, and the AVF may appear to be failing.

Looking to the late 1970's and 1980's, it is likely that the AVF can be achieved and relatively high quality standards can be maintained through the utilization of both strategies. However, DoD managers must be prepared to accept some fluctuations in quality

input, remembering that definition and measurement of quality remain an imperfect art, at best.

Several areas involving accession quality are candidates for future study and analysis. The various parameters of quality, including survivability, trainability, and job performance, need to be better distinguished and understood; improved screening and training techniques for lower quality recruits may offer great benefits in developing a more cost-effective accession program; and finally, if quality levels decline to a point where improvement is desired, contingency plans must be readily available to minimize the lead-times inherent in the management options discussed in the previous section. An alert, flexible, and competent management approach promises to be the best guarantee for the successful sustainment of the AVF.

A CALL FOR NATIONAL ACTION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BINGHAM. Mr. Speaker, I insert herewith an impressive memorandum on the need for national action with respect to the problems of America's cities, prepared by Rev. Msgr. James J. Murray, executive director of Catholic charities of the archdiocese of New York:

A CALL FOR NATIONAL ACTION

I. INTRODUCTION

The fiscal problems of New York City have been looked on by so many across the country—and even in New York State and parts of New York City—as a unique problem isolated to the City government itself.

Because we are the biggest and perhaps the most vulnerable, the primary attention of the media has been focused on the city and its fiscal problems, not on the human dimension.

Our points are three:

(1) that there is not a New York City crisis but rather a national urban crisis;

(2) that this national urban crisis is a fiscal one but affects the human lives of millions of American citizens and their families;

(3) that the root causes are national in scope, are beyond the ability of local governments to eradicate and call for federal action.

Before I address our first point let me say parenthetically that when I refer to an urban crisis, I am not just referring to cities with a population of over 200,000. I am also including local units of government particularly at the county level across the country. Just a brief example—Westchester County and Suffolk County, because of continued unemployment, have greatly increased their public assistance and medicaid costs. Breadwinners have exhausted Unemployment Insurance benefits; the jobs aren't there; their resources are depleted and they have to go on home relief. Taxpayers have become service and revenue recipients. And the counties don't have the wherewithal to solve this problem.

II. THE CRITICAL SITUATION NATIONALLY

Which cities are in trouble? A year ago last November your Joint Economic Committee, in a report, noted the appearance of danger signals for 22 of the largest central Cities in the United States.

A recent study for the National Urban Policy Roundtable listed 8 cities as being on the critical list; New York, Buffalo, Detroit, Newark, St. Louis, Boston, Cleveland, Philadelphia, with 100 others listed in serious condition.

A study recently released by Brookings would indicate that 29 cities are in a hardship situation from which can't bounce back.

In simple terms, New York is like the child in the family who is always the first to get sick. When that child gets sick the parents know that it's not going to be over until all the children go through the sickness.

Many of these cities suffer from the same root causes—a long term socioeconomic decline. Their revenue bases are stagnant or declining because of the exodus of people and businesses at the very time that their expenses are going up because of inflation, recession, unemployment and a great increase in a service-dependent population.

Twelve of these sick cities have local tax bases that declined between 1970 and 1975. Five of these cities have a higher percentage of their population receiving welfare payments than New York has.

In short for all of them as a class, their economy is going nowhere, their tax payers are going elsewhere and their tax beneficiaries are left behind. They are finding it increasingly difficult to balance their budgets and more and more difficult to have access to the short-term money market at reasonable interest rates. Already this means, in more than 10 of the cities, that they have to commit more than 10% of their revenues to debt service for short-term borrowings.

At the same time that their tax base is being committed more to debt service and less to human services, their populations and their local economies are declining.

Seventy-three percent of cities with populations over 200,000 lost population in the 70's. And central cities lost population 4 times as fast between 1970 and 1975 as they did between 1960 and 1970. Four cities—Buffalo, Cleveland, Pittsburgh and St. Louis lost more than 20% of their population between 1960 and 1973.

The number of jobs in troubled cities has been going down. As bad as New Yorks economy is, eleven cities have lost a higher percentage of jobs. Detroit's job loss is 18.8% and Buffalo's is 15.8%.

If employment and jobs in New York City—whose job level has now declined to the level of 1950—had grown at the national rate we would now have 4.43 million jobs in New York City instead of 3.4 million.

III. NATIONAL PROBLEM—NATIONAL RESPONSE?

Gentlemen, these are not short-term problems. The sickness is there for many cities—and its spreading fast.

Home remedies won't help. No sick city can control the national problems of housing, unemployment, inflation, recession. No sick city can control the municipal credit market. No sick city has the resources for the type of massive economic development programs that are necessary to close the gap between local expenditures and local revenues while continuing to maintain the quality of life of their families and individuals.

Which really is our third and final point—we are not just seeking federal action for New York City. Because we see a problem national in scope we are here to advocate federal initiatives not just for New York but as part of a national strategy to save our cities and the millions of people who live and work and raise their families in them—as well as for all the people—the aged, the poor and the handicapped—who need their cities, who can't afford to move away and who are entitled to have us maintain the quality of their lives.

Because we are so heavily into this issue affecting the central cities we would also appreciate your advice on how we can help to work on this not just for New York but for all other cities and local units of government which need help fast.

Rev. Msgr. JAMES J. MURRAY.

THE GRAND JURY REFORM ACT OF 1977

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. CONYERS. Mr. Speaker, I am pleased to introduce, with 13 of my colleagues, the Grand Jury Reform Act of 1977.

Grand jury reform was long overdue when I introduced my first bill to restore decency and due process into the grand jury chamber in 1974. It is even more so today. The panel that the authors of the Bill of Rights wrote into the fifth amendment for our protection has become a vehicle for our persecution.

Indeed, stepping into the grand jury chamber is like stepping back through time—way back, back past the two centuries of struggles Americans have waged to defend and extend our constitutional guarantees of liberty and freedom, back past the centuries of sacrifice that built our English heritage of individual rights, back to those medieval times when justice meant trial by "ordeal."

For that is just what the modern grand jury process can be: an ordeal. Under current grand jury procedures, for instance, any person in the United States can be subpenaed before any Federal grand jury, even if that grand jury is 3,000 miles away. A person can be ordered to appear at a moment's notice and never be told why he or she has been called or what the grand jury is supposed to be investigating.

The grand jury chamber itself is off limits to basic constitutional guarantees and rules of courtroom fairplay. Prosecutors may ask grand jury witnesses any questions they wish. They may badger witnesses, who are not allowed to have the assistance of counsel inside the grand jury room, with abusive threats and unfounded charges. They may bias grand juries against witnesses by introducing irrelevant or hearsay evidence that would not be admissible during a trial.

Should a witness object to this kind of treatment by invoking the fifth amendment right to silence, the prosecutor may have the witness immunized. Once immunized, the witness must either tell the Government what it wants to know or go to jail for contempt. Witnesses jailed for civil contempt in this manner are not entitled to a jury trial. Their confinement can theoretically last indefinitely because while a witness can only be jailed for as long as a sitting grand jury wants his or her testimony, there is nothing to stop the government from resubpenaing a silent witness before a second grand jury once the term of the first expires.

"The grand jury witness," summed up Prof. Melvin Lewis of Chicago's John Marshall School of Law last fall, "is the least favored person known to the Constitution."

With grand jury prerogatives like these to work with, prosecutors can wreak almost limitless havoc. They can destroy

hard-earned reputations, stigmatize dissenters and disrupt their activities, handcuff—both literally and figuratively—journalists, strikers, and defense attorneys. In short, under the grand jury's umbrella, prosecutors can engage in the very sorts of behavior the grand jury was originally meant to prevent.

This turn of grand jury events was certainly not foreseen by James Madison and his contemporaries when they wrote into the Bill of Rights the provision that "no person shall be held to answer for a capital, or otherwise infamous crime" unless a panel of his or her fellow citizens—the grand jury—decided that there was enough evidence to warrant further prosecution. The generation of 1776 saw the grand jury as an independent body that would prevent criminal activity from either being trumped up or covered over, the former by thoroughly scrutinizing the government's case against an accused, the latter by investigating alleged instances of government wrongdoing that government officials could not be trusted to investigate themselves.

Modern Federal grand juries, at least one of which is in operation in every Federal district at all times, function in a way that bears little resemblance to this Bill of Rights ideal. The 23 members of the grand jury, who normally meet once a week or less for several hours at a time, play an essentially passive role. The U.S. attorney in charge of each grand jury panel selects the cases the grand jury will consider, the witnesses the grand jury will hear, and the evidence the grand jury will see.

Upon the completion of the prosecutor's presentation, the grand jurors, without the prosecutor present, decide whether or not to indict. Predictably, grand jurors almost always vote to indict. Why shouldn't they? All grand jurors know about the cases they are deliberating is what the Government wants them to know.

For the conscientious grand juror who really wants to make a contribution to justice, grand jury service can only be, as one grand juror noted last December, frustrating. That grand juror, Robert Pitzer, was the foreman of a Federal grand jury in Atlanta. When his panel's term ended, it analyzed its experience in a fascinating report.

"There have been times," the report noted, "when the members of the Pitzer grand jury have felt that they were simply there to be used at the whim or desire of whatever attorney in the U.S. attorney's office needed a 'warm-bodied grand jury' to hear testimony."

Given this depressing and demeaning grand jury reality, it is perfectly understandable why some observers have called for the grand jury's abolition. I have not, for two chief reasons. Since the grand jury indictment is required by the Constitution, abolishing the grand jury as a method of charging would mean amending the Constitution, a long, wearying process. Specifically, abolishing the grand jury would mean amending a part of the Constitution that has never been amended before, the Bill of Rights. Dare we risk setting such a precedent? I think not.

Moreover, the grand jury is one of only two institutions in our criminal justice system—the trial jury the other—where citizens have decisionmaking authority. I believe it would be a mistake to eliminate the grand jury at a time when popular participation in our political and legal institutions needs to be encouraged, not discouraged.

I also believe it would be a mistake to tolerate the sorry grand jury status quo a moment longer, and the impetus for the changes we need must come from Congress. It was the Congress, after all, that institutionalized the grand jury into our criminal justice system when it drafted the fifth amendment in 1789. Now it must be the Congress that puts an end to the practices that have distorted the grand jury intended by the Bill of Rights almost beyond recognition.

This is the purpose of the Grand Jury Reform Act of 1977. This legislation would break the lockgrip prosecutors now hold over the grand jury process and give grand jurors an active and vital role to play in the charging process. It would safeguard the rights of all those called to appear before grand juries and cripple the manipulation of grand jury proceedings for improper ends. It would help the Federal grand jury finally function as the democratic institution it was designed to be.

While the reforms embodied in this legislation touch many aspects of grand jury procedure, the heart of the bill is its proposal for an overhaul of current immunity law.

Immunity can be a very useful juridical device. By promising safety from future prosecution, the Government can elicit valuable testimony from a low-level criminal conspirator against a higher-up, testimony that the Government would not otherwise be able to obtain.

But immunity can also be a very dangerous device. Witnesses who refuse to answer questions inside the grand jury chamber can be immunized against their will and forced to choose between testifying or going to jail for contempt.

"This," a spokesman for the International Longshoremen's and Warehousemen's Union, Pat Tobin, said last September, "is the kind of choice that faces citizens of lands ruled by juntas. It should not be a choice confronted by Americans."

When we give prosecutors the power to force people to answer their questions, the result is predictable. Some prosecutors will use this power to demand the answers to questions they should not be asking, and that is exactly what has happened. Since the passage of the Organized Crime Control Act of 1970, that abominable document that broadened the immunization powers of Federal prosecutors, U.S. attorneys have compelled lawyers to testify about their clients, reporters about their sources, strikers about their unions, dissidents about their politics and scholars about their research.

Immunity has also made many grand jury panels little more than unwitting partners of FBI misconduct. FBI agents do not have subpena power. No police agent in the United States can yank people off the streets and force them to answer questions. Thus, it is perfectly legal for a person approached by FBI agents to refuse to answer their questions. Many people, especially political activists who suspect the motives behind FBI questions, have decided to take this course. They see FBI inquiries as attempts to gather intelligence on legitimate political dissent, intelligence that will later be manipulated to harass and discredit their activities. These fears are not paranoid delusions. They spring directly from the three-plus decades of FBI illegality examined in detail over recent years by congressional and media investigations.

What do FBI agents do when faced with people who exercise their legal right not to answer Bureau questions? Over and over again during the past 7 years, they have responded by obtaining a grand jury subpena from the nearest U.S. attorney's office. The silent person, who, remember, is charged with no crime, is hauled before a grand jury and asked the same questions the FBI wanted answered. Once immunized inside the grand jury chamber, the person has no right to refuse to answer. At this point, continued silence means a contempt confinement.

What this adds up to has been starkly described by the president of the National Organization for Women—NOW—Karen DeCrow:

> Through the grand jury process, the Bureau has gained the ability to maneuver its targets behind bars without having to go through the bother of proving them guilty in a court of law!

The Grand Jury Reform Act of 1977 would prevent incarcerations like these by making every grant of immunity consensual. If enacted, no person could be brought before a grand jury and immunized unless he or she consented.

Making immunity consensual is not the precedent-shattering step it may seem. Though prosecutors are presently under no legal compulsion to obtain a witness' consent before proceeding with an immunity order, wise prosecutors—that is, Government attorneys looking for evidence, not headlines—do anyway. These prosecutors already use immunity consensually. They treat it as a bargaining tool and trade immunity for a witness' testimony. They do not force immunity onto witnesses who have made it clear that they will not testify .

Why do they not? Peter Richards, an experienced Federal and New Jersey prosecutor and an expert on immunity, put it plainly at a Cornell University Institute on Organized Crime conference last August. Forcing a witness "to testify by court order over his clear objections," he said, "we don't like to do it because we have found that it normally does not work. The situation where a witness refuses to cooperate in the first place, then comes into the grand jury and changes his mind and cooperates and tells you the truth and gives you something valuable is extremely, very, very, very rare. I don't think I've ever seen it happen, as a matter of fact."

The enactment of consensual immunity would not hamper the work of fair-minded prosecutors. It would, however, end the manipulation of immunity to

punish witnesses for the "crime of silence."

Like my proposal for consensual immunity, other provisions in the Grand Jury Reform Act of 1977 are designed to facilitate proper grand jury functioning.

To function properly, a grand jury needs, above all, information, solid evidence untainted by either unfair innuendo or illegality. This legislation would require that prosecutors let grand jurors know of any evidence in their possession that would tend to show an accused's innocence. It would enable defense attorneys to challenge indictments based on hearsay or other evidence that would be inadmissible at trial. By permitting defense attorneys to accompany their clients inside the grand jury room, it would discourage prosecutorial interrogations designed to turn a grand jury against a witness.

The Grand Jury Reform Act of 1977 would also insure that grand jurors be kept up-to-date on what the prosecutor plans to do and why. It would require a grand jury majority vote before any subpena could be issued by a prosecutor, immunity offered or contempt pursued.

Most importantly, the act would facilitate proper grand jury functioning by taking grand juries out of the witness harassment business. Under its provisions, strict limits are set on prosecutors' ability to disrupt people's lives with grand jury subpenas. A 6-month lid is placed on contempt confinements. Contempt confinements based on questions that violate a witness' constitutional or statutory rights are prohibited all together.

These provisions have considerable public backing behind them. The nearly two dozen national bar, church, labor, women's, and civil liberties groups that comprise the Washington-based Coalition to End Grand Jury Abuse have testified in favor of similar reforms I have proposed in earlier grand jury reform legislation. Many of the provisions of the Grand Jury Reform Act have also been endorsed by leading figures in the American Bar Association.

In fact, there are precious few students of the modern grand jury system who have not concluded that this institution desperately needs a sweeping overhaul. Unfortunately, in recent years, most of them have been concentrated in the Department of Justice. Last year, then Attorney General Edward Levi, in testimony before Representative JOSHUA EILBERG'S Judiciary Subcommittee investigating the grand jury issue, opposed every significant check on prosecutorial conduct that grand jury reformers have put forth.

Past Justice Department leadership, however, has not always been as insensitive to the dangers posed by prosecutorial misconduct. I would hope that our new Attorney General, the Honorable Griffin Bell, will heed closely the warning of one of his most thoughtful predecessors, Robert Jackson.

"The prosecutor has more control over life, liberty, and reputation than any other person in America," Attorney General Jackson said in 1940, a year before he was to become a Supreme Court justice. "While the prosecutor at his best is one of the most beneficient forces in our society, when he acts from malice or other base motives, he is one of the worst."

The grand jury was supposed to shield us from prosecutors who act from "malice or other base motives." It is time to fashion the framework that can allow the grand jury to fulfill this noble goal.

A summary of the Grand Jury Reform Act of 1977 follows:

SUMMARY OF THE GRAND JURY REFORM ACT OF 1977

RECALCITRANT WITNESSES

Requires 12 or more grand jurors to vote that the refusal of a witness to testify is without just cause before government attorney may apply for a show-cause hearing order.

Gives the witness 10 days notice of a contempt hearing. Upon showing of special need, a notice of not less than five days may be given to a trial witness.

Guarantees right of counsel at a contempt hearing and for such counsel to be appointed for those unable to afford one.

Provides that imprisonment shall be in a federal institution, unless the witness waives this right. Upon showing of hardship, witness may be imprisoned at institution near family, work or attorney.

Reduces the period of contempt confinement to six months and prohibits reiterative contempt by making the six months cumulative, applying it against any confinement resulting from prior, subsequent or related grand jury investigations.

Requires that a witness found in contempt be allowed bail pending appeal unless it affirmatively appears appeal is frivolous. Appellate court must act within 30 days or the witness will be released pending determination of the appeal.

Prohibits imprisonment for civil or criminal contempt afer a witness has once been imprisoned for criminal contempt for refusing to answer the same questions.

Provides that a refusal to answer questions or provide other information shall not be punished if the question or request is based on any violation of the witness' constitutional or statutory rights.

Applies all of the above protections to witnesses subpoenaed to trial as well as grand jury witnesses, with the exception of grand jury voting, where in trial the determination is made by the court.

NOTICE TO THE GRAND JURY OF ITS RIGHTS AND DUTIES

Requires that the district court judge who empanels the grand jury give instructions to the grand jurors at the beginning of their term, including: grand jury powers with respect to independent investigations, its right to call and interrogate witnesses, its right to request documents and evidence, the subject matter of the investigation, the necessity of legally sufficient evidence to indict and the power of the grand jury to vote before a witness may be subpoenaed, granted immunity, be given a contempt hearing or indicted.

Proscribes that failure to so instruct the grand jury is just cause for a refusal to testify or for dismissal of an indictment by that or by a subsequent grand jury on the same matter.

INDEPENDENT INQUIRY

Allows the grand jury, upon notice to the court, to inquire on its own initiative into offenses committed by government or former government officials.

Authorizes the grand jury to ask the court to appoint a special attorney to assist its investigation upon a vote of at least 12 grand jurors. The special attorney would sign any indictments.

RIGHTS OF GRAND JURY WITNESSES

Requires an affirmative vote of 12 or more grand jurors to issue a subpoena. The subpoena would not be returnable on less than seven days' notice without the witness' express consent.

Requires each subpoena to inform the witness of the right to counsel, the right against self-incrimination, whether the witness' own conduct is under investigation, the criminal statutes involved and any other rights and privileges which the court deems necessary and appropriate.

Bars the prosecution from calling a witness who has given the prosecutor advanced written notice that s/he intends to claim the Fifth Amendment unless a grant of immunity has been obtained.

Permits representation by counsel inside the grand jury room. Frees witness' counsel from the secrecy rule.

Gives the court in the district out of which the subpoena was issued, the court in the district where the subpoena was served and the court in whose district the witness resides concurrent jurisdiction over motions to quash and other relief.

Limits permissible venue of a grand jury investigation to only where the grand jury is investigating both substantive criminal offenses and conspiracies to commit such offenses. In such cases, only a grand jury sitting in a district where the substantive crime took place would be permitted to question witnesses.

Forbids a second grand jury investigation into a matter which has led one grand jury, after considering the evidence, not to return an indictment, unless there is a showing that additional relevant evidence has been discovered.

Requires complete recordation of grand jury proceedings. Allows the witness or counsel to obtain a copy of the witness' testimony before the grand jury and thereafter submit clarifying statements.

Requires the government to turn over to the witness before questioning copies of any statements made by the witness related to the subject matter of the grand jury investigation.

Provides that no person shall be required to testify or be confined if the court, upon evidentiary hearing, finds: (1) the primary purpose of the subpoena is to secure testimony for trial evidence for a person already under indictment, (2) the testimony of the witness would be unreasonable, oppressive, cumulative or privileged, (3) the testimony would have a disparaging effect on a confidential or privileged relationship which would outweigh the value of the testimony, (4) the primary purpose is to harass the witness.

Requires that all questions and requests or other objects be relevant to the matter under investigation by the grand jury. Prohibits coercive threats or statements, or opinions as to the truthfulness of a witness' testimony from being made by an attorney for the government to the witness or the grand jury.

IMMUNITY OF WITNESSES

Abolishes all forced and use immunity before grand juries and courts. Transactional immunity is allowed with the written consent of the witness, and by affirmative vote of 12 grand jurors; or, in the case of a trial proceeding, with the consent of the witness and the application of the U.S. attorney.

Provides transaction immunity for witnesses before Congressional committees and agency hearings.

REPORTS CONCERNING GRAND JURY INVESTIGATIONS

Requires the Department of Justice to submit to Congress and the Administrative Office of the United States courts annual re-

ports concerning grand jury investigations and the use of immunity orders. Requires reports in eight specified areas, set forth according to judicial district.

EVIDENCE

Requires the government to introduce all evidence in its possession tending to prove the innocence of a potential defendant.

Prohibits the grand jury from returning an indictment on the basis of hearsay evidence alone.

UTILITY BILLS SQUEEZE CONSUMERS

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. HARKIN. Mr. Speaker, we must not forget the consumer in our discussions of the present energy crisis. Many consumers who have heeded the pleas to conserve energy have done a magnificent job only to find that their utility bills continue to climb.

One of my constituents, Mrs. Mary Ellen Godbout of Red Oak, Iowa, has written a most eloquent letter to President Carter about the need to give consumers a break.

The Godbouts have taken many steps to conserve energy, such as adding insulation and storm windows to their home and lowering their thermostat. The proof of their success is that last December they consumed 13 percent less electricity and 49 percent less natural gas than they had 3 years earlier—all this in the face of a severe winter.

Despite their heroic efforts, their energy bill was higher in 1976 than it was in 1973.

Mrs. Godbout's letter speaks for itself. I commend it to the attention of my colleagues:

DEAR PRESIDENT CARTER: I have never before written to a President but I feel so strongly over my concern about our natural gas crisis that I'm praying you will give this letter much consideration. When is somebody going to start looking at the consumers' side of this crisis? I realize we need to seek new ways and means for new energy and this takes money, but the consumer can't pay for it all. Why can't some Federal money be made available for this? The average and below income families cannot continue to pay prices such as we are now for gas much longer. From all indications the price of gas will go even higher and it will soon be impossible to pay our bills—what do we do then? Another year or so like this and I'm sure many people will have to consider going on welfare rolls or have some assistance available to keep warm. We have no choice as to where to buy gas other than from monopolies such as Iowa Power & Light and they continue to impose rate increase upon rate increase upon us. Plus they are allowed to pass along to the consumer energy cost adjustments.

This hardly seems fair to me. Seems to me that that when something is sold to me at a set amount that's what I should be expected to pay, but this energy cost adjustment varies from month to month and is passed along to the consumer. I'm very depressed over the future outlook. I feel like I'm backed in a corner with nowhere to turn for help so I'm taking this means in writing to you and other heads of Energy. We are constantly being asked to conserve (and believe me we have conserved) and for our efforts and sacrifices we are thanked by having to pay these high prices for gas and told it will go even higher.

We have done everything possible in our home to conserve energy and I don't know of anything further we can do. Is it fair that I have to continue to pay even higher prices for gas? Listed below are some of the means we have taken.

1. Insulated attic, all side walls and put on storm windows in 1974.
2. We have caulked around all window and door casings.
3. We have gradually dialed down—as of this winter (76–77) the thermostat is set at 64–66. (your pleas to the nation to dial down to 65 didn't affect us—I already know how uncomfortable that temperature is)
4. At night we dial down to 56.
5. I pull shades and close drapes at the windows at nights on days the sun doesn't shine.
6. We have steam heat and we shut off upstairs radiators when we get up in the mornings and turn them back on at night.
7. We have shut off and don't heat rooms we don't need.
8. I dry about half of our laundry on lines in the basement and I wash in cold water.
9. We keep high humidity in our house because we have health problems that require this.
10. I don't have a dishwasher or self cleaning oven, etc.

What more can be expected from a consumer?

Next are some facts and figures which will prove that I have conserved. This is taken off our Iowa Power and Light bills.

December 1973 (before we took steps to conserve):
Used, 912 kwh; cost, $25.37.
Used, 635 ccf; cost $66.83.
December 1975:
Used, 913 kwh; cost $36.12.
Used, 320 ccf; cost, $48.16.
December 1976:
Used, 791 kwh; cost $32.26.
Used, 323 ccf; cost, $61.79.

You can see that we used nearly half as much gas this December as we did in 1973 but the cost is nearly the same. It would be impossible for me to pay the bill if I had used the same amount as I did in 1973 at the current rates. Also notice that we used only 3 ccf of gas more this December than in 1975 and the Iowa Power representative commented to this fact that we had conserved because this December 1976 was 20 percent colder than December 1975. I also paid a difference of $13.63 for those 3 ccf in a year's time. When I see increases like that on 3 ccf it makes me shudder—what justifies increases like that? How can anyone be expected to keep up with rising costs such as these? My combined bill with sales tax was $96.87 for this past December. I have to cut down on food in order to pay it and I cannot continue to pay such prices. Mr. President, what am I to do if gas continues to rise?

For these reasons, President Carter, I plead with you to set up some kinds of programs that would give the consumer that conserves a break in the cost of gas. I don't see how it is humanly possible for me to conserve much more or for my husband to increase our income anymore. He is a teacher and he supplements our income by coaching during the school year and painting houses in the summer, Yes, there are people who have not done their part in conserving but as a whole most families have taken means to conserve, so why not introduce a program that would benefit the conserver and let those who don't, pay the consequences.

Excuse this poorly typed letter but I am a homemaker and have not typed for years and find I've lost my touch and it is difficult to type with cold hands.

I am praying for some action to benefit families across the nation such as us. May God direct you, Mr. President, to help people like us—your people. I must say I am happy about the steps you have taken to cut energy cost and consumption since you've taken office. I'm disturbed with our local state in the fact that they say they will not dial down to 65 in the State Office Building. Why should the houeholder then? I pray God will send some answers to this problem.

Yours truly,

MRS. MARY ELLEN GODBOUT.

BLINDING JUSTICE: THE CAMPAIGN TO OUTLAW THE U.S. INTELLIGENCE AGENCIES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. McDONALD. Mr. Speaker, on February 15, three organizations working to extinguish America's foreign and domestic intelligence-gathering capability held a Capitol Hill press conference to publicize proposed Federal legislation which they drafted to outlaw domestic intelligence-gathering. The three organizations are the American Civil Liberties Union, ACLU, the Fund for Peace's Center for National Security Studies, CNSS, and the Committee for Public Justice, CPJ.

The three groups were presented in the media account of the press conference as "civil liberties" organizations. In fact the three are civil liberties groups only in the sense that they are working to set up conditions under which the civil rights guaranteed under our Constitution will be destroyed. The draft legislation, for which congressional sponsors are being sought, will be considered separately. First, a review of the organizations and individuals sponsoring it is in order.

The ACLU was founded by socialists who, though preferring nonviolence themselves, cooperated for decades with totalitarian Marxist-Leninist organizations under the direction of the Soviet Union. Although professing concern for individual liberties, the ACLU continues to have among its leaders and membership Communist Party, U.S.A. activists, and other Marxist-Leninists who can under no circumstances be considered civil libertarians.

In its 1970–71 annual report, the ACLU announced:

The ACLU has made the dissolution of the Nation's vast surveillance network a top priority. * * * The ACLU's attack on the political surveillance is being pressed simultaneously through a research project, litigation, and legislation action.

The ACLU's Project on Privacy and Data Collection, called more accurately the "antisurveillance project" by activists, is headed by Frank J. Donner, identified in sworn testimony by three witnesses as a member of the Communist Party, U.S.A. For 20 years, Donner has been a leader of the Communist Party's efforts to end all investigation of subversive activities.

The Committee for Public Justice was founded in 1970 by Lillian Hellman who

presents herself as a "victim of McCarthyism." The facts of Miss Hellman's career are quite different.

When called to testify before the House Committee on Un-American Activities, HCUA—with which the late Senator from Wisconsin had no connection—Hellman admitted under oath that she had joined the Communist Party, U.S.A. in 1937 and said she had left the Communist Party about 1950. Citing her fifth amendment privilege against self-incrimination, Hellman refused to specify a date for her leaving and would not answer questions about how and why she was separated from the Stalinists. Nor would she discuss her CPUSA activities nor those of any of her associates.

Miss Hellman, a mistress of the new revisionist history, tells in her "Scoundrel Time," part three of her memoirs, of a conversation she had with Henry Wallace, head of the Progressive Party which the Communist Party, U.S.A. controlled.

> When we had walked for a while he asked me if it was true that many of the people, the important people, in the Progressive Party were Communists. It was such a surprising question that I laughed and said most certainly it was true. He said, "Then it is true, what they're saying?" "Yes," I said, "I thought you must have known that. The hard, dirty work in the office is done by them and a good deal of the bad advice you're getting is given by the higher-ups. I don't think they mean any harm, they're stubborn men." "I see," he said, and that was that.

Hellman's duplicity and Henry Wallace's incredible naivete speak for themselves.

In 1956, 4 years after her appearance before HCUA, Lilliam Hellman was prominent in the Senate Internal Security Subcommittee's list of the 82 most active and typical sponsors of Communist front organizations. Hellman went on from her HCUA appearance to continue her career as a successful Broadway playwright and novelist. She did not continue a Hollywood career in which she had produced some strongly pro-Soviet film scripts.

Hellman installments of her memoirs provide some intriguing glimpses of the Comintern and CPUSA circles in which she moved from the early 1930's. One excerpt of Hellman's "Pentimento" is about to be released as a motion picture, Julia, starring Jane Fonda. It is a fictionalized account of Hellman's activities as a courier smuggling funds to the German Communist underground.

In view of Hellman's successful career, it is difficult to see how she has suffered other than apprehension at what HCUA investigators had discovered about her activities on behalf of Soviet, German, and American Communists; and perhaps an embarrassed red face at public scrutiny of her red politics.

But Hellman, one of the most vindictive of the revisionists, herself is a blacklister of anti-Communists. A few months ago, Hellman forced her publisher, Little Brown & Co., to censor passages in a book by Diana Trilling, widow of the anti-Communist liberal critic Lionel Trilling, which were critical of Hellman and her activities.

Operating from offices at 22 East 40th Street, New York, N.Y. 10016—212–686–1245—the CPJ made its first public notice with a 1971 Princeton conference attacking the FBI's monitoring of violence-prone and subversive organizations. CPJ funding has come from the sale of books based on its antiintelligence seminars; from radical chic fundraising affairs; and from the Field Foundation via the ACLU. Established by Marshall Field, the Field Foundation has long been noted for its funding of extreme left causes, and several of its officers and trustees are CPJ members including Mrs. Ruth P. Field, Robert Coles, Justine Wise Polier, and Mrs. Fiona Field Rust.

In 1974, CPJ representatives met with officials of the FBI at the request of Senator—now Vice President—MONDALE to make "detailed proposals to end unlawful surveillance, wiretapping, mail opening, burglaries and other abuses." In fact, as CPJ, the ACLU and CNSS—also funded to a large part by the Field Foundation—make clear, they consider all surveillance of subversives and violence-oriented Marxist-Leninist conspiratorial groups "illegal" unless Federal crimes are already known to have been committed. In effect, CPJ, ACLU, and CNSS are attempting to eliminate the preventive aspects of the legal system.

More recently, CPJ has organized meetings in New York, Los Angeles, and Chicago in which the stars of the anti-intelligence speaking circuit, such as Daniel Ellsberg, Morton Halperin, and Victor Marchetti were joined by congressional figures and media luminaries like Tom Wicker, 1972 recipient of the annual award of the National Emergency Civil Liberties Committee, a Communist Party front, to denounce intelligence-gathering.

The CPJ's executives and committee members are a roll call of supporters of Communist Party, U.S.A. fronts and causes; "radical chic" figures from the entertainment world; and alleged liberals who have been around long enough to be expected to recognize a Stalinist operation when they see one:

CPJ EXECUTIVE COUNCIL

Lillian Hellman, Robert B. Silvers, *Co-Chairmen;* Raymond S. Calamaro, *Executive Director;* Norman Dorsen, Leon Friedman, Willard Gaylin, Stephen Gillers, Milton Gordon, John Hersey, Ephraim London, Aryeh Neier, Eleanor Jackson Piel, Orville H. Schell, Jr., Stanley K. Sheinbaum, Telford Taylor, Hannah Weinstein, Jerome Wiesner.

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Donald S. Klopfer, Terry Lenzner, John Lewis, Duane Lockard, J. Anothony Lukas, Shirley MacLaine, Burke Marshall, Louis Martin, Anne Martindell, Jessica Mitford, Charles Morgan, Jr., Paul Newman, Mike Nichols, Martin Peretz, Frances Fox Piven, Richard Poirier, Justine Wise Polier.

Louis H. Pollak, Jo Pomerance, David Ramage, Bernard Rapoport, William M. Roth, Mrs. Fiona Rust, Carl Sapers, Andre Schiffrin, Norbert A. Schlei, Arthur Schlesinger, Jr., Stephen Schlossberg, Faith Schwarz, John Seigenthaler, Gordon Sherman, William L. Shirer, David Shoup, Neil Simon.

George Slaff, McNeill Smith, Jean Stein, Philip Stern, William Styron, Percy Sutton, James Vorenberg, Dorothy A. Wadsworth, John William Ward, Grace K. Warnecke, James Watson, Bethuel M. Webster, Joseph Weinstein, Harris Wofford, Leonard Woodcock, G. Vann Woodward, Adam Yarmolinsky.

The Center for National Security Studies, CNSS, a project of the Fund for Peace, has its offices in a townhouse rented from Fund for Peace trustee Stewart Mott at 122 Maryland Avenue NE., Washington, D.C. 20002. CNSS is the principal organizer of the newly-formed Campaign to Stop Government Spying, CSGS, which emerged at the National Conference on Government Spying held in January in Chicago. (See CONGRESSIONAL RECORD, Jan. 31, 1977, 2843; and Feb. 1, 1977, 3200).

The campaign describes itself as "a coalition of religious, educational, civic and labor organizations which have joined together to call for strict controls on the operations of local, State, and national intelligence agencies." Actually, the campaign is the grass roots pressure organization which will try to convince Congress that large numbers of their constituents demand an end to Federal intelligence programs.

The CSGS for the most part is composed of the same organizations which were previously active in Communist-directed coalitions supporting the Vietcong and which are now active in the Friendshipment coalition for reparations and U.S. foreign aid to the Vietnamese Communist regime; in the National Council for Universal and Unconditional Amnesty, NCUUA; and in the Coalition for a New Foreign and Military Policy, CNFMP.

The Campaign to Stop Government Spying has its offices at 201 Massachusetts Avenue NE., No. 112, Washington, D.C. 20002—202/547–4644. Coordinator is Peggy Shaker. Member organizations responsible for campaign direction and policymaking include:

American Civil Liberties Union.
Americans for Democratic Action.
American Friends Service Committee.
Center for National Security Studies.
Center for Science in the Public Interest.
Church of Scientology, Commission on Law Enforcement and Social Justice.
Commission on Social Action for Reform Judaism.
Counter-Spy.
Environmental Policy Center.
Federation of American Scientists.
Friends of the Earth.
Fund for Constitutional Government.
La Raza Unida.
Leonard Peltier Defense Group.

National Committee Against Repressive Legislation.
National Conference of Black Lawyers.
National Emergency Civil Liberties Committee.
National Jesuit Social Apostolate.
National Indian Youth Council.
National Lawyers Guild.
National Organization for Women.
National Student Association.
People's Business Commission.
Political Rights Defense Fund.
Public Education Project on the Intelligence Community.
United Church of Christ:
Office for Church in Society, Commission for Racial Justice.
Urban Policy Research Institute.
United Presbyterian Church, U.S.A.: Washington Office.
Women's International League for Peace and Freedom.
Women Strike for Peace.

Cooperating organizations who support CSGS goals and are in communication with the CSGS include:

Americans for Amnesty.
Catholic Peace Fellowship.
Center for Women's Policy Studies.
Chicago Police Surveillance Litigation and Education Project.
Children's Foundation.
Fellowship of Reconciliation.
Fund for New Priorities.
International Longshoremen's and Warehousemen's Union.
Midwest Research Group.
National Association of Social Workers.
Protect Political Rights.
Repression Information Project.
Southern Regional Council.
Unitarian Universalist Association.
War Resisters League.
Women's Lobby.

The Campaign To Stop Government Spying outlines its three basic principles:

End Covert Operations Abroad: Clandestine organizations and covert intervention in the affairs of other countries have no place in a democracy. Paramilitary operations and political interference by the CIA should be ended and the Clandestine Services Branch disbanded. (Many of the organizations and individuals involved in the Campaign believe that the end of secret government can only be accomplished by a prohibition of all secret spying in peacetime.)

End Political Spying in the United States: Spying on Americans engaged in political activities violates the Constitution and inhibits the free participation so important in our democracy. The CIA, FBI, military, state and local police should be clearly prohibited from spying.

End Secret Budgets and Secret Charters of the Intelligence Agencies: The Constitution requires a public accounting of all government spending. Secret funds and secret charters encourage crime and distort the open democratic process. The budgets and functions of the intelligence agencies should be made public.

Contrary to what the anti-intelligence extremists assert, secret operations have a strong role to play in protecting the interests of our country and of the free world from its enemies. Looking at satellite photos and reading Pravda and Izvestiya or meeting with Soviet officials in international forums will never tell us what we need to know about the men in the Kremlin, the new secret weapons systems under development, the new policies being developed, or new salients being considered.

Also contrary to the claims of the anti-intelligence extremists, the courts have repeatedly found that law enforcement also has a preventive function. If violence-prone members of a picket line are inhibited from mayhem by the fact they are being watched and photographed, then society has benefited. If violence does erupt, the lawbreakers can be identified from the photos, and society benefits. And the courts have repeatedly found that the mere fact of surveillance does not violate the Constitution.

The organizations which take their operational guidelines from Marx, Lenin, Trotsky, Hitler, and Mao are prepared to use any illegal method of imposing their will whenever they feel such tactics will be successsful.

The mere fact that these organizations also carry out legal activities does not lessen the threat to all our freedoms. As former Supreme Court Justice Arthur Goldberg has said:

The Constitution of the United States is not a "suicide pact." The Nation has the right and duty to protect itself from acts of espionage and sabotage and from attempts to overthrow the Government.

When the CPJ/CNSS/ACLU draft legislation comes before us, we should take into consideration its origins and purpose as the "left stalking horse" for other bills to maim our intelligence agencies.

LITHUANIAN INDEPENDENCE DAY

HON. PETER W. RODINO, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. RODINO. Mr. Speaker, today, approximately 1 million persons of Lithuanian descent are living here as citizens of the United States, enjoying all the unalienable rights and freedoms that our country offers. Ever since the Republic of Lithuania declared its independence 59 years ago on February 16, 1918, the United States has fully recognized and wholeheartedly supported its right to exist freely, serving as an example to all freedom-loving peoples everywhere. It is these fine people of Lithuania and of Lithuanian descent that we commend.

Ever since Lithuanian immigrants started coming to the United States as early as 1688, they have offered a type of Eastern European lifestyle that has added immensely to our overall melting pot of culture. The many achievements made in Lithuania over the past century in the fields of literature and music, inspired by the national folklore, have been brought across the ocean in the minds and the hearts of the people.

The Lithuanians are a spirited people. They have survived many years of oppression, intermittently fighting off enemy occupation from every side. They have never lost their love of freedom, independence, and national identity which they first developed over 180 years ago. That is why those Lithuanians who have migrated to American soil cherish deeply and hold in great respect those individual rights and freedoms that many of us often take for granted.

In Lithuania, the people are still striving to obtain this freedom and they look to us, a country once involved in a battle for independence itself, for support. Many Americans of Lithuanian descent and friends of Lithuania will remember with grateful feelings the approval of House Resolution 864 back in 1975 by the U.S. House of Representatives expressing the concern this body had over the political status of the three Baltic States: Lithuania, Latvia, and Estonia. The United States must continue to act on behalf of any country that seeks to govern itself under a democratic system.

As we commemorate Lithuanian Independence Day, let us remember that the United States, too, was once a struggling nation, seeking its independence. Because of this, let us pay tribute to those Lithuanians who wish to build themselves a more perfect society and commend those Americans of Lithuanian descent who have contributed so much to ours.

COUNTY ENGINEER TALKS ABOUT UNSAFE BRIDGES

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. HARKIN. Mr. Speaker, on January 26 I reintroduced the Bridge Safety Act of 1977. The bill is aimed at providing some urgently needed Federal assistance to help States deal with a serious and growing problem: financing the repair or replacement of unsafe bridges.

In a statement which accompanied introduction of the bill on that day, I included a number of alarming statistics concerning the magnitude of the bridge repair and replacement problem in this country. The cold numbers and facts are perhaps not the best measure of this problem. State and local government officials, primarily county engineers, offer the most convincing arguments in support of increased Federal involvement in this area.

As an illustration, I insert today for my colleagues' information a news article appearing in the Council Bluffs, Iowa, Nonpareil on January 24:

BRIDGE REPAIR BILL WELCOMED

A bill in the U.S. Congress to increase federal funds for emergency bridge repair would be a welcome relief to Pottawattamie County's Engineer.

"It boggles the mind when you think of the amount of money it takes to replace bridges," Engineer Charles W. "Gene" Hales said Monday.

Last year the county spent $1,670,000 to replace 55 wooden bridges, Hales said.

From 1973 to 1976, 188 bridges have been replaced at a cost of $4,529,000. "The entire county system has 700 bridges so I think we're working at a fairly good rate," Hales said. But added, "it could be better."

Bridge replacement and repair is the county engineers' office top priority, he said.

"It's essential to keep such traffic as farm equipment and school buses moving."

Federal bridge repair legislation introduced last week by Congressman Tom Harkin,

D-Iowa, comes at a good time, Hales said, because he anticipates some more costly bridge work in 1977.

Hales said he and other Southwest Iowa county engineers have been working with Harkin on the problem and keeping him informed of the local situation.

Harkin said his studies have indicated that nearly half of Iowa's 35,000 farm to market roads have deteriorated so much they can no longer carry the weight they were originally built to hold.

He also said about 900 Iowa bridges qualify for emergency federal assistance.

Harkin said county engineers feel that funding for the bridge repair program is so slow, "they don't even bother to apply."

Engineer Hales agreed by saying, chances today of getting federal funding are "pretty remote."

Harkin's bill would boost funding for the bridge program from the present $180 million to $720 million.

ILLEGAL ALIENS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. YOUNG of Florida. Mr. Speaker, according to Leonard F. Chapman, Jr., Commissioner of U.S. Immigration and Naturalization Services, U.S. border patrol officers guarding only a 30-mile stretch of the Mexican border, apprehended 1,100 illegal aliens in one night trying to cross the border without authorization. Mr. Chapman estimates that on the same night 2,000 more spilled into the country undetected. This is a problem we must all become more aware of, because it is a problem that eventually touches every one of us.

It is the hard pressed labor market that is most effected by these uninvited intruders. Aliens are drawn to the United States in such masses, because of extremely high unemployment rates in their own country, with their primary motivation being to get a job here. Generally they are successful. Many, as unskilled laborers, such as field and ranch hands, where they are frequently exploited by employers who know they can hire them for $50 a week less than they can hire unskilled American employees. But they do not always work at unskilled jobs. In New Hampshire, for example, an illegal alien was discovered working as a metallurgical engineer for $12,000 a year, and another, employed on the Alaska pipeline had been making $11 an hour. When he was deported, he took with him $18,000 in savings.

A Cabinet-level committee reported in January that there is a real attraction for employers to hire illegal aliens. Their low cost availability raises the income of the employer and lowers the prices of his goods and services. That may not sound all bad, unless you consider that jobs are denied Americans who should be filling those positions, and forces unnecessary public support of those unemployed Americans.

I have recently introduced legislation designed to penalize employers who knowingly or unknowingly hire illegal aliens. The bill provides for an orderly progression of monetary fines and subsequent imprisonment of employers who deliberately hire illegal aliens. It also provides for a "first warning" to employers who may hire illegal aliens unintentionally. An estimated $10 billion every year is lost in wages to American workers who are replaced in the job market by illegal aliens. Unemployed Americans need those jobs, and as they are denied those jobs the burden is shared by every American taxpayer who must support our already burdensome unemployment program.

I urge my colleagues to study H.R. 3395 and to support it, and to take any steps necessary to assure its expedient passage by this House.

AIDING THE VISUALLY HANDICAPPED

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. KOCH. Mr. Speaker, last fall the Division for the Blind and the Physically Handicapped of the Library of Congress and the Congressional Research Service arranged to have legislation relevant to the aid of our Nation's handicapped recorded on cassettes for the benefit of those individuals who cannot read conventional print material. As I have been active for some time now in developing legislation for the handicapped, I am pleased that this step was taken to help our disabled citizens learn what is happening in Washington on their behalf.

These recordings are part of the Division's Talking Book Topics series. Talking Book Topics is a bimonthly magazine that sends a list of recordings to over 500,000 individuals on their mailing list as well as to the Division's regional and subregional libraries. Now, interested persons are able to request a recorded summary of relevant legislation on a free loan, much in the same way recorded books and magazines are delivered.

The response to this addition to the Talking Book series has been gratifying. According to Mr. Frank Cylke, Chief of the Division for the Blind and the Physically Disabled, more than 30 requests for the cassette have been received, and the number grows daily. I have appended to this announcement a letter from Mr. Cylke describing the success of the project.

I would like to thank Mr. Cylke and his staff, and Mr. Norman Beckman, Acting Director of CRS and his staff, for taking steps to involve these disabled citizens in the legislative process.

LIBRARY OF CONGRESS,
Washington, D.C., January 11, 1977.

Honorable EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: At your suggestion we have produced, in cassette form, a summary of bills submitted in the 94th Congress which affect handicapped persons in some manner.

The response from users of our library program has been gratifying. Since announcing the availability of this new service in our bimonthly magazine, Talking Book Topics, additional requests are being received daily.

To further serve this demonstrated need among the handicapped population for information about pending legislation we plan to issue a similar compilation of bills submitted in the current Congress. This new summary should appear within the next several months and will be announced through our program.

Your interest and assistance in this project are greatly appreciated.

Sincerely,

FRANK KURT CYLKE, *Chief.*

DIVESTITURE NO SOLUTION

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. ABDNOR. Mr. Speaker, there is no question it has been a cold winter, but in our haste to find a solution to the energy problem, there is little merit in warming over bad legislation which died with the end of the 94th Congress. That idea is breaking up the big oil companies and it has surfaced again.

The big oil companies have their faults, to be sure, but there is little merit in curing the faults by destroying the main reason we have had abundant energy so cheaply for so long.

In a recent radio editorial on station KKLS in Rapid City, S. Dak., Abner Hunter George said pretty well what I perceive to be the feelings of most South Dakotans on this issue:

The following comments are from an editorial by Abner Hunter George on February 9, 1977.

Here we go again . . . another effort to break up the big oil companies has surfaced. . . . This time in the House of Representatives. Associated Press reports that a group of 31 Congressmen has introduced legislation to break up the major oil companies. And this time they're going all out . . . they're swinging a double bladed axe at the people who have the best chance of keeping our growing demand for energy supplies. This bill would require both horizontal and vertical divestiture. Not only would one company be forbidden to engage in business in more than one energy source, but would also be prohibited from participating in more than one phase of the business. An oil company would be prohibited from dabbling in coal . . . A coal company could not become involved in the search for nuclear fuels. New companies would have to be formed to develop solar energy and they couldn't branch out into the geothermal area. And if that is not enough . . . the coal miners could not transport their coal to an energy plant. A power company could not own its own coal mine or other fuel source. Oil companies could no longer establish their own retail outlets . . . The service stations that distribute their products to the public. What a hodge podge we would have. Think of the multiplicity of potential "weak links" in the chain between search and discovery; sale and delivery; production and marketing. The thought should be terrifying to a nation so dependent on a firm, reliable supply of energy to meet the growing demands of an expanding economy. Yet here are 31 Congressmen who feel we must make the gamble . . . a gamble with the economic lifeline of an entire country.

But the most formidable obstacle I see in such a plan is the years-long lead time needed to bring new energy sources to the point that they can be delivered and put to use by those who need them. That lead time is also capital consuming time. Do the Congressmen propose to subsidize the multitude of new companies they envision as bringing their so called new competition into the energy picture? It takes vast capital resources to venture into the new and sophisticated energy sources that must become the source of supply for the greatest industrialized nation on earth. Even if the government was to finance those ventures, the money must still come eventually from the profits of private industry. That is the one source of income the government has . . . it is the one place which can provide the jobs for the people who produce an ever increasing gross national product. Government employment contributes nothing to that. . . . Government regulation is counter productive.

Breaking up the major oil companies would be a sad. . . . and I fear, a fatal mistake.

Thank you.

WAYS AND MEANS OVERSIGHT SUBCOMMITTEE TO HOLD HEARING ON TAX DISCLOSURE LAWS

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. GIBBONS. Mr. Speaker, as chairman of the House Ways and Means Oversight Subcommittee, I have scheduled a hearing to explore the impact of new provisions of the Tax Reform Act of 1976 limiting Government access to taxpayer information.

Testimony will focus on two administrative provisions of the 1976 act, sections 1202 and 1205. Section 1202, which became effective January 1, 1977, restricts the use of tax returns outside the IRS and provides penalties for unauthorized disclosure, including disclosure to other Federal law enforcement agencies. Section 1205, which becomes effective March 1, 1977, limits the availability of third-party summonses by which the IRS obtains such information as a bank's records of a taxpayer's financial dealings.

Federal law enforcement officials have publicly complained that the new restrictions will hamper their ability to verify information on a taxpayer's return. Supporters of the provisions contend that they are necessary to preserve individual privacy.

In a recent letter to the chairmen and ranking minority members of the House Ways and Means and Senate Finance Committees, Attorney General Griffin Bell asked for legislation to suspend section 1202 and to postpone the effective date of section 1205, both for 6 months.

Before section 1202 became effective, tax return information could be disclosed to certain Government agencies outside the Internal Revenue Service under regulations prescribed by the Secretary of the Treasury and approved by the President. These regulations permitted such disclosure to the Justice Department, among others, in the pursuit of tax fraud investigations. Section 1202 limits such disclosure and authorizes civil suits against Government employees who make unauthorized disclosure.

Section 1205 will limit the availability of administrative summonses by permitting taxpayers under investigation to prevent third parties from giving the IRS the third party's financial records concerning the taxpayer. It also authorizes taxpayer intervention in third-party summons enforcement actions brought by the Government, as well as taxpayer appeal rights.

The 1-day hearing will begin at 10 a.m., Thursday, February 24, 1977, in the Ways and Means Committee main hearing room on the first floor of the Longworth House Office Building. Witnesses invited to attend include representatives of the Department of Justice, the Internal Revenue Service, the legal, judicial and investigative professions, the banking industry, and public interest groups.

SMALL BUSINESS, JOB CREDIT TAX ACT

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. YOUNG of Florida. Mr. Speaker, it is my pleasure to join as a cosponsor of H.R. 3404, the Small Business, Job Credit Act. This bill, which provides a 50-percent tax credit against wages for a new job created for an unemployed person, is one that can only be viewed as beneficial to all Americans.

In my opinion, this bill has three significant points in its favor. To begin with, it is not just another giveaway program. By offering such an incentive as the 50-percent tax credit, it shows the small businessman that Government is willing to go half way with him to help solve the unemployment problem. It is estimated that the cost of each new job stimulated by this program will cost the Government about $3,000. This is opposed to an estimated cost of $8,500 for a Government employee in the public service field, and $10,000 or more for an employee in the public works program.

The second plus in this proposal is its straightforward approach to the immediate problem of unemployment. It should produce almost immediate results while creating very little of the infamous "Government redtape" that usually accompanies a jobs incentive program. To participate, an employer would simply declare his involvement in the program when he files his income tax return. His return would, of course, be subject to an IRS audit, as it always is. The program requires a minimum of paperwork and no large, costly, bureaucratic organization to oversee it.

Finally, it has built into it a series of necessary and very sensible controls that should accompany any legislation of this kind. The bill provides that no private business may take part in the program beyond the hiring of 10 new employees with a maximum tax credit of $80,000 per year. This provision virtually eliminates its usefulness to large industry which can afford to ease the unemployment problem without any help from us, and focuses on small business and industry. There is also a provision for the tax credit to expire in 5 years, thereby eliminating a permanent tax burden that has a chance to outlive its usefulness. And, there is a stipulation that requires the Secretary of the Treasury to report to Congress during the second and fourth years of the program to keep us informed of the impact of the program and its cost to the Government.

It has been estimated that this bill could create as many as 1½ million new jobs in the private sector, which now employs 80 percent of the American work force. And those jobs can begin to materialize almost as soon as Congress passes the bill and the public is informed. New jobs in private enterprise means immediate cash flow and increased supplies of goods and services to stimulate our economy. Just as important, they provide a decrease in unempolyment, which is a burden on everyone.

The need for our help in providing ready solutions to the current unemployment problem is without question. This very sensible and sound effort to provide a low cost, fast action solution must be supported by the Members of this House as quickly as possible.

STATISTICS FOR NEIGHBORHOODS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mrs. SCHROEDER. Mr. Speaker, I am today reintroducing for consideration in the 95th Congress a bill to entitle municipalities and recognized subdivisions of municipalities to census statistics which relate to their jurisdictions. The bill is identical to H.R. 15148, which I introduced too late in the 94th Congress for final action. I am happy to say that Congressman PAUL SIMON and BILL LEHMAN—who is taking the chair of the Subcommittee on Census and Population from me—are cosponsoring the bill.

There is a growing effort in this country to retain or revitalize neighborhood consciousness particularly in its urban areas. Some cities have already enacted statutory decentralization programs in recognition that government, even at local levels, has become too unaccountable and unable to respond to the needs of its citizens.

As the neighborhood movement grows, so does the need for relevant neighborhood information. During the 94th Congress, as chairwoman of the Census and Population Subcommittee, I was particularly interested in assisting neighborhood organizations in their efforts to receive census data in a way that is us-

able for their needs. The Bureau of the Census has pledged its cooperation to work closely with these groups, and I hope that the Bureau will now become a major source of information for neighborhoods.

The Neighborhood Statistics Act will assure that this process works. It will allow neighborhood organizations which are recognized by statute, and which have elected officials, to have the Bureau of the Census provide census statistics for their neighborhoods.

In many instances, census tracts do not parallel statutory neighborhood entities, and this right now causes problems in interpreting census statistics for such neighborhoods.

The cost of this legislation will be miniscule. Its passage will be invaluable and welcome assistance in the effort to save our neighborhoods and improve local government.

REORGANIZATION OF THE EXECUTIVE BRANCH

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. ASHLEY. Mr. Speaker, President Carter's request for limited authority to reorganize the executive branch of the Federal Government must be honored by this Congress.

He has asked, in effect, for the identical power exercised by five American Presidents from 1949 to 1973. He does not seek to reshape the entire executive branch by fiat, unaffected by congressional opinion. Rather he seeks the right to create, prune, and consolidate agencies and departments at the sub-Cabinet level, subject to the veto of this House and the Senate. It is essential that we bear in mind both the historical precedent for President Carter's request, and the preeminent role the issue of executive reorganization played in his election effort. We must not deny President Carter by design, what we have extended by rote to Presidents Truman, Eisenhower, Kennedy, Johnson, and Nixon.

Based upon President Carter's proven administrative record and the nature of his reorganization authority request, it is clear that the process of governmental reorganization will be streamlined. By providing only for a congressional veto, the spectre of obstructionism will be averted, and no legitimate plan will be talked to death in committee or on the floor. In recent years, similar authority to that sought by President Carter has permitted the advent of the Environmental Protection Agency, as well as the amalgamation between the Commerce and Interior Departments which resulted in the formation of the National Oceanic and Atmospheric Administration.

It is easy to paint this as a threshold battle for supremacy between the new President and Congress, or even in more historical "separation of powers" terms, but that is simply not coincident with the facts. In no way will Congress be abdicating its constitutional authority as a policymaking body if we accede to President Carter's request. We will retain sufficient review powers over any proposal simply by means of the veto power.

Finally, it is essential we recognize that this proposal is not tied to the ghost of Watergate. Much has been made of the fact that former President Nixon used a similar authority to create the Domestic Council; the implication that the resultant abuses of power were inherent in the authority now sought by President Carter, and not in the people staffing Nixon's Domestic Council, is specious.

I call upon all of you to put selfinterest and partisanship aside, and support the President in his effort to streamline the executive branch.

THE BELGRADE CONFERENCE—A SECOND OPPORTUNITY

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. EILBERG. Mr. Speaker, this summer, the United States will be attending the followup Conference on European Security and Cooperation in Belgrade, Yugoslavia.

The people of Lithuania are anxiously awaiting the outcome of the Belgrade Conference, because it represents the only foreseeable means for them to benefit from the Basket 111 provisions of the Final Act of the European Security and Cooperation Conference in Helsinki.

Lithuania, a sovereign nation since 1251, reestablished its independence on February 16, 1918, but was invaded by the Soviet Union in 1940, and was forcibly annexed with Latvia and Estonia into the Soviet Union that same year.

For more than three decades, the Lithuanian people have endured religious persecution, political repression, complete denial of their basic human rights, and concentrated programs of Russification of their country by the Soviet Union.

Lithuanians have not suffered in silence. The Western World has seen and heard of the sacrifices of Lithuanian patriots, despite attempts by the Soviet Union to suppress all such communications with the Western World. The underground publications, "The Chronicles of the Lithuanian Catholic Church" and "Ausra"—The Dawn—are published and disseminated by Lithuanians, in spite of the constant threat of arrest and imprisonment by their Russian occupiers.

The Soviet Union has blatantly ignored the human rights provision of its own constitution, the provisions for human rights in the United Nations Charter, and most recently it has ignored the implementation of the Basket III provisions of the Final Act at Helsinki.

There is worldwide concern for Soviet Jewry, and justly so, however, Lithuanians, Latvians, Estonians, and the people of the other captive nations also deserve our concern and action.

We have a second opportunity, at the Belgrade Conference, to bring the force of world public opinion and the diplomatic power of the Western World to bear on the Soviet Union's disregard of the human rights provisions of the Final Act of Helsinki. The Commission on Security and Cooperation in Europe, established by the U.S. Congress last year, has documented evidence of the Soviet Union's noncompliance with these provisions.

Since the Soviet Union seeks better relations with the Western World for its own purposes, let us make compliance with the Final Act of Helsinki a condition on which those relationships depend.

HOW RESPONSIVE IS GOVERNMENT?

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. CONABLE. Mr. Speaker, I must acknowledge that I rarely find myself operating on the same wavelength as Anthony Lewis, one of the regular editorial page writers for the New York Times. In the Monday, February 21 edition of the Times, however, Mr. Lewis explored the paradox of Government unresponsiveness to public policy. His piece goes beyond his conclusion that the Government itself is one of the most flagrant polluters of our environment, to study the reasons for this and other examples of apparent Government insensitivity and unresponsiveness. In view of President Carter's entirely appropriate goal of a system more responsive to the citizens' needs, Mr. Lewis' interest in the Harvard study which provoked his comment should find ready response here. The column follows:

A MOST INGENIOUS PARADOX

(By Anthony Lewis)

BOSTON.—Federal law establishes a policy objective for the country: to reduce air pollution, for instance, or hire more women and minorities. In trying to enforce the policy, the Government should have an easier time persuading its own agencies than private industries.

Right? Wrong, says James Q. Wilson, professor of government at Harvard, and Patricia Rachal, a graduate student there. Writing in the winter issue of the quarterly The Public Interest, they argue convincingly that it is usually harder for government to change the attitudes of public agencies than of private institutions.

One example they give is the Labor Department's Office of Federal Contracts Compliance, which is supposed to make Federal agencies see to it that contractors doing business with them have programs to hire minority employees and women. O.F.C.C. is widely considered to have little or no impact on the other Government departments. The Civil Rights Commission has said it is such a failure that it should be abolished.

Or compare the pollution performance of the Tennessee Valley Authority with that of private utilities subject to Federal environmental regulation. The authors conclude that T.V.A. generating plants foul the air more than many private plants.

Why should Government agencies be slow to carry out Government policy? Professor Wilson and Miss Rachal explore the paradox and suggest a number of reasons having

to do with the forces that operate on the managerial mind, such as law and money and bureaucracy.

If a private institution fails to carry out a law or regulation, the Government may go to court. The Environmental Protection Agency, for example, is actively engaged in litigation to make industry reduce pollution.

But one Government agency cannot usually sue another. It will be a long wait until the O.F.C.C. sues, say, the Defense Department for failing to see that its contractors increase minority hiring. It would be a remarkable event if the E.P.A. tried to bring the Tennessee Valley Authority into court.

Financial incentives may also be relevant. If electric utilities have to install scrubbers in their smokestacks to remove sulfur compounds, they ordinarily can pass on the cost. Indeed, a pollution tax has been suggested, so that companies reducing pollution would pay less in taxes. But the T.V.A. has a different purpose in life: to produce electricity as cheaply as possible, as a "yardstick." It is not subject to the same rate or tax incentives in installing anti-pollution devices.

Then there are bureaucratic realities. If a low-ranking civil servant in the O.F.C.C. tries to force change on the Defense Department, he is not likely to get much of a hearing. After all, he cannot cut the department's budget or sue it or penalize it in any other effective way—unless he can get the White House interested, and that is unlikely.

But private institutions have to listen, like it or not, when the same civil servant speaks to them. He may have the power to cut off the contract, or involve them in litigation. He is not just one bureaucrat maneuvering against another.

Underneath all these things there is politics. Federal agencies have allies, in Congress and the country. That is why it is hard to make them change policy. Wilson and Rachal point to the example of Veterans Administration hospitals. The Office of Management and Budget has tried to reduce their spending, but the veterans' lobby has been too strong.

Similarly, the Government has been trying to cut noise pollution since 1972. It is involved in some prickly controversies with the private sector, such as the attempt to force modification of noisy aircraft. But it has shied away from some obvious public noisemakers. There are no noise standards for subway trains, and the law exempts military aircraft.

The Public Interest article is a start at what ought to be a fresh way of looking at the old argument about public and private enterprise. Its paradoxical-sounding argument should provoke political thinkers in both the United States and those Western countires with more socialized economies, such as Britain and France. Wilson and Rachal go so far as to suggest that nationalization may be inconsistent with effective regulation.

One reason often given for nationalizing industries is that they will become more responsive to public concerns. But British experience with nationalization hardly provides overwhelming support for that theory. Such state-owned entities as the railroads and the gas companies can be more contemptuous of their customers than private business.

In this country, the problem of inefficient and unresponsive government was a main theme of Jimmy Carter's campaign. He is now pressing his answer: reorganization of the Federal Government. There plainly is a need for reorganization; in an encrusted system, change itself is a good thing. But this analysis reminds us that there are deeper difficulties in making the bureaucracy respond to public policy.

FIRE SAFETY IN OUR NURSING HOMES

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. O'BRIEN. Mr. Speaker, today I am introducing a bill which addresses a major need of the Nation's nursing homes—namely, to provide financial assistance to skilled and intermediate care facilities so they can provide the maximum degree of fire safety to their residents.

This bill was sponsored in the 94th Congress by then Representative, now Senator HEINZ who is again introducing it in the Senate today.

The bill would require skilled and intermediate care nursing homes to install automatic sprinkler systems as a condition of certification under medicare, medicaid, and veteran's programs. In testimony before the Select Committee on Aging's Subcommittee on Health and Long-Term Care, numerous witnesses pointed out that automatic sprinklers are the most effective means by which a fire can be contained before causing death or extensive damage to the facility.

Current fire standards for nursing homes are embodied in the 1973 Life Safety Code, as developed by the National Fire Protection Association. The 1973 code requires that all new nursing homes be equipped with automatic sprinklers and all other nursing homes contain such a system unless those buildings are of fire resistive, noncombustible materials. In addition, many homes are exempted from the requirement by waivers granted by HEW. The Social Security Act allows the Secretary of HEW to waive portions of the Life Safety Code, such as the automatic sprinkler requirement, if compliance with the code would result in unreasonable hardship upon the nursing home. The waiver itself, however, must not adversely affect the health and safety of the patients.

Unfortunately, the 1973 code has not been stringent enough to protect the lives of nursing home residents. Last January, a tragic fire occurred in the Wincrest Nursing Home in Chicago, resulting in the deaths of 32 people and injuries to 50 others. The Wincrest Home was of fire resistive construction materials and was further protected with a noncombustible roof. It complied with other Life Safety Code features, but it did not have the lifesaving sprinklers.

One of the major drawbacks in assuring that nursing homes are protected with sprinklers is the cost of purchasing and installing the systems. The bill which I am introducing today will meet the need of many nursing homes so they can install these vitally important sprinklers.

The bill would authorize long-term, 20-year loans to eligible facilities in an amount necessary to cover the purchase and installation of automatic sprinklers. The loans would bear a low interest rate, set at not more than 1 percent higher than the average discount rate set by the Fed at the time the loan is made.

This is also a vital grant feature in this bill which will help nursing homes serving primarily rural, medically underserved or low-income populations. The grants also would be applicable to homes which have at least 85 percent of their recipients enrolled in a State plan approved under the medicaid program. The grants would also be available to homes which are either publicly owned or tax exempt.

For those homes which, due to the size or nature of construction of the home, still cannot meet the costs of installing automatic sprinklers without causing unreasonable hardship, the Secretary of HEW would be authorized to make waivers of this requirement. In this latter instance, the waiver would assure that the home does not become ineligible for compensation under medicaid, medicare and veterans' programs. In such cases, the Secretary of HEW would require other fire safety features to assure that the health and safety of the residents is not imperiled.

I would urge my colleagues to take a look at and seriously consider cosponsoring this bill in the near future.

LITHUANIAN INDEPENDENCE DAY

HON. FLOYD J. FITHIAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. FITHIAN. Mr. Speaker, I would like to join my colleagues in the House of Representatives in commemorating the 59th anniversary of Lithuanian Independence Day.

Lithuanians have maintained their separate identity against heavy odds. Like the other Baltic peoples they have continued their West European character. The determination shown by the Lithuanian people to preserve their national identity, their cultural heritage, and their religious liberty is impressive.

On February 16, 1918, the Lithuanian National Council unanimously declared Lithuania's independence and formed the first government of the independent Republic of Lithuania. In 1920, Lithuania and the Soviet Union signed a peace treaty and from 1920 to 1922 Lithuania was recognized by other free states.

Then in 1940 this freedom came to an end when the Lithuanians were invaded by the Soviets and thousands of their citizens were arrested and deported to Siberia.

The citizens organized a revolt against their occupiers in 1941 and restored the Lithuanian Government. This freedom lasted less than 2 months when the Nazis invaded and occupied their country for 3 years.

Between 1944 and 1953, the people of Lithuania fought against their Soviet oppressors. Sixty thousand persons died in battle, in prison, or in exile.

Today, despite the fact that many nations accept Lithuania as part of the Soviet Union, the U.S. Government has

maintained a policy of nonrecognition of this illegal seizure of Lithuania.

The people of Lithuania continue to struggle for their independence through underground newspapers, preservation of their national and cultural heritage, and a strong moral spirit of resistance.

Over 1 million people of Lithuanian ancestry live in the United States. Let us join with them in the commemoration of Lithuanian independence and pay tribute to the people who have continued to pursue the goals of freedom and independence.

COUNCIL ON WAGE AND PRICE STABILITY ACT

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. ASHLEY. Mr. Speaker, I am today introducing a bill to amend the Council on Wage and Price Stability Act to require the preparation of economic impact statements as a condition precedent to the adoption of proposed rules and regulations by all Federal departments and agencies.

Such an amendment will protect the businessman and taxpayer against unreasonable and cost-ineffective regulations, and it will help to limit the everburgeoning costs of Federal regulation. It will also operate as a valuable check on the regulatory decisionmaker and rulemaker. Too often, regulatory decisionmakers have operated in a vacuum, oblivious to the fact that their activities have a real and direct effect on the economy as a whole, in addition to the lives of small businesses and individuals.

The raison d'etre of this amendment is, however, efficiency. The operative question is not whether regulatory goals should be pursued, but how they can be pursued more effectively and efficiently. Increased efficiency is the inevitable result if the cautionary mechanism called for by this amendment is enacted.

From a cost standpoint, it has been estimated that over 3 billion was spent in 1975 on regulatory activities per se by the Federal Government. Overall, it has been estimated that some $130 billion annually is spent on Federal regulation. And, doubtless there are additional and substantial "hidden" costs imposed by the regulatory process on our Nation's businesses and individuals. Requiring economic impact statements prior to promulgation of a given regulation or rule, however, will cut the waste from this massive annual outlay. It is high time that Congress reasserted its authority in this area.

At the risk of understatement, I would point out that a concensus of Americans has come to believe, as I have, that, while the scope of Federal regulation has grown apace, the growth of benefits derived therefrom has not been commensurate. This amendment will go a long way toward insuring benefit by forcing agency review of regulations prior to adoption. It will, in brief, do away with regulation for regulation's sake. I urge its adoption.

SOLARZ QUESTIONS CIA BRIBES TO FOREIGN OFFICIALS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. SOLARZ. Mr. Speaker, I was most disturbed by the revelations this past weekend indicating that a number of foreign leaders, including King Hussein of Jordan, were regular recipients of secret Central Intelligence Agency subsidies. These subsidies, according to unnamed White House officials, have now been terminated.

I find that a policy of illicit payments to foreign officials—if these stories prove accurate—is shocking and disturbing. It is not only a question of whether an agency of the U.S. Government should be in the business of making secret payments around the world. I have serious enough concerns about the appropriateness of this kind of policy.

Perhaps even more disturbing is the apparent ignorance of Secretary of State Cyrus Vance, hours from a meeting with King Hussein in the beginning of a new round of Middle East peace explorations, about the payments right up until the time the bribe story hit the front pages of the Washington Post.

And there is the final question whether the Congress, through the CIA system of briefing various committees of Congress, was made aware of the continuing payments.

With these allegations remaining unanswered and unexplained, I feel that it is of the utmost importance for the International Relations Committee to begin hearings to investigate this matter as rapidly as possible.

The Members of the House might be interested in the Saturday, February 19 editorial in the Washington Post on the payments that was sarcastically titled "Oversight." The editorial raised the serious point whether, after the many scandals that have racked the CIA which have given rise to the image of an agency out of control, the much ballyhooed system of oversight over CIA operations has really meant any difference in terms of effective control over, and even knowledge of, CIA activities. If the Secretary of State and the Congress have indeed been deceived once again by the CIA, there are certainly more reforms required in the near future.

At this point in the RECORD, I insert the Post editorial:

OVERSIGHT

Even as the early editions of yesterday's Washington Post were appearing on the streets Thursday night telling about 20 years of secret CIA subsidies to King Hussein of Jordan, the former director of the CIA, George Bush, was appearing on WETA's "Agronsky at Large" program, telling about the current state of CIA "oversight":

Mr. Bush: . . . in the future as in the recent past, covert actions . . . are staffed out very differently. And there are presidential findings, and those findings are reported in timely fashion under the law to seven committees of the United States Congress. So we are protected in this country. . . .

Mr. Agronsky: I wonder how protected we are. . . .

Mr. Bush: Well, I know more about it than you do, and I'm telling you it works according to the law and according to the procedures set out by the President in the executive order. . . . I think the directives are such, and I think the executive order is such, and then I think the education of the culture is such that the rights of the American people are properly safeguarded against the kind of (covert) abuses you're talking about.

So much for the way 'oversight" supposedly had been reformed and made fool-proof under the Ford administration. The question remains: How much of this new approach to supervision of the CIA actually carried over in transition to President Carter? Mr. Bush had something to say about this as well:

I had five sessions with (Mr. Carter), three rather long, intensive briefings, in which we covered not only the trouble spots in the world . . . it also covered the most sensitive aspects of the business that the President must know about it, the sources and methods part of the business. . . .

From the foregoing it would seem safe to conclude that President Carter knew just about everything of significance that his predecessor knew about current CIA operations of all kinds, and that the congressional overseers of the CIA were equally well-informed. In particular, it would seem safe to conclude that Mr. Carter knew about the payments to King Hussein, which CIA officials are now explaining entirely in terms of exceedingly sensitive "sources and methods" of intelligence gathering. But if that is so, how could it be that;

(1) President Carter apparently professes not to have heard about the U.S. government's clandestine financial relations with King Hussein until this week, and, thus, could not have known that President Ford had continued the subsidies in the face of a finding by his own Intelligence Oversight Board that the payments constituted an "impropriety"; (2) Secretary of State Cyrus Vance, right up to the moment of his arrival in Amman yesterday to visit the Jordanian monarch, was reportedly ignorant of an arrangement that one would have thought was a rather important item in U.S.-Jordanian relations; (3) the Senate Intelligence Committee, which was set up last year to provide a sounder system of oversight of CIA, "was not given the full story . . . of the secret payments to Hussein," according to Bob Woodward's report in yesterday's Post.

Those are the questions about the CIA's so-called payoffs to King Hussein that we find most interesting—and most disquieting. If you have to pick and choose among the CIA abuses and excesses over the past two decades or so, bribing foreign heads of state strikes us as measurably less offensive than blowing up their palaces or—if you will forgive an expression appropriate to the mentality of those who were thinking up these schemes—bumping them off. It is not that we would condone bribery; it is simply that in the year 1977 it is hard to understand the state of affairs in Jordan and the Mideast 20 years earlier—and when you do understand it, still harder to make categorical judgments about the nature of American aid to King Hussein. The United States was not then supporting the "lifestyle" of a "playboy prince." Hussein was not then a prince; by 1957, when the "payoffs" began, he had been king for four years and the issue was not so much his lifestyle as his life, and that of his kingdom whose "integrity and independence" was then held by John Foster Dulles to be "vital" to the national security of the United States. Whether, in 1977, this is an appropriate way to protect vital American interests is an important question. But it is not nearly as important, in our view, as the question of whether there now exists an "oversight" system that does, in fact, provide

those "protections" to the American public that George Bush was talking about Thursday night.

"Oversight," our dictionary says, means "supervision, watchful care." But when it is used in quite another way, it can also mean something altogether different—a "failure to notice or consider, an omission or error due to carelessness." In the light of the revelations of the CIA/Hussein connection, it becomes necessary to ask all over again just what meaning of the word administration officials and members of Congress have in mind when they talk so assuredly about "oversight" with respect to the CIA.

TUNA RULING

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BOB WILSON. Mr. Speaker, the American tuna-fishing industry has been reeling for months from the regulatory blows dealt to it by the Federal Government. Most recently, it was hit with what could almost be termed the final killing stroke—a ban on the "on porpoise" method of fishing, whereby the fishermen set their nets on schools of yellowfin tuna who habitually swim in company with porpoise.

In a strict interpretation of the Marine Mammal Protection Act which states that "the incidental kill or serious injury of marine mammals during the course of commercial fishing be reduced to insignificant levels approaching a zero mortality or serious injury rate," the National Marine Fisheries Service imposed a quota on the incidental taking that virtually eliminated the fisherman's ability to pursue his livelihood.

Some respite is seen in a recommendation to the Marine Fisheries Service from the administrative law judge who presided over extensive hearings into the matter. Based on the evidence presented and the testimony heard, the judge believes that the quota should be increased. One of the most respected marine biologists in our country concurs, and I believe the following article from the January 13 edition of the San Diego Union will provide for my colleagues a most succinct presentation of what is at stake.

The article follows:

TUNA RULING IRKS MARINE EXPERT

Dr. Carl Hubbs, acknowledged by peers to be one of the world's greatest marine biologists, said he is "very strongly in sympathy" with tuna fishermen and that the government's stringent ban on porpoise deaths associated with fishing should be relaxed immediately.

Hubbs said "strong-minded" fishermen are partly responsible for the crisis presently threatening the U.S. industry based in San Diego, but that "emotional conservationists" are mainly to blame.

"I am very strongly in sympathy with them (tuna fishermen) and I think it is a pity that the emotional conservationists have gone so far as to say that fishing must cease if they catch a single porpoise," Hubbs said in an interview.

NO HARM

"It would do the porpoise population no harm to lose a moderate percentage every year.

"We are in danger of losing one of our great industries here and a wonderful source of food."

Hubbs said he believed that porpoise lovers and fishermen, particularly those who were slow to adopt porpoise-saving measures early, "sort of unintentially joined hands in bringing on this potential catastrophe."

Asked if he believes that the courts have been too responsive to the environmentalist demands by refusing to moderate porpoise mortality quotas, Hubbs responded:

"Very much so. This is an example of swinging too far, instead of taking a reasonable, step-by-step course (of implementing porpoise-protection technologies in fishing).

"They (environmentalists) are becoming the executive branch of the government. They are way out of balance . . ."

Hubbs, who described himself as a practical conservationist," said the same kind of emotional hysteria has been leveled unreasonably against the whaling industry, zoos and aquatic parks like Sea World.

"There is no question but that the numbers of whales have been enormously reduced," he said. But I think that there isn't one chance in 100, that any will be completely exterminated because if they get scarce enough to be in danger of going out, the commercial operations will cease."

BLUE WHALE

Hubbs, 82, also rejected a suggestion that the blue whale, the largest animal that has ever lived and the most decimated by whalers, might be in serious danger.

The blue whale is not anywhere near extinction." Hubbs said. "We have a considerable number that come up off the Baja coast from the tropics every year. Yes, blue whales."

LITHUANIAN NATIONAL DAY

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. DELANEY. Mr. Speaker, the 16th of February is a very significant date in modern history. This year it marked the 59th anniversary of the establishment of the free and independent Republic of Lithuania.

With the defeat of Germany and the turmoil of revolution in Russia, a 20-member national council proclaimed Lithuanian independence on February 16, 1918. Although attempts were made to enforce a Communist government, the Red Army was driven back and signed a solemn pledge "voluntarily and forever renouncing all rights over the Lithuanian people and territory."

These courageous Baltic peoples thrived for more than 20 years. No nation more clearly demonstrated its ability for self-government, freedom, and social progress. However, in August of 1940, the Kremlin declared Lithuania a "constituent" part of its Union of Soviet Socialist Republics and from that infamous day, the Lithuanian people have suffered under the yoke of the hammer and sickle.

Mr. Speaker, as I have stated many times throughout my years in Congress, the United States never has and never will recognize this forcible annexation. As our Representative to the United Nations' Human Rights Committee emphasized in November, "basic freedoms and particularly religious expression" are denied in the Baltic States. We continue to protest in the strongest possible terms the oppressive measures of the KGB against the Lithuanian Church and the national honor of the Lithuanian people. Despite incredible harassment, Lithuanian citizens themselves have established a group to monitor observance of Russia's Helsinki Declaration and to document human rights violations.

We insist that the Kremlin live up to its treaty obligations. We salute our fellow countrymen of Lithuanian descent who have so richly contributed to our American dream since first coming to these shores over 289 years ago. And we pray that the dream of those they left behind in their motherland may soon become a reality.

NO CHANCE TO VOTE ON PAY INCREASE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. LEHMAN. Mr. Speaker, it is unfortunate that the pay increase for Members of Congress has gone into effect without a vote on the floor of the House.

Had I been given the opportunity to vote on this question, I would have voted against any pay increase going into effect during the 2-year term to which we were all very recently elected.

To underline my feelings on this matter, I am including in the RECORD a copy of the statement I submitted to the Ad Hoc Subcommittee on Presidential Pay Recommendations:

STATEMENT OF WILLIAM LEHMAN

Mr. Chairman, I welcome this opportunity to make my views on the proposed Congressional pay raise known to your subcommittee. As you may well have noted in the course of these proceedings, there will always be arguments and questions regarding the proper salaries of elected public officials. What I find disturbing, however, is not necessarily the level of pay, but the manner in which these salary adjustments take effect.

When a candidate is elected or re-elected to a term of office, he is elected at a pre-determined rate of pay. The candidate is essentially accepting a pay contract for a certain length of time. I believe that this "agreement" with the electorate should remain in effect without change during the term of office. To this end, I have joined Congressman Whalen in introducing legislation which would delay pay increases for Members until the following Congress.

I should also like to address two other aspects of the pay raise question. I support the establishment of a strict code of ethics for the House of Representatives whether linked to the pay raise or considered independently. In particular, I strongly support the principle of full financial disclosure. Secondly, it is obvious that we need to pay competitive salaries to our judges and senior officials in order to attract and keep talented individuals in government service. We should not, however, allow this matter to become unduly politicized by tying it to Congressional salaries.

Mr. Chairman, this ad hoc subcommittee is providing a useful forum for a thorough dis-

cussion of this delicate and complex issue. It is my hope that this discussion will result in positive action.

ADMIRAL RICKOVER ON AIRCRAFT CARRIER RESCISSION

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BENNETT. Mr. Speaker, today Adm. H. G. Rickover appeared before the Seapower Subcommittee and testified with respect to the *Nimitz* class attack aircraft carrier authorized and appropriated for by Congress last year and now facing a Presidential rescission request. I wish to draw attention to Admiral Rickover's remarks and therefore include them at this point in the RECORD:

TESTIMONY OF ADMIRAL RICKOVER

Mr. Chairman, over this last week-end I reviewed the letter to the Congress of January 19, 1977, from President Ford in which he proposed that two smaller conventional aircraft carriers be substituted for the fourth NIMITZ Class carrier. That letter did not give any comparison of the capabilities of the proposed conventional carriers and the NIMITZ Class ship. The letter merely states:

"After reviewing the missions and force levels of the Naval strike forces in the past year, I have also concluded that it is in the national interest to begin procurement of a conventionally powered aircraft carrier sized for Vertical/Short Take-off and Landing (V/STOL) aircraft.

"While our recent aircraft carriers have been nuclear powered, the reduced size of the V/STOL carrier raises serious questions regarding the benefits to be derived from nuclear power. The FY 1979 authorization request for the Department of Defense includes $1,250.0 million for the first ship of the new class of aircraft carriers."

The President's letter indicates that the cost of the fourth NIMITZ Class carrier, CVN 71, would be $2.11 billion. However, if you look at the table attached to the President's letter you will see that this pricing is based on providing only $130 million in FY 1978 which would stretch out the delivery of the ship to FY 1986 and increase its cost over $100 million. Just to set the record straight I would like to point out that the Navy's current end-cost estimate for the CVN 71 is $1,984 million provided the $350 million appropriated in FY 1977 is released to procure long lead equipment and an additional $410 million is appropriated in FY 1978 as provided in your bill H.R. 1755. This week-end I also reviewed the transcript of the hearings held by the Defense Subcommittee of the House Appropriations Committee on February 17, concerning the proposed rescission of the advance procurement funds for the CVN 71. I note that throughout those hearings the cost of the CVN 71 was cited as $2.3 billion—15 percent or $300 million higher than the Navy estimate. Also, the cost of the smaller conventional carrier was cited as $900 million—$350 million less than the cost of the carrier President Ford cited in his letter for the FY 1979 program.

I haven't been able to find anybody who can tell me just what the FY 1979 carrier will actually look like—a situation I find surprising for a major combatant ship expected to be authorized next year. However, just to give you some feel for the relative capabilities of smaller conventional carriers and the CVN 71, I would like to refer you to my letter to the Chief of Naval Operations of November 12, 1974, which is published on page 3679 of Part 3 of the Seapower Subcommittee Hearings on the FY 1976 authorization. In that letter, I described a smaller conventional carrier called the CVX. The Navy spent $2 million on the conceptual design of this ship. The Navy presently estimates it would cost $1.25 billion to build it. Therefore, I think the characteristics of the CVX are indicative of what you can expect if you buy a smaller conventional carrier in FY 1979.

The CVN 71 would have the following substantially superior military characteristics compared to the tentative baseline characteristics of the cost constrained CVX conceptual design:

a. All the advantages of nuclear propulsion, including nuclear cores capable of providing 13 years of normal operation. In this regard, it should be noted that these cores contain the equivalent of 11 million barrels of oil. At today's prices it would cost about $330 million to buy and deliver this much oil to the conventional carrier.

b. Capacity to carry and support a 50 percent larger air wing.

c. Capacity for almost three times the aircraft ammunition and more than four times the aircraft fuel.

d. Four catapults and four elevators in lieu of two each for the CVX, which provides greater mission reliability and at least twice the aircraft launch rate. In this regard, it should be noted that an FY 1979 aircraft carrier will operate with aircraft which require catapulting for a number of years, even if V/STOL aircraft eventually replace catapult launched aircraft for first line missions. In this regard, it should be noted that much of the improved technology planned for V/STOL aircraft would also improve the performance of catapult launched aircraft, making it difficult for V/STOL aircraft to out-perform catapult launched aircraft of the same vintage.

e. Better sea-keeping capabilities which reduces the likelihood that air operations will have to be suspended due to sea conditions. Last year's Navy carrier study showed that a ship the size of the CVX would have to suspend air operations during winter in the North Atlantic twice as frequently as a *Nimitz* Class carrier. It could also be expected to have twice the night-landing accident rate when weather permitted air operations.

f. About four knots greater speed. The CVX could not keep up with nuclear carrier task forces and would thus be more vulnerable to submarine attack.

g. Four propulsion shafts in lieu of two for the CVX, which provides greater propulsion reliability.

The CVX had a combat load displacement of 60,000 tons. If an even smaller carrier is to be built, as some have suggested, its combat capabilities would be degraded further. In this regard, it should be noted that last year's Navy carrier study concluded that a carrier with the air wing capabilities of the CVX could generate only half the number of sorties that could be generated by the air wing on the CVN 71. The study also concluded that the air wing which could be accommodated on a carrier the CVX size would be "marginally capable of operation in the force projection role in low threat areas and incapable in high threat areas due to limited numbers of aircraft available for essential functions combined with the inability to generate required sortie rates." The study also concluded that a carrier of this size "could not serve effectively in the multipurpose sea-control role again, because too few aircraft could be accommodated."

FOREIGN DEBTS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. YOUNG of Florida. Mr. Speaker, as the ranking minority member of the Foreign Operations Subcommittee of the House Appropriations Committee, I am increasingly aware of the full extent of overdue debts owed to the United States by foreign nations. The United States is presently owed more than $980 million by foreign government. It is time for the U.S. Government to make every possible effort to collect this money.

In this regard, I am introducing a resolution which would express the sense of the Congress that it shall be the policy of the United States to require repayments of these longstanding debts which are delinquent.

Those who bear the burden for failure to collect overdue debts are the American taxpayers. While deliquent debts increase, the real value of that money is decreasing, and it is the American taxpayer who makes up the difference. At a time when the United States is facing a budgetary and balance-of-payments problem of its own, it is ludicrous not to insist that nations owing us longstanding debts begin to make regular payments and to honor the terms of their contracts made in good faith.

The following is a chart showing country by country, the principal, and interest due and unpaid 90 days or more as of June 30, 1976, on U.S. Government foreign loans and credits:

FOREIGN LOANS AND CREDITS OF U.S. GOVERNMENT AGENCIES DUE FROM OFFICIAL FOREIGN GOVERNMENT OBLIGORS

SUMMARY BY COUNTRY AND TYPE OF OBLIGOR

Excluding indebtedness of foreign governments arising from World War II as of June 30, 1976.

Country and principal and interest due and unpaid 90 days or more:

[In dollars or dollar equivalents]

Afghanistan	$2,452
Algeria	246
Antigua	129,916
Argentina	5,904,403
Australia	7,395,183
Austria	168,320
Bahamas	8,669
Bangladesh	930,800
Belgium	183,479
Belize (British Honduras)	19,185
Benin (Dahomey)	7,129
Bermuda	5,833
Bolivia	1,197,145
Brazil	1,461,008
British Virgin Islands	32,562
Canada	1,087,960
Cayman Islands	104,699
Central African Republic	199,228
Chile	1,382,348
China, Peoples Republic of	357,289
China, Republic of	104,358,805
Colombia	12,685,740
Costa Rica	1,337,859
Cuba	71,739,366
Czechoslovakia	7,454,111
Denmark	594,459
Dominican Republic	2,640,275
Ecuador	649,895
Egypt, Arab Republic of	2,149,834

El Salvador	186,373
Ethiopia	15,030,509
France	2,767,665
French Guiana	2,376
Gabon	175,031
Gambia	10,677
Germany, Federal Republic of	6,338,783
Germany, Soviet Zone of	199,953
Ghana	890
Gilbert and Ellice Islands	231
Greece	35,875,376
Grenada	10,449
Guadeloupe	2,198
Guatemala	244,054
Guinea	1,299,896
Haiti	821,129
Honduras	62,247
Hong Kong	555,421
Iceland	13,364
India	5,195,964
Indonesia	98,968
Iran	37,239,616
Iraq	1,538
Ireland	370,099
Israel	89,388,838
Italy	13,543,029
Ivory Coast	53,487
Jamaica	6,028
Japan	5,172,394
Jordan	35,797,317
Kenya	325
Khmer Republic	193,313,182
Korea, Republic of	5,634,753
Kuwait	18,366,374
Laos	215
Lebanon	1,287,752
Lesotho	212
Liberia	944,940
Libya	133,625
Luxembourg	6,714
Macao	6,623
Malaysia	7,498,446
Mali	36,743
Malta	58
Martinique	9,137
Mexico	498,936
Montserrat	933
Morocco	331,778
Nauru	456
Netherlands	3,349,037
New Zealand	30,300
Nicaragua	76,230
Nigeria	1,722,023
Norway	1,121,295
Muscat and Oman	2,989,218
Pakistan	1,173,913
Panama	8,476,315
Paraguay	350,851
Peru	6,357,944
Philippines	−47,827,219
Pitcairn Island	1,462
Portugal	207,228
Portuguese Timor	203
Qatar	243
Rhodesia	43,579
St. Helena	566
St. Vincent	298
Sauda Arabia	4,982,027
Senegal	93,459
Singapore	1,159,344
South Africa	65,201
Spain	4,264,829
Sri Lanka	248
Sweden	88,296
Switzerland	962,456
Syrian Arab Republic	59,034
Tanzania	4,867
Thailand	21,414,955
Tunisia	237,048
Turkey	91,808,360
Turks and Caicos Islands	28,912
Uganda	220,421
United Arab Emirates	4,453
United Kingdom	3,479,974
Uruguay	95,101
Vatican City	37,730
Venezuela	11,935,097
Vietnam, North	71
Vietnam, Republic of	41,705,099
Western Samoa	6,437
Yemen Arab Republic	2,469
Yugoslavia	5,002
Zaire	14,671,308
Totals	981,236,977

ABUSES OF POWER

HON. J. DANFORTH QUAYLE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. QUAYLE. Mr. Speaker, we in this House of Congress are well aware of the many abuses of power committed by the Occupational Safety and Health Administration. Each week our offices receive letters from employers and employees alike, citing unnecessary demands handed out by OSHA inspectors. Many of these demands seem to be promulgated without regard to reasonableness, but they must be complied with nonetheless or the employer faces stiff fines, continued harassment by OHSA inspectors, or expensive litigation and court costs.

Obviously what is needed here is a complete overhaul of the Occupational Safety and Health Administration. Such legislative action, however, would require much time to enact, time during which OSHA is still running rampant, inflicting its damage on American industry.

I am proposing an amendment to the Occupational Safety and Health Act which would exempt from its coverage those people hardest hit by its mandates: Businesses which employ 25 or fewer persons. These small businesses, especially farming operations, are least able to afford the all-too-often costly procedures necessary to comply with OSHA regulations. Neither can they afford the legal recourse sought by larger firms, or the time-consuming delays. The result is that small businesses and family farms—the backbone of the American economy—are being driven out of business by OSHA harassment and/or compliance demands.

Some of the most incriminating evidence in this regard is furnished by OSHA itself, in a report entitled "OSHA's Impact on Small Business Employers." In this report, OSHA lists some of its reasons for the admittedly bad image it enjoys with small businesses:

> It is argued, additional burdens of understanding regulations and coping with regulatory procedures are not only unreasonable but detrimental to small business financial performance. OSHA's requiring familiarity with several hundred and standards and accountability should an inspection occur, it is also argued, is having a directly deleterious impact on small business.

The document goes on to state the "most frequent complaints about OSHA from business in general and small business in particular" which include:

> Inconsistency in inspections from compliance officer to compliance officer;
>
> An excessively militant or insensitive manner on the part of the compliance officer;
>
> Lack of advice on specifics of a violation and the most expeditious way to abate the violation;
>
> Citation of standards which are not directly related to health and safety;
>
> Lack of clarity of standards; and
>
> Unfairness of financial penalties on first inspection or violation.

Mr. Speaker, bear in mind that these are problems cited by OSHA itself. OSHA keeps no data on the number of businesses which must close due to their pronouncements; evidently they feel that this is not necessary. But if the generalities which they list are not enough, then there are numerous horror stories supplied by the affected businessmen which prove the point. To whit:

A worker in a Pennsylvania mining machinery plant wrote that OSHA inspectors decided that the workers in the plant had to begin wearing hard hats on the job. When it was pointed out that the only objects likely to fall on anyone's head were 500-pound objects being moved by cranes, the inspector replied that, of course, the hard hats could not protect against that, but perhaps there were oil cans or wrenches on the cranes which might fall. Now, everyone conceded this probability—even though the hats gave some of the men headaches, and obscured necessary working vision for others—but these workers still do not understand why they must wear the hats during lunch. Said one worker:

> I guess they think someone will get hit by a flying roll or bun!

The owner of a small business in the Midwest wrote that OSHA inspectors found that 12-foot doors at the front and back of his small—seven-person—shop were inadequate means of egress. He was told to place exit signs over each of the doors "so in case of a fire, a newly hired employee could tell where the door was." The business owner's question was a logical one: If the new employee could not see a 12-foot door, how was he supposed to see a 12-inch sign?

One business was ordered to have signs printed in both Spanish and English, since there was one employee of Spanish descent. The only problem with this is that the Spanish employee speaks only English.

These are fairly humorous examples. I do not believe I have to mention the now-famous—or is it infamous?—regulation requiring toilet facilities within a 5-minute walk of those working on a farm. There are many other examples which border on harassment—instances of fines increased when the businessman or farmer complained about the first fine; extra visits by inspectors when the businessman showed any sings of resistance; petty, nitpicking citations for no apparent purpose other than to burden the businessman.

Mr. Speaker, the least we can do, until OSHA is reformed, is to free this important sector of our economy from this terrible burden. Small businessmen and farmers were the founders of this land, and it was against OSHA-like inspections, fines and regulations that they rebelled in the American Revolution. Is this Congress to encourage the disrespect and discontent of American business by continuing to emulate King George III?

I invite my colleagues to join me in supporting this measure which will relieve small businesses and farms from the onerous tyranny of OSHA. Our heritage demands it.

HITTING IT RIGHT ON THE BUTTON

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. KOCH. Mr. Speaker, all 1976 congressional and Presidential candidates were responsible for conducting their campaign in accordance with the provisions of the recently enacted Federal Campaign Act. That legislation—which I supported and voted for—was and is necessary but it does contain at least one bizarre provision which we in the Congress should remedy.

In issuing their guidelines for congressional candidates last year, the FEC interpreted the law as precluding congressional candidates from using in their campaign material any reference to the Presidential and Vice Presidential candidates of their party, whose campaigns were publicly financed and who therefore were forbidden to accept cash or in-kind contributions.

During the course of my own campaign, I prepared a button which simply bore the following names—"Carter, MONDALE, KOCH"—in that order. When I was informed that the FEC had directed congressional candidates to remove billboards which included the names of the Presidential candidates, I decided I would request from the Commission a ruling on the legality of the "Carter-MONDALE-KOCH" campaign button. I advised the Commission that my campaign committee, New Yorkers for KOCH, had purchased 3,000 buttons for which I had paid the enormous sum of $409.28 and further advised that the order, concept, design, and purchase of the button had never been discussed with Gov. Jimmy Carter or Senator WALTER MONDALE. After considerable deliberation, the Commission rendered a solomonic decision applicable only to my button and me stating that—

New Yorkers for Koch may, under the circumstances set forth above and limited to the facts described in your letter, purchase and distribute the buttons, without the cost counting as a contribution in-kind to the Carter/MONDALE campaign.

To permit this ridiculous situation to persist year after year to the frustration of future candidates for local and national office is out of the question. Surely congressional and other local candidates should have the right to make clear in their literature, buttons, and bumper stickers that their campaigns are linked to the heads of their respective tickets. Indeed, much of the public indifference in the last political campaign can be attributed to the inability of candidates to distribute literature and other campaign paraphernalia demonstrating this intra-party support.

To deal with this problem, I am introducing legislation today to amend the Federal Election Campaign Act so as to permit on a reasonable basis the linkage of candidates' names through buttons, literature, and bumper stickers.

My bill would allow all candidates to produce and distribute, without limit, buttons and bumper stickers mentioning any other candidate without the costs being treated as a contribution to the latter candidate.

The per election limits would be 2 cents times the voting-age population of a State for statewide candidates, and $6,000 for all other candidates. These dollar amounts would be subject to a yearly cost-of-living adjustment.

With enactment of my bill, any of us as candidates for the House could associate him or herself with any other candidate we wished. Our candidacies could be joined with a Presidential, gubernatorial, or local candidate if we so desired, without fear of violating the law.

The buttons, stickers, and songs have little substantive impact, Mr. Speaker, on a voter's ultimate decision at the polls, but they are the sparkle and glitter of which our campaigns are made. To sacrifice this campaign excitement to the bureaucracy is unthinkable. My bill would not affect the valid objectives of the FEC, of which I heartily approve; namely, to stem the runaway costs of campaigning. But it would serve to remedy an unforeseen deficiency in the law.

STATEMENT OF CHURCH OF THE BRETHREN ON NATION'S MILITARISTIC OUTLOOK

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. FITHIAN. Mr. Speaker, the Church of the Brethren is a religious body dedicated to improving human conditions in this country and around the world. In the past, they have pointed out the need for increased educational, social, and ethical endeavors and recently they have made a policy statement on the B–1 bomber. I, therefore, direct your attention to the following message from this highly respected group.

CHURCH OF THE BRETHREN,
January 13, 1977.

From: Louise Denham Bowman, Acting Washington Representative.

Today, the Church of the Brethren regards with sorrow and deep concern our nation's increasing movement toward a permanently militaristic outlook.

The Church of the Brethren, since its beginning in 1708, has repeatedly declared its opposition to war and militarism. As a historic peace church, we have consistently supported peaceful, nonviolent means of resolving conflicts. Church members are encouraged to divorce themselves as far as possible from direct association with military service or with defense industries in both employment and investment.

But the Church also encourages its members to study international relations and foreign policy and to confer with legislators, government executives, and other policy makers concerning American military and international affairs.

Using the above guidelines provided by the Church of the Brethren's Annual Conference, today this office reaffirms its opposition to any further funding of the B–1 bomber. We beleive the government can better serve its citizens by meeting human needs rather than by adding the B–1 bomber to the world's arsenal of weapons.

We call upon President-elect Jimmy Carter to stop the B–1 as his first step in bringing peace to a troubled globe.

FEDERAL MINIMUM WAGE: A DEVASTATING IMPACT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. McDONALD. Mr. Speaker, a large increase in the minimum wage this year would have a devastating impact on the Nation's economy, particularly as regards employment of the Nation's youth, and could help in starting another inflationary spiral. Those of us who oppose such an increase can only welcome such well reasoned opposition as appeared in a column by Patrick J. Buchanan on this this subject in the Richmond Times-Dispatch of February 15, 1977. I commend this thoughtful article to the attention of my colleagues:

FEDERAL MINIMUM WAGE: A DEVASTATING IMPACT

(By Patrick J. Buchanan)

WASHINGTON.—Mr. Labor is on a long losing streak. After pulling his oar for the Carter crew, George Meany has yet to receive even a doggie bag from the vast banquet table of political spoils.

His recommendation for secretaries of defense and labor, the two posts Meany cared about, were ignored. When the jobs-and-tax-relief bill was shipped off to Capitol Hill, it had written all over it "rejection" of the advice proffered by the AFL–CIO.

Nor is the losing streak likely to end soon. While the President is committed, against his better judgment, to sign legislation repealing 14(b) of the Taft-Hartley Act—the section giving Georgia and 19 other states their right to outlaw mandatory unionism—labor is unable to line up the Senate votes to have it passed.

The right-to-work folks are claiming 45 votes solid. Another nine are listed as uncommitted. Even inside labor's "solid" bloc, there is a cuckoo in the nest. Gary Hart, Colorado ultra-liberal, has privately promised a Denver constituent that if 14(b) comes up he will bolt labor's camp and vote with the right-to-work folks. "I do not favor repealing Section 14(b) at this time, and would vote accordingly," the senator wrote on January 12.

But there is a battle up-coming where labor's prospects appear bright. That is the drive for a 30 percent increase, from $2.80 to $3 an hour—or to $120 a week—in the federal minimum wage. The legislation might better be retitled the Anti-Poor-and-Black Law.

Its adverse effects would be dual. First, it would drive forever from the labor market the least educated, least literate and least skilled of our workers—and force them into the indignity of a life on the dole. Second, it would push above 50 percent the number of black teen-agers unable to find work.

Years back, the University of Chicago produced a study showing a correlation between rises in the minimum wage since 1956 and rises in teen-aged unemployment. The study was ridiculed as right-wing propaganda by the then labor-civil rights coalition. But since 1971, when the minimum wage was

raised by stages, 44 percent to $2.30 an hour, the realization has grown among the unorganized, the unskilled and the poor that they are the victims, not the beneficiaries, of this law.

In a recent *Wall Street Journal* interview, Betty Jack, a black social worker in South Florida, the mother of four, lamented: "It would be just awful for the kids if [the federal authorities] raise the minimum wage again. . . . It's bad enough now; but if the floor comes up again, the kids simply won't ever get hired."

Labor dismisses the contention. A $3 minimum wage, the AFL–CIO asserts, would "benefit the entire economy by generating additional purchasing power and additional jobs." But if that be true, why not raise it up to $4 an hour and generate even more "additional purchasing power and additional jobs?" Labor knows the answer.

Where a $3 minimum wage would only push tens of thousands out of the job market for the rest of their lives, $4 an hour would drive the unskilled out by the hundreds of thousands, perhaps millions—and push black teen-aged unemployment up toward 90 percent.

The federal minimum wage has long been idolized as an altar piece of "progressive legislation." It is nothing of the kind. It is among the most regressive and reactionary laws ever passed by Congress. It provides organized and skilled workers with an elevated floor from which to make their demands for higher wages. At the same time, its impact upon the unskilled, the unorganized, the illiterate, the young, the poor and the black is devastating.

WORLD DIALOG: A WORTHWHILE TRADITION

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Ms. MEYNER. Mr. Speaker, when the Marquis de Lafayette addressed the House in 1824, he became the first in an historic series of foreign dignitaries to address the Members of Congress. Since those early years of the Republic almost 50 distinguished foreign visitors have appeared before either the House or a joint meeting of Congress. From the King of Hawaii to our present guests, chiefs of state, and heads of government have come before us to offer their views on bilateral relations and world peace.

These visitors tell us much about their nations and how they perceive themselves in the international system. More than that, however, they tell us something about ourselves, how we are seen to act and what role we might play in world affairs.

When a head of state addresses Congress he or she speaks not only to 535 elected officials, but to the American people and the family of nations as well. His words may praise or caution, advise or applaud, but in any case they will be heard. While they are rarely words of solace, they are always words of sincerity which merit the attention of all those who value dialog between men and women of reason.

The visiting head of state is more than the authoritative voice of his nation's foreign policy. He is the embodiment of his people and their aspirations. When we in Congress hear him we pay respect to those for whom he speaks, for the nation which he represents. We also demonstrate that cooperation between our countries depends upon the efforts of Congress as well as the President.

I urge that we continue to encourage a worthwhile and symbolic tradition. We need to listen to our visitors just as the House listened with emotion to the words of Lafayette. We in our day should hear the world's voices and listen for words of peace.

RESOLUTIONS OF THE CONFERENCE OF BLACK LAWYERS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. RANGEL. Mr. Speaker, the National Conference of Black Lawyers—NCBL—at their sixth annual meeting, October 21–24, 1976, adopted resolutions which call upon the Federal Communication Commission and giants in the industry to promote fair play, balanced programing, and equal opportunity. It is time now to move the issues cited in the resolution to the front burner. Mr. Speaker, the NCBL resolution sets the parameters for a meaningful action agenda and I am pleased to insert it in the RECORD for the edification of my colleagues:

RESOLUTIONS OF THE COMMUNICATIONS TASK FORCE OF THE NATIONAL CONFERENCE OF BLACK LAWYERS

Whereas the electronic media have systemically ignored the needs, interests and desires of Black persons in this country;

Whereas there exists both the need and statutory mandate for greater responsiveness both by electronic media and regulatory authorities to concerns of Black communities;

Whereas the National Conference of Black Lawyers (NCBL) has steadfastly demanded forthwith cessation of all vestiges of oppression, the suppression of ideas, and the distortion of news and information;

Whereas equity and justice demand immediate corrective action on these concerns:

Therefore be it resolved that:

(1) NCBL recognizes, contrary to an executive order of August 1975, the non-participation of Blacks generally on Federal Communications Commission (FCC) Advisory Committees and particularly on World Administrative Advisory Committees, and accordingly demands that Black persons be included forthwith in the planning and development of domestic international satellite positions; and further, that Black persons be made an official part of all United States delegations involved in either discussions and/or development of international satellite policies;

(2) NCBL voices strong opposition to the CPB/PBS Satellite Inter-connection Network application because of the total non-involvement of Black persons in this proposal;

(3) NCBL opposes the proposed Federal Communications Bar Association rulemaking on reimbursement, but strongly supports any proposals that provide for direct reimbursement of expenses to citizens groups because of participation in F.C.C. proceedings;

(4) the NCBL is committed to and shall assist in organized and individual efforts designed to monitor, inquire, educate, challenge, and exert influence and pressure on the television and radio industry and the press to develop a positive image of Black people in the media. Roles must be created to reflect the basic humanity of Black men and women, our strength of character and decency, the necessity of a strong, viable family structure, and our concern for building a drug-free and crime-free society;

(5) the NCBL express its concern to the American Broadcasting Company, the Columbia Broadcasting System, the National Broadcasting Company, and the Public Broadcasting System and local stations concerning the imbalance in coverage of news events and issues pertaining to Black persons in radio and television, both locally and nationally, and that NCBL encourages all electronic media to take affirmative steps to provide balanced and ongoing coverage of all Black persons, wherever situated;

(6) the Federal Communications Commission, the Federal Trade Commission, and the Commerce Department initiate hearings immediately into problems that discourage and effectively prohibit the entry of Blacks and other minorities into the ownership arena of broadcast properties. The hearings should explore, among others, the areas of financing, market-place policies and practices that generally discourage minority ownership.

(7) the NCBL encourage the Public Broadcasting System to set up and provide funding for a Black training workshop to provide national programming for Black persons similar to the Children Television Workshop Production Center funded by the Public Broadcasting System.

(8) the Federal Communications Commission investigate the networks to determine the extent and degree that they control the programming and practices of their affiliates and also to determine the scope and affect the network contracts have on the discretion and responsibility of affiliate licensees.

(9) the NCBL continues to extend its wholehearted support of the National Black Media Coalition and its efforts to insure a balanced coverage of Black persons, fair portrayal of Black concerns, equity in ownership and other issues of access, advertising and international transmission of information.

(10) be it resolved that NCBL recognizes, both in commercial and public broadcast facilities, the absence of African and African American viewpoints on controversial and significantly important issues, such as United States involvement in Angola, Zimbabwe and Mozambique, and accordingly demands more balanced programming in these critical areas of public importance, and further, NCBL recognizes that certain vehicles are readily available which could immediately provide contrasting points of view, such as "Last Grave at Dimbaza" and "O Pero Organizado," and thus would strongly support full and equitable utilization of such opposite views and, as well, the increased utilization of Black producers and writers.

(11) NCBL wholeheartedly supports the position of National Black Media Coalition on the sale of WMAL AM/FM, Washington, D.C., and accordingly demands F.C.C. rejection of the proposed sale to the American Broadcasting Company.

(12) NCBL recognizes the insensitivity of commercial and public broadcasters towards the necessity of insuring positive Black male images in television, and accordingly questions the absence of strong images (i.e., why was John Amos, formerly of "Good Times," constantly unemployed); and further, the question should be responded to not only by broadcast licensees, but as well by advertisers, producers and major production houses.

(13) NCBL expresses concern over apparent discrimination by national and regional advertisers against Black-owned broadcast facilities and accordingly urges the F.C.C. to launch formal inquiries into this matter.

(14) that NCBL deems it to be in the public interest to have strong and viable Black-owned broadcast and cable facilities, and thus would request the F.C.C. to invoke those procedures that address the deficiencies in this public interest standard.

(15) NCBL strongly urges the F.C.C. to institute an inquiry into the apparent discrimination Black persons are suffering in attempting to acquire first class licenses.

(16) NCBL shall make available to the F.C.C. its resources and talents as the Commission plans for the Minority Ownership Conference scheduled for Spring 77, in Washington, D.C., and, simultaneous therewith would request viable participation in both the planning and working sessions conference.

(17) that NCBL shall make available to the House Subcommittee on Communications its resources and talents as the committee inquires into a proposed rewrite of the Telecommunications Act of 1934, and would, simultaneous therewith request viable participation in appropriate phases of the congressional exercise.

NATIONAL HEALTH CARE AND THE ELDERLY

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. McKINNEY. Mr. Speaker, perhaps the only thing more disgraceful than the absence of a national energy program in this country is the absence of a program to insure adequate health care for senior citizens. The injustice suffered by millions of Americans as a result of our failure to adequately provide for them is borne out by some appalling statistics.

Of the 22 million older Americans—approximately 10 percent of the national population—nearly 13 in every 100 must exist on an income below the nationally recognized poverty level. While the cost of living has risen 72 percent in the last 10 years, the average retired wage earner receives an annual social security income of $2,616. From that paltry income senior citizens must house, feed, and clothe themselves as well as deal with the unbelievable growth in health care costs.

A problem of this magnitude obviously did not develop overnight. Consequently, any solution will require ample time and proper planning to be effective. Many well-intentioned persons have proposed the immediate introduction of National Health Insurance—NHI—as a means of assisting the elderly and poor. While I have long contended that a comprehensive program of mandatory health insurance for all Americans is ultimately the answer we must seek, I seriously doubt whether our struggling economy could survive under the burden of any of the many NHI proposals that have been made to date. Certainly, from a purely administrative point of view, we are not ready to assume the economic responsibility for a program of the scope of the Kennedy-Corman Health Security Act. This legislation would immediately establish a federally financed and administered health insurance program for the entire population, covering a wide range of services with no provisions for cost sharing by the patient. Neither private industry nor the Federal Treasury are prepared to absorb the financial drain on payroll taxes and general revenues such a program would require.

Even the less ambitious health insurance proposals that have been submitted in this Congress are somewhat ill timed when viewed in the context of present economic conditions. In recognition of this fact, President Carter's newly appointed Secretary of Health, Education and Welfare, Joseph Califano, has stated that the administration holds no hope of introducing any NHI proposals in 1977.

Regardless of the state of the economy, I would still prefer to see a more gradual approach to national health insurance. Great Britain's experience in this regard is instructive in that their program has many positive and beneficial aspects but has grown into an insatiable budget monster with no cost controls. Rather than subject our economy—health or otherwise—to the severe impact of an immediate and all-inclusive national health care program, we should approach the implementation of national health insurance systematically. First, we need a catastrophic insurance program to broaden the actuarial base and thus reduce the cost of protection against physical—and usually financial—crisis. Then broadened medical insurance coverage for the elderly, the very young and the chronically ill could be added using those parts of the present medicare and medicaid programs worth salvaging.

It is important to stress that all phases of this step-by-step approach would include Federal standardization of policy terms but would pool existing private insurance carriers to provide the coverage. It is hoped the full participation of the private insurance industry, in addition to Federal cost cutting efforts, would institutionalize thrift and keep program costs to the minimum.

The essential difference in gradual as opposed to immediate implementation may very well mean the difference between short term success and long term failure for the program. Not only would an incremental introduction afford experts the time and experience to perfect the delivery of services and reduce costs, it would afford us the opportunity to assess the performance of the private insurer in the national plan.

Delaying the creation of a full scale national health insurance plan by no means precludes the immediate introduction of other effective health care improvements for the elderly. Indeed, many of the health care proposals which I have introduced or supported in this Congress are designed to help lay the groundwork for a national insurance plan in the future.

For instance, I am currently a sponsor, along with several of my House colleagues, of legislation to provide for the cost of prescription drugs under the medicare program. This measure would expand benefits for millions of elderly and disabled persons who suffer the double jeopardy of chronic illness and financial insecurity. Under the provisions of this proposal, a list of drugs eligible for coverage would be compiled by a committee of physicians, pharmacists, and other health professionals and would focus attention on the treatment of chronic illnesses such as high blood pressure, diabetes, and arthritis.

There are many other improvements which can be made in the medicare program while awaiting the inevitable implementation of NHI. In addition to extending medicare coverage to prescription drugs. I am presently sponsoring legislation to expand that coverage to embrace the services of physician extenders in rural areas, as well as psychologists and chiropractors. The promulgation of a nursing home bill of rights to standardize in-patient care for the elderly, and the expansion of the meals-on-wheels program are two other areas upon which I am focusing my attention and lending my support. Obviously not all of our senior citizens are in need of direct Federal assistance for chronic illness or nursing care. However, an occasional lapse from good health can become a serious financial burden for an individual living on a retirement income. In recognition of the financial realities of life on fixed income in an inflationary age, I have again joined with several House Members in seeking the elimination of the outside earnings limitation for social security recipients. The limit imposed under present law is $3,000. That is, for every dollar earned above that amount, social security income is taxed 50 cents. Not only does this harsh law discourage older Americans from seeking employment, it unfairly taxes earned income while allowing investment income to accrue without a social security penalty.

Of course, with the expansion of Federal services such as those I presently support comes the need for program accountability. In order to insure the effectiveness of these programs as well as control unwarranted expenses, we must simultaneously direct our attention to the issue of standards of operation for health services. Few can dispute the need to improve services for the elderly. However, both Congress and the new administration have been reluctant to make services, such as home health care, available without some assurance that the public dollars paying for that care are well-spent. I am presently a cosponsor of a home health care standards bill which would establish guidelines and minimum qualifications for cost-effective home health programs.

Further, in an effort to assist Federal and State officials to reduce costs and restore a degree of integrity to the medicare and medicaid programs, I have recently sponsored legislation to strengthen and define the penalties for fraud in these expensive programs. These antifraud amendments and standards of practice are not the final answer, but I believe they can be honestly viewed as initiatives in the right direction.

ANDY DEVINE

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BADHAM. Mr. Speaker, I would like to call to the attention of my colleagues the sad fact that Andy Devine, the actor and my friend, died on Friday, February 18 at the age of 71.

And I would like to ask that the text of the Washington Post's obituary of Sunday, February 20, be inserted into the RECORD to publicly and officially acknowledge the accomplishments of this fine man who brought laughter to so many who best knew him as "Jingle Jones, Deputy Marshal to Wild Bill Hickok," on the long-running television series.

On behalf of all of his friends and fans in the 40th Congressional District, I want to thank Doagie Devine for sharing Andy with us these many years. I extend our sincere condolences to her for her personal loss.

The obituary follows:

ANDY DEVINE, DIES, TV, FILM COMIC

(By Martin Weil)

Andy Devine, 71, the Hollywood actor whose broad girth and rasping, whining voice made him memorable in numerous roles as the comic sidekick in westerns and adventure stories, died Friday in a hospital in Irvine, Calif.

Mr. Devine had suffered from leukemia and required periodic hospital treatment. He had been hospitalized in July for pneumonia and kidney problems.

An actor since the days of silent films, Mr. Devine appeared by his own estimate in "several hundred" movies, including such classics as "Stagecoach."

In the 1950s, he became widely known as the deputy to Guy Madison's marshal Wild Bill Hickok in a long-running television series. "I'd get everybody into trouble and Guy'd get 'em out," Mr. Devine recalled.

Whether playing Jingles Jones in the 118-episode Hickok series or starring in "Andy's Gang," a children's show, Mr. Devine found that his voice was his fortune.

Along with his weight, which reached a high of 358 pounds, Mr. Devine's voice made him almost indispensable for years. Directors continually discovered that their posses, pirate crews or calvary troops required at least one heavy-set, good-natured character who delivered his lines in a high-pitched gravel-voiced croak.

In a Motion Picture Herald poll for 1948–49, Mr. Devine won a place as one of the top 10 money makers in western movies.

But, as Mr. Devine recalled it, there was a time when his voice threatened to jeopardize his embryonic career. It was when silent pictures were giving way to the talkies.

"When sound came in, they threw me right out into the street," he once said. "With my voice they thought I'd clear the theaters."

Instead, it catapulted him into comedy. "Some other portly guys went dramatic," Mr. Devine said, "but I couldn't go any other way than I did with my voice. Imagine me playing a famous trial lawyer or a nasty villain."

Sometimes described, at least in later years, as falling between a factory whistle and a fog horn, Mr. Devine's voice became a legend. "Folks are always sending me cures for what ails me," Mr. Devine was quoted in the 1930s.

A 1939 news report traced the origin of Mr. Devine's distinctive voice to an incident that occurred when the Flagstaff, Ariz., native was five years old. As the account goes, he was jumping on a davenport with a pointed stick in his mouth. He fell, and the point pierced the roof of his mouth.

When Mr. Devine regained his voice, weeks afterward, he reportedly said, "It was kinda whiney." And subsequently, despite efforts to speak normally, he said, "I just kept on whining."

By another account, Mr. Devine was born with the cracking voice generally considered a characteristic of adolescence.

Before winning fame with it, he studied briefly for the priesthood, took drama courses and played football at the University of Santa Clara, and held jobs as a lifeguard, farmer, telephone lineman and photographer.

He broke into silent movies in the mid-1920s, starting as an extra. In addition to "Stagecoach,' in 1939, in which he played the driver, some of the films in which Mr. Devine appeared are "The Red Badge of Courage," "Adventures of Huckleberry Finn," "Ali Baba and the 40 Thieves," "Two Rode Together," "Spirit of Notre Dame" and "Around the World in 80 Days."

His favorite role was as the pal of the starlet in the original version of "A Star Is Born" in 1937.

Later, he served as a sidekick to Roy Rogers in a series of films that were shown on television.

In the 1930's, he began a five-year stint on the Jack Benny radio show.

In his 60s, he toured widely in such stage productions as "Showboat," "Never Too Late," "On Borrowed Time" and "Anything Goes."

Mr. Devine was in the movies as recently as last year, when he played in "Won Ton Ton, the Dog That Saved Hollywood."

More than 1,000 people went to Mr. Devine's home for a celebration of his 70th birthday. They included John Wayne and Claire Trevor, who played in "Stagecoach" with him, as well as Guy Madison.

"It's been a helluva life," Mr. Devine said. "I can't think of anything I would want to change." Then, he added referring to a movie he was known not to have regarded highly, "well maybe I should have passed up 'Yellowstone.'"

He and his wife, Dorothy, whom he married in 1933, lived for years in Van Nuys, Calif., where he was "honorary mayor." The family moved in 1957 to Newport Beach. In addition to his wife, survivors include two sons, Tad and Denny.

CHARLIE DAVIS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. EDWARDS of California. Mr. Speaker, I want to bring to the attention of my colleagues the record and accomplishments of one of Santa Clara County's most distinguished and able citizens.

Charlie Davis has been a longtime personal friend and dedicated labor leader for many years in the bay area. He has been a crusader for fair employment practices, unemployment compensation, occupational health and safety, and many other causes for the protection of working men and women in California. Charlie also has an outstanding record of service to our community. Over the years, he and his union, the Brotherhood of Painters and Allied Trades, have assisted in many worthwhile causes including the American Cancer Society, Boys Town, Little League, Hope for Crippled Children, the Police Athletic League, churches of all faiths, and veterans' societies. In addition, he has been a most able leader in handling the day to day problems and concerns of his membership and coworkers.

Charlie will retire in April of this year from his post of president of local 507. He will be missed by those who have worked with him professionally but I am sure that he will remain a pillar in our community for many years to come.

BLISS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. FINDLEY. Mr. Speaker, a few days ago Robert R. Bliss, editor and publisher of the Hillsboro and Montgomery County News, Hillsboro, Ill., marked his 60th anniversary in the country newspaper business. He is a member of a family which has been identified with the same newspaper for 85 years and Bob has announced that he expects to be plugging away when the family marks the "centennial of Bliss" in 1992. Knowing Bob as I do, I am sure that he will be just as vigorous in the battle for community advancement and good government, perhaps even a bit more so, when that year arrives.

Bob is one of those rare people who combines professional skill with limitless good humor.

A country newspaperman myself, I have special nostalgia reading Bob's review of his 60 years at the News office. Here is the text of his anniversary statement:

HERE AT THE RIGHT TIME

The whole lot has been blessed, that's why the name—Bliss.

And we're doubly blessed because we're part of the lot and we have enjoyed the longest, a 60-year love affair with a thriving business, a stimulating profession and a community which has appreciated arduous effort.

Our time of involvement has been the best because we have been privileged to experience all of the great changes in our own industrial technology as well as having had a front-row seat in observing the giant strides of others.

Our love affair with this business began as a first-grader at Winhold school and our first paying job—the Main street paper boy whose route included delivering papers to business houses and professional offices—which gave us personal acquaintance with the community's merchants and professional men. In six decades that represents a throng.

Our walks to and from school usually required a trip through the "office" to see what was going on. Progression included janitorial duties, then pressroom responsibilities with added reporting and writing chores for high school sports contests. We have been mechanic, electrician, plumber, photographer, engraver, buyer, estimator, sales-

man, reporter, editor, during this long amorous odyessy. At first it was 25c a week, up to $4 a week for janitor and $15 a week after college. With the exception of time out for college we have had income from this business for nearly 3,000 paydays.

During that span of time the objective has always been the same and continues today—to give readers and advertisers a better newspaper.

Everything was hand set except the type for columns of reading matter when our career started. One Linotype machine was the lone mechanical marvel. In succeeding years all the typesetting processes were mechanical and mechanical feeders replaced hand-operated presses. We often boasted that we could keep every machine in the place in operating order. That boast has gone the way of a lot of other prowesses.

The advent of electronic, computerized typesetting and printing via photography and chemicals has put us back where we started. We well subscribe to the adage "ignorance is bliss!"

These great changes were effected at great effort and expense. They're worth it.

The news is capable of quality and content never dreamed of only five years ago. The capabilities of craftsmanship extend beyond composition and reproduction of news and advertising materials. There is greater competence in the fourth generation than in the first, second and third. This is as it should be.

Few are the businesses that have been continuously managed by members of one family for four score and five years. The News reached it 100th anniversary as a Hillsboro institution in 1969 and with a little bit of luck there will be a family member at the helm for the centennial of Bliss at the News fifteen years from now in 1992. Then, our love affair will have endured three-quarters of a century.

We plan to be around.

TRIBUTE TO EDUCATOR JIM GARLAND

HON. FLOYD J. FITHIAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. FITHIAN. Mr. Speaker, today I would like to recognize Jim Garland, a government teacher at West Lafayette High School in Indiana, who has helped to shape the character of our high school students for the better.

In his government class, Mr. Garland required that they become actively involved with the workings of government In the last election his students worked for the party of their choice so they could learn the issues and techniques of our democratic process at first hand. In another instance, his students participated on a project for the Survey Board of Parks and Recreation. Their plans were so competent that they are among several being considered for the final draft.

As a graduate of Lake Forest in Illinois and Purdue University in Indiana, Mr. Garland has been awarded a lifetime teaching certificate for social studies and is qualified to teach in several other fields. He is a dedicated public spirited citizen who serves his community as a member of the City Council.

Mr. Speaker, it is my pleasure to acknowledge the contribution Jim Garland has made to his students and his community. I make this acknowledgment with the hope that his example will inspire others to become involved.

CLIMATE, WEATHER, ARIDITY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. TEAGUE. Mr. Speaker, the climate problems with which many of us in arid and semiarid regions must contend are among the most important yet difficult either to solve or do much about. Nonetheless, genuine efforts are underway, including the one described in the following excerpts from an article in Mosaic, which is published quarterly by the National Science Foundation. The work being done by John F. Griffiths, a meteorologist at the Texas A. & M. University, and others like him, can prove to be of enormous value to humans everywhere eventually—and indeed may be essential if civilization is to survive as we know it today.

The article follows:

CLIMATE, WEATHER, ARIDITY

Climate changes. Climate has always changed, in long-eon-consuming sweeps that may or may not contain patterns—that may or may not contain cycles.

Among some climatologists today there is a feeling—not yet a consensus—that there is current evidence of worldwide climate change. And, while there are major differences among climatologists about the causes, nature, and direction of climate change, there is general agreement that climate variability is a phenomenon whose existence has been underestimated or ignored until now, and that more knowledge about climate change is needed urgently.

There is also considerable agreement that any climatic change could have a dramatic impact on that one-third or so of the Earth's land area where predictability is already minimal, where rainfall is always marginal and often irregular, and life is at its most precarious—the Earth's arid regions. If, as many climatologists suspect (not all, certainly. "Agnosticism seems to me to be the only reasonable attitude of the present time," says one abstainer), the Earth is currently emerging from a period of unusually steady, favorable weather into an era of greater, unpredictable variability, the implications for the arid lands could be profound.

"An increase in variability is serious anywhere, but it is extremely serious in marginal areas such as arid and semiarid lands," says John F. Griffiths, a specialist in the meteorology of aridity at Texas A&M University. "If you expect 10 inches of rain a year and get 20 inches one year, the rivers can't take it and homes are washed away. If you get zero inches the next year, that is just as bad. It doesn't average out in the long run as far as crop yield or grazing or anything else is concerned."

Earlier in human history, when mankind's numbers could be counted in the millions or tens of millions, climate change—even the slow but inevitable descent of massive glaciers or the implacable encroachment of aridity where life was once lush—might have been of less concern than the daily vagaries of weather or the slow and ultimately comprehensible sweep of seasons. Human links to a piece of ground, to a way of life, while always strong, must have been easier to break; the gradual discovery that a piece of land, a habitat, an ecosystem was not producing the sustenance an earlier generation might have gleaned could lead to the shift of a village, the extension of a hunting range, the move over one River Jordan or another to some new "land of milk and honey." As anthropologist William S. Laughlin of the University of Connecticut at Storrs, whose study involves the early population of North America over the Bering Land Bridge, puts it, those early, Ice Age "migrants" were not migrants at all; rather they were citizens of a new place—occupying new pieces of it, from generation to generation, as climate change nudged rather than drove them to populate new lands. It has also been suggested that the upheaval in Egypt that led the ancient Hebrews to cross the desert and occupy Canaan had a climatological base.

But mankind today—four billion going on seven—has occupied the earth, perhaps all of it that is habitable. His works are massive; his civilizations, his technologies, his food production techniques, his energy resources, have all developed around a climatological array that may be considerably less fixed in time than mankind is fixed in place. Even desert nomads, a kind of anthropologic relic of an earlier, more flexible time, are being sedentarized by social and ecological forces beyond their control.

So successfully has mankind obeyed the injunction to go forth and multiply that a shift of climate in any direction, any long-term shift of wind and weather associated with either a warming or cooling of the earth by only a few degrees, could have massive impacts of which recent droughts, crop failures, and famines are only a foretaste.

A DATA GAP

A major problem in the effort to determine the future of the arid lands in a time of climate change is a lack of data. One way in which climatologists study the future is by peering intently into the past. But the scientists who are looking for past patterns, probabilities, or cycles that can be extended into the future find an especially severe shortage of data in the arid lands, which tend to be relatively uninhabited. For example, the only long-term rainfall information for the Sahel, the broad belt of arid and semiarid lands running across Africa south of the Sahara, comes from a single weather station in Dakar, Senegal, which itself is located just outside the Sahelian zone.

Even where more weather stations exist, as in the Great Plains of the United States, records rarely go back more than a century. And the fitful nature of weather in arid regions makes interpretation from data difficult. Unlike the steadier precipitation of temperate regions, rainfall in arid and semiarid, lands often comes in violent bursts. A single major rainstorm may bring such a region an appreciable portion of its annual rainfall. It was just such a rainstorm, points out Walter Orr Roberts, former director of the National Center for Atmospheric Research, that kept 1974 from being labeled a drought year in the Great Plains.

And different arid regions require different interpretations. In Eurasia and Africa, the isotherms and isohyets—lines showing equal temperature and equal rainfall—of the arid lands tend to run east-west and to be close together, so that there is a steep gradient in both temperature and rainfall patterns. In the Sahel, for example, a move of 100 miles from north to south can mean a difference of 300 millimeters in annual rainfall.

In North America, isotherms run east-west

but the isohyets of the Great Plains run from north to south. Temperature and rainfall gradients are more gradual, so that patterns for given localities are more discernible—at least in theory. And yet the 400-millimeter isohyet can wander seven degrees of longitude in a quarter century.

The data gap is starting to be filled. There is a drive to establish more weather stations in arid regions. Weather satellites are providing data of a kind never before available. Climatologists are continuing to study the past by examining ancient tree-ring patterns, pollen deposits that show the advance and retreat of grasslands, and similar phenomena. But there is still great uncertainty about the climatic past—no less present and future—of the arid lands—and indeed, of the whole globe. . . .

BUILDING A DATA BASE

The difficulties of using current climatic knowledge to diagnose a specific situation were shown by discussions of the Sahel drought. Proponents of the theory that the Earth is cooling saw the drought as support for their view. Even a slight southward shift of rainfall patterns, so steep is the rainfall gradient, could turn large areas from semiarid to desert lands.

An opposing point of view is that severe droughts can be expected to occur periodically in semiarid lands such as the Sahel. While records are vague, there are indications that severe droughts have hit the Sahel about once every generation, and that the drought of the 1970's is not unusual in that respect.

There is agreement that human activities have worsened the drought and perhaps intensified the trend toward desertification of the Sahel: Overgrazing has destroyed vegetable cover; the cutting down of trees has left the land open to the southward march of the Sahara's sand dunes.

In addition, several specific mechanisms have been proposed to link mankind's activity with desertification even of meteorological origin: Jule Charney of the Massachusetts Institute of Technology says that overgrazing removes vegetation and increases the reflectivity of the land. The higher reflectivity causes the air column to cool and makes air sink over these areas. Sinking air is dry air, and this land gets no rain. Another climatologist, Russell Schnell of NOAA in Boulder, Colorado, proposes that the loss of vegetation decreases the concentration of tiny organic particles in the air, and that the lack of these particles removes nuclei on which raindrops customarily form.

One reason why climatologists approach such theories cautiously is that they are reluctant to accept the corollary that mankind's activities can increase rainfall. One of the most tragic episodes in the recent history of the arid lands came in the 1870's when immigrants rushed to occupy homesteads in the American West, which was then enjoying a rainy spell, under the belief that "rainfall follows the ploy." A prolonged drought in the 1880's destroyed that belief.

In the case of the Sahel, John Kidson of MIT has studied the available records and has found a steady downward trend, a reduction of about seven millimeters of rainfall a year, for the period from 1951 to 1975, with the drought years being a dip in this gradual decline. This long-term decline could be a reflection of a change in global circulation which has caused a weakening of the easterly winds in the upper atmosphere, Kidson says. The reason for such a change is unknown.

In Texas, Griffiths has begun to study the variations in rainfall patterns in the American Southwest. A long-time student of drought, Griffiths points out that detailed information about the number of rainfall days and the average amount of rainfall per storm could be nearly as important as data on the total amount of rainfall during dry periods. Such information could help farmers make a better selection of crops as well as guide irrigation schedules, Griffiths says, and it may help determine whether rainmaking is feasible.

Griffiths and other scientists in the field stress that the climatic future of the arid lands cannot be disentangled from global patterns of climate. And much of the climate research that bears directly on the arid lands is being done far from any desert. For example, Fritts now is spending much of his time trying to confirm a suspected relationship between high-altitude weather patterns over the Pacific Ocean and China and past climatic changes, in North American arid lands, that first showed up in tree-ring studies.

For another, certain deep-ocean cores taken by the research ship *Glomar Challenger* included a layer of wind-abraded sand grains that had been carried long distances by ancient windstorms—evidence of the early formation of the Sahara Desert. Other studies of past rain and temperature patterns from data on tree-ring variations, fluctuations in the isotopic ratios in Antarctic ice cores, changes in pollen patterns on forest fringes—all these and more are being correlated with more detailed, year-by-year information on recent weather changes in the arid lands, gathered by patient gleaning of written records.

TWIN PRIORITIES

Most climatologists would extend Stockton's call for conservatism to specific predictions about the changing climate—particularly short-term changes, where the signal-to-noise ratio—the ratio of climatological information to the "noise" or variability of the system—is distressingly small. One current tenet is that the weather, no less the climate, might never be totally predictable, since there are indications that the two sets of starting conditions, differing only in microscale turbulence fluctuations, as far as can be determined, will in as little as two weeks' time produce large differences in weather. "The climatic system may be so complex that alternative climatic states may be compatible with a given set of boundary conditions," says Kutzbach.

Not surprisingly, climatologists have established twin priorities to help resolve these uncertainties: they need more data about weather and the factors that shape it, and they need better computer models into which that data can be put.

Current computer models, says Stephen Schneider, are good at "one-dimensional" modeling—predictions of what would happen if all conditions but one remained constant. In the real world, he says, no condition can be assumed to remain constant. Thus, computer-based predictions about the effect of a doubling of carbon dioxide or an increase in volcanic activity or any other single factor must be treated cautiously, Schneider says.

There is equal uncertainty about the data used to study climate change. According to John Griffiths, "If you look at the rainfall recorded for many years at some observatory, you'll usually find one of two things. Either the location has been moved at one time or another—and a move of a few miles is enough to change the kind of weather being observed—or the observatory once was outside a city and since has been swallowed up by the city, so that we now are measuring a city climate rather than a rural climate."

Efforts are under way to correct both deficits. Modelers are working to make their models more complex, better able to handle the complexity of the climate system. And a number of efforts have been started to gather more and better data—international efforts such as the Global Atmospheric Research Program and the World Meteorological Organization's drive to establish a chain of weather stations in the Sahel, and national efforts such as the meteorological satellite program of the United States or the research programs supported by the National Science Foundation's recently established Climate Dynamics Program.

The climate is changing, in ways that no one so far can predict. Mankind's best strategy, say the climatologists, is to prepare for harder times and worse weather, while we try to find out more about the weather machine in which we live.

CAPT. JAMES G. TAPP

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. ANDERSON of California. Mr. Speaker, the presence of the U.S. Navy has long been one of the outstanding features of the Los Angeles-Long Beach Harbor area. A vital part of our defense system, the Naval complex has also served as a positive and important economic force in our community.

On February 28 of this year, one of our top commanding officers will retire after nearly 33 years of active service in the U.S. Navy. Capt. James G. Tapp, officer in charge of the Naval Regional Procurement Office in Long Beach, Calif., since August of 1973, will be missed by his coworkers and by the many people in the community who have come to know him so well.

Born in Buford, Ga., in 1926, Captain Tapp entered the U.S. Navy in April of 1944 after attending Emory Junior College for 1 year. Following 15 months of enlisted service, Jim Tapp entered the U.S. Naval Academy in June 1945. Graduating in 1949 with a bachelor of science degree in electrical engineering, he received a commission as an ensign in the Supply Corps.

During the Korean war, James Tapp served as assistant supply officer aboard the USS *Bayfield* and as supply officer on the U.S.S. *C. T. O'Brien*. Captain Tapp's other duties afloat included assignments as supply officer on the U.S.S. *Bexar* and as planning officer with the staff, Commander Service Group 3 embarked in U.S.S. *Ajax*.

Captain Tapp has also had many tours of duty onshore, including assistant supply officer, supervisor of shipbuilding and industrial manager, Ninth Naval District; control division officer, Naval Station, Adak, Alaska; supply officer, Naval Amphibious Training Unit, Coronado, Calif.; contracting officer, Naval Ordnance, White Oak, Md.; executive officer, plans and management directorate, Defense Contract Administrative Services; and contracting officer, headquarters, Military Sealift Command, Washington.

Personal decorations Captain Tapp has received during his Navy career, include the Meritorious Service Medal and the Joint Service Commendation Medal. In addition he has received the following campaign and service medals: American Campaign Medal; World War II Victory

Medal; Navy Occupation Service Medal; National Defense Service Medal; Korean Service Medal; United Nations Service Medal; Expert Rifle Medal; and Korean Presidential Unit Citation.

As officer in charge of the Naval Purchasing Office for the southern California area, Captain Tapp has been responsible for procurements totaling hundreds of million of dollars every year in support of research and development and the fleet weapons systems' modifications. Under his leadership, the Procurement Office became a major economic force in our community, awarding more contracts to socially and economically disadvantaged areas than any activity in the Navy. Captain Tapp has become actively involved in many community support organizations, and has been very supportive of annual opportunity conferences for small business in our area, which my office sponsors to help local businesses learn about how to obtain Federal contracts and subcontracts.

Mr. Speaker, when Capt. James G. Tapp retires, the Navy will have lost a fine and capable officer. My district will lose a valuable friend, who made the U.S. Navy an important asset to our community. I understand that he will shortly be moving to Huntington Beach, where he and his lovely wife, Patricia, will be able to enjoy life to the fullest.

My wife, Lee, joins me in congratulating Captain Tapp on his long and successful Navy career, and wish him the best of fortune in the years ahead. We are sure that Patricia and their daughter, Barbara, and son, Robert, are very proud of his many accomplishments.

PUBLIC WORKS AND JOBS

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. MITCHELL of New York. Mr. Speaker, shortly we will be considering a $4 billion extension of title 1 of the Public Works Employment Act of 1976. Given the circumstances existing in our Nation today, I am confident Congress will give an overwhelming vote of approval for this much needed legislation.

However, I must admit concern over a move afoot in the Senate which threatens to undermine our basic purpose with this extension. That purpose is to mount an aggressive attack on unemployment where it is most serious.

A February 21, 1977 New York Times editorial addresses my point of concern. I bring it to the attention of my colleagues with the hope and expectation they will join in expressing opposition to any proposal which would compromise the basic intent of the legislation. Our task, and it is one deserving of the highest priority, is to reduce unemployment where it is most serious and to do so with the greatest dispatch.

The editorial follows:

PENNSYLVANIA PORK AND PUBLIC WORKS

To help stimulate the economy and create jobs, President Carter is proposing to allocate $4 billion for public works—the construction of new schools, sewers, roads and whatever else local governments would like from a Federal list of qualified projects. At the moment, the list of eligible projects is about $22 billion long, so spending the money should present no problems. But Congress is finding problems anyway.

The formulas to determine who shall get how much pork from this public-works barrel are developed along two tracks, in the House and Senate. So far, the House Public Works Committee is holding to last year's formula, which gives weight to the total number of unemployed in each state but provides additional money where unemployment exceeds the national average. By this House formula, New York would receive $466 million over the next two years, New Jersey $200 million and Connecticut $97 million.

The Senate, however, due to the efforts of Senator H. J. Heinz 3d, Republican of Pennsylvania, is considering a new "simplification"—elimination of the special weight for above-average unemployment. Coincidentally, this will enhance Pennsylvania's share of the public works pork by 26 percent, while reducing the share of eight states. New York would lose $94 million (20 percent), New Jersey $41 million (20 percent) and Connecticut $23 million (24 percent). Because more states will benefit than lose from the revision, the Heinz amendment will be difficult to stop.

We do not know what depresses us more: the amendment itself or Senator Heinz's rude salute to his Northeast neighbors.

The difference between a good public-works bill and a bad one does not turn only on the question of whose pork is being gored. In this year's package, for instance, the Carter Administration was seeking maximum economic stimulus but with a minimum risk of causing more inflation.

A public-works dollar that is spent in a city with heavy unemployment in the construction industry would put less pressure on prices than the same dollar spent in a region with a tight labor market. The overall unemployment figures are not sufficient clue to the idleness of construction workers because the nature of unemployment varies from region to region. In some places, most of the jobless are victims of layoffs induced by recession. But elsewhere, the unemployed total reflects so-called structural problems, that is, workers shunned by industry because they are too young, too old or lack skills.

Structural unemployment has persisted through the best of times, unrelieved by such programs as public-works construction. That is why Congress began to target extra funds to areas with above-average unemployment rates. Those regions are more likely to contain pools of high-quality labor that could be put to work with little impact on wages or prices.

Senator Heinz's amendment would treat equally unemployment in Texas—almost entirely structural and not responsive to public-works relief—and in New Jersey where many of the unemployed could be recruited.

So the amendment itself is distressing. Equally so is the defection of Senator Heinz from the Snowbelt caucus. The industrial economies of the Northeast and Upper Midwest have been steadily losing ground to the South and Southwest. Some of this shift in economic strength was inevitable, a reflection of the lure of good weather and plentiful resources. But the trend has been accelerated by Federal policies, by a pattern of aid and expenditure that, arguably, discriminates against the older industrial regions. Reversing this trend in Federal policy requires the collective effort of the affected states. Senator Heinz's unfortunate dash for the caucus exit at first whiff of a little extra cash for Pennsylvania makes us wonder whether the needy states can learn to work together.

NEED FOR THE EQUAL RIGHTS AMENDMENT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. DRINAN. Mr. Speaker, in the January 1977, edition of the American Bar Association Journal, Prof. Ruth Bader Ginsburg of Columbia Law School examines the history of women's rights under the Federal Constitution. She notes the uneven and sometimes inconsistent interpretation which the courts have given to the relevant clauses. From that checkered history, Ms. Ginsburg concludes that the ERA is indispensable "for a society that believes in the essential human dignity and interdependence of each man and each woman."

While passage of the ERA will undoubtedly remove a number of "gray areas" from constitutional disputation involving official action, it will not resolve all the inequities nor eliminate all gender-based discrimination, as the recent decision by the Supreme Court in the Gilbert case demonstrates. Regular attention to and revision of statutory law will be needed if the promise of the ERA is to be fulfilled.

Professor Ginsburg's article is a very helpful discourse on the need for the equal rights amendment.

The article follows:

LET'S HAVE ERA AS A SIGNAL

(By Ruth Bader Ginsburg)

Last year we celebrated the two hundredth anniversary of the Declaration of Independence, but for most American women it's more important to look at four questions that relate to the present decade of the 1970s. First, how have jurists treated official line drawing by gender before the present decade? Second, how has the judicial response altered in the current decade? Third, what is the purpose and function of the equal rights amendment to the federal Constitution? And finally, how may the presence (or absence) of the equal rights amendment affect Supreme Court precedent?

THE STATE OF THE ART TO 1971

"Anything goes" seems to be a fair summary of the Supreme Court's decisions until 1971. The Court consistently had affirmed governmental authority to classify by gender, as a trilogy of cases illustrates—*Muller* v. *Oregon*, 208 U.S. 412 (1908); *Goesaert* v. *Cleary*, 335 U.S. 464 (1948); and *Hoyt* v. *Florida*, 368 U.S. 57 (1961).

In 1905, in the now long-discredited *Lochner* v. *New York*, 198 U.S. 45, the Court rebuffed a state's attempt to enact protective labor legislation for all workers, men and women alike. But in 1908 in *Muller* the Court upheld a ten-hour day for women only. The decision reflects themes first sounded in nineteenth century decisions—first, that women's place in a world controlled by men is divinely ordained (a thought Justice Bradley expressed in his concurring opinion in *Bradwell* v. *Illinois*, 16 Wall. 130 (1873)); and second, that while men can fend for themselves, women must "rest upon and look to [men] for protection." "Somewhat inconsistently, the Court added in *Muller* that women require the aid of the law "to protect her from the greed as well as the passion of man."

Next in the trilogy, *Goesaert* illustrates the danger lurking behind "protective" labels. This decision upheld a Michigan statute that

allowed women to work as waitresses in taverns but barred them from the more lucrative job of bartender. The law protects women, said the state, while male bartenders plus their union joined in a chivalrous chorus.

One of the plaintiffs was a female bar owner whose daughter, a coplaintiff, assisted in operating the business. The state had protected away mother's and daughter's right to compete with male bar owners. If the Goesaerts would not pay a man to do a job the two women were fully capable of doing themselves, they would have to close up shop. The Supreme Court opinion in Goesaert declares and proceeds from this premise: "Michigan could, beyond question, forbid all women from working behind a bar."

Increasingly, as this century has worn on, women who needed jobs to support themselves and in many cases their families became skeptical of this kind of "protection" from the law. From their vantage point, restrictive labor laws operate less to protect women than to protect men's jobs from women's competition.

In the last in the series, Hoyt, a unanimous Supreme Court held it permissible to limit women's jury service to those who volunteered. This system yielded the result that lay participation in the administration of justice was virtually all male.

By the late 1960s a revived and burgeoning feminist movement spotlighted the altered life patterns of women. Two factors contributed in particular to this changed atmosphere—the virtual disappearance of food and goods cultivated or produced at home and the access to more effective means of birth control. The Equal Pay Act of 1963 (29 U.S.C. § 206(d)) and Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000(e) *et seq.*) began to focus national attention on the adversely discriminatory treatment that women encountered in the labor market.

THE JUDICIAL RESPONSE AFTER 1971

The United States Court of Appeals for the District of Columbia Circuit in 1974 summarized the post-1971 developments this way: Supreme Court precedent with respect to gender-based discrimination is "still evolving," "rapidly changing, and variously interpreted" (509 F. 2d 508, 510). In the same year in an article in the *New York University Law Review* Prof. John Johnston, Jr., commented that the courts are "not certain what constitutes sex discrimination, how virulent this form of discrimination is or how it should be analyzed in terms of due process and equal protection." My own appraisal, expressed in an article in *The Supreme Court Review, 1975*, is that the Supreme Court had taken a few remarkable steps in a new direction, but it had shied away from doctrinal development and had left open avenues of retreat.

The first break from the "anything goes" pattern was *Reed* v. *Reed*, 404 U.S. 71, in which the Supreme Court declared unconstitutional an Idaho law providing that as between persons "equally entitled" to administer a decedent's estate, "males must be preferred to females." A year and a half later, in *Frontiero* v. *Richardson*, 411 U.S. 677 (1973), married women in the uniformed services were held entitled to the same fringe benefits as married men. Under the law that the Supreme Court declared unconstitutional, married men automatically received a housing allowance and medical care for their wives, while married women received these benefits only if they supplied all their own support and more than half of their husband's.

In 1974 the Supreme Court retrenched, first in *Kahn* v. *Shevin*, 416 U.S. 351, a decision upholding exclusion of widowers from the Florida statute that grants widows a real property tax exemption. This exemption saved the real-property-owning widow the grand sum of fifteen dollars annually. A benign favor for (widowed) women? The Supreme Court said the fifteen dollar saving compensated women for past economic disadvantage. Florida gave three classes this little tax break: the blind, the totally and permanently disabled, and widows.

Later in 1974 the Court returned a decision impossible to rationalize as a favor to women. In *Geduldig* v. *Aiello*, 417 U.S. 484, the court upheld a California statute that excluded women disabled by pregnancy from a workers' income protection disability insurance plan. On the other hand, the Supreme Court has held that school teachers may not be dismissed or placed on involuntary leave arbitrarily at a fixed stage in pregnancy (414 U.S. 632 (1974)) and that pregnant women ready and willing to work may not be denied unemployment compensation (423 U.S. 44 (1975)).

Absence of a consistent, comprehensible approach to this issue was further indicated last month. In *General Electric Company* v. *Gilbert*, 45 U.S.L.W. 4031 (December 7, 1976), the Court confronted an employer's plan providing nonoccupational sickness and accident benefits to all employees, save only those with disabilities arising from pregnancy. Construing Title VII of the Civil Rights Act of 1964, the Court declared this exclusion entailed no gender-based discrimination at all!

With no pregnant problems on its calendar, 1975 brought the Supreme Court back to the 1971–73 track. In *Taylor* v. *Louisiana*, 419 U.S. 522, the Court overturned its 1961 *Hoyt* women's jury service decision and declared unconstitutional a Louisiana provision that restricted jury service by women to volunteers. In *Stanton* v. *Stanton*, 421 U.S. 7, the Court declared unconstitutional a Utah law that required parents to support a son until he is twenty-one but a daughter only until she is eighteen. And in *Weinberger* v. *Wiesenfeld*, 420 U.S. 636, the Court struck down one of a series of Social Security sex lines. It held a widowed father to be entitled to the same benefits to care for his child that a widowed mother receives.

Is *Wiesenfeld* a men's rights case? Only derivatively. The discrimination started with Paula Wiesenfeld, a wage-earning woman. When she died, her social insurance provided less protection for her family than the social insurance of a wage-earning man. Paula Wiesenfeld paid social security taxes without any discount. But the payout to her survivors, husband Stephen and son Jason Paul, was subject to a drastic discount.

DO WE NEED THE ERA?

The key to the Supreme Court's performance in the 1970s is not so much the specific results of decided cases but how those results were reached. The justices so far have avoided articulating general principles and have shown a tendency to deal with each case as an isolated instance in a narrow frame. No opinion attracting five votes acknowledges a clear perception of what computer runs or federal and state statues so plainly reveal—that the particular statutes presented to the Supreme Court are part of a pervasive design, a design reflecting distinctly nonneutral notions about "the way women (or men) are."

Why does the Court shy away from doctrinal development? For an altogether understandable reason. Justice Powell explained the problem in his *Frontiero* concurring opinion. The Court must act with particular circumspection, he said, in the dim zone proper judicial task) and constitutional amendment (a job for federal and state legislatures).

But the equal protection guarantee exists for all persons, and the Supreme Court has indeed acknowledged that women are "persons" within the meaning of the Fourteenth Amendment. Why, then, the reluctance to interpret the equal protection principle dynamically in this area? Because it is historic fact that neither the founding fathers nor the Reconstruction Congress had women's emancipation on the agenda. When the Thirteenth, Fourteenth, and Fifteenth amendments were added to the Constitution, women were denied the vote, the most basic right of adult citizens. If they were married, in many states they could not contract, hold property, or litigate on their own behalf. Courts are sensitive to that history.

Race discrimination decisions may be anchored with some security to the design of those who drafted the Constitution. Indeed, in the 1872 *Slaughter-House Cases*, 16 Wall. 36, the Court said that the Fourteenth Amendment's equal protection clause is so clearly a provision for the black race that the Court doubted whether any other form of official discrimination would ever be held to come within its purview.

Recognition of women as "persons" occurred in the Supreme Court's 1874 *Minor* v. *Happersett*, 21 Wall. 162, opinion, a decision rejecting a woman's claim to the franchise. Beyond doubt women are "persons" and may be "citizens" within the meaning of the Fourteenth Amendment, the Court said. So are children, it went on to explain, and no one would suggest children have a constitutional right to the franchise.

The adoption of the equal rights amendment would relieve the Court's uneasiness in the gray zone between interpretation and amendment of the Constitution. It would remove the historical impediment—the absence of any intention by eighteenth and nineteenth century Constitution makers to deal with gender-based discrimination. It would add to our fundamental instrument of government a principle under which the judiciary may develop the coherent opinion pattern lacking up to now. It also should end the legislative inertia that retards social change by keeping obsolete discriminatory laws on the books. And, as Justice Stevens observed in his confirmation hearings, the amendment would have symbolic importance. It would serve as a forthright statement of our moral and legal commitment to a system in which neither sons nor daughters are pigeonholed by government because of their sex. Rather, so far as laws and officialdom are concerned, males and females will be free to grow, develop, and aspire in accordance with their individual talents, preferences, and capacities.

WHAT ARE THE CONSEQUENCES?

What are the consequences of the High Court's unwillingness to articulate a principle of general application governing legislative line drawing by gender?

A look at the Court's docket for this current term indicates the situation. First, Oklahoma's 3.2 beer law is before the Court (No. 75–628). This is a "protective" statute with an unusual twist in that it permits girls to buy 3.2 beer or work in a beer parlor at the age of eighteen, while boys must wait until they are twenty-one. The plaintiff, Carolyn Whitener, is an entrepreneur who sells 3.2 beer, and her coplaintiff is an apparently thirsty young man. It is an embarrassment that a law of this kind is retained by a legislature and must occupy the attention of the highest court in the nation.

Second, there is another Social Security Act challenge (No. 75–699). W, a wage earner, dies. H, her spouse, is not himself covered under social security. H seeks survivors' benefits under W's account. The law says H is not entitled unless W outearned H three to one. For a spouse to qualify under a female wage earner's account, the female must provide all her own support, plus half of his—in other words, three fourths of the total family support.

If the situation were the other way around—if a male were the covered worker,

a female the survivor—the survivor would qualify for benefits without regard to H's and W's respective contributions to family income. Women are put on a par with men for social security contribution purposes, but the payout under a woman's account is less than the payout under a man's.

That very same gender differential was declared unconstitutional in *Frontiero* v. *Richardson*, the 1973 military fringe benefits case. And *Weinberger* v. *Wiesenfeld*, the 1975 social security case, overturned a differential that the solicitor general described as "closely analogous." Yet despite a unanimous decision in *Wiesenfeld* and a near unanimous (eight-to-one) judgment in *Frontiero*, the Court did not deem it appropriate to affirm summarily. And the solicitor general argues, with some justification, that each precedent in the 1970s was written for one case and one day alone.

With the E.R.A. on the books, we may expect Congress and state legislatures to undertake in earnest, systematically and pervasively, the law revision so long deferred. History should teach that the entire job is not likely to be done until the E.R.A. supplies the signal. In the event of legislative default, the courts will be guided by a constitutional text clearly and cleanly in point.

Without the E.R.A., the judiciary will continue to be plagued with a succession of cases challenging laws and official practices that belong on history's scrap heap. The Supreme Court will confront again and again the need for principled decisions to guide the the lower courts and the difficulty of anchoring those decisions to the text of eighteenth and nineteenth century draftsmen.

The American Bar Association endorsed the equal rights amendment in August of 1974. The resolution aroused scant opposition. No one spoke against it in the House of Delegates; only a dozen or so "nay" votes were audible. The resolution included a commitment to work for ratification by the number of states required to write the amendment into the Constitution.

That commitment is hardly fulfilled. It is my hope that the Association, as a reasoned voice for the profession, will move swiftly this year to carry out its 1974 undertaking and its pledge to play an active role in educating the public. For the American Bar Association, perhaps more than any other professional organization, has the capacity and resources to dispel misunderstanding on this issue and to explain why the E.R.A. is the way for a society that believes in the essential human dignity and interdependence of each man and each woman.

CONGRESSIONAL PAY

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. KOSTMAYER. Mr. Speaker, I strongly support a resolution requiring a vote of the full House on the recommended pay raises of the President's Commission on Salaries.

I do so because we ought to have the guts to accept or reject the raises. It may be that some persons occupying positions in the legislative, judicial and executive branches do merit a salary increase. I note the last pay raise for some of these positions was in 1969, and I think the Federal Government should have a salary schedule which reflects changes in the cost of living and is attractive enough to attract high-caliber individuals while being competitive with the private sector.

What troubles me about the Quadrennial Commission's recommendation and the reason I favor a vote is that Congress is by its action or lack of action only furthering public sentiment that already regards us as political cowards. Mr. Speaker, the people are right and we are wrong.

Article I of the Constitution imposes a duty on the Congress to establish compensation for its Members and other Federal employees. Congress has structured the Commission in such a way that its proposal if sponsored by the President, becomes law if the House or Senate does not object within 30 days. I am a cosponsor of legislation to change that, Mr. Speaker.

By this formula Congress has relieved itself of just one more responsibility. We who are here sought the responsibility of bearing the burdens this job imposes. We should accept those burdens.

If raises are necessary, Congress should accept the recommendations. If in its collective judgment the raises are unjustified, Congress should reject them.

Some would argue that Congress is in a particularly sensitive position in that it can vote itself a raise, something few other people in our society have the privilege of doing. Under this reasoning, it is proper for Congress to ask an impartial body to determine reasonable compensation.

I agree, but the Commission, the impartial body, should have only the power to propose, not enact, the level of compensation. The Congress should legislate the compensation. We, not they, are the legislature. We, not they, are elected.

A Member of Congress has to vote on many difficult issues every year, and I am sure every Member has felt obliged to take unpopular stands and absorb criticism at home. Certainly, the issue of a higher salary is not so thorny that it must be avoided. A Congressman knows his worth and should be willing to defend his opinion of himself.

I must also comment disfavorably on the parliamentary maneuvering which has brought the disapproval resolution to the Post Office and Civil Service Committee. Apparently, there is no way that this committee can report out the resolution in time to kill the pay raises. I am disturbed that the leadership should go to such lengths to avoid a vote.

It is this type of maneuvering which has given the public such a cynical view of Congress. The behind-the-scenes plotting we have seen on this issue will just reinforce the public's opinion of this body.

OLIVER E. MEADOWS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. TEAGUE. Mr. Speaker, the Congress of the United States and the veterans of this country have lost one of the most able and knowledgeable man in Mr. Oliver E. Meadows, who retired last year from the post of staff director of the House Committee on Veterans' Affairs.

It was my privilege to have met Oliver Meadows back in 1945 at McCloskey General Hospital in Texas where the two of us were recovering from wounds received in World War II. Shortly after Oliver's separation from the service, he took up a post as deputy director for the State approving agency in Austin, Tex. This was the State agency which had jurisdiction over the approval of schools and courses for veterans desiring to avail themselves of the benefits of the GI bill.

In 1950, I sought and gained authority to put together a select committee for the purpose of investigating the abuses to the GI bill. By 1951, much of the groundwork of the committee had been completed, but it lacked direction. It was at this time that I prevailed upon Oliver Meadows to come to Washington and assume the leadership of this committee. The records will show and reflect the job that he accomplished in the 4 years that this select committee labored in this field.

In 1954, when I became chairman of the House Committee on Veterans' Affairs, I asked Oliver to assume the position of staff director, a position he held from that date to his retirement in December of 1976. I cannot think of any one individual who knows more about veterans' benefits and the attendant laws than does Oliver Meadows. His stewardship of these benefits during the more than 20 years of his service reflect great credit to his devotion to his job and an innate understanding of those involved in the writing and administering of these laws. In addition, I do not believe there are many chairmen of committees who have enjoyed the support and complete loyalty of a staff director as I have on the part of Oliver Meadows.

Very few people realize that the budget for the Veterans' Administration ranks second in expenditure of Federal dollars. No one was more aware of this fact than Oliver Meadows and in each consideration on legislation, he brought this to bear in the deliberations; weighing benefits against cost in order that our entire veterans program did not become top-heavy and crumble from within. I, along with the present chairman of the Veterans' Affairs Committee, the Honorable RAY ROBERTS, and the chairman of the House Committee on Appropriations, the Honorable GEORGE MAHON, both of whom were well aware of the capabilities of Oliver Meadows, recommended him unhesitatingly to the new Carter administration for appointment as the Administrator of Veterans' Affairs. He would have been a decided asset to both the Carter administration and to the veterans of this country.

Unfortunately, Oliver Meadows was not contacted. He is however enjoying retirement in Texas where he is building a home for him and his wife of many years on the property he purchased under the Texas State veterans land program, and where he had been ranching for the past 20 years. I wish both him and his wife

well in their retirement. He has earned it; and perhaps in view of some of the recent proposals relating to the future of the Veterans' Administration and the benefits they administer to millions of veterans in our country, which run counter to the program which Oliver Meadows shepherded through the Congress over the years, he may be better off. I hope so.

NEW JERSEY FISH KILL

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. FORSYTHE. Mr. Speaker, ocean dumping of sewage sludge is a highly visible target and, as such, is frequently blamed for a host of problems. One such example is the recent fish kill in New Jersey. Although I strongly oppose continued dumping of sewage sludge in the ocean, I feel that in this instance dumping was not the major culprit. Accordingly, I would like to bring to the attention of my colleagues in the House a detailed analysis of the occurrence which I have developed. I have followed up my discussion with a brief presentation of how to avoid degradation of yet another ocean area:

NEW JERSEY FISH KILL

During the summer of 1976, two environmental disasters occurred in the mid-Atlantic region: in July, "floatables" washed up on the Long Island shoreline, and, throughout the summer, an extensive fish kill plagued New Jersey's coastal waters. Some observers have incorrectly charged that the ocean dumping of sewage sludge was a major cause of these disasters. The vast majority of the scientific evidence, however, is summarized by David Wallace, Associate Administrator for Marine Resources of the National Oceanographic and Atmospheric Administration during our Committee's hearings in July of 1976: "It is evident from all information available that the dumping of sewage sludge at the existing site had a negligible effect in causing either the wash-up of floatables on Long Island's south shore beaches or the fish kill off the coast of New Jersey." [20]

Unfortunately, some involved parties are reacting to these disasters in a somewhat expedient and opportunistic manner. For example, David Bardin, Commissioner of the New Jersey Department of Environmental Protection, has partially based a recommendation which has potentially grave ramifications—moving all ocean dumping to a site 106 miles offshore—on the questionable assumption that such a move would reduce the likelihood of another fish kill. At the same time Mr. Bardin makes this recommendation, he adds, "Given the pitifully inadequate data on both the biological and physical conditions not only at the 106 mile site but also for the entire edge of the continental shelf and slope off New Jersey, this [recommendation] is in large part a matter of judgment and unfortunately not based on the firm and solid evidence we would prefer."

I believe the decisions regarding dumpsite locations and, more generally, the interim steps which must be taken to expedite the phase-out of ocean dumping should not be affected by events unrelated to sewage sludge dumping, such as this summer's fish kill. A summary of the scientific evidence assembled to date, presented below, will support the testimony of John Rhett, Deputy Assistant Administrator for Water Program Operations, EPA, before our Committee last October; Mr. Rhett stated the algae bloom which triggered the fish kill "would have occurred anyway," [21] even if there had been no sludge dumping.

The precise mechanism by which the Atlantic ocean waters off the coast of New Jersey became anoxic is not completely understood and, in all likelihood, may never be understood. In an attempt to determine the cause of anoxia on the Middle Atlantic Shelf during the summer of 1976, the National Science Foundation International Decade for Ocean Exploration convened a scientific workshop on October 15 and 16, 1976.[22]

The widely-accepted theory accounting for the anoxic conditions involves algae. In January, a massive bloom of algae occurred from Cape Cod to Cape May along the outer part of the Continental Shelf. In February, the bloom was located from 30 to 100 miles off the New Jersey coast, covering an area approximately the size of New Jersey.

This tremendous bloom of algae moved towards New Jersey's shoreline as southwesterly winds transported offshore waters towards the coast. The algae consumed oxygen during its respiratory process. After it died, oxygen was consumed as the algae decomposed. Whether the algae was solely responsible for the observed oxygen-depletion could not be definitively determined by the workshop. The possibility of other, as yet unknown, phenomena contributing to this oxygen-depletion can never be ruled out; however, the preponderant weight of evidence points to the algae bloom as the cause of anoxic conditions in waters off New Jersey's coast.

The workshop also addressed the cause of this year's large bloom of algae. It is known that the algae must feed on nutrients—such as nitrogen and phosphorous—in order to thrive. Such nutrients are available naturally and are also introduced into the marine environment from sources such as sewage sludge and ocean outfalls.

While there is a possibility that human-introduced contaminants may have contributed to the 1976 mid-Atlantic algae bloom, it is important to note at the outset that similar algae blooms have occurred frequently in the past without that stimulus of human-introduced nutrients. As far back as 1882 and 1899, local reports indicated that extensive algae blooms occurred in the New York Bight area. In fact, Dr. Theodore J. Smayda of the University of Rhode Island's Grade School of Oceanography noted that blooms of algae are very commonplace. This year, for example, Dr. Theodore Packard of the Bigelow Laboratory for Ocean Sciences observed a large algae bloom off the coast of Peru. Mr. Frank Steimle of the National Oceanic and Atmospheric Administration noted that a bloom similar to the 1976 bloom off of New Jersey occurred in 1966.

Considerable evidence has been presented which demonstrates the insignificant role of ocean dumping as a source of nutrients feeding the algae bloom. The State of New Jersey DEP estimates that sewage sludge dumping is responsible for just 7% of the nitrogen, 4% of the phosphorous, and 11.5% of the organic carbon which is introduced by humans into New Jersey's coastal waters. Furthermore, the nutrients introduced by humans are a fraction of the level of nutrients occurring naturally in the marine environment. Dr. John Sharp has estimated in the NSF workshop report that estuarine input and sludge dumping contribute less than one-fourth of all nutrients present.

While any theory that sewage sludge dumping alone caused this summer's fish kill has no credibility, other theories explaining this past summer's unusually large algae bloom have been advanced. For example, Dr. John J. Walsh, Director of the Oceanographic Sciences Division of Brookhaven National Laboratory, notes that menhaden, a type of fish known to eat the algae, were largely absent from the affected area in 1976. If these fish—which have been present in much greater numbers in recent years—were responsible for stifling the growth of the algae, then the menhaden's absence could be largely responsible for the extensive growth of algae. Furthermore, Dr. Walsh estimates that an idealized school of menhaden could crop the mid-shelf spring bloom in as short a time as seven hours if the fish were present.[23] Corroborative evidence may be found in Peru. In 1976 unlike other years, anchovies were missing from Peru's coastal waters. The absence of these anchovies, a species also believed to feed on algae, could explain the large algae bloom observed off Peru.

While many interesting theories were advanced to account for this year's massive bloom of algae, the workshop concurred that current data did not warrant any final conclusions regarding its cause. However, evidence introduced at the workshop indicated that natural factors were clearly dominant.

Although evidence suggests that this year's anoxic conditions stem from a phenomena of nature—algae blooms—scientists will probably never resolve with 100% certainty the precise cause of oxygen-depleted waters off of the New Jersey Coast. However, much more important than the original cause of the anoxic conditions are the factors which allowed these conditions to persist.

As the situation evolved, deep waters on the Mid-Atlantic shelf became oxygen-depleted, while surface waters remained oxygen-rich. Under the vast majority of meteorological conditions, surface and deep waters will intermix, and anoxic conditions will quickly abate. Under such usual meteorological conditions, the anoxic condition will be highly transient, leading to slight or no loss of marine life.

Meteorological and climatological data in 1976 explain why a large area of deep ocean water could remain oxygen-depleted for such an extended period, causing a major loss of marine life. In 1976, according to Henry Diaz of the National Climatic Center, several very unusual meteorological conditions occurred which acted synergistically to prevent any exchange between surface waters and deeper waters. First, surface water temperatures were much higher than usual. Also, monthly sea level pressures were much higher than normal in early 1976. Importantly, there was a dearth of storm activity in the area which became anoxic. In the first half of 1976, the incidence of these storms was down by over 60% from previous years.

The net effect of these highly unusual conditions was that surface waters became much warmer than deep waters. About twenty meters below the water's surface, a thermocline (area where the water temperature changes drastically) developed, blocking the mixing of waters above and below the thermocline. Thus, when water below the thermocline became oxygen-depleted, the existence of a thermocline prevented oxygen replenishment from oxygen-rich surface water. It should be emphasized that natural phenomena alone created this thermocline off the New Jersey coast; and without the thermocline, any kill of marine life would have been slight.

The anoxic condition in the ocean's water first developed well off the coast of New Jersey. However, highly uncommon weather conditions occurred which are probably responsible for moving offshore anoxic water into coastal regions. The National Climatic Center reports that winds in the New York Bight area had an uninterrupted southerly

Footnotes at end of article.

component from February to August. These unusual conditions, according to Dr. Charles A. Parker of the National Oceanic and Atmospheric Administraiton, may very well have brought offshore anoxic waters close in to the coast, a region heavily populated by marine life.

The net sum of the data, then, indicates that the algae bloom and subsequent fish kill were largely natural phenomena. Dr. Charles Parker echoes my analysis of the problem when, in the NSF workshop report he notes "the atypical, possibly synergistic, set of circumstances which will probably be involved in explaining the fish kill/anoxia problem and which will probably provide major portions of the definitive scenarios," and adds, "I personally believe that the fish kill has been basically controlled by natural phenomena." [24]

The reason I have dwelt upon this summer's fish kill is that I want to make it perfectly clear this disaster has no bearing on a decision regarding possible locations of dumpsites. Sewage sludge dumping and the likelihood of future fish kills are completely unrelated. Furthermore, there is absolutely no scientific evidence that moving all ocean dumping to the 106-site will have any effect on the likelihood of possible future fish kills. Moreover, this year's fish kill was caused by an algae bloom which started along the edge of the Continental Shelf. One could argue that if locating dumping activities at the Continental Shelf's edge were to have any effect on future fish kills, it would tend to increase their frequency and likely extent.

PROPOSED ACTION

While scientific evidence demonstrates that the ocean dumping of sewage sludge had no significant causal role in the fish kill of 1976, the problem of ocean dumping cannot and will not be ignored. Scientific analysis shows that ocean dumping causes tremendous environmental damage in the immediate area of the dumpsite; therefore, steps must be taken to ensure that no new dumpsites are used.

Today, I am announcing a plan which will ensure that harmful ocean dumping is phased out as quickly as possible. This plan was formulated and developed only after a careful analysis of the current situation. Two important observations have been made: first, as long as ocean dumping is the cheapest means of disposing of wastes, alternatives will be neglected; second, money put into alternatives will serve to reduce their cost.

Based on these two observations, a constructive and direct method of phasing out ocean dumping can be formulated. I am proposing that, upon application for a permit, ocean dumpers shall be assessed a substantial penalty fee. If the dumper applies for an Interim permit (granted when wastes have an unacceptable adverse impact on the environment), the ocean dumper shall, by law, be required to pay for all administrative costs involved in processing ocean dumping permit applications. Also, the dumper will be required to pay an additional fee equal to the dollar difference between the cost of dumping the wastes in the ocean and the cost of disposing of the wastes by means of a constructive alternative. This fee will be used for research into the alternative methods, which will have the effect of reducing the costs of the alternatives.

A dumper applying for a Special permit (granted when the dumping of wastes is shown to have no significant adverse impact on the environment) will be assessed the full administrative costs involved in processing permit applications. However, no additional fee for research will be levied against "safe" dumpers.

Footnotes at end of article.

This plan will accomplish several different goals. First, the administrative costs of processing permit applications of ocean dumping will no longer be borne by the general taxpayer. Rather, these costs associated with ocean dumping will be entirely supported by the dumpers themselves. I feel that this structure is considerably more equitable than the current situation where nominal fees are charged, and much of the cost is shouldered by the general public.

Under the plan I am proposing today, ocean dumpers will have no incentive to continue ocean dumping. The money they pay out for ocean dumping permits will equal or exceed the cost of disposing of wastes by means of constructive alternatives. Thus, it will be a natural step for ocean dumpers to utilize constructive alternatives—by doing so they will save themselves money and save our nation the social cost of continued pollution of the ocean.

While dumpers will be anxious to turn to alternatives as soon as practical, ocean dumping may continue during an interim period. During this time, revenues will be generated which will be used for research purposes. Such research will tend to reduce the costs of more constructive alternatives—a benefit for all of society.

Some have argued that schemes such as moving the dumpsite an extra 100 miles offshore will force dumpers to turn to alternatives by increasing the cost of ocean dumping. For example, the New Jersey Department of Environmental Protection proposal would increase costs of dumping by $24 million a year. The New Jersey DEP did not include in their cost estimates the increased fuel cost and the cost of acquiring additional ocean dumping barges.

I cannot bring myself to give serious consideration to any proposal which literally pours in excess of $24 million a year down the drain, which increases the strain on our energy supplies, and which degrades a deepwater site in a way which may, over the course of time, have long-term effects on Northwest Atlantic fisheries. Frankly, I can see no merit in a proposal of this nature.

It's obvious to me that ocean dumping can be phased out in a more effective, more constructive way. Why should we waste millions of dollars a year to degrade a deepwater site when the money could just as well be applied for constructive purposes? Why should we risk serious long-term environmental degradation and potential contamination of Northwest Atlantic fisheries for no apparent reason? Should we turn our back on the scientists who tell us—

Moving dumping activities from the Bight area will do little to improve that area and much to destroy the deep-water site;

That moving the dumpsite will have no effect on the likelihood of a future fish kill similar to that of the summer of 1976—an event which had virtually no relationship to sewage sludge dumping;

That dumping in deep water areas will permanently degrade the ambient marine environment with repercussions that may be felt for years, including contamination of red crab, flounder, porgy, butterfish, lobster, squid, and hake fisheries.

I firmly oppose such attempts to squander our resources. Surely funds in excess of $24 million annually should not be wasted. I am confident that the plan I have proposed will more effectively and expeditiously phase out ocean dumping than alternate proposals such as moving ocean dumping activities to the 106-mile site. I strongly believe that the time has come to move decisions regarding the environment outside of the arena of political expediency and into the arena of rationality. It is in this spirit that I announce a new approach to ending the problem of ocean dumping. My staff and I are currently in the process of drafting legislation to amend the Marine Protection, Research, and Sanctuaries Act to implement this proposal. I anticipate that the Fisheries and Wildlife Conservation and Environment Subcommittee, of which I am the Ranking Republican Member, and the Oceanography Subcommittee of the House Merchant Marine and Fisheries Committee will consider this legislation and hopefully, share my conviction that the time has come to logically and efficiently end ocean dumping in a manner which will minimize environmental degradation.

CONCLUSION

In sum, a careful analysis of the scientific data clearly suggests that dumping should be confined to the present dumpsite. Only if monitoring of existing sites indicates, in the future, that the sites are becoming more heavily stressed should the alternate dump sites 25–30 miles off the New Jersey shore be used. These sites have been carefully studied, likely consequences of dumping in these areas are understood, and the shallow waters are known to recycle wastes. However, the measures I am introducing today to hasten a phaseout of the ocean dumping of sewage sludge should ensure that these alternate dumpsites will never be used.

Proposals to move ocean dumping of secondarily treated sewage sludge to the 106-site are indefensible on a scientific basis. Calling for such use of the 106-site can only be based on expedient political motives. The mentality involved in suggesting such a short-sighted quick fix non-solution is reflective of the mentality responsible for the serious pollution problems our society faces today. The philosophy of "out-of-sight, out-of-mind," with its long-term and potentially devastating environmental consequences, is no forthright and respectable way to approach the problem of ocean dumping. Rather, I believe the direct and constructive steps I have outlined today represent a positive approach to the problem of ocean dumping—an approach which is above political motives and which benefits all of society.

FOOTNOTES

[20] *Ocean Dumping-Part 3*, op. cit., p. 120.
[21] *Ocean Dumping-Part 3*, op. cit., p. 263.
[22] *Anoxia on the Middle Atlantic Shelf During the Summer of 1976*, National Science Foundation, Washington, D.C. Nov. 1976.
[23] *Ibid.*, p. 74.
[24] *Ibid.*, p. 19.

RECYCLING MUNICIPAL WASTEWATER FOR DRINKING WATER

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. JOHNSON of Colorado. Mr. Speaker, this year's serious lack of adequate snowfall in the mountains of the West and the lack of normal rainfall in the Western States further demonstrates the need for deliberate and constructive programs to emphasize and implement the careful and wise use and reuse of the already scarce and vital water resources of the West. Much has already been done by local, State, and Federal governments to minimize the excessive loss and imprudent use of this life-supporting resource, but more must be done if potential disaster is to be avoided. Drought conditions exist in many areas of the West at this moment, and the continued lack of adequate snowfall and rain in the West and Midwest provides

the potential for even more serious drought conditions over a wide expanse of the country within the next several months. Rationing of water supplies is occurring right now in some areas of the West. Just recently President Carter declared 13 counties in Colorado disaster areas because of severe drought conditions which have seriously affected our farming and ranching activities, which in turn impact on the Nation as a whole.

Water reclamation and conservation programs must continue if a resolution of the water supply situation is to be found. All methods of water use and reuse must be investigated and implemented to provide for the future. Among the long-range programs to meet the problems of scarce water supplies is a national water recycling program. Under provisions of the Federal Water Pollution Control Act, the Water Resources Research Act, the Saline Water Conversion Act, and the Safe Drinking Water Act, progress has been made regarding recycling of our water resources, but more must be done. According to the EPA, under the provisions of the Federal Water Pollution Control Act and the Safe Drinking Water Act, over 360 projects are underway to investigate and implement programs to recycle municipal wastewater for irrigation, industrial reuse, groundwater recharge, and recreation. Those programs should continue and be enlarged so that health and technical information can be gathered to facilitate the most effective reuse of municipal wastewater. According to the EPA, the total wastewater reuse projects presently in place in the United States still 2 percent of the total amount of wastewater which is available for recycling for various purposes.

Unfortunately, one aspect of the municipal wastewater reuse program which has not received adequate EPA support and attention is the recycling of municipal waste water for use as drinking—potable—water. Specifically, the EPA has not taken any substantial positive action to request the appropriation of $25 million in funds for potable reuse demonstration projects as authorized in Section 1444 of the Safe Drinking Water Act of 1974 (P.L. 94–523). Mr. Speaker, on December 23, 1976, I wrote a letter to EPA Administrator Russell Train, inquiring as to why the EPA has not followed through with the will of Congress, as expressed in Public Law 94–523, regarding the providing of cost-sharing grants for potable reuse demonstration facilities. The following is the reply I received from Deputy Assistant Administrator for Water Supply, Victor J. Kimm:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C., February 2, 1977.

Hon. JAMES P. JOHNSON,
House of Representatives,
Washington, D.C.

DEAR MR. JOHNSON: This is in response to your letter of December 23, 1976, in which you expressed your concern regarding the apparent lack on the part of the Environmental Protection Agency (EPA) to pursue the establishment of demonstration facilities to examine the reuse of municipal wastewaters for potable purposes. The demonstration of municipal wastewater reuse is authorized by Congress under Section 1444 of the Safe Drinking Water Act.

The Agency did not request funds under Section 1444 of the Act between Fiscal Years 1976 and 1977. We concluded that the small increase in funding available for the water supply program was better devoted to increasing grants to the States in order to facilitate the States' ability to assume primary enforcement. In addition, there are many technical uncertainties concerning reuse that take us to the limits of current knowledge of the health significance of small quantities of a variety of contaminants which would make assessing current demonstration projects very difficult.

Nonetheless, our Agency is still very much interested in potable reuse of municipal wastewater. However, within EPA's current budget constraints and the immediate mandatory goals directed by the Safe Drinking Water Act, our Agency is unable to support the demonstration of municipal wastewater reuse for potable purposes.

We thank you for your interest in municipal wastewater reuse and we hope that this information has added to your knowledge on this subject.

Sincerely yours,

VICTOR J. KIMM,
Deputy Assistant Administrator for Water Supply (WH–550).

Mr. Speaker, Mr. Kimm refers to the "technical uncertainties" among the reasons why EPA has not requested funding under section 1444 of Public Law 94–523. I would point out that these technical uncertainties as well as related health questions are precisely the areas of concern which can only be fully investigated and resolved through a practical demonstration size facility which would qualify for cost-sharing grants under the provisions of the Safe Drinking Water Act. Such demonstration projects would, over a period of several years necessary to fully investigate the health and technical aspects of the program, provide the necessary basis for full scale wastewater reuse facilities to provide potable water which will assist in the overall national goal of conserving and making the best possible use of our water resources.

I am today introducing legislation which would provide for a simple amendment to the Safe Drinking Water Act. The amendment would remove the present discretionary language in the act regarding cost-sharing grants for potable reuse demonstration plants and substitute language to require the EPA Administrator to offer such grants. The text of my amendment reads as follows:

H.R. —

A bill to require the Administrator of the Environmental Protection Agency to exercise his authority under the Safe Drinking Water Act to make grants for certain demonstration projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 1444 of the Public Health Service Act (42 U.S.C. 300j–3(a)) is amended by striking out "The Administrator may make grants" and inserting in lieu thereof "The Administrator shall offer grants".

(b) Subsection (c) of section 1444 of the Public Health Service Act (42 U.S.C. 300j–3(c)) is amended to read as follows:

"(c) For the purposes of making grants under subsections (a) and (b) of this section, there is authorized to be appropriated $10,000,000 for the fiscal year ending September 30, 1978."

Mr. Speaker, I ask for your support and the support of my colleagues on the Interstate and Foreign Commerce Committee and its Subcommittee on Health and Environment, as well as the support of all my colleagues from Western and Midwestern States who are vitally concerned about the proper and efficient use of our water resources, for the extension of the provisions of the Safe Drinking Water Act and inclusion of language to insure the offering of cost-sharing grants for demonstration projects designed specifically for the recycling of municipal waste water for use as drinking water. The technology exists and has been proven in pilot size facilities in several parts of the Nation. It is essential that the technology be refined and proven in a large-scale facility of demonstration size, and it is also essential that the health-related issues be thoroughly investigated and resolved through such a demonstration size facility. I ask for the support of all my colleagues in this effort to provide the necessary authorization and subsequent appropriations for this vital program.

THE GARRISON DIVERSION UNIT AND CANADA

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. RYAN. Mr. Speaker, last Friday, in a major reversal of its previous position, the Department of State acceded to a Canadian request that construction on a controversial feature of the Garrison Diversion Unit be halted until the International Joint Commission completes its review of the boundary waters issues generated by the project. The feature in question was the proposed Lonetree Reservoir in central North Dakota, which was to be the subject of a Department of the Interior contract award in March 1977. The Department of State assured the Canadian Government that the Lonetree Reservoir contract will not be awarded until the two Governments have had an opportunity to review the International Joint Commission's recommendations on Garrison, which are due in June.

The Canadian Government has objected to the Garrison project since 1970. In a number of formal diplomatic notes over the past 6 years, the Canadians have charged that the project would violate the Boundary Waters Treaty of 1909 by polluting rivers crossing the border to the detriment of health and property in Canada.

In 1974, the Department of State agreed to halt all construction on the project which potentially affected Canada until an agreement is reached. But, unfortunately this agreement did not specify which portions of the project were to be deferred and which were to be

allowed to continue. Subsequently, the Bureau of Reclamation, interpreting the agreement to its advantage, announced intentions to continue construction on Lonetree Reservoir and associated dikes and dams.

In 1975, the Conservation, Energy and Natural Resources Subcommittee of the House Government Operations Committee began a review of the Garrison Diversion Unit in an effort to propose solutions to some of the complex economic, environmental and international issues surrounding the project. This investigation resulted in the issuance of a comprehensive report on Garrison by the Government Operations Committee in July 1976 (H. Rept. 94–1335).

In House Report 94–1335, the committee examined, among other issues, the international boundary dispute with Canada. Based on our complete review of all available information provided by the Department of the Interior, the State Department and the Canadian Government, the committee determined that under the present project plan authorized by Congress, the Lonetree Reservoir does possibly affect Canada. According to the report:

> . . . the Bureau of reclamation recognizes that the overall project plan, including the McCluskey Canal and the Lonetree Reservoir, do potentially affect Canada. However, as a matter of convenience to allow continued construction, it takes the position that the project will affect Canada only at that point where construction would begin on features falling within the Souris River basin . . .

The committee took exception to the Department of the Interior's interpretation of the Canadian-United States agreement and recommended that land acquisition and construction on the Lonetree Reservoir be halted "until the Canadian and U.S. Governments have agreed upon an acceptable alternative to the present project plan."

This matter became the subject of a hotly contested debate in the House of Representatives during consideration of the fiscal year 1977 public works appropriation bill last summer. At that time an amendment proposed by the gentleman from Minnesota (Mr. FRASER) to defer funding for the Lonetree Reservoir, failed by a vote of 151 to 257.

Then, in October 1976, the Canadian Government formally requested that Lonetree Reservoir Reservoir construction be halted until the IJC completes its study.

Mr. Speaker, the Garrison controversy is one of several issues that has strained our good relations with our northern neighbor in recent years. It is only fitting, therefore, that on the eve of Prime Minister Trudeau's visit to the United States the Carter administration has taken positive and necessary action to comply with a very reasonable Canadian request.

It is well known that the Garrison project has been the subject of a growing domestic controversy as well. The project needs to be reevaluated. By acceding to Canadian demands, the Carter administration bought valuable time to reevaluate the Garrison project and to study the possible alternatives necessary to solve the boundary dispute and domestic environmental and economic problems.

This was a tough and courageous decision for Secretary Andrus to make as it was for Secretary of State Vance. Nevertheless, I believe it to be wise and necessary, and I am encouraged by the willingness of the new Carter team to do what they believe to be right regardless of the political heat that might result. This decision reflects a desire to take charge of the bureaucracy and to make decisions based on sound information. It is a refreshing change from what we have experienced in recent administrations.

A BILL TO INCREASE THE MINIMUM WAGE RATE

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. DENT. Mr. Speaker, today I am introducing a bill to increase the Federal minimum wage rate. The purpose of the legislation is twofold. First, the bill will assist low-wage workers by increasing their purchasing power which has been undermined by the continuous increases in the cost of living. I am referring not only to the majority of low-wage workers whose last minimum wage increases became effective more than 1 year ago, but also to those workers who received their last legislated increase the first of this year. If we do not enact legislation within the next few months to provide further increases for all these workers, they will continue to experience the full brunt of inflation as the cost-of-living increases while their earnings stagnate.

Second, the legislation will initiate a new, orderly method for the imposition of regular incremental increases in the minimum wage rate, in order to avoid the kinds of economic disparities just discussed. As drafted, the bill provides for an initial increase, 30 days after enactment, resulting in a minimum wage rate equivalent to 55 percent of the 1976 calendar year average of the average hourly earnings in manufacturing. Effective January 1, 1978, and for each succeeding year, the minimum wage will be 60 percent of the same earnings base data, except that the period from which the annual average will be derived is the 12 months preceding September 30 of the year prior to the effective date. The coverage distinction between nonagricultural employees will be eliminated. That is, all nonagricultural employees will be entitled to the same wage rate increases at the same time. The coverage distinction for agricultural employees will be phased out. Thirty days after enactment, the wage rate for agricultural employees will be 5 cents less than that of nonagricultural employees. Effective January 1, 1978, and for each succeeding year, agricultural employees will be entitled to the same minimum wage rate as nonagricultural employees.

Mr. Speaker, having been engaged in the minimum wage debate for many years, I am convinced that despite the laudatory efforts of successive Congresses, it is time to require minimum wage increases in a regular predictable manner. The wage-setting process I am proposing, commonly referred to as "indexing," has many advantages over the highly irregular and frequently chaotic legislative process:

First. Low-wage workers would benefit by a system of annual increments rather than waiting several years for Congress to legislate a larger increase.

Second. A series of smaller increases, instead of erratic major increases, would provide greater stability to the wage setting process.

Third. Employers would benefit by being able to anticipate changes in the minimum on a regular basis. Our low-wage workers should no longer have their livelihoods dependent upon legislative delays and sometimes inaccurate wage rate forecasts.

Providing yearly minimum wage increments based on a percentage of average hourly earnings in manufacturing will enable minimum wage workers to maintain continually the "minimum standard of living necessary for health, efficiency, and general well-being." Average hourly earnings in manufacturing was chosen as the indexing series through a process of elimination. Other earnings series or indexing bases were considered and rejected. The CPI, used, among other things, to determine the cost of living for support payments under the Social Security Act, has proved to be not only erratic but overly influenced by precipitous price changes. Average hourly earnings for the nonfarm private economy includes production workers and nonsupervisory employees at the minimum wage level as well as employees exempt from the law. Indexing the minimum to this earnings series possibly could produce a built-in multiplier effect on future minimum wage rate determinations. The Hourly Earnings Index, though adjusted to exclude certain effects on wages, is not adjusted for the influence of overtime premium pay in the nonmanufacturing sector, the sector which includes the largest segment of employees affected by changes in the minimum wage. Again, a multiplier effect could develop. Conversely, average hourly earnings for production workers on manufacturing payrolls does not have the disadvantages of the foregoing earnings series, yet the manufacturing earnings data reflect a generally national wage trend on which a minimum wage rate could be based.

A minimum wage rate that is 60 percent of an annual average of average hourly earnings in manufacturing will provide at least a subsistence wage. Workers will be able to look forward to regular, moderate wage adjustments rather than having to subsist on outdated "real earnings" while awaiting legislative enactments. I am also confident that after employers compare the advantages of being able to predict fairly accurately their future wage rate responsibility, to the disadvantages of trying to "second-

guess" Congress as to when we will raise the minimum and by how much, they will welcome this new wage-setting mechanism I am proposing.

The other provision of my bill will repeal the provision in current law which allows employers to credit toward their minimum wage liability a percentage of tips received by their employees. A tip is a gratuity, not a wage. Every employee should be guaranteed a basic wage rate. Any additional remuneration should flow from his or her industriousness and quality of service. Therefore, I am proposing to repeal the tip credit provision.

I hope my colleagues will scrutinize the provisions of my bill. Once the provisions have been studied and debated, I feel confident everyone will agree that this proposal is preferable to the wage-setting procedure currently in effect.

My Subcommittee on Labor Standards will hold hearings on the bill on March 3, 8, and 9, 1977.

The bill and a summary follow:

H.R. —

A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to provide for an automatic adjustment in such wage rate, and to repeal the credit against the minimum wage which is based on tips received by tipped employees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1977".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

INCREASE AND AUTOMATIC ADJUSTMENT IN MINIMUM WAGE

SEC. 2. (a) Section 6(a)(1) (29 U.S.C. 206(a)(1)) is amended to read as follows:

"(1) during the period beginning on the thirtieth day after the date of enactment of the Fair Labor Standards Amendments of 1977 and ending December 31, 1977, not less than 55 per centum of the average hourly earnings for the year which began January 1, 1976, of production workers on manufacturing payrolls, and during the year beginning January 1, 1978, and during each succeeding year not less than 60 per centum of the average hourly earnings for the twelve-month period ending on September 30 next preceding the beginning of such year of production workers on manufacturing payrolls; except as otherwise provided in this section;".

(b) Section 6(a)(5) (29 U.S.C. 206(a)(5)) is amended to read as follows:

"(5) if such employee is employed in agriculture—

"(A) during the period beginning on the thirtieth day after the date of enactment of the Fair Labor Standards Amendments of 1977 and ending December 31, 1977, not less than the minimum wage rate in effect under paragraph (1) less $.05, and

"(B) after December 31, 1977, not less than the minimum wage rate in effect under paragraph (1).".

(c) Section 6(b) (29 U.S.C. 206(b)) is amended by striking out "wages of the following rates:" and paragraphs (1) through (4) and inserting in lieu thereof the following: "wages at the following rate: Effective on and after the thirtieth day after the date of enactment of the Fair Labor Standards Amendments of 1977, not less than the minimum wage rate in effect under subsection (a)(1).".

(d) Section 6(a) is amended by adding after and below paragraph (5) the following:

"Not later than November 30 of each year, the Secretary shall publish in the Federal Register the average hourly earnings, during the twelve-month period ending on the next preceding September 30, of production workers on manufacturing payrolls.".

(e) The amendments made by subsections (a), (b), and (c) of this section shall take effect on the thirtieth day after the date of enactment of this Act, except that on and after the date of enactment of this Act the Secretary of Labor shall take such administrative action as may be necessary to enable such amendments to be implemented on and after such day.

TIP CREDIT

SEC. 3. Effective on the thirtieth day after the date of enactment of this Act, the last two sentences of section 3(m) (29 U.S.C. 203(m)) are repealed.

SUMMARY OF THE PROPOSED FAIR LABOR STANDARDS AMENDMENTS OF 1977

BRIEF SECTION-BY-SECTION ANALYSIS

Section 1. Short Title.—Provides that the Act may be cited as the "Fair Labor Standards Amendments of 1977."

Section 2. Nonagricultural employees.—Provides that thirty days after enactment, the minimum wage rate for nonagricultural employees shall be not less than 55 per centum of the 1976 calendar average of average hourly earnings of production workers on manufacturing payrolls. Effective January 1, 1978, and each succeeding year, the minimum wage rate for nonagricultural employees shall be not less than 60 per centum of the annal average (the annum will be the twelve month period preceding September 30 of the year prior to the effective date) of average hourly earnings of production workers on manufacturing payrolls.

Agricultural Employees.—Provides that thirty days after enactment the minimum wage rate for agricultural employees shall be not less than five cents less than the minimum wage rate for nonagricultural employees during the same period. Effective January 1, 1978, and each succeeding year, the minimum wage rate for agricultural employees will be the same as the minimum wage rate for nonagricultural employees.

This section also establishes the procedure for determining the earnings amount on which the minimum wage rate will be effective January 1, 1978, and each succeeding year. The Secretary of Labor is directed to publish in the Federal Register, not later than November 30 of each year, the average hourly earnings of production workers on manufacturing payrolls for the twelve-month period preceding September 30 of each such year. This prescription is necessitated by the fact that the monthly earnings figure published by the Bureau of Labor Statistics is a preliminary figure. Two months later the Bureau has received sufficient information to either verify or modify the preliminary figure which is then validated as the permanent figure for the given month.

Section 3. Tip Credit.—Provides that thirty days after enactment, the tip-credit provision of the Act is repealed.

A PERCEPTIVE LOOK AT CONGRESS

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. HAMMERSCHMIDT. Mr. Speaker, the distinguished New York Times journalist, William Safire, recently devoted his editorial column to a look at the Congress—an acutely perceptive look, I might add, which I thought might be of interest to my colleagues.

The ability to look at one's self in the revealing light of self-examination is one which I am sure all of us desire. I therefore submit Mr. Safire's column, "Perpetrating Outrage," to the attention of this body, in the hope that it will help us to understand why some Americans view us the way they do and, in the process, to better understand ourselves:

[From the Washington Star, Feb. 18, 1977]

(By William Safire)

PERPETRATING OUTRAGE

Nearly a century ago, Speaker Thomas B. Reed, Republican of Maine, broke the back of minority rights in the House of Representatives by taking away its power to filibuster. "The right of a minority is to draw its salaries," "Czar" Reed scorned, "and its function is to make a quorum."

Speaker Reed is remembered today for the way he liked to inform the helpless minority leaders of his decisions: "Gentlemen, we have decided to perpetrate the following outrage."

The times, they are not achangin'. In this era of "reform," with its new emphasis on "ethics" and its sensitivity to the rights of minorities, the House of Representatives is run as imperiously as in the days of Reed, with corruption concealed and responsibility evaded as it was in the days of the first House "czar."

How does the unrestrained power of the speaker manifest itself? Let us count the ways:

1. The I-Never-Voted-For-It-But-I Couldn't-Stop-It Pay Raise. This is a trick, devised by the House Democratic leaders in 1967, to evade accountability for a pay increase. The charade is for the President to make salary recommendations for federal employes, which become law automatically unless either chamber passes a resolution of disapproval.

But it would take 218 members of Congress to blast such a resolution out of committee and onto the floor for a vote disapproving the 30 per cent pay hike. The speaker quietly shakes his head; no vote. The minority leader introduces a bill to make it possible for House members to vote for or against the pay raise. The speaker smiles, and bottles that bill in his Rules Committee, where it will die.

Maybe a pay raise is fair; perhaps not. But representatives are elected to represent, and to vote, and to be held accountable for their votes by the voters. Under Speaker O'Neill, we are witnessing who-me? legislation, providing shelter from embarrassment to congressmen too cowardly to vote for the pay raise.

2. *The anti-dissent organization rules.* Why did every Republican vote against the adoption of the rules of the 95th Congress last month? Because the minority was slammed up against the wall in a display of arrogance that (had it been practiced by anyone but certified Good Guys) would be attacked as dictatorial by every liberal commentator.

To make a quorum so as to conduct business, the number of members needed within a committee has been changed. It used to be a majority; now it is one third. What with the small sprinkling of opposition members, this little trick means that Democrats can hold committee meetings and mark up bills without any Republican participation. That, in political terms, is called playing hardball without a glove.

3. *The "Forgive and Forget" ethics code.* The proposal that Czar O'Neill laughingly

calls his "ethics code" resolutely forgets the past and calls on solons to be kind, truthful and reverent in the future. The hot reforming zeal of the O'Neill of 1973 suddenly cooled when it comes to investigating Democrats.

Minority Leader John Rhodes has proposed a select committee, made up of an equal membership of both parties (like the Senate's Watergate Committee) to conduct a thorough audit of all members' accounts for the past six years.

In the light of the quickly shushed scandal in the accounts of O'Neill's deputy, Democratic Majority Leader Jim Wright, this would clearly be in the public interest. But Czar Tip has crushed the minority proposal.

He has denied the public an independent audit because there is a rot in the House, and I suspect that rot extends into the office of the speaker.

4. *Recess reform.* Lest this department be considered unduly severe on a genial old pol, whose $500 "tips" to obedient congressmen were in the grand tradition of influence purchasing, and whose intercession with building officials on behalf of fundraiser James Wilmot recall the halcyon days of William Marcy Tweed, a word in his favor:

Tip O'Neill's forthright and fearless decision to change the name of the time Congress goes out of session from the lackadaisical "recess" to the dynamic "district work period" deserves the approbation of euphemists around the world.

SENATE COMMITTEE MEETINGS SCHEDULED

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure beginning February 21, and until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare such information daily for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD.

Any changes in committee scheduling will be indicated by placement of an asterisk to the right of the name of the unit conducting such meetings.

Meetings scheduled for Wednesday, February 23, may be found in the Daily Digest section of today's RECORD.

The schedule follows:

SCHEDULED MEETINGS

FEBRUARY 24

9 a.m.

Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act of 1973.
Until noon 322 Russell Office Building

Appropriations
Subcommittee on Agriculture
To hold hearings on proposed budget estimates for fiscal year 1978 for the Department of Agriculture.
S–128, Capitol

Temporary Select Committee to Study Senate Committees
Business meeting, to consider final recommendations of the committee.
S–146, Capitol

9:30 a.m.

Appropriations
Interior Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1978 for the Department of the Interior and related activities, to hear officials of the Office of Water Research and Technology.
1114 Dirksen Office Building

Human Resources
Subcommittee on the Handicapped
To resume hearings to review programs for handicapped persons.
4200 Dirksen Office Building

Joint Economic Committee
To continue hearings on former President Ford's economic report to the Congress.
345 Cannon Office Building

10 a.m.

Appropriations
Subcommittee on Foreign Operations
To resume hearings on proposed budget estimates for fiscal year 1978 for foreign aid programs, to hear Secretary of State Vance.
1224 Dirksen Office Building

Appropriations
Subcommittee on HUD-Independent Agencies
To resume hearings on proposed budget estimates for fiscal year 1978, to hear officials of the National Science Foundation.
1318 Dirksen Office Building

Appropriations
Subcommittee on Defense
To resume hearings on proposed budget estimates for fiscal year 1978 for the Defense Establishment.
1223 Dirksen Office Building

Banking, Housing, and Urban Affairs
Subcommittee on Housing and Urban Affairs
To continue hearings on S. 208, the proposed National Mass Transportation Assistance Act.
5302 Dirksen Office Building

Foreign Relations
To consider pending nominations.
4221 Dirksen Office Building

Governmental Affairs
To consider S. 626, to reestablish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and S. 213, to provide for GAO audit of the Internal Revenue Service and of the Bureau of Alcohol, Tobacco, and Firearms.
3302 Dirksen Office Building

Select Intelligence
Subcommittee on Budget Authorization
To continue closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S–407, Capitol

Select Small Business
To resume hearings on problems of U.S. supplemental air carriers including charter regulations, applications for low-cost scheduled service, discriminatory enforcement of CAB rules, and military airlift contract procedures.
6202 Dirksen Office Building

11:15 a.m.

Human Resources
To hold hearings on the nomination of Samuel Winfred Brown, Jr., of Colo., to be Director of ACTION Agency.
Until: 12:15 4232 Dirksen Office Building

2 p.m.

Appropriations
Subcommittee on Transportation
To hold hearings on proposed budget estimates for fiscal year 1978 for the United States Railway Association and the Panama Canal Company and the Panama Canal Zone Government; and to hold hearings on supplemental appropriations for fiscal year 1977 and fiscal year 1978 needs of the National Transportation Policy Study Commission.
1224 Dirksen Office Building

Appropriations
Subcommittee on Public Works
To hold hearings on proposed budget estimate for fiscal year 1978 for public works projects, to hear officials of the Southwestern Division and Missouri River Division.
S–126, Capitol

Budget
To hold hearings on the subject: "Housing Affordability and Federal Budget Policy."
357 Russell Office Building

Environment and Public Works
Business meeting to discuss committee organization.
4200 Dirksen Office Building

Select Committee on Intelligence
Subcommittee on Budget Authorization
To continue closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S–407, Capitol

FEBRUARY 25

9 a.m.

Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend the Agriculture and Consumer Protection Act of 1973.
Until noon 322 Russell Office Building

9:30 a.m.

Appropriations
Interior Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for the Department of the Interior and related activities, to hear Secretary of the Interior Andrus.
1114 Dirksen Office Building

Human Resources
Subcommittee on the Handicapped
To continue hearings to review programs for handicapped persons.
4232 Dirksen Office Building

9:30 a.m.

Veterans' Affairs
To hold hearings on the nomination of Joseph Maxwell Cleland, of Georgia, to be Director of Veterans' Affairs.
318 Russell Office Building

10 a.m.

Appropriations
Subcommittee on HUD-Independent Agencies
To continue hearings on proposed budget estimates for fiscal year 1978, to hear officials of the National Science Foundation and Office of Science and Technology Policy.
1318 Dirksen Office Building

Banking, Housing, and Urban Affairs
Subcommittee on Housing and Urban Affairs
To continue hearings on S. 208, the proposed National Mass Transportation Assistance Act.
5302 Dirksen Office Building

Commerce, Science, and Transportation
Subcommittee on Space and Science*
To hold hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building

11 a.m.
Foreign Relations
Subcommittee on Foreign Assistance
To hold hearings to receive testimony concerning military and economic assistance to Portugal.
4221 Dirksen Office Building

FEBRUARY 28

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building
Banking, Housing, and Urban Affairs
Subcommittee on International Finance
To resume hearings on S. 69 and 92, to amend and extend the Export Administration Act, including provisions on anti-boycott and nuclear proliferation.
5302 Dirksen Office Building

9:30 a.m.
Human Resources
Subcommittee on the Handicapped
To resume hearings to review programs for handicapped persons.
4232 Dirksen Office Building

10 a.m.
Select Small Business
To resume hearings on problems of U.S. supplemental air carriers, including charter regulations, applications for low-cost scheduled service, discriminatory enforcement of CAB rules, and military airlift contract procedures.
6202 Dirksen Office Building

2 p.m.
Appropriations
Subcommittee on Labor-Health, Education, and Welfare
To hold hearings to receive testimony on proposed supplemental appropriations for the Department of Health, Education, and Welfare, to hear testimony on certain health programs and on special benefits for disabled coal miners.
S–128, Capitol

MARCH 1

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Commerce, Science and Transportation
Subcommittee on Science and Space *
To resume hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building
Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To resume hearings on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Office Building

5 p.m.
Joint Committee on Defense Production
Business meeting to discuss committee organization.
Until: 6 p.m. EF–100, Capitol

MARCH 2

9:30 a.m.
Human Resources
Subcommittee on the Handicapped
To resume hearings to review programs for handicapped persons.
4232 Dirksen Office Building
Veterans' Affairs
Business meeting, to discuss committee organization.
412 Russell Office Building

10 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to discuss budgetary and other committee business.
Until: Noon 322 Russell Office Building
Banking, Housing, and Urban Affairs
To hold hearings on proposed authorizations for major housing and community development programs.
5302 Dirksen Office Building
Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To continue hearings on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Office Building

10:30 a.m.
Judiciary
To hold hearings on the nominations of Wade H. McCree, Jr., of Michigan, to be Solicitor General; Barbara A. Babcock, of California, to be an Assistant Attorney General (Civil Division); Benjamin R. Civiletti, of Maryland, to be an Assistant Attoreny General (Criminal Division); Drew S. Days, III, of New York, to be an Assistant Attorney General (Civil Rights Division); Daniel J. Meador, of Virginia, to be an Assistant Attorney General (Office for Improvements in the Administration of Justice); and Patricia M. Wald, of Maryland, to be an Assistant Attorney General (Office of Legislative Affairs).
2228 Dirksen Office Building

MARCH 3

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings and proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on proposed authorizations for major housing and community development programs.
5302 Dirksen Office Building
Commerce, Science and Transportation
Subcommittee on Science and Space*
To resume hearings on S. 365, authorizing funds for fiscal year 1976 for the National Aeronautics and Space Administration.
235 Russell Office Building
Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To continue hearing on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Office Building
Rules and Administration
Subcommittee on Privileges and Elections
To hold hearings on the proposed fiscal year 1978 authorization for the Federal Election Commission.
301 Russell Office Building
Select Committe on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.

MARCH 4

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on proposed authorizations for major housing and community development programs.
5302 Dirksen Office Building

MARCH 7

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Appropriations
Subcommittee on Military Construction
To resume hearings on proposed budget estimates for fiscal year 1978 for military construction programs.
S–146, Capitol
Commerce, Science and Transportation
Subcommittee on Science and Space
To resume hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building

MARCH 8

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Rules and Administration
Subcommittee on Privileges and Elections
To hold hearings on the operation of the Overseas Citizens Voting Rights Act (Public Law 94–203), and S. 703, to improve the administration and the operation of such Act.
301 Russell Office Building
Select on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S–407, Capitol

MARCH 9

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Commerce, Science and Transportation
Subcommittee on Science and Space*
To hold closed hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Office Building
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S–407, Capitol

MARCH 10

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 11

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

MARCH 14

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

MARCH 15

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Office Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 16

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 21

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e. telephones, computers, etc.) policies.
235 Russell Office Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 22

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e. telephones, computers, etc.)
235 Russell Office Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Select Committee on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 23

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e. telephones, computers, etc.) policies.
235 Russell Office Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Select Committee on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 24

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Energy and Natural Resources
To hold oversight hearings on the proposal for an international petroleum transshipment port and storage center located in the Palau District, Western Caroline Islands, Trust Territory of the Pacific Islands.
3110 Dirksen Office Building

MARCH 25

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 28

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 29

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Select Committee on Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 30

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

MARCH 31

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

10 a.m.
Foreign Relations
Subcommittee on Oceans and International Environment
To hold hearings on S. Res. 49, expressing the sense of the Senate that the U.S. Government should seek the agreement of other governments to a proposed treaty requiring the preparation of an international environmental impact statement for any major project expected to have signicant adverse effect on the physical environment.
4221 Dirksen Office Building

APRIL 1

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Office Building

HOUSE OF REPRESENTATIVES—*Wednesday, February 23, 1977*

The House met at 3 o'clock p.m.

Pastor Paul I. Nussle, Grace Lutheran Church, Santa Barbara, Calif., offered the following prayer:

Members of the House, you are shepherds of a people and caretakers of this pasture called America. Let us pray to the Good Shepherd of us all.

Shepherd, nurture our vision of shepherd: to listen, watch, search, care, risk. Yes, uphold us in risk.

Help us to hear the voice of history which declares that when moral leadership weakens, communities decay and die.

Help us to hear the voices of those who speak from experience, giving us humility to heed their call to stability.

Help us to hear the voices of those who speak in ignorance, giving us sensitivity to hurts needing healing.

Help us to hear Your voice, Good Shepherd, as it teaches us that love for persons and care for creation is the foundation of true shepherding joy.

Convince those who hold this office that its symbol not be a jewel-covered scepter, but the worn, crooked end of shepherd's staff—caring, risking. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks.

The message also announced that the

Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2647. An act to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan limitations and to increase surety bond authorizations.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2647) entitled "An act to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan limitations and to increase surety bond authorizations, request a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NELSON, Mr. MCINTYRE, Mr. NUNN, Mr. HATHAWAY, Mr. HASKELL, Mr. CULVER, Mr. JAVITS, Mr. WEICKER, Mr. PACKWOOD, Mr. BARTLETT, and Mr. LAXALT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 10. Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1977.

PASTOR PAUL I. NUSSLE

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, my colleagues, on this Ash Wednesday it gives me great pleasure to have had here in the House Chamber my constituent, and our guest chaplain, the Reverend Paul I. Nussle, who delivered the invocation today.

Originally from Chicago and now a resident of California, Reverend Nussle is senior pastor of the Grace Lutheran Church in Santa Barbara and secretary of the Pacific Southwest Synod, of the Lutheran Church of America. Active in numerous community affairs, Reverend Nussle was a former chaplain at Cal-Poly in San Luis Obispo and has a strong commitment to helping our young people.

I am sure my fellow Members have benefited from his prayer and I thank the reverend for being here today.

RESIGNATION AS MEMBER AND APPOINTMENT AS MEMBER OF BOARD OF VISITORS TO U.S. AIR FORCE ACADEMY

The SPEAKER laid before the House the following resignation as a member of the Board of Visitors to the U.S. Air Force Academy:

WASHINGTON, D.C.,
February 9, 1977.

Hon. THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I appreciate very much the honor of being appointed, for the third year, to the Board of Visitors of the United States Air Force Academy. It has been a privilege to serve with the other members of the Board during the last two years.

It was my intention, however, to decline reappointment so that some other member of the House might have the opportunity to serve on the Board. Prior to my taking action in this respect, my reappointment was recommended. Accordingly, I understand that it is necessary that I officially resign in order to make room for someone else. Accordingly, I respectfully request that you consider this as my resignation from the Air Force Academy Board of Visitors.

Permit me to emphasize again that my resignation does not imply a desire not to serve, but simply to give someone else an opportunity for this meaningful experience.

Sincerely,

DAVID C. TREEN,
Member of Congress.

The SPEAKER. Pursuant to the provisions of 10 U.S.C. 9355(a), The Chair appoints as a member of the Board of Visitors to the U.S. Air Force Academy the gentleman from California, Mr. BOB WILSON, to fill the existing vacancy thereon.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of 10 U.S.C. 6968(a), the Chair appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House: The gentleman from Pennsylvania (Mr. FLOOD), the gentleman from Utah (Mr. MCKAY), the gentleman from New York (Mr. KEMP), and the gentlewoman from Maryland (Mrs. HOLT).

APPOINTMENT AS MEMBERS OF FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of section 1, Public Law 372, 84th Congress, as amended, the Chair appoints as members of the Franklin Delano Roosevelt Memorial Commission the following Members on the part of the House: The gentleman from New York (Mr. MURPHY), the gentleman from New Jersey (Mr. HOWARD), the gentleman from New York (Mr. FISH), and the gentleman from Maryland (Mr. STEERS).

APPOINTMENT AS MEMBERS OF THE JAMES MADISON MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of section 1, Public Law 86–417, the Chair appoints as members of the James Madison Memorial Commission the following Members on the part of the House: The gentleman from West Virginia (Mr. SLACK), the gentleman from Pennsylvania (Mr. YATRON), the gentleman from Virginia (Mr. WAMPLER), and the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.).

APPOINTMENT AS MEMBERS OF SPECIAL COMMISSION ON MODERNIZATION OF HOUSE GALLERY FACILITIES

The SPEAKER. Pursuant to the provisions of section 499(a), title 4, Public Law 91–510, the Chair appoints as members of the Special Commission on Modernization of House Gallery Facilities the following Members of the House: The gentleman from Louisiana (Mr. WAGGONNER), chairman; the gentleman from California (Mr. DANIELSON); the gentleman from New Jersey (Mr. MINISH); the gentleman from Tennessee (Mr. QUILLEN); and the gentleman from Alabama (Mr. DICKINSON).

PERSONAL EXPLANATION

Mrs. HOLT. Mr. Speaker, as I was unavoidably absent on Tuesday, February 22, I did not have an opportunity to vote on H.R. 27, designed to increase the availability of air service for the elderly and the handicapped, and to improve air service for passengers using intrastate air carriers in California.

H.R. 27 would authorize CAB to approve on a standby basis reduced air fares for senior citizens over age 60 and retired, or over age 65; and also for handicapped persons. In addition, the bill would also mandate CAB to review the feasibility of reduced fares for youth. Were I present and voting yesterday, I would have voted "yea" in support of the bill.

AUTHORIZING AWARDING OF A SPECIAL GOLD MEDAL TO MISS MARIAN ANDERSON

Mr. FAUNTROY. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be discharged from further consideration of the joint resolution (H.J. Res. 132) to authorize a special gold medal to be awarded to Miss Marian Anderson, and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. ROSTENKOWSKI). Is there objection to the request of the gentleman from the District of Columbia?

Mr. LEACH. Mr. Speaker, I reserve the right to object.

Mr. FAUNTROY. Mr. Speaker, will the gentleman yield?

Mr. LEACH. I yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. Mr. Speaker, this bill was unanimously favorably reported by the Subcommittee on Historic Preservation and Coinage of the Committee on Banking, Finance and Urban Affairs. The bill would direct the Secretary of the Treasury to cause to be struck a gold medal for presentation to Miss Marian Anderson.

Marian Anderson, America's great singer, has already become a legend to millions across the world, like few in the history of music. She has been honored by almost every country in the world for her musical accomplishments and for her humanitarian efforts. These include the highest medal or other equivalent honors from Sweden, Japan, Finland, Haiti, Liberia, France, the Philippines, as well as countless State and municipal governments. In the very near future, the United Nations will bestow upon Miss Anderson its Medal of Peace, and Mayor Beame will present to her the Handel Medallion on behalf of New York City at

ceremonies which will be attended by many of my colleagues, the Speaker, and our First Lady, Rosalynn Carter. It is interesting to note that this country stands among those which have failed to give Miss Anderson its highest honor.

The medal authorized in the resolution would be a "national medal" which we have awarded to many individuals since the American Revolution. In recent years, these medals were awarded to Americans, such as Dr. Jonas Salk, Admiral Rickover, Robert Frost, Dr. Tom Dooley, Bob Hope, Walt Disney, Roberto Clemente, and Gen. Charles Yeager. While the list of individuals so honored goes back to George Washington and leaders of the Revolutionary era, one will discover that no black American has ever been the recipient of this honor.

I believe Miss Anderson's accomplishments can easily speak for themselves, and the Subcommittee on Historic Preservation and Coinage recommends her as the next recipient for this honor.

Mr. Speaker, I ask that we pass in the House our House Joint Resolution 132.

Mr. LEACH. Mr. Speaker, I wish to extend my support to the chairman of the subcommittee, the gentleman from the District of Columbia (Mr. FAUNTROY) and would like to further point out that we are unanimous in our support of this legislation that would honor Miss Anderson, a woman of great stature. It is a privilege to do this.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 132

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the highly distinguished and impressive career of Miss Marian Anderson for a period of more than a half a century during which she has been the recipient of the highest awards from a score of foreign countries, for her untiring and unselfish devotion to the promotion of the arts in this country and throughout the world including the establishment of scholarships for young people, for her strong and imaginative support to humanitarian causes at home, for her contributions to the cause of world peace through her work as United States delegate to the United Nations and her performances and recordings which have reached an estimated seven million people throughout the world, and her unstinting efforts on behalf of the brotherhood of man, and the many treasured moments she has brought to us with enormous demand on her time, talent, and energy, the President of the United States, or his delegate, is authorized to award to Marian Anderson, in the name of Congress, an appropriate gold medal. For such purpose the Secretary of the Treasury is authorized and directed to cause to be struck a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

SEC. 2. The Secretary of the Treasury shall cause duplicates in bronze of such medal to be coined and sold, under such regulations as he may prescribe, at a price sufficient to cover the cost thereof (including labor), and the appropriations used for carrying out the provisions of this section shall be reimbursed out of the proceeds of such sale.

SEC. 3. There is authorized to be appropriated the sum of $2,500 to carry out the purposes of this resolution.

AMENDMENT OFFERED BY MR. FAUNTROY

Mr. FAUNTROY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FAUNTROY: on page 2, following line 20, insert:

SEC. 4. The gold medal and the bronze duplicates are national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368)."

Mr. FAUNTROY. Mr. Speaker, the purpose of offering this amendment is to accomplish the general intent of this resolution by specifying that the medal is an official national medal.

Mr. RICHMOND. Will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from New York.

Mr. RICHMOND. Mr. Speaker, I rise in support of House Joint Resolution 132, a resolution to award a Special Congressional Gold Medal to Miss Marian Anderson, and to thank Chairman FAUNTROY and the Banking Committee for their prompt cooperation.

During her professional career of nearly 70 years, Miss Anderson has emerged as one of this country's beloved artists and has become a legend to millions of people throughout the world. Because of her abundant talent, and her dedication to excellence in her field, she has been the recipient of many of the world's highest honors including awards from Finland, Sweden, Japan, Haiti, Liberia, the Philippines, as well as numerous decorations from other organizations, cities, States, and universities. The United Nations has already announced its intention to award Miss Anderson its highest honor, the Peace Medal.

Marian Anderson has always been unstinting and unselfish in her devotion to this country and to others. Her worldwide concert tours and recordings, which have enabled her to reach millions of people throughout the world, have made enormous demands on her time and energy. She has performed numerous benefit concerts, and has assisted young, talented men and women in the pursuit of their educational goals through the establishment of Marian Anderson Awards. She has worked among Harlem's underprivileged children, has served as U.S. delegate to the United Nations, and has long carried the title of this country's foremost "Ambassadress of Good Will."

Miss Anderson's accomplishments are a reflection of all those values which this country cherishes most—excellence in her chosen field, respect for her neighbor, service to those less fortunate than herself, and devotion to her country.

Therefore, I encourage this body to approve House Joint Resolution 132, which shows our appreciation for all that Marian Anderson continues to contribute.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

Mr. LEDERER. Mr. Speaker, Marian Anderson is a Philadelphia black American opera star who has known worldwide acclaim because of her talent as a contralto singer. She was born in 1902 and was educated in Philadelphia public school systems through her high school years. A number of her high school teachers noticed that Miss Anderson had an unusually clear voice for her age and advised her to take private music lessons. Her church pastor arranged to have a concert in her benefit which established funds that enabled her to study with many excellent Italian music teachers. Under their guidance, Miss Anderson entered a contest with 300 other persons, of which she won first prize. From this point on, she became known for having one of the finest voices in opera in her period. She traveled throughout Europe, the Middle East, and the Philippines and became one of the leading stars of the New York Metropolitan Opera, after singing in 1945 the Opera "Unballo Inmaschera" to an admiring audience.

Between 1948 and 1955, Miss Anderson was a delegate to the U.N. and showed talent as a diplomat as well as a singer for which Americans are indebted. Therefore, I concur with my colleagues on the resolution in honor of Miss Anderson because of their devotion to her field. She is truly an inspiration to all people of good will. Certainly a great American.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 398, nays 4, answered "present" 1, not voting 28, as follows:

[Roll No. 24]

YEAS—398

Abdnor	Bafalis	Breaux
Addabbo	Baldus	Breckinridge
Akaka	Barnard	Brinkley
Alexander	Baucus	Brodhead
Allen	Bauman	Brooks
Ambro	Beard, R.I.	Broomfield
Ammerman	Beard, Tenn.	Brown, Calif.
Anderson, Calif.	Bedell	Brown, Mich.
	Beilenson	Buchanan
Anderson, Ill.	Benjamin	Burgener
Andrews, N.C.	Bennett	Burke, Calif.
Andrews, N. Dak.	Bevill	Burke, Fla.
	Biaggi	Burke, Mass.
Annunzio	Blanchard	Burleson, Tex.
Applegate	Blouin	Burlison, Mo.
Archer	Boggs	Burton, Phillip
Armstrong	Boland	Butler
Ashley	Bolling	Byron
Aspin	Bonior	Caputo
AuCoin	Bonker	Carney
Badham	Bowen	Carr
Badillo	Brademas	Cavanaugh

Cederberg	Holtzman	Patten
Chappell	Horton	Patterson
Chisholm	Hubbard	Pattison
Clausen, Don H.	Huckaby	Pease
Clawson, Del	Hughes	Pepper
Clay	Hyde	Perkins
Cleveland	Ichord	Pickle
Cochran	Ireland	Pike
Cohen	Jacobs	Poage
Coleman	Jeffords	Pressler
Collins, Ill.	Jenkins	Preyer
Collins, Tex.	Jenrette	Price
Conable	Johnson, Calif.	Pritchard
Conte	Johnson, Colo.	Pursell
Conyers	Jones, Okla.	Quayle
Corcoran	Jones, Tenn.	Quie
Corman	Jordan	Quillen
Cornell	Kasten	Rahall
Cornwell	Kastenmeier	Rangel
Cotter	Kazen	Regula
Coughlin	Kelly	Reuss
Crane	Kemp	Rhodes
D'Amours	Ketchum	Richmond
Daniel, Dan	Keys	Rinaldo
Daniel, R. W.	Kildee	Risenhoover
Danielson	Kindness	Roberts
Davis	Koch	Robinson
de la Garza	Kostmayer	Rodino
Delaney	Krebs	Roe
Dellums	Krueger	Rogers
Derrick	LaFalce	Roncalio
Derwinski	Lagomarsino	Rooney
Devine	Latta	Rose
Dickinson	Le Fante	Rosenthal
Dicks	Leach	Rostenkowski
Dodd	Lederer	Rousselot
Dornan	Leggett	Roybal
Drinan	Lehman	Rudd
Duncan, Oreg.	Lent	Runnels
Duncan, Tenn.	Levitas	Ruppe
Early	Lloyd, Calif.	Russo
Edgar	Lloyd, Tenn.	Ryan
Edwards, Ala.	Long, La.	St Germain
Edwards, Calif.	Long, Md.	Santini
Edwards, Okla.	Lott	Sarasin
Eilberg	Lujan	Satterfield
Emery	Luken	Sawyer
English	Lundine	Scheuer
Erlenborn	McCloskey	Schroeder
Ertel	McCormack	Schulze
Evans, Colo.	McDade	Sebelius
Evans, Del.	McEwen	Seiberling
Evans, Ind.	McFall	Sharp
Fary	McHugh	Shipley
Fascell	McKay	Shuster
Fenwick	McKinney	Sikes
Findley	Madigan	Simon
Fish	Maguire	Sisk
Fisher	Mahon	Skelton
Fithian	Mann	Skubitz
Flippo	Markey	Slack
Flood	Marks	Smith, Iowa
Florio	Marlenee	Smith, Nebr.
Flowers	Marriott	Snyder
Flynt	Martin	Solarz
Foley	Mathis	Spellman
Ford, Mich.	Mattox	Spence
Ford, Tenn.	Mazzoli	Staggers
Forsythe	Meeds	Stark
Fountain	Meyner	Steed
Fraser	Mikulski	Steers
Frenzel	Mikva	Steiger
Frey	Milford	Stockman
Fuqua	Miller, Calif.	Stokes
Gammage	Miller, Ohio	Stratton
Gaydos	Mineta	Studds
Gephardt	Minish	Stump
Giaimo	Mitchell, Md.	Symms
Gibbons	Mitchell, N.Y.	Taylor
Gilman	Moakley	Thompson
Ginn	Moffett	Thone
Glickman	Montgomery	Tonry
Goldwater	Moore	Traxler
Goodling	Moorhead, Calif.	Treen
Gore	Moorhead, Pa.	Trible
Gradison	Moss	Tsongas
Grassley	Mottl	Tucker
Gudger	Murphy, Ill.	Udall
Guyer	Murphy, N.Y.	Ullman
Hall	Murphy, Pa.	Van Deerlin
Hamilton	Murtha	Vander Jagt
Hammer-schmidt	Myers, Michael	Vanik
Hanley	Myers, Ind.	Vento
Hannaford	Natcher	Volkmer
Hansen	Neal	Waggonner
Harkin	Nedzi	Walgren
Harrington	Nichols	Walker
Harris	Nix	Walsh
Hefner	Nolan	Watkins
Heftel	Nowak	Waxman
Hightower	Oberstar	Weaver
Hillis	Obey	Weiss
Holland	O'Brien	Whalen
Holt	Ottinger	White
	Panetta	Whitehurst
		Whitley
		Whitten
		Wiggins
		Wilson, Bob
		Wilson, C. H.
		Wilson, Tex.
		Winn
		Wirth
		Wolff
		Wright
		Wydler
		Wylie
		Yates
		Yatron
		Young, Alaska
		Young, Fla.
		Young, Mo.
		Young, Tex.
		Zablocki
		Zeferetti

NAYS—4

Ashbrook	McDonald	Myers, Gary
Harsha		

ANSWERED "PRESENT"—1

Hagedorn

NOT VOTING—28

Bingham	Evans, Ga.	Mollohan
Brown, Ohio	Gonzalez	Oakar
Broyhill	Hawkins	Pettis
Burton, John	Heckler	Railsback
Carter	Hollenbeck	Stanton
Dent	Howard	Teague
Diggs	Jones, N.C.	Thornton
Dingell	McClory	Wampler
Downey	Metcalfe	
Eckhardt	Michel	

Mr. VOLKMER changed his vote from "nay" to "yea."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FAUNTROY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

BUDGET RESCISSION BILL, FISCAL YEAR 1977

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on Thursday last, I call up the bill (H.R. 3347) to rescind certain budget authority recommended in the message of the President of September 22, 1976 (H. Doc. 94–620), transmitted pursuant to the Impoundment Control Act of 1974.

The Clerk read the bill as follows:

H.R. 3347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rescission of budget authority contained in the message of the President of September 22, 1976 (H. Doc. 94–620), is made pursuant to the Impoundment Control Act of 1974; namely:

DEPARTMENT OF THE INTERIOR

BUREAU OF MINES

HELIUM FUND

Contract authority under this head provided by Public Law 87–122 for the fiscal year 1977 is rescinded in the amount of $47,500,000.

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. Speaker, the bill the Committee on Appropriations brings before the House today is a relatively simple and, I believe, noncontroversial proposition. It involves the rescission of $47,500,000 in contract authority for the helium fund which automatically becomes available each year under a provision in the Interior appropriation bill for 1962. Helium purchase contracts were terminated in 1973 and consequently there is no requirement for this $47 million of new authority this year.

We bring this bill to the House today simply because of the requirements of the Congressional Budget and Impoundment Control Act. That is the only reason. Until last year, matters of this nature would be handled administratively in a routine nature but now we are required to pass a law. It is of a bookkeeping nature.

Mr. Speaker, this matter was handled in the committee by the gentleman from Illinois (Mr. YATES) and the other members of the Interior Appropriations Subcommittee and I yield to the gentleman from Illinois for an explanation of the pending measure.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, the gentleman from Texas is eminently correct. At the present time, we have about 60 billion cubic feet of helium in underground storage near Amarillo. That is more than enough to take care of the Nation's needs, not only of the Government, but of domestic industry as well. The Government has a contract for the purchase of helium which is now the subject of a suit in the U.S. Court of Claims, but the Department of the Interior, which has the obligation under the contract of assessing our helium needs, decided some years ago, starting in 1973, that our supply of helium was greatly in excess of our needs. It, therefore, refused to accept deliveries under the contract.

It is for that reason, Mr. Speaker, that the rescission of the contract authority is sought in this instance.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Speaker, I thank the chairman, the gentleman from Texas (Mr. MAHON), for yielding.

Mr. Speaker, I do not intend to oppose this resolution, because I understand the program that it would fund is not in effect. However, I want to take this opportunity to express my very deep concern with the fact that this Nation is not storing the helium that is produced along with our natural gas, and which is now escaping into the atmosphere.

Mr. Speaker, I do not challenge the figures that the committee offers, that the consumption at today's rates would probably last us for many years at today's rates of consumption; but I would like to point out to all the Members of the House that helium is a rare gas, and when it escapes into the atmosphere, it is virtually impossible to recover. It will gradually escape from the Earth entirely. Its production, and thus its ultimate availability is a function of our natural gas production. As our natural gas supplies dwindle, so will our production of helium dwindle. This is a serious matter. We are now entering into a new phase of new energy technologies, including the potential for superconducting transmission of electricity across great distances. We may soon be undertaking programs to burn coal underground or at mine

mouth, because this may be the most economic and environmentally acceptable method of using coal, and then transmitting the electricity long distances across the country. Such transmission will almost certainly eventually be done by superconducting lines, and they will probably require helium.

The same thing applies to the storage of large quantities of electrical energy as such—a vitally important technology which we have not yet reached. It will also probably require helium.

Our high temperature gas-cooled reactors of the future and our fusion machines will require helium.

Therefore, I would like to point out to all of the Members of the House that, while our future consumption at today's rates might last us for a long time, the demand will almost certainly increase exponentially, and within 10 or 15 years we may find ourselves faced with a 10-year supply of a critically needed material; one which we have thrown away. Therefore, while I recognize that this resolution before the House at this time will not create a program which does not exist, I intend to pursue this matter, and in terms of reestablishing a program to conserve this Nation's helium resource.

Mr. SEBELIUS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I will not prolong the discussion. I would like to associate myself with the remarks of the gentleman from Washington (Mr. McCORMACK).

I think the Nixon administration was very unwise in canceling the contracts, because it will cost us 100 times more to take it from the air than to take it from the field which is now being depleted by the demands for gas in many other places.

Mr. Speaker, today's action to eliminate the annual budget authority for the $47.5 million helium fund provides the opportunity to again make my colleagues aware of an issue of great concern to me and many others throughout the United States.

Twice—and I expect to do so again in this session of Congress—I have introduced legislation which would authorize and direct the Secretary of Interior to store non-Federal helium. Unfortunately, I and those who share my concerns have been unable to convince sufficient numbers in previous administrations and Congresses that a comprehensive helium conservation program is necessary to insure that alternate sources of energy relying on helium will have an adequate and ready supply of this natural resource in the future. Although the Department of the Interior finally found their way clear to initiate several contracts for the storage of privately owned helium these contracts simply do not provide enough incentive to the private producer to conserve the supplies of helium needed after the year 2000. Thus, I and others are giving this situation another close look in our determination to find a program which will insure adequate supplies of helium to meet the technological needs of tomorrow.

Because it is so important that we as Members of Congress keep informed on all matters related to our Nation's energy needs, I am submitting an excellent article by Mr. Earl Anderson published in the Chemical and Engineering Magazine which discusses the past and future of helium conservation and storage:

WHO PAYS IS KEY TO HELIUM'S FUTURE

(By Earl V. Anderson)

Sometimes soon, Rep. Keith G. Sebelius (R.-Kan.) and his staff will sit down to decide whether or not he should reintroduce his helium storage act. The bill, which he has introduced twice before, directs the Department of Interior to store privately produced helium free of charge.

Rep. Sebelius has been concerned about helium ever since Interior stopped buying helium from private producers in 1973. He is not alone. Many people—producers, consumers, potential consumers, Congressmen, and environmentalists—are afraid that the U.S. is wasting a valuable and irretrievable national resource. Everyone agrees that a helium conservation program is needed. They want to see helium recovered now and stored until the time—probably well into the 21st century—when new energy technologies may require vast amounts of helium. If this isn't done, economically recoverable helium won't be around to be recovered just when it's needed most.

The irony is that there already exists plenty of helium capacity to support a conservation program. Enough hardware is now in place to produce six times as much helium as current demand.

The problem is that not everyone can agree on the shape that a national helium conservation program should take. Translated, this means disagreement over who should pay for it.

Helium exists in natural gas in various concentrations, but about 85% of the helium-rich natural gas (greater than 0.3% helium) reserves lie in specific gas fields of Texas, Oklahoma, and Kansas. Like most natural gas supplies, these supplies are dwindling and, unless the helium is extracted from it before the gas reaches the market, the helium is lost forever.

The Energy Research & Development Administration (ERDA), in a major helium study conducted last year estimates that the U.S. has about 280 billion cu ft of proved, recoverable helium reserves. By 1990, ERDA figures that about 15 billion cu ft will have been used beneficially and that perhaps 65 billion cu ft, including stored helium, will remain. That means that a hefty 200 billion cu ft will have been vented to the atmosphere and wasted.

Of course, helium exists in the atmosphere and extracting it from air would offer an inexhaustible supply. But, at an estimated $3000 to $6000 per thousand cu ft, the cost of getting helium out of the air is 150 to 300 times the present commercial cost of helium from natural gas.

Helium demand in conventional outlets, such as welding, purging and pressuring, and controlled atmospheres, has been growing slowly but steadily. This year, domestic consumption is expected to hit 620 million cu ft. The export market likely will add an additional 150 million cu ft to 1976 demand. By comparison, the two government-owned plants and 10 privately owned plants have an annual capacity of 4.6 billion cu ft. It's no surprise that not all of these plants are operating. Some of them that are still on steam are taking only liquefied petroleum gas out of their gas feed and venting the helium.

ERDA expects helium demand in conventional uses to grow slowly, reach about 1.4 billion cu ft per year by the year 2000, then level off. Sometime after 2000, three energy-related technologies may be screaming for vast amounts of helium. These three technologies are superconducting power transmission, superconducting magnetic energy storage, and fusion reactors.

Just how much helium these technologies will require depends upon many variables. What will be the country's energy growth rate? What forms of energy will be used? How fast will the technology itself be developed?

Obviously, estimating helium demand that far ahead is highly speculative. But, using two scenarios developed by the Federal Energy Administration for Project Independence, ERDA figures that energy-related demand for helium could increase from essentially zero in the year 2000 to anywhere from 1 billion to 5 billion cu ft by 2030.

Despite the uncertainty, the trend is clear. Meanwhile, as natural gas reserves dwindle, the volume of feed available for existing helium plants will decline so that, by 1990, supply no longer will exceed demand. Shortly after 2000, helium supply from natural gas could disappear altogether.

If such a scenario develops, the helium community will have some big decisions to make 25 to 30 years from now. The government could release helium from existing stockpiles to ease the supply situation. Helium from currently shut-in wells could be exploited. Meanwhile, gas fields throughout the world are expected to be developed as future helium sources. Imports from such sources could help supply domestic demand. But imports are not always the most secure source of supply. Besides, world demand for conventional helium uses is expected to grow at about the same rate as it is growing in the U.S. and this will drain away foreign helium from U.S. markets.

ERDA and many others believe there is a better way. And that better way is to use capacity already in place to produce helium and store what isn't used now for the future. That way, there probably will be enough helium available to allow new energy technologies to develop at least through the year 2025. Eventually, the country will have to extract helium from the atmosphere, but a conservation program will defer this expensive step as far in the future as possible.

The government already has tried this approach. In fact, most of the large, private helium plants were built in response to Interior's helium conservation program.

Until 1961, the country's helium supply came from five plants operated by the Bureau of Mines. As helium demand grew, especially in the space program, concern developed about the Bureau of Mines' ability to meet future helium requirements.

In 1960, the Helium Act Amendment authorized Interior to buy and store helium from private producers under long-term (up to 25 years), take-or-pay contracts. That's when private companies started building their plants.

The program was to be self-liquidating. Government agencies could buy only government-produced helium at a price ($35 per thousand cu ft) set by Interior. Private producers, selling to the private market, initially matched the government's price. By 1970, however, privately produced helium was selling competitively for $21 per thousand cu ft. And the private producers were chewing into Interior's sales to government agencies by selling directly to government contractors.

This two-tier price system, along with a general decline in helium demand, made the program anything but self-liquidating. Today, Interior has about 39 billion cu ft of helium stored in its Cliffside reservoir near Amarillo, Tex. It also owes the Treasury Department more than $400 million for private helium that it bought before it stopped the purchasing program. And some of the conservation contractors have yet to be paid for their helium because Interior has no borrowing authority.

When Interior stopped buying helium in

1973, the inevitable lawsuits followed. Some of these breach of contract suits still are in the courts. These suits are clouding the future course of a conservation program.

In addition, a series of legal battles that began in 1961 is still unresolved in the courts. These involve the question of how much the landowners who lease land to the gas companies are entitled to as payment for the helium contained in natural gas. In two separate decisions, courts have ruled that the value of helium ranges from 60 cents to $16.20 per thousand cu. ft. Because the government's purchasing contracts stipulate that the government will pay the landowners anything above $3.00 a lot of money is riding on the final court decision for both the companies and the federal government.

Money, in fact, is the root of the entire helium conservation question. There are no technical roadblocks; the capacity is in place. Since Interior stopped buying conservation helium, private producers can't afford to produce to capacity. It's not so much the storage costs that bother them. It's simply that they can't afford to shoulder production costs, then wait 25 to 50 years for a payout that may not come. There's also a big question as to how the Internal Revenue Service will treat all of the helium kept in storage.

Aside from its $400 million debt to Treasury, Interior thinks its aborted conservation program has been a spectacular success. Officials say it has developed a 39 billion cu. ft. reserve and has fostered a private helium industry.

Last year, in an attempt to encourage helium conservation, Interior drastically lowered its helium storage and handling charges. The old charges were 44 cents per thousand cu. ft. to accept the gas, 44 cents per year for storage, and 44 cents to return the gas to its owner. The new rates: 4 cents, 4 cents, and 22 cents, respectively.

Still, these lower storage rates seem to help those companies interested in short-term storage more than those concerned about long-term conservation. Basic producers still have to worry about poduction costs and their wait for a long-term payout.

The Sebelius bill would bring storage costs all the way down to zero. Support for this concept has dropped since Interior reduced its storage charges. And there are some Congressmen who look upon it as yet another government subsidy for industry.

But the inescapable conclusion is that the federal government is the only one capable of shouldering the economic burden of producing or buying now and storing helium for perhaps 50 years, when new energy technologies may require tremendous volumes.

Meanwhile, the helium conservation issue is another one of those problems that seem to generate endless studies. ERDA plans to update its one-year-old study. The Bureau of Mines will take another look at helium economics. Even the American Chemical Society is getting into the act. A helium task force has been formed, with past president Bernard S. Friedman as chairman, to come up with a set of recommendations. The task force hopes to have a report out sometime next spring.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members of the House may have five legislative days in which to revise and extend their remarks on the bill H.R. 3347.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THIRD CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1977

Mr. GIAIMO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 110) revising the congressional budget for the U.S. Government for the fiscal year 1977.

The SPEAKER. The question is on the motion offered by the gentleman from Connecticut (Mr. GIAIMO).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution House Concurrent Resolution 110, with Mr. NATCHER in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. When the Committee rose on Tuesday, February 22, 1977, all time for general debate on the concurrent resolution had expired.

Pursuant to clause 8 of rule XXIII, the concurrent resolution is considered as having been read for amendment and open to amendment at any point.

The concurrent resolution is as follows:

H. CON. RES. 110

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenue is $348,500,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $10,600,000,000;

(2) the appropriate level of total new budget authority is $482,306,000,000;

(3) the appropriate level of total budget outlays is $418,815,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $70,315,000,000; and

(5) the appropriate level of the public debt is $720,500,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $108,788,000,000.

(B) Outlays $100,077,000,000.

(2) International Affairs (150):

(A) New budget authority, $8,256,000,000.

(B) Outlays, $7,141,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $4,468,000,000.

(B) Outlays, $4,406,000,000.

(4) Natural Resources, Environment, and Energy (300):

(A) New budget authority, $18,627,000,000.

(B) Outlays, $17,209,000,000.

(5) Agriculture (350):

(A) New budget authority, $2,355,000,000.

(B) Outlays, $3,044,000,000.

(6) Commerce and Transportation (400):

(A) New budget authority, $17,313,000,000.

(B) Outlays, $15,961,000,000.

(7) Community and Regional Development (450):

(A) New budget authority, $14,808,000,000.

(B) Outlays, $10,604,000,000.

(8) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $30,355,000,000.

(B) Outlays, $22,620,000,000.

(9) Health (550):

(A) New budget authority, $40,651,000,000.

(B) Outlays, $39,283,000,000.

(10) Income Security (600):

(A) New budget authority, $180,093,000,000.

(B) Outlays, $142,450,000,000.

(11) Veterans Benefits and Services (700):

(A) New budget authority, $18,917,000,000.

(B) Outlays, $18,130,000,000.

(12) Law Enforcement and Justice (750):

(A) New budget authority, $3,524,000,000.

(B) Outlays, $3,657,000,000.

(13) General Government (800):

(A) New budget authority, $3,560,000,000.

(B) Outlays, $3,554,000,000.

(14) Revenue Sharing and General Purpose Fiscal Assistance (850):

(A) New budget authority, $7,578,000,000.

(B) Outlays, $7,696,000,000.

(15) Interest (900):

(A) New budget authority, $38,287,000,000.

(B) Outlays, $38,287,000,000.

(16) Allowances:

(A) New budget authority, $794,000,000.

(B) Outlays, $764,000,000.

(17) Undistributed Offsetting Receipts (950):

(A) New budget authority, —$16,068,000,000.

(B) Outlays, —$16,068,000,000.

The CHAIRMAN. Are there any amendments?

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. GIAIMO. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. GIAIMO: Strike all after the resolving clause and insert in lieu thereof the following:

That the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $348,800,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $10,300,000,000;

(2) the appropriate level of total new budget authority is $477,706,000,000;

(3) the appropriate level of total budget outlays is $418,915,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $70,115,000,000; and

(5) the appropriate level of the public debt is $718,700,000,000.

Sec. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $108,788,000,000.
(B) Outlays, $100,077,000,000.
(2) International Affairs (150):
(A) New budget authority, $7,956,000,000.
(B) Outlays, $6,841,000,000.
(3) General Science, Space, and Technology (250):
(A) New budget authority, $4,468,000,000.
(B) Outlays, $4,406,000,000.
(4) Natural Resources, Environment, and Energy (300):
(A) New budget authority, $18,627,000,000.
(B) Outlays, $17,209,000,000.
(5) Agriculture (350):
(A) New budget authority, $2,355,000,000.
(B) Outlays, $3,044,000,000.
(6) Commerce and Transportation (400):
(A) New budget authority, $17,313,000,000.
(B) Outlays, $15,961,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $14,808,000,000.
(B) Outlays, $10,604,000,000.
(8) Education, Training, Employment, and Social Services (500):
(A) New budget authority, $30,355,000,000.
(B) Outlays, $22,620,000,000.
(9) Health (550):
(A) New budget authority, $40,651,000,000.
(B) Outlays, $39,283,000,000.
(10) Income Security (600):
(A) New budget authority, $174,993,000,000.
(B) Outlays, $142,050,000,000.
(11) Veterans Benefits and Services (700):
(A) New budget authority, $18,917,000,000.
(B) Outlays, $18,130,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,524,000,000.
(B) Outlays, $3,657,000,000.
(13) General Government (800):
(A) New budget authority, $3,560,000,000.
(B) Outlays, $3,554,000,000.
(14) Revenue Sharing and General Purposes Fiscal Assistance (850):
(A) New budget authority, $7,578,000,000.
(B) Outlays, $7,696,000,000.
(15) Interest (900):
(A) New budget authority, $38,287,000,000.
(B) Outlays, $38,287,000,000.
(16) Allowances:
(A) New budget authority, $794,000,000.
(B) Outlays, $764,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$15,268,000,000.
(B) Outlays, —$15,268,000,000.

Mr. GIAIMO (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment in the nature of a substitute be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GIAIMO. Mr. Chairman, basically what the amendment in the nature of a substitute does is to change the figures in our original concurrent resolution setting forth budget authority, outlay, debt, and then the breakdown into the functional categories. There are some reasons why it was necessary to change those figures, and I would like to explain those to the Members at this point.

Mr. Chairman, I rise in support of the committee amendment to the resolution.

It is necessary for basically two reasons: First, to accommodate the recommendations of the new administration submitted to the Congress this week; and second, to take into account the approval last Friday by the Ways and Means Committee of the revenue portion of the Budget Committee's—and the President's—economic stimulus proposal.

The committee amendment would change the budget aggregates as follows:

Revenues would be increased by $300 million, from $348.5 billion to $348.8 billion.

Budget authority would be reduced by $4.6 billion from $482.3 billion to $477.7 billion.

Outlays would be increased by $100 million, from $418.8 billion to $418.9 billion.

The deficit would be reduced by $200 million, from $70.3 billion to $70.1 billion.

And the public debt amount would be reduced by $1.8 billion, from $720.5 billion to $718.7 billion.

There are several items involved in these changes, each of which I will explain briefly.

First, the revenue and revenue-related changes.

As Members know, the President proposed tax reductions of $13.8 billion, which the committee's resolution endorsed in general. Of this $13.8 billion, $10.6 billion is accounted for as a loss of revenues and $3.2 billion—the refunds in excess of liability and payments to SSI and railroad retirement recipients—is accounted for as outlays in the income security function.

The Ways and Means Committee bill provides a total tax stimulus of $12.7 billion—$9.9 billion in revenue loss and $2.8 billion in outlays. The reduction from the budget resolution is due to changes in the $50 rebates, the earlier effective date of the new standard deduction, and the new business tax credit.

In order to fully reflect the Ways and Means Committee action, the revenue floor in the resolution should be increased by $700 million and the outlay amount reduced by $400 million. The committee amendment does so, with one modification: it increases revenues by only $300 million, rather than $700 million, to accommodate expected legislation from the Ways and Means Committee to postpone the effective date of the sick pay provisions of the Tax Reform Act of 1976. The result of the amendment to increase revenues from $348.5 billion to $348.8 billion, and to reduce outlays in the income security function by $400 million.

Second, the committee amendment makes the following changes on the spending side.

First, it deletes $300 million in budget authority and outlays—in the international affairs function—for the U.S. share of a balance of payments loan to Portugal.

President Ford proposed such a loan in his January budget. However, the administration has informed us that additional time would be needed for negotiations among the various nations participating in this multilateral loan arrangement, and that the loans will not be made until fiscal year 1978. Consequently, these funds will not be needed in fiscal year 1977 and they would be deleted from the resolution.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I am somewhat concerned about the delay of this loan to Portugal—and I might add that I am not one who favors foreign aid—but this is a loan of some $300 million. I wonder if the gentleman from Connecticut could enlighten us as to the thinking of the administration as to what this delay might do to the future of a free Portugal as opposed to a Communist Portugal?

Mr. GIAIMO. I certainly cannot give the gentleman any assurance as to the future political status of Portugal, but I received information that the administration certainly is in support of this loan which was originally proposed by President Ford. They are workng hard to implement it. As the gentleman knows, the loan includes not just the support of the United States but that of a group of nations, or a consortium of nations who will make the loan. The best that I understand the thinking of the people downtown today is that this will not impact on fiscal 1977 funds, and therefore will carry over beyond October 1, and that this will not jeopardize the political climate in Portugal.

Mr. LATTA. The gentleman is assured of that?

Mr. GIAIMO. Yes.

Mr. LATTA. I thank the gentleman.

Mr. GIAIMO. My amendment also deletes $4.7 billion in budget authority—in the income security function—for subsidized housing.

As I stated yesterday, at the time the committee marked up the resolution, our best information was that the administration would request a $20.3 billion supplemental for these programs. However, the budget submission states that only $15.6 billion is required to fulfill the administration's subsidized housing program in fiscal year 1977—these funds would bring the subsidized program level to 400,000 units this fiscal year. Consequently, the committee amendment reduces budget authority for these programs by $4.7 billion.

This $4.7 billion reduction is in addition to the $400 million reduction in budget authority and outlays attributable to the tax measure that I discussed earlier. The total reduction in the income security function made by the committee amendment is $5.1 billion in budget authority and $400 million in outlays.

Finally, the amendment reduces by $800 million our estimate of receipts in this fiscal year from sales of leases on the Outer Continental Shelf. In the undistributed offsetting receipts function, the resolution will read minus $15.3 billion in budget authority and outlays, rather than minus $16.1 billion. Since receipts in this area are treated as offsets to expenditures, the result is an increase in authority and outlays of $800 million.

The reason for this change is as follows: The estimate of receipts from OCS sales in the reported resolution is $2.8 billion. However, Secretary of the Interior Andrus recently announced that the next scheduled sale of leases has been canceled and may be rescheduled, perhaps affecting the timing of subsequent sales as well. The result may be to push one or more sales into fiscal year 1978. Due to the uncertainty of the timing of

sales during the balance of this fiscal year, the amendment would reduce our estimate of receipts from these sales by $800 million, down to $2 billion for fiscal year 1977.

This new estimate of OCS receipts does not take into account the possible effects of a recent court decision invalidating certain sales during the transition quarter. It is likely that that decision will be appealed and the matter not finally adjudicated for some time.

I would be happy to answer questions on the committee amendment.

AMENDMENT OFFERED BY MS. HOLTZMAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Ms. HOLTZMAN. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Ms. HOLTZMAN to the amendment in the nature of a substitute offered by Mr. GIAIMO: In the matter relating to the appropriate level of total new budget authority strike out "$477,706,000,000" and insert in lieu thereof "477,921,000,000";

In the matter relating to the appropriate level of total budget outlays strike out "$418,915,000,000" and insert in lieu thereof "$419,130,000,000";

In the matter relating to the amount of the deficit strike out "$70,115,000,000" and insert in lieu thereof "$70,330,000,000";

In the matter relating to the appropriate level of the public debt strike out "$718,-700,000,000" and insert in lieu thereof "$718,-915,000,000."

In the matter relating to Function 450 strike out "$14,808,000,000" and insert in lieu thereof "15,023,000,000"; and strike out "$10,604,000,000" and insert in lieu thereof "$10,819,000,000".

Ms. HOLTZMAN (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, that it be printed in the RECORD, and I will then explain the amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. REUSS. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I yield to the gentleman from Wisconsin.

Mr. REUSS. I thank the gentlewoman for yielding.

Mr. Chairman, as Members know, last week I announced my intention to offer an amendment to this budget resolution to increase revenues by $1.7 billion through the closing of tax loopholes by the Ways and Means Committee. The purpose of my amendment was to offset the increased spending for job-creating programs properly proposed by the Budget Committee. My reasons were stated in my "Dear Colleague" letter of February 15.

I am happy that later developments appear to make my amendment unnecessary. For that reason I shall not offer it. It would be accommodating in its monetary policy.

The tax package approved last week by the Ways and Means Committee reduces the Carter revenue reductions by $1.1 billion. Of this amount, $700 million is accounted for under revenue loss and $400 million as lower outlays for certain low-income people.

The amendment offered by the gentleman from Connecticut (Mr. GIAIMO) reflects this action by the Ways and Means Committee, with one modification: It reduces the revenue loss by only $300 million, rather than by $700 million, to accommodate expected legislation in the next several weeks by the Ways and Means Committee to postpone the effective date of the sick pay provisions of the 1976 Tax Reform Act. Altogether, the Giaimo amendment picks up $700 million in additional revenues—$300 million on the revenue side, $400 million on the outlay side.

President Carter has also increased the direct spending portion of his stimulus proposals, primarily by adding $300 million to the $600 million he had originally proposed for the countercyclical assistance program. Thus, the President's total tax package is being reduced to partially offset the adding spending proposed by the Congress.

To summarize, the total Budget Committee stimulus package is now $13.1 billion in revenue reductions and $3.5 billion in outlays—a total of $16.6 billion, compared to the original Carter proposal of $15.7 billion. The increases by the Congress are, I understand, fully supported by the administration.

Under these circumstances I believe that the Federal Reserve has no cause to tighten money or to increase interest rates.

I inquire of the chairman of the Committee on the Budget, the distinguished gentleman from Connecticut (Mr. GIAIMO), whether he shares my view.

Mr. GIAIMO. Mr. Chairman, will the gentlewoman yield?

Ms. HOLTZMAN. I would be happy to yield to the gentleman from Connecticut.

Mr. GIAIMO. I thank the gentlewoman for yielding. I promise her I will try to get her some time.

As the gentleman knows, the administration has indicated that it will support this size tax reduction. As the gentleman further knows, as I indicated to him, I had spoken to the Secretary of the Treasury on this matter and on the question of whether or not the Federal Reserve and Mr. Arthur Burns would be of a mind to go along with this size tax cut. While no one can speak with certainty for Mr. Burns, the fact is that it seems reasonably certain that the Federal Reserve will not try to take counteractions to thwart what the Committee on Ways and Means will accomplish through the tax reduction.

Mr. REUSS. I thank the gentleman for his response and for his fashioning of a serviceable package.

I thank the gentlewoman from New York for this intrusion.

Ms. HOLTZMAN. Mr. Chairman, since my amendment, which I offer on behalf of the gentleman from California (Mr. MINETA) and the gentleman from Illinois (Mr. Simon), is so simple and so uncontroversial I will not need 5 minutes to explain it.

The amendment adds $215 million in budget authority and outlays to the countercyclical assistance program for helping States and local governments which have high rates of unemployment. The basic purpose of my amendment is to allow President Carter's proposal for increasing such countercyclical assistance to go into effect on April 1 rather than on July 1. The money is needed earlier to counter the adverse impact of the cold weather and the drought on State and local governments.

The CHAIRMAN. The time of the gentlewoman from New York has expired.

(By unanimous consent, Ms. HOLTZMAN was allowed to proceed for 2 additional minutes.)

Ms. HOLTZMAN. By allowing the new countercyclical formula of increased assistance to go into effect 3 months earlier my amendment is estimated to save or to produce approximately 60,000 jobs.

The administration supports my amendment.

The cold weather has had a serious impact on our Nation's economy. Unemployment may be above 9 percent for February and the Bureau of Labor Statistics estimates that 1.8 million people were out of work because of weather in the first week of February.

This winter's cold weather and drought will cause unexpected deficits for State and local governments, already one of the weakest sectors of our economy. Their revenues have dropped because of weather-related unemployment. Their expenditures for emergency services, fuel, welfare, and the like have increased. As a result, they will face budget gaps at the end of their fiscal year, generally June 30.

Because the increased countercyclical aid contained in the budget resolution becomes available on July 1, it comes too late to help many States and localities with their deficits year for fiscal 1977. They will have to cut back services and payrolls, laying off perhaps thousands of employees, in order to balance their books.

My amendment will provide desperately needed aid on April 1, so that it is available to help States and localities in the budget balancing quarter. These funds will save thousands of jobs and prevent severe reductions in police, fire, education, and other essential local services.

My amendment will raise the projected April 1 payment to States and localities from $312.5 million to $695 million. For New York City, it could mean an extra $29 million. For New York State and all its localities it could mean an extra $69.6 million. Our Nation's economy cannot recover from the prolonged recession until all sectors—including State and local governments—are in sound fiscal shape.

I urge adoption of my amendment.

Mr. JOHN L. BURTON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am taking this time to ask the chairman of the Budget Committee a question dealing with the subject matter, that is similar to one addressed in this amendment. I want to find out this information, and I think

this is a pretty good time to do it because I will not have to wait in line.

I have just come back from the area I represent, which is drought stricken. I mean a real disaster is going to take place once things get going pretty good, and an infusion of Federal funds is anticipated. I am wondering if in this budget there is enough leeway or there would be funds available or through what procedure maybe there would be a figure of $2 to $3 million, because we are talking about a big part of the country. Will that money be available to meet this problem?

Mr. GIAIMO. Mr. Chairman, is the gentleman referring to the amendment offered by the gentlewoman from New York in the countercyclical area or is the gentleman talking about in general taking cognizance of the fact that we have had cold weather in the East which may lead to floods and that we have had droughts in the West.

It is impossible to estimate at this time what our needs may be as a result of weather problems in the East and in the West. Therefore neither we nor the administration have taken account of that except to a very slight degree based on the figures of the last few weeks. The amendment offered by the gentlewoman is one example of the steps taken in response to the weather and the cold problems.

Mr. JOHN L. BURTON. Mr. Chairman, what would be the procedure between the passage and adoption of this budget resolution and the next one whereby funds that were not provided in this, but are definitely going to have to be available, and it is a question of amount, if it is not in this resolution, is there a procedure whereby urgent appropriations can be made?

Mr. GIAIMO. Mr. Chairman, if the gentleman will yield, I think we have to develop the statistics and information.

Mr. JOHN L. BURTON. If the gentleman will excuse me, Mr. Chairman, let us stipulate that I agree with the gentleman from Connecticut on that, we come with our statistics to a figure that is necessary. Is there a procedure beside this resolution that an emergency appropriation could be made, notwithstanding its impact on the budget?

Mr. GIAIMO. Mr. Chairman, if the gentleman will yield further, I would say that the procedure would be to present the problems to the proper committee and to get some input from the administration.

We certainly need some time, days or weeks, in which to formulate a judgment as to the magnitude and nature of the problem and then the machinery does exist in this House to address itself to those problems; but it is premature here, except in certain areas.

Mr. JOHN L. BURTON. Mr. Chairman, I am not arguing that. I am wondering, it may be well to argue it is premature and it is impossible to deal with it now; but there is a procedure when everybody agrees that the moneys can be appropriated and authorized to deal with this.

Mr. GIAIMO. Mr. Chairman, if the gentleman will yield further, it is impossible to deal with the question now, because we do not know how much money is involved.

Mr. JOHN L. BURTON. That problem comes up later.

Mr. GIAIMO. There is some problem, it is a very small amount.

Mr. JOHN L. BURTON. But to deal with it in a small magnitude, there is a procedure for that?

Mr. GIAIMO. Yes.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. JOHN L. BURTON. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, of course, northern California has been blessed with rain the last 2 days, so part of the problem to which the gentleman speaks, I think, has been improved.

Mr. JOHN L. BURTON. I think our 5 minutes is up. We have been blessed with rain. If we get any more rain, most of the soil is going to go into the Pacific Ocean.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, I think we have good flood control projects going on in the State of California so I am sure overflooding will not be a problem. I know the gentleman (Mr. JOHN L. BURTON) will support the water projects which the President has said he will cut. It is my hope the gentleman will help us put the water projects back in place again.

Mr. JOHN L. BURTON. We are talking about the present and not the future.

Mr. MINETA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to add my voice in support of this amendment to provide sorely needed assistance to our hard-pressed States and localities.

From the perspective of a former mayor, I can assure this House that these funds are urgently needed. A recent survey conducted by the U.S. Conference of Mayors revealed that many cities were forced to take actions in calendar year 1976 that ran counter to Federal actions designed to stimulate the economy—of the 283 cities surveyed, 40 percent raised taxes, 61 percent cut back employment, 30 percent reduced services, and over 50 percent deferred necessary capital works projects to prevent further cutbacks.

Without the financial aid provided in this amendment, our cities will be forced to continue these actions which hamper our Federal efforts to reduce unemployment and stimulate economic recovery.

I am very pleased that President Carter supports this amendment and is convinced, as I am, that the increased funds under the countercyclical assistance program must be made available in April rather than July as originally planned.

I urge all Members to vote in favor of this amendment.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. I wish to commend the gentlewoman from New York (Ms. HOLTZMAN) for offering this amendment, which I think is very much needed. The gentlewoman has worked long and hard to increase the amount of money for countercyclical assistance, which is the essence of this amendment.

What happened is that the administration originally came in with about $623 million in countercyclical assistance for the last quarter of this fiscal year. Our committee thought that was not sufficient. We increased it to $800 million. Since then the gentlewoman has been persistent in insisting that additional countercyclical moneys could be well used prior to the July 1 beginning of the fourth quarter. The administration has recognized this fact and has changed its position on this and is prepared to start a higher pay outright. The administration, President Carter, suggests a startup date earlier than the fourth quarter, hopefully in the third quarter which begins in April.

I think this money can be well spent, can be well utilized, and I believe this amendment should be overwhelmingly supported.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. HOLTZMAN) to the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. ROUSSELOT AS A SUBSTITUTE FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GIAIMO

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment as a substitute for the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. ROUSSELOT as a substitute for the amendment in the nature of a substitute offered by Mr. GIAIMO: Strike out all after the resolving clause and insert:

(1) the recommended level of Federal revenues is $347,096,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $19,000,000,000;

(2) the appropriate level of total new budget authority is $440,662,000,000;

(3) the appropriate level of total budget outlays is $404,993,000,000.

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $57,897,000,000, and

(5) the appropriate level of the public debt is $708,000,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $109,337,000,000.

(B) Outlays, $100,043,000,000.

(2) International Affairs (150):

(A) New budget authority, $7,235,000,000.

(B) Outlays, $6,691,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $4,468,000,000.

(B) Outlays, $4,406,000,000.

(4) Natural Resources, Environment, and Energy (300):

(A) New budget authority, $17,272,000,000.

(B) Outlays, $15,863,000,000.

(5) Agriculture (350):

(A) New budget authority, $2,328,000,000.

(B) Outlays, $3,019,000,000.

(6) Commerce and Transportation (400):

(A) New budget authority, $14,388,000,000.

(B) Outlays, $15,261,000,000.
(7) Community and Regional Development (450):
(A) New budget authority, $13,070,000,000.
(B) Outlays, $8,940,000,000.
(8) Education, Training, Employment and Social Services (500):
(A) New budget authority, $20,784,000,000.
(B) Outlays, $21,090,000,000.
(9) Health (550):
(A) New budget authority, $39,359,000,000.
(B) Outlays, $39,283,000,000.
(10) Income Security (600):
(A) New budget authority, $137,382,000,000.
(B) Outlays, $135,731,000,000.
(11) Veterans Benefits and Services (900):
(A) New budget authority, $18,879,000,000.
(B) Outlays, $18,092,000,000.
(12) Law Enforcement and Justice (750):
(A) New budget authority, $3,431,000,000.
(B) Outlays, $3,598,000,000.
(13) General Government (800):
(A) New budget authority, $3,257,000,000.
(B) Outlays, $3,417,000,000.
(14) Revenue Sharing and General Purpose Fiscal Assistance (850):
(A) New budget authority, $7,458,000,000.
(B) Outlays, $7,576,000,000.
(15) Interest (900):
(A) New budget authority, $37,287,000,000.
(B) Outlays, $37,287,000,000.
(16) Allowances:
(A) New budget authority, $794,000,000.
(B) Outlays, $764,000,000.
(17) Undistributed Offsetting Receipts (950):
(A) New budget authority, —$16,068,000,000.
(B) Outlays, —$16,068,000,000.

Mr. ROUSSELOT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment offered as a substitute for the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 5 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, today the minority is offering a concurrent resolution as a substitute amendment to House Concurrent Resolution 110, the third concurrent resolution on the budget for fiscal year 1977. In place of the increased deficit spending and unnecessary tax rebates called for in House Concurrent Resolution 110, the minority proposal is for a simple, across-the-board tax reduction for every American worker.

The purpose of a permanent tax rate reduction is to reduce the tax bias against work, saving, and investment; that is, to increase the reward to work, save, and invest and to make it more desirable for people to invest and to hire unemployed and produce more real long-term jobs. A good case has been made that a tax rate reduction—when rates are as high as they are today in the United States—will actually increase Government revenues by expanding the tax base. Lower tax rates on a larger tax base can generate more tax revenues than higher tax rates on a smaller tax base. This was proved during the time in the 1960's that the Kennedy tax cuts were put in place.

Some here in the House are of the opinion that through inefficient tax rebates and increased deficit spending America's economic problems can be solved. In response to this sort of approach, Prime Minister James Callaghan, the leader of the Labor Party Government in Great Britain, has stated:

> We used to think that you could spend your way out of a recession . . . I tell you, in all candor, that that option no longer exists, and that insofar as it ever did exist, it only worked by injecting bigger doses of inflation into the economy followed by higher levels of unemployment as the next step. That is the history of the past twenty years.

Ample historical precedents can be provided on behalf of the effectiveness of permanent tax rate reductions. The Kennedy tax cuts of 1962–65 were particularly effective. On behalf of the cuts—which amounted to reductions in the corporate and individual tax rates equivalent to $34 billion in today's economy—Ways and Means Committee Chairman Mills argued the following:

> There are two roads the government could follow toward a larger, more prosperous economy—the tax reduction road or the government expenditure road. The tax reduction road gets us . . . to a bigger, more prosperous, more efficient economy with a larger share of that enlarged economic activity initiating in the decision of the individuals to increase consumption and business concerns to increase their productive capacity.

Many were concerned that the large rate reductions which the Kennedy administration proposed would result in massive revenue losses. The U.S. Treasury, for example, argued that 6-year revenue losses would total $89 billion. In fact, there were gains of $54 billion realized over a 6-year period as the following chart illustrates:

[In billions]

	1963	1964	1965	1966	1967	1968	Total
U.S. Treasury estimated revenue losses	2.4	5.2	13.3	20	23.7	24.4	$89
Actual revenue gains	7	6	4	14	19	4	54
Difference in estimates							143

Clearly, then, it can be observed that reductions in the taxable income rates do not result in higher deficits, but rather they expand the tax base, increase revenues, boost GNP, increase employment, reduce unemployment, stimulate housing, and increase available construction money.

The third concurrent budget resolution from the committee proposes an economic policy of bigger deficits, bigger debt, bigger Government, unnecessary transfer payments, and greater lack of concern for the 88 million working American taxpayers. It converts the budget process from an instrument of control over wild and unnecessary spending and improper Federal revenue manipulation to an instrument of political mismanagement which will at the same time encourage a bloated Federal Government to become even bigger and trample increasingly on the economic free choice of 88 million working people. Many of us strenuously object to the passage of this Budget Committee resolution.

The amendment which the minority is proposing today, which will provide for a permanent tax rate reduction for the U.S. taxpayer, efficiently and equitably stimulates the economy while holding Government spending to a more appropriate level. It also constitutes a three-pronged attack on unemployment by first, increasing disposable income, thereby increasing buying; second, increasing the incentive to work because of increased take-home pay and profits; and third, providing new jobs by stimulating investment and capital formation.

I believe, as does Paul McCracken, one of America's most respected economists, that a reduction in tax rates will produce a more positive stimulus to the economy than the committee package. McCracken argues that permanent tax cuts would do far more to help the economy, both immediately and in the long run. As he put it:

> The higher level of economic activity produced by tax reduction is a far more effective job creation program than public spending. It is more effective because the employment opportunities are less apt to be dead-end jobs. We tried tax reduction in 1954 and it worked. We tried it in 1964 and it worked. We tried it in 1975, and the fact that 4.2 million more people are now employed (38 percent of them in the private sector) strongly suggests that it worked once again. Because history is so clear about this, one has to suspect that those who stubbornly try to maintain this distinction between tax reduction and job creation have as their major objective simply a further expansion of political empires where both the newly created bureaucracy and the holders of public service jobs will be more explicitly beholden to government.

The size of the tax cut the minority is proposing is $19 billion, which means approximately a 22-percent reduction in the tax liabilities of the 88 million working people in this country. This figure would allow Congress to give us across-the-board tax rate reduction to undo the damage that inflation has done in the last 3 years by pushing people into high brackets and by eroding the value of the personal exemption and the standard deduction. There is enough permanent tax rate reduction money here either to first, provide a five point reduction in each bracket; second, a 22-percent reduction in each bracket; or third, to adjust for the effect inflation has had since 1974 on raising everyone's income tax rates.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York (Mr. KEMP) who 4 years ago started the major legislative effort in this Congress to provide permanent tax reductions for the 88 million working taxpayers of this country. My

colleague is also the author of the Kemp-Rousselot Jobs Creation Act; 136 other Members of this House have cosponsored that Kemp Act.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman's yielding.

The gentleman from California (Mr. ROUSSELOT) has made an outstanding case for a permanent tax cut or a permanent reduction in the tax rates. He mentioned the employment effects.

I think it is also important to point out that this is the fastest and the most efficient way not only to fight unemployment but to combat inflation as well. I want to compliment the gentleman on his presentation and also for the allusion that he made to the Kennedy round of tax cuts in 1962 and 1963. He mentioned President Kennedy's strategy for getting the economy moving again.

President Kennedy in 1963 said that the main block to full employment is an unrealistically heavy burden of taxation. He said, "The time has come to remove it."

They lowered the tax rates on all income right across the board, they reduced the corporate income tax, the economy created jobs, and pretty soon the country moved ahead without inflation. There was price stability in the early 1960's.

There is one other point that the gentleman has made, and that is that the parallel between then and now is almost eerie. It is an exact parallel, in many instances.

Mr. Chairman, the argument will be made that we do not need capital endeavor.

The CHAIRMAN. The time of the gentleman from California (Mr. ROUSSELOT) has expired.

(On request of Mr. KEMP and by unanimous consent, Mr. ROUSSELOT was allowed to proceed for 5 additional minutes.)

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I mentioned the parallel between the early 1960's and that of today in terms of economic conditions. The argument will be made that we do not need capital investment because we have unused plant capacity.

Mr. Chairman, as the gentleman said earlier, the total unused capacity of American plants and industry in 1960–61, according to the Federal Reserve, was 80.1 percent. The latest figures of the Federal Reserve say that the plant capacity today in America is 81 percent.

Mr. Chairman, we do need capital investment and more money in the hands of workers, investors, and savers; and we do need to create that type of economic condition in which the American people will have more money in their own hands.

Mr. Chairman, that is the intent of the gentleman's amendment, and I rise in strong support of it.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the remarks of my colleague, the gentleman from New York (Mr. KEMP). The gentleman has been an activist in the field of permanent tax cuts. He has not just talked about them for 4 long years; he has worked to present the concept to this House on many, many occasions. He has vigorously articulated what the rate reductions will ultimately produce for our citizens: More new housing, more new hospitals, and expanded consumer capacity. Why? Because the 88 million working people of this country would suddenly find in their pockets new revenues to spend to consume, to produce, to create new jobs; and that is where the emphasis belongs. In other words his advocacy (Mr. KEMP) of this permanent tax cut will be a message to all those working people that the Congress trusts them to spend more of their own earned income and not send so much to Washington, D.C.

Mrs. SMITH of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentlewoman from Nebraska, who I know is a new active member of the Committee on Appropriations.

Mrs. SMITH of Nebraska. Mr. Chairman, I rise in support of the amendment put forth by the gentleman from California (Mr. ROUSSELOT). The Federal Government has three major economic goals: low unemployment, low inflation, and high economic growth. It seeks to achieve those goals by influencing the level of demand in the economy. The current debate over the appropriate level of expenditure and taxation arises from the economic situation in recent years which has included high levels of unemployment, high rates of inflation, and declining economic growth. In addition, there is increasing concern over the expansion of Federal bureaucracy.

The third budget resolution as it now stands calls for heavy spending when we are already operating in the red. In fact, this budget resolution would increase the 1977 deficit from the currently projected $50.6 billion of the second concurrent resolution to the $70.3 billion of the third—an increase of 3 percent. This, in effect, means that Congress intends to spend now surpluses that it hopes will develop in the uncertain future. For the present, however, we must fund that deficit at the expense of the taxpayer. And so inflation presses workers into higher and higher tax brackets; diligent work, efficient production, and heavy investment are discouraged by the larger Government piece of every pie.

This amendment, however, stimulates economic growth in the best possible way: by cutting taxes and putting more money in the hands of the consumer to increase aggregate demand and thereby reduce unemployment. And at the same time, this amendment would hold down Government spending to curb inflation. It achieves each of the three economic goals I mentioned at the outset.

The Rousselot amendment would not increase budget outlays and authority, except for some slight increases to meet the needs of older Americans and some accelerated public works programs. This makes this congressional budget the kind of tool every American understands a budget to be, that is, a control on unnecessary spending, not a magic wand to finance wants beyond our present resources. When we passed the second budget resolution we could at least be proud that we had cut back on outlays of the Federal Government. Although there was a deficit then as well, we were moving in the direction of control. This resolution, on the other hand, reverses that trend and proposes more Government spending and larger deficits. This spending must be financed by taxpayers who are struggling with tax levels that constitute more than 42 percent of our national income and throttle incentive, investment, and individual freedom.

Now let us discuss for a moment the benefits of a permanent tax cut. Those who oppose needless spending programs have often been accused of being insensitive to the needs of the electorate.

In fact, the best way to reduce unemployment and inflation, while spurring economic growth is not to spend taxpayer money the way the Government thinks best, but to reduce taxes and let Americans decide for themselves how to spend it. Skeptics might claim that cutting the Government's intake will only sink us deeper in the red. The opposite has been proven true. Let us take for example the tax cut in 1975. That reduced initially the Government's revenues by $22.8 billion. Yet despite that cut, the actual net revenues grew!

Net Federal revenues

[In billions]

FROM INDIVIDUAL TAXES	
1974	$118.9
1975	122.4
1976	131.6
1977	[1] 153.1
FROM CORPORATE TAXES	
1974	$38.6
1975	40.6
1976	41.4
1977	[1] 56.6

[1] Estimate.

In other words, Government revenues, like muscles of the human body, are built up by tearing them down. This paradox occurs because the consumer takes his tax break and buys more of the commodities which his family needs. Production must be stepped up to meet this added demand, and workers are hired in the productive private sector to take advantage of the growing market. As unemployment goes down, these laborers begin to pay taxes and outlays through the food stamp and unemployment compensation programs decline. Ultimately the Government has surplus to devote to building a revived nation. But that surplus has not come by borrowing against some unknown future, but by developing and using America's private sector muscle.

Allow me to make one final summary comparison of the stimulus package incorporated in the resolution as it stands with this tax cut proposal:

A $50 per head rebate or income supplement is to be a one-time affair, acting for a short, temporary period. This is not comparable in effect, to a permanent cut, which would enlarge consumer spending regularly.

Larger deficits, added public works not actually related to productive capacity, and public sector jobs whose past record offers little hope for the future, continue a trend which shifts resources away

from private enterprise to Government control, thus swelling the Government and diminishing private vitality. In short, a policy aiming in the wrong direction.

Finally, the addition of 700,000 new workers to total employment since November, the rise in help-wanted advertising, the steady growth of labor jobs and the significant decline of unemployment prior to cold weather combine to suggest that private demand for new employees is growing and will continue. Furthermore, U.S. Department of Commerce figures show that real GNP rose each quarter in 1976:

Rates of increase in GNP, final sales—1972 dollars

1976:	Percent
1st quarter	3.7
2nd quarter	4.2
3rd quarter	4.3
4th quarter	4.8

A spending stimulus under these conditions is unwarranted; a tax cut stimulus is needed.

Less unemployment, less inflation, and more growth are our goals. They have been attained in the past by cutting taxes while holding down deficit spending. I stand strongly behind this concept allowing America to flex her muscles and grow.

Mr. ROUSSELOT. Mr. Chairman, I compliment my colleague, the gentlewoman from Nebraska (Mrs. SMITH) for her continued fight for the working taxpayers of this country.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from Pennsylvania (Mr. SHUSTER), an active member of the Committee on Public Works and Transportation.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman.

Is it fair to say that opposition to the amendment of the gentleman from California (Mr. ROUSSELOT) is opposition to a tax cut for the 88 million Americans who are working today?

Mr. ROUSSELOT. Absolutely correct.

Mr. SHUSTER. I thank the gentleman, Mr. Chairman.

Mr. ROUSSELOT. By the way, Mr. Chairman, I would say to the gentleman from Pennsylvania (Mr. SHUSTER), who I know is active in this House for the public works stimulus package that this resolution does no damage to any public works authorized, under way. It also includes the new $500 million of suggested appropriated outlays in the committee resolution which we have proposed to remain in place. It does not touch in any way the public works outlay of $500 million, in this resolution.

Therefore, Mr. Chairman, to those Members who may be told that this will rob them of some public works project or projects, I say no.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I want to join wholeheartedly in support of this amendment.

I think that this is the right way in which to go. I think this approach would be supported by the great majority of American taxpayers who really want to get our economy back on the track.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the comments of the gentleman from California (Mr. LAGOMARSINO).

I might say, Mr. Chairman, that the following chart shows what type of cuts would occur in the various gross income levels from $6,100 a year to $61,000 a year, and the second column illustrates the taxable income which will be effected by the comparable gross income categories.

Mr. Chairman, what this substitute resolution and the jobs creation bill of the gentleman from New York (Mr. KEMP) would produce in across the board tax cuts is a 22-percent reduction off the top of every working taxpayer's present burden. We can see what the percentage figure of cuts would be for every income bracket in each congressional district where there are working people. This would effect an average, I want to remind the Members, of about 204,000 working people in each congressional district in this country.

Let me review the effect of these permanent tax rate reductions with my colleagues:

EFFECT OF PERMANENT TAX RATE REDUCTION

	Taxable income	Now (percent)	New tax rate: After 5-point cut (percent)	New tax rate: After 22-percent cut (percent)	Tax savings: 5-point cut	Tax savings: 22-percent rate cut
Family of 4 standard deductions or 16 percent itemized:						
$6,100	$1,000	14.0	9.0	10.9	$50	$31
$7,100	2,000	14.5	9.5	11.3	100	64
$9,100	4,000	15.5	10.5	12.1	200	136
$13,100	8,000	17.3	12.3	13.5	400	304
$17,857	12,000	18.8	13.8	14.7	600	498
$22,619	16,000	20.4	15.4	15.9	800	717
$27,381	20,000	21.9	16.9	17.1	1,000	964
$32,143	24,000	23.6	18.6	18.4	1,200	1,245
$36,905	28,000	25.4	20.4	19.8	1,400	1,562
$46,429	36,000	28.7	23.7	22.4	1,800	2,275
$61,905	52,000	34.7	29.7	27.1	2,600	3,973

They want to know what you are going to do to stimulate the economy and whether or not you will permit them—instead of the Federal Government—to make the decision as to where their money will be spent.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, I hope my colleagues will study the chart which I have provided for the whole House to review. It does not cover every single income tax bracket, but it gives each Member a good idea on the basis of gross income and taxable income what the cut will mean. It also will show what a tax rate reduction means to your constitutents, who are waiting to see if we mean what we said when we promised—those of us that did in the last election—that we are going to cut taxes.

Mr. TRIBLE. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Virginia.

Mr. TRIBLE. Mr. Chairman, for too long, this body has been associated with reckless spending and ever-rising taxes. Unfortunately, the American people have not gotten a fair return on the investment of their tax dollars.

The time has come to stop politics as usual. The substitute resolution of the gentleman from California gives us an opportunity to head in a new direction: Toward lower taxes, toward real jobs, toward less Federal spending, and toward an end to inflation and false promises.

Higher taxes and bigger budgets have not improved our standard of living. If the experience of the last 15 years of expanded Federal spending has taught us anything, it is that there is no free lunch.

Taxes at all levels constitute more than 42 percent of our national income. The present high rate of taxation holds down production and investment, reduces employment and the incentive to work, and makes people dependent on transfer payments by denying them work.

A 1-year $50 rebate will not change this pattern. Instead, we should be making permanent tax cuts for the hardworking wage earners of America.

A permanent tax reduction stimulates economic activity by increasing the after tax rewards to work and stimulates investment by making more money available for consumers to spend. Further, a permanent tax rate reduction would reduce unemployment in three ways. It increases the incentive to work. It provides new jobs by directly stimulating investment. It puts more money in the pockets of the people who will spend it.

In short, a vote for the substitute resolution is a vote for permanent tax cuts, a vote for real jobs for the unemployed, a vote for lower Government spending, and a vote for a balanced budget and a sound dollar in the near future.

I urge adoption of the substitute resolution.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the comments of our colleague, the gentleman from Virginia (Mr. TRIBLE). He has already made himself strongly heard on behalf of his constituents.

Mr. Chairman, I would like to remind my colleagues that if they vote for this substitute that the minority is offering that they will be reducing the Budget Committee add-on deficit by $14 billion. I do regret that I could not come to the Members with a balanced budget, but the problem is that we cannot balance the budget in 9 remaining months because the Federal Government is already well into fulfilling the process of the second budget resolution for 1977. Under my proposal, however, the Government will be able to recoup the initial budget cost in 1½ years. In addition, because of the expanded tax base, the economy could generate, in a year and a half time, 1,600,000 jobs according to the congressional budget estimates that were given to me by Dr. Rivlin of the Congressional Budget Office.

Mr. Chairman, I want to urge each of the Members to consider carefully what the minority amendment does and why we should adopt it. The argument that somehow this is going to deprive our "funds-starved" Federal Government of money is pure bunk.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. Mr. Chairman, again I urge my colleagues to support this fair and favorable resolution.

Mr. MATTOX. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Texas.

Mr. MATTOX. Mr. Chairman, the gentleman from California, is talking about the add-on deficit. I wonder how much actual deficit we are talking about, this increased actual deficit, how much?

Mr. ROUSSELOT. The add-on deficit, if my substitute is accepted, would be an add-on of roughly $6 billion to what has already been added on. But more important it is a reduction of $14 billion from the committee resolution. If the gentleman is the wondering why I would support this add-on deficit, it is because in a 9-month or lesser period you cannot achieve through newly generated revenues under the new expanded tax base as rapidly as we could in a year's time. It takes about a year to recoup the revenue losses from a permanent tax cut. This resolution only addresses itself to the balance of the time between now and October 1. In addition, I am not supporting an add-on deficit as much as a strong $14 billion reduction in the committee deficit which is a lot better than the majority proposal for an add-on deficit of $20 billion. So I could promise the gentleman from Texas, who is also a distinguished member of the Committee on the Budget, that when we get to the full resolution in April that I will be back with a balanced budget. There is no way the gentleman from Texas can imply that I support deficit financing.

Mr. MATTOX. What the gentleman from California really is saying is that he is actually increasing the deficit.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. LATTA, and by unanimous consent, Mr. ROUSSELOT was allowed to proceed for 1 additional minute.)

Mr. MOORHEAD of California. Mr. Chariman, would the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from California (Mr. MOORHEAD).

Mr. MOORHEAD of California. Mr. Chairman, I rise in strong support of the substitute amendment offered by the gentleman from California (Mr. ROUSSELOT), and commend the gentleman for offering it. I know of no way in which we can better stimulate the economy of the United States and still hold inflation in control than by this kind of amendment. It will put the people of America back to work and give them a sound dollar in their paychecks.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the comments of my colleague, the gentleman from California (Mr. MOORHEAD).

Mr. GRASSLEY. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Mr. Chairman, I want to ask the gentleman from California whether what we are talking about is the same thing that the Prime Minister of Great Britain was talking about when he was talking about the need to induce capital in heavy industry to create jobs? Is that not what the gentleman is particularly after?

Mr. ROUSSELOT. The reason I quoted Mr. Callaghan and explained the current history surrounding his statement is that the Socialist government in Britain has learned for the first time that you cannot spend your way out of a recession additionally, the Labor government has learned that you have got to provide an incentive—through a tax cut—to encourage the private sector to generate jobs. That is what this proposal does.

Mr. BOB WILSON. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the distinguished gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. Mr. Chairman, I understand that it would not be in order to move to recommit House Concurrent Resolution 110, and that only amendments are in order.

I do not intend to offer an amendment to the resolution today; however, if the rules permitted, I would move to recommit it to the Budget Committee for several reasons.

The resolution before us assumes too much.

First, it assumes that the Appropriations Committees of both the House and Senate will fully approve the rescission actions recommended by President Ford. Those committees have not acted.

Second, it assumes that both the House and Senate will vote to approve the rescission bills which reflect President Ford's recommendations. I understand, as of yesterday, that no rescission bill has been introduced in the House.

As a result, the resolution is premature. It has been rushed to the floor without giving the Appropriations Committee or the House an opportunity to work their wills within the spirit of the Impoundment Control Act.

Mr. Chairman, two very important shipbuilding programs, vital to the future security of the United States, are within the rescissions which the resolution assumes to be already accomplished.

One of these items is an appropriation of $371 million, which the House voted on last year on three occasions, for the conversion of the U.S.S. *Long Beach* to a modern ship capable of defending itself and other less capable fleet units.

This program received the overwhelming support of Congress, as a congressional initiative, and has still been supported by every Navy witness appearing before the Seapower Subcommittee.

The second item, which the resolution assumes away, is $82 million of a $350 million appropriation for long-lead items for an additional nuclear powered aircraft carrier. Of the $350 million appropriated, $268 million has already been obligated. This program also is strongly supported by the Navy and the measure before us today leaves the future of this carrier in an indefinite status.

For these reasons, I intend to vote against the resolution today, and, because I believe the above programs are vital to the future defense of the United States, I will oppose any recission bill which might propose to curtail them.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

I ask this at this time, so that the gentleman might clarify a statement made earlier on a question on the other side about how much the deficit would be increased. I do not think it was clear to the person asking the question that under the gentleman's proposal and the one I am cosponsoring we would have a reduction in the deficit over what the majority has proposed.

Mr. ROUSSELOT. That is absolutely correct, by $14 billion less.

Mr. LATTA. That is correct. I think that is important to stress at this point.

Mr. ROUSSELOT. I urge my colleagues to support this substitute amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIMON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there is much that is appealing in this amendment by my distinguished colleague on the Committee on the Budget, the gentleman from California (Mr. ROUSSELOT). But there is a gray area here. He builds on what is a weakness, frankly, in the current resolution, a $50 rebate, but he builds on the weakest part of that rebate. If I may, without violating the rules here, Mr. Chairman, go over to the other microphone so that I may use this chart, I would appreciate it.

I have done some rough calculating. Let us take this gentleman down here earning a $52,000 net income.

Mr. ROUSSELOT. If the gentleman would yield, that is basically what a Congressman now earns.

Mr. SIMON. All right. His tax would go from $18,444 down to $15,444. The theory behind this amendment is that that gentleman, and the others here, are going to spend enough money to generate all kinds of jobs so that we can move ahead. It is the old trickle-down economic theory.

My distinguished colleague, the gentleman from New York (Mr. KEMP) mentioned a group of statistics. There are two things that he did not mention in those statistics. One is the mood of the country. Let us face it: In 1961 and 1962 there was a byouancy and a hope that, frankly, we do not have today and that we have to help generate somehow.

The second thing that was not mentioned is that there are about 2 million more people unemployed today. We do have a long-range capital formation problem. That long-range capital formation problem is going to be solved, I think, by a much more thorough look at where we are on a lot of things—on dividends, corporation taxes, and a lot of other things. We are not going to solve it by a sudden amendment here on the floor right now. The best way right now to get General Motors going, to get the jobs in California, in Illinois, and elsewhere going, is to see to it that the people who really need the money, the people who are unemployed, get some income so they can buy cars and move this country ahead. We are not doing that with this amendment. What we are doing now is giving these people who see the economy in trouble some additional money, and every study shows that a great percentage of that money is going to go into banks where liquidity, it is shown, is already a fairly solid one.

Now I shall yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, first of all, I am sure the gentleman knows it did not go into the tax structure. Most of it went into investments. Some went into savings. Some went into other things and it clearly went across the board; but the gentleman is right. It puts money in the pockets of roughly 204,000 working people in the gentleman's district, the gentleman can bet, and why we continue talking to them as a Congress; I think the time has come for a tax cut.

Also, I appreciate picking up $57,500, which is what we are now being paid. While I did not vote for that, I appreciate the gentleman bringing it out—but the people of whom the gentleman is referring represent only 2 percent of the whole population. Where does the whole bulk come in? It comes on the gross income level of $7,100 to roughly $31,000 which is roughly the bulk of the people in the gentleman's district. They get the benefits. The point is to not take it out of the taxpayers' pockets, send it back here, take a big deduction and send it back to them through the bureaucracy as a "big benefit." Our amendment says right off to keep it, "We have faith in you that you know how to spend this money that we have given you.

It gets us started in the right direction.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has expired.

(At the request of Mr. ROUSSELOT, and by unanimous consent, Mr. SIMON was allowed to proceed for an additional 2 minutes.)

Mr. SIMON. Mr. Chairman, even if we assume everything the gentleman says is correct——

Mr. ROUSSELOT. I believe it is.

Mr. SIMON. I assume the gentleman believes it is. What the gentleman is doing here is calling for a permanent tax cut.

Mr. ROUSSELOT. The gentleman is certainly correct.

Mr. SIMON. That means bigger and bigger deficits in the future.

Mr. ROUSSELOT. Oh, no, it does not, not according to Dr. Rivlin, not so.

Mr. SIMON. Mr. Chairman, if I may say on my own time, it means, I think, unquestionably bigger and bigger deficits in the future and it means flexibility being taken away from Congress to be able to move on programs that this Nation really needs.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield further, it means $14 billion less on our deficit than the majority resolution.

Mr. SIMON. Mr. Chairman, I am not yielding at this point to my colleague, the gentleman from California; what it is is the old trickle-down theory again when, in fact, the people that need it the most are the people out of work. Those are the people we have to give some money to to get this program going.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague, the gentleman from New York.

Mr. KEMP. Mr. Chairman, I would like to make a couple of points in answer. The gentleman has disparaged our argument by saying it is the old trickle-down theory, when most economists today agree that there is money in the economy and that the biggest problem is lack of confidence and a lack of capital investment. I would say to my friend, investment and confidence will only come when we increase the aftertax reward that goes to people for investing, saving, working, and producing.

Tax rates discourage growth of supply, and with the rise in demand inflation will result at double-digit levels if all we do here today is pump up spending and consumption.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has again expired.

(At the request of Mr. KEMP, and by unanimous consent Mr. SIMON was allowed to proceed for an additional 2 minutes.)

Mr. KEMP. Mr. Chairman, if the gentleman will yield further, this is not a trickling-down of economic benefits. If this country and its people were to know that Congress was going to reduce the rates of taxation on the backs of American workers, savers, investors, and entrepreneurs, the benefits would not just trickle down, they would literally cascade down, or in other words, that is, President Kennedy, "a rising tide lifts up all ships." There is enough demand in the country today, we need to stimulate supply. We need to stimulate production. We need to reward people for investing. Employing new workers to produce the goods and services that will not only fight unemployment, but fight inflation as well. If all we needed to do was stimulate demand, we could double the rebate or fly planes out over the country and drop $50 bills in the hands of all Americans. That is not the answer. The answer is confidence and providing more after a tax reward to workers, savers and investors. That is what we must do. It is not a trickle-down. It should be called what it really is, a stimulus to production which is so much lacking in America today and Great Britain. Spending your way to jobs and prosperity does not work, if it did, Great Britain and New York would be the most prosperous economies in the world today. We must learn from experience.

Mr. SIMON. Mr. Chairman, if I may—and I might need 1 additional minute here—the only thing that is wrong with the statement that has just been made is that the statistics simply do not bear out that if we add a tax incentive we are going to increase that private investment. In the fourth quarter of 1973 the gross private investment was 11 percent higher than the gross private investment in the fourth quarter of 1976 and yet we had substantial additional tax incentives in the fourth quarter of 1976.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I think I have just about used up my time.

Mr. KEMP. I am just going to answer that particular point.

Mr. SIMON. I yield to the gentleman from New York.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ROUSSELOT. Mr. Chairman, I ask unanimous consent that the gentleman have 2 additional minutes.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BURGENER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think we all ought to be most careful that we do not make a major mistake, every Member of this House and on both sides. We are talking about stimulating the economy in the fiscal year 1977. I would point out to my colleagues that the year ends on September 30 of this year. We have only 7 months left in which to stimulate. If we take a look down the road at the next year we will see we will have a combined deficit we are about to create this year and next, and we will have back-to-back deficits that totals $125 billion. That ought to be of real concern to every Member of this House because I think if we do not use this deficit in a more con-

structive manner than a quick fix rebate we are going to create unacceptable inflation.

Somebody said in the newspaper here a few weeks ago:

> There is nothing wrong with the Republican Party that 12-percent inflation would not cure.

I certainly do not want to see any problems my party might have cured in that manner and I think my colleagues on this side of the aisle do not either.

We maintain that permanent tax cuts are the only thing that would justify a large deficit at this time and we offer proof why this will work, and the proof is recent history. It was predicted when the Kennedy-Johnson tax cuts were enacted that revenues would fall. The opposite occurred. The revenues increased because the tax base was broadened and the private sector was stimulated in a lasting manner.

Let me add an additional bit of evidence to indicate this will work. The Department of Labor shows us that in the last 10 years the number of jobs in this country has increased twice as fast as the population. There has been a 21-percent increase in the number of jobs in this country in the last 10 years while the population was increasing only 10 percent. That occurred without massive Federal intervention. I think that is the key point. So we have proof that it works.

What is the bottom line on this, Mr. Chairman? Who knows best how to dispose of their hard-earned disposable income? It is the man or woman who earns the money in the first place, the wage earner.

There is a mentality around this town that says anything one gets to keep of his earnings is a loophole. That is the kind of mentality we have been dealing with around here for quite a time under all kinds of administrations. I think there is a knowledge and a wisdom in this country about what to do with disposable income that the managers and planners in this town do not have. The quick fix will not stimulate the economy. The permanent tax cuts will stimulate the economy and create lasting jobs.

I urge approval of the amendment.

Mr. ALLEN. Mr. Chairman, I have listened with great interest to this debate, and the difficulty that I find is that it is addressed to the wrong body. If we should adopt this amendment, this does not change the tax rate one penny. Any change in the tax rates, as my distinguished colleague from California well knows, must come through the Ways and Means Committee.

Now, if, when the Ways and Means Committee comes up with its tax proposal, my distinguished colleague wants then to propose a substitute, it would be in order at that time. But all we have now before us is the information that the Ways and Means Committee has, with certain modifications, agreed to the proposal of the Carter administration. That is all we have to deal with.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield at that point?

Mr. ALLEN. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman yielding to me.

Neither is the $50 tax rebate in this resolution. It is called for as a suggestion to the Ways and Means Committee. This resolution has five aggregates, and is nothing more than a recommendation to our Ways and Means Committee to help us make a tax cut which, by the way, the President is also talking about. So, the gentleman is right. I am perfectly aware that the Ways and Means Committee writes the tax laws. I am totally aware of that. This is an overall aggregate figure as it relates to the overall budget resolution. I am sure the gentleman knows that.

Mr. ALLEN. Yes, I do know that. I know, furthermore, that the Ways and Means Committee has tentatively agreed to the Carter administration's proposal with certain modifications. That does not necessarily preclude the Ways and Means Committee from considering certain permanent tax revisions in the long run. Indeed, the President has promised that he would come forward with permanent revisions of our tax structure by the end of this year at latest. But in the meantime, we have to deal with the present emergency in this country.

Now, the majority side, I believe, is prepared to go along with President Carter and the administration on this proposal. Obviously, the Ways and Means Committee is, and I think that we are considering something that at this time is not before the proper body. I think that the proposal from my distinguished friend from California should be submitted at the time we undertake to write the tax proposals or tax revisions that may be forthcoming.

If, at that time, he wants to oppose the $50 rebate, I will understand that; but this proposal, even if it is adopted, would actually add another $6 billion, by his own estimate, to the national deficit. For that reason, I strongly urge that we vote against this proposed substitute amendment.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. ALLEN. I yield to the gentleman from Texas.

Mr. PICKLE. The gentleman from California offered his substitute amendment in a manner that probably was not subject to a point of order. It changes the totals, the outlays. He sort of invades the jurisdiction of the Ways and Means Committee, but he does not actually and specifically do it.

Had he said that we will raise this revenue specifically by category, then I think that would have been subject to a point of order. If any amendment such as that will be offered later, we will make a point of order against it. At this particular instant, I suppose the gentleman from California would be in order, although what he is trying to do probably should go before the Ways and Means Committee first.

Mr. ALLEN. If I may reclaim my time, I am not making a point of order on this matter at all. I am not saying that it is not properly before us. I am simply saying that this is a matter that should await the decision of the Ways and Means Committee. If, at that time, the gentleman from California is not satisfied with the tax proposal that comes forth from the Ways and Means Committee, then will be the time to offer his substitute amendment.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

(On request of Mr. ROUSSELOT and by unanimous consent Mr. ALLEN was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield further?

Mr. ALLEN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I want to comment on the remarks made by my colleague from Texas. As he knows, in the budget resolution processs, if my substitute amendment passes I will ask for a reconciliation resolution which will ask the Ways and Means Committee to do just this. I am entirely aware of the responsibility of the Ways and Means Committee, and assure my colleague that I do know that.

Mr. PICKLE. I say to the gentleman again that the orderly procedure would be that it go to the Ways and Means Committee first.

Mr. ALLEN. I quite agree with the gentleman from Texas on that. Furthermore, I feel that we should vote down this proposal at this time.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I think it ought to be made very clear that the issue that we are voting on at this point is simply this: Do the Members believe that the American people, who earn the money, should keep it and have the right to spend it, or should we take it away from them and make that judgment as to how to spend it for them?

This is what we are talking about today.

This bill is an economic stimulus package. This should be billed as a people's stimulus package—stimulate the people to be productive.

What is the wealth of the Nation? It is the productivity of the people, the stimulus that they get to keep part of what they produce. If we are going to have permanent jobs, we are going to stimulate jobs that enable individuals to have confidence in their permanency. We have heard the word "confidence" many times here. What will give the people confidence? Knowing the Government will not take away the fruits of their labor.

Keep in mind that is the issue today. We are talking about two things. We are talking about a direct tax cut. Leave the money in the pockets of the people who earn it. But, also, equally important, we are talking about not levying that hidden tax called inflation.

If we pass this package as originally proposed, we will be levying the cruelest tax of all—a regressive tax—which falls most heavily upon the people least able to pay, those living on fixed incomes.

Keep in mind that we benefit them in two ways if we adopt the substitute as proposed. First, we leave the money in their pockets and, second, we avoid that cruel tax of inflation.

Also it would do far more to stimulate the kind of productivity that would give

individuals the permanent jobs that they seek, and it would give them pride and confidence in the leadership of this Nation.

Mrs. HOLT. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentlewoman from Maryland (Mrs. HOLT).

Mrs. HOLT. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the substitute to House Concurrent Resolution 110 offered by the gentleman from California. If we are really interested in promoting strong, durable economic growth and more jobs for the American people, we will enact permanent tax cuts to allow the American people to spend, save and invest more of their own earnings.

The gentleman proposes to allow significant reduction of the tax rate on each income bracket. This would: First, increase the spendable income of workers for the purchase of goods and services; second, stimulate production by improving the rewards for investment and work; and third, provide a dramatic increase in new jobs needed for production to satisfy consumer demand.

The classes of 1977 will soon add a new surge of job-seeking young people to the labor force, but at a time when the number of jobs is woefully inadequate for the existing labor force. Unemployment is our most serious social problem.

Unfortunately, the resolution reported to this House by the Budget Committee does not offer a remedy for the problem. Our struggling national economy cannot be effectively treated with a patch here and a dab of paste there, by large outlays of public funds to create jobs that would evaporate after the funds were exhausted.

Unemployment is not an isolated problem. It is a result of other economic conditions that developed over many years, and the remedy lies in correcting those conditions. The resolution reported by the Budget Committee does not deal with those conditions.

At the root of our troubles is the growth of Government, which is imposing such an enormous burden on the private sector that productive economic growth is restricted. Taxation and inflation have become an excessive drain on the earnings and savings of the people. Spendable income declines as Government grows, investment capital diminishes as Government grows, the rewards for work and investment are reduced as Government grows.

The late President John F. Kennedy made the point emphatically when he addressed the Economic Club of New York on December 14, 1962. He said:

> Our present tax system exerts too heavy a drag on growth. It siphons out of the private economy too large a share of personal and business purchasing power. It reduces the financial incentives for personal effort, investment, and risk-taking.

But the trend has not been reversed. Government has continued to grow faster than the rate of growth in the private sector, taking more and more of our national wealth, leaving less and less for real economic development.

Government at all levels now takes 38 percent of our gross national product and 42 percent of our national income. It is quite obvious that Government has sharply reduced the ability of our economy to expand rapidly enough to provide the productive jobs that our people need.

Federal spending to stimulate consumer spending does not make any sense if high tax rates continue to discourage production and the creation of productive jobs. And when Government spending increases the money supply without an increase in production of the goods and services that people buy, the sure result is inflation.

The real advantage of a permanent tax cut is that it would increase production and productive jobs without setting off another round of inflation.

The quick fix of more Government spending for handouts and temporary public jobs would not be effective. The same approach has been tried several times in recent years, and it has not produced the sustained economic growth and jobs that our people need. It has produced inflation and more unemployment.

We recognize that this budget resolution cannot be used to enact any program, but it does offer us an opportunity to make a broad policy decision, and the choice is clear.

One way leads inevitably to high inflation and fewer jobs. The other way—permanent tax reductions—would bring more production and more jobs for the American people.

Mr. WRIGHT. Mr. Chairman, I rise in opposition to this substitute. I believe that each time the committee has labeled and brought forth a concurrent resolution on the budget, the gentleman from California (Mr. ROUSSELOT) has had a substitute to offer. All of them follow the same general pattern. The House never has adopted one of those substitutes. There are several things, obviously, wrong with this one. There are several good reasons why the House should reject it.

In the first place, it would mandate a ceiling on expenditures, not only below that requested by the President for stimulation of the economy, but below that which already has been authorized. If this kind of a substitute were to be adopted, we would have to go back and lodge points of order against programs that already have been authorized by the Congress; and, obviously, points of order would lie against any stimulative activity that we might want to bring on to get the economy moving. That would include the public works jobs bill which is scheduled for action on the floor tomorrow.

But if that were not enough to oppose this substitute, I want to ask the Members to examine whom it would benefit the most and whom it would benefit the least.

I have asked the professional staff to examine, on the basis of families of four, with standard deductions, and the average rate of applicable taxation, exactly how much money this would give back to an average family of four earning $10,000 a year and how much it would give back to a family of four earning $100,000 a year.

Based upon the average standard deductions and exemptions and the effective rates of taxation which actually apply in those two income brackets, the family earning $10,000 a year would get $101. That is all. The family earning $100,000 annually would get $3,959 back.

So when we apply a flat, across-the-board 15 percent reduction in tax, what we do, of course, is to benefit those at the very top of the economic pyramid.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes, I yield to my friend, the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's yielding, and I will be brief.

I want to correct the gentleman's figures. On the basis of either a 22-percent, off-the-top cut in income tax rate, which is proposed here, or the 5-point reduction in personal income tax brackets, the basic cut for a person in the $9,100 bracket against his taxable income would amount to this: He would have a savings of over $200 per year and $136, respectively. So the gentleman is not quite right. I think $200 is a lot of money.

Mr. WRIGHT. Mr. Chairman, I asked the professional staff to compute this on the basis of an average family of four earning $10,000 a year, and I assume their figures are accurate. Even if we were to assume they got twice that much back, they still would get less than half as much benefit as a percentage of their income as a family earning $100,000 would receive.

I notice that the gentleman from New York (Mr. KEMP) is seeking the opportunity to be recognized. I just want to say this to the gentleman from New York. I am really surprised that the gentleman supported this kind of an arrangement, because last year the gentleman from New York (Mr. KEMP) brought forth what I thought was a very innovative plan. It was a plan to create an employment rebate, a tax credit to employers for each new person they put on the payroll.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. In a moment. First, I want to talk about the gentleman's plan because I think it is excellent. The gentleman does acknowledge that was the plan he put forward last year, does he not?

Mr. KEMP. No, it is not.

Mr. WRIGHT. Then I take back all those kind things I just said about his foresight. I thought it was one of those things I could support. That, incidentally, is what the Ways and Means Committee now is proposing.

The CHAIRMAN. The time of the gentleman from Texas (Mr. WRIGHT) has expired.

(By unanimous consent, Mr. WRIGHT was allowed to proceed for 1 additional minute.)

Mr. WRIGHT. Mr. Chairman, what I am suggesting to the Members is just this: It is really very simple. The Committee on Ways and Means has brought us a resolution, one that is addressed to stimulating employment, to assisting employers, and to encouraging additional employment. The committee resolution

accomplishes that and permits these things to go into effect.

This amendment, if it were adopted, would give four times the benefits as a percentage of income back to the family earning $100,000 as it would to the family earning $10,000. That surely is regressive, and it certainly is not what this House wants to do.

Mr. KEMP. Mr. Chairman, I rise in support of the substitute amendment.

Mr. Chairman, I do not want to take all my time in answering my friend, the majority leader, but I would like to address myself to his question because the gentleman has suggested that we can actually raise money by further raising the tax rates. I strongly disagree. High tax rates are now a drag on the economy, just as they were under Kennedy in the 1960's. If the high rates produce more revenue it necessarily follows then that if we raise the rates to 100 percent, we could raise more revenue and take all of their income.

I would remind my colleagues of a simple economic truth; that is there are two points at which we can raise no revenue for the Government, and those are, on one hand zero taxation and, on the other, 100 percent taxation. Both are counterproductive,. My premise is that we can actually raise more money from the wealthy by lowering the rates like President Kennedy did in 1964 when the rates were lowered from 90 percent to 70 percent. When he did that, people who are wealthy for instance spent less time looking for municipal tax-free bonds and other shelters and put their money into the productive sector of the economy which produced revenues for Government.

In other words as we raised the tax rates, we encourage people to seek avenues by which they can shelter their income, and if we keep raising the rate up and up, ultimately we get no revenue. That is what Britain is finding out, that is what Sweden is finding out, that is what every nation in the world finds out when it raises the tax rates unconsciously high and tries to soak the rich. As the New York Times pointed out in 1923 when Secretary of Treasury Andrew Mellon proposed a modest cut in the high surtax on incomes of individuals and business:

> Parts of Secretary Mellon's plan to cut taxes are accepted by everybody. No one can directly oppose easing the lot of people of moderate means. But there is much bother about lowering the rate of surtaxes. Senator Simmons of North Carolina declares that his party will yield to none in its desire to reduce the taxes of the middle classes, but that it will withstand to the last gasp the Mellon scheme which is intended to "relieve the rich."
>
> The great point of Secretary Mellon's main argument is that the rich have found ways to relieve themselves. They are progressively escaping the heavy taxes levied specially upon them. It was certain from the first that they would do so. The Treasury figures cited by Mr. Mellon prove that they have done it. He wants in reality to get more money out of them than they are now paying. But he proposes to do it by making their rate of taxation lower. This is in line with economy theory and with experience running over many years, though of course it seems a ridiculous proposition to those whose thoughts are all of aiming sharp arrows of taxation at wealth.
>
> Suppose the surtaxes on large incomes are not reduced—suppose that they are even increased; what will happen? The rich may or may not be relieved, but it is certain that the poor will be hit harder than ever. For a large proportion of the heavy taxation of rich corporations is inevitably passed on to the consumer. The tax is necessarily entered as an item in the total cost of production. The result is to make prices rise, to increase rents, to cause the poor man to feel that the necessities of life are less within his reach than ever. This sure course of economic events has been followed in all countries, and it has plainly been followed during the last few years in the United States. The lawmakers gleefully start out to lay oppressive taxes upon the rich, but really are all the while striking at the poor. The true way to help the latter is to make it possible for the former to put more money into enterprises and industry and less into tax-exempt securities.

We are proposing a 22-percent; across-the-board reduction in every taxpayer's rates, not only to make up Government-induced inflation of the last 4 or 5 years, but also to create incentives for people at work and to produce to save and invest. To further quote another Times editorial—

> This would lighten the demands upon millions of purses hard to fill. It would not only do away with oppressive taxes, it would lower the cost of living. It would release capital for productive industry and enterprise of all kinds. This would result in fuller employment of labor, multiplication of goods in common consumption, and probably bring about a period of great and legitimate expansion of industry and commerce never surpassed in the United States.

Therefore, Mr. Chairman, we propose the same thing that President Kennedy did in 1962 and in 1963 to get the economy moving and no charges were made that he was trying to give the wealthy a tax break when he lowered the rate from 90 percent to 70 percent.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, I appreciate the gentleman's yielding.

I think there are very substantial differences between this kind of arrangement now proposed and that which was adopted by Congress at the request of President Kennedy in 1962 and 1963.

In the first place, a substantial part of President Kennedy's program that the Congress adopted at that time was a 7-percent investment tax credit. It encouraged business to invest in new plant and equipment, and thus to create jobs.

The Committee on Ways and Means already has approved a proposal to put before this body very soon which would have that fundamental effect. However, it was not something like this proposal currently pending.

In any event, Mr. Chairman, for the record, I should like to agree with the gentleman that 100 percent taxation is not a very good idea. I suppose that everyone would agree with that. I am not aware that anyone has made any such suggestion.

Mr. KEMP. Mr. Chairman, I appreciate hearing from that side of the aisle that they do not plan to raise the rates any higher. That is progress. I guess.

I would say to my friends on both sides of the aisle that there is not anyone in this Chamber who does not want to create jobs and get the economy going again, producing the goods and services, which will help solve the twin problems of inflation and unemployment.

I would submit to the Members that this rate reduction is indeed exactly what President Kennedy did in 1964 and I am sure that people remember that in 1962 he instituted the investment tax credit and a more accelerated rate of depreciation for business investment. In 1964 the personal tax rates were reduced from 90 percent to 70 percent, and from 20 percent down to 14 percent and about 25 percent reductions in between those highs and lows.

The point is, Mr. Chairman, that as we lowered the rates, we increased the revenue. Revenues increased every year throughout the first 5 years of that tax rate reduction. That is an extremely important point because, as people received an added incentive to produce, to work, to save, and to invest, jobs were created and inflation was combatted. Capital spending increased significantly as people had more after tax income to keep, to spend, or to save and invest. The after tax reward was increased for work, for saving, and for investing.

I would suggest that the parallels between today and then, as was pointed out by the gentleman from California (Mr. ROUSSELOT), are far more relevant than the opposition cares to admit. Prof. Walter Heller testified that the Kennedy tax reductions paid for themselves inside of 1 year.

Beyond that, they worked on the supply side of the economy.

Mr. Chairman, the tax rebate is simply a transfer payment and simply stimulates demand. It does nothing to stimulate supply. I suggest that there is no evidence that we are lacking in demand. On the contrary, what we are lacking is in confidence and in capital spending, and in the incentives for people to work and produce new supplies. If inflation is too many dollars producing too few goods and services not only must we slow down the growth of Government money creation, we must increase our production of new goods.

Mr. Chairman, inflation must be stopped and it can be if we remove the incentive for Government to inflate. Governments inflate in order to raise tax revenues without having to vote on tax increases.

In the Kennedy tax proposals and debates we can learn much from the arguments used by the protagonists.

President Kennedy announced his plan for a tax cut to stimulate the economy early in his administration. In an address to the Nation on August 13, 1962, he said:

> The single most important fiscal weapon available to strengthen the national economy is the Federal tax policy. The right kind of tax cut at the right time is the most effective measure that this Government could take to spur our economy forward. For the facts of the matter are that our present tax system is a drag on economic recovery and eco-

nomic growth, biting heavily into the purchasing power of every taxpayer and every consumer.

Walter Heller was at that time the Chairman of the Council of Economic Advisers. Thus it fell to him to explain why taxes had risen to such a high level that they were choking off economic growth. He later elaborated his position in a book called "New Dimensions of Political Economy":

In a growth context, the great revenue-raising power of our Federal tax system produces a built-in average increase of $7 to $8 billion a year in Federal revenues (net of the automatic increase in transfer payments). Unless it is offset by such "fiscal dividends" as tax cuts or expansion of Federal programs, this automatic rise in revenues will become a "fiscal drag" siphoning too much of the economic substance out of the private economy and thereby choking expansion.

We do not hear much about "fiscal drag" any more. Apparently the liberal Keynesians, like Heller, who used to complain about it have decided it really is not such a bad thing after all for the Government to automatically pick up billions of dollars of new revenue each year without having to pass a tax increase. This way there is more money available for expensive new spending programs.

The truth is that increased spending does not adequately return to the economy this "fiscal dividend," which results because our tax rates are progressive, thus pushing people into higher brackets as the economy grows and they earn higher incomes. The problem is that incomes have been rising steadily not as a result of real economic growth, but because of inflation. This pushes people into higher tax brackets without increasing their real incomes and results in an actual decline in purchasing power. It also builds in a powerful disincentive to work harder, produce more, and invest in the future. This cannot be offset by increased Government spending, but only by a reduction in the tax rates.

By way of illustration, in the early 1960's only about 3 percent of all tax returns were subject to marginal tax rates over 30 percent. Today, nearly a third of all tax returns are in these higher brackets.

This is a phenomenon which is well documented. The Congressional Budget Office, for example, estimates that every 1-percent increase in the price level will bring about an automatic 1.2 percent increase in tax revenues—Background Paper No. 9, June 18, 1976, page 21. Thus the Office of Management and Budget estimates that given the projections for economic growth and inflation contained in the Federal budget for fiscal year 1978, median family income for a family of four would rise from $17,300 in 1976 to $28,460 in 1982. This would increase the percentage of Federal income taxes paid from 11.4 percent in 1976 to 15.8 percent in 1982, assuming no changes in present tax law.

The problem of inflation-induced increases in the tax rates is much more serious today than it was when President Kennedy announced his tax reduction plan. Consequently, the positive effects on employment, investment, and production which would result from an across-the-board cut in tax rates could be expected to be much greater today. President Kennedy, in fact, underestimated the benefits from his own program. He thought there would be an increase in the budget deficit from the cut in taxes but felt that this would be made up in the long run. As it turned out, the increase in productivity and economic growth caused an immediate increase in tax revenues after the tax cut which exceeded Treasury estimates for the next 6 years. The following table illustrates this:

[In billions]

Year	1963	1964	1965	1966	1967	1968	Total
Treasury-estimated revenue losses	—2.4	—5.2	—13.3	—20	—23.7	—24.4	—89
Actual revenue gains	+7.0	+6.0	+4.0	+14	+19.0	+4.0	+54

Note: Library of Congress study done at my request.

Of course, if one is to believe the public statements by President Carter and members of his administration, there is no reason why they should differ with these conclusions. Treasury Secretary Blumenthal, for example, has repeatedly spoken about the need for changing the tax system so that all income, including capital gains, would be taxed at a uniform, lower rate. He also believes that this would increase Government revenues:

The simple-minded notion underlying all this is that, if it works, I would hope that there would be a bigger pie, and higher levels of activity producing more revenue. You know, it's like the old joke in business—"we're losing money, but we'll make it up on volume." (Washington Post, January 23, 1977)

The New York Daily News recently analyzed President Carter's economic stimulus program and concluded that it is totally misdirected and, therefore, unlikely to produce any of the benefits it is designed to provide. The fundamental problem with President Carter's program is that it does not recognize the destructive effects that high tax rates have had on the economy. They are prohibiting the formation of capital, inhibiting new investment, and destroying the incentive to work and produce. It is no wonder that so many people are on unemployment when they cannot make enough aftertax income to be as well off as they are on transfer payments and unemployment compensation which, of course, are tax free.

A significant reduction in the tax rates across the board would not only create the capital that American industry needs to expand, but would reduce the cost of hiring new workers and create a greater incentive to work harder and get off unemployment. We need jobs, jobs that produce wealth and tax revenues not more Government jobs that consume tax revenues.

It is Professor McCracken's view that President Carter's program is essentially a "Rube Goldberg contrivance." He argues instead that permanent tax cuts would do far more to help the economy, both immediately and in the long run. As he put it:

The higher level of economic activity produced by tax reduction is a far more effective job creation program than public spending. It is more effective because it is faster and because the employment opportunities are less apt to be dead-end jobs. We tried tax reduction in 1954 and it worked. We tried it in 1964 and it worked. We tried it in 1975, and the fact that 4.2 million more people are now employed (88 percent of them in the private sector) strongly suggests that it worked once again. Because history is so clear about this, one has to suspect that those who stubbornly try to maintain this distinction between tax reduction and job creation have as their major objective simply a further expansion of political empires where both the newly created bureaucracy and the holders of public service jobs will be more explicitly beholden to government.

Mr. Chairman, one of the reasons most often cited as a justification for increased public works spending versus tax reductions to create jobs is that public works spending is supposed to work more quickly, because the jobs are created directly through Government spending rather than indirectly through the expansion of private industry.

I would argue, on the other hand, that the exact opposite is true. The effect of an across-the-board tax rate reduction would be immediate and substantial, while the evidence suggests that public works spending mostly just creates instant jobs for bureaucrats here in Washington. By way of illustration, an editorial from the Washington Star last Thursday reports that the total number of people hired as a result of the $2 billion public works bill passed 7 months ago is exactly 250 bureaucrats at the Department of Commerce to administer the program. The editorial further suggests that even when the money is finally distributed a large part of it will be going to areas that do not really have an unemployment problem.

Mr. Chairman, unemployment is intolerable and a better way to create jobs is to cut tax rates. If tax rates were reduced it would immediately lower the cost of hiring new workers by increasing take-home pay. This means that a company would be able to pay less to hire new workers without reducing their take-home pay. Furthermore, this would create billions of dollars of capital with which to expand productive capacity, which will not only create jobs but will increase the total supply of goods and services at the same time, which in turn will fight inflation.

By contrast, public works jobs are created very slowly, due to massive amounts of redtape, indeed, there are about $19 billion of projects right now in the paperwork process, and they must be supported by taxation on the productive element of society, or by borrowing which reduces the amount of private capital available for investment. Consequently, many people are now seriously question-

ing the assumption that public works programs are good ways to stimulate the economy.

Reducing tax rates would be the most immediate and effective boost to economic recovery of all the options open to us. It would stimulate output, the purchase of additional equipment, the construction of homes and factories, and the creation of more jobs at higher real wages. In short, reduced rates will combat both inflation and unemployment.

At lower tax rates, we would have a substantially larger private sector and an expanding tax base. The expanded tax base would more than offset the decline in tax rates, as it has done in the past, so that Government revenues would be higher, even as they fell as a percentage of gross national product. In fact, paradoxically, they would be higher because they were a lower percentage of GNP and therefore less of a drag on the growth of the productive sector.

The choice before us is so simple that it is hard to imagine anyone's not being able to see it. There are two ways to try to gain additional tax revenues: higher tax rates with less economic activity, on the one hand, or lower tax rates with greater economic activity on the other.

Higher tax rates stunt economic growth, and the amount of income available to be taxed, while lower tax rates increase economic growth and income. Congress should pass real tax reform by guaranteeing lower tax rates and thus assuring real growth, but it will not until the public demands it. Too many in Congress have opted for the "spend your way to prosperity" approach in the past because of their attitude that Congress knows how to spend the people's income better than the people themselves.

The CHAIRMAN. The time of the gentleman from New York (Mr. KEMP) has expired.

Mr. KEMP. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

Mr. HEFNER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. LATTA. Mr. Chairman, I move to strike the requisite number of words.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I rise in support of the substitute amendment of the gentleman from California (Mr. ROUSSELOT).

Mr. Chairman, I do not believe that a $70.3 billion deficit is the proper stimulus for our economy. Obvious realities of recent practical experience have proven that our Government can not spend us back to prosperity with borrowed and printing press money. If this approach really worked, New York City and the United Kingdom should be two of the most prosperous places on Earth. These two dismal examples not withstanding, we are today being asked to approve an additional $70.3 billion in deficit financed spending on top of our outrageous public debt. Is this how President Carter plans to balance the budget by the end of his first term? Does a $70.3 billion deficit look like a step in the direction of a balanced budget?

In my opinion, the substitute is a better way to go about increasing the purchasing power and stimulating additional productive jobs in the private sector of the economy where the real wealth of this Nation is and always has been. Large deficits only stimulate more inflation, more bureaucratic interference in the marketplace and greater dependence on Federal handouts. Have so many of my colleagues already forgotten that our present recession was caused by previous inflationary deficit spending.

The stress of the Congress should be on a balanced budget, lower Federal tax rates for all taxpayers, reduced Federal spending, and a smaller less expensive Federal establishment. I feel the stubstitute proposal is more likely to stimulate economic confidence, capital investment, consumption, new job opportunties and an expansion of the tax base than a tax rebate. It has happened every time that there have been major tax reductions enacted by the Congress and it can happen again. So I support the substitute of the gentleman from California as a move in the right direction.

Mr. LATTA. Mr. Chairman, I rise in support of the amendment.

I have listened very intently to the arguments all this afternoon, and as I indicated yesterday, I think it is a matter of philosophy. The majority believes in one philosophy, and on our side we believe in another.

Mr. Chairman, we believe on this side that the way to create jobs is through the proposal put forth by the gentleman from California (Mr. ROUSSELOT) and others, including myself.

After the last handout that this Democrat-controlled Congress gave the American people, the question arose, How long will it last? What will it do?

We got the answer. It did not last, and here we are right back before this House today with a similar proposal, except that this time we are are also going to hand $50 around to certain individuals whether they work or whether they do not, and whether they earn income or whether they do not earn income.

I think there is a tremendous flaw in this particular proposal, calling for $8,200,000,000 in the per capita $50 rebate, $1,400,000,000 for rebates in excess of liability, meaning they do not pay any tax, and $50 payments to the SSI at a cost of $1,800,000,000.

After the last so-called rebate, even people on social security saw through it and said, "This is cruel, we shouldn't do it." Some people sent the money back.

If we are interested in creating jobs this is not the way to do it. We have had one experience and it was a costly experience. Almost $8 billion went down the drain and we did not get much for it. Some of the people went to the grocery store once or twice and then the money was gone. Now they will get $50 and they will go down to the grocery store once and then the $50 will be gone.

Does one think that we will create jobs of a permanent nature through such a proposal? Hogwash. If Members are interested in politics, this is not the way to go because next year is an election year and the American people are going to be asking at that time, "What were the effects of your proposal this year that took us down that road of increasing the national debt?"

The people are becoming more aware of the national debt every day and aware of how much it costs them just to service that debt. They know that when we get up to almost $40 billion, which is the fourth highest functional category in the entire budget, just to service the national debt, they are unhappy about that. The American people can understand the meaning of such an expense, especially on April 15 when they pay up on their tax bill. They will be asking why.

Sure, we might buy time today. But, comes next year the question will be how successful was this plan? How successful was this plan to create permanent jobs?

That is what the people are interested in.

I was amazed to hear someone in the well, one of the members of the committee, say, "Why we want to pass out these $50 checks so people can buy automobiles."

How many automobiles are going to be purchased with $50 checks?

I remember the other time when we had this proposal before us, a couple of years ago. Some of the union members from the General Motors plant in my district came down here lobbying against a permanent tax reduction, lobbying against President Ford's proposal, because they said it was giving too much money to people who pay taxes. Imagine that—people who paid taxes.

I said to them, "Just 1 minute. You fellows are out of work today. If we follow this proposal outlined by President Ford maybe some of these people will get back some of the money they paid in in taxes. And then they will go out and buy a new automobile and put you boys back to work. Is that what you are interested in?"

They said, "Yes."

I said, "How many people do you think who are going to get this little handout are going to go down and buy new automobiles and put you back to work?"

Let me say to the Members that there in my office they saw through that trick. I repeat, they saw through that trick and they will see through this one.

I know that on the majority side you have the votes. That was decided last November 2. You can put through this House any plan you want to. But, let me say that there will be a day of reckoning and, hopefully, that will be next year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I intend to vote for the budget resolution but I strongly disagree with the assumption made by the Budget Committee in reaching its spending ceiling that Congress will approve recession of the fiscal year 1977 funding for the U.S.S. *Long Beach* conversion.

I believe Congress may well reject that rescission. It certainly is premature conjecture for the Budget Committee to presume this action if it were not for the fact that this resolution has absolutely no legal or binding impact on the House,

I would offer the appropriate amendment to the third concurrent resolution.

The House Appropriations Committee has this matter under consideration. The Budget Committee would have been better advised to await the actions of the Appropriation Committee which has jurisdiction over rescissions.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the proposed substitute amendment.

Mr. Chairman, I have the greatest respect and admiration for my friend the gentleman from California (Mr. ROUSSELOT) the author of this amendment, but I think it is ill-advised and ill-conceived.

I would like to remind the gentleman from California that the $50 rebate is not something new that the present Committee on Ways and Means conceived. It was conceived by the Ford administration several years ago, and it did its work several years ago. It did stimulate the economy. It does work. It does not last because something else had to be done besides a quick tax rebate. This time around in this recession we have added something else, namely a jobs stimulus package.

So, Mr. Chairman, it is all well and good to bring in the name of our former great President, President Kennedy, in this debate, when we had a permanent tax cut, but the economic situation is not the same; it is not the same at all. Many factors were different. Many factors are different. Among other things, President Kennedy did not tie the tax reduction in with a reduction in spending.

The Rousselot amendment would do two things. It would reduce individual income taxes in 1977 by $19 billion or $38 billion at annual rates to provide a 22 percent reduction in tax rates. As a pretty healthy taxpayer in this country, I personally would not mind the 22 percent reduction in my tax rate. It would be very nice for me, and it would be substantial, but I do not think it would contribute to stimulating the economy, nor do I think it would help to get the unemployment rate down to 6.6 to 6.8 percent as we are trying to do in this bill.

The Rousselot amendment would do one other thing. It would reduce spending by almost $14 billion in fiscal year 1977, removing all of the economic stimulus, the economic stimulus approved by the Committee on the Budget and supported by the President. It is wrong at this time to enact a permanent tax cut when a new President, President Carter, at this very moment is developing a general reform proposal for the entire tax system. Let us not prejudge the President. Let us give him a chance. Let us give him a chance to really look at the entire Internal Revenue Code and come up with a good reform proposal. A permanent tax cut of this size at this time would foreclose many of Congress' options in considering a much needed overhaul of our tax system.

Second, permanent reductions of 22 percent for all individual taxpayers would reduce the progressive nature—the progressivity nature, if you will—of our existing tax system, and we have enough regressive taxes in this country. The only progressive tax system we have is the individual income tax, and let us not take away from the progressive nature of that tax system. Obviously, a 22 percent reduction for those in the top income brackets means a great deal more to those taxpayers than to those in our lower brackets who would receive only a 2.5 percent reduction.

Third, the Committee on the Budget stimulus package represents a balanced approach to stimulating the economy. It is not a magic ward as was said yesterday, but it is a modest, reasonable, balanced approach providing temporary tax rebates to spur economic activity, and following with direct job-creating programs to continue the recovery as the impact of the rebates fades. Our experience with the 1975 rebates proposed by then President Ford was that temporary tax reductions without the follow-on of direct spending activities simply were insufficient to maintain economic recovery.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. GIAIMO was allowed to proceed for 1 additional minute.)

Fourth, the substantial spending reductions which the amendment would make would virtually offset the tax reductions, providing very little positive stimulus to the economy. As a result, I believe the deficit would in fact be a great deal higher than the $58 billion deficit proposed by the amendment because there is very little time for the tax reductions to stimulate the economy in this fiscal year sufficiently to recoup the immediate revenue losses proposed in the amendment.

This amendment should be rejected by the House and I urge all Members to oppose the amendment.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the majority has brought in a budget resolution along the lines of the recommendations made by the Carter administration for an economic package. I begin to wonder whether an economic package is necessary at all. In fact, I cannot understand why people do not look at the vital signs of the economy, as I do, and realize that unemployment is on the way down and all of the signs as far as business activity are concerned look good.

It seems to me the other side of the aisle is in the position of being like the man who took two pills and felt so good he decided to take the whole bottle. Of course sometimes that can be fatal.

I submit that right now our economy does not need this economic package. I further submit that if we do enact this legislation—and I think we will because the majority has the votes—it is not going to have any real effect on the economy as far as the jobs program is concerned until around the middle of this year or perhaps the first of next year.

All the signs continue to point upward, as I see them, then the impact of this program is going to hit about the time the economy is ready to take off like a big bird anyway.

The underlying problem in the economy, Mr. Chairman, is inflation. It is not recession, but inflation. And yet we are going to enact this resolution which will have the effect of causing another inflationary spiral in this country. It is the worst possible thing we can do.

If we are going to do something—and we obviously are—I plead with the Members to consider the amendment in the nature of a substitute offered by the gentleman from California. His proposal strikes the economy where it does have a weakness—that is in capital formation and in capital expenditure. The thing which a permanent cut will allow the people of this country to do within the free enterprise system is to move ahead, to increase the purchasing power over a long period of time, and to then plan to increase plant and production so that we can meet those demands which will be made on the economy. Goods will be sold, profits will be made, and jobs will be created, and we will be doing the things which I think the other side wants to do and which I share.

I am not saying I like high unemployment. It is currently too high. I would like to get it down as soon as we can. The best way to do it is through the tax cut. I do not know why the people on the other side cannot be convinced the situation is not dissimilar—it is not completely similar, but it is not dissimilar—to the situation when President Kennedy asked Congress to cut taxes and taxes were cut.

I think it has been amply demonstrated this is one of the most effective pieces of economic statesmanship which we have seen in this country in many a year. Why can we not do it again? Why not do the stimulating in this proven way by cutting taxes?

I think I could say these jobs which are going to be meted out will be meted out by the people who will be the administrators of the other party. I think I could point out there are 38 Democratic Governors around the country who will be looking very zealously toward handing out these jobs. I think I could yell "politics," but I will not. I am not going to do that. I think possibly there might be some such motivation but I will not say that.

But I will say the effect of this legislation will not only not be positive, but it will be completely negative. I think if this legislation passes the other side will look back and say:

> Gee, the economy did not look so bad and we are sorry we are in this inflationary binge—

Which we will then be in. And we will be back here again with some legislation to take care of that inflation. I hope we will not have to do it with wage and price controls, because I think that will be the worst possible way we can do it for this country.

Mr. REGULA. Mr. Chairman, will the gentleman yield

Mr. RHODES. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think it was Burt Lance who said:

> If it ain't broke, don't fix it.

That is what we are saying we will do here. We will fix what is not broken. I repeat:

> It ain't broke, so don't fix it.

tims of an energy disaster have the resources to meet their daily needs in a crisis period.

It gives the President authority to declare an energy disaster upon the petition of the Governor of the affected State, much like the present Federal Disaster Act.

This legislation allows the President to direct and allocate the use of all energy supplies, establish compulsory conservation programs, and set price ceilings for fuel supplies to protect consumers during an energy disaster.

The bill takes a critical step to aid individuals and families who are suffering from lack of fuel or who cannot afford to purchase it at rising prices. The bill creates an emergency energy loan program to provide people caught in an energy disaster financial assistance to acquire a basic level of fuel. It allows up to 75 percent of the loan amount to be canceled in cases of extreme hardship. In addition, to assist persons on low or fixed incomes who cannot obtain loans, the bill adopts the grant program from present disaster authority and allows for grants of up to $5,000 to meet energy expenses or other serious needs developing from an energy shortage.

Mr. Speaker, the Appropriations Committee yesterday heard testimony concerning the administration's economic stimulus package and the need for a $50 tax rebate to increase buying power. Yet in the same hearing we were informed that families need the $50 to help in meeting increased energy costs. The economic consequences of our present energy disaster are there to see for all who will take the time to observe. It is simply not enough to provide allocation authority for one energy resource. My office has been inundated with mail from senior citizens and people trying to make ends meet on low incomes or unemployment compensation—the realities are that they cannot pay increased gas, electricity or oil bills. Their livelihood, personal security, and even lives may be at stake unless we take action to provide a broad range of disaster aid.

PAY RAISE OBJECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. EDWARDS) is recognized for 10 minutes.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I strongly protest the nearly $13,000 pay raise that has been proposed for Members of Congress, and which many Members, through their passivity on this issue, seem ready, if not eager, to let be enacted. The justification for the raise is that salaries of Members should be adjusted to compensate for the rise in the cost of living. What this argument overlooks is that Members of Congress are largely to blame for that inflation, which has inflicted so many hardships on so many people.

The fiscal mismanagement which best characterizes the spending programs of the majority of Congress is in large measure the cause of the most pressing problem facing the American people. It is hard to ask the public to consider or support long-range solutions to other problems when the costs of food, clothing, housing, health care, transportation, and education continue to go up each year, at a much faster pace than the incomes of millions of Americans.

This pay plan proposes to reward Congress for doing an unsatisfactory job and, in the process, worsen the economy by generating still higher inflation. In the real world, one does not get a pay raise for causing harm to his employer. Instead, one is fired, demoted, or handed a pay cut. In the real world, salaries are proportionate to one's level of production. Members of Congress have not met that criteria, either. Most importantly, this pay raise would go against the overwhelming sentiment of the American public, which is outraged that we might grant ourselves this massive increase without so much as recording a vote.

Objections to this proposal are adequately stated in a recent editorial that appeared in the Daily Oklahoman. I would like to have it restated here, because I believe it captures the mood of many people who feel their Congress is ready to put self interest before public interest:

ANOTHER RIPOFF COMING

While average American families and businesses are struggling to stay even against the onslaught of inflation, it appears that Congress is going to feather its nest again with one of the biggest ripoffs of the taxpayers in history.

The only thing that can stop it is for an outraged public to inundate Congress with an overwhelming expression of disgust and disapproval.

For unless they get the message that their seats are in jeopardy at the next election if they go along with this raid on the treasury, congressmen will quietly follow the path of least resistance and gratefully grab the higher salary checks.

Endorsed conditionally by former President Ford and also by President Carter, the proposed new pay schedule for congressmen, top-ranking bureaucrats and the federal judiciary amounts to raises of more than 20 per cent. Congressmen and senators would go up from $44,600 to $57,500, with corresponding hikes throughout the executive-judicial structure.

The higher pay proposals are the work of a presidential commission which submits a report on federal salaries every four years. It is a quaint mechanism created by Congress to give the appearance of having its compensation objectively established.

All Congress has to do is accept or reject the recommendations. Naturally, the commission has never suggested that any salaries be reduced.

Much nonsense is being peddled to the effect that upper-level federal salaries deserve adjustment because they have been raised only 5 percent since 1969, while the cost of living has risen nearly 50 per cent in that period.

That's true, so far as it goes, but it is a deceptive and incomplete argument. It does not tell you, for example, that Congress voted itself a 40 per cent pay increase in 1969.

It also doesn't tell you that since 1964 congressional salaries have gone up more than 150 per cent while prices rose only 87 per cent in that same 13-year period.

Nor does it even begin to tell you how the "fringe benefits" have been sweetened—more office and expense allowances, more trips home, more long-distance calls, more tax exemptions, and a vote last year permitting them to earn an extra $25,000 a year on the rubber chicken and cold peas circuit.

They would have you believe the government is hard-pressed to attract and keep quality personnel at the current salaries. That is pure hogwash. Turnover in the federal government is far below private industry and there are droves of applicants for every available spot.

If you really think congressmen, bureaucrats and judges deserve this fat pay boost, fine. Do nothing and they will take it. But if you don't think they should have it, you had better let them know.

IN COMMEMORATION OF GEN. THADDEUS KOSCIUSZKO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, Gen. Thaddeus Kosciuszko Day is February 12, and this date marks the birth of the Polish soldier and statesman who entered the American Continental Army as a volunteer. General Kosciuszko gave invaluable assistance to our Nation during its first years as an independent country, and because of his services during the Revolutionary War, Congress bestowed on him the rights and privileges of American citizenship and the rank of brigadier general.

It is an honor for me to join with Polish-Americans in this commemoration and I extend my greetings to the Polish-American residents of the 11th Congressional District of Illinois which I am privileged to represent, the city of Chicago and the Nation as they pay tribute to General Kosciuszko and his dedication to the cause of liberty.

Mr. Speaker, an article on the contributions of General Kosciuszko to our country has appeared in the Saturday Evening Post, and at this point in the CONGRESSIONAL RECORD I insert this article by Maj. Ernest L. Cuneo:

GEN. THADDEUS KOSCIUSZKO, MASTER MILITARY MIND OF THE AMERICAN REVOLUTION

(By Maj. Ernest L. Cuneo)

It is one of the ironies of history that had General Thaddeus Kosciuszko been born with a name as easily pronounced as General Robert E. Lee, Ulysses Simpson Grant or John J. Pershing, his name would resound throughout Western civilization as one of the foremost military geniuses of all time.

But a name which is difficult to pronounce is almost impossible to remember. Phonetically, the name is pronounced Kos-Choose-Ko.

He was of the towering stature of a Hannibal, or a Caesar. Most Americans are quite unaware of the fact that the military genius of this man is largely responsible for the victory which gave America its independence. There are thousands of memorials throughout these United States to General Lafayette, General Pulaski, and General von Steuben; but the military giant who towered over them all goes unnoticed. Though the military was his first profession, Thaddeus Kosciuszko was a Renaissance man. He was a painter, an architect, a composer, a scholar and a philosopher. He was accepted as an intellectual equal by Jefferson; he was also

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the full time but I would like to address a question to the gentleman from California, who knows my support for the second round public works. My question is very simple.

In the committee report there is a line item for a spendout of half a billion dollars for the current fiscal year for anticipated public works. Is this in any way affected by the substitute amendment?

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, it is not. The public works project stay in place under this substitute resolution. We did not contemplate in any way removing that add-on of $500 million for stimulus in the public works field that the majority recommended be added in committee.

Mr. FISH. Mr. Chairman, I thank the gentleman and I would like to compliment the gentleman from California (Mr. ROUSSELOT) on his remarks, and I am particularly pleased that his clarification of available funds for public works; namely, that the total available funding for accelerated public works is included in his substitute amendment.

I agree with the logic expressed on this floor today that permanent tax cuts are the only method by which actual growth, employment, and economic stability can occur.

Mr. Chairman, we all know, however, that the budget resolution as proposed will pass. Actually, it does not provide for a tax rebate but for a revenue loss. I would hope, therefore, that the arguments made here today will be considered carefully as the work product of our tax writing committees is dealt with.

Mr. PICKLE. Mr. Chairman, I took the floor in July 1972 to discuss our congressional budget nonprocess. With a dozen other Members I sounded out views on the effects the Executive impoundment of appropriated funds was having on our constitutional mandate to control the Federal purse strings. Out of that discussion and others a general feeling spread that the Congress must reassert its responsibility over Federal funds. In 1974 the Congress passed the Budget Reform and Impoundment Control Act.

The important theme which ran through discussions, debate, and the bill itself was that responsibility and control run hand in hand. If the Congress is not responsible it will lose control.

Last fall we passed a binding budget resolution setting ceilings on expenditures and floors on revenues. It was hailed as a great and responsible step.

Now we propose to pass over that resolution with another—and possibly with yet another. Mr. Chairman, an economist buried under stacks of charts and reams of computer projections may understand why this is needed—but the American people will not, and should not.

I am concerned. I am concerned we Democrats are so happy to have someone down the street who speaks our language that we are not looking far enough down the road; we are not looking down the road to the many times we will need a strong congressional budget process.

The economy took a downturn, and we are about $6 billion short of our revenue expectations—but that is not the same as the $20 billion addition to our debt we propose to add today.

The severe winter did increase our troubles—but these budget increases were in the mill before bad weather hit. And we still do not know if the ultimate impact of this winter will be large or small.

Next summer we can expect hard times and energy shortages because of the drought—and next fall soaring food prices for the same reason. But we cannot keep piling on deficits while we wait for better weather or some other miracle.

Mr. Chairman, I voted in the Ways and Means Committee to report out the tax cut package asked for by President Carter. I offered an alternative, but it was not adopted. On final passage. I did vote for the bill, but I am not going to vote for this resolution today. I realize that seems contradictory.

I realize the economy needs a boost. We all realize it is not easy to turn down tax cuts. We also realize there is a strong tendency not to cripple a new President with opposition from his own party in his early days. I am as inclined as the next to give a new President a chance to set his style.

But I also worry about this Congress and its budget process. If we abdicate now—if we make light of the congressional budget and turn it from a farsighted economic program into a quarterly economic update—I think we will regret it.

We should not jump and jerk with each new wrinkle in the economic indicators. That is what we used to do. Our budget process was conceived in order to give us the foresight and depth of vision to provide for emergencies while fashioning a responsible and responsive economic policy.

Last fall "the fate of our economic future" hung on the Ways and Means Committee raising $2 billion in revenue. Now that same fate rests on the Ways and Means Committee cutting back revenues $13.8 billion. That does not make sense to me. It has no depth of vision to it, and I think it must stop. And I think it will stop because the members of the Ways and Means Committee are going to get tired of starting every year with a tax cut and ending it with a tax hike.

Mr. Chairman, this is the third time in less than 3 years that we have used, essentially this same procedure to stimulate the economy. Today we are raising the deficit approximately $20 billion to pay for that stimulus. I recognize that some stimulus may be needed, but I think others ways are more desirable. I offered a substitute in the Ways and Means Committee that would have raised taxes in certain categories and which would have raised enough money to provide for the jobs program—public service and public works. That was not adopted.

So, here we are again with the third budget resolution. We are paying for the stimulus by merely raising the deficit. This procedure does damage to our Budget Control Act, and we are meekly submitting to it.

Mr. HORTON. Mr. Chairman, I rise, with some reluctance, in opposition to the Rousselot substitute to the Giaimo committee amendment. The substitute calls for a tax reduction of $19 billion and reductions in budget authority and outlays.

Many of us, on both sides of the aisle, feel that the $50 rebate will not accomplish the goal of stimulating our Nation's economy. To the contrary, it is nothing more than a costly drain on the Treasury. That is why I welcomed the Republican initiative calling for a permanent tax reduction. I support permanent tax reductions in preference to the $50 debate scheme.

The Rousselot substitute, however, also proposes massive cuts in budget authority and outlays which would more than offset any stimulative impact from the tax reduction. By my calculations, budget authority would be reduced by some $42 billion while outlays would be cut by $13.8 billion.

Undoubtedly, there is sufficient evidence and reason to conclude that reductions in authority and outlays are necessary. But the haste with which these cuts were drawn up casts serious doubts on the wisdom of the outlay and budget authority figures contained in the substitute. Accordingly, I had no other choice than to oppose the otherwise responsible Republican substitute.

Mr. AMBRO. Mr. Chairman, I find myself in a very difficult and painful situation this afternoon as we are confronted with this third concurrent resolution on the fiscal year 1977 budget. First of all, I deeply regret the very necessity for this resolution. It is the direct outgrowth of a much slower than anticipated economic recovery—despite the continued assurances of the last administration during the Presidential election campaign last fall—and of the most inclement winter weather since colonial times. Nevertheless, it calls into question the whole process of the first and second budget resolutions which we proudly passed with such loud fanfare in the last Congress.

What particularly disturbs me about this particular budget revision is the easy acceptance of an over $70 billion deficit—an amount similar to the fiscal year 1976 deficit. I recall, with some sense of irony, how much we all bragged, during our own campaigns last fall, about the sharp cut that we carved out of the deficit and about our grand plans for a balanced budget within 3 years. Now here we are, faced with the task of approving the same deficit as 1 year ago. Frankly, I do not know what our constituents will think of this situation. Perhaps, unfortunately, they will feel that we engaged in deceptive practices last year. That would be a particularly unhappy situation, compounding the already sorry reputation that this branch of Government suffers in the public perception.

Finally, I wish to say a word about one part of the stimulus package; namely, the $50-per-person income tax rebate. I do not profess to be an economist, but it seems to me, that common sense indicates that placing $50 in the hands of most American adults will cost billions of dollars and accomplish little in terms of actually stimulating our sadly lagging economy. That sum of money is miniscule to each individual, no matter what the

income level, and will not lead to the purchase of those so-called big ticket items which will get our industrial capacity rolling again, That sum will only be spent for incidental type items which, while important in some households, will not, I think, accomplish the purpose that we have in mind.

Mr. MICHEL. Mr. Chairman, the interesting thing about this third budget resolution is that once again the majority, in its penchant for freewheeling spending, has exceeded the President's budget—but this time it is your own President. Even though choosing to spend at a significantly higher rate than his predecessor, his party in Congress, not to be undone, simply ups the ante and does him one better?

Is there any reason to doubt, then, why the Democratic economic package does not include a permanent tax cut of any consequence. It is evident in the makeup of this budget resolution—that you need the money in order to carry out your philosophy of expanding the role of Government even more.

The purpose of this resolution is to provide for a program to deal with our unemployment problem, but for the most part it provides the wrong tools, in the wrong amounts, at the wrong times, and all at a tremendous cost to the taxpayers.

During the past 2 years we have finally been able to establish a steady economic course which has enabled us to substantially reduce the rate of inflation while at the same time pulling us out of the recession. What we need is an economic program that will continue this steady course by providing a gradual stimulus without reigniting the inflationary spiral. Instead what we have here is a hodgepodge of hopeful remedies that will produce sudden jolts and shocks to the economy and cannot help but result in a return to the wild economic swings of the past without significantly impacting on the unemployment problem.

Steady economic progress would be best served by a permanent tax cut resulting in long-term tax reductions and gradually expanding employment.

Mr. Chairman, I support the substitute amendment proposed by the gentleman from California (Mr. ROUSSELOT). The tax cuts of 1962 to 1965 proposed by President Kennedy are ample proof of the effectiveness of permanent tax rate reductions. The effect of these cuts in the marginal tax rates did not result in higher deficits, but rather, as the gentleman from California (Mr. ROUSSELOT) and the gentleman from New York (Mr. KEMP) have already demonstrated, boost the GNP and increase employment. Increased employment in turn expands the tax base and the result is a net increase in revenues. The result of these revenue gains from an expanded tax base show clearly that tax rate reductions provide a program for stimulating the economy that does not require deficit spending. The adoption of a permanent tax cut of this kind would produce a smaller deficit than President Carter's program and could provide over the long run sufficient revenue to pay off some of our huge national debt.

Instead, we get a one-shot tax rebate which will give our citizens only temporary relief and will only temporarily expand the economy. The Congressional Budget Office itself states that two-thirds of the jobs created by the rebate will fall by the wayside next year unless followup permanent tax cuts are also provided, and certainly the limited increase in the standard deduction does not measure up as effective permanent tax reduction.

Steady economic progress requires a level of spending that will not result in new inflationary pressures. Instead, what we have is a proposed $20 billion increase in the budget deficit, resulting in a record deficit of over $70 billion. Many economists are clearly worried over the impact a deficit of this size, coupled with a deficit of nearly equal size proposed by Mr. Carter for fiscal 1978, will have on interest rates and the availability of private capital needed for business expansion.

We are faced with a deficit of this size because the spending components of this package are excessive and do not represent the most cost effective means of putting people back to work.

The public works approach to job creation is a glaring example in this regard. The committee report itself admits that each new job will cost a whopping $25,000 and I am glad to see this report finally puts to rest some of the myths that have been spread about regarding the job creating potential of this approach. Proponents have been claiming that each $2 billion will create upward of 200,000 to 300,000 jobs. It might create this number of jobs if you count jobs of 3 days' duration, or a week's duration, or a month's duration, as is typical for jobs on a construction project. When these jobs are put on a man-year basis, however, we find that each $2 billion will only create an additional 80,000 man-year jobs. And this includes both direct and indirect jobs. In addition, many of these jobs are not likely to come on board until 18 months to 2 years from now when the needs may not be the same and the effect will be to further stimulate inflationary pressures.

Yet, instead of discontinuing this ineffective approach which discriminates in favor of construction workers, the Democrats in this body are asking to double even the President's request.

But this is not the extent of high cost jobs in this resolution. The recreation jobs provided for will cost $15,000 per man-year; railroad and highway construction, $25,000; and countercyclical assistance, $25,000.

When you add to this $269 million in excess of the Carter proposal for EPA construction reimbursement, which provides no jobs, and $300 million over the Carter recommendation for job training, with little concern evidenced over the job-related effectiveness of such training, it is easy to see why we are facing a $70 billion deficit.

Even when we view one of the few components in this package which are reasonably cost-effective—the public service jobs at $8,300 per man-year, we see that the committee's main concern is how quickly they can get the jobs funded and not how effectively the jobs can be established so that they fully meet the goals of the law.

We have seen what the program embodied in this resolution does; now, what does it not do? Most importantly, it does not address the unemployment problem on a long-range basis. It does not address the question as to whether our economy really has the capacity to provide jobs for everyone who wants to work without substantial inflation. It does not take into account the increased percentage of our work-eligible population who are seeking work, particularly secondary breadwinners. It does not address the question of more effectively tying job training to jobs available in order that these jobs can be filled. It does not deal with the problem whereby people choose to take unemployment or welfare benefits rather than take less than desirable or unsuitable jobs. It does not deal with the question of the 2 to 3 million jobs held by illegal aliens.

Mr. Chairman, this budget resolution ought to be sent back to committee with instructions to develop a more effective, long ranging, and responsible approach to our unemployment problem. The new resolution ought to provide for an employer tax credit on an experimental basis. It ought to limit funding for job training to experimental approaches designed to better tie training to actual jobs available. It ought to provide for a permanent tax cut rather than a tax rebate. It ought to call for the enactment of legislation making the employment of illegal aliens illegal, thus making this an integral component of a job creating program by opening up at least a million jobs to unemployed Americans. It ought to call for a comprehensive study, in close cooperation with the American business community, as to the long-range capacity of our private sector to provide jobs for everybody who wants one, and the steps that may be needed to accomplish this.

In conclusion, Mr. Chairman, I urge that we reject this resolution and then set about to draft a better one.

Mr. LEGGETT. Mr. Chairman, I take this time to strongly urge the Committee of the Whole House to support the shipbuilding recission of $452.6 million as recommended by the Committee on the Budget in the report on the third concurrent resolution for fiscal year 1977.

In essence, this reasonable course of action will rescind $371 million in proposed budget authority for long-lead funds—which have not yet been obligated by the way—to convert the U.S.S. *Long Beach* to an Aegis ship. In addition, $81.6 million out of a total $350 million in proposed budget authority which was programed for construction of the CVN–71 for nuclear-powered carrier is recommended for rescission. The remaining $268.4 million has already been obligated to procure nuclear propulsion components—including reactor vessels—which will now become a spare set for the three *Nimitz*-class carriers already authorized and funded.

Although we may have good reason to ultimately modernize the *Long Beach* and may very well need an additional large-deck, nuclear-powered aircraft carrier in subsequent years depending

upon future net assessments and clarification of primary Navy missions, now is not the time to charge full-speed ahead with such efforts. Indeed, two Presidents and two Secretaries of Defense from two different parties have agreed on the general direction of naval air power and priorities for Aegis deployment implied in these shipbuilding recissions.

Most importantly, however, a number of sound reasons presently militate against undertaking these two programs in fiscal year 1977, the least of which is a revised deficit of $70.3 billion. Related to this rather gargantuan deficit for fiscal year 1977 is the fact that we find we can no longer have everything at the same time. Even the Chief of Naval Operations has recognized this inescapable fact. In testimony before the Defense Subcommittee of the House Appropriations Committee last week, he stated that while he supported all three ships being proposed for the Aegis suit (the *Long Beach*, DDG–47 class, and the Strike Cruiser), he felt there were not enough dollars available to proceed simultaneously with all three programs. With respect to cancellation of the CVN–71 in this year's shipbuilding program and inclusion of two new design CVV's in the 5-year defense plan, such a course of action will permit us to keep our options open for the future without obligating substantial funds, and to insure that we possess adequate planning flexibility to respond to as yet evolving threats through exploration of new ship concepts and designs. Moreover, we have neither precluded the option to add this nuclear carrier to the fleet in subsequent years nor encouraged potential delays in delivery by our actions since the long-lead nuclear propulsion components are still on order—albeit as spares. Lastly, questions abound concerning difficulties with private yards and lack of inclination to undertake such construction projects as long as claims against the Navy remain unsettled.

I would now like to elaborate upon each ship-type recission separately before sharing some general concerns regarding the apparent lack of vision and specific, well-defined objectives in our overall naval shipbuilding program and current problems with private shipbuilding yards which may prevent us from realizing desired Navy general purpose force levels in the not too distant future.

Let us first turn to the *Long Beach* conversion rescission. The rationale behind this rescission revolves around some important considerations. As our first nuclear-powered surface combatant, the *Long Beach* is already a rather tired ship having been in commission since 1961. Indeed, it would be over 20 years old by the time the proposed *Aegis* conversion is completed in 1982. It is also a one-of-a-kind ship presenting singularly unique backfitting problems. In addition, it is generally felt that it is more risky and expensive to build Aegis into an existing ship than to design it into a new ship class. Moreover, Aegis will in all likelihood get to sea more quickly on the first DDG–47, and is expected to remain in service at least 5 years longer. Modernization and conversion of the *Long Beach* is designed to stretch service life an additional 25 years; the DDG–47 should have a normal life-cycle of 30 years. And in general, the estimated cost of the DDG–47 platform is less expensive for about the same defensive effectiveness. Once lead-ship development costs have been absorbed for the DDG–47, the nine follow-on ships will cost approximately $652 million each as opposed to an estimated $783 million plus for modernization and conversion of the *Long Beach* to an Aegis platform. Thus, on February 17, 1977, in the face of such overwhelming evidence. Admiral Holloway stated that in his judgment, development of the DDG–47 and a modern nuclear Aegis ship had a much higher priority than conversion of the *Long Beach*. I fully agree with his estimate of the situation. In any event, the *Long Beach* will not soon be lost from current inventories, since the administration plans to request a more modest total of $261 million for modernization in fiscal years 1979 and 1980.

Turning now to the second rescission which in effect cancels construction of a fourth *Nimitz*-class nuclear-powered aircraft carrier and includes a new carrier-type in the 5-year defense plan, I agree in principle with the Secretary of Defense that we need to explore new technologies in ship, missile, and aircraft systems which may offer prospects of fulfilling sea-based air requirements at the lowest possible cost through a combination of nuclear and nonnuclear capabilities. According to recent cost estimates, the CVN–71 was expected to cost about $2.3 billion as opposed to an estimated $1.2 billion for the first nonnuclear CVV and approximately $900 million for a follow-on ship—all estimates in 1979 dollars.

As you may already be aware of, the CVV is a new nonnuclear carrier-type, smaller in total tonnage, designed to provide a future V/STOL aircraft platform while retaining a respectable conventional aircraft launching capability in the near term. At 40,000 to 50,000 tons displacement, the new CVV will initially carry 50 to 60 fixed-wing aircraft. The CVN–71, on the other hand, is designed to displace about 90,000 tons and carry between 85 and 90 aircraft. Thus, for approximately the same costs, we can have either one CVN–71 with 85 to 90 aircraft or two CVV's with a total capacity ranging between 100 and 120 aircraft. Although I have some reservations about the efficacy and wisdom of continuing to construct large fossil-fueled surface combatants, the bottom line is that cancellation of the CVN–71 and inclusion of two CVV's in the 5-year defense plan means that we can have more—although possibly less versatile—ships with greater net firepower available over a broader expanse of the world's oceans and a greater residual force after a specified number of combat losses. Moreover, we are keeping our options open while simultaneously moving ahead in the planning stage toward development of new ship-types. In any event, we still have time next year—and the year after—to revise this decision if it is deemed that we in fact need a fourth nuclear-powered carrier since lengthy leadtime nuclear propulsion components will still be on order.

I would now like to share with you a misgiving I have with respect to the general thrust of our overall shipbuilding program. I am concerned that we in the Congress have seen four separate and distinct naval shipbuilding programs from the executive branch in the last 13 months. Moreover, recent hearings have pointed up the fact that even within the naval establishment itself, a lack of consensus exists as to the primary mission of Navy general purpose forces. More importantly, however, is the general lack of vision reflected in these four previous shipbuilding programs as to how present and proposed naval forces relate to their primary mission. Therefore, I feel that we must look more closely at where our shipbuilding program is taking us, and insist upon clearly defined objectives and justifications before embarking on a massive shipbuilding effort.

This leads to the last point I would like to make and that is after we have finally resolved the issues surrounding an optimal shipbuilding program, just where can we reasonably expect to build additional ship acquisitions in the future—particularly if they are nuclear. Central to the question of CVN–71 construction is where the ship will be built, and when it can be delivered to the Navy. Newport News is the only private shipyard that presently has the facilities, skilled manpower, and experience necessary to undertake the complex task of constructing a nuclear-powered aircraft carrier. However, I am concerned that in this very same yard, the *Eisenhower* (CVN–69) is currently 2 years behind schedule, and the *Vinson* (CVN–70) is only 17-percent complete at the present time thereby quite possibly placing in doubt its scheduled delivery to the fleet in 1980. Moreover, while the recent settlement of the Newport News claims on the CGN–36 and CGN–70 have been encouraging, the overall claims dispute between Newport News and the Navy is far from settled. Indeed, management has refused to take on additional nuclear surface ships until all of these claims are settled satisfactorily. This is particularly troubling since Newport News is presently the only yard—public or private—constructing nuclear surface ships in the United States today. Turning to the possibility of constructing large-deck carriers at public yards, only the Puget Sound Naval Shipyard's drydock No. 6 is large enough to accommodate such ships. Lack of sufficient lift capacity, efficient yard layout and steel handling capabilities, and a readily available labor supply in the Bremerton area argue against authorizing construction of a ship comparable to a *Nimitz*-class carrier at the Puget Sound Naval Shipyard anytime soon.

Regarding the construction of nuclear-powered submarines, only two yards presently build such vessels. Electric Boat builds the bulk of our nuclear submarines with Newport News providing a much smaller number. Here, too, delivery lags are very real and widespread. The SSN–688 program at the Electric Boat shipyard was running an average of 11

months behind schedule before the start of the 154-day strike last year involving 10,000 of its submarine workers.

In conclusion, Mr. Chairman, I strongly support the shipbuilding recissions as recommended by the Committee on the Budget since they provide us with both balance and flexibility, and permit us to keep our options open. I would also like to thank you for this opportunity to share my first genuine concerns about the overall thrust of our current shipbuilding program, and questions over our existing nuclear shipbuilding capacity.

Mr. MATTOX. Mr. Chairman, I rise in support of the third budget resolution. As a member of the House Budget Committee I also want to personally commend the chairman of our committee, Mr. GIAIMO, for his leadership and his hard work, and to thank him for that special quality which he has brought to the committee, which while providing direction, still allows each of us on the committee to express our own ideas and to work for our own points of view.

In regards to the third budget resolution, now before us, it will raise our expenditure ceilings and lower our revenue floor to accommodate measures necessary to stimulate our economy.

I do not think there is any question that stimulative action is necessary. Our committee heard testimony from leading economists of various persuasions, both liberal and conservative. The actions recommended, including tax incentives and direct job creation are necessary.

The facts are these: Over 8 million Americans are unemployed and millions more are underemployed or on part-time jobs. Our productive capacity is not being fully utilized. The latest estimate is that only 80.5 percent is operative. The growth rate in our economy for the last quarter was less than 4 percent which means there will be no reduction in unemployment.

Obviously, those of us responsible to the American people cannot allow this situation to persist. I do not believe that Federal spending solves all of our problems, but in this instance, some direct action is almost mandatory.

To begin to solve these problems, and that is all we can do, is to make a beginning—we do not offer a panacea—our resolution contains funds to create jobs. I particularly approve of that portion which works through the private sector because it operates as a compliment to the free enterprise system. Frankly, I have some problems about the creation of public service leaf-raking jobs, but these incentives for businessmen to hire new employees, particularly since they are directed at the small businessman in a fashion that assists without interference, offer the best approach.

I do want to make one point clear, however, and that is although I am against Federal spending in areas where I feel the private sector could do better, I do feel that there are certain human needs that must be considered. An unemployed person undergoes almost incalculable suffering, both psychologically and financially. To me 7.3 percent unemployment means that 8 million people are undergoing severe hardship—hardship that has been heightened by the severe winter weather. That is why I can support recommendations for accelerated public works, public service jobs and countercyclical assistance to the areas hardest hit by unemployment.

As a member of the Budget Committee, I view my task to curb excessive spending and to promote fiscal responsibility. I believe in what this third budget resolution will attempt to do for our economy and I believe that the direct and positive action provided for is necessary. I urge my colleagues to support the resolution.

Mr. AMMERMAN. Mr. Chairman, I rise in support of House Concurrent Resolution 110, the third budget resolution for fiscal year 1977.

It is clear to me that action to spur our lagging economic recovery is badly needed. And the effects on our economy of the severe winter weather and fuel shortages, which have crippled the Northeast in general and my home state of Pennsylvania in particular, make such action doubly necessary.

The economic recovery has proceeded at a considerably slower pace than was anticipated by the 94th Congress. The goal of the second budget resolution, adopted last fall, was a reduction in the Nation's unemployment rate to 7.1 percent at the end of 1976 and 6 percent at the end of 1977. With the unemployment rate hovering at 7.8 percent this past December, however, that objective is far from being realized.

Furthermore, the impact of this winter's weather can only be to compound the already serious problem posed by the slow economic recovery. There have been estimates that as many as 2 million people have been thrown out of work by fuel shortages, plant closings, and related dislocations. While it is too early to analyze with precision the ultimate economic effects of the winter of 1976–77, there are projections that it will cause a decline of $5 to $10 billion in real GNP and an increase of between 0.2 and 0.7 percent in the unemployment rate. And I would note that these economic effects are concentrated in Pennsylvania, New York, Ohio, and the other States most severely affected by the weather crisis.

The economic stimulus package reflected in House Concurrent Resolution 110 is closely modeled after, though slightly larger than, that proposed by President Carter. The committee version would provide a total of $17.3 billion of additional spending and revenue cuts. The $13.8 billion of tax cuts and rebates is the same as that proposed by the President. Direct spending on job creation would be $3.5 billion, some $1.3 billion more than recommended by Mr. Carter in his recent budget revisions. This relatively small spending increase may not be sufficient to compensate for the economic effects of our severe winter.

Mr. Chairman, I am most reluctant to endorse the addition of $17 billion more to the Federal deficit for fiscal year 1977. But I feel we have no real choice. For even with this infusion of spending power into the economy, unemployment is projected to be 6.8 percent at the end of 1977. And it would still be 6.1 percent at the end of 1978, which is above the level previously projected for the current year.

I believe we will only be able to get on the road toward fiscal responsibility and a balanced budget when we can bring unemployment down to more tolerable levels. We must keep uppermost in mind that, not only is unemployment very costly in direct budgetary terms—$15 to $20 billion of unemployment insurance, food stamps, and related costs for every 1 percent of unemployment—but it also costs us a great deal in terms of lost national product and tax revenue. I support House Concurrent Resolution 110 in large measure because it represents a step in the direction of reducing those costs to acceptable levels.

Some contend that this legislation does not go far enough in the way of job creation programs. Others say it goes too far in the direction of expanded Federal deficits.

My conclusion is that House Concurrent Resolution 110 represents a balanced, responsible course of action. In the fact of a demonstrably slower recovery, it was essential to act, but equally essential not to overreact. That is what our committee has done, and I urge my colleagues to support the product of their efforts.

Mr. McKAY. Mr. Chairman, as we debate the third concurrent budget resolution with its substantial job-creating programs, it occurs to me that we may be overlooking an opportunity to create jobs with military public works. Many of the proposals included in todays stimulus package, will not come on stream for over a year. The same delays would not occur in making funds available for carefully planned military construction projects.

There are a sufficient number of needed military construction projects in the advance planning stage, that $500 to $600 million worth of construction could be let by the end of this calendar year. A program of this magnitude would generate 35,000 to 45,000 direct construction jobs and at least an equal number of related jobs.

Such a program would not even have to wait for the end of this year. The Army estimates that it could enter into contracts for $30 million in construction by June 30, and additional $44 million by October 31, and an additional $88 million by December 31. The Navy could do a similar job: $30 million by June 30, an additional $70 million by October 31, and an additional $80 million by December 31. The Air Force could provide military construction projects totaling $136 million and family housing projects totaling $55 million this year.

It seems to me, Mr. Chairman, that Congress would do well to look to those programs already in place to supplement new public works programs included in the third budget resolution.

Mr. ASHBROOK. Mr. Chairman, I rise in strong opposition to House Concurrent Resolution 110, the third concurrent resolution on the budget. This resolution calls for more of the same reckless deficit spending that has created and sustained our problems of inflation and unemployment.

During the 1976 elections there was a lot of campaign rhetoric about the need to cut Federal spending and start balancing the budget. The message on the lips of most politicians was that the Federal Government had been spending too much for too long. The remedy was clear: Reduced spending and balanced budgets.

Despite all the campaign promises, it looks like it will be politics as usual when it comes to the budget. Our Nation is in store for more spending, larger deficits and bigger Government.

The third concurrent resolution calls for $482.3 billion in budget authority, and outlays in excess of $418 billion. This would leave a deficit of over $70 billion. The second resolution's projected deficit of $50 billion was bad enough without increasing it by another $20 billion.

A large part of the deficit is the result of new efforts to stimulate the economy. The resolution recommends $4 billion for accelerated public works projects. Another $7 billion would be added to CETA public service jobs. Billions more are slated for countercyclical assistance, tax rebates and other programs.

Such pump-priming is a serious mistake. Massive deficit spending is simply not the way to guarantee a healthy economy for the United States. Since the early 1960's we have run up increasingly large deficits. If the advocates of deficit spending were right these large economy-stimulating outlays should have long ago brought us prosperity. Can anyone seriously say this has happened?

Nevertheless, many of my colleagues still believe in the liberal economic myths of the past. They cry out for more spending, more public works projects, and more public service jobs. I am sick and tired of hearing a retread of the same economic views we have heard for 40 years. They were wrong then and they are still wrong today. They only bring increased inflation and higher unemployment.

The use of Federal spending to stimulate the economy has even been challenged by Prime Minister James Callaghan of the Labor Party government in Great Britain. According to Callaghan:

> We used to think that you could spend your way out of a recession . . . I tell you, in all candor, that that option on longer exists, and that insofar as it ever did exist, it only worked by injecting bigger doses of inflation into the economy followed by higher levels of unemployment as the next step. That is the history of the past twenty years.

Will the United States have to go the way of Great Britain before we learn this economic lesson? I certainly hope that this will not be the case. I would again remind my colleagues that the best way to build a strong economy is for Congress to slash Federal spending and work toward balancing the budget.

No, Mr. Chairman. The stimulus package offered in the third concurrent resolution is no solution to our economic difficulties. A better approach is that taken by the substitute concurrent resolution. This alternative proposal calls for an across-the-board reduction in individual income tax rates.

Permanent tax rate reductions will strengthen the private sector of our economy. They will create new and meaningful jobs by directly stimulating investment. This in turn will expand the tax base and provide more tax revenues, helping to offset any loss in tax dollars. Consequently, this approach will not have the inflationary impact of the third concurrent resolution.

I support the substitute concurrent resolution and I urge its adoption.

Mr. LEVITAS. Mr. Chairman, last year I voted in favor of the second—and what I thought would be the final—budget resolution for fiscal 1977, October 1, 1976, through September 30, 1977.

At that time, I had praise for the budget process itself which allowed Congress to regain at last the whip hand over the Federal budget, and praise for a resolution which at least had made a start in reducing the increase of outlays and the corresponding Federal deficit. Most importantly, the new budget process undertook to set limits in advance on spending and deficits. That is an essential starting point.

I still feel that the new budget process, and the limit it put on spending in the second budget resolution, is essential to get a grip on Federal spending, save the taxpayers' dollars, fight inflation, and move toward the fiscal responsibility of a balanced budget. This must be our goal. One way to achieve the goal of a balanced budget is a bill I introduced on January 19, House Joint Resolution 167, proposing an amendment to the Constitution of the United States requiring that the budget be balanced. Considering this country's recent history of deficit financing, it would appear that only by constitutional amendment will we get back on track and live within our means.

Instead, much to my dismay, we are now faced with a third budget resolution, ostensibly to give the economy a boost and to provide much-needed jobs. I am deeply concerned about the problems of unemployment and the plight of those who are unable to find work. This plight of unemployed persons must be solved in economic and human terms as well. But, I am also deeply concerned about the ravages of inflation that affect those, like the elderly, who must live on fixed incomes and who watch their already tiny pittances melt away into nothing as prices continue to rise. Excessive deficits contribute to that inflation.

What good is it to set budget limits—necessary, important, justifiable limits—if we are not willing to stand by those limits, as hard as it may be to do so?

While these limits are obviously not inflexible, I feel that only under extraordinary and unforeseen circumstances should they be lifted. By extraordinary circumstances I mean strikes, a deepening recession, foreign developments over which we have no control, or, as we have seen, the results of an unpredictable, devastatingly cold winter and a natural gas shortage that seriously affected the economy and resulted in closed businesses and industries, layoffs of workers, and a decrease in productivity. This cost us dearly. We must deal with this problem and I am willing to do so. We must. But we do not have to kill the patient to cure his flu. We do not have to wreck the budget limits to accommodate the needed increases to deal with this problem.

The President proposed an increase in the budget limits for economic stimulus and dealing with the distress caused by the winter. I might have considered that proposal as having some merit. Regrettably, however, the Budget Committee's bill exceeds even the President's request.

Nevertheless, we are being told that there has been an extraordinary overall slowdown of the economy during the past 6 months. Yet, the Bureau of Labor Statistics figures show a cost-of-living increase from October 1976 to January 1977 of only 1.1 percent and a drop in the unemployment rate from 7.9 percent in October 1976 to 7.3 percent in January 1977. Apart from the weather, the economy was coming around, and we had before us the opportunity in the 1978 budget to provide any needed additional economic stimulus that might be required.

Despite the ravages of the harsh winter, and large amounts of Federal disaster aid funds being utilized in the hardest hit areas, it would seem that the economy is not in such dire shape as to necessitate, in the current fiscal year, this overly stimulative raising of our previously set limits for the current fiscal year. Some upward adjustment may well be needed because of the unexpected winter, but I do not believe it require a wholesale sacking of the budget we pledged to observe.

What we do as we approach next year's budget for fiscal 1978 remains to be seen. I want to keep my mind and options open. We are working on that now, and I trust we will arrive at meaningful and effective goals and limits. Again, let me reemphasize "limits."

Therefore, I will stick by my guns and stick by the budget—as we passed it last year—except where changes are inescapable because of the gas shortage or for other reasons. I will support, at this time, only those limited budget adjustments which are to compensate for the problems resulting from the gas shortage, and the winter's toll.

It is easy to spend money.

It is hard to hold the line.

Nevertheless, we must hold the line.

Mr. STOKES. Mr. Chairman, with hesitancy I rise in support of the third concurrent budget resolution for fiscal year 1977. The extent to which we as a nation have lost perspective on economic issues is revealed by three rather dramatic facts:

First, there is very strong agreement that, given the enormous slack in the U.S. economy, even a substantially larger stimulus package than that proposed by President Carter would not be likely to generate serious inflationary pressure—yet this is lost sight of in the vast majority of public discussions of the issue;

Second, moreover, in an economy which will approach $1.85 trillion, the relative scale of the stimulus package being proposed is small when compared even with the recommendations of conservative economists—and extremely modest when compared with what was

not considered exceptional during the Kennedy-Johnson period;

Third, finally, while a rather tepid debate on whether a few billion more should or should not be added to a $15 billion per year package in an economy experiencing 7.9 percent unemployment, we seem to have forgotten completely that it was thought appropriate to use almost three times this relative weight of effort in the Kennedy-Johnson period when employment was only 5.2 percent.

A broader view of our economic problems and possibilities would begin with a more historically grounded sense of proportions. It would include a positive attack on inflation related issues, rather than a passive quiescence in structural and other sources of price rigidity. It might also aim simultaneously to meet unfilled social needs and begin to deal with such deeper issues as conservation and local citizen participation.

In an economy which is experiencing 7.9 percent unemployment by official statistics—and probably 10 percent if all those who would like to work full time but cannot find full-time jobs are included—and at a time when we are running at very low levels of capacity utilization in most industries, it is absurd to argue that serious efforts to provide decent jobs over the next 2 years are likely to be the primary cause of significant inflation. Inflation can be a problem—but it is not the overriding problem now, nor is it the dominant issue facing us in 1977.

Nor for that matter, if we adopt appropriate approaches both to job creation and inflation reduction, need it be a major concern as we move toward higher levels of full employment. Charles Schultze, the new Chairman of the Council of Economic Advisers, recently pointed out that most current inflation is the result of past "momentum" and has little to do with job stimulation efforts; he has repeatedly stated his view that a 5½ percent unemployment rate is achievable without unbearable inflation. President Carter has stated that his goal is 4 percent unemployment; and a very significant part of the Congress urged a 3 percent adult target in the first version of the Humphrey-Hawkins legislation, a goal also stated in the Democratic platform. Many European nations and Japan have maintained 2 percent unemployment levels for sustained periods without significant inflation.

SOURCES OF INFLATION

Most expert observers understand that the major source of recent unusually high levels of inflation has not been the pressure of stimulation or pressure on employment, but rather special circumstances related to severe increases in food and energy prices over the last 4 years. Food prices increased 48 percent in the period 1972–76; energy prices went up 64 percent for gasoline and motor oil, 119 percent for fuel oil and coal in the period January 1973–November 1976. Both these extraordinary shifts were caused virtually entirely by unusual world political and weather conditions. Although there may be some energy and food price increases in the coming years, in neither case is there likely to be anything like the staggering jolts experienced over the last 4 years. Thus, the two major causes of unusual inflation are likely to be substantially moderated over the coming period.

Moreover, as the research of Secretary of Labor Marshall and others has repeatedly demonstrated carefully designed and sharply focused job creation measures can reduce unemployment in the so-called secondary labor markets without significantly increasing pressure against wages in other markets. Especially given the enormous slack in the economy, and in the secondary labor markets, job creation efforts, targeted at specific populations and specific groups are not likely to intensify wage inflation unless we reach extremely high levels of full employment—a situation, unfortunately, that is not likely to occur over the next 2 to 3 years.

SCALE OF STIMULUS PACKAGE

Some observers have argued that a stimulus package much larger than the proposed $15 billion per year for 2 years would be inherently inflationary. They have criticized a $30 billion 1 year package proposed by the AFL–CIO and the congressional Black Caucus. Though issues of implementation do need to be clarified, criticism related to so-called inherent inflationary impact has little basis in reality; it is often simply an oversimplified, knee-jerk reaction to obsolete rhetoric about excessive spending. It also represents political fears that the business community might lose confidence in the Carter administration. Even Paul McCracken, President Nixon's conservative Council of Economic Advisers' Chairman, has proposed a $24 billion stimulus package. That proposal is $7 billion more than the third concurrent budget resolution that was passed in the Budget Committee.

The fact is that even a 1 year $30 billion effort, as measured against an economy which it is estimated will be over $1.85 trillion in 1977, would be a far smaller percentage effort than the stimulation created in the Kennedy-Johnson effort of 1964 and 1965.

The 1964 tax cut of $8.3 billion amounted to 1.31 percent of a $635 billion GNP. The $15.2 billion 1965 cut amounted to fully 2.21 percent of a $688 billion GNP. The newly proposed $15 billion package measured against a projected GNP of roughly $1.85 trillion amounts to a relative impact of a mere 0.81 percent only a bit over a third the impact of the 1965 stimulus. Even if the proposed $15 billion package for 2 years were doubled to $30 billion for 2 successive years, the first $30 billion would be less, relatively, than the 1965 stimulus—and the second $30 billion would be measured against a still larger GNP, and would accordingly amount to a still smaller relative economic "kick." In fact, it would require roughly $37 to $40 billion in stimulus to equal the 1965 ratios in today's economy, and more still in 1978. For that reason it is difficult for me to support a $17.2 billion stimulus program, $13.8 of which is a tax package and only $3.4 billion allocated for direct job creation. The difference between the calculated $37 billion and the Budget Committee's $17 billion stimulus accounts for a difference of 2.5 million annual jobs in this country.

To be sure these are rough estimates, and issues of business confidence as distinct from purely economic factors are also involved. Yet, these are often exaggerated, and it is important to remember that the levels of unemployment of the Kennedy-Johnson period—5.2 percent in 1964, and 4.5 percent in 1965—are extremely low as compared with our current 7.9 percent; this too suggests the potential for increasing jobs without excessive inflation. Moreover, serious stimulation of the economy will generate tax revenues to offset both excessive purchasing power and fiscal costs.

Thus, even a 2-year absolute figure of $30 billion would be relatively modest both when compared with the history of the Kennedy-Johnson stimulation efforts—and with the GNP. Rhetorical criticisms of more substantial expenditures as inherently excessive simply has little grounding in reality. From this perspective, finally, the current Carter administration position that it is wise to start small and maintain flexibility—though superfically plausible as a generality—serves in an economy experiencing 7.9 percent unemployment, mainly to mask the extremely conservative nature of the "starting point," at the same time it reveals indifference to human suffering entailed by the prolonged levels of high unemployment it will permit.

It is accordingly clear that a much larger stimulus package is both possible and necessary. In this connection, of course, inflation is a problem which can occur as we move toward serious levels of full employment, but it should in no way be viewed as an immediate obstacle to serious jobs programs. Moreover, the answer to inflation should not be immoral efforts which slow down the growth of the entire economy and keep millions of people in misery. Nor should it be vague political rhetoric about fiscal responsibility in general. Rather it should be a multifaceted, and sharply targeted attempt to get at the several specific sources of inflation—and to move steadily toward the reduction of inflation in specific areas even as we move toward full employment.

To this end, over the coming 1½ years—and simultaneously as we move toward serious levels of employment through job stimulation efforts—it would be appropriate to undertake:

A major effort to end collusion, administered prices, oligopoly pricing, and monopoly practices;

A major effort to end excessive middleman costs and wastes in such industries as agriculture and food production distribution;

A major effort to move seriously toward reducing waste and excessive costs in health construction, administration, and pricing practices;

A serious effort to alter the excessive interest, land inflation, and other nonlabor as well as labor costs of housing.

Additionally, specific job targeting should be done in such a way as to sta-

bilize jobs in central cities and other areas experiencing high unemployment. This can help undercut a further source of pressure on the family budget which is experienced in much the same way as inflation: excessive property taxes caused both by poor economic conditions in specific cities and by high social costs due to unemployment. Job creation efforts focused in specific communities which reduce social costs and raise the tax base can permit a slowing or even reduction in local taxes.

Finally, and more generally, over the coming period the new administration should launch an effort to substantially stabilize the prices of the specific items which constitute the four basic necessities of life for most American families—housing, food, basic energy, and medical care. It is here that generalized inflation hits home. These four items alone amount to 70 to 75 percent of most family consumption expenditures. In each of the four basic areas job creation measures have little relationship to specific inflation issues, nor are labor costs the primary source of inflation.

In housing—land, interest, utility and tax costs are the basic factors raising monthly mortgage or rental costs. Average monthly new housing costs rose roughly 300 percent over the period 1955–75. Mortgage payments went up over 330 percent; real estate taxes more than 340 percent. Although labor costs also rose, in recent years they have actually fallen as a percentage of initial construction costs; labor in fact now comprises only 15 percent of new construction costs. As a percentage of monthly costs, given the rapid rise in mortgage, tax, and utility cost, labor's share has fallen still further. From this broad perspective, therefore, although many possible stimulus packages can be designed, the most obvious failing of the Carter budget mix concerns housing. A primary immediate focus of a series effort both to deal with inflation and jobs should be the acceleration of programs to increase the supply of housing at decent prices for low- and middle-income groups; such programs can provide immediate jobs at relatively low public cost and reduce inflation in an item which constitutes 20 to 25 percent of most family budgets. Properly designed, moreover, they could also help conserve energy through insulation, heat recycling, and careful location planning done by institutions of local citizen and neighborhood participation.

In food—and, most obviously, energy—labor is not the overriding factor. Only in medical care—a small percentage of the family budget—is labor a significant factor, and even here the elimination of administrative and other wasteful practices can sharply reduce costs.

There is no need, in short, to be passive about inflation, nor to accept it as if it were a natural law of economics. An aggressive Presidential initiative aimed at substantially stabilizing the costs of the basic necessities could be politically popular and economically effective. It could also deal equitably with some of the most fundamental issues facing the Nation, and do so in ways which help us break out of outworn political categories.

Numerous specific programs in each of the four basic areas have been advanced over recent years to provide services at decent prices and help stabilize the cost paid by the individual family. A careful phasing and integration of various efforts to steadily increase supply and reduce wastes, and to substantially stabilize prices for different income groups, could be the basis of a serious 4-year anti-inflation program which would deal with the fundamental expenditures of the vast majority of Americans. At very high levels of full employment wage-price guidelines and social contracts might possibly have to be considered, but there is a great deal that should be done first in connection with each of the above before such approaches, which now dominate public discussions, should be resorted to.

Mr. WEISS. Mr. Chairman, although I will be voting in favor of the third concurrent resolution on the budget, I am not entirely satisfied with its provisions. I will be voting in favor of the resolution regardless of my reservations, because the resolution embodies a plan which provides some immediate solutions to unemployment and some of our other economic problems.

I believe that the resolution tolerates an excessive level of unemployment. The resolution does not reflect the Government's greatest potential to bring unemployment down to a reasonable level. It places too much reliance on tax policies which would not necessarily be effective. In this regard, I am especially concerned over the efficacy of a tax rebate.

The resolution would be more acceptable to me if it placed greater emphasis on job creation programs such as those that are embodied in the Comprehensive Employment and Training Act and the public works legislation. This resolution would also be more acceptable to me if it shifted away from its emphasis on tax measures and diverted this attention to the jobs area. As the resolution stands, it desperately requires greater sums to be invested in jobs programs.

We are suffering from the consequences of the neglect which the young, the elderly, the black, the unemployed, the poor, and the women of this Nation have experienced at the hand of an unsympathetic and uncaring Government. Their grossly high unemployment rates are concealed in the already high national average. Funneling more moneys into the creation of jobs is an expenditure that is never wasteful if allocated properly and directed toward both the private and public sector.

Last year's Congress optimistically projected that the unemployment rate would be near 6.2 percent by the end of 1977, yet the Congressional Budget Office now projects a 6.8-percent figure even with the stimulus provided in this resolution. And, of course, those are not just statistics but 7 million people without jobs.

I am hopeful that the shift from an ineffective tax policy to a creative jobs policy can be accomplished in spite of the inadequacy of this resolution. I believe that the appropriation-authorization process will continue to provide the opportunity for that purpose and I will continue to work toward that end.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROUSSELOT) as a substitute for the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. GIAIMO), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 148, noes 258, not voting 25, as follows:

[Roll No. 25]

AYES—148

Abdnor	Findley	Montgomery
Anderson, Ill.	Fish	Moore
Andrews, N. Dak.	Flynt	Moorhead, Calif.
Archer	Forsythe	Mottl
Armstrong	Frenzel	Myers, Gary
Ashbrook	Frey	O'Brien
Badham	Gibbons	Pressler
Bafalis	Goldwater	Pritchard
Bauman	Goodling	Pursell
Beard, Tenn.	Gradison	Quayle
Bevill	Grassley	Quie
Bowen	Guyer	Quillen
Breaux	Hagedorn	Regula
Brinkley	Hall	Rhodes
Broomfield	Hammer-schmidt	Robinson
Brown, Mich.	Hansen	Rousselot
Buchanan	Harsha	Rudd
Burgener	Hillis	Runnels
Burke, Fla.	Holt	Ruppe
Burke, Mass.	Hubbard	Sarasin
Burleson, Tex.	Huckaby	Satterfield
Burton, John	Hyde	Sawyer
Butler	Ichord	Schulze
Caputo	Jeffords	Sebelius
Cederberg	Johnson, Colo.	Shuster
Clausen, Don H.	Kasten	Smith, Nebr.
Clawson, Del	Kelly	Snyder
Cleveland	Kemp	Spence
Cochran	Ketchum	Steers
Cohen	Kindness	Steiger
Coleman	Lagomarsino	Stockman
Collins, Tex.	Latta	Symms
Conable	Leach	Taylor
Corcoran	Lent	Thone
Coughlin	Levitas	Treen
Crane	Lott	Tribie
Daniel, Dan	Lujan	Vander Jagt
Daniel, R. W.	McCloskey	Waggonner
Derwinski	McDonald	Walker
Devine	McEwen	Wampler
Dickinson	McKinney	Whitehurst
Dornan	Madigan	Whitten
Duncan, Tenn.	Marks	Wiggins
Early	Marlenee	Wilson, Bob
Edwards, Ala.	Marriott	Winn
Edwards, Okla.	Martin	Wydler
Emery	Mathis	Wylie
Erlenborn	Milford	Young, Alaska
Evans, Del.	Miller, Ohio	Young, Fla.
	Mitchell, N.Y.	

NOES—258

Addabbo	Baucus	Brooks
Akaka	Beard, R.I.	Burke, Calif.
Alexander	Bedell	Burlison, Mo.
Allen	Beilenson	Burton, Phillip
Ambro	Benjamin	Byron
Ammerman	Bennett	Carney
Anderson, Calif.	Biaggi	Carr
Andrews, N.C.	Bingham	Cavanaugh
Annunzio	Blanchard	Chappell
Applegate	Blouin	Chisholm
Ashley	Boggs	Clay
Aspin	Boland	Collins, Ill.
AuCoin	Bonior	Conte
Badillo	Bonker	Conyers
Baldus	Brademas	Corman
Barnard	Breckinridge	Cornell
	Brodhead	Cornwell

Cotter	Kazen	Richmond
D'Amours	Keys	Rinaldo
Danielson	Kildee	Risenhoover
Davis	Kostmayer	Roberts
de la Garza	Krebs	Rodino
Delaney	Krueger	Roe
Dellums	LaFalce	Rogers
Derrick	Lederer	Roncalio
Dicks	Le Fante	Rooney
Dingell	Leggett	Rose
Dodd	Lehman	Rosenthal
Downey	Lloyd, Calif.	Rostenkowski
Drinan	Lloyd, Tenn.	Roybal
Duncan, Oreg.	Long, La.	Russo
Edgar	Long, Md.	Ryan
Edwards, Calif.	Luken	St Germain
Eilberg	Lundine	Santini
English	McCormack	Scheuer
Ertel	McDade	Schroeder
Evans, Colo.	McFall	Seiberling
Evans, Ga.	McHugh	Sharp
Evans, Ind.	Maguire	Shipley
Fary	Mahon	Sikes
Fascell	Mann	Simon
Fenwick	Markey	Sisk
Fisher	Mattox	Skelton
Fithian	Mazzoli	Slack
Flippo	Meeds	Smith, Iowa
Flood	Meyner	Solarz
Florio	Mikulski	Spellman
Flowers	Mikva	Staggers
Foley	Miller, Calif.	Stark
Ford, Mich.	Mineta	Steed
Ford, Tenn.	Minish	Stokes
Fountain	Mitchell, Md.	Stratton
Fraser	Moakley	Studds
Fuqua	Moffett	Stump
Gammage	Mollohan	Thompson
Gaydos	Moorhead, Pa.	Tonry
Gephardt	Moss	Traxler
Giaimo	Murphy, Ill.	Tsongas
Gilman	Murphy, N.Y.	Tucker
Ginn	Murphy, Pa.	Udall
Glickman	Murtha	Ullman
Gore	Myers, Michael	Van Deerlin
Gudger	Natcher	Vanik
Hamilton	Neal	Vento
Hanley	Nedzi	Volkmer
Hannaford	Nichols	Walgren
Harkin	Nix	Walsh
Harrington	Nolan	Watkins
Harris	Nowak	Waxman
Heckler	Oberstar	Weaver
Hefner	Obey	Weiss
Heftel	Ottinger	Whalen
Hightower	Panetta	White
Holland	Patten	Whitley
Hollenbeck	Patterson	Wilson, C. H.
Holtzman	Pattison	Wilson, Tex.
Horton	Pease	Wirth
Hughes	Pepper	Wolff
Ireland	Perkins	Wright
Jacobs	Pickle	Yates
Jenkins	Pike	Yatron
Jenrette	Poage	Young, Mo.
Johnson, Calif.	Preyer	Young, Tex.
Jones, Okla.	Price	Zablocki
Jones, Tenn.	Rahall	Zeferetti
Jordan	Rangel	
Kastenmeier	Reuss	

NOT VOTING—25

Bolling	Hawkins	Oakar
Brown, Calif.	Howard	Pettis
Brown, Ohio	Jones, N.C.	Railsback
Broyhill	Koch	Skubitz
Carter	McClory	Stanton
Dent	McKay	Teague
Diggs	Metcalfe	Thornton
Eckhardt	Michel	
Gonzalez	Myers, Ind.	

The clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Dent against.

Mr. Michel for, with Mr. Hawkins against.

Mr. McClory for, with Ms. Oakar against.

Mr. Skubitz for, with Mr. Brown of California against.

Ms. Pettis for, with Mr. Koch against.

Mr. Broyhill for, with Mr. Howard against.

Mr. Myers of Indiana for, with Mr. Diggs against.

Mr. Carter for, with Mr. Jones of North Carolina against.

Mr. Brown of Ohio for, with Mr. Metcalfe against.

Mr. Stanton for, with Mr. Thornton against.

Mr. BURLISON of Missouri changed his vote from "present" to "no."

So the amendment offered as a substitute for the amendment in the nature of a substitute, as amended, was rejected.

The result of the vote was announced as above recorded.

Mr. BENNETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to speak briefly on the subject of shipbuilding rescission, which is discussed in the report of this measure. That issue is being debated in the Appropriations Committee at the present time, as the law requires. At issue there are funds for the next nuclear carrier and for the Aegis system reconstitution of the *Long Beach,* in order to get that system to the fleet at the earliest possible moment.

Although the measure before us today estimates that those rescissions will take place, and although the issue could be raised by amendment to the measure before us today, I have decided not to raise the matter here but to debate it and settle it instead in the rescission process itself, which is the more appropriate way to handle the matter.

If the measure before us today passes, the issue of the rescissions cannot be settled here anyway and it is more appropriate to have the Committee on Appropriations complete its recommendations as by law it is required to do. The Subcommittee on Seapower of the House Armed Services Committee has been holding hearings on this subject during the past few days; and so far we have yet to have any witness come before us recommending that the rescissions take place, at least not on the basis of the personal and professional judgment of the witnesses, all of whom have been sent to the committee on behalf of the administration. It is clear to me that the shipbuilding rescissions should not take place.

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as amended, offered by the gentleman from Connecticut (Mr. GIAIMO).

The amendment in the nature of a substitute, as amended, was agreed to.

Mr. GIAIMO. Mr. Chairman, I move that the Committee do now rise and report the concurrent resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the concurrent resolution, as amended, be agreed to.

The CHAIRMAN. The question is on the motion offered by the gentleman from Connecticut (Mr. GIAIMO).

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 110) revising the congressional budget for the U.S. Government for the fiscal year 1977, had directed him to report the concurrent resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the concurrent resolution, as amended, be agreed to.

The SPEAKER. Under the statute, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the concurrent resolution.

Mr. LATTA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 169, not voting 23, as follows:

[Roll No. 26]

YEAS—239

Addabbo	Flood	Nolan
Akaka	Florio	Nowak
Alexander	Flowers	Oberstar
Allen	Foley	Obey
Ambro	Ford, Mich.	Panetta
Ammerman	Ford, Tenn.	Patten
Anderson, Calif.	Fraser	Patterson
Annunzio	Gammage	Pattison
Applegate	Gaydos	Pease
Ashley	Gephardt	Pepper
Aspin	Giaimo	Perkins
AuCoin	Gilman	Pike
Badillo	Glickman	Preyer
Baldus	Gore	Price
Barnard	Gudger	Pursell
Baucus	Hamilton	Rahall
Beard, R.I.	Hanley	Rangel
Bedell	Hannaford	Reuss
Bellenson	Harkin	Richmond
Benjamin	Harrington	Risenhoover
Biaggi	Harris	Rodino
Bingham	Heftel	Roe
Blanchard	Hightower	Roncalio
Blouin	Holland	Rooney
Boggs	Holtzman	Rose
Boland	Horton	Rosenthal
Bolling	Huckaby	Rostenkowski
Bonior	Ireland	Roybal
Bonker	Jenkins	Russo
Bowen	Jenrette	Ryan
Brademas	Johnson, Calif.	St Germain
Breaux	Jones, Tenn.	Scheuer
Breckinridge	Jordan	Schroeder
Brodhead	Kastenmeier	Seiberling
Brooks	Kazen	Shipley
Burke, Calif.	Keys	Simon
Burke, Fla.	Kildee	Sisk
Burke, Mass.	Kostmayer	Skelton
Burlison, Mo.	Krebs	Slack
Burton, Phillip	Le Fante	Smith, Iowa
Byron	Lederer	Solarz
Caputo	Leggett	Spellman
Carney	Lehman	Staggers
Carr	Long, La.	Stark
Cavanaugh	Long, Md.	Steers
Chisholm	Luken	Stokes
Clay	Lundine	Stratton
Collins, Ill.	McCloskey	Studds
Conte	McCormack	Thompson
Corman	McDade	Tonry
Cornell	McFall	Traxler
Cornwell	McHugh	Tsongas
Cotter	McKay	Tucker
D'Amours	McKinney	Udall
Danielson	Maguire	Ullman
Davis	Markey	Van Deerlin
de la Garza	Mattox	Vanik
Delaney	Mazzoli	Vento
Dellums	Meeds	Volkmer
Derrick	Meyner	Walgren
Dicks	Mikulski	Walsh
Diggs	Mikva	Watkins
Dingell	Miller, Calif.	Waxman
Dodd	Mineta	Weaver
Downey	Minish	Weiss
Drinan	Mitchell, Md.	Whalen
Duncan, Oreg.	Mitchell, N.Y.	White
Early	Moakley	Whitley
Edgar	Moffett	Whitten
Edwards, Calif.	Mollohan	Wilson, C. H.
Eilberg	Moorhead, Pa.	Wilson, Tex.
Ertel	Moss	Wirth
Evans, Colo.	Murphy, Ill.	Wolff
Evans, Ga.	Murphy, N.Y.	Wright
Fary	Murphy, Pa.	Yates
Fascell	Murtha	Yatron
Fish	Myers, Michael	Young, Mo.
Fisher	Natcher	Young, Tex.
Flippo	Nedzi	Zablocki
	Nix	Zeferetti

NAYS—169

Abdnor	Andrews, N. Dak.	Armstrong
Anderson, Ill.	Archer	Ashbrook
Andrews, N.C.		Badham

Bafalis	Gradison	Myers, Gary
Bauman	Grassley	Neal
Beard, Tenn.	Guyer	Nichols
Bennett	Hagedorn	O'Brien
Bevill	Hall	Ottinger
Brinkley	Hammer-	Pickle
Broomfield	schmidt	Poage
Brown, Mich.	Hansen	Pressler
Buchanan	Harsha	Pritchard
Burgener	Heckler	Quayle
Burleson, Tex.	Hefner	Quie
Burton, John	Hillis	Quillen
Butler	Hollenbeck	Regula
Cederberg	Holt	Rhodes
Chappell	Hubbard	Rinaldo
Clausen,	Hughes	Roberts
Don H.	Hyde	Robinson
Clawson, Del	Ichord	Rogers
Cleveland	Jacobs	Rousselot
Cochran	Jeffords	Rudd
Cohen	Johnson, Colo.	Runnels
Coleman	Jones, Okla.	Ruppe
Collins, Tex.	Kasten	Santini
Conable	Kelly	Sarasin
Conyers	Kemp	Satterfield
Corcoran	Ketchum	Sawyer
Coughlin	Kindness	Schulze
Crane	Krueger	Sebelius
Daniel, Dan	LaFalce	Sharp
Daniel, R. W.	Lagomarsino	Shuster
Derwinski	Latta	Sikes
Devine	Leach	Skubitz
Dickinson	Lent	Smith, Nebr.
Dornan	Levitas	Snyder
Duncan, Tenn.	Lloyd, Calif.	Spence
Edwards, Ala.	Lloyd, Tenn.	Steiger
Edwards, Okla.	Lott	Stump
Emery	Lujan	Symms
English	McDonald	Taylor
Erlenborn	McEwen	Thone
Evans, Del.	Madigan	Treen
Evans, Ind.	Mahon	Trible
Fenwick	Mann	Vander Jagt
Findley	Marks	Waggonner
Fithian	Marlenee	Walker
Flynt	Marriott	Wampler
Forsythe	Martin	Whitehurst
Fountain	Mathis	Wiggins
Frenzel	Milford	Wilson, Bob
Frey	Miller, Ohio	Winn
Fuqua	Montgomery	Wydler
Gibbons	Moore	Wylie
Ginn	Moorhead,	Young, Alaska
Goldwater	Calif.	Young, Fla.
Goodling	Mottl	

NOT VOTING—23

Brown, Calif.	Howard	Pettis
Brown, Ohio	Jones, N.C.	Railsback
Broyhill	Koch	Stanton
Carter	McClory	Steed
Dent	Metcalfe	Stockman
Eckhardt	Michel	Teague
Gonzalez	Myers, Ind.	Thornton
Hawkins	Oakar	

The Clerk announced the following pairs:

On this vote:

Mr. Dent for, with Mr. Teague against.

Mr. Hawkins for, with Mr. Jones of North Carolina against.

Ms. Oakar for, with Mr. Michel against.

Mr. Brown of California for, with Mr. Carter against.

Mr. Koch for, with Mr. Myers of Indiana against.

Mr. Howard for, with Mr. McClory against.

Mr. Metcalfe for, with Mr. Brown of Ohio against.

Mr. Thornton for, with Mr. Stanton against.

Mr. Steed for, with Mr. Stockman against.

Mr. Gonzalez for, with Mrs. Pettis against.

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 10) revising the congressional budget for the U.S. Government for the fiscal year 1977, and I ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 10

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $346,800,000,000 and the amount by which the aggregate level of Federal revenues should be decreased is $9,700,000,000;

(2) the appropriate level of total new budget authority is $467,000,000,000;

(3) the appropriate level of total budget outlays is $415,000,0000,000;

(4) the amount of the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is $68,200,000,000; and

(5) the appropriate level of the public debt is $718,300,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $109,200,000,000.

(B) Outlays, $100,100,000,000.

(2) International Affairs (150):

(A) New budget authority, $7,900,000,000.

(B) Outlays, $6,800,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $4,500,000,000.

(B) Outlays, $4,400,000,000.

(4) Natural Resources, Environment, and Energy (300):

(A) New budget authority, $18,800,000,000.

(B) Outlays, $17,200,000,000.

(5) Agriculture (350):

(A) New Budget authority, $1,600,000,000.

(B) Outlays, $3,000,000,000.

(6) Commerce and Transportation (400):

(A) New Budget authority, $17,300,000,000.

(B) Outlays, $16,000,000,000.

(7) Community and Regional Development (450):

(A) New budget authority, $14,300,000,000.

(B) Outlays, $10,000,000,000.

(8) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $30,400,000,000.

(B) Outlays, $23,200,000,000.

(9) Health (550):

(A) New budget authority, $40,600,000,000.

(B) Outlays, $39,500,000,000.

(10) Income Security (600):

(A) New budget authority, $166,300,000,000.

(B) Outlays, $139,300,000,000.

(11) Veterans Benefits and Services (700):

(A) New budget authority, $18,900,000,000.

(B) Outlays, $18,100,000,000.

(12) Law Enforcement and Justice (750):

(A) New budget authority, $3,500,000,000.

(B) Outlays, $3,600,000,000.

(13) General Government (800):

(A) New budget authority, $3,500,000,000.

(B) Outlays, $3,500,000,000.

(14) Revenue Sharing and General Purpose Fiscal Assistance (850):

(A) New budget authority, $7,600,000,000.

(B) Outlays, $7,700,000,000.

(15) Interest (900):

(A) New budget authority, $37,900,000,000.

(B) Outlays, $37,900,000,000.

(16) Allowances:

(A) New budget authority, $800,000,000.

(B) Outlays, $800,000,000.

(17) Undistributed Offsetting Receipts (950):

(A) New budget authority, —$16,100,000,000.

(B) Outlays, —$16,100,000,000.

MOTION OFFERED BY MR. GIAIMO

Mr. GIAIMO. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GIAIMO moves to strike out all after the enacting clause of Senate Concurrent Resolution 10 and insert in lieu thereof the provisions of House Concurrent Resolution 110 as passed by the House, as follows:

That the Congress hereby determines and declares, pursuant to section 304 of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1976—

(1) the recommended level of Federal revenues is $348,800,000,000, and the amount by which the aggregate level of Federal revenues should be decreased is $10,300,000,000;

(2) the appropriate level of total new budget authority is $477,927,000,000;

(3) the appropriate level of total budget outlays is $419,130,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $70,330,000,000; and

(5) the appropriate level of the public debt is $718,915,000,000.

SEC. 2. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of the first section of this resolution, the Congress hereby determines and declares pursuant to section 304 of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1976, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):

(A) New budget authority, $108,788,000,000.

(B) Outlays, $100,077,000,000.

(2) International Affairs (150):

(A) New budget authority, $7,956,000,000.

(B) Outlays, $6,841,000,000.

(3) General Science, Space, and Technology (250):

(A) New budget authority, $4,468,000,000.

(B) Outlays, $4,406,000,000.

(4) Natural Resources, Environment, and Energy (300):

(A) New budget authority, $18,627,000,000.

(B) Outlays, $17,209,000,000.

(5) Agriculture (350):

(A) New budget authority, $2,355,000,000.

(B) Outlays, $3,044,000,000.

(6) Commerce and Transportation (400):

(A) New budget authority, $17,313,000,000.

(B) Outlays, $15,961,000,000.

(7) Community and Regional Development (450):

(A) New budget authority, $15,023,000,000.

(B) Outlays, $10,819,000,000.

(8) Education, Training, Employment, and Social Services (500):

(A) New budget authority, $30,355,000,000.

(B) Outlays, $22,620,000,000.

(9) Health (550):

(A) New budget authority, $40,651,000,000.

(B) Outlays, $39,283,000,000.

(10) Income Security (600):

(A) New budget authority, $174,993,000,000.

(B) Outlays, $142,050,000,000.

(11) Veterans benefits and services (700):

(A) New budget authority, $18,917,000,000.

(B) Outlays, $18,130,000,000.

(12) Law enforcement and justice (750):
(A) New budget authority, $3,524,000,000.
(B) Outlays, $3,657,000,000.
(13) General Government (800):
(A) New budget authority, $3,560,000,000.
(B) Outlays, $3,554,000,000.
(14) Revenue sharing and general purpose fiscal assistance (850):
(A) New budget authority, $7,578,000,000.
(B) Outlays, $7,696,000,000.
(15) Interest (900):
(A) New budget authority, $38,287,000,000.
(B) Outlays, $38,287,000,000.
(16) Allowances:
(A) New budget authority, $794,000,000.
(B) Outlays, $764,000,000.
(17) Undistributed offsetting receipts (950):
(A) New budget authority, —$15,268,000,000.
(B) Outlays, —$15,268,000,000.

The motion was agreed to.

The Senate concurrent resolution was concurred in.

A similar House concurrent resolution (H. Con. Res. 110) was laid on the table.

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate concurrent resolution (S. Con. Res. 10) revising the congressional budget for the U.S. Government for the fiscal year 1977, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut? The Chair hears none, and appoints the following conferees: Messrs. GIAIMO, WRIGHT, ASHLEY, MITCHELL of Maryland, BURLESON of Texas, Ms. HOLTZMAN, Messrs. DERRICK, FRASER, SIMON, LATTA, CONABLE, ROUSSELOT, and REGULA.

APPOINTMENT OF CONFEREES ON H.R. 2647, AMENDING SMALL BUSINESS ACT

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2647) to amend the Small Business Act and the Small Business Investment Act of 1958 to increase loan limitations and to increase surety bond authorizations, with Senate amendents thereto, disagreed to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? The Chair hears none, and appoints the following conferees: Messrs. SMITH of Iowa, ADDABBO, LAFALCE, ST GERMAIN, STEED, BADILLO, DINGELL, CONTE, MCDADE, and STANTON.

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight, Friday, February 25, to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Missouri would tell us what reports this request will cover?

Mr. BOLLING. Mr. Speaker, if the gentleman will yield, the Committee on Rules is going to hear tomorrow morning a matter out of the Committee on Banking, Currency and Housing, dealing with regulation Q, I understand, and we are also in the process of considering, as the gentleman knows, the so-called Hamilton-Obey matter. We would hope by that time we would have an opportunity to file a rule on that subject.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, this gentleman does not want to stand in the way of reform or for the updating of ethics of the House; but the gentleman knows as a result of the hearings he sat through today, aside from being weary, I think many points were raised about the present content of the legislation which is before the Committee on Rules. I would hope that perhaps the gentleman would defer his request as to the resolution concerning this matter. The gentleman can make his request tomorrow after it has been agreed to in a form that the Members will know what it contains. I do not think we should vote blindly on this and if there is permission to file by Friday, midnight, it could be brought up Monday or Tuesday. We would like to know if and when it will come and in what form it will come to the House for consideration.

Mr. BOLLING. Mr. Speaker, I withdraw my request.

COMMUNICATION FROM THE CLERK OF THE HOUSE—SUBPENA IN THE MATTER OF EDWARD A. GARMATZ

The SPEAKER. Pursuant to House Resolution 10, the subpena and the accompanying papers will be printed at this point in the RECORD.

The Clerk read as follows:

WASHINGTON, D.C.,
February 23, 1977.

MR. JONATHAN L. GOLDSTEIN,
U.S. Attorney, District of New Jersey,
Newark, N.J.

DEAR MR. GOLDSTEIN: This is in response to the subpoena duces tecum, and the accompanying order of the United States District Court for the District of New Jersey, issued to the Clerk of the United States House of Representatives directing me to appear as a witness before the Grand Jury and to bring with me the documents named therein which were submitted to the Clerk by Edward A. Garmatz for the years 1970 through 1972, inclusive.

Pursuant to the above subpoena and order and in accordance with the provisions of House Resolution 10, a review of the files maintained by the Office of the Clerk and in possession and under control of the House has been conducted.

Accordingly, I am enclosing copies of the described reports filed for the period 1970 through and including 1972 and identified as (a) and (b) in the subpoena.

With respect to (c), attendance records and expense accounts relating to travel, attendance at House sessions is indicated by response to quorum calls or votes and is thereby a matter of public record and no other attendance record is maintained as such and travel expenses for the period in question were received in a lump sum, in lieu of reimbursement on a per trip basis, pursuant to regulations in effect during that time.

In respectful answer to the subpoena duces tecum and the accompanying order, I hereby transmit copies of the above documents together with the appropriate certification.

With kind regards, I am

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

WASHINGTON, D.C.

I, Edmund L. Henshaw, Jr., Clerk of the United States House of Representatives, as certifying officer for the House of Representatives, do hereby certify that the attached are true and correct copies of reports submitted to the Clerk by Edward A. Garmatz in connection with political campaigns conducted by him for the years 1970 through and including 1972.

In witness whereof, I hereunto affix my name and the Seal of the House of Representatives, in the City of Washington, District of Columbia, this Twenty-third day of February, Anno Domini one thousand nine hundred and seventy-seven.

EDMUND L. HENSHAW, Jr.,
Clerk, U.S. House of Representatives.

SUBPENA TO TESTIFY BEFORE GRAND JURY

[In the U.S. District Court for the District of New Jersey]

To Clerk, United States House of Representatives, Washington, D.C.

You are hereby commanded to appear in the United States District Court for the District of New Jersey at U.S. Post Office & Courthouse Bldg., Room 486, in the city of Newark, N.J. on the 15th day of February 1977 at 10 o'clock A.M. to testify before the Grand Jury and bring with you:

(a) any and all filings, reports and/or submissions with attached or supporting material submitted by Edward A. Garmatz, in connection with political campaigns conducted by him for the years 1970 through to and including 1972.

(b) any and all filings, reports and/or submissions with attached or supporting materials submitted by or on behalf of any campaign committee for Edward A. Garmatz or any other entity raising funds for Edward A. Garmatz for the years 1970 through to and including 1972.

(c) any and all attendance records and expense account reports for Edward A. Garmatz and Robert McElroy for the period September 9, 1971 to and including January 3, 1973.

[In the U.S. District Court, District of New Jersey]

In the Matter of the Grand Jury Empaneled July 27, 1976

Miscellaneous No. —

ORDER

This matter having been opened to the Court on the *ex parte* petition of Jonathan L. Goldstein, United States Attorney for the District of New Jersey, by Frank C. Razzano, Assistant United States Attorney, for an Order declaring that documents subpenaed from the Clerk and the Sergeant-at-Arms of the United States House of Representatives by the Grand Jury empaneled on July 27, 1977, are necessary, relevant and material to a pending investigation by the aforementioned United States Grand Jury, and for good cause shown;

It is on this 28th day of January, 1977.

ORDERED that the documents subpoenaed from the Clerk and the Sergeant-at-Arms, of the United States House of Representatives by the Grand Jury empaneled on July 27, 1976, are necessary, relevant and material to a pending investigation by the aforementioned United States Grand July, and it is

Further ordered that the documents sub-

poenaed from the Clerk and the Sergeant-at-Arms of the United States House of Representatives may be released to a representative of the United States Marshal's Service, Washington, D.C. as agent for this Court, and it is

Further ordered that the representative of the United States Marshal's Service should thereafter transfer said documents to the United States Attorney's Office for the District of New Jersey as agent for said Grand Jury.

LAWRENCE A. WHIPPLE,
U.S. District Judge.

CONGRESSIONAL ETHICS LEGISLATION

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, on Wednesday, February 16, I took some time on the House floor in order to discuss my reasons for cosponsoring House Resolution 287—the so-called congressional ethics legislation.

I continue to be troubled by some of the provisions dealing with outside income limitations, as well as other sections of the resolution. The lead editorial in Friday's Wall Street Journal does an excellent job in articulating some of my basic objections. I commend it to my colleagues:

PUBLIC PROTECTION

Last week the House of Representatives' Commission on Administrative Review announced a set of new rules it hopes the House will establish to clean up the financial ethics of its members. These recommendations are not only going to be acted on by the Rules Committee and then the full House, but will probably have a heavy influence on the Senate Special Committee on Official Conduct, which is now preparing its own report on these matters.

Half of the House Commission's proposed rules are aimed at limiting the personal gain that a member can get out of his congressional office. New restrictions would be placed on how members can use their franking privilege. The Congressmen would no longer be permitted to convert leftover political funds to personal use. The honorable members would no longer be allowed to accept congressional reimbursement for travel expenses that have also been paid for by other people.

The other half of the new rules aims to make it harder for the Congressmen to make money for themselves from anyone but the general taxpaying public. Any chunk of income over a hundred dollars would have to be reported along with its source. Gifts of over a hundred dollars a year from those directly interested in legislation would be forbidden. No member could make more than 15 percent of his income from outside sources, and that outside income could include no more than $750 for any speech or article.

Now we sympathize with the horrible shock that our Representatives must have felt upon learning that the U.S. taxpayers had contracted for the skilled labor of Ms. Elizabeth Ray, and we find some of what Congress is now doing in atonement wholly unobjectionable. No one wants to see Congressmen getting repaid twice the cost of their out-of-town hotel rooms or building personal slush funds.

There's little doubt that we can legitimately require our legislators to disclose the sources of their income. And by restricting the use of the franking privilege, the reformers have hacked a small chunk away from that huge mass of public funds that the incumbents now spend to insure their reelection.

In fact, by limiting the amount of money that the Congressmen can make from speaking, the reformers may even have found a way to keep the legislators off the streets and away from some of those interested audiences that they would otherwise spend their time stirring up. That revolutionary possibility alone may be worth the price of admission.

On the other hand, it's hard to take a very enthusiastic view of what putting a general lid on congressional income will do for the quality of our public policy or the tone of our public life. It seems only reasonable to think that the more you limit congressional income in a way that makes a career in Congress unattractive to people who'd like a comfortable living, the more exclusively Congress will come to be inhabited by people who want other things instead—fame, for instance, or power.

And when you set out to reduce the power of moneyed interests, you shouldn't kid yourself into ignoring the fact that you're redistributing that power to interests with other kinds of skills—to the press, or the lobbying groups that know how to deal with it. In reform as in everything else, there's no such thing as a free lunch. And in this particular case, it's by no means clear that the trade-off we're being asked to make will give us a net improvement in the qualities of our legislators.

Even where the current proposals pose no particular problems, though, they reveal that curious assumption that has always attended the practice of moralism in our politics—that personal rectitude is going to have significant effects on the performance of our political institutions. The evidence, to say the least, is to the contrary.

If Congress wants to do something to improve the governnance of this country, it can start trying to counteract that system of incentives that makes legislators think they have to do as much lawmaking and declaiming as they possibly can. And if Congress does not or cannot do so, the financial cleanliness of its members is not going to be of much help to the rest of us.

THE TRANS-ALASKA GAS LINE: IN THE NATION'S INTEREST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 20 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, recently a Federal Power Commission administrative law judge rendered a preliminary decision in favor of the proposed Arctic Gas pipeline which will cross Canada; he also discounted the El Paso trans-Alaska proposal. I have scrutinized Judge Litt's preliminary ruling and find that he has based his decision upon a number of conceptions and assumptions which are incorrect. In essence, he purports that Arctic's trans-Canada route will make more gas available sooner to U.S. consumers, that the environmental impact of the route is less than that of competitive projects, and that this trans-Canada route has more favorable economics. Examination of the competing proposals and the preliminary decision clearly shows that the judge's conclusions are erroneous. Objective scrutiny reveals that the El Paso trans-Alaska proposal is superior in all three respects.

ARCTIC GAS DELAY PROBLEMS

Contending that gas can be made available sooner via the Arctic Gas proposal requires that one ignore the difficulties which will crop up during winter construction, as proposed by Arctic, and overlook the many regulatory and legal pitfalls which will affect Canadian approval and regulation of the project. Although it is impossible to precisely estimate the additional time these items will add to completion of the Arctic line, at least a 2-year penalty should be imposed by construction troubles and up to 10 years will be needed to iron out a plethora of problems in Canada.

Construction difficulties which the Arctic project will encounter include their plans for winter construction and the use of snow roads, their anticipated rate of pipeline laying and logistical troubles connected with the weather. Estimates of construction delays associated with this proposal are based on actual experience gained through construction of the Alyeska oil line. Overall, the cumulative effect of these problems is likely to increase Arctic's construction time almost 100 percent.

Arctic purports that winter construction will permit them to overcome the time delays associated with summer construction in the far north. Their plans call for the building of a network of snow roads and bridges to support this winter effort. Analysis, however, of snow availability, appropriate weather conditions, and actual experience with snow roads shows that Arctic's 2-year construction schedule is more likely to become 4 years. Alaskan witnesses presented weather data that clearly illustrated that deviations of snowfall on a monthly and yearly basis are often significant and there is a 25-percent probability that insufficient snowfall will occur in any 1 year. Weather must also be appropriate to build and maintain snow roads and Arctic concedes that an early winter start is necessary to meet its 2-year schedule; any delay in the onset of winter or delay in the freezing of the tundra will preclude the construction of snow roads and restrict vehicle travel essential to preconstruction planning. Last, the Alyeska experience with snow roads demonstrates that Arctic's 2-year construction schedule is not realistic. Alyeska has built three such roads: First, in 1975–76, a 60-mile snow road was built—it took 5 months to complete; second, a second half-mile road required 3 weeks; third, a third road-building effort was commenced in 1975, but it was a failure when high winds dispersed the snow. Given this actual on-the-ground experience with snow roads, it is difficult if not impossible to perceive how Arctic justifies its 2-year winter schedule of construction for hundreds of miles of snow roads and associated pipeline.

Judge Litt acknowledges the lack of real experience with snow roads and the evidence presented regarding their success in Alaska. Nonetheless, he has apparently suppressed his own concerns and rejected field work evidence on the basis of Arctic Gas assurances and one field test.

In addition to snow road problems, Arctic's 2-year schedule is based on a highly exaggerated estimate of how much pipe can be welded and laid each

working day. Very simply, Arctic contends that it can weld and lay 0.71 mile of pipe per working day. Evidence based on Alyeska's experience and the laying of 36-inch pipe in Canada indicated that a rate of 0.36 mile per day is more likely to be achieved. Assuming that actual experience in the field is more indicative than test results, Arctic will only be able to put down pipe at a rate 50 percent slower than it anticipates. Once again though, the preliminary decision accepts Arctic's assurances and discounts fact.

Finally, Arctic's 2-year construction plan is based on perfect timing in its preconstruction logistics. The FPC hearings indicated, however, that disruptions in this stage could cause the loss of an entire construction season. Problems which may be encountered in this area include: First, the inability to procure properly designed boats for use along the MacKenzie River; second, prolonged ice conditions in the Bering and Beaufort Seas (as occurred in 1975); and third, the lack of adequate roads to facilitate movement of necessary materials by truck if water transport is hampered. Any of these events by themselves could seriously impair Arctic's building schedule.

In contrast to these many potential problems, Judge Litt recognizes that "no serious questions have been raised concerning a number of aspects of El Paso's construction logistics." Moreover, he noted that El Paso's use of the corridor established by the Alyeska project will facilitate construction. On balance, therefore, I am persuaded that Arctic can only be considered superior if, and only if, its construction program proceeds without a hitch. Any difficulties which occur in its winter building scheme will impose a severe time penalty and delay the delivery of gas to fuel short American consumers.

Construction troubles are not the only source of delays which will plague the Arctic trans-Canada scheme. Securing approval from the appropriate governmental bodies in Canada will take considerable time and these approvals themselves are likely to be predicated on the resolution of other difficult issues. These delays will not arise from malice or lack of cooperation with Canada but will emanate from the legal requirements of Canadian procedures and Canadian pursuit of legitimate Canadian interests.

The hydrocarbon pipeline treaty recently signed by our countries is not the final word on cooperative pipeline efforts. That treaty, if ratified, will merely codify the working relationship which has been established and maintained over the past many years. The treaty does not, however, solve the specific problems associated with a particular pipeline proposal. For example, should Canada and the United States agree to approve a trans-Canada pipeline, issues including financing, ownership, operations, capacity sharing, cost allocation, et cetera, would all need to be resolved. Obviously, when dealing with trillions of cubic feet of precious natural gas and multibillion dollar investments, negotiations between the two countries are likely to be complicated and lengthy.

The absence of a native land claims settlement in Canada's Northwest Territories is another potential source of significant delay. Over 5 years of intensive effort were required to settle Native claims in Alaska and it is probable that a simlar period will be necessary to settle similar claims in Canada. Although Arctic Gas proponents have contended that a settlement is not a necessary precondition to pipeline approval and construction, it may prove exceedingly difficult, if not impossible, to secure financing for a project that will surely be confronted by native sponsored litigation and court challenges if land claims are not settled.

A third source of delay involving Canada are its decisions regarding resource development. It is clear that Canada must establish priorities regarding which major energy projects it wants to pursue; simply, Canada has insufficient financial resources to embark simultaneously on a number of expensive energy propositions. Accordingly, it is probable the Canadian Government will carefully weigh the pros and cons of different projects, including Polar Gas, the James Bay power project, "Maple Leaf," and Tenneco LNG. Canada may be expected to support that project which will generate the greatest benefits for it. Obviously, should the United States choose the trans-Canada route, there is no guarantee that Canada will approve this U.S. choice. Consequently, we may approve such a project only to wait a year or more for the requisite Canadian decision.

El Paso tried to make this point at the hearings—that Canada will follow its own interests possibly to the detriment of U.S. interests. Apparently this issue was not taken into consideration in a serious manner as indicated by the following quotation from the decision:

> The El Paso Canadian Reply Brief is as well drafted a chamber of horrors as this writer has ever seen and would do justice to the standards set by the Marquis de Sade if he had been interested in economics and politics.

To summarize briefly, approval of a trans-Canada line will commit the United States to protracted negotiations regarding the precise details of pipeline financing and operation, the lack of a natives claims settlement is a potential source of serious delay, and Canada's self-interest may dictate additional delay, if a MacKenzie Valley route is selected, while it considers its options. Of course, these delays which affect approval of a project will be compounded if Arctic Gas, with its construction schedule troubles is chosen.

ENVIRONMENTAL CONCERNS

The preliminary decision also claimed that the Arctic Gas proposal is environmentally superior to the El Paso LNG project. This flies so much in the face of commonsense that it is hard to believe that such an extensive analysis could reach such a conclusion and a brief review of the facts flatly contradicts this finding. First, environmental organizations are strongly opposed to the Arctic Gas proposal. Not only are these organizations fighting Arctic Gas' planned incursion into the Arctic Wildlife Refuge, they also recognize the impacts of establishing a new development corridor through thousands of miles of undeveloped area.

Second, the Arctic scheme calls for over 4,000 miles of new pipeline construction. In contrast, El Paso's project follows the existing corridor created by the Alyeska line and utilizes inplace pipelines for gas distribution in the lower 48. Plain thinking will reveal that using existing corridors and existing pipelines will cause far less adverse environmental effects than 4,000 miles of new construction.

ARCTIC'S ECONOMIC TROUBLES

The third factor which supposedly favors the Arctic Gas trans-Canada line is its economic benefits. The finding for Arctic on the basis of superior economics requires, however, that one ignore the costs of prospective delays and the difficulties inherent in financing an international undertaking.

Staff studies done by the Federal Power Commission indicated that Arctic Gas will generate net national economic benefits of $9.4 billion while El Paso's project will return $9.1 billion in benefits. The $9.4 billion figure for Arctic Gas, however, was predicated on no delays in approving or building the line; delays from construction difficulties alone, as outlined earlier, are expected to add at least $2 billion in costs and reduce the benefits to the $7 billion range—$2 billion less than El Paso. Additional delays emanating from Canada would further increase El Paso's benefits margin.

Judge Litt also contends that the unit costs for Arctic's Mackenzie Valley line will be less than El Paso's. But again this is dependent on no delays—schedule problems will destroy Arctic's supposed economic efficiency. Moreover, the recommendation acknowledges that lower volumes of Canadian gas in the system now projected in light of diminished Canadian gas reserve estimates will raise unit costs for the United States. Conversely, higher percentages of Canadian gas will lower costs in the United States but simultaneously reduce the quantities of delivered gas. This strikes me as a "no win" proposition for American consumers.

Lastly, the Arctic Gas proposal faces severe financing obstacles apparently overlooked in the preliminary recommendation. Foremost is the fact that Arctic will have to raise nearly $5 billion in Canadian financial markets. Although its submissions to the FPC indicate a total project cost of $8 billion and Canadian financing of $2 billion, these are 1975 figures which observers expect to double by project completion. Accordingly, if Canada chooses to back this scheme, its financial markets will be stretched to their limits and capital availability for other energy efforts in Canada is likely to be severely constrained. Before rushing into an approval of the Arctic line, Americans should be aware that we could approve this proposal and find the Canadians most unwilling for monetary reasons.

Arctic representatives also stated be-

fore the FPC that their project would require some form of Government financial support or guarantees. In sharp contrast, financing for the El Paso trans-Alaskan line is not dependent on Federal intervention and taxpayers' dollars. The Treasury Department is also very wary of Federal financial support and stated that anyone promoting Federal assistance as the least difficult solution is basically uninformed.

El Paso, as compared to its competition, enjoys clear economic and financial advantages. These advantages are cited in the preliminary recommendation but apparently have been discarded in the finding for the Arctic Gas scheme. First, the recommendation states that El Paso will generate substantial national economic benefits and is superior in providing employment for American workers as noted below:

El Paso is clearly justified in its emphasis on the superior degree (vis-a-vis the other projects) to which it will provide jobs for American labor and utilize American-made products. Not only will more Americans work on the El Paso project than on either of the trans-Canadian projects, but because of the nature of the El Paso project, it will draw upon a greater variety of labor than the others. The advantage which it enjoys in this respect is even more important to El Paso when the multiplier effect is considered. The multiplier effect is the additional impact caused by the further expenditure of the same dollar. One example of a multiplier effect involves a large shipyard going into production in a large unemployment area. Dollars paid out as new or additional wages serve to enhance the spending power of the workers and their families. As the community grows, more service-related jobs are created. The overall result is that the economy of the entire area is boosted. Moreover, El Paso does not confront the financing obstacles facing Arctic. This was also acknowledged by Judge Litt when he noted that "El Paso, as an all-U.S. project using only traditional U.S. money markets to raise its funds, will be able to do so easier and more cheaply that either Arctic Gas or Alcan. It also has the distinct advantage that incurs to it from building U.S. ships under U.S. loan guarantee incentives. *Arctic Gas has optimistically evaluated its supply markets, has optimistically assessed how it views its worth to the financial community, and has injected several innovative proposals, only partially tested, to spread its choices and not overburden the credibility of its suggested scheme. This does not, of course, make its financing impossible, but since uncertainty is the nemesis of easy financeability, it makes it susceptible to higher costs because of unknown and unquantified risk. Arctic Gas' financial plan, therefore, cannot be found to be as easily financeable as El Paso's (emphasis added).*"

SUMMARY

On balance, my examination of the preliminary recommendation did not turn up the evidence to support the findings for the Arctic Gas plan. Indeed, the text is replete with statements, information, and citations that lead to a conclusion that the El Paso project is superior and warrants FPC as well as national support. The case against Arctic can be summed up quickly: First, the prospects of delay in the construction and/or approval stages are great and are likely to result in imposition of severe time penalties on the availability of Alaskan gas to U.S. consumers; second, the Arctic Gas venture with its 4,000 miles of new pipeline construction will have a greater adverse environmental impact than El Paso which will use existing corridors and existing pipelines; and third, Arctic Gas' spurious economic superiority will be destroyed by any delay and if it could be approved and built on schedule, it cannot provide the American employment benefits which the El Paso Alaskan project will. The national interest will best be served by timely approval and construction of the all-American trans-Alaskan route.

STRATEGIC ARMS LIMITATION: WHERE WE STAND NOW AND SOME RECOMMENDATIONS FOR THE FUTURE

The SPEAKER per tempore. Under a previous order of the House, the gentleman from New York, (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, the limitation of strategic arms has been the focus of American diplomatic efforts with the Soviet Union since 1969, indeed it is the linchpin of détente. A longer perspective on the subject of strategic arms limitation is needed than most policymakers usually have available to assess the consequences of the intense day-to-day activities of the relevent components of the national security apparatus that have produced the landmark 1972 accords and appear well on the way to producing a second round of agreements.

I have taken a personal interest in the subject of strategic arms limitation because of the centrality of the outcome for our long-term national security posture. The significance of the issue has become immersed in the minutia of weapon systems, strategic doctrine, and other technical properties of modern nuclear weapon systems, and for that reason has become somewhat forbidding in the demands it places on those who wish to become better informed on the subject.

The coming to power of a new administration is a convenient point at which to reflect on what has come before in this realm, and to consider what changes, if any, should be made in our policies. In most cases, important policy positions will be filled by individuals without the two-edged sword of years of direct experience with strategic arms limitation policymaking. The absence of senior officials with direct experience with the 7-plus years of negotiation efforts in the strategic arms limitation talks—SALT—will make it possible for the new administration to investigate new perspectives on arms limitation without the encumbrance of defending every feature of prior policy that would almost certainly accompany anyone connected with our SALT effort in the past. Thus, we have come to an interregnum in this vital element of our national security policy formulation, and I would therefore like to offer my perspective on the future of American strategic arms limitation policy.

To do so, we must first review the evolution of the military forces that are the subject of these negotiations with respect to both the qualitative and quantitative characteristics of these forces, and to project the likely outcome of weapon development and deployment programs over the next 5 years. From such a review, we will be able to identify priorities for a second round of strategic arms limitation agreements that must be addressed if the agreement is to have the credibility and support any important international agreement we undertake should have.

SOVIET-AMERICAN STRATEGIC WEAPON DEVELOPMENTS THROUGH 1972

The United States has developed its strategic forces in two major surges of effort; the first in the mid-1950's, and the second in the early 1960's. The Congress was debating the fiscal year 1950 U.S. defense budget in the weeks before the Korean war broke out. U.S. strategic forces consisted of approximately 100 B–36 bombers; the B–52, designed in 1948, and long-range ballistic missiles could not be financed on the $16 billion defense budget. Within 2 weeks, however, the Congress appropriated $49 billion. While a major share of this increase was required to support the costs of the Korean war, concern about the intentions of the Soviet Union diverted a substantial fraction of U.S. expenditures into the development and deployment of strategic forces. Now the B–52, the B–47, the Atlas and Titan ICBM's, and the Polaris programs became feasible paving the way for two decades of U.S. strategic nuclear superiority.

The second surge of U.S. strategic force development came in the early 1960's when the strategic nuclear forces took on their current configuration; 1,000 Minuteman missiles were deployed, and 41 Polaris-class ballistic missile launching submarines were commissioned. The final modifications to the B–52-series aircraft were completed. The basic contours of the U.S. strategic nuclear offensive force were frozen at their 1967 level, and only qualitative changes were made since then.

The decision of the United States to terminate its strategic nuclear forces at the 1967 level was made because of the belief commonly held by officials at the time that the Soviet Union had abandoned any notion, if indeed they ever entertained one of overtaking the United States in strategic nuclear arms. Former Secretary of Defense Robert S. McNamara, the most vigorous exponent of this view was convinced that the Soviets would accept a protracted, if not permanent, term of strategic nuclear inferiority. In April 1965, Mr. McNamara stated:

The Soviets have decided that they have lost the quantitative race, and they are not seeking to engage us in a contest. . . . there is no indication that the Soviets are seeking to develop a strategic force as large as ours.

With the demise of the Khrushchev regime, in 1964, the more traditional-minded regime of Brezhnev sought to regain the momentum lost to the Soviet strategic nuclear program when Khrushchev slowed the pace of development by his pursuit of what Soviet military tactician's have subsequently described as "hare-brained" schemes that focused Soviet efforts on "wars of national liberation" to the exclusion of Soviet strategic nuclear forces. Less than a decade after Secretary McNamara declared that the Soviets would not seek to develop a strategic force larger than our own, the Soviets exceeded our own strategic force by every measurable strategic aggregate except for the number of deployed warheads. This figure was certainly a waning advantage as the Soviets acquired the technology to design and build missiles with multiple warhead payloads as subsequent events have demonstrated.

The watershed of the Soviet-American arms competition has been the Strategic Arms Limitation Talks and the accords reached in 1972. It is instructive to examine the contrast between Secretary McNamara's confident assertion of 1965 and the reality of Soviet efforts only 7 years later. Starting with less than 200 ICBM's and 50 submarine-launched ballistic missiles—SLBM's—in 1965, the Soviet Union developed and deployed a force for the conduct of intercontinental nuclear warfare on a scale that underscores the single-minded obsession of the Soviet leadership with military power.

CHARACTERISTICS OF SALT I MISSILE FORCES

1. ICBM'S

Type	SS-7, SS-8	SS-11	SS-13	SS-9	Total
A. U.S.S.R.:					
Aggregate warheads/missile (number)	1	1	1	1	
Yield/warhead (megatons)	5	1	1	18-25	
Throw-weight/missile (pounds)	8,000	2,000	2,000	10,000	
Deployment (number)	209	1,012	60	313	1,600
Aggregate throw-weight (pounds)	1,600,000	2,000,000	100,000	3,000,000	6,000,000
Warheads (number)	209	1,012	60	288-313	1,600

Type	Titan II	Minuteman II	Minuteman III	Total
B. United States:				
Warheads/missile	1	1	3	
Yield/warhead	5-10	1-2	.170	
Throw-weight/missile (pounds)	8,000	2,500	2,500	
Deployment (number)	54	450	550	1,054
Aggregate throw-weight (pounds)	400,000	1,000,000	1,400,000	3,000,000
Aggregate warheads	54	450	1,650	2,154

2. SLBM'S

Type	SS-N-4	SS-N-5	SS-N-6	SS-N-8	Total
A. U.S.S.R.:					
Range (nautical miles)	300	659	1,500	4,200	
Warheads/missile (number)	1	1	1	1	
Yield/warhead (megatons)	1+	1+	1+	1+	
Deployment (number)	27	54	544	220	[1] 845
Aggregate (number)	27	54	544	220	[1] 845

Type	Polaris A-3	Poseidon C-3	Total
United States:			
Range (nautical miles)	2,500	2,500	
Warheads/missile (number)	3	10	
Yield/warhead (megatons)	.200	.050	
Deployment (number)	160	496	656
Aggregate warheads (number)	480	4,960	5,440

[1] Estimated.

Source: This table is drawn from a study by Francis P. Hoeber, "Strategic Forces" to be published in a forthcoming book entitled, "Arms, Men, and Military Budgets: Issues for fiscal year 1978" (New York: Crane, Russak).

There are a number of ways in which the capability of a strategic nuclear force can be measured, and no single measure has universal validity for each measure can serve a particular analytic purpose. Measurement of a force by comparing the aggregate number of warheads deployed is a useful measure of the number of targets which can be brought under attack, and is therefore particularly useful for current war planning purposes.

However, over the longer term, the number of warheads which can be deployed is a function of another important aggregate, the payload capacity or "throw weight" of a ballistic missile. This measure is directly correlated with aggregate megatonnage, the figure which expresses the explosive yield of the deployed warheads in terms of equivalent energy released by TNT explosives. There are a number of other measures which are more technical in character which describe the more esoteric properties of a force such as the accuracy with which the warhead can be delivered, and many others that are important at the operational level, but are normally not significant for public policy purposes.

The table shown above emphasizes the scope of the Soviet buildup between 1964 and 1972. Five ICBM and four SLBM types were deployed in quantity between 1964 and 1972. The number of ICBM's exceeded those deployed by the United States by a ratio of 3 to 2, but the throw-weight exceeded that of the United States by a ratio of 2 to 1.

Although the United States had a significant lead in the number of warheads deployed in 1972, this lead could not be sustained if the Soviets were able to develop multiple warhead technology, the source of the U.S. advantage in deployed warheads. The most important contributor to the U.S. advantage in deployed warheads was not the ICBM force, but the SLBM force where the new Poseidon missile could carry as many as 14 warheads—although such a payload required that the submarine venture close to the Soviet coast where antisubmarine defenses are most effective—although 10 warheads is a more representative deployment. This advantage in deployed warheads was the most important measure of strategic nuclear forces to senior officials in 1972 when the first-round SALT accords were signed for it expressed an unambiguous American that was to have lasted for at least 5 years, after which, it was expected that the Soviet Union, having achieved parity at last would be able to come to the bargaining table without an inferiority complex.

THE SOVIET-AMERICAN ARMS COMPETITION SINCE SALT I

The first-round SALT accords, designed as a "freeze" on strategic weapon deployments hardly achieved its desired results. Soviet expenditures for national security purposes increased significantly, both in absolute terms and as a fraction of GNP. If the United States were expending its resources on defense at the same fraction of its GNP as the Soviet Union, it would be spending more than $225 billion in fiscal year 1977. U.S. strategic force expenditure, expressed in todays dollars, is less than half of what it was in 1960 even though two new programs, the Trident SLBM and the B–1 bomber nearing the end of their development cycle, were imposing higher costs on the U.S. strategic forces budget.

The post-SALT program of the Soviet Union has given even the most optimistic observers of Soviet behavior cause for concern. Rather than be the cause of significant reductions in Soviet effort as such distinguished scholars of Soviet affairs as Prof. Marshall Schulman of Columbia University had predicted, the Soviets began a massive upgrading of their strategic forces in their entirety. Every Soviet strategic weapon deployed in 1972 is being replaced by a larger and more capable replacement. In the short space of less than 5 years, at least 5 new Soviet ICBM's have been observed, and 11 will be tested before 1983. The Soviet Union has surged ahead of the United States in the field of long-range multiple warhead SLBM's the cause for so much complacency at top levels of the American Government as recently as 1972.

The Soviets have tested a 5,600 nautical-mile range multiple-warhead SLBM to be launched from a new class of submarine, the DELTA–II. The United States will not have an equivalent program ready for deployment until the mid 1980's when the Trident II missile and submarine system are constructed, if indeed, they ever win congressional approval in the endless battle with congressional complacency and unmoveable optimism about Soviet military forces.

The Soviet research and development effort is now so far advanced, that it is possible to engage in speculation about the probable evolution of Soviet forces without resort to appeals to faith. Assuming only that Soviet forces which are now being deployed, and assuming further that none of the advanced R. & D. systems are deployed before 1983, the following table suggests the likely outcome:

SOVIET MISSILE FORCES, 1980–83

1. ICBM'S

Type	SS–16	SS–17	SS–19	SS–18	Total
Warheads/missile (number)	1	4	6	8	
Yield/warhead (megatons)	1	.2	.34–.4	2	
Throw-weight/missile (thousands of pounds)	2	5	7	15	
Deployment (number)	0–60	100–500	600–1,000	308–313	1,400
Aggregate throw-weight (millions of pounds)	0–.12	.5–2.5	4.2–7.0	4.6–4.7	11.0–12.0
Aggregate warheads (number)	0–60	400–2,000	3,600–6,000	2,400–2,500	6,500–8,500

2. SLBM'S

Type	SS–N–6	SS–N–8	Total
Range	1,500	4,200	
Warheads	1	1	
Yield (megatons)	1+	1+	
Deployment	544	406	950
Aggregate warheads	544	406	950

This table reflects the best case optimism about Soviet deployments because it assumes that the Soviets will not take full advantage of the capabilities their R. & D. system and deploy the most advanced systems and instead will rely the most thoroughly tested systems first observed in the 1972–73 time period. Two features of the post-SALT Soviet buildup stand out.

First, Soviet throw-weight will double under these circumstances to 11 to 12 million pounds. However, because no new U.S. ICBM will be deployed by that time, the U.S. advantage in land-based deployed warheads will vanish. The United States will continue to maintain an advantage in the number of deployed warheads on submarines, but they are not sufficiently accurate to threaten U.S. land-based forces. Soviet ICBM's, do possess sufficient potential to destroy U.S. silo-based U.S. ballistic missiles with no more than two warheads allocated per silo.

Without resort to worst case polemics, the transformation of Soviet strategic forces, inevitable without an unprecedented renunciation the regime's reliance on military power, has produced a profoundly dangerous situation for the United States in the early years of the next decade.

Stated simply, it is possible to predict that the rapid pace of Soviet strategic force development since 1972 will mature in the early 1980's with the full deployment of a series of new systems discussed previously. The United States, on the other hand, has unilaterally restrained the development of sufficient forces to offset the military significance of the Soviet buildup. Even if expeditious congressional action is forthcoming in the next fiscal year, forces sufficient to offset the Soviet buildup could not be in place until the middle part of the next decade without a crash program. Thus, American diplomacy will, for the first time in the nuclear era, be exposed to the power of an adversary with a significant advantage in every important measure of strategic nuclear power. The consequences for the United States if it should become engaged in an intense crisis with the Soviet Union with such a dangerously exposed military position is beyond measure. This nightmarish, yet plausible evolution of developments, never intended by anyone in a responsible position in government is almost upon us in terms of the speed with which we must make important policy decisions.

The threat posed by these developments can be diminished or exacerbated by our arms control policy, and it is for this reason that the subject be given the most urgent consideration. Arms control, in this case, SALT I, has unwittingly, become an instrument that has diminished our security to the point where we may face genuine peril in the early years of the next decade if changes are not made swiftly.

STRATEGIC ARMS LIMITATION POLICY

The 1972 SALT accords were designed as an interim measure to permit the negotiation of a permanent agreement allowing for eventual reductions in the size of the strategic arsenals of the SALT participants. To this end, SALT I was to have been a freeze on new deployments, but a permanent agreement, according to congressional mandate in the ratification process, was to provide for parity. The legislative history strongly suggested parity in throw-weight.

In 1974, a set of guidelines known as the Vladivostok guidelines were reached that embodied the most dangerous elements of the SALT I accords without any redeeming reductions in the most threatening Soviet systems. The Vladivostok guidelines perpetuated and in effect, endorsed the post-1972 Soviet throw-weight buildup. Thus the most direct threat to U.S. land-based forces was permitted to be retained by the Soviets, and because of the weakness in the construction of the terms of agreement negotiated, the growth potential for Soviet forces was vast—compared to their 1972 deployed

forces—with room for only modest offsetting improvements for the United States.

Moreover, the United States has offered terms for settling the dispute over how to count cruise missiles and the Soviet Tu–26 Backfire within the Vladivostok that is highly prejudicial to American interests, out of misplaced zeal to conclude an early agreement.

President Carter has reiterated an offer to the Soviet Union that may give us the worst of both worlds. I cannot believe this would be his intent. But he is reported to have offered to sign an agreement dealing with ICBM's and SLBM's within the Vladivostok guidelines, thereby making permanent what was to have been a "temporary" assignment of a numerical advantage to the Soviet Union to facilitate the negotiation of a permanent agreement.

However, the Carter proposal would leave to further negotiation the question of the status of cruise missiles and the Backfire bomber, thereby aborting further development of our own proposed cruise missile deployments pending the outcome of the proposed negotiations. Similar inhibitions are directed against our own B–1 bomber program because its status within the Vladivostok guidelines would become ambiguous at best.

The difficulty with our emerging SALT policy under the new administration has recently been compounded by the proposal advanced by the President that the United States would abandon its program to reduce the vulnerability of our land-based ballistic missile force if the Soviet Union would abandon the deployment of an intermediate-range ballistic missile capable of mobile deployment. Thus, the U.S. land-based forces would continue to be directly threatened by the heavy throw-weight Soviet ICBM's, particularly the SS–18 and SS–19, diminishing their enthusiasm for negotiating any reductions in these most threatening systems.

Rather than being a source of stability and security for the United States, our arms control posture is increasingly becoming the most important engine for sustaining the Soviet threat in the strategic nuclear realm.

RECOMMENDATIONS FOR THE FUTURE

This brief, but grim rendition of our current arms control posture is not advanced out of partisan criticism, but rather out of a genuine interest encouraging a change in our arms control policy to permit it to become an instrument for negotiating a reduction in the most threatening elements of the Soviet strategic nuclear force.

What then, should the United States do?

First, we should come to grips with the uncomfortable, but necessary notion that in order to negotiate successfully, we must make it clear to the Soviets that the alternative to negotiating a favorable strategic arms agreement would result in a situation parallel to the one they faced after they launched the Korean war; namely two decades of nuclear inferiority.

Second, we must act on this recognition by rapidly beginning the development and accelerated deployment of American strategic systems which directly threaten the most dangerous Soviet systems. By this I mean we must deploy highly accurate ballistic missile warheads with a single-shot kill probability to destroy all existing Soviet silo-based missiles.

Third, we must act to reduce the vulnerability of American land and sea-based systems. Land-based systems vulnerability can be most effectively reduced by deploying a mobile ICBM in place of the existing silo-based Minuteman missiles. A simultaneous reduction of the vulnerability of U.S. systems and an increase in the vulnerability of Soviet systems will provide an incentive for serious Soviet negotiation that no set of unilateral restraints now in vogue in the arms control community could ever provide.

Fourth, we should narrow the scope of our strategic arms control efforts to include only systems where high-quality verification of compliance is feasible. This would exclude efforts such as deployment limitations on strategic bombers, qualitative controls on cruise missiles such as range, payload, deployment modes, et cetera.

Fifth, the limitation of strategic arms should not be made to bear the burden of all of our efforts to reduce the risk of nuclear war. As I have suggested by my remarks, the arms limitation approach is too laden with risks to justify excessive confidence. Instead, greater attention should be paid in bilateral negotiations to other issues relating to the handling of crises which lead to the risk of war and related measures that stoke the mutual suspicion that is the ultimate source of the existing arms competition.

SOCIAL SECURITY EARNINGS LIMIT IS UNJUST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. EDWARDS) is recognized for 10 minutes.

Mr. EDWARDS of Oklahoma. Mr. Speaker, under the current rules of the Social Security Administration, senior citizens are forced to choose between leaving the workforce or giving up social security benefits they have earned.

I feel strongly that this practice is wrong, because it denies the American workforce the valuable contributions that senior citizens would make to the economy, if they were only given some encouragement, and is unjust, because it denies senior citizens who choose to continue their careers the full benefits they have worked so hard to obtain.

To correct these wrongs I am introducing legislation to abolish the earnings limitation on social security recipients. The existing limitation has the effect of taxing senior citizens, who have additional incomes, at a rate of 50 percent. Each dollar earned over the $3,000 annual limitation results in a 50-cent reduction in the social security payment.

When we should be encouraging senior citizens to remain in the workforce where their experience and knowledge can be used, we are discouraging them from working and forcing them into retirement and a life often filled with hopelessness, frustration, and depression. We have lost sight of the intent of the Social Security Act, which was to insure a minimum income to older Americans, and instead we confiscate income that is above the minimum level.

It is absolutely critical that Congress halt this practice now, because of the hardships inflation is working on senior citizens in my district and throughout the Nation. Benefits have not come close to keeping pace with inflation, and people who can earn extra money to supplement those benefits have the right to do so, without sacrificing what they have earned through years of labor and contribution to the social security system. For that reason I today have introduced this bill, which I hope will again bring the wisdom of our senior citizens into the American workforce.

LEGISLATION TO AMEND INTERNAL REVENUE CODE ALLOWING DEDUCTION FOR SEWER CHARGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. CORNELL) is recognized for 5 minutes.

Mr. CORNELL. Mr. Speaker, today I am introducing a bill to amend the Internal Revenue Code to allow a deduction for sewer charges in the same manner as the deduction allowed for real property taxes. I do so because in parts of my district as well as in other sections of the country sewer charges are no longer included in the property tax, but billed separately as a service charge.

These separate billings, resulting from substantial outlays for the construction and operation of new sewerage treatment systems, are an additional burden to the propery owner. Since they were formerly included in the property tax which is deductible, it seems logical to treat such charges in the same manner as real estate taxes.

I believe that it is essential for the Federal Government to take whatever action is possible to relieve the heavy burden of taxation on the individual property owner. Legislation such as I propose today is a simple but helpful step in that direction.

LEGISLATION TO AMEND FISHERY CONSERVATION AND MANAGEMENT ACT OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. AUCOIN) is recognized for 5 minutes.

Mr. AuCOIN. Mr. Speaker, I simply want to announce that I am today reintroducing with 37 cosponsors my bill to amend the Fishery Conservation and Management Act of 1976, establishing a 200-mile fishery conservation zone.

I am delighted that so many of our colleagues have joined in this effort to make certain the 200-mile law does what Congress and the American people intended it to do. The cosponsors of the bill are: Mr. STUDDS, Mr. AKAKA, Mr. BAUCUS, Mr. BAUMAN, Mr. BEARD of Rhode Island, Mr. BURKE of Massachusetts, Mr. CARNEY, Mr. DON H. CLAUSEN, Mr. COHEN, Mr. EDGAR, Mr. EILBERG, Mr. EMERY, Mr. FLOOD, Mr. GINN, Mr. HARRINGTON, Mr. HAWKINS, Mr. HOWARD, Mr. HUGHES, Mr. JEFFORDS, Mr. JENRETTE, Mr. LENT, Ms. MIKULSKI, Mr. MILLER, Mr. MOAKLEY, Mr. MOORHEAD of California, Mr. PANETTA, Mr. RINALDO, Mr. ROSE, Mrs. SPELLMAN, Mr. STARK, Mr. TREEN, Mr. WEAVER, Mr. WHITEHURST, Mr. WHITLEY, Mr. WILSON, Mr. YOUNG, and Mr. ZEFERETTI.

For the convenience of Members of the House who are not familiar with this legislation, I would like to request unanimous consent that the text of the bill be printed in the RECORD at this point.

The bill is as follows:

H.R. —

A bill to amend the Fishery Conservation and Management Act of 1976 in order to clarify the definition therein of vessels of the United States and to require the Secretary of Commerce to prepare an annual report regarding foreign investment in the United States fishing industry

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Fishery Conservation and Management Act of 1976 (Public Law 94-265) is amended by striking paragraph (25) and inserting in lieu thereof the following:

"(25) The term 'vessel of the United States' means any vessel which—

"(A) is documented under the laws of the United States or registered under the laws of any State; and

"(B) is either owned by a citizen of the United States, or has been continuously owned by the same person who owned it prior to January 27, 1977.

"(26) The term 'citizen of the United States' means—

"(A) an individual who is a citizen or national of the United States;

"(B) the Federal Government, any State or local government within the United States, or any entity of such a government; and

"(C) a corporation, partnership, association, or other entity, organized or existing under the laws of the United States or of any State, of which at least 75 per centum of the interest therein is owned by a citizen or citizens of the United States: *Provided,* That a corporation is not a citizen of the United States—

"(i) unless its president or other chief executive officer and the chairman of its board of directors are citizens of the United States and no more of its directors than a minority of the number necessary to constitute a quorum are noncitizens, or

"(ii) if seventy-five per centum of the interest in such corporation is not deemed to be owned by citizens of the United States under the provisions of section 2(c) of the Shipping Act of 1916, as amended (46 U.S.C. 802(c))."

SEC. 2. Section 204(b)(1) of such Act of 1976 is amended by adding at the end thereof the following: "(For purposes of this Act, any foreign nation may treat, as a vessel under the flag of such nation, any vessel which is documented under the laws of the United States or registered under the laws of any State, if more than 25 percent of the vessel is beneficially owned by an individual who is a citizen of such nation or by a legal entity which is organized or existing under the laws of such nation.)".

SEC. 3. (a) The Fishery Conservation and Management Act of 1976 (Public Law 94-265) is further amended by adding at the end thereof the following new section:

"SEC. 407. ANNUAL REPORT REGARDING FOREIGN INVESTMENT IN THE UNITED STATES FISHING INDUSTRY.

"(a) CONTENTS OF REPORT.—(1) Before March 1 of each year, the Secretary shall submit to Congress a report on foreign investment in the United States fishing industry during the immediately preceding calendar year. Such report shall include, but not be limited to, information regarding—

"(A) the nature and degree of such foreign investment;

"(B) the disposition of the fish processed by United States fishing enterprises in which there is foreign investment, including information regarding the type of products into which such fish were processed and where such fish and the products derived therefrom were marketed;

"(C) the effect of such foreign investment on the employment of citizens and nationals of the United States in the United States fishing industry, including but not limited to the degree to which U.S. citizens exercise management control over companies in which there is foreign investment; and

"(D) the effect on the United States balance of payments.

"(2) The Secretary shall include in each report required under paragraph (1)—

"(A) a current evaluation of the overall impact which foreign investment has had on the United States fishing industry;

"(B) an estimate of the future trends in such investment by industry and by geographic region; and

"(C) an opinion by the Secretary with respect to whether or not current or future foreign investment in the United States fishing industry is adversely affecting, or may adversely affect—

"(i) the carrying out of the purposes and policies of this Act;

"(ii) the financial condition of the United States fishing industry and related industries, including but not limited to fishing vessel construction and repair, marine supply, fish processing and fish processing equipment manufacture;

"(iii) the availability of domestic financing for industries identified in (ii);

"(iv) the competitive position of United States exports of fish and fish products in world markets; or

"(v) any other aspect of the national interest which the Secretary deems appropriate.

If the Secretary is of the opinion that there is, or may be, adverse impact as a result of foreign investment in the United States fishing industry, the Secretary shall include with the report his recommendations (including suggested legislation) for ameliorating such impact.

"(b) REGULATIONS.—(1) The Secretary shall prescribe such regulations as may be necessary and appropriate to carry out this section, including, but not limited to, regulations requiring any appropriate person who is subject to the jurisdiction of the United States to furnish any information which is determined by the Secretary to be necessary to carry out this section.

"(2) The Secretary of the Treasury shall provide to the Secretary such assistance (including such pertinent information as may be at the disposal of the Secretary of the Treasury) as the Secretary may request for purposes of carrying out this section.

"(3) Any information submitted to the Secretary by any person in compliance with any requirement under this subsection shall be confidential and shall not be disclosed except when required under court order. The Secretary shall, by regulation, prescribe such procedures as may be necessary to preserve such confidentiality, except that the Secretary may include in any report required to be made under this section any such information in any aggregate or summary form which does not directly or indirectly disclose the identity or business of any person who submits such statistics.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.'

(b) Section 406 of such Act of 1976 is amended by inserting "other than section 407," immediately after "Act,".

THE EMERGENCE OF SOLAR ENERGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 60 minutes.

Mr. DRINAN. Mr. Speaker, I am delighted to be able to announce to my colleagues that a major package of solar energy and energy conservation legislation will be introduced today by a large coalition of Congressmen and Senators. In the House, a total of nine legislative measures will be filed to promote and accelerate solar energy, renewable energy source and energy conservation technology and utilization. The bills will be similarly introduced in the Senate.

In all, 15 Members of Congress and 7 Senators have assisted in drafting and assembling this impressive energy package. However, in the days ahead I trust that many more Congressmen and Senators will be joining us in pushing for this very much needed campaign for—energy conservation and alternative energy sources.

It greatly pleases me to note, Mr. Speaker, that this solar and conservation package is not solely a product of the Congress. A unique coalition of consumer, business, environmental, and labor organizations worked to put the package together, and their assistance has proved to be invaluable. In the coming months, we in the Congress will continue to work with these groups in order to bring about the best possible solar power and energy conservation legislation. And I am hopeful that many others in the Congress and elsewhere will join us in this major effort.

Mr. Speaker, I would now like to take this opportunity to list those Members of Congress and Senators who have worked to put this energy package together:

MEMBERS OF CONGRESS

Jerome A. Ambro (New York).
Max Baucus (Montana).
Berkley Bedell (Iowa).
George E. Brown, Jr. (California).
Robert F. Drinan (Massachusetts).
Michael Harrington (Massachusetts).
James M. Jeffords (Vermont).
Joe Moakley (Massachusetts).

Ronald M. Mottl (Ohio).
Richard M. Ottinger (New York).
J. J. Pickle (Texas).
Frederick W. Richmond (New York).
Clarence D. Long (Maryland).
James L. Oberstar (Minnesota).
Stewart B. McKinney (Connecticut).

SENATORS

James Abourezk (South Dakota).
Edward W. Brooke (Massachusetts).
Clifford P. Case (New Jersey).
Gary Hart (Colorado).
Hubert H. Humphrey (Minnesota).
John H. Heinz, III (Pennsylvania).
Thomas J. McIntyre (New Hampshire).
Patrick J. Leahy (Vermont).

The numerous organizations which have worked on and endorsed the efforts of this coalition have been ably lead by Consumer Action Now, which has done much organizational work in moving this energy package forward. The organizations in the coalition include: American Association of Small Research Companies; American Institute of Architects; Environmental Action; The Environmental Policy Center; Environmentalists for Full Employment; Friends of the Earth; New Directions; Natural Resources Defense Council; Rural America; Sheet Metal Workers; Sierra Club; Urban Environment Conference; and United Auto Workers.

Mr. Speaker, we have banded together in his coalition because we believe that the 95th Congress is determined to beat the problem of our growing dependence on foreign oil. In order to accomplish our goal, an all-out commitment to energy conservation and the rapid adoption of renewable energy systems is vital. Although this solar and energy conservation package will not provide relief to this winter's problem, it can serve to insure that the future shortages such as those experienced in the last few months do not continue to reoccur.

The legislation which we will be introducing today will create incentives for the widespread use of conservation and renewable energy resources in homes, farms, industry and commerecial firms. It will not only impact on the private sector, but additionally, require that Federal buildings employ conservation and solar technologies to set an example for the Nation.

Mr. Speaker, while the Members who actually worked on the following legislative proposals will expand on their legislation in much greater depth, I would like to briefly list the contents in our solar power, renewable source and energy conservation package. The legislation introduced today includes:

A bill promoting the use of already developed solar energy and energy conservation technologies in Federal buildings;

A bill to promote the use of solar energy and energy conservation methods in farming practices, equipment and structures through USDA research, Farmers Home loans, Extension Service instruction and new national system of demonstration farms;

A bill to provide a tax rebate in the form of a credit for consumers, farmers, businesses, and industries to pay part of the cost of installing solar, geothermal, and wind energy systems and energy conservation measures;

A bill to provide direct grants and loans to homeowners, neighborhood and community groups, nonprofit organizations, and small businesses for the purchase and installation of solar power, renewable energy source and energy conservation equipment and measures;

A bill establishing an accelerated program of cooperation with less developed countries in data gathering, development, and commercialization of decentralized rural-oriented solar technologies, greatly expanding the role of American private industry;

A bill to encourage greater emphasis on the production and conservation of energy in developing countries;

A bill to give small business greater access to Federal research and demonstration funding for renewable energy by simplifying application procedures, and to provide funds for small businesses to begin manufacturing and marketing solar and energy conservation systems;

A bill to promote the installation of solar power and photovoltaic electric systems in Federal buildings; and

A resolution to bring about a feasibility study of using solar energy in connection with the heating, cooling and hot water systems or subsystems in the office buildings of the House of Representatives.

I would like to say at this time, Mr. Speaker, that this is an economic recovery package as well as an energy package. Energy conservation and renewable energy sources are very labor intensive. They will create a viable new industry and hundreds of thousands of new jobs for installers, plumbers, carpenters, and other construction workers as well as engineers, architects, and other professionals. The package will help existing small firms to grow, and it will give rise to many new businesses.

Just to indicate the magnitude of the possible affect on the economy which this package could have, I would like to cite the following figures. The solar energy industry envisioned here would have a proposed annual sales of $950 million by 1982. In addition, the Solar Industries Association estimates that if tax incentives and Government building programs are enacted, sales in the solar field could reach $24.5 billion by 1992. Therefore, we are not just proposing solutions to the energy problem but a significant stimulus to the economy as well.

PROVIDING INCENTIVES FOR THE INSTALLATION OF SOLAR POWER AND ENERGY CONSERVATION EQUIPMENT

Before turning over the floor to my colleagues I would like to discuss the legislation which I have prepared as part of the energy package discussed above. My bill, The Solar and Energy Conservation Commercialization Act, will provide major new incentives for the installation of solar, energy conservation, and other renewable source equipment and measures. It is being introduced in the Senate by Senator THOMAS J. MCINTYRE, who has aided me in the preparation of this legislation

I am hopeful that bills such as this will bring about a long awaited emergence of solar and other renewable sources on a widespread basis. For too long we have talked only of the potential of these new alternative sources, but it is now time to make them a reality. We have the technology, we have the need for energy, and we have the willingness of the public to look to solar and wind power as a major new energy provider. Therefore, let us begin.

The Solar and Energy Conservation Commercialization Act focuses in not just on solar and renewable sources but on energy conservation as well. The solution to our energy problems must include an accelerated effort in energy savings, because even with expanded energy supplies little progress will be made unless we can substantially cut down on consumption. For this reason the incentives which are included within my bill extend to both sides of the energy equation—both to new supplies and conservation.

Mr. Speaker, the need for quick action is upon us. The United States is presently importing approximately 42 percent of its oil supplies, expending over $32 billion on these petroleum imports. Without cutting down on our consumption and expanding our own sources of fuel, the United States risks grave foreign policy implications. With this kind of foreign dependence, the United States is all too vulnerable to the actions of the Arab States and others. There is little question then that from all these perspectives, solar power, renewable energy sources, and energy conservation add up to an important component of our national energy program.

SOLAR POWER

Mr. Speaker, in talking to my constituents about the potential for solar energy I am struck by the unanimity of feeling that the United States ought to push forward in this area just as quickly as possible. Energy from the sun is virtually inexhaustable and can be used without depleting our very limited energy resources. The Sun's rays cannot be embargoed, and it has never raised its prices. Increasingly, solar technology is available for commercial use, and the obstacles which stood in the way of fully implementing solar power are gradually falling by the wayside.

The most immediate application of solar power comes in the heating and cooling of buildings and homes. Solar energy is also ideally suited to heating water for residential and commercial use. Using systems which are already in existence, homes, offices, stores, and other buildings can derive anywhere from 30 to 90 percent of their energy needs from solar power. Much depends on the particular climate where the residence is located, but it should not be assumed that it is unusable in northern, colder climates. Indeed, even in the rainy Northwest and the cold Northeast solar power can often cut energy bills in half.

According to conservative estimates, Mr. Speaker, of the 60 million buildings to be constructed in the United States in the next 25 years, more than 40 million are viable, cost-effective candidates for solar systems. These estimates are

based on current technology, which means that in the future this 60-percent figure could rise substantially. Nevertheless, even with present technology a 60-percent installation rate would result in an annual savings of 720 million barrels of oil in 25 years. If all of these new buildings were "solarized" in that same time frame, the annual savings would be about 1.2 million barrels of oil.

While there can be little question of solar power's desirability, one of the biggest stumbling blocks has been its cost. Low technology solar installations have long been cost efficient, and now more advanced systems are becoming economical. Indeed, a recent study conducted by the Energy Research and Development Administration found solar heating to be as economical as electric heat already and predicted that it would be competitive with oil and gas within 5 years. The ERDA study went on to state that a solar system installed in a new home now would pay for itself through lower fuel costs within 15 years.

Mr. Speaker, the promise of solar energy is all too evident. We must now do all that we can to encourage the purchase and installation of commercially available solar systems. We are a long way from the time when 60 percent of all our dwellings will be installed with solar heating and cooling devices, in spite of the benefits which could accrue to homeowners, building owners, and the country's energy situation. For this reason, the Solar and Energy Conservation and Commercialization Act is necessary at this time.

ENERGY CONSERVATION

Mr. Speaker, 25 percent of our total energy consumption goes into heating, cooling, and hot water heating in the residential and commercial sector. In view of the energy inefficiency of most homes and buildings, this represents an area where an enormous potential exists for energy savings at a very low capital cost.

It is not surprising that we waste so much energy on heating and cooling. When fuel supplies were inexpensive, we erected buildings with oversized heating and cooling capacities, inefficient temperature regulations, and inadequate insulation. All of us have experienced at least once or twice the situation whereby an air conditioner is used to cool off an overheated building, and unufortunately, this type of occurrence is not rare.

Let me first key into the buildings of the commercial section, Mr. Speaker, to indicate the kind of energy conservation that could be brought about. It has been estimated that a 14-percent energy reduction could be attained almost immediately in the commercial sector just through good housekeeping practices. Then, if the management of the building were willing to modify the structure to incorporate good insulation and other energy conserving devices, another 30 percent in added efficiency is possible. Speaking from the standpoint of new buildings, 50- to 80-percent improvements in energy efficiency are feasible.

These approximations have been reinforced by actual conservation projects which have been undertaken in the United States. In a recent program which has been instituted at Ohio State University, 36- and 61-percent-consumption decreases were registered for electricity and natural gas use respectively. The University's retrofit program, which is simply an assessment and restructuring of an existing physical plant, paid for itself in less than 8 months. This is typical of the type of careful and deliberate energy conservation strategies which must be encouraged in the commercial sector as a whole if we are to bring about large scale energy savings throughout the country.

Mr. Speaker, the residential sector provides another opportunity for significant energy conservation advances. It has been estimated that fully 40 million American homes are inadequately insulated. Each day more are added to this number as Americans still have not fully been convinced of the need for good and sound home insulation. This certainly runs counter to our knowledge in this area, as better thermal insulation of buildings and residences can often cut heating and cooling requirements by as much as 40 to 50 percent.

Many members of the public are now beginning to insulate their residences and add those energy conserving devices which will save the United States a great amount of energy in the coming years. Those Americans have come to realize that ceiling insulation in a typical home costs only about $300 installed. More elaborate installations may cost more, but it is not uncommon for this type of investment to pay for itself in a matter of 2 to 3 years at current fuel costs. It is therefore my feeling that incentives on the part of the Federal Government to encourage homeowners and businessmen to insulate and add other energy saving devices to their homes and structures will be a very worthwhile investment for this country over the long term.

Mr. Speaker, I would now like to discuss the specific provisions of the legislation which I am introducing today. I believe that my bill could do a great deal to bring about the solutions which I have been discussing today.

THE SOLAR AND ENERGY CONSERVATION COMMERCIALIZATION ACT

Since the technology now exists to make solar power, renewable energy sources and energy conservation a practical alternative in many homes and businesses, I believe that the Federal Government should now provide incentives for the insulation of these energy systems. For this reason, Senator McINTYRE and myself have introduced the Solar and Energy Conservation Commercialization Act.

The bill encourages the purchase and installation of solar, renewable energy source and energy conservation equipment and measures by offering low-interest loans and grants to homeowners, neighborhood and community groups, nonprofit organizations, and small businesses. Although the energy equipment must be deemed qualified by the Federal Energy Administration in order to approved for the purposes of this act, there are many commercially available technologies to which grants and loans could easily be applied.

Just to illustrate the diversity of equipment which would be covered under my bill, Mr. Speaker, I would like to mention a few of the specifically included equipment. In the solar area, solar heating and cooling systems could be installed in residences and commercial buildings. Solar hot water systems, which are very economical in today's markets, could also be added. Under renewable source equipment, certain geothermal energy systems and wind energy devices could be approved by the FEA for utilization. In addition, many energy conservation measures and equipment would be eligible for funding under the terms of the act. Insulation, heat pumps, and devices or improvements to increase furnace efficiency would be among the many items which could be included in structures all across America.

Mr. Speaker, to better describe all of the differing grants and loans which are available under the Solar and Energy Conservation Commercialization Act, I have prepared the following outline of its provisions. Briefly, however, the bill offers low interest loans to homeowners, the loans covering 75 percent of the cost of purchase and installation of the equipment up to $4,000 for energy conservation and $10,000 for solar and renewable sources.

PROVISIONS OF THE SOLAR AND ENERGY CONSERVATION COMMERCIALIZATION ACT

[Introduced by Congressman Robert F. Drinan]

Recipient	Amounts available	Percentage of cost provided	Conditions
Grants:			
Homeowners	Solar, up to $1,500, conservation, up to $400	25 percent solar; 20 percent conservation	Income must be less than $30,000.
Neighborhood, community, and nonprofit groups.	solar, up to $6,000; conservation, up to $1,600	25 percent solar; 20 percent conservation	Where individual homeowners benefit in neighborhood groups, average income of participants must be $30,000 or less.
Loans:			
Homeowners	Solar, up to $10,000; conservation, up to $4,000	Covers up to 75 percent of cost	None.
Neighborhood, community and nonprofit groups.	Solar, up to $40,000; conservation, up to $16,000	Covers up to 85 percent of cost	Do.
Small business	Solar, up to $50,000; conservation, up to $25,000	Can cover full cost	Do.

Note: Department of Housing and Urban Development administers grants and loans for homeowners, neighborhood, community and nonprofit groups. Small Business Administration administers small business loans.

Grants are available to those whose incomes are less than $30,000 to cover 20-percent grants of up to $400 for conservation, and 25-percent grants for up to $1,500 for solar and renewable energy source installations.

The bill also makes financial incentives available in the form of loans and grants to neighborhood, community, and nonprofit groups. The terms are similar for homeowners, although greater amounts are available for larger projects.

For example, 25-percent grants of up to $6,000 are available for solar, while 20-percent grants of up to $1,600 for conservation may be given to grant recipients. For small business concerns, low-interest loans can cover the full cost of qualified energy insulations. These loans may be approved for up to $25,000 for energy conservation and up to $50,000 for solar and renewable energy sources.

The grants and loans under this bill will be administered for the most part by the Department of Housing and Urban Development. The Small Business Administration will administer low-interest loans for small businesses. Both of these agencies will cooperate with the Federal Energy Administration in insuring that the solar and energy conservation program fits into other existing Federal efforts. All three of these agencies will then report at year's end after the legislation has been enacted in terms of the status of the implementation of the act.

Mr. Speaker, I am delighted by the significant cooperation which has gone into the preparation of all of the various solar and energy conservation bills which will be part of our overall package. If our success in assembling this package is any indication, I am sure that many of these worthy bills will be passed in the 95th Congress. I would now like to defer to other Members of Congress with regard to their legislation and statements in this important area.

For the benefit of my colleagues, I am inserting the text of my Solar and Energy Conservation Commercialization Act. The text follows:

H.R. 3981

A bill to provide for incentives for the commercial application of solar energy, energy conservation, and renewable resource equipment and devices in homes, neighborhood and community structures, small businesses, and facilities owned or occupied by nonprofit organizations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Solar and Energy Conservation Commercialization Act".

FINDINGS, POLICY, AND PURPOSE

SEC. 2. (a) FINDINGS.—The Congress hereby finds and declares that—

(1) new alternative energy sources and rigorous energy conservation steps are necessary to stem America's increasing dependence on foreign energy supplies;

(2) solar and other renewable energy sources may provide substantial amounts of heating, cooling, and other energy needs when implemented in the residential, commercial and industrial sectors;

(3) accelerated energy conservation efforts in homes, stores and buildings will bring about fast, cost-efficient and environmentally sound methods of energy savings in the near future in the United States; and

(4) rapid development of renewable energy sources and energy conservation practices can be facilitated by federal financial assistance in the form of grant programs and low interest loans.

(b) POLICY AND PURPOSE.—It is the policy and purpose of this Act—

(1) to foster and promote the commercialization and implementation of solar, energy conservation and other renewable energy sources;

(2) to provide federal financial assistance and commercialization incentives in the form of grant programs and low interest loans; and

(3) to speed the installation of new energy technology so as to reduce America's energy supply problems.

QUALIFIED SOLAR, RENEWABLE SOURCE AND ENERGY CONSERVATION MEASURES AND EQUIPMENT

SEC. 3. (a) The last unnumbered paragraph of section 2(a) of the National Housing Act is amended by inserting before the period at the end of clause (3) a comma and the following: "and such term includes any renewable resource energy measure which the Administrator of the Federal Energy Administration has approved pursuant to section 365 (e) of the Energy Policy and Conservation Act".

(b) Qualified measures and equipment under (a) of this section includes but are not limited to the following items:

1. Solar Equipment.
(A) solar heating and cooling systems.
(B) solar hot water systems.
(2) Renewable Source Equipment.
(A) geothermal energy systems.
(B) wind energy systems.
(3) Energy Conservation Measures and Equipment.
(A) insulation.
(B) heat pumps.
(C) devices or improvements to increase furnace efficiency.
(D) clock thermostats.

FINANCIAL ASSISTANCE FOR HOMEOWNERS

SEC. 4. (a) In order to carry out the purposes of this Act, the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to make grants and loans to individuals and families to assist them in purchasing and installing qualified solar, renewable source equipment in residential structures.

(b) Section 2 of the National Housing Act is amended by adding at the end thereof the following:

"(1) The Secretary is authorized, with respect to any commercial loan which is made to any individual whose gross income (when combined with that of such individual's spouse) does not exceed $30,000 per annum, to make grants for the purpose of encouraging the purchase and installation of qualified energy measures and equipment, in an amount not to exceed the lesser of $400 or 20 percent of the amount thereof, except that in the case of solar or renewable system loans, the maximum amount of the grant shall be the lesser of $1,500 or 25 percent of the amount of the loan. Such a grant shall be made to the borrower or to the commercial lender who shall, in accordance with such regulations as the Secretary may prescribe, apply the amount of the grant to reduce monthly payments required to amortize the loan."

(c) Section 2 (b) of such Act is amended by adding at the end thereof the following: "A loan made available by the Federal Government to finance the installation of a qualified energy system for a homeowner shall—

"(A) involve such amount not exceeding $4,000 as may be necessary to cover 75 percase of solar or renewable system loans, the stallation of such system, except that in the cent of the costs of the purchase and inamount shall not exceed $10,000; and

"(B) have a maturity not exceeding 20 years.".

(d) Where grants are made available to individual and family homeowners under (b) of this section, Federal loans as provided for in (c) of this section are not available to those same individual and family homeowners, except where special circumstances exist as certified by the Secretary.

FINANCIAL ASSISTANCE FOR NEIGHBORHOOD, COMMUNITY, AND NONPROFIT PROJECTS

SEC. 5. (a) The Secretary is authorized to make grants and loans to neighborhood, community, and nonprofit groups to assist them in purchasing and installing qualified solar, renewable source and energy conservation measures, and equipment in residential or community structures. Where such neighborhood, community, or nonprofit installations may significantly improve the overall cost efficiency or energy efficiency of solar, renewable or energy conservation equipment and measures, proposals for multi-structure units shall be given preference over single structure proposals.

(b) Section 2 of the National Housing Act is amended by adding at the end thereof the following:

"(j) The Secretary is authorized, with respect to any commercial loan which is made to neighborhood, community and nonprofit groups, to make grants for the purpose of encouraging the purchase and installation of qualified energy measures and equipment, in an amount not to exceed the lesser of $1,600 or 20 percent of the amount thereof, except that in the case of solar or renewable system loans, the maximum amount of the grant shall be the lesser of $6,000 or 25 percent of the amount of the loan. Such a grant shall be made to the borrower or to the commercial lender who shall, in accordance with such regulations as the Secretary may prescribe, apply the amount of the grant to reduce monthly payments required to amortize the loan. However, grants may only be made to neighborhood groups (where individual homeowners will benefit) when the average gross income for each individual and his spouse participating in the project does not exceed $30,000 per annum."

(c) Section 2 (b) of such Act is amended by adding at the end thereof the following:

"A loan made available by the Federal Government to finance the installation of a qualified energy system for a neighborhood, community or nonprofit group shall—

"(A) involve such amount not exceeding $16,000 as may be necessary to cover 85 percent of the costs of the purchase and installation of such system, except that in the case of solar or renewable systems loans, the amount shall not exceed $40,000; and

"(B) have a maturity not exceeding 30 years.".

(d) Where grants are made available to neighborhood, community or nonprofit groups under (b) of this section, Federal loans as provided for in (c) of this section are not available to those same groups, except where special circumstances exist as certified by the Secretary.

(e) For the purpose of this section—

(1) a neighborhood group is defined as a number of individual or family homeowners assembler together for the purpose of purchasing and installing qualified energy systems which may jointly benefit the homes or structures of each; and

(2) a community group is defined as a number of individuals assembled together for the purpose of purchasing and installing qualified energy systems in structures belonging to a municipality, community association, or similar public organization.

FINANCIAL ASSISTANCE FOR SMALL BUSINESS

SEC. 6. (a) The Administrator of the Small Business Administration is authorized to make loans to small businesses to assist them

in purchasing and installing qualified solar, renewable source and energy conservation measures and equipment in structures owned or operated by small businesses.

(b) Section 7(a) of the Small Business Act is amended by inserting after the first sentence thereof the following new sentence: "Loans under this subsection may include loans to finance the purchase and installation of solar and renewable energy systems and energy conserving improvements, as such terms are defined in Section 2 of the National Housing Act, except that the maximum amount of a loan to finance the acquisition of energy conservation measures may not exceed $25,000, and the maximum amount of the loan for solar and renewable energy systems may not exceed $50,000.".

INTEREST ON LOANS

SEC. 7. Loans made under this Act shall bear interest at a rate equal to the average market yield (computed as of the end of the calendar month preceding the month in which the loan is made) on all marketable interest-bearing obligations of the United States then forming a part of the public debt (with such average yield, if not a multiple of one-eighth of 1 percent, being adjusted to the nearest such multiple), plus one-half of 1 percent for administrative costs.

INTERAGENCY COOPERATION AND APPLICATION OF THE ACT

SEC. 8. (a) In carrying out their functions under this Act, the Secretary of Housing and Urban Development and the Administrator of the Small Business Administration shall cooperate and regularly consult with the Administrator of the Federal Energy Administration. Wherever possible, the purposes and provisions of this Act shall be coordinated with other ongoing federal energy programs.

(b) The Secretary of Housing and Urban Development, the Administrator of the Small Business Administration and the Administrator of the Federal Energy Administration shall consult with the Commission on Federal Paperwork in order to insure that administrative requirements and costs imposed on the Federal Government and on the beneficiaries of the programs carried out under this Act are minimized. Special care shall be exercised to reduce administrative delays and difficulties in applying for grants and loans made available under this Act.

ANNUAL REPORT

SEC. 9. Not later than March 1 of each year, the Secretary of Housing and Urban Development, the Administrator of the Small Business Administration and the Administrator of the Federal Energy Administration shall jointly transmit to the President and the Congress a report on the activities carried out under this Act during the preceding fiscal year. Such report shall include—

(1) a summary of the actions taken to implement the provisions of this Act;

(2) a summary of existing or anticipated problems with respect to further implementation of the provisions of this Act;

(3) recommendations for additional legislation, if any, which is deemed necessary; and

(4) any other matters which the Secretary and the Administrators deem appropriate.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 10. There are authorized to be appropriated not to exceed $100,000,000 for the fiscal year ending September 30, 1978, and $200,000,000 for each fiscal year thereafter prior to the fiscal year ending September 30, 1981, except that not less than $35,000,000 of any amount so appropriated shall be available only for loans under the second sentence of section 7 of the Small Business Act.

SOLAR ENERGY FOR HOUSE OFFICE BUILDINGS

Mr. PICKLE. Mr. Speaker, I am very pleased to offer again a House resolution to study the feasibility of using solar energy in the office buildings occupied by the Members and staff of the U.S. House of Representatives.

When I first presented this idea in the last Congress it was supported by over 100 Members. Since that time, we have been able to look into the matter further and have discussed and I think worked out with the Architect of the Capitol and the chief engineer a program which we hope will enable us to begin using solar energy in at least one building here on Capitol Hill in the near future.

The message of this effort, and if its enthusiastic response is this: solar energy is here today and here to stay. While some forms of solar energy will not be ready for common use for years, the use of solar energy to provide hot water and heating and cooling of buildings can begin now.

This is not a demonstration project. If it proves feasible to use solar energy in any of the House office buildings, it will be because it is practical and, over the life of the building, cost effective to do so.

I hope through this effort to save the taxpayer money over the long run. And I hope, by actively engaging in this effort in our own back yard, to encourage others to take a new and hopeful look at solar energy.

The bill, introduced earlier this year as House Resolution 81, has been substantialy rewritten and is being reintroduced today. Congressmen OTTINGER, ROSE, and MCCORMACK have joined me in this effort as well as the other members of this very diverse solar group. I am grateful for their support. I hope that many of my colleagues will want to join me in this effort.

The text of the resolution follows:

H. RES. 322

Whereas, the House of Representatives finds that in the construction or renovation of buildings, the cost of energy consumed over the life of such buildings must be considered as well as the initial cost of such construction or renovation; and

Whereas, the House of Representatives finds that the use of current solar energy technology can assist the nation in meeting its needs for energy for hot water, heating, and cooling systems; and

Whereas, the House of Representatives deems it of benefit to the nation to promote the use of solar energy; and

Whereas, the House of Representatives has a responsibility to promote such use in the national interest; and

Whereas, the House of Representatives finds that using solar energy in buildings occupied by its Members or staff may further these objectives: Now, therefore, be it

Resolved, That (a) not later than one year after the date of the adoption of this resolution, the Architect of the Capitol (hereinafter in this resolution referred to as the "Architect") shall—

(1) conduct a feasibility study of using solar energy in connection with the heating, cooling and hot water systems or subsystems of—

(A) the House Office Building Annex No. 2;

(B) the Cannon, Longworth, and Rayburn House Office Buildings and related structures; and

(C) other house office building annexes and related structures; and

(2) prepare and transmit a report to the House of Representatives.

(b) In conducting the study required by subsection (a)(1), the Architect shall consider and make findings with respect to—

(1) the costs, structural requirements, and time requirements of installing solar energy equipment;

(2) the costs of operation, including the cost of energy consumed over the life of each such building or structure, after such equipment is installed; and

(3) any other factors the Architect considers relevant to such installation or operation.

Such findings shall be made by the Architect for each separate system or subsystem described in subsection (a)(1) within each separate House office building and for each combination of such systems or subsystems within each such building or combination of such buildings.

(c) The reports required by subsection (a)(2) shall include the findings made by the Architect under subsection (b) and his conclusions and recommendations concerning the practicability and desirability of implementing, separately or in combination, any of the utilizations studied by the Architect under this resolution.

SEC. 2. The Architect may enter into contracts to carry out the study required by this resolution.

SEC. 3. There is hereby authorized to be appropriated for this study funds not to exceed $50,000 under the appropriation heading "Capitol Power Plant", to be expended by the Architect of the Capitol under the direction of the House Office Building Commission.

SOLAR GROUP

The belief that it is time to move solar energy from the science fair to the industrial sector has brought together today an unprecedented group of Representatives and Senators. We hold a wide range of political views and have often as not opposed each other on many issues. But we have found that we all feel solar energy is good for the Nation and solar energy is ready to move.

I helped sponsor the original Solar Energy Research, Development and Demonstration Act in the 93d Congress. It was a needed and timely bill. And it was a successful bill. It is the success of that effort, headed by our colleague the Honorable MIKE MCCORMACK, which has brought us together to take some forms of solar energy down another step of the road.

Another important focal point of much of the legislation being introduced today is energy conservation. We are all realizing that our days of energy overabundance are now over. To minimize personal suffering and painful economic dislocation in the years ahead we are going to have to make better use of the energy we have—no matter what form it comes in.

I am proud to join with all the other Members introducing energy legislation today. Needless to say, there are some areas of disagreement, and there will be more as consideration of these measures proceeds. We all recognize there will be budgetary problems. We face other pressing national needs besides energy which we must budget for, and we may not be able to move as quickly as we would like while our deficits are soaring.

Another factor which we must keep in mind is that solar and other renewable energy sources are not the only forms of energy we must consider. Even with an all-out effort it will take a while for new energy forms like solar to become predominant. Solar energy in its present forms is not even a viable alter-

native for all parts of the country. North, East, South, and West will be basically dependent on petroleum for years to come and will have to continue current efforts—and begin new ones—to resupply our basic fossil fuels. Nuclear energy, too, will have a role to fill in the next decades.

Because the predominant solar payoff is not immediate, however, is no reason not to do all we can as quickly as prudence allows.

We should keep in mind, moreover, that by encouraging a solar energy market and industry we will be directly confronting one of our most critical national problems—unemployment. A solar energy industry not only provides new jobs, it provides meaningful jobs with a definite future in this country. That is a bargain that is well worth taking a long look at.

Each Member has spent a great deal of time and effort in working out legislation to further solar energy in almost every walk of American life. Our staffs have met together for long hours, so that each of us has benefited from the insights of the others. I have not sponsored or cosponsored all the bills being presented today because I have reservations about some of the costs and some of the provisions. But I say without reservation that each bill being offered today deserves a full hearing from this body. This effort is vital if we are to begin to turn the corner of our energy supply shortage.

FEDERAL BUILDINGS BILL

While aiding the use of solar energy in the private sector, the Federal Government should conform as quickly as possible to energy efficiency standards and technologies in its own realm. President Carter has turned down the thermostat in the Oval Office, and in every Federal building around the country we should follow suit, and we should follow through. We should make every Federal building as energy efficient as possible, and we should try to do so in a reasonable time frame.

The responsibility we have to move ahead ourselves is why I introduced my bill to examine buildings here on Capitol Hill to see if they could use solar energy. And that is why I am pleased to join with Congressmen DICK OTTINGER and MIKE MCCORMACK in their bill to promote energy conservation and use on renewable energy sources in Federal buildings all across the country.

Mr. Speaker, with pleasure I yield to Congressman OTTINGER to explain the act to promote the use of energy conservation, solar energy, and total energy systems in Federal buildings.

Mr. OTTINGER. Thank you, Mr. PICKLE.

The introduction today before the 95th Congress of this bill to promote the use of conservation measures and solar energy in Federal buildings is especially important to me. It is well time to take solar energy out of the research posture and get existing technology into use. The Federal Government can and should lead the way with application in its own thousands of buildings—and in the process create a mass market for solar equipment that can dramatically lower costs.

Not only is the aim of this bill, the promotion of conservation and solar energy, a goal that has consumed a great deal of my energy during the 94th Congress, but this particular Federal buildings bill we have today is the culmination and contribution of ideas brought forth in past proposals, mine and Congressman MIKE MCCORMACK'S, as well as work done within several Federal agencies.

It is time for the Federal Government to lead the country forward by showing how to conserve and use energy in the buildings under its own housekeeping responsibilities. Various Federal agencies have sponsored studies to suggest how this can be done, bills have been introduced and testimony presented to show that parts of the process are in place, but there is no overall mandate or direction. Now with this bill we introduce today we have the mechanism to put into practice what so many of us have urged in the past and support today.

A brief background of the ramifications of this Federal buildings bill shows the potential impact on the country as a whole.

The Federal Government now owns or leases approximately 486,000 buildings or approximately 2.7 billion square feet. Of this, the Department of Defense owns 81 percent and the GSA and the Veterans' Administration control the major part of the rest. The U.S. Postal Service has 33,000 facilities representing 185 million square feet.

Just a preliminary analysis by DOD has determined that of the 2.1 billion square feet, approximately 30 percent has an immediately recognizable potential for refitting with solar equipment. Approximately 85 percent of the buildings GAS is responsible for will be in operation in the year 2000 and are therefore likely candidates for refitting for conservation and solar energy technology. This then is just a beginning overview of the potential within the Federal purview.

The Federal buildings bill we introduce today calls for an energy audit of all Federal buildings so that we can determine which buildings are the most energy demanding and which would be the most advantageous candidates for initial solar technology applications and significant conservation measures.

The energy consumed throughout the whole country for heating and cooling of buildings accounts for 25 percent of our national energy use and more than 30 percent of our use of petroleum. All our buildings require an evaluation of their specific energy demands and this energy audit of Federal buildings will present a technique that can be replicated in the private sector.

A second ramification of our bill will be the estalishment of an economic evaluation of solar and conservation measures over the life of the building. Refitting an existing building adds immediate first cost demands and new building budgets must accept higher first costs for energy equipment and design; these costs must be balanced against cost savings achievable through installation of solar equipment and conservation practices.

In July 1976, the GAO presented a report calling for the refinement of life-cycle costing analysis and its application for Federal construction projects. Indeed, many agencies of the Government are now involved in some form of life-cycle cost evaluations. But there is little coordination.

Both GSA and DOD have used life-cycle costs in one form or another. DOD, according to the GAO report has used elements of life-cycle cost techniques in the procurement of buildings. The Naval Facilities Engineering Command has prepared test computer simulation programs for life-cycle costing. And GSA's handbook, "Criteria for a Federal Office Building," contains requirements that architect/engineer submit life-cycle costs for the design of heating, refrigeration, and electrical facilities. However, according to GAO, these requirements have not generally been implemented due to the lack of a nationally understood methodology.

The National Bureau of Standards has been working on the development of a rational and scientific approach to life-cycle costs. And finally, OMB in its Federal Procurement Office is working on regulations and formulas directed toward the revisions of Federal procurement regulations to require agencies to consider the architect/engineer's ability to produce life-cycle cost estimates and analysis.

Although life-cycle cost procedures are in general rather straightforward in the aim to evaluate higher first cost against eventual payoff from reduced or zero fuel costs, there are several factors to be considered in a truly sophisticated formula.

These factors can include consideration of discount rates, rates of inflation and tax rates, as well as the life expectancy of equipment for both capital and maintenance costs. Also, hard to quantify components are the benefits accrued to the country by the saving of natural resources through conservation and the development of the widespread use of solar energy.

The Federal buildings bill specifies that the Administrator of FEA will, in consultation with OMB, NBS, ERDA and HUD, establish a practical and effective method of estimating and comparing life-cycle capital and operating costs for residential, commercial, and industrial buildings, including life-cycle fuel and energy requirements for such buildings. The bill also requires that after the life-cycle cost criteria have been developed that agencies use these estimates as the criterion for making awards in their design and construction proposals. The line iteming of energy costs in the agency budget will allow Congress to exercise oversight of this process.

To have the Federal Government take the lead in coordinating a life-cycle cost methodology is another evidence of how this Federal housekeeping can be effective for the country as a whole.

A third ramification of the bill, other than establishing energy audits, life-cycle

costing formulas, will be a significant strengthening of the developing solar energy industry. Right now there are many manufacturers of solar equipment but their further development and market assurance is tentative as with any new industry. If, as stated in the bill, GSA could add solar equipment to the Federal Supply Service, there would be a form of guaranteed market for solar technology which could result in the reduction of prices for the country as a whole as mass production develops.

Further national benefits resulting from this bill apply to all aspects of the use and development of conservation and solar energy measures, most importantly in increased jobs, the saving of nonrenewable energy supplies and the reduction of money spent on energy supplies.

Energy conservation and the use of solar energy can have a significant impact on unemployment. A study done for the Sheet Metal Workers' International by the Stanford Research Institute estimated that one-fourth of every dollar invested in solar heating and cooling will go to the labor costs of installations. In addition, there will be many jobs created fabricating the collectors, storage equipment, ducting, and allied equipment for solar installations. A Federal program to promote energy conservation and solar energy use will help put many Americans back to work.

During hearings on a previous bill, GSA representatives stated that if 50 percent of all GSA operated buildings could be converted to solar heating it would save approximately 8 million barrels of oil annually. And, according to an FEA report, the stimulation of solar energy commercialization by Federal Government programs could result in the savings of the equivalent of 233,000 barrels of oil a day by the year 1985.

In terms of money saved, we have a statement by Nicholas Panuzio, Commissioner of Public Building Service of GSA, in the February issue of Government Executive magazine, that a retrofit with solar energy of half of the most energy intensive space in GSA buildings to be operative by the year 2000 would cost $140 million, but the savings would be $20 million a year. As Roger Sant, the former Administrator of Conservation in FEA, has so often stated, it costs about half as much to save a barrel of oil as it does to produce it.

Thus we can, as I am sure you all recognize, only gain from the provisions of this bill. By leading the country in energy conservation and solar energy use, the Federal Government takes on a mantle that has been long awaited.

I am tremendously enthusiastic about the whole package of legislation we are introducing today. I am proud of the support of the labor unions, environmental groups, and public interest organizations. And I am proud of my colleagues who have joined together not only today but during the past months as these bills have evolved. I think the administration and the country will recognize and support these positive efforts of the 95th Congress as we step boldly with the sun lighting our path.

The text of the Federal buildings bill follows:

H.R. 3982

A bill to promote the use of energy conservation, solar energy, and total energy systems in Federal buildings

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress finds that—

(1) there is an urgent need to promote the design, construction, and operation of buildings to conserve and make more efficient use of fuels and energy;

(2) a shift from dependence on non-renewable to renewable energy sources would have a beneficial effect on the Nation's overall energy supply;

(3) programs for energy conservation in buildings, along with the use of renewable energy sources, would stimulate industries and create new job opportunities for supplying and servicing new or improved energy-conserving and energy-supplying systems and equipment;

(4) in the construction or renovation of buildings, the cost of energy consumed over the life of such buildings must be considered as well as the initial cost of such construction or renovation; and

(5) the Federal Government, being the largest energy consumer in the United States, should be in the forefront in implementing energy conservation measures along with the use of renewable energy sources.

POLICY

SEC. 2. It is the policy of the United States that the Federal Government has the opportunity and responsibility, with the participation of industry, to further develop, demonstrate, and promote the use of energy conservation, solar heating and cooling, and total energy systems in Federal buildings.

PURPOSE

SEC. 3. It is therefore the purpose of this Act to promote the use of commonly accepted methods to establish and compare the life cycle costs of operating residential, commercial, and industrial buildings, and the life cycle fuel and energy requirements of such buildings, with and without special features for energy conservation, the use of solar heating and cooling, and the use of total energy systems.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) the term "Administrator" means the Administrator of the Federal Energy Administration;

(2) the term "life cycle cost" means the total costs of owning, operating, and maintaining a building over its economic life, determined on the basis of a systematic evaluation and comparison of alternative building systems and including considerations of projected inflation and discount rates; and a building is "life cycle cost effective" if it embodies the alternative building design or system (or both) which minimizes the building's total life cycle cost;

(3) the term "energy audit" means a determination of the per square foot energy demand, either actual or calculated, of existing buildings, and of the physical characteristics of such buildings including but not limited to their age, use, construction, and retrofit potential;

(4) the term "Federal building" means any building, structure, or facility, or part thereof, which is constructed, renovated, or leased specifically for use by the United States or by an agency or agencies thereof; and

(5) the term "existing Federal building" means any Federal building for the construction, renovation, or leasing of which funds have been appropriated or otherwise actually made available prior to the date of the enactment of this Act, and the term "new Federal building" means any other Federal building; except that a building shall be considered a "new Federal building" even though funds for its construction, renovation, or leasing have been made available prior to that date if (A) its construction, renovation, or leasing has not been completed prior to that date, and (B) the Administrator determines that the plans for such construction, renovation, or leasing can still feasibly be modified to take into account the provisions of this Act relating to new Federal buildings.

ESTABLISHMENT AND USE OF LIFE CYCLE COST METHODS

SEC. 5. (a) The Administrator, in consultation with the Director of the Office of Management and Budget, the National Bureau of Standards, the Administrator of the Energy Research and Development Administration, and the Secretary of Housing and Urban Development, shall establish a practical and effective method for estimating and comparing life cycle capital and operating costs for residential, commercial, and industrial buildings, including the life cycle fuel and energy requirements for such buildings.

(b) All new Federal buildings shall be life cycle cost effective as determined in accordance with the methods established under subsection (a). In the procurement of new Federal buildings awards shall be made on the basis of life cycle cost rather than first cost and the bidder shall demonstrate that he has considered the use of solar heating and cooling.

(c) In addition, the Administrator shall take such actions as may be necessary or appropriate to promote to the maximum extent possible the use and acceptance of such methods in the construction and renovation of non-Federal public buildings and in the construction and renovation of other buildings, structures, and facilities in all segments of the economy.

ENERGY PERFORMANCE TARGETS FOR EXISTING BUILDINGS

SEC. 6. In addition to establishing methods for estimating and comparing life cycle costs under section 5, the Administrator, in consultation with the Administrator of the Energy Research and Development Administration, the Secretary of Housing and Urban Development, and the Director of the Office of Management and Budget, shall establish energy performance targets for existing buildings, structures, and facilities, and shall take such actions as may be necessary or appropriate to promote to the maximum extent feasible compliance with such targets by all existing Federal buildings within the United States. The performance targets established under the preceding sentence shall be compatible with any new building performance standards adopted or developed by the Secretary of Housing and Urban Development.

ENERGY AUDITS AND RETROFITTING OF EXISTING FEDERAL BUILDINGS

SEC. 7. (a) As soon as possible after the date of the enactment of this Act, each Federal agency shall conduct an energy audit of all existing Federal buildings under its jurisdiction, occupancy, or control which contain 30,000 or more square feet, and shall furnish the results of such audit to the Administrator. The Administrator shall submit to the Congress a preliminary report of the energy audits conducted under the preceding sentence within 6 months after the date of the enactment of this Act, and a final report on such audits within 2 years after such date.

(b) (1) Each Federal agency shall, in accordance with this subsection, select from the energy audit of existing Federal buildings under its jurisdiction, occupancy, or

control appropriate buildings for retrofit measures to improve their energy efficiency in general and their life cycle cost effectiveness in particular. Such measures shall include, without being limited to, energy conservation measures and measures involving solar technology.

(2) At least 1 percent of the total gross square footage contained in all existing Federal buildings under the jurisdiction, occupancy, or control of any Federal agency shall be retrofitted by such agency under paragraph (1) during the first year after the date of the enactment of this Act; at least an additional 2 percent of such total gross square footage shall be so retrofitted during the second year after such date; and an additional percentage of such total gross square footage equal to at least 1 percentage point higher than the percentage applicable under this paragraph in the preceding year shall be so retrofitted during each year after the second such year, with a view to achieving full compliance with paragraph (3) by the time specified therein.

(3) By no later than January 1, 1990, all existing Federal buildings which are under the jurisdiction, occupancy, or control of any Federal agency shall have been the subject of such retrofit measures under paragraph (1) as will assure their maximum possible life cycle cost effectiveness.

ENERGY PREFERENCE FOR LEASED BUILDINGS

SEC. 8. Each Federal agency, in leasing buildings for its own use or the use of any other Federal agency, shall give an appropriate preference to buildings having a high degree of life cycle cost effectiveness.

BUDGET TREATMENT OF ENERGY ITEMS BY FEDERAL AGENCIES

SEC. 9. Each Federal agency, in the preparation and submission of its budget requests for any fiscal year, shall specifically set forth (and identify in a separate line item or items) the funds being requested for retrofit measures to be undertaken in accordance with section 7(b), and the portion of any other funds being requested which represents the initial costs of construction or renovation attributable to capital equipment for energy conservation or for the utilization of solar energy.

FEDERAL SUPPLY SERVICE

SEC. 10. In order to facilitate the purchase by other Federal agencies of equipment for energy conservation and for the utilization of solar energy and total energy systems, the Administrator of the General Services Administration shall at all times include such equipment in the Federal Supply Service.

REPORTS

SEC. 11. Each Federal agency shall periodically furnish the Administrator with full and complete information on its activities under this Act, and the Administrator shall annually submit to the Congress a comprehensive report on all activities under this Act and on the progress being made toward achievement of the objectives of this Act.

TRANSFER OF FUNCTIONS

SEC. 12. Within sixty days after the effective date of any law creating a Federal Department of Energy or its equivalent (or within sixty days after the enactment of this Act if the effective date of such law occurs prior to the enactment of this Act), the functions vested in the Administrator of the Federal Energy Administration under this Act and any funds which may have been appropriated pursuant to section 13 of this Act, to the extent necessary or appropriate, may, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in such Department.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. There are authorized to be appropriated to the Administrator such sums, not exceeding $_____ in the aggregate, as may be necessary to enable him to perform the functions vested in him under this Act; and there are also authorized to be appropriated any amounts otherwise required to carry out this Act.

Mr. JEFFORDS. Mr. Speaker, the two bills I am introducing today, with Congressmen BINGHAM, HARRINGTON, and BEDELL from International Relations, and GEORGE BROWN from Science and Technology, which were also worked on by the staffs of Senators CASE and BUMPERS, provide a way to develop mass markets for simple nonconventional energy technologies throughout the rural developing world. The international section of this package establishes a form of synergy which is rare in our foreign policy today. It will allow the United States to show true friendship with the developing nations by providing technologies which can greatly improve their quality of life.

Also this cooperative program will be a boon for American industry, which needs assured mass markets in order to make investment decisions and automate production lines. This will inevitably sink costs to a fraction of present solar technologies. The range of applications in the less developed world is nearly unlimited. There is no other area where cooperative programs can improve our national image in the developing countries as in the transfer of these appropriate energy technologies. North-South discussions have been heading on an unproductive vituperative track recently. As exporters of energy technologies and in close cooperation with those areas of the world which will adapt our technologies to local needs, we can move the North-South relationship into more positive dimensions.

The effect of this transfer of technologies can be dramatic. For example, very small wind machines now being developed by American manufacturers can change the face of much of the Sahel region of Africa by pumping the water up from shallow water tables and irrigating the desert.

Also, with the development of mass-produced photovoltaic cells, we can bring about dramatic changes in educational methods in the LDC's. Educational techniques whereby solar-powered schools with a TV linkup to communications satellites can bring the local version of Sesame Street to villagers across the tropics at relatively little cost.

Further, the cooperative programs we are mandating would go a long way toward helping ease the financial burdens of the LDC's who are so dependent on high-priced imported oil giving us an important initiative in foreign policy.

The bills provide $15 million to AID and ERDA in fiscal year 1978 to embark on such a program.

Herewith is the text of the two bills:

H.R. 3980

A bill to amend the Federal Nonnuclear Energy Research and Development Act of 1974 to provide for cooperative programs with less developed countries for the development of unconventional energy technologies.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Nonnuclear Energy Research and Development Act of 1974 is amended by adding at the end thereof the following new section:

"COOPERATION WITH LESS DEVELOPED COUNTRIES IN DEVELOPING UNCONVENTIONAL ENERGY TECHNOLOGIES

"SEC. 19. (a) The purposes of this section are to further the objectives of this Act by—

"(1) strengthen the analytical and energy planning capabilities of developing countries and broadening their energy information base;

"(2) encourage the development of technologies for tapping indigenous, especially renewable, energy resources in the less developed countries that will also have application in the United States;

"(3) promote consideration of renewable resource, decentralized energy technologies for rural and community use in developing countries and the United States as an alternative to central power systems using nuclear or fossil fuel;

"(4) stimulate commercialization of small-scale power systems by United States private industry, to the mutual benefit of the United States and the developing countries;

"(5) develop manufacturing capabilities in less developed countries in alternative power systems;

"(6) reduce the dependence of the United States on importation of crude oil and the refined product thereof from countries which embargoed the United States from these commodities in 1973; and

"(7) improve end-use efficiency of existing energy technologies in order to enhance conservation.

"(b)(1) In furtherance of the purposes of this section and as part of the comprehensive program in research, development, and demonstration required by this Act, the Administrator shall cooperate with less developed countries in the development and utilization of unconventional, nonnuclear energy technologies. Emphasis shall be placed on the earliest practicable development and utilization of energy technologies which are environmentally acceptable, require minimal capital investment, are appropriate for decentralized and rural applications, are transferable from one region of the world to another, are most acceptable to the sociocultural groups which will utilize them, are simple and inexpensive to utilize, and are most susceptible to the development of a mass market and to the early development of American and foreign manufacturing industries.

"(2) Projects supported under this subsection shall include, but not be limited to, irrigation projects, photovoltaic applications, wind applications from one to three hundred kilowatts, biomass projects, solar-thermal applications, and simple total energy systems. Selected projects shall be earmarked for early design and demonstration throughout the less developed world as the results of the studies conducted under subsection (c) become available, except that any projects which are determined to have a reasonable chance of success shall be initiated as soon as possible, regardless of the state of progress of the studies.

"(3) Cooperative programs conducted under this subsection shall involve analysis of energy needs; identification of research and development priorities; market research; collaborative research and development; field testing, demonstration, and adaptation; pilot

projects; commercialization; acquisition and dissemination of information; and development of appropriate institutional networks.

"(4) In order to facilitate transfers of unconventional nonnuclear energy technology to less developed countries, programs conducted under this subsection shall include exchanges, arranged in cooperation with the Agency for International Development, of scientists and other technical personnel. Such exchanges shall include regular consultative visits by employees or contractors of the Energy Research and Development Administration to missions operated by the Agency for International Development. In addition, workshops on the application of energy technology and on the design of pilot plants shall be conducted on the local level in developing countries.

"(c)(1) In furtherance of the purposes of this section, the Administrator is authorized to carry out studies, in cooperation with the Agency for International Development, to identify the energy needs, uses, and resources which exist in various countries and regions of the world. The goals of such studies shall be to identify ways to increase productivity, increase the standard of living, substitute unconventional energy sources for fossil and nuclear fuel, alleviate migration to urban areas and encourage migration to rural areas, and otherwise further the purposes of this section.

"(2) The immediate objective of the studies conducted under this subsection is the establishment of an information system which permits ready transfer among similar regions of the world of information relating to the rural, decentralized applications of unconventional, nonnuclear energy technologies, with particular emphasis on transfers of information applicable to the most impoverished areas. Accordingly, the studies should be designed and conducted so that the information obtained has applicability to all major climatic and resource regions of the world.

"(3) Studies carried out under this subsection shall evaluate the energy resources available to meet energy needs in various countries and regions, including such resources as insulation, wind data, and biomass waste materials. In addition, such studies shall identify any cultural factors which would favor the use of some energy systems over others by various local population groups, and shall recommend which energy technologies seem most appropriate for the various physical, cultural, and human environments of the world.

"(4) Survey teams involved in studies conducted under this subsection should include United States and foreign representatives from both the public and private sector. Representatives of industry should be included on such teams in order to facilitate early utilization of the resulting information and recommendations by industry for the research, demonstration, and commercialization phases of projects involving unconventional, nonnuclear energy technologies.

"(5) The results of the studies conducted under this subsection shall be reported to the Congress by July 1, 1978. Such report shall identify the most promising energy systems and technologies available for cooperative projects and shall recommend modifications in the overall United States energy plan in order to incorporate the findings of the studies conducted under this subsection into our national planning processes. The comprehensive plan for energy research, development, and demonstration developed under section 6(a) shall be revised accordingly.".

SEC. 2. For purposes of carrying out section 19 of the Federal Nonnuclear Energy Research and Development Act of 1974, as added by the first section of this Act, there is authorized to be appropriated to the Administrator of Energy Research and Development for the fiscal year ending September 30, 1978, $5,000,000.

H.R. 3979

A bill to amend the Foreign Assistance Act of 1961 to encourage greater emphasis on the production and conservation of energy in developing countries through the development and utilization of unconventional energy technologies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC 117. Unconventional Energy Technologies.—(a) The purposes of this section are to—

"(1) strengthen the analytical and energy planning capabilities of developing countries and broadening their energy information base;

"(2) encourage the development of technologies for tapping indigenous, especially renewable, energy resources in the less developed countries that will also have application in the United States;

"(3) promote consideration of renewable resource, decentralized energy technologies for rural and community use in developing countries and the United States as an alternative to central power systems using nuclear or fossil fuel;

"(4) stimulate commercialization of small-scale power systems by United States private industry, to the mutual benefit of the United States and the developing countries;

"(5) develop manufacturing capabilities in less developed countries in alternative power systems;

"(6) reduce the dependence of the United States on importation of crude oil and the refined product thereof from countries which embargoed the United States from these commodities in 1973; and

"(7) improve end-use efficiency of existing energy technologies in order to enhance conservation.

"(b)(1) In order to alleviate energy problems through the development and utilization of unconventional energy technologies and to otherwise carry out the purposes of this section, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for cooperative programs with developing countries in energy production and conservation. The emphasis of these programs shall be on the earliest practicable development and utilization of energy technologies which are environmentally acceptable, require minimal capital investment, are appropriate for decentralized and rural applications, are transferable from one region of the world to another, are most acceptable to the sociocultural groups which will utilize them, are simple and inexpensive to utilize, and are most susceptible to the development of a mass market and to the early development of American and foreign manufacturing industries.

"(2) Projects supported under this subsection shall include, but not be limited to, irrigation projects, photovoltaic applications, wind applications from one to three hundred kilowatts, biomass projects, solar-thermal applications, and simple total energy systems. Selected projects shall be earmarked for early design and demonstration throughout the less developed world as the results of the studies conducted under subsection (c) become available, except that any projects which are determined to have a reasonable chance of success shall be initiated as soon as possible, regardless of the state of progress of the studies.

"(3) Cooperative programs conducted under this subsection shall involve analysis of energy needs; identification of research and development priorities; market research; collaborative research and development; field testing, demonstration, and adaptation; pilot projects; commercialization; acquisition and dissemination of information; and development of appropriate institutional networks.

"(4) In order to facilitate transfers of unconventional energy technology to less developed countries, programs conducted under this subsection shall include exchanges, arranged in cooperation with the Energy Research and Development Administration, of scientists and other technical personnel. Such exchanges shall include regular consultative visits by employees or contractors of the Energy Research and Development Administration to missions operated by the agency primarily responsible for administering this part. In addition, workshops on the application of energy technology and on the design of pilot plants shall be conducted on the local level in developing countries.

"(5) In carrying out this subsection, the President may cooperate with those international agencies which are engaged in compatible programs.

"(6) Programs under this subsection shall be carried out to the maximum extent feasible in conjunction with activities authorized by secton 107.

"(c)(1) In furtherance of the purposes of this section, the President is authorized to carry out studies, in cooperation with the Administrator of Energy Research and Development, to identify the energy needs, uses, and resources which exist in various countries and regions of the world. The goals of such studies shall be to identify ways to increase productivity, increase the standard of living, substitute unconventional energy sources for fossil and nuclear fuel, alleviate migration to urban areas and encourage migration to rural areas, and otherwise further the purposes of this section.

"(2) The immediate obective of the studies conducted under this subsection is the establishment of an information system which permits ready transfer among similar regions of the world of information relating to the rural, decentralized applications of unconventional energy technologies, with particular emphasis on transfers of information applicable to the most impoverished areas. Accordingly, the studies should be designed and conducted so that the information obtained has applicability to all major climatic and resource regions of the world.

"(3) Studies carried out under this subsection shall evaluate the energy resources available to meet energy needs in various countries and regions, including such resources as insolation, wind data, and biomass waste materials. In addition, such studies shall identify any cultural factors which would favor the use of some energy systems over others by various local population groups, and shall recommend which energy technologies seem most appropriate for the various physical, cultural, and human environments of the world.

"(4) Survey teams involved in studies conducted under this subsection should include United States and foreign representatives from both the public and private sector. Representatives of industry should be included on such teams in order to facilitate early utilization of the resulting information and recommendations by industry for the research, demonstration, and commercialization phases of projects involving unconventional energy technologies.

"(5) The results of the studies conducted under this subsection shall be reported to the Congress by July 1, 1978. Such report shall identify the most promising energy systems and technologies available for coopera-

tive projects and shall recommend modifications in the overall United States energy plan in order to incorporate the findings of the studies conducted under this subsection into our national planning processes.

"(d) Of the funds made available to carry out this chapter for the fiscal year 1978, at least $10,000,000 may only be used to carry out this section.".

SOLAR ENEGRY USES IN AGRICULTURE

Mr. BROWN of California. Mr. Speaker, this Congress is faced with crises on many fronts which have reached dramatic proportions. Most States are experiencing the dreadful effects of extremely low temperatures and drought conditions. The drain on our oil and natural gas supplies due to these climate fluctuations has driven home the need to present temporary and long-term solutions to our energy demands.

I am introducing a bill today which is part of a package of seven bills attempting to tackle the problem by stimulating the development and application of solar energy and energy conservation methods. The legislation which I am sponsoring amends various Department of Agriculture programs to include an emphasis on solar energy, and it establishes a new demonstration farm program within each State for the purpose of displaying farming techniques and technology that are fueled by solar and other renewable sources of energy, and new or improved methods of energy conservation.

In particular, the bill authorizes:

First, $25 million for Department of Agriculture research and development of solar technology to be used on farms;

Second, the Farmer's Home Administration to grant loans for solar farming equipment and for solar heating and cooling systems in farming structures, including homes;

Third, the USDA Extension Service to instruct and demonstrate renewable energy, farming technology;

Fourth, the Secretary of Agriculture to establish an information system which compiles a list of all solar research projects in Federal, State, private and nonprofit institutions; and

Fifth, the establishment of a national network of demonstration farms within each State, primarily implemented by the State Departments of Agriculture, which will display the benefits of solar energy farming equipment and energy conservation methods by using the technology within the scope of normal farming practices. Each State will choose the renewable energy technology that is best suited to its climate conditions and other appropriate factors and needs through a system of annual meetings between the USDA and the regional representatives of the State Departments of Agriculture.

After the annual meeting to determine which solar technology will be demonstrated in each region and State, every State department of agriculture will establish one model farm which demonstrates their chosen solar technology and energy conservation methods. In addition, no less than 10 farms within each State will demonstrate one new method or technique.

Reports on energy conserved, farmer and local interest, and other appropriate features of the demonstration system will be sent to Congress.

The legislation authorizes $20 million for the demonstration section.

It is time to encourage the use of renewable sources of energy on all fronts. Our farmers need alternatives to their present dependence on natural gas and oil to fuel irrigation pumps, dry grain, heat livestock structures, water, and their homes, and power their other farm equipment. The Department of Agriculture has the facilities to encourage this transfer and Congress need only issue the initial directive. I urge my fellow colleagues to join me in this effort.

The text of the Agricultural Solar Energy Research, Development, and Demonstration Act of 1977 follows:

H.R. 3978

A bill to authorize the inclusion of solar energy research development, and demonstration programs in certain agricultural programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Solar Energy Research, Development, and Demonstration Act of 1977".

TITLE I—EXISTING PROGRAMS

AGRICULTURAL RESEARCH

SEC. 2. The Act entitled "An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935 (popularly known as the Bankhead-Jones Act), is amended—

(1) by inserting after "electricity and other forms of power;" in the third sentence of section 1 (7 U.S.C. 427) the following: "research and development relating to uses of solar energy with respect to farm buildings, farm homes, and farm machinery (including equipment used to dry crops and provide irrigation);";

(2) by adding at the end of section 1 the following new sentence: "For purposes of this title, the term 'solar energy' means energy (other than energy derived from the fossilization process) obtained from solar radiation."; and

(3) by adding at the end of section 10 (7 U.S.C. 427i) the following new subsection:

"(f) Of the sums authorized to be appropriated for any fiscal year under subsection (a) of this section, $25,000,000 is authorized to be appropriated to carry out research and development relating to uses of solar energy with respect to farm buildings, farm homes, and farm machinery (including equipment used to dry crops and provide irrigation)."

AGRICULTURAL EXTENSION

SEC. 3. The Act entitled "An Act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an Act of Congress approved July second, eighteen hundred and sixty-two, and of Acts supplementary thereto, and the United States Department of Agriculture", approved May 8, 1914, is amended—

(1) by inserting after "subjects relating to agriculture" in the first section (7 U.S.C. 341) the following: ", uses of solar energy with respect to agriculture,";

(2) by adding at the end of the first section the following new sentence: "For purposes of this Act, the term 'solar energy' means energy (other than energy derived from the fossilization process) obtained from solar radiation.";

(3) by inserting after "demonstrations in agriculture" in section 2 (7 U.S.C. 342) the following: ", uses of solar energy with respect to agriculture,"; and

(4) by adding at the end of section 3(a) (7 U.S.C. 343(a)) the following new sentence: "Five percent of the sums so authorized to be appropriated for each fiscal year shall be used to carry out cooperative agricultural extension work with respect to uses of solar energy."

RURAL DEVELOPMENT

SEC. 4. (a) Section 303 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1923) is amended by inserting "(a)" immediately before the first sentence and by adding the following new subsections at the end of such section:

"(b) For purposes of this subtitle—

"(1) the term 'improving farms' includes the acquisition and installation of any qualified solar energy thermal conversion system in any residential structure located on a family farm; and

"(2) the term 'qualified solar energy thermal conversion system' means solar heating and cooling equipment (within the meaning of the Solar Heating and Cooling Demonstration Act of 1974) which meets the Intermediate Minimum Property Standards prescribed by the Secretary of Housing and Urban Development or such later or revised appropriate and available standards as may be prescribed by the Secretary.

"(c) Five years after the enactment of this subsection, no loan may be made or insured under this subtitle for the purpose of financing the acquisition and installation of any such system in any residential structure located on a family farm."

(b) Section 312(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942(a)) is amended—

(1) by inserting after "poultry, and farm equipment" in clause (2) the following: "(including equipment which utilizes solar energy)"; and

(2) by adding at the end of such section the following new sentence: "For purposes of this section, the term 'solar energy' means energy (other than energy derived from the fossilization process) obtained from solar radiation."

TITLE II—SOLAR DEMONSTRATION FARMS

SOLAR RESEARCH INFORMATION SYSTEM

SEC. 5. The Secretary of Agriculture (hereinafter in this title referred to as the "Secretary") shall, through the Cooperative State Research Service and other agencies within the Department of Agriculture which the Secretary considers appropriate, in consultation with the Energy Research and Development Administration, the Agricultural Institute of the National Academy of Sciences, and private and nonprofit institutions involved in solar energy research projects, compile and list solar energy research projects which are being conducted by Federal, State, private, and nonprofit institutions. Such projects include heating and cooling methods for farm structures and dwellings (such as greenhouses and livestock shelters), storage of power, operation of farm equipment (including irrigation, pumps, crop dryers, and anaerobic digesters), and development of new technology to be used on farms which are powered by solar energy.

SOLAR DEMONSTRATION FARMS

SEC. 6. There is established within the Department of Agriculture an advisory committee to be known as the Research and Demonstration Planning Committee (hereinafter in this Act referred to as the "Committee").

SEC. 7. (a) The Committee shall be composed of 9 members, including a Chairman, appointed by the Secretary. In making ap-

pointments to the Committee, the Secretary shall appoint the following members:

(1) one member from each of the following agencies within the Department of Agriculture: the Agricultural Research Service, the Extension Service, and the Cooperative State Research Service;

(2) one member who will be able to represent the interests of land-grant colleges and universities as a result of his or her having been employed by such a college or university;

(3) one member who will be able to represent the interests of State agricultural experiment stations as a result of his or her having conducted or supervised research at such an experiment station;

(4) one member who will be able to represent the interests of nonprofit research institutions as a result of his or her having been employed by such an institution;

(5) one member who will be able to represent the interests of private research institutions as a result of his or her having been employed by such an institution; and

(6) two members who will be able to offer expert advice concerning the utilization and conservation of energy resources as a result of his or her having extensive and distinguished experience in the study of the utilization and conservation of energy.

(b)(1) Except as provided in paragraphs (2) and (3), members shall be appointed for terms of four years.

(2) The Secretary shall appoint the first members of the Committee within 90 days after the date on which this title takes effect. Of such first members—

(A) three shall be appointed for terms of one year,

(B) three shall be appointed for terms of two years, and

(C) three shall be appointed for terms of three years,

as designated by the Secretary at the time of appointment.

(3) Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

(c) A vacancy on the Committee shall be filled within sixty days after the vacancy occurs and in the manner in which the original appointment was made.

SEC. 8. (a) The Committee shall—

(1) be responsible for compiling and listing solar energy research projects under section 5;

(2) meet annually with four regional representatives of the State departments of agriculture to determine which solar energy research projects listed under section 5 will be useful and beneficial to States which are in each of the 4 regions into which the States are divided by the State departments of agriculture;

(3) reevaluate and reformulate the selection of solar energy research projects for demonstration each year;

(4) annually review and evaluate the progress, the degree of local interest, and the effectiveness of the demonstration farms within each State; and

(5) prepare and submit an annual report to the Secretary and both Houses of the Congress containing an evaluation of the demonstration farms within each State (including comparisons of the usage of energy, water, and organic matter before and after the demonstrations on such farms) and of the degree of farmer and local interest.

(b) In determining which projects will be useful and beneficial to States under subsection (a)(2), the Committee and regional representatives shall—

(1) consider the energy and agricultural needs and resources of the States within each region described in subsection (a)(2);

(2) determine, taking into consideration the particular problems of the State and region concerned, which projects are likely to result in the farmers of such State conserving energy, lowering operating costs, and producing agricultural commodities more efficiently;

(3) consider the needs of small farmers; and

(4) consider all factors which directly affect the use of various solar energy systems, including such factors as climate, number of livestock farms, wind velocity, and farm sizes.

SEC. 9. (a) Except as provided in subsection (b), members of the Committee shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–12 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Committee.

(b) Members of the Committee who are full-time officers or employees of the United States or Members of Congress shall receive no additional pay on account of their service on the Committee.

(c) While away from their homes or regular places of business in the performance of services for the Committee, members shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

SEC. 10. (a) The Committee shall have a Director of Staff Personnel who shall be appointed by the Committee and who shall be paid at a rate established by the Committee.

(b) Subject to rules which may be adopted by the Committee, the Director of Staff Personnel may appoint and fix the pay of such staff personnel as he or she deems desirable.

(c) The Director of Staff Personnel and the staff of the Committee may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) The Committee may procure temporary and intermittent services of experts and consultants to the same extent as is authorized by section 3109(b) of title 5 of the United States Code.

(e) Upon request of the Committee, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Committee to assist it in carrying out its duties under this Act.

SEC. 11. The Committee shall continue in existence until terminated by Congress.

SEC. 12. (a) In order to promote the establishment and operation of solar energy demonstration farms within each State and territory of the United States, 80 percent of the funds authorized to be appropriated to carry out this title shall be utilized by the State departments of agriculture, with the assistance of the Extension Service of the Department of Agriculture, the State agricultural experiment stations, the land-grant colleges and universities, and local nonprofit research groups, to carry out the activities described in subsections (b) and (c).

(b) Each State department of agriculture shall—

(1) after the annual meeting of regional representatives and the Committee under section 8(a)(2), meet with its regional representative to determine which solar energy research projects will be demonstrated in that State under section 8(a)(2);

(2) establish (working with the Extension Service of the Department of Agriculture, the State agricultural experiment station, land-grant colleges and universities, and local nonprofit research groups) one large model farm—

(A) which demonstrates all the solar energy research projects determined to be useful and beneficial to that State under section 8(a)(2);

(B) which is located in that State on land owned by that State; and

(C) which includes other farming practices, such as raising livestock and crops, in order to provide a model of a farm using solar energy as a means of heating, cooling, drying crops, and providing other farming needs; and

(3) sell the crops produced on the model farm established under paragraph (2) and deposit any funds received from such sales into the miscellaneous receipts of the Treasury of the United States;

(4) provide tours of such model farm to farmers and other interested groups and individuals;

(5) determine the costs of energy, the income, and the total costs of such model farm; and

(6) annually compile a report concerning energy usage, income, costs, operating difficulties, and farmer interest with respect to the model farm and individual farm demonstrations established under this section and shall submit the report, along with any recommendations concerning project changes and specific needs of such farm or demonstrations, to its regional representative who shall submit the report at the annual meeting of such representative with the other regional representatives and the Committee under section 8(a)(2).

(c) Within 1 year after the date on which a model farm is established in a State under subsection (b)(2), the State department of agriculture shall establish not less than 10 demonstrations of solar energy research projects which such department determines to be the most efficient or practicable research projects demonstrated on such model farm. Such demonstrations shall be carried out on farms which are already operating in such State and which the State department of agriculture selects. An owner of a selected farm who is willing to carry out such a demonstration shall enter into an agreement with the State department of agriculture. Such agreement shall include the following provisions among others:

(1) solar energy equipment may be installed on such farm by the State department of agriculture;

(2) such owner will operate and maintain the equipment for a period of 5 years;

(3) during such period—

(A) the Extension Service of the Department of Agriculture will provide such owner with technical assistance concerning the operation and maintenance of the equipment;

(B) such owner will record all changes in energy usage and energy costs on such farm before and after the installation of the equipment;

(C) such owner will report such changes, along with any other appropriate findings concerning such equipment, to the State department of agriculture; and

(D) such owner will give tours to farmers and other interested groups and individuals and provide them with a summary of the costs and operation of the equipment; and

(4) at the end of such period, such owner will have all rights and title to the equipment.

DEFINITIONS

SEC. 13. For purposes of this title, the term "solar energy" means energy (other than energy derived from the fossilization process) obtained from solar radiation.

AUTHORIZATION OF APPROPRIATION

SEC. 14. There is authorized to be appropriated $20,000,000 for this title.

Mr. BEDELL. Mr. Speaker, individual enterprise, as Thomas Jefferson noted, was the foundation for the pillars of

American prosperity two centuries ago. This fact is no less true today. Most of the historians of the American economic system agree that since the beginning of our Republic, small business has been the very heart of the American free enterprise system.

Perhaps one of the most important contributions of small business to the marketplace is those new, and sometimes revolutionary ideas, which originate not in laboratories and workshops of large businesses, but outside in the realm of small business. Penicillin, the jet engine, the zipper, the ball-point pen, and cellophane are just a few of the important contributions of independent inventors and small businesses. Studies of patent records show that the majority of major inventions originate with the individual or the small firm.

Today, I am proposing to bring this American inventiveness to work on the energy crisis. The basic technology and the economic conditions exist for the full-scale application of solar energy to the American lifestyle. We need Government encouragement and economic incentives to remove present barriers and stimulate the market for small businesses and to the benefit of the American consumer. Small business involvement provides that most necessary ingredient—competition—to the marketplace.

Unfortunately, present Government policies have generally lacked the concern, flexibility, and determination necessary to encourage small business participation in the solar industry. It is time for our Government to stop dragging its feet and begin full-fledged support for solar energy.

Neither economic, not technological excuses for not developing solar energy remain acceptable as Dr. Robert Hirsch, Assistant Administrator for Solar at ERDA, noted when he testified before the Government Operations Committee on February 1, "There is no question of technological feasibility in the major solar technologies, that is, they all work."

Moreover, a recent study of 13 cities across the Nation found solar hot water and space heating to be economically comparable to conventional systems using oil, natural gas, electric resistance heating, and electric heat pumps. This study was conducted before the natural gas crisis of this past month which drove prices even higher.

However, that valuable contribution small business and individual inventors could be making to solving remaining roadblocks to commercial and residential solar energy use cannot be truly realized without Government initiatives. The legislation I am introducing today seeks to open the necessary avenues which can allow giant steps forward in solar energy research, production, and marketing by small business.

My proposal seeks to both develop commercialization and research support for small businesses seeking to enter the solar energy field. Title I proposes $75 million for loans on a direct, guaranteed, or immediate participation basis for small business concerns involved commercially in solar energy or conservation technologies. This program would be administerd by the Small Business Administration.

A major stumbling block for solar commercialization development with small business is the lack of good technical information on installation, design, and servicing solar energy systems. Small businesses are the natural sector for providing these services. Therefore, a part of SBA's job would be to establish a grant program to assist nonprofit institutions and organizations in holding training seminars for independent contractors and small businesses concerning practical and easily implemented techniques for the installation, design, and servicing of solar energy systems. The SBA would also research, prepare, and publish necessary technical manuals available at 50 percent of cost.

Title II is a mandate for ERDA to more aggressively pursue small business involvement and participation in their present programs and developing new programs for additional opportunities. Small business and individual inventors would be required to receive a minimum of at least 20 percent of funds available through ERDA's solar energy programs. ERDA would also be required to utilize SBA's definition of small business to prevent duplication, overlapping, and the possibility of a subsidy of a large corporation receiving funds under the pretext of small business.

ERDA would also be required to establish an Office of Invention and Innovation to coordinate the National Bureau of Standards evaluation program and provide "small grants"—up to $50,000—to small business concerns and individuals for the research, development, and demonstration of promising energy related inventions. Up to $5 million would be available per year under the small grants program.

An additional $45 million would be available for larger grants, loans, and loan guarantees, but this program would require the approval of the Assistant Administrator responsible for the area of energy technology which the invention involves. It is also important to note that both of these programs are aimed at that largely ignored area of unsolicited proposals that ERDA has not taken the time to properly identify or develop.

And finally this legislation provides for an annual report to Congress on ERDA's implementation of this directive.

As part of the comprehensive solar and conservation legislation package being introduced today this proposal seeks to harness the resources of American enterprise, ingenuity, and inventiveness in our national effort to solve our energy problems. I am convinced that solar energy is a good investment now for homeowners and businessmen and with applied technology and Government encouragement it can be a reality tomorrow.

The text of the small business development bill follows:

H.R. 3984

A bill to amend the Small Business Act and the Federal Nonnuclear Energy Research and Development Act of 1974 to provide certain assistance to individuals and small business concerns in the areas of solar energy equipment and energy-related inventions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SMALL BUSINESS ACT AMENDMENTS

SECTION 101. (a) Section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding at the end thereof the following new subsection:

"(1) The Administration may make loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in financing—

"(1) plant construction, conversion, or expansion (including acquisition of land for such plant) and

"(2) the acquisition of equipment, facilities, machinery, supplies, or materials

to enable such concern to design, produce, distribute, install, or maintain solar energy or other equipment the primary purpose of which is the conservation of energy."

(b) Subsection (c) of section 4 of the Small Business Act (15 U.S.C. 633(c)) is amended—

(1) in paragraph (1) by inserting "7(1)," after "7(i),"; and

(2) in paragraph (2) by inserting "7(1)," after "7(i),".

(c) There is authorized to be appropriated to the business loan and investment fund established under section 4(c) of the Small Business Act $75,000,000 to carry out section 7(1) of such Act.

SEC. 102. Subsection (d) of section 7 of the Small Business Act (15 U.S.C. 636(d)) is amended by inserting "(1)" after "(d)" and by adding at the end of such subsection the following new paragraph:

"(2) The Administration may make grants to any nonprofit organization for the purpose of enabling such organization to provide training seminars for small business concerns concerning practical and easily implemented methods for the design, installation, and maintenance of solar energy equipment.

SEC. 103. Subsection (b) of section 8 of the Small Business Act (15 U.S.C. 637(b)) is amended by striking out "and" at the end of paragraph (14), by striking out the period at the end of paragraph (15) and inserting in lieu thereof "; and", and by adding after paragraph (15) the following new paragraph:

"(16) to provide, at not more than 50 percent of the cost to the Administration, to any small business concern technical manuals on the design, installation, and maintenance of solar energy equipment."

TITLE II—FEDERAL NONNUCLEAR ENERGY RESEARCH AND DEVELOPMENT ACT OF 1974 AMENDMENTS

SEC. 201. The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.) is amended by adding at the end thereof the following new sections:

"OFFICE OF INVENTION AND INNOVATION

"SEC. 19. (a) There is hereby established in the Energy Research and Development Administration the Office of Invention and Innovation. Through such Office, the Administrator may (subject to subsection (b))—

"(1) accept and evaluate, in coordination with the National Bureau of Standards, proposals by any individual or small business concern for the development of any energy-related intervention;

"(2) provide grants, not to exceed $50,000 for any proposal, to any individual or small business concern for research, development, and demonstration of any such invention; and

"(3) provide grants, loans, or loan guarantees in excess of $50,000 for research, development, and demonstration of any such invention if such grants, loans, or loan guarantees are approved by the Assistant Administrator of the Energy Research and Development Administration with authority over the

energy technology area to which such invention relates.

"(b)(1) Not more than $5,000,000 may be used in any fiscal year to carry out subsection (a)(2).

"(2) Not more than $50,000,000 may be used in any fiscal year to carry out subsection (a)(3).

"EXPENDITURE OF FUNDS UNDER SOLAR ENERGY PROGRAMS

"SEC. 20. Not less than 20 percent of the amount of funds appropriated to the Energy Research and Development Administration to carry out any solar energy program (exclusive of administrative costs) shall be expended for the benefit of small business concerns and individual inventors.

"DEFINITION OF SMALL BUSINESS CONCERN

"SEC. 21. For purposes of this Act, the term "small business concern" shall be defined by the Administrator in consultation with the Administrator of the Small Business Administration."

SEC. 202. Section 4 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5903) is amended by striking out "and" at the end of paragraph (d), by striking out the period at the end of paragraph (e) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(f) vigorously encourage the participation of individuals and small business concerns in—

"(1) the research and development (including demonstration of commercial feasibility and practical applications) of the extraction, conversion, storage, transmission, and utilization phases related to the development and use of energy from fossil, nuclear, solar, geothermal, and other energy sources; and

"(2) the advancement of energy conservation technologies, as described in section 6(b)(3)(A)."

SEC. 203. Paragragh (1) of section 15(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5914 (a)) is amended by inserting before the semicolon at the end thereof ", with specific reference to the activities carried out pursuant to section 4(f)".

Mr. MOTTL. Mr. Speaker, I wish to join with my colleagues in expressing my support for the solar legislative package which we are today introducing. It is time for the Federal Government to get serious about solar energy. This legislative package could push the commercialization of solar energy ahead by 5 to 15 years, by putting the Government firmly behind the solar option.

The basis for the previous administration's energy policy was spelled out to the Congress in ERDA's "A National Plan for Energy Research, Development, and Demonstration: Creating Energy Choices for the Future." Their report presents six estimates of the possible contribution of solar energy to the country. Their highest estimate is included under a "limited nuclear power" scenario, and results in a solar contribuiton of 0.6 percent of our total energy needs by 1985 and 7 percent by 2000.

Other estimates show ERDA's "prediction" to be amazingly conservative. For example, the Mitre Corp. report prepared for the National Science Foundation predicts it could supply up to 30 percent of our total energy requirements by 2000. The report of the project independence interagency task force projects a solar contribution of 21.6 percent by 2000 under an "accelerated implementation plan."

The problem with ERDA's study is that it often serves as more than a projection of energy possibilities. It sets the guidelines for the Federal energy effort, which puts the Government on record as looking at solar energy as a "futuristic" concept.

Solar energy is not a futuristic concept, it is here today. Solar energy is being applied in commercial, residential, and agricultural applications. From hotels to homes, solar space and water heating is providing needed energy at economical prices.

Solar energy is increasingly available on the commercial market. What path, what approach, the Goverment takes toward its development can make it a reality in a few years, or a few decades. I submit that our approach to date can only result in the latter.

The solar legislative package introduced today takes the former approach. We want to see the tremendous potential of solar energy realized now.

The report of subpanel IX to the AEC Chairman concluded that an accelerated solar program costing over $1 billion would pay for itself in fossil fuel savings through one subprogram alone—solar heating and cooling—within 7 years. Their prediction involves oil at $3 per barrel. Given today's cost of fossil fuels, such a program could pay for itself in a matter of years.

I wish to address my remarks to the small business section of this legislative package, which was prepared in cooperation with my colleagues from Iowa (Mr. BEDELL) and Vermont (Mr. JEFFORDS) and the distinguished Senator from New Hampshire (Mr. MCINTYRE). This proposal breaks down into two basic areas: commerical development and Government research.

This proposal will provide needed capital for small firms engaged in the production of solar and conservation technologies, starting on a limited basis of $75 million. It could be determined, in the future, whether additional funds are needed through SBA.

A small firm in the solar energy industry is facing a twofold problem with capital. Venture capital for solar energy commercialization is limited by the infant nature of the industry. The small firm is further burdened by the reluctance of investors to deal with small business. As we can see by recent capital studies—NFIB, January 1977, "Quarterly Economic Report for Small Business," the capital market for small firms is still tight. In the venture fields, this makes commercial expansion doubly difficult, if not impossible. Yet, these small firms are many of the pioneers of the solar field, and the most vigorous segment of this infant industry.

The development of a commercial solar market greatly depends upon the contractor. He is the bridge between the ultimate consumer and the engineers and manufacturers. If the commercialization of solar energy is going to make any progress, the heating and air-conditioning contractor will make a vital contribution.

Where will a consumer turn for information on solar heating and cooling—to his heating contractor, most likely. The consumer can be encouraged or discouraged to go to solar heating if the person he contacts is knowledgeable.

Essential for solar commercialization, then, is the training of these contractors in the installation, design, and servicing of solar equipment. This would be accomplished through a grant program administered by the Small Business Administration for technical schools, vocational schools, and other nonprofit entities who wish to hold training seminars for independent contractors and small business. The SBA would also prepare and distribute the necessary "technical manuals." Such technical data is necessary for the contractor, and it is important that it is in a format which he is familiar with and can use. The precedent for such manuals is found repeatedly in the industry, such as the ASHRAE guide and data book, HUD manual J, and others.

Government research is the second area which this proposal addresses. The Federal Government has established a program for the evaluation of promising energy ideas through ERDA and the NBS. Yet, there are no funds provided for the "promising ideas" which are found technically feasible. Nor are any funds earmarked in ERDA's budget for such unsolicited proposals. Some proposals are being sent back because they do not fit into ERDA's timetable for a number of years. For many inventors and small firms, their proposals only involve small sums of money. The availability of these funds can make the difference between developing a new technology now, or 10 years from now.

Innovation cannot be mapped out, or planned. It has been fairly well established that the individual inventor and the small firm are the chief source of innovation. This proposal establishes a small grants program through an Office of Invention and Innovation in ERDA responsible for the evaluation of promising energy ideas in cooperation with the National Bureau of Standards. Grants of up to $50,000—up to an annual total of $5 million—would be authorized directly through this office. Larger grants, loans, and loan guarantees would also be available for unsolicited proposals—up to an annual total of $45 million—with the approval of the Assistant Administrator responsible for the area which the technology involves.

This proposal also directs ERDA to "vigorously encourage" participation by small firms and individual inventors in its programs, and requires ERDA to report to Congress each year on its implementation of this directive. At least 20 percent of ERDA's solar funding would be earmarked for small firms, and ERDA would be required to utilize SBA's definition of a small business.

It is time for small R. & D. firms to receive a greater portion of the "pie." For years they have received only a

small fraction of Federal funds, due greatly to institutional barriers which have no relation to their ability to perform. I wish to appendix this statement with a comparison of small and large firm R. & D. which dispells the myth of large firm superiority.

It is the small firm which often performs the job better, if given the chance. It is definitely the small firm which has the greatest stake in seeing the new technology succeed commercially, and the greatest propensity for innovation.

I include the following:

A COMPARISON BETWEEN "SMALL" AND "LARGE" R&D COMPANIES

(By Peter R. Payne)

I've just been reading a report put out by the Senate Select Committee on Small Business (December 1975, Vol. 1, No. 5). It contains some views on why small businesses are important to our country. Some of them seem to be a little strained. "Humanizing corporations"; "worker satisfaction"; "more responsive to environmental, social and economic changes." Doubtless these things are all very nice, but are they the most important reasons? And can they be applied to all companies? What's good for the neighborhood grocery store may be bad for the local farmer who supplies it. In assessing the importance of small businesses, one ought first to divide them up into meaningful categories, and analyze each category by itself.

A very broad classification of small businesses might be as follows:

Farming.

Production of Raw Materials.

Manufacturing.

Services (including "paper study" organizations).

Research & Development (including invention and innovation).

Entertainment.

Thanks to the invention of machinery, we generally find that a small manufacturing or mining company cannot compete with a big one. Developing and forming raw materials is big business. Except for certain very specialized and minor exceptions, it is capital-intensive and the small businessman cannot compete. This is what the industrial revolution was all about. The development of capital at the end of the Middle Ages led in turn to the development of machines and factories which were able to far outproduce individual cottage workers; and generally speaking, the larger the manufacturing operation, the greater the economies of scale. The dice were further loaded against the small manufacturer by the invention of conscious mass production just prior to the Civil War, by the refinements introduced by pioneers such as Henry Ford, and most recently, by the techniques of automation which may eliminate the human element altogether.

Most historians would agree with that analysis more or less. The writer's favorite reference is Henri Pirenne, "A History of Europe" Volumes I and II, written in exile during World War I. Now available from Doubleday Anchor Books (1958). But it clearly has no relevance at all to "small" versus "large" organizations in, say, musical entertainment. A successful jazz band does not require much capital, nor does a large band produce cheaper music!

It must be obvious that research and development is also as different from manufacturing as chalk is from cheese. Observations based on manufacturing companies have no relevance at all to the comparison between small and large research and development companies. We recognize this historically, because most important innovations have come from small companies or individuals, and it is the large companies that cannot compete.[2] But, in recognizing this, we have not gone far enough. We have to realize that in R & D we are dealing with the output of people's minds, not of machines, and that is why the rules are completely different. Presumably there's something about a large organization which inhibits innovative thinking or doing.[4]

Many eminent engineers have known that "small is better" for a long time. From Shapero, for example.[1]

"John McLean of the Sidewinder program once proposed a development system in which two groups would be funded to do a given development, but one team funded at 10 percent of the dollars of the other team. He wrote that he would prefer to always be on the 10-percent team—personally so would I."

Even a company as large as Lockheed seems to recognize this. When they have to build something really challenging, and do it right first time, they often give it to the "Skunk Works", run for so many years by Kelley Johnson.

So it's my contention that as well as being more innovative, small teams and small companies are far more efficient than large ones. We can perhaps test this contention by comparing situations in which small R & D teams have been in competition with larger ones, performing similar tasks, and seeing how they fared relative to one another. We shall find, that as a general rule, a small team can complete a given project in less time; typically half the time, and sometimes as little as one-tenth the time. We shall find that the small company's costs are typically much less, and sometimes as little as one-tenth those of the large company. This is not just an interesting observation. It's a vital fact for the future of our country. Simplistically, if it were true across the board, it would mean that our defense budget need only be $11 billion instead of $110 billion; or perhaps more realistically, we could have ten times our present defensive capability for the present budget. Of course, that is stretching the case much too far. Some of our important weapon systems can only be built by large companies, and in any case, most of the defense budget is spent, not in the R & D sector, but on paying bureaucrats and troops, active and retired. But if only "a few" billion could be saved, and the response time and quality of the product improved, surely this would be worth doing? I'm not talking about spending money to save money; I'm talking about simply saving money by contracting with small R & D teams instead of large ones.

In the Appendix you will find a few case histories to back up the contention that "small" can be better. Of course, this is not a statistically designed study and it contains mainly "glaring examples" which are intended to "prove the point". A big company could probably produce a similar study to "prove" that small companies often go broke in the middle of a contract, causing great inconvenience to the procuring agency; or that they do a poor job because of the lack of capital. And this does happen, I have to admit. But in most of the cases that I know about, the failure was not related to technical or managerial competence but to money problems. And the money problems were mostly caused by unrealistic government procurement policies and/or communication problems with the bank.

When money problems are under control, it's my contention that small R & D companies usually perform much more effectively—and remember that I'm not talking about "paper study houses". Why should this be so? Like most political and organizational problems in life, there is no single, simple answer; and, as in economics, it's possible for different "experts" to hold divergent views. But there are some basic reasons which many observers would unite to agree upon:

1. Project engineers in government tend to give contracts to the larger companies because they will not be criticized as severely if a large company delivers an unsatisfactory product or report; they can be severely criticized if a small company falls down on the job. As a result, it is not critically necessary to have really competent people in large companies, whereas a small company would be quickly out of business if it had mediocre professionals.

2. Communication within a small team is quick and easy. A problem can be thrashed out in ten minutes which might take as many weeks in a large organization.

3. As pointed out by Shapero,[3] the bureaucratic disease of "Biobocracy" has been endemic to large organizations since the end of World War II. Some of the more amusing manifestations are the "abominable no men" identified by Professor Parkinson, and the elegant theory of the "Peter Principle." Percentagewise, there are far too many useless mouths in a large organization. They stifle the people who are trying to work. For example, Boileau[5] notes that when Boeing was in trouble, they laid off 90% of the people in their corporate headquarters, without sacrificing efficiency.

4. A small team is highly motivated to work hard and do an excellent job because its members clearly see very adverse financial consequences ahead of them if they do not; consequences which typically include bankruptcy for the principals. A twelve-hour work day is typical. Working on holidays and weekends is not unusual. But in many large teams, the employees may work less than two hours a day, even though they are on the premises for eight.

5. When a large company gets a small research contract—less than $250,000 say—top management is not involved. Even if the men doing the work are quite incompetent technically, it's probable that no one in the company will know it. "Smith delivered that report he was doing within budget and schedule" is likely to be the accolade. Smith's report may be garbage, but few know and no one cares.

In contrast, a contract of that size is a big deal to a small company, and the whole team is concerned to see that a first class job is done, in the interests of honor, solvency and future work.

6. Many outstanding scientists and engineers cannot tolerate the bureaucracy and leisurely pace of large companies and seek out small teams where they can feel they are making positive achievements.

If I'm right about this, we ought to be able to save a little money and make better progress at the same time. For talking purposes let's postulate a modest saving of only $2 billion out of our annual R & D budget. But to achieve this, we have to find a way to motivate project engineers in the government to select small teams when they appear competent. Perhaps some ideas on how to do this will come out of this meeting.

REFERENCES

[1] Shapero, A. "Complex Defense Systems Require Good Design Teams", *Defense Management Journal*, pp. 34–38, July 1972.

[2] *Technological Innovation: Its Environment and Management*, Panel on Invention and Innovation; R. A. Charple, Chairman; U.S. Department of Commerce, January 1967.

[3] Shapero, A. "The Biobocracy Blight", *Innovation*, 1971.

[4] Arcand, G. C. "Bureaucratic Innovation—The Failure of Rationality", *Chemtech*, pp. 710–714, December 1975.

[5] Boileau, O. C. "I Dreamed We Went Nowhere in Our Solid Gold Airplane", *Defense Management Journal*, January 1976.

[These examples are drawn from only four companies. The AASRC membership was twice asked to supply their own, but nothing came in. During personal contacts, some fine examples surfaced, but the Presidents concerned "didn't want to rock the boat". I don't blame them. I don't really know why I'm sticking my neck out like this!]

Case History No. 1, A Software System: In the late 1960's and early 1970's, the U.S. Navy paid a large aerospace corporation more than $250,000 to develop and implement a large computer software system for ship arrangements. The product was delivered and installed. However, it was found to be impractical from the standpoint of user acceptance, slow, and very costly to run. In 1974, Cadcom, Inc. (a small company located in Annapolis, Maryland) suggested that such a system could be designed for an inexpensive minicomputer-based system. It received a contract for $27,000 to do this. The result was a successful, fast, and economical system which has gained wide acceptance among Navy users.

Case History No. 2, Airborne Antennas: Airborne television antennas, produced by a large company at a cost of $30,000 each proved unsatisfactory when put into service. (Specifically, they caught fire after an hour or so of carrying power.) Payne, Inc. (a small company) developed replacement antennas in seven days, at a cost of $4,500 each. These replacement antennas were used successfully for the life of the program.

Case History No. 3, Data Transmission System: In 1974, a large company was paid $50,000 to prepare a specification for a Navy data transmission system. Although the terms of the contract were met, the Navy determined that the specification was written in such a manner that it could not be used for hardware procurement. The contractor refused to correct the spec and submitted a proposal for another $50,000 to make the necessary adjustments. Cadcom was asked to take on the job. It was completed in four weeks for $8,000.

Case History No. 4, Airborne Antenna Winch: Payne, Inc. was asked to design and build an airborne antenna winch capable of carrying and deploying five miles of antenna wire during flight. The state-of-the-art at that time was exemplified by the "Company X" winch installed in the Air Force's command and control aircraft. The Payne winch had to be about one third the weight, even though it had to carry twice as much weight of wire, and have superior electrical characteristics. All this was achieved in a program which cost the Government $140,000. The cost of developing the "X" winch is not known, but is estimated to be about $2 million. The Payne, Inc. production winches cost $40,000 each. The production "X" winches cost approximately $170,000, it is believed. They could not have met the performance requirements for the program, and in any case, at that time for their operation was unreliable, in that they snapped their antenna wire after a few deployments. The Payne winches met all their performance requirements and are still in service after seven years of satisfactory operation.

Case History No. 5, Design of a Motorized Bridge: In 1975, the U.S. Navy paid a large architectural firm more than $50,000 for the design of a complex bridge which was to travel, under power, on rails.

The contractor submitted a design which was totally unacceptable to the Navy; however, the contract was written in such a way that the contractor had to be paid and the deliverable accepted. Subsequently, Cadcom received a fixed-price contract to design the bridge without the use of the previous contractor's results. The work was performed in six weeks, cost the Navy $10,000, and the bridge is presently under construction.

Case History No. 6, a Breakthrough in Hydrodynamics: On its own resources, Payne, Inc. worked out some simple ways of dramatically reducing the resistance of underwater bodies (such as torpedos and submarines) by changing the shape rather than introducing complex additional equipment. When a need arose to apply this to a torpedo-like vehicle, the government decided to test the applicability of the Payne, Inc. technology. To save time, the contract was let through a large company. Payne, Inc. was to get $70,000 to develop the technology, build and test the prototype.

When the prototype was completed, it appeared that Payne, Inc. might overrun as much as $9,000 before the testing was completed. The large company convinced the Government to let them do the testing instead and from there on, it was their program. Payne, Inc. came back in very briefly at its own expense, because the first tests were a failure, due to the large company's lack of knowledge in this area of technology. From there on, the program was a success, and the large company has since been funded to the extent of approximately $25 million and are continuing to be funded at a very substantial level still using the concepts produced by Payne, Inc. in 1968. Payne, Inc., on the other hand, has a number of new approaches that it would like to try, but has been unsuccessful in getting any support at all from the Government during that seven year period. It has the impression of being excluded because the large company poses as "the experts".

Case History No. 7, NASA Letters to a Small Company: "We would like to take this opportunity to express our appreciation for the manner in which your firm has thus far fulfilled its commitments under contract NASW-1638. The hardware and its associated test equipment which was delivered to NASA Ames on August 2, 1967 appears to more than meet the technical requirements of our Primate Simulator Specification #883-11-14. We recognize that such a successful development effort would have been impossible without the willingness on the part of your Mr. Carl Beckman to maintain close coordination on all technical details with NASA Ames. We also found quite refreshing the low inertia to 'last minute' changes which a company such as yours appears to possess.

If your firm can continue to perform small development tasks in this technically competent and timely manner and within reasonable cost limits, General Technical Services could well fill a conspicuous void in the industrial community upon whom NASA draws for the performance of such tasks." Charles A. Wilson, Biosatellite Project Manager.

Extract from a Second NASA Letter, From Orr E. Reynolds: "As I emphasized at the beginning, this particular development was looming up as a major hurdle in our 30-day primate flight in the Biosatellite. Without timely availability of the simulator, we might well have encountered delays in the program costing several millions of dollars.

I feel most fortunate in being acquainted with someone who was willing as well as able to mount a successful effort in accomplishing this task."

[However, the small company which received these plaudits, General Technical Services, Upper Darby, Pennsylvania, did not get any more business from NASA!]

Case History No. 8, Another Software System: A government agency required, on a rather urgent basis, a special purpose software system to perform a specific set of tasks. They contracted with a major computer manufacturer to assemble such a system for $285,000. When delivered, the system met only a small fraction of the requirements, and was therefore unusable. The computer company requested a much larger follow-on contract in order to make the system usable, but the agency was unable to find the necessary money.

To demonstrate their capabilities to the agency, Versar, Inc. (of Springfield, Virginia) volunteered the services of one of their senior staff. This man was able to adapt the system, reprogram the computer, and utilize existing peripherals, so that the intended capability was achieved or exceeded. The agency was then able to use the system as originally intended.

The agency continued to ask for "free" technical assistance from Versar, Inc., but never came through with a contract, despite the very substantial sum of money Versar had already saved for them. Since such a situation is one of eighty-four proven ways of going bankrupt, Versar eventually terminated the relationship.

Mr. MOAKLEY. Mr. Speaker, we are rapidly approaching an impending shortage in our traditional fuel sources. Already this winter we have experienced an unprecedented natural gas shortage and are faced with the possibility of widespread electricity brownouts coupled with water shortages for the summer. Obviously, it is becoming clearer by the day that we, as a nation, must begin looking for alternative sources of power before it is too late. Solar energy certainly offers one of the most viable alternative sources worthy of exploration.

For the past 2 months my office has been working closely with nearly 20 other Senate and House offices in putting together a legislative package geared to the development and promotion of solar energy as a means of conserving energy. If we are to have a domestic and international energy policy that is productive, efficient, and understandable, then I believe this legislative package represents a giant step in that direction.

This legislative package sweeps across many jurisdictions, includes new and restructured programs and mandates, promoting the use of renewable energy equipment in the area of small business, agriculture, international applications, Federal buildings and assistance to individuals. Briefly, the legislative package includes:

A bill promoting the use of already developed solar energy and energy conservation technologies in Federal buildings;

A bill to provide demonstration funds for solar energy and energy conservation measures for agricultural use;

A tax rebate in the form of a credit for consumers, farmers, businesses, and industries to pay part of the cost of installing solar, geothermal, or wind energy systems;

A bill establishing an accelerated program of cooperation with less developed countries in data-gathering, development, and commercialization of decentralized rural-oriented solar technologies, greatly expanding the role of American private industry; and

A bill to give small business greater access to Federal research and demonstration funding for renewable energy by simplifying application procedures, and to provide funds for businesses to begin manufacturing and marketing of solar and energy conservation systems.

We are introducing these bills as a

group because the seriousness of the energy situation we find ourselves in warrants group action. In Massachusetts, as in the rest of the country, legislative action with respect to the development of solar energy and other renewable energy conserving devices is needed to aid in bridging the ever-widening gap between supply and consumer demand. My Massachusetts constituents are faced with incredible heating bills this winter, with increases, in some cases approaching 100 percent over last winter's bills. This is typical, I am sure, of the situation across the entire country. It is high time that we here in the 95th Congress do something constructive to attempt to lay the groundwork for a rational energy policy, one which will attempt to solve the dire energy predicament we now find ourselves in. Lack of constructive action on this question will be disastrous.

Mr. HARRINGTON. Mr. Speaker, I was pleased to join with my colleagues today in introducing a package of legislation to encourage energy conservation and solar energy usage in this country. I have been talking about solar energy since 1972, when I introduced the first bill to provide Federal long-term, low-cost loans to homeowners and businesses which install solar heating equipment. That concept, along with others, is included in the package introduced today. My only hope is that I will not have to be standing here another 5 years hence, still talking about an idea rather than an ongoing program.

The Nation has reached a critical turning point as far as energy usage is concerned. The events of the past winter show how precarious our situation is—precarious because we have allowed mild winters and the absence of any leadership in this field to lull us into complacency. Our energy situation today is not only as bad as it was during the Arab oil boycott; it is worse.

The answers to our problems have been around for some time: Conservation and alternative energy sources.

The technology already exists to save enormous amounts of energy in home heating, perhaps cutting our home heating usage in half. Case studies done by power companies in Michigan prove that energy-saving devices such as flue dampeners, electronic thermostats and pilot lights, small fuel input nozzles and insulation can produce fuel savings of up to 40 percent. Assuming a 10 percent annual increase in fuel prices, those conservation devices would pay for themselves within 5 years through decreased fuel bills.

Technology also already exists to bring alternate energy sources such as solar heating and water heating to homes, businesses and Government buildings. Energy-hungry regions of the Northeast could benefit from available systems as auxiliaries to oil and gas-fed furnaces.

A recent study performed by the Mitre Corp. for ERDA indicates that solar equipment is now cost-competitive with electricity throughout the country for space and water heating. As mass production brings down the cost even further, solar heating is expected to be competitive with all other forms of heating in most of the country by 1980.

What we are attempting to do with this package of bills today, Mr. Speaker, is make conservation and solar energy more cost competitive sooner by making it available to homeowners and businesses which might not have the initial capital to make the switch.

We are providing, first, loans, grants, and tax breaks to homeowners, businesses and community projects which install conservation and solar energy devices. These are designed to make initial investments easier, attractive, and making conservation and solar devices available to low- and middle-income homeowners. We are providing incentives and assistance to new businesses which want to begin manufacturing and installation of conservation and solar equipment. Even a 3 percent transfer from traditional to solar energy in the Northeast will result in 100,000 new jobs, according to a study by Massachusetts energy officials. The jobs would come in the crucial areas of the building trades which now are suffering the highest unemployment as a result of energy-related economic downturn.

We are also providing an example at the Federal level by opting for conservation and solar devices in old and new Federal buildings whenever possible. The key is to make sure that the cost projections made for these new devices take into account both the high initial cost of the equipment, and the lower fuel bills over the life of the building. Too often, solar or conservation equipment is dubbed "too expensive" by Federal building designers because they only look at the initial cost side of that equation, or because they ignore fuel savings to be gained during the entire life of the building.

Finally, our package would bring proper perspective to efforts at international development of energy sources. If we can be just as effective in selling solar energy and conservation to developing countries as we have been in selling nuclear energy, I think we will have made a significant contribution toward the proper development of economies in these countries.

By all this, I am not suggesting that conservation and solar technology is the panacea for our energy woes. But coming from a State where the combined cost of hot water and space heating in the average home is $800 for gas and oil users and $1,550 for electric users, I am encouraged by any prospect of lower energy costs.

Nor do I think today's package is the only answer. Our national energy policy has to address questions of prices and price controls, allocations and entitlements, both for oil and natural gas. And we have to promote both a better structure for electric rates and under use of the total energy concept for construction of electric generating plants which now waste up to 60 percent of their energy in unused heat.

But this package is a start, a good one, a comprehensive step. I hope that we can get these bills up for hearings as soon as possible, work with the administration to have the ideas included in its anticipated energy package, and provide some moneys for the programs in the fiscal year 1978 budget.

It is past time to stop talking about solar energy and start doing something about it.

Mr. BAUCUS. Mr. Speaker, 2 weeks ago, I introduced the Solar Energy for Homes Acts. The purpose of the bills was to remove discrimination against solar energy which results from provisions of HUD, VA, and FmHA housing loan programs.

In my statement of February 8, 1977, I indicated that removing discrimination was only the first step toward a comprehensive program for the extended use of solar power. Today, I am pleased to join several of my colleagues in cosponsoring a package of bills which represents a substantial second step toward increased development and use of solar heating and energy conservation technologies.

The bills which we are introducing cover six areas: small business, tax incentives, loans, agricultural applications, Federal buildings, and international assistance. The whole package is much greater than the sum of its parts. The bills are internally coordinated to a much greater degree than the overlapping and uncoordinated set of bills which we would have introduced if we had not been working together. Our package enjoys the support and cosponsorship of influential members of the committees which will have jurisdiction over the individual bills in it. The package represents the program for solar development with the best potential for being enacted into law by this Congress.

I am particularly pleased with sections of the small business and the agricultural applications bills. As to the former, it is high time that individual inventors and small developers are given direct and easy access to solar research and development funds. Many such individuals and small concerns in Montana have expressed their frustration to me about the way they are currently "crowded out" by the big labs, corporations, and universities.

As for the agricultural bill, I have long advocated the use of solar energy systems in rural areas, especially in the remote areas of Montana which are far from power sources but have more than adequate access to the sun. The proposed demonstration program will provide encouragement to those areas of the West which will suffer from hydroelectric power shortages later this year.

The progress made through cooperation by our group has been very encouraging. But we must keep in mind that introduction of this package of bills is only the first step. We have a long way to go before this package of bills becomes a reality. I pledge to do all that I can to see the rapid realization of that reality.

GENERAL LEAVE

Mr. FLIPPO. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include therein extraneous material on the subject of the special order today

by the gentleman from Massachusetts (Mr. DRINAN).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

THE SICK PAY EXCLUSION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Ms. MIKULSKI) is recognized for 5 minutes.

Ms. MIKULSKI. Mr. Speaker, I have today introduced a bill to reinstitute the exclusion of sick pay from the Federal income tax.

This bill would return to the Internal Revenue Code the same formula for excluding sick pay that was in force prior to the passage of the 1976 Tax Reform Act. It is not a measure to simply postpone the effective date of the changes mandated by the Tax Reform Act. Rather, it would permanently delete the provisons of sections 505 (a), (c) and (d) by which the sick pay exclusion was removed from our tax laws.

Mr. Speaker, the impact of ending the sick pay exclusion upon the average American citizen has been devastating. At the maximum rate provided, $100 weekly was excluded from gross income. To the hard-pressed wage earner struggling to make ends meet during a period of illness, this very limited exclusion offered some measure of much-needed relief.

To the wage earner, the easing of the tax burden afforded by this provision might well have made the difference between food on the family table and none, between making the monthly rent or mortgage payment and begging for relief from one's landlord or lender, between self-respect and the degradation of being unable to provide for one's own.

In comparison, the gain to the Treasury provided by the change in the law is meager. The Joint Committee on Taxation has reported that the increase in tax receipts obtained by ending the sick pay exclusion will amount to only $380 million in fiscal year 1977, $357 million in fiscal year 1978, and rise to only $450 million in fiscal year 1981.

My colleagues and I are daily confronted by legislative proposals which would result in multibillion dollar revenue losses with resulting benefits in no way as important as to accord tax relief to those suffering from illness so debilitating that it has caused their removal from the work force.

I know that in its deliberations over the Tax Reform Act, a most important piece of legislation with which I am generally in accord, the Congress was concerned about the complexity of the formula by which the sick pay exclusion was calculated. I submit, Mr. Speaker, that a more appropriate response to such concerns would have been to modify the formula. However, the total end of the exclusion was unjustified.

Mr. Speaker, I understand that Chairman ULLMAN intends that hearings on this matter be held in the near future by the Committee on Ways and Means. I am hopeful that when this subject is taken up in that committee, consideration will be given to a total deletion of the changes in the sick pay exclusion made by the Tax Reform Act.

A mere postponement of the effective date is not enough.

REVENUE SHARING AMENDMENT GRANTING A BONUS TO STATE AND LOCAL UNITS FUNDING EDUCATION FROM NONPROPERTY TAX SOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CARR) is recognized for 5 minutes.

Mr. CARR. Mr. Speaker, today I introduce legislation amending the State and Local Assistance Act of 1972 to increase the revenue-sharing allotment to State or local jurisdictions which do not finance public education with property taxes. Under my proposal, each qualifying governmental unit will receive a 10-percent bonus above their scheduled share.

Most critics—educators, legislators, and taxpayers, alike—agree that financing education from property taxes is a poor idea. We need property tax reform not just to improve and equalize education but to relieve inequitable taxation as well. Experts feel that property taxes are regressive, that they take a proportionally higher share of income from the poor—the young, the old, the disenfanchised, the unemployed—than from the rich. Another sort of inequity occurs when property owners in one locality pay higher taxes than in another because assessments on similar property differ among jurisdictions. A third inequity is created by increases in property taxation that do not reflect increases in ability to pay: property valuations rise steadily year to year even though personal income may stay the same or even decline.

Property taxes also affect business, industry, and the urban and rural environments in which we work and play. New, well constructed, quality apartments are taxed more heavily than slums. A better, energy efficient machine might bring higher taxation than an old, inefficient, energy guzzling machine. One of the costs, for example, of revitalizing a stricken manufacturer in my own district is higher property taxes. Our property tax system creates a roadblock to renewing our towns, our industries, and our decaying inner cities. Exactly how much property taxes discourage capital improvements and investments is uncertain, but it is certain that property taxes do not encourage them.

Property taxes are unfair and socially disadvantageous. The way property taxes are used creates other problems. Unlike sewers, water, and police and fire protection, education has no direct link to property. Though every community has a general interest in the education of its rect benefits of schooling are not the citizens, the people who receive the dipeople who pay for the lion's share of it. Financing education by property taxes, moreover, leads to governmental fragmentation and districting inequities. Once an area sets a pattern of lower property taxes in one community and higher taxes in a neighboring community, those tax differences are likely to continue and compound. Business and industry will locate in the less-taxed community. New and expensive homes will seek the lightest tax burden.

In a similar way, property taxes will affect the way local government develops its community. Costly housing and clean industry are in a community's interest; dirty industry, small homes, and big families are not. In this economic climate, community zoning and planning become a hodgepodge of different intentions and directions. Instead of factories located in thoughtfully zoned industrial parks, homes located for peacefulness, clean air, and beauty and businesses set in accessible and accommodating facilities, each community, each neighborhood in a large city pulls against the other for the same benefits. The results pull, ultimately, against us all: districts with high property values maintain first-rate schools at artificially low taxes while nearby poorer communities face an increasing tax burden to pay for declining quality.

When State government observes uneven per pupil funding among its school districts it is charged by law to correct those imbalances. In 1971, the Supreme Court, in Serrano against Priest, held that "a child's education may not be a function of wealth other than the wealth of the State as a whole." Since State governments must bear the administrative expense of redistributing wealth to equalize education, property tax injustices, ironically, force another level of bureaucracy and cost into education to solve them. Our problems demand solutions which create additional problems in redtape and expense. None of it makes much sense.

Why have States and local communities not been able to settle these matters themselves? The fact is that they have tried. State constitutional referendums to separate property taxation from education or to provide new, alternate sources of revenue are constantly up for consideration. And constantly going down. One explanation is that State constitutional amendments dealing with finance generally fail much more often than they succeed. The complexity of proposals has frequently led to voter confusion, and citizens are typically reluctant to replace an old tax with a new one, a known evil for an unknown evil. Furthermore, groups which oppose specific details in a proposal for divergent and even conflicting reasons, also coalesce to defeat it. The result is that while almost all taxpayers support abolishing property taxes for education in principle, most have opposed it in its details.

My bill will help State and local governments to do exactly what they wanted to do all along: Find means to support public education other than through property taxes. The encouragement is a

10-percent bonus on a State's portion of Federal revenue sharing. This 10 percent is not meant to supplant property taxes as revenue for education. But it is an incentive.

My proposal is not interference with State and local sovereignty on the part of the Federal Government. Rather, it is in the long tradition of cooperation between the national government and State and local jurisdictions. The Federal Government aids State transportation by providing matching grants for roads; the Federal Government boosts employment in county and local government with its Comprehensive Employment and Training Act funds and the Federal Government provides money, through title XX of the Social Security Act, to State departments of social services to finance their support of such needs as foster care and chore service for the disabled. The Federal Government has long helped fulfill the goals of its State and local counterparts.

My revenue-sharing amendment makes sense. It makes sense because it creates a productive collaboration between State and local authority. It makes sense because it brings national resources to bear on local problems without the bludgeon of Federal regulations and restrictions. It makes sense because it facilitates an overwhelmingly supported action without forcing, dictating to, or coercing State and local governments. My amendment makes sense because it is the meeting ground between Federal encouragement and local autonomy.

CONGRESS SHOULD SUPPORT PRESIDENT CARTER'S ANTI-INFLATION MOVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. ANDREWS) is recognized for 5 minutes.

Mr. ANDREWS of North Carolina. Mr. Speaker, it is my understanding that President Carter, in an effort to combat what seems to be a great threat of increasing inflation, has among other things proposed a single capsule containing two items: One is that under present circumstances neither he nor the Congress seeks to impose in the foreseeable future wage or price controls. With that I strongly concur.

Second, he has asked that labor and business agree to give prenotification of any intent on the part of either to materially or substantially raise wages or prices. I understand that some very influential people within our country have indicated that they will not support, but instead will oppose, this second point.

I have today introduced a joint resolution whereby I seek that the Congress should declare itself in support of the President in both of these particulars in spite of any contrary opinions that might be expressed.

I feel that it is entirely reasonable that both labor and business sit down with the President and enter into an agreement whereby either or both will indicate any such intent, not to the end that any governmental restraint be placed upon them, other than an opportunity to negotiate and possibly reconsider these matters of such great importance to the parties directly involved and to our total economy and all of our people.

I hope the Congress will concur that labor and business should agree with the President.

NOT A TIME FOR DIPLOMATIC RELATIONS WITH VIETNAM OR FOR THE ADMISSION OF VIETNAM TO THE UNITED NATIONS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter).

Mr. SIKES. Mr. Speaker, agitation continues among certain groups in the United States for diplomatic recognition of the Communist Government of Vietnam and for the admission of Vietnam to the United Nations. Apparently, the bitter 10-year struggle by our country to preserve the freedom of the Vietnamese people from Communist rule at terrible cost of life and treasure has quickly been forgotten. Perhaps there are some, even in our country, who were and are blinded by sympathy for the Communist cause in Southeast Asia. This is no justification for recognition of the Communists in Vietnam. They have consistently refused to accept the conventional rules of warfare; they have given only a partial and limited accounting of prisoners of war and MIA's, and this continues to be a matter of urgency and a source of grief to many people in our country. They were even callous enough to offer, in effect, to sell our country additional information on our POW's and MIA's.

The Communists in Vietnam have repeatedly called for reparations or aid from the United States. These demands have properly been rejected, but it is well to remind ourselves that we are a contributor to the U.N. and the U.N. is providing substantial aid to Vietnam. In the past 2 years the Communist Government of Vietnam has received commitments for more than $6 billion in economic aid. Much of this is through various international organizations which receive a disproportionately large amount of their funding from the United States. No other country has received pledges of so much economic aid within such a short period of time. The World Bank and the International Monetary Fund are also embarking on assistance programs for Vietnam. We provide substantial monetary support to both. I see no justification for U.S. aid to Vietnam in any form. Those who profess to feel that we owe a debt or reparations should look instead at the fact that we have nothing in common with the Communist leadership there. Our friends in Vietnam have been driven out of power. Many of them fled the country. Others are oppressed or they are in "institutions for reeducation" which is a Communist name for jails. A nation which follows these policies should have no place in the U.N. community of nations.

Now let me paraphrase some of the major arguments and proposals used over the last 10 years by Americans who opposed U.S. support for South Vietnam in its struggle to remain independent and non-Communist. These arguments have a familiar ring. Here is what we have been told.

The National Liberation Front is an entity independent of North Vietnam; therefore we should recognize it and deal with it.

Leaders of the Provisional Revolutionary Government have pledged a democratic system in South Vietnam with extensive individual liberties and no recriminations; therefore, the United States should bring about a coalition government to include the PRG and cease support for the repressive Thieu government.

The leaders of North Vietnam have indicated that they expect reunification to be a gradual, revolutionary process, taking perhaps five to ten years; therefore, the United States should accommodate itself to a communist-dominated government in South Vietnam and be willing to deal with it.

Such arguments and proposals often were heard within the halls of Congress; and, in hindsight, one can conclude that they did influence attitudes and policies in both the executive branch and Congress. We did negotiate with the NLF and PRG, thus undermining the legitimacy of the government of South Vietnam. We rarely cast a critical eye at PRG promises of freedom and democracy and concentrated solely on the Saigon Government's restrictions of individual liberties. And finally, we withdrew our troops and consented to a permanent North Vietnamese troop presence in South Vietnam. Secretary of State Kissinger, by most accounts, expected a "breathing space" of perhaps 5 years or more before Hanoi would attempt a takeover by force.

Mr. Speaker, we now know that these arguments were blatantly false and that the proposals supported by them served only to aid North Vietnam in its policy of absorbing and communizing the South. The NLF and PRG have ceased to exist. Hanoi formally reunified Vietnam 1 year after its military conquest. With the possible exceptions of Cambodia and North Korea, Vietnam is today the most repressive and totalitarian state in all of Asia. By most estimates, 200,000 to 300,000 political prisoners are incarcerated in the so-called reeducation camps. Elections are totally controlled by the Communist party, and the only right of emigration—a right this Congress holds dear when applied to the Soviet Union—is restricted to the successful escape attempts made by perhaps 5,000 to 10,000 people since the takeover. Even major segments of the U.S. antiwar movements have protested the denial of human rights in Vietnam, for example; James H. Forest, chairman of the Catholic Peace Fellowship, who was imprisoned in 1968 for burning draft records.

Mr. Speaker, I remind my colleagues of the false promise and the bitter reality

of these proposals and arguments, because some of the same people now are making proposals for the establishment of full diplomatic relations with Communist Vietnam and admission of that country into the United Nations. There are indications the new administration may be giving serious consideration to them. These proposals are supported by several arguments that ought to be critically examined.

There appear to be two major arguments which are used in support of U.S. diplomatic relations with Vietnam. I would term the first the "moral rationale." Briefly stated, it holds that we owe the Vietnamese people a debt because of our "immoral" involvement in the Vietnam War. We could debate the morality or immorality of our involvement all day. I would just say that, in my view, the real moral question in Vietnam today is the systematic repression of the Vietnamese people by the regime in Hanoi. One, I think, must stretch a point to argue that unconditional recognition of Vietnam and U.N. membership would affect the internal political policies of the regime.

The "moral rationale" also links diplomatic relation with U.S. reconstruction aid. Proponents of this argument view aid as the chief method by which the United States should pay its "debt" to the Vietnamese. By no stretch of the imagination do we owe a debt, the shoe is on the other foot. Aid, however, is not necessarily tied to diplomatic relations. For example, the huge U.S. food aid program in Russia after World War I was implemented despite the absence of U.S. diplomatic relations with the Soviet Government. It is not necessary to remind ourselves that aid can also be channeled through international lending agencies and in fact, this is taking place now. We are a contributor to the U.N. and the U.N. is providing substantial aid to Vietnam. As I stated previously, in the past 2 years, the Communist government of Vietnam has received commitments for more than $6 billion dollars in economic aid. This is through various international organizations which receive a disproportionately large amount of their funding from the United States. All of this for an outlaw nation.

Another argument used by the proponents of recognition may be described as the "Titoist rationale." It states that by extending diplomatic relations, aid, and trade, the United States can influence Vietnam to occupy a position with the Communist world and within Southeast Asia similar to the position of Yugoslavia in the European context.

For the "Titoist rationale" to be valid, Vietnam would have to adopt certain courses of action. First, it would have to act independently of and not in alliance or association with Soviet policies in Southeast Asia. Second, it would not attempt to subvert its non-Communist neighbors. Third, it would have to liberalize its internal political system in a manner similar to Yugoslavia. Certainly, one cannot say categorically that Vietnam will or will not move in these directions.

These factors work against the adoption of a Yugoslav type stance by the Vietnamese. Contrary to the Yugoslav Communist Party's self-reliant struggle against the German's World War II, Vietnam became completely dependent on sophisticated Soviet weapons, equipment, and training during the last 5 years of the Vietnam war. Vietnam's current policy of maintaining a large, well equipped armed forces make likely a continued dependency which will perpetuate the strong links between the Soviet and Vietnamese military establishments.

The Russian arrangement also provides Vietnam with considerable power support against China. In 1948, Yugoslavia saw the Soviet Union as an immediate threat to its independence. Today, Vietnam views China as the threat. They compete to an extreme with China in promoting Communist movements throughout non-Communist Southeast Asia. The Soviet Union has signalled that it plans to step up subversion in the region and increase its efforts to woo Southeast Asian Communist parties away from their orientation toward China. The Far Eastern Economic Review has documented this Soviet role in its December 31, 1976, feature article on the "KBG in Asia." With the assistance of Vietnam and Laos, Soviet arms and money have begun to reach the Thai insurgents and there are increasing signs that Vietnam and the Soviet Union are pushing hard to reorient the Thai Communist Party away from China and toward themselves.

The arrangement with the Soviet Union provides Vietnam with support for major policy objectives that the United States cannot offer. We are not going to give Vietnam sophisticated arms and military equipment. U.S. policy does not seek to contain China, especially in association with Vietnam and the Soviet Union. U.S. policy will not support Vietnam in subverting its neighbors. Diplomatic relations will not alter these fundamental factors and linkages in Vietnamese policy. The Yugoslav analogy just does not apply.

It also does not apply with regard to internal political policy. Since the 1948 break, Yugoslavia gradually has liberalized its political controls so that today there is a measure of freedom and diversity within the country. On the other hand, Vietnam remains as repressive as the North Vietnam state was after 1954. The Soviet-Stalinist type institutional structure remains in place, and the draconian imposition of that structure on the South gives one little hope that the Government will liberalize.

Those who seek to use the Titoist rationale grossly overemphasize the ability of the United States to influence Vietnam to move in the direction followed by Yugoslavia after 1948. A U.S. Embassy in Hanoi will have no more influence on the Vietnamese government than Lyndon Johnson's policy of gradual escalation had on Hanoi's resolve to carry on the war. After all, Yugoslavia relied on U.S. military power in Europe, rather than the U.S. Embassy in Belgrade, to help maintain a degree of independence of the Soviet Union after 1948. The fact is that neither the U.S. Government nor the American people are willing to project American power into Southeast Asia sufficiently to influence the course of events in a similar fashion.

I believe that U.S. policy on the questions of diplomatic relations and admitting Vietnam to the United Nations should not be based on vague concepts of "moral debt" or dubious expectations that diplomatic niceties will alter fundamental Vietnamese policy objectives. Rather, the United States should view them as acts subject to negotiation with Vietnam that will require specific action on Vietnam's part. First, we should insist on a full accounting of American MIA's and outside verification of Hanoi's information. Second, we should insist that Vietnamese refugees enter or be allowed to leave Vietnam if they so wish. Finally, assuming the Carter administration is sincere in its stated concern for human rights, we should insist that Vietnam give outside observers complete access to the so-called reeducation camps in the South. This refers to possible recognition and membership in the U.N., not to aid. There should be no aid to Vietnam from the United States.

I trust the administration will follow a realistic policy on the issues of diplomatic relations and U.N. membership for Vietnam.

HILLEL BUTMAN

(Mr. EILBERG asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EILBERG. Mr. Speaker, last year, I organized a congressional vigil for Soviet Jewry, during which individual Members described the plight of the persons and families who have been denied the basic human right of emigration. Since that vigil ended in September, several of the "Orphans of the Exodus" have been allowed to emigrate to freedom in Israel and other Western countries.

There are, however, thousands this day who are awaiting an exit visa so that they can start life anew in a nation willing to accept them. Having stated that they have a desire to leave the Soviet Union, these Jews have been labeled by their fellow countryman as traitors and as such have been jailed, ostracized, fired from their jobs, or exiled to Siberia. One such refusenik is Hillel Butman.

Mr. Butman is presently serving in the most severe and horrible prison in the Soviet Union. He has completed 5 years of a 10-year sentence.

Butman was accused of taking part in the preparation of a plan by a group of people to flee from Leningrad to Israel illegally by airplane. At the time that the crime was planned and committed, Butman was vacationing with his young daughter away from Leningrad. Hillel Butman is absolutely and completely innocent of the crime of which he was accused and of which the Soviet judicial system deemed him guilty.

Butman is a prisoner in Vladimir Pris-

on. His diet is nonappetizing, nonnutritious, and is eaten because the only alternative is starvation. This diet, combined with forced labor for long hours every day, has left Butman physically emaciated and if this treatment continues, then there is little chance that Hillel Butman will live to see the end of his sentence.

Butman is 43 years of age, married, and the father of two. His family is presently in Israel. According to Soviet law, every prisoner is entitled to meetings with his wife and children. Hillel Butman has been denied this right as he has been permitted to see his wife only twice in the past 5 years, while he has been forbidden from seeing his children even once.

Miraculously, Hillel Butman has not lost hope. In the following letter to the chief of the Perm Administration of Corrective Labor Establishments, Butman describes his plight as a prisoner in a Soviet jail.

Hillel Butman must not be abandoned. As long as the American people and their Government continue to support the desire of all Soviet Jews and others who want to emigrate, they will have hope.

At this time, I enter into the RECORD Hillel Butman's letter:

STATEMENT BY PRISONER H. I. BUTMAN

CITIZEN GENERAL: During this year I have sent you two short statements dealing with the arbitrary actions of the Administration in the zone I am kept. However, you, Citizen General, are probably a very busy person, and I strongly suspect had simply no time to look at them. I have therefore decided to write a third statement, not in the ordinary, dry official style but in a somewhat artistic form. Let the tiring hours of your work be interrupted, even if not for long, by what, I hope, will turn out to be interesting reading.

Since my statement is to be artistic, I am entitled to use a literary approach. I shall use a single one, everything else will fully coincide with the facts, will be the truth and nothing but the truth. And now about the artistic method. At first I thought of writing about myself in the first person, of others in the third, and to address you, naturally, in the second. Then I decided that this would be too boring for you. And I decided to have us temporarily change places (this, in fact, is the approach) for the sake of better illustration. Thus, I sit in the armchair that was formerly yours, yawning, and glance at boring complaints (including the present one). And you, what are you doing in the meantime? You have undergone a horrible metamorphosis. You have become not just another prisoner (this can happen to anybody, and truly it is said "exclude not prison and the beggar's bowl"). You have become a Zionist!

Don't worry, not a Zionist of the kind you have read about in the Soviet press, there are none like that in reality. You have neither horns nor hoofs, and in the bath no one would be able to distinguish you from a normal Soviet citizen. You are simply a Jew (please excuse the expression) for whom Soviet citizenship has become a burden greater than Earth is to Atlas, who did not want all his life to think one thing, say a second and do a third, who wanted to move his body to where his soul has long since been abiding—from the Baltic Coast to the Mediterranean. For this you were given ten years of strict regime.

(To illustrate this better let me mention in passing that the last Reichskanzler of Nazi Germany, Admiral Doenitz, too was given ten years at the Nuremberg trial). And now you are in the prison camp. A wonderful place in the forests on the approaches to the Urals. You are very lucky. You have already grown accustomed to the climate in the Urals and you will not freeze through the long winter as will Bagrat Shakhverdyan and Razmik Zograbyan, your new friends from Roumania; thank God, you will not suffer from daily migraines from the constant changes at atmospheric pressure, as will Ivan Svetlichny and Vasil Zakharchenko, the Ukrainian writers.

You are very lucky indeed and need have no fear of thieves. The Administration has thoughtfully enclosed your area with fences, wooden ones and such made of wire; it has enlisted athletic-looking young men from sun-scorched Central Asia and vigilant northern police-dogs to guard your peace. And even thieves who can run as quick as a greyhound and jump like Brumer, the legendary Soviet sportsman, will not be able to reach you.

You have been very lucky, for the Administration guards you like the apple of its eye. As soon as you wake up the Administration counts you for the first time—at the morning roll call. When you go to work it counts you a second time, at noon you are counted again, at work. You return from work for the fourth count and at the evening roll call you are counted for the fifth time. And at midnight, when possibly you are asleep and even unable to acknowledge it with a grateful look, your sleeping bodies are counted for the last time, the sixth.

Can the prisoners of the Chilean junta expect such a considerate treatment? Of course, not. True, you were a little put out when you read in "Beyond our Borders" how Corvalan, dressed in a white shirt and light blue trousers, calmly discussed things in the yard, eye to eye, with an Italian progressive lawyer (heavens, how could they be bugged, after all, they talked not in the room for meetings, but in the yard). You sadly glance at your grey bag-like suit, the only one you have and which you wear when at work and when not at work. You saw your white shirt and light blue trousers for the last time on the day you were arrested—on June 15th, 1970—six years ago. But do not get discouraged. For you have something that he does not have.

He has a white shirt and light blue trousers, but you have a beautiful tag on your jacket, on the chest, and on your padded jackets as well. It gives your name, initials, and the number of your team. It's almost as though you were a milch cow with a record yield. True, you were a little put out when you heard that President Allende's former personal physician, now a prisoner, continues to practice as physician also in the camp, and does everything to alleviate the sufferings of his fellow prisoners, while the only physician in your area, the Kiev psychiatrist Slava Gluzman, was not even allowed to work as medical attendant (no prisoner is authorized to practice as physician) for having taken the Hypocratic Oath too literally. But do not grieve.

After all, comrade Corvalan sometimes does not feel too well, but you are healthy. Like every healthy Soviet prisoner you have a sick heart, a sick stomach and sick teeth: neurosis, gastritis and paradentosis. And a few more things it would be better to keep quiet about—after all, the many hunger-strikes leave their mark as well. How lucky you are that you are healthy. For you know only too well what it means to be ill in camp. True, you were a bit put out when you were informed by "Journalist" that the Chilean political prisoners have a wonderful amateur dramatic troupe, that they sing, dance, carve on wood and metal. And then you find that this is not surprising for in the camps of the fascists junta labour is voluntary: if I feel like it, I work, if I don't want to, I don't, like in a fairy tale. At first you didn't even believe, but then you looked at the names of the authors of that article in "Journalist". Two reporters from German Democratic Republic. They are respectable people, such are not likely to deceive you.

Moreover, they took a film in the camp, for those who believe and those who refuse to. But do not grieve they haven't learned yet that work is a source of longevity. And if you are placed in the punishment cell for having left your place of work, no-one wishes you grief. The administration wishes you many years of life. If you dream to see in your plate a piece of meat, it is a sign that the devil inside you does not yet slumber. You quite forgot, meat would shorten the additional span of life you managed to obtain by doing daily coercive labour at the factory. Perhaps, you would have been a little put out if you had seen that comrade Corvalan has preserved not only his white shirt and light blue trousers, but also his hair. And then remember how they handcuffed and shaved the head of Orlovich, who out of religious convictions insisted that it be left unshaved, how they shaved the head of Tolya Altman, your friend and fellow citizen of Israel, whom they first handcuffed as well, and how they handcuffed and shaved off the moustaches of your Ukrainian friends. But abandon these evil thoughts.

Everybody knows today how good ultraviolet rays are for your health, and that it would be difficult for them to penetrate in the morning through your hair, and through your moustache. The instruction on being cleanly shaved took your health into consideration, the health you are so lightheartedly willing to squander.

Sometimes, perhaps, the suspicion enters your mind that all this: the bag-like clothes, and the shaved heads, shaved by order, and the roll calls everywhere—to work, from work, to the dining room and from the dining room, and the siren that wakes you, and that lulls you to sleep, that perhaps all this has the purpose of killing your individuality, of killing in you the ability to think and act as an individual, of your own will, not by order, that perhaps it has the purpose of changing you into a robot who starts to salivate at the sound of the siren calling for lunch.

Into a robot like the former policemen around you, who jump up when they see a Soviet officer, as they jumped when they saw Hitlerite officers, who hurriedly remove their caps and in a trained voice shout: "Good morning, Citizen Chief!", as they once shouted: "Good morning, Herr Obersturmbanfuehrer!", at the time when they were executing my relatives in the ditches of Tonar and Babiy Yar. Rather, your relatives, sorry, I forgot for a moment that we had changed places. Maybe its their obsequiousness, their habit for self-debasement with respect to those who are above them, and their unharnessed sadism with respect to those who are below? No, this is a requirement of Order Number 2020 of the Ministry of the Interior. Self-debasement is obligatory. By order.

And now please remember the first of the two short statements you wrote me following your return from the Vladimir prison. Do you remember its content? You were sitting in the reading room and writing a letter to your wife in Israel, when Captain Polyakov, the Assistant Chief for Regime, walked in. He knew that you wouldn't do what is easy and simple only for trained slaves. There was laughter in his eyes. Without greeting you (millennia-old standards of politeness are but an atavism) he towered above you:

Well, Butman, are you going to greet me,

or not? You had only one choice: self-humiliation or to humiliate him. You did not get up, did not take off, did not say. The result—seven days in the punishment cell. Were you ever confined in a punishment sell? I was, often. I can explain it in easily understandable language (sorry, once again I have forgotten who is who). The punishment cell re-educates with cold and hunger. Hot food is served every other day, if what is served can be termed "hot food" at all. The bed is folded against the wall, and let down only at night. If it were warm, one could use one's shoes for a pillow (no bedding is issued) and try to fall asleep. But it is warm in the cell only if you are lucky, and your hungry body, as if to spite you, does not generate heat. The only way out is to tremble as rapidly as possible, as the camp wits maintain. For a person who is not perpetually hungry it is easy enough to go hungry for a while. For a person leaving a warm room it is easy to bear the cold. But for a hungry person to be kept in the cold is too effective, a re-education for the refusal to dance at one's own funeral.

On the other hand, you have much time in the punishment cell (if you are not taken to work), time to think and to remember things. For example Article 1 of the Corrective Labour Code of the RSFSR. What a nice humane article: Punishment in the USSR does not have the aim of causing suffering, either physical or moral. You are so naive that when you leave the punishment cell you write a complaint about Polyakov to me, the Chief of the Perm Administration of Corrective Labour Establishments. This is your first statement of the two short ones which preceded this one, the artistic one.

And a month later I, a general, one of the few, received again a statement from you, one of the many. I made a wry face, for I was beginning to get fed up with you. Very well, let's see what you are dissatisfied with this time. It appears you are dissatisfied that you have been deprived of the privilege of buying five roubles' worth of goods once a month and of receiving once a year a parcel weighing five kilograms. You have been deprived of these two privileges simultaneously. You had been lying during the day in your spare time in bed, true, undressed and covered with a blanket, still . . . And at the "Educational Commission" you did not admit having committed a crime, did not wish to discuss the matter, well, pride rides for a fall. You were overdoing it, citizen Zionist. But then you have two certificates of higher education, and your case made a lot of noise, and on top of it there is that silly détente—I guess, I better send someone to check, just to make sure. He, the controller, knows what is wanted of him: of course he'll never reach your camp, and he will not have you called, although he will have arrived in connection with your case from the regional centre. He will deliver to me the report that I expect of him: it appears that not he, but you are the one that persecutes, that you persecute poor Polyakov.

And here, at last, we see Zionism on the rampage, it began with the innocent lying under a blanket during the day (true, undressed and during leisure hours, yet . . .) and now has reached its apogee. Only a month has passed . . . and here you go again. And the further, the worse it gets. You were taking from the storeroom two albums with postcards to your section, and senior lieutenant Kuznetsov prohibited it . . . so as not to dirty your section (true, it seemed to him that these were books, and the senior lieutenant hates books fiercely and ferociously and the expression of Colonel Skalozub—"if only one could collect all books and burn them"—laconically expresses the senior lieutenant's cherished dream, which, by the way, does not stop him from being the ideal pretender for the position of Assistant Chief of the colony on political matters).

You replied to him saying that this was strictly your business. The report will state that you had been using insulating language. It does not matter that you are entitled to, that you are allowed to have with you your personal letters and postcards, and without any limitations. It is also of no importance that you are even allowed to have with you five books (just in case, if you had really been carrying books). It is not important that punishment does not set itself the aim of degrading your dignity. It is quite sufficient that Senior Lieutenant Kuznetsov and Captain Polyakov have set themselves this aim.

This month—a punishment, next month—a punishment, next month—a punishment again. What for? You have been a prisoner for six years already and understand what they are after. You are being prepared for Vladimir Prison. You left it only five months ago when you returned here. You don't even have to be confined to the isolator. All that is required is to attach a few papers to your file, and the flow has already started: refused to greet an officer, was lying during the day in bed, tried to dirty the section.

And now it is up to the court, and the court knows its business: in just a few minutes the court will deprive you of three years of life in the present, and it is difficult to say of how many in the future. It does not matter that your family is waiting for you in Israel, that your youngest daughter watches with tear-filled eyes how other fathers come to the creche to fetch their daughters, it does not matter that your eldest grows as an orphan even though his father is alive, it does not matter that your wife begs you in every letter to save what health you have left. She does not know that almost every day you face the alternative: what health to preserve—your physical or moral health.

Jump to your feet when your executioner enters the room, assume the "attention" position, and remove your cap and shout "Good morning, Citizen Chief!", then wait, perhaps he will even condescend to answer you, and everything will be well. You will not be sent to the punishment cell, you will preserve your physical health, and there will not be yet another paper in your file.

You were called to the "Educational Commission", the fact that you were lying in bed during the day was being discussed. You stood in the middle of the room, no one offered you a chair, while a dozen or so vivacious "educators", who because of the constant meetings never had had the time to read the section of the rules dealing with your rights (they had read only the one describing your duties) sat there and looked you over unceremoniously, and every one of them sought to outdo all the others in humiliating you, for the commission was headed by your executioner and this was more important than truth. If you had tried to justify your behaviour, asked for indulgence, humiliated yourself together with them, maybe this would have helped you and no new paper would have been added to your file. But you knew that lying in your spare time in bed has never been prohibited.

Indeed, one is not allowed to lie in one's clothes, but you were undressed and next to you other prisoners were doing the same. Senior Lieutenant Kuznetsov chose you. It would be surprising if in addition to all his other merits he were not an anti-Semite as well. A swarm of memories passes through your head. A motley mosaic of mockeries and humiliations the official name of which is the Corrective Labour System unrolls before your mental vision.

Everything that happened since the last time when you were putting your four-year-old daughter to sleep, whilst they were already waiting. "Are these your friends Papa, will you return soon?", the little one asked trustingly. "Yes, yes", you lied to your daughter, not for the first time. Now she is almost ten (once, on the last page of the "New Time" journal, in the "Believe It or Not" section you read a sarcastic remark saying that the South African authorities are afraid of a little girl and do not permit her and her mother to leave so that they could meet their father—a political prisoner. You discovered that that little girl and your daughter are of the same age. And your daughter and your wife are also year-in-year-out vainly trying to obtain entry visas to see you.

Both one and the other is taking place after the Helsinki Conference. The difference is purely geographical. There it is South Africa, here the Soviet Union. However, we have strayed from the subject. You have not forgotten that you stand in the middle of the room like a naughty schoolboy, and they "educate" you. You who dared to sleep in bed during the day. They educate you while you remember. You see how your relatives who have arrived to see you are forced to undress until there is not a stitch left on them, you see how your wife and your sister, who have traveled for thousands of kilometers from Leningrad to see you for two hours, are unceremoniously kicked out and sent back because you, allegedly, wear your hair one centimeter longer than provided for by the rules.

And you remember other things, many other things. And it is only from time to time that the voices of the members of the commission penetrate to you, as if from a dense fog: "refuses to be re-educated, does not realise, deliberately lies in bed". And among those voices, their voices, which you will now recognise always and remember forever, to the end of your life, there are those belonging to Lieutenant Kuznetsov and Captain Polyakov. You will remember their names. Someday when they will be sitting on the bench of the accused you will remember their names.

And again you are faced with a dilemma: to debase yourself together with them or . . . you choose the or. You tell the commission what you think about the methods of their education and leave. Naturally, you speak loudly, excitedly, you are as yet not a robot and human feelings are not dead in you.

Yet, although in your little monologue you did not use a single impolite word, yet another paper is added to your file, yet another paper bringing you closer to Vladimir. To Vladimir, the Capital on Klyzma River. You left it only five months ago and about forty of your friends are probably still languishing in those very same cells. Ahead of you are transfers, from one place to the other, and jails. You have passed through dozens. You know long since what every Soviet prisoner knows: even if someone, on whom something depends, should understand that the present "educational" system is not only barbarian but also completely senseless, for all it can do is breed hatred, even if concealed, and even if it is changed the result will still be the same until there exist the transfers as they are today. The theatre begins with the cloak-room, the camp with the transfer. Anyone who went through one of these Soviet transfers only once will remember it forever.

And if he should live to a ripe old age he will still sometimes cry out in his sleep because he dreamed of being on a "transfer". This is something I still have ahead of me, as probably do you, now sitting in your general's chair. My fate, who cares about it, as is sung in a little song (forgive me, I have forgotten again that we have changed places,

somehow I can't get used to your place, as probably you cannot get used to mine). Vladimir is a town on the Klyazma River.

The tall walls of that prison could tell many a tale. Fedoseyev, the young Lenin's teacher was confined there at the end of the past century. You probably recently read in what conditions he found himself. He sent nineteen letters a month to his relatives and friends. When you arrive in Vladimir you will write only one letter in two months. Fedoseyev complained that dozens of prisoners were all the time loitering in the yard and corridors, that political quarrels and meetings were flaring up all the time, that they stopped him from working (i.e., from writing articles).

Luckily, you are spared all this. You'll see the same faces for years on end. And the people would have to be angels not to begin to hate one another during that time. Even good people are only human, after all. One likes music, the other quiet. One would switch on the radio, the other switch it off. One enjoys tobacco smoke, the other hates it. One snores at night, the other suffers from insomnia.

And all this against the background of semi-starvation (the first month following arrival is officially a hungry month, by order of the Ministry of the Interior), punishment cells, slow asphyxiation. Yes, yes, I have made no mistake. The five leaders of the December mutiny in Petersburg were hanged and died of asphyxiation immediately. In the case of two the hangman's rope broke. They were immediately taken to the gallows again, and were not left to gasp for air for long.

In the Vladimir prison of today, however, the cruel Tzarist days, when prisoner Frunze breathed deeply in his cell, have long since been consigned to oblivion. Frunze would not recognize his cell today. The cell that formerly housed three people, now houses six. Where the air formerly passed through a single iron bar, it now has to pass two. And today in front of the window there are blinds, so dense that one can barely see through them. They stop your glance, hungry for the sky, which is barely visible (the blinds are so adjusted that you will never see the earth).

When a person who is hanged suffocates, he suffocates quickly, and turns blue. When a prisoner of Vladimir suffocates, he suffocates slowly and turns white. In Vladimir prison there are many little pleasant things, but I shall not write about them, for my statement has become too long already, and it probably is time for you to go home.

You are probably an ideal family man—a loving wife and obedient children are expecting you. This time I have addressed you as you, and not in error, the artistic approach has come to an end. I do not know whether you have understood anything, having been in my place, but I can stand your chair no longer. Apart from everything else, I want to change back for purely practical reasons.

I firmly believe that the time will come when the Polyakovs and Kuznetsovs will have to face an honest and impartial court for having refused us prisoners even the few sparse rights granted us by Soviet laws. I am afraid that by remaining in your place I shall have to bear my share of responsibility for what was going on in the Administration under my command. I should not be even able to say that I did not know what had been happening, for your statements, dug out from the archives, would shout: "I knew, I knew, knew".

PAUL WARNKE—CLARIFYING THE ARMS CONTROL DEBATE

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, the lead editorial in today's Washington Post points out that the battle over the nomination of Paul Warnke as Director of the Arms Control and Disarmament Agency and chief negotiator for the Strategic Arms Limitation Talks, by bringing about a full public debate on the issue of arms control, is a blessing in disguise. As the editorial points out, the hearings have allowed Mr. Warnke to present, in his usual lucid and dignified manner, the reasons for believing that prudent arms control measures can enhance national security.

This view has been too little emphasized in the debates of recent years. Too often, those who have supported such arms control measures as an alternative to the ever escalating and ever more threatening strategic arms race have been denounced in simplistic terms as though they were ignoring the very real threat of continuing Russian military buildup. Obviously, in the absence of mutual, verifiable arms limitations and reductions, our country has little practical alternative to a continued buildup of our own as a means of maintaining a strategic balance. Yet, it should be equally obvious that maintenance of the strategic balance at levels that do not threaten the very existence of the human race and that do not devour every year enormous chunks of the world's scarce resources is an objective that must be pursued unremittingly.

The negotiation of strategic arms limitation agreements is a process that offers hope that such an objective is feasible. President Carter has made this objective a major goal of his administration. An absolute majority of the Members of the House have signed a resolution stating their support for his goal.

In Paul Warnke, the President has found a person with appropriate knowledge and experience who is likewise dedicated to achieving that goal and who is a negotiator of incomparable skill and lucidity of thought. Mr. Speaker, I have known Paul Warnke for over 30 years, ever since I was a student at Columbia Law School, where he was editor of the Columbia Law Review and, I might add, was universally admired by faculty and students alike. Everything I know about him confirms that he is a patriot, a thinker, and a public servant of the highest order.

It remains to be seen how the Russians will respond to the President's initiatives. The only way to find out is to try. The only way to make sure that we have overlooked no reasonable avenue toward putting a cap on the nuclear arms race is to give the President a team that is as dedicated to his goal and is as competent as can be found. Besides clarifying the issues, the Warnke hearings have clearly established that Paul Warnke is the appropriate person to head that team. He and President Carter deserve our full support in this momentous task.

I insert in the RECORD today's Washington Post editorial in full following these remarks:

A MANDATE FOR ARMS CONTROL

The battle over the Paul Warnke nomination is a blessing in disguise. To judge by the topheavy vote for his confirmation by the Senate Foreign Relations Committee yesterday, President Carter is virtually certain to get the man of his choice as director of the Arms Control and Disarmament Agency and chief of the SALT negotiating team. But thanks to the full public debate, inside and outside the Senate, Mr. Carter is also getting a broad and informed mandate for conducting the strategic arms negotiations with Moscow, which he has marked down as an administration priority. The hearings before Foreign Relations provided the first forum for this educational exercise. But the real credit must go to Armed Services, whose hearings (continuing today) have allowed Mr. Warnke to meet some of his severest critics and to demonstrate—if not to all of them, then to a great many other observers—that prudent arms control measures can enhance national security just as prudent arms-building measures can.

The first line of attack upon Mr. Warnke, and in effect upon the whole concept of arms control, has been that he favors "unilateral disarmament" or "unilateral abandonment" of American weapons programs. The charge is a canard. What Mr. Warnke has favored—in slack periods when formal negotiations are at a standstill—are selective and carefully monitored probing efforts to see whether a brief pause in a particular American weapons program would help break the impasse by eliciting a matching Soviet pause; if not, the deal is off. This is to "unilateral disarmament" as writing a cancellable check is to opening the vault. In fact, as Mr. Warnke made clear in his response to Sen. Jackson, those programs he has "opposed" he opposed on grounds of poor cost-effectiveness and/or military inefficiency. Arms control, like arms building, requires judgment. The matter is as simple, and as complicated, as that.

Mr. Jackson, not alone, further suggested in so many words that the nominee had trimmed his past views to win confirmation. The question permitted Mr. Warnke to point out that proposals made in one context, say, when Moscow has no MIRV's, may not suit another context, say, when Moscow does have MIRV's. In such a situation, consistency of detail could be deadly, as Mr. Jackson surely knows. To a similar charge of inconsistency from Sen. Bartlett, Mr. Warnke was able to point out that the positions he was accused of failing to reconcile (on the Vladivostok accord) were 1) not inconsistent and 2) shared by Sen. Jackson.

A third line of attack was that the Kremlin's awareness of Mr. Warnke's acknowledged and well publicized "dovish" views could undermine his effectiveness as a SALT negotiator. He might, for instance, be called upon to argue for certain American weapons programs that, as a private citizen, he had argued against. The question is fair. It seemed to us that Mr. Warnke answered it squarely. He said that he would not be embarrassed by any previous personal positions he had taken, that he would be representing the position of the American government, and that the Russians would know from his performance at the table whether he was a serious negotiator.

Mr. Warnke's lucid and dignified performance as a witness has to be regarded as a personal tour de force, and as a thoroughgoing vindication of the President's judgment in nominating him. Beyond that, he has performed an estimable service in explaining the special and inadequately understood

purpose of arms control, namely, to provide an alternative and complement to the production and deployment of more arms in enhancing national security. We hope that the Senate will confirm him with a vote reflecting the nation's urgent need for a safer world.

WASHINGTON POST ARTICLES CONTRIBUTE TO A BETTER INFORMED NUCLEAR ARMS DEBATE

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, on Sunday, February 20, the Washington Post commenced a series of indepth articles on the nuclear arms race and the debate surrounding it. This kind of balanced presentation of the various points of view has been long overdue. We are accustomed to having one-sided presentations by the Pentagon, but we hardly ever receive any equally detailed and objective presentations of both sides of this issue. Considering that the stakes are the very existence of our Nation and, indeed, of mankind itself, it is crucial that the public and the Congress begin to get a more sophisticated understanding of the issues and the alternatives.

The Washington Post series appear under the overall caption, "Is Anybody Winning." The Post does not attempt to answer this question leaving it to the reader to form his own answer. But it seems obvious that, whether one side or the other may seem to be "ahead," the only way anyone is going to "win" this grim race will be if it is ended by the eventual elimination of all nuclear weapons, and eventually other weapons of mass destruction.

President Carter has made the reduction and elimination of nuclear weapons, through negotiation and agreement, his goal as President. His commitment requires steady work toward that goal, while maintaining a sufficient balance that no nation will be tempted to take advantage of its nuclear arsenal.

Last year, the MCPL Education Fund held a series of afternoon discussion-seminars in which numerous experts, such as Zbigniew Brzezinski, James R. Schlesinger, Thomas Halsted, Herbert Scoville, and others, presented various points of view on the strategic arms race. I offered summaries of each of those presentations for printing in the CONGRESSIONAL RECORD at that time. Reprints of those summaries are still available through my office.

I am sure that every Member desires, indeed, is obligated, to be objectively informed on this issue. Accordingly, I am offering the first of the series of Post articles for printing in the RECORD following these remarks. The first article is by William Greider and is entitled, "U.S.-Russian Arms Debate at Crossroads." This article sets forth the basic arguments of the various proponents in the strategic arms debate:

U.S.-RUSSIAN ARMS DEBATE AT CROSSROADS

(By William Greider)

If Washington could be set to music, what we would hear right now is a lot of heavy drums. Ominous rumblings from academic tympanies. Martial tatoos by the Pentagon snaredrummers. Scary messages from a network of media tom-toms.

What are the drums saying? The Russians are coming. The Russians are getting stronger. The Russians are thinking the unthinkable. Nuclear war? Yes.

What shall we do? We must prepare, the drums tell us. We must become stronger still. We must build new and more powerful weapons to scare away the Russians.

Now the din of these drums has been building steadily in this town for two years, but recently their thunder has been interrupted by a different theme—a winsome flute playing sweet music. Don't panic, says the flute, the world can be beautiful, a world without nuclear weapons, a place without all those damn drums.

The flute part, of course, belongs to President Carter, who entered office last month directly challenging all those grim predictions about Soviet strategic military superiority. The drums belong to a broad array of hard-line global thinkers, from generals and ex-generals to academic theorists to skeptical politicians, all asserting that once again America must tool up to counter the buildup of Soviet weapons.

A flute against drums. The music metaphor roughly describes the political gamble with which President Carter has launched his new administration. Carter is challenging the political dynamics that have guided the arms race for a generation and forced the hand of every modern President since General Eisenhower, the last one who successfully resisted these periodic alarums of the nuclear age.

President Carter first offered the vision of disarmament in his inaugural address: "We pledge perseverance and wisdom in our efforts to limit the world's armaments to those necessary for each nation's own domestic safety. And we will move this year a step toward our ultimate goal—the elimination of all nuclear weapons from this earth."

Since then, Carter has sketched out bold ambitions for additional arms treaties with the Soviets. He speaks optimistically of a quick accord to confirm the broad agreement that President Ford reached at Vladivostok in 1974. Beyond that, he foresees a comprehensive ban to halt all nuclear testing, a move that would foreclose the development of new and more exotic weapons.

"If we and the Soviet Union can demonstrate an ability to stop the present growth," Carter said, "and then to have substantial reductions, I believe then we can go to the French, British, the Chinese and others and say: 'Would you join us in stopping testing and in moving in clearly monitorable ways to reduce dependence on atomic weapons?'"

Carter's image of American-Soviet cooperation, the two nuclear rivals leading the world to disarmament, is a provocative theme which puts the new President in direct confrontation with the message from the drummers, not only his predecessor Gerald R. Ford and the Republicans, but a substantial portion of the opinion leaders in the Democratic Party. They cannot both be right.

The alarms over ominous Soviet military growth have been sounded by defense politicians (Sen. Henry M. Jackson and James R. Schlesinger Jr., the former Defense Secretary who is now Carter's energy adviser) and foreign-policy sages (Dean Rusk and Eu * * * son years) and retired Gens. Daniel Graham and George J. Keegan Jr.) and neoconservative intellectuals (Norman Podhoretz, editor of Commentary, and Seymour Martin Lipset of Stanford).

The other side—the political leaders and strategic theorists who believe with Carter that the Soviets are prepared to cooperate in arms redunction—have been slower to mobilize, but they are now rolling out their big guns to make the counterarguments—elder statesmen like Averill Harriman and George Kennan, former Central Intelligence Agency deputy director Herbert Scoville Jr., even the new Defense Secretary, Harold Brown.

The Committee on the Present Danger, 141 leading citizens from Achilles to Zumwalt, organized in November to sound the alarm (most of its members were unaware that the same name had been used in 1950 to arouse citizens about the "present danger" of that day). The Committee on U.S.-Soviet Relations, 101 leading citizens from Apter to Ziffren, countered with its own bulletin, warning against "the stale slogans and reflexes of the Cold War."

The American Security Council issues educational bulletins on the need for greater defense budgets to head off the Soviets. The Coalition for a New Foreign and Military Policy holds high-level "teach-ins" for Capitol Hill staff aides, selling the opposite proposition.

Some of the heavy skirmishing is done by newspaper columnists. Evans and Novak drop "smart" bombs on the arms control prophets. Joseph Kraft delivers a devastating second-strike against the hard-liners. James Reston pours elderly wisdom on the troubled battlefield of Washington politics.

The first flash point in this contest is Carter's nomination of Washington lawyer Paul Warnke to run the arms limitation negotiations, but this debate is much broader and it will influence the outcome of many issues in the next year or so—the ratification of any new accords that the Carter administration makes with the Soviets, the deployment of the B-1 bomber and Trident missile submarine and beefed-up armor for the NATO troops in Europe, the possibility of a new generation of arms technology that would leave the Soviets trailing again—mobile land missiles hidden in long tunnels in the western desert, subsonic but deadly accurate cruise missiles, laser beams which can disable enemy missiles, warheads with their own mechanical brains to maneuver them to targets.

More tanks, more ships, more missiles, more warheads. If the Russians and Americans do not agree on a new strategic arms limitation treaty, if President Carter retreats before the political pressure and accepts the pessimistic prognosis of Soviet intentions, the U.S. defense budget could creep up another $40 billion or so in the next few years.

But, as both sides agree, this new debate over the strategic balance of power is much more fundamental than mere dollars; the outcome could get us all killed. The arms control lobby insists that another generation of nuclear weaponry takes both nations another step closer to disaster. The nuclear hard-liners insist that, without new weaponry, America faces a bleak future in which the Soviet Union can box us around at will in global politics or devastate us piecemeal in limited nuclear wars.

". . . We could find ourselves isolated in a hostile world, facing the unremitting pressures of Soviet policy backed by an overwhelming preponderance of power," the Committee on the Present Danger warns, "Our national survival itself would be in peril and we should face, one after another, bitter choices between war and acquiescence under pressure."

The other side, with varying degrees of emphasis, says this is nonsense. The Soviet military has always been behind; now that it is catching up and achieving rough equality, the time has arrived for genuine progress on mutual reductions.

"We live in a world of mutual deterrence," says Thomas A. Halstead, executive director

of the Arms Control Association. Both sides have so many nuclear weapons that if one side were to use them, that would insure its own destruction. This deterrence works at many levels and it would work at much lower levels of nuclear arms than both sides have today."

There are no cases in history of absolutely insane arms races ending peacefully by simply laying down arms," warns Harvard scientist George B. Kistiakowsky. Arms races usually end up in wars."

If that is so, and modern history certainly supports Kistiakowsky's grim observation, the United States is at a fundamental crossroads with its Soviet rival: will they continue on matching and besting one another in various forms of armaments, increasing the probabilities, or can they break the established patterns of history and find ways to compete peacefully, with less devastating consequences for mankind?

Meanwhile, for those citizens whose sleep is troubled by the drums, there is some reassuring news that the alarm messages do not mention—the United States still outnumbers the Soviets in intercontinental nuclear warheads by more than 2-to-1. Indeed, during the last five years when political leaders signed arms control agreements with the Russians and preached restraint, the United States has more than doubled its ready-to-fire arsenal of nuclear warheads.

America now has about 8,500 warheads ready to dump on Russian cities, military bases, whatever seems worthy of destruction. The Soviets have 4,000 warheads ready to fire at us—but they are building more and the general assumption is that they will catch up, perhaps even exceed the United States someday.

To put the matter more crudely, the atomic bomb dropped on Hiroshima represented, by various estimates, 13,000 to 20,000 tons of explosive. Right now, according to a Brookings Institution estimate, the United States has warheads aimed at the Soviet Union equivalent to 4,200,000,000 tons. A substantial portion of these are on submarines and are invulnerable to Russian attack. Thus, if Russia fired first tonight and wiped out all of America's land-based missiles. President Carter could still retaliate by wiping out all but the smallest towns—killing 20 million, or 40 million, or 100 million Russians, depending on how he chose the targets.

Yet, for the same reasons, the Soviet Union has essentially the same insurance policy. Its nuclear warheads, fewer in number, but heavier in size, could strike back at America with comparable destructive force. It is this now-familiar state of affairs which the global thinkers call "mutually assured destruction," the doctrine which has kept both sides from shooting first, MAD, for short.

The current debate begins with the assertion from some hard-line military experts and strategic scholars that the Soviets don't really believe in MAD and are now moving beyond it—building bigger rockets, adding more multiple warheads, stocking so much more megatonnage, that some day the Soviet planners can actually think about making nuclear war, or at least threatening us with war during diplomatic struggles.

How could they possibly dare? Here the hard-line theories get fuzzier; the explanations are more suggestive than definitive. Some have argued that the Soviets are seeking a "war-winning capability" by evacuation schemes to disperse citizens and industries, by digging civil defense shelters to reduce casualties, by building a monstrous advantage in destructive power, which would intimidate any American President.

Donald H. Rumsfeld, the outgoing Defense Secretary and one of the leading exponents of that view, argued in his final report:

"The Soviets, by their activities, indicate that they are not interested in mutually assured destruction. Accordingly, they must be accepted for what they are, not for what we want them to be. Their actions indicate that they take nuclear war seriously; the United States must do no less."

Scoville, former CIA deputy director for science and technology and a leading advocate for arms reduction, said he would regard this newly discovered "civil defense gap" as "laughable if so many people weren't willing to take it seriously."

"The very concept that Soviet leaders would consciously launch a nuclear attack, knowing that it would mean the destruction of their cities, their industries, I find incredible," Scoville said. "What would they gain by destroying the United States if they virtually wipe out their own civilization in order to do it?"

The hard-liners do not all agree on the same answer to Scoville's question. Some claim the Soviets are prepared to make a blitzkrieg across Western Europe. Some have worked out elaborate "war-fighting" scenarios in which the Russians might lose only 10 million or so citizens, a victory of sorts compared to much greater American losses. But others argue more cautiously that the psychological weight of superior Soviet megatonnage is what counts, not the possibility to actual nuclear war.

Paul Nitze, a SALT negotiator under President Nixon and now one of the foremost proponents of a nuclear buildup, protested this point in an interview:

"Nowhere am I saying that the Soviet Union wants a war or will make a war. All I'm saying is that we can have a situation where their superiority is clear. We know it and they know it. That kind of situation carries its own message before it."

These "superiority" and "war-winning" scenarios usually imply two assumptions which are rarely expressed on the record by the hardliners. One is the premise that the Marxist-Leninist ideology of Soviet leaders renders them insanely insensitive to the mass annihilation of human life. The other is an unspoken doubt about the courage of American presidents—a fear that, while the enemy might willingly destroy millions of their own people, any moral American leader would shrink from doing the same thing.

(Carter, it should be noted, has said that he would not shrink, that he could and would push the nuclear button if he deemed it necessary.)

But the arms control advocates argue that "superiority" no longer has any meaningful application in an age when both adversaries can destroy one another. The hawks insist otherwise, citing the 1962 Cuban missile crisis when President Kennedy stared down the Soviets with U.S. superiority. The rebuttal to that: in 1962 the United States possessed an advantage—perhaps 7,000 warheads to a mere 300 held by the Russians—that can never be duplicated again. (Moreover, the Soviet navy was physically incapable of challenging the U.S. "quarantine" of Cuba.)

From there, this debate proceeds into an esoteric thicket that ordinary citizens can barely comprehend—the theology of nuclear strategy, the euphemistic definitions of mass killing, well-oiled arguments over trendlines, trick statistics, Kremlin rhetoric, satellite photos.

"Overkill" becomes "redundancy" and "redundancy" becomes "high-quality deterrence."

The arguments also get nasty, even within the brotherhood of men who served in government together. Nitze went before the Senate confirmation hearings and announced that his former Pentagon deputy, Warnke, was incompetent on the subject of arms negotiations. Warnke's supporters whispered that Nitze was a disappointed suitor for the same job.

Harvard historian Richard Pipes, who chaired a controversial "Team B" intelligence committee, analyzing Soviet intentions from a more skeptical perspective, pleaded for decency in the debate. " 'Hard-liners' and 'appearsers' should freely question each other's judgment, but not motives," Pipes urged.

But Averell Harriman, a man with a sharp tongue, thinks that hard-liner motives are very much part of the debate. "There are certain people," Harriman told an interviewer, "who I think are psychopaths."

The tantalizing question about the debate is: why now? For the last decade, politicians of both parties have been ushering in an era of supposed cooperation with the Soviets. Now they are arguing over whether to reopen the Cold War or whether it really ever ended.

For one thing, the Soviets are indeed building up their forces, gaining numerical advantages or rough equality in weapons categories where they have traditionally been far behind. According to the CIA, the Soviet growth has been steady over the last 10 years, about 3 per cent a year. This can be traumatic if you are a military planner reading satellite photos.

"For the last 5 or 10 years," said Halstead of the Arms Control Association, "the Soviets have been working hard to catch up and they have pretty much caught up and it's a difficult psychological thing for the public to live with parity."

Other events have also aroused the old fears, especially the Mideast War in 1973 when he Soviets gave us no direct warning that their client states, the Arab nations, were about to attack ours, Israel. Soviet-backed forces in Angola seemed to confirm that, despite detente, the Russians are willing to pursue their political objectives through military support of "friendly" factions.

The political climate, according to participants on both sides, has shifted quite dramatically in favor of increased defense spending, especially compared to the congressional fights of five or six years ago. The new Secretary of Defense talks about budget cuts for the Pentagon, but "Harold Brown is shouting into a hurricane," said Rep. Les Aspin (D-Wis.). "The other side has got the high ground."

According to Aspin and others, the fate of Israel figures in the changed climate. Many liberal Democrats who used to line up to vote for defense cuts are now mindful that Israel's armaments depend solely upon the Pentagon's ability to re-supply. Some Jewish intellectuals who were highly critical of the military in South Vietnam have shifted ground in the face of the threat to Israel and anti-Semitic repression in the Soviet Union.

Last year's presidential campaign further weakened the arms control advocates—some of whom still hold a wistful suspicion that if Ford had not backed away from the second-round SALT agreement that Henry A. Kissinger almost negotiated in Moscow, Ford might still be President. As a candidate, however, he got flailed from both sides, by his Republican opponent and by Jimmy Carter, blamed for being too soft with the Russians and for failing to advance arms control.

Some factors have nothing to do with strategic defense—the high unemployment rate, for example, means congressional votes for the B-1 bomber and other weapons projects. The old rationale—cutting defense budgets to free money for domestic programs—seems less compelling today, given the general disillusionment with the federal government.

Over the last generation, the hardliners have usually won the arguments over new weapons. Once the question of Soviet intentions is reduced to a simple numbers

game, it is impossible to refute projections of future fears with present proof.

In the late 1950s, it was the bomber gap, followed closely by the missile gap, then the megatonnage gap, then the anti-missile missile gap. Each time, a Soviet advantage was forecast from current hardware trends; each time, it developed that America was the actual leader, both in new technology and in deployment. Despite that record of crying "bear," the Pentagon has rarely been turned down on a major new weapons system by Congress.

Some arms control strategists, viewing the tricky political terrain, think President Carter may be wise to yield on some conventional items in the hope of advancing his larger goals on nuclear weapons.

"If you go with the B-1 bomber," said one despairing arms control official, "you're buying some years of relative peace with the Air Force. Maybe they'll come off some other things which are much worse like the mobile M missile."

But a President can change public opinion, rather dramatically sometimes, and even Paul Nitze concedes that the Carter administration could dissipate much of the political pressure for new arms.

"The American public has changed its mind and opted for a stronger defense," Nitze said "It's concerned . . . Obviously, if the President says there's no problem, and the Secretary of State says there's no problem, and the Joint Chiefs of Staff say there's no problem, then the people may not feel there is one," he said.

For the nonparticipating citizen, this debate over strategic arms has a troubling point of confluence—from their different premises, both sides talk about the probability of nuclear war in the future, if we don't do this or that. Perhaps, one day, the prophecies will be fulfilled. And the arms debate will be over.

THE NUCLEAR ARMS RACE: A SOVIET VIEW

(Mr. SEIBERLING asked and was given permission, to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I have previously offered for the RECORD the first in a series of Washington Post articles that commenced Sunday, February 20 dealing with the nuclear arms debate. It outlined the basic issues. I now offer the second of the series of articles, this one by Robert G. Kaiser. It sets forth in striking terms how the strategic balance may look from the Soviet viewpoint.

The article states that one need not accept Soviet "innocence" to realize that the arms race that we see threatening the United States has a "mirror image" in Moscow. The article provides insight into Soviet suspicions and fears and the reasons why the Soviets may, like the Americans, have incentives to pursue the paradoxical goals of arms buildup and arms limitation.

The text of the Post article follows these remarks:

THE NUCLEAR ARMS RACE: A SOVIET VIEW

(By Robert G. Kaiser)

For the country's military planners and political leaders, the signals are ominous:

In the past five years, the enemy has added more than 3,000 nuclear warheads to its inter-continental missile force. It has added alarming new technology to its major weapons systems, so they are now vastly more accurate, more lethal and easier to defend than they were just a few years ago.

The enemy is building a new missile-bearing submarine force that may be impossible to detect at the bottoms of the world's oceans. They are considering construction—at a cost of billions—of a new system of mobile, concealed, land-based missiles. They have developed technology enabling them to deploy an entirely new kind of intercontinental weapon—one virtually immune to existing defenses or detection.

The enemy is giving its conventional forces impressive new weaponry, some of it still beyond this country's ability to duplicate. Moreover, the enemy's allies are modernizing their forces in potentially crucial areas. The other side now has deployed 2,000 new tanks in Central Europe that are demonstrably better than any others in the world.

Another Pentagon alarum? No. This exercise is a hypothetical press release from the Defense Ministry in Moscow—a description of U.S. and allied military forces as they might be seen through Soviet eyes. The Americans are coming!

The Soviet view of the balance of terror seldom enters into the American debate on defense preparedness. Americans make an easy presumption of innocence. Donald H. Rumsfeld, the last Secretary of Defense in the Ford administration, stated that presumption in his farewell "posture statement:"

"There are only two major powers—the United States, which is the primary champion of freedom, self-determination and international pluralism, and the Soviet Union, which has an imperial domain already sprawled over two continents and is the primary advocate of a command economy, centralized control and the subjugation of the individual to the state."

The Soviet Union sees it otherwise. In the Soviet view, the United States and its allies are not proponents of "international pluralism," but are imperialists—advanced capitalist states determined to protect their markets and sources of natural resources, and demonstrably hostile to the Soviet Union and its interests. The American imperialists are also demonstrably willing to undertake military adventures in remote areas, from the Dominican Republic to Lebanon, Korea and Vietnam.

The purpose here is not to paint the Russians as the innocent victims of the Cold War. But one need not accept Soviet innocence to realize that the arms race we see does have an alarming mirror image in Moscow.

Not only does the United States have an enormous, varied and technologically superior armed force, with bases that ring the Soviet Union and a history of foreign military adventures. Perhaps more significant, the Soviet Union must worry about other—and nearer—potential enemies:

Eight hundred and fifty million Chinese, for example, whose government claims a large part of Soviet territory; the well-equipped Iranians, who now have some of America's best new weapons; the unpredictable and well-equipped Turks; the nuclear-armed French and British; and the West German Bundeswehr, arguably the best single army in the world.

A Senate aide who studies the East-West confrontation observed recently that Americans might well contemplate the prospect that, say, Canada and Mexico were both powerful and well-armed enemies of the United States—a situation roughly comparable to the Soviets'. "How would Americans react to that situation?" he asked rhetorically.

The Americans who express loudest alarm about the current East-West balance openly acknowledge that their fears at the moment are based on "worst case" assumptions, and on their projections of the balance 5, 10 or 15 years from now. They say it is only prudent to think in such terms.

If we presume that Soviet defense planners have been exercising a comparable prudence over the past 30 years, it may be easier to understand the steady buildup of the Soviet Union's military forces.

It seems fair to start from the proposition that the Soviet Union has had superpower ambitions for many years. Since World War II, the standards against which the Soviets could judge those ambitions have been set by the World's leading superpower, the United States.

At his first press conference, President Carter reiterated the longstanding American position: "At the present time, my judgment is that we have superior nuclear capability."

The Soviets have only lately had any cause at all for confidence in what the experts call the "essential equivalence" of the nuclear balance. From the dawn of the atomic age in 1945 until the last year or two, American superiority has been beyond question.

The present generation of Soviet political and military leaders, in other words, grew up looking into the uncomfortable end of the nuclear barrel. For many years, the American advantage was virtually absolute. When the Soviets began to deploy intercontinental, land-based missiles and, later, intercontinental submarine-based missiles, the absolute advantage disappeared, but the Americans' relative edge remained imposing.

The buildup of Soviet strategic arms that now alarms some American specialists began in the mid-1960s. Many western specialists on Soviet affairs believe that the humiliation of the 1962 Cuban missile crisis—when the Soviets had to back down in the face of a threatened American naval "quarantine" of Cuba—was a principal cause of the buildup. The buildup has proceeded steadily since.

The most recent deployments of new Soviet rocket systems are what have alarmed many observers in this country, but they are the product of development and production decisions that the Soviets made at least five years ago. (Our Pentagon reckons that it takes about 10 years to take a new weapons system from conception to development.) If the decisions which led to these new deployments were indeed taken in the late 1960s in the Kremlin, then they were taken at a time when American superiority was still beyond doubt.

Despite years of Herculean effort and indisputable Soviet success in many fields of strategic development, the new American President still claims "superiority." It is not difficult to imagine how the Pentagon would react if it had presided over a similar history, and now faced a comparable claim from Leonid I. Brezhnev, the Soviet leader. The Soviet Defense Ministry, presumably, remains less than satisfied with the current balance of terror—whether their goal is superiority or parity in their own eyes.

Soviet statements and writings demonstrate that the Russians' assessment of the East-West balance goes far beyond simple counting of weapons and warheads, however. The Soviets have a Marxist view of power—one which calculates economic technological and social factors along with military hardware. They also have a Russian view of the world—suspicious, insecure and cautious.

A Marxist analysis of the East-West balance is not comforting in Moscow. The Russians boast often that the "correlation of forces" in the world has shifted in their favor, but this is largely a military argument. The Soviet economy is lagging, and is far behind America's. Weighed together, the economies of the western nations and Japan produce several times the amount of goods

and services that the Soviet Union and its East European allies produce.

The habit of referring to the Soviet Union and the United States as "the two superpowers" skim over the profound differences in the economic, scientific and technological capabilities of the two countries. The Soviets may now agree that there are two superpowers, but they also see that only one of the two goes to the other to buy computers, steel foundaries, oil drilling equipment, wheat, corn and thousands of other products.

The Soviets know that they are 15 to 25 years behind America in computers. They know that their workers are vastly less productive than those of the West. They know that their industrial machinery is less efficient and less reliable than the West's. They know they are No. 2, by a good distance.

The Soviets must make judgments about their potential enemies' intentions, and it is in this realm that traditional Russian suspicion and fears must come into play. Americans are often tempted to believe that the Soviets must realize that our intentions are peaceful, benign. The Soviets don't see it that way.

History is important in this regard—more important than it ever seems to be for Americans. How many Americans remember that the U.S. Army joined with forces from Britain, France and Japan in invasions of Russian territory in 1918 to support rebellious "Whites" against the Bolshevik "Reds"? That long-forgotten military misadventure helped convince generations of Soviet leaders that the western powers did actively and aggressively wish them ill.

For years afterward the United States refused to recognize the Soviet Union. (Ambassadors were finally exchanged in 1934.) During the 1930s from the Soviet point of view, the Western powers did not seem alarmed at the prospect of Nazi aggression eastward, and eventually Hitler invaded the Soviet Union, causing staggering losses and damage. After the uneasy wartime alliance collapsed in the late 1940s, the Soviets watched as America embarked on what must have appeared to Moscow as an orgy of anti-communism, John Foster Dulles ringed the Soviet Union with a network of military treaties, then threatened to "roll back" communism from Eastern Europe.

Then in the '60s came the Cuban missile crisis—a threat to bring down the holocaust that America obviously took seriously—and the American adventure in Vietnam, coupled with a dramatic improvement and buildup of American strategic forces.

For a nation that has suffered invasion, which fancies itself "the vanguard of the international working class" in a struggle against capitalism, which has always regarded foreigners as dangerous almost by definition, all were ominous signals.

This analysis is obviously argumentative. The Soviets were not innocent bystanders throughout these years. They too sent out alarming signals; many of the moves that alarmed them were prompted by their moves that alarmed the West. The point here is that the Russians were genuinely alarmed; they saw cause to fear that the West harbored aggressive intentions against them.

Today the new "correlation of forces" appears to have persuaded the Russians that they are no longer vulnerable to Western attack. But that does not make it comforting. The United States continues to press forward in new areas of military technology, and in many fields continues to hold apparent advantage over the Soviets—in anti-submarine warfare capability, in cruise missiles, in "smart" weapons that can find their targets electronically, and others.

Moreover, recent history teaches the Soviets that they must continually fear the unknowable—the next unexpected breakthrough in American technology. Authoritative Pentagon sources say that the United States is today testing new weapons about which nothing is publicly known, and some of them have the potential for radically changing the "correlation of forces" in the future.

Reading recent Soviet comments on the latest round of the strategic debate in Washington, one senses the concern with which the Russians view the mirror in this unprecedented relationship. Sounds of alarm in Washington cause alarm in Moscow.

Georgi Arbatov, the Kremlin's principal expert on the United States, observed on Moscow television recently, "It is understandable that the American generals do not like the situation when parity exists, and when they cannot attack our country, cannot blackmail us, because nuclear war would be suicide for the United States. But it is a fact the Americans will have to live with. Many serious changes have taken place for America in this respect. The country has lived for 200 years under different conditions from other countries, beyond two oceans and with feelings of complete national security, and now it has begun to live like all other countries; it is just as vulnerable in case of war as the others."

INDUCTION INTO FLORIDA CITRUS HALL OF FAME OF ANTHONY T. ROSSI

(Mr. IRELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. IRELAND. Mr. Speaker, one of my constituents, Mr. Anthony T. Rossi, has just been inducted into the Florida Citrus Hall of Fame, which is dedicated to those individuals who have given unselfishly of their time and effort in the development of the Florida citrus industry.

Mr. Rossi first came to the United States from Sicily when he was 20 years old. As his life proves what can be accomplished in this great country of ours, I would like to share his biography with you and my colleagues.

ANTHONY T. ROSSI

Anthony T. Rossi, a native of Messina, Sicily, was 20 years old when he came to the United States. For several years he followed a variety of occupations. He was a restaurateur with an establishment in Miami Beach and one in Bradenton when, in 1947, he began his first venture in Florida citrus, as a gift fruit shipper. Rossi supplied retail outlets in the Miami area, and in an effort to get closer to the source of supply, opened a gift fruit shipping establishment in Palmetto. From that beginning, he founded Tropicana Products. Rossi is an inventor, an innovator, a creator of new concepts in products, in marketing, in business operation. In the late 40s, he established a business to section oranges and grapefruit, which were then packed under vacuum and rushed to northern markets as a fresh citrus salad—the forerunner of the chilled section industry. In the early 1950s, recognizing the potential for a pure, natural-strength citrus juice as close as possible to the fresh-squeezed product, Rossi founded the chilled juice industry, now the fastest-growing segment of the Florida citrus industry. To his credit are ideas which have revolutionized the processing industry—a fleet of refrigerated trucks with which he established nation-wide distribution . . . the first commercially acceptable high-speed aseptic glass-packaging line for a food product . . pioneering of bulk shipments of juice to packaging points in the north . . bulk transportation by steamship . . the first floating citrus processing plant . . water conservation methods . . new concepts in the manufacture of citrus pulp . . the invention of a high-speed glass bottle decorating machine . . refrigerated vending equipment . . casing machines . . heat exchangers . . the first unit train, moving a whole trainload of citrus products north. Rossi established the first vertically-integrated processing industry in Florida; when the demand for glass bottles grew, he built and ran his own glass bottle manufacturing plant. When he wanted a new container for FCOJ, he devised on easy-open plastic can and built a plastic manufacturing plant; he was the first to incorporate a corrugated board manufacturing plant and box manufacturing plants as a part of a citrus processing facility. He pioneered the establishment of a pellet operation for marketing citrus pulp, and was one of the developers of an export market for that product. Now in his 70s, Rossi is still actively engaged in the management of Tropicana Products. He has been a leader in religious and charitable endeavors in his community and nationwide. He is a trustee of Columbia Bible College in Columbia, S.C., and has been named by the Grand Council of Columbia Associations for their leadership award for distinguished service and achievement by an Italian-American in the field of business, in 1972. In the same year, he received the Golden Plate Award as one of America's Captains of Achievement, and in 1975, he received the Freedom Foundation Award. But of Rossi's achievements in 30 years in Florida citrus, the establishment of a new product—chilled juice—will probably be the one for which he is longest remembered.

UT LIBRARY ADDS 4 MILLIONTH VOLUME TODAY

(Mr. PICKLE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PICKLE. Mr. Speaker, in addition to an excellent faculty and student body, to join the ranks of "great" universities an institution must have an outstanding library.

Today the University of Texas Tower in Austin will shine not because it is a holiday or because the Longhorn athletic teams have been victorious but because of an outstanding academic achievement: the addition of the 4 millionth volume to the UT library.

Mrs. Dolph Briscoe, wife of the Texas Governor, will be on hand to present the book to the library.

I am enclosing an article from the UT News Service about this momentous occasion:

LIBRARY WEEK

AUSTIN, TEX.—When the University of Texas Tower is lighted orange Feb. 23, it will not be in celebration of a sports victory or holiday, but in recognition that the UT Library added its four millionth volume on that day.

Dr. Lorene L. Rogers, UT Austin president, has designated Feb. 16–23 Campus Library Week and directed that the Tower lights be switched to orange to mark that academic milestone.

During Library Week, the General Libraries will conduct a countdown to the four millionth volume, adding one important book each day of the week. Mrs. Dolph Briscoe, wife of the Texas governor, will present the four millionth book on Feb. 23.

The text of Dr. Rogers' proclamation follows:

"Whereas, the libraries of the University of Texas at Austin are about to add their Four Millionth Volume, and

"Whereas, these libraries are a repository of knowledge, the acquisition and sharing of which is the purpose of The University, and

"Whereas these libraries serve not only the local campus but are also a major educational resource for the people of the State of Texas and the nation and

"Whereas these libraries attract scholars for research from all parts of the world.

"Now, therefore, I, Lorene L. Rogers, President of The University of Texas at Austin, do designate the week of February 16–23 Campus Library Week; in recognition whereof I have directed that on February 23, the day commemorating the addition of the Four Millionth Volume, The University Tower be lighted orange.

"In witness whereof I have hereto set my hand and caused the seal of The University of Texas at Austin to be affixed. Done at Austin, Texas, this Fifteenth Day of February in the Year of our Lord One Thousand Nine Hundred Seventy-Seven.

PRESIDENT CARTER'S PROPOSED REVISIONS OF FISCAL YEAR 1978 BUDGET

(Mr. CEDERBERG asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CEDERBERG. Mr. Speaker, yesterday we received President Carter's revisions of the fiscal 1978 budget. I read these revisions very carefully, and just as carefully I reread some of the President's campaign promises. Some of those promises sound pretty good to me. But if this is the best he can do for a program, then the taxpayers are in for a long cold winter which will last about 4 years.

President Carter has pledged, without qualifications, to balance the Federal budget by the end of his first term, that is, by fiscal 1982 at the very latest. Yet his budget revisions would increase outlays by $6.2 billion in fiscal 1977, and by $19.4 billion in fiscal 1978, and would increase the Federal deficit by $10.8 billion in each year. Of these outlay increases, economic stimulus and reestimates under current law account for $2.2 billion in fiscal 1977, and $8.5 billion in fiscal 1978. The remainder—$4 billion in fiscal 1977 and $10.9 billion in fiscal 1978—represents net program increases and expansions, which will make the task of restraining and balancing the Federal budget in future years that much more difficult.

It is particularly important to note that these revisions do not include 5-year projections, which would show the long-term spending commitments which President Carter proposes.

President Carter has pledged, without qualification, to reduce unemployment and inflation to 4 percent by the end of his first term. His "economic stimulus" program is not an economic program at all, but simply a redistribution of income between individuals, and a redistribution of funding between Federal, State, local and private sources. The $50-per-person income supplement is totally irrelevant to the problems of long-run economic growth and will probably have little short-run impact, because the income supplemental will be paid with funds which the Federal Government must borrow from other sources in the private sector. The public works and countercyclical spending programs will simply substitute Federal spending and borrowing for spending or borrowing by State and local governments.

President Carter has pledged to reduce defense expenditures by $5 to $7 billion, and to maintain national security. I will support any reductions in defense programs or activities which are not essential for national security. But President Carter's revisions of the defense budget do not, for the most part, conclusively address the merits of individual programs or activities. Nearly all of the $2.7 billion in reductions which can be specifically identified in Secretary Brown's statement of February 22, represents postponements and deferrals of programs which have been thoroughly studied and justified, which is false economy for the purposes of political scorekeeping. Most of this money will be spent anyway in subsequent years, when inflation will increase costs and reduce purchasing power.

Finally, President Carter has pledged to improve the efficiency and effectiveness of Federal programs and activities. Yet he rejects out of hand nearly all of the reform proposals in President Ford's budget which were precisely intended to make Federal programs more efficient and responsive, such as block grants for child nutrition, health, and education, and reform of the food stamp program. In the case of employment training programs, the President proposes a step backward to federally controlled categorical programs.

In short, Mr. Speaker, it appears to be business as usual. And I, for one, do not intend to let the taxpayers forget it.

Mr. Speaker, I am including additional printed material and tables in the Extensions of Remarks of the RECORD.

FEDERAL EMPLOYEES CONFLICT-OF-INTEREST DISCLOSURE ACT

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, today I am introducing a bill which attempts to eliminate potential conflicts of interest—or at least make others aware of such conflicts—among Federal employees. The Federal Employees Conflict-of-Interest Disclosure Act will require:

First, that each Federal employee at GS–13 and above who has been employed for less than 3 years file with the agency a description of each job held during the 3 years preceding his/her employment;

Second, that former Federal employees who were GS–13 or higher file an annual report describing each position held during the 3 years after Federal employment;

Third, that the reports filed with the agencies be made available to the public; and

Fourth, that each agency submit an annual report to the Speaker and the President of the Senate containing the information filed by the current and former Federal employees.

Many parts of the private sector have a vast economic stake in official policies of numerous Federal agencies. In discharging their responsibilities, Federal employees dramatically affect private industry by funding and contract awards, safety and licensing decisions, and myriad other official determinations. Although I recognize that Government often must seek expertise from the private sector, the relationship between Government agencies and private industry in this context must remain impartial and unbiased. I think that this bill will help achieve that end:

H.R. 3928

A bill to require Federal employees compensated at the rates in effect for GS–13 and above to disclose each position held by such employees during the three years preceding and following their employment with the Federal Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Employees Conflict-of-Interest Disclosure Act".

PURPOSE

SEC. 2. It is the purpose of this Act—

(1) to require each Federal employee whose rate of compensation is equal to or greater than the minimum rate of compensation for grade GS–13 to file with the Federal agency in which such employee is employed a description of each position held by such employee during the three years preceding such employee's Federal employment;

(2) to require each former Federal employee whose salary rate at any time during such employee's Federal employment was equal to or greater than the minimum rate of compensation for grade GS–13 to file with the Federal agency in which such former employee last worked a description of each position held by such former employee during the three years after the termination of such former employee's Federal employment;

(3) to require each Federal agency to file annually with the President of the Senate and the Speaker of the House of Representatives a report containing the information filed with it by Federal employees and former Federal employees under this Act; and

(4) to require each Federal agency to maintain a file containing the information filed under this Act and to make such file open for public inspection during the regular working hours of such agency.

REPORTING REQUIREMENTS

SEC. 3. (a) (1) Each employee of an agency who has been an employee of an agency for less than three continuous years and who is compensated at a rate equal to or greater than the minimum rate of compensation in effect for positions classified in grade GS–13 of the General Schedule under chapter 51 of title 5, United States Code, shall, not later than thirty days after first attaining such level of compensation and once each year

thereafter until such employee has been an employee for three consecutive years or more, file a report as provided in paragraph (2) with the head of the agency in which such employee is employed.

(2) Each report filed by an employee under paragraph (1) shall provide, in such form and manner as the head of the agency involved may prescribe—

(A) the name and address of such employee;

(B) the name and address of each employer of such employee during the three-year period ending with the beginning of such employee's current employment by an agency;

(C) the period during which such employee was employed by each such employer;

(D) the title of each position held by such employee in such previous employment;

(E) a brief description of the duties performed by such employee in each such previous position;

(F) a brief description of the duties performed by such employee in such employee's current position;

(G) the current rate of compensation of such employee; and

(H) if such employee has duties which, directly or indirectly, include participation, through decision, recommendation, investigation, or otherwise, in connection with awards of grants, contracts, or other forms of business or financial interests, a list of any grants, contracts, or other forms of business or financial interests which a former employer of such employee listed under subparagraph (B) has obtained within the twelve months preceding the filing of such report, or is attempting to obtain at the time of the filing of such report, from the agency in which such employee is currently employed.

(b)(1) Each individual who is a former employee of an agency who at any time during such employment was compensated at a rate equal to or greater than the minimum rate of compensation in effect for positions classified in grade GS–13 of the General Schedule under chapter 51 of title 5, United States Code, shall, not later than thirty days after the first, second, and third anniversaries of the termination of such former employee's employment with an agency, file a report as described in paragraph (2) with the head of the last agency in which such former employee was employed.

(2) Each report filed by a former employee under paragraph (1) shall provide, in such form and manner as the head of the agency with which such report is filed may prescribe—

(A) the name and address of such former employee;

(B) a brief description of the official duties of such former employee in [the last] [each] position held by such former employee in an agency;

(C) the rate of compensation of such former employee immediately before the termination of such former employee's employment with the last agency in which such former employee was employed;

(D) the date of the termination of such former employee's employment with the last agency in which such employee was employed;

(E) the name and address of the employer, if any, of such former employee at the time such report is filed;

(F) the title of the position held by such former employee at the time such report is filed;

(G) a brief description of the official duties of such former employee in such position; and

(H) if such former employee, while employed in an agency in a position compensated at a rate equal to or greater than the minimum rate of compensation in effect for positions classified in grade GS–13 of the General Schedule, had duties which, directly or indirectly, involved participation, through decision, recommendation, investigation, or otherwise, in connection with awards of grants, contracts, or other forms of business or financial interests, a list of any grant, contracts, or other forms of business or financial interests (i) which the employer of such former employee has obtained from such agency during the 12-month period preceding the filing of such report or (ii) which such employer is attempting to obtain from such agency at the time such report is filed.

EXCEPTIONS

SEC. 4. (a) The reporting requirements of section 3 shall not apply to any employee or former employee of the Central Intelligence Agency or the National Security Agency, Department of Defense, if the director of the agency concerned determines that such employee is, or such former employee was, engaged in the performance of duties the disclosure of which would jeopardize the national security.

(b) Whenever the Director of Central Intelligence or the Director of the National Security Agency makes a determination under subsection (a), he shall enter a certification of such determination in the file required to be maintained pursuant to section 5 in lieu of the report by the employee or former employee involved which would otherwise be submitted under section 3 for entry in such file.

PUBLIC AVAILABILITY OF REPORTS

SEC. 5. The head of each agency shall maintain a file at the headquarters of such agency containing a copy of each report filed with such agency under section 3, and such file shall be open for public inspection during the regular working hours of such agency.

REPORTS TO CONGRESS

SEC. 6. The head of each agency shall, not later than March 1 of each year, submit a report to the President of the Senate and the Speaker of the House of Representatives containing a copy of each report filed with such agency under section 3 during the preceding calendar year.

PENALTIES

SEC. 7. Whoever knowingly violates section 3 of this Act shall be fined not more than $1,000, or imprisoned not more than six months, or both.

DEFINITIONS

SEC. 8. As used in this Act:

(1) The term "agency" means—

(A) an Executive agency, as defined in section 105 of title 5, United States Code;

(B) the Botanic Garden;

(C) the Library of Congress;

(D) the Government Printing Office;

(E) the Office of the Architect of the Capitol;

(F) the Cost-Accounting Standards Board; and

(G) the Executive Office of the President.

(2) The term "employee" means an officer or employee in or under an agency, including a consultant or part-time employee of an agency.

TRANSITION

SEC. 9. (a)(1) Any employee to whom section 3(a) applies on the date of enactment of this Act shall file a report as required by such section—

(A) not later than 60 days after the date of enactment of this Act; and

(B) once each year thereafter until such person has been an employee for not less than three consecutive years.

(2) The head of each agency shall, not later than 120 days after the date of enactment of this Act, submit a report to Congress containing a copy of each report filed with such agency pursuant to paragraph (1)(A).

(b) Section 3(b) shall apply to any person described in such section who terminates employment with an agency after the date of enactment of this Act.

ATOMIC BOMBS

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, recent accounts in the news media and the CONGRESSIONAL RECORD of February 10 about the design of an atomic bomb by an undergraduate student at Princeton University impelled me to subject the young man's treatise to a knowledgeable review.

I want to report that the facts are considerably less spectacular than the intimations highlighted in the press. Mr. Phillips' paper does not specify how to make a nuclear explosive. Nor does it contain information classified under the Atomic Energy Act; this was related to the Director of the FBI on February 1, 1977, by ERDA.

His study paper, quoting entirely from unclassified sources available to all in the open literature, suggests materials and concepts one might collect in an attempt to fabricate a nuclear explosive. Mr. Phillips concludes by stating that if his chosen method were 5 percent efficient, it might have a blast yield equivalent to 6 kilotons of TNT. His conclusion involves a number of suppositions and a great deal of speculation.

Mr. Phillips may be commended for his inclination to take on a difficult intellectual challenge. Those involved in nuclear weaponry know how difficult it is to design and fabricate such explosives. Consider the fact that it took the Indian Government, with all the national resources at its disposal, over 10 years to create and detonate a nuclear explosive device.

No reasonable antiproliferation system can be viewed as infallible in context of the political will of an individual nation. Additionally, no reasonable system of safeguards can be deemed completely foolproof when one deals with the fertile minds of gifted individuals. There is no question that it is in our national interest to develop the best possible worldwide controls of nuclear materials while assuring the availability of the atom for the world's energy needs.

NUCLEAR POWER AND THE ENERGY PROBLEM

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, last month we again got a glimpse of the tip of the iceberg of the energy problem this Nation is facing. As a consequence of the record low temperatures we experienced last month the supplies of energy fuels in

major areas of our Nation did not keep up with demands. Serious personal hardships and economic penalties resulted. Unfortunately, this latest experience portents more frequent and more serious incidents of energy shortages we must contend with before we can do anything of significance to reduce the growing disparity between demand and supply. We face this unfortunate situation because our domestic sources of oil and natural gas are not adequate to meet our needs, and their rate of production will continue to fall, while the leadtime needed to compensate by increasing the efficiency of use of energy fuels and developing alternate sources to any significant degree, will take a decade or more.

Of course, we must resort to conservation to the maximum degree. This takes time, too. It takes time and wealth to replace machinery, put lighter and more efficient automobiles into use and modify and design buildings which utilize energy more efficiently. Unfortunately, we have in certain instances reached a point of no return in reconciling energy demand and supply discrepancies. One such instance concerns last week's announced shutdown of aluminum production capacity in the State of Washington because of a shortage of electrical energy generating capacity. This reduction of production capacity cannot help but have an adverse effect on our domestic efforts of producing lighter cars and other more efficient machines. Still, we must do more than increase the efficiency of use of energy to reduce the demand and supply discrepancy. We must obtain more energy from domestic resources which do not have the limitations of supply that oil and gas do.

Fortunately, we do have abundant supplies of coal. We also have abundant supplies of nuclear fuel which, if utilized in the efficient manner our scientists and engineers have planned, are sufficient for hundreds of years. This assumes the utilization of the breeder reactor system which is now into the commercial demonstration phase. The fundamental problem with these existing major resources of energy is the long time it takes to get additional units of capacity into operation. For example, it takes over 10 years to bring a nuclear power plant into operation. The time to bring a coal plant into operation is not much shorter. These long leadtimes are not dictated by the technical problems involved in building such plants but are brought about by administrative and legal procedures concerning licensing and regulation which have been imposed on such activities. It is, in a manner, shameful to observe these completely unreasonably long leadtimes in bringing into service powerplants of a type which have been completely developed and tested, compared to what we accomplished just a few years ago. I am referring to such things as the building and placing into operation of our first full-scale uranium enrichment plant in less than 3 years. This was a plant which was started at a time when we were not even certain of the availability of satisfactory material for the process. This plant, covering some 46 acres, and therefore one of the country's largest production facilities, was placed into useful operation in 1945. The first full-scale plutonium production reactor was built and placed in operation in 1944 only one year after construction was started. There are many such examples.

Obviously, we must find ways to shorten the present leadtimes. The present leadtimes mean that nothing can be started now to alleviate our energy shortages by nuclear power before the mid-1980's. And, as I have stated before, adding energy generating capacity fueled by coal, which is the other type of fuel we have in adequate amounts, takes a comparable amount of time.

A development which occurred during the height of our cold weather seige last month reflected the payoff of vision in planning for energy sources 10 to 20 years ago. This concerned the great contribution our fledgling group of nuclear power plants made to the energy dilemma we faced on January 17, the day of record low temperatures. Our nuclear generating capacity, as reported in the Chicago Tribune, permitted us to avert a major blackout. The situation which existed that day is well explained in the compilation put together by the Atomic Industrial Forum, in response to numerous requests, which I would like to include at the close of my remarks. As indicated in the following, the nuclear plants were pushed to the limit to meet our needs. The Chicago area obtained 48 percent of its electrical energy needs from nuclear generating stations, and the New England power pool obtained 30 percent of its capacity from nuclear-fueled generating plants.

It appears to me that the most prudent action which can be taken now to alleviate major future energy problems is to construct all the generating capacity we can which will not require oil or gas as a fuel—which is coal and nuclear generating capacity. We are indeed fortunate to have indigenous supplies of coal and uranium, including the technology to go with it, to provide for our needs. In addition, based upon what I have heard of plans of certain electrical generating utilities to hold back adding generating capacity because of the confusion which has been generated by various announcements that all our problems can be solved by conservation or doing without, I believe it is critically important to clarify this matter. This, in my view, calls for the announcement of a national policy calling for the addition of all of the electrical generating capacity we can which will only be dependent on our domestic resources of coal and nuclear fuel. If we are sufficiently successful in our efforts it may even be possible to cut back on present generating plants which utilize fuels presently in critical supply.

The February 7 report of the Atomic Industrial Forum follows:

NUCLEAR POWER AND THE ENERGY CRISIS, FEBRUARY 7, 1977

The following statistical data and sidebar items bear importantly on your coverage of this winter's energy situation:

Had the approximately 20 billion kilowatt-hours of electricity estimated to have been produced by nuclear power plants in January not been available, these consequences would have resulted:

More than 257,000 jobs lost in the month.

Nearly $230 million lost in monthly wages.

A reduction of some $3.8 billion in the month for the various goods, products and services that make up the Gross National Product.

Additionally, the 10 million homes; 1 million stores, office buildings and schools; and 60,000 factories, industries and manufacturing plants that could have been served by this nuclear generation would have needed their energy requirements met by other means.

Filling these demands for electricity by other sources would have required:

32 million barrels of oil, nearly 13 per cent of current monthly domestic production, or

182 billion cubic feet of natural gas, more than 10 per cent of current monthly production, or

9.6 million tons of coal, about 17 per cent of current monthly production.

NOTE.—Economic impacts are based on projections derived from U.S. Department of Commerce indexes on the historical relationship between energy, employment and productivity. Classes of customers served by electricity are based on historical patterns as reported by the Edison Electric Institute.

SOME REGIONAL REPORTS ON NUCLEAR-POWER CONTRIBUTIONS

January 17, 1977, brought the eastern half of the nation to the brink of a power-supply crisis, according to Frank Starr, reporting in *The Chicago Tribune*, and it was largely thanks to nuclear power that a major blackout was averted. The surge in power demand that day, says *The Tribune*, could not have been met by the coal-dependent utilities, many of whose plants were down for maintenance and much of whose coal was frozen in barges, hopper cars and stockpiles. Fortunately, nearly all Eastern nuclear generating units were operable that day and utilities pushed them to the limit: Commonwealth Edison, in Chicago, derived 48 per cent of its power from six of its seven nuclear reactors; Northeast Utilities and TVA were wheeling power to the Midwest and South; the Edison Electric Institute reports that all seven nuclear units under the New England Power Pool were on line, supplying 30 per cent of that region's electricity and exporting 1,200 megawatts to the South and West. The cold weather affected only one nuclear power plant, according to EEI: the Virginia Electric and Power Company's Surry station was closed for several hours when heavy icing on the James River blocked intake to the plant's cooling system. Reports Starr: "In short, it probably can be said, with only slight exaggeration, that nuclear power bailed the country out of an emergency on the morning of January 17. The anti-nuclear lobby won't be pleased about that, but it did happen."

Northeast Utilities, which serves Connecticut and parts of Massachusetts, reports that nuclear power now accounts for 53 per cent of its system needs; that it enabled Northeast to reduce its dependency on imported oil from 28 million barrels in 1973 to just 13 million barrels in 1976; that nuclear generation represented a saving of $74 million in 1976; and that in 1977 alone, nuclear power will offset the need for 21 million barrels of oil.

The three-unit Browns Ferry nuclear station—largest operating nuclear plant in the world—enabled the Tennessee Valley Authority to meet an unprecendented winter peak load demand on January 17 and still funnel power to several other hard-pressed utilities. The January 17 surge on the TVA system was 3 million kilowatts above any previous peak; ironically, this is almost precisely the amount of capacity represented by Browns Ferry. In

December and January, Browns Ferry averaged 16 per cent of TVA's total power production, and since October 1976, largely due to the economics of Browns Ferry, TVA has been able to reduce customer charges by about $3.00 per 1,000 kilowatt-hours.

The Pilgrim station in Plymouth, Massachusetts, produced 34 per cent of Boston Edison's electric generation during the last six months of 1976, saved consumers nearly $27 million and offset the burning of 3.5 million barrels of oil, according to preliminary figures released last week by the utility. The nuclear plant operated all but 44 hours during the six-month period at an average capacity (operating level) of 70 per cent. Fuel savings (nuclear versus oil) over the six months were actually $37.2 million. Because Pilgrim's capital cost is higher than a comparably sized oil-fired unit, the total economy from its operation was $26.9 million.

The electric output for the week ending January 22 was 45,639,000,000 kilowatt-hours, setting another weekly record, according to the Edison Electric Institute. It represents an increase of 11.9 per cent over the comparable week in 1976, and tops the previous high of 45,459,000,000 kilowatt-hours for the week ending January 15.

Nuclear power plants in the U.S. last year produced slightly more than 200-billion gross kilowatt-hours of electricity. There are now 64 operable nuclear reactors, accounting for 8.8 per cent of total installed capacity and approximately 10 per cent of domestic output.

INTRODUCTION OF TAX AND LOAN ACCOUNT LEGISLATION

(Mr. MITCHELL of Maryland asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MITCHELL of Maryland. Mr. Speaker, today I am introducing a bill to "authorize the Secretary of the Treasury to invest public moneys, and for other purposes." This legislation is needed to resolve equitably the problem of allowing the Treasury to both earn interest on public bank deposits and compensate depositories for services they now render to the Treasury free of charge.

Since being established in 1917, our Federal tax and loan account system has involved billions and billions of dollars which have been deposited in commercial banks and other depository institutions. These deposits, which constitute a significant part of the Treasury's operating cash, earn no interest. Banks, however, have been able to use these Treasury tax and loan account funds to invest in earning assets. On the other hand, banks now perform certain services for the Treasury free of charge.

I recognize that depository institutions should be compensated for their services in connection with maintaining the Treasury's tax and loan accounts, and for handling and processing Federal tax deposits and food stamps and redeeming U.S. savings bonds. However, the facts show that the income they now receive by investing tax and loan account funds more than compensates for the costs they accrue in providing services to the Treasury. A 1974 Treasury study of tax and loan accounts showed that in 1972, the annual earnings exceeded the expenses of handling the Treasury's accounts by $170 million. While it is true that average annual tax and loan account balances have declined significantly within the past few years, taxpayers are still losing millions. Table 1 shows the annual high, low, and average Treasury tax and loan account balances for the period 1966–76. It is time to give the Treasury the authority to invest these balances, matching the authority it already has to directly pay depository institutions for services they now render to the Treasury free of charge.

TABLE 1.—*Treasury tax and loan account balances*

[Annual figures in billions of dollars]

Year	High	Low	Average
1966	$11,274	$447	$4,324
1967	9,979	710	3,775
1968	8,004	1,029	4,191
1969	9,720	709	4,329
1970	7,990	894	4,022
1971	8,532	846	5,146
1972	10,251	1,737	5,648
1973	10,854	800	5,644
1974	9,340	520	3,913
1975	7,249	7	1,853
1976	4,260	67	1,394

Source: Treasury Bulletin.

RECENT HOUSE ACTION

Mr. Speaker, in the recent past, there have been numerous proposals in the Congress to allow the Federal Government to earn interest on its tax and loan account balances. During the 94th Congress, 10 bills toward that end, sponsored by 115 Members of the House of Representatives, were introduced, including H.R. 3035. The House Banking Committee's Subcommittee on Domestic Monetary Policy, then chaired by the Honorable Wright Patman, held 2 days of hearings in September 1975 on H.R. 3035. At that time, the subcommittee adopted an amendment in the nature of a substitute, which was subsequently favorably reported by the full Banking Committee. Later, on December 15, 1975, that bill was passed overwhelmingly by the House; 391 for it, zero against.

Basically, H.R. 3035, as amended, would have allowed Treasury to invest its tax and loan account deposits in the short-term securities of depository institutions and of the United States and its agencies at negotiable interest rates, thereby, earning interest on those funds. Also, in the interest of equity, provision was made to allow savings and loan associations and mutual savings banks to act as depository institutions for Treasury tax and loan account deposits.

Consideration of this legislation involved the effects on small banks, which includes many minority banks, of implementing this proposed investment authority. In this connection, it was pointed out that Treasury would institute a flexible system to accommodate these banks. The effects of the proposed investment authority on small banks and minority banks are extremely important. Let me assure my colleagues that any possible problems will be uncovered, considered, and solved when the Subcommittee on Domestic Monetary Policy, which I chair, takes up the bill I am introducing today.

THE NEED TO ACT NOW

Mr. Speaker, the bill I am introducing today is cosponsored by 51 Members. Considering the gains to taxpayers and to the Treasury provided by this legislation, and also in fairness to banks which provide services to the Treasury, there is no reason why prompt action should be delayed. The sheer folly of allowing Treasury to continue losing between $25 million and $50 million per year should not be tolerated any longer. During times when inflation and recession have both left deep scars in our economy, there can be no good reason for holding back on a measure which will help the Federal Government operate on a more efficient and businesslike basis and also help reduce our massive Federal deficit, even if only by a small amount.

As chairman of the Subcommittee on Domestic Monetary Policy, I am scheduling hearings on this tax and loan account legislation on March 9.

MINORITY ENTERPRISE PROVISION TO LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT AMENDMENTS (H.R. 11)

(Mr. MITCHELL of Maryland asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MITCHELL of Maryland. Mr. Speaker, in an attempt to provide economic stimulus and attack the pervasive effects of unemployment the Public Works and Transportation Committee is offering H.R. 11 for consideration. The history of public works projects, as a countercyclical device, reveals that local government expenditures for projects create direct jobs and stimulate complementary expenditures in the material and supply market. With an existing 15 percent rate of unemployment in the construction industry increases in public works expenditures will cause increases in the capital stock and assist in stabilizing the industry whose workers and complementary businesses are vulnerable to cyclical variation. Because I totally support the theory of a "triggered public works mechanism," I have developed an amendment to refine the bill's intent.

If public works projects are to have optimum effect on both the economy and the labor force, we must both trigger and target the public works bill. Estimates reveal that there is currently 35 percent unemployment in the minority construction sector and an estimated 20 percent of the complementary construction industries that are minority owned have dissolved in the midst of a depression in the minority business sector. As the Public Works and Transportation Committee utilizes targeting to emphasize the value of domestic economic growth through the use of a "buy American provision," I am

emphasizing the value of minority business development by targeting and adopting the provision that 10 percent of the articles, materials, and supplies which will be used in any accelerated public works project must be procured from minority business enterprises. My amendment ensures domestic growth and will stimulate the declining minority business sector.

The Federal Government has not played its role in the quest for economic parity. In fiscal year 1976 Federal agencies purchased a variety of goods and services amounting to $68 billion. In total, Federal procurement represents approximately 6 percent of the gross national product or 17 percent of the Federal budget. In the process to parity the minority business sector should receive from 15 to 18 percent of the contract receipts, however, in fiscal year 1976 the minority business sector received less than 1 percent of the contract receipts of the Federal Government.

The Congress concerns itself with the fiscal problems of the cities, crime, and unemployment. I submit to my colleagues that urban development and fiscal stability is tantamount to minority business development; reductions in crime and a reevaluation in the value of life is tantamount to minority business development; and reductions in unemployment causing additional demand and growth are directly related to minority business development.

I urge my colleagues to support my amendment and promote growth in the minority business community. I appeal to the consciousness of parity and not the vote of disparity in requesting that Members of this legislative body support my amendment to insure minority business participation in the contruction industry.

The following are the provisions of my amendment:

Page 2, line 23, insert "(1)" immediately before "Notwithstanding".

Page 3, line 7, strike out the quotation marks and the period immediately following the quotation marks.

Page 3, immediately after line 7, add the following:

"(2) Notwithstanding any other provision of law, no grant shall be made under this Act for any local public works project unless at least 10 per centum of the articles, materials, and supplies which will be used in such project are procured from minority business enterprises. For purposes of this paragraph, the term 'minority business enterprise' means a business at least 50 percent of which is owned by minority group members or, in case of publicly owned businesses, at least 51 percent of the stock of which is owned by minority group members. For the purposes of the preceding sentence, minority group members are citizens of the United States who are Negroes, Spanish-speaking, Orientals, Indians, Eskimos, and Aleuts."

LOBLOLLY

(Mr. HALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALL. Mr. Speaker, recognizing the unique excellence of the Loblolly, a student publication at Gary High School, in Panola County, Tex., the State of Texas, through a formal senate resolution, has officially congratulated the students of Gary High School for this fine project as well as their history teacher and sponsor, the Honorable Lincoln King.

In view of the esthetic and practical skills displayed by the students, including silviculture, historical research, business management, and the artistic implementation of their many cultural interests, I believe it is a rewarding experience for the Members of this House to know that so many young people in east Texas have, in such notable manner, already assumed their heritage as responsible citizens of this great Nation.

I add my personal commendation to the text of Texas Senate Resolution 49, which follows:

SENATE RESOLUTION

Whereas, the Loblolly magazine project at Gary High School in East Texas represents a significant achievement which has earned wide recognition since its inception in January, 1973; and

Whereas, The purpose of the publication, named for the loblolly pine which is indigenous to the area, is to record and preserve the history, culture, and folklore of Panola County and East Texas; and

Whereas, The students involved in the project do all of their own interviewing, photography, and writing, and working on the magazine has led them to discover their own heritage and taught them how to manage a business successfully; and

Whereas, Because of the success of their efforts, these students and their publication have received recognition from a number of sources, including the New York Times, the U.S. News and World Report, the Dallas Morning News, Grit, the Houston Post, the Shreveport Journal, and many East Texas newspapers; and

Whereas, The Gary students were commended by resolution of the Panola County Commissioners Court for the collection and preservation of county history, were awarded a certificate of recognition by the American Revolution Bicentennial Commission of Texas for bicentennial leadership, and were presented with a trophy from the Texas State Historical Association as the outstanding first year Junior Historian Chapter of Texas schools in 1976; and

Whereas, The University of Texas Interscholastic League awarded a plaque to Loblolly for "Magazine Excellence" in 1975, and the Southern Interscholastic Press Association gave the publication its highest ratings for a folklore magazine and for photojournalism; and

Whereas, Loblolly has received grants for assistance in production, operation, and distribution of the magazine from the Texas Commission for the Arts and Humanities, the American Revolution Bicentennial Commission of Texas, and the Southland Foundation; and

Whereas, An article from Loblolly was included in Some Still Do, the latest annual book of the Texas Folklore Society; and

Whereas, The 1976 awards program of the American Association for State and Local History presented a Certificate of Commendation to the students at Gary High School for publishing Loblolly and thereby gaining a better understanding of the area and transmitting this understanding to others; and

Whereas, The people of the State of Texas are justly proud of the exceptional achievement of the Gary High School students in the publication of Loblolly, a magazine which has gained nationwide recognition; now, therefore, be it

Resolved, That the Senate of the 65th Legislature of the State of Texas congratulate all students involved in the Loblolly magazine project and their history teacher and sponsor, Lincoln King, for their outstanding accomplishment; and, be it further

Resolved, That copies of this Resolution be prepared for the sponsor and students of Gary High School as an expression of esteem from the Senate of the State of Texas.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. JONES of North Carolina (at the request of Mr. WRIGHT), for February 23 and 24, on account of official business.

Mr. GONZALEZ, for today and the balance of the week, on account of illness.

Mr. HAWKINS (at the request of Mr. WRIGHT), for February 22, 23, and 24, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. EDWARDS of Oklahoma), to revise and extend their remarks, and to include extraneous matter:)

Mr. KEMP, for 30 minutes, today.

Mr. COHEN, for 10 minutes, on February 24.

Mr. EDWARDS of Oklahoma, for 10 minutes, today.

Mr. BADHAM, for 5 minutes, on February 24.

Mr. DERWINSKI, for 5 minutes, today.

Mr. FISH, for 10 minutes, today.

(The following Members (at the request of Mr. FLIPPO) to revise and extend their remarks and include extraneous material:)

Mr. CORNELL, for 5 minutes, today.

Mr. AUCOIN, for 5 minutes, today.

Mr. DRINAN, for 60 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. BAUCUS, for 10 minutes, today.

Ms. MIKULSKI, for 5 minutes, today.

Mr. CARR, for 5 minutes, today.

Mr. ANDREWS of North Carolina, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. EILBERG, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $715.

(The following Members (at the request of Mr. EDWARDS of Oklahoma) and to include extraneous matter:)

Mr. COCHRAN of Mississippi.

Mr. YOUNG of Florida in five instances.

Mr. FINDLEY.

Mr. ASHBROOK in two instances.

Mr. KELLY in two instances.

Mr. DERWINSKI in four instances.

Mr. CEDERBERG.
Mr. SYMMS.
Mr. RUDD.
Mr. GRASSLEY.
Mr. WHITEHURST.
Mr. SKUBITZ.
Mr. STEIGER in two instances.
Mr. SPENCE.
Mr. BROWN of Michigan.
Mr. GILMAN in two instances.
Mr. ABDNOR in two instances.
Mr. PRESSLER.
Mr. QUAYLE.
Mr. DORNAN.
Mr. EVANS of Delaware.
Mr. PURSELL.

(The following Members (at the request of Mr. FLIPPO) and to include extraneous matter:)

Mr. RICHMOND.
Mr. FRASER in five instances.
Mr. JACOBS.
Mr. EILBERG.
Mr. WOLFF in two instances.
Mr. TEAGUE in two instances.
Mr. DE LUGO.
Mr. SOLARZ.
Mr. AUCOIN.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. STARK.
Mr. MOTTL.
Mr. HAMILTON.
Mr. BRODHEAD.
Mr. LEDERER.
Mr. RISENHOOVER in two instances.
Mr. MCDONALD.
Mr. DRINAN in two instances.
Mr. MURTHA in three instances.
Mr. AMMERMAN in two instances.
Mr. EDGAR in three instances.
Mr. BROWN of California in two instances.
Mr. ZEFERETTI.
Mrs. ANDREWS of North Carolina in three instances.
Mr. ROSENTHAL.
Mr. UDALL.
Mr. MINISH.
Mr. FORD of Michigan.
Mr. STEED.
Mr. BLANCHARD.
Mr. STUDDS.
Mr. BRECKINRIDGE.
Mr. WIRTH.

ADJOURNMENT

Mr. FLIPPO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 16 minutes p.m.), the House adjourned until tomorrow, Thursday, February 24, 1977, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

800. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1977 for the District of Columbia (H. Doc. No. 95–86); to the Committee on Appropriations and ordered to be printed.

801. A letter from the Secretary of Agriculture, transmitting the annual report on the Renewable Resources Program, pursuant to section 8(c) of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended; to the Committee on Agriculture.

802. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Federal Crop Insurance Act and for other purposes; to the Committee on Agriculture.

803. A letter from the Acting Staff Secretary, National Security Council, transmitting a report on the Council's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

804. A letter from the Executive Officer, U.S. Arms Control and Disarmament Agency, transmitting a report on the Agency's activities under the Freedom of Information Act during calendar year 1976, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

805. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released during January 1977, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

806. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend title I of the Foreign Relations Authorization Act, Fiscal Year 1977 (Public Law 94–350; 90 Stat. 823) to authorize appropriations for fiscal years 1978 and 1979 and for other purposes; to the Committee on International Relations.

807. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Elliot L. Richardson, nominated to be an Ambassador at Large and the Special Representative of the President for the Law of the Sea Conference and Chief of Delegation, and his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

808. A letter from the Acting Administrator of General Services, transmitting a report on a building project survey for San Jose, Calif., requested by a reduction of the House Committee on Public Works and Transportation adopted February 8, 1977; to the Committee on Public Works and Transportation.

809. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes; to the Committee on Science and Technology.

810. A letter from the Comptroller General of the United States, transmitting a report on the Labor Department's Employment Service (HRD–76–169); jointly, to the Committees on Government Operations, and Education and Labor.

811. A letter from the Comptroller General of the United States, transmitting a report finding that lower airline costs per passenger are possible in the United States and could result in lower fares (CED–77–34, February 18, 1977); jointly, to the Committees on Government Operations, and Public Works and Transportation.

812. A letter from the Assistant Secretary of State for Administration, transmitting appropriations requests for the U.S. Emergency Refugee and Migration Assistance Fund, pursuant to section 2(c)(3) of the Refugee and Migration Assistance Act of 1962; jointly, to the Committees on International Relations, and Appropriations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAHON:

H.R. 3839. A bill to rescind certain budget authority recommended in the message of the President of January 17, 1977 (H. Doc. 95–48), transmitted pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. ASHBROOK:

H.R. 3840. A bill to make technical amendments to provisions relating to vocational education contained in the Education Amendments of 1976; to the Committee on Education and Labor.

H.R. 3841. A bill to exclude certain members of the staff of a permanent foreign diplomatic mission, and their families and servants, from diplomatic immunity from criminal and civil process; to the Committee on International Relations.

H.R. 3842. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 3843. A bill to authorize additional funds for housing assistance for lower income Americans in fiscal year 1977, to extend the Federal riot reinsurance and crime insurance programs, to establish a National Commission on Neighborhoods, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BAFALIS:

H.R. 3844. A bill to amend the Internal Revenue Code of 1954 to eliminate the adjusted gross income limitation on the credit for the elderly; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 3845. A bill to extend for an additional year (through the fiscal year 1978) the recently enacted 8-percent increase in social services funding for child care under title XX of the Social Security Act, and to provide for further increases in such funding thereafter to reflect rises in the cost of living; to the Committee on Ways and Means.

By Mr. BLANCHARD:

H.R. 3846. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 3847. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted an individual each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 3848. A bill to amend title II of the Social Security so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. BREAUX:

H.R. 3849. A bill to establish qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere and to authorize appropriations for the committee for fiscal year 1978; to the Committee on Merchant Marine and Fisheries.

By Mr. BRINKLEY:

H.R. 3850. A bill to repeal the Occupational Safety and Health Act of 1970; to the Committee on Education and Labor.

By Mr. BROOMFIELD:

H.R. 3851. A bill to terminate all price-support programs for tobacco beginning with the 1978 crop of tobacco; to the Committee on Agriculture.

H.R. 3852. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 3853. A bill to amend the Internal Revenue Code of 1954 to provide tax relief for homeowners; to the Committee on Ways and Means.

H.R. 3854. A bill to provide property tax relief to low-income elderly homeowners through direct reimbursements; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 3855. A bill to amend the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to issue regulations requiring locomotives and rear cars to be equipped with bulletproof glass; to the Committee on Interstate and Foreign Commerce.

By Mr. BURGENER:

H.R. 3856. A bill to amend title 38 of the United States Code to remove the time limitations within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. BURGENER (for himself and Mrs. PETTIS):

H.R. 3857. A bill to provide for the reauthorization of a comprehensive study by the Army Corps of Engineers of the water resources problems and needs of the Whitewater River Basin, Riverside County, Calif.; to the Committee on Public Works and Transportation.

By Mr. BURLESON of Texas:

H.R. 3858. A bill to provide that individuals who retired on disability before October 1, 1976, shall be entitled to the exclusion for disability payments under section 105(d) of the Internal Revenue Code of 1954 without regard to the income limitation in such section, and for other purposes; to the Committee on Ways and Means.

By Mr. BURLESON of Texas (for himself, and Mr. KRUEGER):

H.R. 3859. A bill to repeal the carryover basis provisions added by the Tax Reform Act of 1976; to the Committee on Ways and Means.

By Mr. CARNEY:

H.R. 3860. A bill to amend title 39, United States Code, to permit individuals to return congressional questionnaires, and to mail Federal income tax returns, free of postage; to the Committee on Post Office and Civil Service.

H.R. 3861. A bill to amend title 38 of the United States Code in order to require the Administrator of Veterans' Affairs to pay a $150 allowance to any State or any agency or political subdivision of a State in reimbursement for expenses incurred in the burial of each veteran in any cemetery owned by such State or agency or political subdivision of a State, if the cemetery or section thereof is used solely for the interment of veterans; to the Committee on Veterans' Affairs.

By Mr. CARNEY (by request):

H.R. 3862. A bill to amend chapter 23, United States Code, so as to provide that where death occurs in a State Home, the Administrator shall pay the actual cost (not to exceed $250) of the burial and funeral, and transport the body to the place of burial in the same or any other State; to the Committee on Veterans' Affairs.

H.R. 3863. A bill to amend title 38, United States Code, so as to authorize furnishing of memorial markers for graves in private cemeteries wherein the remains of an honorably discharged serviceman are not recoverable; to the Committee on Veterans' Affairs.

By Mr. CARR:

H.R. 3864. A bill to amend the State and Local Fiscal Assistance Act of 1972 to provide incentives for the funding of education by means other than property taxes; to the Committee on Government Operations.

By Mr. CARR (for himself, Mr. WIRTH, Mrs. SCHROEDER, Mr. PEPPER, Mr. MCCLOSKEY, Mr. OTTINGER, Mr. MOTTL, Mr. MOFFETT, Mr. PRITCHARD, Mr. KREBS, Mr. SHARP, Mr. DUNCAN of Oregon, Mr. GRADISON, Mr. PANETTA, Mr. BRODHEAD, Mr. EDWARDS of Oklahoma, Mr. SEIBERLING, Mr. GLICKMAN, Mr. STEERS, Mr. FISH, Mr. RICHMOND, Mr. DOWNEY, Mr. BAUCUS, Mr. NOLAN, and Mr. CHARLES WILSON of Texas):

H.R. 3865. A bill to require Federal agencies to report to Congress certain expenditures made for or on behalf of Members of Congress or employees of Congress and to provide for the reimbursement of such expenditures; to the Committee on House Administration.

By Mr. CHAPPELL (for himself and Mr. LEHMAN):

H.R. 3866. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to grant additional authority to the Federal Communications Commission to authorize mergers of carriers when deemed to be in the public interest; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CORNELL:

H.R. 3867. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for sewer charges in the same manner as the deduction allowed for real property taxes; to the Committee on Ways and Means.

By Mr. CORNELL (for himself, Mr. BALDUS, Mr. BLOUIN, Mr. BONIOR, Mr. BUTLER, Mr. CARR, Mr. CONYERS, Mr. DODD, Mr. DUNCAN of Tennessee, Mr. ERTEL, Mr. GEPHARDT, Mr. HARRINGTON, Mr. KOSTMAYER, Mr. MAZZOLI, Mr. PREYER, Mr. RINALDO, Mr. STARK, Mr. STEERS, and Mr. WIRTH):

H.R. 3868. A bill to revise the laws governing appointments to the service academies so as to relieve Members of Congress from the responsibility of making nominations for appointments thereto, and for other purposes; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

By Mr. CORRADA:

H.R. 3869. A bill to amend title 5 of the United States Code to prohibit the consideration of certain matters in the determination of cost-of-living allowances for employees stationed outside the continental United States; to the Committee on Post Office and Civil Service.

By Mr. COUGHLIN (for himself, Mr. CRANE, Mr. FLOWERS, Mr. EDGAR, Mr. GOLDWATER, Mr. GOODLING, Mr. RUPPE, and Mr. VANDER JAGT):

H.R. 3870. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. CORRADA:

H.R. 3871. A bill to amend the Social Security Act to provide that Federal assistance to Puerto Rico, the Virgin Islands, and Guam under the AFDC, child welfare, medicaid, and social services programs shall be furnished on the same basis (under the same formula and without specific dollar ceilings) as in the case of other States, and to amend section 228 of such act to extend to Puerto Rico, the Virgin Islands, and Guam the program of special benefits at age 72 for certain uninsured individuals; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. D'AMOURS:

H.R. 3872. A bill to prohibit any State from imposing a tax on the income derived by any individual from services in the Federal area within such State if such individual is not a resident or domiciliary of such State or of any other State which imposes a tax on income; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. STAGGERS, Mr. EDGAR, Mr. MOSS, Mr. FISHER, Mr. DAN DANIEL, Mr. BALDUS, Mr. LEHMAN, Mr. DOWNEY, Mrs. LLOYD of Tennesee, Mr. BRODHEAD, Mr. WHITEHURST, Mr. DUNCAN of Tennessee, Mr. HARRIS, Mr. FRASER, Mr. MURPHY of New York, Ms. KEYS, Mr. PEASE, Mr. SLACK, Mr. MOFFETT, Mr. MOORHEAD of Pennsylvania, Mr. BADILLO, Ms. MIKULSKI, Mr. MEEDS, and Mr. MAGUIRE):

H.R. 3873. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers; and to prevent deterioration of competition in gasoline marketing; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL (for himself, Mr. ERTEL, Mr. ROONEY, and Mr. MCKINNEY):

H.R. 3874. A bill to provide for the protection of franchised distributors and retailers of motor fuel; to encourage conservation by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers; and to prevent deterioration of competition in gasoline marketing; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY:

H.R. 3875. A bill to amend the Fair Credit Reporting Act of 1975; to the Committee on Banking, Finance, and Urban Affairs.

H.R. 3876. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. DOWNEY (for himself, Mr. BONIOR, Ms. CHISHOLM, Ms. COLLINS, of Illinois, Mr. DELLUMS, Mr. DRINAN, Mr. EDGAR, Mr. EILBERG, Mr. HYDE, Mr. LENT, Mr. MAGUIRE, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MCKINNEY, Mr. RICHMOND, Mr. SCHEUER, Ms. SPELLMAN, Mr. VENTO, and Mr. BALDUS):

H.R. 3877. A bill to amend the Older Americans Act of 1965 to provide relief for older Americans who own or rent their homes; to the Committee on Education and Labor.

By Mr. DRINAN (for himself, Mr. BADILLO, Mr. BONIOR, Mr. CARR, Ms. CHISHOLM, Mr. CORMAN, Mr. DERWINSKI, Mr. EDWARDS of California, Mr. GIBBONS, Mr. HOLLENBECK, Mr. HORTON, Mr. LAFALCE, Mr. MAGUIRE, Mr. MCKAY, Mr. MOAKLEY, Mr. MOORHEAD of California, Mr. MOSS, Mr. OTTINGER, Mr. SCHEUER, Mr. SIMON, Ms. SPELLMAN, and Mr. WAXMAN):

H.R. 3878. A bill to strengthen the warning label required on cigarette packages, extend such warning to cigarette advertisements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DRINAN (for himself, Mr. BADILLO, Mr. BEDELL, Mr. CARR, Ms. CHISHOLM, Mr. CORMAN, Mr. EDWARDS of California, Mr. GIBBONS, Mr. HORTON, Mr. LAFALCE, Mr. MCKAY, Mr. MOAKLEY, Mr. MOORHEAD of California, Mr. MOSS, Mr. ROYBAL, Mr. SCHEUER, and Ms. SPELLMAN):

H.R. 3879. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize the regulation of tobacco products under that act in the same manner as food is regulated under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. DRINAN (for himself, Mr. BEDELL, Mr. CLAY, Mr. CONYERS, Mr. DELLUMS, Mr. DOWNEY, Mr. FRASER, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. RICHMOND, Mr. ROSENTHAL, and Mr. STARK):

H.R. 3880. A bill to abolish the death penalty under all laws of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. BADILLO, Mr. BONIOR, Mr. CARR, Ms. CHISHOLM, Mr. CORMAN, Mr. EDWARDS of California, Mr. GEPHARDT, Mr. GIBBONS, Mr. LAFALCE, Mr. MAGUIRE, Mr. MCKAY, Mr. MOAKLEY, Mr. MOORHEAD of California, Mr. MOSS, Mr. OTTINGER, Mr. ROYBAL, Mr. SCHEUER and Mr. WAXMAN):

H.R. 3881. A bill to establish a health protection tax on cigarettes, and for other purposes; to the Committee on Ways and Means.

By Mr. DRINAN (for himself, Mr. BADILLO, Mr. BONIOR, Mr. BRODHEAD, Mr. CARR, Ms. CHISHOLM, Mr. CORMAN, Mr. DERWINSKI, Mr. EDGAR, Mr. EDWARDS of California, Mr. GIBBONS, Mr. HOLLENBECK, Mr. MAGUIRE, Mr. MCKAY, Mr. MOAKLEY, Mr. MOORHEAD of California, Mr. MOSS, Mr. ROYBAL, Mr. SCHEUER, and Mr. WAXMAN):

H.R. 3882. A bill to regulate smoking in Federal facilities and in facilities serving interstate common carrier passengers, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. EDWARDS of Alabama:

H.R. 3883. A bill to amend the Elementary and Secondary Education Act of 1965 to provide for drug abuse therapy programs in schools; to the Committee on Education and Labor.

H.R. 3884. A bill to make the use of a firearm to commit certain felonies a Federal crime where that use violates State law, and for other purposes; to the Committee on the Judiciary.

By Mr. EDWARDS of Oklahoma:

H.R. 3885. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. FLORIO:

H.R. 3886. A bill to grant a Federal charter to the National Opportunity Camps; to the Committee on the Judiciary.

By Mr. FORD of Michigan (for himself, Mr. BRODHEAD, Mr. CLAY, Mr. EDGAR, Mr. EILBERG, Ms. MIKULSKI, Mr. PRICE, Mr. RANGEL, Mr. ROYBAL, and Mr. VENTO):

H.R. 3887. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; jointly, to the Committees on Education and Labor and Banking, Finance and Urban Affairs.

By Mr. FRASER (for himself, Mr. BEDELL, Mr. BEILENSON, Mr. BINGHAM, Mr. BLOUIN, Mr. BRODHEAD, Mr. BROWN of California, Mr. JOHN L. BURTON, Mr. CARR, Mrs. CHISHOLM, Mr. CONYERS, Mrs. FENWICK, Mr. FLOOD, Mr. HARKIN, Mr. LEACH, Mr. MADIGAN, Mr. MAZZOLI, Mr. METCALFE, Mr. MIKVA, Mr. MOAKLEY, and Mr. MOFFETT):

H.R. 3888. A bill to add certain lands to the Boundary Waters Canoe Area, to redesignate such area as the Boundary Waters Wilderness Area, to withdraw certain authorities for timber harvesting and vehicle use within such area, to increase the payments made to counties respecting such area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FRASER (for himself, Mr. OTTINGER, Mr. NOLAN, Mr. REUSS, Mr. RICHMOND, Mr. SCHEUER, Mr. SEIBERLING, Mrs. SPELLMAN, Mr. STEERS, Mr. VENTO, Mr. WEISS, Mr. WINN, and Mr. WIRTH):

H.R. 3889. A bill to add certain lands to the Boundary Waters Canoe Area, to redesignate such area as the Boundary Waters Wilderness Area, to withdraw certain authorities for timber harvesting and vehicle use within such area, to increase the payments made to counties respecting such area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FRASER (for himself, Mr. ANDERSON of Illinois, Mr. RAILSBACK, and Mr. STARK):

H.R. 3890. A bill to add certain lands to the Boundary Waters Canoe Area, to redesignate such area as the Boundary Waters Wilderness Area, to withdraw certain authorities for timber harvesting and vehicle use within such area, to increase the payments made to counties respecting such area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FUQUA:

H.R. 3891. A bill to amend the Food Stamp Act of 1964 by revising the eligibility requirements for participation in the program and increasing the overall efficiency of the program administration through the imposition of a national income formula, and for other purposes; to the Committee on Agriculture.

H.R. 3892. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

H.R. 3893. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 3894. A bill to amend title 10 of the United States Code in order to establish an Optometry Corps in the Army and the Navy and to provide a separate optometric service within the Air Force; to the Committee on Armed Services.

H.R. 3895. A bill to amend the Occupational Safety and Health Act of 1970 to provide that where violations are corrected within the prescribed abatement period no penalty shall be assessed; to the Committee on Education and Labor.

H.R. 3896. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 3897. A bill to amend the Communications Act of 1934 with respect to the removal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

H.R. 3898. A bill to amend the Controlled Substances Act to provide penalties for persons who obtain or attempt to obtain narcotics or other controlled substances from a retail pharmacy by force and violence, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3899. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

H.R. 3900. A bill to amend title 39, United States Code, to require the U.S. Postal Service to make certain considerations prior to the closing of third- and fourth-class post offices; to the Committee on Post Office and Civil Service.

H.R. 3901. A bill to amend section 21 of the Second Liberty Bond Act to provide for the retirement of the public debt; to the Committee on Ways and Means.

H.R. 3902. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

H.R. 3903. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 3904. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. GIBBONS:

H.R. 3905. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. HANLEY:

H.R. 3906. A bill to amend title 5, United States Code, to make Inauguration Day a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. HARKIN (for himself, Mr. DELANEY, Mr. OTTINGER, Mr. MCHUGH, Mr. RAHALL, Mr. MURPHY of Pennsylvania, Mr. ROYBAL, Mr. GILMAN, Mr. KINDNESS, Mr. EDGAR, Mr. BONIOR, Mr. BEARD of Rhode Island, Mr. ROSE, Mr. CARNEY, Mr. FASCELL, Mr. SCHEUER, Mr. HAWKINS, Mr. COHEN, Mr. PERKINS, Mrs. SPELLMAN, Ms. MIKULSKI, Mr. BEDELL, Mr. SIMON, Mrs. COLLINS of Illinois, and Mr. CARR):

H.R. 3907. A bill to establish a program for repairing and replacing unsafe highway bridges; jointly to the Committees on Public Works and Transportation and Ways and Means.

By Mr. JACOBS (for himself, Mr. MCCORMACK, Mr. CORNWELL, Mr. GLICKMAN, Mr. COLLINS of Texas, Mr. SANTINI, Mr. FITHIAN, and Mr. MARKEY):

H.R. 3908. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only ap-

ply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. JOHNSON of Colorado:

H.R. 3909. A bill to authorize the Secretary of the Interior to engage in feasibility investigations of a potential water resource development; to the Committee on Interior and Insular Affairs.

By Mr. KASTENMEIER (for himself and Mr. BEDELL):

H.R. 3910. A bill to amend the Clayton Act to provide for additional regulation of certain anticompetitive developments in the agricultural industry; to the Committee on the Judiciary.

By Mr. KEMP (for himself, Mr. RAHALL, Mr. STOCKMAN, Mr. WALKER, and Mr. WHITEHURST):

H.R. 3911. A bill to exempt sales by small producers of certain natural gas from regulation of the Federal Power Commission and from the requirement of certificates of public convenience and necessity of section 7(c) of the Natural Gas Act; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP (for himself and Mr. RONCALIO):

H.R. 3912. A bill to incorporate the National Ski Patrol System, Inc.; to the Committee on the Judiciary.

By Mr. KILDEE (for himself, Mr. MURPHY of New York, Mrs. LLOYD of Tennessee, Mr. DAN DANIEL, Mr. QUIE, Mr. FUQUA, Mr. LOTT, Mr. PEASE, Mr. EDWARDS of Oklahoma, Mr. MCCORMACK, Mr. LUKEN, Mr. CORRADA, Mr. SCHEUER, Mr. MAZZOLI, and Mr. STOCKMAN):

H.R. 3913. A bill to amend title 18, United States Code, to prohibit the sexual exploitation of children and the transportation in interstate or foreign commerce of photographs or films depicting such exploitation; to the Committee on the Judiciary.

By Mr. KILDEE (for himself, Mr. MURPHY of New York, Mr. VENTO, Mr. BEVILL, Mr. BEDELL, Mr. TREEN, Mr. EDGAR, Mr. DICKS, Mr. SIMON, Mr. BALDUS, Mr. BONIOR, Mrs. CHISHOLM, Mr. NOLAN, Mr. MOTTL, Mr. MOORHEAD of California, and Mr. NEAL):

H.R. 3914. A bill to amend title 18, United States Code, to prohibit the sexual exploitation of children and the transportation in interstate or foreign commerce of photographs or films depicting such exploitation; to the Committee on the Judiciary.

By Mr. KOCH (for himself, Mr. BADILLO, Mr. BONIOR, Mr. BROWN of California, Mrs. CHISHOLM, Mr. CONYERS, Ms. FENWICK, Mr. HAWKINS, Mr. HOWARD, Mr. JENRETTE, Mr. MIKVA, Mr. NEDZI, Mr. OBERSTAR, Mr. PATTISON of New York, Mr. PRICE, Mr. SCHEUER, Mr. STARK, Mr. WEISS, Mr. CHARLES H. WILSON of California, and Mr. WOLFF):

H.R. 3915. A bill to amend part B of title IV of the Social Security Act to provide, as the primary form in which services are to be furnished under the child-welfare services program, for supportive day treatment and in-home services to children and families; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. PEPPER, Mr. ANDERSON of California, Mr. BADILLO, Mr. BAUCUS, Mr. BEARD of Rhode Island, Mr. BIAGGI, Mr. BINGHAM, Mr. BLOUIN, Mr. BONIOR, Mr. BRODHEAD, Mr. CARNEY, Mr. CLAY, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. DELLUMS, Mr. DIGGS, Mr. DOWNEY, Mr. DRINAN, Mr. DUNCAN of Tennessee, Mr. EDGAR, Mr. EDWARDS of California, Mr. EILBERG, Mr. FASCELL, and Mr. FORD of Michigan):

H.R. 3916. A bill to amend part B of title XVIII of the Social Security Act to broaden the coverage of home health services under the supplementary medical insurance program and remove the 100-visit limitation presently applicable thereto, and to eliminate the requirement that an individual need skilled nursing care in order to qualify for such services, to amend part A of such title to liberalize the coverage of post-hospital home health services thereunder, to amend title XIX of such Act to require the inclusion of home health services in a State's medicaid program and to permit payments of housing costs under such a program for elderly persons who would otherwise require nursing home care, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. KOCH (for himself, Mr. PEPPER, Mr. FLORIO, Mr. HARKIN, Mr. HARRINGTON, Mr. HAWKINS, Ms. HOLTZMAN, Mr. HOWARD, Mr. HUGHES, Mr. HYDE, Ms. KEYS, Mr. LEHMAN, Mr. LENT, Ms. MEYNER, Ms. MIKULSKI, Mr. MINETA, Mr. MOAKLEY, Mr. MURPHY of Pennsylvania, Mr. NEAL, Mr. NIX, Mr. NOLAN, Mr. RAHALL, Mr. RANGEL, Mr. RICHMOND, and Mr. RINALDO):

H.R. 3917. A bill to amend part B of title XVIII of the Social Security Act to broaden the coverage of home health services under the supplementary medical insurance program and remove the 100-visit limitation presently applicable thereto, and to eliminate the requirement that an individual need skilled nursing care in order to qualify for such services, to amend part A of such title to liberalize the coverage of post-hospital home health services thereunder, to amend title XIX of such act to require the inclusion of home health services in a State's medicaid program and to permit payments of housing costs under such a program for elderly persons who would otherwise require nursing home care, to provide expanded Federal funding for congregate housing for the displaced and the elderly, and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. LEACH:

H.R. 3918. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. LEGGETT:

H.R. 3919. A bill to authorize the Secretary of the Interior to construct, operate and maintain a hydroelectric powerplant as an addition to the existing Monticello Dam, Solano Project, California, under Federal Reclamation Laws; to the Committee on Interior and Insular Affairs.

H.R. 3920. A bill to amend the act of September 26, 1950, to enlarge the service area of the Sacramento canals unit of the Central Valley project to include Yolo and Solano Counties, Calif.; to the Committee on Interior and Insular Affairs.

H.R. 3921. A bill to amend title 5, United States Code, to provide that Japanese-Americans who were placed in internment camps during World War II shall be credited for civil service retirement purposes with the time they spent in such camps; to the Committee on Post Office and Civil Service.

H.R. 3922. A bill to amend the Maritime Academy Act of 1958 in order to authorize the Secretary of the Navy to appoint students at State maritime academies and colleges as Reserve midshipmen in the U.S. Navy, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, and Armed Services.

By Mr. LLOYD of California (for himself, Mr. BAUCUS, Mr. BEDELL, Mr. CAPUTO, Mr. D'AMOURS, Mr. EDWARDS of Oklahoma, Mr. HARKIN, Mr. HIGHTOWER, Mr. ROBINSON, and Mr. SANTINI):

H.R. 3923. A bill to abolish certain Federal regulatory agencies and to bring about the abolition of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly, to the Committees on Government Operations, and Rules.

By Mr. LUJAN:

H.R. 3924. A bill to declare that the United States holds in trust for the Pueblo of Santa Ana certain public domain lands; to the Committee on Interior and Insular Affairs.

By Mr. MCCORMACK:

H.R. 3925. A bill designating the apple blossom as the national flower of the United States; to the Committee on Post Office and Civil Service.

By Mr. MCEWEN:

H.R. 3926. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, and Public Works and Transportation.

By Ms. MIKULSKI:

H.R. 3927. A bill to repeal the changes made by the Tax Reform Act of 1976 in the exclusion for sick pay; to the Committee on Ways and Means.

By Mr. MIKVA:

H.R. 3928. A bill to require Federal employees compensated at the rates in effect for GS–13 and above to disclose each position held by such employees during the 3 years preceding and following their employment with the Federal Government; jointly, to the Committees on Post Office and Civil Service, and the Judiciary.

By Mr. MITCHELL of Maryland (for himself, Mr. ALLEN, Mr. ANDERSON of California, Mr. BADILLO, Mr. BAUCUS, Mr. BLANCHARD, Mrs. BOGGS, Mr. BOLAND, Mr. BRODHEAD, Mrs. BURKE of California, Mr. BROWN of California, Mr. CARNEY, Mr. CARR, Mrs. CHISHOLM, Mr. CONYERS, Mr. DANIELSON, Mr. DELLUMS, Mr. DE LUGO, Mr. DODD, Mr. DOWNEY, Mr. DRINAN, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FISHER, and Mr. FRASER):

H.R. 3929. A bill to authorize the Secretary of the Treasury to invest public moneys, and for other purposes; jointly, to the Committees on Ways and Means, and Banking, Finance and Urban Affairs.

By Mr. MITCHELL of Maryland (for himself, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. JACOBS, Ms. JORDAN, Mr. LAFALCE, Mr. LEGGETT, Mr. METCALFE, Mr. MINISH, Mr. MOSS, Mr. MOTTL, Mr. NEAL, Mr. NOLAN, Mr. REUSS, Mr. RODINO, Mr. SEIBERLING, Mr. TSONGAS, Mr. TRAXLER, Mr. VAN DEERLIN, Mr. CHARLES H. WILSON of California, Mr. WIRTH, Mr. WOLFF, Mr. WON PAT, Mr. HANSEN, and Mr. HOLLENBECK):

H.R. 3930. A bill to authorize the Secretary of the Treasury to invest public moneys, and for other purposes; jointly, to the Committees on Ways and Means, and Banking, Finance and Urban Affairs.

By Mr. MITCHELL of Maryland (for himself, Ms. SPELLMAN, Mr. CAPUTO, and Mr. DUNCAN of Oregon):

H.R. 3931. A bill to authorize the Secretary of the Treasury to invest public moneys, and for other purposes; jointly, to the Committees on Ways and Means, and Banking, Finance and Urban Affairs.

By Mr. MITCHELL of New York:

H.R. 3932. A bill to amend the Internal Revenue Code of 1954 to exempt from Federal

income taxation a trust established by a taxpayer for the purpose of providing care for certain mentally incompetent relatives of the taxpayer; to the Committee on Ways and Means.

H.R. 3933. A bill to amend title XVI of the Social Security Act so as to make the supplemental security income benefits program more effective, and benefits under such program more realistically available, for mentally retarded persons; to the Committee on Ways and Means.

H.R. 3934. A bill to amend title XVI of the Social Security Act to provide for the exclusion from income, for purposes of determining eligibility and amount of benefits under the supplemental security income program, of certain earned income received by reason of employment in a sheltered work setting; to the Committee on Ways and Means.

H.R. 3935. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is mentally retarded; to the Committee on Ways and Means.

H.R. 3936. A bill to amend title XVI of the Social Security Act to provide that payments of tuition, fees, or other training costs by any person for a mentally retarded adult individual attending a school for the retarded shall not be treated as income of such individual in determining his or her eligibility for supplemental security income benefits; to the Committee on Ways and Means.

H.R. 3937. A bill to amend title XVI of the Social Security Act to provide that increases in social security benefits shall be disregarded in determining an individual's eligibility for supplemental security income benefits, and to provide that support and maintenance furnished a mentally retarded individual living in another person's household shall not constitute income to him for supplemental security income benefit purposes; to the Committee on Ways and Means.

H.R. 3938. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for services furnished by physician extenders and clinical staff of community mental health centers; to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. MURPHY of Pennsylvania (for himself, Mr. EDGAR, Mr. KOSTMAYER, Mr. MCDADE, Mr. MICHAEL O. MYERS, Mr. NIX, Mr. WALGREN, Mr. RAHALL, Mr. KILDEE, Mr. DUNCAN of Tennessee, Mr. VENTO, Mr. CHARLES WILSON of Texas, Mr. MITCHELL of Maryland, Mr. ZEFERETTI, Mr. FISH, Mr. SCHEUER, Ms. CHISHOLM, and Mr. HAWKINS):

H.R. 3939. A bill to establish a short-term energy stamp program to provide energy stamps to low and moderate income households to help meet the costs of rising fuel bills caused by the severe winter of 1977; to the Committee on Interstate and Foreign Commerce.

By Mr. MURTHA:

H.R. 3940. A bill to amend title IV of the Social Security Act to provide needed reforms in the program of aid to families with dependent children with emphasis upon improving the administration of such program; to the Committee on Ways and Means.

By Mr. NATCHER:

H.R. 3941. A bill to authorize a Federal civil defense program, and for other purposes; to the Committee on Armed Services.

By Mr. NEDZI (for himself, Mr. DINGELL, Mr. CONYERS, Mr. CARR, Mr. TRAXLER, Mr. DIGGS, Mr. BONIOR, Mr. FORD of Michigan, Mr. BLANCHARD, Mr. KILDEE, and Mr. BRODHEAD):

H.R. 3942. A bill to authorize the Secretary of Agriculture to make grants to cities to encourage the increased planting of trees and shrubs and to encourage other urban forestry programs; to the Committee on Agriculture.

By Mr. PEPPER (for himself, Mr. LAFALCE, and Mr. CHARLES H. WILSON of California):

H.R. 3943. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to establish demonstration programs to educate, motivate, and encourage secondary school students from disadvantaged backgrounds to pursue professional training at the graduate level in the biomedical sciences; to the Committee on Education and Labor.

By Mr. PRESSLER:

H.R. 3944. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 3945. A bill to provide a program for an "Operation Bootstrap" for the American Indian in order to create meaningful jobs and to improve conditions among Indians and non-Indians on reservations and in other communities, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Ways and Means.

By Mr. QUIE (for himself and Mr. FRENZEL):

H.R. 3946. A bill to suspend for a temporary period the rate of duty on wool not finer than 46s; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 3947. A bill to reaffirm the intent of Congress with respect to the structure of the common carrier telecommunications industry rendering services in interstate and foreign commerce; to reaffirm the authority of the States to regulate terminal and station equipment used for telephone exchange service; to require the Federal Communications Commission to make certain findings in connection with Commission actions authorizing specialized carriers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3948. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 3949. A bill to amend title II of the Social Security Act to provide that an individual's entitlement to benefits thereunder shall continue through the month of his or her death (without affecting any other person's entitlement to benefits for that month), in order to provide such individual's family with assistance in meeting the extra death-related expenses; to the Committee on Ways and Means.

By Mr. RICHMOND:

H.R. 3950. A bill to amend title 13, United States Code, to provide for the annual collection and publication of world population statistics and other data; to the Committee on Post Office and Civil Service.

By Mrs. SCHROEDER (for herself and Mrs. SPELLMAN):

H.R. 3951. A bill to provide that a former spouse of a Federal employee who is married to such employee for 20 years or more shall be entitled to a portion of such employee's annuity and to a portion of the annuity of any surviving spouse of such employee; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING (for himself, Mr. FARY, Mr. HOWARD, Mr. KILDEE, Mr. LEFANTE, Mr. MADIGAN, Mr. MURPHY of Pennsylvania, and Mr. TRAXLER):

H.R. 3952. A bill to amend the Internal Revenue Code of 1954 to encourage the modernization of manufacturing plants by providing an additional investment credit for machinery placed in service in existing manufacturing plants or in nearby plants; to the Committee on Ways and Means.

By Mr. SATTERFIELD (for himself and Mr. HAMMERSCHMIDT):

H.R. 3953. A bill to amend title 38 of the United States Code in order to revise the provisions therein relating to the construction, alteration, and acquisition of Veterans' Administration medical facilities; to the Committee on Veterans' Affairs.

By Mr. SNYDER:

H.R. 3954. A bill to clarify the jurisdiction of certain Federal courts with respect to public schools and to confer such jurisdiction upon certain other courts; to the Committee on the Judiciary.

H.R. 3955. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools; to the Committee on the Judiciary.

H.R. 3956. A bill to limit the jurisdiction of Federal courts to issue busing orders based on race, and for other purposes; jointly to the Committees on the Judiciary and Education and Labor.

By Mr. SOLARZ (for himself, Mr. BAUCUS, Mr. DOWNEY, Mr. DRINAN, Mr. EDWARDS of California, Mrs. FENWICK, Mr. FRENZEL, Mr. GEPHARDT, Mr. HAWKINS, Mrs. MEYNER, Mr. SCHEUER, Mr. SIMON, Mr. STEERS, Mr. Mr. WAXMAN, Mr. WEISS, and Mr. WIRTH):

H.R. 3957. A bill to authorize Federal agencies to experiment with flexible and compressed employee work schedules; to the Committee on Post Office and Civil Service.

By Mr. SPENCE:

H.R. 3958. A bill to provide for the establishment of a national cemetery in the State of South Carolina; to the Committee on Veterans' Affairs.

By Mr. STAGGERS:

H.R. 3959. A bill to require the distribution of pinpoint disaster assistance for elementary school facilities destroyed or seriously damaged between January 2, 1968, and October 1, 1978; to the Committee on Education and Labor.

H.R. 3960. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. STAGGERS (for himself and Mr. DEVINE):

H.R. 3961. A bill to amend the Consumer Product Safety Act and to aid in the enforcement of acts implemented by the Consumer Product Safety Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER:

H.R. 3962. A bill to increase the maximum Federal contribution to the cost of any State meat or poultry inspection system from 50 to 80 percent; to the Committee on Agriculture.

By Mr. STEIGER (for himself, Mr. OBEY, Mr. CORMAN, Mr. MCHUGH, Mr. SANTINI, Mr. BAUCUS, Mr. PRESSLER, Mr. NEAL, and Mr. DODD):

H.R. 3963. A bill to provide the American consumer the assurance that foreign dairy products marketed in the United States meet minimum standards of quality by requiring the inspection of these products at the U.S. ports of entry, at the foreign milk processing plants which provide dairy products for export to the United States, and at the foreign dairy farms which supply milk to foreign milk processing plants for the production of dairy products to be exported to the United States; to the Committee on Agriculture.

By Mr. STUDDS:

H.R. 3964. A bill to provide that the changes made by the Tax Reform Act of 1976 to the exclusion for sick pay shall only apply to taxable years beginning after December 31, 1976; to the Committee on Ways and Means.

By Mr. TEAGUE (for himself, Mr. MILFORD, Mr. LLOYD of California, Mr. GOLDWATER, and Mr. GLICKMAN):

H.R. 3965. A bill to authorize research, development, and demonstration projects relating to aviation, and for other purposes; to the Committee on Science and Technology.

By Mr. VANDER JAGT:

H.R. 3966. A bill to encourage the implementation of certain State and local programs to conserve natural gas; to the Committee on Interstate and Foreign Commerce.

H.R. 3967. A bill to assure the availability of adequate supplies of natural gas at reasonable prices for consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 3968. A bill to amend the Internal Revenue Code of 1954 to provide for tax credits for expenditures by a taxpayer for solar heating and cooling equipment installed in new or existing residential buildings, and tax credits for expenditures by an individual for insulation in such individual's principal residence, and for other purposes; to the Committee on Ways and Means.

By Mr. WIGGINS:

H.R. 3969. A bill to establish a National Court of Appeals, and for other purposes; to the Committee on the Judiciary.

H.R. 3970. A bill to amend title 28 of the United States Code to provide for prompt destruction of certain contraband, and for other purposes; to the Committee on the Judiciary.

H.R. 3971. A bill to improve the appellate court system, and for other purposes; to the Committee on the Judiciary.

By Mr. WIGGINS (for himself, Mr. PATTERSON of California, Mr. BROWN of California, Mr. BADHAM, Mr. LLOYD of California, and Mr. HANNAFORD):

H.R. 3972. A bill to establish an additional U.S. district court in the State of California; to the Committee on the Judiciary.

By Mr. WOLFF (for himself, Mr. WALSH, Mr. CARNEY, Mr. EDWARDS of California, Mr. RODINO, Mr. PRICE, Mr. PURSELL, Mr. DOWNEY, Mr. SOLARZ, Mr. LEHMAN, Mr. ADDABBO, Mr. MOAKLEY, Mr. ROE, Mr. NEAL, Mr. HOWARD, Mr. RANGEL, Mr. BOWEN, Mr. BIAGGI, Mr. HYDE, Mr. THOMPSON, Mr. LAFALCE, Mr. CONTE, Mr. MAZZOLI, and Ms. CHISHOLM):

H.R. 3973. A bill to amend title 38, United States Code, to provide counseling for certain veterans; to permit acceleration of monthly educational assistance payments to eligible veterans and dependents; to revise the criteria for nonaccredited courses; to provide alternative financial and educational assistance to peace-time post-Korean veterans affected by the expiration of their delimiting period; to provide for a conditional extension of the delimiting period for certain Vietnam era veterans; to provide for the development of additional educational, employment, and adjustment assistance programs for veterans; to provide for the correction and preclusion of, and protection against, abuses and misuse of veterans benefits; and to otherwise enhance and improve the effectiveness, integrity, and utilization of veterans readjustment assistance programs; to the Committee on Veterans' Affairs.

By Mr. WOLFF (for himself, Mr. STOKES, Mr. STUDDS, Mr. PATTERSON of California, Mr. NOLAN, Mr. BADILLO, Mr. MURPHY of Pennsylvania, Mr. SEIBERLING, Mr. ROSENTHAL, Mr. BURKE of Florida, Mr. ZEFERETTI, Ms. COLLINS of Illinois, Mr. STEERS, Mr. ANDERSON of California, and Mr. MAGUIRE):

H.R. 3974. A bill to amend title 38, United States Code, to provide counseling for certain veterans; to permit acceleration of monthly educational assistance payments to eligible veterans and dependents; to revise the criteria for nonaccredited courses; to provide alternative financial and educational assistance to peace-time post-Korean veterans affected by the expiration of their delimiting period; to provide for a conditional extension of the delimiting period for certain Vietnam era veterans; to provide for the development of additional educational, employment, and adjustment assistance programs for veterans; to provide for the correction and preclusion of, and protection against, abuses and misuse of veterans benefits; and to otherwise enhance and improve the effectiveness, integrity, and utilization of veterans readjustment assistance programs; to the Committee on Veterans' Affairs.

By Mr. WOLFF (for himself, Mr. RICHMOND, Mr. CORNWELL, Mr. DRINAN, Mr. LEDERER, Mr. APPLEGATE, Ms. HOLTZMAN, Ms. MIKULSKI, Mr. WIRTH Ms. SPELLMAN, Mr. MOFFETT, and Mr. CORRADA):

H.R. 3975. A bill to amend title 38, United States Code, to provide counseling for certain veterans; to permit acceleration of monthly educational assistance payments to eligible veterans and dependents; to revise the criteria for nonaccredited courses; to provide alternative financial and educational assistance to peace-time post-Korean veterans affected by the expiration of their delimiting period; to provide for a conditional extension of the delimiting period for certain Vietnam era veterans; to provide for the development of additional educational, employment, and adjustment assistance programs for veterans; to provide for the correction and preclusion of, and protection against, abuses and misuse of veterans benefits; and to otherwise enhance and improve the effectivenes, integrity, and utilization of veterans readjustment assistance programs; to the Committee on Veterans' Affairs.

By Mr. ZABLOCKI (by request):

H.R. 3976. A bill to authorize supplemental military assistance to Portugal for the fiscal year 1977, and for other purposes; to the Committee on International Relations.

By Mr. ZEFERETTI:

H.R. 3977. A bill to require that a percentage of U.S. oil imports be carried on U.S. flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BROWN of California (for himself, Mr. JEFFORDS, Mr. RICHMOND, Mr. BAUCUS, Mr. DRINAN, Mr. BEDELL, Mr. OTTINGER, Mr. OBERSTAR, Mr. HARRINGTON, Mr. MOTTL, Mr. MCKINNEY, Mr. PICKLE, Mr. MOAKLEY, Mr LONG of Maryland, Mr. BALDUS, Mr. KREBS, and Mr. PANETTA):

H.R. 3978. A bill to authorize the inclusion of solar energy research, development, and demonstration programs in certain agricultural programs; to the Committee on Agriculture.

By Mr. JEFFORDS (for himself, Mr. BINGHAM, Mr. HARRINGTON, Mr. BEDELL, Mr. OBERSTAR, Mr. OTTINGER, Mr. BROWN of California, Mr. MOTTL, Mr. MCKINNEY, Mr. DRINAN, Mr. RICHMOND, Mr. MOAKLEY, Mr. BAUCUS, and Mr. LONG of Maryland):

H.R. 3979. A bill to amend the Foreign Assistance Act of 1961 to encourage greater emphasis on the production and conservation of energy in developing countries through the development and utilization of unconventional energy technologies; to the Committee on International Relations.

By Mr. JEFFORDS (for himself, Mr. BROWN of California, Mr. HARRINGTON, Mr. BEDELL, Mr. OBERSTAR, Mr. OTTINGER, Mr. MOTTL, Mr. MCKINNEY, Mr. DRINAN, Mr. RICHMOND, Mr. MOAKLEY, Mr. BAUCUS, Mr. LONG of Maryland):

H.R. 3980. A bill to amend the Federal Nonnuclear Energy Research and Development Act of 1974 to provide for cooperative programs with less-developed countries for the development of unconventional energy technologies; jointly to the Committees on Science and Technology and International Relations.

By Mr. DRINAN (for himself, Mr. BAUCUS, Mr. BEDELL, Mr. BROWN of California, Mr. HARRINGTON, Mr. JEFFORDS, Mr. LONG of Maryland, Mr. MCKINNEY, Mr. MOTTL, Mr. OBERSTAR, Mr. OTTINGER, and Mr. RICHMOND):

H.R. 3981. A bill to provide for incentives for the commercial application of solar energy, energy conservation, and renewable resource equipment and devices in homes, neighborhood and community structures, small businesses, and facilities owned or occupied by nonprofit organizations; jointly to the Committees on Banking, Finance and Urban Affairs and Small Business.

By Mr. MCCORMACK (for himself, Mr. OTTINGER, Mr. BAUCUS, Mr. BEDELL, Mr. BROWN of California, Mr. DRINAN, Mr. HARRINGTON, Mr. JEFFORDS, Mr. LONG of Maryland, Mr. MCKINNEY, Mr. MOAKLEY, Mr. MOTTL, Mr. OBERSTAR, Mr. PICKLE, and Mr. RICHMOND):

H.R. 3982. A bill to promote the use of energy conservation, solar energy, and total energy systems in Federal buildings; to the Committee on Public Works and Transportation.

By Mr. OBERSTAR (for himself, Mr. HARRINGTON, Mr. BAUCUS, Mr. BEDELL, Mr. BROWN of California, Mr. DRINAN, Mr. JEFFORDS, Mr. LONG of Maryland, Mr. MCKINNEY, Mr. MOAKLEY, Mr. MOTTL, Mr. OTTINGER, Mr. PICKLE, and Mr. RICHMOND):

H.R. 3983. A bill to provide for the procurement by the General Services Administration of existing solar energy devices for use in Government buildings; to the Committee on Public Works and Transportation.

By Mr. BEDELL (for himself, Mr. MOTTL, Mr. JEFFORDS, Mr. BAUCUS, Mr. BROWN of California, Mr. DRINAN, Mr. HARRINGTON, Mr. LONG of Maryland, Mr. MCKINNEY, Mr. MOAKLEY, Mr. OBERSTAR, Mr. OTTINGER, Mr. PICKLE, and Mr. RICHMOND):

H.R. 3984. A bill to amend the Small Business Act and the Federal Nonnuclear Energy Research and Development Act of 1974 to provide certain assistance to individuals and small business concerns in the areas of solar energy equipment and energy-related inventions; jointly to the Committees on Small Business and Science and Technology.

By Mr. MOAKLEY (for himself, Mr. BEDELL, Mr. BROWN of California, Mr. OTTINGER, Mr. BAUCUS, Mr. JEFFORDS, Mr. LONG of Maryland, Mr. HARRINGTON, Mr. MOTTL, Mr. OBERSTAR, Mr. MCKINNEY, and Mr. RICHMOND):

H.R. 3985. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the conservation of energy used to heat or cool residences and commercial buildings, and for the utilization of renewable fuel energy sources; to the Committee on Ways and Means.

By Mr. MAHON:

H.J. Res. 269. Joint resolution making an urgent supplemental appropriation for fiscal year ending September 30, 1977, for disaster relief; to the Committee on Appropriations.

By Mr. BROOMFIELD:

H.J. Res. 270. Joint resolution proposing an amendment to the Constitution of the United States to provide for mandatory retirement of Members of Congress and the Federal judiciary; to the Committee on the Judiciary.

By Mr. CARNEY (for himself, Mrs. FENWICK, Mr. WALKER, Mr. DE LA GARZA, Mr. BROWN of Ohio, Mr. ROE, Mr. YATRON, Mr. JOHN L. BURTON, Mr. EILBERG, Mr. DELANEY, Mr. BEARD of Rhode Island, Mr. WINN, Ms. MIKULSKI, Mr. WHITLEY, Mr. RAHALL, Mr. MCDADE, Mr. MOAKLEY, Mr. KEMP, Mr. THONE, Mr. LENT, Mr. VENTO, Mr. LOTT, Mr. BEVILL, Mr. SIMON, and Mr. NEAL):

H.J. Res. 271. Joint resolution authorizing the President to proclaim the week beginning November 6, 1977, and ending November 12, 1977, as National Volunteer Firemen Week; to the Committee on Post Office and Civil Service.

By Mr. CARNEY (for himself, Mr. DOWNEY, Mr. SARASIN, Mr. FLORIO, Mr. WAXMAN, Mr. LAFALCE, Mr. BALDUS, Mr. HOWARD, Mr. WOLFF, Mr. WHITEHURST, Mr. HORTON, Mr. HUGHES, Mr. BADILLO, Mr. ABDNOR, Mr. MITCHELL of New York, Mr. ROBINSON, Mrs. LLOYD of Tennessee, Mr. YOUNG of Florida, Mr. JENRETTE, Mr. RICHMOND, Mr. WYDLER, Mr. CAPUTO, Mr. ENGLISH, Mr. MOLLOHAN, and Mr. OTTINGER):

H.J. Res. 272. Joint resolution authorizing the President to proclaim the week beginning November 6, 1977, and ending November 12, 1977, as National Volunteer Firemen Week; to the Committee on Post Office and Civil Service.

By Mr. CARNEY (for himself, Mr. LLOYD of California, Mr. WALSH, Mr. GILMAN, Mrs. SPELLMAN, Mrs. COLLINS of Illinois, Mr. STEERS, Mr. STOCKMAN, Mr. ERTEL, Mr. DAVIS, Mr. MOFFETT, Mr. SCHEUER, Mr. AKAKA, Mr. FRENZEL, Mr. GLICKMAN, Mr. BONIOR, Mr. FISK, Mr. FORSTHE, Mr. HOLLENBECK, Mr. GUDGER, and Mr. DICKS):

H.J. Res. 273. Joint resolution authorizing the President to proclaim the week beginning November 6, 1977, and ending November 12, 1977, as National Volunteer Firemen Week; to the Committee on Post Office and Civil Service.

By Mr. FITHIAN:

H.J. Res. 274. Joint resolution providing for the designation and adoption of the American marigold as the national floral emblem of the United States; to the Committee on Post Office and Civil Service.

By Mr. HANLEY (for himself, Mr. EILBERG, Mr. GOODLING, Mr. JENRETTE, Mr. COLLINS of Texas, Mr. TREEN, Mr. MAGUIRE, Mr. MILLER of California, and Mr. BAUCUS):

H.J. Res. 275. Joint resolution proposing an amendment to the Constitution of the United States to provide for a single 6-year term for President and Vice President, to provide for 3-year terms for Representatives, and for other purposes; to the Committee on the Judiciary.

By Mr. PRESSLER:

H.J. Res. 276. Joint resolution proposing an amendment to the Constitution of the United States to limit the number of consecutive terms that Representatives and Senators may serve; to the Committee on the Judiciary.

By Mr. ROE:

H.J. Res. 277. Joint resolution to commemorate the 65th Anniversary of Girl Scouts of the U.S.A. and provide for the designation of the week of March 6–12, 1977, as "Girl Scouts of America Week"; to the Committee on Post Office and Civil Service.

By Mr. SNYDER:

H.J. Res. 278. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

H.J. Res. 279. Joint resolution proposing an amendment to the Constitution relating to the continuance in office of judges of the Supreme Court and of inferior courts; to the Committee on the Judiciary.

By Mr. STAGGERS:

H.J. Res. 280. Joint resolution to enable the United States to organize and hold an international conference in the United States in fiscal year 1978 and authorize and appropriation therefor; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS of North Carolina:

H. Con. Res. 125. Concurrent resolution expressing the sense of the Congress that business and labor should support President Jimmy Carter in his efforts to curb inflation by voluntarily agreeing to provide him with advance notification of any proposed wage or price increases; to the Committee on Banking, Finance and Urban Affairs.

By Mr. KELLY:

H. Con. Res. 126. Concurrent resolution expressing the sense of Congress that the Attorney General should conduct a full investigation of all acts by or on behalf of the Government of the Republic of Korea to influence Members of Congress; to the Committee on the Judiciary.

By Mr. WOLFF (for himself, Mr. SCHEUER, Mr. ZEFERETTI, Mr. OTTINGER, Mr. MIKVA, Mr. O'BRIEN, Mr. SKELTON, Mr. PEASE, and Mr. WEISS):

H. Con. Res. 127. Concurrent resolution expressing the sense of the Congress that the President actively seek an international convention which has as its goal a multilateral treaty to deny sanctuary to international terrorists; to the Committee on International Relations.

By Mr. BRINKLEY:

H. Res. 314. Resolution to insure that the quality and quantity of free broadcasting service not be impaired; to the Committee on Interstate and Foreign Commerce.

By Mrs. BURKE of California:

H. Res. 315. Resolution to provide that employees of the House Beauty Shop shall be subject to the compensation classification system established by the House Employees Position Classification Act, and for other purposes; to the Committee on House Administration.

By Mr. CARR (for himself, Mr. GRADISON, Mrs. SCHROEDER, Ms. KEYS, Mr. KOSTMAYER, Mr. PEPPER, Mr. MCCLOSKEY, Mr. OTTINGER, Mr. LEVITAS, Mr. MOTTL, Mr. AUCOIN, Mr. MOFFETT, Mr. MILLER of California, Mr. SANTINI, Mr. PRITCHARD, Mrs. FENWICK, Mr. KREBS, Mr. VENTO, Mr. SHARP, Mr. DUNCAN of Oregon, Mr. LUNDINE, Mr. BLANCHARD, Mrs. LLOYD of Tennessee, Mr. ICHORD, and Mr. HANNAFORD):

H. Res. 316. Resolution to amend the Rules of the House of Representatives to require committee approval of certain travel proposals, and for other purposes; to the Committee on Rules.

By Mr. CARR (for himself and Mr. CHARLES WILSON of Texas):

H. Res. 317. Resolution to amend the Rules of the House of Representatives to require committee approval of certain travel proposals, and for other purposes; to the Committee on Rules.

By Mr. EDWARDS of Alabama:

H. Res. 318. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on International Relations.

By Mr. FRASER (for himself, Mr. HAMILTON, Mr. HARRINGTON, Mr. ROSENTHAL, Mr. RYAN, and Mr. ZABLOCKI):

H. Res. 319. Resolution to provide funds for the expenses of the investigation and study authorized by a resolution adopted on February 3, 1977 by the Committee on International Relations; to the Committee on House Administration.

By Mr. MCFALL (for himself, Mr. BADHAM, Mr. BURGENER, Mr. DON H. CLAUSEN, Mr. DORNAN, Mr. RYAN, and Mr. WIGGINS):

H. Res. 320. Resolution expressing the sense of the House with respect to the immediate removal of certain regulations unilaterally put in place by the European Economic Community which have the effect of damaging and interfering with historic and acceptable trade patterns in the U.S. exports of dried prunes, and efforts made to restrict exports of walnuts to the European Economic Community; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H. Res. 321. Resolution to provide for the expenses of investigations, and studies to be conducted by the Committee on Merchant Marine and Fisheries; to the Committee on House Administration.

By Mr. PICKLE (for himself, Mr. OTTINGER, Mr. ROSE, Mr. MCCORMACK, Mr. AMBRO, Mr. BAUCUS, Mr. BEDELL, Mr. BROWN of California, Mr. DRINAN, Mr. HARRINGTON, Mr. JEFFORDS, Mr. MOAKLEY, Mr. MOTTL, Mr. RICHMOND, Mr. LONG of Maryland, Mr. OBERSTAR, and Mr. MCKINNEY):

H. Res. 322. Resolution to study the feasibility of installing solar energy equipment in the House Office buildings; to the Committee on Public Works and Transportation.

By Mr. STEIGER (for himself, Mr. ECKHARDT, Mr. ANDERSON of Illinois, Mr. ANDERSON of California, Mr. BAFALIS, Mr. BAUCUS, Mr. BEDELL, Mr. BLOUIN, Mr. BONKER, Mr. BRINKLEY, Mr. BROWN of Michigan, Mr. BROWN of California, Mr. BURGENER, Mr. OBEY, Mr. CARR, Mr. CONABLE, Mr. DEVINE, Mr. DRINAN, Mr. EMERY, Mrs. FENWICK, Mr. HARRIS, Mrs. HOLT, Mr. HORTON, Mr. JEFFORDS, and Mr. KASTEN):

H. Res. 323. Resolution to require that the Congressional Record contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

By Mr. STEIGER (for himself, Mr. KETCHUM, Mr. KINDNESS, Mr. KREBS, Mr. LAFALCE, Mr. LOTT, Mr. MCCLOSKEY, Mr. MCEWEN, Mr. MCHUGH, Mr. MCKINNEY, Mr. MAZZOLI, Mr. METCALFE, Mr. MOSS, Mrs. PETTIS, Mr. PRESSLER, Mr. PRITCHARD, Mr. REGULA, Mr. SARASIN, Mrs. SCHROEDER, Mr. SOLARZ, Mr. STARK, Mr. STUDDS, Mr. TREEN, and Mr. CHARLES WILSON of Texas):

H. Res. 324. Resolution to require that the Congressional Record contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

By Mr. STEIGER (for himself, Mr. ANDREWS of North Dakota, Mr. ARCHER, Mr. ARMSTRONG, Mr. BEILENSON, Mr. BOLAND, Mr. BRODHEAD, Mr. BROWN of Ohio, Mr. BUTLER, Mr. COHEN, Mr. DICKS, Mr. DODD, Mr. DUNCAN of Tennessee, Mr. FASCELL, Mr. FINDLEY, Mr. GEPHARDT, Mr. GIBBONS, Mr. GLICKMAN, Mr. GRASSLEY, Mr. GUYER, Mr. HARRINGTON, Mr. HOLLENBECK, Ms. HOLTZMAN, Mr. HYDE, and Mr. JENRETTE):

H. Res. 325. Resolution to require that the Congressional Record contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

By Mr. STEIGER (for himself, Mr. MARTIN, Mr. MOORHEAD of California, Mr. O'BRIEN, Mr. OTTINGER, Mr. PANETTA, Mr. PIKE, Mr. SHARP, Mr. SIMON, Mr. STEERS, Mr. VAN DEERLIN, Mr. WALKER, Mr. WEISS, Mr. KOSTMAYER, Mr. HAGEDORN, Mr. GRADISON, Mr. MCCLORY, Mr. LEACH, Mr. WINN, Mr. COUGHLIN, Mr. YOUNG of Florida, Mr. LAGOMARSINO, Mr. FORSYTHE, Mr. EVANS of Delaware, and Mr. JOHNSON of Colorado):

H. Res. 326. Resolution to require that the Congressional Record contain a verbatim account of remarks actually delivered on the floor, and for other purposes; to the Committee on Rules.

By Mr. UDALL:

H. Res. 327. Resolution to provide that employees of the House Beauty Shop shall be subject to the compensation classification system established by the House Employees Position Classification Act, and for other purposes; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRINKLEY:

H.R. 3986. A bill for the relief of Habiba Saidzada; to the Committee on the Judiciary.

By Mr. D'AMOURS:

H.R. 3987. A bill for the relief of Raymond J. Coughlan; to the Committee on Post Office and Civil Service.

By Mr. GIBBONS:

H.R. 3988. A bill for the relief of Lt. Col. Frank A. Moorhead; to the Committee on the Judiciary.

By Mr. LAGOMARSINO:

H.R. 3989. A bill for the relief of Robert W. Patterson; to the Committee on the Judiciary.

H.R. 3990. A bill for the relief of Mrs. Frances Parker; to the Committee on the Judiciary.

By Mr. LEGGETT:

H.R. 3991. A bill for the relief of James U. Rollins; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 3992. A bill for the relief of Cesar Grana; to the Committee on the Judiciary.

By Mr. STAGGERS:

H.R. 3993. A bill for the relief of John G. Davis; to the Committee on the Judiciary.

By Mr. WIGGINS:

H.R. 3994. A bill for the relief of Charles P. Abbott; to the Committee on the Judiciary.

H.R. 3995. A bill for the relief of Habib Haddad; to the Committee on the Judiciary.

H.R. 3996. A bill for the relief of Mrs. Young Hee Kim Kang, Hee Jae Kang, Hee Jin Kang, and Hee Soo Kang; to the Committee on the Judiciary.

By Mr. WIRTH:

H.R. 3997. A bill for the relief of the Jefferson County Mental Health Center; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

52. The SPEAKER presented a petition of W. T. O'Neill, executive vice president, Newport News Shipbuilding & Dry Dock Co., Newport News, Va., relative to the cost accounting standards program, which was referred jointly, to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 11

By Mr. HARKIN:

Page 5, immediately after line 21, add the following new section:

"SEC. 113. Notwithstanding any other provision of this Act, 3 per centum of all amounts authorized to carry out this title shall be available only for making grants to States and local governments for projects for the replacement or reconstruction of bridges on those highways which are on any Federal-aid system. For purposes of this section, the terms 'Federal-aid system' and 'highway' have the meaning given such terms in section 101 of title 23, United States Code.

Page 5, line 14, strike out "113" and insert "114".

Page 5, line 22, strike out "113" and insert "114".

Page 6, line 6, strike out "113" and insert "114".

By Mr. KINDNESS:

Page 3, strike out lines 8 through 20, inclusive, and insert in lieu thereof the following:

SEC. 2. (a) Subsection (a) of section 108 of the Local Public Works Capital Development and Investment Act of 1976 (P.L. 94-369) is amended to read as follows:

"(a) Notwithstanding any other provision of this Act, all funds appropriated after February 22, 1977, under authority of this Act shall be allocated by the Secretary among the States in the ratio that the number of unemployed persons in each State bears to the total number of unemployed persons in all States. Notwithstanding any other provision of this Act, not more than 2½ per centum of all amounts appropriated to carry out this Act shall be granted to Indian tribes under this Act for local public works projects.".

Reletter succeeding subsections and references thereto accordingly.

Page 5, immediately after line 21, add the following new section:

"SEC. 113. Notwithstanding any other provision of this Act, 2 per centum of all amounts authorized to carry out this title shall be available only for making grants to States and local governments for projects for the replacement or reconstruction of bridges on those highways which are not on any Federal-aid system. For purposes of this section, the terms 'Federal-aid system' and 'highway' have the meaning given such terms in section 101 of title 23 of the United States Code.".

Page 5, line 14, strike out "113" and insert "114".

Page 5, line 22, strike out "113" and insert "114".

Page 6, line 6, strike out "113" and insert "114".

By Mr. MITCHELL of Maryland:

Page 2, line 23, insert "(1)" immediately before "Notwithstanding".

Page 3, line 7, strike out the quotation marks and the period immediately following the quotation marks.

Page 3, immediately after line 7, add the following:

"(2) Notwithstanding any other provision of law, no grant shall be made under this Act for any local public works project unless at least 10 per centum of the articles, materials, and supplies which will be used in such project are procured from minority business enterprises. For purposes of this paragraph, the term 'minority business enterprise' means a business at least 50 percent of which is owned by minority group members or, in case of publicly owned businesses, at least 51 percent of the stock of which is owned by minority group members. For the purposes of the preceding sentence, minority group members are citizens of the United States who are Negroes, Spanish-speaking, Orientals, Indians, Eskimos, and Aleuts.".

EXTENSIONS OF REMARKS

CONGRESSIONAL RURAL CAUCUS EXECUTIVE COMMITTEE PROPOSES $16.4 BILLION RURAL DEVELOPMENT BUDGET FOR FISCAL YEAR 1978

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1977

Mr. BRECKINRIDGE. Mr. Speaker, "underemployment and unemployment," "deficit spending and economic stimulus," "job creation," and other words and phrases continue to frustrate the best intentions of everyone concerned with solutions to adverse economic conditions.

The success or failure of any public jobs program will ultimately depend on the ability of the private jobs sector to support it, including the time element for such support. In this context, the fate of the private jobs sector will depend on the impact of programs envisioned by and for the public jobs sector, because the private jobs sector must provide the tax base and tax revenues for the financial support of such programs.

As chairman of the bipartisan congressional rural caucus, I respectfully submit a report on CRC budget proposals for selected rural loan, grant, and special programs for fiscal year 1978, totaling $16.4 billion which call for the maximum utilization of already existing and proven loan and grant programs under Farmers Home Administration and Small Business Administration. The semifinal CRC report recommends farm and nonfarm lending authorization increases under Farmers Home Administration and Small Business Administration, where applicable, making available financial resources to accommodate credit needs. It also stimulates the economy with protection of existing jobs plus the creation of new and additional jobs, resulting in tax revenues from wages and salaries as well as profitability potential for farm and nonfarm enterprises.

The full implementation of these financial resources to meet such credit needs is of the utmost importance to our farmers, nonfarmers, and our Nation. It creates jobs at a profit to the taxpayer without deficit financing and utilizes existing and experienced Federal and private resources, already in place, throughout the country in urban as well as rural areas.

This proposed $16.4 billion program,

which might well produce in the neighborhood of 2 to 3 million private sector jobs, is more than 95 percent privately, nontax dollar funded.

In behalf of the CRC Executive Committee, the report follows.

Subject Report on semi-final CRC budget proposals for selected rural loan, grant, and special programs for fiscal year 1978.
From Congressman John B. Breckinridge, Chairman. (225-4706)
Contact Frank G. Tsutras. (225-5080)

The CRC Executive Committee released its semifinal CRC budget proposals for selected rural loan, grant, and special programs for fiscal year 1978 which include recommendations for selected Farmers Home Administration program funding levels of $557 million for grant appropriations and $15.9 million for loan level authorizations by the appropriations committees, totaling $16.4 billion.

The proposed $557 million grant appropriations include $85 million for rural housing programs, $397 million for community programs, and $75 million for business and industrial programs, all of which are appropriated items.

Housing program grants—Housing Act of 1949

[In millions]

Farm labor housing grants (516)	$25
Housing repair grants (504)	20
Mutual and self help housing site grants and technical assistance (523)	10
Housing research grants (506)	10
Rent supplements (521)	15
Technical assistance grants (525)	5
Total housing program grants	85

COMMUNITY PROGRAM GRANTS

Water and waste disposal planning grants (306)	30
Water and waste disposal development grants (306)	300
Rural community fire protection grants (title IV RDA)	7
Rural development planning grants (306)	10
Pollution abatement project grants (310b)	50
Total community program grants	397

BUSINESS AND INDUSTRIAL PROGRAM GRANTS

Rural development grants (310B)	50
Small enterprise pollution abatement grants (312)	25
Total business and industrial grants	75

The proposed $15.9 billion loan authorization levels include $2.3 billion for farmer programs, $6.6 billion for rural housing programs, $4.0 billion for rural community programs, and $3.0 billion for rural business and industrial programs, which do not directly add to Federal budget outlays inasmuch as, with the exception of interest subsidies and losses, insured loans do not add directly to budget outlays. These loans are resold through the Federal Financing Bank, and guaranteed loans do not appear in the Federal budget except as losses occur—so-called subisidies/losses are offset by 100 percent return on investment.

Farmer program loan authorization levels

[*In millions*]

Emergency loans (321) (Can be increased as required)	200
Farm ownership loans (303)	1,000
Operating loans (311)	1,000
Soil and water loans (304)	60
Grazing loans (306)	10
SCS loans (P.L. 83-566, Sec. 8) (P.L. 87-703, Sec. 102)	30
Indian tribal land acquisition loans (306)	11
Recreation loans (304)	5
Total farmer program loans	2,316

HOUSING PROGRAM LOAN AUTHORIZATION LEVELS (HOUSING ACT OF 1949)

Low income housing loans (502)	3,000
Moderate income housing loans (502)	2,000
Above moderate income housing loans (502) (Guaranteed)	500
Rental housing loans (515)	1,000
Farm labor housing loans (514)	25
Housing repair loans and other (504)	20
Mutual and self help housing site loans and technical assistance (523)	10
Site loans (524)	5
Mobile park loans (527)	2
Predevelopment loans (525b)	3
Total housing program loans	6,656

COMMUNITY PROGRAM LOAN AUTHORIZATION LEVELS

Water and waste disposal loans (306)	3,000
Community facility loans (306)	1,000
Total community program loans	4,000

The existing authorities for the Secretary of Agriculture constitute one of the most effective, economical, and beneficial ways to alleviate and eliminate underemployment and unemployment in rural areas, providing a much-needed job-creation stimulus for farm and nonfarm stable employment, including the rural disadvantaged. These proposals can also save the lives of many farm and nonfarm operations currently facing disastrous financial crisis or possible bankruptcy for reasons beyond their control.

The CRC report recommends that Federal agencies with established and proven loan programs should place greater responsibility on the supervised financial institution with the major portion of the loans consummated. Such authority shall be a discriminate authority to approve loans on an automatic or semiautomatic basis by those banks which exercise good credit and judgment and maintain satisfactory records of loan repayment. This would eliminate the heavy burden of unnecessary paperwork and detailed analysis.

The potential for job-creation and jobs-saved could total hundreds of thousands, resulting from a major injection and availability of private capital in the form of Federal guaranteed and insured loans and a small Federal grant resource.

This program will significantly alleviate the urban underemployment and unemployment problems by creating jobs in rural areas and decreasing rural migration to the cities in search of employment.

The CRC proposals supplement existing authorities available to the Secretary of Agriculture under title VI of the Rural Development Act to bring together the full resources of the executive branch to stimulate the economy by planning for and providing thousands of jobs in the construction of needed community, water and waste disposal facilities; new farm and nonfarm enterprises; the practical renovation and new construction of housing; and, above all, the advice, counsel, and financial assistance to keep existing farm and nonfarm enterprises from bankruptcy.

The Congress, the President, and the Cabinet should expand the FmHA business and industrial loan programs and the Small Business Administration programs to reflect the following data.

In my March, 1976 separate views to the House agriculture budget—House of Representatives committee print, Committee on the Budget, "Views and estimates on the congressional budget for fiscal year 1977" March 22, 1976, page 45—and in testimony before the House Small Business Committee—Hearings before the Subcommittee on SBA Oversight and Minority Enterprise of the Committee on Small Business", March 4, and April 1, 1976, page 20—I noted the jobs creation effect of expanding the loan authority of the SBA and the FmHA. Since that time I have, with the assistance of the Economic Division of the Congressional Research Servive, explored these programs extensively—especially their relation to the problem areas of employment and inflation. The extent of their present and potential cost and benefits to the American taxpayer appears below.

In 1976 the SBA loaned approximately $2 billion to various enterprises throughout the Nation, creating approximately 288,000 jobs in the private sector. SBA's 4,200 employees cost the taxpayers approximately $200 million in administrative costs. Based on SBA's 5 percent loan loss ratio—$2 billion times 5 percent—$100 million will not be recovered. Thus $1.9 billion will be repaid to the taxpayers with principal and interest. The estimated 288,000 SBA jobs created in the private sector cost approximately $200 million for administration and $100 million for loan losses, for a total cost of $300 million.

Because these estimated 288,000 jobs are private sector jobs—that pay rather than absorb taxes—my task force estimates that the total benefit to the taxpayer is as follows:

1976 tax revenue and savings for 288,000 SBA program-created jobs

	Per job	*Total*
Federal individual income tax	$2,300	[1] $662
Federal corporation tax	1,134	326
Federal welfare savings	2,500	720
State and local tax	2,114	609
Total	8,048	2,317

[1] In thousands.

Simply stated, the total $2.3 billion in benefits, less the $300 million in SBA costs, leaves a total net benefit of $2 billion to the taxpayers thereafter; for every taxpayer's dollar put out by SBA, the taxpayers receive a return of seven dollars, or $1 cost for $7 benefits received.

It is significant to note that with 9 million small businesses in the United States, the SBA was only able to help less than 30,000. Of the 370,000 new businesses incorporated in 1976, SBA will only be able to help 8,000. Many of these are in small towns and rural communities as well as center cities. Obviously, the demand is there for a major expansion of the FmHA and the SBA programs.

The major advantage in the expansion of FmHA and SBA programs is that they are not pilot programs. They are highly successful existing programs which are known to the President, Congress, and the business and financial communities. By merely increasing the current average loan from $100,000 to $1 million SBA could increase the number of jobs ten fold without adding a single new SBA employee. Especially important is the fact that by using existing FmHA and SBA offices the towns, cities, counties, states, and regions of high unemployment could be targeted for their share of the increased employment activity. Every single new or expanding business enterprise in private sector employment would be reducing inflation by increasing competition, invention, innovation, and aggressive pricing—the basic philosophy of our patent and antitrust laws.

The CRC Executive Committee has mailed

over 500 copies of the semifinal CRC budget report to and discussed same with the CRC members, the CRC advisory team, the chairmen and all members of selected congressional committees and subcomittees, the congressional leadership, the President and Vice President, the executive branch, and farm and nonfarm agricultural and rural development resources nationally. This is part of the overall coordination and communication policy of the CRC Executive Committee. Consideration, comment, modification, and/or approval has been requested from each recipient of the report.

The CRC Executive Committee is actively arranging for participation in selected congressional committee and subcommittee hearings to discuss the proposed rural development budget report for fiscal year 1978. Hearings are scheduled for 3, 4, and 5 March to accommodate the requirements of the Congressional Budget and Impoundment Control Act.

On 7, 8, and 9 March 1977, the House Committee on Agriculture will convene budget task force groups to discuss budget needs for fiscal year 1978.

The House Committee on Agriculture has scheduled a full committee business meeting for 10 March 1977, 10 a.m., 1301 Longworth Building, to discuss budget recommendations for fiscal year 1978 to the House Committee on the Budget.

Please let us have your comments as soon as possible.

Thank you.

For every taxpayer's dollar put out by the Farmers Home Administration and the SBA, the taxpayers receive a $7 return, or $1 cost for $7 benefits received in the first year and, hopefully, the number of jobs, tax base and revenue will increase in subsequent years.

The major advantage in the expansion of FmHA and SBA programs lies in the fact that they are not pilot programs, but rather highly successful existing programs which are familiar to the President, Congress, the business and the financial communities. Mathematically, by merely increasing SBA ceilings to $20 billion, SBA could increase the number of jobs tenfold without adding a single new SBA employee, which would mean approximately 3 million new private sector jobs. One caveat that should be included here is that, under the proposal, SBA and FmHA loan standards would remain just as strict as they now are, insuring a healthy loan-loss ratio at or near its present figure.

Especially important is the fact that by using existing FmHA and SBA offices, the towns, cities, counties and regions of high unemployment could be targeted for an equitable share of increased employment activity. Every single new or expanding business enterprise in private employment would be reducing inflation by increasing competition, invention, innovation and aggressive pricing—the basic philosophy of our patent and antitrust laws.

EDWARD O. HUDSON, SR.

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1977

Mr. SPENCE. Mr. Speaker, earlier this month, on February 7, South Carolina lost an outstanding citizen, a dedicated civic and business leader, when Edward Osborne Hudson, Sr., of Orangeburg passed away. He was not only quite successful in business but also thoughtful of the needs of others, generous in the support of worthy causes. He enjoyed the esteem and respect of all who knew him. I am pleased to say that he was a valued friend of mine.

E. O. Hudson's example is worthy of emulation by all of us and it was quite fitting that his hometown paper, the Times and Democrat, should devote a lead editorial in tribute to his life and works. I commend the editorial to my colleagues and am pleased to include it at this point in the RECORD:

E. O. HUDSON SR.

Edward Osborne Hudson Sr. was a man of the "old school." Even on the day of his death, Monday, this enormously successful businessman, was on the job working because he never forgot the values taught him as a youth: honesty, integrity and hard work.

His great success in the mercantile field throughout the southeastern United States never overshadowed his memory of how he began the Belk Hudson chain in 1931 from a small store on Orangeburg's Russell St. Forty-five years later, that Russell St. store is marked as the birthplace of the Belk Hudson chain of 20 stores in South Carolina, North Carolina, Georgia and Florida. Mr. Hudson had five employes on opening day in 1931. At the time of his death there were 630 persons in four states in his employment.

It must not be said that Mr. Hudson, known to all as "E.O.", did not appreciate what he had accomplished. Far from it. He knew exactly what value should be placed upon accomplishment, and always kept in mind that accomplishment preceded value; and to that end, he went to great lengths to ensure that in his dealings with the communities in which his businesses were located, E.O. Hudson gave as well as he received.

Orangeburg is one of the great beneficiaries of E.O. Hudson. He was one of the builders of retail Orangeburg. His three stores in this city, two in the center city business area and one at the Orangeburg Mall, remain as testimony to his progressive thinkings and abilities.

Mr. Hudson had great faith in Orangeburg. In the late 1950s and early '60s when Orangeburg's main avenue of retail traffic was dotted with vacant stores, Belk Hudson's store was expanded and remodeled. Mr. Hudson often said "Our day is just around the corner." He was right, so right that a few years later he opened second and third stores in Orangeburg.

It is a good bet that on the day E.O. Hudson died he had devoted some thoughts to the opening or expansion of a store. He was always planning ahead.

From modest offices on Amelia St. in the shadows of his still operating initial Russell St. store, Mr. Hudson made the key decisions for his 20 stores. One could learn a great lesson in retailing by watching him at work in his office. Charts, statistics and other graphic data were in profusion as always well-groomed, blue-suited, unlit cigar-chewing E.O. Hudson ran his prosperous chain of stores.

Mr. Hudson kept a lively interest in higher education, contributing large sums of money to Columbia College, an institution supported by the United Methodist Church of which Hudson was a dedicated member. Columbia College recognized his generous support of the college in September 1974, when a dormitory was named "Hudson Hall." The recognition was not only for Mr. Hudson, but also for his wife, Lillian, who has served the college for a number of years as a member of its board of trustees.

He was a man who kept alive his faith in God, not wearing it on his sleeve, but maintaining and sustaining it in his everyday life by his actions.

Our sympathy goes to the widow and two sons, E.O. Hudson Jr., vice president of the Belk Hudson group, and the Rev. Thomas F. Hudson, Priest of the Good Sheppard Episcopal Church in York, S.C.

CONGRESSMAN EDGAR'S TESTIMONY ON THE NATIONAL MASS TRANSPORTATION ASSISTANCE ACT

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. EDGAR. Mr. Speaker, I testified this morning before the Senate Subcommittee on Housing and Urban Development on S. 208, the National Mass Transportation Assistance Act of 1977, introduced by Senator WILLIAMS. I would like to share my prepared remarks with those of my colleagues who are concerned about the future of transportation in this Nation:

TESTIMONY BY CONGRESSMAN ROBERT W. EDGAR

Mr. Chairman, I am pleased and honored to be the first witness before this Subcommittee to discuss some thoughts on the reform of transportation policy. I commend the Subcommittee for recognizing the importance of quick consideration of the many reforms suggested by Senator Williams in S. 208, the "National Mass Transportation Assistance Act of 1977." I testify as a supporter of many of the provisions of S. 208, and I hope to work on behalf of these ideas as a member of the Surface Transportation Subcommittee of the House Public Works and Transportation Committee.

Before making specific comments on S. 208, let me state my hope that this Congress will begin the arduous process of reviewing all Federal transportation statutes with a view toward developing comprehensive policies to address the needs of Intercity Transportation, Rural Transportation, and Urban Transportation.

I prefer this coordinated and comprehensive approach over the past practice of developing one law for one mode of transportation, and a separate law for another mode of transportation. I hope we will steer clear of developing a long-run "transit policy." Rather, I would prefer to see the Congress develop a comprehensive set of amendments to implement a long-run "urban transportation policy."

S. 208 is a mass transportation assistance bill and thus deviates from the direction I would like to see the Congress take. However, this bill addresses an immediate need—the need for increased transit capital spending in fiscal year 1978—and thus it is essential that it be considered now rather than postponed until Congress gets around to the framing of a more comprehensive bill.

Because I recognize the need for immediate action, I hope this Subcommittee will report some kind of transit assistance bill soon. I do, however, recommend against making long-run extensions of urban mass transportation programs, and suggest that S. 208 be amended to authorize programs through FY 1979, and not beyond. Passage of this bill should not detract from efforts to develop a more comprehensive urban transportation policy.

What S. 208 should do, and must do, is allow the Secretary of Transportation to continue making obligations under the Section 3 program at a reasonable rate. If the Secretary is not given additional authority, he will be unable to make commitments for

new starts on major transit projects, and he may be unable to consummate commitments already made.

My concern is that the Section 3 program should continue rather than slow down. In the Philadelphia urbanized area, in which my Congressional district is found, there is a tremendous need for capital improvements above and beyond those which have already been funded under the Section 3 program. Most important to our area is a proposed fixed-transit revitalization program that will cost somewhere between $400 and $800 million. This is not a grandiose program for new subway lines. It is a program to keep what we have from falling apart. The need will not go away. It will only grow worse with inattention.

Other large metropolitan areas have similar needs. And, of course, many areas can justify the construction of new systems but cannot move forward without partial Federal funding. I am sure that the Subcommittee will receive testimony from many transit operators outlining their needs. The Subcommittee will also receive testimony from the American Public Transit Association, which has examined the current Section 3 program and has found disturbing evidence that the program has bankrupted the Urban Mass Transportation Fund well ahead of schedule.

Rather than duplicate testimony you will receive later this week, I will offer some specific suggestions on S. 208:

(1) As mentioned previously, I would change Section 3 of S. 208 to provide the Section 3 program with a two year authorization of $4 billion—$1.9 billion for FY 1978, and $2.1 billion for FY 1979. Hopefully, a comprehensive urban transportation bill developed by this Congress will address the question of extending the Section 3 program into the 1980's.

(2) Section 5 of S. 208 extends the Section 5 program to September 30, 1982. So as not to interfere with our options in developing a more comprehensive operating assistance policy later this session, I would recommend that the current Section 5 authorizations, which extend to FY 1980, stand.

(3) I agree with the premise of S. 208 that a separate pool of Section 5 funds should be available to the Secretary of Transportation for disbursement to areas which have a particularly intense need for additional operating assistance. Among other things, Section 5 of S. 208 will permit the Secretary to channel additional operating assistance to areas hard hit by the withdrawal of Federal subsidies to Conrail under Section 17 of the Urban Mass Transportation Act of 1964.

However, I disagree with the concept of giving the Secretary complete discretion to allocate this additional Section 5 assistance as he chooses. Every urban area in the nation will likely descend on the Department of Transportation, cup in hand, to get a piece of the action.

I propose that Section 5 of S. 208 be amended to instruct the Secretary to allocate these additional Section 5 funds to each urban area on the basis of a formula, which the Secretary would devise, based on passenger miles of public transportation service, and such other factors as he feels appropriate. I believe that we would be doing the Secretary a favor by constricting his options slightly as far as this new authorization is concerned.

I also believe that any assistance offered under this section of S. 208 should be offered only on the understanding that the recipient urban area is making reasonable progress in developing improved state and local funding sources to underwrite transit operating deficits. The Secretary should be authorized to use the leverage of Federal grants approval in getting each urban area to develop a predictable, permanent state or regional funding mechanism for transit operations.

Despite current maintenance of effort provisions under Section 5, few transit operators have developed the kind of predictable local funding base that is necessary for the effective planning and operation of transit services.

(4) Section 8 of S. 108 amends Section 12 of the Urban Mass Transportation Act of 1964 to permit the funding of project design and engineering work under Section 3. This change is extremely important and will enable states and local public bodies to develop better project proposals and capital improvement programs. I would also specify under this section, that "Environmental Impact Studies" are eligible activities under Section 3, so that future projects are not delayed because of inadequate funding for these analyses.

(5) I would like to suggest a clarification of eligible activities under Section 5. I believe that the Urban Mass Transportation Act of 1964 should be amended to specify that vanpooloing, carpooling, dial-a-ride, and subscription bus service, are eligible activities under these sections. This amendment would be consistent with the UMTA proposed policy statement published October 20, 1976, entitled "Paratransit Services." The statement proposes Section 3 and Section 5 for paratransit modes. I agree with the statement articulated in the proposed policy that—

". . . paratransit—flexible, collective transportation services, operated publicly or privately and using small or intermediate-sized vehicles—has an important role to play in such a unified transportation system. Its various forms, when properly designed and implemented as part of an areawide transportation plan, can satisfy a wide range of transportation needs that would otherwise remain unmet or provided for less effectively. In rural America, in small towns and in suburban communities where population densities are low and travel patterns diffuse, paratransit will often be the most economical form of local public transportation. In many communities large and small, paratransit can offer the best means of serving the needs of elderly, young, and handicapped persons, and those who do not own cars and have no convenient access to regular public transportation . . ."

There are exciting and innovative forms of transportation which are bridging the gap between private transportation and public mass transportation. These new modes, are being categorized as "paratransit", and include commuter ridesharing, in its forms of carpooling, vanpooling, and buspooling; dial-a-ride; and jitney service. In general, they are very flexible and cost-effective. In the case of commuter vanpooling, programs are paying for themselves out of participant fees. Already, over 800 commuter vans are operating. Van manufacturers are having a difficult time coping with the heavy demand for vehicles. The Commuter Computer program in Los Angeles, for example, operates 70 vans. They have 200 vans on order.

Unfortunately, there are many obstacles in the way of expanded reliance upon paratransit. There are problems with over-regulation, unavailability of insurance, and overstrict labor standards. But perhaps the largest barrier to the introduction of successful paratransit programs is financial. Although a typical program requires only meager funding for start-up and operation, federal funding is presently inadequate. Other than revenue sharing, the only funding available for vanpooling programs are from state highway apportionments. Many states do not take advantage of this opportunity. In the first two years that this funding source was available, $10 million was set aside by 28 states and Puerto Rico for carpool demonstration projects. Under the new highway legislation, these funds can now be used for vanpooling projects. There has been much progress where funding has been available. There is a $7.5 million program authorized for carpooling and vanpooling demonstration projects, but the funds have never been appropriated.

On January 4th, I introduced H.R. 869 to provide a stable and adequate source of funding for ridesharing. The bill, the "Federal-Aid to Ridesharing Act of 1977," also articulates a national ridesharing policy, and consolidates Federal ridesharing activities under one roof within the Urban Mass Transportation Administration. Twenty-one Members of the House of Representatives have cosponsored this legislation. But until legislation such as H.R. 869 is enacted, there needs to be a source of funding which existing programs can turn to when their demonstration grants are exhausted, and a source of funding for new programs to tap other than highway funds which, in most cases, have already been earmarked for highways.

Mr. Chairman, attached to my statements is an appendix describing commuter vanpooling and its many benefits.

(6) I would like to also bring to the attention of this Subcommittee an amendment I introduced to H.R. 3155 last year which my committee colleagues and I believe has merit. The amendment authorizes a study of the transportation component of social service programs by the Department of Transportation. Recommendations would be sent to the Congress based on the study, to centralize, consolidate, or modify these programs to make the delivery of transportation more efficient and cost-effective.

The amendment received favorable comment from former DOT Secretary William Coleman, and was approved by the Surface Transportation Subcommittee. The 94th Congress adjourned before action on the legislation could be completed.

This amendment has been applauded by many organizations who are committed to improving social service transportation for our citizens. Many of the ideals of H.R. 3155 are embodied in section 11 of S. 208, and I feel it would be very appropriate and desirable for the Subcommittee to include the language of this amendment in this bill.

Mr. Chairman, I am inserting the text of the amendment at this point in my statement:

"STUDY OF FEDERAL SOCIAL SERVICE TRANSPORTATION

"SEC. —. The Secretary of Transportation is authorized to study the transportation component of those Federal programs and projects providing social services. Upon completion of such study, the Secretary shall propose a plan to centralize or modify the transportation component of such Federal programs and projects to make the delivery of transportation services financed by Federal funds, in whole or in part, more efficient, more cost-effective, and to avoid duplication of services by furthering cooperation among all Federal departments and agencies with jurisdiction over such transportation services. On or before ——, the Secretary shall report to the Congress such study, together with legislative and administrative recommendations, and additional reports and comments as the Secretary deems appropriate."

Mr. Chairman, I once again wish to thank you and the Subcommittee for inviting me to testify on this important legislation, and I am pleased to respond to any questions you or the other Members wish to ask.

APPENDIX

For the benefit of Members on the Committee who may be unaware just what commuter vanpooling is and what its benefits are, I would like to use this appendix to discuss it.

The commuter vanpool program was pioneered by the 3-M Company in April, 1973. In a typical employer-sponsored program, the employer purchases vans and arranges for an employee driver to manage the van's operation. Employees are matched to a convenient van route, and they are transported to and from work. The riders are charged a fee based

upon the cost of operating and maintaining the van, and the vehicle's amortization cost. The driver receives a free ride and use of the vehicle on weekends. No subsidies are necessary, unlike conventional forms of mass transit. The vanpool is rarely in competition with mass transit because the average vanpool trip is nearly 25 miles, one way. The private automobile is usually the only alternative for vanpool participants and it takes little imagination to think of the benefits to the company, the participants and the public in general.

According to the Federal Energy Administration, each of the 800 commuter vans currently operating saves an average of 5,000 gallons of gasoline each year. Twenty-seven percent of commuters travel more than ten miles to work one-way. Yet this small segment accounts for 68 percent of vehicle miles traveled, according to FEA statistics. It is clear to me that paratransit modes can play a constructive role in reducing vehicle miles traveled by raising the average vehicle occupancy. We in government must be very sensitive to any innovations which can reduce our dependence upon foreign imports. Transportation has historically been very energy-inefficient. I am convinced that paratransit in general, and commuter vanpooling in particular, can make significant contributions to diminishing our energy dependence.

There are numerous other benefits. Air quality could be improved if commuters abandoned their cars for the vanpool. On the average, each commuter van reduces carbon monoxide emissions by 16 tons each year, and hydrocarbon emissions by .2 tons each year, according to the Environmental Protection Agency. Ridesharing plans may be a component of State Implementation Plans which are required under the Clean Air Act. In Boston, EPA has required employers in the metropolitan area with over 1,000 employees to publicize the benefits of vanpooling, and initiate a program for employees who are interested in participating in a program.

Traffic congestion can be reduced significantly when each van replaces six automobiles. Over $7 million in road construction costs are being saved because an aggressive vanpool program in the State of Tennessee has allowed a two lane highway to a nuclear plant site to substitute for a four lane highway.

Participating employers are finding that they don't need to build as many parking spaces when their employers are vanpooling. They also report that their labor pool is increased, because workers without personal vehicles who live in remote areas can conveniently be transported to work.

Some vanpoolers are motivated by the idealism of saving energy, reducing pollution load, and relieving traffic congestion. But most are attracted to the significant savings on commuter costs which they experience by sharing the ride. Participants in a 9 person commuter vanpool can reduce their monthly commuting costs from $136.65 to $39.87 for a 60-mile round trip to work, according to the FEA. This is almost $1,100 each year in savings, which represents a much greater stimulation of our economy by each person than a $50 tax rebate, considering that the commuter's saving is mostly OPEC's loss.

TWELFTH DISTRICT CITIZENS OPPOSE ARMED SERVICE UNIONIZATION—FAVOR THE MILITARY DRAFT

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. MURTHA. Mr. Speaker, I want to share with my colleagues the results of a poll I took recently of the area I represent on the questions of unionization of the armed services and a return to the draft.

This is a mail poll of 7,000 residents of the district. The results of the latest "Instant Poll" showed:

Question 1. Do you favor or oppose unionization of the armed services?

	Percent
Favor	4
Oppose	95
Undecided	1

Question 2. Would you favor or oppose reinstituting the military draft?

	Percent
Favor	69
Oppose	28
Undecided	3

Mr. Speaker, on the second question I would note for my colleagues that a recent Gallup poll showed two-thirds of the respondents favored a universal 1-year public service commitment by all young men and women, which was also mentioned by many citizens responding in favor to my poll.

THE 60TH ANNIVERSARY OF BATTLE CREEK PTA/PTSA

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. BROWN of Michigan. Mr. Speaker, the Battle Creek Council of Parents and Teachers; and the Parents, Teachers, and Students Association are celebrating their 60th anniversary this week.

As you know, the National Parent Teachers Association holds the distinction of being the world's largest volunteer organization. Its members demonstrate a strong, active commitment to the betterment of their own communities, and the opportunities of their children.

The accomplishments of the Battle Creek PTA/PTSA testify to this commitment and the contribution that PTA members everywhere are making. At the same time, they indicate the changing nature of the community's experiences and needs over the years.

Early efforts of the Battle Creek PTA focused on child welfare and clothing for needy children. There was also an emphasis placed on passing school bond issues. In the twenties work was directed toward support of health clinics and study groups.

In the mid-thirties, citizens developed diphtheria immunization programs, actively supported establishment of better safety standards in schools, and encouraged development of recreational facilities.

The forties saw the development of advisory councils to aid the Board of Education. In the fifties, formation of adult education programs, establishment of scholarship funds and vocational training were focal points for PTA efforts.

The sixties brought confrontation with drug abuse in younger children. The citizens also directed their energies to the special education needs of the community, black awareness, and discipline problems in the schools. The PTA was actively supportive of Head Start and the Job Corps.

To day, all these and new efforts continue to receive backing of firmly committed citizens concerned about their children and their community.

Mr. Speaker, the members of the Battle Creek PTA/PTSA have every right to be proud of their 60 years of service to the community, as do PTA members everywhere. The occasion reminds us all that it is just such commitment that makes our communities and our Nation great.

VETERANS' PENSIONS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. YOUNG of Florida. Mr. Speaker, on January 4, I introduced H.R. 1385, a bill to prevent veterans' pensions from being reduced and sometimes eliminated because of increased social security benefits. I have introduced the same bill in previous years, and am hopeful that the House Veterans' Affairs Committee will soon take the necessary steps to alleviate this unjust situation. Although the plight of our Nation's veterans, retired on fixed incomes, is a nationwide problem, I am kept more aware of the immediacy of the problem, because my district of Florida is attractive to retired Americans from all over the country, including many, many veterans. I would like to quote for you from just three of several hundred letters I received from people in my district following the distribution of veterans' pension checks in January.

A veteran's widow wrote:

When my husband passed away, I was awarded $60 per month. Since, I have been cut gradually each year. In 1976 I was down to $20.40, and this year it is only $10.90. V.A. and S.S. are my only sources of income. I have no home of my own and no other income. I am 81 years old, and in need of medical care. I have no immediate family, and I am practically blind, and unable to do any sort of work. I have worked and paid taxes all my life. It just isn't fair.

A veteran told me:

At an age approaching 81 years, one would think Congress could show compassion . . . We certainly do not want what is termed a "hand out", nor do we wish to be considered welfare cases, for we, at the time our country needed Help, we volunteered our services, and in return, we Veterans are entitled to at least a fair shake in the matter of our pensions.

Another veteran said:

I need that $96! I am a cancer victim, in and out of VA hospitals for operations. I am blind in one eye. My wife is bedridden, a stroke victim. I am not able to take care of her. Our expenses per month exceed our Social Security checks and $53.50 VA pension.

Frustration, a lack of understanding of the system, and the general cry, "It just is not fair" are the underlying themes of every letter I receive from re-

tired veterans who have had their VA pensions reduced when their social security pensions have been increased, and frankly, I share their feelings. Why is Congress so slow to act and react to the overwhelming needs of this particular group of people? What is the object of doling out larger sums of social security to these people, in an effort to help keep their standard of living above the poverty level and to keep abreast, somewhat, of the rising costs of their living expenses, if we direct the hand of the Veterans' Administration to reach down into their only other pocket and pick from it a vital part of their livelihood?

H.R. 1385 is a very simple bill. It says that recipients of veterans pensions and compensation funds are not to be penalized by increases in monthly social security benefits. It requires no great amount of time or study by the committee to understand it. It does require some compassion for older Americans who have served their country and who now need our help to live decent lives. Lets not make them wait any longer. I urge all Members of this House to acknowledge this problem. To take seriously and personally into account the enormity of this problem and to react, by making every effort to untie H.R. 1385 from whatever redtape may be impeding its progress through the legislative process.

EITHER COLD OR HUNGRY IS PLIGHT OF MANY AMERICANS

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. RISENHOOVER. Mr. Speaker, right now, while Congress is permitting itself an automatic pay raise, millions of older and less privileged Americans are faced with the choice of spending their limited funds on either food or fuel—being cold or going hungry.

I have introduced legislation to exclude Members of Congress from future Federal pay raises recommended by the Presidential Commission. If a salary raise is merited at all, it should be for succeeding Congresses—not for the one which is allowing the pay raise to go through. I believe that this question should be publicly debated in the Halls of Congress.

The idea of giving Congressmen economic independence to help remove the vestiges of temptation is valid. However, this cannot be done at the cost of arousing massive public distrust and alienation which might occur as the result of a salary hike. We need to give just reason to the American public so that they can believe that their Congress is one that is responsive to their problems. At a time when so many of our constituents are struggling to make ends meet, I firmly believe that Members of Congress have a public obligation to not receive an automatic, undebated pay raise.

My colleagues, we are first and foremost public servants. Our actions should and must reflect this posture.

Thank you.

BUSINESS WEEK ARTICLE DESCRIBES BENEFITS OF COMMUTER VANPOOLING

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. EDGAR. Mr. Speaker, the latest issue of Business Week contains a stimulating and provocative article on commuter vanpooling, an innovative transportation mode which is saving energy, reducing pollution load, relieving traffic congestion, and saving thousands of dollars for participants.

I introduced on January 4, H.R. 869, the Federal-aid to Ridesharing Act of 1977, to promote activities such as those described in this article. I believe that it merits the attention of all of my colleagues, and I insert it at this point for the RECORD:

COMMUTER VANS CATCH ON AT CORPORATIONS

A new type of mass transit network is quietly taking root around the U.S. Unlike the space-age systems proposed for many cities in recent years, it is based on a mundane vehicle: the small 10- or 12-passenger van. A growing number of companies and groups are setting up fleets of such vans to haul employees—and in some cases the general public—to and from work. Despite the pedestrian image of such an approach, transit planners are beginning to think "van pooling," as it is called, offers major hope for unsnarling the tangle of urban transportation.

Van pooling's most significant test is shaping up in Los Angeles, where a program that will soon be the nation's biggest got under way last month. And the concept's future seems assured if van pools can lure commuters in auto-happy Los Angeles to leave their cars at home.

So far, a surprising number of Angelenos want to do just that. Seventy vans are already carrying 700 passengers daily, with 2,100 other commuters signed for 200 more vans to be delivered in April. The city's vans should be hauling 5,000 people to work by yearend and ultimately up to 100,000, figures David J. Lester of Atlantic Richfield Co., the program's prime mover.

A HIGH OLD TIME

The reason van pooling is catching on in Los Angeles and elsewhere is that it offers something for everyone. Riders join for comfort, convenience, and camaraderie. A van picks them up at or near their homes and deposits them at the door of their office building. En route they can read, sip coffee, chat with a fixed group of neighbors, or sleep—and many riders bring pillows. In Los Angeles' new super-luxury vans, which have airplane-type seats and carpeted walls and ceilings for soundproofing, riders can also listen to music on stereo headsets.

"We have a high old time," says Harvey Chapman, an engineer with 3M Co. in St. Paul, one of 1,000 riders in that company's pioneering, four-year-old van pool. Chapman's van group has become a sort of club, meeting for lunch and outings.

For the several dozen U.S. companies that have launched van pools over the past few years, they offer a chance to "do something for the environment" and possibly save money at the same time. A 300-person waiting list for parking space is what prompted Philadelphia's SmithKline Corp. to start a van pool last April. And 3M figures it has saved $2 million by eliminating a planned parking garage.

PEER PRESSURE

Continental Oil Co. in Houston, which in two years has organized 11 employee van pools in seven states, says the pools have cut both tardiness and one-day absences. "If you have a hangover or are just sleepy you might ordinarily call in sick," says William Fortune, the company's director of special projects. "But in a van, the 11 other passengers would kid you the next morning. Peer pressure makes you come to work." Conoco hopes to double its 54-van fleet this year, and it may accept noncompany riders as an environmental gesture.

Best of all, van pooling pays for itself—in striking contrast to the nation's debt-ridden public transit systems. Unpaid drivers are the key to van poolings financial success. A 37-van pool that Chrysler Corp. launched last June for Detroit-area employees is typical: The monthly riders' fee of $21.50 to $39.50— the latter for a 100-mi. round trip—allows each 12-passenger van to break even with nine riders. Chrysler splits the 11th and 12th fares with the volunteer driver, who rides free and can use the van on weekends—although he must also keep it clean and tidy.

As an extra incentive for car-loving Los Angeles communters, some corporate backers of the city's new multicompany program are subsidizing employees who participate. ARCO, for example, pays $15 to $22 of each fare—but still saves money because it would otherwise give each employee a parking space worth $25.

GOING PUBLIC

The Los Angeles program is one of the few that is open to all comers. Program coordinators, backed by the mayor's office, use slide shows to proselytize management and employees at local companies. Only a few companies, including International Business Machines Corp., refuse to cooperate. ("We do not allow outside solicitation of our employees," says an IBM spokesman.) Riders currently signed up work for 287 businesses. Companies elsewhere in the country are also considering "going public" to make van pooling a genuine mass transit system. For them, the Los Angeles experience will be crucial.

But there are at least two potential roadblocks. One is a shortage of vans: It currently takes several months to fill large orders. The other problem is liability insurance. Drivers are "risking every cent they've got in lawsuits," claims Frank Davis, a transportation specialist at the University of Tennessee and coordinator of a multicompany van pool in Knoxville. Not even Los Angeles' $10 million-per-van insurance is adequate, he feels, because each van occupant injured in an accident could sue for that amount.

Davis has been working with insurers to develop a safer approach, possibly obliging the rider to buy his own insurance. The New York-based Insurance Services Office, an auto insurers' trade group, may soon announce a new plan. In a study of 1,000 "vehicle-years" of van pool operation, only two minor accidents have turned up.

Another obstacle has been overcome in some states: Recent legislation in California, Tennessee, and elsewhere has removed restrictions on pool vans behaving like common carriers by signing up the general public.

ECOLOGICAL DIVIDENDS

The number of vans in pools has grown from near zero five years ago to more than 1,000 at present. Enough programs exist that their backers recently formed a National Association of Van Pool Operators, with 38 members. In April the group will hold its first national conference to discuss the concept's future.

Van pooling is bound to grow further, partly because the Urban Mass Transportation Administration is warming to it. UMTA

gave Knoxville $900,000 last year to buy vans and set up its program. This year it is making two more grants: $684,000 for a Marin County (Calif.) system and $520,000 for the Norfolk (Va.) area.

UMTA is realizing that van pools can produce a sizeable payoff in reduced pollution and fuel use. 3M's 92 vans are saving 225,000 gal. of gasoline a year over what their passengers would burn in private cars. Where vans reduce peak loads on urban rail and bus lines, they can help such systems avoid buying extra equipment that sits idle between rush hours. The new Marin County system is aimed at helping to avoid building another Golden Gate Bridge. And in sprawling areas of low residential density such as Los Angeles, van pools "can get people out of their single-occupant automobiles when other forms of mass transit would be too expensive to offer," says Paul Fish, UMTA's manager of "para-transit" projects. Meanwhile, however, Southern Pacific Transportation Co., which has been trying to give away vans to its San Francisco peninsula commuters in order to drop its deficit-ridden rail service (BW–Nov. 22, '76), still lacks enough takers.

Van pooling could prove a bonanza for van builders. So far Chrysler's Dodge Div. has won the lion's share of orders because it produces large, roomy vans. Although Chrysler is delighted with its own employee van pool, it views the growth of van pooling with mixed emotions. "It takes people out of their cars," says Herbert C. Wood, Chrysler's manager of consumer relations. "So it's pretty much a trade-off."

JOBS CREATION ACT—H.R. 2589

HON. J. DANFORTH QUAYLE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. QUAYLE. Mr. Speaker, I am a cosponsor of H.R. 2589, better known as the Jobs Creation Act introduced by Mr. KEMP of New York on January 27 of this year. I would like now to speak on an important idea found in Mr. KEMP's bill: Federal tax reduction.

Presently the American workers work for themselves 3 days a week and for some agent of government 2 days a week. Recent new estimates have placed total governmental expenditures—State, local, and Federal—at the even higher total of 43 percent of GNP. So American workers while producing all of this Nation's goods and services get to keep only a fraction of what they produce. The share going to American workers has been shrinking for some time and simultaneously their incentives to continue producing have fallen. After all, how much would any man produce if all of it were taxed away? None of course. We have been moving in that direction and at a rapid pace.

I favor reversing this unhealthy trend by reducing marginal rates of taxation across the board for all workers. All members of the business community from factory work to corporate president will then work harder motivated by the incentive that they retain a greater portion of their earnings. Working harder, they produce more. GPN grows faster than before and while the share of GPN spent by the Federal Government declines a smaller share of a larger national production nevertheless produces more Federal revenue. Thus marginal tax rate reduction will make workers better off than before since they get to keep more of what they produce and will also increase revenues going into the Federal Treasury.

Most recently in this century, President Kennedy sponsored a proposal to permanently cut high rates of personal taxation in 1962. The benefits from his program are well documented. GNP grew more rapidly as predicted, workers received a higher share of what they produced and an expanding tax base permitted increased Federal revenues helping to balance the budget.

This rate reduction program will produce more stimulus to the economy than the proposed $50-per-person rebate package and will not fuel the inflationary fire many economists fear will soon reappear. It is appropriate that the Congress consider these ideas at the same time as the third concurrent resolution on the budget for fiscal year 1977 now before the House.

"CALIFANO'S SPUR TO CIVIL RIGHTS"

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. DRINAN. Mr. Speaker, I know that my colleagues will want to see the splendid tribute to Secretary Joseph Califano in the Christian Science Monitor for February 22, 1977.

The Monitor praises Secretary Califano for his very boldly expressed intention to bring about "a change from the mismanagement, confusion, and uncertain leadership on civil rights which he found at HEW as a legacy from the previous administrations."

The Monitor also notes that the promise enforcement of civil rights laws by Attorney General Bell is "an uncertain trumpet next to" the pledge of Mr. Califano.

The editorial follows:

CALIFANO'S SPUR TO CIVIL RIGHTS

Secretary Joseph Califano has taken charge of civil rights at the Department of Health, Education, and Welfare (HEW) in the welcome forthright manner predicted by Andrew Young. Mr. Young spoke in response to the concern of some fellow black Americans that he had accepted the international post of United Nations Ambassador when he might have been closer to their urgent needs at HEW. He said he had no doubts about Mr. Califano's zeal on matters like civil rights and poverty—and added that Mr. Califano was a better manager than he.

Last week manager Califano came out loud and clear for a change from the mismanagement, confusion, and uncertain leadership on civil rights which he found at HEW as a legacy from the previous administrations. The situation had been careless at best and lawless at worst, he said, noting the accumulation of neglected civil rights files.

For example, the Nixon-Ford administrations had imposed a kind of moratorium on carrying out the law which specifies that federal funds be withheld from schools violating discrimination statutes. Mr. Califano said he did not want to cut off funds to any educational institution, but he served notice HEW would do so if necessary to obtain compliance. Referring to school desegregation, sex discrimination, and protection of the handicapped, he promised a "comprehensive effort to put HEW's civil rights enforcement effort on a sound and effective footing."

The question now is how thoroughly Mr. Califano and his bureaucracy will follow through on his assurances. He has already called for the reopening of six school desegregation cases. He is suddenly faced with acting on the decision by an HEW administrative law judge that more than $40 million in federal funds be withheld from Chicago unless its public school system brings itself into compliance with civil rights law.

The civil rights road is not easy. The Carter administration will need a strong thrust not only from HEW but from the Justice Department. Attorney General Bell, too, promises enforcement of civil rights laws, but his remarks on desegregation last week did not appear precisely tuned in to Supreme Court action; they seemed an uncertain trumpet next to Mr. Califano's. The new HEW Secretary has at least begun by recognizing the necessity of building an atmosphere for confidence in the government's will to enforce the law. It is a good start.

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. BRODHEAD. Mr. Speaker, on February 16, 1918, the Lithuanian National Council unanimously declared Lithuania's independence and established the Republic of Lithuania, despite a peace treaty with the Soviet Union, Lithuania was invaded by that country in 1940, and later by the Nazis.

After the war, the country was illegally seized again by the Soviet Union. However, the Soviet Union will never be able to dominate the irrepressible spirit of the Lithuanian people, whose zeal for liberty and basic human rights is undiminished. The United States has never recognized the Soviet Union's forcible annexation of Lithuania, and I believe this country must continue to protest in the strongest terms the oppression of the Lithuanian people.

I recently received a resolution that was adopted by the Detroit Lithuanian Organizations Center on the commemoration of Lithuania's Independence Day, and I want to share it with my colleagues:

RESOLUTION

We the United States citizens of Lithuanian descent residing in the Greater Detroit area and having met on February 13, 1977 at 12:30 p.m. at the Lithuanian Cultural Center at 25335 West Nine Mile Road, Southfield, Michigan to commemorate Lithuania's Independence Day, hereby declare that:

Whereas the three once sovereign Baltic States of Lithuania, Latvia and Estonia are illegally occupied by the Soviet Union;

Whereas the United States Senate unanimously passed Resolution 319 on July 26th in the Bicentennial Year 1976 of our Republic stating that United States should continue not to recognize this illegal occupation. Now therefore, be it resolved

That the United States raise the question of this hideous occupation at the Belgrade

Conference as the most pressing moral issue and as a fitting tribute to the just aspiration to liberty and freedom by those oppressed people;

That we empower the Chairman of the Day to sign this Resolution and resolve to send it to the President, the President of the Senate, the Speaker of the House of Representatives and the Senators and Representatives from the State of Michigan.

CONGRESSIONAL ETHICS

HON. JOSEPH S. AMMERMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. AMMERMAN. Mr. Speaker, the subject of congressional ethics and the proposed new ethics code are attracting much attention these days. It seems to me that in light of the congressional pay raise we have a great moral obligation to move ahead with the recommendations of the Commission on Administrative Review, chaired by the distinguished gentleman from Wisconsin (Mr. OBEY).

I thought I would share with the Members the views on the Obey commission's ethics package that I expressed to my constituents in the 23d Congressional District in a recent newspaper column:

Wayne Hays is long gone from Congress but he still is casting a ghostly presence here.

A major order of business for the 95th Congress has been to see what can be done to curb the abuses of power identified with Hays.

A special Commission on Administrative Review, composed of House members and private citizens, has been exploring the many issues raised by recent congressional scandals. The panel recently made its most far-reaching proposals to date by calling for a new code of ethics for House members.

The main points of that code are:

COMPREHENSIVE FINANCIAL DISCLOSURES

Members would have to list, and to identify the source of, all income over $100 from any one source, gifts of more than $250, reimbursements from any one source of more than $250, property holdings of $1,000 or more, debts of $2,500 or more, and securities transactions of more than $1,000. Gifts of more than $100 from interest groups and lobbyists would be banned entirely.

AN END TO "OFFICE ACCOUNTS"

These accounts, which are supposed to help defray the costs of running congressional offices, can and have become "slush funds" for the personal enrichment of members. I do not have such an account nor will I establish one, regardless of whether the House bans them or not.

There are now no controls of any kind over office accounts. Campaign committees, in contrast, must file regular disclosure statements with the Federal Elections Commission and are subject to numerous legal restrictions. The House Commission on Administrative Review wisely has called for a total ban on office accounts.

OUTSIDE INCOME

The commission recommends that all outside earned income, such as fees from speeches and books, and income from business activities be limited to 15 per cent of a member's income. Fees specifically would be limited to no more than $500 each. There currently are no overall restrictions on outside income, although fees are limited to $2,000 each and $25,000 per year.

MAILINGS AND TRAVEL

The commission would prohibit travel at taxpayers' expense by "lame duck" members of Congress (members who have not been re-elected). The panel also has recommended a number of changes in congressional mailing procedures. The most important of these is a prohibition on mass mailings, such as newsletters, within 60 days of a congressional election. Currently, a mailing can go out as late as 28 days prior to an election.

To me, one of the especially interesting aspects of the commission's work was the survey it conducted of House members and of the general public on these matters.

According to the survey, public confidence in members of Congress is low—unsurprising, given recent events. I was surprised, and pleased, to see that there is public support for greater expenditures to permit members to do a better job of carrying out their official responsibilities.

In particular, there is a great public desire for more information about what is happening in Washington. And there is public agreement that public money should be substituted for uncontrolled private funds such as office accounts, the survey found.

Another very interesting finding of the survey is that members indicated a degree of concern about the ethics problem equal to their constituents' concern.

If so, it should mean that the ethics package—which I support and will vote for—will prevail when it is sent to the House for approval.

CONGRESSIONAL RECORD REFORM

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. STEIGER. Mr. Speaker, I want to make very clear that this statement is not being spoken by me on the House floor.

Today I am reintroducing a resolution to make the RECORD a more accurate reflection of proceedings on the House floor. I have done this for the past 7 years.

Although my proposal has not received action in the past four Congresses. I have more confidence that the RECORD will be made honest in the 95th Congress. I am especially pleased that more than 100 of my colleagues have joined in cosponsoring the resolution. This broad-based, bipartisan support is a measure of the commitment to change shared by so many of us in this body.

Senator BOB PACKWOOD of Oregon has introduced identical legislation in the other body. He has received good support for it there.

Our proposal states specifically that any remarks not actually delivered on the floor "shall appear, as may be appropriate, following the record of the entire debate to which they are germane and prior to the record of a vote except that such insertions shall be preceded and succeeded by a printed designation which clearly distinguishes the insertion from verbatim remarks." The printed designation could be brackets, bullets, or stars.

This legislation was developed by Senator PACKWOOD and me in conjunction with representatives of the Government Printing Office and the Joint Committee on Printing. They told us this would be an effective, simple way to make the RECORD a more accurate reflection of what happens on the floor. Senator HOWARD CANNON, chairman of the joint committee, has endorsed our recommendation in a letter to joint committee members.

There is clear need for this reform. It deals directly with one of the most persistent, and legitimate criticisms of Congress—that our own record of proceedings is a deliberate distortion of what happens on the floor.

Unlike the British and Canadian Hansards, which are verbatim accounts of parliamentary sessions, the RECORD is estimated by GPO to contain about 70 percent extraneous material never said on the floor of the House or Senate.

Cost is another key reason for change. The RECORD only 4 years ago had 38,500 pages and cost $8.8 million; in fiscal year 1976, it grew to 51,000 pages and cost $14.6 million. A single page of the RECORD, which cost less than $100 a little over a decade ago and $238 only 3 years ago, is expected to cost $317 in fiscal year 1977. If costs continue to rise and nothing is done to reduce extraneous material in the RECORD, the cost of printing it could be prohibitive in only 5 or 6 years.

Another critical problem with the RECORD is that it is used by administering agencies as they interpret legislative intent for carrying out Federal laws. When the RECORD gives an inaccurate reflection of debate, the agency is misled. This has already happened and will only increase if we permit the growing abuse of the CONGRESSIONAL RECORD.

Under law, the RECORD is "substantially a verbatim report of proceedings." But, in fact, it does not even come close to meeting that less than rigid standard.

This year, with sufficient support we have an excellent chance to make the RECORD adhere to its legal guideline. I hope that more Members will join in this effort so that the reform can take effect at the earliest possible date.

CONGRESSIONAL PAY RAISE

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. O'BRIEN. Mr. Speaker, I have two basic and strong objections to the congressional pay raise. One, there is no justification for this Congress to raise its own salary during the present term of office. It is bad policy. It is also bad politics. I fully supported the effort by Mr. WHALEN and others to prevent any pay raise during the current term of office. I feel I have a bargain with the voters of the 17th District of Illinois. I knew what the wages were when I sought their votes. So did they. It would be nothing less than a betrayal of this compact to take a pay raise after the term began.

Second, the manner in which the Congress was deprived of its vote on the question of a pay raise gives me great trouble. The contortions of the House leadership

to hustle the pay raise through without a rollcall vote goes straight to the question of congressional ethics. How can we in good conscience ask the American people to trust the Congress when they have before them such a glaring example of why they should not trust the Congress?

For my part, I intend to handle this pay raise just as I have in the past and return it to the U.S. Treasury.

INCOME TAX INFORMATION FOR TAXPAYERS AND OLDER AMERICANS

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. PRESSLER. Mr. Speaker, I represent a State with an unusually large number of elderly citizens. I am acutely aware of their problems and it is my aim to help those older Americans who have contributed so much to the growth and development of this great country in any way that I can.

For several years now, the Senate Committee on Aging has published a checklist of itemized deductions for individual taxpayers. The purpose of this summary is to protect older Americans from overpaying their income taxes.

First, it offers guidance for individuals to determine whether it would be to their advantage to itemize their deductions or compute their taxes on the basis of the tax tables.

Second, the summary also includes a brief description of the other tax relief measures available to older Americans, such as the retirement income credit, the total or partial exclusion of a gain on the sale of a personal residence, and others. I believe it is a particularly useful guide to older Americans since they they simply do not have the financial resources to go out and hire a tax consultant and as a result often end up paying much more in taxes each year than is necessary.

I would also like to point out that persons who discover that they overpaid their taxes in prior years have recourse. They may file an amended return—Form 1040X—to claim deductions initially overlooked. Form 1040X must be filed within 3 years after the original return was due or filed, or within 2 years after the tax was paid, whichever is later.

Mr. Speaker, as a service to all taxpayers, and especially to elderly Americans, I ask that this checklist be added to my remarks at this time. Its publication in the RECORD will help to bring this information to the older citizens of South Dakota, as well as older Americans in all 50 of these United States.

The checklist follows:

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3 percent of a taxpayer's adjusted gross income (line 15c, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3 percent limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3 percent rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3 percent rule) but only to extent exceeding 1 percent of adjusted gross income (line 15c, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expenses (subject to 3 percent limitation):

Abdominal supports (prescribed by a doctor)
Acupuncture services
Ambulance hire
Anesthetist
Arch supports (prescribed by a doctor)
Artificial limbs and teeth
Back supports (prescribed by a doctor)
Braces
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs
Chiropodist
Chiropractor
Christian Science practitioner, authorized
Convalescent home (for medical treatment only)
Crutches
Dental services (e.g., cleaning, X-ray, filling teeth)
Dentures
Dermatologist
Eyeglasses
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed)
Gynecologist
Hearing aids and batteries
Home health services
Hospital expenses
Insulin treatment
Invalid chair
Lab tests
Lipreading lessons (designed to overcome a handicap)
Neurologist
Nursing services (for medical care, including nurse's board paid by you)
Occupational therapist
Ophthalmologist
Optician
Optometrist
Oral surgery
Osteopath, licensed
Pediatrician
Physical examinations
Physical therapist
Physician
Podiatrist
Psychiatrist
Psychoanalyst
Psychologist
Psychotherapy
Radium therapy
Sacroiliac belt (prescribed by a doctor)
Seeing-eye dog and maintenance
Speech therapist
Splints
Supplementary medical insurance (Part B) under Medicare
Surgeon
Telephone/teletype special communications equipment for the deaf
Transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.)
Vaccines
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health)
Wheelchairs
Whirlpool baths for medical purposes
X-rays

TAXES

Real estate
State and local gasoline
General sales
State and local income
Personal property

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pensions or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends untaxed under the dividend exclusion, interest on municipal bonds, unemployment compensation and public assistance payments.

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15c, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

INTEREST

Home mortgage.

Auto loan.

Installment purchases (television, washer, dryer, etc.).

Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

Other charge accounts for installment purchases—may deduct the lesser of (1) 6 percent of the average monthly balance (average

monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) or (2) the portion of the total fee or service charge allocable to the year.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES

Certain payments made for child and dependent care may now be claimed as a credit against tax instead of as an itemized deduction.

If a taxpayer maintained a household that included a child under age 15 or a dependent or spouse incapable of self-care, a taxpayer may be allowed a 20 percent credit for employment related expenses. These expenses must have been paid during the taxable year in order to enable the taxpayer to work either full or part time.

For detailed information, see the instructions for Form 2441 on page 17.

MISCELLANEOUS

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box for income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees under certain circumstances.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 32, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $100 ($200 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $25 ceiling ($50 for couples filing jointly).

Presidential Election Campaign Fund.—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) for the Presidential Election Campaign Fund.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES

Filing status	*Required to file a tax return if gross income is at least—*
Single (under age 65)	$2,450
Single (age 65 or older)	3,200
Qualifying widow(er) under 65 with dependent child	2,850
Qualifying widow(er) 65 or older with dependent child	3,600
Married couple (both spouses under 65) filing jointly	3,600
Married couple (1 spouse 65 or older) filing jointly	4,350
Married couple (both spouses 65 or older) filing jointly	5,100
Married filing separately	750

Additional Personal Exemption for Age.—Besides the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1977, you will be entitled to the additional $750 personal exemption because of age for your 1976 Federal income tax return.

General Tax Credit.—A new general tax credit is available. For this credit, the taxpayer may claim the greater of (1) $35 per exemption shown on line 6d, Form 1040A or Form 1040, or (2) 2 percent of taxable income (line 15, Form 1040A or line 47, Form 1040) but not more than $180 ($90, if married, filing separately).

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10% of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976), an election may be made to exclude part of the gain based on a ratio of $20,000 (this amount will increase to $35,000 for taxable years beginning after December 31, 1976) over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 18 months before or 18 months after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Credit for the Elderly.—A new, expanded, and simplified credit for the elderly has replaced the former more complex retirement income credit.

A taxpayer may be able to claim this credit and reduce taxes by as much as $375 (if single), or $562.50 (if married filing jointly), if the taxpayer is:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

To be eligible for this credit, taxpayers no longer have to meet the income requirement of having received over $600 of earned income during each of any 10 years before this year.

For more information, see instructions for Schedules R and RP.

Earned Income Credit.—A taxpayer who maintains a household for a child who is under age 19, or is a student, or is a disabled dependent, may be entitled to a special payment or credit of up to $400. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if a taxpayer reported earned income and had adjusted gross income (line 15c, Form 1040) of less than $8,000, the taxpayer may be able to claim the credit.

Earned income means wages, salaries, tips, other employee compensation, and net earnings from self-employment (generally amount shown on Schedule SE (Form 1040) line 13). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

GEORGE EVANS—A TEACHER

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. AuCOIN. Mr. Speaker, as some of my colleagues know, I formerly worked as an administrator in higher education.

It was at a time we knew as the turbulent and trying sixties.

In those years, I developed an abiding respect for the best of the poeple I lived and worked with on college campuses. These were the searchers, the inquirers, the probers—who provoked thought and brought out the best in young minds.

One of those persons is Dr. George Evans, a professor of English at Pacific University, a small, independent college in Forest Grove, Oreg.

I am proud to have worked with and to have known George Evans.

Then, as now, he has that passion for learning—as opposed to "teaching"—that sets a true teacher apart.

Recently, Dr. Evans wrote a short article in the university magazine, Pacific Today, which reflects on students of the sixties and seventies but, more meaningfully, captures that elusive quality of what education, and the act of teaching, should be.

When Dr. Evans says, "We must know more, yes, but, more importantly, we must be more," he is speaking not only of teachers and college administrators but of parents and of citizens. He is speaking of you and me.

Mr. Speaker, I commend to the attenof my colleagues this splendid article and I insert it at this point in the RECORD.

ARE STUDENTS REALLY CHANGING?
AND WHAT IS EDUCATION?

(By George Evans)

Ten years have passed, and the scene outside my Bates House office window seems unchanged: the same downy woodpecker, in search of its daily fare, corkscrews around the gnarled oak, half-dressed now in winter green. Behind it the redwoods stand aloof, untroubled by the formless dreams of young and old who pass beneath their limbs. And yet, despite appearances, much has changed in the decade since I arrived, fresh from graduate school, to begin my career of teaching at Pacific. In that time a president has retired, three buildings have burned, five deans have resigned, scores of faculty have departed for the green pastures of large state and private schools, and Boxer, that battered dog of many lives, appeared once and was dispatched forthwith to a well-deserved retirement.

And what of the students ten years later? Are they as changeless as the trees outside my window? They certainly don't look the same. Released from the Victorian dress code they now dress to please themselves, freeing the dean for concerns of greater moment. But it is in the classroom, we are told by the student watchers in numerous popular and professional journals, that the real change is taking place. The 70's students are less prepared, less literate, less interested in the drama of national and world affairs than any preceding generation, certainly less than the demanding, involved students of the 60's.

The judgment sounds familiar. Young people struggle to express themselves, to understand who they are and what their destiny will be, and older people tell them that they and their world are going to the dogs. I heard the story as a student in the 50's, and older graduates have, undoubtedly, been fed from the same bowl of sour grapes.

Instead of following the familiar script, I would like to suggest that students and faculty today are much the same, at least in essential ways, as they were ten or twenty years ago. And the meeting of the two in that mysterious, elusive experience we call education is also much the same, though my feelings about that experience have shifted radically over the years.

When I think of what influenced me the most as a student, what subtly changed me and how I looked at myself and the world, I remember men and women, not classes, not buildings, not even books. I remember the geologist whose love—nay, whose passion—for his subject infused all of us with the same excitement. I can no longer recall the difference between dolomite and limestone, but I remember the teacher's love for the earth, his home; and I look at that earth today through different eyes because of him. I don't remember a thing from a brilliant lecture on Leibnitz, but I do remember the gentle man who invited me to his home to talk, over a glass of wine, of my life and dreams, matters I had thought too unimportant for so learned a man.

I can remember almost no details from any class or exam or research paper, but I do remember the individuals who were my teachers. I remember those who were condescending, who endured the classroom hour with barely disguised disdain for us who knew so much less than they in their day as students. From them I learned little. I remember those who loved what they were doing, who enjoyed talking with us about the mundane and the magnificent. From them I learned much, but for what I learned there is no instrument for measurement.

The conventional wisdom often says that the best teacher—and the best parent—is the one who knows the most and is able to convey that knowledge within the allotted class time or maturation period. We thus frantically fill up our classes and family life with information and rules, facts and logical arguments. The more we convey, the more successful we are. We teach through the force of our minds and our minds alone. Or so we think. It is possible, however, that we are like the doctors that Kubler-Ross writes of in her books on death and dying—professional, technically competent men and women who surround themselves with charts and graphs and jargon and deceptions because they are afraid to talk with the dying patients about what is most important to them: the passing of life and the reality of death.

Our job as teachers and parents, I believe, is to talk with living patients, the young people we share life with, about what it means to be alive. We have no dearth of facts and information. We are not short of examinations to test the quantity of information that has been passed from one mind to another. But the question arises; how does this wealth of information make us any different from a book or tape which can be purchased and digested at far less expense and pain for the student or child?

Human behavior, I have come to believe, is shaped slowly and imperceptibly, not by books or facts or rules, but by example, by personal encounters with friends, teachers, family, by the manner in which others live their lives. I'm not sure that many teachers or parents would agree with this, and I'm not sure that I'm willing to face the implications for myself, but I think it is not what we know but what we are that really matters in the educational experience. To believe this is to suffer a nagging sense of failure as a parent and teacher because while it is easy enough to measure what we know by books read and lectures delivered, it is a most painful task to measure what we are as human beings and how we have lived in that relentless and penetrating spotlight young people turn upon our every word and act.

Afraid of that spotlight, we close the doors of office and home. We read more journals and join more professional societies. We consult the experts and become experts ourselves in raising children. Inflated with the power we have over the lives of young people, bloated with self importance, we ascend Olympus and are lost in the sunshine of our knowledge.

To be effective teachers and parents is both simple and difficult. We must first come down from Olympus and admit to ourselves and to others that we are, all of us, searching; and that though we are older and more knowledgeable, we are not necessarily any wiser about this business of living. Having descended from our Olympian Splendor and detachment, we must reveal what we are as human beings, warts and all. That will be, for most of us, a lesson in humility. We will have to admit that we know very little, that our jobs and our lives are at times depressing, and that what we do sometimes seems to have little enduring meaning. And having admitted this, we might go on to show in our daily lives that like Sisyphus, condemned by the gods to roll the stone eternally to the top of the mountain, we will find happiness born of pain, and that in our common lot of rolling the stone we are brothers—teacher and student, parent and child—weak, struggling, often benighted, but rolling it nonetheless with whatever dignity and courage and hope we can summon from within.

We must know more, yes, but more importantly, we must be more. That is what young people, unconsciously perhaps, were asking of adults when I was a student, and that is what they are asking today. It is what we in turn should be asking of them. What profit is there to a society if its most brilliant men and women cheat on their taxes or burglarize political opponents or are simply cold and insensitive to the needs of others?

Small liberal arts schools like Pacific, because of their size and the kind of faculty they attract, are well suited to the kind of education which touches both the heart and the head. Like all institutions, including most notably the family, which we in some ways resemble, we have failed and failed often; but I am holding on to the faith that we have succeeded more than we have failed, and that the quality of the people we have graduated will confirm that faith.

CITIZENS FOR NEIGHBORHOOD SCHOOLS

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. MOTTL. Mr. Speaker, I would like to call to the attention of my colleagues and their constituents a group called "Citizens for Neighborhood Schools, Inc." from Cleveland, Ohio.

Citizens for Neighborhood Schools feels that the way to insure that every child may attend a neighborhood school is through the Congress. In an effort to restore faith in the democratic process, this group has initiated a campaign to convince the general public to communicate with their legislators on the need for neighborhood schools.

I wish to publicly commend Citizens for Neighborhood Schools for handling this matter entirely in a legal and professional manner. They do not advocate defying the law, but rather they stress working closely with those that make the laws.

Citizens for Neighborhood Schools would also like to encourage citizens across the country to take a renewed interest in their Government and to open

the lines of communication with their elected officials. For further information on Citizens for Neighborhood Schools, Inc. address inquiries to P.O. Box 17312, Cleveland, Ohio 44117.

OPPOSING THE CONGRESSIONAL PAY RAISE

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. EDGAR. Mr. Speaker, I would like to commend the efforts of many of my colleagues who courageously faced head-on the controversial issue of the congressional pay raise. Despite the support of many Members, including myself, to at least bring the increase to a floor vote, we are today confronted with the knowledge that we have, in effect, given ourselves a $12,900 pay raise.

We in this House have never missed an opportunity to be the leaders in asking our constituents to make personal sacrifices. We have implored labor to buffer their wage requests. We have asked business and industry to control price increases. We have asked everyone to turn down their thermostats, not to drive over 55 miles per hour, and to purchase fuel-efficient automobiles and appliances.

Many of my colleagues, Mr. Speaker, have joined in this effort of sacrifice. But on the whole, this effort has been virtually symbolic. We have effectively insulated ourselves against the suffering of our constituents. We as Members have no fear of inflation, because we now get automatic pay increases. For at least 2 years, we have little fear of getting a pink slip for reasons far beyond our control, such as an energy shortage. We feast at sumptuous banquets and are served at countless parties in well-heated, cozy House dining rooms. It makes it easy to forget the thousands of our citizens who in recent weeks have had to choose between a warm environment and a full stomach.

I am sure that a very large proportion of those who we represent would jump at the chance to find productive employment at an annual salary of $12,900. It will take positive action by us to change this system whereby we make ourselves eligible for automatic pay increases.

I do not know of a single Member of this House who would undergo true hardship if this raise had been denied. Yet it is clear that those we represent are very concerned with the pay raise issue. Some of these people have undergone hardships such as seeing their meager savings eroded by inflation, or having the family breadwinner laid off because of the loss of a government contract. It is difficult to explain why Members of Congress require this raise. I certainly cannot explain it.

This raise will only serve to increase our isolation from the economic realities which confront those we represent. While much has been made of the fact this increase will be tied to a new code of ethics, I believe that this is an unfair package to offer the American people.

I am hopeful that the House will see fit after this debacle to move ahead on H.R. 1365, the Congressional Pay Raise Deferral Act, sponsored by Congressman WHALEN and cosponsored by over 70 other Members, including myself. I believe that this legislation is the best way out of the morass we currently find ourselves in. If the Members of this body wish to demonstrate their concern for the ethics and integrity of the House of Representatives, they will act to remove the conflict-of-interest inherent in the present system whereby we must consider salary proposals which are to the immediate personal benefit or detriment of each of us. H.R. 1365 could easily remedy this situation by deferring any increase in Members' salary until the start of the Congress following the one in which it is approved. Mr. Speaker, I urge favorable consideration of this legislation by the House immediately.

COMMENT BY "JANE'S ALL THE WORLD'S AIRCRAFT" ON SOVIET VERSUS AMERICAN MILITARY STRENGTH

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. MURTHA. Mr. Speaker, during a recent inspection tour I made of the Norfolk Naval Base, my attention was directed to an article that is very important to deliberations by Congress on our national defense.

I do not believe anyone contradicts "Jane's All the World's Aircraft" as a leading international assessment of air and military strength. The following article appeared in the Parade section of the Norfolk Virginian-Pilot and summarizes some very important conclusions reached in the new edition of this publication.

[From the Parade Section, Feb. 13, 1977]

SOVIET AIR SUPREMACY

The new edition of "Jane's All the World's Aircraft," published in London, claims the Soviet Union is vastly superior to America in military aviation. So superior, in fact, that the U.S. might be compelled to resort to nuclear weapons if war developed between the two superpowers.

J.W.R. Taylor, respected editor of "Jane's," says there is great doubt that the U.S. can match the Soviet Union in conventional warfare at this time. Taylor says that our aircraft currently consist of old bombers and interceptors, while the Soviets are constructing the latest swing-wing bombers and supersonic fighters infinitely better than the MIG-25 a Soviet defector turned over to Japan last September.

Taylor maintains that we are underestimating the excellence of the Soviet "Backfire" bomber, which is—no matter what the Russians say—a long-range weapon that can bomb targets in the U.S. and then land in Cuba. Taylor quotes the chief of staff of Britain's Royal Air Force as saying, "Backfire, faster than Concorde and with a much longer range, may prove an even greater danger to Allied shipping than the relatively slow-moving Russian submarines."

Taylor explains that 20 years ago Great Britain assumed future wars would be nuclear wars and decided incorrectly that, under such circumstances, Britain needed no new bombers or fighters.

"The United States had the same wrong thought somewhat later," he says, "and has yet to take the positive step of rebuilding its air defense. . . . The three immediate requirements for the U.S. are to recognize that Backfire is a strategic weapon, to build the B-1 bomber as its wholly essential and uniquely flexible counterpart, and to order as a matter of urgency replacements for Aerospace Defense Command's time-expired F-106 Delta Dart interceptors."

LEGISLATION AIMED AT MORE USE OF U.S.-FLAG OIL TANKERS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ZEFERETTI. Mr. Speaker, today I am introducing legislation aimed at alleviating the problems posed to the economy and the environment of the United States through excessive reliance on foreign-flag tankers for the import of oil and petroleum derivatives. The legislation mandates that at least 25 percent and hopefully 30 percent of all oil imported to the United States be carried by U.S.-flag tankers.

According to recent estimates the United States now imports 44 percent of its oil. This figure may be translated to approximately 9 million barrels a day. Admittedly, this is evidence of extreme dependence on foreign oil producers and it is a situation that is far from desirable. However, it is not the most pressing issue we have at hand. Reducing the amount of oil imported would cripple the industry of this Nation and inflict severe hardships on the general public. What staggers the imagination is that 96 percent of what the United States imports is being transported in vessels that are either foreign-owned or are flying a foreign "flag of convenience."

In many cases, the foreign tankers that transport the energy resources which fuel our Nation are disasters waiting to happen. In some cases they did not wait, as recent events attest, and ran aground as the result of incompetent navigation or broke apart under the forces of nature, spilling thousands of gallons of precious energy on the once-splendid seas which have come to be viewed by some as the "Atlantic Oil Drum."

This is a situation that is criminal at best and we need not look across the seas to point the finger of blame. Much of the blame can be laid on the shoulders of the oil industry.

Members of the oil industry regularly resort to the practice of transporting oil under flags of convenience to obtain larger profits—but at what cost to the oceans and lands from which they extract their cash flow in the form of crude oil. It is inexcusable that U.S. corporate giants can resort to engaging vessels that are no more than rust buckets fast approaching the end of their sea-worthiness to transport cargo which is so obviously essential and at the same time so potentially devastating. While the industry reaps the profits offered by tax dodges

and cut-rate crews, the Nation is suffering from the loss of revenue.

The situation has already gone too far and this Nation must assert itself before any more oiled water passes under the bridge. Last month the New York Times reported that—

Increasingly the oil-producing countries are demanding that a greater percentage of the oil must be carried in their own ships. For example, Saudi Arabia, by 1980, will require that 50 percent of its exported oil move in Saudi-Arabian-flag vessels. Venezuela and Algeria have similar 50 percent rules coming into effect.

It is high time the United States make similar demands.

That is why I have introduced legislation to assure that the Secretary of Commerce be empowered to take steps to assure that 20 percent of all oil transported for import to the United States be carried by U.S.-flag ships at this time. This legislation would also insure fair and reasonable participation of U.S.-flag ships in the transport of oil from all geographical areas where oil is produced, refined or both.

The draft of this legislation also sets a date of June 30, 1978 at which time the level of oil imported to the United States by U.S.-flag ships be increased to 25 percent. By June 30, 1980, the percentage should be increased to 30 percent providing the tonnage of privately-owned U.S.-flag commercial vessels, including those on order and scheduled to be ready for commercial service by that date will be adequate to carry that amount.

The advantages of this quota for U.S. oil transport are obvious and great in number. First of all, the economy will receive a boost as the number of ships being built increase with the demands for commercial tonnage and the number of merchant men needed to man these vessels will reduce the ranks of the unemployed. With the reduced use of flags of convenience the revenue from taxes on oil imports will increase.

There is also the issue of safety—not just environmental, but defense in times of military conflict. Construction of all types of ships for the American merchant marine has been allowed to decline from its status as the world's largest since World War II. This legislation would do much to stimulate the construction of merchant marine vessels. Should an international emergency occur, these ships would be ready on a moment's notice to serve America's needs. At present the Defense Department has little command over runaway flag ships which are often American-owned. During the Vietnam airlift some of the foreign flag vessels under U.S. contract refused to transport any U.S. defense cargo in deference to the political views of the country's flag displayed.

Finally, it should be obvious that the type of environmental disasters we have witnessed in the past year will decline with the institution of uniform regulations and increased numbers of new and safer tankers. International safety standards are lower than ours and with the increased numbers of U.S.-flag ships, inadequate requirements will no longer be the norm because we will not have to rely on foreign flotillas.

IMPROVING THE REGULATORY SYSTEM

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for February 23, 1977 into the CONGRESSIONAL RECORD:

IMPROVING THE REGULATORY SYSTEM

One of the reasons for the lack of confidence in government is the rash of new regulatory mechanisms established by the federal government in recent years for pollution control, industrial health and safety, consumer product quality and safety and for other purposes. These regulations have begun to generate a blacklash of resentment against excessive red tape, bureaucratic control and loss of freedom.

People understand that government frequently has to regulate, but they are deeply concerned that when government acts, it often does so in ways that are ineffective and inefficient. To restore confidence in government, we must make government work better. A few facts show that the task of improving the regulatory system will not be easy.

The growth of the federal regulatory system has been striking. In 1976, the total cost of regulation was about $3 billion, with 77 federal agencies engaged in regulating some aspect of private activity. Fifty of these agencies have been created since 1960. By one count there are 100,000 federal employees engaged in regulatory activity. Last year alone the federal government issued 10,245 new regulations, adding to the more than 60,000 pages of regulations already in existence. But the distinguishing mark of today's regulatory system is less its size than its complexity. It encompasses 60,000 sources of water pollution, 100 million automobiles, the health and safety of all the working places in the country, and the structure of all health care systems and federal manpower programs.

Most members of Congress believe that the regulatory system is not working well. It has generated ineffective and inefficient answers to important social problems. Unacceptably high costs of enforcement, extensive time delays and too much rigidity for a complex economy are common problems. Too many decisions about individual economic activity have been transferred from the market place to the government.

Not all regulations are bad, of course, and there is no talk in Washington today of deregulation if by that term one means no regulation whatsoever. The question is how to modernize and reform the regulatory system.

I have come to the conclusion that we just cannot go on imposing regulations and solutions over an ever-widening sphere of economic activity. Although there are no simple answers to the complex problems of regulation, I have come to believe that the Congress is going to have to look for alternative approaches. Among the steps we should take are these:

(1) We have to ask the right questions: Can the free market do the job? Do the benefits of the regulation exceed the cost? How effective can we expect a proposed regulation to be?

(2) We must open up the regulatory process. If a government bureaucrat's power is totally secure then he is not going to be responsive. When his power can be challenged, he becomes responsive. Such a challenge can only be made if the public's business is done in public.

(3) The Congress will have to exercise its oversight responsibilities by enacting "sunset" legislation under which each agency or program will face an automatic termination date unless the Congress or the President specifically approves its continued operation. The Congress should also try to check the tremendous growth of discretionary power within the federal bureaucracy by using its power to veto the results of administrative rulemaking.

(4) We have to reduce the rapid turnover of high level regulatory personnel, require economic impact studies for major regulations, and apply common sense to the enforcement and implementation of regulations.

(5) The most important step we can take to improve the regulatory process is to use economic incentives. The market can work for us if the private sector is given incentives to act for social ends. This can be done with fewer regulations if we think in terms of new strategies. For instance, a set of national effluent and emission charges should be implemented under which taxes would be levied on each unit of air and water polluting substance discharged. Through utilization of such a device we could move toward a cleaner environment by making the reduction of pollution a paying proposition.

In some cases outright regulation is the least costly and the most effective solution. For example, we should prohibit outright the discharge of very toxic chemicals such as kepone. But generally speaking, I think the use of economic incentives to guide decisions is best. Effluent charges for pollution control, incentive contracts in manpower training programs, efficiency oriented medical reimbursement plans and congestion charges at airports all merit consideration.

These proposals are no panacea for the problems of a government that has grown too large, too powerful, too costly, too remote, and too intrusive into the daily lives of the American people. But, they could be helpful.

TRIBUTE TO MRS. MARGARET AMOUREUX

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. STARK. Mr. Speaker, I think my colleagues will agree that a longstanding and devoted public servant is deserving of a pause in our activities for praise of her dedicated service. Mrs. Margaret Amoureux of Oakland, Calif., has more than once demonstrated her worthiness in this regard.

Mrs. Amoureux has been a teacher in the public schools for 30 years. After teaching at Bethune Cookman College in St. Louis, Mo., Margaret has been teaching in Oakland, first at Castlemont High, and now at Merritt Junior College.

Mrs. Amoureux's record outside of her professional career is equally impressive. Her persistent desire to improve and enrich the lives of her fellow citizens has had significant results. Margaret's most recent success has been her diligent and inspired management of Supervisor John George's election campaign last year, in

Oakland. Her repetoire of memberships in political and community organizations includes influential and active groups such as the NAACP, the Oakland Black Caucus, the Executive Board of Black Women Organized for Political Action, and the position of alternate to the Democratic National Convention of 1972.

Californians and members of the Oakland community alike are sure to join me in wondering how Mrs. Amoureux saves time and energy for herself and her family. Montaigne said:

He who does not live some degree for others hardly lives for himself.

Perhaps this doctrine can serve to explain the dedication to public service which Mrs. Amoureux's career has consistently displayed over the years.

TYLERTOWN TIME CAPSULE

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. COCHRAN of Mississippi. Mr. Speaker, on February 11, 1977, a time capsule was buried on the grounds of the new city hall building in Tylertown, Miss. The capsule contained numerous items of local interest and its contents were planned to give inhabitants living in Tylertown in 2076 an idea of what the people, the community, and life in rural Mississippi was like in 1976.

Life in Tylertown and Walthall County is typical of small town life in Mississippi. The area is blessed with a near nonexistent crime rate, a clean environment, a progressive administration, and a citizenry dedicated to preserving the traditional values and freedoms of American life. I am proud to report that they are succeeding.

One of the items included in the capsule is a letter from the editor and publisher of the Tylertown Times, Paul Pittman. Mr. Pittman is one of Mississippi's most distinguished journalists. The letter is addressed to the citizens of 2076 and it speaks for itself as a timeless message of hope, and a belief in our country's future. It is a pleasure to share it with my colleagues:

[From the Tylertown (Miss.) Times, Feb. 17, 1977]

A MESSAGE TO CITIZENS OF 2076

The whole concept of a time capsule like one buried here Friday has an element of egocentric vanity about it. It is based on the speculation that the inhabitants of Tylertown in the year 2076 will find the capsule, will bother to open it and will be interested enough to examine the contents.

That conceded, the editor of The Tylertown Times included the following letter, published here, for the interest of those who keep scrapbooks, or whose imagination might be stimulated by the thought:

FEBRUARY 11, 1977.

To the Citizens of the 21st Century—Year 2076 A.D.:

We hope that you will find the contents of this time capsule interesting. Those of us who gathered the materials in it indulged in moments of fascinating speculation about what you would be like and what you might think of these relics of the past.

One of my associates, reflecting on today's shortages of energy, the predictions of a new era of abnormally cold weather and the complications of our presently expanding technology, suggested that the human race by the year 2076 may find itself regressing—unable to cope with the problems of the environment in which it finds itself.

I choose to believe otherwise. I must believe that man's spirit and courage and adaptability will, if not for the short term, at least in the long term, prevail over the circumstances.

With that in mind, I send greetings from the past. May you, today, reflect on your heritage. I assure you that there were citizens standing on this spot on Febraury 11, 1977, when this capsule was buried, who cherished the virtues of good will, humility of spirit, concern for their neighbors and a respect for the Almighty. I know them well. They join with me in saying to you: God bless you and keep you.

Sincerely,

PAUL PITTMAN.

JFK STRIKES AGAIN

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. SYMMS. Mr. Speaker, today's editorial in the Wall Street Journal deserves the attention of every Member of this House, as well as the much deserved praise for our colleague from Buffalo—J. F. K.—KEMP that is:

JFK STRIKES AGAIN

Rep. Jack F. Kemp, the Buffalo Republican, has for four years advocated permanent tax cuts to expand the economy but has never been able to sell the House Republican leadership or the Ford White House. Now that he has a Democrat in the White House to push against, Mr. Kemp is making headway. President Carter may soon be lucky enough to get pushed over.

Two weeks ago Republicans on the House Budget Committee unanimously signed on the Kemp idea as an alternative to Jimmy Carter's program of rebates and public works. These committee Republicans are now advocating that each income tax bracket be lowered 15%—approximately from 70% to 60% at the top and from 14% to 12% at the bottom. This would roughly adjust for the inflation of the last two years, which has pushed everyone into higher brackets.

With the support of the House GOP leadership, the Budget Committee minority plans to stage a vote on this alternative when the House Budget resolution comes up today. To accommodate the Carter economic program, the planned deficit has to be raised to $70.3 billion from the $50.6 billion already approved. Mr. Kemp will argue that his plan would be more successful in stimulating the economy and thus government revenues, and that therefore a lower deficit ceiling would be needed. In reality, the vote will simply give House members a non-binding way to express their preference between rebates and job programs on one hand and permanent tax reduction on the other.

While we don't expect the GOP to be successful in this vote, it would certainly be doing the President a big favor if it were. Instead of scattering money over the landscape, which is the essence of the Carter program, the Republican alternative would increases incentives to production. In inviting an increase in the supply of goods produced, the lower rates will expand employment and real incomes without requiring monetary manipulations by the Federal Reserve. It is vastly superior not only to the Carter plan but to the gimmicky jobs program advanced by Senate Republicans in their attempts to imitate Democrats.

The President, of course, has been assured that his program will stimulate just as well as permanent tax cuts, though of course the Fed has to "accommodate" it by gunning the money supply. By our reckoning, though, if the Fed does gun the money supply all the economy will get is more inflation, which pushes up everyone's taxes. And if the Fed doesn't do so, the Carter program will create no new jobs and the money for the most part will go down the drain.

Why don't the House Democrats support the GOP alternative? Jack F. Kemp, who is sometimes caricatured as a right-wing football player, unabashedly gives credit for his idea to John F. Kennedy. In 1962–63 Mr. Kennedy argued that the way to get the country moving again was not through higher spending but through lower tax rates. His tax cut reduced each bracket roughly 25%—from 91% to 70% at the top and 20% to 14% at the bottom. At the time House Republicans voted 3-to-1 against this step, and were squashed in the 1964 elections as the JFK tax cuts proved a smashing economic success.

It is not only baffling, but almost comical, that Mr. Carter rejects this Democratic precedent while embracing the tax rebate scheme adopted by Gerald R. Ford in 1975, with ill effects on the economy and his own re-election bid. Happily for the nation, some House Democrats are beginning to scratch their heads in wonder too. Rep. Andrew Jacobs of Indiana and five other Democrats last week ridiculed and voted against Mr. Carter's rebate scheme, which survived the Ways and Means Committee by a vote of only 20–17. Meanwhile, Democrats are seething at Mr. Carter's slashing of dams and water projects while proposing a jobs program for more leaf-rakers.

So when the House votes on the permanent tax cut, Democrats can easily support it knowing the real credit is due their JFK. Republicans can do the same. And if the Republican program should pass, everyone could breathe easier about the outlook for the economy.

PARDON FOR DRAFT VIOLATORS TOO BROAD

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. GRASSLEY. Mr. Speaker, in his first day of office, President Jimmy Carter pardoned practically all Vietnam war draft-law violators. Mr. Carter, in keeping with a campaign pledge, granted a full, complete, and unconditional pardon to almost everyone convicted of breaking the Selective Service Act during the war. The amnesty covers an estimated 13,000 mostly white, middle-class men who had the education, money, and counseling to avoid the draft and another 250,000 men who never registered. However, it excluded nearly 100,000 men who deserted the Armed Forces.

Although some groups have attacked the amnesty plan because it did not include deserters, I agree with those who

say the program is too broad. The vast majority of you who have written me in the last week have said the same thing.

Mr. Carter's sweeping pardon has no precedent in American history. Neither the post Civil War nor the post World War II pardons were as inclusive as the Carter program.

Senator BARRY GOLDWATER was correct when he warned that Mr. Carter's program "will utterly destroy the effectiveness of any draft should we feel the need to go back to a selective service." That is the sentiment of most veterans' groups as well. After all, if in the future we face some grave military crisis and every young man has the choice of obeying or flouting the draft law, believing he can escape scot free, our national security will be jeopardized.

The director of the ethics and public policy program at Georgetown University said:

If no penalty—not even compensatory civilian service—were meted out to draft violators, would this not encourage self-indulgence, cowardice, and disrespect for the very disciplines of freedom which are under siege around the world?

In 1974, President Ford granted amnesty to draft evaders who agreed to perform some form of alternative service. Almost 13,000 men took advantage of that program. Close to half of them were granted outright pardons.

President Carter, however, would without questioning their motives for evading the draft, grant clemency to everyone. The refusal of some young men to answer their country's call to duty in Vietnam certainly can be justified on religious and moral grounds. Conscientious objectors to all wars were given the option of alternate civilian service during the Vietnam era, and 35,000 draftees chose that option. Another 30,000 more, at their request, received noncombatant military service in the medical corps.

Those draftees who opposed only the Vietnam war and, therefore, could not qualify for alternative service could serve a prison term instead of fighting.

Still thousands of young men fled the country or refused to register for the draft. Instead of granting them a blanket pardon, as Mr. Carter did, I believe we should onsider clemency on a case-by-case basis.

Throughout our history, U.S. Presidents have granted clemency almost exclusively case by case. In fact, about the only time this was not the case was after the Civil War, when President Andrew Johnson granted a blanket pardon not to Union soldiers but to Confederate soldiers to try to unite the country.

By granting clemency to the thousands of young men who fled the Vietnam war with no questions asked, President Carter will only encourage young people to escape, rather than work through the system, in the future. He is also demeaning those who served in Vietnam, whether or not they thought the war was right, and those who gave their lives for our country there. One young man who served two tours of duty in Vietnam told the American people last week:

I think Carter sold out every American vet living and dead. If I had known this would happen, I would have gone to Canada to hang out.

Instead of healing this Nation, Mr. Carter's amnesty program has only opened up new wounds. I hope he will reconsider his plan before it is too late.

MANDATORY SENTENCING BILL SUPPORT GROWING

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ANDERSON of California. Mr. Speaker, the support for our legislation to provide a minimum mandatory prison sentence of 5 years for anyone convicted of misusing a firearm by committing a Federal crime is growing with each day.

Citizens from across the country are calling my office and voicing their support for this sensible bill that does a very sensible thing—punish anyone who misuses a gun. National organizations are offering their support, and additional Members of this Congress are continuing to add their names to the growing list of cosponsors. I might add, Mr. Speaker, that this list now numbers over 100.

I ask consent to include with my remarks several letters that I have received in support of this legislation. In addition, I urge any Member who has as yet not cosigned this bill, to do so. It is about time to recognize our responsibility to address this problem with firm action and decisive steps.

Mr. Speaker, the letters follow:

WILMINGTON, CALIF.,
February 3, 1977.

Re: H.R. 1559

DEAR CONGRESSMAN GLENN:, Your comments on the minimum mandatory prison sentence bill and the reading of said bill (which you sent to me 26 January) contents, leaves me with the feeling that you, like myself, are greatly concerned with the coddling of convicted slayers who use a gun in the commission of a crime. It is high time that we reverse the trend that has been prevelant these many years of bleeding for the criminal and just plain ignoring the feelings of the victims and their families.

I do thank you most heartily for forwarding to my attention the bill described and most assuredly congratulate and support you in this important item.

I hope you continue in good health and may God Bless.

Respectfully,

B.J. CANNISTRACI.

So. WALNUT ST.,
Lomita, Calif.

Hon. GLENN M. ANDERSON,
Longworth Bldg.,
Washington, D.C.

DEAR SIR: I see by today's "Daily Breeze", (Page D 3) that you have introduced legislation calling for mandatory prison terms of at least five years for any one convicted of committing a federal crime with a fire arm.

If The "Breeze" is correct, let me be among the first to offer my thanks to you for your untiring efforts in behalf of all the decent law-abiding citizens in our great nation. I do hope you will be successful in your endeavors. I'll be watching with a great deal of interest as this is very important legislation.

It is the only answer to those who would deprive us of our right to keep and bear arms as guaranteed to us by our constitution. They will surely try again this session to sneak some form of anti-gun legislation through the hallowed halls of congress. I hope you will be watching as I will. They must be stopped at all costs. Again I thank you and with best wishes I remain;

Respectfully,

Mr. D. "L". HARRIS.

CONTRA COSTA COUNTY,
Martinez, Calif., January 24, 1977.

Hon. GLENN M. ANDERSON,
The House of Representatives, House Office Building, Washington, D.C.

DEAR MR. ANDERSON: I certainly endorse your bill H.R. 1559 concerning additional penalties for the use and/or possession of firearms during the commission of crimes.

It requires some premeditation when a criminal arms himself with a firearm. It also implies a willingness to use the firearm if necessary.

It is my opinion that the certainty of a long prison sentence will be a significant deterrent against using firearms. Best wishes.

Very truly yours,

HARRY D. RAMSAY, *Sheriff-Coroner.*

CALIFORNIA RIFLE AND PISTOL ASSOCIATION, INC.,
Garden Grove, Calif., February 14, 1977.

Hon. GLENN M. ANDERSON,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN ANDERSON: Thank you for your letter of January 25, 1977 in which you enclosed a copy of your HR-1559.

We are in complete support of the mandatory penalty concept for the use of firearms in the commission of a violent crime. I suggest you consider an amendment to your bill which will subject an accomplice to the same punishment as the criminal who had in his possession or used a gun during the commission of the crime.

You may be aware that the California Supreme Court recently held that because of the language of California's mandatory penalty law an accomplice not using or having a gun in his possession during the commission of the crime could not be subject to the mandatory additional penalty. Legislation has been introduced to correct the flaw and I suggest you amend your bill to take care of this problem before some federal judge finds the same flaw in your bill, should it become law.

You may quote us as supporting your HR-1559.

Sincerely,

JAMES R. SEABERRY,
President.

SHERIFF'S DEPARTMENT,
Colusa, Calif., January 21, 1977.

Hon. GLENN M. ANDERSON,
House of Representatives, House Office Building, Washington, D.C.

DEAR SIR: I want to take this opportunity to commend you in your efforts to control the use of firearms during the commission of crimes. I feel that Bill H.R. 1559 will be a deterrent.

During the past few years all crimes have increased throughout the United States. I feel the Courts are somewhat responsible for this because of recent Court decisions and minimal penalties handed down to convicted criminals. More mandatory penalty laws should be enacted.

I support Bill #H.R. 1559 and urge its enactment.

Yours very truly,

JOHN J. TROUGHTON, Jr.,
Sheriff.

SHERIFF'S DEPARTMENT,
Bakersfield, Calif., January 17, 1977.

Hon. GLENN M. ANDERSON,
Member of Congress, House Office Building, Washington, D.C.

DEAR CONGRESSMAN ANDERSON: Your proposal of mandatory penalties under H.R. 1559 has my unqualified support. Until such time that the criminal element in this country is made aware of the definite period of confinement for each violation committed, we will continue to see an unacceptable increase in crime.

This type of legislation is a step in the right direction.

Sincerely,

AL LOUSTALOT,
Sheriff.

BUFFALO RESCUE

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. JACOBS. Mr. Speaker, despite all of the implications of our late and lamented Great Dane, at the request of Alice Widener, I insert the following article which appeared in the Indianapolis Star on February 9, 1977:

[From the Indianapolis Star, Feb. 9, 1977]

BUFFALO RESCUE—STAR GIVES GREAT PERFORMANCE

(By Alice Widener)

What can fly through the sky with the greatest of ease and rescue a snow and ice bound city of half a million population by delivering a total of 2,000,000 pounds of heavy equipment and a battalion of the Army engineering corps? Answer: the United States Air Force C–5 built by Lockheed—the one that several members of Congress and other backward-ho advocates tried not only to ground but also to knock off the assembly line in the 1960s.

Today, the entire population of the city of Buffalo is indebted to the C–5 for a massive delivery of immensely heavy snow removal equipment such as four snow blowers weighing 18,000 pounds each and five scoop loaders weighing 268,000 pounds so that lifesaving paths could be cleared for delivery of medicines, medical attention, food, fuel and other vital necessities.

On Feb. 2, a Lockheed-built Air Force C–5 took off from JFK International Airport in New York and one hour later landed at Buffalo, lowered its ramp and disgorged four snow blowers and 20 operators on the run. The equipment was furnished by New York City and the press is full of wonderful tales about the N.Y. Snow Commandos winning the deep winter Battle of Buflalo.

What the press also should be full of, in my judgment, is highest praise for the U.S. Air Force and Lockheed Aircraft for winning the battle of the C–5 a few years ago in the face of bitterest possible opposition by members of Congress and by the anti-military cabal in our nation.

It was a very hard, nasty fight! I know because two of us in the press—Robert M. Bleiberg, editor, Barron's National Business & Financial Weekly, and yours truly—got into the fight on what was then the unpopular side, the Air Force-Lockheed side—but eventually became the winning, life-saving side.

On Aug. 17, 1970, Barron's declared that some senators' "escalated war" on Lockheed was "indefensible" and reminded Americans, "During the past half-century, Lockheed Aircraft corporation time and again has made aviation and aerospace history . . . Survival of Lockheed as a going concern is clearly vital to the national security."

On Oct. 24, 1970, after a personal trip to Lockheed at Dobbins Air Force Base, Marietta, Georgia, I wrote, "Like every great performer, the C–5 has had her ups and downs. Up there (in the sky), she's a real bird . . . The difference between the marvelous new C–5 Galaxy Air Freighter and the small Air Force transport in which I flew to West Berlin, shortly after the airlift that kept it free, is as great as the difference between the old S.S. Olympia that crossed the Atlantic in 12 days and the S.S. Queen Elizabeth . . . For peace and defense, we need the biggest, best and most capacious air freighters that our industrialists, engineers, mechanics and designers know how to build. Folks, if you could see the C–5 soar up and away into the sky as I did, you'd say she's a real star."

What a star she is today!

Everybody knows that the C–5 saved Israel in the Yom Kippur War.

Now everybody ought to know that the C–5 (plus some C–130s and C–141s) saved half a million Americans in the city of Buffalo during our peacetime weather crisis, a natural catastrophe of the kind that can strike any part of our nation for any reason.

The lesson of the C–5 rescue of Buffalo which took place on the very day President Jimmy Carter made his first fireside chat to the American people, illustrates in remarkable fashion the wisdom of the President's statement, "Our nation was built on the principle of work and not welfare—productivity and not stagnation."

Today, far too many vocal zealots are opposing the kind of brilliant, progressive productivity in our nation that can solve our energy crisis and make our peace-defense military establishment the best in the world. Nothing better illustrates the marvelous linkage of peace-defense equipment than the C–5 Air Force transport plane. Best in defense is best for peace. All Americans can be and should be star performers.

THE ENERGY PROBLEMS AS SEEN BY DR. SCHLESINGER AND THE YEAR AHEAD

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. MURTHA. Mr. Speaker, no issue facing Congress will continue to preplex the Nation as much as the energy problem. Unable to be solved by a "quick fix," single bill, or generally agreed-to plan, the debate promises to be intricate and hotly contested.

And well it should be. For in the energy policies we set in the months ahead will rest the economic development of the United States for the remainder of this century.

I am not among those, Mr. Speaker, who feel the years since the Arab oil embargo have been wasted in the energy field. Public information on the issue has increased greatly, 55 energy laws have been passed by Congress, giving us a base to build upon, and, most important, a general philosophy of approach has formed.

I was impressed by a speech given by Presidential Energy Advisor James R. Schlesinger in June 1972. At that time he predicted our energy problems and suggested what should be done to solve them.

This discussion by Dr. Schlesinger 5 years ago began by noting:

As a nation we have begun to recognize that we have reached a condition in energy affairs in which abundance and flexibility are passing and shortages and stringency of supply are believable. This is basic to the widespread interest in formulating an energy policy, but we are far from a consensus on the nature of the proper policy or even on what features to include in a program of action. It will be difficult to develop or to implement an all-inclusive energy policy. But defining the problems and informing the public are necessary, first steps toward solution of the broader problem.

As I noted, in the time since that speech I believe we have made significant progress in Dr. Schlesinger's goals of informing the public.

In his speech, Dr. Schlesinger highlighted what many of the key points of the overall energy philosophy have become. He began by talking about restructuring the energy approach:

The solution may lie in the building of greater flexibility and diversity into the supply situation rather than trying to find ways better to manage a touch-and-go situation. In the short-term this might mean measures to augment stocks, standby capacity, and ready reserves . . . It might require special incentives, taxes, regulation, and controls to assure that suppliers or consumers will implement the desired changes or pay for them.

Coupled with those changes is a second key element of that philosophy—insuring results.

If we limit the import options and change the pricing of domestic gas, there must be assurance that additional domestic fuel supplies will be forthcoming and the cost must be fairly predictable. The assumption that any cost is acceptable and the consumer will readily pay is an illusion that may be quickly dispelled.

And Dr. Schlesinger went on to indicate that a third element of the philosophy must include long-range outlooks built upon new approaches:

I would like to see the Nation expand its energy options, not restrict them. This means diversification of our energy R. & D. efforts and encouragement of work on all the promising technologies that can contribute toward an optimal energy economy.

Next, Dr. Schlesinger outlined the fact that the problem goes well beyond energy into areas that affect supply and demand by using coal as an example:

Although gasification and liquefaction of coal are high priority programs for industry, they should in no way detract from the long list of research programs to improve mining, cleaning, transportation, and use of coal.

I also agree with Dr. Schlesinger's early assessment of the need for a full role for coal in the energy picture:

In my judgment coal must maintain an important place in the energy economy of the future. The magnitude of the problem with which we are all struggling requires the maximum contribution from each of our fuel industries. Unless we are oblivious to the serious implications of the growing dependence on fuel imports . . . we shall want to develop our domestic resources as fully as practical.

Finally, Dr. Schlesinger cited a concern of many citizens in our Nation, and came to a conclusion I endorse:

> This society should be able to attain its goals for environmental improvement without sacrificing historical economic gains or rejecting important social values.

The key for the year ahead is to move from this general philosophical concept to policy specifics. As I indicated earlier, that will require some give-and-take and involve some difficult votes by every Member of Congress. I would not pretend to have all the answers, but I would like to sight some principles and basics I believe belong in such a policy approach.

First. Conservation—There is no doubt we all share a burden for remaining wasteful in our energy use. As President Carter said recently:

> The amount of energy being wasted which could be saved is greater than the total energy that we are importing from foreign countries.

Second. Independent audits—I also support President Carter's move for an independent audit of energy supplies. Last year I suggested the U.S. Geological Survey be assigned this task on a regular basis. I would stress the independent audit needs to be ongoing.

Third. Incentives—The Government must provide incentives to expedite the energy priorities. Last session and this I have supported legislation to provide tax credits for home energy improvements. Soon I will be introducing legislation to improve the tax picture for industries to adopt pollution control devices and to switch to alternate energy sources.

Fourth. Uncertainty—The final point is that Congress must remove the uncertainty that develops our Nation's policy around every energy source. We cannot expect citizens, companies, and research facilities to operate in an unknown climate. Toward that end, just as President Carter is setting a deadline for submission of his energy package, I would hope Congress would set a deadline for ourselves of dealing with all phases of the energy crisis and insuring a coordinated policy.

As President Carter said in his remarks to the Nation on energy,

> We must face the fact that the energy shortage is permanent. There is no way we can solve it quickly.

With the efforts of all parts of our society, however, I am confident we can move toward the solutions over the months ahead.

TUG AND THE NEW WORLD LIBERATION FRONT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. McDONALD. Mr. Speaker, from the frequency and number of its bombings, the New World Liberation Front—NWLF—is the most active revolutionary terrorist group in this country.

The NWLF was formed in the summer of 1974 by the fugitive members of the Symbionese Liberation Army—SLA—William and Emily Harris and Patricia Campbell Hearst—shortly after the May 17 Los Angeles shootout in which six SLA terrorists were killed. The SLA fugitives fled back to San Francisco and enlisted the support of the Bay Area Research Collective—BARC—an openly pro-SLA support group organized by Kathleen Ann Soliah, a friend of the SLA's dead Angela Atwood, and by persons associated with the fringes of the terrorist underground in Berkeley.

In a cassette tape recorded message from the three SLA survivors which was delivered by a contact to Pacifica radio station KPFK in Los Angeles, William Harris said:

> We have come together in many different cells, * * * . We have taken many different meaningless names. But we are not hung up on names, for, as comrades-in-arms, we are one in our struggle for freedom. * * * let it be known that the Malcolm X Combat Unit of the Symbionese Liberation Army [the Harrises and Hearst] proudly takes up the banner of the New World Liberation Front.

The NWLF's terrorist career commenced with a pipe bomb—which did not explode—placed at the Burlingame, Calif., GMAC offices on August 6, 1974. The SLA's BARC "second team" included Kathleen Soliah; her boyfriend, James Kilgore; her younger brother and sister, Steve and Josephine Soliah; Bonnie Jean Wilder; Michael Bortin and his girlfriend, Maoist activist Pat Jean McCarthy. Members of the "second team" began their bombings while the Harrises and Hearst were still being hidden by radical sports analyst and critic Jack Scott.

The SLA's "second team" had previously been involved in revolutionary organizations and terrorist actions. On March 30, 1972, Berkeley police discovered bombs, explosives, chemicals and a Soviet AK–47, a fully automatic assault rifle, in a Berkeley garage.

Three men were arrested in a police stakeout. They were William Brandt, with whom Wendy Yoshimura who had rented the garage under the alias Anne Wong was living; Michael Bortin, a 1969 Berkeley SDS officer who was working with Steve Soliah as a house painter; and an SDS Weatherman from Lawrence, Kansas, named Paul Rubenstein. Rubenstein at the time of his arrest was living in a commune with Jim Kilgore, Steve Soliah, Soliah's girlfriend Emily Toback, Kathy Soliah, and Bortin's girlfriend, Pat Jean McCarthy, active in Venceremos and Bay Area Maoist circles.

Bortin and Rubenstein were sentenced to a year in the county jail, but William Brandt received a 1- to 15-year State prison sentence. Radical sports critic Jack Scott and his common law wife Micki McGee were friends of Jim Kilgore and Kathy Soliah. After the arrest of the revolutionary army band, Micki McGee Scott "cleaned out" the Brandt/Yoshumura apartment while Jack Scott drove the fugitive Yoshimura first to Los Angeles and then arranged for her to be taken by the "underground" to the east coast.

From that time, Jack Scott, Micki Scott, Kathy Soliah, Jim Kilgore, Pat Jean McCarthy, and Jay Weiner were all frequent visitors to the imprisoned Willie Brandt, whose attempts for parole have been repeatedly denied.

A newly published book, "The Voices of Guns," by Vin McLellan and Paul Avery [G. P. Putnam: $14.95] has placed in the public domain a great deal of previously unpublished detail gathered from persons who knew the various SLA members, from the court transcripts of several SLA trials, and apparently from FBI 302 forms completed during extensive post-conviction interviews with Patricia Hearst. Comparison of the McLellan and Avery book with other material has provided considerable information on the underground of radical activists and New Left attorneys who helped hide the terrorist fugitives, carried messages between prisoners and the SLA, helped plan jailbreaks, and gave them money.

Of the nine NWLF bombing units which had appeared by 1976, only one was not a direct NWLF operation. The NWLF, in its various communiques had stated that the only criterion for becoming a member of the organization was going out and committing bombings or other acts of armed struggle. An applicant organization soon appeared—the Emiliano Zapata unit.

The Zapata Unit also worked in close association with an "above ground" support unit, the New Dawn Party, and published a proarmed struggle newspaper, the People United. Several Zapata Unit/New Dawn Party members were arrested late in 1975 in a Richmond, Calif. "safehouse." Daniel Gregg Adornetto pleaded guilty to possession of explosives charges and received the maximum 10-year sentence. However, Adornetto cooperated with law enforcement and provided information that a Cuban Communist saboteur was among the Zapata Unit members who avoided being arrested. This demonstrated that although the New Dawn Party professed a Maoist ideology, they had received Cuban Communist support. It has also been widely reported that evidence was obtained showing that Weather Underground fugitive Jeff Jones had been in the Zapata Unit house.

On August 9, 1976, four Zapata Unit/New Dawn Party members pleaded guilty to lesser charges of illegal possession and storage of explosive materials. Janice Orson received a 1½-year sentence; Ellen Kesend a 2½-year sentence; Steven Scipes, 5 years; and Frederick Salkind, the son of Isadore and Eleanor Salkind who in the 1940's ran the Thomas Jefferson bookstore for the Communist Party, U.S.A. in Washington, D.C., also received a 5-year sentence. Others involved with the Zapata Unit included Larry Kissinger and Steven Queener from whose father's business in Idaho the explosives were obtained for Zapata Unit bombs.

Another NWLF unit has appeared in New England—the Sam Melville/Jonathan Jackson Unit. To avoid confusion, the NWLF west coast Jonathan Jackson/Sam Melville Unit announced in Jan-

uary that it had changed its name to the Eugene Kuhn Brigade, after an elderly man who froze to death in his unheated house recently. The New England Melville/Jackson Unit has taken credit for several bombings during the spring and summer of 1976 and is charged with the attempted kidnaping of the president of the Polaroid Corp. Several accused members of the terrorist organization are now awaiting trial in Massachusetts.

At the present time a number of BARC/SLA/NWLF personalities are fugitives. They include Kathleen Ann Soliah; Josephine Soliah; Bonnie Jean Wilder who was in the process of joining the police department when the capture of the Harrises, Yoshimura, and Hearst revealed her belongings in the fugitives' apartments; and James Kilgore. Steve Soliah was acquitted of participating in an SLA bank robbery in Carmichael, Calif., in which a woman was shot to death, reportedly by Kathleen Soliah, after Soliah's long-term girlfriend provided him with an alibi. Only after Soliah's case had gone to the jury was it discovered that Emily Toback had lied. At the time of the bank robbery she and Soliah were not in her apartment: she was at Folsom prison visiting an inmate. Steve Soliah and Michael Bortin have denied committing criminal acts. However, it appears that Bortin has since gone underground; he failed to appear for a recent court hearing.

The NWLF has specialized in terrorist extortion campaigns directed against bay area businessmen and public officials. It has also joined the ranks of transnational terrorism. The NWLF's predecessor, the Revolutionary Army, had bombed the Iranian consulate in San Francisco during its short career. On July 1, 1976, and again on September 10, 1976, the NWLF detonated powerful plastic explosives bombs at the home of the South African consul-general in San Francisco. The fact that the terrorists attacked the consul's home, rather than his offices, and at night when he and his family were asleep, clearly shows an attempted murder. Late in 1975, the NWLF targeted San Francisco public officials—the county supervisors—for terrorist extortion.

On January 11, 1976, bombs were discovered inside candy boxes mailed to Supervisors Quentin Kopp and John Barbagelata. When Supervisor Kopp's secretary opened the candy box, a piece of cellophane fell between the circuit contacts, preventing the bomb from exploding. The other supervisors were immediately contacted by police. At the time of their call, Supervisor Barbagelata's children were coming back to the house from the post tossing the candy box bomb casually in the air. Only providence kept it from exploding in their hands.

NWLF bombings continued throughout the year. On December 14, 1976, the daughter of Supervisor Diane Feinstein found a massive pipe bomb filled with plastic explosive in a windowbox at the family home. The blasting cap had misfired. Had it exploded as intended, the house and most likely its occupants would have been destroyed.

With its true SLA leadership in jail or underground, the Bay Area Research Collective, P.O. Box 4344, Berkeley, Calif. 94704, is in a state of collapse. As its principal overt support of terrorism project, BARC had published 10 issues of "Dragon," a newsletter containing communiques, internal criticism by terrorist revolutionaries, and bomb and fuse-making instructions. BARC intended "Dragon' to provide "a dialog to alleviate the isolation of the underground."

Now after intensive investigation by law enforcement agencies, financial problems and the disappearance of its leadership, BARC wants a lower profile. In a letter circulated to its subscribers and supporters in January, BARC said they "need time to sit back and evaluate our successes and failures, digest the changes we have gone through and discuss new directions for our work as aboveground revolutionaries."

BARC continued:

> We have observed that no matter how hard we try to keep things in perspective, we are misleading people—not only people supporting guerrilla struggle, but those actively engaged in it. The revolutionary movement in this country is not large. Those who support armed struggle comprise just a small segment of the larger movement. Too often we have seen the comrades conclude, after reading Dragon, that there is either a large clandestine network deeply rooted in the masses or that one is just around the corner. We have never, nor do we now think that such is the case.

Although BARC hopes to remain in existence as a collective "at least for the time being," it says "for us to continue to go through the motions of publishing "Dragon" without political direction—or enthusiasm would be nothing more than pseudo-revolutionary busy work."

Analysis indicates that BARC is suffering from the effects of the split in the Weather Underground Organization. A hard core, the Revolutionary Committee, wants to continue the WUO's tradition of terrorist bombings. Another group of WUO regulars wants to surface and lead the American left in formation of a new vanguard Marxist-Leninist party. BARC's ties to the now disintegrated aboveground WUO organization, the Prairie Fire Organizing Committee—PFOC—seem broken. And BARC/PFOC activist Jeff Sokolow is now concentrating on writing for the Bay Area office of the "Guardian," an independent Maxist-Leninist weekly which supports the Cuban, Vietnamese and Red Chinese varieties of Marxism-Leninism.

NWLF AND TUG

Although BARC is in a state of collapse, the New World Liberation Front has a second support group operating in the San Francisco Bay area—the Peoples Information Relay-1—PIR-1. PIR-1 publishes another proterrorist journal, "The Urban Guerrilla—TUG—and operates a terrorist press service, the PIR-1 News Service—PNS—which for a small monthly fee will deliver fresh terrorist communiques to Bay Area media subscribers and phone them collect or mail them to more distant PNS subscribers.

TUG was hailed by the Bay Area Research Collective as "a new publication put out by the People's Information Relay I. Its primary objective is to relay information for the New World Liberation Front."

The principal figures in PIR-1, TUG and PNS are a 38-year-old ex-convict named Jack Rodgers, now using the name Jacques Rogiers; and his 25-year-old companion, Andre Marie Lougher. Rogiers and Lougher have repeatedly boasted to the press of their role as "NWLF couriers" in collecting NWLF communiques and redistributing them to the media on behalf of their underground comrades.

Rodgers served 5 years in the California correctional system for narcotics possession and was discharged from parole in 1974. In February 1976, Rodgers was arrested and charged with failing to appear before a grand jury; however contempt charges were later dropped. In October 1976, Andre Lougher was acquitted of charges of attempting to intimidate a Federal grand jury investigating NWLF terrorism.

On January 23, 1977, Rodgers was arrested at his house at 423 Oak Street, San Francisco, Calif. 94102 [415/864-6953] which adjoins the TUG print shop and the PIR-1 office which has its own press and photographic set up. A 6-hour search by police resulted in the removal of two truck-loads of paper and other evidence.

TUG No. 4 was distributed after Rodgers' arrest by other PIR-1 members. This latest issue of NWLF communiques reinforces the position of the group as transnational terrorists, with statements of support for the Palestine Liberation Organization—PLO—and threats against the "Jewish-American ruling class." Transnational terrorism is defined as terrorist actions carried out by local terrorists in one country in support of terrorists in a different country.

The New England Sam Melville/Jonathan Jackson Unit, in a communique taking credit for the attempted bombing of the Union Carbide offices in Needham, Mass., stated:

> Our task in the belly of the beast must be to provide principled armed support to oppressed people who are struggling for liberation. We must attack the enemy from within. A thousand times we must attack the enemy for it is strong * * * and vulnerable * * *. We're involved in a War—A people's war against those who oppress the people. This is war in the clearest sense of the word.

The NWLF responded to Rodgers' arrest with new threats and bombings. The NWLF statement after the arrest said,

> Your recent action against our courier, Jacques Rogiers, has left us with no choice but to escalate our tactics.

The NWLF stated that "death warrants" would be issued for Supervisors Kopp, Feinstein and Barbagelata; for San Francisco County Jail medical personnel Robert Mendel and Barry Kramer; and for Assistant U.S. Attorney Raymond Bietz who unsuccessfully prosecuted Andre Lougher, unless the NWLF's demands were met.

The NWLF communique set January 27 as their deadline. On the night of January 27, the NWLF struck, but not at the named targets. Five bombs were

placed in a PG&E substation alongside transformers and exploded. An estimated $250,000 damage resulted.

On February 4, 1977, the NWLF detonated a pipe bomb placed under the car of San Francisco District Attorney Joseph Freitas. The car was parked outside his home. An hour earlier, another bomb had exploded in the Federal Immigration Building, but did little damage.

A woman caller told Associated Press that the Freitas bomb had been placed by the Lucio Cabanes Unit of the NWLF. A later typed message directed to a TV station said the bombs were in retaliation for the arrest of Rodgers "our courier."

Rodgers—and previously Ande Lougher—are represented by National Lawyers Guild activist J. Tony Serra, who at a press conference on February 10 with Rodgers said,

It is inferable that the group will stage more armed acts because officials have not met its demands.

Serra continued "infering" that "between now and March 21—Rodgers' trial date—more bombings will be claimed."

Rodgers then claimed that there was nothing illegal about being a member of and courier for a terrorist group, and asserted he was charged not for acts of extortion but for exercising his first amendment rights as a newsman and publisher to gather and disseminate news. Despite the recent documentation that Rodgers had advance knowledge of NWLF bombings, he asserted his only role with the terrorists was to "contribute information to the media."

Statements made by ACLU of Northern California Executive Director Fishlow indicate that the ACLU is supporting Rodgers' claim to first amendment immunity.

Other members of the TUG/PIR–1/PNS collective include Cynthia Cole, Kit Bowden, and Marlene Tobias. They say Ande Lougher is "out of town" and unavailable for comment.

Murderous terrorists like the NWLF, SLA and Weather Underground can only be effectively combatted by thorough investigations by Federal and local law enforcement of subversive groups and their sympathizing networks. The draft legislation prepared by the ACLU, Center for National Security Studies, and Committee for Public Justice would preclude investigation of these groups. I urge my colleagues to reject such efforts.

CAP SAVES 34 LIVES IN 1976

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. WOLFF. Mr. Speaker, it is with great pride and pleasure that I bring to the attention of my colleagues the many successful rescue missions accomplished by the Civil Air Patrol during 1976.

I am proud to serve as a member of the Congressional Squadron of the CAP, and congratulate my fellow CAP units on their brilliant performance during the last year. We owe a great deal to these flyers who, through their brave and dedicated efforts, have assisted rescue missions throughout the country, saving many lives.

CAP SAVES 34 LIVES IN 1976

Following are brief descriptions of the rescue missions in which Civil Air Patrol was credited with saving a life during 1976.

While most people throughout the nation were celebrating the arrival of the new year in January 1976, members of the Wyoming Wing were busy assisting persons stranded in a winter blizzard. Wyoming members used four-wheel drive vehicles and worked transporting stranded individuals to safety. Fifty-seven persons were assisted during the two days, and CAP was credited with saving the lives of two of the people caught in the blizzard.

The Florida Wing was credited on Jan. 9 with saving the lives of a couple missing overnight in a boat. Fifteen minutes after taking off to assist in searching for the two people, the CAP aircraft spotted the boat aground on a shallow bank. The sheriff's department was called to the scene and rescued the couple.

TWO SAVED

A ground search team from the New York Wing saved the lives of two people who crashed Jan. 16 in a light aircraft near Westchester, N.Y. CAP searchers were called into action after a CAP pilot who was making an approach landing to the airport picked up a signal from the crashed aircraft's emergency locater transmitter (ELT).

An intensive six-day search in Alaska for a missing light aircraft was concluded successfully on Jan. 22 with the recovery of the pilot and his passenger. The missing plane was located in a remote area in Merrial Pass northwest of Anchorage. Two saves were credited to the Anchorage CAP unit due to the remoteness of the area, cold winter temperatures and the improbability of recovery without assistance.

SAVE IN WASHINGTON

Fast action by two members of the Washington Wing Jan. 29 proved to be instrumental in saving the life of a man who was in critical condition after inhaling cyanide gas. The CAP members transported some cyanide antitoxin from Spokane to Yakima, Wash., to save the man's life.

Two young Oregon hikers were saved Feb. 2 by a ground search team. The team located the missing hikers on the 500-foot level of Mt. Hood and turned them over to their parents.

A missing light aircraft was spotted by the Texas Wing on Feb. 14 and the unit was credited with saving the life of the pilot. After pinpointing the location, the CAP members radioed the information to the local sheriff and the injured pilot was driven to a local hospital for treatment.

AIRLIFT OF BLOOD

Two members of the Idaho Wing airlifted three pints of blood from Spokane, Wash., to Bonner's Ferry, Idaho, on March 7 which helped save the life of a hospital patient. The blood was needed to stabilize a 79-year-old woman suffering from internal bleeding.

CAP and Air Force rescue forces joined together to save the life of a pilot of a light aircraft which had broken through the ice of a frozen lake near Skwentna, Alaska, March 29. The Anchorage CAP unit located the downed aircraft and due to darkness, an Air Force aircraft was launched to conduct a flare drop while a helicopter made the pickup.

The ELT again proved helpful in saving the life of a downed pilot whose aircraft crashed in Texas in April. The Texas Wing was credited with the save after they "homed in" on the ELT signal and directed a state helicopter to the site for the recovery.

HOSPITAL PATIENT AIDED

Emergency airlift of urgently needed blood and survival instruments by the Idaho Wing helped save the life of a hospital patient May 14. CAP completed the lifesaving mission in a little more than an hour after receiving the call for help. CAP flew the needed blood and instruments from Sand Point, Idaho, to Spokane, Wash., for use in the children's ward of the Sacred Heart Hospital.

A search for a 17-year-old girl, who was on special medication for epilepsy, was concluded when the Wisconsin Wing aircrew located her in a ditch six miles south of Colifax, Wisc. Local law enforcement officials were directed to the scene and rushed the girl to the hospital.

MISSING MAN FOUND

On June 12, a Wisconsin Wing ground search team saved the life of a man missing from the Southern Colony Home. The man was located near the Bong Recreation Area about 10 minutes before sunset with severe weather forecast for the night.

The last save recorded during the first six months of the year was credited to the Oregon Wing when it saved the life of an injured hiker. The ground team located the missing hiker in less than three hours after being notified of the emergency. He had fallen and broken his left shoulder and was unable to find his way out of the area.

ELT USEFUL

The 20th and 21st saves of the year came on Aug. 9 when an ELT again proved instrumental in helping save the lives of a pilot and passenger of a light aircraft which crashed on the outskirts of Oakland, Calif. The California Wing followed the ELT signal and directed a rescue team to the crash site for the recovery.

Two days of search efforts paid off Aug. 11 when the Maine Wing located a downed aircraft by tracking its ELT signal. The light aircraft had crashed on a flight from Caribou, Maine, to Manchester, N.H. A U.S. Coast Guard helicopter was called to the crash scene and the pilot was hoisted aboard.

TWO SAVED AUG. 15

Two saves were recorded on Aug. 15 when the Idaho Wing was credited with saving the life of a hospital patient through the airlift of urgently needed rare blood and the Minnesota Wing saved the life of a missing man. The 80-year-old man was spotted by a Minnesota aircrew and picked up by a civilian ground team.

CAP recorded its fifth live saved during the month of August with the emergency airlift of a wounded man on Aug. 26. The patient, a gunshot victim, was picked up and transported from Clear, Alaska, to the Fairbanks hospital by a CAP unit in Clear.

The Colorado Wing concluded an intensive six-day search for a missing light aircraft on Oct. 2 and was credited with saving the lives of the two persons aboard. The wreckage was located in the vicinity of Monarch Pass by the Colorado Wing. Ground vehicles were called in to recover the survivors.

PASSENGER SAVED

CAP's 28th save of the year came Oct. 4 when search crews of the Illinois Wing located a downed aircraft in the vicinity of Manteno, Ill. The local sheriff's department was called to the scene and transported the surviving passenger to the Kankakee Hospital. The pilot was killed in the crash.

During the last part of October and early November, four hunters were added to the list of lives saved by CAP in 1976. The Montana Wing spotted an overdue hunter on Oct. 27 and radioed his position to a private helicopter in the vicinity. The man was suffering from exposure and disorientation.

On Oct. 30 the Colorado Wing saved the life of a 15-year-old boy who had become

lost while elk hunting. A CAP aircrew located the boy and directed ground teams to the scene.

30 MINUTES REQUIRED

It took the Wisconsin Wing less than 30 minutes to find a missing hunter on Nov. 8. The hunter was found in good condition, but was suffering from hypothermia, a condition in which the inner body temperature is lowered and, if not corrected, can result in death.

The New Mexico Wing saved the life of a hunter on Nov. 17 by reporting the lost man's location to an Army National Guard helicopter which picked him up. Six CAP aircraft participated in the two-day search for the man.

The 33rd life-saving effort in 1976 was on Nov. 29 when the Colorado Wing saved the life of a hospital patient by airlifting urgently needed blood. The CAP aircrew transported the blood from Denver to Haxton, Colo.

The final save of the year came Dec. 17 with the medical evacuation of a badly burned 11-year-old boy from Clear, Alaska, to the Fairbanks hospital. The Clear CAP unit transported the injured boy and was credited with the save.

CIVIL AIR PATROL SEARCH AND RESCUE STATISTICS—1976

State	Missions	Sorties	Hours	Saves	Finds
Alabama	14	61	155	0	10
Alaska	108	802	1,785	4	46
Arizona	33	254	619	0	11
Arkansas	21	259	490	0	16
California	64	1,074	1,694	2	28
Colorado	45	716	1,233	5	21
Connecticut	3	12	19	0	2
Delaware	1	3	4	0	1
Florida	31	122	193	2	20
Georgia	20	127	226	0	7
Hawaii	0	0	0	0	0
Idaho	17	49	81	3	4
Illinois	13	103	240	1	7
Indiana	16	31	68	0	9
Iowa	3	6	12	0	2
Kansas	12	30	60	0	[1] 3
Kentucky	7	37	95	0	1
Louisiana	14	55	83	0	7
Maine	6	50	95	1	6
Maryland	4	2	3	0	1
Massachusetts	5	344	552	0	3
Michigan	9	249	624	0	4
Minnesota	6	40	64	1	1
Mississippi	6	42	101	0	4
Missouri	10	46	78	0	[1] 7
Montana	6	17	39	1	1
National Capital	4	4	2	0	[1] 2
Nebraska	4	8	17	0	0
Nevada	17	173	390	0	8
New Hampshire	3	58	87	0	1
New Jersey	4	97	237	0	2
New Mexico	25	714	1,201	1	6
New York	15	59	559	2	6
North Carolina	20	113	604	0	[1] 10
North Dakota	4	7	17	0	3
Ohio	26	183	392	0	12
Oklahoma	10	190	337	0	0
Oregon	21	214	352	3	3
Pennsylvania	33	50	76	0	11
Puerto Rico	1	10	20	0	0
Rhode Island	2	15	23	0	0
South Carolina	6	51	102	0	[1] 4
South Dakota	13	30	55	0	10
Tennessee	18	137	231	0	9
Texas	35	855	1,684	2	16
Utah	15	367	679	0	4
Vermont	1	27	29	0	0
Virginia	28	141	222	0	[1] 15
Washington	11	403	717	1	1
West Virginia	8	94	168	0	0
Wisconsin	11	130	257	3	48
Wyoming	6	214	533	2	2
Total	317	8,875	17,604	34	395

[1] find shared with another wing.

INDIVIDUAL INITIATIVE HELPS SENIOR CITIZENS: SARI MITCHELL AND HER INFLATION FIGHTERS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. DORNAN. Mr. Speaker, Congress has long wrestled with the problems which face our elderly citizens: The problem of loneliness, the problem of getting out and around, the problem of buying food on a dwindling real income, and the problem of meeting nutritional needs. Unfortunately, congressional solutions to these problems usually take the form of mammoth bureaucratic programs that are both ineffective and impersonal.

Congress could learn something from Los Angeles' Sari Mitchell and her Inflation Fighters.

Sari Mitchell is a young and lovely lady who has succeeded in doing what 535 men in Washington—aided by a nationwide bureaucracy—have been unable to do: help the elderly help themselves. This top local television personality has created an imaginative new service to the elderly. As a member of the Mayor's Council on Senior Citizens, Sari arranged for daily buses to take hundreds of elderly to agricultural areas surrounding greater Los Angeles. Although no longer a member of the council, Sari continues her fine work as part of the We the People Foundation, under the chairmanship of Mr. A. John Merlo.

When the seniors arrive in the agricultural areas, they may not only have an enjoyable outing, but purchase food direct from the farmers at prices much lower than wholesale. During the trips, Sari and her Inflation Fighters, Barbara Strasser and Harry Huett, give nutritional tips and money saving ideas to their passengers.

The seniors love it, the farmers love it, and Sari and her coworkers love it.

I commend Sari and her Inflation Fighters for their valuable service to the elderly of the Los Angeles area. Their personal commitment and caring do what no bureaucrat or Federal fund can. These Los Angelenos allow the elderly to enjoy themselves while coping with inflation.

Mr. Speaker, so that my colleagues may be made familiar with the good work of Sari Mitchell's organization—and hopefully learn something from it—I include articles from the Oxnard Press Courier and the Los Angeles Times in the CONGRESSIONAL RECORD:

[From the Los Angeles Times, Nov. 20, 1975]

SENIORS ON A BARGAIN BINGE

(By Jean Bennett)

The local school teacher and housewife both claimed the produce was second-rate because all the good stuff was sent to the big-city markets. But they were pushing loaded carts through the checkout where owners Nick Marsis and Jess Avila were bagging boxing and overworking the cash register. And two busloads of quiet discerning senior citizens from South Los Angeles thought the fruit and vegetables were just fine, thank you, shopped like fury and left about $700 at the "Sunny Nik" produce stand at the five-road, intersection in quaint Oxnard.

These people, representatives of 22 senior citizen clubs in Los Angeles, all on Social Security and only a few having small additional pensions, saw that the produce was good and the price certainly right. Some with lots of fun left in them bought absolutely huge pumpkins for $2 and then had to help each other lift them. Those of frailer spirit, bought normal-sized pumpkins for $1. They also bought bags of beautiful tomatoes at 19 cents a pound. For $1 they bought eight pounds of Delicious apples or four large eggplants or eight cucumbers or 10 small cauliflowers or eight cantaloupes or three large honeydews or eight pounds of onions. Six bell peppers were 25 cents and four red peppers were 25 cents and pinto beans were 39 cents a pound.

PACKED A LUNCH

They all felt it was more than worthwhile packing a lunch and paying $5 for the bus-trip to join Sari's Inflation Fighters. They had a beautiful day-long ride up Pacific Coast Highway into the farmland. They bought produce, meat, and eggs at discount prices. They stopped off at a winery for a tasting. They had fun and fellowship— a day out with a bright, young tour leader and a marathon-talking hardworking and helpful bus driver.

A word here about Sari Mitchell who runs the buying tours as well as occasional and inexpensive tours for seniors to San Diego, San Francisco and Las Vegas, with Barbara Strasser and Harry Heuitt.

$3000 BAKE-OFF WINNER

Sari Mitchell was born in Mississippi, raised in Chicago and attended the University of Colorado. She was a $3,000 Bake-Off winner for her "Hawaiian Tuna Puffs." The fact that at the time she was 8½ months pregnant and the Pillsbury Company sent a doctor to accompany her from Chicago to the 1961 Bake-Off in Los Angeles is the type of thing that just seems to happen to her. Now Sari has a full-time job to support her four children who range in age from 5 to 15 because so far none of the tours has ever netted these three people more than $35 each—what with $100-a-day bus rental, free cold drinks and telephone. Sari does radio, television and has published three books. These art forms revolve around her ability to turn junk into treasure.

As the bus rolls along, she and Harry Heuitt vie for the mike. He jokes, his captive audience laughs and gently chides him. She entertains by giving out money-saving tips. How about filling holes in plaster walls with toothpaste, cleaning silver in water in

which Irish potatoes have been boiled, or what about cleaning off rust with a mixture of apple cider, vinegar and water.

She passed out free sodas, held onto the backs of seats as the bus winged along and said, "We love seniors. We prefer them to young people and we want to help them."

At the produce stand, Heuitt had loaded the luggage compartment of the bus with each person's bags and boxes, stapling a slip of paper with a number to each. Then to the Saticoy Meat Packing Co., 1691 Los Angeles Ave., Saticoy, where in addition to being granted wholesale prices an additional 5% discount is given to Inflation Fighters' buses. Harry placed all the meat packages on dry ice in the holds. One woman bought $62 worth wholesale, paying $59 for it. A random listing per pound retail is: bacon $1.89; pork butt roast, $1.29; pork shoulder roast $1.05; country spare ribs $1.29; center cut pork chops $1.75; loin lamb chops 99 cents; crown roast of lamb $1.19; veal steak $1.19; leg of lamb $1.29; chuck steak 69 cents; T-bone steak $1.89; leanest ground beef $1.09; chuck ground 79 cents; corned beef $1.09; boneless rolled roast $1.55; filet mignon $2.29. The meat was excellent in appearance and, as Mrs. Shackelford said, was trimmed well.

Naturally, the amount of money at hand and the amount of storage at home determined the size of the purchases. A number of people said they had upright freezers. Several said they had only small units in their refrigerators. Others said they could use freezers of friends. Still others bought in large quantity to share with stay-at-homes. Mrs. Evans admitted she was glad she came, although it had been a big joint effort to get her on the trip. And it was always she who was the last shopper, carefully selecting her merchandise, slowly climbing back on the bus, her white hat square on her head, while her peers waited patiently.

Next stop was the S & K Ranch at Moorpark where only Sari Mitchell is allowed out of the bus since humans can give diseases to chickens. Price for large, fresh eggs to the Inflation Fighters was 59 cents a dozen. S & K sells them to stores for 66 cents a dozen, to the public for 71. The 27th bus tour Nov. 11 purchased 77 dozen eggs. Sari collected the egg money in her hat that at another time had doubled as a litter bag and still another as a cold soda can dispenser.

The last stop was at Brookside where Harvey Reese had spread out cheese, crackers and five wines for tasting and where some of the elders bought a bottle or two and made it quite clear that it was for medicinal purposes only.

Harry Heuitt, whose regular job begins at 5 a.m. daily when he buses 40 commuters to Los Angeles from Westlake, had stowed the vast quantities of food so packages could be removed with the least amount of confusion at each of four stops. Bus tours had always ended at 3 p.m., Sari said, but because these folk had bought so much, the last of the 38 riders were not dropped off until 5:30 p.m. It was dark and it was hard to sort out the last of the precious loot. One package seemed to be missing, its owner distraught until Sari found it on the bus.

"Now you can smile again," she said.

Truth of the matter is, everybody was smiling.

[From the Press-Courier, July 19, 1967]

SENIORS HUNT BARGAINS IN OXNARD

(By Jane Nolan)

Oxnard became a cornucopia of bargains Thursday for a group of Los Angeles senior citizens.

The 40 men and women were on an outing sponsored by Inflation Fighters which has made 175 trips to Oxnard in the last eight months. The seniors made their first stop at Donlon Farms, shopping for fresh produce. They next stopped at Chase Bros. Dairy on Wolff Road for lunch and complimentary milk. Wonder Bread Bakery in Camarillo and Brookside Winery in Ventura were also on the agenda.

The three Angelenos behind Inflation Fighters are Sari Mitchell, Barbara Strasser and Harry Huett, who provide bus transportation and scout around for bargains.

"I used to come up here to shop. I would make it like an outing. It's fresh, it's rural, it's charming," said Sari Mitchell, who works with the Mayors Council on Aging in Los Angeles.

She wanted to share her bargain-finding knack with senior citizens.

Mrs. Mitchell did volunteer work with the seniors helping them recycle second-hand items into usable treasures. (She has written a book, "Junk for Joy," and has been signed to do a nationally syndicated television show, "Sari's Treasure Chest.")

Seniors from different city and county recreation centers, churches and banks contact Inflation Fighters when they want to take advantage of the one-day trips. (The seniors are taken to Redlands to buy chickens and turkeys for Thanksgiving, Lancaster for cherries and Indio and Palm Springs for nuts and dates.) Cost of the transportation is $5.

"Seniors don't have cars and they can't walk far. They love one-day trips," said Mrs. Mitchell, a former Pillsbury Bake-off winner in 1961.

For an hour, the group poked among the fresh produce sections, examining lemons, grapes, plums, bananas, potatoes and tomatoes.

"One little woman who has been on 12 trips with us said she has bought a freezer since she's been going on shopping trips with us," said Mrs. Mitchell.

COMPUTER TECHNOLOGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. TEAGUE. Mr. Speaker, in a recent address to the American Institute of Industrial Engineers, Dr. George E. Mueller discussed the problems and solutions confronting us in the field of computer technology. Dr. Mueller's remarks merit attention, I believe, not only because of their relevance to our own responsibilities in authorizing and appropriating funds for Federal programs, but also because of their significance to our society generally. A key passage of Dr. Mueller's speech states:

The truth is that today's computers are wonderfully efficient at performing complex mathematical calculations—but they are woefully *deficient* at all those storing, sorting, and fetching operations that are involved in data base management. However, these mundane tasks constitute 90% of what we ask computers to do today. In other words, the computer industry has gone through three generations of development to perfect machines optimized for 10% of the workload.

I am enclosing a copy of Dr. Mueller's address in the RECORD for the consideration of my colleagues:

ADDRESS OF DR. GEORGE E. MUELLER

I've been asked to speak on "What's ahead for data base systems?" Implicit in that question is a basic presumption that we'll continue to do things pretty much as we are now—perhaps with some fancier terminals or some clever new programming legerdemain.

I see quite a different future. Indeed, it would perhaps not be too strong to say that I see the end of the computer era as we know it today. I believe that most of today's computers will be replaced by quite different machines, machines that will make today's number crunching computing systems as obsolete as the dinosaur. And the basic factor that will force this transformation is what we prosaically call "data base management."

The truth is that today's computers are wonderfully efficient at performing complex mathematical calculations—but they are woefully deficient at all those storing, sorting, and fetching operations that are involved in data base management. However, these mundane tasks constitute 90 percent of what we ask computers to do today. In other words, the computer industry has gone through three generations of development to perfect machines optimized for 10 percent of the workload.

Moreover, that workload disparity will inexorably widen in the years ahead. As data processing becomes an ever more pervasive part of our everyday lives, the new applications will have little need for complex arithmetic calculations. Rather they will have a simple primary need to query a data base and get a specific answer as quickly and cheaply as possible. Simple as that need may be, it presents what I regard as virtually insurmountable problems for the computers we have today.

To appreciate the reasons for this anomaly, you must understand why they have evolved as they have. The early computers were principally asked to do complex arithmetic calculations. They were asked to do simpler data manipulation operations as well, but since it was hard enough to sell one computer, much less two, in those days, designers naturally structured their machines for the more difficult task. As a result, the computer architect became optimized for such necessary esoterica as double precision arithmetic. Each subsequent generation of computers followed this path, leading to the enormously complex adding machines we have today.

Now, those complex 30 x 30 matrices, those sophisticated instruction sets, and all the data *redundancy needed* for number crunching uses up a great deal of CPU time. Moreover, the executive routines, the operating systems, and the memory configurations are carefully tailored to meet the requirements of complex arithmetic calculations. They perform these functions very well too, but that very excellence has made their application to data base management functions a difficult and inefficient task. The result, even in this age of microminiaturization, has been large banks of computers and storage devices in order to fulfill an organization's *total* processing needs. Adding a new data base access function today involves a contest between the programmer and the computer. Since the computer's architecture is so structured and inflexible, the computer invariably wins such a contest. The programmer must resort to convoluted paths and excessive time and storage just to enable his company to keep track of inventory.

This year's Mars Viking landing is certainly illustrative of the situation we have gotten ourselves into. Certainly, the guidance of the vehicle required complex calculations, but by far the largest processing job was tagging and storing data for retrieval and evaluation. About the most complex computation required on this latter role was multiplying by a constant. Yet banks upon banks of essentially identical computers were called upon to perform both types of processing tasks, and they were only marginally effective in keeping up with the stream of data pouring back from Mars.

The problem is certainly not limited to a major scientific project like Mars Viking. A normal meteorological satellite will saturate

even the biggest of today's computers. It is inefficient; it is costly; but it is the best we can do with today's computer designs. Moreover, these problems and costs vary only in degree from those faced by businesses in using their computers for such everyday activities as inventory and payroll.

Remember, too, that we're not asking much of our computers yet in the matter of data base management. As we move toward a paperless society, the demands for efficient storage and retrieval will become ever more acute. When we abandon the crutch of the ubiquitous computer readout—I wonder if we ever will, entirely—more and more of our records will be relegated to electronic storage.

Even if the paperless society is far off now, we can already see applications crying for efficient data base management systems popping up every day. Banks are turning to electronic funds transfer; when a customer makes a purchase, his file must be searched and modified with a minimum of delay.

Businesses are linking their manufacturing plants and their sales offices over phone lines and all share a common data base; when a customer wants to know if an item is in stock, or when he can take delivery, the file for that part must be searched and perhaps modified—again with a minimum of delay. The pressures are steadily mounting for a common data base for maintaining records needed by various government agencies. The incipient explosion of the word processing market may well double electronic storage requirements before 1980.

We simply won't be able to meet these growing demands by making our number crunching computers bigger and faster. For both technical and economic reasons, we are nearing the end of the line on *that* brute force approach. The magnitude of the data base management role is reaching such proportions that a radically different approach is essential.

There is no question in my mind but that an entirely new type of processor will be developed in the next five to ten years, and that this new machine will be optimized for data base management functions. I suppose, out of habit, we'll still call them computers, but they will be very different from the computers we know today. With the lower hardware costs resulting from large scale integration devices, we will no longer be economically required to force-fit a number crunching computer to data base management functions. We will be able to afford two types of processors. The workhorse machine will handle all the data base management functions that will so predominate. The few percent of the tasks requiring complicated calculations will be handled by stripped-down versions of today's computers.

What's needed to develop these new data base management machines? Essentially, we'll need three developments—first, a brand new architecture, optimized for data base management; second, better mass storage hardware and techniques; third, better security and privacy systems.

Athough the new architecture will be strikingly different from that used in today's computers, I do not feel that it will be expensive to develop. In effect, this architecture will eliminate many of the overhead and cataloging functions that use up so much CPU time and will substitute an instruction set optimized for the information storage functions of addressing, sorting, fetching, list processing, and the like.

Effective utilization of mass storage will be an essential feature of the new architecture. Today's computers are quite wasteful of mass memory for two principal reasons. First, the file systems inherently result in substantial areas of the disk being unused. In order to allow for recording of large files, a programmer faces a Hobson's choice. One alternative is to allot a larger contiguous file space than needed for the majority of his batches; in record-by-track systems, this precaution involves entire tracks, but in any event a "holey" disk is inevitable if contiguous space is to be allocated for the maximum batch size. The other alternative is dynamic disk allocation, whereby a batch is packed in pieces in whatever spaces are available on the disk. This alternative suffers from the excessive amount of time required to record and subsequently address that data in that batch. Neither alternative is efficient, and an entirely new approach is needed to permit automatic compaction of data, yet still enable all necessary expansion and immediate access of the complete file without delay.

The second requirement for efficient mass memory utilization is the elimination of redundancies. Today's computer systems store huge amounts of redundant data—including all that blank space—simply because the computer architecture is such that data cannot be recovered in a usable form unless it is recorded in a pre-set file format. Hence, since it is now very inefficient to use the CPU for multiple fetching and reformating of common data for different applications, files are maintained on disks for each application, even though much common data is maintained from file to file.

Another major change that will be required to effectively implement a responsive data base system is the system access provisions. Even in the "simplest" time-sharing systems today, a trained programmer is needed to enter and retrieve data efficiently. Languages such as BASIC have helped somewhat, but operators still must be trained, and generally the programs they write are extremely inefficient in terms of number of fetches, mass memory allocation, and the like.

The new system architecture must allow for the fact that tomorrow's systems will be used by clerks, not programmers. Ideally the clerk should be able to enter a request in free-form English without resorting to special key words, mnemonics, or special symbols. The system should not even demand that the clerk spell correctly, or enter the request in any structured order. In effect, the system should respond to the clerk just as if it were another person.

The second major area of development needed is the storage medium itself. There is no doubt in my mind that we cannot afford to rely solely on electromechanical devices such as disks and magnetic tapes. Not only are the storage requirements going to grow tremendously, but fail-safe operation will be extremely important. As we move toward a paperless society, more and more of our essential records will be stored exclusively on these devices. Electromechanical devices inherently are subject to breakdown, an eventuality that would at best disrupt the system, and at worst cause these essential records to be irrevocably lost. It appears to me that these electromechanical storage media will be replaced by fail-safe, cost-effective solid state mass memories.

Fortunately, we are on the verge of a breakthrough in memories. The work on electron-beam, laser, and super-cooled memories is extremely promising. The use of magnetic bubbles as a storage medium is just starting to be exploited but I see no technological reason why this could not be a viable approach. All in all, I am confident that cost-effective, solid state mass storage will be fully developed within the next five years. When that occurs, we'll have both the processing capability and the storage capability to build spectacularly different and larger data base management systems.

What might such a system look like? Well, I certainly expect that a typical system will be quite large with geographically dispersed elements probably linked by voice-grade communications links. The processing elements will undoubtedly be distributed, with intelligent terminals accessing a common data base. In such a large, dispersed system, the bulk of the data entry and processing will undoubtedly be performed on a batch basis locally with transmission of compacted, formatted data at night.

The system will be so designed that clerks can enter data and access the data base using free-form English commands. The intelligent terminals will probably provide cues on the display screen (or perhaps audibly) so that relatively unskilled operators will be sure to enter all needed commands, and will be alerted when they have made input errors. Initially, there will probably be printers at each terminal, but as we move closer to the paperless society, the requested data will simply be displayed to the operator.

The clerk will ask, "What is the status of Part No. 123456?" and the system will display some such answer as "572 units are in inventory in Moline." In the same transaction, the clerk could order the part using his terminal, and the system would automatically transmit the instruction to Moline and modify the data base records accordingly.

There's nothing particularly new in this entire flow—except that it will be done simply and efficiently, because the machine is designed specifically for data base access. Since the complexity of today's number crunching computers will not be needed, the data base processing and storage equipment can be much more compact and less expensive. We won't need 100 MIP machines. The peripherals and I/O equipment can be much more efficient. We can take advantage of the remarkable breakthroughs in size and cost of computer modules we are starting to see today. I estimate that we'll be able to store and process at least a bibliography of all the literature in the U.S. using a system no larger than a conventional office desk. Today, if anyone even attempted such a gargantuan task, I suspect he would need at least a room full of data processing equipment.

One interesting possibility that may well affect the course of data base management systems in the development of voice controlled computers coupled with artificial intelligence. These devices would permit an operator to provide commands orally to the machine and receive data from the machine in voice form also. When this development is perfected, the operator will be able to talk normally to the computer in an interactive oral exchange. Moreover, the request need not be structured as it is today. Instead of issuing an instruction such as "Access File X, Segment Y," the operator can simply say, "Tell me what the market did today."

Perfection of voice controlled machines is probably 10 years in the future, depending on funding, but it is significant that we have machines with a 1000-word vocabulary right now. I expect that these devices initially will be used as input-output adjuncts to data base management systems. They will perform their primary input functions of voice recognition and automatic translation into machine code, and their output functions of translating machine code into English language equivalents and issuing semantically valid data.

Although these devices will initially be modular adjuncts to the primary data base systems. I expect that in subsequent generations they will influence the total system design. These later systems will be designed to take advantage of such voice translation capabilities as editing, and off-load these functions from the primary system to the voice input-output modules. In this way, these parallel developments will converge, perhaps in the 1990's.

Here I am, talking about second generation data base systems, and we aren't even close to the first generation systems. How will we get to these first truly effective systems? I am sure that the path will be the same as it was for computers. The first of

the new machines will be developed to meet government needs, then business, and finally the huge consumer market.

Why the government first? It's not just the more readily available funding; it's also the enormous data base inherent to modern government operations. Moreover, the size of this data base is greatly influenced by the widespread duplication of data. IRS data is duplicated by census data, which is duplicated by security data, *ad infinitum*. This duplication is becoming prohibitively expensive, and it is a problem for which a data base management system is an ideal solution. Certainly, the storage costs could be cut in half.

Business should benefit directly and quickly once system architectures and hardware are developed for the government market. As we have seen in the evolution of computers, the normal course of free enterprise will quickly stimulate manufacturers to adapt systems for the needs of large businesses, then smaller and smaller businesses, until the systems are as pervasive as computers are today. The process may occur even more quickly than did the proliferation of computers, since these machines will be designed for the primary processing needs of businesses, and they will be operable by untrained personnel.

I see no insurmountable technical barriers to this new processing era, but I do see a legislative stumbling block that could cause significant delays. The issue I am referring to is privacy. Not security, since I feel that encryption devices will certainly be added to prevent unauthorized access to privileged data. Privacy, however, is a much stickier issue.

The present legislative situation regarding privacy can best be described as chaotic, but if there is a trend, it is away from common data bases. The Privacy Act and various state laws evidence a supposition that since computers permit better records, they are a growing threat to personal privacy. If you read these laws literally, they imply that data bases not be maintained at all. Of course, this is honored more in the breach than the observance, but it does point up current attitudes that stand in the way of efficient data base systems.

There is such a basic illogic to this whole situation that it can only be based upon the fact that legislators, at least, do not fully understand how processors work. Certainly there is no technical reason why we cannot design a system of shared files without compromising privacy. Moreover, a citizen probably has more privacy with electronic records than he did with the old system of hard copy records. Still, there is a great concern that a citizen's records will be abused, presumably by some government or business employee who will use the more complete picture to the detriment of the citizen. The specter of a police state hovers over the entire issue.

The issue is further complicated by the legislative requirement for full government disclosure. How this can be reconciled with full privacy. I confess I do not know. Even so, there are no signs yet that pressure groups or legislators are taking a fully rational view of the issue to permit legislation that will curb abuses without halting the natural growth of the electronic age.

While much of this legislation is specific to government records, some of it extends to business records—particularly credit data—as well. Moreover, legislative roadblocks to shared government data bases will inevitably affect businesses because, as I have said, the first systems naturally would be developed for government use. The data processing industry is unlikely to make such a major investment while the legislative picture is so cloudy.

I am confident, however, that the current legislative tangle will not last long. The economic pressures for efficient data processing are simply too overwhelming. Just as industry is being stimulated to overcome the few technical barriers still remaining, so I think legislators will eventually be stimulated to enact legislation that will permit more efficient government and business without compromising personal privacy. When this occurs, we will see the end of the computer age and the natural evolution into the age of efficient shared data base processing.

In summary, data base management has already emerged as the biggest and fastest growing use of computers. Today's computers simply aren't good enough for the new workload. We must design machines specifically for this task, or we will be overwhelmed by the magnitude of the data involved. There is no reason why we cannot design such machines. The technology largely exists today. However, we must recognize that current privacy legislative proposals represent a major threat to the efficient data base management we so badly need. Privacy legislation dictating the organization and maintenance of centralized data files must be intelligently implemented. Otherwise, all our technology is for nought.

MR. CARTER AND THE ISSUES

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. CEDERBERG. Mr. Speaker, the material referred to in the body of the RECORD follows:

JIMMY CARTER ON THE ECONOMIC ISSUES

Inflation and unemployment. The Republican Administration has tried to fight inflation with high unemployment and record high interest rates. The result has been the worst unemployment since the Depression, the highest average rate of inflation for any Administration in over 50 years, and the highest interest rates since the Civil War. I pledge that if I'm elected, we will never use unemployment and recession as a tool to fight inflation. We will put into place a coordinated set of programs which will reduce overall unemployment to 4% and inflation to 4% or less by the end of my first term.

Achieving a balanced budget. During the past eight years, the Republican Administration has given us the largest deficits and the most unbalanced budgets in the history of our country. Mr. Ford's $65 billion deficit for the last fiscal year is the largest in our history and is greater than all the deficits for the Kennedy-Johnson years put together. After we're finished with Mr. Ford's latest budget, the federal government will have accumulated more public debt in the past eight years than we had outstanding for the entire 192 preceding years of our history. I am committed to achieving a balanced federal budget by the end of my first term and to keeping government spending at or beneath its current share of our national output.

Financing our new programs. We will bring new initiatives to vital areas such as health care, housing and welfare reform carefully and prudently, *without any increase in taxes* and within the constraint of achieving a balanced budget by the end of my first term. We will finance these programs with the additional tax revenues which a growing economy will generate. As we put our people back to work, they can join the ranks of taxpayers instead of receiving tax-free unemployment compensation and welfare payments. The Republicans say it's too expensive to put our people back to work. I say it's too expensive not to.

Tax reform. If I'm elected, we're going to reform our tax laws to make them simpler, fairer, and more efficient. In 1974 there were 244 people with incomes over $200,000 who didn't pay one cent in federal income tax. We're going to close the loopholes and the tax shelters which permit that kind of an outrage. Under our tax reform, low and middle income taxpayers who earn their living from wages and salaries will pay less taxes because we will shift some of the tax burden to those individuals and corporations who take advantage of the special interest shelters and loopholes which we will eliminate. The tax values of legitimate deductions, such as the interest on home mortgages, will be retained.

EXTRACT FROM PRESS BRIEFING ON DEFENSE ADVISORY SESSION

PLAINS, GA., JULY 27, 1976

Question. Governor, could I ask you, in your campaign obviously you are going to have to address this, can you tell us whether the defense budget you will be recommending in your campaign will be roughly equivalent to the present defense budget, somewhat higher, or somewhat lower?

Governor CARTER. I can't answer that question yet. My belief, which has not been shaken, is that compared to the present defense budget, as it evolves from one year to another, no matter what the level is, that a saving can be realized of roughly 5 percent through some of the changes that I've advocated over a long period of time. But I can't give you at this point an exact figure for the next year or the following year's defense budget.

Question. I take it the savings may be eaten up by the need for development of weapons or other matters.

Governor CARTER. No matter what the level of the defense budget might be, to give us an adequate security force. The changes in the deployment of our armed forces, reduction in troops overseas, a change in the personnel policies of our country, an elimination of unnecessary functions of the Defense Department, all that can still result in the savings that I've outlined—$5–$7 billion, which would be about 5%.

FEBRUARY 22, 1977.

To: Mr. Cederberg.

From: Minority Staff, Appropriations Committee.

Re President Carter's Revisions of President Ford's Budget.

For fiscal 1977, President Carter's revisions of President Ford's budget would result in a $6.2 billion outlay increase to $417.4 billion, and a $4.7 billion decrease in revenues, to $349.4 billion level, enlarging the deficit by $10.8 billion, to $68 billion.

For fiscal 1978 the $440 billion outlay level in the January budget would increase by $19.4 billion to $459.4 billion, revenues would *rise* by $8.6 billion to a $401.6 billion level, and the projected 1978 deficit would increase $10.8 billion to a $57.7 billion level.

The economic assumptions underlying the budget revisions (shown for *calendar* years, not *fiscal* years) estimate somewhat greater economic growth and lower unemployment than appear in the January budget. The budget revisions do not allow for the severe cold weather impact nor the effects of western drought on the economy.

The following table "Comparison of Economic Assumptions" shows the difference between the January budget and the Carter revisions with respect to such key economic variables as Gross National Product, major

income shares, price changes and unemployment. GNP, or national output, is estimated to gain $4 billion, attaining an $1,884 billion level in current dollars in 1977, and to gain $13 billion to reach a $2,105 billion current dollar level in 1978. After adjusting for expected inflation the 5.2% real GNP growth in 1977 (per January budget) is assumed to rise to a 5.4% level in the Carter revision in response to the stimulus package. Similarly, the 1978 real growth is assumed to increase from a 5.1% to a 5.4% level.

The price assumptions in the Carter revision are similar to those in the January budget for 1977, the consumer price estimates are the same in 1978, but the GNP deflator (meaning economy-wide price changes) is slightly higher in the revision (6%) than the January budget (5.9%) for 1978.

Unemployment is assumed lower in both 1977 and 1978, according to the budget revision, showing a change from 7.3% to 7.1% in 1977, and from 6.6% to 6.3% in 1978. This outome is assumed to result from greater economic growth as well as additional public sector employment resulting from local public works, CETA, and anti-recession state and local fiscal assistance, described as $1.6 billion in 1977 and $6.2 billion in 1978.

The severe cold weather and western drought impacts on the economy may slow the economic recovery this year. The impact on energy requirements, upon fuels for both heating and energy requirements, upon industrial water uses in the west, and upon both water and fertilizer for crops, suggests it may be more difficult to achieve the economic growth rates and unemployment rates assumed in the budget revision message. The natural resource constraints cannot be readily changed by short-run fiscal policy which seeks to increase demand for national output.

Moreover, the character of the proposed economic stimulus package, which purports to assist private sector business activity by increasing consumer demand and by tax credits intended to stimulate private employment and new investment, appears *not* likely to be particularly effective because:

a. The $50 per head rebate or income supplement is to be a once-around affair, acting for a short temporary period, perhaps in the April-June quarter or a little later, but not comparable in effect with a permanent tax cut which could increase consumer spending regularly.

b. The social security credit to business firms for newly-hired workers could add moderately to liquidity of labor-intensive small businesses—and even large retailers—but at just over a penny per man-hour would probably not really add much to private employers' demand for additional workers.

Moreover, the addition of 700,000 new workers to total employment since November, the rise in help-wanted advertising, the steady growth of non-farm jobs and the significant decline of unemployment prior to recent cold weather, combine to suggest that private demand for labor has been growing significantly and would continue.

c. The alternative investment credit for business could modestly assist business firms seeking to add new equipment but is not designed to significantly help firms build new plant capacity, and thus fails to focus on crucial capital formation requirement and deals instead with a matter of lesser priority.

d. Finally, larger deficits, added public works not significantly related to productive capacity, and public sector jobs whose past accomplishments show little promise for the future, continue a trend which shifts resources from private to government control, enlarging the government role in the economy and diminishing the scope of private activities; in short, a policy aiming in the wrong drection.

COMPARISON OF ECONOMIC ASSUMPTIONS

[In billions]

	Actual 1975	Preliminary 1976	1977 January	1977 Revised	1978 January	1978 Revised
Gross national product:						
Current dollars:						
Amount	1,516.0	1,693.0	1,880.0	1,884.0	2,092.0	2,105.0
Percentage change	7.3	11.6	11.0	11.3	11.3	11.7
Constant (1972) dollars:						
Amount	1,192.0	1,265.0	1,331.0	1,334.0	1,398.0	1,406.0
Percentage change	−1.8	6.2	5.2	5.4	5.1	5.4
Incomes (current dollars):						
Personal income	1,250.0	1,375.0	1,521.0	1,528.0	1,684.0	1,698.0
Wages and salaries	807.0	890.0	996.0	992.0	1,102.0	1,108.0
Corporate profits	115.0	150.0	172.0	173.0	194.0	197.0
Price level (percentage change):						
GNP deflator:						
Year over year	9.3	5.1	5.6	5.6	5.9	6.0
4th quarter over 4th quarter	7.1	4.7	5.9	5.9	5.7	5.8
Consumer price index:						
Year over year	9.1	5.7	5.1	5.1	5.4	5.4
December over December	7.0	4.8	5.3	5.3	5.2	5.2
Unemployment rates (percent):						
Total	8.5	7.7	7.3	7.1	6.6	6.3
Insured [1]	7.2	6.4	5.4	5.4	4.6	4.4
Average Federal pay raise, October (percent)	5.0	4.8	6.5	6.5	6.3	6.3
Interest rate, 91-day treasury bills (percent) [2]	5.8	5.0	4.4	4.6	4.4	4.6

[1] Insured unemployment as a percentage of covered employment.

[2] Average rate on new issues within period; the rate shown for 1977 and 1978 was the current market rate at the time the estimates were made.

FISCAL YEAR 1977 OUTLAY REVISIONS

Outlays estimated in January at $411.2 billion are now revised to $417.4 billion. The increase of $6.2 billion includes:

[In billions]

Employment and training programs	$1.0
Local public works program	.2
Counter cyclical revenue sharing	.9
Proposed $50 payments—	
In excess of tax liabilities	1.4
Social Security	1.8
	3.2
Total	3.2
Federal supplemental unemployment benefits	.5
Unemployment insurance (reestimate)	−1.0
Food stamps and child nutrition	.7
Health care	.3
Foreign economic assistance	−.2
Mortgage credit programs (reestimate)	−.4
Interest (reestimate)	.3
Offshore oil land leasing receipts (change in timing)	.3

There is no change in net defense. Education, water resources development and net energy are changed each $50 million or less. Of the increases in 1977 outlays, $2 billion are for grants-in-aid, of which $1.8 billion is for economic stimulus.

FISCAL YEAR 1978 OUTLAY REVISIONS

[In billions]

Employment and training programs	$6.3
Local public works program	2.0
Countercyclical revenue sharing	1.6
Food stamp and child nutrition	2.1
Health care	1.3
Interest	2.0
Earned income credit	0.9
Federal supplemental unemployment benefits	0.4
Unemployment insurance (reestimate)	−1.2
Education	0.5
Veterans benefits	0.9
Water resources development	−0.3
Energy—Net increase	0.8
Defense—Net decrease	−0.3
Foreign economic assistance	0.6
Transportation (highways and railroads)	0.4
Social services	0.3
Offshore oil land leasing receipts (change in timing)	−0.3

Of the increases, about $10.0 billion are for grants-in-aid.

The net decrease for defense outlays is $0.3 billion; for budget authority the amount is a cut of $2.7 billion.

NATIONAL ASSOCIATION OF HOMES FOR CHILDREN ADOPTS EXEMPLARY CODE OF ETHICS TO PROTECT INSTITUTIONALIZED CHILDREN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. BIAGGI. Mr. Speaker, as a member of the House Select Education Subcommittee of the Education and Labor Committee, I have been deeply involved in the problems of foster children in this Nation. A great deal of my attention has been focused on the thousands of children who are placed through referrals into child care institutions.

I conducted 2 days of congressional hearings in 1975 looking into the foster care industry in the city of New York and discovered that many institutionalized children were becoming prisoners in the system with no real hope of attaining a life of permanency.

Subsequent to these hearings, some re-

forms have been made in the form of more periodic reviews of children in foster care and stricter licensing of foster care homes and institutions. I wish to bring to the attention of my colleagues an important document, the Code of Ethics of the National Association of Homes for Children, Inc. The code which was adopted on November 4, 1976, provides a model which respects the rights of all children under care, their right of individuality, their right to be free from neglect and abuse and above all the fundamental right of children to enjoy a life of permanence.

I offer for the consideration of my colleagues a copy of the Code of Ethics of the National Association of Homes for Children. I congratulate them on their initiative.

NATIONAL ASSOCIATION OF HOMES FOR CHILDREN: CODE OF ETHICS

We will protect children in our care from abuse or maltreatment, experimentation, economic exploitation, malnutrition and unsafe environments; and shall bring to account adults who thwart that purpose.

We will utilize fully our professional skills in striving to obtain for each child the permanence of a family life.

We will obtain or provide for children who are physically or mentally ill the best therapeutic care available to us.

We will provide every opportunity for children to learn and to develop whatever talents they may possess.

We will accord children in our care full respect as individuals, the full rights guaranteed all citizens of the United States, while teaching them to respect the rights of others.

We will respect the uniqueness of each child's race, culture and religion while attempting to instill a sense of self-worth, individuality, and the responsibilities as well as the privileges of citizenship.

We will nurture in each child the spiritual ethic appropriate to his background and religious heritage.

We will serve only those children for whom our service is appropriate and will plan carefully and realistically with, and for, each child, and, when available, with the family of the child.

We will strive to enhance the talents, techniques and compassion of adults in our employ.

We will use our knowledge and influence, as advocates for children, to improve social conditions, and develop resources beneficial to children and to the strengthening of American family life.

We will review constantly our services for relevance and effectiveness and shall strive to provide society and the community with child care services appropriate to their needs.

We will represent our services and intentions honestly and openly.

ANOTHER "VIETNAM" IN MIDEAST?

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. DRINAN. Mr. Speaker, I commend to my colleagues a perceptive article reprinted from the Boston Globe of February 22, 1977, which outlines the grim possibility that the deepening involvement of the United States in regimes like Iran and Saudi Arabia might lead to another Vietnam-like situation.

The article is written by Mr. Jerome Grossman, who helped to draft the foreign policy plank of the Democratic platform:

ANOTHER "VIETNAM" IN MIDEAST?

(By Jerome Grossman)

Anyone who thinks the United States cannot get fouled up in another Vietnam-type situation just hasn't been paying attention.

A curious situation has developed in Saudi Arabia and Iran. Both countries have purchased and are continuing to purchase large quantities of military hardware—mostly from the United States. Not only are these arms far in excess of any rational defense needs, but they are of such sophistication and complexity that the military personnel of the two countries cannot handle many of the weapons.

Thus, it has become necessary for Iran and Saudi Arabia to import many thousands of US military personnel as well as American civilian technicians, to install, maintain, operate and train. Some military experts say that it will be many years before Iranian and Saudi Arabian nationals will be able to take over these functions. Other experts doubt that they will ever be able to do so.

What we have, in effect, is a new type of American expeditionary force, hired by two authoritarian rulers, for apparently technical reasons. This is on a temporary basis, but it is likely to become permanent, particularly if the two rulers keep buying the latest American military equipment, thus requiring the presence of even more American technicians.

From the point of view of Iran and Saudi Arabia, an American presence would tend to dissuade hostile neighbors from military confrontation and indigenous revolutionaries from trying to topple these extraordinary repressive and backward regimes.

From the point of view of the Pentagon, American military and support forces with the most modern and sophisticated hardware and electronics have been installed near the Russian border and on the Indian flank, all at no cost to the American taxpayer—in fact at a profit to US multi-national corporations.

Has the US in effect, guaranteed the existence of the authoritarian regimes of Iran and Saudi Arabia?

Has the first payoff been made by Saudi Arabia in throwing the OPEC cartel into disarray by establishing its own oil price and increasing its production of oil?

Has the US again placed itself in a Vietnam-like situation where local factors in a far-off place could involve us in military support of outrageous regimes, first for short-term military and commercial profit, then to defend and rescue Americans thousands of miles from home? This is the way we became involved in Vietnam. We must guard against it happening again in Iran and Saudi Arabia.

THE NEED FOR CURRENT INTERNATIONAL POPULATION DATA

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. RICHMOND. Mr. Speaker, the world's population explosion has been too well documented to need further comment from me. It is now, and will remain, an integral part of nearly every problem, domestic or foreign, that is faced by the Congress of the United States. If we are to exercise good judgment, the requirement is that we have current international population data from the best possible source, which certainly must be completely objective.

As a member of the House Agricultural Committee and chairman of the Subcommittee on Domestic Marketing, Consumer Affairs and Nutrition, I have come to understand that the greatest threat to the food security of this globe and this Nation is the dramatic growth in world population that has occurred within the past few generations. If I, and other members of the Agriculture Committee, of Congress, and of the executive branch, do not have reliable population data, then how are we to make responsible decisions on food aid, on agricultural assistance, food reserves, or population policies? Obviously, we cannot.

For years, Mr. Speaker, population data has been made available to us by the International Statistical Program Center of the U.S. Bureau of the Census. Certainly, this organization is the best qualified to do the work.

Recently, it has come to my attention that this work is not funded by the Bureau of the Census. It is funded and authorized by the Agency for International Development Office of Population. This funding, however, is entirely discretionary. If AID wishes to pay for the work, it will be done. If AID does not wish to pay for the work, it will not be done. The Department of Commerce has no funds for this type of work, nor is it authorized to do so. This strikes me, Mr. Speaker, as "an astonishingly poor way to run a railroad."

According to Mr. James Turbitt, Associate Director of the Bureau of Census, for the year 1976:

The Bureau was not requested to produce world population figures.

With respect to 1975, I am informed that while all the new work on world population figures was done, it was never published. As for 1977, Mr. Turbitt has said:

The figures do not at present exist and cannot be supplied . . . without substantial investment of time and money which are beyond the current resources of the Bureau.

Mr. Speaker, who determines whether or not these population figures are made available to the Executive, the Congress, or to the public? The AID Office of Population. According to an editorial in the Roanoke Times of June 22, 1976, this same office refused to allow the publication of population data by the Bureau of the Census, because such data reflected poorly on AID programs.

I do not know whether this is true or not. The available evidence seems to point in that direction. But, Mr. Speaker, even if this is not the case, the possibility exists for it to be true. The Congress has, in effect, given the Office of Population a license to reveal, conceal, or even to manipulate population data.

For example, according to a special report of the Environmental Fund of May 1976, if the Census Bureau published population data without those changes AID wanted, "AID threatened to withhold the money for next year." I am shocked and outraged that this type of bureaucratic chicanery is going on. There is no possible excuse for it.

Therefore, Mr. Speaker, I am introducing legislation today to remedy this situation. It does not represent a change in our population policy. It does, however, directly authorize the Census Bureau and the ISPC to do the population work it is able and willing to do. In this way, we can eliminate a situation in which the evaluation of AID's programs lies solely within itself.

There are many Members of Congress as well as members of the general public who are interested in independent and timely population data. This legislation, I hope, will provide for this. Mr. Speaker, I insert the aforementioned editorial from the Roanoke Times in the RECORD following my remarks:

POLLUTING TRUTH AT THE SOURCE

Government agencies can make mistakes and so can private agencies and private people. Forgiveness on matters of opinion is a habit without which nobody could get along with each other. But there is one unforgiveable mistake: tampering with the facts at the source. That is: putting pressure on the Bureau of Census and other fact-gathering organizations.

The Environmental Fund, an organization concerned mainly with the soaring population of the world, finds reason to believe that the U.S. Agency for International Development (AID) is tampering with facts at the source of their being counted. Its May bulletin reported that it was having difficulty obtaining statistics from sources previously relied upon. It said:

"Late in 1975 we asked the Census Bureau if they were preparing international figures for 1975 and were told that they were, that the figures were nearly completed and would be published by January 15. In mid-January when we tried to obtain them, we were told that AID wanted changes made in them before they were released.

"We pointed out that the figures would be useless if they had been altered in order to please some other Agency. The reply was that if the research were published without such changes, AID threatened to withhold the money for next year."

The fund's bulletin called the action "bureaucratic chicanery." It can also be called preposterous, arrogant and evil. Congressmen could disagree on what to do with a crop shortage or surplus, but they would denounce any Department of Agriculture which fouled up the statistics at the source. Treasury Department financing, Federal Reserve System discounting, the cost-of-living index, price support levels—all of these problems require trustworthy, unpolluted statistics at the source.

Strong differences of opinion can and should exist over whether the size and means of foreign aid should be influenced by birthrates which swiftly overcome the good the aid accomplishes. But all parties to the dispute should have access to the best facts the guardian of statistics can gather. None should be misled by hoked-up statistics which make it easier for AID to justify a larger appropriation; or re-jiggered basic figures that argue for a reduction of AID.

Somebody at the very top of the federal government—at the State Department, the Office of Budget and Management, or the White House itself—should get out the whiplash. If the Environmental Fund complaint is not remedied, AID has committed the one sin that all reasonable disputants can agree upon. The most basic of governmental crimes is to destroy the basic evidence.

RAILROAD SAFETY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. BROWN of California. Mr. Speaker, I have introduced legislation today that would require the use of bulletproof glass in windows on the locomotive and rear car of passenger and freight trains. For those of my colleagues who are not aware of the problem that has prompted this legislation, I would like to briefly explain the background of this issue.

Numerous incidents of rock throwing and shooting at train windows in southern California have been reported to me. These daily occurrences cause delays, in the least serious cases, and have caused personal injury to railroad workers in the most serious incidents. Current regulations requiring shatterproof glass on locomotives have been ineffective in stopping these inquiries, even when the windows are protected by external steel screens. On many sections of rail lines, engineers and trainmen routinely hide away from the windows in anticipation of an attack of rock throwers. One United Transportation Union letter detailing incidents along one section of track stated:

The engineer gets down low in the seat and blows the whistle and hopes he will not get glass in his eyes. The trainmen hide or stay away from all windows in the caboose.

Safety bulletproof glass of the type used in aircraft is available for use in locomotive and rear car windows. It can prevent small caliber bullets from penetrating and deflect hand-thrown objects even when the train is traveling at top speed. Spraying of glass particles in the event of window breakage is minimized, helping to eliminate the danger of eye injury. Adequate safety measures need to be taken nationwide before injuries increase in number or become more severe. The legislation I introduce today will require these measures.

These disruptions cause a great loss of time and efficiency, and the distraction from necessary safety functions that these incidents cause is very disturbing. I urge prompt action on this legislation. It may seem that this is of minor importance in the light of other pressing legislation, but I assure you that it is an important matter to the men and women who are operating our rail systems under present conditions.

CHRISTIAN SCIENCE MONITOR SUPPORTS FEDERAL GRAND JURY REFORM

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. EILBERG. Mr. Speaker, the Subcommittee on Immigration, Citizenship, and International Law is about to commence its hearings on proposals to reform the Federal grand jury system. I have introduced H.R. 94 suggesting such extensive, yet balanced, reforms.

After careful review of my proposals, the Christian Science Monitor, I am pleased to say, has come out in strong support of my bill. I am inserting in the RECORD that editorial, dated February 16, 1977:

GRAND JURY REFORM AT LAST?

Attorney General Bell has stepped into the urgent question of grand jury reform by recognizing the general need for it while opposing such a specific key element of reform as permitting a witness to have counsel present. Mr. Bell promises study of the matter, which was also undertaken by his predecessor. The happiest outcome would be for him to lend his support to the new refinement of reform legislation perennially and persistently introduced by Rep. Joshua Eilberg of Pennsylvania.

Subcommittee hearings on this legislation are expected the middle of next month. Representatives of the American Bar Association (ABA) have long backed efforts for reform. Passage of reform at long last would be a good way to begin the third century of a nation dedicated to liberty and justice for all.

Manifest abuses of the grand jury system have worked against justice. In his confirmation hearings Mr. Bell said it had become a tool of the prosecutor. But as the ABA convention considered adopting a slate of strong grand jury standards this week, Mr. Bell expressed reservations.

On the matter of permitting a witness to have counsel, the Attorney General, like his predecessor, makes the valuable point the grand jury should not be turned into a mini-trial. The secret proceedings of the grand jury were never meant to be an adversary procedure but an investigative process to protect the innocent while bringing wrongdoing to the surface.

The new proposed legislation aims to keep it from becoming an adversary procedure by limiting the counsel's role to that of advising the witness—and not, for example, challenging evidence. Also, it would allow the court to remove or replace counsel in certain circumstances, while seeing that free counsel, if necessary, is available in general. Evidence could be challenged at a required preliminary, pretrial hearing such as most states already have.

There are also other refinements to provide some flexibility in the application of the reforms as evaluated by the courts. But the thrust remains to combat absues by assuring the rights of the witnesses and the independence of the grand jury.

Thus not only must the witness be fully informed of his rights and other matters such as whether he is a potential defendant, but the jurors must be informed of their powers and duties—that they, not the prosecutor, are in control. Regulations on contempt and immunity would be tightened.

Beyond the legislation there are such pro-

posals as a constitutional amendment to continue the investigative power but end the indicting power of grand juries. This has been proposed by high-level studies in the past. There are also proposals to eliminate the grand jury, as happened more than four decades ago in Britain, where the grand jury began.

Certainly, unless the United States is to follow Britain's lead in this manner, it must reform the grand jury system that has served it well in many ways but has been subject to too much misuse.

JUD LOUPOT

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. TEAGUE. Mr. Speaker, it is not very often an individual gets a chance to do something nice for someone who he has held in high regard and has enjoyed his friendship for a period of 40 or more years. But I have been given this opportunity now, because of an article written by a newsman which appeared in a Dallas paper on my good friend, Mr. Jud Loupot of College Station, Tex.

Jud, who has affectionately become known in the area as "Old Army Lou" was my roommate at Texas A. & M. during the 1930's. He has been as good a supporter, loyal friend, and personal confidant as any man could want over the years. By the same token, he has been as loyal a supporter of Texas A. & M. as any individual by his many acts of human kindness to the students at the college. We both knew hard times, and Lou has done as much as anyone to alleviate the suffering of any brother Aggie, because of his own personal experiences.

I am proud to be able to pay tribute to Lou in the CONGRESSIONAL RECORD and prouder yet to say that he is my friend:

TWO RECALL DEPRESSION DAYS

(By Hank Wahrmund, Staff Writer)

Most people who lived through the Depression years following the stock market crash in 1929 probably prefer to ignore that period of their lives.

But J. E. Loupot, owner of Loupot's Bookstore at the Northgate in College Station, says those years had a very positive effect on him and many of his classmates when he attended Texas A&M from 1928–32.

"All the hard living made us such good friends, loyal to each other beyond description," Loupot says. "We lived almost like convicts while at A&M, with many guys sleeping in the horse stables or in a steam tunnel to get out of paying room rent and board fees."

Loupot says Aggies paid $18 a month room and board if they lived on campus. But for those days, he points out, that was a high expense for many Aggies.

"The kids who didn't pay for campus meals used to go out to the A&M livestock barns and get eggs from the chickens the university was raising for research," Loupot recalls. "Sometimes we'd barbecue some of the chickens. But one we accidentally got some prize poultry of high breeding and the school got real mad. After that, a poultry professor who understood our living situation pointed out which ones we could eat and which ones we should leave alone.

"We'd also drink milk from the cows at the dairy barns. Man, it was rough at times, but somehow we all made it. I wonder how today when I look back, but those guys all turned out to be really big leaders in business now."

One of Loupot's closest friends and a former A&M roommate is Cong. Olin E. (Tiger) Teague. According to Loupot, Teague was a model student as far as studying and grades went. But he says the two of them would combine their talents to provide their Aggie buddies with a little entertainment during those hard-pressed times.

"Tiger and I had the only radio in the Corps at that time," Loupot explains. "But with electricity off until 5 p.m. each evening, we had no way to listen to it during the day. So we got an electrical engineering major to rig us a wire from the YMCA building so we could tune into our favorite radio shows all day long. Unfortunately, the commandant caught us once during an unannounced inspection and we lost our wire."

Laughing as he recalls another incident, Loupot, or Lou as many of his friends call him, tells of a football game in Baton Rouge, La., against LSU while he was a student.

Lou and about 120 of his buddies "borrowed" a lot of eggs from the A&M farm, hard-boiled them, bought some bologna and loaves of bread and boarded an old flatbed truck for the game.

"We had to travel in third gear because there were so many of us," Lou remembers. "We had no money or game tickets, but we were ready for a good time. But it started raining close to Baton Rouge and our uniforms got soaked. So we went into this hotel and used a wringer to dry them. I mean, it was wild, all those Aggies running around in that laundry room without half their clothes on. Those hotel people thought we were nuts. At the game, we had to send one guy in on a regular game ticket and have him collect ticket stubs for us to sneak in on. It was rough, but we had a helluva good time, believe it or not."

As an entering freshman at A&M, Lou had only his high school ROTC uniforms to wear. To conform to A&M's uniform regulations, he says he was forced to trade, wheel and deal and spend his first semester's tuition and fees money buying the proper clothes.

"That's when I got started in the clothing business," Lou notes. "I ended up that first month of my fish year with so many different pieces of uniforms that I couldn't live in my dormitory room. By my junior year, my roommate and I had three rooms—one for living quarters and two for a clothing warehouse. But another surprise inspection by the commandant caught us and I was nearly kicked out of school. Then some friends of mine who were always so loyal to me pitched in and helped me build a little warehouse at Northgate. We used three saws and 10 hammers and did it in 24 hours. It was called the "Green Lantern and we served hamburgers and chili there, too."

The building still stands, just off of University Drive beyond Wyatt's Sporting Goods.

"We worked damn hard outside of school to keep body and soul together," he says, "and some guys couldn't take and left. I admit it was hard on many fish. Heck, our first day on campus we got off the train and this big senior told me to take his luggage off and deliver it to his room—said I would be 'his freshman.' I had to leave my few bags at the station for a week before I had time to go back and pick them up," Lou says, laughing.

"But seniors were gods then, they ran things," he explains. "If one of 'em told you to fly to heaven, well by God you sprouted wings and flew."

But Lou says an Aggie's ability to give and take orders really paid off later in the "outside world."

"If you look back at thing, I think you'll see that we Aggies came out way ahead of those other guys living on the 'Forty Acres' in Austin," he says, referring to graduates of Texas University. A lot of us are retiring from jobs now, but there were a lot of corporation presidents, bank chairmen, oil executives and many others who were successful mainly because of the hell they went through at A&M."

"They can say I'm crazy, but I never let that bother me before and I'm not letting it bother me now," says Lou. "I've always believed in Texas Aggies and they've been awfully good to me. What I learned at A&M in books I can resell to the university for $500. But that Aggie friendship is priceless—absolutely priceless.

"I'm not making a lot of money now, but I don't mind. I make enough to do what I like and I'd rather live here in College Station than anywhere else in the world."

Lou's devotion to A&M and its Cadet Corps is reflected in his annual "ice vigil," when he furnishes a truckload of ice to the cadets during Final Review ceremonies each spring.

"I've been bringing in ice since 1943 when I moved back here from Dallas," he says. "I know how hot it gets out there—that's why I do it. I can identify with the feelings of students, believe you me."

Much of the assistance Lou provides to Aggies goes unnoticed, though. For example, he's always ready to contribute money to student functions, especially Aggie parties sponsored by Corps outfits or dormitories, according to several former students.

In addition, Lou has posted bond over the year for many Aggies who were arrested late at night for public intoxication and were too embarrassed or ashamed to notify their parents.

"I've loaned out money and merchandise to Aggies just on their word as an Aggie," he says. "And I've lost very, very little money that way."

But Lou says A&M is losing a lot of its uniqueness and friendship now that its enrollment has soared from a few thousand in the pre-World War II years to nearly 30,000 this past fall.

"I was narrow minded for a long while about girls coming to A&M and the changing of the name from A&M College to A&M University," Lou admits. "I called Earl Rudder, who was president of A&M at the time (1963), and told him and wrote to a lot of former students that we were ruining A&M by changing it. The school would lose too much to change to that degree."

Loupot says his worst fears were for the "average, every-day student, the type who has no money or fancy clothes to wear. A&M's past greatness was that everyone was equal—no one knew how much money anyone else had because we all wore uniforms and all suffered and rejoiced the same as our A&M class distinctions allowed. But with girls and civilians, it was easy to tell who had a flashy wardrobe and a big car to take dates out in. That left out the common guy. I'm still fearful of that ruining A&M."

But more tragic than the problem of class distinctions is the gradual ebb of A&M treasured traditions, Loupot says.

"They brag now when 600 people show up for Silver Taps," snorts Lou. "That's pathetic. I wish that would change back most of all—that the attitude of caring for other Aggies would continue forever with all students."

But Loupot still has faith in A&M and Aggies. Over the entrance to his store is a replica of an old sign that reads:

"Through these doors pass the greatest men on earth: Fightin' Texas Aggies—Old Army Lou, Class of "32."

IS THERE MEAT IN YOUR FUTURE?—PART 2

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ABDNOR. Mr. Speaker. "Is there meat in our future?" is a question we all need to ask ourselves periodically. Our plentiful supplies of high quality meat of every variety consistently available at reasonable prices is a daily fact of life we take for granted.

I have already commended the first two parts of a Washington Post series on the U.S. beef economy to the attention of my colleagues. The remaining articles are presented here:

[From the Washington Post, Feb. 1, 1977]

TREND TOWARD PRECUTTING DIVIDES MEAT INDUSTRY, LABOR

(By Dan Morgan)

Costas (Gus) Deaskalakias, chief cook and meat buyer at Blackie's House of Beef in Washington, used to need seven butchers to carve steaks and roasts from the beef carcasses he ordered.

Nowadays there are only two butchers working at Blackie's. The beef Deaskalakias buys has been precut in a cattle slaughterhouse 1,800 miles away.

The slaughter company, Monfort of Colorado, Inc., in Greeley, Colo., prepares the ribs, loins, chucks, rounds and sirloins, vacuum packs them in plastic bags and ships them to retail stores and restaurants in boxes.

At Monfort, steers enter the plant as half-ton live animals and exit in small cartons ready for the fresh meat trade.

The entry of the major slaughter firms into the meat cutting business in a big way is revamping the nation's $36-billion-a-year packing industry.

The speed of these changes can be seen in a single example: Iowa Beef Processors, Inc., founded in 1961, is now the world's largest beef packing firm, with annual sales of over $2 billion and a weekly cattle kill of 80,000 animals—about 10 per cent of the national total and more than the older firms of Swift, Armour, Wilson, Morrell and Cudahy combined.

Boxed beef has been a major part of this phenomenal growth. About two-thirds of Iowa Beef's sales volume consists of these cartons of meat precut at the slaughtering plant. And Iowa Beef's share of this trade nationwide is substantial.

About 25 per cent of the money people spend on food goes for meat. And about half of the meat purchases are beef. So changes of this magnitude in the beef economy are important to consumers.

The meat industry says that boxed beef has saved consumers money. It costs less to ship boxes of high-quality boned beef cuts than it does to transport whole carcasses, and the system reduces the middlemen's fees and markups, they argue.

But the Amalgamated Meat Cutters Union claims the real savings of companies such as Iowa Beef comes from their fighting the unions and underpaying workers in the new high-speed plants.

The butchers union claims that those tactics pose a greater threat than the introduction of boxed beef.

"We are not opposed to boxed beef," says Jesse Prosten, vice president in charge of the union's packing division. The union's argument is that beef carcasses have to be cut up somewhere, and it doesn't make that much difference where.

Prosten says that there hasn't been a massive loss of jobs of retail butchers in the big cities because of the new boxed beef. Supermarket chains which buy boxed beef still need butchers to trim it for the display counter.

However, checks in several cities don't seem to bear out Prosten. Wholesaler Stanley Rosen, who distributes beef in New York City, says that in 1970 he had 16 butchers carving up carcasses shipped to New York City from the Midwest.

Today, Rosen is mainly in the distributing business. He has gotten rid of the butchers and now needs only a small crew of warehousemen to handle the boxes of precut meat as they come in from the Midwest.

Moreover, beef in boxes has been at the heart of labor-management fights in the packing industry since the lates 1960s.

Butcher unions in Chicago and St. Louis have been alarmed enough about the influx of the precut products to have written restrictions on the use of them into labor agreements with retail stores. (The General Accounting Office in Washington is investigating the possible impact of these restrictions on food and cattle prices.)

Iowa Beef first cracked the New York City market with the precut products in 1969—but only after a bruising fight with labor unions that tarnished its reputation.

That year, the company settled a strike with the Amalgamated Meat Cutters at the Dakota City, Neb., plant. Iowa Beef brought in strikebreakers during the bitter strike. Some of the houses of these workers were subsequently dynamited.

The company's annual report just issued noted that the firm was only able to ship boxed beef to New York City after it agreed to withdraw a $4 million suit against three New York locals for an allegedly illegal secondary boycott of Iowa Beef's meat during the strike.

Later, it was revealed that there had been other sides to Iowa Beef's entry into the New York City boxed market.

In 1974, a New York State court convicted the company and its cochairman, Currier J. Holman, of conspiring with a crime figure to bribe union and supermarket officials. The judge, who fined the firm $7,000, said the scheme had been aimed at buying "instant labor peace" that would remove butchers union restrictions against boxed beef.

The meetings with union officials were arranged by Moe Steinman, who in 1971 set up a company that entered into an exclusive arrangement with Iowa Beef to distribute the company's products. The company, C. P. Sales Co. of Paramus, N.J., still receives commissions from Iowa Beef for meat sold in New York City, according to an Iowa Beef spokesman.

Steinman's son-in-law, Walter Bodenstein, runs C. P. Sales. Bodenstein was brought to Dakota City last fall to be a group vice president of Iowa Beef, but he resigned after 10 days following unfavorable newspaper publicity in the Midwest.

According to Iowa Beef spokesman Cornelius Bodine, Bodenstein's only problem is that "he has an unfortunate father-in-law."

The union struck Iowa Beef's huge, high-speed Dakota City plant for eight months in 1973 and 1974, and both company and union are braced for a possible new impasse in the next two weeks. On Jan. 22, the company's contract with the butchers union expired, and the two sides agreed to extend it for two weeks.

The bottom wage at Dakota is $5.57 an hour. Prosten said that the rest of the packing industry pays $6.42 an hour minimum. Iowa Beef's competitors also claim that the Nebraska-based company's wage scale has given it a competitive edge.

The company, says Prosten, is out to break the butchers union, but Bodine responds, "We don't go around breaking unions."

The meatcutters have suffered a series of setbacks since Iowa Beef began its phenomenal growth, though, efforts to organize workers at IBP's non-union Emporia, Kan., plant have been unsuccessful so far. When the company opened a new box beef plant in Amarillo, Tex., in 1974, a handful of construction workers petitioned for Teamsters union representation and won quick recognition from the company.

About 100 workers unaffiliated with the Amalgamated Meat Cutters Union have been on the job inside Iowa Beef's Dakota City facility since Dec. 6. They are affiliated with a union called the United Industrial Packing and Allied Workers, which Prosten calls "phony." The UIPAW represents the employees of another business, Farm Products Co., which leases space in the plant from Iowa Beef.

In a telephone interview last week, Iowa Beef spokesman Bodine denied there was any plan to use the UIPAW people to operate the Iowa Beef plant in the event of a strike by the butchers union.

Nevertheless, the situation suggest the tensions at work in an industry that has earned its reputation for tough dealing and cutthroat competition.

In January, 1975, the beef industry was rocked by the financial collapse of one of the fastest growing of the major slaughter operations, American Beef Packers, Inc., of Omaha. The company filed for a limited bankruptcy, leaving several hundred cattlemen holding worthless company checks for beef animals they had sold just before the collapse.

Congress subsequently ordered a tightening of financial rules for packers.

Within the beef packing industry, Iowa Beef is both feared and respected. Competitors say the company delivers enormous volumes of high quality meat all over the country at great speed.

"Iowa Beef is not afraid to use its muscle, and it has plenty of it," said an executive of a competing company. "We try not to have large unsold quantities of any product that Iowa Beef is also trying to sell. They can raise hell with any market."

[From the Washington Post, Feb. 2, 1977]

THE HAMBURGER SOCIETY AND AMERICA'S LOVE AFFAIR WITH BEEF

(By Dan Morgan)

Americans are now devouring hamburgers at the rate of 50 billion a year.

Hamburgers have become the people's food: the equivalent of the Italian's spaghetti, the Indian's curry or the Russian's borscht.

Americans spend more than $25 billion a year for beef, and a substantial amount of that money is for hamburgers.

If any proof of the entrenched position of the hamburger in the country's diet is needed, McDonald's Restaurants can give it. The chain, with 23 billion sold already, expects to open about one new outlet a day for the next 10 years.

In Woody Allen's film fantasy "Sleeper," it had taken two centuries for McDonald's to get over the trillion hamburger mark, but at the rate things are going that may be an overly cautious estimate.

The steak, that other great national symbol, has not yet been relegated to the scrap heap of history. Americans still eat slightly less than half their beef in the form of ground meat; the rest is steaks, roasts, and other prime cuts.

But cultural and economic developments have been paving the way for the eclipsing of steak, altering the tastes of consumers and changing the structure of the beef industry.

The preference of Americans for meals and snacks in restaurants and fast food stores shows no signs of letting up. Consumer Reports magazine predicts that by 1980 half the meals eaten in this country will be away from home, if present trends continue.

The fast food industry had sales of $23 billion in 1976, and that figure may double by 1980.

Many of the chains are expanding their menus and offering more salad, seafood, pizza and Mexican recipes, but hamburgers are still the staple of the fast food industry.

The other development that seems destined to speed up the evolution of the country into a hamburger society is economic.

Sometime soon—if not this year, then surely in 1978 and 1979—the price of beef is going to rise, possibly sharply.

The stage for this already has been set on the nation's ranges and farms and in cattle fattening yards, and there is no changing it. The size of the country's beef herd is now being rapidly reduced, as ranchers suffer some of their worst losses since the 1930s. So the supply of beef is bound to drop and prices are going to rise.

The Livestock Business Advisory Services, Inc., of Kansas City, Mo., predicts that a porterhouse steak that averaged $2.39 a pound in 1976 will cost as much as $2.50 this year and $2.70 in 1978.

Most of the steaks that Americans eat are carved from steers that have grown fat from substantial quantities of corn—as much as a ton of the grain, and sometimes more.

Corn prices are now the lowest they have been since 1972, but they are still high enough to substantially increase the price of raising choice, grain-fattened animals. As the price of that kind of meat increases, more consumers are likely to switch to cheaper hamburger meat, economists say.

"After 1977, steaks are going to be something we eat only on special occasions—on those evenings when we say, "Let's get out the Lowenbrau,'" said an economist.

In this changing situation, hamburger has a special role to play in the beef economy.

Unlike choice steaks, hamburger can be made from ground-up dairy cows, imported boneless beef, or from older breeding cows of the beef herd that have been fed mostly grass. Some hamburger meat comes from animals that have been fattened on costly corn, but only a small amount of it.

Hamburger prices haven't varied much since January, 1974. Ground beef was recently on sale for under 70 cents a pound in Washington. The average price nationwide has never gone over $1.05 a pound and has usually been considerably lower.

The price of sirloin steak also is about what it was three years ago, except that there was a sudden 50-cents-a-pound jump in early 1975. The average price hit $2.25 on July 4 of that year before sliding down again.

Understanding the reason for those developments is the key to understanding what has happened, and what will happen, to beef prices.

The price of corn has a powerful impact on everything that happens with beef, since the American beef animals that make tomorrow's steaks eat nearly one-sixth of the entire corn crop every year.

Cows don't eat much corn, but they do produce calves that will. Their heifers and steers grow up to eat corn in fattening yards, so the price of corn is an important economic indicator.

In 1974, the United States had the poorest corn crop in five years and prices rose sharply. And that event, overshadowed at the time by Watergate and the resignation of President Nixon, still has import for American consumers.

When the corn prices went up, cattle fatteners who buy 450- to 750-pound calves and yearlings from ranchers reduced the prices they were willing to pay for the young animals as an economy measure.

Ranchers responded by sending an unusually large number of their calves to the slaughterhouse instead of to the fattening yard. They also sent many of their cows to slaughter, because they figured there was no point keeping cows for breeding calves that couldn't be sold to the fatteners at a profit.

There was plenty of bargain hamburger meat, as well as beef cuts labeled "grass fed."

But since fewer animals were going to the feedlots to eat expensive corn, there was a shortage of choice, corn-fed beef. That is when the brief, 50-cents-a-pound price increase for sirloin occurred.

With that spurt as the incentive, cattle fatteners began buying up all the calves and steers they could get. What they found was that the American beef herd, which had been growing in size since 1967, was too large.

Too much beef was going to market, so retail stores have been holding down prices to sell it all.

That, in a nutshell, is why prices of both steak and hamburger are about what they were three years ago, despite a long period of inflation.

The large supply of beef coming to market has cushioned American consumers against the economic blows that have hit the beef industry in the last three years.

But the time is coming when consumers will feel the impact of higher corn, fertilizer, fuel and farm machinery prices.

"It's set in concrete," said Howard Madsen, economist with the American Meat Institute.

The price of choice beef is likely to rise because many of the calves that this year should be growing into mature steers in fattening yards were slaughtered in 1975 and 1976.

Many shoppers are expected to switch from steak to hamburger to save money. But the hamburger society also is almost sure to feel the impact of what has happened.

In 1975 and 1976, a record 11 million and 10 million cows respectively were slaughtered. Most of them were ground up for hamburger meat. This cow "factory," which produces tomorrow's steers, has been reduced in size. At the same time, that killing rate can't continue, which means the supply of hamburger meat on the market will be less. The American Meat Institute estimates that only 8 million cows will be killed in 1980—30 percent fewer than in 1975.

By that time, the expansion of the fast food industry will mean strong bidding for the available supply of hamburger. The number of fast food outlets is expected to increase from 28,000 to 43,000 by then.

Prices at fast food outlets and restaurants rose much more in 1976 than did the price of food in supermarkets.

Some nutritionists feel that a sharp increase in the price of both steak and hamburger would not be such a bad thing. They argue it might encourage people to eat more balanced meals.

Even though most hamburger meat comes from ground-up cows whose meat is lean, hamburger makers add substantial amounts of pure fat to give juiciness and bond the meat together. McDonald's hamburgers are only 19 percent fat, but some hamburgers are 30 percent fat.

Surveys of meats in fast food outlets show that they are extremely high in calories. According to Consumer Reports, a snack consisting of a Big Mac hamburger, french fries and a chocolate shake at McDonald's provided 1,100 calories. That is 40 percent of the recommended daily allowance for a man.

Higher prices might persuade some Americans to switch from steaks and hamburgers to pork chops and pork patties. That would cause packers and retail stores to offer farmers more for hogs. That, in turn, could persuade some Midwestern farmers to feed the corn they raise to a new litter of hogs instead of selling the grain. If foreign countries such as the Soviet Union wanted the corn badly enough, they might react by bidding up the price, and that could throw off the calculations of the cattle fatteners again.

The beef industry is reacting to such possibilities by inventing new ways to stretch consumers' beef-buying dollars. A new process debones chunks of the tough parts of the carcass, tenderizes them with needles, molds them together and freezes them into "loaves" that can be cut into steak-like cuts and thawed later.

There is no real evidence, though, that Americans' love affair with beef is ending. They have eaten more and more per person for the last 50 years. If higher prices slow the growth down for a while, it is likely to be only a brief pause in the expansion of the hamburger society.

THE FARMER'S STEER: WHERE YOUR MONEY GOES

On Jan. 17, Safeway stores in Washington were offering choice boneless sirloin tip roast for $1.39 a pound.

The same day, slaughterhouses in Colorado were paying farmers 37¾ cents a pound for 1,100-pound, corn-fed steers from which such steaks are cut.

The $1.01¼ difference is the subject of heated arguments among farmers, packers, meat wholesalers, retail chain stores and consumers.

Is such a markup justified? Consumers and farmers usually say it isn't; the beef middlemen say it is.

Here is what happened to the farmer's steer:

The packer paid $415.25 (37¾ cents a pound) for the live, 1,100-pound animal.

But the carcass of the slaughtered animal weighed only 680 pounds, so the cost of the meat and bone to the packer actually was 61 cents a pound.

Not all of that carcass could be served up as chucks, ribs, loins, sirloins and rounds though. (There is only about 13 pounds of tenderloin on a full-grown steer.) Much of the carcass is fat and bone that has to be trimmed away. And the carcass also loses about 13 pounds as it dries in the packer's cooling room.

Restaurant and retail cuts on such a carcass probably weigh only about 480 pounds. These cuts sold to chain stores in mid-January for about $450, or an average of slightly less than 96 cents a pound. The seller could have been a packing company, if it had a facility for meat cutting, or it could have been a wholesale meat dealer who buys carcasses and breaks them down into the primary cuts.

About 75 pounds of fat still had to be trimmed off those 480 pounds of cuts before they could be put in the display counter. That brought the weight of the meat down to 405 pounds. So the retail store that paid $450 for all those cuts actually was paying almost $1.10 a pound for them, not 96 cents.

And in mid-January, the average of all the cuts sold of that kind was about $1.37 a pound. The retail stores say the 27-cent difference goes to pay butchers and checkers, and for packaging and overhead—and a small profit.

Between packer and consumer also were transportation costs (4½ cents a pound from Colorado to the East Coast) and storage costs.

But there also were opportunities for profits. The carcass probably produced about 75 pounds of hamburger meat in addition to the cuts. And the packinghouse more than offset the cost of killing the animal by selling its hide, organs and inedible parts.

CONGRESSIONAL SALUTE TO THE LENNI-LENAPE GIRL SCOUT COUNCIL OF NEW JERSEY AND THE GIRL SCOUTS OF AMERICA IN COMMEMORATION OF THE 65TH ANNIVERSARY OF GIRL SCOUTING IN OUR NATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ROE. Mr. Speaker, on Saturday, February 26, residents of my congressional district and the State of New Jersey will join with the officers and members of the Lenni-Lenape Girl Scout Council of New Jersey in commemorating the 65th anniversary of the Girl Scouts of America. I rise in tribute to the significant investment in the enrichment of the quality of our way of life that girl scouting has made here in America and to seek national recognition of the standards of excellence that the Lenni-Lenape Girl Scout Council has added to this most noble endeavor.

Mr. Speaker, the historic beginnings of the Lenni-Lenape Girl Scout Council commenced in Paterson, N.J. in 1923 under the exemplary leadership of Miss Dora Goodbody whose distinguished record of performance is lastingly etched in the annals of girl scouting in New Jersey and our Nation.

In 1968 the Councils of Clifton, Passaic-Garfield and Greater Paterson merged and in 1971 was joined by the Sussex-North Warren Council to establish the most esteemed organization of the Lenni-Lenape Girl Scout Council as it is comprised today.

The people of my congressional district and State of New Jersey are deeply appreciative and gratefully acknowledge the outstanding good works of the Lenni-Lenape Girl Scout Council, Inc., which, with the assistance of more than 2,500 adult volunteers, serves over 14,000 girls in the New Jersey counties of Passaic, Sussex, and portions of Warren, Bergen, and Morris. The Council Service Center is located at 555 Preakness Avenue, Paterson, N.J. and they maintain out-of-door program centers at Camp Clipawaga, Sparta, N.J.; Camp Meyer, Hewitt, N.J.; Camp Sunowa, Sussex, N.J.; Camp Te-Ata, Central Valley, N.Y.

Mr. Speaker, the objectives, scope and focus of the girl scout program are defined in four emphases adopted by the Girl Scouts of America, as follows:

THE EMPHASES

Deepening awareness of self as a unique person of worth.

Relating to others with increasing skill maturity and satisfaction.

Developing values to give meaning and direction to life.

Contributing to society through her own talents and in cooperative effort with others.

The Girl Scout program activities support the Emphases by providing opportunities to build knowledge, skills and competencies. In a group setting a girl develops sensitivity to the feelings, needs and attitudes of others; a sense of belonging and a sense of human interdependence.

To help achieve their objectives, the Girl Scouts are directed and assisted by many outstanding community leaders who generously and unselfishly extend their time and personal efforts to the youth who participate in Scouting throughout our community, State and Nation.

I especially commend to you the following officers and members of the board of directors of the Lenni-Lenape Girl Scout Council, Inc., for their dedication, direction, and personal commitment in achieving the goals and purposes of the Girl Scouts of America:

BOARD OF DIRECTORS, LENNE-LENAPE GIRL SCOUT COUNCIL

Mrs. Margaret Wend, President.
Mrs. Susan Ronk, First Vice President.
Mrs. Sharon Sullivan, Second Vice President.
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Mr. Ervin E. White.
Mr. Robert Wilcox.
Mr. Sy Baumstein.
Mrs. Adeline Shipp.
Miss Adele Collier.
Mrs. Mary Metzger.

Mr. Speaker, may I also take this opportunity to call your attention to a resolution I am introducing in the House today to commemorate the 65th anniversary of the Girl Scouts of America which will be celebrated during their official birthday week, March 6–12. The text of the resolution is as follows:

H.J. RES. 277

Joint resolution to commemorate the 65th Anniversary of Girl Scouts of the U.S.A. and provide for the designation of the week of March 6–12, 1977 as "Girl Scouts of America Week"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That

Whereas Girl Scouts of the United States of America, chartered by the Congress of the United State is this year celebrating the 65th anniversary of its founding; and

Whereas Girl Scouts of the United States of America, begun as a movement to liberate girls from narrow, confining life-roles, has since taken the lead in advancing what are today universal concerns as protection of the environment, youth participation in self-government, strengthened roles for the volunteer worker, and international understanding through friendship; and

Whereas Girl Scouts of the United States of America is quietly and effectively helping to unite young Americans of all races, creeds, ethnic and economic backgrounds and is providing to millions of girls and adults unlimited opportunities for self-development and responsible service to their communities and to the nation; and

Whereas Girl Scouts of the United States of America, true to its pioneering tradition, continues to anticipate the changing needs of girls and of the society and to encourage its nearly four million members to be doers, rather than talkers, leaders, not followers, and givers, not takers: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled. That the week of March 6–12, 1977 is designated as "Girl Scouts of America Week" and the President is authorized and requested to issue a proclamation calling on the people of the United States to commemorate the Girl Scouts of the U.S.A. on the 65th anniversary of the founding of this most prestigious youth organization for its progressive spirit and for its firm commitment to the values that have made this a great nation.

Mr. Speaker, Girl Scouting in America began in Savannah, Ga., on March 12, 1912 under the direction of Mrs. Juliette Low, who, while living in England, became interested in the work of her friend, Lord Baden-Powell, founder of the Scouting movement. Mrs. Low was determined to have American girls share in the excitement of Scouting and, upon her return to the United States, established the first American Girl Scout troop. In June 1913, the first national headquarters of the Girl Scouts was opened. In June 1915, the Girl Scout organization was incorporated, and on March 16, 1950 the congressional charter was granted.

Today, Girl Scouting presents a single, continuing program of activities for girls as they progress through the four-age levels of Scouting: The Brownie Girl Scouts, the Junior Girl Scouts, the Cadette Girl Scouts, and the Senior Girl Scouts. These activities are based on six elements that form the foundation of the Girl Scout program—the meaning of the promise and laws, service to others, troop management by the girls themselves, citizenship, international friendship, health, and safety.

Since the date of the founding of the Girl Scouts of America, this prestigious youth organization has grown from an 8-member group to a 2.8 million current membership of young ladies. Through their leadership qualities of self-reliance, self-control, international friendships and exchange, kindness, courtesies, and eagerness to serve others, their contribution as citizens of their community has helped eliminate prejudices; provided leisure to young and adults alike, and particularly our disadvantaged and senior citizens; achieved a greater communion and understanding among the peoples of the world; and encouraged public concern as well as action programs for the preservation, protection and enhancement of our environment—all a significant investment in the enrichment and excellence of the quality of our way of life here in America.

Mr. Speaker, I appreciate the opportunity to present this statement today and know you and our colleagues will want to join with me in saluting the Lenni-Lenape Girl Scout Council and extend our heartiest congratulations and best wishes to the Girl Scouts of America upon the observance and celebration of their 65th anniversary in service to the youth of America and the leadership capabilities and future well-being of our Nation.

THE BOUNDARY WATERS WILDERNESS ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. FRASER. Mr. Speaker, today, I and 34 of my colleagues are reintroducing the Boundary Waters Wilderness Act, a bill to extend full wilderness protection to the 1-million acre Boundary Waters Canoe Area in northern Minnesota.

The Boundary Waters Canoe Area has been the center of intense controversy since its inclusion in the national wilderness preservation system in 1964. Unlike other units within the system, the BWCA was declared by the 1964 Wilderness Act to be open to commercial timber harvesting and motorized travel. The result has been that motorboating is permitted on 19 designated routes covering 60 percent of the water surface area, logging is authorized in over 40 percent of the area, snowmobiling was allowed until this winter, and mining remains a threat despite enactment of restrictive legislation by the Minnesota Legislature. The bill we are reintroducing today would close the BWCA to all these activities.

Two recent Washington Star articles outlined clearly and forcefully the management problems which have embroiled the BWCA. Written by Tim Love, the articles underscore the need for a permanent legislative remedy to these problems. I commend the articles to my colleagues' attention. The articles and a list of cosponsors follow:

[From the Washington Star, Dec. 18, 1976]

"WOODSMAN, SPARE THAT TREE!" RINGS IN MINNESOTA

(By Thomas Love)

Slightly more than one million acres of silent wilderness in the sparsley populated area along the Canadian border serve as the perfect setting for a classic environmental confrontation.

Although the basic battle lines are drawn between conservationists and business interests, there are also charges of elitism, demands for the rights of the less than physically fit and charges that present trends will destroy any possibility that future generations will be able to savor nature as it was before man came along.

It isn't a new war. The present confrontation has its roots in the beginning of the century. But this could be the last battle because the chain saws of the loggers may roar in the wilderness within a week or so and the rest may be just academic.

The site of the confrontation is the Boundary Waters Canoe Area, the second-largest natural wilderness area in the nation and the largest east of the Rocky Mountains, the first part of which was designated public land in 1902.

The area, which contains 1,076 lakes and 1,200 miles of canoe routes, stretches 100 miles along the Minnesota-Ontario border. Together with the million-acre Quetico Provincial Park adjoining it to the north, it makes up what conservationists call one of the finest largely untouched natural areas on the continent and certainly one of the most accessible to the heavily populated part of the nation.

Where there aren't lakes and streams, the area is covered with Norway pine and white pine, a treasure trove for the constant demands of the lumber industry, as well as spruce and jack pine, an equaly valuable resource for the pulp mills, the largest industry in the state.

The present battle centers on the future of these trees—whether they should be cut and hauled away to become house rafters and newspaper pages or whether they should be kept in place to provide a mammoth recreational area for generations to come.

While the future of the area may hinge on this question, there are other differences which must be settled. For instance:

How much of the entire area should be preserved in its natural state and how much—if any—should be modified to make it more accessable through roads and trails?

What about mining? There are large deposits of low-grade copper and nickle ores in the region.

Should the wilderness area lakes and streams be reserved for paddled canoes or should motor-driven boats be allowed?

And during the winter, should the area be reserved for the hardy skier and snowshoer or should snowmobiles be allowed?

But for the moment, the question of logging is foremost in the minds of those involved in the controversy.

In 1902, the U.S. forestry commissioner withdrew 500,000 acres in the area from timber, minerals and homestead entry. In those days, national forests were viewed primarily as conservation areas, not the multiuse areas they now are.

By the end of 1908, an additional 660,000 acres were withdrawn.

The first "winderness" designation came about after a controversy about Forest Service road plans in 1926 when 640,000 acres were so defined.

From then until 1964 when the Wilderness Act was passed, private holdings were purchased by the government in several moves, a ban on airplane flights below 4,000 feet was imposed to prevent "fly-in" resorts, mineral exploration began and logging operations in some areas were started.

According to the Wilderness Act, its purpose was to provide areas "where the earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain . . . retaining its primeval character . . . managed to preserve its natural conditions . . . where the imprint of man's work is substantually unnoticed."

However, a special section of the law applying solely to the Boundary Waters Canoe Area was added requiring that the area be managed "without unnecessary restrictions on other uses, including that of timber" and permitting "any already established use of motorboats."

This language, according to the conservationists, was purely and simply a political payoff to the strong timber and motorboat interests and destroyed the concept of a wilderness area.

On the other hand, those business interests insist the section merely recognized existing legal contracts of timber companies, the rights of those who can't—or don't wish—to paddle a canoe and the facts of life about the need for natural resources.

Under this mandate, the Forest Service divided the million acres into two zones for timber management purposes. The first, some 600,000 acres called the "interior zone," is closed to logging.

In the second, called the "portal zone," logging is allowed. This section includes about 160,000 acres of virgin timber.

The conservationists felt not only that any logging would destroy the area as a recreational site, but that the necessary logging roads through virgin timber would be terrible themselves and bring in hordes of people, making the area into a public park rather than a wilderness area.

They didn't take this compromise sitting down and went to court to block timbering in the entire area. The actions blocked any timbering on the tracts which had already been leased to timber companies as well as mining activities. The mining question is still pending.

The conservationists won their logging case in district court but lost on appeal. Last month the Supreme Court refused to stay the appeals court order and the logging companies prepared to start operations within days.

However, two stumbling blocks appeared. First, according to James Torrence, the Forest Service supervisor with control over the area, the six affected leases must be modified to meet new environmental requirements under a management plan developed while they were blocked by the pending court action.

This, he predicted, should block any logging until next week at the earliest and probably until after the first of the year. The amendments must be approved at the level of the Forest Service at which they were initially approved—in some cases in the office of the chief—and then must be accepted by the logging firms.

When that is accomplished, he said "there's essentially nothing in the legal sense to keep them from operating."

However, one industry spokesman was both optimistic and pessimistic. Arthur Ennis of Boise Cascade Corp. in Minnesota said earlier this week that the contract modifications pose little problem and "we thought we were in business. We thought we could start work early this morning."

But then two stumbling blocks in the guise of a federal and a state law arose. The controversial federal Wetlands Act, which gives the Corps of Engineers control over waters tributary to navigatable waters, requires permits for any construction—including logging road bridges—which could affect the watercourse.

"Apparently we're OK with the federal law since there are ways to bridge a stream without altering its course," Ennis said. "But things are changing by the moment. There's a state law passed in 1973 which has some very obscure sections relating to operating permits.

"It's still not clear if it applies only to state lands or if it applies to federal lands as well," he said. While the federal law just applies to activities which affect watercourses, "the state law applies to the alteration or disturbance of public waters—period," he said.

Conservationists, however, are not putting much stock in the protection of those laws and see federal legislation as the only possibility to save the wilderness area. And by the time the next Congress can tackle the problem it will be too late if the timbering is allowed to start.

Miron Heinselman, chairman of the Friends of the Boundary Waters Wilderness, the umbrella group for organizations fighting disturbance of the wilderness, is not optimistic. Although the basic case is still pending before the Supreme Court "we think the legal game is over," he said.

"It is now a matter for Congress. There is no way to solve all these threats to the wilderness without legislation," he continued. The conservationists want a law like that proposed in July by Rep. Donald Fraser, D-Minn., which would have given the entire million acres the same protection as other wilderness areas.

Although it failed to pass this year, the conservationists are optimistic that a similar proposal would be successful during the next session of Congress. Heinselman said that his group is working through interested congressmen to get the Forest Service to block the logging operations until the issue can receive full debate in Congress.

He has also issued a public appeal to the logging industry not to start operations until Congress considers the question.

"It is not good public policy to be debating the preservation of a wilderness while bulldozers are out destroying the place," he said.

But even after the question of the logging question is settled—one way or the other—there remains the question of how to operate the remaining or entire wilderness area.

That argument is no less heatedly debated than the one over logging.

On the one side are the strict conservationists who want to ban all motorized vehicles of any kind because they consider them incompatible with the very concept of wilderness. One of their publications states "most visitors . . . accept the lakeland environment on its own terms. There is solid evidence that almost all paddlers find their experience impaired by meetings with power boats."

The same, they say, goes for snowmobiles which they charge not only disturb the skier or snowshoer but cause physical damage to snow-softened terrain and undergrowth.

At one time the Forest Service ruled that snowmobiles were nothing but the winter version of a motorboat and ruled they should be allowed in the wilderness area. They have since been banned but their backers have gone to court and the issue has not been settled finally.

The opposite view holds that this is an elitist view. Many people cannot paddle a canoe, ski or hike—or don't want to—and they should also have use of the area.

Ed Junke of Ely, Minn., and a member of the Boundary Waters Resources Committee which backs use of motorboats and snowmobiles, said, "We have nothing against esthetic values and agree that people need a place to meditate, but I don't think they need a million acres.

"We feel that we should have a bit of the Boundary Water area. We just want a few trails and a few fishing lakes for winter fun. We're not selfish. We want everyone to be able to use it. We're not trying to keep anyone else out. We just think that everyone—the old, the young, the handicapped—should be able to use some of the area.

He said that snowmobilers frequently have to rescue stranded skiers and that the terrain is too thick for them to chase wild animals—a frequent charge—and that they seldom damage terrain since most of their activity is on frozen waterways.

[From the Washington Star, Dec. 21, 1976]

MINNESOTA WILDERNESS GIVEN REPRIEVE FROM TIMBERING

(By Thomas Love)

There will be no logging in the Boundary Waters Canoe Area in Minnesota until Congress has a chance to decide if the million-acre tract along the Canadian border should be preserved as a wilderness area.

Rep. James L. Oberstar, D-Minn., said last night that the four logging interests which were planning to start operations immediately have agreed not to begin cutting for at least six months.

"This is a great breakthrough," he said. "They agreed to forego their rights to log in the canoe area this year to give Congress an opportunity to act on pending bills designed to protect the area in varying degrees from intrusion." Jack Loren, executive director of the Isaac Walton League, praised Oberstar for getting the loggers to agree to suspend operations.

"Hopefuly, this will give Congress time to consider all the bills which have been introduced to decide what the future of the area should be," he said.

"This will allow the elected representatives of the American people to decide whether the area should be used for mining and logging or whether it should be preserved as a wilderness for future generations."

The future of the canoe area became a major concern of national conservation organizations when the Supreme Court last month backed an Appeals Court decision which overturned a District Court ruling which blocked logging in the area.

Although the tract was designed a wilderness area by Congress, a special provision of the wilderness bill decreed that it must be managed "without unnecessary restrictions on other uses, including that of timber."

Conservationists called the language a political payoff to the lumber industries of Minnesota, while those interests insisted that it merely represented a reasonable recognition of existing contracts and the need for use of natural resources.

Under those provisions of the law, the Forest Service which manages the region divided the million-acre canoe area into two tracts—a 600,000-acre "interior zone" which would be closed to logging and a 400,000 acre "portal zone" in which logging would be allowed.

In a move to settle this controversy between loggers and conservationists. Oberstar introduced legislation during the last session of Congress to divide the area roughly 60–40 between a recreational area in which logging would be allowed and a wilderness area in which it would be prohibited.

An alternative bill backed by conservationists was proposed by Rep. Donald Fraser, D-Minn., which would have given full wilderness protection to the entire million acres.

Neither measure was enacted before Congress adjourned but conservationists are optimistic that some measure to protect the canoe area will be enacted during the next session.

Oberstar said that his proposal would protect the virgin forest tracts within the canoe area while allowing logging where it would not be a major detriment. "I think the reaction has been so strong against logging in a virgin forest that this is a reasonable alternative to a total wilderness area," he said.

"I have been able to persuade them to wait for Congress to make its decision giving everybody the opportunity for a compromise," he continued. "This time the industry is wearing the white hat. There were no threats or pressure, but they gave up the rights they had won in court for a larger solution. I think this is a landmark decision."

COSPONSORS OF THE BOUNDARY WATERS WILDERNESS ACT AS OF FEBRUARY 18, 1977

Anderson (Ill.).
Bedell (Iowa).
Beilenson (CA).
Bingham (NY).
Blouin (Iowa).
Brodhead (Mich.).
Brown (CA).
Burton (CA).
Carr (Mich.).
Chisholm (NY).
Conyers (Mich.).
Fenwick (NJ).
Flood (PA).
Harkin (Iowa).
Leach (Iowa).
Madigan (Ill.).
Mazzoli (KY).
Metcalfe (Ill.).
Mikva (Ill.).
Moakley (Mass.).
Moffett (Conn.).
Ottinger (NY).
Nolan (MN)
Reuss (Wis.).
Richmond (NY).
Scheuer (NY).
Seiberling NY).
Spellman (MA).
Stark (CA).
Steers (MA).
Vento (MN).
Weiss (NY).
Winn (Kan.).
Wirth (Colo.).

SOLARZ CRITICIZES TERMINATION OF BOMB SALE TO ISRAEL

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. SOLARZ. Mr. Speaker, last week, in the midst of Secretary of State Cyrus Vance's journey to the Middle East to take new soundings on the potential for a Middle East peace agreement, the White House announced in Washington that the sale of CBU–72 bombs, the so-called concussion bombs, had been canceled.

It is my belief that this move by the Carter administration, its first decision on the flow of armaments to the Middle East, will have substantial negative implications for the U.S. drive for a Middle East peace settlement.

Aside from the debate concerning the advisability of the sale in the first place, an even more important question as far as I am concerned is the effect of the bomb sale cancellation on Israel's perception of the credibility of U.S. commitments.

If a peace agreement is to be negotiated in the Middle East in the near future, United States guarantees of the settlement will likely be one important element in getting all sides to make the necessary concessions for peace. The Israelis have traditionally been unwilling to put their vital security interests in the hands of other powers—and their suspicions were justifiably fortified by the abject failure of the United Nations in 1967 to prevent the outbreak of war and the precipitous withdrawal of U.N. peace keeping forces from key border areas.

Now the Carter administration has made a move which can only reinforce Israeli skepticism about the constancy of American pledges. After all, it was only last October that then President Ford approved the sale of CBU–72 units to Israel. Four months later a new President has repudiated the word of the previous U.S. Executive. How can the Israelis be sure that any guarantees provided by the Carter administration as a pre-condition for peace will not be junked by a subsequent administration?

I might add that in light of the various objections raised concerning the sale in the first place, Israel promised in a letter to the Pentagon on December 16, 1976, that she would use these bombs only against military fortified targets and only if Israel were attacked by more than one country. In fact, Israel had several important military roles slated for the CBU–72, including minefield clearing, the destruction of parked aircraft even if in protected locations and the attacking of hardened missile and missile radar sites.

Mr. Speaker, the New Republic car-

ried an excellent editorial on the cancellation of the sale which I would like to place in the RECORD at this point:

HOW NOT TO LIMIT THE ARMS TRADE

The same newspaper bringing the news that the US is cancelling a promised sale of CBU–72 bombs to Israel also reported that the South Africans would soon be manufacturing atomic weapons. For this they are in the debt not of that enterprising senior at Princeton, but of our own government which over the years has channeled enriched uranium and scientists to the Pretoria branch of the nuclear aspirants club. This confluence of news is only the latest evidence that there isn't much logic to who is and who isn't at the receiving end of America's largesse with military capability.

Retarding the arms race in the Middle East is a worthy goal, indeed a necessity, and Israel should not be immune from the process. We applaud President Carter's intentions. But what Carter has done in breaking the commitment his predecessor made to Israel may not have the salutary effect on the prospects for peace in the region that his advisers persuaded him it would. Politically, the move casts doubt on the credibility of US undertakings to Israel. Any significant territorial concessions Israel is asked to make in negotiations must be predicated on the assumption that American guarantees are reliable, and that one administration will not renege on the promises of a previous one. This is exactly what Carter said while he was campaigning, but it has not guided his behavior in his administration's first major act affecting the Arab-Israeli dispute. Former President Ford and former Secretary Kissinger thought the sale of the CBUs, which are particularly effective against hardened missile sites, aircraft revetments, minefields and tank clusters, was needed to help maintain the regional arms balance that had been upset by the transformation of primitive Saudi Arabia into a modern military power. The balance was always a precarious one. It assumed that Israeli technological superiority could neutralize the colossal numerical advantages the Arabs enjoyed in weapons and troops available for battle. But the general modernization of the Arab world, the possession of advanced weapons systems by all of the combatants, and the emergence of Saudi Arabia as a possible confrontation state (and almost certainly a supplier state) in another war has altered all of the old calculations.

If Carter is genuinely intent on limiting the arms race he should, having cancelled the CBU transaction with Israel, move also to curtail some of the bloated trade in arms with the Arabs. Of particular interest here are the 1600 laser-guided Maverick missiles and more than 100 F–5E aircraft capable of carrying them that the Saudis have contracted for (see "Arms Peddling," *TNR*, Oct. 2, 1976 and "Arms and More Arms," *TNR*, Oct. 16, 1976). This would be a sign of high seriousness and of the kind of even-handedness which is quite appropriate to our function as peace broker in the Middle East.

But even if he were to do that, Carter quickly would find that unilateral American restraint on arms sales cannot materially affect the influx of new and ever more dangerous weapons systems into the region. To be sure, the only arms route to Israel is via the United States. To that extent at least, the security of the Israelis is in our hands. But what we might refrain from selling to Egypt, Syria, Saudi Arabia, Jordan and other countries, they can get from the British (desperate now for cash), the French (eager for it under any circumstances) and the Soviets (whose political ends always are served by an arms imbalance in favor of the Arabs). The arms race in the Middle East can be stopped only if the other big arms sellers are willing for it to be stopped. President Carter might do well to make Russian cooperation on this matter a measure of whether detente can actually be made to work in that part of the world where the peace is actively and perpetually threatened.

TANKER SAFETY IMPROVEMENT ACT

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. WHITEHURST. Mr. Speaker, the Parade section of the February 20, 1977, Norfolk Virginian-Pilot contained an excellent article by Alexander Cockburn and James Ridgeway entitled "Liquid Natural Gas Tankers Rouse Fears of Catastrophe." It seems to me that these gentlemen's point is well taken, and I would like to share this article with my colleagues at this point in the RECORD.

On January 4, 1977, I introduced H.R. 711, the Tanker Safety Improvement Act. This bill was drafted primarily with oil tankers in mind, but there is no reason why its interpretation could not be broadened to include LNG—liquid natural gas. I hope that full hearings on this legislation can be held in the near future, and that prompt and favorable action will be taken in order that everything possible can be done to prevent further tragedies.

The article follows:

LIQUID NATURAL GAS TANKERS ROUSE FEARS OF CATASTROPHE

(By Alexander Cockburn and James Ridgeway)

In the summer of 1883, a gigantic explosion echoed across the world. The island of Krakatoa, off the coast of Indonesia, simply disappeared into the sea. Its remains were blown 17 miles into the sky and dust particles filtered around the globe, causing extraordinary sunsets remembered by all who had seen them for years afterward. Tidal waves were observed as far away as the English Channel. The noise of the explosion was heard 3000 miles away. Thirty-six thousand people in the near vicinity were killed.

The cause of this catastrophe was a mighty volcanic eruption. Scientists now speculate that the unparalleled intensity of the blast was caused by the sudden mixture of lava with seawater, leading to the creation and release of vast amounts of energy. This theory carries a startling message for modern times. For scientists now worry that the modern industrial age may have unwittingly developed the conditions under which the "Krakatoa effect" could be repeated on a smaller scale hundreds of times around the globe.

What frightens these scientists is not the specter of nuclear explosions with which mankind has lived since World War II, but an entirely new menace: liquefied natural gas. Natural gas, often found in the search for oil, is one of our most valuable fuels. It provides about one-third of all energy consumed in the United States. It is clean and, until recently, cheap. Now U.S. companies that produce and sell natural gas from the Southwest claim the resource is fast being exhausted and, in order to meet demands, they must look further and further afield.

SOLUTION: IMPORT GAS

While gas is a precious fuel in the U.S., in other parts of the world—the Middle East, Africa and Asia—it is regarded as of little use and burned off at the wellhead, its usefulness lost to mankind. One solution now being adopted by the oil and gas industries is to ship this foreign gas to the U.S.

Gas, of course, is an impractical cargo in its natural form. The solution has been to freeze it down into a liquid form at a temperature of about —260 degrees Fahrenheit. In this state, the gas is 1/600th of its original volume and becomes a practical shipping proposition.

Within the next few years, specially built tankers will begin transporting the liquefied gas from North Africa to ports up and down the Eastern Seaboard of the U.S. There are schemes to ship the gas from Asia and even Alaska to the West Coast by these tankers. Other countries are making similar plans. The small trade from North Africa to Europe is expected to increase, and a $3 billion project is well under way to ship liquid gas from Indonesia to Japan. The U.S. government, in fact, is issuing $730 million in loan guarantees to General Dynamics Corporation—the largest guarantee ever made to a single company—for the building of tankers to carry the gas from Indonesia. The U.S. also is negotiating with the Soviet Union to bring in gas from Siberia.

If all goes according to plan, within a decade or so, scores of these odd-looking ships will be crisscrossing the ocean and routinely sailing in and out of busy American ports with their cargoes of desperately needed fuel. As much as 15 percent of the nation's gas may soon be imported in this manner.

Both in government and industry, experts hail this development as an innovative answer to the energy crisis. But these same experts now are meeting with growing opposition to their plans. At the center of debate is the question of safety and the stark fact that the explosion of just one of these gas tankers in a U.S. port could kill upwards of 100,000 people.

Little real testing has been done on the safety of the new tankers that will carry the liquid gas in huge cylinders embedded in their hulls. In 1970 the U.S. Bureau of Mines mounted a brief experiment. A small quantity of liquid natural gas was dropped into an aquarium, which promptly blew up. Later the liquid gas was dropped into a pond, with equally explosive results. The bureau concluded in a report that no assurances can be offered "that these explosions could not scale up to damaging proportions in a massive spill." The scientists engaged in these experiments all recalled one of the few cases in which the effects of an accident involving liquid natural gas could actually be observed.

On Oct. 20, 1944, in Cleveland, Ohio, 2 million gallons of liquid natural gas burst from two storage tanks belonging to the East Ohio Gas Co. and created a firestorm. Liquid gas flowed down the streets and into the sewers. The slightest spark exploded it. Manhole covers sailed into the air and fell like bombs on the fleeing crowds. So intense was the heat that birds above the city burned alive as they flew. The streets became rivers of flame. Houses exploded. In the end, 29 acres of homes and stores were gutted and 131 people lost their lives. And the liquid gas tanks in Cleveland held only a small fraction of the amount carried by a modern tanker, which ranges from about 33 to 42 million gallons.

SAFETY STUDIES URGED

In recent months anxiety over the dangers of liquid natural gas has spread. No less a figure than Dr. Edward Teller, the nuclear

physicist often viewed as the father of the H-bomb, is concerned: "The gas shortage is apt to become very serious and therefore the importation of liquid natural gas may become really necessary. . . . Time and money spent on the safety of liquid natural gas is less than one percent of what has been spent on the safety of nuclear reactors. I am suggesting that, in view of our need for liquid natural gas, very greatly increased attention be paid to safety studies."

The Coast Guard is so concerned that it has established special procedures protecting gas tankers. In Boston, where small shipments of the liquid gas are already being off-loaded, the shipping lanes are cleared of other traffic long in advance. Fire departments are placed on standby alert. Tankers may only enter the harbor if visibility exceeds two miles. At the first sign of a thunderstorm, all unloading ceases.

CONGRESS CONCERNED

Citizens' groups around likely liquid natural gas terminals (such as Staten Island, N.Y., and Los Angeles) are opposing the building of such facilities. In the Congress, in the Federal Power Commission and in the Department of Transportation, politicians and officials are nervously considering improved safety precautions. Committees in the House may begin public inquiries shortly and could well involve testimony on the likelihood of the "Krakatoa effect" occurring in the event of an accident.

Over the last few months, this concern has been redoubled. Oil tanker disasters, including the explosion of one tanker in Los Angeles harbor and the wreck of another off Nantucket, have brought home in brutal fashion the result of lax safety measures on fuel shipments to the U.S. These calamities would pale in comparison with any accident to a liquid natural gas tanker. It is a race against time on more ways than one: the race to head off another energy crisis; the race of the tanker men to get their new fleets under way; the race of government regulators to catch up on safety precautions and head off what could be a terrifying catastrophe.

JOSEPH L. DARLINGTON

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. SKUBITZ. Mr. Speaker, last Friday, February 18, an old friend and neighbor of mine from my congressional district, Joseph L. Darlington, died at his family home near Arcadia, Kans. Joseph was born on February 23, 1882, and would have been 95 today. Following is a reprint of a newspaper article about Joseph.

JOSEPH L. DARLINGTON

Joseph L. Darlington, 94, died at the family home near Arcadia and Oskaloosa, Mo. He had been ill and was recently dismissed from Mercy Hospital in Fort Scott. He was born February 23, 1882, in Vernon County, Mo., the son of Martin and Barbara Rhorer Darlington. He attended school in Vernon County and began farming and raising cattle.

Mr. Darlington married Ida May Basham on February 11, 1903, in Fort Scott. They made their home in Barton County, Mo., on the family farm. Membership was held in the United Methodist Church of Arcadia, and Arcadia Lodge No. 401, IOOF.

Mrs. Darlington died April 28, 1964. He was also preceded in death by daughters Johnnie Pearl Darlington, on July 23, 1912, and Ida Darlington Shriver on July 12, 1934; one son, Joseph Darlington, March 24, 1972, and three infant sons.

Survivors include three sons, Thomas M. Darlington, of Holiday, Fla., Chester Darlington, of Pittsburg, Kans., and Paul Darlington, Oswego, Kans.; four daughters, Mrs. Neva Jean Hartzfeld of Arcadia, Mrs. Estele Hartzfeld of Kansas City, Kans., Mrs. Edna Weaver of Mound City, and Mrs. Mary Lou Robison of Olathe; two brothers, John Darlington of Pittsburgh, and Wayne Darlington of Pasco, Wash.; 24 grandchildren; 52 great-grandchildren; 18 great-great-grandchildren; and 2 great-great-great-grandchildren.

The family received friends from 7 to 8:30 p.m. Sunday at the First Christian Church in Arcadia, and Arcadia Lodge No. 401 IOOF held services at 8 p.m. in the church. Funeral services were at 2 p.m., February 21. Rev. Carl Walker III officiated. Burial was at McKill Cemetery, northeast of Arcadia in Vernon County, Mo.

PROFITS, PROGRESS, AND POLLUTION IN AMERICAN AUTOMOBILES

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. BROWN of California. Mr. Speaker, the Congress is once again faced with the problem of dealing with automobile emission standards. The propaganda on this subject has been distributed for years, with the approach that the automobile industry uses to argue for delays in cleaning up their auto exhausts changing as external events change.

A time-honored argument has been that the technology does not exist to clean up automobile emissions in an economical fashion. This argument has time and again been rebutted, most recently by the breakthrough made by Volvo with the three-way catalyst. The response of the automobile industry in Washington was to deny that they could meet the same standards. But Detroit did hedge its beats, at least for California, where the State has shown it is serious about enforcing stringent emission standards. Now both General Motors and Ford have announced that they will meet the California standards with an emission control system similar, but probably cheaper than the Volvo system. So much for the "technology does not exist" argument.

A second argument against emission controls has been economics. Well, once again the automobile companies have had record profits and sales, and this despite the enormous price increases for their automobiles. It is difficult to believe that this enormous industry, with its enormous profits, cannot produce pollution control equipment economically. In fact, American auto companies can do this, as they have shown when forced to produce a better product. If nothing else, they can apply some of their profits toward reducing the pollution load. By now it is obvious that I consider the arguments of the automobile industry in favor of delaying auto emission standards to be a case of special pleading. As in most cases of special pleading, the auto industry position is not consistent with proper public policy. This has been documented time and again, and can easily be inferred from the press accounts on this subject. It is important to remember this when the letters now being generated by Detroit to lobby the Congress arrive.

In order to share with my colleagues some recent articles on the auto industries' profits, and plans for auto emission controls in California, I insert the following items in the RECORD:

[From the Los Angeles Times, Feb. 18, 1977]

GM CARS IN STATE TO HAVE ADVANCED EMISSION UNITS

(By Harry Anderson)

General Motors Corp. will install three-way catalytic converters and electronically controlled carburetors on a limited number of cars to be sold in California beginning this fall, GM President Elliott M. Estes said here Thursday.

GM thus becomes the third auto maker to experiment with such advanced emissions control systems to meet California's tougher pollution standards. Volvo first introduced them on 1977 four-cylinder models, and earlier this month Ford Motor Co. said it would install similar devices on about 30,000 1978-model Pintos and Mercury Bobcats to be sold in the state.

During a press conference at the Greater Los Angeles Press Club, Estes said GM—which had earlier expressed concern that such three-way catalytic devices might not be practical—would introduce them on 1978 Pontiac Sunbirds equipped with 2.5 liter, four-cylinder engines and 1978 Buick Skyhawks equipped with 3.8 liter, V–6 engines. He said he expected the new system will be offered on "at least 1,400" cars and perhaps as many as 2,000 or more.

A big advantage of the new system, said Estes, will be to boost GM's fuel economy average in California. Currently, the company's car get about 2 miles per gallon less, on average, than those sold in the other 49 states. The fuel penalty has been attributed to the state's tighter pollution limits.

"We've got a chance of being within one mile per gallon of the federal fuel economy average" on 1978 models sold in California, he said.

Estes said GM had recently discovered a means to use a conventional automobile carburetor with a three-way catalytic converter by utilizing an electronic exhaust feedback and fuel metering system. Previously, the advanced converters could only be used with a much more expensive fuel injection system which GM didn't think was "reasonable" for mass production of cars, he said.

(Catalytic converters have been used on most new cars since 1975 to control emissions while affording better fuel economy. "Three-way" converters are so named because they are able to reduce emissions of all three major automotive air pollutants, while present converters affect only two.)

The company has not decided how much more it will charge for cars equipped with the new system, Estes said, but he expects its cost to be "less than half" what it would have been if GM had used fuel injection instead of the conventional carburetor. Fuel injection now costs $100 to $300 extra, he added.

"We're initiating this on a relatively low volume in California on the basis that this may be the next technological step in the emission control program," he said.

However, he declined to say if GM would utilize the new system on all of its cars if it proves successful in California. Eventually,

the nation may have to develop a "two-car" program in which some cars will be equipped with more pollution control devices for high-pollution areas.

"We say that maybe we shouldn't put that same car into Grand Island, Neb., where the wind blows every day so damned hard that whatever comes out ends up in Chicago in three minutes," said Estes.

Previously, GM had expressed concern that if all cars were equipped with three-way converters there would be insufficient rhodium to meet production needs. (Rhodium, a trace element extracted during the mining of platinum, is an essential part of the advanced catalytic system.)

However, Estes said Thursday that he foresees no shortage of the metal if its use is confined to California cars.

The GM executive said the company has been unable thus far to solve one problem with the advanced system. Its oxygen sensor, which directs the flow of fuel through the carburetor according to the amount of pollutants it measures in the car's exhaust, must presently be replaced every 20,000 miles, although "we're trying to get to 50,000." He said the sensor costs less than $20.

(Volvo recommends that its sensor be changed every 15,000 miles, and Ford has specified a change every 25,000 miles.)

At the press conference, Estes also said that:

He expects 1978-model GM cars to achieve better than 19 miles per gallon on average, and "hopefully 19½ m.p.g." That compares with 18.4 m.p.g. for 1977. He said the company expects to meet increasingly tight federal requirements for fuel economy without limiting production of its biggest cars—at least through 1980. The auto makers must average 18 m.p.g. for their 1978 models, 19 m.p.g. on the 1979s and 20 m.p.g. on the 1980s.

"We will have redesigned every single car in our line by 1980 to improve fuel economy," he said. Its redesigned intermediate cars—such as Oldsmobile Cutlass and Chevrolet Monte Carlo—which will be introduced next fall will average 3 m.p.g. more than their 1977 counterparts, he said.

GM has made "significant progress" in developing a new zinc/nickel oxide battery which could lead to production of a lightweight, inexpensive electric commuter car.

Such a vehicle could become an important factor in "at least 10 years or so." The electric car's drawbacks until now have been the high cost and weight of existing lead acid batteries.

He said GM has a "tremendously strong" program to produce a 2,500-pound, $3,500 two-seat electric car with luggage space and a range of 100 miles at up to 50 m.p.h.

[From the Washington Post, Feb. 16, 1977]

FORD SALES, PROFITS AT PEAK

(By Douglas Williams)

DETROIT, Feb. 15.—Despite a four-week strike last fall, Ford Motor Co. today reported worldwide record sales and profits for 1976 of $28.8 billion and $983 million respectively.

The Ford results had been widely anticipated and followed by a week General Motors Corp.'s similar report of a record $2.9 billion profit on worldwide sales of $47.2 billion.

Ford dollar sales were up 20 per cent from 1975's record $24 billion and profits were up 14 percent from the previous record of $907 million set in 1973.

Total car and truck sales for 1976 were a record 5.3 million compared to the previous 4.6 million set last year.

A joint statement by chairman of the board Henry Ford II and president Lee Iacocca said the 14 per cent rise in profits from 1973 was actually a 14 per cent decrease when measured in constant dollars to eliminate inflation.

The strike by the United Auto Workers against Ford last September and October reduced sales by 438,000 cars and trucks or about $2.1 billion and profits by $348 million, the company said.

A change in accounting practices to the last-in-first-out (LIFO) method reduced profits by another $81 million.

Ford indicated its expected results in a contradictory year when it worked five assembly plants, employing 23,000 blue collar workers, over the Christmas to New Year holiday producing intermediate and larger cars.

A major assembler in those plants, the most common UAW classification, grossed just over $168 for each eight-hour day clocked in that period.

Federal income taxes for 1976 were $731 million, according to Iacocca and Ford.

In their joint statement, the Ford executives said: "The U.S. economy is recovering from the pause that started last summer. In recent months, most leading indicators increased at an accelerated rate, giving us confidence that the recovery will continue through 1977."

They said the company produced 3.5 cents profits on each dollar of sales during 1976, compared with 1.4 cents on each sales dollar in 1975 and 4.0 cents in 1973.

General Motors made the same comparison a week ago, quoting 6.2 cents in after tax profit on the sales dollar in 1976 versus 3.5 cents in 1975 and 6.7 cents in 1973.

B.F. Goodrich Co., a major tire and rubber maker, yesterday reported sharply lower earnings for 1976, which it blamed on a 141-day strike by the United Rubberworkers Union last year.

Goodrich said its profits in the fourth quarter jumped to $22.9 million ($1.53 a share), nearly five times 1975's fourth-quarter earnings of $3.9 million (23 cents). Sales in the quarter gained nearly 3 per cent, $510.3 million from $495.9 million.

But for all of 1976, Goodrich earned $15.8 million (95 cents), off 28 per cent from 1975's $22.1 million $.41). Sales for the year rose nearly 5 per cent to $1.996 billion from $1.901 billion.

DAIRYMEN OPERATING AT A LOSS

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. RISENHOOVER. Mr. Speaker, Oklahoma State University has completed a study showing that dairymen in Oklahoma and surrounding States are losing $79.66 a year on each cow they are milking.

Worse, in the Midsouth region, dairymen are losing $174.58 annually, according to the OSU study by three experts.

At present, dairymen are receiving parity support of 77 percent. I have introduced legislation raising parity to 90 percent—which would assure a profit—not a loss—for farmers who produce the milk for our tables.

Several factors enter the current picture.

The drought has reduced foliage supplies and dairymen are forced to feed their herds more expensive grain.

Because of an equally sluggish market for beef cattle, dairymen are resisting the possibility of selling milk cows to the hamburger factory. Should the red meat market improve, I believe that many cows that are being milked would be sold to slaughter.

The beef market is so poor, I am told, that some ranchers have started selling their calves and milking beef cows because they need the cash flow—even if costs of production exceed the price they get for milk.

Housewives across the land should know that our farmers must have a profit if they are to continue producing the milk, meat, and other foods which we feed our families. Congress should take early steps to change public policy and place dairymen and ranchers on a solid footing for economic survival.

FEDERAL FLOOD INSURANCE

HON. JOSEPH S. AMMERMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. AMMERMAN. Mr. Speaker, my newspaper report to the citizens of the 23d Congressional District of Pennsylvania this week concerns the Federal flood insurance program. I believe the information would be of value to the Members.

An important concern of mine for the past several days has been the threat of widespread flooding this spring in the 23d District, and the rest of Pennsylvania, as a result of the severe winter.

A number of Pennsylvania State officials were in Washington recently to brief the State's congressional delegation on the flood situation, among other matters.

They say the buildup of snow and ice this winter has been the worst since the 1930's. In some areas of Pennsylvania the ground is frozen to a depth of 40 inches.

If we have a fast thaw or extensive rainfall during the thaw, the ground will not be able to absorb the water from the melting snow and there will be very damaging floods.

At this point there is no cause for public alarm. Disastrous flooding is not inevitable, and a gentle thaw could resolve much of the problem.

However, it does seem likely that there will be at least some flood damage this spring, and I think prudence would dictate that the residents of the 23d District take some precautions against the threat.

The Government cannot stop floods from occurring. But your Government has made available to you a program which can help you protect yourself from flood losses—the Federal flood insurance program.

Most of the communities in the 23d District already are participating in the program. I urge those communities that are not participating to reexamine their situations and take another look at the program.

The Department of Housing and Urban Development, HUD, here in Washington has authorized the Pennsylvania Department of Community Affairs in Harrisburg to help communities prepare

their applications. And HUD has promised that it will cut the time it takes for the applications to be processed in Washington from the normal 6 days to 3.

In a participating community homeowners can purchase up to $35,000 insurance coverage on the houses plus $10,000 on contents.

The premium rate, which is federally subsidized, is 25 cents per $100 worth of coverage on your house; 35 cents per $100 for the contents. The maximum possible premium for a single-family home is $122.50.

This coverage may be obtained from any licensed insurance agent.

An important point to remember is that there is a 15-day waiting period before new policies become effective. So the sooner you acquire it the better.

I am not an insurance agent and I am not telling you to go out and buy the flood insurance.

I am telling you that the Federal Government established this program in 1973, that it is available to you and that given the prospects for flooding this year, it is a way to protect yourself against losses.

You ought to consider it.

TWENTY-THIRD CONGRESSIONAL DISTRICT

COMMUNITIES NOT PARTICIPATING IN THE FLOOD INSURANCE PROGRAM

(As of Dec. 31, 1976—Data supplied by HUD)

Cameron County

(All participating.)

Centre County

Taylor Twp.

Clarion County (part)

Ashland Twp.
Beaver Twp.
Knox Borough.
Millcreek Twp.
Salem Twp.
Shippenville Borough.
Strattanville Borough.
Washington Twp.

Clearfield County

Bloom Twp.
Boggs Twp.
Bradford Twp.
Brady Twp.
Burnside Borough.
Chest Twp.
Decatur Twp.
Glenhope Borough.
Greenwood Twp.
Houtzdale Borough.
Huston Twp.
Jordan Twp.
Karthaus Twp.
Lumber City Borough.
Mahaffey Borough.
New Washington Borough.
Newburg Borough.
Osceola Mills Borough.
Penn Twp.
Pike Twp.
Troutville Borough.
Union Twp.
Wallaceton Borough.
Woodward Twp.

Clinton County

Crawford Twp.
Gallagher Twp.
Grugan Twp.
Leidy Twp.
Loganton Borough.
West Keating Twp.

Elk County

Benezette Twp.
Horton Twp.
Millstone Twp.
Spring Creek Twp.

Forest County

Barnett Twp.
Green Twp.
Kingsley Twp.
Tionesta Twp.

McKean County

Kane Borough.
Otto Twp.
Westmore Twp.

Potter County

Bingham Twp.
Clara Twp.
Keating Twp.
Pleasant Valley Twp.
Portage Twp.
Sylvania Twp.

Venango County

Allegheny Twp.
Canal Twp.
Cherrytree Twp.
Frenchcreek Twp.
Irwin Twp
Jackson Twp.
Mineral Twp.
Oakland Twp.
Pinegrove Twp.
Plum Twp.
Richland Twp.
Rockland Twp.
Scrubgrass Twp.
Utica Borough.
Victory Twp

Warren County

Bear Lake Borough.
Cherry Grove Twp.
Clarendon Borough.
Deerfield Twp.
Eldred Twp.
Freehold Twp.
Limestone Twp.
Southwest Twp.
Spring Creek Twp.
Sugar Grove Twp.
Triumph Twp.
Watson Twp.

LOYAL LEAGUE OF YIDDISH SONS OF ERIN CONDEMNS RELEASE OF ABU DAOUD

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. WOLFF. Mr. Speaker, once again, I would like to address myself to the serious problem of international terrorism which continues to threaten the safety and welfare of citizens of all nations.

The Loyal League of Yiddish Sons of Erin joins with me in condemning the many acts of terrorism with which we have been confronted in recent years, and in particular, concerns itself with the continuous struggles of Israel and Ireland.

In concert with many of my colleagues, I have expressed my extreme disapproval of France's action in releasing terrorist Abu Daoud. The Loyal League of Yiddish Sons of Erin has voiced these same views in the form of a mailgram to the Honorable Jacques Kosciusko-Morizet, Ambassador of France to the United States. I would like, at this time, to insert the contents of this correspondence as a reminder of the necessity of halting such actions in the future:

Abject surrender of notorious gangster and murderer Abu Daoud is a shameful and revolting chapter in the history of the Republic of France. In keeping with your humiliation it is fitting that you lower the Tri-color to half-mast in memory of the honor of the France that once was.

I would also like to thank Mr. Michael Mann, president of the Loyal League of Yiddish Sons of Erin, for bringing this important statement to my attention.

WHAT DO THEY WANT?

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ABDNOR. Mr. Speaker, in a day and age when the environmental impact statement on just about everything has become a goal in itself, rather than a step to a further goal, it is occasionally appropriate to stop and wonder what is happening, and if what is happening is what we really want to happen.

The February 18, 1977 edition of the Rural Electric Newsletter contains a conversation piece by Mike Molony which asks a question we all need to ponder. I commend it to the attention of my colleagues:

CONVERSATION PIECE: WHAT DO THE ENVIRONMENTALISTS WANT?

A 184-page answer to that question was released here in Washington last week. The product of a $60,000 grant from the Rockefeller Brothers Fund, Inc., the report, entitled "The Unfinished Agenda," is billed as a "consensus document." In it, the nation's leading environmental organizations, including Friends of the Earth, Sierra Club, Natural Resources Defense Council, Wilderness Society, Zero Population Growth, National Wildlife Federation, the Nature Conservancy, Environmental Defense Fund, Izaak Walton League, National Parks and Conservation Assn. and the National and Massachusetts Audubon Societies, reveal their collective perception of the critical issues of the next decade.

To a great extent, most of the ideas in this "Citizens' Policy Guide to Environmental Issues" have been aired before in other reports, of other studies, by other task forces, funded by other foundations.

Where this particular document breaks new and disturbing ground, however, is in some recommendations which seem less concerned with the physical quality of our environment, and more related to our social and economic value system and the basic political philosophy of this nation.

There is no attempt to mask this focus. "This book is about a world transition from abundance to scarcity," they say, "a transition which requires a profound change of human values." And what are some of these values which the environmental consensus feels must be changed? Here are a few:

Establish a national goal of population stabilization or gradual decrease;

Eliminate additional tax benefits for those with three or more children;

Gradually reduce and stabilize quotas for legal immigration;

All forms of foreign assistance should be linked to bringing birth rates into line with death rates;

An all-out effort should be made to eliminate the most significant cause of human cancer—tobacco smoke;

The U.S. must develop a "worthy" land ethic;

Certain biological and genetic research should be banned entirely, and

The Council on Environmental Quality should monitor and analyze the environmental message contained in all programming and commercials on U.S. television.

Now this is not to say that a connection of sorts cannot be made between some of these factors and the ultimate quality of the environment. But I fear that, using the same logic, just as good a case might be made for the environmental undesirability of many more of the personal freedoms we long have cherished as Americans. Could not a case be made about the negative environmental impact inherent in our freedom to travel where and when we wish? How about our freedom to make use of and enjoy the parks and other wilderness areas which our taxes help to preserve and maintain?

We now have the freedom to choose for ourselves how best we can balance our concern for the quality of the environment with our desire for a quality of life made possible by adequate energy supplies and an active economy. Is this right in the best interest of the environment? Perhaps not—but I would maintain that overall, it is in the best interest of the people.

The environmental issue is an emotional one and is certain to spawn some who will propose, and wish they could impose, harsh and unjustifiable solutions to our environmental problems. To balance this, reasonable persons must never hesitate to speak out against unreasonable ideas for fear of being wrongly branded as not favoring a clean safe and healthful environment for us all. Preservation of our environment must be a top priority—but not the only priority.

—MIKE MOLONY.

SHOE IMPORTS

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. DENT. Mr. Speaker, by April 8, President Carter must start to act on the recent recommendation of the International Trade Commission to impose a tariff rate/quota system on shoe imports. The Commission recently concluded, by a unanimous margin, that increased imports of shoes have severely damaged the domestic industry, displaced workers, and threaten the remaining work force should the imports continue unabated.

In an informative letter to President Carter, AFL–CIO President George Meany has delineated the problems confronting the 265,000 workers in the shoe industry. I am including it at the end of my statement for my colleagues' information.

As many of you are aware, I personally do not believe that we can continue to systematically disregard the fate of small, labor-intensive industries in the United States. Such a policy ignores the importance of the large number of jobs presently provided in labor-intensive industries, and second, ignores the direct dependence of hundreds of American towns on manufacturing plants engaged in the labor-intensive production of goods. It is the payroll of the manufacturing plant circulating in the form of wages in a community that provides other jobs, that buys homes, that pays taxes, that provides community services. At a time when we need more jobs, it is ironic that we would consider not protecting the ones we already have.

It would seem fitting at the start of this new administration to reexamine those trade policies that directly and often adversely, affect the work force in the United States. The case involving the shoe industry is a good place to start.

AFL–CIO President Meany's letter follows:

AFL–CIO,
Washington, D.C., February 14, 1977.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The AFL-CIO urges you to save the jobs of thousands of American shoe workers by acting immediately to curb the flood of imported shoes now destroying U.S. jobs and production.

On December 28, 1976, the International Trade Commission unanimously concluded that the industry had been severely injured by imports—the second finding of injury in less than a year. And imports still pour in.

Shoe imports have risen from over 21% of the U.S. market in 1968 to about 50% in 1977. During this period alone, about 70,000 jobs in the U.S. shoe industry have been lost. The specific job losses and plant shutdowns have affected hundreds of communities in various parts of the nation—more than 100 in the past two years. These job losses also affect jobs of workers in supplying industries and local government workers, since the tax base of the community has been destroyed.

While the Congress is being urged to adopt special programs to create jobs, it would be unrealistic to ignore the 265,000 jobs in shoe production and related industries now endangered.

Because these problems are so serious, the AFL–CIO is concerned that the International Trade Commission did not grant the union request for quotas on imports. That would be the most effective and least expensive remedy for workers, employers, consumers and taxpayers. Instead, a majority of the Commission recommended a tariff rate quota. Such a quota will have no substantial effect without these three factors: (1) Raise that tariff quota rate by 50 percentage points; (2) permit no exceptions and (3) hold the tariff level for at least five years. Anything less amounts to slow but certain death of the industry and a substantial loss of jobs.

We urge you to regulate shoe imports as soon as possible with effective actions.

Sincerely,

GEORGE MEANY,
President.

RECENT ACHIEVEMENT OF AXEL H. HEIMER OF ST. THOMAS

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. DE LUGO. Mr. Speaker, it is a great pleasure to share with my colleagues the recent achievement of a native Virgin Islander. Mr. Axel H. Heimer of St. Thomas.

While assigned by the Department of the Interior as Acting Comptroller for the government of Guam and the Trust Territories, Mr. Heimer received a letter of recommendation from the Governor of the territory in appreciation for the technical assistance and training he provided to the staff of the bureau of budget and management research in developing an indirect cost allocation plan for the government of Guam.

Governor Ricardo Bordallo called Mr. Heimer's contributions "above and beyond the call of duty" and his able and expert assistance invaluable. The chief executive of the territory likewise inducted Mr. Heimer into the Ancient Order of the Chammori.

The outstanding performance and expertise offered by this Virgin Islander to his sister territory is a source of pride for all the citizens of the Virgin Islands. On their behalf, I congratulate Mr. Axel H. Heimer and salute his professional contribution.

CENTRAL ARIZONA PROJECT

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. RUDD. Mr. Speaker, Arizona citizens are shocked by President Carter's sudden decision to cut funds for the Central Arizona project from the fiscal year 1978 Federal budget.

This is a vital reclamation project that has been underway since it was first authorized by Congress in 1968. The CAP is 20 percent completed, and we currently have invested more than $390 million in its development and construction.

It would be economically and environmentally foolish to stop this project now, I hope that both the Carter administration and Congress will realize that fact.

Interior Secretary Cecil Andrus appeared before the House Interior Committee this morning to explain the President's action. I am a member of this committee and was not impressed with the inconsistencies in the administration's position or the way in which the decision to delete funding for the CAP was reached.

I would like to include my remarks to Secretary Andrus during the committee meeting at this point in the RECORD:

STATEMENT OF HON. ELDON RUDD, DURING APPEARANCE OF INTERIOR SECRETARY CECIL D. ANDRUS BEFORE THE HOUSE INTERIOR COMMITTEE, FEBRUARY 23, 1977

Secretary Andrus, the Imperial Presidency was established at 1600 Pennsylvania Avenue when President Carter ordered a halt to the funding of the Central Arizona Project and 18 other reclamation works.

The President says he moved in the interests of the environment and the economy. Well, people are a most important part of the environment of the United States. And the economy of much of the West is dependent upon water collected and delivered by reclamation projects.

I was out of Washington on a Congressional mission to the Panama Canal when the White House announcement was called into my office at 7:40 p.m. last Friday. To my knowledge, no member of the Arizona delegation had been consulted in advance about the President's decision.

Either the President had been badly misinformed—or his action demonstrates a callous disregard for the welfare of the people of the states affected, and ignores the wisdom of prior Congresses and prior Presidents who authorized these projects.

I am saddened by the President's action. I am dismayed by his apparent lack of under-

standing of the value of reclamation. I am incensed by the manner in which his decision was communicated.

Was this the action of a wise, compassionate, prudent President? Did he come to the Congress with newly discovered engineering and economic data? Did he solicit our advice to the course he proposed to take?

No, indeed. He announced the decision with all the humility and compassion of an arrogant emperor.

The bill authorizing the Central Arizona Project, which passed the Congress in 1968, was sponsored by the Honorable Carl Hayden, a distinguished Senator who is revered for his accomplishments for Arizona and the nation.

The 90th Congress authorized funds for engineering in the FY 1970 budget, and each succeeding Congress has authorized additional funds. To date, $390.4 million has been invested in the project.

This construction is to deliver a portion of Arizona's share of the Colorado River water to the water-short municipal, industrial, and agricultural users in Central Arizona.

Originally thought of as a rescue operation for agriculture, the population growth has changed that emphasis, with approximately 50 per cent now being allocated to municipal and industrial users.

The cut-off of funding will eliminate many jobs in Arizona. It is noteworthy that the President's press secretary has dismissed this aspect, saying that "Most of the workers are transients."

Does the President mean that transients aren't people who need jobs? Doesn't the President know that highly skilled construction workers are required by their trade to move from job site to job site? You can't stay in one place for 30 years drilling tunnels.

President Carter and his advisors—and I would guess you to be one of them—have had about four weeks to review the Central Arizona Project and the other projects to make up their minds. Prior Congresses and two former Presidents, after years of study and continued examination, all concluded that the CAP was a worthwhile investment—necessary to the welfare of Arizona.

These funds are not giveaways to the states involved. They are investments—and over the long-term most of the money will be repaid to the Federal treasury. In fact, Western reclamation projects have produced more wealth than all the gold ever mined in the United States. Water is the foundation for all that has been built in the West.

If this project is stopped by the President's action, we will lose the $390 million already invested. If it is delayed, 2 million people will face a certain serious water shortage by the end of the next decade.

At a time when the West is suffering from an acute water shortage, it is difficult—if not impossible—to understand the President's logic.

I can only guess that the President and his advisors took a survey of the vote count across the United States, and have determined that those states like Arizona that did not support him must now be penalized for their political views.

CUT REDTAPE AND PAPERWORK

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. STEED. Mr. Speaker, Congress enacted the Occupational Safety and Health Act in 1970 to protect American workers from occupational accidents and diseases. But in creating the administrative infrastructure of OSHA, Congress also created massive paperwork burdens for every employer in America.

The enabling statute does state that information required for the administration of OSHA should be obtained with a "minimum burden upon employers." However, in hearings throughout the Nation, witnesses constantly complained of what they felt were unnecessary paperwork requirements of OSHA.

The Commission on Federal Paperwork recognized the need for an in-depth, but expedited analysis of the more pressing paperwork burdens associated with the administration of OSHA. In 4 months, time, the Commission presented the Congress and the President just such an analysis, plus 26 specific recommendations for actual paperwork reductions, or areas of paperwork which should be monitored as the development and refinement of reporting requirements and various safety and health standards progress.

These recommendations include:

Relieving employers with less than 100 employees of the need to keep a log of illnesses and injuries;

Employers subject to multiple Federal agency jurisdictions should be able to report to a single source, which would in turn notify Federal and State agencies requiring information;

Eliminating recordkeeping requirements which have little or no impact on employee safety and health;

Developing an onsite consultation program to assist employers in complying with substantive and administrative requirements of OSHA;

The Commission recommended that:

Congress should reconsider its need for the very complex and expensive annual report which OSHA must submit;

Other recommendations include identification of paperwork burden areas which show promise of significant paperwork reductions.

Mr. Speaker, the OSHA study has outlined many areas of possible paperwork reform—reforms which can save the American businessmar, particularly the small businessman, millions of dollars, millions of man-hours, and immeasurable frustration. I shall discuss other Commission study efforts in the days ahead, including our examination of the Employment Retirement Income Security Act, ERISA, and shall report to the House specific savings associated with the implementation of our paperwork reductions recommended for OSHA and other programs.

LEGISLATION TO LIMIT DIPLOMATIC IMMUNITY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ASHBROOK. Mr. Speaker, one of the most abused areas of our law is that providing for diplomatic immunity. Many foreign diplomats and their staffs violate our laws with immunity. Then if anyone tries to do something about it, they fall back on the claim of diplomatic immunity.

Embassy personnel will park their cars in illegal zones and refuse to be responsible for parking violations. They will lease apartments and then refuse to pay the rent or cover any damage they may have done. They will be the party at fault in an automobile accident yet assume no liability to the injured party.

And these special privileges apply not only to a selected few. Embassy secretaries, cooks, chauffeurs, clerks, and any other positions you can imagine are all entitled to the same protection.

This situation is highly unjust. It is ridiculous to have all these people running around our society like a privileged class. That is why I am introducing legislation to severely limit diplomatic immunity.

My bill would exclude most of the people currently protected by diplomatic immunity. Cooks, chauffeurs, secretaries, and other staff members would be made responsible for their acts.

Specifically, my bill restricts those eligible for diplomatic immunity to the head of the diplomatic mission and his immediate family. In addition, two members of the staff with diplomatic rank and their immediate families would also be entitled to this protection. No one else would be able to claim the privilege.

My bill would bring a reasonable balance to the area of diplomatic immunity. The time for reform is long overdue.

GEN. TADEUSZ KOSCIUSZKO

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. LEDERER. Mr. Speaker, I insert into the RECORD the following remarks made by Mr. Henry J. Wyszynski, of Philadelphia, Pa. Mr. Wyszynski is the president of the Polish American Congress of Southeastern Pennsylvania.

On February 12, 1977, Mr. Wyszynski attended the ceremonies in Philadelphia honoring the Revolutionary War hero, Gen. Tadeusz Kosciuszko. At this celebration, Mr. Wyszynski delivered the following remarks:

REMARKS BY HENRY J. WYSZYNSKI

Thirty-three years ago at a Constitutional Assembly held in the City of Buffalo, New York, individual delegates from more than thirty states representing the religious, professional, veteran, social and civic groups of Americans of Polish heritage met to organize a national umbrella organization to concern itself with the welfare of over eleven million Polish Americans throughout the United States.

In the following year, the Southeastern Pennsylvania state division, comprised of over 250,000 Polish Americans in the metropolitan area of Philadelphia, Berks, Bucks, Delaware and Montgomery counties came into existence.

As a national body, the Polish American Congress devotes its energies to matters pertaining to the people of Poland, informing the American public of Poland's historic role, her aims, needs and her rights to independ-

ence. We have encouraged cooperation of America's democracy supporting the freedom loving people in Poland in the fields of civic, social, ideological and economic life.

On the domestic front, we have concerned ourselves with the improvement of the welfare of Americans of Polish heritage, with emphasis on the socio-economic problems of our neighborhoods, providing better job opportunities and to prevent discrimination against our people. As a result of our activities, increasingly qualified representation of the Polonia is being selected for high city, state and federal offices.

Today we gather in this historic area of the early colonies to pay tribute to a great American hero, Tadeusz Kosciuszko. He arrived here in the city of Philadelphia, the Cradle of Liberty, in the summer of 1776 as the first foreign volunteer to offer his outstanding military engineering expertise and to serve in the Colonial Armies under General George Washington, during the struggle for American freedom. That he was a resident of our great city was acknowledged by the United States government in the dedication of the Kosciuszko House at 301 Pine Street as a national memorial in 1977.

Now two hundred years later it is most befitting that we, as Americans, proudly honor the memory of General Tadeusz Kosciuszko, on this the 12th day of February, 1977, the 231st birthday of this American Revolutionary War hero, with these wreath laying ceremonies sponsored by the Polish American Congress of Southeastern Pennsylvania.

On the occasion of these ceremonies, as we open the third century of these United States in the shadow of the Liberty Bell and Independence Hall, it is also proper that we, the newly elected officers of our state division, formally inducted in your presence, reaffirm ourselvs to promulgate the original aims and purposes of our organization and carry on the traditions set out by the organizers of the Polish American Congress. With the help and assistance of our member organizations and the cooperation of our federal, state and local governments we pledge you this rededication, so help us God.

THE JEFFERSON COUNTY MENTAL HEALTH CENTER RELIEF ACT

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. WIRTH. Mr. Speaker, I am introducing today a bill for the relief of the Jefferson County Mental Health Center. Located in Lakewood, Colo., the center provides mental health services for a tri-county area. Unfortunately, the center has suffered a series of administrative misunderstandings with the Internal Revenue Service that can only be remedied through legislation.

The problem developed over the payment of social security taxes by the center. The Jefferson County Mental Health Center, a nonprofit organization, is exempt from employee participation in the social security program. However, employees at the center elected to participate in the program.

Proper forms were filed with the IRS and FICA taxes were deducted and paid beginning in 1963. However, in the course of an IRS review of the center, it was discovered by the IRS that the proper form for employee withholding had not been filed.

The IRS informed the center that because of a lack of the proper forms, the center had been wrongfully withholding the FICA tax. The IRS told the center to reimburse the employees for FICA taxes withheld and that the IRS would reimburse the center.

The Jefferson County Mental Health Center reimbursed 133 employees for a total of $74,128. Shortly thereafter, the IRS informed the center that proper forms had been originally filed and had now been located. Consequently, the IRS said it would not reimburse the center for money it had already returned to employees.

By this time, it was too late to get the money back from the employees, who had spent the money or were no longer employed by the center.

The IRS cannot remedy this unfortunate mistake because it does not have the authority to expend funds without a legal obligation to do so or a statutory authorization. This bill provides that the Secretary of the Treasury determine the amounts withheld and treat these amounts as tax overpayments which are then reimbursable to the center.

A companion bill had been introduced in the Senate by my colleague, Senator HASKELL. I hope this matter can be enacted upon quickly to remedy the situation for all concerned.

THE FEDERAL GOVERNMENT AND HIGHER EDUCATION

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. FORD of Michigan. Mr. Speaker, on February 11, our distinguished majority whip, Mr. BRADEMAS, addressed the National Association of Independent Colleges and Universities, NAICU, at its first annual meeting in New Orleans, La.

This organization is comprised of over 600 institutes of postsecondary education and includes on its secretariat the chief executive officers of 18 national postsecondary education associations.

The membership was, indeed, fortunate to hear an excellent speech entitled "The Federal Government and Higher Education" by my good friend and colleague, Mr. BRADEMAS, who has served on the Committee on Education and Labor for almost two decades. During this time, he has developed a national reputation for being one of the most well-informed, articulate, and effective education-oriented legislators in this body.

At this point, I would like to insert into the RECORD the text of this address for the benefit of my colleagues.

THE FEDERAL GOVERNMENT AND HIGHER EDUCATION

(An address by Congressman JOHN BRADEMAS, Chairman, Select Education Subcommittee, Committee on Education and Labor, and Majority Whip, U.S. House of Representatives, at the Annual Meeting, National Association of Independent Colleges and Universities, February 11, 1977, New Orleans, La.)

I am honored to have been invited to address you at the first annual meeting of the National Association of Independent Colleges and Universities. As one who has a special concern for private higher education and who has for over eighteen years sat on the committee in the House of Representatives with responsibility for higher education, I applaud the formation of your association and am confident that it will add a new dimension to the shaping of Federal policy in this field. You are clearly off to a running start by the selection of Steve Muller, my valued friend of over 25 years and an outstanding leader in American education, as the first Chairman of your Board of Directors, and John Phillips, an experienced and effective advocate, as your Association President.

I should like today to share some thoughts with you on what I perceive to be some major trends in postsecondary education; suggest the issues these trends pose, particularly for independant colleges and universities, comment on the likely responses to them from the Federal government; and then make bold to suggest what your role can be.

TRENDS IN POSTSECONDARY EDUCATION NEW DEMANDS

One of the most obvious trends affecting higher education, and, indeed, education at all levels, is the escalation in the demands being placed on educational institutions and educators. As a nation we have heaped on education the responsibility for solving many of our most intractable social problems and our most virulent social pathologies.

We expect education to cure the effects of centuries of slavery, segregation and racism. We expect education to create a new and equal role for women in our society. We expect education to integrate the handicapped into the mainstream of American life. We expect education to turn out people with the life skills to cope with the complexities of an industrial society. We expect education to train people to find jobs and make a contribution to the economy. We expect education to produce both good citizens and sensitive human beings. We expect education to help solve the problems of drug abuse, poor nutrition habits, inadequate consumer information, environmental abuse, and the breakdown of the family.

You and I know that many of our social institutions are in a state of flux and uncertainty, that the family, the neighborhood and the churches have all lost their traditional hold on individuals. But we seem to think that our educational institutions must—and can—take over many of the functions of these changing institutions.

EDUCATIONAL OPPORTUNITY

One important facet of these new demands on education is the opening of opportunities to groups that have heretofore either been excluded from or not enjoyed the full benefits of our educational system. Minorities, women, the handicapped, older Americans and adults generally are demanding that education be available to them and responsive to their needs. The assumption that a student in higher education is someone between the ages of 18 and 22 attending a four-year college full time does not fit the facts. The typical student is no longer young, full-time, just out of high school, a stranger to the world of work, necessarily seeking either a set of skills or an educational credential. And he is no longer overwhelmingly "he."

QUALITY EDUCATION

Another dimension of the new demands on higher education is the renewed emphasis on and commitment to quality education. For example, as *the Chronicle of Higher Education* reported this week: "Colleges and universities across the country—from Stanford and Harvard Universities to

Marist College in Poughkeepsie, New York—are reappraising their undergraduate curricular" A major thrust of this reappraisal is a strengthening of the liberal arts.

As you may know, an intensive review of the undergraduate program is underway at Harvard College. "The basic problem" writes Dean Henry Rosovsky, "is that our students arrive unevenly—sometimes inadequately—prepared; the variation in their intellectual training is significant. I am not at all disturbed by this fact," he continues. "To me it is an inevitable consequence of our openness to a large and heterogeneous society. But we should be disturbed if some of our students graduate with an inadequate education. To ensure that this does not happen, we first need to define a set of standards for undergraduate instruction."

And Dean Rosovsky goes on to describe the process whereby members of the Harvard community are seeking to define those standards.

But the movement to improve the quality of higher education extends beyond revitalizing the core content of the liberal arts curriculum. It also includes a new emphasis on providing students with vocational skills, however broadly or narrowly they are defined. This concern is reflected in the renewed interest in postsecondary vocational education, career education and competency-based education.

Now I am fully aware of the intense and healthy debate in higher education concerning the proper balance in defining educational goals between liberation of the intellect and provision of job skills. In his recent annual report, President Muller of Johns Hopkins made a powerful case for stressing the"value of learning for its own sake." He is right, for if students leave the university with highly marketable skills but few qualities of mind or spirit, higher education will have failed. It is equally clear that if students graduate as refined, cultured and enlightened human beings yet ill-prepared to earn their way in twentieth century America, higher education will also have been found wanting.

ACCOUNTABILITY

The renaissance of commitments to educational quality goes hand in hand with a rising insistence on accountability. Our colleges and universities are being called to account for their prudent and effectiveness in expending public monies. The institutions are being asked to justify to students and their parents their investment of time, energy and money.

FISCAL STRINGENCY

Still another trend with which everyone in this room is familiar is the increasingly stringent financial environment within which higher education exists. The halcyon days of the '60s are long behind us. There is instead a go-slow climate. That federal and state education appropriations, private giving, tuition increases and endowment earnings are all at best only keeping pace with the rate of inflation is a reality of which you scarcely need to be reminded.

PUBLIC SKEPTICISM

Together with the belt tightening in higher education—perhaps, some say a cause of it—is the loss of faith in education. Where supporters of education once needed only to express their needs to receive sympathetic attention, education is now the stepchild whose requests are greeted with skepticism.

The halo surrounding education has in part been dimmed by the crisis of confidence in all our institutions, including Congress. The new questioning is also a reflection of the swiftness with which we criticize our educational system when it has not achieved the impossible task of solving our most difficult problems and being all things to all people.

STATE ROLE

A final trend of potential significance to higher education is the new vigor of the states. Statewide planning for postsecondary education and the rapid growth in state programs of need-based student aid are only two manifestations of a larger role for the states encouraged by Federal policy.

All these trends I have enumerated are shaping the world within which, it seems to me, independent higher education will live for at least the foreseeable future. It is an environment both sobering and challenging and one that, in my view, poses three threats or dangers to independent higher education.

DANGERS TO INDEPENDENT HIGHER EDUCATION

The new demands on higher education, the concern to improve its quality, the cost burden of satisfying mandates for accountability, the lack of adequate funds—all these developments can threaten the continued viability or, at least, vigor of some of our independent colleges and universities.

FISCAL INSTABILITY

Many independent institutions exist on a thin margin between the black and the red. A new round of inflation, cutbacks in government funds, enrollment declines or even an unusually hard winter could tip at least some private institutions into a sea of red ink from which they might not emerge.

It must be noted that the widespread shutdowns of independent colleges which were frequently predicted in the late 60s and first few years of the 70s have not occurred. Indeed, these warnings began to be perceived like cries of "wolf" and when the dire predictions did not come true, the credibility of independent higher education among policy makers was damaged.

But I believe that most of us now realize that private higher education is faced not so much with a sudden cataclysm, a violent death by the guillotine. Rather the danger is a gradual erosion of the quality and uniqueness of independent institutions, a sapping of their vitality by slow starvation. Probably only very few independent institutions will be forced to close their doors, but some colleges and universities that remain open may be only shells of what they once were or could be.

SOCIAL ISOLATION

The second danger to independent higher education is closely related to the first. If private colleges and universities have no choice but increasingly to raise their tuition charges in order to remain solvent and if the tuition gap between the publics and the privates continues to grow, private colleges and universities may become the exclusive preserve of the affluent. The independent sector would continue to exist but it would no longer be able to make its unique contribution to American education—providing students from all circumstances both with a choice of higher education in diverse settings and a variety of educational, philosophical and religious orientations.

REGULATORY BURDEN

There is yet a third threat of which I want to speak. The web of Federal regulations dealing with subjects like affirmative action, elimination of age and sex discrimination, pension reform, equal pay, non-discrimination toward the handicapped, clean air, privacy and occupational health and safety can absorb not only the administrative energies and financial resources of independent colleges and universities, but these regulations also—at least in the eyes of some critics, many of them here in New Orleans today!—threaten in aggregate to erode the independence that characterizes these institutions.

FEDERAL ROLE AND INDEPENDENT HIGHER EDUCATION

Now let me assert, on the basis of my years of experience as a legislator, that there is a consensus in Congress that it is important to the nation that the Federal government provide support to higher education, both public and independent. And, therefore, I believe, there is a Federal responsibility to help alleviate the three threats to the independent sector of higher education which I have identified—fiscal instability, social isolation and loss of independence.

APPROPRIATIONS

The 95th Congress will consider measures on three fronts which can diminish each of these threats. First, appropriations. The Ford budget recommendations for higher education programs for the FY 77 supplemental appropriation and for FY 78 have been sent to Congress. They are, of course, inadequate, indeed in light of the needs of higher education, scandalous.

Within the next week the Carter Administration will be forwarding to Congress its recommended changes in the Ford budgets. I hope that the new Administration will demonstrate greater responsiveness to the needs of our institutions of higher education and of our students by advocating more money for student aid, research, and some of the categorical programs that have too long been unfunded or underfunded. Adequate funds for existing Federal higher education programs, student aid in particular, can make an important contribution not only to providing students with higher educational choice but also to stabilizing the financial condition of the independent sector.

REGULATORY REFORM

Second, after substantial prodding from Congress, the last Administration finally initiated efforts at simplification and rationalization of Federal regulations affecting education. I am confident that these efforts will continue. Secretary of Health, Education, and Welfare Califano has promised to review all existing regulations within the next few months. Regulatory reform, a subject which President Carter also addressed in his first "fireside chat", is, according to Secretary Califano, a "front burner" item.

I find it hard to argue against the intended objectives of the Federal regulations and the legislation which they seek to implement. There is, for example, a clear moral imperative that Federal funds not be used in ways that discriminate against women and minorities, and as an elected official I will vigorously resist any attempt to turn the clock back on our national commitment to equal opportunity.

But there are additional steps that can be taken, other than those already underway in HEW, to minimize what a number of institutions of higher education perceive to be the threat to their financial health and independence posed by Federal regulations. I expect that the House Subcommittee on Postsecondary Education, which is now chaired by Congressman William D. Ford of Michigan, an exceptionally able and effective legislator, will continue vigorous oversight of the regulatory process.

It sems to me that coping with the burden of contradictory and duplicative requirements might be made easier by more clearly focusing responsibility within the executive branch for the regulations. If it is made clear that passing the buck or pointing a finger at a neighboring agency is no longer acceptable, it may be easier to iron out some of the problems. President Carter's directive that all future regulations must be signed by the person who writes them should help

in assuring the accountability of the appropriate Federal officials.

LEGISLATION

The third front on which action is possible is new legislation.

I must candidly report to you that the 95th Congress is unlikely to undertake major legislative initiatives for higher education. The Education Amendments of 1976 were only signed into law on October 12 of last year. This law extends most of the Federal programs for higher education into the 96th Congress, 1979–80. The education authorizing committees, particularly the single Education Subcommittee of the Senate, will be preoccupied in this Congress with the Elementary and Secondary Education Act, which is expiring. Lacking a mandate for action provided by the expiration of the Higher Education Act and with a new Administration, which wants to go slow on major new program initiatives, this is not likely to be the Congress that addresses so fundamental an issue as that of providing more support for independent higher education. Rather the 95th Congress will be the one that tries to obtain enough funds effectively to implement programs already on the statute books and that seeks as well to stimulate reforms in administrative practices that will achieve greater program effectiveness.

This is not, of course, to say that we need no new legislation. There is an unfinished legislative agenda, and one issue on it that must be addressed is what many have referred to as "the tuition gap."

As a Member of Congress who represents the University of Notre Dame, St. Mary's College (Notre Dame), and Bethel and Goshen Colleges, I can tell you that I am very much aware of the competitive disadvantage under which many independent institutions labor.

On the other hand, of course, as the Member of Congress who represents Indiana University at South Bend, Purdue's Westville campus and many students who attend other institutions in the Indiana state university system, I can tell you that many American families are struggling even to find the money to send their children to the most inexpensive public institutions.

As many of you know, there was discussion in the last Congress by some of us on the Education and Labor Committee of ways in which Federal student aid programs might be redesigned in order to achieve a better balance between the goals of student access and choice.

Now this, of course, was a very difficult problem for under certain circumstances the needs of public and independent institutions could be perceived—wrongly, think—to be in conflict.

As you also know, we did not arrive at a solution to the problem. But a Federal student aid policy that will more adequately meet both the needs of all students and the needs of the variety of kinds of institutions remains on the congressional agenda. It certainly remains on my agenda.

I hope that even as Congress considers the future of the Elementary and Secondary Education Act, which as I have said, this Congress must, we shall also during the next two years put our time to good use in laying the groundwork for major improvements in Federal student aid policy when the Higher Education Act next expires.

THE ROLE OF THE INDEPENDENT INSTITUTIONS IN FEDERAL POLICY MAKING

Constructive dialogue

Let me conclude these remarks by offering you some unsolicited advice and admonition. There has, in my view, been too much unproductive sniping and wrangling between the public and the independent sectors of higher education and even among different factions within the independent sector. Of course, I realize that it is not helpful to paper over differences to achieve an unreal common front. Genuine and frank differences of opinion should be aired. But I would hope that you will not dissipate your energies in an internecine guerrilla war in higher education. More equitable and balanced Federal policies to aid independent higher education need not be attained at the expense of others. All of higher education can and should benefit from Federal legislation. Your attention ought to be devoted to the difficult and practical questions of shaping such legislation.

POLICY RESEARCH

Frequently in recent years I have criticized the higher education community for its failure to provide policy makers with thoughtful, reasoned analyses to enable us to deal intelligently with the issues facing higher education. In the case of the Education Amendments of 1972, legislation aimed at helping colleges, universities and students, higher education contributed almost nothing and much of the pick and shovel research as well as the politics had to be performed within Congress. The situation has improved somewhat since 1972, and in the consideration of the Education Amendments of 1976 we received some most helpful data and analyses from, among others, ACE, COFHE and the state loan guarantee agencies.

As Larry Gladieux notes in a forthcoming article in Change magazine:

"The past four years have brought substantial change to the associations. . . . New attitudes and new sensitivity are reflected in higher education's relations with Capitol Hill. Efforts have been made to generate better data to meet the needs of policy-makers. 'One Dupont Circle', home of most of the major higher education associations, is the locus of much new 'policy research.'"

Your own survey of your members' attitudes about Federal policy and the analysis of the results represent another good example of the kinds of information we need. I hope that we can look forward to more of such efforts, and that we can come to expect timely and relevant policy analyses to enlighten us in our legislative efforts.

INVOLVEMENT IN FEDERAL POLICY MAKING

The appropriations process for FY 77 and FY 78 has already begun. The preliminary regulations to implement the Education Amendments of 1976 are scheduled to be published for public comment in mid-February. You should be actively involved in these processes, particularly with respect to the regulation writing. If your voice is not heard you will be lumped in with kindergartens or steel mills, and it will be in large measure your own fault. I would also advise you not to overlook the new Congressional budget process, which is taking an increasing importance in setting spending priorities.

Finally, and more generally, I have perceived a backing away from the political process by many in higher education. There seems to be a fallout shelter mentality; "All the Federal government can do is hurt us, so let's head for the bunkers." Inevitably, the Federal government is going to act in ways that affect you, so you must therefore be invoved for self-protection if for no other reason.

But I believe, too, that the Federal government can be a creative instrument for helping address your needs and problems. It is, after all, your First Amendment right to petition your government for the "redress of grievances." Beyond that you have an obligation to participate as leaders of a vital sector of American higher education.

I hope that you of the National Association of Independent Colleges and Universities will vigorously and effectively exercise your right and your obligation. Independent higher education, all of higher education, the nation, will be the richer for your efforts.

THE 130TH ANNIVERSARY OF THOMAS EDISON

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. MINISH. Mr. Speaker, earlier this month, the Washington Post commemorated the 130th anniversary of the birth of Thomas Alva Edison with a story centering on a former employee's reflections on the great inventor. Mr. Edison, who spent the last 60 years of his life in New Jersey, developed many of his most illustrious ideas in the Garden State.

In order to provide my colleagues and constituents with added insight to Thomas Edison, the man, I submit the Post story for insertion in the CONGRESSIONAL RECORD:

[From the Washington Post, Feb. 11, 1977]

ARLINGTON MAN RECALLS GENIUS INVENTOR EDISON

(By Lynn Darling)

Sitting in his small Crystal City office lined with fading photographs, George E. Stringfellow is miles and years away from West Orange, N.J., where he worked for Thomas Alva Edison during the last eight years of the inventor's life.

The "old man," as his 85-year-old former associate calls him, died in 1931, and today marks the 130th anniversary of Edison's birth. But the years roll back easily for Stringfellow as he recounts the carefully stored stock of anecdotes in the hopes that his stories "will inspire future Edisons."

Glimmers of the man who disdained the title of scientist and called himself a "commercial inventor" show through as Stringfellow, dressed in a blue suit with the diamond pin that identifies him as a past imperial potentate of the Shriners, recalled the first day he met Edison in 1922.

Although Stringfellow had worked in Washington as the manager of the district office of Thomas Edison, Inc., since 1918, he had yet to meet Edison when a call came to report to headquarters in West Orange. "I'd never seen Edison," Stringfellow said. "He was just a name to me."

When he did meet the inventor of the incandescent electric light, Stringfellow recalled, he saw a 73-year-old man "who hadn't shaved in several days, wearing an acid-eaten duster and looking at me with those bright blue eyes of his." The inventor of a thousand modern day necessities "took a squint at me," Stringfellow said, "and I stood at attention." It was then that Edison offered him the job of general sales manager of the storage-battery division.

"I told him I wasn't sure I wanted the position," Stringfellow said. "I said to him, 'Mr. Edison, you fire men quite frequently and at my age (28 at the time) I can't afford to say that I'd been fired by Mr. Edison.'"

Stringfellow thought it over that evening, however, and the next morning, having received assurances of relative job security, he took the position. He remained with Edison, Inc., for 38 years, he said, rising to executive vice president.

Although Stringfellow remembers Edison as having little interest in the financial end of his enterprises, a scrapbook filled with yellowing, handwritten memoranda from the inventor himself testifies to a man who did

not keep his mind solely on test tubes and induction coils.

"Stringfellow," reads one of the memos from 1924, "I have not been under any delusions as to our sales force. Every sales manager we have has been a mental moron and I have kicked for years. I am glad you are changing and letting go the dead beats and are forming a well organized sales force."

Another memo followed quickly when Stringfellow made a decision without consulting Edison on a now unremembered matter. "Stringfellow," reads the hastily scrawled note, "I suggest that as I have about $20 million worth of past experience that a proposal be put to me that has been suggested to ascertain if I know any reason why it shouldn't work, Edison."

Stringfellow knew a hint when he saw one. At the bottom of the note there appears this appendage, followed by Edison's initials: "This is a good idea, and will be done in the future."

The bright young assistant is now an old man himself, and earnestly he spins his stories from the comfort of his office in an elegant 11th floor apartment in Arlington. There are tales of a practical joke played on the inventor when he was working around the clock inventing the phonograph. A breakfast of ham and eggs was ordered around 3 a.m., but the inventor fell asleep before it arrived. His associates, Stringfellow said, substituted a dirty but empty plate for the full one in front of him. When Edison awoke, Stringfellow recalled, Edison looked at the plate, rubbed his stomach, and said, "All right, boys, let's go to work."

In 1928, toward the end of Edison's life, Stringfellow recalled, he asked the inventor to write an article for the company's newsletter. "I'm feeling so bad that my mind refuses to function," came Edison's written reply. "Write what you think it should say and send it over."

Stringfellow realized then, he said that it was "time to extract everything I could from his mind" for use after Edison died. Every Saturday, he said he sent Edison a list of questions to answer for use in future emergencies when the inventor wouldn't be there to answer them in person.

One of the questions Stringfellow asked Edison was to "describe the effects upon the life of the Edison cell (battery) due to the presence of the following impurities." About 40 elements are listed on the sheet still in Stringfellow's possession. The only one to receive the clipped answer of "Don't know" was zirconium.

The answers proved invaluable, Stringfellow recalled six years after Edison death. In 1937, the company received a shipment of iron ore that contained a quantity of nickel for use in storage batteries. Stringfellow went to the vault where he kept the questionnaires and there was the answer: Nickel would cause no harm. If it had, the plant would have had to close temporarily.

WHY HELP BUILD SOVIET OIL AND GAS PRODUCTION?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ASHBROOK. Mr. Speaker, the United States is in the midst of a severe energy crisis. Factories have been shut down, schools closed and jobs lost. Unless we are prepared to face a dark future, we urgently need to develop new oil and gas reserves to meet our energy needs.

I find it incredible that at the same time we are suffering an energy crisis, American companies are selling oil and gas production technology and equipment to the Soviet Union. Yet, according to the February 3, Washington Star, this is exactly the case.

Armco Steel Corp. has announced that it will be providing the Soviets with offshore oil and gas production technology. In addition, the $30 million agreement also involves technology and equipment from the Rucker Co. of Oakland, Calif., and Stewart and Stevenson Oiltools Inc. of Houston, Tex.

It simply does not make sense for us to be aiding Soviet oil and gas production when the United States is in such desperate need. It is time to start putting American interests first.

Following is the article from the February 3, Washington Star:

SELLING SOVIETS OIL TECHNOLOGY

HOUSTON.—Armco Steel Corp. yesterday announced agreement to provide the Soviet Union with offshore oil and gas production technology through a subsidiary, Armco International Inc.

Harry Holliday, Armco president, said the $30 million, multi-year agreement also involves technology and equipment from The Rucker Co., Oakland, Calif., and Stewart & Stevenson Oiltools Inc. of Houston.

Holliday said Armco and the other companies would help the Soviet Union modify a manufacturing facility at Volgograd to facilitate production of submersible equipment needed for offshore oil and gas work.

TURKEY HAM RECEIVES RUSTY NAIL AWARD

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. FINDLEY. Mr. Speaker, it is a shame that the U.S. Department of Agriculture has put itself in a position to receive Farm Futures' first "Rusty Nail Award." The Department achieved this ignominy by allowing a turkey product disguised as ham to be sold to the public as "turkey ham." In the hope that Agriculture Department officials will correct this example of untruthful labeling and take care that future labeling decisions which confuse consumers be avoided, I am placing the article in the CONGRESSIONAL RECORD:

THE RUSTY NAIL AWARD: TO USDA FOR CONFUSING CONSUMERS ABOUT TURKEY AND HAM

Farmfutures awards its first "Rusty Nail" to the Agricultural Marketing Service (AMS) of USDA for a recent ruling on meat labeling. And our congratulations to Congressman Paul Findley of Illinois, a ranking member of the House Committee on Agriculture, for smoking them out.

"The Department of Agriculture has ruled that a concoction of pure turkey, which is pressed, tinted and scented to resemble ham, can be foisted on the consumer as turkey-ham when it contains not one morsel of ham," says Findley.

"The wary homemaker would never think of buying a pig in a poke, but what is she to do when Washington says it's legal for purveyors to wrap porkless turkey and label it ham? I think many homemakers seeing an item labeled turkey-ham will assume it's a combination of turkey and ham," Findley explains.

What does it mean to hog farmers? "Ham is more costly than turkey and the consumer has a free choice between these items at the meat counter."

What's the alternative? Findley believes both the turkey and pork industries would be better off with truthful labeling. If the turkey people have a good product, it could be called imitation ham or ham-flavored turkey. "Frankly, I like pressed turkey. I just believe in truth in labeling," Findley concludes. "This ruling that AMS has approved really doesn't meet that standard." Farm Futures agrees.

MOOD MUSIC FOR KOREA PROBE: THE CLANG OF JAILHOUSE DOORS

HON. RICHARD KELLY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. KELLY. Mr. Speaker, the American people are wise to the ways of Congress and to all the congressional variations of the shell game.

They are tired of investigations without prosecutions.

They know that ceaseless, well-financed investigations by Congress often are designed as much to further political careers as they are to shed light, or to call the guilty to answer.

That is the way the game is played.

But the alleged attempts by the Republic of Korea to seduce, buy, and otherwise influence Members of Congress, in discharge of their official duties, are serious matters, which may involve the security of the Nation. This Congress should investigate.

However, the American people also know that the way to identify a sincere effort to clean up any mess is by the sounds of a judge's gavel banging courts to order, and by the clanging of jailhouse doors.

What we do in Congress should in no way impede, delay, or replace enforcement of the law.

I have today introduced a joint resolution calling for immediate and concurrent investigation of the alleged activities of the Government of the Republic of Korea, as designed to influence Members of Congress, by the U.S. Department of Justice and the Federal Bureau of Investigation. It directs the prosecution of any past or present Member of Congress who should be called to account.

If we proceed on two fronts, the American people can be assured they will be informed and that those guilty of violating their trust will be prosecuted rather than merely exposed.

INCENTIVES FOR NATURAL GAS WITHHOLDING?

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. UDALL. Mr. Speaker, I would like to share with my colleagues a letter sent to Attorney General Bell by Ralph Nader, Mark Green, and Gary DeLoss, in which these three gentlemen express concern about our recent natural gas emergency.

An analysis of the energy issues debated on this floor shows that almost all the problems we face are exacerbated by the lack of competition in the petroleum industry. As an old-fashioned advocate of the free market system, I support all efforts—in the Congress, the executive, the judiciary, and by the public—to increase competition in our economic system, particularly in the mighty petroleum sector.

It should also be remembered when considering questions of energy supplies that we are dependent upon the oil and gas industries to provide with much of the data we require to set energy policy—and they often have an incentive to underestimate reserves and overestimate future demand.

CORPORATE ACCOUNTABILITY
RESEARCH GROUP,
Washington, D.C. February 9, 1977.

Hon. GRIFFIN BELL,
Attorney General of the United States, Justice Department, Washington, D.C.

DEAR ATTORNEY GENERAL: We have all heard that there exists a serious natural gas shortage, but no one in the federal government seems able to say why. Other than the severity of an unexpectedly cold winter, there are two possible causes. The integrated, interenergy natural gas firms claim that federal wellhead rate regulation has kept the price down, and with it their incentive to market natural gas interstate. Critics claim that natural gas companies are withholding available supplies in order to increase the pressure for deregulation and harvest the consequently higher prices. If such withholding were done by each firm separately and independently, the companies could be accused of avarice (and perhaps violation of the federal leasing laws), but not an antitrust violation. But if any withholding were jointly agreed on—either due to specific agreement (*United States* v. *Socony Vacuum*, 310 U.S. 150 (1940)) or indirect consensus (*see Interstate Circuit, Inc.* v. *United States*, 306 U.S. 208 (1939), *Federal Trade Commission* v. *Cement Institute*, 333 U.S. 683 (1948))—a violation of Section One of the Sherman Act would be clear.

The alleged natural gas shortage, therefore, does not compel the conclusion that an antitrust conspiracy has occurred. It does, however, permit such a conclusion. Only a Justice Department investigation can determine whether or not natural gas firms are engaged in an antitrust conspiracy to restrain trade in order to boost price. In instances where there is a victim (here, society short of gas) and the suspicion of foul play (an antitrust conspiracy) police investigations look for a) motive, b) opportunity, c) means and d) circumstantial evidence to make out a case. Based on such an analysis, it is our view that sufficient evidence of antitrust wrongdoing exists to justify a detailed investigation by the Antitrust Division:

A. Motive—Natural gas producers who sell in the interstate market today receive prices which reflect rates established by the Federal Power Commission at the time contracts were signed. These contract prices vary from $.20/mcf for gas sold under old contracts to $1.44/mcf for gas sold under the rate for "new" gas set by the FPC in 1976; the average price of interstate sales today is about $.50/mcf. If the gas producers presently selling in the regulated interstate market could eliminate federal regulation, they could sell their gas at the price equivalent of substitute oil products, which would be $2.90/mcf at today's OPEC-influenced price of $.42/gallon of middle distillate oil. If the eleven trillion cubic feet of gas presently sold annually under regulated prices were immediately deregulated and allowed to sell for $2.90/mcf rather than the current average price of $.50/mcf, the gas producers would receive over $26 billion more income annually for the same sales. Even the proposals to phase in deregulation gradually mean immediate gains of billions of dollars per year and merely postpone the larger benefits of total deregulation.

There is also the effect of deregulation on the prices of presently unregulated sales of gas in intrastate markets. If deregulation occurs on the interstate market, gas hungry customers in the major consuming states will bid up the price of gas presently sold only on the intrastate markets to the price equivalent of oil fuel substitutes, the $2.90/mcf described above. The average price of intrastate gas varies from state to state and exact statistics are unavailable, but gas sales at prices up to $2.00/mcf are pulling the average price upward rapidly toward the $1.50 mark. If the nine trillion cubic feet of gas sold annually in intrastate markets were to rise in price from an average of $1.50/mcf to $2.90/mcf, gas producers would receive $13 billion more income for the same sales.

The withholding of natural gas, therefore, could ultimately produce a $39 billion annual return to natural gas firms—which can be a sufficient motive for lawbreaking by those businesspersons who can resist anything except temptation.

B. Opportunity—In theory, there are three forces that could prevent gas producers from illegally withholding supply: government regulation, opportunity costs, and competition. In practice, all three are too weak to present a barrier to withholding of gas.

Government regulation. The Department of Interior has refused to use the leasing system for gas production on federal lands to require expedited production. The Federal Power Commission has refused to require gas producers to deliver gas in the quantities they have contracted with pipelines to deliver.

Opportunity costs. A study by the Library of Congress calculates that gas producers could profitably withhold supply in anticipation of deregulation for up to five years after developing a gas property, even if the regulated price increased at a rate of 30 percent per year.

Competition. Classical economic theory presumes that even if opportunity costs permit one gas producer to withhold production, competing producers would step in to enlarge their market shares by serving the first producer's unsatisfied pipeline customer. This predicted behavior, however, presumes that the gas industry is competitive. Otherwise, producers could withhold supply without fear of losing their market share.

It violates common sense and standard economic theory to argue that the natural gas industry is competitive—the large number of firms in the industry notwithstanding. For purported competitors have developed a web of partnerships (known euphemistically as "joint ventures") which inspire cooperation rather than competition. The major oil and gas producers have extensive partnerships with each other and with smaller companies in lease bidding, exploration, development, production, and pipelines. (See, e.g., The Structure of the U.S. Petroleum Industry, Committee on Interior and Insular Affairs, U.S. Senate (1976); Energy Industry Investigation, Part 1—Joint Ventures, Committee on the Judiciary, U.S. House of Representatives (1976)). In addition to overt partnerships, the boards of directors of the energy companies interlock indirectly, but extensively, through the intermediary boards of directors of major banks and other nonenergy corporations. (See, Keeler and Fritsch, A Citizen's Oil Factbook, Center for Science in the Public Interest (1975)).

Given FPC's and Interior's unwillingness to compel production and delivery of gas and the anticompetitive structure of this industry, the opportunity to withhold natural gas seems clear.

C. Means—The uniquely anticompetitive partnership arrangements in the oil and gas industry not only remove the threat of competitive disadvantage that might discourage withholding, they also provide multiple means for illegal collusive withholding of gas supplies. When partners make joint decisions on lease bidding, exploration, development rates, production rates, and pipeline construction schedules, they can easily choose to delay delivery of gas to the market under the guise of ordinary business decisions. For the more sophisticated conspirators, there is a "phases of the moon" device (see the electrical machinery bid-rigging of the early 1960s), and for the less sophisticated, there is always the telephone.

D. Circumstantial evidence—Rather than listing the large body of evidence already in the public domain, we are attaching the relevant section of the report of Chairman John Moss' House Subcommittee on Oversight and Investigations ("Questions And Answers About The Nature And Cause Of The Natural Gas Shortage," pp. 3–13). It demonstrates, in our view, a level of suspicious activity that justifies a thorough study.

Taken together, there is sufficient motive, opportunity, means, and circumstantial evidence to establish the possibility of a significant antitrust violation, and hence to invoke a Justice Department investigation, focusing primarily on the probability of anticompetitive collusion inherent in the web of partnerships among ostensible competitors in the gas industry. An antitrust investigation is in no way precluded by the Interior Department's investigation of possible violations of its leasing regulations, any more than treating a symptom of an illness precludes efforts to identify and attack the underlying disease. Moreover, the fact that the political power of the energy industry has preserved these partnerships from antitrust actions in the past does not disprove their anticompetitive consequences. Charges and public suspicion will continue until the Justice Department officially establishes the true facts of the situation.

Sincerely yours,

RALPH NADER.
MARK GREEN.
GARRY DELOSS.

LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT ACT OF 1976

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. PURSELL. Mr. Speaker, before authorizing any more funds for another Public Works Capital Development and Investment Act type legislation, I hope my colleagues will take the time to edu-

cate themselves regarding the remarks of Congressman CONABLE and his colleagues during a special order on the House floor January 13, 1977. The following is provided to help facilitate that education:

PUBLIC WORKS EMPLOYMENT
AMOUNT AVAILABLE AND ALLOCATION

Appropriated by legislation, $2 billion.

Taken by EDA to administer the program, $10 billion.

Total available for grants, $1.99 billion pie.

NATIONAL PIE

Sixty-five percent or $1.3 billion: To states according to their share of the unemployed.

Example, Michigan:

Number of unemployed in Michigan divided by the number of unemployed in the nation equals 5.5%, which equals $71.5 million of the $1.3 billion.

Thirty-five percent or $.7 billion: To states having unemployment above the national rate (7.8%) on a basis of how much the states' unemployment exceeded the national rate. Michigan received $86.5 million.

However, all States were guaranteed a minimum of $10 million—which 21 States received—but no more than $250 million—only 1 State received maximum—no matter how the formula worked out.

The project selection system was designed to score and rank projects within each State by 70- to 30-percent categories. These categories were established by the enabling legislation, which required that 70 percent of all funds appropriated under the program be expended for projects in areas with unemployment rates in excess of the national average, and the remaining 30 percent be expended for projects from areas with unemployment rates equal to or below the national average. In the 30-percent category, priority was to be given to those from areas with unemployment rates of 6.5 percent or more.

INPUT FROM APPLICANTS

A total of 22,275 applications were received by EDA seeking nearly $20 billion. Of this, 17,085 applications were received from the 70-percent category seeking $16,231 billion whereas 4,670 applications were received from areas falling in the 30-percent category. Of this 4,670, 3,882 applications of $3.117 billion were in areas having unemployment greater than 6.5 percent while only 788 applications of $563 million were from areas having below 6.5 percent unemployment.

Once each State got its share, that share was divided so that 70 percent of each State's share went to areas having unemployment exceeding 7.5 percent, while 30 percent of each State's share went to areas having unemployment of 6.5 to 7.5 percent.

SCORING: BY STATE

Each project was scored against other projects within the same category. Within each category, the scoring procedure utilized project and area factors believed by EDA to contribute most to achieving an equitable substate distribution of project funds, and insure that the relatively more economically efficient projects—those having maximum impact on unemployment—were selected, that is, those being most labor intensive. A two-prong test, each containing four factors, was used to weigh each project against its competitors:

Total possible=120 points maximum.

TEST A

1. 30 points maximum: Number of unemployed in the project areas, being a logarithmically determined factor taking into consideration severity and duration.

2. 25 points maximum: unemployment rate (%) in the project area.

3. 30 points maximum: labor intensity of the project.

4. 15 points maximum: depending on per capita income of the project area.

TEST B

1. 10 points maximum: if project is of long range benefit.

2. 5 points maximum: if project submitted by unit of local government or school district.

3. 3 points maximum: if project submitted by special purpose district of local government.

4. 5 points maximum: if project related to existing approved local plans and programs.

SECOND DISTRICT OF MICHIGAN: CONSTITUENT RESPONSE

From my district, I received the following types of complaints—from the Board of Commissioners of Wayne, Washtenaw, and Monroe Counties, the City Councils of Ypsilanti, and from the City Manager of Plymouth—regarding the handling of these grants:

1. Certain political sovereigns were lumped in with other unaffiliated political jurisdictions;

2. No feedback was given as to why grants were denied;

3. Projects not having received environmental review were funded while others which were fully cleared were not; and

4. Jurisdictions submitting laundry lists instead of high priority needs were more successful.

FAULTS WITH THE PROCESS

1. High number of 100% funded programs; grants were not made on a basis of need but solely on basis of unemployment. Some factor such as the community's willingness to put up its own funds should have been included.

2. There should have been an adjustment for change in the unemployment rate since the national average increased to 8%, however, those areas with 8–9% unemployment were low on the 70% category totem pole, while areas with 7.3–7.5% were high on the 30% category totem pole.

3. No feedback was given to those jurisdictions denied grants.

4. Test B, factor 1 did not give sufficient support to projects of long range benefit.

NEW LEGISLATION

The above states what was, the following deals with the new legislation upon which we will be voting in the very near future.

First, we have learned that job creation through public works legislation is an expensive proposition. The additional $4 billion will in no way satiate the requests submitted by local government.

Would it not be wiser and more economical for us to let the results of this past fall's legislation sink in before we go priming that same pump. True, the unemployed need attention. However, I feel it would be much wiser to use established programs such as CETA to deliver manpower programs in the interim, thereby allowing sufficient time to analyze the results of the past public works legislation. Instead, we are taking another blind shot.

Second, the removal of the 70–30 State breakdown is another mistake. The 70–30 categories have been deleted and all or nearly all the money authorized will go directly to the large urban cities. I support helping the cities but not at the expense of all others. I believe that the 70–30 breakdown was a mistake, but to remove the whole idea is likewise an error.

Somehow we must surely be able to provide a mechanism in this legislation by which the executive agency can separate the wheat from the chaff in terms of need.

Finally, is it not about time that this Congress begins long-range planning and escape the yoke of crisis management which we have assumed?

DRAFT DODGER PARDON DISGUSTS VETERANS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. ASHBROOK. Mr. Speaker, President Carter's pardon of draft evaders has sickened many millions of American veterans. Instead of healing the wounds as the President said it would, it has reopened many.

I have received letters from Vietnam veterans who have expressed their disgust at the pardon. One of these is from Jerry Norton, a national board member of Young Americans for Freedom. I wish to share his letter to President Carter with my colleagues. As an aside, I would also like to point out that Jerry has told me that he has yet to receive any reply from the White House.

The text of the letter follows:

ALEXANDRIA, VA.,
January 29, 1977.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As a Vietnam veteran with a Purple Heart and Army Commendation Medal for Valor, I want you to know that I find your pardons for those who shirked their duty sickening. God help us if Americans are ever called into battle again.

As for your attempt to buy off those of us who did risk our lives—though even that seems aimed primarily at those too young to actually have served in Vietnam—it won't wash. The price of honor isn't that cheap, Mr. President.

You have begun your presidency by alienating millions of Americans. Just as I counted the days waiting for my tour of duty in Vietnam to end, I will now be counting the days until the next presidential election, when it is my fervent hope that you will be replaced.

Most sincerely,

JERRY NORTON.

OIL TANKER SAFETY

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. STUDDS. Mr. Speaker, the recent series of major oil spill incidents has aroused the interest of the Nation and of a great many Members of Congress in the extremely important issues of oil spill liability and oil tanker safety. Many of the components of these problems were spelled out superbly in a recent series of articles by New York Times reporter John Kifner. The following is the first of these articles:

[From the Boston Herald American, Feb. 13, 1977]

RASH OF TANKER MISHAPS STIR UP NATIONAL ANXIETY

(By John Kifner)

NEW YORK.—The wreck of the Argo Merchant, spilling 7.5 million gallons of oil off Nantucket Island last December, and the rash of tanker mishaps that followed, have stirred national concern over oil pollution by the ships flying "flags of convenience" that bring in much of this nation's oil.

Senate hearings are under way and Brock Adams, the new Transportation Secretary, has announced a set of safety rules, which have been long in the making.

But the Coast Guard has had the authority to make and enforce safety regulations since 1972 and has not done so. Possible congressional action includes a bill to fix liability for oil spills and their damages, but similar legislation failed under oil industry pressure last year.

Thus, largely because of the flag of convenience arrangement, shipping has become an industry without effective regulation. The series of accidents is not so much a sudden phenomenon as part of a growing problem, attributable to the increasing imports of oil and the economic organization of the shipping industry, a five-week examination has found.

The examination included interviews with government officials, congressional sources, industry figures, conservationists, fishermen, Coast Guard officers and scientists, as well as the study of governmental, academic and industry reports.

The Argo Merchant—an aged, rusting Liberian-flag tanker of murky ownership, chartered out to an oil company, manned by a polyglot crew and captained by a Greek officer who read his radio direction finder backwards—was not particularly unusual among the fleet that brings oil into the ports along the Atlantic, the examination found.

Central to the situation is the flag of convenience arrangement under which countries like Liberia, a small, West African nation with no natural harbor, yet which in the last 30 years has accumulated the world's largest merchant and tanker fleets, offer shippers freer and more profitable operation.

About a third of the Liberian-flag fleet is owned by American interests.

Defenders of the system, who like to call it a "flag of necessity," contend that it is the only way American shipowners can stay in the competitive market. Its critics contend that the arrangement allows dangerously decrepit and ill-manned ships to ply the seas.

Last year, a record 19 tankers were lost, according to preliminary figures kept by Arthur McKenzie, director of the Tankers Advisory Center in New York. The lost ships' tonnage, 1,129,000 deadweight tons, was nearly 50 percent greater than the losses in 1975, when the previous record was set.

Of the 19 tankers, 11 flew the Liberian flag. Two of the ships were registered in Cyprus, a flag of convenience with even less restriction. Four of the remaining lost tankers were Greek, one was Spanish and one was East German.

McKenzie said he expected the final 1976 figures to show two or three more tankers lost and noted that the first nine months of the year had already set a record before the Argo Merchant had the largest spill in American waters.

The figures indicate the growing dimension of the problem.

The energy-hungry United States is now importing 45 percent of its oil—6.3 million barrels a day, the equivalent of 35 Argo Merchant loads. The imports, already up from 36 percent before the Arab oil embargo in 1973 and 1974, are expected to continue rising.

Of the imported oil 94 percent is brought in aboard foreign flagships, and 40 percent of that in ships of Liberian registry, according to former Secretary of Transportation William I. Coleman Jr.

Amid this flow of traffic, McKenzie told the Senate Commerce Committee, which is looking into the shipping industry, the rash of accidents was "not unexpected" and was "part of an evergrowing phenomenon."

Some of the incidents involving Liberian flag ships were commonplace and relatively harmless groundings. But they also included a major oil spill in the Delaware River, a breakup off Hawaii and an explosion in Los Angeles Harbor that killed 11 sailors.

The severity of the pollution situation is underlined in the fact that the oil spills and wrecks like those that have aroused current concern account for only 10 to 15 percent of the two million tons of oil spilled into the oceans during transit according to a 1975 study by the National Academy of Sciences.

Most of the spills occur in almost routine operating procedures, primarily the flushing tanks near shore, the practice, often done at night, is common.

International regulations calling for segregated ballasts have been approved for all new ships over 70,000 tons. But the rules, drawn up in 1973 but not in effect since not enough countries have ratified them—the United States is among those that have not—would exempt both the existing fleet and new smaller ships of the size that make up four-fifths of those in American waters.

There are technical problems, too. While the industry says it can control spills in seas of up to five feet, this proved of little avail in the seas so heavy they picked up the fenders placed around the Argo Merchant to contain the oil and flipped them onto the deck.

The two major factors involved in ship accidents, according to studies by McKenzie and others, are the age of the ship and human error, which often results from unseamanlike conduct of the crew.

Shippers who operate under the Liberian flag are able to make huge savings by hiring cheaper crews and do not have to meet the stricter safety requirements or undergo the inspections and crew licensing procedures required by the United States and other traditional maritime nations, such a Britain.

The Liberian shippers contend that their safety record is comparable to those of other fleets, noting that between 1964 and 1967 the percentage of their tanker fleet lost—half of 1 percent—was about in the middle of maritime nations. The high was Greece, with 0.76 percent of its tanker fleet lost. The United States record was 0.15 percent.

Because the Liberian fleet was larger, however, the percentages mean that the Liberian registry accounted for the highest number of ships lost, 68. The Greeks lost the next highest, 26. The United States fleet lost nine ships.

Philip J. Loree, the director of the Federation of American Controlled Shipping, an organization of 20 American oil companies and other shippers using the Liberian and Panamanian flags, contended that the ships represented by his group, averaging 100,000 tons, represented a substantial capital investment and were therefore treated carefully.

Similarly, Guy E. C. Maitland, the executive director of the Liberian Shipping Council, an organization of 62 major international shipholders, says that the Liberian flag-fleet includes some of the most modern, largest and best-equipped tankers now in use.

But Robert J. Blackwell, the assistant secretary for maritime affairs of the Maritime Administration, told the Senate Commerce Committee, that while many of the Liberian-flag vessels were modern, "we have never seen that fleet."

For geographic and economic reasons, the ships that bring oil into American ports are, by and large older ones. Since the early 1960s, shipowners have been building bigger and bigger tankers, or Very Large Crude Carriers, as those about 200,000 deadweight tons are known.

But, there are no deepwater ports on the Atlantic and Gulf coasts, and only a few on the West Coast, that can accommodate the draft of these large ships.

Thus, according to a recent study by the Coast Guard, 80 percent of the ships arriving in American ports are under 70,000 deadweight tons.

At the moment, there is a glut of tanker tonnage, which means that oil companies can choose ships offering to work at cheaper rates. And that means older, less well-maintained ships run by marginal operators are often the ones chosen. Further, there are economic pressures to cut costs on the crews or to steer shorter, but more dangerous courses to save time and money.

The wreck of the Argo Merchant, Loree conceded, "highlighted a problem," where, particularly in the shallow waters of the North Atlantic, he said, the economic pressures made for a "kind of Gresham's Law" under which bad ships drove out good.

Studies by McKenzie and others have found that tankers over 10 years old become increasingly subject to metal fatigue, making them more likely to break up.

More important, while the older coastal tankers flying the American flag are subject to Coast Guard inspections, those flying foreign flags have not been. So ships can be put under a Liberian or other flag and kept going for a few more voyages with little incentive to keep up their maintenance.

"Because of the shallow waters and the economics of oil transportation, what you get is smaller tonnage, which is older tonnage," Howard F. Casey, deputy assistant secretary for maritime affairs of the Maritime Administration, said in a telephone interview.

"They were probably registered under another national flag for part of their life, and frequently these are old crocks that have outlived their usefulness," he added.

Human error was a major factor in more than 80 percent of the accidents at sea, according to a National Academy of Sciences study.

The Liberian authorities accept the papers of most other nations in licensing seamen and officers, although few nations accept theirs. A number of accidents involving Liberian-flag ships have been found to involve unqualified men.

The Coast Guard which has defended the safety record of the Liberian-flag ships has come under increasing criticism from members of Congress and environmentalists, who accuse it of foot-dragging in drawing up safe-

ty regulations under the 1972 Ports and Waterways Act.

One area of criticism, for example, has been the Coast Guard's method of drawing up possible regulations for two proposed new tanker safety requirements, double bottoms and segregated ballasts. Every nongovernmental member of the Coast Guard's study group came from the oil or shipping industries. The regulations that were drawn up fit all the ships now under construction.

Recently, Secretary Adams announced a new set of regulations, long in preparation by the Coast Guard, requiring for the first time that ships coming into American waters have such basic equipment as magnetic compasses and radar.

But in the traditionally risky and free-wheeling shipping industry, even the regulations that are in existence are not always effective.

One-way shipping lanes, for example, are voluntary and there have been a number of near collisions of ships in the wrong lane. Tricks are often used, experienced captains say, to load tankers beyond their safety limits.

Thus, it was in this kind of industry that the Argo Merchant, flagged as a dangerous and defective ship, banned from the port of Philadelphia and cited for deficiencies on a recent pilots' report in Panama, had its final rendezvous with a well-marked shoal off Nantucket.

OPPOSITION TO BUDGET-BUSTING RESOLUTION

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. EVANS of Delaware. Mr. Speaker, I rise in opposition to this budget-busting resolution.

The budget resolution before us today marks another acceleration in the dangerous trend of more spending, bigger government and less personal freedom that has plagued our country for too many years, and, I, for one, find it impossible to support such an irresponsible piece of legislation.

This resolution is designed to accommodate the so-called Carter stimulus package. But I seriously question the value of these proposals in stimulating anything except higher inflation through greater Federal spending.

The keystone to the proposal is the $50 tax rebate, costing $9.6 billion. In my judgment, this rebate will, in the majority of cases, be either put in a savings account or used to pay old debts. It will not encourage significant new consumer demand, which is what creates jobs.

The rest of the resolution contains a shopping list of spending programs which far exceeds what even President Carter asked for. The President's requested outlays are nearly doubled, from $1.8 to $3.5 billion, and his requested budget authority is nearly tripled, from $5 to $14.7 billion. Further, most of these extraordinary spending levels are for public works and public service jobs, programs which do not lead to permanent and productive jobs in the private sector for our citizens.

In short, the Budget Committee has taken a poor proposal by the President, and made it even worse.

The Federal Government cannot buy its way to economic prosperity. If our Nation's economy is to grow and prosper, it must be done through the private sector. Government has a responsibility to assist and stimulate the private sector. But it has not the right to replace it.

This resolution continues the philosophy of throwing more and more of the public's money at our problems. That approach has not worked before and it will not work now.

Instead of more spending, we need to encourage our private economy to greater efficiency and greater growth. The best way to do this is to enact major tax reductions.

I support an immediate, 10-percent across-the-board reduction in personal income taxes. By doing so, we will create demand for goods and services, thus creating jobs, and the increase in the tax base will easily offset any revenue loss.

This approach has worked before. In the 1960's, President Kennedy proposed major tax cuts for both individuals and corporations. The Treasury Department then predicted that there would be a revenue loss between 1963 and 1968 of $89 billion. Yet, in reality, during that same time period, there was an actual $54 billion increase in revenues.

More recently, the Congressional Budget Office calculated that a 5-percent tax cut would raise GNP by $42 billion in the fourth quarter of 1977 and $75 billion by the fourth quarter of 1978. That translates into 790,000 and 1,590,000 jobs, respectively.

Federal spending has reached intolerable limits. Recognizing this, even the President has promised a balanced budget by 1980. But I fail to see how increasing the Federal deficit from $50 billion to $70 billion for fiscal year 1977 will move us toward the goal of a balanced budget.

I want to see a balanced Federal budget. I also want an economy built on the private sector and the free enterprise system, instead of on the public sector and greater government control. This resolution moves us in completely the wrong direction, and I urge that it be rejected.

CONCERNED ABOUT PAUL WARNKE NOMINATION

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. DERWINSKI. Mr. Speaker, many Members of the Senate continue to express concern about the choice of Paul Warnke as Director of the Arms Control and Disarmament Agency. Rather than acknowledging those concerns and reconsidering the nomination, President Carter has obviously decided to not only proceed with this decision, but also to pick Mr. Warnke to be chief negotiator in the Strategic Arms Limitation Talks with the Soviet Union. If confirmed, Mr. Warnke will accompany Secretary of State Vance to Moscow for arms discussions next month. Instead of toughening the bargaining position of the United States with the Soviets, I believe that the role of Mr. Warnke on the negotiating team can only weaken the American position. The views publicly stated by Mr. Warnke over the past several years indicate to me that he is not the proper man to serve in either of the capacities designated for him by the President. I hope that the Senate can convince the President to name another individual.

In the case of Mr. Warnke, we have a special situation in that the President has designated him both as head of an agency, and also a chief negotiator. The nomination should be of special concern to the American people and their representatives in Congress.

From the views publicly expressed by Mr. Warnke, I do not believe we should rely upon his judgments on important strategic questions of the day.

In recognizing the clear political advantages to be gained by strategic superiority, the Soviet Union has engaged in a huge buildup in all areas of their military power. Evidently this massive Soviet spending in military hardware has escaped the notice of Mr. Warnke; one must properly question whether he will have the capacity to prevail upon the Soviet leaders to limit their buildup.

The limited data that Mr. Warnke has used for the positions he has taken in recent years deal primarily with the number of warheads the U.S.S.R. and the United States possess, and the funds spent on arms each year.

By merely asserting that the United States has twice as many warheads as do the Soviets, Mr. Warnke feels that he can dismiss other considerations of strategic developments. Evidently it matters not at all to him that while we have frozen our ICBM force and our SLBM force since 1967, the Soviets have expanded their own forces of ICBM's and SLBM's since 1967.

Preoccupation with the warhead figures and the American MIRVing of CIBM's and SLBM's unfortunately obscures the fact that the Soviet lead in delivery vehicles includes a lead in heavy ICBM's which means that they can carry a much larger and devastating warhead.

Through a methodical program of hardening of silos, dispersal of industry, development and deployment of mobile missile launchers, new ABM technology and a large civil defense program, the Soviet Union apparently hopes to sustain any American attack. Such issues must be fully met in any forthcoming SALT negotiations. Mr. Warnke has not demonstrated sufficient awareness of the problems.

Mr. Warnke's main concern with the American strategic effort in recent years has been how to unilaterally end the arms buildup. Believing that strategic superiority is unnecessary Mr. Warnke has opposed nearly every new program that has been proposed in the past decade. He has participated on panels that

have recommended against the development of the B–1 bomber, the Trident submarine, the MX missile, the cruise missile and the MIRVing of existing weapons. He has opposed the development and deployment of nearly every system of defense that could have meaningful bargaining power with the Soviet Union in the SALT negotiations. In addition, he has stated that any new American program would upset the arms balance. Yet, he claims that the strategic balance is not relevant.

He has advocated unilateral restrictions on our military program on the grounds that the weapons are both unnecessary and would only lead to a new round of military development by the Soviet Union. But the facts are that we have not developed any new ICBM's in over a decade; our B–52's are obsolete; and the Trident is the natural replacement for earlier generation submarines.

Apparently the reason that Mr. Warnke has been so concerned about the nature and amount of U.S. defense spending is that he has other purposes in mind for the money. After leaving the Federal Government, Mr. Warnke contributed an article to the October 1968, issue of Washington Monthly entitled, "National Security: Are We Asking the Right Questions?" In the article, he asked whether the then defense budget of $80 billion could possibly be reduced to only $50 billion.

> We need the further political judgment of whether the $30 billion thus freed can be spent on problems of greater risk to our national security and in areas of greater benefit to the over-all quality of American life. (Quoted in the CONGRESSIONAL RECORD, October 28, 1969, p. 31988.)

A year later in his position on the "Truth in Budgeting Task Force," he also took the position that the defense budget should be drastically cut. He claimed that:

> A reduction of an additional $5 billion in this huge defense budget would produce a fund which could substantially contribute to meeting our existing commitments in education, housing, crime control and environmental improvements. (Quoted from CONGRESSIONAL RECORD, February 26, 1970, p. 5000.)

Mr. Warnke overlooks the fact that defense spending has decreased from over one-half of Federal spending in 1960, to less than 30 percent at this time. In order to overlook this fact, Mr. Warnke frames his discussion of defense spending in terms of so-called discretionary outlays of the Federal Government. In his foreign policy article, he refers to calculations of the OMB that "for the 1975 fiscal year, the defense area takes up $57.1 billion"—foreign Policy, page 14. In the same article he uses the charge that the defense budget "consumes over 60 percent of disposable Federal income"—page 25. Through this kind of fiscal juggling, Mr. Warnke shows that his main interest is in reducing military spending. Mr. Warnke is almost in the antimilitary class. I question whether such a man should be the one to negotiate with the Soviet Union on such a vital subject as disarmament.

CONGRESSIONAL PAY RAISES

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 16, 1977

Mr. FISH. Mr. Speaker, when Congress created the Commission on Executive, Legislative, and Judicial Salaries in 1967, it did so with the intent of simplifying the process by which salaries for the three branches of the Federal Government could be determined. It was also done with the intention of providing a vehicle by which accurate and complete data could be collected and assimilated to reflect wage comparability of the Federal Government with private industry. I feel the latter has been accomplished, but the system has by no means simplified the process.

A good argument can be made that the salary recommendations for the judicial and executive branches are justified, and in fact long overdue.

With the exception of a 5-percent cost-of-living increase, the salaries of Federal employees—GS–15 to GS–18—have been frozen for 8 years. During this time, salaries in the private sector increased by 70 percent, and the cost of living has increased by 60 percent.

For many years, we have seen our top administrators and managers leaving Government service for private enterprise due to the great discrepancies between salaries in the private sector and in Government.

In 1973, the retirement rate of Government employees above GS–15 was 30 percent compared to 20 percent for those below that level. In this past year, the retirement rate of top Federal executives reached 46 percent while the rate of those below that level remained unchanged. Many agencies are faced not only with the high retirement rates but with the added difficulty of filling vacancies created by these retirements with qualified managers and administrators.

The judicial branch is facing the same difficulty. Federal judges are quitting, and the number of qualified individuals that are willing to accept Federal appointments has declined drastically in recent years.

Mr. Speaker, I do object, however, to the Commission's salary recommendations for the legislative branch. Why do I differentiate between the salary of a Member of Congress and others in the executive and judicial branches? The answer lies both in sound constitutional procedures and in the fact that Members of Congress enjoy more than adequate fringe benefits.

The question of the propriety of Federal legislators voting themselves pay increases is not new. As a matter of fact, it goes back to the earliest period of our history.

In 1789, at the Constitutional Convention, James Madison proposed a set of 12 amendments to the Constitution, among which was an amendment concerning the salaries of Federal legislators:

> No law, varying the compensation for services of the Senators and Representatives, shall take effect until an election of Representatives shall have intervened.

Of Madison's 12 proposed amendments, 10 of them became our Bill of Rights. At that time, Madison argued that—

> There is seeming impropriety in leaving any set of men with control to put their hand into the public coffers, to take out money to put in their pockets; there is seeming indecorum in such power, which leads me to propose a change.

Madison's logic was consistent with the Constitution's prohibition against the President receiving a pay raise during his term of office. Also, today, 36 States have provisions requiring salary increases to take effect in the term following its approval.

It is common knowledge that the taxpayer today supports a Congressman living in Washington, his travel to his district and his expenses outside of Washington, in addition to the costs of running his offices. The important point is that many of these costs, which overshadow his salary, are not afforded to executive and judicial appointees. In addition, with energy costs soaring and the rates of inflation and unemployment still high, the American people cannot be expected to view sympathetically their elected Federal officials receiving a large pay increase.

Mr. Speaker, I would also like to point out that everyone who ran for the U.S. Senate or House of Representatives did so knowing what the salary was. I might also point out that I have not seen a rush by my colleagues to retire due to inadequate income.

If the Congress by silence, does grant itself a pay increase, I strongly recommended in previous testimony that it not become effective until a new Congress is elected, and that it be conditional on adopting a strict Code of Ethics.

In its recommendation to the President, the Commission states specifically that its salary recommendations and its recommendation for a strict Code of Ethics were a package, and that one should not be considered without the other.

Recent opinion surveys show that in 1964, 76 percent of Americans expressed trust in Government; in 1976, this same survey showed that the rate had fallen to 33 percent. We did not need a survey to tell us this. Every time we go home, or read our mail, this point is driven home to us. It is time to show the American people that this is not an accurate appraisal of their Government, and do so by complying with the Commission's recommendations for a strict Code of Ethics. However, we do nothing for them by accepting a raise by silence.

Mr. Speaker, I strongly recommend that the Congress give careful consideration to the legislation introduced by the gentleman from Ohio (Mr. WHALEN) which gets to the heart of the problem of public trust, and the propriety of legislators raising their own pay. The legislation cosponsored by myself and 69 other Members of the House, would effectively correct this problem by requiring all salary increases to take effect in the Congress elected following the increase.

TABLE 18.—ADVANTAGES AND DISADVANTAGES TO THE AVF AND SELECTED ALTERNATIVES TO THE AVF

ACCESSION SYSTEM	POSSIBLE ADVANTAGES	POSSIBLE DISADVANTAGES
The All Volunteer Force	*The All Volunteer Force*	*The All Volunteer Force*
Today's All Volunteer Force, Compensation Levels, and Management.	Has been successful. Politically popular, especially among young people. Has been the catalyst for many beneficial manpower policies summarized by the treatment of manpower as a valuable resource.	Costly—$3 billion in budget cost $300–$400 million in opportunity cost. Army black content becomes higher than population proportion. Only a small portion of society serve in military. Some soldiers who serve may be more motivated by salary than patriotism.
	ALTERNATIVES TO THE AVF	
I. Modified All Volunteer Force	*I. Modified All Volunteer Force*	*I. Modified All Volunteer Force*
An AVF force consisting of significantly reduced quality standards, more women and more blacks.	Lower recruiting and bonus costs. Still retains AVF concept.	Lower quality individuals, because of higher attrition and discipline problems, may actually increase training and accession costs. May have negative impact on Force Readiness.
II. The Draft	*II. The Draft*	*II. The Draft*
The Selective Service System as managed during the 1960's and early 1970's including reduced wages for first-term enlisted personnel.	Save about $3 billion per year (if first-term enlisted pay is reduced). Insure manning of the force. May help solve Reserve manning problem.	Seems politically and practically infeasible to return to the draft in peacetime. Seems politically and practically infeasible to reduce first-term wages to previous level where some servicemen were on welfare. Return to view of manpower as a cheap commodity with the resulting detriment to personnel policies and manpower management.
III. Modified Draft	*III. Modified Draft*	*III. Modified Draft*
The Selective Service as managed during the 1960's and 1970's; however, first time personnel wages not reduced below current level.	Save about $400–$500 milion per year in recruiting costs and bonuses. Insures manning of the force. May help solve Reserve manning problem.	Seems politically infeasible to return to the draft in peacetime. Return to view of manpower as a cheap commodity with the resulting detriment to personnel policies and manpower management. Equity problem—only a few would be drafted.
IV. Universal Military Training	*IV. Universal Military Training*	*IV. Universal Military Training*
All men receive a minimum level of standard military training.	Equitable—everyone is involved. Creates large trained manpower pool for wartime needs. Could solve Reserve manning problem.	High cost of training and enlarged training support base. Much of cost devoted to creation of a large surplus of trained manpower based on projected requirements.
V. Universal Military Service	*V. Universal Military Service*	*V. Universal Military Service*
All men must serve as soldiers for a limited period.	Equitable—everyone is involved. No problems in manning the force. Can reduce recruiting and bonus costs. May help solve Reserve manning problem.	Very high total cost of pay and training for those in program. Creates a large surplus of soldiers based on projected requirements (assuming a reasonable length tour). Stimulate creation of massive support establishment.
VI. Mandatory National Service	*VI. Mandatory National Service*	*VI. Mandatory National Service*
Everyone, men and women youth, must serve two years in national service, i.e., soldiers, peace corps, hospital aides, etc.	Based on Equitable premise—all must serve. Insures manning of the force. May help solve Reserve manning problem. Save about $400–$500 million per year in recruiting costs and bonuses.	Costly—about $50 billion per year assuming minimum wage—about $14 billion per year assuming $100 per month wage level. What would happen to the significant number of young people who might refuse to serve? Would create a gap of youth workers in some locations and may involve competition with private industry. How would DoD be guaranteed of quality accessions since it would be in competition with other Agencies? Discrimination among assignments (peace corps vs. rifleman) creates inequities.
VII. Voluntary National Service	*VII. Voluntary National Service*	*VII. Voluntary National Service*
Individuals may select from jobs or volunteer programs that exist or are made available in public or private sector.	Programs may provide many needed services for the nation. Similar to a national job corps approach—expansion of job opportunities.	Quality individuals choosing military may be affected by competing opportunities. Very high cost in payment of personnel and management of program.

SENATE COMMITTEE MEETINGS SCHEDULED

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure beginning February 21, and until the computerization of this information becomes operational, the Office of the Senate Daily Digest will prepare such information daily for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD.

Any changes in committee scheduling will be indicated by placement of an asterisk to the right of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 24, may be found in the Daily Digest section of today's RECORD.

The schedule follows:

SCHEDULE MEETINGS

FEBRUARY 25

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend the Agriculture and Consumer Protection Act of 1973.
Until noon 322 Russell Building

9:30 a.m.
Appropriations
Interior Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1978 for the Department of the Interior and related activities, to hear Secretary of the Interior Andrus.
1114 Dirksen Building

Human Resources
Subcommittee on the Handicapped
To continue hearings to review programs for handicapped persons.
4232 Dirksen Building

Veterans' Affairs
To hold hearings on the nomination of Joseph Maxwell Cleland, of Georgia, to be Director of Veterans' Affairs.
318 Russell Building

10 a.m.
Appropriations
Subcommittee on HUD-Independent Agencies
To continue hearings on proposed budget estimates for fiscal year 1978, to hear officials of the National Science Foundation and Office of Science and Technology Policy.
1318 Dirksen Building

Appropriations
Subcommittee on State, Justice, Commerce, and Judiciary
To hold hearings on supplemental appropriations for fiscal year 1977 for the Department of Commerce, to hear officials of the Economic Development Administration.
1224 Dirksen Building

Banking, Housing, and Urban Affairs
Subcommittee on Housing and Urban Affairs
To continue hearings on S. 208, the proposed National Mass Transportation Assistance Act.
5302 Dirksen Building

Commerce, Science, and Transportation
Subcommittee on Space and Science
To hold hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Building

11 a.m.
Foreign Relations
Subcommittee on Foreign Assistance
To hold hearings to receive testimony concerning military and economic assistance to Portugal.
4221 Dirksen Building

FEBRUARY 28

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

Banking, Housing, and Urban Affairs
Subcommittee on International Finance
To resume hearings on S. 69 and 92, to amend and extend the Export Administration Act, including provisions on anti-boycott and nuclear proliferation.
5302 Dirksen Building

9:30 a.m.
Human Resources
Subcommittee on the Handicapped
To resume hearings to review programs for handicapped persons.
4232 Dirksen Building

10 a.m.
Armed Services
To hear Paul C. Warnke testify and answer questions in behalf of his nomination to serve as Director of ACDA, with the rank of Ambassador.
Room to be announced

Environment and Public Works
To hold hearings to review Presidential budget requests for fiscal year 1978 for the Environmental Protection Agency.
4200 Dirksen Building

Select Small Business
To resume hearings on problems of U.S. supplemental air carriers, including charter regulations, applications for low-cost scheduled service, discriminatory enforcement of CAB rules, and military airlift contract procedures.
6202 Dirksen Building

2 p.m.
Appropriations
Subcommittee on Labor-Health, Education, and Welfare
To hold hearings to receive testimony on proposed supplemental appropriations for the Department of Health, Education, and Welfare, to hear testimony on certain health programs and on special benefits for disabled coal miners.
S-128, Capitol

MARCH 1

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

10 a.m.
Commerce, Science and Transportation
Subcommittee on Science and Space
To resume hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Building

Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To resume hearings on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Building

5 p.m.
Joint Defense Production
Business meeting to discuss committee organization.
Until: 6 p.m. EF-100, Capitol

MARCH 2

9:30 a.m.
Environment and Public Works
To hold hearings to review Presidential budget requests for fiscal year 1978 for the Economic Development Administration and the Appalachian Regional Commission.
4200 Dirksen Building

Human Resources
Subcommittee on the Handicapped
To resume hearings to review programs for handicapped persons.
4232 Dirksen Building

Veterans' Affairs
Business meeting, to discuss committee organization.
412 Russell Building

10 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to discuss budgetary and other committee business.
Until: Noon 322 Russell Office Building

Banking, Housing and Urban Affairs
To hold hearings on proposed authorizations for major housing and community development programs.
5302 Dirksen Building

Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To continue hearings on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Building

10:30 a.m.
Judiciary
To hold hearings on the nominations of Wade H. McCree, Jr., of Michigan, to be Solicitor General; Barbara A. Babcock, of California, to be an Assistant Attorney General (Civil Division); Benjamin R. Civiletti, of Maryland, to be an Assistant Attorney General (Criminal Division); Drew S. Days, III, of New York, to be an Assistant Attorney General (Civil Rights Division); Daniel J. Meador, of Virginia, to be an Assistant Attorney General (Office for Improvements in the Administration of Justice); and Patricia M. Wald, of Maryland, to be an Assistant Attorney General (Office of Legislative Affairs).
2228 Dirksen Building

MARCH 3

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings and proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

9:30 a.m.
Environment and Public Works
To hold hearings to review Presidential budget requests for fiscal year 1978 for the Fish and Wildlife Service.
4200 Dirksen Building

Small Business
To hold hearings on bills to provide disaster assistance to small businesses (S. 570 and 704).
3302 Dirksen Building

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on proposed authorizations for major housing and community development programs.
5302 Dirksen Building

Commerce, Science and Transportation
Subcommittee on Science and Space
To resume hearings on S. 365, authorizing funds for fiscal year 1976 for the National Aeronautics and Space Administration.
235 Russell Building

Energy and Natural Resources
Subcommittee on Minerals, Materials and Fuels
To continue hearing on S. 7, to establish in the Department of the Interior an Office of Surface Mining Reclamation and Enforcement to administer programs to control surface coal mining operations.
3110 Dirksen Building

Rules and Administration
Subcommittee on Privileges and Elections
To hold hearings on the proposed fiscal year 1978 authorization for the Federal Election Commission.
301 Russell Building

Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 4

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

9:30 a.m.
Environment and Public Works
To hold hearings to review Presidential budget requests for fiscal year 1978 for the Army Corps of Engineers.
4200 Dirksen Building

10 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on proposed authorizations for major housing and community development programs.
5302 Dirksen Building

MARCH 7

9 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

9:30 a.m.
Environment and Public Works
To hold hearings to review Presidential budget requests for fiscal year 1978 for the General Services Administration.
4200 Dirksen Building

10 a.m.
Appropriations
Subcommittee on Military Construction
To resume hearings on proposed budget estimates for fiscal year 1978 for military construction programs.
S-146, Capitol
Commerce, Science and Transportation
Subcommittee on Science and Space
To resume hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Building

MARCH 8

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

10 a.m.
Rules and Administration
Subcommittee on Privileges and Elections
To hold hearings on the operation of the Overseas Citizens Voting Rights Act (Public Law 94-203), and S. 703, to improve the administration and the operation of such Act.
301 Russell Building
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 9

9 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

9:30 a.m.
Environment and Public Works
To hold hearings to review Presidential budget requests for fiscal year 1978 for the Federal Highway Administration.
4200 Dirksen Building
Small Business
To hold hearings to consider the impact of product liability insurance on small businesses, and on S. 527, authorizing the Small Business Administration to furnish reinsurance for property liability insurers for small business concerns which would not otherwise be able to obtain product liability insurance on reasonable terms.
6202 Dirksen Building

10 a.m.
Commerce, Science and Transportation
Subcommittee on Science and Space
To hold closed hearings on S. 365, authorizing funds for fiscal year 1978 for the National Aeronautics and Space Administration.
235 Russell Building
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 10

9 a.m.
Agriculture. Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 11

9 a.m.
Agriculture. Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

MARCH 14

9 a.m.
Agriculture. Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

MARCH 15

9 a.m.
Agriculture. Nutrition, and Forestry
To continue hearings on proposed legislation to amend and extend the Agriculture and Consumer Protection Act.
Until: Noon 322 Russell Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 16

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 17

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To hold closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 21

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e., telephones, computers, etc.) policies.
235 Russell Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292 and S. 689.
5110 Dirksen Building

9:30 a.m.
Small Business
To hold hearings to consider the impact of product safety regulations on small businesses.
318 Russell Building

MARCH 22

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to consider the impact tic communications common carrier (i.e., telephones, computers, etc.) policies.
235 Russell Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292 and S. 689.
5110 Dirksen Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 23

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to inquire into domestic communications common carrier (i.e. telephones, computers, etc.) policies.
235 Russell Building
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 24

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

10 a.m.
Energy and Natural Resources
To hold oversight hearings on the proposal for an international petroleum transshipment port and storage center located in the Palau District, Western Caroline Islands, Trust Territory of the Pacific Islands.
3110 Dirksen Building

MARCH 25

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

MARCH 28

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

MARCH 29

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

10 a.m.
Select Intelligence
Subcommittee on Budget Authorization
To resume closed hearings on proposed fiscal year 1978 authorizations for Government intelligence activities.
S-407, Capitol

MARCH 30

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

MARCH 31

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

10 a.m.
Foreign Relations
Subcommittee on Oceans and International Environment
To hold hearings on S. Res. 49, expressing the sense of the Senate that the U.S. Government should seek the agreement of other governments to a proposed treaty requiring the preparation of an international environmental impact statement for any major project expected to have significant adverse effect on the physical environment.
4221 Dirksen Building

APRIL 1

9:30 a.m.
Commerce, Science, and Transportation
Subcommittee on Aviation
To hold hearings on bills proposing regulatory reform in the air transportation industry, including S. 292, and S. 689.
5110 Dirksen Building

ALL-VOLUNTEER FORCE—CURRENT STATUS AND PROSPECTS, PART VI

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1977

Mr. STEIGER. Mr. Speaker, the Defense Department officials who put together the transition paper for the Carter administration which I have been inserting over the past week recognized that despite the Volunteer Army's success to date, alternatives to it must be considered for the future.

In the final chapter of the transition document, they discussed seven possible alternatives, listing possible advantages and disadvantages of each. The alternatives include a modified All-Volunteer Force, the draft, a modified draft, universal military training, universal military service, mandatory national service, and voluntary national service.

All these options, like the Volunteer Force itself, have problems of their own. At this point, I cannot foresee a circumstance where it would be preferable to bring an end to the volunteer concept, short of war. As the transition team said, the All-Volunteer Force has been successful to date. I can only emphasize my full agreement with their conclusion that—

Other things being equal, it is preferable to man a military force with volunteers rather than with conscripts.

This concludes the transition report. Its earlier chapters are included in the five RECORDS preceding this one. If the reader has not seen all of these segments, I hope you will go back to the first, which contained the executive summary. That first chapter offers a succinct explanation of how well and why the Volunteer Force is working and why we ought not tamper with it.

The final chapter of "The All-Volunteer Force—Current Status and Prospects" follows:

CHAPTER 8—ALTERNATIVES TO THE AVF

Table 18 presents possible advantages and disadvantages of the AVF and seven alternatives to the AVF. It must be emphasized that this section is intended only as a preliminary and cursory discussion on this important topic.

THE AVF

The AVF to date has been successful. The disadvantages commonly associated with the AVF include high cost, representation, and motivation. The cost of the AVF is primarily a function of pay comparability, a Defense goal which preceded the AVF. Although not all serve their country under an AVF, the AVF is representative of American society. A predominately black Army has not evolved. Finally, the objection that some AVF soldiers serve primarily for money ignores the fact that serving for a competitive salary does not automatically imply poor performance. Other things being equal, it is preferable to man a military force with volunteers rather than with conscripts.

SEVEN ALTERNATIVES TO THE AVF

The modified AVF option (ALT I) would continue the AVF concept but would reduce quality standards significantly below current levels. This quality reduction may allow for major near-term savings in recruiting costs and enlistment bonuses, but since lower quality individuals exhibit higher attrition, one could expect higher long-term accession related costs.

The two draft alternatives (ALT II and III) may result in annual DoD savings of $3 billion and $1½ billion respectively. However, a return to a peacetime draft does not appear to be practically or politically acceptable at this time.

Universal military training and universal military service (ALT IV and V) would create a large pool of trained manpower or soldiers, but these programs would be very costly and would create a large manpower surplus in excess of projected wartime military requirements.

Mandatory and Voluntary National Service (ALT VI and VII) may initially seem attractive and equitable. However, mandatory national service would be a major societal change. It would also be costly—perhaps costing $50 billion annually *—and it would raise other problems such as what to do about those who refuse to serve. Voluntary National Service, which could increase youth employment opportunities, also involves high program costs and could create significant competition with DoD for high quality youth.

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* This estimate assumes all youth (male and female) are required to serve for a minimum wage. If only men serve, the estimate become $30 billion annually. Source of cost estimates: Unpublished Manuscript, Richard V. Cooper, *Defense Without the Draft*, RAND Corporation, 1976.